

# FFAS HANDBOOK

## Acquisition Management

To access the transmittal page click on the short reference.

For All FFAS Offices,  
Except FAS Overseas Offices

SHORT REFERENCE

27-AS  
(Revision 1)

UNITED STATES DEPARTMENT OF AGRICULTURE  
Farm Service Agency  
Washington, DC 20250



**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

<b>Acquisition Management 27-AS (Revision 1)</b>	<b>Amendment 2</b>
--	--------------------

**Approved by:** Acting Deputy Administrator, Management



**Amendment Transmittal**

**A Reasons for Amendment**

Subparagraph 10 B has been amended to update the information on IAS.

Subparagraph 10 C has been amended to change the name of the biobased program to the BioPreferred Program.

Subparagraph 26 D has been amended to correct the information concerning competitive acquisitions.

Subparagraph 36 I has been amended to clarify the requirements for newspaper advertisements.

Subparagraphs 46 C, 46 D, 47 C, 47 D, 47 E, and 48 A have been amended to clarify the requirements for approval of meetings.

<b>Page Control Chart</b>		
<b>TC</b>	<b>Text</b>	<b>Exhibit</b>
	2-1, 2-2 3-5, 3-6 4-3, 4-4 5-1 through 5-6	1, pages 1, 2



# Table of Contents

Page No.

## Part 1 Basic Provisions

1	Handbook Purpose and Coverage .....	1-1
2	Sources of Authority .....	1-1
3-9	(Reserved)	

## Part 2 Acquisition Management

10	Procurement Actions .....	2-1
11	Delegation of Authority .....	2-3
12	Conflicts of Interest .....	2-3
13	Prompt Payment Act .....	2-4
14	Entering Into Government Commitments.....	2-5
15-23	(Reserved)	

## Part 3 Acquisition Procedures

24	Sources of Supply .....	3-1
25	Purchases From GSA .....	3-3
26	Open Market Purchases .....	3-4
27	Purchase Orders and Related Forms .....	3-6
28	Government Bills of Lading .....	3-6
29-35	(Reserved)	

## Part 4 Restrictions on Procuring Office Furniture, Office Machines, and Other Office Items

36	Procurement Restrictions .....	4-1
37	Payment or Reimbursement Procedures .....	4-7
38	FSA State and County Office FLP PLCE.....	4-8
39-45	(Reserved)	

**Table of Contents (Continued)**

**Page No.**

**Part 5      Off-Site Meetings, Conferences, Training Sessions, and Ceremonies**

46	Off-Site Meeting Requirements .....	5-1
47	Action .....	5-4
48	Example of Meeting Plan.....	5-6
49-57	(Reserved)	

**Part 6      Servicing Non-ADP Machines and Maintenance**

58	Servicing Non-IT Machines.....	6-1
59	Placing Orders for Maintenance .....	6-2
60-68	(Reserved)	

**Part 7      USDA Procurement Reporting System**

69	Procurement Actions.....	7-1
----	--------------------------	-----

**Exhibits**

1	Reports, Forms, Abbreviations, and Redelegations of Authority
2	Definitions of Terms Used in This Handbook

**Part 1 Basic Provisions**

**1 Handbook Purpose and Coverage**

**A Handbook Purpose**

This handbook establishes policies and procedures for the acquisition of supplies, equipment, and services for all FFAS National and Field Offices as follows:

- FAS, FSA, and RMA National Offices
- RMA and FAS Field Offices
- KC and St. Louis Offices
- FSA State Offices
- APFO
- FSA County Offices.

**Note:** Because of the termination of the COE system, County Offices shall perform acquisitions according to FAR.

**B Related Handbooks**

The following handbooks relate to this handbook.

<b>IF the material concerns...</b>	<b>THEN see...</b>
real property, personal property, and motor vehicle management	30-AS and 31-AS.
common payment limitation provisions	5-CM.
managing FSA and CCC claims	55-FI and 58-FI.
FFIS Budget and Accounting Codes	98-FI.
FLP program authority codes	1-FLP.

**2 Sources of Authority**

**A Regulatory Authority**

Authority for FFAS acquisition is vested primarily in the following regulations:

- FAR
- AGAR.

These 2 documents are the main source for all acquisition information required by FFAS contracting personnel. The guidance given in this handbook:

- is supplemental
- does **not** replace or supersede any guidance given in FAR or AGAR.

**3-9 (Reserved)**



**Part 2 Acquisition Management****10 Procurement Actions****A Introduction**

All Agency procurement actions shall be governed by FAR, AGAR, and the guidance contained in this manual.

**B IAS**

FFAS offices are required to use IAS mandated by USDA for all contract actions that result in a formal purchase order or contract. IAS:

- requires that a requisition entered into IAS pass through the cognizant budget office to ensure that the proper funds are available for the acquisition
- commits the funds in the financial system
- obligates the funds within FFIS upon award
- automatically reports all applicable awards to the Federal Procurement Data System.

Requisitioners and budget personnel who use IAS shall receive training through the computer-based training provided in the AgLearn System. Contracting Officers must attend a training class to use IAS.

IAS does not interface with the financial system for CCC program payments or FLP Type 60 actions. These obligations must be manually input into the financial system. IAS may be used to generate the purchase order forms for these actions.

\*--Up-to-date information on IAS is provided on the IAS web site at <https://ias.usda.gov>,--\* which also contains many useful documents and procedurals, and is updated on a constant basis.

Guidance on when to use IAS and specific guidance on leases, office equipment, and other specialized issues are contained on the \* \* \* IAS web site.

**10 Procurement Actions (Continued)****C Required Sources**

Offices shall ensure that, except as required by FAR 8.002, or as otherwise provided by law, requirements for supplies and services shall be satisfied from or through the sources and publications listed in FAR Part 8, Required Sources of Supplies and Services, with special consideration given to the following factors.

