

**MIDWEST AREA  
STANDARD OPERATING PROCEDURES  
MANUAL**

**PURCHASING FOR  
NON-PROCUREMENT  
PERSONNEL**

**Created By  
Program Administrative Support Task Group**

**Research, Education, and Economics  
Agricultural Research Service, Midwest Area,  
1815 North University Street  
Peoria, IL 61604**

***Procurement and Property Section***

**Rebecca Holzinger  
Procurement Assistance Officer  
(Responsible for Questions on Procedures & Regulations;  
Holds the Highest Level Warrant for the Midwest Area;  
Section Head and Supervisor for P&P Section;  
Procures A&E Services and Construction)  
(309) 681-6616  
FAX: (309) 681-6683  
[becky.holzinger@ars.usda.gov](mailto:becky.holzinger@ars.usda.gov)**

**Mark Volk  
Contract Specialist  
(Operations/Maintenance  
Contract for NCAUR, Service)  
Contracts for NCAUR)  
(309) 681-6618  
FAX: (309) 681-6683  
[mark.volk@ars.usda.gov](mailto:mark.volk@ars.usda.gov)**

**Georgetta Stonewall  
Contract Specialist  
(Procures Supplies, Services, Construction  
Equipment up to \$100,000; Intramall  
Contact, JWOD Coordinator, IAS Contact)  
(309) 681-6624  
FAX: (309) 681-6683  
[georgetta.stonewall@ars.usda.gov](mailto:georgetta.stonewall@ars.usda.gov)**

**Bob Miller  
Procurement Technician  
(Answers PCMS Questions;  
Makes Vehicle Purchases;  
Handles Tort Claims, Fleet Cards)  
(309) 681-6625  
FAX: (309) 681-6683  
[bob.t.miller@ars.usda.gov](mailto:bob.t.miller@ars.usda.gov)**

**Vacant  
Area Real Property Officer  
(Responsible for Real and Personal  
Property; CPAIS; Leases; Excess Property;  
Inventory)  
(309) 681-6615  
FAX: (309) 681-6683**

**CUT OFF DATES – MIDWEST AREA**

The following chart provides the dates by which the procurement must be logged in at the MWA Procurement Office. East Location Purchasing Agent, in conjunction with the LAO and Budget Personnel, need to adjust these dates to fit their location’s needs and to ensure that the

<b>Supply, Service and Equipment (includes IT)</b>	
	<b>CUT OFF DATES</b>
\$2,500 and under	August 1
\$2,501 – 25,000	August 1
\$25,001 – 100,000	July 15
\$100,001 & over (Commercial Item <sup>1</sup> )	July 1 (if in forecast <sup>3</sup> )
\$100,001 & over (Commercial Item <sup>1</sup> )	June 15 (if not in forecast <sup>3</sup> )
\$100,001 & over (Non-Commercial Item <sup>2</sup> )	June 1
<b>Design &amp; Construct (This FY)</b>	
\$2,501 – 25,000	May 1
\$25,001 – 100,000	March 1
\$100,001 & Over	January 1
<b>Construction with Completed Design</b>	June 1
<b>A/E Design Only</b>	August 1
<b>Special or Additional Tasks for Major Facilities Support Services Contracts</b>	
Under \$100,000	August 15

procurement reaches the Area Office by the cut off date.

<sup>1</sup> Commercial Item is an item available in the commercial marketplace that is used for other than Government purposes—an item or service that is “off the shelf”.

<sup>2</sup> Non-Commercial Item is an item that would be used only by the Government—not available to the general public.

<sup>3</sup> For an item to be considered in a forecast, it must have been included in the ARMP or included in the Procurement Forecast for this fiscal year. An item not included in a forecast may need to be advertised for 40 days instead of 10 days.

## GENERAL PROCUREMENT RULES

Excess property is the first required source for all items to be purchased. An Excess Property Certification Form can be found under Related Forms and Templates.

### Under \$2500:

Items may be purchased on the Government Purchase Card.

#### **Restriction:**

1) All items available from AbilityOne Program (formerly JWOD) **MUST** be purchased from JWOD or a distributor (GSA, Boise, etc.). This is a required source with no exceptions granted. See items available through JWOD by visiting [AbilityOne Program - JWOD Website](#) 2) An order may not be split in order to get the dollar amount under \$2500.

### \$2,500 to \$25,000:

Order must be placed by a warranted contracting officer. Three quotes must be obtained in order to purchase.

