QUALIFICATION REQUIREMENTS FOR PROSPECTIVE CONTRACTORS SELLING COMMODITIES TO USDA

I. Introduction

The United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS) procures various domestically produced and processed agricultural products for the National School Lunch Program and other domestic food and nutrition assistance programs.

The qualification requirements requested as part of the application package for a prospective contractor are required by the Federal Acquisition Regulations (FAR) part 9, Vendor Qualifications, and are necessary for AMS to carry out its procurement mission. A prospective contractor shall be determined to be qualified by the Contracting Officer prior to submitting offers under an AMS solicitation. A prospective contractor must complete and submit all materials requested herein to the AMS Commodity Procurement Staff.

The Contracting Officer will review the application package and determine if a prospective contractor is eligible to participate in the USDA, AMS, commodity procurement programs, and can be added to the Qualified Vendors List. Access to the Web-Based Supply Chain Management (WBSCM) system for submission of offers (bids) shall be granted only to Qualified Vendors after the application process has been completed.

Procurement information, including the AMS Master Solicitation for Commodity Procurements, Supplements to the AMS Master Solicitation and USDA Commodity Specifications, information on WBSCM, current Solicitations, and historical contract award information, is located at http://www.ams.usda.gov/commoditypurchasing.

A prospective contractor may submit its application package at any time and will be notified whether requirements have been satisfied and approval to bid is granted. A prospective contractor that is a small business concern may be referred to the Small Business Administration (SBA) for a Certificate of Competency, if deemed necessary by the Contracting Officer. There is no established amount of time to submit, review or approve an applicant vendor.
II. Administrative Requirements

Prospective contractors shall be registered in the System for Award Management (SAM), which can be accessed at www.sam.gov. SAM requires a one-time business registration with mandatory annual updates. An expired SAM registration will prohibit a contractor’s ability to enter an offer into WBSCM or to receive payments. The SAM registration is valid for one year from the date of submission and must be updated annually. SAM will notify you 60, 30 and 15 days prior to expiration of your record. SAM allows a prospective contractor to control the accuracy of its own business information. It is the responsibility of the contractor to maintain current SAM registration. There is no fee to register in SAM and the data from registration will be used for procurement and payment purposes.

A. Each prospective contractor shall submit the WBSCM Vendor Registration Form, available at the website referenced above, as part of the application package. Once the prospective contractor is approved, the WBSCM Registration Form will be processed to allow the qualified vendor to submit offers. Access to offer entry in WBSCM is reserved for qualified vendors only. Please send the form once it is completed to the Small Business Coordinator, Dianna Price at dianna.price@ams.usda.gov.

B. A prospective contractor who is a certified 8(a) and/or HUBZone, but is not certified in SAM as such, must submit a copy of their applicable SBA certificate(s) in order to submit bids as an 8(a) or HUBZone vendor.

III. Capability Requirements

In accordance with FAR 9.104-1 and 9.104-3(b), each prospective contractor shall certify its capability to perform, by including the following in their application package:

A. A written submission on company letterhead with a signature, authenticating the exact legal name, and including the following:

1. A description of historical business experience including the number of years it has sold the specific USDA commodity product(s) or similar product in the commercial marketplace or to governmental organizations.

2. Any additional pertinent information regarding a prospective contractor’s capabilities, such as, but not limited to, a satisfactory record of integrity and business ethics, and verification that it is otherwise qualified and eligible to receive an award under applicable laws and regulations.

B. Three reference letters from customers the prospective contractor has sold similar products to (on letterhead with signatures).

C. In accordance with 13 CFR 121.406, a prospective contractor that is a non-manufacturer must be engaged in the wholesale or retail trade and sell the items being offered to the general public.
1. Non-manufacturer means a person that is primarily engaged in the wholesale or retail trade and normally sell the items being supplied to the general public; and will supply the end item of a small business manufacturer or processor made in the United States.

2. The non-manufacturer must provide a copy of the written agreement in effect between itself and the subcontractor to certify compliance with federal regulatory requirements and applicable AMS Solicitation requirements. The agreement must be on company letterhead and must be signed by both parties. This requirement only applies to Service-Disabled Veteran-Owned Small Business concerns and 8(a) firms.

3. In addition, non-manufacturers must provide a complaint and dispute resolution proposal for rejected or defective products.

IV. Financial Responsibility

A financial responsibility determination will be made prior to submission of bids.

A. Prospective contractors must provide their most current Dun and Bradstreet (D&B) analysis report. In order to facilitate their responsibility determination, AMS will request and evaluate D&B’s analysis report for each prospective contractor.

B. It is highly recommended that each prospective or qualified contractor review and submit its financial statements to D&B as this information impacts the D&B reports.

1. Please contact the D&B at 866-721-2275 and request the Business Information Report, or the D&B web address is: https://creditreports.dnb.com/m/home#megamenu.html

2. The financial statement submitted to D&B should be the period ending December 31st of the previous year.

C. A prospective contractor shall demonstrate that it has adequate financial resources to perform the contract, or has the ability to obtain them, as required by FAR part 9.104-3(a), including the availability of necessary working capital and satisfactory credit. This may include, but is not limited to, the financial protection against losses as set forth in FAR part 28. Firms that are veteran-owned or service-disabled veteran-owned small businesses (SDVOSB), and those certified under the U.S. Small Business Administration’s 8(a) program, must provide insurance or line of credit equal to, or above, the project contract award total (FAR part 28).