- The minimum quantity and quality of supplies, equipment, or services are purchased to meet operational needs of the office.
- Small, small disadvantaged, and women-owned small businesses are allowed maximum opportunities in competing for open market acquisitions.
- Requirements are not split to avoid established dollar thresholds, competition, contracting authority, or the use of simplified acquisition procedures.
- Simplified acquisition procedures shall be used as required by FAR 13.003, Policy.
- The Government purchase card shall be the preferred method of acquisition when using simplified acquisition and micro-purchase procedures.
- Offices are required to acquire biobased products where applicable.

**\*--Notes:** See <http://www.usda.gov/procurement/programs/biopREFERRED.htm> for the latest information on the BioPreferred Program. There are presently 6 commodities identified as subject to the BioPreferred Program:--\*

- mobile equipment hydraulic fluid
- roof coatings
- water tank coatings
- diesel fuel additives
- penetrating lubricants
- bedding, linens and towels.

The list is subject to additions, deletions and modifications. Users are encouraged to access the web site for current information.

**10 Procurement Actions (Continued)****D Requester's Determination of Suitability**

The Contracting Officer shall ensure that:

- program solutions proposed by the requiring office mesh with the agency goals concerning performance-based statements of work
- when required, documentation from the program office is included in the acquisition with the affirmative determination that the proposed technical approach is the best use of agency resources and funds.

**11 Delegation of Authority****A HCAD Responsibilities**

HCAD:

- is the individual delegated by HCA to carry out the functions of HCA
- may redelegate acquisition authority consistent with applicable requirements of AGAR, FAR, and other delegations of authority.

**B Contracting Officer Responsibilities**

The Contracting Officer is the individual who enters into, administers, and terminates contracts according to Federal acquisition laws and regulations. The Contracting Officer's authority is stated on a written warrant, SF-1402. The warrant complies with DR 5001-1 and other Departmental guidance. Contact AMD, Plans and Program Management Branch for details on how to apply for a Contracting Officer's warrant.

**12 Conflicts of Interest****A Prescribed Guidelines**

Agency employees shall adhere to the following guidelines:

- AGAR Part 403, Improper Business Practices and Personal Conflicts of Interest
- FAR Part 3, Improper Business Practices and Personal Conflicts of Interest
- Federal statutes
- regulations, guides, and guiding principles issued by USDA's Office of Procurement and Property Management.

## 13 Prompt Payment Act

### A Making Prompt Payments

The Prompt Payment Act requires Federal agencies to pay interest on overdue payments.

There are **no** prompt payment penalties associated with the PCMS reconciliation. Prompt reconciliation, however, is essential to good relations with the bank and to ensure effective application of the quarterly bank rebate program, which reduces the cost of operating PCMS.

All cardholders shall comply with reconciliation timeframes issued by the Agency Program Coordinator and Local Agency Program Coordinator.

### B Exceptions to Advance Payments

Payments to vendors shall **not** be made in advance of receiving the requested supplies or services, except:

- when paying subscriptions to magazines, newspapers, and other publications when required for official use

**Note:** Subscriptions to newspapers, magazines, or other publications may be for a period longer than 1 year when it is economical to the Government. Payment for those subscriptions may be made from current appropriations available for this purpose.

- software maintenance charges for potential future updates to the software which may or may not occur.

**Note:** These payments can be made as long as market research indicates this remains a standard commercial practice of the industry.

These exceptions are **not** all inclusive. There may be other circumstances where commercial practice is to make payment in advance of delivery of goods or services. In that case, the Contracting Officer or purchase cardholder shall follow the provisions for commercial interim payments and commercial advance payments under FAR Subpart 32.2, Commercial Item Purchase Financing.

Recurring payments, such as lease or maintenance, may be set up monthly, quarterly, or semi-annually with payment sent to the vendor at the end of the billing period.

## 14 Entering Into Government Commitments

### A Authorized Commitments

Only employees who have been delegated specific written contracting authority, such as a Contracting Officer warrant or a purchase card account, may enter into agreements to provide supplies or services, including construction, on behalf of the Government.

### B Unauthorized Commitments

When an unauthorized commitment is made by a Government representative who lacks the authority to commit the Government:

- the Government may **not** pay for any supplies or services provided by the vendor unless and until ratification occurs
- the employee may be held accountable for any payments to the vendor
- the Agency's contracting authority could be adversely affected
- relations with vendors upon whom we rely are strained.

### C Examples of Unauthorized Commitments

The following are some examples of unauthorized commitments:

- ordering supplies or services without delegated contracting authority or a Government purchase card and/or convenience check account
- ordering in excess of delegated contracting authority or per purchase and monthly Government purchase card and/or convenience check account limitations
- issuing unauthorized changes or assigning new work under an existing contract

**Note:** This includes all delivery orders, task orders, and terms and conditions of existing contracts.

14 **Entering Into Government Commitments (Continued)**

**C Examples of Unauthorized Commitments (Continued)**

- failing to submit requisition for renewal of recurring services in a timely manner

**Note:** As a result, the previous contractor continues to provide services without Contracting Officer approval.

- submitting a requisition with insufficient time for the Contracting Officer to take action before the services/supplies are required and then ordering the supplies and/or services from the vendor yourself.

**D Ratifying an Unauthorized Commitment**

An unauthorized commitment may be ratified when all of the following apply:

- the supplies or services received under the unauthorized commitment were required by the Government and were for the Government's benefit
- the prices paid are determined to be fair and reasonable
- the resulting contract would be otherwise proper if made by an authorized Contracting Officer
- supplies or services provided are acceptable to the Government
- proper funds are available now and were available at the time the unauthorized commitment was made.

**14 Entering Into Government Commitments (Continued)****E Submitting the Ratification**

The employee who made the unauthorized commitment shall forward a request for ratification to the Policy and Oversight Section for signature by HCAD.

The request for ratification shall include all of the following items:

- completed requisition with a complete description of the supplies provided, or the services performed, including dates or period of performance and all cost elements
- a detailed statement of facts surrounding the unauthorized commitment, including, but not limited to the following:

- why proper procurement procedures were not used

**Note:** This shall include an explanation why a Government purchase card or convenience check transaction was **not** used by the employee's division.