#### **Restriction:**

1) In addition to the JWOD required source, UNICOR was a required source for purchases over \$2500 but now must be one of your three quotes. UNICOR should still be the chosen Vendor if they are the most cost effective and can meet the need. 2) Procurement must post all orders between \$10,000 and \$25,000 in a public place for ten days.

### Over \$25,000:

Order must be placed by a warranted contracting officer. No quotes should be obtained. Market research may be done to obtain estimated cost of item and to help define minimum needs. Possible source information can be included with the order. Do not place Vendor name on AD-700 as that seems like pre-selection. Minimum specifications giving ranges (temperature, speed, etc.) should be stated. If there is truly only one source which can meet the need, then a sole source justification (12 questions to be answered) must be completed.

#### **Restriction:**

1) Required sources must be checked. 2) Orders that are less than \$100,000 must be set aside for small business. 3) All orders estimated to cost more than \$25,000 must be advertised at [www.fedbizopps.gov](http://www.fedbizopps.gov) to ensure full and open competition.

PURCHASE CARDS (VISA-Credit card for Federal Government purchases)

[DR 5013-6 Use of the Purchase Card and Convenience Check](#)

CARDHOLDER REQUIREMENTS

Demonstrate Need Within Micro Procurement Realm

Nominated by Fundholder to LAPC

Successfully Complete Micro-Purchase Self-test

Receive PCMS On-Line Training

Procurement Integrity Requirements:

VISA IS:

To Be Used for Small Purchase Needs

Subject to All Federal, Department, and Agency

Procurement Laws, Regulations, and Directives

- 1) Federal Prison Industries
- 2) National Industries for the Blind (NIB)
- 3) National Industries for the Severely Disabled (NISH)

VISA IS **NOT**:

To Compete with Other Government Credit Cards

Gasoline Credit Card

Travel Credit Card

**For Personal Use of the Cardholder**

SYSTEM CONTROLS

Cardholder Spending Limits:

- Single Purchase Limit--approved limit cannot exceed \$2,500 (No circumventing the government regulations by splitting a \$4,000 purchase into 2 orders)
- 30 Day Limit--total of all charges incurred in one calendar month
- Are set by the RL

HOW THE PROCESS WORKS FOR OVER THE COUNTER PURCHASES

Cardholder Obtains Fundholder Approval of an AD-700 created in CATS (Go to <http://www.mwa.ars.usda.gov/mwa/adp/cats.shtml> and click on the CATS Manual)

Cardholder Presents Card to Vendor for Payment

Vendor Follows Authorization Procedures for Credit Cards

Cardholder Checks Sales Total and Signs Sales Receipt  
Cardholder Returns to Office with Merchandise and Receipt

ALL ITEMS PURCHASED BY TELEPHONE MUST BE DELIVERED BY THE VENDOR WITHIN 30 DAYS. THE ORDER SHALL NOT BE PLACED WITHOUT THIS ASSURANCE FROM THE VENDOR.

**Charges on Purchase Card are exempt from Sales Tax.**

#### CARD SECURITY

Cardholder is responsible for safeguarding the card at all times. Do not permit anyone to use your card or account number.

#### CREDIT CARD PROCUREMENT CYCLE

1. Requirement identified
2. Cardholder:
  - A. Identifies source of supply
  - B. Phones in order, or completes order form and completes log
  - C. Material received by cardholder and delivered to end user
  - D. Shipping documents retained
  - E. Entries in PCMS must be verified within a reasonable amount of time. With the implementation of FFIS, it is encouraged that cardholders reconcile weekly. Budget object, description, accounting is noted in PCMS program. Supporting documents must be kept together with each individual order placed.

#### CONVENIENCE CHECKS

Some credit card holders may also have the ability to write convenience checks. The same regulations apply to check writing as with the credit card.

Checks may be issued to make purchases only if the vendor does not accept the purchase card. Waiver number must be inserted into the Comments field when reconciling in PCMS. Contact your LAPC for list of waiver numbers.

Cardholders may issue checks to employees for reimbursement of miscellaneous expenditures such as supplies, services, and registration fees, although every effort should be made to pay for registration fees on the Visa purchase card. Before issuing a check, form SF-1164, Claim for Reimbursement for Expenditures on Official Business, must be approved by an authorized official other than the cardholder. Reimbursements must be in accordance with federal, department, and agency procurement regulations.

When using a convenience check use the following form to record transaction. All checks must also be verified in PCMS.

International vendor: Use code 989898989 as the tax ID number.

