

EDI Tips regarding the SPA, Big Clause and PACE

Revision History:

Aug 15, 2001 - Original Document.

April 11, 2002 - Added section "Line-by-Line Pricing".

July 23, 2002 - Changed "BIG Clause" citation from FAR 52.213-9004 to DLAD 52.213-9004.

Replaced entire clause text with current version.

Oct 29, 2002 - (a) Changed wording for reply to question, "Will DSCP send a 997 or 824 to acknowledge receipt of 843s and their acceptability?"

(b) Added size for each expected Big Clause answer.

May 19, 2003 – Update sample 'Big Clause' X12 example to show new answers at 4B, 14, and 15.

Preface:

What follows are some of the things we have encountered as we moved into the world of EDI quoting, the Big Clause, and PACE. These "tips" were compiled to assist vendors and developers looking to use the ANSI-X12, Version 3050 843 transaction.

This document and the required format of the ANSI Version 3050 843 transaction, can be found at <http://saso.dscp.dla.mil/ipu/acquisition/pe/edi/guides.htm>.

Several EDI Value Added Networks (VANS) have already tested their ability to provide an EDI 843 transaction containing the required responses to the "Big Clause".

Simplified Purchase Agreement (SPA)

At DSCP-G&I, a [Small Purchase Agreement \(SPA\)](#) is required to quote electronically on any open small solicitation. The SPA contains information of a general nature. It is used so that the information does not have to be transmitted with each and every RFQ or Order. In order to be setup as an EDI capable trading partner, the vendor **must** complete the SPA. Only the vendor can do this; it cannot be done for them. If you do not have a SPA in place, please click on the above link and you will be taken to the SPA Page for further information.

The "BIG" Clause

The "BIG" Clause, DLAD 52.213-9004, covers representations, certifications, and fill-in information, supplied by a vendor, when submitting an electronic quote. Answers to the Big Clause are used to make automated awards using several programs known as the "Procurement Automated Contract Evaluation (PACE)" engine. It is a dynamic document that may be subject to updating by Policy or Regulation. A copy of the clause can be obtained from <http://dscp015.dscp.dla.mil/ipu/acquisition/pe/edi/DpacsGuides/BigClause.doc>

Procurement Automated Contract Evaluation (PACE)

PACE is actually a series of programs that run against open "T" solicitations to see if an automated award can be made. PACE follows specific business/pricing rules as it attempts to auto-award the "T" solicitation. Unless the business unit has excluded an item, it will be looked at by the PACE programs. Items such as Surplus, Flight Safety Critical, First Article or other special testing or restricted/controlled technical data and acquisitions under the Foreign Military Sales (FMS) program are some examples of excluded items that PACE never considers for auto-award.

Line-By-Line Pricing in EDI Bid

It is very important that every EDI Bid come back priced on a line-by-line basis.

If, for example, a solicitation has 3 line item numbers, we are expecting the EDI Bid to contain 3 lines of pricing. **DO NOT** aggregate the multiple line quantities and return only 1 line with pricing. This will not work properly with the bid evaluation programming logic that is in place.

Rules for Big Clause Answers

- A response is expected for every Big Clause Answer whether it applies or not.
- Do not exceed the maximum number of positions listed when responding to the Big Clause in your edi transaction.

Sample Big Clause responses as they would appear in the X12 Version 3050 843 transaction

N9*KR*DLAD 52.213-9004*DLAD 52.213-9004*030724
 MSG*01A|CR|01B|PM|01C|NA|01D|NA|
 MSG*02A|0001|02B|NA|02C|NA|02D|NA|02E|NA|02F|NA|
 MSG*03A|0001|03B|NA|
 MSG*04A|B|04B|N|
 MSG*05A|Y4|
 MSG*06A|Y6|
 MSG*07A|0001|07B|NA|
 MSG*08A|Y8|
 MSG*09A|0001|09B|NA|CTY|NA|09C|NA|
 MSG*10A|0001|10B|NA|CTY|NA|10C|NA|
 MSG*11A|0001|11B|NA|11C|NA|11D|NA|11E|NA|
 MSG*12A|0001|12B|18076|12C|JP0025SH16|
 MSG*13A|NONE|13B|NA|13C|NA|13D|NA|13E|NA|
 MSG*14A|A|
 MSG*15A|Y15|

Issues that came up during VAN Testing of the EDI Version 3050 843 transaction and providing the answers to the BIG Clause sections

BQR02 = Solicitation Number. Not the PR or Requisition Number. Do not include dashes.

For example,

BQR*00***SP054001QRJFO***010421*098*010503*BI*

(Note: No Dashes in Solicitation Number)

REF*PR Segment can contain the PR Number and/or the Bidder's internal Quote Reference.

It can occur more than once if need be.

Are Price Breaks Required?

Yes, they are if they are part of the solicitation. Otherwise, we can still take them back but it's really up to the vendor to tell us. There really aren't any hard-and-fast rules for getting price breaks when they aren't in the up-front solicitation.

