



DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND
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IN REPLY REFER TO
ACQ 021
19 Jul 99

MEMORANDUM FOR ACQUISITION PERSONNEL

Subj: CHANGE TO NAVY ACQUISITION PROCEDURES SUPPLEMENT (NAPS)
PERTAINING TO PAPERLESS CONTRACTING (99-31)

Encl: (1) OASN(RD&A)/ABM memo of 6 Jul 99

1. Enclosure (1) provides NAPS Change #97-10. These changes are effective immediately and are incorporated in the NAPS online at <http://www.abm.rda.hq.navy.mil/naps/index.html>.

A handwritten signature in black ink, appearing to read "Michael F. Howard".

MICHAEL F. HOWARD
Director, Strategic Management/
Community Management Section

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ASN-RDA:
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[96]

OSD + Other:
[97] [96]

6 July 1999

MEMORANDUM FOR DISTRIBUTION

Subj: CHANGE TO NAVY ACQUISITION PROCEDURES
SUPPLEMENT (NAPS) PERTAINING TO PAPERLESS
CONTRACTING

Ref: (1)  [NAPS Change #97-10](#)

In support of the Department of Defense's initiatives to move to a paperless contracting process, NAPS Change 97-9 was issued February 25, 1999 to, among other things, mandate electronic posting of certain solicitations on the World Wide Web, specifically through Navy Electronic Commerce Online (NECO). The language adding NECO to the NAPS has been refined and the changes included in enclosure (1) are hereby incorporated into the August 1997 NAPS.

Additionally, three administrative changes/corrections are included.

These changes are effective immediately, and will be reflected in the NAPS Online.



Elliott B. Branch
Executive Director
Acquisition & Business
Management

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NAVY ACQUISITION PROCEDURES SUPPLEMENT CHANGE #97-10

1. NAPS Sections 5212.204, 5213.106, 5214.203 and 5215.203 are modified as follows:

PART 5212

ACQUISITION OF COMMERCIAL ITEMS

SUBPART 5212.2—SPECIAL REQUIREMENTS FOR THE ACQUISITION OF COMMERCIAL ITEMS

5212.204 Solicitation/contract form.

(a) Every competitive written solicitation which is required by FAR Subpart 5.2 to be synopsised in the Commerce Business Daily, and all amendments thereto, must be available electronically and be linked to or posted on the Navy Electronic Commerce Online (NECO) world wide web site (www.neco.navy.mil).

PART 5213

SIMPLIFIED ACQUISITION PROCEDURES

SUBPART 5213.1—PROCEDURES

5213.106 Soliciting competition, evaluation of quotations or offers, award and documentation.

5213.106-1 Soliciting competition.

(a) Every competitive written solicitation which is required by FAR Subpart 5.2 to be synopsised in the Commerce Business Daily, and all amendments thereto, must be available electronically and be linked to or posted on the Navy Electronic Commerce Online (NECO) world wide web site (www.neco.navy.mil).

PART 5214

SEALED BIDDING

SUBPART 5214.2—SOLICITATION OF BIDS

5214.203 Methods of soliciting bids

5214.203-1 Transmittal to prospective bidders. Every competitive written solicitation which is required by FAR Subpart 5.2 to be synopsised in the Commerce Business Daily, and all amendments thereto, must be available electronically and be linked to or posted on the Navy Electronic Commerce Online (NECO) world wide web site (www.neco.navy.mil).

PART 5215

CONTRACTING BY NEGOTIATION

SUBPART 5215.2—SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION

5215.203 Requests for proposals. Every competitive written solicitation which is required by FAR Subpart 5.2 to be synopsisized in the Commerce Business Daily, and all amendments thereto, must be available electronically and be linked to or posted on the Navy Electronic Commerce Online (NECO) world wide web site (www.neco.navy.mil).

2. The following editorial changes/corrections are incorporated:

a. In NAPS 5206.003, change "\$100,000" to "\$500,000" to reflect the increased J&A threshold incorporated into FAR 6.304 by FAC 90-39.

b. NAPS 5206.501 is modified to add the following sentence at the end:

HCA's shall appoint competition advocates for their respective contracting activities.

c. The DFARS reference in NAPS 5241.201 is changed to "DFARS 241.201" to reflect the numbering change provided in the 1998 Edition of the DFARS.

