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Fed Data Check Resolutions

Fed Data Check (FDC) improves procurement data quality by automatically scanning FPDS-NG contract action reports for possible FAR violations and data inconsistencies. Once FDC identifies an action, a trigger is sent via email to the appropriate contracting officials. The four most common FDC error triggers are:

- DCIS/FPDS-NG Data Item: 8G – NAICS -- Fed Data Check Error: 110 Use of Prohibited NAICS Code.
- DCIS/FPDS-NG Data Item: 6M – Description of Services – Fed Data Check Error: 82 OFPP Policy Letter 11-01 requires IGF Coding
- DCIS/FPDS-NG Data Item: 10D – Number of Offers Received & 10R – Fair Opportunity/Limited Sources – Fed Data Check Error: 84 # of Offers Received Greater than One and Not Competed Award
- DCIS/FPDS-NG Data Item: 11A – Contracting Officer’s Determination of Business Size – Fed Data Check Error: 121 Mismatch between FPDS-NG and SAM regarding CO Business Size Determination

DCIS/FPDS-NG Data Item: 8G-NAICS-Fed-Data Check Error: 110 Use of Prohibited NAICS Code.

This FDC error message states: [CFR 13 §121.201](#) does not allow the use of Retail or Wholesale NAICS codes in federal contracting for the acquisition of supplies. Instead the applicable manufacturing NAICS code shall be used to classify acquisitions for supplies. Additionally, the recent SBA ruling involving Noble Supply & Logistics (NAICS-5748) clarified that these NAICS codes should also not be used for services. To put it another way, unless the federal government is actually seeking to buy a “Furniture Merchant Wholesaler”, then instead of NAICS Code 423210, the manufacturing NAICS codes 337214 - Office Furniture (except Wood) Manufacturing or 337211 - Wood Office Furniture Manufacturing should be used. See FPDS-NG field 8G - NAICS. The value in DCIS / FPDS-NG Data Item 8G NAICS must be valid from the [NAICS](#) table.

To Correct FDC 110: Launch PRISM – *Search* for the desired Award Number when you reach the Landing Page for the action, click Details.

- Click on the FPDS tab, then click Launch –
A PRISM Confirmation panel will appear: *“The FPDS record is already finalized. What would you like to do?”*
- Click View FPDS Record to edit DCIS
In the event you encounter an Error Message when attempting to “View FPDS Record”; please submit a ticket to the [NIH Help Desk](#)
- Go to DCIS Item 8G NAICS – *edit with appropriate entry from [NAICS](#) table.*

After the corrections have been made please ensure to click the **Update** button in DCIS, to *save* the action; then click the LOGOUT button to *exit* the program.

DCIS/FPDS-NG Data Item: 6M-Description of Services-Fed Data Check Error: 82 OFPP Policy Letter 11-01 requires IGF Coding

This FDC error message states: Per [OFPP Policy Letter 11-01](#), service awards that meet the criteria listed must include the specified IGF coding, and a description of the award (See FPDS-NG data field: 6M - Description of Requirement). Please note that most of the actions listed have the required IGF code; however; the action is missing a valid description.

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To Correct FDC 82: Submit a ticket to the [NIH Help Desk](#).

Provide a valid Description of the services being procured for the applicable action

- Provide the DCIS PIID / Referenced PIID and Modification Number.
- Provide an example IGF Code and a valid Description of Services i.e. IGF::OT::IGF *Laboratory equipment maintenance on four (4) Leica point scanning microscopes*

For more information, please refer to the [November/December 2016](#) version of the OALM Newsletter -- article entitled “*DCIS-FPDS-NG Item 6M – Description of Requirement*”.

DCIS/FPDS-NG Data Item: 10D- Number of Offers Received & 10R- Fair Opportunity/Limited Sources – Fed Data Check Error: 84# of Offers Received Greater than one and Not Competed Award.