The prospective contractors must provide its most current, complete comparative financial statement.
1. The financial statement must be prepared in accordance with generally accepted accounting principles and be audited or reviewed by an independent certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants.

2. At a minimum, the statement should include a balance sheet, profit and loss statement, statement of cash flows, statement of retained earnings and any notes to the financial statement.

3. For partnerships, the last fiscal year end or current financial statement of the partnership and the personal financial statement of each partner will be required.

4. For individuals, financial statements that include all of his/her personal and business assets and liabilities will be required.

The Contracting Officer shall examine and revalidate all qualified vendors every seven years to assure continued compliance with the requirements of FAR part 9.

V. Food Defense Requirements

All qualified contractors and subcontractors must have a documented and operational food defense plan that provides for the security of a plant’s production processes and includes the storage and transportation of pre-production raw materials and other ingredients and post-production finished products. The plan shall address the following areas, where applicable: (1) food defense plan management; (2) outside and inside security of the production and storage facilities; (3) slaughter and processing, including all raw material sources; (4) controlled access to production and storage areas; (5) storage; (6) water and ice supply; (7) mail handling; (8) personnel security; and (9) transportation, shipping, and receiving (includes the sealing of any transport conveyance for truck lot and less-than-truck lot quantities of finished product).

   A. The food defense plans are audited by AMS. Any nonconformance identified must be addressed in writing to both the Contracting Officer and Auditor. Contact the appropriate AMS Audit and Accreditation Programs for information on food defense audit services. Contacts for each commodity area are found on the AMS website at www.ams.usda.gov/isaap under “Contact Us.”


   C. For fruits, vegetables, shell eggs, and other food products regulated by the Food and Drug Administration (FDA), reference FDA’s “Food Producers, Processors, and Transporters: Food Security Preventive Measures Guidance” dated October, 2007 at the following website: http://www.fda.gov/Food/FoodDefense/FoodSecurity/default.htm.
VI. Pre-Award Plant Surveys

A. After receiving the qualification information, a pre-award plant survey or capability assessment will be conducted to verify that a prospective contractor meets AMS qualification requirements. The pre-award survey/assessment will be conducted by the applicable AMS Program—Livestock, Poultry and Seed or Fruit and Vegetables—to evaluate technical, production, and transportation capabilities, and quality assurance and production control procedures of the vendor.

B. Specific pre-award plant survey/assessment requirements are referenced in the Supplement and/or Commodity Specification(s) applicable to the commodities the prospective vendor is interested in supplying. These documents can be found on the Commodity Purchasing website at www.ams.usda.gov/commoditypurchasing. For more information, contact the Commodity Procurement Staff at 202-720-4517.

VII. Contractor Approval

Upon successful submission and review of the application package materials, the contractor is added to the Qualified Bidders List, given a WBSCM Corporate Vendor Administrator role and a Vendor Offeror role, and is ready to submit bids on AMS solicitations.

A prospective contractor is encouraged to submit the application package as soon as possible to allow ample time for the processes of approval and subsequent WBSCM registration prior to the closing date for the targeted solicitation. A checklist (Exhibit 1) is provided to assist the applicant with submission of a complete package. Provide all of the documents outlined in the Vendor Qualifications Requirements (PDF) document to our Small Business Coordinator via email to Dianna.Price@ams.usda.gov.

Questions regarding this process may be directed to Ms. Price. Except as provided in FAR Part 24.2 (the “Freedom of Information Act”) qualification information, including the pre-award survey reports, accumulated for purposes of determining the responsibility of a prospective contractor shall not be released or disclosed outside the government. All information provided will be kept confidential to the extent permitted by law.

Under penalty of perjury, each qualification package must be submitted and signed by an individual who has the legal authority to contractually bind a prospective contractor on whose behalf that information package is submitted. If any information provided by a prospective contractor becomes inaccurate, a prospective contractor must immediately notify the contracting officer and provide updated and accurate information in writing. AMS reserves the right to waive minor irregularities and omissions in the information obtained in the qualification package submitted.
Print the following checklist and submit along with the completed application package.

Questions regarding vendor qualifications and approval should be directed to Ms. Dianna Price at 202-720-4237.

- System for Award Management (SAM) [www.sam.gov](http://www.sam.gov)

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<th>Business Status. As indicated in SAM, business status is one of the following:</th>
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- Completed [WBSCM Vendor Registration Form](#)

- Company Letter- certifying capability to perform

- Three (3) Letters of Reference from customers your company sold the same or similar products to

- Business Type. Check one: ☐ Manufacturer ☐ Non-manufacturer

- Check one or more as applicable. ☐ Grower ☐ Grower/Packer/Shipper ☐ Processor ☐ Distributor/Wholesaler ☐ Broker

- Non-manufacturer SDVOSBs or 8(a)s ONLY, the following requirements apply:
  - o Letter from manufacturer/supplier stating it is willing to provide product that meets the USDA commodity specifications
  - o Complaint and dispute resolution proposal

- Current Dun and Bradstreet Report ([Business Information Report](#))

- Most Recent Financial Statements