INTRODUCTION: This Agriculture Acquisition Regulation (AGAR) Advisory is a revision of, and supersedes, AGAR Advisory 58 dated October 3, 2003. This revised Advisory incorporates a new exemption for purchases of telecommunications resources outside the U.S. for use outside the U.S. The revised Advisory also includes a waiver for purchases of telecommunications to meet continuing and compelling business requirements. This Advisory has been prepared to inform USDA agencies and offices about a change to policy governing the use of purchase cards and convenience checks. Effective November 1, 2003, USDA agencies may no longer use purchase cards or convenience checks to purchase or to pay for telecommunications services, supplies, or equipment, except as provided in this Advisory.

SUMMARY: USDA is taking steps to improve its management of telecommunications resources. In order to improve control over expenditures for telecommunications, it is necessary to limit the ways by which telecommunication resources may be acquired. Accordingly, it is necessary to limit the use of the purchase card and convenience checks for purchase of, or payment for, telecommunications resources.

In moving authority to purchase small requirements from contracting offices to individuals who use the supplies or services purchased, the purchase card program has substantially decentralized decision-making authority for such purchases. The decentralization has adversely affected USDA’s ability to effectively and efficiently monitor telecommunications acquisition costs and implement and enforce consistent telecommunications procurement standards.

Departmental Regulation (DR) 5013-6, Use of the Purchase Card and Convenience Check, already provides that the purchase card and convenience check may not be used to acquire major telecommunications services. The Senior Procurement Executive and the Chief Information Officer have further determined that the card and check may not be used to acquire or pay for telecommunications resources, except for emergency purchases of telecommunications resources and for purchases of telecommunications products and non-transmission services not exceeding $350.00. DR 5013-6 will be revised to incorporate this change of policy on the use of purchase cards and convenience checks.
DEFINITIONS: **Telecommunications** includes the transmission, emission, or reception of signals, writing, images, sounds, or intelligence of any nature, by wire, cable, satellite, fiber optics, laser, radio, or any other electronic, electric, electromagnetic, or acoustically coupled means. This Advisory addresses the acquisition of products and services that support telecommunications.

**Telecommunications products** include, but are not limited to: any component of a network involved in the transmission of analog or digital communications including network routers, bridges, hubs, and Web servers; telecommunications software such as email, groupware or facsimile software; and, end-user devices like telephones, wireless devices, video equipment, and supplies.

**Telecommunication services** include, but are not necessarily limited to: Service Level Agreements (SLAs) for wireline and wireless carriers; Internet Service Provider (ISP) agreements; contract services for the planning, design, development, installation, operations and maintenance of telecommunications networks; and program management support for telecommunications projects.

**Telecommunications resources** are telecommunications products and/or services.

**Covered telecommunications resources** are telecommunications resources that are covered by this Advisory; i.e., resources that may not be acquired with a purchase card or convenience checks.

The following types of telecommunications resources are not covered by this Advisory:

1. Telecommunications accessories and incidental supplies or equipment, when the total amount ordered is less than $350.00;
2. Purchase of “one time” telecommunications services when the amount of the order is less than $350.00; e.g., equipment repair. **(Note:** User fees for service of any duration and charges or fees for other recurring services are payments for covered telecommunications resources and may **not** be paid for with the purchase card or convenience check.);
3. Purchases made outside the United States of -
   a. telecommunications products for use outside the United States; or,
   b. telecommunications services to be performed outside the United States, including purchases of recurring services from local sources outside the United States;
4. Purchases necessitated by emergencies. An emergency is any unplanned event that can cause death or significant injury to employees or the public; that can shut down or disrupt operations; or that can cause physical or environmental damage,
such as national or declared emergencies, fire emergencies, hazardous materials incidents, storms, communications failure, disaster recovery, and similar emergencies. Purchases also may be made on an emergency basis when an unforeseen need of compelling urgency for telecommunications resources arises; i.e., the Government would be seriously injured if it could not immediately obtain telecommunications resources. Failure to plan for a requirement does not constitute an emergency. Use of the purchase card or convenience check for emergency purchases must be justified as provided by Emergencies, below.

5. Purchases associated with continuing and compelling business requirements as determined by the Associate Chief Information Officer (ACIO) for Telecommunications. Use of the purchase card or convenience check for emergency purchases must be justified as provided by Continuing and Compelling Business Use, below.

