



DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND
2531 JEFFERSON DAVIS HWY
ARLINGTON VA 22242-5160

IN REPLY REFER TO

4330
OPR 02811/ALP/232
Ser 02/418
1 Aug 96

*Cancelled
by Ser
02B/086
of 2/2/98*

From: Commander, Naval Sea Systems Command

Subj: APPROVAL OF SUPSHIP BUSINESS CLEARANCES

Ref: (a) NAVSEA ltr 4330 Ser 02/324 dated 15 Jun 90;
same subject
(b) NAVSEA ltr 4330 Ser 02/406 dated 12 Jul 90;
same subject

1. In keeping with our efforts to streamline the acquisition process and in consideration of the management capabilities and resources available to SUPSHIP activities, we have determined that SUPSHIP business clearance approval thresholds should be increased for specified contract actions.

2. Addressees are presently assigned a \$20,000,000 threshold for contract actions solicited under full and open competition where award is to the low offeror. Effective immediately, a similar \$20,000,000 threshold for the following contract actions is also assigned:

- a. Other than full and open competition.
- b. Only one offer received.
- c. Options exercised under phased maintenance programs.

3. The following contract actions remain as exceptions to the above and must be submitted to NAVSEA for approval regardless of the dollar amount.

- a. Where any offeror is removed from the competitive range.
- b. Full and open competition where award is to other than the low offeror.
- c. Advance agreements on the treatment of special or unusual costs as set forth in NAPS 5201.690-6.

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4. As in the past, competition is considered full and open when all ABR and/or MSRA holders within the designated geographical area are permitted to participate. Also, the low offeror is that offeror submitting the lowest proposed price.

5. Under the special business clearance requirements identified in NAPS 5201.690-8; (1) the authority to approve final indirect cost rates was previously delegated to addressees and remains in effect and, (2) clearances for CAS issues should be addressed directly to NAVSEA (Code 028).

6. References (a) and (b) are hereby canceled. Questions regarding the above may be directed to Mr. A. Padgett, SEA 02811, (703) 602-6911 or DSN 332-6911.



RICHARD T. GINN
CAPTAIN, SC, USN
DEPUTY COMMANDER FOR CONTRACTS

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B1 Copy to:

SEA 071

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