

IDIQ Contracts - Verification of Adequate Accounting System

DCAA-Assist can provide support to implement an accounting system that can be determined to be adequate for determining costs in accordance with FAR 16.301-3(a)(1) and provide appropriate certification letters to that effect.

Source RFP: Because of the need for contractors to respond to Cost Reimbursement task orders, to be eligible for award under the GWAC, offerors must have verification from the Defense Contract Audit Agency (DCAA), the Defense Contract Management Agency (DCMA), any federal civilian audit agency, or a third-party accounting firm of an accounting system that has been audited and determined adequate for determining costs applicable to this contract in accordance with FAR 16.301-3(a)(1). For those offerors that submit a proposal in the form of a FAR 9.601(1) CTA, see paragraph L.3.1.6, each member of the CTA must show evidence that it has verification of an adequate accounting system.

As such, the offeror must provide in its proposal, a contact name and contact information (i.e, phone number, address, email address) of its representative at its cognizant DCAA, DCMA, federal civilian audit agency, or third-party accounting firm and submit, if available, a copy of the Pre-Award Survey of Prospective Contracting Accounting System (SF 1408), provisional billing rates, and/or forward pricing rate agreements.

If the offeror does not have audit verification of an adequate accounting system but is certain that its accounting system has been found adequate in accordance with FAR 16.301-3(a)(1), NIH will contact the cognizant audit representative to verify the adequacy of the contractor's accounting system. It is the offeror's responsibility to provide with its proposal current and correct contact information.

Draft Certification Letter -

I have conducted an evaluation of the accounting system of _____ located at _____ for compliance with DCAA requirements and to determine whether such accounting system is capable of accumulating contract costs consistent with the cost principles set forth in the Federal Acquisition Regulation Part 31.2.

I have determined the following regarding the accounting system of _____.

1. The accounting system is maintained in accordance with Generally Accepted Accounting Principles.
2. There is a proper segregation of direct costs from indirect costs.
3. Direct costs are identified and accumulated by contract.
4. There is a logical and consistent method for the allocation of indirect costs to intermediate and final cost objectives.
5. Costs are accumulated under general ledger control.
6. There is a timekeeping system that identifies employees' labor by intermediate or final cost objectives.
7. There is a labor distribution system that charges direct and indirect labor to the appropriate cost objectives.
8. Management determines, on a monthly basis, costs charged to contracts through routine posting of books of account.
9. Costs which are not allowable in terms of FAR Part 31.2 or with other contract provisions are excluded from costs charged to government contracts.
10. The accounting system provides financial information required by contract clauses concerning limitation of costs or limitation of payments,
11. The accounting system provides financial information required to support contract billings.
12. The accounting system is designed and records are maintained in such a manner that adequate, reliable data can be developed for use in pricing follow-on acquisitions.
13. The accounting system is currently in full operation.

Based on my evaluation of the accounting system of _____, I certify that it is in compliance with DCAA requirements and is capable of accumulating costs under Federal Government contracts.

FAR Reference:

16.301-3 Limitations.

(a) A cost-reimbursement contract may be used only when -

(1) The contractor's accounting system is adequate for determining costs applicable to the contract.

Indefinite Delivery, Indefinite Quantity (IDIQ) Contracts

Indefinite delivery, indefinite quantity (IDIQ) contracts provide for an indefinite quantity of services during a fixed period of time. They are used when GSA can't predetermine, above a specified minimum, the precise quantities of supplies or services that the government will require during the contract period. IDIQs help streamline the contract process and speed service delivery.

IDIQ contracts are most often used for service contracts and architect-engineering services. Awards are usually for base years as well as option years. The government places delivery orders (for supplies) or task orders (for services) against a basic contract for individual requirements. Minimum and maximum quantity limits are specified in the basic contract as either number of units (for supplies) or as dollar values (for services).

An ID/IQ contract is a contract between a federal government agency and a contractor for the indefinite delivery of an indefinite quantity of services. Timing and delivery of the services is determined through agency completion of an individual task order or individual delivery orders. A single ID/IQ contract may be used by a number of federal organizations.

GWACs

Government Wide Acquisition Contract (GWAC) allows Federal agencies to purchase information technology products and services from another Federal agency's contract. The advantage of a GWAC contract is that the agency that signs the contract centralizes the contract administration for all participating agencies. This is faster, less costly and more convenient than having each contracting organization issue its own contract.

They are indefinite delivery/indefinite quantity contracts that support flexible procurement and efficiency.

[Alliant](#)

[CIO-SP2j](#)

[Millennia](#)

Millennia Lite

COMMITTS NexGen

Connections

GSA – 8(a) Streamlined Technology Acquisition Resources for Services (STARS)

GSA Alliant

GSA Veterans Technology Services (VETS) Government Wide Acquisition Contract (GWAC)

Millennia Contract for the Enterprise Government Wide Acquisition Center

What is the "Fair Opportunity to Be Considered?"

The Federal Acquisition Streamlining Act (FASA), Federal Acquisition Reform Act (FARA) and Information Technology Management Reform Act (ITMRA) require that prime contractors be given a "fair opportunity to be considered" for task order awards when multiple prime contractors are chosen for an overall contract. In reality, you are required to practice "maximum practicable competition," which means soliciting only as many proposals as reasonably needed to conduct meaningful discussions and make a decision.

In addition, some ID/IQ contracts will permit exceptions to the fair opportunity rules. For example, you may be able to show that your agency's need for services is extremely urgent and that submitting a series of competitive task order proposals would create unacceptable delays. Another exception might be a single contractor being able to provide a specialized level of quality or a unique or proprietary approach to solving your problem. Another possibility might be if a task order were a logical follow-up to previous task orders issued under the same contract and you had followed the "fair opportunity to compete" rules when awarding the original task order.

Advertising & Integrated Marketing Solutions (AIMS), Schedule 541
Facilities Maintenance and Management (Energy Management Services), Schedule 871 II
Environmental Services, Schedule 899
Financial and Business Solutions (FABS) Schedule 520
Information Technology Services (IT), Schedule 70
Language Services, Schedule 738 II
Logistics Worldwide (LOGWORLD) Schedule 874 V
Mission Oriented Business Integrated Services (MOBIS) Schedule 874
Professional Engineering Services (PES) Schedule 871
GSA Security Services
GSA SmartBUY BPA
GSA - Scientific Equipment and Services (Schedule 66)