- why the particular vendor was selected
- list of all sources considered

**Note:** If only 1 source was solicited, and the value is over the micro-purchase limit, a full explanation is required as to why only 1 source was considered.

- statement that proper funds are available now and were available at the time the unauthorized commitment was made
- if performance has begun, percentage of work completed and an estimated completion date
- an explanation of the steps being taken or proposed to prevent reoccurrence of unauthorized commitments
- any additional information, clearances, or approvals requested by the reviewing and/or approval authority.

**14 Entering Into Government Commitments (Continued)**

**E Submitting the Ratification (Continued)**

When the dollar value of the unauthorized commitment is over the micro-purchase limit, the employee and the employee's supervisor must submit a request and justification for ratification.

If the employee who made the unauthorized commitment is no longer with the Agency, the former employee's supervisor shall provide the information to AMD.

The employee must:

- immediately inform any vendor who is performing work as a result of an unauthorized commitment that the work is being performed at the vendor's risk
  
- state in the request for ratification that this has been done.

**15-23 (Reserved)**

## Part 3 Acquisition Procedures

## 24 Sources of Supply

## A Overview

Contracting officers and purchase card holders shall review each requisition and fill the requirement from or through the sources listed in this part in descending order.

Source		Description
1	Agency Inventory	Offices shall keep a limited stock of commonly used supplies used on a regular basis to fill small requirements.
2	Excess Property	Offices shall check excess property sources according to 30-AS and 31-AS before acquiring new furniture and equipment.
3	Federal Prison Industries, Inc.	FPI offers supplies and services made or performed by prisoners confined in Federal correctional institutions. Products and services are listed in the Schedule of Products, and copies can be obtained from the UNICOR web site at <a href="http://www.unicor.gov">www.unicor.gov</a> .
4	JWOD Program	<p>JWOD products:</p> <ul style="list-style-type: none"> <li>• include office and general supplies, cleaners, hardware, etc. made by workshops under the guidance of The Committee for Purchase From People Who Are Blind or Severely Disabled</li> <li>• are mandatory purchases, unless the price or delivery schedule are found to be unreasonable</li> <li>• may be purchased from any of the following: <ul style="list-style-type: none"> <li>• on the Internet at <a href="http://www.jwod.com">www.jwod.com</a> and <a href="http://www.gsaadvantage.gov">www.gsaadvantage.gov</a></li> <li>• by telephone at 877-GET-JWOD (877-438-5963)</li> <li>• by FAX at 877-FAX-JWOD (877-329-5963)</li> <li>• through GSA Global Supply at 800-525-8027 or by FAX at 800-856-7057</li> <li>• through an authorized commercial distributor, a list of which is available at <a href="http://www.jwod.gov/splydist.htm">www.jwod.gov/splydist.htm</a>.</li> </ul> </li> </ul>

## 24 Sources of Supply (Continued)

## A Overview (Continued)

	Source	Description
5	Wholesale Supply Sources	<p>GSA <i>Advantage!</i> is GSA's on-line shopping service, giving individuals immediate access to thousands of items stocked in GSA warehouses. The web site is <a href="http://www.gsaadvantage.gov">www.gsaadvantage.gov</a>. Offices may search product information, review delivery options, or place orders directly with contractors using the purchase card.</p>
6	Federal Supply Schedules	<p>GSA has established indefinite delivery contracts with commercial contractors to provide commonly used supplies, equipment, and services at prices associated with volume buying for a specified period of time. FSS's contain the list of supplies, equipment, and services, and the contract information necessary for placing delivery orders directly with the schedule contractors.</p> <p>Copies of FSS's can be obtained from the GSA web site at <a href="http://www.fss.gsa.gov">www.fss.gsa.gov</a>. GSA FSS Centralized Mailing List Service is available at 817-334-5215, by FAX at 817-334-5561, or by e-mail at <a href="mailto:cmls.gsa@gsa.gov">cmls.gsa@gsa.gov</a>.</p> <p>There are 2 types of FSS's, mandatory and optional. When USDA is listed under "Mandatory Users" in the schedule, offices are required to use FSS to procure the supplies and/or services when the contractor can meet the basic needs of the requisitioner. Offices may use optional schedules at their discretion.</p> <p>Orders <b>at or below</b> the micro-purchase level shall be placed using the Governmentwide purchase card or convenience check. Orders <b>over</b> the micro-purchase level may be made with the purchase card (if authorized by the contractor's schedule) or any prescribed purchasing method.</p>
7	Commercial Sources, Including Educational and Nonprofit Institutions	<p>When supplies, equipment, or services cannot be acquired from the mandatory sources listed, the supply item or service may be purchased from a commercial source on the open market.</p> <p>Offices shall document the purchase order file to indicate:</p> <ul style="list-style-type: none"> <li>• which mandatory sources were explored</li> <li>• why the item or service was not available from any of those sources</li> <li>• exceptions and waivers when applicable.</li> </ul>

## 25 Purchases From GSA

### A Making Award Decisions

Orders:

- **at or below** the micro-purchase threshold may be placed with any small business schedule contractor as long as the price is reasonable
- **exceeding** the micro-purchase threshold, but **not** exceeding the maximum order threshold, shall be placed with the schedule contractor providing the supply or service at the best value.

**Note:** To determine the best value, offices shall review the price lists of at least 3 schedule contractors.

In making an award decision, consider the following:

- special features of the supply or service required to meet the Agency's need
- trade-in considerations
- probable life of the item
- warranty terms and conditions
- availability of maintenance
- contractor's past performance
- environmental and energy efficiency.

Orders exceeding the maximum order threshold shall be placed with the schedule contractor representing the best value as determined using the evaluation procedures in this subparagraph. Once the schedule contractor is identified, an additional price reduction may be sought.

### B Exceptions to Using GSA Schedules

Mandatory use of schedules is **not** a requirement if any the following conditions exist:

- the contractor is unable to satisfy urgent delivery requirements
- the order is **below** the minimum order threshold
- the order is **above** the maximum order limitation
- the delivery destination is outside the schedule's geographic coverage
- a lower price for the identical item or equivalent, such as the same make and model number, is available from another source.