IQS will soon include additional dropdown boxes to capture answers to certain categories. One is titled "Higher Level Quality System"; the second is titled "Indefinite Delivery Purchase Order/Term Option"; the third is titled "Additive CLIN". Higher-level quality equates to the type of tests that are performed on an item. The Indefinite Purchase Order equates to the possibility, of a buyer, to issue an order good for an entire year based on the vendor's quote if the vendor agrees to hold the price of the item for a year AND to accept that kind of order. "Additive CLIN" refers to extra costs associated with the buy like the cost of test reports, etc. Most vendors know what these three things mean.

Here are the choices IQS displays ...

For "Higher Level Quality System" ->

ISO 9001 Certified (I1)

ISO 9002 Certified (I2)

MIL-I-45208 (MI)

MIL-Q-9858 (MQ)

Industry Standard (IS) with a description of what standard applies

Other (OT) with a description of what other Higher Level Quality System is being used.
Not Applicable (NA)
For "Indefinite Delivery Purchase Order/Term Option" ->
IDPO Option Accepted (YI)
IDPO Option Declined (NI)
Option Accepted (YO)
Option Declined (NO)
Not Applicable (NA)
For "Additive CLIN" ->
Additional Pricing Applies (AP)
Not Separately Priced (NSP)
No Charge (NC)

In the X12 transaction, they come back looking like this in an N9/MSG loop:
N9*L1**RESPONSE NOTES:
MSG*Higher Level Quality System --> MIL-1-45208 (MI)
MSG*Higher Level Quality System --> ISO 9001 Certified (I1)
MSG*Higher Level Quality System --> Industry Standard (IS)
MSG*Higher Level Quality System --> Not Applicable (NA)
MSG*Higher Level Quality System --> ISO 9002 Certified (I2)
MSG*IDPO/Term Option --> Option Accepted (YO)
MSG*IDPO/Term Option --> Option Declined (NO)
MSG*Additive CLIN --> Additional Pricing Applies (AP)
MSG*Additive CLIN --> Not Separately Priced (NSP)
MSG*Additive CLIN --> No Charge (NC)

Under the Higher Level Quality System:
If either "Industry Standard" or "Other" is selected, we need to have the vendor identify what standard applies back to us. You'll need to add a data entry box to the page so they can type their answer in. Their answer then becomes another MSG Line like:

N9*L1*Note
MSG*Higher Level Quality System --> Industry Standard (IS)
MSG*Standard --> Standard # TEST
1) For Additive CLIN, add "NOT APPLICABLE" as a choice
2) For Source of Supply, add "Quoted as Dealer". *** Remember whenever Dealer or DSL Dealer is selected, we need either the Manufacturer Cage or Name returned to us.
3) In the MSG Segment, where Price Break information is returned, the Primary Qty & Price part by line should always have a value in it that is basically what comes back in the P01 for line 0001.

How is First Article Testing to be quoted? Will there be a separate CLIN for FAT?"

These CLINS can be used to cover a variety of charges etc usually when such an item is included in the solicitation. The CLIN and text can be returned in a MSG Segment.

CLIN Description:

- 9901 - Preparation, Packing, Packaging and Marking (PP&M).
- 9902 - Special Marking
- 9903 - DD Form 250 Charges
- 9904 - Premium Transportation
- 9905 - Shipping/Handling
- 9906 - First Article Test
- 9907 - First Article Test Report
- 9908 - Set-Up Charges
- 9909 - Federal Excise Tax
- 9910 - Special Testing
- 9911 - Contractor Installation of End Items
- 9912 - Data
- 9913 - Provisioning
- 9914 - State Tax
- 9915 - Local Tax
- 9916 - Sample Manuals - Technical Operations

- 9917 - Approved Manuals for Distribution
- 9918 - Manuals Shipped with End Items
- 9919 - Contractor Expenses for Government Source Inspection
- 9920 - Engineering Drawings - Commercial
- 9921 - Supplementary Provisioning Technical Documentation
- 9922 - Manufacturers or Commercial Manuals (Provisioning)
- 9923 - Material Safety Data Sheet
- 9924 - Engineering
- 9925 - Tooling
- 9926 - Termination for Convenience Settlement Charges - Operation Desert Storm
- 9950 - Advance Payments
- 9951 - Progress Payments
- 9952 - Lump Sum Settlement - Increase
- 9953 - Lump Sum Settlement - Decrease
- 9999 - Miscellaneous

"It looks like there are 2 ways of specifying alternate quantities. One uses the MSG and the other the CTP Segment. Which segment should be used?"

The information needs to come back in BOTH segments. It is repeated in a Message segment so that a buyer can actually read the price break information.

"Will DSCP send a 997 or 824 to acknowledge receipt of 843s and their acceptability?"

Yes, a 997 will be sent when the transaction is received and translated.

That does not mean that the actual bid was useable or could be posted for buyer review.

