



DEFENSE INFORMATION SYSTEMS AGENCY
DEFENSE INFORMATION TECHNOLOGY CONTRACTING ORGANIZATION
2300 EAST DRIVE
SCOTT AIR FORCE BASE, ILLINOIS 62225-5406

August 19, 2014

TO: All Telecommunications Contractors

SUBJECT: Discontinuance of Tariff Priced Communications Service Authorization (CSAs)

On June 3, 2014, the Defense Information System Agency, Defense Information Technology Contracting Organization (DITCO) issued a letter outlining its intent to discontinue issuance of new CSAs subject to adjustable tariff regulated pricing by the Federal Communications Commission and State-equivalent Public Utilities Commissions. There were limited responses to the letter requesting confirmation that existing CSA's, subject to tariff prices, will continue with tariff pricing beyond October 1, 2014. This letter confirms that is the case. Therefore, DITCO intends to move forward with issuing firm-fixed-price (FFP) CSAs only for all new telecommunication requirements that are routinely solicited through the Inquiry, Quote, Order (IQO) process. The FFP CSAs provides a price(s) that will not be subject to adjustments and shall account for all applicable charges (e.g., charges from subcontractors or other contractors, taxes, surcharges, universal service fund, fees, etc.), and these charges may not be billed separately.

All inquiries will begin soliciting FFP quotes only no later than September 1, 2014. Attached is a draft version of the new Standard Provision – Four on quote preparation. This new policy is on track to take effect on October 1, 2014 and will not impact CSAs awarded prior to this date. Expiring CSAs for services still required by DITCO's mission partners will be re-awarded as FFP. Pursuing this FFP strategy on all future IQO CSAs will simplify the billing process in the near term and greatly reduce long term administrative costs.

DITCO looks forward to working with you on future telecommunication procurements. If there are any questions, you may contact the undersigned at 618-229-9453 or reach me at email terry.l.green70.civ@mail.mil.

Sincerely,

TERRY L. GREEN
Chief, Individual Circuits and
National Security Branch

Enclosure a/s

DRAFT
STANDARD PROVISION – FOUR
QUOTE PREPARATION (SEP 2014)

CONTRACTOR/TELECOMMUNICATIONS PROVIDER (TP) QUOTE SHALL RESPOND TO EACH PARAGRAPH OF THIS INQUIRY SEPARATELY AND TO EACH SUBPARAGRAPH UNDER SECTION M (ADDITIONAL INFORMATION) SEPARATELY IF APPLICABLE. CONTRACTOR/TP SHALL AGREE TO SATISFY ALL TECHNICAL ASPECTS OF INQUIRY. ANY TECHNICAL ASPECTS OF INQUIRY THAT CONTRACTOR/TP IS UNABLE OR UNWILLING TO SATISFY SHALL BE ADDRESSED BY CONTRACTOR/TP. CONTRACTOR/TP SHALL INDICATE WHETHER OR NOT IT CAN MEET SERVICE DATE IDENTIFIED IN INQUIRY. IF CONTRACTOR/TP CANNOT MEET SERVICE DATE, CONTRACTOR/TP SHALL INDICATE DATE THAT IT CAN PROVIDE SERVICE. IF CONTRACTOR'S/TP'S ABILITY TO MEET A REQUESTED DATE IS DEPENDENT UPON RECEIPT OF AN ORDER OR CIRCUIT DEMAND BY A CERTAIN DATE, THIS CONDITION SHALL BE STATED IN QUOTE. CONTRACTOR'S/TP'S QUOTE SHALL CONTAIN THE APPLICABLE NPA NXX FOR EACH SERVICE LOCATION AND ALL APPLICABLE CHARGES FOR SERVICE (E.G., CHARGES FROM SUBCONTRACTORS OR OTHER CONTRACTORS/TPS, TAXES, SURCHARGES, UNIVERSAL SERVICE FUND, FEES, ETC.). ALL CHARGES SHALL BE ITEMIZED, WITH QUANTITY AND COSTS PER UNIT INDICATED, AS NON-RECURRING CHARGES (NRC) AND MONTHLY RECURRING CHARGES (MRC), AS APPLICABLE. CHARGES NOT INCLUDED IN QUOTE SHALL NOT BE ADDED TO SUBSEQUENT INVOICES, AND U.S. GOVERNMENT SHALL NOT BE OBLIGATED TO PAY CHARGES THAT ARE NOT SPECIFIED IN QUOTE AND AUTHORIZED IN RESULTANT ORDER OR CIRCUIT DEMAND.

ALL CHARGES QUOTED SHALL BE UNDERSTOOD TO BE FIRM FIXED PRICES FOR THE LIFE OF THE CONTRACT. FIRM FIXED PRICE QUOTES MUST ACCOUNT FOR ALL APPLICABLE CHARGES (E.G., CHARGES FROM SUBCONTRACTORS OR OTHER CONTRACTORS/TPS, TAXES, SURCHARGES, UNIVERSAL SERVICE FUND, FEES, ETC.), AND THESE CHARGES MAY NOT BE BILLED SEPARATELY.

ALL QUOTES SHALL BE PROVIDED IN ENGLISH.

ACCEPTABLE CONTRACTOR/TELECOMMUNICATIONS PROVIDER (TP) RESPONSE:
"UNDERSTAND, WILL COMPLY" and **provide the required information.**