**Note:** Exceptions **must** be documented for the file.

## 26 Open Market Purchases

### A Orders Over Micro-Purchase Threshold

Contracting officers and purchase card holders shall set aside for small business concerns all orders exceeding the micro-purchase threshold and up to the simplified acquisition threshold, unless the Contracting Officer determines there is **not** a reasonable expectation of obtaining offers from 2 or more responsible small business concerns competitive in price, quality, and delivery.

For orders over the micro-purchase threshold, do the following.

- Solicit quotations from 3 or more sources to ensure the purchase is advantageous to the Government, price and other factors considered.
- Do **not** split requirements into several purchases merely to permit negotiation under the simplified acquisition procedures.
- Rotate the use of contractors to ensure adequate distribution among all qualified contractors.

### B Small Business Set-Aside

Contracting officers and purchase card holders shall:

- reserve exclusively, for small business, those acquisitions of supplies or services on the open market anticipated to be over the micro-purchase limit, but not more than the simplified acquisition threshold
- include in each written quotation within these limitations the Notice of Small Business Set-Aside.

If the Contracting Officer:

- **receives** a quotation from only 1 responsible small business at a reasonable price, the Contracting Officer shall make an award to the vendor
- **does not receive** a reasonable quotation from a responsible small business, the Contracting Officer should cancel the quotation and resolicit on an unrestricted basis.

## 26 Open Market Purchases (Continued)

### C Bidders' Mailing List

The bidders' mailing list is a file of information submitted by vendors who have requested that their name be added as a source of supply for their products or services.

Offices shall:

- maintain a bidders' mailing list as an added source of supply
- refer to the bidders' mailing list to obtain additional sources of supply when purchasing items on the open market.

### D Obtaining Competition

If the purchase is **under** the micro-purchase threshold, more than 1 quotation is **not** necessary, unless the Contracting Officer considers the quotation to be unreasonable. Purchases shall be obtained equally from known suppliers and from other than the previous awardee to avoid the appearance of favoritism.

If the purchase is **over** the micro-purchase threshold, quotations must be obtained from at least 3 sources and, when possible, from other than those included in the previous quotation. Quotations may be solicited orally and recorded \* \* \* in writing \* \* \* when any of the following occurs:

- purchasing a large number of products
- \*--obtaining written quotations is **not** considered economical or practical--\*
- \* \* \*
- suppliers are located outside the local trade area.

The names of the vendors who were contacted and their responses (quotations) are to be documented in the purchase order file. Offices shall **not** limit solicitations to suppliers of well known and widely distributed makes or brands nor shall quotations be solicited on a personal preference basis.

**27 Purchase Orders and Related Forms**

**A Forms Availability**

All required forms are generated by IAS. For actions not processed in IAS, OF-347 is available online at [www.acqnet.gov/far/current/html/FormsOptional10.html](http://www.acqnet.gov/far/current/html/FormsOptional10.html). SF-1449 can also be used and is available on the USDA Intranet. AD-838-A and RD 838-B are no longer used.

**28 Government Bills of Lading**

**A FFAS Move Manager**

Contact AMD at 202-720-7349 for the latest information on the designated move manager.

**29-35 (Reserved)**

**Part 4 Restrictions on Procuring Office Furniture,  
Office Machines, and Other Office Items**

**36 Procurement Restrictions**

**A Office Furniture and Furnishings Other Than FSA State and County Offices**

Furniture and office service requests are not handled as a normal procurement. These nonprocurement actions include, but are not limited to, the following:

- property or furniture, including desks, chairs, workstations, file cabinets, and tables
- coat racks, chair mats, safes, display cases, TV's, etc.
- desk lamps
- environmental air quality tests
- reupholstered, refinished, or realigned furniture
- locks and keys for doors or furniture
- electrical items, such as dedicated circuits, outlets, and light switches
- TV ceiling mounts or cable TV installation
- heating, ventilation, and air conditioning
- lights for ceilings or workstations
- motion sensors for office lights
- ceiling tile replacement
- transom fans for above some South Building office doors
- construction of space for wall/door removals or installations
- carpet installation, maintenance, or purchase
- drapery purchase or maintenance
- upholstery cleaning
- window blinds, sunshades, or glare film
- wall painting
- soundproof interior office walls
- pictures
- hanging items on walls
- framing
- plexiglass for tops of furniture
- audio visual for conference rooms

**36 Procurement Restrictions (Continued)****A Office Furniture and Furnishings Other Than FSA State and County Offices (Continued)**

- space analysis, design, or layout
- delivering moving boxes
- transporting items between South Building and leased properties in Washington, DC
- security key cards for leased properties
- renovations in leased properties
- door or desk name plates, filing equipment, shredders, and shredder supplies.

**Note:** Since these items are nonprocurement actions, they are not bought through IAS. Direct requests for these items and services to the Facilities and Operations Section, MSD.

**B Office Furniture and Furnishings for FSA State and County Offices**

State Offices shall establish procedures for approval of items listed in subparagraph A for State and County Offices.

**C Typewriters and Miscellaneous Office Machines**

Offices shall purchase typewriters and other office equipment only if there is a bona fide need, and the material cannot be prepared in any other way.

**D Printing and Duplicating Equipment**

State and County Offices are prohibited from purchasing printing and duplicating equipment. Requirements should be sent to MSD for processing.

**E Copiers**

Copiers may be purchased only if essential to the operation of the office. Coordinate all copier purchases with MSD or the State Office (if County Office) to ensure that the best solution for the need is addressed. Copiers over \$25,000 shall be approved by MSD before award. See 15-AS for further guidance on copier purchases.

**36 Procurement Restrictions (Continued)**

**F Mailing Equipment**

Mailing equipment over \$8,000 shall be approved by MSD before purchase.

**G Used and Reconditioned Equipment**

Offices shall **not** purchase used or reconditioned equipment from other than Government-owned excess stocks if new equipment is available at a reasonable cost.

