



**An Energy-Efficiency Workshop and  
Exposition, Orlando, Florida**

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**HOW TO DO  
BUSINESS WITH THE  
DOD**

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Defense Logistic Agency  
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# Getting Started

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- Contracting with DoD can be confusing.
- Defense contracting is different from selling to commercial customers.
- Regulations:
  - Federal Acquisition Regulation, FAR.
  - DoD FAR Supplement (DFARS).
  - To be a successful defense contractor, you must possess a working knowledge.



# Federal Acquisition Regulations

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- Federal Acquisition Regulation, commonly referred to as the FAR is available on line at URL: **[www.arnet.gov/far](http://www.arnet.gov/far)**
- DoD FAR Supplement (DFARS) additional rules, unique to Defense contracting, are available on line at URL:  
**[www.acq.osd.mil/dp/dars/dfars.html](http://www.acq.osd.mil/dp/dars/dfars.html)**



# CCR Registration

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- Contractors must be registered with DoD Central Contractor Registration (CCR) database prior to award.
- The CCR database consists of information pertinent to procurement and financial business transactions.
- Register on a one time basis and confirm annually that the CCR registration is accurate and complete.
- Call 1-888-227-2423, or register on-line at <http://www.ccr.gov/index.cfm>



# Additional Small Business Resources

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- Small Business Administration [www.sba.gov](http://www.sba.gov)
- The Procurement Technical Assistance Center (PTAC) helps small businesses get started in Defense Contracting. They can teach you the basics of doing business with DoD, specifically with DLA, and can provide many services. Many of them offer training seminars on a regular basis.
- The Electronic Commerce Resource Center (ECRC) helps small and mid-sized firms specifically with Electronic Commerce and understanding how it will be used within DoD. They provide training on EDI, Internet, and DoD Electronic Commerce issues. They can offer counseling for your company to better your technological needs



# The DLA Enterprise



**FY02 Sales/Services: \$21.5B**  
**FY03 Sales/Services: \$24B (est.)**

- ? **Supply : \$18.7B Annually**
- ? **Land/Maritime/Missiles: \$2.3B**
- ? **Aviation: \$2.7B**
- ? **Troop Support: \$7.8B**
- ? **Energy: \$5.9B**
- ? **Distribution: \$1.4B**
- ? **Other: \$1.4B**

## Foreign Military Sales

- ? **Sales: \$719M annually**
- ? **Shipments: 670M annually**
- ? **Supporting 24 Nations**

## Scope of Business

- ? **#78 Fortune 500 - Above Lockheed Martin**
- ? **Tops in Top 50 Distribution Warehouses**
- ? **1312 Weapon Systems Supported**
- ? **132.3M Annual Net Barrels Fuel Sold**
- ? **\$13.5B Annual Reutilizations/Disposals**
- ? **23.3M Annual Receipts & Issues**
- ? **22 Distribution Depots**
- ? **4000 Contracts/Day**
- ? **30,000 Requisitions/Day**

## People

- ? **21,000 Civilians**
- ? **488 Active Duty Military**
- ? **618 Reserve Military**



# Simplified Purchases

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- Buys under \$100,000.
- Quotations solicited electronically, orally or written.
- Micro-purchases are acquisitions under \$2,500.
- All acquisitions between \$2,501 and \$25,000 are automatically reserved for small businesses, if there are two or more small business vendors that can offer the product of two or more different domestic concerns who may be either large or small.
- Acquisitions between \$25,001 and \$100,000 are reserved for small vendors as long as there are two or more small business concerns that can offer the product of a small manufacturer.
- <http://www.dscp.dla.mil/sbo/simpur.htm>



# Large Acquisitions

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- Buys >\$100K
- Requirements are obtained in the form of either a sealed bid, "Invitation for Bid (IFB)" or negotiated, "Request for Proposal" (RFP)
- BEST VALUE places emphasis on factors other than price, e.g., quality, past performance or technical merits.
- COMMERCIAL BUYING PRACTICES
- MULTISOURCING
- PRIME VENDOR



## Best Value

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- Emphasis on factors other than price, e.g., quality, performance or technical merits.
- Best value allows the contracting officer to award to the firm that has the greatest probability of success in delivering the product.



