



**Effective Date: March 1, 2017**

## **Qualification Requirements for Prospective Contractors Selling Commodities to the USDA Agricultural Marketing Service**

### **I. Introduction**

The USDA's Agricultural Marketing Service (AMS), Commodity Procurement Staff (CPS), procures U.S. origin agricultural commodities and products (USDA Foods) for use in domestic food distribution programs. USDA Foods procured are delivered to schools, food banks, and Indian Reservations, and at times are used in disaster relief. These procurements also support American agriculture by encouraging domestic consumption when prices are advantageous.

These qualification requirements, as authorized under the Federal Acquisition Regulation (FAR), Subpart 9.2, Qualifications Requirements, are necessary for AMS to carry out its mission. A prospective contractor must be determined to be qualified by the Contracting Officer prior to submitting offers for AMS solicitations.

An interested prospective contractor may submit a qualification package at any time. Small businesses determined not to meet this qualification requirement, i.e., determined nonresponsible, will be referred to the Small Business Administration (SBA) for possible issuance of a Certificate of Competency (COC), in accordance with FAR subpart 19.6.

Prospective contractors shall complete and provide all materials requested herein. The Contracting Officer will review the package, determine if a prospective contractor is qualified, and add approved vendors to the Qualified Bidders List (QBL). A prospective contractor will be notified whether requirements have been satisfied and when the qualification package has been approved. Offers will not be accepted from a prospective contractor that has failed to comply with these requirements. Access to the Web-Based Supply Chain Management (WBSCM) system for submission of offers shall be granted only to Qualified Bidders after the qualification process has been completed and approved by the Contracting Officer.

Procurement information, including the AMS Master Solicitation for Commodity Procurements, commodity specifications, procurement schedules, information on WBSCM, current solicitations, and historical contract award information, is located on the AMS website at:

<https://www.ams.usda.gov/selling-food>.

### **II. Qualification Requirements**

The following are required of each prospective contractor to complete the qualification requirements process:

- A. Administrative Requirements

1. System for Award Management (SAM).  
In accordance with FAR Part 4.1102, prospective contractors shall be registered in System for Award Management website. The contractor is responsible for the accuracy and completeness of the data within the SAM database, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain active in SAM, after the initial registration, the contractor is required to review and update their company information on an annual basis, from the date of initial registration or subsequent updates. Annually, companies need to assure that all information in the SAM database is current, accurate and complete. The SAM website is located at: <https://www.sam.gov/portal/public/SAM/>. There is no fee to register in SAM.
  2. FDA, Food Facility Registration Number.  
In accordance with the Food Safety Modernization Act of 2011 (FSMA), domestic facilities that manufacture, process, pack, or hold food for human or animal consumption in the United States are required to register with the FDA and renew such registrations. If applicable, provide your FDA food facility registration number. FDA guidance is available at: <http://www.fda.gov/Food/GuidanceRegulation/FoodFacilityRegistration/ucm2006831.htm>
  3. SBA Certifications (if applicable).  
Submit a copy of the applicable SBA certificate if the firm is a certified 8(a), HUBZone, etc.
  4. Veteran's Administration (VA) Certification (if applicable).  
If required by the contracting officer, submit a copy of the applicable certification as a Service-Disabled Veteran-Owned Small Business (SDVOSB).
  5. Web-Based Supply Chain Management (WBSCM) Registration Form.  
USDA-AMS commodity procurements are conducted electronically through WBSCM computer system. Prospective contractor's must complete the WBSCM Vendor Registration Form available at: <https://www.ams.usda.gov/resources/wscm-vendor-registration-form>
- B. Responsible Prospective Contractor's Documentation (FAR 9.104-1 and 9.104-3)
1. Prospective contractors shall provide a written capabilities statement on company letterhead with a signature, providing the firm's exact legal name, and include the following:
    - A description of historical business experiences including the number of years it has sold these or similar products in the commercial marketplace or to governmental entities.
    - A list of products that it is interested in providing (a copy of the WBSCM vendor registration form may be used).
    - Any additional pertinent information regarding a prospective contractor's capabilities, such as, but not limited to, news articles, company websites, brochures, etc., and evidence of 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.

