

Procurement Advisory No. 105C

Use of Automated Procurement Systems

1. SUMMARY

It is critically important that the purchase of goods and services by the U.S. Department of Agriculture be accurately recorded and managed to ensure accountability. The Office of Procurement and Property Management (OPPM) is issuing this Procurement Advisory to formalize policy requiring Agencies within the Department to use automated procurement systems for all acquisition actions exceeding the micro-purchase threshold.

2. REFERENCES

Federal Acquisition Regulation (FAR) 48 CFR, Part 2, *Definitions of Words and Terms*

Federal Acquisition Regulation (FAR) 48 CFR, Part 4, *Administrative Matters*

Administrative Matters and the Federal Acquisition Streamlining Act of 1994

3. BACKGROUND

The Agriculture Acquisition Regulation (AGAR) authorizes the Department's Senior Procurement Executive (SPE) to issue and publish directives that constitute Department-wide policies and procedures, solicitation provisions and contract clauses governing the contracting process.

4. ACTIONS

For contract actions that exceed the micro-purchase threshold (as defined at FAR Subpart 2.101 - Definitions), except those identified in Section (5) – EXCLUSIONS below, Agencies must use one of the following automated procurement systems to process the action:

- a. The Procurement Request Information System (PRISM) module in the Integrated Acquisition System (IAS) required for all Departmental transactions covered under this Procurement Advisory, except as provided in sub-paragraphs (b) and (c) below;
- b. Forest Service systems for incident management; and
- c. The Web Based Supply Chain Management (WBSCM) System for food commodity procurements processed by the Agriculture Marketing Service or Farm Service Agency.

Program personnel shall use the automated procurement system to create requisitions/requirements, where applicable, for supplies or services that require contracting authority of the contracting officer. Program personnel shall coordinate with their contracting office for guidance on whether a requirement

should be directed to the contracting office for issuance. FAR Subpart 4.803 lists examples of records that are normally contained in a contract file.

Contracting Officers should create and maintain an electronic contract file. At a minimum, the procurement record/file inside the automated system must include: (1) the purchase requisition, (2) the award document, and (3) evidence of contract closeout.

Each Head of the Contracting Activity Designee (HCAD) shall:

- (1) Develop and implement procedures, such as periodic reviews of specific contracts that were directly processed in the Financial Management Modernization Initiative (FMMI), to ensure all required contracts are in IAS or in the appropriate automated procurement system.
- (2) Ensure that all required contracts awarded by their agency have contractors registered in the System for Award Management (SAM).

5. EXCLUSIONS

Automated procurement systems are not required for the following:

- a. Aviation contracts;
- b. Stewardship contracts (*i.e., contracts awarded under the Stewardship Authority, including Integrated Resource Timber Contracts, Integrated Resource Service Contracts, and Stewardship Service Contracts*);
- c. Acquisitions from Federal agencies, which are processed through Intragovernmental Payments and Collections (IPAC), unless marked in IAS for payment via purchase card.
- d. Acquisitions in support of all risk incidents (*e.g., fire suppression, hurricanes, floods, or other natural disasters*) if a suitable system is not available due to urgency or geographic location;
- e. Telecommunications and utilities that are paid through third party billing services (*e.g., cellular telephone service, other wireless communications, utilities through commercial vendors*); and
- f. General Services Administration (GSA) Capital Leasing transactions.

[END]

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If you have questions or comments regarding this advisory, please send an email message to the OPPM Procurement Policy Division at procurement.policy@dm.usda.gov.