



SIMPLIFIED ACQUISITION PROCEDURES (SAP) HANDBOOK



COMDTINST M4200.13G

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Subj: SIMPLIFIED ACQUISITION PROCEDURES (SAP) HANDBOOK

1. PURPOSE. This SAP Handbook implements and supplements the Federal Acquisition Regulation (FAR), the Homeland Security Acquisition Regulation (HSAR), the Homeland Security Acquisition Manual (HSAM), the Coast Guard Acquisition Procedures, (CGAP) COMDTINST M4200.19 (series), and other departmental guidance that establishes Coast Guard policies, procedures, and guidance for the acquisition of supplies, services, and construction within the simplified acquisition threshold.
2. ACTION. Area and district commanders, commanders of maintenance and logistics commands, commanding officers of Headquarters units, assistant commandants for directorates, Judge Advocate General and special staff offices at Headquarters shall ensure compliance with the provision of this SAP Handbook.
3. DIRECTIVES AFFECTED. Simplified Acquisition Procedures Handbook, COMDTINST 4200.13F is cancelled.
4. SUMMARY OF CHANGES. Significant changes to the SAP Handbook include: implementing Department of Homeland Security Regulations, removing all Department of Transportation policies, regulations, and requirements (such as Emerging Small Businesses), adding new procedures for procurements from Federal Prison Industries (FPI), providing new electronic reporting tools while working with the new Homeland Security Contract Information System (HSCIS), modifying ratification procedures, and revising the list of Environmental Protection Agency (EPA) designated recycled items. Additionally, the President's Management Agenda of Fiscal Year 2002 addressed "E-Government" strategy by announcing FedBizOpps as the single e-procurement portal for all federal agencies. Consequently, the Central Contractor Registration (CCR) database evolved (requirement for all Government agencies) and has been added to the SAP Handbook. Also, as part of the President's Management Agenda, the Department of Homeland Security (DHS) has incorporated strategic sourcing into its mission. Subsequently, the strategic addition of DHS/EMALL (the mandatory source for office supplies) has been added to the SAP

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NON-STANDARD DISTRIBUTION:

Handbook. All reference to administrative procurement forms, helpful tools, and reference materials have been electronically linked within the SAP Handbook. **NOTE:** This new version and any subsequent changes to it will only be available electronically, with official distribution via the Coast Guard Directives System Intranet site at <http://cgweb.uscg.mil/g-c/g-ccs/g-cit/g-cim/directives/welcome.htm> or the Internet site at <http://www.uscg.mil/ccs/cit/cim/directives/welcome.htm>. No hard copies of the SAP Handbook will be printed. Units with limited access may request a CD-Rom copy by contacting Mr. William Speight at WSpeight@comdt.uscg.mil. Copies for downloading and printing are available at the following website: <http://www.uscg.mil/hq/cg-85>.

5. ENVIRONMENTAL ASPECTS AND IMPACT CONSIDERATION. This SAP Handbook contains procedures located in Chapter 10 (see Affirmative Procurements for Recovered Materials) on the use of recovered materials that apply to all Coast Guard acquisitions. Additionally, a listing of environmentally preferable products are provided.
6. REQUEST FOR CHANGES. Address comments, suggestions, and corrections to Commandant (CG-851).
7. FORMS AVAILABILITY. Forms called for in this SAP Handbook are available in USCG Electronic Forms SWSIII or on the Internet at <http://www.uscg.mil/g-c/g-ccs/g-cit/g-cim/directives/welcome.htm> or on the Intranet at <http://cgweb.uscg.mil/g-c/g-ccs/g-cit/g-cim/forms1/main.asp>. Required DHS acquisition forms are available on line in executable file format can be found at <https://dhsonline.dhs.gov/portal/jhtml/general/forms.jhtml>.

ROBERT S. HOROWITZ /s/
Head of the Contracting Activity

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Chapter 1: Simplified Acquisition Procedures (SAP) Overview

Introduction

Prior to the award of any procurement, certain regulatory requirements must be complied with as prescribed in Federal Acquisition Regulation [\(FAR\) Part 13](#).

Definition

Simplified Acquisition Procedures (SAP) is the preferred method for the acquisition of supplies, services and construction within the Simplified Acquisition Threshold (SAT). Further definition of SAT [\(FAR 2.101\)](#) is described below:

The SAT is \$100,000, except for acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack (Public Law 108-136, Title XIV, Sec. 1443), the term means- (1) \$250,000 for any contract to be awarded and performed, or purchase to be made, inside the United States; and (2) \$500,000 for any contract to be awarded and performed, or purchase to be made, outside the United States (further information in the use of SAP for commercial items of \$5million or less is found in Chapter 9).

Application

SAPs were developed to:

Reduce administrative costs.

1. Improve opportunities for small disadvantaged, and women-owned small business so they can obtain a fair proportion of government contracts.
2. Promote efficiency and economy in contracting.
3. Avoid unnecessary burdens for agencies and contractors.

Guiding Principles

As stated in [FAR 13.003](#) simplified acquisitions shall be used to the maximum extent practicable for all purchases of supplies or services not exceeding SAT, unless requirements can be met by using required sources of supply under [FAR Part 8](#). (See order of preference for these sources under Supplies on Page 2-1).

Acquisition Planning

Acquisition planning identifies the agencies needs in the most effective, economical and timely manner. Key personnel must establish reasonable milestones, such as, type, quantity, quality, performance, and delivery schedule. A Procurement Forecast is not required for acquisitions that do not exceed \$100,000. However, acquisitions exceeding \$100,000 are required to complete an Advance Acquisition Plan per CGAP 3007.172 and in conjunction with the Annual Procurement forecasts required by HSAM 3019 and CGAP 301902-270(b)(2).

Chapter 1: Simplified Acquisition Procedures (SAP) Overview

Acquisition Teams

Consists of all participants in government acquisitions including representatives of the technical, supply, and procurement communities.

Quotes from Vendors

For purchases **not** exceeding \$2,500, one quote is acceptable, if deemed reasonably priced ([FAR 13.202](#)). Purchases shall be equally distributed among qualified suppliers. That means acquisitions under \$2,500 should be rotated among vendors so as not to show favoritism to any one vendor. For purchases in excess of \$2,500, the contracting officer (KO) shall solicit quotations from at least three sources (FAR 13.104) to promote competition to the maximum extent possible. Price along with other factors are considered, including the administrative cost of the purchase, in determining what is best for the government.

Small Business Size Standards

As stated in [FAR 19.102](#), the Small Business Administration establishes small business size standards on an industry-by-industry basis.

Until October 1, 2000, small business standards were classified by a four-digit code called a Standard Industrial Classification (SIC) Code. The North American Industry Classification System ([NAIC](#)) codes replaced SIC codes after that date. Under “Business” on the NAICS web page, click on [NAICS](#).

Small Business Set Asides

As stated in FAR Part 13 each acquisition of supplies or services with an anticipated dollar value between \$2,500 and \$100,000 is reserved exclusively for small business concerns and shall be set-aside in accordance with [FAR Subpart 19.5](#).

Funding Document/ Procurement Request (PR)

The funding document that provides the KO with authority to begin the acquisition process is called the procurement request (PR). In order for the requisition to be valid, it must be numbered properly, contain appropriation and accounting data, and have a valid signature, or digitally approved in the Finance and Procurement Desktop System (FPD). Each certified PR must contain two signatures, one by an authorized requisitioner and one by the funds manager (accounting verification officer). For smaller units, one individual, such as the contracting officer may be responsible for both signatures.

Chapter 1: Simplified Acquisition Procedures (SAP) Overview

Funding Document/ Procurement Request (PR) (continued)

The requisition (PR) must provide the following data with the funding document:

1. Government Estimate
2. Statement of Work
3. HAZMAT and RCRA forms (when applicable),
4. Specifications & Drawings, and
5. List of potential sources, if known.

Soliciting Quotes

Contracting officers (KO) shall seek competition whenever practicable. For procurements in excess of \$2,500, If your PR is over \$2,500, [FAR 13.104](#) requires competition be obtained. This is accomplished by soliciting at least three sources, and is normally done orally, using sources within the local area. Actions over \$2,500, which are sole source, must be documented with a sole source statement (see Chapter 7, Process Simplified Acquisitions).

Whenever possible, quotes should be solicited orally. The KO shall establish and maintain documentation of oral quotes to determine the best value for the government (exceptions to solicit orally are listed in [FAR 5.101](#)). Soliciting for quotes can also be posted electronically to [FedBizOpps](#) located at: <http://www.fedbizopps.gov>

Construction over \$2,000

Written quotes shall be obtained for construction contracts over \$2,000 because of the requirements of the Davis Bacon Act. Wage rates as well as specific clauses are required to be included in solicitations and orders. These wages are based on the prevailing wages in the area where the contract is being performed under the Fair Labors Standard Act.

Services over \$2,500

Under the [Service Contract Act](#) any procurement over \$2,500 must include Service Contract Act wage rates. This act also requires minimum wages to be paid in all service contracts regardless of dollar value. To request or access rates electronically go to the [Department of Labor](#) website at <http://www.wdol.gov>.

Publicizing Contract Actions

As required in [FAR 5.101](#) the electronic Government Point of Entry (GPE) for public notification is [FEDBIZOPPS](#). Proposed contract actions expected to exceed \$25,000 must be formally advertised by synopsisizing at <http://www.fedbizopps.gov>. Proposed contract actions expected to exceed \$10,000, yet not expected to exceed \$25,000 must be displayed in a public place.

Chapter 1: Simplified Acquisition Procedures (SAP) Overview

Central Contractor Registration (CCR)

KOs should use the [CCR database](http://www.ccr.gov) (at <http://www.ccr.gov>) as their primary sources of vendor information. Offices maintaining additional vendor source files or listings should identify the status of each source in the following categories:

1. Small business.
2. Small disadvantaged business.
3. Women-owned small business.
4. HUBZone small business.
5. Service-disabled veteran-owned small business.
6. Veteran-owned small business.

Note: Credit card transactions do not require registration in CCR. For exceptions to potential vendors not required to register in CCR, see [Federal Acquisition Regulations \(FAR\) 4.1102](#).

Price Reasonableness

Evaluation is used to determine the best value for the government using price or price related factors, i.e., quality, delivery and past performance.

The contracting officer's determination of price reasonableness should be based on competitive quotations ([FAR 13.106-3](#)). If only one quote is received, the contracting officer shall include for the file a statement of determination of price reasonableness.

The fair and reasonable price determination may be based on market research, current price, previous purchases, catalogs, advertisements, similar items in related industry, value analysis, contracting officer's personal knowledge of the items being purchased, comparison to an independent government estimate, or any other reasonable basis.

Award

A binding contract is formed when the vendor accepts an offer. The Contracting Officer (KO) issues an [Order for Supplies or Services](#) (OF 347) or [Solicitation/Contract/Order for Commercial Items](#) (SF 1449), the vendor indicates acceptance of an order by notice to the government, in writing, or by furnishing the supplies or services ordered or proceeding with the work.

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Chapter 2: Required Sources of Supplies and Services

Introduction

All procurement actions, regardless of dollar value, shall use the following sources of supply in the order they are listed ([FAR 8.002](#)).

Supplies By Descending Order of Priority

1. Agency Inventory
2. Excess From Other Agencies (e.g., Defense Reutilization and Marketing Office (DRMO))
3. Federal Prison Industries, Inc. (UNICOR)
4. Products available from the Committee for purchase from People Who Are Blind or Severely Disabled (NIB-NISH)(JWOD)
5. Wholesale supply sources such as General Services Administration (GSA) stock program, the Defense Logistics Agency (DLA), Department of Veterans Affairs (VA), and Military Inventory Control Points (ICPs)
6. Mandatory Federal Supply Schedules (FSS)
7. Optional use Federal Supply Schedules (FSS)
8. *Open-Market Commercial Suppliers (including educational and nonprofit institutions). *Governmentwide Agency Contracts (GWACS) – see [FAR 16.505](#)

Services By Descending Order of Priority

1. Services available from the Committee for Purchase from People Who Are Blind or Severely Disabled (NIB-NISH)
2. Mandatory Federal Supply Schedules (FSS)
3. Optional use Federal Supply Schedules (FSS)
4. Federal Prison Industries, Inc. (UNICOR)
5. *Commercial Sources (GWACS)

Factors to Consider

This is a basic measurement to determine if a required source must be used. In determining if the item meets the government's need, factors such as end-function, delivery date, quantity, shipping point, and cost must be considered. If a required source does not meet the needs, a waiver may be required. Exceptions and waivers for each of the required sources listed above are in the sections of this chapter that follow.

Agency Inventory

Refers to stock items maintained by various Coast Guard ICPs, such as the Engineering Logistics Center (ELC) in Baltimore, MD, and Aircraft Repair and Supply Center (AR&SC) in Elizabeth City, NC.

The [Supply Policy and Procedures Manual, COMDTINST M4400.19](#) (series), lists other inventory points, and contains management policy and requisitioning procedures. The Supply Policy and Procedures Manual may be reviewed by accessing the [Coast Guard \(CG\) directives system](#).

Chapter 2: Required Sources of Supplies and Services

Excess Property From Other Government Agencies

There are several sources of excess property that must be considered to satisfy the government's needs:

1. Unit's excess property
2. Coast Guard-wide property, and
3. Other government agencies (OGA) excess property (e.g., Defense Reutilization and Marketing Office (DRMO), [General Services Administration GSA](#)).