3. NAPS change pages are attached.

PART 5206

COMPETITION REQUIREMENTS

5206.003 Definitions.

"Procuring activity". Navy activities with contracting authority in excess of \$500,000 may be considered "procuring activities" solely for the purpose of enabling their competition advocate to exercise the approval authority provided by FAR 6.304(a)(2).

SUBPART 5206.2—FULL AND OPEN COMPETITION AFTER EXCLUSION OF SOURCES

5206.202 (DFARS 5206.202) Establishing or maintaining alternative sources.

(b)(1) D&Fs shall be signed as follows:

(i) For a proposed contract not exceeding \$50,000,000, the approval level is the HCA, or a designee who

(A) If a member of the armed forces, is a general or flag officer; or

(B) If a civilian, is serving in a position in grade GS 16 or above under the General Schedule (or in a comparable or higher position under another schedule).

(ii) For a proposed contract over \$50,000,000, the approval level is the NSPE.

SUBPART 5206.3—OTHER THAN FULL AND OPEN COMPETITION

5206.303 Justifications.

5206.303-1 (DFARS 206.303-1) Requirements.

(b) HCAs are responsible for specifying these levels of review and approval.

5206.303-2 (DFARS 206.303-2) Content.

(a) Each justification also should include:

(i) A statement of delivery requirements (*e.g.* include a list of ships and/or shore activities and required delivery dates for each).

(ii) The total estimated dollar value for the acquisition(s) covered by the justification. The estimated dollar value should be identified by fiscal year and appropriation. The planning documents in current use by the program manager (and Integrated Product Team, if applicable) should be reviewed concurrent with J&A preparation and updated if required. J&As and planning documentation should be consistent; unavoidable discrepancies should be highlighted and explained to the approving official.

(iii) J&As requiring NSPE approval should be accompanied by current, consistent planning documentation. This should be the Acquisition Strategy,

NAVY ACQUISITION PROCEDURES SUPPLEMENT CHANGE #97-10

Acquisition Plan, the Integrated Product Team's agreement, or whatever documents were actually used for acquisition planning. Prior to submittal, the J&A should be carefully reviewed for consistency with both the planning documentation and with prior J&As or other documents submitted by the program for NSPE approval. Any discrepancies should be identified and explained in the forwarding memorandum.

5206.303(90) Review.

Each justification should be reviewed by counsel for legal sufficiency prior to its submission for approval. The counsel for the contracting activity preparing the justification is responsible for the review. HCAs are responsible for establishing review procedures for field purchasing activities without assigned counsel.

5206.303(91) Submission.

J&As requiring the approval of the Navy Senior Procurement Executive or the Secretary of the Navy shall be submitted through ABM. If there has been a prior J&A on the program, attach a copy of the most recent J&A (if approved locally) or provide the control number (if approved by the NSPE).

5206.304 Approval of the justification.

(a) If the dollar value of the contract is negotiated at a level which exceeds the dollar threshold of the original justification approval authority, new justification approval must be obtained from the appropriate approval authority prior to award.

(c) Class justifications shall be approved in the same manner as individual justifications with the same approval thresholds. The cumulative dollar value of all actions contemplated under the class justification will be used to determine the approval authority for the class justification.

SUBPART 5206.5—COMPETITION ADVOCATES

5206.501 Requirement.

ABM is designated the Competition Advocate General of the Navy. HCAs shall appoint competition advocates for their respective contracting activities.

5206.502 Duties and responsibilities.

Competition advocates will also:

(a) Act as the primary focal point in the Department of the Navy to assist members of the private sector regarding their expressed concerns or complaints in reference to the manner of application or lack of application of competition in the acquisition process;

(b) Take appropriate action to ensure that valid complaints from the private sector are resolved in a fair and timely manner; and

(c) Have direct access throughout the Department of the Navy acquisition community as required to promote competition.

PART 5212

ACQUISITION OF COMMERCIAL ITEMS

**SUBPART 5212.2—SPECIAL REQUIREMENTS FOR THE ACQUISITION OF
COMMERCIAL ITEMS**

5212.204 Solicitation/contract form.

(a) Every competitive written solicitation which is required by FAR Subpart 5.2 to be synopsisized in the Commerce Business Daily, and all amendments thereto, must be available electronically and be linked to or posted on the Navy Electronic Commerce Online (NECO) world wide web site (www.neco.navy.mil).