## Prime Vendor

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- Commercial distributor of products
- PV enters into long term price, product and distribution contracts with suppliers for a variety of goods for regionally grouped customers.
- EC/EDI links all trading partners with the customer.



# Procurement Gateway

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- DLA Procurement Gateway  
<http://progate.daps.dla.mil/home/>
- Search by RFQ or RFP
- Search by FSC, PR#, NSN...



# Gateway Search Example

| # | Quoting  | Drawing<br>s | Specs/<br>Stds | Solicitation #<br>Purchase<br>Request           | NSN                           | Issue Date<br>Closing<br>Date | Item Description<br>Quantity/Unit Issue |
|---|--|--------------|----------------|---|-------------------------------|-------------------------------|---|
| 1 | <br> |              |                | <a href="#">SP050003TDJ61</a><br>YPI03167000379 | <a href="#">6240014929079</a> | 17-Jun-2003<br>02-Jul-2003    | LAMP,FLUORESCE<br>NT<br>2 / BX          |
| 2 | -  |              |                | <a href="#">SP050003TDJ65</a><br>YPI03167000383 | <a href="#">6240013449952</a> | 17-Jun-2003<br>02-Jul-2003    | LAMP,FLUORESCE<br>NT<br>15 / EA         |



# Solicitation

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**DEFENSE SUPPLY CENTER PHILADELPHIA - GENERAL AND INDUSTRIAL DIRECTORATE BUYER:  
FBA26 JENN ALEXANDER (215)737-5220**

**LAMP, FLUORESCENT  
MAXLITE (1U3H8)  
PINEBROOK, NJ  
P/N F32T8/741 U/I CONTAINS 25 EA PER BOX**

**PARCEL POST/FREIGHT ADDRESS:  
FB4425 FB4425 89 SUPS LGS  
CML PHN 301 981 6754 DSN 858 3066  
E PERIMETER RD ANDREWS AFB MD 20762-5012**

**REQ NR DIC SIG SUP ADD IPD DIST PROJ RDD ADV FC TP FB442531630134 A0A A YAZ359 03 01  
03169 2D 6C 1  
PKGING DATA - QUP 001: SHALL BE PACKAGED IN ACCORDANCE WITH HAZARDOUS MATERIALS  
PACKAGING REQUIREMENTS**



# Master Documents

<http://131.82.241.3/contract/discmast/mdtoc98d.htm>

## Master Document - DSCP Form 2500D, Dec 1998

### Table of Contents

- Introduction
- Part I - The Schedule
  - Section A - Solicitation/Contract Form
  - Section D - Packaging and Marking
  - Section E - Inspection and Acceptance
  - Section F - Deliveries or Performance
  - Section G - Contract Administration Data
  - Section H - Special Contract Requirements
- Part II - Clauses
  - Section I - Contract Clauses
- Part III - Representations and Instructions
  - Section K - Representations, Certifications, and Other Statements of Offerors or Quoters
  - Section L - Instructions, Conditions, and Notices to Offerors or Quoters
  - Section M - Evaluation Factors for Award