When a federal agency determines that property under its control is excess and reports it to GSA, that agency is relinquishing ownership of the property to GSA. As the manager of the federal excess property system, GSA ensures the needs of the federal government for excess property are met first before use or distribution of excess property to non-federal beneficiaries. GSA receives, screens, and distributes (disposes) excess property through its regional distribution centers.

The primary sources for excess property used by the Coast Guard are DRMO and GSA. [The Property Management Manual, COMDTINST 4500.5 \(series\)](#) provides policy and procedures in obtaining excess property from Coast Guard, DRMO, and GSA sources (more information is provided in Chapter 6).

Refer to Enclosure 48 of the Property Management Manual, COMDTINST M4500.5 (series) for instructions in completing appropriate forms to obtain property from DRMO.

Online information is available at: <http://www.drms.dla.mil/>.

For GSA: GSA Area Utilization Offices are contained in the GSA Customer Assistance Guide. This guide may be obtained by calling:

GSA Centralized Mailing List Service: (817) 334-5215

or by facsimile at telephone number (817) 334-5227.

The mailing list code for this publication is OSSC-0003

Chapter 2: Required Sources of Supplies and Services

Excess Property From Other Government Agencies (continued)

For Coast Guard excess property lists:

Commanding Officer
USCG Engineering Logistics Center
Communications Equipment Branch
2401 Hawkins Point Rd.
Baltimore, MD 21226-5000 or website:
<http://cgweb.elcbalt.uscg.mil/>

UNICOR/Federal Prison Industries (FPI) Ordering Guidelines

UNICOR is the trade name for the Federal Prison Industries (FPI), which is a self-supporting, wholly owned government corporation of the District of Columbia. It provides training and employment for prisoners in federal correctional institutions. [Federal Acquisition Regulations](#) (FAR) Subpart 8.6 governs all purchases from UNICOR, which provides a wide range of products and services. These products are listed in its full line catalog, which can be obtained from:

UNICOR's Customer Service & Marketing Production
320 First Street NW
Washington, DC 20534
(800) 827-3168

The on-line address is <http://www.unicor.gov/>

[UNICOR](#) also has a QuickShip Catalog, available both as part of the paper catalog and electronically through the Internet. QuickShip lists items that are guaranteed to be shipped within 30 days of receipt of order. If it takes more than 30 days, UNICOR will deduct 10% from the order price.

New regulations implemented fiscal year 2004 and each year thereafter ([FAR Part 8.602](#)) **did not eliminate UNICOR** as a mandatory source but provided new guidance that states: "Before purchasing a supply item from FPI, you must conduct market research. The research is used to determine whether the FPI item is comparable to supplies available from the private sector, which best meet the government's needs in terms of price, quality, and delivery time".

If the item is comparable, purchase the item from FPI (following procedures at FAR 8.602) or <http://www.unicor.gov/>.

Chapter 2: Required Sources of Supplies and Services

UNICOR/Federal Prison Industries (FPI) Ordering Guidelines (continued)

If competitive procedures are followed and the item will be purchased from an agency Indefinite Delivery Indefinite Quantity (IDIQ) Federal Supply Schedule (FSS) contract, FPI is to be SOLICITED in the same manner as other sources. Document the market research in the Simplified Acquisition Summary Form.

When applicable, send waiver request to:

[UNICOR](#) Customer Service Center

PO Box 13640

Lexington, KY 40583-3640

or fax to (606) 254-9692 or electronically at

<http://www.unicor.gov/>

UNICOR generally processes waiver requests within two to three days. For planning purposes, UNICOR advises that as many as five to seven days may be required. The Contracting Officer's (KO) waiver request and clearance from UNICOR shall be included in the purchase file.

Authorized Exceptions (FAR 8.605): Purchase from FPI is not mandatory and a waiver is not required if: (a) The policy at FAR 8.602(b) applies to the acquisition and

1. The KO makes a determination the FPI item of supply is not comparable to supplies available from the private sector that best meet the Government's needs in terms of price, quality, and time of delivery; **and**
2. The item is acquired in accordance with 8.602(b)(4);
(b) Public exigency requires immediate delivery or performance;
(c) Suitable used or excess supplies are available;
(d) The supplies are acquired and used outside the United States;
(e) Acquiring listed items totaling \$2,500 or less; or
(f) Acquiring services.

Committee for Purchase from People who are Blind or Severely Disabled (JWOD/NIB-NISH)

Federal agencies and activities are required by the Javits-Wagner-O'Day Act (JWOD) to purchase their requirements for selected supplies and services from non-profit agencies for people who are blind or severely disabled (FAR 8.7). The two central nonprofit agencies under JWOD are:

National Industries for the Blind (NIB)

1901 N. Beauregard Street, Suite 200

Alexandria, VA 22311-1727

Voice Number: (703)998-0770

Internet: <http://www.nib.org/> and

Chapter 2: Required Sources of Supplies and Services

JWOD/NIB-NISH (continued)

Committee For Purchase
1421 Jefferson Davis Highway
JP#2, Suite 10800
Arlington, VA 22202-3259
Voice Number: (703) 603-7740
Fax: (703) 603-0655

How to Order JWOD/NIB-NISH Supplies and Services

[GSA Advantage!](#) lists all GSA wholesale stock items, including JWOD supplies. See GSA Advantage! section later in this chapter.

The DOD e-mall also lists items provided by NIB/NISH. The DOD e-mall is the mandatory source for DHS agencies when purchasing office supplies.

Wholesale Supply Sources- National Supply System

The National Supply System was created and designed to eliminate duplication of acquisition and supply functions between the General Administration Services (GSA) and other federal agencies. Its objective is to develop a single, integrated, government-wide system for the acquisition and supply of common-use, commercially available items used by agencies of the federal government. GSA is the designated manager of the National Supply System.

Wholesale supply source is an umbrella term identifying the various government managed supply systems (i.e. GSA, DLA, VA, ICPs). Items are obtained utilizing various requisition methods (i.e. CMPlus, DD-1149, MILSTRIP, CSC, ICP). Requisition procedures are governed by the Supply Policy and Procedures Manual, [COMDTINST M4400.19 \(series\)](#) located online at <http://cgweb.uscg.mil/g-s/g-slp/dframes.htm>.

GSA/Federal Supply Schedules (FSS)

Congress enacted the Federal Property And Administrative Services Act in 1949 establishing GSA's FSS as a central organization to provide an economic and efficient system for the procurement, supply, and disposal of surplus property, and performance of related functions. FSS is the primary source of personal property, non-personal services and numerous common use materials and supplies. You may use any of the following methods to order items from GSA.

Chapter 2: Required Sources of Supplies and Services

GSA Customer Supply Centers (CSC) and Inventory Control Points (ICP)s

Supplies can be ordered from GSA Customer Supply Centers (CSC), military Inventory Control Points (ICP) by telephone with a P-Card or by facsimile with ID Activity Address Code (AAC) plus a GSA-selected access code. Orders are shipped within 24 hours and usually arrive in two to five days. For more information on ordering procedures, call the GSA National Help Line at (800) 488-3111.

GSA Advantage Ordering Information

An on-line ordering system is available through the Internet at <http://www.fss.gsa.gov/cgi-bin/advwel> - To place an order, you must be a valid government-wide Commercial P-Card holder or have an established GSA assigned account number and password. The MLC (f) office or Chief of the Contracting Office (COCO) for your area of responsibility (AOR) has information on how to obtain a government-wide Commercial P-Card. The GSA Advantage on-line shopping help line is 877-472-3777.

GSA also accepts MILSTRIP orders.

To establish a GSA account, call or write:
GSA Federal Supply Service
Supply Management Division – FCSI
Washington, DC 20406
(703)305-7977.

GSA Stock Program

The GSA Stock Program is a mandatory source of supply with the exception of office supplies available through Department of Homeland Security (DHS)/E/Mall. The [GSA Stock Program](#) also contains requisitioning instructions, location of CSC/ICP's and product return instructions.

General Services Administration
Centralized Mailing List Service
PO Box 6477
Ft Worth, TX 76115
Phone: (817)334-5215
Facsimile: (817)334-5227

or MILSTRIP requisition using NSN 7610-01-283-0745,

Chapter 2: Required Sources of Supplies and Services

GSA Stock Program (continued)

or through the Internet – <http://www.fss.gsa.gov/> - click on Customer Supply Center, then click on Order a Catalog.

Catalog items may also be ordered using GSA Advantage!

Exceptions from using the GSA Stock Program are as follows:

1. The same item is available from a Federal Supply Schedule at a lower cost.
2. Public exigency prevents the use of the catalog. In this case, the acquisition file must be documented to show the urgent need, and the nature of exigency.
3. The value of a line item is less than \$100. GSA will fill orders for less than \$100 per line item, but such orders are at the option of the ordering office.

Exception: If the value of the line item is \$100 or more, but less than \$5,000, the item may be purchased from another source. A written justification shall be prepared and placed in the purchase file. The justification must show that the purchase is in the best interest of the government, and the combination of quality, timeliness, and cost factors have been considered. The cost factor must include administrative cost (\$50 per purchase) to affect a local purchase.

Similar Items: When items available from GSA will not serve the required functional end-use, submit a request for waiver.

Procurement from other sources shall be put on hold, until the receipt of the waiver from GSA.

Exceptions from the GSA Stock Program

Waiver request must include:

1. A complete description of the type of item needed to satisfy the requirement. Descriptive literature such as cuts, illustrations, drawings and brochures that show the characteristics or construction of the type of item or an explanation of the operation should be furnished whenever possible.

Chapter 2: Required Sources of Supplies and Services

Exceptions from the GSA Stock Program (continued)

2. The item description and the stock number of the GSA item being compared. Describe inadequacies of the GSA items in performing the required functions.
3. The quantity required and whether the demand is recurring, non-recurring, or unpredictable.
4. The name and telephone number of the contracting officer requesting the waiver.

Other GSA Programs:

1. Other GSA programs centrally contract items of supply that customers order directly from the contractor/vendor through delivery orders; and the Special Order Program, which provides acquisition support services to designated overseas activities for items included in the Schedule Program. Contact the Schedules Information Center at (703) 305-6477 for more information on these special programs.
2. Purchases are made from GSA of less-than-carload lots of common-use items stocked by GSA.
3. The supplies are acquired and used outside the United States.

Defense Logistics Agency (DLA)

Items available from DLA range from heavy machinery parts to small hardware items to clothing and ecclesiastical furnishings. These items are supplied by the agency's five Defense Supply Centers (DSC). An "R" preceding the stock number in the NSN index of the GSA Supply Catalog Guide identifies items managed by DLA.

FEDLOG. DLA managed items can be found in the Federal Logistics Data on Compact Disc-Read Only Memory (CD-ROM). FEDLOG provides logistics information, including reference numbers, management data, freight data, supplier (also as commercial and government entity) data and code, characteristics data (Disc 5) and representative drawings (Disc 6).

Discs are also available on DVD and the Internet as well as CD-ROM. Searches can be performed at a general level (searching all Federal Logistics Information System (FLIS) information) that includes information searches for the FLIS, Air Force, Army, Navy, and Marine Corps.

Chapter 2: Required Sources of Supplies and Services

Defense Logistics Agency (DLA) (continued)

Contents of these Service-Unique Databases are listed in the Users Manual on the CD-ROM. See website: <http://www.dlis.dla.mil/> Commandant (G-SLP) manages and distributes FED LOG within the Coast Guard.

The federal logistics information includes: NSN, National Item Identification Number (NIIN), Permanent System Control Numbers (PSCN), CAGE data, supplier information, part numbers, reference number data, item/colloquial name index, management data, interchangeability and substitutability (I&S) information, freight data, and characteristics information.

ARMY - The Army-unique data is made up of the Army Master Data File (AMDF).

NAVY – The Navy-unique data consists of the Master Repairable Item List (MRIL), Navy Item Control Numbers (NICN), and the List of Items Requiring Special Handling (LIRSH).

AIR FORCE – The Air Force-unique data includes transportation information, the Recoverable Item Movement Control System (RIMCS), Catalog Management Data (CMD), the Air Force I&S file, the Stock Number User Directory (SNUD), the master base address file, and the Air Force X-file.

Fuels, Lubricants, and Other Petroleum Products (Defense Contract Bulletin Items): The Defense Energy Supply Center (DESC) contracts annually with commercial suppliers for fuels (2 year contracts for Bunker fuel), lubricants, and other petroleum products. Yearly requirements are submitted to DESC as the basis in determining the quantity to be awarded.

The Maintenance and Logistics Commands require units that have the need for these items to submit their annual estimates. Procedures and guidelines for submission of estimates are in the Supply Policy and Procedures Manual (SPPM), COMDTINST M4400.19 (series) and in MLC SOPs.

Ordering instructions are contained in the Defense Contract Bulletin.

Chapter 2: Required Sources of Supplies and Services

Defense Logistics Agency (DLA) Prime Vendor Contracts

Prime vendor contracts are issued by DLA to replace their depot system. One of the advantages to this system is that the need for large inventories is abolished because the vendor guarantees quick delivery. Currently, they cover pharmacy, medical/surgical, and subsistence items. Prime vendor contracts are typically Internet based.

To use a prime vendor contract, contact the designated Defense Personnel Support Center (DPSC) point-of-contact for sign-on information and other assistance. Once items are received, the unit certifies the invoice/packing slip for payment and forwards the invoice to the Chief Contracting Officer's Technical Representative (COTR) or DPSC.

NOTE: Prime vendor contracts are NOT mandatory for the Coast Guard.

Guidelines to utilize the Medical Prime Vendor contracts are contained in the Medical Prime Vendor Program Implementation Within The Coast Guard, [COMDTINST M6740.2 \(series\)](#).