This FDC error message states: The assumption is that if more than one offer was received, then the order/call was competed. Note that the competed / not competed determination for orders and calls is largely based on the Fair Opportunity/Limited Sources field. See FPDS-NG data fields: 10D - Number of Offers Received and 10R - Fair Opportunity/Limited Sources.

To Correct FDC 84: Launch PRISM – *Search* for the desired Award Number when you reach the Landing Page for the action, click Details.

- Click on the FPDS tab, then click Launch –
A PRISM Confirmation panel will appear: “*The FPDS record is already finalized. What would you like to do?*”
- Click View FPDS Record to edit DCIS
In the event you encounter an Error Message when attempting to “View FPDS Record”; please submit a ticket to the [NIH Help Desk](#)
- Go to DCIS Item 10R – Fair Opportunity/Limited Sources – *edit with appropriate entry:*

Code	Short Description	Long Description
URG	Urgency	Report this code if the action was justified pursuant to FAR 16.505(b)(2)(i)(A).
ONE	Only One Source – Other	Report this code if the action was justified pursuant ONE FAR 16.505(b)(2)(i)(B).
FOO	Follow-on Action Following Competitive Initial Actions	Report this code if the action was justified pursuant to FOO FAR 16.505(b)(2)(i)(C).
MG	Minimum Guarantee	Report this code when it was necessary to place an order to satisfy minimum amount guaranteed to the contractor. See MG FAR 16.505(b)(2)(i)(D).
OSA	Other Statutory Authority	Report this code when the action was justified pursuant to a statutory authority that expressly authorizes or requires that the purchase be made from a specified source. This code is valid for Civilian agencies effective 10/31/2009.

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Code	Short Description	Long Description
FAIR	Fair Opportunity Given (pre-CLOD: No Exception – Fair Opportunity Given)	Report this code if Fair Opportunity was given on this order This code is valid for Civilian agencies effective 10/31/2009.
CSA	Competitive Set Aside	Report this code if action was justified pursuant FAR 19.502-4 and in accordance with 1331 of Public Law 110240. Applies to actions signed on/after than 11/02/2012.
SS	Sole Source	Report this code if action was justified pursuant FAR 19.502-4 and in accordance with 1331 of Public Law 110240. Applies to actions signed on/after than 11/02/2012.

After the corrections have been made you must click the Update button in DCIS, to *save* the action; then click the LOGOUT button to *exit* the program.

DCIS/FPDS-NG Data Item: 11A – Contracting Officer’s Determination of Business Size – Fed Data Check Error: 121 Mismatch between FPDS-NG and SAM regarding CO Business Size Determination

This FDC error message states: For a newly signed, mod 0 contract action report, the presumption is that the CO’s business size determination in FPDS-NG should match the Reqs and Certs in the current SAM record. However, it can and regularly does happen that the CURRENT SAM record has one size determination for a vendor for a given NAICS code while the PREVIOUS SAM record has a different size determination. Therefore, before any changes are made because of this data check, a manual double-check against SAM must be performed that considers the SAM record's activation date. See FPDS-NG field: 11A Contracting Officer's Determination of Business Size.

To Correct FDC 121: Launch PRISM – *Search* for the desired Award Number when you reach the Landing Page for the action, click Details.

- Click on the FPDS tab, then click Launch –
A PRISM Confirmation panel will appear: *“The FPDS record is already finalized. What would you like to do?”*
- Click View FPDS Record to edit DCIS
In the event you encounter an Error Message when attempting to “View FPDS Record”; please submit a ticket to the [NIH Help Desk](#)
- Go to DCIS Item 11A – Contracting Officer’s Determination of Business Size – *edit with appropriate entry:*

Code	Short Description	Long Description
S	Small Business	The Contracting Officer determines that the awardee is a small business for this procurement.
O	Other Than Small Business	Enter O if it is other than small business.

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After the corrections have been made please ensure to click the Update button in DCIS, to *save* the action; then click the LOGOUT button to *exit* the program.

