First Article Test (FAT)/Product Lot Test (PLT)

6/8/16
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First Article Testing (FAR 9.3)

• Testing & evaluating the first article for conformance with specified contract requirements *before or in the initial stage of production*. May be Government FAT or be performed by a contractor (Contractor FAT).

• Before FAT approval, the acquisition of materials or components, or commencement of production, is normally at the sole risk of the KTR.
Contractor First Article Testing (FAR 52.209-3)

- Solicitation provides--
  - The performance or other characteristics that the first article must meet for approval;
  - The detailed technical requirements for the tests that must be performed for approval; and
  - The necessary data that must be submitted to the Government in the first article approval test report;

- Address for submittal of FAT report:
  - Maritime.fat.monitor@dla.mil
  - DLA.land.and.maritime.fat.notification@dla.mil
Government First Article Testing (FAR 52.209-4)

- Solicitation provides--
  - The performance or other characteristics that the first article must meet for approval;
  - The tests to which the first article will be subjected for approval;
  - The Government’s estimated testing costs to be used as a factor for use in evaluating offers (when appropriate).
FAR 52.209-3(h) and 52.209-4(i)--

- The Gov’t may waive the requirement for first article approval test where supplies identical or similar to those called for in the schedule have been previously furnished by the Offeror/KTR and have been accepted by the Gov’t.
- Offerors/KTR may submit a request for FAT waiver to the Contracting Officer.
  - Source has manufactured and delivered the product or similar product within the last five (5) years or three (3) years for critical safety items.
  - Supporting information will be required
FAT Pricing

- FAT CLINs are priced separately from production CLINs.
- FAT CLIN pricing should include all costs and risk expected to be associated with completion of the FAT requirement.
- Unit pricing should exclude all FAT-related costs.
- Offerors who elect or neglect to provide separate FAT CLIN pricing will not be able to invoice for any costs associated with the production, manufacture and testing of the first article, any costs associated with preparation of the FAT Report, or any other FAT-related costs.
- Offerors will be paid their proposed FAT CLIN price regardless of their costs incurred in completing the FAT requirement.
- If FAT is not waived, the proposed FAT CLIN price will be paid upon successful completion of the FAT requirement and submittal of a proper invoice.
FAT Evaluation

• The total award price will be used in selecting the best value offer/quote from among all eligible offerors/quoters.
  – To be eligible for award the FAT CLIN (unless waived) and Unit Price CLIN(s) must each be determined to be a fair and reasonable price and, if set-aside under FAR Part 19, a fair market price.
  – The FAT CLIN shall not be materially unbalanced in relation to Unit Price CLIN(s) for production quantities.

• In the event that an offeror receives a waiver of the FAT requirements, the FAT CLIN price for the waived source shall be deducted in determining the total award price.
Production Lot Testing

– Production Lot Test (PLT):
  A test of a *randomly selected sample from a production lot* to verify that it was produced in accordance with all requirements. May be Government or Contractor.

– PLT units are included as part of the production quantity and are paid for as part of the production quantity
Contractor PLT

- Samples approved by the Government may be included with the shipment of the production quantity of the same lot, unless the samples are damaged or destroyed during testing.

- Contractor:
  - Will have option to price a PLT CLIN. If no price, there will be no separate charge to the Government for conducting production lot testing.
  - Is responsible for producing production lot testing samples and for conducting testing.

- PLT costs payable only for the report and any additional testing not normally required for production (i.e. destructive testing, environmental testing, or testing that the contractor has to outsource)
• Material returned to the contractor upon completion of Government testing for delivery with the production quantity of the same lot.
• The contractor will NOT separately price additive CLINs for Government PLT, because there should be no costs incurred by the contractor.
• The PLT CLIN is used only to pay for approved samples that are consumed, destroyed, or otherwise rendered unusable during Government production lot testing.
PLT Pricing

- PLT units are included as part of the production quantity and are paid for as part of the production quantity.
- Contractor:
  - Should have very little (if any) costs associated with contractor PLT (cost of the report, and any additional testing not normally required for production)
  - Should have no costs associated with government PLT.
Financial Stewardship

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