**H Decorative and Personal Convenience Items**

Contracting Officers and purchase cardholders **shall not** purchase pictures, framing services, objects of art, and artificial or real plants and flowers for personal vanity. Items may be purchased for decorating public space, such as reception areas, conference rooms, or hallways if it is determined that such decoration is in the public interest.

**I Advertisements**

\*--Newspaper advertisements may be used in the following circumstances:--\*

- when it is determined that contract competition cannot be obtained through other methods
- excess personal property is being advertised for sale
- leasing of office space is being advertised
- when required by FLP regulations or directives.

**J Aerial Compliance Flying Service**

Only APFO is authorized to make and coordinate arrangements and agreements required under the Aerial Observation Program for contracting pilots and aircraft.

36 Procurement Restrictions (Continued)

**K Society and Association Memberships**

Procuring club, association, society, organization, and other memberships that solely benefit individual employees is **not** authorized.

Memberships are authorized if procured as follows:

- on an **agency**, as opposed to an individual, basis if the membership would further FSA authorized activities
- on an **individual** basis if the membership is directly related to individual training and advance payment of the fee is required before attendance.

For all membership fees, submit requisition for approval as follows.

Amount	Approval Authority
\$500 or less	SED (for field offices); Director, AMD for the National Office
Exceeding \$500	Director, MSD
Over \$1,000	Administrator, through appropriate Deputy Administrator

**L Stenographic Reporting Service**

Each Contracting Officer or purchase cardholder shall order stenographic reporting services from local providers if available. The services are to be paid by purchase card or delivery order as appropriate.

**36 Procurement Restrictions (Continued)****M Express or Overnight Deliveries**

Express or overnight deliveries shall **only** be used in valid emergencies when the delay in delivery will result in a delay of FSA operations.

Each FY, GSA will negotiate and establish a contract with an overnight delivery service for express delivery of small packages for Government agencies. These services will be paid for by purchase card.

The Contracting Officer or purchase cardholder shall:

- establish safeguards to avoid abuse or the personal use of express or overnight delivery services
- obtain justification from requester that the shipment must be express or overnight delivery
- use the GSA contract vendor as the first source to ship items express
- when the GSA contract vendor does not service the delivery location, use the next lowest cost express vendor
- refer to 5-AS for priority mailings.

**N Bottled Drinking Water**

Bottled drinking water is considered a personal rather than official expense and shall **not** be purchased at Government expense. Waiver to this provision for OSHA or ADA reasons shall be approved by MSD.

**O Promotional Materials Received in Conjunction With Official Business**

Promotional materials, such as coupons, cash, merchandise, gifts, or credits toward the future purchase of goods or services, received by an employee in conjunction with official business, are considered to belong to the Government and shall **not** be retained by the employee.

Rather than accepting the promotional materials, Contracting Officers shall attempt to deduct the cost of the items from the price of the goods or services being purchased.

36 Procurement Restrictions (Continued)

**P Business or Calling Cards**

Offices may purchase business cards at Government expense for those employees who have the need as determined by their supervisor. Cards can be done in-house by the EDS copiers.

If purchased, business cards are a mandatory item under JWOD.

**Q Air Purifiers**

The purchase of an air purifier for the sole benefit of an individual employee is considered a personal expense and shall **not** be purchased at Government expense.

**R Medically Certified Supplies or Equipment**

Under normal circumstances, specialty or deluxe models shall **not** be purchased. However, those items can be purchased at Government expense when it has been certified by a medical doctor and approved by HRD as being necessary for the employee to do his or her job. The medical certificate shall be filed in the purchase order file.

**S Notary Public State Licensing Fees**

An employee is eligible to be licensed as a Notary Public if the employee's position requires rendering of notary public services and the fees are approved by their supervisor.

**37 Payment or Reimbursement Procedures**

**A Method of Payment**

Government purchase card or convenience check is the preferred method of payment. However, if payment cannot be made by Government purchase card or convenience check, the employee may pay from his own funds and be reimbursed by submitting SF-1164 as follows. Reimbursement shall not exceed \$500.

<b>IF organization is...</b>	<b>THEN submit SF-1164 to...</b>
National Offices	USDA, FSA, FMD 1400 Independence Ave., SW. STOP 0581 Washington, DC 20250-0581.
Kansas City and St. Louis Offices	USDA, FSA, KCFO Financial Operations Division Payment Certification Branch Attn: Administrative Payments P.O. Box 419205, STOP 8578 Kansas City, MO 64141.
State and County Offices	Administrative Officer.
APFO	according to internal procedures.
RMA and FAS Field Offices	

**38 FSA State and County Office FLP PLCE****A Contractual Items**

IAS does not interface with FFIS for FLP PLCE's. Obligations for the following contractual requests will be input into FFIS after the appropriate contractual documents are generated in IAS or prepared manually:

- inspections
- appraisals
- analysis and audits
- information services
- other services, such as architect and engineering, bankruptcy, foreclosure, auctioneer, etc.
- maintenance/management
- repairs/improvements
- real estate broker
- environmental
- asset investigation
- managerial - credit reports
- other - miscellaneous.

**B Procedures**

The County Office will submit a contractual request to the State Office PLCE Monitor, who will verify the request is for an authorized purpose, adequate funding is available, and the correct program authority code has been selected, before approving or denying the purchase request. If approved, the purchase request will be forwarded to the Contracting Officer who will create the appropriate procurement documentation, including the award and obligation documents, according to Part 3. This may be done using IAS or manually.

For PLCE contracts, the Contracting Officer will provide a hard copy of the obligation source document to the FFIS transaction input person for completing the obligation process. Payment/Invoice transactions will be processed directly through FFIS with no IAS action. The FFIS process is not impacted by IAS for FLP. Continue to process obligations and invoices using FFIS.

**38 FSA State and County Office FLP PLCE (Continued)****B Procedures (Continued)**

If entering data into IAS for PLCE/Type 60 activity, be aware that the IAS transaction code of “IQ-PROGRAM LOAN COST FUNDS” must be selected. This will ensure that the procurement request in IAS has been properly recorded. Additionally, this IAS transaction code does not create a commitment in FFIS that will reduce the State’s budget in FFIS.