BANK OF AMERICA CHECK DOCUMENTATION

-----  
CHECKWRITER

VENDOR'S TAX IDENTIFICATION NO.: \_\_\_\_\_

(IF AN INDIVIDUAL) SOCIAL SECURITY NO.: \_\_\_\_\_

NAME OF INDIVIDUAL BEING HANDED THE CHECK, IF DIFFERENT FROM THE NAME ON THE CHECK: \_\_\_\_\_

DATE CHECK WAS HANDED TO THAT INDIVIDUAL: \_\_\_\_\_

IF MAILING THE CHECK, DATE IT WAS MAILED: \_\_\_\_\_

ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

A FEE OF 1% OF CHECK TOTAL WILL BE ASSESSED.

CHECK AMOUNT (\$\_\_\_\_\_) AND FEE (1%) ARE CHARGED TO

ACCOUNT: \_\_\_\_\_

BOC: \_\_\_\_\_

(Budget Object Classification Code: 2670 unless item is over \$1,000)

BOC: 2581 (check fee)

WAIVER NO. \_\_\_\_\_

TAPE YOUR COPY OF CHECK HERE:

## RECONCILING USING PCMS (WEB VERSION after 9/15/2004)

Click on PCMS Application Logon.

Log on as usual.

Click on “Cardholder.”

Click on “Card Transaction.”

Look at all of the symbols under the tool bar where there is action, edit, block, field, record, query, etc. Under this toolbar, there is another tool bar of symbols. Go to the symbol that is third from the right. When you put your mouse on this icon it should say “find.” Click on icon to bring up your transactions. (You can also click on query and a drop down menu will appear with “find” on it.)

Under “Transactions” tab, highlight transaction to reconcile. Only one block will turn blue, but if you look below you will see the correct transaction. Reconcile as usual putting information in the white fields described below:

Click on “Action” block and click on proper entry (“Approved” or otherwise).

Enter information in “Item Description” field. Enter a specific description (not office supplies, but rather, pens, pencils, etc.), project number, in this block.

Enter date received, per this example: 06-16-2005.

In “Agency Ref.” block, enter CATS Requisition Number.

Then go to third tab, “Transaction Maintenance,” to change the accounting code (click modify button).

In the ACCOUNTING CODE BLOCK, YOU MUST ENTER YOUR UNIT’S 10 DIGIT ACCOUNTING CODE NUMBER (ie: 6013625320). Any additional information will cause transactions to be rejected.

In “COMMENTS” BLOCK, record the waiver number used for convenience checks.

Use the top “MODIFY” to make any corrections to accounting.

Budget Object can be changed. Anything \$1000 and below will be coded 2670 automatically.

Be sure to code check fees as 2581.

Distribution amount should be in dollars.

IF ALL INFORMATION IS CORRECT AS ENTERED/REENTERED, HIT “SAVE” icon in the tool bar.

System will prompt you to make additional changes to account and if you say “no” it will flash “Transaction Completed” at the bottom of the screen.

Click on the “Transactions” tab to return to the list.

How to pull up “Approved” Transactions:

- 1) At the cardholder pull-down menu, select [Card Transactions].
- 2) Click [Find] to bring up your information pertaining to you.
- 3) Position cursor in merchant name field.
- 4) Click [Query] and then [Enter] in drop down menu.
- 5) Click on [Action] towards bottom of screen, choose [Approved].
- 6) Click on [Find] icon to bring up the approved transactions.

All approved transactions will appear.

To view Query Database:

- 1) Click [Cardholder]; select [Card Transactions].
- 2) Click [Find].
- 3) Position cursor below name, i.e., Merchant Name and click.
- 4) Go to TOP and click [Clear Form].
- 5) Click [Query] and then click [Enter].
- 6) Place cursor in Transactions Amount and click.  
(For amounts over \$1000, key in >1000 and click FIND; for amounts under \$500, key in <500.
- 7) Print screen.

### DISPUTE PROCESS FOR PCMS TRANSACTIONS

1. Contact vendor to dispute the transaction prior to disputing the transaction in PCMS. For convenience, create a reminder to follow up with the vendor if the dispute has not been received within a reasonable time period.
2. If vendor has not issued a credit, dispute the transaction in PCMS, i.e., change the action

- code from “U” to “D”.
3. Complete the PCMS Dispute Form. Save the form. Print a copy for your file.
  4. Download the Bank of America Dispute Form. (See “Related Forms and Templates” on the Financial page of the SOP website.) **YOU MUST ALSO COMPLETE THIS FORM AND FAX IT TO THE NUMBER LISTED ON THE FORM!** Keep a copy of the information that is faxed to the Bank.
  5. Maintain a dispute file of all disputed transactions by fiscal year.