# Contract Purchase Order

| <b>ORDER FOR SUPPLIES OR SERVICES</b>  |                       | <i>Form Approved</i><br>OMB No. 0704-0187<br>Expires Jan 30, 1997   | PAGE 1 OF<br><b>7</b>  |
|--|-----------------------|---|--|
| <i>(Contractor must submit four copies of invoice.)</i>  |                       |   |  |
| <p>Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0187), Washington, DC 20503.</p> <p style="text-align: center;"><b>PLEASE DO NOT RETURN YOUR FORM TO EITHER OF THESE ADDRESSES.<br/>SEND YOUR COMPLETED FORM TO THE PROCUREMENT OFFICIAL IDENTIFIED IN ITEM 6.</b></p> |                       |   |  |
| 1. CONTRACT/PURCH ORDER NO.<br><b>SP0560-01-M-N670</b>   | 2. DELIVERY ORDER NO. | 3. DATE OF ORDER<br>(YYMMDD)<br><b>2001 APR 19</b>  | 4. REQUISITION/PURCH REQUEST NO.<br><b>YPI00297000670</b>  |
| 6. ISSUED BY<br><b>Defense Supply Center Phila G &amp; I<br/>700 Robbins Ave.<br/>Philadelphia, PA 19111-5092<br/>Local Administrator: PFFAB03 (215)737-8167 / FAX: 8605</b>   |                       | 7. ADMINISTERED BY (if other than 6)<br><b>DEFENSE SUPPLY CENTER PHILADELPHIA<br/>GENERAL AND INDUSTRIAL<br/>700 ROBBINS AVE<br/>PHILADELPHIA PA 19111-5096</b>   | 5. PRIORITY<br><b>DOC9</b>   |
| 9. CONTRACTOR<br><b>FRIEDRICH AIR CONDITIONING CO.<br/>4200 N. PAN AM EXPRESSWAY<br/>P.O. BOX 1540<br/>SAN ANTONIO TX 782951540</b>  |                       | 10. DELIVER TO FOB POINT BY (Date)<br>(YYMMDD)<br><b>10 DAYS ADO</b>  | 8. DELIVERY FOB<br><input checked="" type="checkbox"/> DEST<br><input type="checkbox"/> OTHER<br><i>(See Schedule if other)</i>                              |
| 14. SHIP TO<br><b>See Schedule - Do Not Ship to Address in Block 6</b>   |                       | 15. PAYMENT WILL BE MADE BY<br><b>DFAS-COLUMBUS CENTER<br/>ATTN: DFAS-CO-SEI<br/>P.O. BOX 182317<br/>COLUMBUS, OH 43218-6238</b>  | 11. MARK IF BUSINESS IS<br><input checked="" type="checkbox"/> SMALL<br><input type="checkbox"/> SMALL DISADVANTAGED<br><input type="checkbox"/> WOMEN-OWNED |
| 16. TYPE OF ORDER<br>DELIVERY<br>PURCHASE <input checked="" type="checkbox"/>  |                       | 13. MAIL INVOICES TO<br><b>See Block 15</b><br><br>MARK ALL PACKAGES AND PAPERS WITH CONTRACT OR ORDER NUMBER<br><br>EFT: T<br><br>This delivery order is issued on another Government agency or in accordance with and subject to terms and conditions of above numbered contract.<br>Reference your <b>offer dated 2001 APR 14, RK0004</b> and furnish the following on terms specified herein.<br><b>ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.</b> |  |



# Electronic Invoicing

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Electronic invoicing can be accomplished either through a Value Added Network (VAN) or through the DFAS-CO Web Invoicing System (WInS). Contractors covered by the Simplified Purchase Agreement must contact the Defense Finance and Accounting Service in Columbus, Ohio within 120 days of the effective date of the agreement to initiate a trading partner agreement.

## GENERAL INFORMATION

may be found at

<http://www.dfas.mil>

Select the

Electronic Commerce Button

## POINTS OF CONTACT

may be found at

<https://ecweb.dfas.mil>

Select the Help button

DFAS POC is determined by company name  
(listed alphabetically)



# Reference Web Sites

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- Step-By-Step DoD Procurement Guide

<http://www.acq.osd.mil/sadbu/wosb/Procurement/>

- United States Small Business Administration

[www.sba.gov](http://www.sba.gov)

- Federal Acquisition Regulations

[www.arnet.gov/far](http://www.arnet.gov/far)

- Procurement Gateway

<http://progate.daps.dla.mil/home/>



**Thanks to all for attending!**

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