Guidelines for utilizing the Subsistence Prime Vendor contract will be included in the Coast Guard Service Food Manual, [COMDTINST M4061.5 \(series\)](#).

Department of Veterans Affairs (VA) Contracts

The Federal Acquisition Regulations ([FAR 8.002](#)) lists VA as an example of an agency having a stock program; however, VA no longer has a stock program. Instead, VA combined its contracting activity and the [National Acquisition Center](#) (NAC) located in Hines, IL to solicit, award, and administer VA's Federal Supply Schedule and National Contract Programs. The NAC is available for all Government agencies to purchase the following type of equipment and contracts under GSA and VA contracts: High tech medical equipment (e.g., CT, MRI, Ultrasound, Nuclear, X-ray systems, etc), Pharmaceuticals (under a prime vendor VA standardization program), bulk oxygen, medical equipment, patient mobility devices, surgical supplies, dental supplies, and a prime vendor contract program for subsistence.

These products are available through GSA Advantage (contracts will have GSA number with letter "V"). You may contact NAC via email at nac@med.va.gov or 708-786-5200/515 or view their website for more information at <http://www.va.gov/oamm/nac>.

Chapter 2: Required Sources of Supplies and Services

GSA/FSS Services and Supplies Program

Directed and managed by GSA, this program provides federal agencies with commonly used supplies and services at established prices. The Ordering Office issues delivery orders directly to the schedule contractor for the required supplies or services.

Every schedule includes contractual terms, minimum and maximum order limits, specifications, quality control, delivery timeframes, inspection, and acceptance. Multiple Award Schedule (MAS) contracts previously contained Maximum Order Limitations (MOLs). Scheduled contracts no longer include MOLs instead they contain a Maximum Order (MO) threshold that acts as a trigger point for customers to seek additional price reductions.

A schedule can either be single-award schedule (SAS) or MAS. At the present time, GSA has only one SAS. The JWOD Schedule, awarded to the National Industries for the Blind under the JWOD Act contains a variety of products.

MAS covers contracts awarded to firms supplying comparable commercial services and products. Consistent with the Competition in Contracting Act, MAS are competitive. Therefore, participation in the program is open to all responsible sources, and orders placed following procedures in [FAR 8.4](#) result in the lowest overall cost alternative to meet the needs of the government.

When placing orders as mandatory users, ordering units shall use SAS schedule as a primary source and MAS as a secondary source. Ordering offices shall not solicit bids, quotes, or proposals, from open market sources, to compare prices solely for the purpose of seeking alternative sources to Federal Supply Schedules (FSS).

Options may be included on orders placed against MAS contracts provided the options are clearly stated in the requirement and are evaluated as part of the best value determination. Such options may be exercised provided that:

1. Funds are available
2. The requirement covered by the option fulfills an existing need
3. Prior to exercising an option, ensure that it is still in the government's best interest, i.e., the option is the most advantageous method of fulfilling the government's need - price and other factors considered, and

Chapter 2: Required Sources of Supplies and Services

GSA/FSS Services and Supplies Program

4. The options do not extend beyond the period of the scheduled contract, including option year periods (see Chapter 7, Page 12 for additional information regarding options).

EVERGREEN – A contract awarded for a basic five-year term that contains three separate five-year option periods, resulting in up to a 20-year contract period. The use of Evergreen contracts has been approved in all Multiple Award Schedule (MAS)/Federal Supply Schedule (FSS) contracts. GSA is currently expanding multiyear contracts for all MAS FSS to be Evergreen contracts.

GSA Advantage! E-Buy Ordering (continued)

E-BUY - is a component of the GSA Advantage! - an electronic request for quote (RFQ) system designed to allow federal buyers to request information, find sources, and prepare RFQs online for services and products offered through GSA FSS contractors on GSA Advantage! The website to login is located at: <http://www.ebuy.gsa.gov/>. Each RFQ is assigned a FSS Special Item Number (SIN) category by the buyer. The category assignment determines which schedule contractors (sellers) may receive the e-mail notice to quote. Sellers are automatically listed under their awarded SIN categories. Buyers may notify all sellers listed under a particular SIN category or may choose to notify a lesser number of sellers. Although you can select vendors to receive the RFQ, the solicitation is still open to viewing by any vendor logging onto the system.

NOTE: P-Card account holders **shall** thoroughly read the instructions contained in the website prior to placing orders for services on GSA Advantage! They **shall not place orders** above their procurement authority. Additionally, it is **illegal** to split purchases/orders to keep obligations under SAT or under the level of the Contracting Officer (KO). Ordering from GSA/FSS is **not** equivalent to placing a milstrip order; therefore, purchases made cannot exceed the KO's warrant authority.

The FAR provides guidance on ordering services and supplies from GSA Advantage! on-line shopping center at [FAR 8.405-1](#) and [FAR 8.405-2](#). Procedures for ordering on GSA Advantage! or e-Buy are found at: <http://www.fss.gsa.gov>. Contractors who wish to quote must do so at the e-Buy website. Only contractors that have submitted their catalogs for inclusion in GSA Advantage!/e-Buy will have an opportunity to participate and receive requests for quotes electronically.

Chapter 2: Required Sources of Supplies and Services

GSA/FSS Ordering Procedures For Services or Supplies

ORDERING PROCEDURES FOR FSS SERVICES- SEE [Federal Acquisition Regulations Part 8.405-2](#).

To the maximum extent practicable, requirements shall be performance-based statements (services under \$2,500 do not require a Statement of Work (SOW)).

Place orders at or below \$2,500 with any FSS contractor that can meet your needs. Always attempt to distribute orders among contractors.

Requirements over \$2,500 but not exceeding the SAT - Three quotes should be solicited along with a request for firm fixed prices to perform the services identified in the SOW, as well as evaluation criteria (e.g., experience and past performance).

Ensure a written **performance-based** SOW specifies the following (minimum) requirements:

1. The work to be performed;
2. The location of the work to be performed;
3. The period of performance;
4. The delivery schedule;
5. Any applicable performance standards, and
6. Any special requirements, for example – security clearances, travel, or special knowledge.

Seek price reductions from the schedule contractor appearing to provide the “best value.” After price reductions have been sought, place the order directly with the contractor who provides best value and results, in the lowest overall cost alternative.

Document the procurement file with the results from performing the above-described steps.

ORDERING PROCEDURES FOR FSS/SUPPLIES: SEE [FAR 8.405-1](#).

Place orders at or below \$2,500 with any FSS contractor that can meet your needs. Always attempt to distribute orders among contractors.

Chapter 2: Required Sources of Supplies and Services

GSA/FSS Ordering Procedures for Services or Supplies (continued)

Requirements for supplies exceeding the micro-purchase threshold but not exceeding Simplified Acquisition Threshold (SAT) – consider reasonably available information about the supply offered under Multiple Award Schedule (MAS) contracts by surveying GSA Advantage! on-line shopping or review catalogs or pricelists of at least three schedule contracts. In addition to price, when determining best value, you may consider, among other factors, the following:

1. Past performance
2. Special features required for effective performance.
3. Trade-in consideration.
4. Probable life of item selected as compared with that of a comparable item (refer to the [Property Management Manual COMDTINST 4500.5 \(series\)](#) prior to taking action).
5. Warranty consideration.
6. Maintenance availability.
7. Environmental and energy efficiency considerations.
8. Delivery terms.

Seek price reductions from the schedule contractor appearing to provide the “best value.” After price reductions have been sought, place the order directly with the contractor who provides best value and results, in the lowest overall cost alternative.

Document the procurement file with the results from performing the above described steps.

Department of Homeland Security (DHS)/EMALL Mandate and Information For Ordering Office Supplies

DHS established a Strategic Sourcing Program to investigate methods of leveraging department-wide spending on specific commodities. Prior to contracting for, ordering against an existing contract or making a purchase with a P-Card, regardless of dollar value, the Contracting Officer (KO) shall review [Management Directive \(MD\) 0730](#) for the listing of commodities that are to be strategically sourced.

One outcome has been a strategic partnership with the DOD EMALL. DHS/EMALL has access to 383 commercial catalogs containing more than 12 million items and a total of 5.5 million national stock numbers (see MD 0731 for guidelines).

Effective 1 June 2004 all Coast Guard units are mandated to procure office supplies under the micro-purchase threshold through DHS/EMALL at <http://www.emall.dla.mil/>.

Chapter 2: Required Sources of Supplies and Services

DHS/EMALL Mandate and Information for Ordering Office Supplies (continued)

[DHS MD 0731](#) defines office supplies as follows: a commercially available item with a single dollar value under \$300 that is consumed in the process of conducting Department of Homeland Security (DHS) business. The definition **includes**, but is not limited to, items such as pens, paper, toner cartridges, paper clips and other commonly acquired items to support DHS' employees with performing their duties. The definition **excludes**: hardware, software, furniture or other capital equipment. **NOTE -cutters that are not docked at their home port do not have to use DHS/EMALL.**

Open Market Sources/GWACs

Only after requirements have been determined not available from the required sources, or cannot satisfy the government's needs, the ordering office can proceed with "open market" purchases. Consider Governmentwide Acquisition Contracts (GWACs) that are IT task/delivery orders established by one agency for government-wide use. GWACS are not processed in the same manner as the Federal Supply Schedules and have different requirements with respect to "fair opportunity" ([FAR 16.505\(a\)\(7\)](#) and [16.505\(b\)](#)).

Government Printing Office (GPO) Ordering Procedures

GPO is the **mandatory** source for Government Printing Requirements. Coast Guard (CG) has entered into a Simplified Purchase Agreement (SPA) for purchases to GPO under \$2,500.00. The SPA is a type of blanket purchasing agreement that allows agencies to issue purchase orders for specific types of printing **under** \$2,500.00. GPO will provide a list of authorized vendors for CG to solicit and award, a description of the processing, an explanation of fees charged by GPO to the nominee's credit card, and information for training and certification process. How does the process work? The COCO nominates individuals to GPO, Attn: Brian Coleman, GPO Agency Publishing Specialist, 732 North Capitol Street NW, Washington, DC 20401, or by telephone at 202-512-0455 or email (bcoleman@gpo.gov). Regardless of your geographical location, Brian Coleman is the GPO contact. Training performed by GPO will provide details of the process, the form to use, how charges are made on your credit card, the list of vendors, how to add vendors to the list, etc. Should circumstances require a waiver and **the waiver is not granted**, but the printing is processed, the purchase will be deemed a **NONRATIFIABLE** commitment ([FAR 1.602-3](#)). Therefore, the individual **will be held responsible** for reimbursing the CG with his/her own **personal funds**.

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Chapter 3: Open Market Purchasing Overview

Introduction

This section will address the framework for buying supplies and services from commercial sources.

Procurement Authority/ Delegation of Warrants

Authority to enter into contractual relationships and commit the government to the expenditure of public (taxpayer) funds is a DELEGATED authority. That is, this authority must be delegated in writing to the individual. The Head of the Contracting Activity (HCA) is authorized under Homeland Security Acquisition Manual Subchapter [3001.601-70\(a\)](#) to designate Contracting Officers (KO)s for the Coast Guard and may delegate this authority to a level no lower than the Chief of the Contracting Office (COCO). In order to receive a KO Warrant, individuals must meet training, grade/rank requirements and the requesting activity must demonstrate a valid need for the authority. The HCA has delegated authority to the following organizational elements to issue KO warrants within their defined area of responsibility (AOR) as follows:

1. **Chief, Office of Procurement Management, Commandant (CG-85):** all KO appointments in the Coast Guard except COCOs with authority over \$100,000.
2. **Chief, Office of Contract Support, Commandant (G-ACS):** all KO appointments within the Office of Contract Support and for those units where G-ACS is designated as COCO.
3. **Chief, Procurement and Logistics Branch, Naval Engineering Division, Maintenance and Logistics Command Pacific (MLCPAC):** All KO appointments not to exceed (NTE) \$50,000 for supplies, \$50,000 for services, \$25,000 for Construction, \$250,000 for fuel, subsistence and port services outside the continental U. S. (OCONUS) for Pacific area afloat assets; \$500,000 for fuel subsistence and port services OCONUS for icebreakers (Polar class and Healy), and all KO appointments within the simplified acquisition section of the Naval Engineering Division NTE \$100,000.
4. **Chief, Procurement Branch, Finance Division MLCPAC:** All KO appointments NTE \$50,000 for supplies, \$50,000 for services, and \$50,000 for construction, authority to issue warrant NTE \$100,000 for delivery orders against GSA Federal Supply Schedule (FSS) contracts and other fixed-price mandatory sources of supply, all KO appointments within the simplified action section of the Finance Division NTE \$100,000, \$250,000 for fuel, subsistence and port services OCONUS for all units in PACIFIC area EXCEPT Pacific

Chapter 3: Open Market Purchasing Overview

Procurement Authority/ Delegation of Warrants(continued)

(4 continued) Area afloat assets, KOs in Naval Engineering Division, and Headquarters units.

5. **Chief, Finance Division, Maintenance and Logistics Command Atlantic (MLCLANT)** - all KO appointments NTE \$50,000 for supplies, \$50,000 for services, \$25,000 for construction, \$250,000 for fuel, subsistence and port services OCONUS for all units in the Atlantic area except Headquarters units, and all KO appointments within the Finance Division NTE \$100,000.

Warranted and Non-Warranted Cardholders

The Head of the Contracting Activity (HCA) has authorized certain individuals to further delegate procurement authority. One such example of this is for the GSA SmartPay government-wide Purchase-Card (P-Card). COCOs may delegate micro-purchase authority (\$2,500) to individual cardholders. These individuals are known as non-warranted cardholders (see Chapter 4, Simplified Acquisition Methods).