By selecting “IQ-COMMIT”, a commitment will be created in FFIS and the State’s budget will be reduced in FFIS. The “IQ-NO COMMIT” transaction code will not properly record the PLCE/Type 60 activity in IAS. These are not the correct IAS transaction codes for PLCE/Type 60 activity. Both of these IAS transaction codes will ultimately cause the State’s budget to be reduced twice in FFIS.

Select the appropriate IAS transaction code of “IQ-PROGRAM LOAN COST FUNDS”. Note that the “Transaction Code” field automatically defaults to “IQ-COMMIT”. To ensure that the correct code is selected, highlight and delete this option from the field and then click on the flashlight to the right of the field so that the system will display the transaction code options available.

When selecting the appropriate budget organization and program codes, remember that these codes work as they do in FFIS. Any other accounting codes in IAS do not need to be supplied.

**39-45 (Reserved)**



## Part 5 Off-Site Meetings, Conferences, Training Sessions, and Ceremonies

### 46 Off-Site Meeting Requirements

#### A Introduction

This part provides the requirements and approval authorities established by USDA for scheduling and conducting meetings, conferences, ceremonies, events, and training for all headquarters and Field Offices.

#### B Departmental Policy

All meetings, conferences, ceremonies, events, and training shall be held at the most cost-effective location, unless program considerations dictate otherwise. Give consideration to cost of lodging, transportation, meals, and rental of nongovernmental conference space.

It is USDA's policy that employees do not take part in, sponsor, or otherwise support, directly or indirectly, meetings, conferences, or conventions that compromise USDA or Agency civil rights or equal opportunity policies.

All representatives shall ensure that discrimination does **not** result from using facilities that deny access by failing to reasonably accommodate people with disabilities.

#### C Prior Approval Policy

All offices shall obtain approval from the Under Secretary for Administration for all conferences or meetings that exceed \$25,000. The total cost includes travel, lodging, M&IE, and meeting room rental. \* \* \*

\*--For prior approval of meetings exceeding \$25,000:

- State Offices shall submit requirements to DAFO at STOP 0542

**Note:** See subparagraph D.

- FSA's DAFO, DAFP, and DAFLP shall submit requirements to DAFO at STOP 0542
- FSA's Office of the Administrator, DAM, and DACO shall submit requirements to MSD at STOP 0564
- FAS and RMA National Offices shall submit requirements to MSD at STOP 0564.--\*

46 Off-Site Meeting Requirements (Continued)

**\*--D FSA State Office Requests for Prior Approval for Meetings That Exceed \$25,000**

State Offices shall submit meeting plans to DAFO 2 months before the event, and include--\* the following in the request:

- name of the meeting and the intended purpose
- dates
- tentative location
- number of attendees and their area of representation
- estimated costs
- special consideration.

Prior approval is:

- required for State Office area meetings, State conferences, and all other meetings and conferences
- **not** required for staff meetings and regularly scheduled meetings, such as Food and Agricultural Council meetings.

**E Order of Preference for Facilities**

For USDA-sponsored meetings, conferences, ceremonies, events, and training, the order of preferences for facilities must be followed according to this table.

Order of Preference	Facilities
1	Local USDA facilities
2	Other local Government facilities
3	Facilities owned or managed by private industry
4	Facilities outside the employee's official duty station

**46 Off-Site Meeting Requirements (Continued)****F Off-Site Meeting Considerations**

When considering off-site meetings, all offices shall consider the following issues.

- Is it critical to the Agency mission?
- Are there statutory or regulatory requirements that mandate the meeting?
- Were alternate methods considered, such as video conference?
- What are the reasons for holding the meeting at an off-site location versus a USDA facility?
- Is a resort being used? What is the rationale for choosing the site? Do the reasons for selecting a resort area offset potential poor public perception?
- Do the accommodations and meeting facilities meet requirements of the Hotel and Motel Fire Safety Act?
- Are the accommodations and meeting facilities accessible for disabled participants?
- Is the cost of accommodations within the maximum per diem lodging amount? If not, were other accommodations considered, and why were they not chosen?
- Why was this specific time chosen, and what factors were considered in selecting this timeframe?
- Who are the attendees? What was the basis for selecting and determining the number of USDA, non-USDA, and non-Government attendees?
- Are the number of attendees justified given the President's concern for limiting attendance to the least number of participants?
- What was done to limit costs, such as chartering vans or buses to transport attendees to and from airports and meeting facilities or limiting rental vehicles?
- Are there any adverse consequences if the meeting is not held?

47 Action

**A State Office Action**

When contracting with hotels, State Offices shall:

- **not** exceed the Contracting Officer’s signature warrant or purchase card limit
- obtain at least 3 competitive bids for all meeting requirements, including all costs associated with the meeting, such as audiovisual, meeting room rental, supplies, copy services, and any other hotel-related expenses.

The price of the hotel and meals shall **not** exceed the per diem amount (lodging and M&IE) authorized by GSA.

**B Reporting Dates**

Requesting offices shall, after receiving tentative approval from the appropriate Deputy Administrator, submit requests for meetings on a quarterly basis according to the following table.

<b>IF meeting is scheduled for...</b>	<b>THEN submit request to the Agency contact listed in subparagraph D by...</b>
October through December	July 1.
January through March	October 1.
April through June	January 1.
July through September	April 1.

**C MSD Action**

\*--For events costing \$25,000 or more, DAFO and MSD shall:--\*

- coordinate and submit an overall Agency plan to the Under Secretary for Administration for review
- notify requesting offices when meetings have been approved.

47 Action (Continued)

**\*--D Contacts for Meeting Planning Services**

Request meeting planning assistance or follow-up on meetings that have been planned and approved according to the following.