Viewing Reps and Certs in SAM

To view the Reps and Certs in [SAM](#) search for the applicable DUNS, click on View Details; under the Entity Dashboard click on Reps and Certs, scroll down the page until you see FAR 52.219-1; then click on the link entitled FAR 52.219-1 Small Business Program Representations to see the list of NAICS codes and business size for coding.

Scroll down the page until you see (c) Representations to view a listing of the NAICS codes for the applicable DUNS.

Fed Data Check resolutions can be found on the [CDMP SharePoint](#) site. If you cannot locate the applicable Fed Data Check, please contact your CDMP Representative.

Cost Analysis and Price Analysis Demystified

Cost and price analysis requires critical thinking skills and the ability to find supporting data. Many contracting professionals use the terms cost analysis and price analysis interchangeably but in fact they are two distinct processes.

Price Analysis

Price analysis is the process of looking at the bottom line price. This type of analysis is used in competitive, commercial procurements. [FAR 13.106-3\(a\)](#) instructs the procurement professional to determine proposed prices as fair and reasonable prior to award. The best way to do this is to compare competitive quotations or offers. When only one offer is received the procurement professional could determine a fair and reasonable price based on some other reasonable basis including: [Market Research](#), comparison of the proposed price with prices found reasonable on previous purchases, current price lists, catalogs or advertisements, a comparison with similar items in a related industry, Contracting Officers personal knowledge of the item being purchased, comparison to an independent Government estimate or any other reasonable basis.

Cost Analysis

As described at [FAR 15.404-1\(c\)\(1\)](#) “cost analysis is the review and evaluation of any separate cost elements and profit or fee in an offeror’s or contractor’s proposal, as needed to determine a fair and reasonable price or to determine cost realism, and the application of judgment to determine how well the proposed costs represent what the cost of the contract should be, assuming reasonable economy and efficiency.”

This type of analysis is typically conducted in sole source or one offer environments when a price analysis cannot be performed. When competition is lacking or there are no other efforts within the same scope and complexity of the pending procurement the contracting professional will look at all factors that make up the contractors’ cost proposal. This information might include factors such as Direct Labor, Fringe Benefits, Labor Overhead, Subcontract costs, Total Cost of Money, Other Direct Costs, Material Handling, General & Administrative and Consultant costs. There are many resources acquisition professionals may use to accomplish this task, including guidance from the Bureau of Labor Statistics [Consumer Price Index](#). This information is then compared with the contractors cost proposal to determine if the proposal falls within the average costs of the item or service and can be used to support a fair and reasonable price.

Critical Thinking in Procurement

Having authority to obligate the Government requires the mindset of a lawyer, the attention to detail of an accountant, the communication skills of an expert salesman, and the creative insight of Michelangelo. As the

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procurement moves from solicitation through award, then administration, and finally to contract closeout, the procurement professional is constantly learning and growing.

Critical thinking as defined by criticalthinking.org is the intellectually disciplined process of actively and skillfully conceptualizing, applying, analyzing, synthesizing, and/or evaluating information gathered from, or generated by, observations, experience, reflection, reasoning, or communication, as a guide to belief and action. The Federal Acquisition Regulation defines Contracting Officer as a person with the authority to enter, administer, and/or terminate contracts and make related determinations and findings. Based on these definitions one could believe that contracting Officer and Critical thinking were synonymous however, this is not always the case.

In an age where templates create standardized and streamlined processes, many contracting professionals become overly confident based on the belief that templates are always right. While templates certainly assist the contracting professional by streamlining processes, templates may inevitably create passivity. As a result, the contracting professional may no longer attempt to use judgement or “think outside the checkbox” which may further limit their ability to think critically. As the procurement moves from one phase to another the contracting professional often exercises wide latitude to make decisions based on their own experience and observations.