One exception to this \$2,500 rule (there's always an exception!) is for fuel. Warranted and non-warranted cardholders with less than \$25,000 credit card authority may use the P-Card for fuel purchases for Coast Guard aircraft and vessels up to \$100,000 per transaction, if authorized in writing, by the COCO. This authority may only be used if:

1. there is no Defense Energy Supply Center (DESC) supplier available **and**
2. the vendor will not accept the Fleet Fuel Services Card (Bank One Fleet Fuel Master Card). Another deviation to the rule for fuel purchases only allows aircraft (Air Card) and vessel commanders (or their designees, appointed in writing) to issue delivery orders against DESC contracts.

Other forms of delegated authority include the use of Standard Form 44 Purchase Order – Invoice - Voucher and Blanket Purchase Agreement (BPA) (see Chapter 7, Acquisitions up to \$25,000 as well as [Federal Acquisitions Regulations Part 13](#)).

Separation of Duties

In the procurement process, the separation of duties is essential to avoid the appearance of impropriety. When possible, the initiator of the procurement request, the contracting officer, and the person who will be accepting the supplies or service shall be different individuals. At a minimum, there shall be at least two different individuals responsible for these three functions.

Chapter 3: Open Market Purchasing Overview

Determining If Contractors Are Responsible

[Federal Acquisition Regulations \(FAR\) 9.103](#) directs agencies to purchase from contractors who are responsible. In order to be determined responsible, a prospective contractor must:

1. Have adequate financial resources to perform the contract, or the ability to obtain them.
2. Be able to comply with the required or proposed delivery or performance schedule.
3. Have a satisfactory performance record.
4. Have a satisfactory record of integrity and business ethics;
5. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them.
6. Have the necessary production, construction and technical equipment and facilities, or the ability to obtain them; and
7. Be otherwise qualified and eligible to receive an award under applicable laws and regulations.

Unless the Contracting Officer (KO) has reason to believe a prospective contractor may not meet the above criteria, for simplified acquisition actions, the KO shall, as a minimum, review the current list of all parties debarred, suspended, proposed for debarment, or declared ineligible by agencies or by the General Accounting Office. Vendors on this list are precluded from doing business with the government. “[The List of Parties Excluded](#) from Federal Procurement and Non-procurement Programs” is available via <http://www.arnet.gov/epl/>.

If appropriate to the circumstances, the KO may make other methods of responsibility determination. Consult [FAR Part 9.1](#) for guidance.

Seven Basic Steps to Buying

The seven basic steps to buying are:

1. Receive a funded procurement request (PR)
2. Screen the PR for required information and reviews (HAZMAT, property review, RCRA etc.)
3. Review mandatory sources to establish source of supply
4. Solicit quotations (if necessary); analyze quotes.
5. Award or issue purchase document
6. Administer the order, which includes receiving report, payment, and closeout.

Chapter 3: Open Market Purchasing Overview

Seven Basic Steps to Buying Steps 1-2 (continued)

7. Ensure purchase is documented on Simplified Acquisition Summary form (Enclosure 7 or equivalent form - see Department of Homeland Security (DHS) 700-16 form located on [Coast Guard website](#) –and DHS website - <http://dhsonline.dhs.gov/portal/jhtml/general/forms.jhtml> under Acquisition forms - DHS Electronic Forms Library or on locally used equivalent forms).

Step 1: Receive a funded PR

The PR is the responsibility of the customer. The customer is the entity for whom you are buying supplies and services.

Step 2: Reviewing a Purchase Request

The purchasing official must review, or screen, the PR for accuracy before proceeding with the buy. The following items shall be included on or with the PR:

- a. Accounting data
- b. Approval signature
- c. Certification of funds availability
- d. Purchase description
- e. Required delivery date
- f. Suggested sources of supply (if known)
- g. Sole source justification (if applicable)
- h. Property review and general purpose property statement (if applicable)
- i. Evidence of unit hazardous material coordinator and pollution prevention coordinator's (PPC) review (if applicable)
- j. Requisitioner determination form (if applicable – see Enclosure 24 for recovered materials)
- k. Government estimate (if applicable)
- l. Delivery terms (if applicable)

Contact your customer for any missing information.

Accounting data: The contracting officer is ultimately responsible for the purchase document. Therefore, the procurement professional must ensure that proper funding is utilized for the buy. You need to become familiar with the various accounts utilized by your customers. [FINCEN SOP](#) will help identify various accounts as well as the [Financial Resource Management Manual \(FRMM\), COMDTINST M7100.3](#) (series).

Chapter 3: Open Market Purchasing Overview

Seven Basic Steps to Buying Step 2 (continued)

Approving Authority: After someone initiates a request, it is generally forwarded through their chain of command to an individual to approve purchases for that office.

Certification of funds availability: This is the single most important signature on the procurement request (PR). Do not purchase anything unless this certification has been made on the PR.

Purchase description: Is a description of the essential physical characteristics and functions required to meet the government's needs.

Required delivery date: A realistic delivery date. For example, if a customer gives a required delivery date of "ASAP" the buyer should find out what is the actual date the supply/service is required. Remember that the government may pay a higher price for fast delivery; so if an emergency doesn't exist, don't pay for it.

Suggested sources of supply: The source(s) identified on a PR are "suggested" only. For non warranted cardholders, the Contracting Officer (KO) and ONLY the KO is responsible for source selection.

Sole Source Justification: If your customer tells you the suggested source is a "sole source," a sole source statement must accompany the PR. The sole source statement must demonstrate the suggested source is the only supplier in terms of urgency, exclusive licensing agreements, etc. The complexity and detail of the sole source statement should be commensurate with the complexity of the procurement (see Enclosure 8).

Property Review and General Purpose Property Statement: All PR requests (except for services) must contain one of the property statements as defined in the [Property Management Manual, COMDTINST M4500.5 \(series\)](#).

Hazardous Material Coordinator/Pollution Prevention Coordinator Review: PRs containing items listed in Enclosure 1 must have this review (additional requirements for those items may be found in Chapter 10, Special Procurement Categories).

Requisitioner Determination Form: Required for every PR that contains any of the items designated by the Environmental

Chapter 3: Open Market Purchasing Overview

Seven Basic Steps Buying Steps 3,4, and 5(continued)

Protection Agency (EPA) as items that can be made with recycled materials (see Chapter 10, Non-Routine Procurement Actions and Enclosure 24).

Independent Government Estimate (IGE): IGEs can be derived from market research, published catalogs price lists, recent purchases, etc. Keep track of the dollar value of what is being bought and what you are trying to buy. If you are buying services estimated to cost \$30,000, you should have a more detailed estimate than services that cost “\$4,000.” The IGE for the \$30,000 buy should include a breakdown of various cost elements such as labor, material, etc.

Step 3: Mandatory Sources Review

Review all required sources of supply/service prior to purchasing on the open market. After you have exhausted the list of required sources (see Chapter 2, Sources of Supplies and Services) and cannot locate the item/service you are trying to buy, you proceed to the open or commercial market. That is, of course, if you have determined the item/service is not a restricted item (see Chapter 11, Special Procurement Items).

Step 4: Solicit Quotations

If your procurement request (PR) estimate is less than \$2,500 (except for construction), you do not have to solicit quotes so long as the price can be determined fair and reasonable. At a minimum, you should call the suggested source and confirm the amount quoted. Remember to note the name of the person providing the quote and the date. If you suspect the price on the PR is NOT a fair price, find another source for the item and get another quote.

If your PR is over \$2,500, [Federal Acquisition Regulations](#) (FAR 13.104) requires competition be obtained. This is accomplished by soliciting at least three sources, and is normally done orally, using sources within the local area. Actions over \$2,500, which are sole source, must be documented with a sole source statement (see Chapter 7, Processing Simplified Acquisitions).

Step 5: Award or Issue Purchase Document

Determine the most economical, efficient purchase method and then issue the order. Purchase methods to consider, in the order of preferred use, are: P-Card (actions NTE \$2,500); Purchase Order,

Chapter 3: Open Market Purchasing Overview

Seven Basic Steps to Buying Steps 6-7 (continued)

Blanket Purchase Agreement, Standard Form (SF 44), and Imprest Fund. Each of these methods are briefly described below and in more detail in Chapter 7, Processing Simplified Acquisitions).

Step 6: Administer the Order

This may be as simple as ensuring your supplies arrive on time or as complex as negotiating a termination settlement for an order that has been terminated for convenience (see Chapter 13, Administration).

At a minimum, administration includes timely payment, receipt documentation, and final closeout.

Step 7: Simplified Acquisition Summary

Ensure evidence that steps 1-6 are documented in the Simplified Acquisition Summary ([DHS form 700.16](#)) or a locally used equivalent form (Enclosure 7) See also the DHS website at http://www.dhs.gov/interweb/assetlibrary/DHS-HSAM-Notice_thru_05-02.pdf.

Procurement Administrative Lead Times (PALT)

Procurement Administrative Lead Times (PALT) for simplified acquisitions.

Dollar Value	Acquisition	Work Days to Award
Under \$25,000	All SAP	30
\$25,001-\$100,000	Supplies	50
\$25,001-\$100,000	Services	50
\$25,001-\$100,000	Construction	50
Any	GSA Schedule Buys	30-45
Any	Establish BPA under GSA	60
Any	Interagency Agreements	30

NOTE: The range under the column entitled “Work Days to Award” or the PALT can be subjectively applied to CG units that routinely process high volumes of a mix of simplified acquisitions, i.e., an average of 100 to 300 per week and for units that routinely process low volumes of a mix of simplified acquisitions, i.e., 15 to 25 per week. All [PALTs](#) in the foregoing table consider lead times for P-Card buys and commercial acquisition buys. They are intended for workload planning and customer information based on receipt of a properly prepared procurement request (PR), which includes a proper specification or Statement of Work (SOW).

Chapter 3: Open Market Purchasing Overview

Procurement Administrative Lead Times (PALT) (continued)

Coast Guard (CG) units that execute simplified acquisitions are required and encouraged to process requirements in the timeliest manner possible while remaining within legal, regulatory and procedural confines.

Tax Exemption

Generally, the U.S. Government is exempt from payment of taxes on purchases. This exemption applies to purchases of both property and material acquired with appropriated funds for government use. The exemption does not apply to items purchased by contractors or the Federal Excise Tax imposed on specific items (e.g., tires). Contractors are required to include all federal, state and local taxes in their bid/quote in accordance with Federal Acquisition Regulation ([FAR](#)) 52.229.3, therefore, it is improper to provide the CG's tax exemption certificate or number to a contractor who is purchasing items necessary to perform a contract (e.g., construction).

The Coast Guard Tax Exempt Number is **B-239641**. Purchasing personnel may have to provide this number to vendors to claim the exemption. The U.S. Tax Exempt Certificate [Standard Form \(SF-1094\)](#) may also be used for this purpose.

IRS Reporting to FINCEN

When purchasing services using a purchase order, delivery order, or Blanket Purchase Agreement (BPA), the Contracting Officer (KO) is responsible for submitting additional information to the [Finance Center](#) (FINCEN).

The KO must obtain the vendor's Taxpayer Identification Number (TIN) and indicate this information on the FINCEN copy of the purchase document. FINCEN reports this information to the Internal Revenue Service (IRS). Exception: Other CG paying offices, e.g., AR&SC, do not send copies to FINCEN, but are required to issue 1099s on their payments for services.

Category II Military Interdepartmental Purchase Request (MIPR)s going to another government agency (OGA) and all MIPRs originating from OGAs that require CG to pay the contractor and be reimbursed by the OGA, shall contain that information: Also, place the TIN on the MIPR Acceptance, DD Form 448-2, Block 13.

Chapter 3: Open Market Purchasing Overview

Ethics and/or Federal Regulations

Statutes prohibit government personnel from: accepting gifts or bribes; using public office for private gain; giving preferential treatment to any person; losing complete independence and impartiality in business decisions; making a government decision outside official channels; or eroding the confidence of the public in the integrity of the government. Any concerns or questions about ethics related issues should be directed to your servicing legal office ([See also Federal Acquisition Regulations Part 3](#)).

Vendor Agreements

Usually, the conditions of the purchase can be agreed upon and a standard government purchase document can be used to accomplish the buy. If vendors require an agreement be signed, obtain legal advice from the servicing legal office, via the Chief of the Contracting Office (COCO).

DO NOT SIGN VENDOR AGREEMENTS.

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Chapter 4: Simplified Acquisition Methods

Simplified Acquisition Methods

There are several SAP methods that may be used to buy supplies and services. Procurement professionals should use the method, which is the most efficient and economical for each procurement ([see also Federal Acquisition Regulations \(FAR\) Part 13](#)).

GSA Smart Pay: The Purchase-Card (P-Card) is the preferred method for buying supplies and services at or below the micro-purchase threshold. The P-Card may be used for **payment of delivery or task orders** for supplies and services over the micro-purchase threshold and up to the Simplified Acquisition Threshold (SAT).

Use of the P-card is encouraged because it reduces costly administrative functions associated with purchase orders, Blanket Purchase Agreements (BPA) and other simplified acquisitions methods. The P-Card may be used as a **payment and purchasing mechanism**, not as a contracting mechanism, for supplies and services over the micro-purchase threshold and up to the simplified acquisition threshold. In other words, all orders and supplies over the micro-purchase threshold must include FAR clauses mandated by statute. An example of a payment mechanism is placing a task or delivery order to a GSA/FSS Indefinite Delivery Indefinite Quantity (IDIQ) contract. An example of a contracting mechanism is placing an order/contract over the micro-purchase dollar threshold to include all applicable FAR provisions and clauses mandated by statute.

