

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 10045

PREAWARD SURVEYS

(DCAS)

In the process of awarding a contract for goods or services, it is the policy of the United States Government to evaluate business organizations submitting bids as to their competence, capability and responsibility to perform on the contract. The purpose of this policy is to assure timely delivery of quality products at fair and reasonable prices. The evaluation is called a "preaward survey."

Another preaward action, separate and distinct from the one described above, is performed by Department of Defense Contracts Compliance Offices. This is known as a preaward review and is performed to determine if the contractor is in compliance with Executive Orders and Department of Labor regulations regarding equal employment opportunity. Preaward reviews performed by Contracts Compliance Offices are separate and distinct from preaward surveys. The two should not be confused.

For the Department of Defense and other selected Government agencies, the majority of preaward surveys are made by nationwide offices of the Defense Contract Administration Services (DCAS) according to guidelines outlined in the Armed Services Procurement Regulations. As the situation may require, other DoD or non-DoD specialists may participate in the surveys also.

A survey is conducted at the request of a buying agency. It is a team effort by military and civilian personnel who are specialists in fields such as accounting, production, contract management, business administration, property management, quality assurance, engineering, transportation, packaging, industrial labor relations, industrial security, legal counsel, and industrial readiness. They investigate the prospective contractor's technical capability, production capability, purchasing and subcontracting methods, accounting methods, quality control system, transportation and packaging facilities, plant safety, labor resources, performance record, and other factors which may be specifically requested by the buying agency. The findings are reported to the purchasing agency who makes a determination of the contractor's responsibility, as well as the decision to award the contract.

The enclosed pamphlet describes preaward surveys in detail.

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Preaward Survey Information
for Prospective Government
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