

## Procurement Advisory No. 72

### Federal Procurement Data System - Next Generation (FPDS-NG) Reporting Requirements

#### 1. INTRODUCTION

This Procurement Advisory summarizes and revises the requirements and procedures for reporting procurement data to the Federal Procurement Data System – Next Generation (FPDS-NG).

#### 2. SUMMARY

The Federal Acquisition Regulation (FAR) revised data collection and reporting requirements commencing in fiscal year (FY) 2004. To comply with these changes, the Department of Agriculture (USDA) transitioned from reporting contract actions in the USDA Procurement Reporting System (PRS) to reporting directly into FPDS-NG. This Procurement Advisory supersedes Procurement Advisory 62, which has expired and which provided preliminary reporting policies and procedures for FY 2004.

#### 3. SPECIFIC ISSUES

- **FAR Reporting Requirements**

1. All transactions over \$2,500 and modifications to those transactions regardless of dollar value must be reported. (FAR 4.602(c)(1))
2. Agencies participating under the Small Business Competitiveness Demonstration Program shall report all awards in the designated industry groups as individual contract actions, regardless of dollar value. This reporting requirement applies to USDA since USDA participates in the Small Business Competitiveness Demonstration Program. (FAR 4.602(c)(2))
3. Agencies may elect to report transactions at or below \$2,500 (Except that reporting is not optional for awards in the designated industry groups – see subparagraph 2, above.) (FAR 4.602(c)(3))
4. After September 30, 2004 only individual contract action reports are to be submitted. (FAR 4.602(c)(4))

- **USDA Procurement Systems:**

1. USDA is transitioning from legacy procurement systems (e.g., PRCH) to a new USDA-wide Integrated Acquisition System (IAS).
2. IAS is scheduled to be fully implemented USDA-wide by the end of FY 2006.
3. IAS version 2.2, which was implemented in October 2004, has the functionality needed to transmit to FPDS-NG (machine-to-machine) the information required to comply with FAR 4.602(c).
4. During this transition period, the *procedures and requirements* for reporting by USDA agencies will vary based the procurement system being used, i.e., legacy (e.g., PRCH) or IAS.

5. The Kansas City Commodity Office, Farm Service Agency (KCCO) and the Agricultural Marketing Service (AMS) currently use the Processed Commodities Inventory Management System (PCIMS) to process their procurements. KCCO and AMS will *not* transition to IAS.

- **Class Deviation from FAR Section 4.602(c)(4):**

1. FAR 4.602(c)(4) requires that, after September 30, 2004, only individual contract actions reports be submitted. The summary form (SF 281) previously submitted by USDA for contract actions between \$2,500 and \$25,000 is no longer permitted.
2. The USDA Senior Procurement Executive has approved a class deviation from FAR Section 4.602(c)(4) to allow USDA to continue reporting actions between \$2,500 and \$25,000 in summary form until the Integrated Acquisition System (IAS) is fully implemented USDA-wide. The consultation with the Chairperson of the Civilian Agency Acquisition Council, as required by FAR 1.404, has been completed, therefore the class deviation is approved effective October 1, 2004. A copy is attached.
3. This Procurement Advisory supersedes the preliminary notification provided to the Procurement Council by USDA Senior Procurement Executive memorandum dated September 27, 2004.
4. This class deviation is only applicable to those USDA agencies that have not implemented IAS. Reporting procedures are described below.
5. This class deviation does not apply to PCIMS users at KCCO and AMS.

- **USDA Reporting Requirements and Procedures For Agencies and/or Contracting Offices NOT using the Integrated Acquisition System (IAS):**

1. Contract actions previously reported as Standard Form (SF) 279, Individual Contract Action Reports (ICARs) will be reported to FPDS-NG by direct key entry through the FPDS-NG web portal at <https://www.fpds.gov/>. (Examples of ICARs submitted include, but are not limited to, contract actions above \$25,000, awards in the designated industry groups under the Competitiveness Demonstration Program, and modifications to existing contracts.)
2. As authorized by the USDA Class Deviation from FAR 4.602(c), PRCH/SF-281 will continue to be used to report, in a summary format, contract actions over \$2,500 up to and including \$25,000. Personnel must ensure that the proper SF-281 two-position code is included in Block 5 of the AD-838. A copy is attached.
3. For non-purchase card actions not processed on AD-838s through NFC, agencies shall manually prepare an SF-281 and forward the report to the Procurement Systems Division, OPPM by the 20<sup>th</sup> calendar day following the end of each quarter.
4. USDA agencies/contracting offices MAY elect to report contract actions between \$2,500 and \$25,000 as individual contract actions by direct entry through the FPDS-NG web portal. Agencies/contracting offices which elect to do this are required to notify Procurement Systems Division, OPPM, in writing, so that the summary data can be appropriately adjusted. The contracting office code(s) must be included in the written notification as that is the identifier which will be used to adjust the summary data obtained from PRCH.