Coast Guard P-Card Policy

The following information provides policy and guidance for the Coast Guard Government P-Card program. The P-Card program shall be administered using the system provided by the card issuing bank, currently, US Bank's Customer Automated Reporting Environment (CARE) system.

Definitions

Non-warranted Cardholder : Purchasing official designated in writing by a COCO to utilize the P-Card for individual purchases that do not exceed the micro-purchase threshold.

Warranted Cardholder: Purchasing official holding a KO's warrant that may make purchases up to their warranted authority.

Warranted or non-warranted cardholders may utilize the P-Card for the purchase of fuel/oil for vessels, aircraft or small boats, within monetary limits prescribed (see also Chapter 3, Open Market Purchasing Overview).

Chapter 4: Simplified Acquisition Methods

Definitions (continued)

DESC and the Fleet Fuel Services Cards remain the primary mechanisms for obtaining these supplies.

Approving Official (AO): Official designated in writing, one supervisory level by rank or command structure above the cardholder.

Chief of the Contracting Office (COCO): KO designated with procurement oversight for a geographical area. Responsibilities include oversight and delegation of authority for the P-Card program within the geographical area.

Agency Program Coordinator (APC): Official responsible for the administrative management of the P-Card Program within a geographical area.

Organization Program Coordinator (OPC): Individual designated at the organizational element (OE) level to oversee the purchase card program within a specific area of responsibility.

Cardholder and Approving Official (AO) Responsibilities

Cardholder: The cardholder is responsible for:

1. Reviewing the Purchase Card Statements (PCS) for accuracy, attach supporting documentation (i.e., sales/credit slips, order log, dispute forms), verify the PCS in PCA and forward to the approving official (AO) within seven calendar days of receipt.
2. Taking action to correct/dispute questionable charges. The cardholder should try to correct the questioned charge with the vendor first but must file a dispute with the issuing bank within 60 days of the date of the statement. Freight charges and taxes should be disputed with the vendor only.
3. Submit monthly PCSs to the AO with copies of supporting documentation (e.g., sales slips, order logs, dispute forms, etc.).

Approving Official: The AO is responsible for oversight and review of cardholder activity as follows:

1. Review each cardholder's PCS for accuracy and completeness; review each purchase for official use and regulatory compliance.
2. Attest or certify that the PCS has been reviewed and is authorized for payment in PCA.
3. Take action to review and submit PCS' in the absence of a P-Card account holder in PCA.
4. Submit the PCS to FINCEN within seven calendar days of receipt from the cardholder.
5. Resolve questionable charges with the P-Card account holder. Initiate action for incidents of improper use.

Chapter 4: Simplified Acquisition Methods

Agency Program Coordinator (APC),

Organization Program Coordinator (OPC), and

Chief of the Contracting Office (COCO)

Responsibilities (continued)

6. Evaluate inactive accounts; ensure accounts are canceled where necessary; track disputed/questionable purchases through resolution.
7. Evaluate purchase limits and MCC initiated by bank/USCG.
NOTE: FINCEN pays the card-issuing bank on a daily basis, and reconciles charges paid via monthly audit of PCSs. As part of FINCEN arrangement to pay daily, monthly audits are performed on PCSs. As a result, AOs **shall** submit PCSs within the seven day timeframe. Failure to do so may result in deactivation or cancellation of the P-Card.

Chief of Contracting Office (COCO): The COCO is responsible for:

1. Local administration of the P-Card program.
2. Implementation of procedures to ensure training requirements are met by P-Card account holders and approving officials.
3. Implementation of procedures to verify and ensure regulations and procedures are followed.
4. Ensuring periodic audits are conducted (not less than annually) of P-Card files/purchases for compliance with regulations, policy, and procedures.

Agency Program Coordinator (APC): The APC is responsible for:

1. Establishing accounts.
2. Provide problem resolutions.
3. Liaison between P-Card account holder, AOs, COCOs, and the P-Card issuing bank.
4. Expediting requests for emergency issue of a P-Card (disaster relief, etc.).
5. Review and submittal of approved account set-up and maintenance forms to the P-Card issuing bank.
6. Coordinating card reissue report for card renewals.
7. Requesting C-Checks, after initial approval by Chief Financial Officer (CFO).
8. Ensuring each P-Cardholder and AO has proper training.

Organization Program Coordinator (OPC): The OPC is responsible for :

1. Perform account management.
2. Establish training guidelines.
3. Maintaining accurate lists of cardholders and hierarchies.
4. Resolving technical problems between cardholders and the bank.
5. Perform ongoing reviews of card usage and formal transaction audits.

Chapter 4: Simplified Acquisition Methods

Account Set-Up and Cancellations

Approving Official (AO)s are responsible for nominating perspective cardholders and their stated purchase limits.

Each card may only be established with one accounting string and one object class.

Agency Program Coordinator (APC)s will interface with the card-issuing bank to establish new accounts through the bank's automated access system.

Limitations on Purchase Authority

Non-Warranted Cardholders: May not exceed \$2,500 in purchase authority except for fuel purchases (see exception below). Non-warranted cardholders are further restricted to acquisition of supplies and services. Construction authority is limited to \$2,000 due to application of labor laws that constrict construction actions above that amount.

Exception: Warranted and Non-Warranted cardholders with less than \$100,000 credit card authority, may use the P-Card for fuel purchases for Coast Guard aircraft and vessels up to \$100,000 per transaction, provided prior authorization is authorized, in writing, by the COCO. This authority may only be used if:

1. There is no Defense Energy Supply Center (DESC) supplier available **and**
2. The vendor will not accept the Fleet Fuel Services Card (Bank One Fleet Fuel Master Card/cutters) and Air Card (aircraft).

Warranted Cardholder: May use the P-Card to make purchases up to the micro-purchase level and use the P-Card as a payment mechanism for contracts, purchase orders, and delivery/task orders up to the limit of their warrant authority, but P-Card purchases used for payment cannot exceed \$100,000.

Only the person whose name appears on the card may use the card. Failure to comply with this rule will result in unauthorized commitments.

Procurement request(s) (PR)s are not required with the P-Card. However, units electing not to use a PR must have in place procedures that will ensure purchase transactions are supported by a certification of funds availability, and accountable documentation, (e.g., a sales slip for over-the-counter purchases, invoices, package slips, and a telephone log for telephone purchases).

Chapter 4: Simplified Acquisition Methods

Limitations on Purchase Authority (continued)

The Purchase-Card (P-Card) is used as a replacement for other procurement documents such as Purchase Orders, Blanket Purchase Agreements, and Standard Form 44 Purchase Orders. Therefore, when using the P-Card, do not prepare additional procurement documents that could cause unintended or duplicate Finance and Procurement Desktop (FPD) entries and result in duplicate/improper payments.

THIS CARD MAY NOT BE USED FOR PERSONAL PURCHASES OR CASH TRANSACTIONS

CARDHOLDERS WILL BE HELD PERSONALLY LIABLE TO THE GOVERNMENT FOR THE AMOUNT OF ANY NON-APPROVED PURCHASES.

Use of the P-Card for other than official government business will be considered an attempt to DEFRAUD the government. This may result in immediate cancellation of credit cards and/or disciplinary action against violators. The P-Card shall be kept in a secure location.

You must consider required sources (see Chapter 2, Required Sources of Supplies and Services) prior to making commercial/open market purchases with the P-Card.

The P-Card may be used to pay for delivery orders placed against GSA FSS, providing the order does not exceed the cardholder's limit, but not more than \$100,000.

You cannot purchase construction over \$2,000 or services over \$2,500 EXCEPT for service/maintenance agreements that are restricted to \$100,000 or less and must be signed by a Contracting Officer (KO).

When telephone orders are placed for pickup at a merchant's facility, the cardholder may designate a staff member to pick up the order. If the person picking up the order is required to sign a credit card receipt, they should sign as having received the item (i.e., received by _____). Verification of the pickup is made when the monthly statement of account is certified. Keep the receipt in the purchase file.

Chapter 4: Simplified Acquisition Methods

Record Keeping of Purchase Card Statement (PCS) and Receipt/Invoices

Records: PCSs shall be retained for a period of three (3) years (see also [Federal Acquisition Regulations \(FAR\) 4.805](#)).

Backorders: If the Purchase-Card (P-Card) is used for backorders, the unit shall have a system for tracking receipt of undelivered items (e.g., tickler file) and for disputing items charged prior to shipment or receipt.

NOTE: Purchases made with the P-Card are to be charged based on order date. Special procedures are to be used to correct PES transactions charged to the incorrect FY. Users should refer to the [FINCEN SOP](#) concerning P-Card procedures for guidance.

Fees: P-Card merchant regulations **PROHIBIT** vendors from adding a surcharge to the cost of the merchandise. **Surcharges** must be reported to the bank via customer service department. If the merchant accepts the P-Card, but attempts to impose a “premium” or additional charge on the purchase, cardholders should emphasize the benefit for contractors of obtaining their payment immediately upon shipment rather than having to wait 30 days or more after submitting an invoice.

Taxes: At the time of purchase, the cardholder should advise the merchant that the purchase is for official U.S. Government purposes, and therefore, is not subject to state and local sales tax. The face of the P-Card indicates “US GOV TAX EXEMPT” in embossed letters.

The Coast Guard tax-exempt ID number is B239641. In the event the merchant includes sales tax, it should be disputed to the merchant, not the card issuing bank. Provide the bank’s toll-free number on the back of the credit card for them to call if they question the sales tax exemption.

Charge Slips, Sales Receipts/Invoices: Must be legible and complete and include the date, vendor name and address, the amount and a **detailed description** of the purchase. Part numbers or terms such as “miscellaneous supplies,” “office supplies,” “general merchandise,” or “hardware items” **are not sufficient**. If the charge slip sales receipt/invoice only gives date, store name, and amounts, either attach the procurement requests or the P-Card Log with a complete description.

Chapter 4: Simplified Acquisition Methods

Record Keeping of Purchase Card Statements (PCS) and Receipt/Invoices (continued)

P-Card Log: An alternative to the above procedures is to use the P-Card Log. The log ([CG Form 5623](#)) is available in Adobe format. The log shall contain the vendor's name, address and telephone number, purchase amount, freight amount (if freight amount is over \$100, a copy of the carrier's freight bill must be included), purchase and receipt date, and a detailed description of the purchase.

Receipts and documentation for the following charges shall be attached to and forwarded with the Order Log (even if it is being used in lieu of receipts) with the PCS to the Finance Center (FINCEN) (if submitted in hard copy) as follows:

1. ALL purchases over \$2,500;
2. Bottled water purchase authorization;
3. Approvals for membership in the name of the Coast Guard;
4. Advertisement tear sheets;
5. COCO or Head of the Contracting Authority (HCA) approval of airline, bus, boat, or train tickets, lease of motor vehicles for official travel, meals, beverages, or lodging (other than reservists), maintenance and fuel for motor vehicles in the GSA fleet;
6. All dispute forms filed with bank, and
7. All audited transactions requested by the FINCEN.

Accountable documentation shall be retained as described in Chapter 13, Administration and as defined above. A copy of the PCS with P-Cardholder and AO signatures shall be retained for audit purpose. In the absence of the P-Cardholder, the Command and/or the AO shall take the necessary action to retrieve, review, and process the PCS. The AO shall document why the P-Card holder was unavailable and sign the PCS.

Restricted Purchases By Purchase Card

The following items are restricted (see Chapter 11 entitled Funding in Selected Procurements) from purchase with the P-Card by General Services Administration (GSA):

1. Rental or lease of real property.
2. Telephone services under GSA authority (This does not include cell phones or pagers).

Chapter 4: Simplified Acquisition Methods

Restricted Purchases By Purchase Card (continued)

3. Cash transactions.
4. Personal purchases.
5. Payment of freight transportation services normally obtained by issuing a government-issued freight bill of lading (CBL/GBL). However, shipping and handling costs associated with authorized product purchases on credit cards do not need to be obtained by use of a CBL/GBL (see Chapter 12).
6. Payment of shipping services normally paid by use of U.S. government established accounts with pre-negotiated rates for small parcel courier services. These purchases are requested and billed by using commercial forms and billed against established agency/service accounts. See Supply Policy and Procedures Manual, [COMDTINST M4400.19](#) (series) and/or Motor Vehicle Manual, [COMDTINST M11240.9](#) (series).
7. Meals, beverages, or lodging, except when **GSA travel and subsistence cards are not accepted by the merchant** and a written authorization is received from the COCO. Lodging costs for members in a travel status cannot exceed regulatory limitations on per diem without prior approval from the order issuing authority. All food purchases are subject to the limitations listed in Chapter 11.

NOTE: Payment of lodging and meal expense for members of the Coast Guard Reserve, while participating in ADT (drills), are not considered travel related services and the use of the P-Card is authorized (see Chapter 11, Funding in Selected Procurements), for further guidance.
8. Information Technology (IT) (formerly FIP, ADP/ADPE) – Cardholder shall consult with their local information resource management personnel when procuring IT resources.
9. Use of Internet payment services such as PAYPAL and PAYCOM and Internet auctioning sites (e.g., EBAY) are prohibited under the Coast Guard P-Card program.