PART 5213

SIMPLIFIED ACQUISITION PROCEDURES

5213.003 Policy.

Pursuant to 5201.601(90)(c), NAVSUPSYSCOM has responsibility for providing DoN-wide policy for simplified acquisition as defined in FAR Part 13. Specific policy, procedures and guidance concerning simplified acquisition will be promulgated by the Deputy Commander for Contract Management, NAVSUPSYSCOM.

SUBPART 5213.1 – PROCEDURES

5213.106 Soliciting competition, evaluation of quotations or offers, award and documentation.

5213.106-1 Soliciting competition.

(a) Every competitive written solicitation which is required by FAR Subpart 5.2 to be synopsisized in the Commerce Business Daily, and all amendments thereto, must be available electronically and be linked to or posted on the Navy Electronic Commerce Online (NECO) world wide web site (www.neco.navy.mil).

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SUBPART 5214.4—OPENING OF BIDS AND AWARD OF CONTRACT

5214.401 Receipt and safeguarding of bids.

(a) Contracting offices shall ensure that bids are promptly identified and forwarded, unopened, for deposit in the bid box. Bid envelopes received by mail shall be time-stamped immediately upon receipt. Hand-carried bids shall not be accepted by government employees, but must be deposited in the bid box by the bidder or his representative. Insofar as possible, bid samples will receive the same degree of security as is afforded bids, and will be accounted for by the maintenance of local records. Under no circumstances will bid samples be given away, loaned, diverted, or used for any purpose other than that intended.

5214.407 Mistakes in bids.

5214.407-3 (DFARS 214.407-3) Other mistakes disclosed before award.

(e)(1) HCAs, without power of redelegation, may make the determinations required by FAR 14.407-3(a), (b) and (d).

PART 5215

CONTRACTING BY NEGOTIATION

SUBPART 5215.2—SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION

5215.203 Requests for proposals. Every competitive written solicitation which is required by FAR Subpart 5.2 to be synopsisized in the Commerce Business Daily, and all amendments thereto, must be available electronically and be linked to or posted on the Navy Electronic Commerce Online (NECO) world wide web site (www.neco.navy.mil).

5215.204 Contract format.

5215.204-5 Part IV—Representations and instructions.

(c) When a cost realism evaluation will be performed, Section M, Evaluation Factors for Award, shall include a notice that the proposed costs may be adjusted, for purposes of evaluation, based upon the results of the cost realism evaluation. If the contract will be firm fixed price, or fixed price with economic price adjustment, the notice is not required, and proposed prices will not be adjusted.

SUBPART 5215.3—SOURCE SELECTION

5215.305 (DFARS 215.305) Proposal evaluation.

(a)(1) *Cost or price evaluation.* Methods of evaluation which assign a point score to cost or price and combine it with point scores for other evaluation factors generally should not be used. Point scores can be helpful in summarizing subjective evaluation of technical and other factors, but are not needed in evaluating cost or price and tend to obscure the tradeoff between cost/price and other factors, rather than clarifying it. If point scoring of cost/price is utilized, it should be demonstrated that the value of a cost/price point is comparable, in value to the Government, to the value of a non-cost/price point. When a cost realism analysis is performed, the resulting realistic cost estimate shall be used in the evaluation of cost, except when using a firm-fixed-price or fixed-price with economic price adjustment type of contract.

(4) *Cost information.* The sharing of cost information with the technical evaluation team, and any limitations on the timing and extent of such sharing, should be addressed during the planning for the source selection. HCAs may establish specific procedural requirements for approving, documenting and/or varying from plans related to such sharing.

(90) Approval for use of contractor personnel as evaluators is addressed in FAR Subpart 37.2 and 5237.204. Such contractor personnel shall not rank or recommend one proposal over another, assign any ratings or numerical scores, or

PART 5241

ACQUISITION OF UTILITY SERVICES

SUBPART 5241.2— ACQUIRING UTILITY SERVICES

5241.201 (DFARS 241.201) Policy.

(90) The Commander, NAVFACENCOM has cognizance over all matters pertaining to Navy acquisition of public utility services including, but not limited to, electricity, gas, water, sewerage, drainage, fire and police protection, street lighting and cleaning, and trash and garbage disposal.

(91) Contracts for the operation of Government-owned facilities by a DON contractor which call for reimbursement of the contractor's utility expense shall specifically provide for the submission of utility subcontracts to NAVFACENCOM for comment or approval prior to execution of the contract.