2. Three reference letters from customers that demonstrate the prospective contractor is responsible. These letters must be from the customer, on company letterhead and signed by the customer's representative.
3. For Non-manufacturers only.  
To demonstrate its capability to supply the products it wishes to bid on, non-manufacturers must provide a copy of the written agreement in effect between itself and an approved supplier. The agreement must be on company letterhead and must be signed by both parties. If the non-manufacturer has to change its supplier, a new written agreement between itself and the new supplier must be submitted for approval. Non-manufacturers must also submit a complaint and dispute resolution proposal which details how the non-manufacturer will resolve any potential complaints or hindrances that may arise.

If a non-manufacturer represents itself as a small business concern, it must comply with 13 CFR 121.406(b):

**(b) Non-manufacturers.** (1) *A firm may qualify as a small business concern for a requirement to provide manufactured products or other supply items as a non-manufacturer if it:*

- (i) Does not exceed 500 employees;*
- (ii) Is primarily engaged in the retail or wholesale trade and normally sells the type of item being supplied;*
- (iii) Takes ownership or possession of the item(s) with its personnel, equipment or facilities in a manner consistent with industry practice;*  
*and*
- (iv) Will supply the end item of a small business manufacturer, processor or producer made in the United States, or obtains a waiver of such requirement pursuant to paragraph (b)(5) of this section.*

C. Financial Responsibility (FAR 9.104-1(a) and 9.104-3(a))

A prospective contractor shall demonstrate that it has adequate financial resources to perform the contract, or the ability to obtain them, including the availability of necessary working capital and satisfactory credit.

The prospective contractor must provide its most current, complete comparative financial statement. The financial statement must be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and be audited or reviewed by an independent certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants. 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. 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. For individuals, financial statements that include all of his/her personal and business assets and liabilities will be required.

Annual review of Financial Responsibility:

Approved vendors added to AMS' Qualified Bidders List(s) that wish to remain on that list, and otherwise continue to meet qualification requirements, will be requested to submit an updated financial statement to AMS-CPS within 120 days of its fiscal year close to demonstrate current financial responsibility.

Failure to submit the required financial information may result in a non-responsibility determination and/or removal from the QBL.

D. Food Safety and Sanitation Requirements.

1. 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, 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).

The food defense plan must be audited by an AMS representative. Any nonconformance identified must be addressed in writing to both the Contracting Officer and Auditor. Contact the appropriate AMS Audit and Accreditation Program for information on food defense audit services. Contacts for each commodity area are found below and are also available on the AMS website at <https://www.ams.usda.gov/services/auditing/apply>.

**Fruits, Vegetables & Specialty Crops**

To apply for fruit and vegetable auditing services, contact the SCI division, Audit Services Branch at:

Telephone: (202) 720-5021

Fax: (202) 260-8927

Email: [FVAudits@ams.usda.gov](mailto:FVAudits@ams.usda.gov)

**Livestock, Poultry and Seed**

To apply for Auditing Services, complete the [Application for Service - LPS-109 form](#). View our [Quality Systems Verification Programs Regulation](#). The completed LPS Form 109 must be sent to the Quality Assessment Division along with the cover letter requesting service and a complete copy of the client's program documentation. These documents can be sent via email to [QAD.BusinessOps@ams.usda.gov](mailto:QAD.BusinessOps@ams.usda.gov) or to the address below.

**USDA, AMS, LPS, QAD**

Business Operations Branch  
10809 Executive Center Drive  
Suite 318

Little Rock, AR 72211

Phone: (501) 312-2962

Fax: (501) 312-2968

Email: [QAD.BusinessOps@ams.usda.gov](mailto:QAD.BusinessOps@ams.usda.gov)

**Dairy Plant Survey Program:** For information on the Dairy Plant Survey Program, please visit this AMS website: <https://www.ams.usda.gov/services/auditing/dairy-plant-survey-program>

For meat, fish, poultry, and egg products, reference the Food Safety and Inspection Service (FSIS) “Security Guidelines for Food Processors” at the following website: <http://www.fsis.usda.gov/OA/topics/SecurityGuide.pdf>. Information for the transportation and distribution of meat, poultry, and egg products is found at the following website <http://www.fsis.usda.gov/oa/topics/transportguide.htm>.

