



United States
Department of
Agriculture

Farm and Foreign
Agricultural Services

Farm Service
Agency

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NOTICE TO THE TRADE

SUBJECT: QUALIFICATION REQUIREMENTS FOR POTENTIAL VENDORS SELLING COMMODITIES TO USDA

USDA Commodity Operations, through the Kansas City Commodity Office (KCCO), procures various products for domestic and foreign food assistance programs. Procurements of commodities for foreign distribution are made under Commodity Credit Corporation (CCC) authorities on behalf of the U.S. Agency for International Development and the Foreign Agricultural Service. KCCO also procures various products for the Department of Agriculture's Food and Nutrition Service for domestic feeding programs.

The qualification requirements requested herein provide for a reexamination and revalidation of established qualification requirements as required by the Federal Acquisition Regulation (FAR) Part 9.202(f), and are necessary for KCCO to carry out its procurement mission. All vendors submitting bids to supply commodities must be qualified prior to submitting offers. All interested vendors shall fully complete and provide all materials requested herein. KCCO will review this submission and determine if the vendor will be added to the Qualified Bidders List. Bids will not be accepted from a vendor that has failed to comply with these requirements.

Purchase Announcements that contain contract terms and specifications; USDA-1, General Terms and Conditions; Invitations for Bid; and historical contract award information can be located at <http://www.fsa.usda.gov/procurement>

Potential vendors may submit applications at any time. Potential vendors will be notified in writing whether requirements have been satisfied.

The following steps are required to complete the qualification process:



Administrative Requirements

All potential vendors shall:

1. Register in the Central Contractor Registration (CCR) system at <http://www.ccr.gov>. The CCR requires a one-time business registration with mandatory annual updates. The CCR allows vendors to control the accuracy of their own business information. There is no fee to register in CCR. The data from registrations will be used for procurement and payment purposes.
2. Provide KCCO the CCR assigned Commercial and Government Entity (CAGE) code as appropriate for any applicable location(s). The CAGE code is a five-character identification number. Reference the CCR handbook for instructions to enter data into the CCR.
3. Complete Standard Form 3881, ACH Vendor/Miscellaneous Payment Enrollment Form, which can be located at www.sc.egov.usda.gov.
4. Complete Appendix 1, Representations, Certifications, and Other Statement of Offerors or Respondents.
Appendix 1 for dairy products located at <http://fsa.usda.gov/daco/Announcement/dairy/Appendix1.pdf>
Appendix 1 for domestic products located at <http://www.fsa.usda.gov/daco/Announcement/Domestic/Appendix1.pdf>
Appendix 1 for export and bulk products, and bags, needles, and twine located at <http://www.fsa.usda.gov/daco/Announcement/export/appendix1.pdf>
The Appendix 1 is required annually for continued eligibility.
5. Submit a copy of applicable Small Business Administration (SBA) certificate if the company is certified Small Disadvantaged Business (SDB), 8(a), and/or HUBZone, and is not certified in the CCR as such.

Financial Requirements.

6. KCCO will request and evaluate Dun and Bradstreet (D&B) business analysis reports for all potential vendors to determine if adequate financial resources are available to perform the contract. If the financial information available through the D&B business analysis reports is insufficient to complete a satisfactory review of a vendor's financial stability, KCCO reserves the right to require a potential vendor to submit its latest complete comparative financial statement. The financial statement must be prepared in accordance with generally accepted accounting principals 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 flow, statement of retained earnings and any notes to the financial statement. For partnerships, the last fiscal year statement 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 personal and business assets and liabilities will be required.

As required by FAR Part 9.104-3(a), a potential vendor must demonstrate adequate financial resources to perform the contract including the availability of necessary working capital and satisfactory credit. This may include, but is not limited to, the financial protection against losses as set forth in FAR Part 28.

The D&B business analysis report or the latest financial statements will be reviewed on an annual basis to determine continued eligibility to submit offers on Invitations for Bid.

Capability Requirements

In accordance with FAR Parts 9.104-1 and 9.104-3(b), potential vendors must certify capability to perform as follows:

7. All written submissions from potential vendors must be on company letterhead authenticating the exact legal entity name. Each vendor must submit in writing:
 - (a) A list of all products that they are interested in providing.
 - (b) Historical experience describing the number of years it has sold these or similar products in the commercial marketplace or to governmental organizations.
 - (c) Any additional pertinent information regarding the vendor's capabilities such as, but not limited to, 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.

8. In accordance with 13 CFR 121.406, all potential non-manufacturers of processed products must be engaged in the wholesale or retail trade and sell the items being offered to the general public. The supplier must furnish a copy of the written agreement in effect between the non-manufacturer and an approved supplier to certify compliance with the applicable KCCO purchase announcement requirements. The agreement must be on the supplier's company letterhead and must be signed by both parties.

After receiving the qualification information, a pre-award survey shall be conducted to verify that a potential vendor meets KCCO qualification requirements. The pre-award survey will be conducted by the KCCO Total Quality Systems Audit (TQSA) auditors to evaluate the technical, production, and transportation capabilities, and quality assurance and production control procedures of the vendor. KCCO has implemented an audit program for many of the commodity areas. Prior to approval, potential vendors must be compliant with the applicable commodity purchase announcements that contain the requirements for each product.

If all qualification requirements are met, a vendor identification entity number will be assigned to the vendor in order to submit future offers to KCCO.

Potential vendors are encouraged to submit qualification packages as soon as possible so they may be notified of qualification status in advance of upcoming Invitations for Bid. The qualification packages should be submitted under seal and marked **CONFIDENTIAL** to Attention: Small Business Specialist, Kansas City Commodity Office, 6501 Beacon Drive, Mail Stop 8698, Kansas City, MO 64133 (Betty Kunkel, Small Business Specialist, Phone 816-926-3295, Fax 816-823-4034, Email betty.kunkel@kcc.usda.gov.)

Except as provided in FAR Part 24.2 (the “Freedom of Information Act”) qualification information, including the pre-award survey report, accumulated for purposes of determining the responsibility of a potential vendor 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 the vendor on whose behalf that information package is submitted. If any information provided by the vendor becomes inaccurate, the vendor must immediately notify the Small Business Specialist and provide updated and accurate information in writing, under penalty of perjury. KCCO reserves the right to waive minor irregularities and omissions in the information obtained in the qualification package submitted.

/S/ George W. Aldaya
George W. Aldaya
Director

ATTACHMENT

- [List of products and NAICS codes covered by qualification requirements and technical contacts for products](#)