Agency	Contact
FAS FSA, Administrator's Office FSA, DACO FSA, DAM RMA National Office	Contact Angela Payton, MSD, IMB, by any of the following: <ul style="list-style-type: none"> <li>• telephone at 202-720-0482</li> <li>• e-mail at <b>angela.payton@wdc.usda.gov</b></li> <li>• mail at STOP 0564.</li> </ul>
RMA Kansas City FSA Kansas City	Contact either of the following: <ul style="list-style-type: none"> <li>• Justin Hershberger, MSD, KCASB, by either of the following:                             <ul style="list-style-type: none"> <li>• telephone at 816-926-6111</li> <li>• e-mail at <b>justin.hershberger@kcc.usda.gov</b></li> </ul> </li> <li>• Marian Ginn, MSD, KCASB, by either of the following:                             <ul style="list-style-type: none"> <li>• telephone at 816-926-1946</li> <li>• e-mail at <b>marian.ginn@kcc.usda.gov</b>.</li> </ul> </li> </ul>
FSA, DAFO FSA, DAFP FSA, DAFLP	Contact Mary Tjeerdsma, DAFO, Program Delivery, Budget, and Resource Staff, by any of the following: <ul style="list-style-type: none"> <li>• telephone at 202-690-2524</li> <li>• e-mail at <b>mary.tjeerdsma@wdc.usda.gov</b></li> <li>• mail at STOP 0542.</li> </ul> <p><b>Note:</b> State Offices may contact DAFO for assistance as needed.</p>

**E Available Services**

Contacts in subparagraph D will arrange for the following:--\*

- cost-effective meeting locations
- sleeping and meeting rooms
- audiovisual services
- printing and reproduction services
- shipment and on-site storage of meeting materials
- local group transportation
- \*\*\*
- other official support functions.

48 Example of Meeting Plan

A Meeting Plan

This example provides a meeting plan and requests approval.

\*--

<b>TO:</b>	Deputy Administrator, Field Operations	
<b>FROM:</b>	Oregon SED	
<b>SUBJECT:</b>	Request for Approval of Meeting	
Approval is requested for the following proposed meeting:		
Purpose:	Oregon State Conference	
Date and Location:	October 22 and 23, 200X; Timberline Lodge Government Camp, Oregon	
Number of Attendees:	104 Field employees and 5 from Washington, D.C.	
Estimated Cost:	\$26,000	
Possible Representation:	Washington: Administrator, DAFO, and representatives of Farm Programs, Farm Loan Programs, and RMA	
	Field: STC, SED, DD's, Program Specialists, COC's, CED's, FLM's and RO Directors	
Concurred by:	_____	_____
	DAFP	Date
Concurred by:	_____	_____
	DAFLP	Date
Concurred by:	_____	_____
	DAFO	Date
Concurred by:	_____	_____
	RMA	Date

--\*

49-57 (Reserved)

**Part 6 Servicing Non-ADP Machines and Maintenance****58 Servicing Non-IT Machines****A Servicing Guidelines**

Requestors and Contracting Officers shall use the following guidelines when deciding between an annual maintenance agreement or maintenance on an individual call basis:

- standard of performance required
- degree of reliability needed
- proximity to repair facilities
- past experience with repair facility, such as reputation, performance record, and quality of work
- heavy or light daily use
- age and performance record of the machine
- availability of backup in case of breakdown
- number of similar machines in the office.

**B Maintenance Recommendations**

It is recommended that machines that have a heavy use, or of relative importance in the office, such as mailing machines and copiers, are covered with an annual maintenance agreement when available.

For machines that do **not** have a history of breakdowns or are fairly inexpensive to replace, it is recommended that maintenance service is called when needed. Examples of these machines include calculators and typewriters.

**59 Placing Orders for Maintenance**

**A Ordering Maintenance Service (Non-IT Equipment)**

When ordering maintenance service:

- the first source of service is FSS
- if FSS contract is **not** available for the region or equipment, an open market purchase is authorized.

Payments shall be made by 1 of the following methods.

- For maintenance on an annual basis with a fixed amount, prepare a purchase order.
- On a per call basis with very few calls expected during the year, use the Government purchase card.
- If the repairs are more frequent, issue a Blanket Purchase Agreement for the fiscal year.

Offices shall record maintenance and repair costs for each piece of office equipment.

**60-68 (Reserved)**

## Part 7 USDA Procurement Reporting System

## 69 Procurement Actions

## A Introduction

All procurement actions shall be reported according to the following:

- FAR 4.6
- DR 5004-005
- Data Dictionary and Validation Rules on the FPDS-NG web site (<https://www.fpds.gov>)
- this handbook.

## B Action

All contract actions in excess of \$2,500 must be reported in the FPDS-NG system. The online reporting tool is at <https://www.fpds.gov>. All procurement actions obligating or de-obligating appropriated funds, include:

- contracts resulting from IFB's, RFP's, or other formal solicitations
- Items in paragraph 38A in excess of \$2500
- Section 8(a) contracts
- leases (real property)
- architect or engineer contracts
- modifications of formal contracts if \$500 or more
- renewal of formal contracts
- terminations of formal contracts, for convenience or default
- all procurement actions over \$25,000, including, but not limited to, the following:
  - orders placed against FSS's
  - orders placed against USDA indefinite quantity or requirements contracts
  - other delivery orders
  - modifications of orders or other procurement actions, if more than \$25,000
  - terminations of previously reported procurement actions.

Contracting offices shall **not** report CCC program transactions.



**Reports, Forms, Abbreviations, and Delegations of Authority**

**Reports**

None

**Forms**

This table lists all forms referenced in this handbook.

<b>Number</b>	<b>Title</b>	<b>Display Reference</b>	<b>Reference</b>
AD-838-A	Partial Receipt Notification		27
OF-347	Order for Supplies or Services		27
RD 838-B	Invoice - Receipt Certification		27
SF-1164	Claim for Reimbursement for Expenditures on Official Business		37
SF-1402	Certificate of Appointment		11, Ex. 2
SF-1449	Commercial Item Award		27

**Abbreviations Not Listed in 1-CM**

The following abbreviations are not listed in 1-CM.