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>.

For dairy, grain, and oilseed products see quality assurance requirements in commodity requirements documents at the following website:

<https://www.ams.usda.gov/selling-food/product-specs>.

## 2. Pre-Award Plant Surveys

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 USDA area, e.g., AMS Program Areas—Specialty Crop, Poultry, Livestock and Seed, Dairy or USDA’s Federal Grain Inspection Service (FGIS)—to evaluate technical, production, and transportation capabilities, and quality assurance and production control procedures of the contractor.

Specific pre-award plant survey/assessment requirements are referenced in the Supplement and/or Commodity Specification(s) applicable to the commodities the prospective contractor is interested in supplying. These documents can be found on the Commodity Purchasing website at

[www.ams.usda.gov/commoditypurchasing](http://www.ams.usda.gov/commoditypurchasing). For more information, contact the Commodity Procurement Staff at 202-720-4517.

### E. Submitting a Vendor Qualification Package

A prospective contractor is encouraged to submit the qualification package as soon as possible to allow ample time for the processes and approval, and subsequent WBSCM registration prior to the closing date of the targeted solicitation. A checklist (Exhibit 1) is provided to assist the applicant with submission of a complete package.

Submit the qualification packages to:

Ms. Andrea Lang  
Small Business Coordinator  
Email address: [andrea.lang@ams.usda.gov](mailto:andrea.lang@ams.usda.gov).  
Telephone No.: 202-720-4237

**NOTICE**

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.

EXHIBIT 1

QUALIFICATION REQUIREMENTS

August 2018

Print the following checklist and submit along with the completed qualification package.

Questions regarding qualifications and approval should be directed to Ms. Andrea Lang at 202-720-4237 or [NewVendor@ams.usda.gov](mailto:NewVendor@ams.usda.gov)

<ul style="list-style-type: none"> <li>• System for Award Management (SAM) <a href="http://www.sam.gov">www.sam.gov</a></li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Business Status.</b> As indicated in SAM, business status is one of the following:</li> </ul>	
<ul style="list-style-type: none"> <li>○ Large Business</li> </ul>	
<ul style="list-style-type: none"> <li>○ Small Business</li> </ul>	
<ul style="list-style-type: none"> <li>○ Small Disadvantaged Business</li> </ul>	
<ul style="list-style-type: none"> <li>○ Women-Owned Business</li> </ul>	
<ul style="list-style-type: none"> <li>○ Veteran-Owned Business</li> </ul>	
<ul style="list-style-type: none"> <li>○ Service-Disabled Veteran-Owned Small Business</li> </ul>	
<ul style="list-style-type: none"> <li>○ HUBZone Business</li> </ul>	
<ul style="list-style-type: none"> <li>○ 8(a) Small Business Development Concern</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Completed <a href="#">WBSCM Vendor Registration Form</a></b></li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Company Letter-</b> certifying capability to perform</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Three (3) Letters of Reference</b> from customers your company sold the same or similar products to</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Business Type.</b> Check one: <input type="checkbox"/> Manufacturer <input type="checkbox"/> Non-manufacturer</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Check one or more as applicable.</b> <input type="checkbox"/> Grower <input type="checkbox"/> Grower/Packer/Shipper <input type="checkbox"/> Processor <input type="checkbox"/> Distributor/Wholesaler <input type="checkbox"/> Broker</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Non-manufacturer.</b> The following requirements apply:</li> </ul>	
<ul style="list-style-type: none"> <li>○ Letter from manufacturer/supplier certifying its willingness to provide product that meets the USDA commodity specifications</li> </ul>	
<ul style="list-style-type: none"> <li>○ Complaint and Dispute Resolution Proposal</li> </ul>	
<ul style="list-style-type: none"> <li>• <b>Most Recent Audited Financial Statements</b></li> </ul>	

Please note that in order to be added to our Qualified Bidders List and eligible to begin bidding on products, you must complete the necessary inspections and be set up in the Web Based Supply Chain Management System.