### USEFUL BOC CODES

The Budget Object Code is a very important planning and reporting tool for both Procurement and Property. Procurement is required to forecast funded and unfunded items and personal property is required to track capitalized and noncapitalized property. With the emergence of FFIS, CATS, PROP, and CPAIS and the future implementation of the Integrated Acquisition System (IAS), it is imperative that the correct BOC be entered.

The following BOCs are a sampling of what should be used in IAS and possibly CATS. For the full list and explanation of each BOC, stay on the same publications page and click on “List by Title/Chapter” and slide the sidebar down the page to Title 5 (Miscellaneous Systems Manual) and click on Chapter 3.

*Examples only - not all inclusive:*

### EQUIPMENT, SUPPLIES, SERVICES

#### Under \$1,000

- 2670 – Miscellaneous supplies and materials (except for training, check fees)
- 2523 – Training, tuition, fees
- 2581 – Check fees

#### Under \$5,000

- 2532 – Maintenance Service on Equipment
- 2560 – ADP Services – maintenance, service and support of equipment
- 2629 – Scientific supplies
- 2639 – ADP supplies such as diskettes, software, printers, computers
- 3140 - Equipment with a cost less than \$5,000 and not sensitive
- 3141 - Equipment with a cost less than \$5,000 and defined as sensitive

#### Between \$5,000 and \$25,000

- 3151 - Machinery and Equipment
- 3152 - IT Software (Cost of \$5,000 - \$99,999)

3153 - IT Hardware  
3154 - Furniture  
3155 - Motor Vehicles

Over \$25,000  
3111 - Motor Vehicles  
3121 - Agricultural Machinery/Equipment  
3122 - Laboratory Machinery/Equipment  
3124 - IT Hardware

#### FACILITIES (Construction)

2533 – Repair & Maintenance – Interior  
2534 – Repair & Maintenance – Exterior  
3220 – New Buildings and Additions to Buildings – \$25,000 & over  
3230 – Other Structures/Improvements (ex.: landscaping, fences, sewers, wells) \$25,000 & over  
3280 - New Buildings and Additions to Buildings – (Cost between \$5,000 and \$24,999)  
3290 - New Buildings and Additions to Buildings – (Cost less than \$5,000)

If in doubt, call your local Purchasing Agent or the Area Procurement and Property Section.

## DOS AND DON'TS

Do check required sources - if in doubt call your local or area purchasing office.

Don't split orders

#1 Question for determining whether an order would be considered split.

Did you know of the whole requirement before the first order was placed?

Split Order: Two requisitions for the same company received on the same day before either order was placed.

Not a Split Order: Requisition received for Company A - order placed. Later, another order for Company A received.

Do keep your Government Purchasing Card in a secure place.

Don't allow anyone to ever use your Government Purchasing Card.

Do keep complete records of all purchases for the required time before destroying your records. (Retention is 3 years from the date of purchase)

Don't hesitate to contact the Procurement & Property Section if you have a question.



Research, Education and Economics  
Agricultural Research Service

January 31, 2001

SUBJECT: Delegation of Authority to Approve Payment of Refreshments

TO: Center Directors/Location Coordinators  
Research Leaders  
Location Administrative Officers

FROM: Adrianna D. Hewings /s/  
Midwest Area Director

With this memo I hereby delegate authority for approval of payment for refreshments to the **Location Administrative Officers** in the Midwest Area.

Please refer to the guidance issued by Dr. Floyd Horn, December 9, 1999, March 27, 2000, and April 21, 2000 as the basis for determining whether or not the requested approval for the provision of refreshments meets the criteria as set forth in that guidance.

The above referenced guidance is very clear on what constitutes official functions for which it would be appropriate to furnish refreshments, and attendees covered. **Only those situations clearly defined as allowable are to be approved.**

For those functions that are approved, the criteria for light refreshments is clearly defined as “only what is minimally required to support the particular event” such as:

**Mid morning or afternoon snacks comprised of any of the following:**

Coffee, tea, milk, juice, soft drinks  
Donuts, bagels, muffins, cookies, fruit, pretzels, chips

This does **not** include pizza, box lunches, or any other type of refreshment that would normally be defined as a “light meal”. As a guide, I am suggesting that up to \$2/person is a maximum amount to be considered light refreshments.