<b>Approved Abbreviation</b>	<b>Term</b>	<b>Reference</b>
ADA	Americans With Disabilities Act	36
AGAR	Agriculture Acquisition Regulation	2, 10-12
AMD	Acquisition Management Division	11, 14, 28, 36, Ex. 2
FAR	Federal Acquisition Regulation	1, 2, 10-13, 69
FPDS-NG	Federal Procurement Data System - Next Generation	69
FFIS	Foundation Financial Information System	1, 10, 38
FPI	Federal Prison Industries, Inc.	24
FSS	Federal Supply Schedule	24, 59, 69, Ex. 2

**Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)**

**Abbreviations Not Listed in 1-CM (Continued)**

<b>Approved Abbreviation</b>	<b>Term</b>	<b>Reference</b>
HCAD	Head of the Contracting Activity Designee	11, 14, Ex. 2
IAS	Integrated Acquisition System	10, 27, 36, 38
JWOD	Javits-Wagner-O'Day Act	24, 36
KCASB	Kansas City Administrative Services Branch, MSD	47
M&IE	meals and incidental expenses	46, 47
OSHA	Occupational Safety and Health Administration	36
PCMS	Purchase Card Management System	13
PLCE	Program Loan Cost Expense	38
UNICOR	Federal Prison Industries, Inc.	24

**Re delegations of Authority**

HCAD may redelegate acquisition authority consistent with applicable requirements of AGAR, FAR, and other delegations of authority.

## Definitions of Terms Used in This Handbook

### Acquisition

Acquisition means the acquiring of supplies, equipment, and services, including construction, by and for the use of the Federal Government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. Acquisition begins at the point when Agency needs are established and includes the description of requirements to satisfy Agency needs, solicitation and selection of sources, award of contracts, contract financing, contract performance, contract administration, and those technical and management functions directly related to the process of fulfilling Agency needs by contract.

### Appointment of Contracting Officer

The appointment of contracting officer means that the employee meets the certification requirements of the contracting officer. SF-1402 is issued to:

- verify the appointment
- contain the limitations of the appointment.

### Basic Ordering Agreement

The basic ordering agreement is a written instrument of understanding negotiated between a contracting activity and a contractor that contains:

- terms and conditions applicable to future orders
- a description of supplies, equipment, or services that are to be provided
- methods for pricing, issuing, and delivering future orders placed.

This agreement is not a contract.

### Best Value

The best value is the expected outcome of an acquisition that provides the greatest overall benefit in response to the requirement.

### Blanket Purchase Agreement

A blanket purchase agreement is a simplified method of filling anticipated repetitive needs for supplies/services by establishing “charge accounts” with qualified sources of supply. The blanket purchase agreement is not a contract.

**Definitions of Terms Used in This Handbook (Continued)****Business Concern**

A business concern is any business entity:

- organized for profit, even if the ownership is in the hands of a nonprofit entity, with a place of business located in the U.S.
- that makes a significant contribution to the U.S. economy through:
  - payment of taxes
  - use of American products, materials, or labor.

**Certification**

A certification is an evaluation that the candidate has the experience, education, training, as well as subjective factors such as business acumen, judgment, character, reputation, and ethics to properly perform the duties of a contracting officer.

**Contract**

A contract is a mutually binding, legal relationship that obligates the seller to furnish the supplies or services and the buyer to pay for them. Contracts include, but are not limited to, the following:

- awards and notices of awards
- job orders or task letters issued under basic ordering agreements
- letter contracts
- orders, such as purchase orders, AD-838's, under which the contract becomes effective by written acceptance or performance
- bilateral contract modifications.

**Definitions of Terms Used in This Handbook (Continued)****Contracting Activity**

Contracting activity is an activity in an FFAS office that has delegated acquisition authority. A contracting activity's authority and responsibility to manage its acquisition contract function and those of other organizations for which it provides administrative support are established by a written delegation from the Director, Office of Operations.

**Contracting Officer**

A contracting officer is an individual who has been given the authority to enter into, administer, or terminate contracts according to Federal acquisition laws and regulations, and make related determinations and findings.

**Delivery Order**

A delivery order is an order for supplies, equipment, or services placed against an established contract or with a Government source of supply, such as FSS.

**Equipment**

Equipment includes office furniture, specialized filing equipment, ADP equipment, office machines, laboratory equipment, automotive equipment, and all other items of a nonexpendable nature.

**Excess Personal Property**

Excess personal property is any personal property, under the control of a Federal agency, that the Agency has determined is no longer required for its needs and responsibilities.

**Full and Open Competition**

Full and open competition means that all responsible sources are permitted to compete for an acquisition.

**Head of the Contracting Activity Designee**

The head of the contracting activity is the official who has overall responsibility for managing the contracting activity. The FSA Administrator is the HCA for FFAS.

**Head of the Contracting Activity Designee (HCAD)**

HCAD is the Director, AMD.

**Definitions of Terms Used in This Handbook (Continued)**

**Market Survey**

A market survey attempts to ascertain whether other qualified sources capable of satisfying FFAS' need exists.

**Negotiation**

Negotiation is contracting through the use of either competition or other than competitive proposals and discussion.

**Nonpersonal Services**

Nonpersonal services means a contract under which personnel rendering the services are not subject to the supervision and control usually prevailing in relationships between the Government and its employees.

**Open Market**

Open market means commercial sources that are not on an established contract or is a Government source of supply, such as FSS.

**Purchase Order**

A purchase order is an offer by the Government to buy certain supplies, equipment, or services from commercial sources, upon specified terms and conditions, the aggregate amount of which does not exceed the small purchase limitation.

**Set-Aside for Small Business**

A set-aside for small business is the reserving of an acquisition exclusively for participation by small business concerns.

**Definitions of Terms Used in This Handbook (Continued)****Small Business Concern**

A small business concern is a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on a Government contract, and qualified as a small business under the criteria and size standards in 13 CFR.

**Small Disadvantaged Business Concern**

A small disadvantaged business concern that is either of the following:

- at least 51 percent owned by 1 or more individuals who are both socially and economically disadvantaged
- a publicly owned business having at least 51 percent of its stock owned by 1 or more socially and economically disadvantaged individuals, and has its management and daily business controlled by 1 or more of these individuals.

**Supplies**

Supplies include stationery, common office, ADP, and automotive supplies, etc.