Chapter 4: Simplified Acquisition Methods

Disputes

If supplies purchased with the P-Card are unacceptable, follow the steps below:

1. Return the item for replacement or credit; cash refunds are not authorized. If you return an item and receive a credit voucher, attach the voucher to the Purchase Card Statement (PCS). If the merchant refuses to replace the defective item or give credit, the purchase of this item/service will be considered to be “IN DISPUTE.”
2. If a cardholder is charged for an item incorrectly, fails to receive items or services ordered, receives only a partial delivery, or is billed for supplies or services not ordered, the item/service will be considered “IN DISPUTE.”
3. The government has the right to determine the appropriateness of the charge. If the dispute results in a credit, the credit will appear on the cardholder’s statement. All disputes must be documented and copies of all disputes must be maintained in the P-Card file.
4. Disputes must be filed with the bank within 60 days of the date of the PCS. Cardholders should refer to the bank’s procedures for processing disputes.

C-Checks

C-Checks are pre-printed, pre-numbered, multi-copy checks that are issued by the government’s P-Card issuing bank, which is currently US Bank.

Purpose

Convenient-Checks (C-Checks) are a procurement vehicle for purchasing and paying for supplies and services. They are used when merchants **will not** accept a P-Card or purchase order. They may be used worldwide. They are next to the least preferred method of procurement, just above the Standard Form ([SF-44](#)) Purchase Order Invoice voucher. The reason for this is twofold:

1. By the nature of their use, C-Checks carry a high risk for abuse, and;
2. The P-Card issuing bank charges a substantial fee on the value of each check cashed.

NOTE: The current P-Card bank charges the USCG *Unit* 1.75% on the value of each C-Check written.

Chapter 4: Simplified Acquisition Methods

Requesting Convenient-Check (C-Check)

Only Agency Program Coordinators (APC)s have the authority to request C-Checks from the Purchase-Card (P-Card) issuing bank. The servicing Chief of the Contracting Office (COCO) must approve all APC requests for C-Checks to monitor the use of C-Checks.

Approval/requests to the Organization Program Coordinator/Chief Financial Officer shall include the following:

1. P-Card account holder name and last six digits of the account number;
2. Business mailing address and e-mail address
3. Business phone number

At the discretion of the APC, accounts can be set-up via CARE (P-Card bank's automated system) to allow P-Card account holders and/or APCs to automatically request re-orders of C-Checks.

How to Write a C-Check

The following information must be legibly entered in the space provided on the C-check. It may be typed in or printed/written in ink.

1. **DATE:** Enter the date on which the C-Check is prepared. Spell out the date. **DO NOT** pre-date or post-date checks.
2. **PAY TO THE ORDER OF:** Enter the name of the payee, i.e., the merchant/vendor. C-Checks **SHALL NOT** be written for cash, or be written to the P-Card account holder.
3. **AMOUNT:** Write the amount of the C-Check in the spaces provided in numbers and words followed by a horizontal line out to the end of the space provided.
4. **MEMO:** Enter additional information pertinent to the purchase.
5. **AUTHORIZED SIGNATURE:** Sign in the space provided. The signature should be in the same format as what is printed on the C-Check. The signer's name **MUST BE** spelled out in full.

Chapter 4: Simplified Acquisition Methods

Maintaining the Convenient Check (C-Check) Register

The Purchase-Card (P-Card) account holder SHALL enter each C-Check into the register when it is written

The following SHALL be written

C-Check number
Date Issued
Payee
Description of Purchase

Enter all destroyed C-Checks in the register

Voiding a C-Check

If an error is made and a C-Check needs to be voided, write in ink or stamp “VOID OUT” on the C-Check over the space provided for authorized signature. Record the voided C-Check in the register.

Request for Stop Payment

If a STOP PAYMENT is necessary, immediately notify the P-Card issuing bank (currently, US Bank 1-888-994-6722).

Reporting Lost or Stolen C-Checks

Immediately notify the P-Card issuing bank (currently, US Bank 1-888-994-6722) to report lost or stolen C-Checks. Also notify the APC as soon as possible. If more than two C-Checks are lost or stolen, the account will be closed, and a new account may be established. Replacement time is approximately two weeks.

Reconciliation Procedures

The procedures for reconciling C-Checks are the same as those used for reconciliation of the P-Card account holder’s monthly PCS.

The monthly limit is large enough at all times so that even if all C-Checks clear at once, the monthly limit will not be exceeded.

Notify your Agency Program Coordinator (APC) of any limits that may need to be reviewed because, unlike a personal checking account, unused balances do not accumulate for C-Checks.

Chapter 4: Simplified Acquisition Methods

Maintaining the Convenient-Check (C-Check) Register (continued)

Staying Within the Single/Monthly Purchase Limit: Purchase-Card (P-Card) account holders SHALL stay within their purchase limits when using C-Checks. C-Checks are not subject to electronic approval (swiping through an electronic authorization box) at the point of purchase/payment. Because of this, it is possible for a vendor to accept a C-Check that exceeds the P-Card account holder's purchase limits. This will result in the C-Check being REJECTED by the bank.

Security

1. Chief of the Contracting Office (COCO)s shall ensure that C-Checks are secured as follows:
2. Blank C-Checks SHALL be secured at all times in a locked container.
3. Voided C-Checks SHALL be accounted for in the check register.
4. C-Checks SHALL be made out for the exact amount.

Restrictions

The following restrictions apply:

C-Check Exceptions

1. C-Checks **SHALL NOT BE WRITTEN FOR CASH OR PERSONAL PURCHASES.**
2. C-Checks **SHALL NOT** be used for purchases and/or payments in excess of \$2,500 without prior written approval from the P-Card "Organization Program Coordinator" (OPC).
3. P-Card account holders **SHALL NOT EXCEED THEIR WARRANTED PROCUREMENT AUTHORITY.**
4. C-Checks may not be used for the following:
 - a. Payment known to be delinquent under the Prompt Payment Act.
 - b. Payment of utilities, including telephones.
 - c. Payment for fuel unless approved by Chief, Office of Procurement Management (CG-85).

Chapter 4: Simplified Acquisition Methods

Convenient-Check (C-Check) Exceptions

- d. Bulk fuel purchase where the payment is made by Defense Finance and Accounting Service (DFAS).
- e. Contract payments.
- f. Payments charged to reimbursable accounts (AFC's 80 and 88) except payments to foreign students.
- g. Transportation documents, commercial bill of lading, and GTS's).
- h. Travel advances and travel claim payments.
- i. DITY more claims.
- j. Auxiliary claims.
- k. Interservice payment to non Coast Guard members.
- l. Payment to other government agencies using Convenient-Check for purchases.

NOTE:

1. The current P-Card bank charges the USCG unit 1.75 percent on the value of each written check.
2. The timely submission of Purchase Card Statements (PCS)s to Finance Center (FINCEN) is critical to the success of the P-Card program. Timely submission of PCSs allows FINCEN to pay the P-Card issuing bank on a daily basis.

Use of Imprest Funds

Imprest funds are petty cash funds advanced to a designated custodian for cash disbursements (i.e. cash purchases). Imprest funds allow over-the-counter cash purchases for actions, which do not exceed \$500 when other simplified acquisition methods cannot be used.

The Coast Guard [Certifying and Disbursing Manual](#) COMDTINST M7210.1 (series) contains policy and procedures to be used regarding set-up and maintenance of an imprest fund.

Purchases in excess of \$500 shall be directed to the Coast Guard COMMANDANT (CG-85) with a copy to the servicing Chief of the Contracting Office (COCO) for prior approval. CG-85 will coordinate with the FINCEN and issue a cash disbursement number and reporting requirements. If the requirement will/may exceed the contracting officer's warranted authority, the request shall also be made for a temporary increase to the warrant.

Imprest funds may not be used for money orders or personal services.

Chapter 4: Simplified Acquisition Methods

Purchase Order Invoice Voucher (SF 44)

The [Standard Form \(SF 44\) Purchase Order Invoice Voucher](#) is a last resort if the vendor will not accept the P-Card or Convenient-Check. The SF 44 is a multi-use document which includes the purchase order, receiving report, vendor invoice and payment voucher. The SF 44 is intended to be used for micro-purchases for which one delivery and one payment are to be made.

The SF 44 may not be used to purchase construction over \$2,000.

The SF 44 may not exceed \$2,500, except for the purchase of fuel/oil for vessels and aircraft. For those purchases, the limit is \$25,000 and a Contracting Officer (KO) must appoint individuals using the SF 44 in writing.

Blanket Purchase Agreement (BPA)

BPAs have been widely used in the Coast Guard but their use is diminishing due to the establishment of the government-wide Commercial P-Card. BPA's are similar to charge accounts. They are typically used when a unit has a repetitive need for supplies or services that cannot be predicted in advance. Authorized callers, within stated dollar limits, place "calls" (or transactions) against the BPA. Payment is usually made monthly, thus eliminating the need to make a payment each time a purchase is made.

BPAs are written agreements established by a warranted KO. BPAs are appropriate to use when a unit has a need for a variety of items but the exact quantity cannot be predicted. BPAs are similar to "charge accounts" in that the terms and conditions of any transactions are established (by the BPA) and calls are placed against the BPA by individuals authorized by the KO.

The BPA is administratively efficient because:

- 1) oral (not written) calls are placed and
- 2) invoices are paid monthly rather than for each transaction.

The BPA is not issued with any accounting data. There is no obligation on the government to order against the BPA and likewise no obligation on the vendor to accept any calls. Until the work is agreed upon by the vendor, against the BPA, a contract does not exist (see Chapter 7, Acquisitions Up to \$25,000 for more information).

Limits designated in the BPA may not exceed \$2,500 except for KOs, Contract Specialists, Purchasing Agents, and Food Service personnel (see Chapter 7 Processing Simplified Acquisitions).

Chapter 4: Simplified Acquisition Methods

(BPAs) (continued)

Up to \$25,000). Multiple BPAs, utilized by Food Service units, for example, are effective tools in procuring subsistence items.

**Purchase or
Delivery Orders**

Generally issued as a unilateral (one party) document. This is the government's offer to purchase supplies or services at the specified price under the terms and conditions contained on the order.

Purchase orders are used primarily for actions in excess of the micro-purchase threshold, when the government desires or requires additional terms and conditions, or when any of the other simplified acquisition methods are not appropriate.

Except for un-priced purchase orders (see Chapter 7, Processing Simplified Acquisitions for more information), purchase orders are issued on a fixed price basis.

All purchase and delivery orders must be signed by a KO.

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Chapter 5: Micro-Purchasing Guidelines

Introduction	The following guidelines prescribed are for all open market purchases less than \$2,500 and for all levels of procurement authority for supplies and services. Construction is limited to \$2,000. See also Federal Acquisition Regulations (FAR) 13.301
Definition	Micro-purchase refers to open market purchases less than \$2,500 utilizing purchase orders (OF-347s, SF-44s), BPA calls, government-wide Commercial P-Card, Imprest funds (NTE \$500.00) and C-Checks to obtain supplies and services. To satisfy the requirements of the Davis-Bacon Act, micro-purchases for construction may not exceed \$2,000 (FAR 2.101).
Application	Micro-purchasing is designed to reduce administrative work and expedite the purchases of readily available supplies and services. Once the procurement official determines items/services are not available from mandatory sources, micro-purchases are initiated.
Restrictions	<p>Procurement officials may not exceed the limits of their written delegated authority (see Chapter 2 and FAR 1.603-3).</p> <p>NOTE: Micro-purchasing does not waive mandatory supply sources or procedures.</p>
Procurement Methods and Limits	<p>The P-Card is the preferred method for purchases \$2,500 or less. Use of Internet payment services such as PAYPAL and PAYCOM and Internet auctioning sites (e.g., EBAY) are prohibited under the Coast Guard P-Card program.</p> <p>NOTE: Requirements shall not be split to circumvent micro-purchase or delegated authority limits.</p>
Buy Green	Micro-purchases must comply with the Resource Conservation and Recovery Act (RCRA) and Executive Order 13101 of September 14, 1988, entitled “Greening the Government through Waste Prevention, Recycling, and Federal Acquisition.” The Executive Order directs the Environment Protection Agency (EPA) to issue guidance on buying “environmentally preferable products.” Each year, EPA distributes recommended products and materials that each agency is required to buy for all procurements. See Chapter 10, Special Procurement Items for the current list of EPA designated products and process for completing a Recovered Materials Determination Form (see also Enclosures 24 & 25).

Chapter 5: Micro-Purchasing Guidelines

Guidelines

Under micro-purchasing guidelines, procurements do not have to be reserved for small business, however, we encourage utilizing small businesses. Also, purchases shall be rotated among qualified suppliers. Requirements in [Federal Acquisition Regulations \(FAR\) Part 8 – Required Sources apply](#) to micro-purchases.

Purchases may be made without competitive quotes. If quotes are obtained, oral quotes should be utilized to the maximum extent practical. Quotes may be evaluated for best value; including warranty, maintenance, and performance. Ensure the price paid is fair and reasonable. Simple rule of thumb is, would you pay the price asked if it were a personal purchase?

Personal preference and brand-name identification shall not limit vendors.

Documentation

FAR clauses are not required for micro-purchases, however, they are not prohibited for use ([see FAR 13.201](#)).

Documentation should be kept to a minimum. However, documentation is required to document deviation from a mandatory source, to describe unusual situations affecting the purchase and/or to explain the purchasing official's rationale for the purchase. The [Simplified Acquisition Summary form](#) (Enclosure 7 or equivalent) may be used but is **not mandatory** for normal transactions under \$2,500.00.

Open Market Purchases

Definition: Purchases made from commercial vendors/sources when all mandatory supply sources have been evaluated and excluded.

Procedures:

1. Identify the requirement.
2. Initiate procurement request; obtain funding and certifications (i.e., HAZMAT, RCRA, Property – when applicable).
3. Solicit quotes, terms and availability.
4. Evaluate best price and best value.
5. Determine purchase method and place order.
6. Obtain a receipt for supplies/services.

