



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS ELECTRONIC SYSTEMS CENTER (AFMC)
HANSCOM AIR FORCE BASE MASSACHUSETTS

16 March 2011

MEMORANDUM FOR NETWORK CENTRIC SOLUTIONS DECENTRALIZED CONTRACTING OFFICES

FROM: ESC/HIJK

201 E. Moore Drive, B856 Rm 208
MAFB-Gunter Annex, AL 36114

SUBJECT: Removal of the usage fee from NETWORK CENTRIC SOLUTIONS (NETCENTS) Task Orders

1. On 17 December 2010, the NETCENTS Contracting Officer issued modifications to all NETCENTS contract holders directing the removal of usage fees effective 1 January 2011. This change was directed by the Deputy Assistant Secretary for Budget, Air Force Financial Management and Comptroller (SAF/FMB) and Headquarters, Air Force Materiel Command (AFMC). The language of this modification is as follows:

- A. In accordance with NETCENTS clause H104(c) the government is hereby directing the removal of the usage fee effective 1 January 2011. Removal of the usage fee will apply to all new delivery/task orders awarded on or after 1 January 2011.
- B. Decentralized contracting offices and NETCENTS prime Contractors shall not change the pricing of delivery/task orders awarded on or before 31 December 2010, except for unexercised option CLINs.
- C. The administrative contracting offices and the NETCENTS prime Contractors shall take all reasonable efforts to negotiate the removal of the NETCENTS usage fee from unexercised option CLINs.
- D. NETCENTS clause H104 has been updated to reflect this change.
- E. Section J, Exhibit A, CONTRACT DATA REQUIREMENTS LIST (CDRL) - DELIVERY ORDER STATUS REPORT (DOSR), has been updated to reflect this change.

2. For all new delivery/task orders, this change should be "invisible" to the decentralized offices. However, decentralized offices should **review all new proposals to ensure usage fees, sometimes listed as "HQ SSG usage fee", are not included.** If there is a question regarding appropriate fees, Contracting Officers should first seek clarification with the prospective contractor, and then contact the NETCENTS support team for assistance if there is no resolution.

3. Paragraph C directs Contractors and Administrative (Decentralized) Contracting Offices to negotiate the usage fees from unexercised option CLINs. **These actions should be taken as soon as practicable to ensure alignment with direction from higher headquarters.** However, this is not an opportunity for Contractors to re-negotiate the option(s) CLINs.

4. To determine the presences of the usage fee, all proposals must be reviewed for usage fee elements. This includes the proposals for existing/current task orders as well as all new proposals. In accordance with NETCENTS Clause H104, all CLINs, e-commerce web sites and business price cost models used in this contract were to include the fee with an exception for travel and ODCs when proposed using the cost reimbursable CLINs.

5. In order to calculate removal of the fee, multiply the price by .9901% or divide the price by 1.01 – either way, the 1% usage fee is removed. The table below may be used as a reference in removing the usage fee.

Removing usage fee		
price with fee	0.9901%	price without fee
\$ 20,200.00	\$ 200.00	\$ 20,000.00
Adding usage fee		
price without fee	1%	price with fee
\$ 20,000.00	\$ 200.00	\$ 20,200.00

6. As directed in Paragraph B, modifications for removal of the usage fee shall not be issued against CLINS during the period of performance.

7. The usage fee shall be submitted (by the Contractor) for all executed CLINS unless removed by modification as indicated above. This is not an item the Contractor and ordering office can agree to “not bill/invoice” as a methodology for removal. Modification is the only acceptable form of usage fee removal. Usage fee submissions are tracked by the NETCENTS office.

8. Your prompt attention to this matter of contractual compliance is appreciated. Please direct any questions to the NETCENTS Customer Support Team at 334-416-5070 or e-mail: netcents@gunter.af.mil.



RANDI E. WILLIAMS
NETCENTS Contracting Officer

cc:
ESC/HIK (Contracting)
AFPEO EIS/HIF (Comptroller)
AFPEO EIS/HIJ (Enterprise Services)
AFPEO EIS/HJA (Judge Advocate)