- **USDA Reporting Requirements and Procedures For Agencies and/or Contracting Offices using IAS:**

1. IAS version 2.2, which was released October 2004, has the functionality that enables machine-to-machine contract action reporting from IAS to FPDS-NG.

2. Agencies/offices that have implemented IAS version 2.2 will submit individual contract action reports to FPDS-NG, in accordance with FAR 4.602(c)(1) and (2) requirements, via the IAS/FPDS-NG interface.
  3. Agencies/offices are reminded that contract actions not executed in IAS (this may occur during the period when an agency/office is transitioning from the legacy system to IAS), but which meet the FAR reporting requirements, must be reported by direct entry through the FPDS-NG web portal.
- **USDA Reporting Requirements and Procedures For KCCO and AMS Offices using PCIMS:**
    1. Contract actions over \$2,500 shall be reported as individual contract actions by direct key entry through the FPDS-NG web portal at <https://www.fpds.gov/>.
    2. Additional information on FPDS-NG system reporting issues will continue to be provided in the USDA Acquisition Toolkit Reporting Tools (at <http://www.usda.gov/toolkit>).

#### 4. CONTACTS

If you have questions or comments regarding this advisory please contact Curt Brown by telephone at 202.720.0840 or email at [Curt.Brown@dm.usda.gov](mailto:Curt.Brown@dm.usda.gov), or send an email message to the OPPM Procurement Policy Division at [procurement.policy@dm.usda.gov](mailto:procurement.policy@dm.usda.gov).

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Procurement Advisories are issued by the Procurement Policy Division of the Office of Procurement and Property Management, Departmental Management, USDA, Dorothy Lilly, Chief, and posted on the USDA World Wide Web site at the following URL: <http://www.dm.usda.gov/procurement/policy/advisories.html>.

**EXPIRATION DATE:** Effective upon issue date until canceled.

[END]

Attachment 1



United States  
Department of  
Agriculture

AUG 19 2004

Office of the  
Assistant Secretary  
for Administration

TO: W. R. Ashworth  
Senior Procurement Executive

Office of  
Procurement and  
Property  
Management

FROM: David J. Shea  
Chief  
Procurement Policy Division

A handwritten signature in black ink, appearing to read "David J. Shea", written over the printed name and title.

300 7<sup>th</sup> Street  
Southwest  
Room 302  
Reporters Building

SUBJECT: Request for Class Deviation from Federal Acquisition Regulation (FAR)  
Section 4.602(c)(4)

Washington, DC  
20024-9300

In accordance with the FAR 1.404 and Agriculture Acquisition Regulation (AGAR) 401.404, your approval to deviate from FAR section 4.602(c)(4) is requested.

FAR section 4.602(c)(4) provides that, until September 30, 2004, agencies may report contract actions between \$2,500 and \$25,000 in either individual or summary form. After September 30, 2004, however, agencies shall submit only individual contract action reports.

The purpose of this deviation is to permit the Department of Agriculture (USDA) to continue to report only those contract actions over \$25,000 as individual contract actions; while continuing to report those between \$2,500 and \$25,000 in summary form.

Currently USDA acquisition personnel submit individual contract action reports over \$25,000 to the Federal Procurement Data System – Next Generation (FPDS-NG) by manual entry through the FPDS-NG web portal. Actions between \$2,500 and \$25,000 are consolidated in the USDA legacy system (PRCH) and reported in summary form. The capability to report such actions on an individual basis is not available in PRCH. Acquisition personnel are not available to accomplish the increased workload of manually reporting each contract action between \$2,500 and \$25,000.

The planned Integrated Acquisition System (IAS) will have the capability of submitting individual contract action reports, regardless of dollar value, to FPDS-NG on a machine-to-machine basis. As IAS is deployed, USDA agencies will transition from summary reporting of actions between \$2,500 and \$25,000 to individual contract action reporting in accordance with the requirements of FAR section 4.602(c)(4).

The rollout of IAS with the necessary functionality to permit individual contract action reporting to FPDS-NG will commence in the first quarter, fiscal year (FY) 2005. The targeted completion for the IAS rollout is the 4<sup>th</sup> quarter of FY 2006. Accordingly,

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W. R. Ashworth  
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approval of a class deviation to FAR section 4.602(c)(4) to allow USDA to continue reporting actions between \$2,500 and \$25,000 in summary form until IAS is fully implemented USDA-wide is requested.

As required by FAR 1.404, this class deviation is subject to consultation with the Chairperson of the Civilian Agency Acquisition Council (CAA Council).