NOTE: Vendors shall not be excluded because they do not accept the P-Card.

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Chapter 6: Commercial Item Acquisitions

Introduction

The Federal Acquisition Streamlining Act (FASA) resulted in significant changes in the way the government buys. One of the major changes has been the policy that government agencies shall buy commercial items that meet agency needs.

What is Commercial?

[Federal Acquisition Regulations](#) (FAR) 2.101(b) defines a commercial item as any item, other than real property, that is of a type customarily used for non-governmental purposes and has been sold, leased or licensed to the general public, or has been offered for sale, lease or license to the general public. The definition goes further to define minor modifications to commercial items. The main question you should ask is, “Is this item or service unique to the government?” Another way of determining this would be to ask “Is the item generally available to the public.” If the answer is yes, and the amount of the purchase is \$2,500 or more, then contracting officers are required to follow the procedures for a commercial item purchase. Most of the supplies and services we buy using simplified acquisition procedures are commercial. At this time, the FAR Committee has determined that construction is not commercial.

Market Research

[FAR Part 10](#) describes the requirements and procedures for conducting market research to determine whether commercial items are available to meet the government’s needs. Market research is not the same as market survey. It involves a great deal of cooperation with technical personnel to determine if commercial or non-developmental items are available or could be modified to satisfy the government’s needs. Market research is not required for simplified acquisitions; however, market research may be used for simplified acquisitions. Some tools available for market research are: Thomas Register, public phone books, the Internet, trade magazines, etc.

Internet sites, which may be used for market research, are: the Commercial Advocates Forum at <http://www.cadv.org/> the Thomas Register at <http://thomasregister.com/> ARNET at <http://www.arnet.gov/>, the CCR at <http://www.ccr.gov/>, GSA’s Anthology of Commercial Terms and Conditions located at http://www.gsa.gov/gsa/com_attachments/GSA_BASIC/Anthology2_R2G42T_0Z5RDZ-i34K-pR.pdf or PriceWatch - a complete listing of current commercial items available and their costs located at <http://www.pricewatch.com/> .

These tools are readily available to everyone and may be used to determine if the items purchased are commercial items.

Chapter 6: Commercial Item Acquisitions

Procurement Form to Use

The form to use for purchasing commercial items is the [Standard Form \(SF\) 1449 Solicitation/Contract/Order for Commercial Items](#). Block-by-block instructions for filling out the form are contained in the Coast Guard Acquisition Procedures (CGAP), [COMDTINST M4200.19 \(series\)](#). Enclosure 3 provides Coast Guard guidance for purchasing commercial supplies/services, the form to use and instructions for completing the form, and the clauses to be included. In using the SF 1449 form, the Contracting Officer (KO) ensures that all required information required by statute (i.e., NAICS Codes, size standards, TIN's, commercial clauses etc.) is gathered and recorded on one form. This form is a simple form to use and allows the KO to use one form for solicitation, award and receipt, greatly reducing the paperwork involved.

Which Clauses to Use

To comply with commercial practices, the writers of the Federal Acquisition Regulations (FAR) recognized that the government needed to do away with the multitude of clauses the government uses. For commercial item acquisition, the clauses were “streamlined” and are referenced in block 27a. and 27b on the SF 1449. Enclosure 6 is a list of clauses to be used for a commercial simplified acquisition order (FAC 26 effective 19 January 2005). These clauses should be checked for currency and tailored to each order issued.

How to Buy Commercial Items

Follow the procedures as outlined for any purchase over \$2500 (see Chapter 7 Processing Simplified Acquisitions). The difference between buying “a commercial item” or not is the form used and the clauses included. The basic steps in procuring a commercial item are the same as listed in Chapter 3, Open Market Purchasing Overview, Seven Basic Steps to Procurement.

Streamlined Procedure

If you have an acquisition over \$25,000 for a commercial item or service and need to synopsise, you may issue a combined synopsis/solicitation. This will reduce your Procurement Administrative Lead Times (PALT), especially if you would have needed to issue a written solicitation. This procedure may be used if you have 12,000 or less textual characters (equal to approx. 3 ½ pages) to describe your requirement (Statement of Work or Specification). Follow the procedures in [FAR 12.603](#) for the preparation of the synopsis notice.

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Chapter 7: Processing Simplified Acquisitions

Introduction

This section discusses in detail open market purchasing over \$2,500.00.

Prior to purchasing ANYTHING on the open market (with commercial vendors), you must first comply with the requirements of Chapter 2, Required Sources of Supply and Services. Acquisitions for Commercial Items **MUST** use the procedures outlined in Chapter 6, Commercial Item Acquisition, together with the procedures outlined in this chapter.

Public Posting Requirements

Actions from \$10,000 to \$25,000: Actions expected to cost \$10,000 or more must be publicly displayed. Posting to the [FedBizOpps](#) satisfies the requirement for public display, alternatively, your local unit may have an Internet website to post for public display (see [Federal Acquisition Regulations \(FAR\) Part 5.101](#)). All other actions over \$25,000 are required to post to [FedBizOpps](#).

Documentation

Due to the many business decisions that you will need to make, purchases in excess of the micro-purchase threshold shall be documented on form [DHS 700-16](#), Simplified Acquisition Summary (Enclosure 7). The Simplified Acquisition Summary shall be signed by the Contracting Officer (KO) and placed in the applicable file.

Small Business Set-Aside

All acquisitions over \$2,500 and up to \$100,000 are set-aside for small businesses (see exceptions in this chapter). In order to be eligible for set-asides, the firm must be small, as defined by size standards set by the Small Business Administration (SBA) as well as meet the definition of “small business concern” in [FAR 19.001](#).

Determining the North American Industry Classification

(NAICS) Code: For size standard purposes, procurements are classified in the industry whose definition best describes the principal nature of the product or services being acquired. The KO determines the NAICS code.

Determining the Small Business Size Standard: Size standards are based on **either** a firm’s average number of employees during the pay periods for the preceding twelve months or its average annual gross receipts for the past three fiscal years. Each NAICS code will have a size standard expressed in either “dollars of receipts” or “numbers of employees,” but not both. These size standards are located on the Internet at <http://www.census.gov/>

Chapter 7: Processing Simplified Acquisitions

Small Business Set-Aside (continued)

Small Business Size Determinations: Generally, small businesses self-certify their status in the applicable provision or orally in response to telephone solicitations.

Size of Non-manufacturers or Regular Dealers: Under small business set-aside actions, a concern which submits a bid in its own name for supply type actions, but proposes to furnish a product which it did not manufacture, is deemed to be a small business if it:

1. Has fewer than 500 employees.
2. Is primarily engaged in wholesale or retail trade.
3. Represents that it will furnish the product of a small business manufacturer or obtains a waiver.
4. Represents that it will furnish the product of an end product manufactured or produced in a country subject to a Trade Agreement with the United States.

Waiver for Non-manufacturers: SBA has waived the requirement for small businesses to furnish supplies manufactured by small businesses for simplified acquisitions less than \$25,000. For acquisitions above \$25,000, SBA may waive the requirement for a vendor to furnish supplies manufactured by a small business if there are no small business manufacturers or producers in the federal market. Class waivers have been established for certain items and are available at SBA's website at <http://www.sba.gov/>. Waivers may be granted for an individual set-aside action if the Contracting Officer (KO) can demonstrate that small business manufacturers or products are either not available or are unable to meet the quantity or delivery requirements of the solicitation.

A sample format for waiver requests is found at <http://www.sba.gov/> - send requests for waivers to:

Associate Administrator for Government Contracting
U.S. Small Business Administration
Size Standards Policy Board
409 Third Street, SW.
Washington, DC 20416

Small Business Set-Aside Solicitation Instructions

Provisions and Clauses: Solicitations shall include [Federal Acquisition Regulations](#) (FAR) clause 52.219-1, Small Business Program Representation, for all actions in excess of the micro-purchase threshold, which will be performed in the United States, its possessions or territories, Puerto Rico and the District of Columbia. Insert the applicable NAICS Code and size standard

Chapter 7: Processing Simplified Acquisitions

Small Business Set-Aside Solicitation Instructions (continued)

in the blanks provided. Solicitations and resultant orders shall also include the clause at [FAR 52. 219-6](#), Notice of Total Small Business Set-Aside in these actions. Solicitations and resultant orders for commercial supplies/services shall include FAR 52.212-3, 'OFFEROR REPRESENTATIONS AND CERTIFICATIONS - COMMERCIAL ITEMS. An offeror shall complete only paragraph (j) of this provision if the offeror has completed the annual representations and certifications electronically at <http://orca.bpn.gov/> **If an offeror has not completed the annual representations and certifications electronically at the ORCA website, the offeror shall complete only paragraphs (b) through (i) of this provision.**

The information in the above provisions shall be included in all solicitations, whether oral, written, or electronic. For oral solicitations, purchasing files shall contain evidence that this information was provided to all vendors solicited for quotations.

Exceptions: The Contracting Officer (KO) may award orders to other than small businesses if a determination is made that there is no reasonable expectation of receiving offers from two or more responsible small businesses. However, the business must be competitive in terms of market prices, quality, and delivery. This exception may apply, for example, in the event you are purchasing original equipment manufacturer (OEM) parts which are sole source and which are only available from a large business.

If the KO solicits quotes from small businesses and receives only one quote from a small business, award should be made to that offeror, after the KO has determined that the price is reasonable.

If the KO does not receive any quotes from a small business, the set-aside shall be withdrawn and the requirement re-solicited on an unrestricted basis. If a synopsis has been issued for the original requirement, this should be canceled and a new unrestricted synopsis issued. NOTE: Contracts/orders may still be awarded to 8(a) firms under [FAR 19.8](#).

Documentation: If a simplified acquisition is made on an unrestricted basis, the KO must document the file with the reason for not awarding the order to a small business.

Small Business Competitive Demonstration Program

Since joining the Department of Homeland Security effective 1 March 2003, the Small Business Competitive Demonstration Program is **no longer applicable** to the Coast Guard.

Chapter 7: Processing Simplified Acquisitions

HUBZone

[Federal Acquisition Regulations \(FAR\) 19.1301](#) defines The Historically Underutilized Business Zone (HUBZone) Program was created to provide Federal contracting assistance for qualified small business concerns located in historically underutilized business zones, in an effort to increase employment opportunities, investment, and economic development in those areas HUBZones are historically located within one or more qualified census tracts, qualified non-metropolitan counties, or lands within the external boundaries of an Indian reservation.

A **HUBZone** small business concern is a business that appears on the Small Business Administration (SBA) list of qualified HUBZone Small Business Concerns maintained by SBA. This list is also available on the Internet at <http://www.sba.gov/>, [click on Offices and Services, click on HUBZone](#).

Procedure: At the sole discretion of the Contracting Officer (KO), he/she may set-aside acquisitions that exceed the micro-purchase threshold for competition restricted to HUBZone small business concerns, provided the following criteria are satisfied:

1. Offers will be received from two or more HUBZone Small Business Concerns.
2. Award will be made at a fair market price.

Disabled Veteran-Owned Small Business Concerns

[FAR Subpart 19.14](#) provides that KOs “may” set requirements aside for service-disabled veteran-owned small business concerns over the micro-purchase threshold if:

1. Offers will be received from two or more service-disabled veteran-owned small business concerns.
2. Award will be made at a fair market price. The interim rule includes provisions for making sole source awards to service-disabled veteran-owned small business concerns.

Coast Guard annually sets a participation goal for total procurement dollars for service-disabled veteran-owned small business. Therefore, you are encouraged to conduct market research in order to locate service-disabled veteran-owned small business concerns in order to conduct set-asides. For the CG current specific goal percentage and information related to SBA, contact your Small Business Specialist assigned to your unit.

Chapter 7: Processing Simplified Acquisitions

Buy American Act (BAA)

Generally, simplified acquisitions are reserved for small businesses offering domestic end products. If, however, the small business set-aside is waived and offers are received for both domestic and foreign products, the buyer must evaluate offers.

SEE FAR 25.002 THAT PROVIDES A TABLE IDENTIFYING WHAT FAR PART TO FOLLOW AS A GUIDE AS WELL AS VALUATION EXAMPLES.

If a quote for a foreign item is received, you must evaluate it in regard to the lowest domestic quote, **including duty**. Use the job aid below to assist you.

When evaluating	And	Add
a foreign quote	the low domestic quoter is a large business	6 percent to the foreign quote
a foreign quote	the low domestic quoter is a small business	12 percent to the foreign quote

NOTE: When quotes are obtained orally, vendors must be informed that only domestic end products shall be accepted, unless the price for an offered domestic end product is unreasonable.

North American Free Trade Agreement (NAFTA)

As required by the NAFTA, Canadian end products under supply contracts with an estimated value above \$25,000, and Mexican end products under supply contracts with an estimated value above \$58,550 or more, shall be evaluated without regard to the BAA. As required by the Federal Trade Agreement, Chile and Singapore end products under supply contracts with an estimated value above \$58,850 or more, shall be evaluated without regard to the BAA. The Israeli Trade Agreement is also similar to NAFTA as only end products under supply contracts with an estimated value above \$50,000 or more shall be evaluated without regard to the BAA. The estimated values listed above change frequently, therefore, please refer to FAR 25 to validate information before soliciting/awarding any purchases.