Should payment for refreshments be requested, LAO approval must be granted **prior** to the purchase of refreshments, with copies of the signed approval furnished to the purchasing agent or cardholder as authorization to complete the transaction. A format for approval by the LAO is attached for your use.

Please do not hesitate to contact the area office should any questions arise that cannot be resolved by a review of the policies/guidelines already in place.

**REQUEST FOR PAYMENT OF REFRESHMENTS**

**DATE OF REQUEST:**

**LOCATION:**

**MANAGEMENT UNIT:**

\*\*\*\*\*

**NAME OF MEETING/FUNCTION:**

**LOCATION OF MEETING:**

**MEETING DATE(S):**

**PURPOSE OF MEETING/FUNCTION:**

**TARGET AUDIENCE:** (Stakeholders, university personnel, agency personnel, location personnel, etc.)

**LOCATION EMPLOYEES INCLUDED:** (Categories, not names)

**TYPE OF REFRESHMENT REQUESTED:**

**ESTIMATED COST:**

**PREFERRED PROCUREMENT METHOD:**

Purchase Order \_\_\_\_\_

Purchase Card \_\_\_\_\_

Authorized Cardholder: \_\_\_\_\_

**APPROVED:** \_\_\_\_\_

**DISAPPROVED:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

\_\_\_\_\_  
**Administrative Officer**

## RESEARCH SUPPORT AGREEMENTS (RSA) [Bulletin 07-001](#)

An RSA means a cost reimbursable agreement with a State Cooperative Institution, college, or university for the acquisition of goods and/or services without regard to competition and other acquisition regulations.

### **THE RSA SHALL NOT BE USED TO AVOID OR CIRCUMVENT ESTABLISHED FEDERAL PROCUREMENT, PROPERTY, OR PERSONNEL PROCEDURES.**

The following is a listing of mandatory responsibilities for Location personnel involved in the financial management of the RSA:

#### RL Responsibilities:

- RLs plan for goods and services to be obtained via the RSA during the ARMPS cycles using the ARMPS Form ARS-550. AD approval constitutes certification that the intended use of the RSA is in accordance with ARS and MWA policy.
- RLs use AD-700s to request goods and services via the LAO. The initial FY AD-700 and task order should match the ARMPS Form ARS-550. The following minimum details are required on AD-700s:
  - Description and amount of supplies and materials requested.
  - Description and amount of services requested.
  - Listing of occupational categories with corresponding duties and qualifications or personal services requested.
  - Dates or timeframes for delivery of goods or performance of services.
  - Accounting Code(s).
- RLs certify receipt of goods and services including quantity and quality by reviewing and signing each University of Monthly Management Report.

#### LAO (as ADODR) Responsibilities:

- The LAO is administratively responsible for receiving, reviewing, and determining appropriateness of requests received from the RLs for acquisition of goods and services.
- The LAO verifies the accuracy of the University Monthly Management Reports based upon documentation (i.e. receipts, packing slips, delivery tickets, work orders, etc.).
- The LAO manages funds including obligation and deobligation of funds during the fiscal year with a frequency to deter over-obligations and under-obligations on account balances.

As a reminder, the following RSA agreement policies must be emphasized and followed:

1. The RSA shall not be used to avoid or circumvent established Federal procurement, property, or personnel procedures.
2. The RSA shall not be used to give a particular person a temporary or intermittent appointment in anticipation of a Federal appointment.
3. The RSA shall not be used to avoid competitive Federal employment procedures.
4. Payments to the University are made for **actual direct costs** incurred, open blanket arrangements within the RSA accounts are not allowed.

## INTEGRATED ACQUISITION SYSTEM (IAS)

**NOTE: Secretaries located on university campuses may have to connect the VPN Client in order to gain access to this web site.**

<https://ias.usda.gov/iasportal/index.html>

When you arrive on this site, click the icon on USDA-IAS icon on the bottom left of the screen.

On the Home Page you find Quick Tips from the side bar to the left and by choosing Guidance from the bar along the top you can access step by step guides on entry & troubleshooting depending on your role in IAS - Requisitioner, Receiver, Acquisition, Document Manager.

A dedicated helpdesk has been established at Headquarters for questions relating to use of IAS (not policy or purchasing questions). **Peter Lee** is available to answer questions at 301-504-4383. The e-mail address for Peter is [REE-IAS-Help@ars.usda.gov](mailto:REE-IAS-Help@ars.usda.gov)

As always please contact your local Purchasing Agent or the MWA Procurement Office if you have questions.