APPROVAL:

In accordance with FAR 1.404 and AGAR 401.404, and subject to consultation with the Chairperson of the CAA Council, I authorize this class deviation from FAR section 4.602(c)(4).

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W. R. Ashworth, Senior Procurement Executive

8.20.04  
\_\_\_\_\_  
Date

## Chart of SF-281 Codes

### Method of Procurement

The SF-281 codes and descriptions listed below identify the methods of procurement. The method of procurement is the first position in Block 5, SF-281, on the AD-838. The second position of the SF-281 code, type of business, is described on page 2 of this attachment. It is important to use a valid code combination. These combinations are listed on page 3 of this attachment.

### Method of Procurement (First Position of the SF-281 Code)

#### Code Description

- A Tariff or Regulated Acquisition
- B Contract for Foreign Government or International Organizations C  
Simplified Acquisition Procedures
- D Simplified Acquisition Procedures - Not Competitive
- E Simplified Acquisition Procedures - Not Available for Competition F  
Orders - General Services Administration (GSA) Federal Schedules
- G Orders - Other Federal Schedules
- H All Other Orders - Competed
- I All Other Orders - Not Competed
- J All Other Orders - Not Available for Competition
- K Other Procurement Methods - Competed
- L Other Procurement Methods - Not Competed M Other  
Procurement Methods - Not Available for Competition
- N 8 (a) Program Contract Awards
- Javits-Wagner-O'Day (JWOD) Nonprofit Agency
- P Online Payment and Collection (OPAC) System Q Purchases From Other Federal  
Agencies (e.g., Government Printing Office)
- U Purchases From Federal Prison Industries (UNICOR) which are non-OPAC orders
- ZZ\* Modifications

22\* Entered in Federal Procurement Data System – Next Generation (FPDS-NG), formerly the Federal Procurement Data System (FPDS) (SF-279)

\* ZZ and 22 are unique 2-digit method of procurement codes.

### **Type of Business**

The SF-281 codes and descriptions listed below identify the type of business. The type of business is the second position in Block 5, SF-281, on the AD-838. The first position of the SF-281 code, method of procurement, is described on page 1 of this attachment. It is important to use a valid code combination. These valid combinations are listed on page 3 of this attachment.

### **Type of Business (Second Position of the SF-281 Code)**

#### **Code Description**

- A Small Business Concern
- B Small Business Concern, Service Disabled Veteran (SDV) C  
Small Business Concern, Small Business Set-Aside
- D Small Business Concern, Veteran-Owned Small Business (VOSB) F  
Small Business Concern, Disadvantaged
- H Small Business Concern, Disadvantaged, Small Business Set-aside
- K Small Business Concern, Woman-Owned
- M Small Business Concern, Woman-Owned, Small Business Set-aside
- N Small Business Concern, 8 (a) Program
- P Large Business Concern
- R Domestic Outside U.S.
- T Domestic Outside U.S., Small Business Set-aside
- U Foreign
- ✓ Other Entities
- Y Historically Black Colleges and Universities/ Minority Institutions (HBCU/MI)  
1 Small Business Concern, Disadvantaged, Woman-Owned  
2 Small Business Concern, Disadvantaged, Woman-Owned, 8 (a) Program  
3 HUBZone Small Business Set-Aside

- 4 HUBZone Small Business, 8 (a) Program
- 5 HUBZone Small Business, Disadvantaged
- 6 HUBZone Small Business Concern, Woman-Owned
- 7 HUBZone Small Business, Woman-Owned, Small Business Set-Aside

**Valid SF-281 Code Combinations**

The matrix below identifies valid code combination. Use only these combinations in Block 5 of the AD-838. The first position of the code identifies the method of procurement and the second position of the code identifies the type of business. If the type of business is not applicable, omit the second position.

**SF-281 Valid Code Combinations**

A B CA DA EA FA GA HA IA JA KA LA MA N O P Q U ZZ 22  
 CB DF EF FC GC HC IF JF KC LF MF NK CC DK EK FH GF HF IK  
 JK KF LK MK CD DN EN FK GH HH IN JN KH LN MN CF DP EP  
 FM GK HK IP JP KK LP MP CH DR ER FN GM HM IR JR KM LR  
 MR CK DU EU FP GN HN IT JT KN LT MU CM DV EV FR GP HP  
 IU JU KP LU MV CN D 1 EY FT GR HR IV JV KR LV MY CP D2 E1  
 FU GT HT IY JY KT LY M1 CR D3 E2 FV GU HU I1 J1 KU L1 M2  
 CT FY GV HV I2 J2 KV L2  
 CU F2 GY HY KY  
 CV G1 H1 K1  
 CY G2 H2 K2  
 C1 C2 C3 C4 C5 C6  
 C7