Critical thinking seeks to find supporting data or facts to clarify or support an argument, this data might even include viewpoints other than your own for consideration. Critical thinking is a skill developed over time. As the procurement moves from one phase to another and the contracting professional applies independent thought, judgement, initiative and practices their craft, critical thinking becomes second nature.

U.S. Department of Labor Raises Prevailing Health and Welfare fringe benefits under the Service Contract Labor Standards Act

On July 25, 2017, the Department of Labor issued an all agency [Memorandum number 225](#) increasing the prevailing health and welfare fringe benefits issued under the Service Contract Labor Standards Act to a rate of \$4.41 per hour effective August 1, 2017. The benefit rate is derived from the latest Bureau of Labor Statistics (BLS) Employment cost Index (ECI), summary of Employer Cost for Employee Compensation.

Buy American and Hire American

On April 18, 2017, The President signed [Executive Order 13788](#) Buy American and Hire American.

The premise of this order is to “promote economic and national security and to help stimulate economic growth, create good jobs at decent wages, strengthen our middle class, and support the American manufacturing and defense industrial bases”. Further the EO states: “it shall be the policy of the executive branch to maximize, consistent with law, through terms and conditions of Federal financial assistance awards and Federal procurements, the use of goods, products, and materials produced in the United States.”

The Secretary of Commerce and the Director of the Office of Management and Budget (OMB) in consultation with the Secretary of State, the Secretary of Labor, the United States Trade Representative, and the Federal Acquisition Regulatory council issued guidance on June 30, 2017 with [Memorandum M-17-27](#) “Assessment and Enforcement of Domestic Preferences In Accordance with Buy American Laws” This memorandum provides guidance to Federal Government agencies to: “Maximize, consistent with law, the policy and the statutory mandate to buy domestically manufactured products in its contracts and grants, and minimize use of exceptions and waivers, so that the Federal Government may optimize the positive impact of these laws for the betterment of United States citizens and taxpayers.”

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Applicability

The Buy American statute applies to supplies or services acquired for use in the United States. This includes supplies or services acquired under contracts set aside for small business concerns if the supply contract exceeds the micro-purchase threshold or the supply portion of a contract for services that involves the furnishing of supplies exceeds the micro purchase threshold. There is a two (2) part test to define a domestic end-product. The article must be manufactured in the United States and the cost of domestic components must exceed 50% of the cost of all the components.

Buy American – Open Market

FAR part 25.103 – [Exceptions](#) allows the Contracting Officer to acquire a foreign end-product without regard to the restrictions of the Buy American statute under the following five (5) conditions:

Public Interest: The head of the agency may decide that domestic preference would be inconsistent with the public interest. This exception applies when an agency has an agreement with a foreign government that provides a blanket exception to the Buy American Act.

Nonavailability: The Buy American statute does not apply with respect to articles, materials, or supplies if articles, materials, or supplies of the class or kind to be acquired, either as end items or components, are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality.

Unreasonable cost: The Contracting Officer may determine that the cost of a domestic end product would be unreasonable, in accordance with FAR [25.105](#) and subpart [25.5](#).

Resale: The Contracting Office may purchase foreign end products specifically for commissary resale.

Information Technology that is a Commercial Item: The restriction on purchasing foreign end products does not apply to the acquisition of information technology that is a commercial item, when using fiscal year 2004 or subsequent fiscal year funds (Section 535(a) of Division F, Title V, Consolidated Appropriations Act, 2004, and similar section in subsequent appropriations acts.)

Federal Supply Schedules (FSS/GSA)

When working with FSS/GSA schedules the Contracting Officer need not take additional steps to comply with the Buy America Statue. Although not exempt from the Buy American Statue or Trade Agreements Act, Federal Supply Schedules have taken these policies into consideration.

Information Technology

The Buy American Act does not apply to Information Technology products that are also commercial items.