We will be using the 824 transaction, whenever possible, to provide feedback about issues encountered when an EDI Bid is posted to the application used by our buyers. Feedback will be in the form of codes within the 824 transaction. There are currently 23 code values which can be returned. The meanings, of those code values, can be obtained from

<http://dscp015.dscp.dla.mil/ipu/acquisition/pe/edi/DpacsGuides/824msgs.pdf>

MSG*03A|0001|03B|NA|

Line Numbers are 4 positions, not 6.
For example, 0001 i/o 000100

FOB*BP*DE***DE

Must include FOB06 to show Inspection Location
Be consistent!

Example Segments...

FOB*DF*DE***DE

N1*L1*XYZ Company*33*123AB

FOB02 must always be returned (It refers to the FOB Point).

FOB06 must always be returned (It refers to the Material Inspection/Acceptance location)

The N1*L1 refers to where Material Inspection would be performed.

You can't have FOB06 = Destination (i.e. 'DE') and then send a N1*L1 indicating material inspection can be done at a specific location. That is a conflict.

When responding to a T-Bid, the rules of the SPA are pretty exact and clear.

"... awards are on an FOB Destination basis, no exceptions at all can be taken to the solicitation (qty, pkg, marking, or I/A) as stated in the solicitation, offering anything other than 'NEW' material, or statements denoted as Remarks can render a bid as ineligible for an automated award."

One of your bids could be passed over because they have Material Inspection information or a Remark/Question, etc, etc. You have to try and make sure that your bid is consistent. Not to do so may jeopardize a possible award.

Clause Answer #12 applies to situations where the vendor is quoting the exact item in the PID or a Previously Approved Item. It applies to Bid Types BI and BW. The vendor should return the Mfgr CAGE and PN

Clause Answer #13 applies to alternate items that differ from that in the PID. It applies to AB Type Bids. The vendor should return the Mfgr CAGE, Mfgr PN, and the Solicitation Nr/Contract Nr/Approving Activity information here.

If you are sending back a "BI" or "BW" type response, clause answers for #12 / #13 would look like this:

MSG*12A|0001|12B|0W357|12C|5601-7|
MSG*13A|NONE|13B|NA|13C|NA|13D|NA|13E|NA

If you are sending back a "AB" type response, clause answers for #12 / #13 would look like this:

MSG*12A|NONE|12B|NA|12C|NA|
MSG*13A|0001|13B|SP050096T1234|13C|0W357|13D|5601-7|13E|PA, SN, None, or NA
as appropriate

BIG Clause Answer Sizing:

Items 01A-D, Taxpayer ID

Constant - Same for Every Buy

- 01A – 4 positions
- 01B – 2 positions
- 01C – 35 positions
- 01D – 9 positions

Items 02A-F, Qualification Requirements

(Applies only to an acquisition subject to a qualification requirement).

Variable - Variable - Depends on Specific Buy

- 02A – 4 positions
- 02B – 35 positions
- 02C – 35 positions
- 02D – 25 positions
- 02E – 35 positions
- 02F – 20 positions

Items 03A-B, Material Requirements

Variable - Depends on Specific Buy

- 03A – 4 positions
- 03B – 2 positions

Item 04A, Small Business Representations

Variable - Depends on Specific Buy

- 04A – 1 position

Item 05A, Previous Contracts and Compliance Reports

Remains the same for buys over 10,000, NA under 10,000

- 05A – 2 positions

Item 06A, Affirmative Action Compliance.

Remains the same for buys over 10,000, NA under 10,000

- 06A – 2 positions

Items 07A-B, Hazard Material Identification and Material Safety Data

Variable - Depends on Specific Buy

- 07A – 4 positions
- 07B – 2 positions

Item 08A, Buy American Act - Balance of Payments Program Certificate and Buy

American Act - North American Free Trade Agreement Implementation Act –
Balance of Payments Program Certificate.

Variable - Depends on Specific Buy

- 08A – 2 positions

Items 09A-C, Buy American Act - Balance of Payments Program Certificate.

Variable - Depends on Specific Buy

- 09A – 4 positions
- 09B – 2 positions
- 09C – 35 positions

Items 10A-C, Buy American Act - North American Free Trade Agreement Implementation Act - Balance of Payments Program Certificate.

Variable - Depends on Specific Buy

- 10A – 4 positions
- 10B – 2 positions
- 10C – 35 positions

Items 11A-E, Information for Duty-Free Entry Evaluation.

Variable - Depends on Specific Buy

- 11A – 4 positions
- 11B – 2 positions
- 11C – 2 positions
- 11D – 2 positions
- 11E – 12 positions

Items 12A-C, Conditions for Evaluation & Acceptance of Offers on Part Number Items

Variable - Depends on Specific Buy

- 12A – 4 positions
- 12B – 5 positions
- 12C – 35 positions

Items 13A-E, Conditions for Evaluation & Acceptance of Offers on Part Number Items

Variable - Depends on Specific Buy

- 13A – 4 positions
- 13B – 17 positions
- 13C – 5 positions
- 13D – 35 positions
- 13E – 4 positions

Item 14, HUBZone Small Business Concern

Variable - Depends on Specific Buy

- 14A – 1 position

Item 15, Certification regarding knowledge of Child Labor for Listed End Product

Variable - Depends on Specific Buy

- 15 – 2 positions