REFERENCES:

7 CFR 2.25, Delegations of Authority, Chief Information Officer
DR 3300-001, Telecommunications & Internet Services and Use, March 23, 1999
NFC Bulletin TELE 02-2, Telephone and Utilities Maintenance System (TUMS), October 1, 2002
NFC Procedures, Telephone Vendors System (TELE), Title II, Chapter 3, Section 3, November 2001

SPECIFIC ISSUES:

Prohibition on Using Purchase Cards or Convenience Checks To Acquire Covered Telecommunications. Neither the purchase card nor the convenience check may be used to purchase or to pay for covered telecommunications resources.

Revocation of Delegated Authority. Cardholder authority to purchase covered telecommunications resources using purchase cards or convenience checks is hereby revoked as of the effective date of this Advisory.

Acquisition of Covered Telecommunications Resources. Covered telecommunications resources shall be requested through agency Telecommunication Mission Area Control Officers (TMACO) or Dedicated Agency Representatives (DAR) and acquired in accordance with DR 3300-001, procurement regulations, and agency procedures. The FTS2001 GSA contract offers favorable pricing for telecommunications services. More information about FTS 2001 is provided in Attachment A. Questions about acquiring telecommunications should be directed to the agency TMACO or to the DAR.

Payment for Covered Telecommunications Resources. Agencies will use the Telephone Vendors System (TELE), the Purchase Order System (PRCH), or Federal Telephone System Payments (FTSP), as appropriate, to establish payment for all charges for covered
telecommunications resources. TELE and FTSP are used to pay for recurring telecommunications services, such as user charges, toll charges, or monthly charges for Internet access or cell phone service. PRCH is used for purchases through a contract vehicle; e.g., purchases of telecommunications equipment. Use the online Telephone and Utilities Maintenance System (TUMS) to set up accounts for telecommunications services in TELE or contact your Designated Agency Representative (DAR) to set up accounts for toll charges or services paid through FTSP.

Invoices received at the National Finance Center (NFC) are processed in TELE within 3 days and scheduled for payment provided: a) the account is set-up correctly and b) the invoice passes the system edits designed to detect duplicate and/or erroneous charges. Payment occurs 10 days before the invoice due date.

**Emergencies.** Telecommunications resources purchased to respond to emergencies are not covered telecommunications resources. Agencies may use the purchase card or convenience checks to acquire telecommunications resources for emergencies. However, agencies that use the card or checks for emergency telecommunications purchases must justify each purchase by demonstrating that an emergency existed and that the purchase was necessitated by the emergency. Within 15 business days after the purchase, agencies that used the purchase card or convenience checks to obtain telecommunications resources on an emergency basis shall notify the ACIO for Telecommunications.

**Continuing and Compelling Business Use.** Purchases of telecommunications resources that meet continuing and compelling business requirements as determined by the ACIO for Telecommunications, are not covered telecommunications resources. Agencies that believe they have a continuing and compelling business reason for using the purchase card or convenience checks to purchase telecommunications resources should submit a written request to the ACIO for a blanket waiver. Once submitted, the ACIO shall have 15 days to review and approve the request.

If you have questions regarding this advisory, please contact Todd Repass, Chief, PPD via email at Todd.Repass@da.usda.gov or by phone at (202) 690-1060; or send an email to procurement.policy@da.usda.gov.


**EFFECTIVE DATE:** This advisory will remain in effect until cancelled.

[END]
**FTS 2001**

Additional information:

Due to favorable pricing, another option for telecommunication purchases is GSA’s FTS2001 contract. USDA agencies go through their agency specific Telecommunication Mission Area Control Officer (TMACO) or Dedicated Agency Representative (DAR) to order FTS2001 services. FTS2001 charges currently fall under 2332 (FTS monthly charges).

The FTS2001 program, offered to the Federal Government and other authorized users, provides worldwide telecommunications solutions, including voice, data, wireless, and video. Flexibility is built into the program to give customers access to new technologies as they become commercially available.

**Contractors:**
Sprint Communications
MCI

**Geographic Coverage:** Worldwide

**Benefits**

Telecommunications solutions focused on customer missions
Broad range of technology products and services
Smarter, better connected Government
Substantial cost savings
Full service contracts in-place and ready to use
Customized and Comprehensive International services
Wide range of support services, including state-of-the-art ordering, billing, and trouble handling
No up-front payments required

**Services**

Voice
Frame Relay
Data
ATM
Toll Free Service (800)
Internet Access
Caller Billed Services (900)
Managed Network Services
Dedicated Transmission Service
Prepaid Phone Cards
Video Teleconferencing
Paging
Network Security Services
Management and Operations Services
Internet Protocol Internetworking Service