Provisions and Clauses

Because of the uncertainties with regards to “where” a manufactured end item originates the Contracting Officer must ensure that appropriate provisions and clauses are incorporated into both the solicitation and resulting award. For purchases above the micro-purchase threshold but below the Trade Agreements Act threshold of \$191,000 for supplies/services and \$7,358,000.00 for construction materials for use within the United States, certain provisions and clauses must be incorporated. As an additional layer of protection, the Contracting Officer may also ask suppliers in the solicitation for specific representations and warranties of TAA compliance.

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Training Information

Acquisition Training at NIH

Acquisition training classes that are offered by the NIH Training Center can be accessed at the Office of Human Resources website under [Acquisitions Management](#)

Federal Acquisition Certification Coursework

CON courses and other Federal Acquisition Certification required courses can be found at the [NIH Training Center](#), [Federal Acquisition Institute](#), and [Defense Acquisition University](#).

Section 508 Accessibility Training

Section 508 Accessibility Training courses can be accessed at [CIT Section 508 Accessibility](#) training website.

Green Purchasing Training

Green Purchasing Training and other Green Training courses can be found at: [OALM Green Purchasing Website](#).

As a reminder, per HHS policy, all contracting officers, contract specialists, purchase cardholders, card approving officials, CORs and acquisition staff in job series 1102, 1105, and 1106 are required to take the Green Purchasing training every two calendar years. The training includes online training modules for your convenience. Questions regarding Green Purchasing Training should be sent to:

GreenPurchasing@mail.nih.gov.

Lean Six Sigma Green Belt Training

What if you could realize hundreds of thousands of dollars in cost avoidance for your office? What if you could reduce completion time for a complex process by 99.5%? What if you could cut inventory shortages in half? NIH Lean Six Sigma Green Belt candidates have achieved these results (and more like them!) within their own ICs by leveraging Lean Six Sigma methodologies. Have YOU tried Lean Six Sigma?

The Office of Logistics and Acquisition Operations (OLAO) at NIH will host a five-day Green Belt level training course for federal employees on Lean Six Sigma, a process improvement methodology, to help you address challenges in your daily workload.

Lean Six Sigma is a set of methodologies used to systematically improve processes by:

- Emphasizing quality and/or speed of product or service delivery.
- Eliminating sources of variation and waste (defects).
- Targeting process improvements around issues voiced by the customer and the organization.
- Measuring performance against original process requirements (baseline).

Course Details:

When: Monday, November 27 - Friday, December 1, 2017 from 8:30 AM - 4:30 PM

Where: 6001 Executive Boulevard Rockville, MD - Training Room A

Who: Enrollment is open to all federal NIH Employees. Class size is limited to 25 attendees. Sign up today!

Cost: \$800 for the five-day course that can be paid through a direct CAN citation to OLAO. There is an additional fee if interested in the 52 hours of project mentoring to become Green Belt certified.

CLPs Awarded: 40

Please click [register](#) to learn more about this opportunity

NIH Blanket Purchase Agreement (BPA) Lists Available Online

Lists of all NIH Blanket Purchase Agreements (BPAs) can be found at the NIH Blanket Purchase Agreement [webpage](#).

This location contains Two BPA Lists:

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- 1) Complete vendor alphabetical list;
- 2) Vendor list sorted by commodity; and

If you have any questions or need further clarification, please contact the BPA helpline at 301-496-5212 or [email](#).

We would like to Thank All Those Who contributed to This issue and to Future Editions of the OALM newsletter.

The OALM Newsletter will be published six (6) times in calendar year 2017. We encourage staff to submit articles that would be of interest to our readers. We will do our best to include such articles in future editions of the OALM newsletter.

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If you have any questions or comments regarding the information, policy and/or procedures published in this issue, you may contact Tracy Scott at the e-mail address above. For other issues please contact the Simplified Acquisitions Helpline on 301-496-0400 or via e-mail at OALMNewsletter@mail.nih.gov and you will be referred to the appropriate editor.