Competition

Contracting Officers (KO)s are required to promote competition by soliciting competitive quotes for actions above the micro-purchase threshold. Oral solicitation is usually the method considered to promote competition to the maximum extent. Some factors that influence the number of sources solicited include:

Chapter 7: Processing Simplified Acquisitions

Competition (continued)

1. The nature of the article or service to be purchased and whether it is highly competitive and readily available in several makes or brands, or if it is relatively noncompetitive.
2. Information obtained in making recent purchases of the same or similar item.
3. The urgency of the proposed purchase.
4. The dollar value of the proposed purchase.
5. Past experience concerning specific vendors' prices.

As an example, if you are soliciting quotes for an item which is relatively noncompetitive and three vendors are solicited and only one quote is received, you may award that vendor provided you determine and document the price to be fair and reasonable. If, however, you are soliciting quotes for an item that is highly competitive and only one quote is received, you should try to solicit quotes from other vendors.

Competitive Quotes

Whenever possible, quotes should be solicited orally. The Contracting Officer (KO) shall establish and maintain documentation of oral quotes to determine the best value for the government. Exceptions to solicit orally are identified in Federal Acquisition Regulations [FAR 5.101](#) and listed as follows:

1. When a lengthy specification or statement of work must be communicated to a vendor.
2. When soliciting quotes for construction actions over \$2,000 or services over \$2,500.
3. When soliciting for quotes for many items.
4. When, after advertising in FedBizOpps, many vendors have requested participation in the solicitation.

Written Requests for Quotations (RFQs) are generally issued on a Standard Form (SF) 18 for supplies and services and a SF 1442 for construction requirements. You may also use the SF 1449 when soliciting quotes for commercial items. Examples of all forms, as Requests for Quotations, are shown in Chapter 12, Forms Preparation.

Chapter 7: Processing Simplified Acquisitions

Price Reasonableness

The following are price analysis techniques most commonly used in simplified acquisition. When competition is not available (e.g., for a sole source requirement), other forms of price analysis must be utilized. When three vendors are solicited for quotes and only one quote is received, the contracting officer must make a determination that the proposed price is fair and reasonable before granting the award (See Enclosure 9, Page 3).

Competition: Comparing competitive quotes is one method for determining a proposed price to be fair and reasonable. When utilizing this price analysis technique, the prices must bear a reasonable relationship to each other. If the price variance between responses reflects a lack of adequate competition, some other form of price analysis must be used to determine the price fair and reasonable. Examples of proper and improper uses of this pricing technique are found in Enclosure 9.

Commercial Catalog/Published Price List: When relying on published prices, there must be a high degree of confidence that the price list reflects prevailing competitive rates and that the suppliers' awareness of one another's prices was as effective as direct competition in establishing those prices. Some manufacturers may use a series of catalogs with varying prices for different classes of customers, charging what they think the market will bear. Government buyers need to ask a lot of questions and document the answers. When using this method, the file should be documented with the vendors catalog date (at a minimum) or a copy of the page from the catalog which contains the published price. Examples of proper and improper uses of this pricing technique are found in Enclosure 10.

Comparison with Previous Similar Buys with Current Prices: A price previously paid cannot be used to determine price reasonableness unless you know that the prior purchase was fair and reasonable. This would be the case if the previous purchase order amount was determined reasonable by the comparison of competitive quotations. Previous history purchases made normally within the last six months or later, depending upon the type of supply you are considering. Examples of proper and improper uses of this pricing technique are found in Enclosure 11.

Chapter 7: Processing Simplified Acquisitions

Price Reasonableness (continued)

Comparison with IGE: A quoted price may be compared with a reliable government estimate when price comparisons with other previous purchases are not possible. However, do not assume that, because the quoted price is the same as or less than the government estimate, that the quoted price is reasonable. In some cases, the customer obtains an informal quote from the supplier before submitting the purchase request to the contracting officer. A careful buyer investigates the basis of the estimate. Examples of proper and improper uses of this pricing technique are found in Enclosure 12.

Comparison with Prices Set by Law or Regulation: The first step in this comparison technique is to obtain a copy of the rate schedule set by the applicable law or regulation. Verify the government is being charged the correct price. Note that for utility contracts, an effective, independent regulatory body must prescribe prices. Examples of proper and improper uses of this pricing technique are found in Enclosure 13.

Best Value

Defined: The Federal Acquisition Regulations (FAR) allows you to evaluate factors, in addition to price, to determine best value to the government. This process permits tradeoffs among cost or price and non-cost factors and allows the government to accept other than the lowest price offered. This technique is desirable when factors other than cost or price, need to be evaluated in order to select the firm that offers the best value to the government. For example, purchasing an item that cannot be clearly defined, may lend itself to the best value technique so that comparative analysis among offers can be accomplished.

Process: The FAR allows the use of any of the methods described in [FAR Part 15, Contracting by Negotiation](#). Best value is fully defined in FAR 15.1. However, when using simplified acquisition procedures, formal evaluation plans, establishing a competitive range, conducting discussions, and scoring quotations are not required **and shall not be used**.

When technical factors are considered in selecting best value, the award decision takes one of two approaches: lowest price technically acceptable or tradeoffs (reference [FAR 15.101](#)).

Chapter 7: Processing Simplified Acquisitions

Best Value (continued)

1. **Lowest Price Technically Acceptable (FAR 15.101-2)** – this approach is appropriate when best value is expected to result from selection of the technically acceptable offer with the lowest evaluated price. The evaluation factors must be set in the solicitation. The award will be made on the basis of the lowest evaluated price or proposals meeting or exceeding the acceptability standards for non-cost factors. For example, price related factors could be shipping and past performance. **Tradeoffs** are not permitted. Proposals or quotations are evaluated for acceptability but not ranked using non-cost/price factors.
2. **Tradeoffs- Higher Prices** – This process permits tradeoffs among cost or price and non-cost factors and allows the government to **accept other than the lowest** priced proposal or quotation. The perceived benefits of the higher proposal or quotation must merit the additional cost.
 - a. All evaluation factors that will affect a contract award must be clearly set out in the solicitation (You are not required to state the relative importance assigned to each evaluation factor).

Documentation: Quotations or offers shall be evaluated on the basis established in the solicitation. Thus, if using the best value approach, evaluation factors must be included in the solicitation. Quotations or offers shall be evaluated in accordance with the evaluation factors and this evaluation must be documented in the purchase file. The perceived benefit of a higher priced offer shall merit the additional amount paid and rationale for this tradeoff shall be documented in the purchase file. An example of a best value Request for Quotations is included in Enclosure 14.

Purchase Orders(PO)/ Delivery Orders (DO)

A Purchase Order (PO) is usually a unilateral (one party signs) document. It is the government's offer to buy at the stated price and under the terms and conditions contained in the order. A PO becomes a binding contract upon acceptance by the vendor, either by performance or by written acceptance. (FAR 13.004) When written acceptance is obtained, the PO becomes a bilateral (both parties sign) document.

Chapter 7: Processing Simplified Acquisitions

Purchase Orders(PO)/ Delivery Orders (DO) (continued)

Although the administrative costs involved with issuing a Purchase Order (PO) (SF 1449 or OF 347) normally are higher than that for credit cards, BPA calls, or Imprest fund/convenience checks, the primary advantage is that a PO, when issued as a bilateral document, provides legal rights to the government in the event the vendor fails to perform.

Forms

A PO may be issued on a [SF 1449 \(Solicitation/Contract/Order for Commercial Items\)](#) or an [OF 347 \(Order for Supplies or Services\)](#). For more information using these forms, see Federal Acquisition Regulations ([FAR](#)) [13.307 Forms](#).

In addition to using these forms for issuing POs, they can be used for a variety of purchasing tasks, which include:

1. Establish BPAs.
2. Issue delivery orders against established contracts (e.g., Federal Supply Schedule (FSS) contracts).
3. Receiving and Inspection Reports. The face of the SF 1449 and the reverse of the OF 347 contain receipt/inspection information.
4. Request for Quotations. The SF 1449 can be used as a solicitation document.
5. Establish Service Maintenance Agreements (SMA)s.

Preparation

Chapter 12, Forms, contains instructions for preparing the OF 347 and SF 1449 forms. For Finance and Procurement Desktop (FPD) generated purchase orders, matching HSCG numbers and standard accounting numbers must be used (see [FINCEN SOP](#)).

Clauses: Select the proper clauses for the acquisition. The FAR contains a [matrix of clauses](#) that may be used for specific acquisitions. The following guidance is provided to assist the Contracting Officer in preparing a PO/DO:

See Chapter 6, Commercial Item Acquisition for clauses to be used (see Enclosure 6).

Purchases that are issued free on board (FOB) Origin: This means that the government will pay shipping as a separate charge. Do not include a separate line item for shipping; include an estimate of shipping costs in Block 20 of the SF 1449 or Block 17 of the OF 347.

Chapter 7: Processing Simplified Acquisitions

Preparation (continued)

NOTE: If it is advantageous to the government, the Contracting Officer (KO) may authorize the contractor to ship supplies, which have been acquired free on board (FOB) origin, to domestic destinations, including DOD air and water terminals by common carriers on commercial bills of lading. Such shipments shall not exceed **150** pounds by commercial air or **1,000** pounds by other commercial carriers and shall not have a security classification. Otherwise FOB origin freight shipments will move on a government –issued freight bill of lading. FOB destination shipping terms should be used whenever possible in order to obtain overall cost and administrative benefits to the government.

Freight Invoices

Purchase Orders only with an estimated shipping cost of \$100 or more shall include the following on the face of the purchase order, “Invoices for POs only with shipping charges in excess of \$100 must be accompanied by a certified freight bill”(for further guidance, see [FAR 47.303-17](#) as well as the FINCEN SOP).

Acceptance

There are two primary ways a vendor accepts the government’s offer (purchase order). They are:

1. The vendor accepts by proceeding to furnish the supplies or services.
2. The vendor signs and returns a copy of the purchase order.

On occasion, it will be necessary to obtain vendor acceptance of the government’s offer to buy items. Some examples of this are:

1. Delivery time or performance is critical; the purchasing activity has experienced problems with the vendor in the past.
2. The order is for services; where performance is critical the item needed is complex (not off-the-shelf) or has a long production lead-time.
3. The order has special terms and conditions.

The simplest way to request the vendor to accept the purchase order in writing is the use of a special note, typed or stamped on the face of the purchase order, as follows:

**ACCEPTANCE OF THIS ORDER IS REQUIRED. SIGN
BLOCK _____ AND RETURN ONE COPY TO THE
ISSUING OFFICE INDICATED IN BLOCK _____**

Chapter 7: Processing Simplified Acquisitions

Acceptance (continued)

The SF 1449 contains blocks, which provide acceptance by the contractor (Blocks 28, 30a, 30b and 30c). Once signed and returned by the vendor, the purchase order becomes a bilateral document (or contract).

Confirming Purchase Orders

In special circumstances (e.g., emergencies), the Contracting Officer (KO) may place an oral order and follow it promptly with a written confirming Purchase Order (PO) (SF 1449 or OF 347) that obligates the funds and documents the transaction.

When the written PO is issued, it should contain the following statement:

“CONFIRMATION - DO NOT DUPLICATE. Order placed verbally/telephonically/facsimile on _____ (Date) with _____ (Vendor Representative).”

Options

Contracts may be written options and are commonly found in Indefinite Delivery Indefinite Quantity (IDIQ) contracts that normally are stated as one year contracts with four additional option years, if elected. However, if the option is exercised, the KO must make a written determination based upon the following:

1. The provisions of [FAR 17.2](#) are met.
2. The aggregate value of the acquisition with all options does not exceed SAT.

Documentation: FAR 17.205 requires the KO to document the following in the file to **justify** the use of options:

1. Quantities or term under option.
2. The notification period for exercising options.
3. Any limitation on option price.

A sample Determination and Findings (D&F) is included in Enclosure 15.

The KO must also make a written determination prior to exercising any option that exercise of the option is in accordance with the terms of the option and meets the following requirements:

Chapter 7: Processing Simplified Acquisitions

Options (continued)

1. Funds are available.
2. The requirement covered by the option fulfills an existing government need.
3. Exercising the option is the most advantageous
4. The option was synopsisized (if required).
5. Exercise of the option is in accordance with FAR Part 6.

A sample D&F is included in Enclosure 16.

Options are appropriate when a known quantity of items or services is required and it is anticipated that the item or service will be required in the future. Typically, solicitations are issued for the known requirement (base quantity) with options for the future requirements (option quantities).

An example of an RFQ issued for a base quantity and option quantities is included in Enclosure 17.

Synopsis Requirements: If the total estimate of the basic quantity plus the options exceeds \$25,000, you must synopsisize the requirement in FedBizOpps **unless** the original notice provided sufficient detail on the option or another synopsis exception (see [FAR 5.202](#)) applies. You are not required to synopsisize option quantities. However, if you do not and the option exceeds \$25,000, you will have to synopsisize the option before you can exercise it.

Evaluation: Evaluation criteria for options must be included in all solicitations with options. Option pricing should be evaluated along with the required base quantity pricing prior to contract award. The objective of this evaluation is to determine option prices to be fair and reasonable at the time of the basic award.

Clauses: Several clauses are required when incorporating options in purchases. They are discussed fully in [FAR 17.208](#). Note that the clauses for options for supplies differ from the clauses for options for services. A listing of option clauses and their use is included in Enclosure 18.

Chapter 7: Processing Simplified Acquisitions

Options (continued)

When to Exercise Options: Whether exercising options for supplies or services, you must notify the vendor of the intent to exercise the option. The time period for notification is as stated below. The KO must submit a letter to the vendor notifying them that the government intends to exercise the option period. A sample letter is provided in Enclosure 19.

Services. The clause for options for services ([FAR 52.217-9](#)) contains a notification period (at least 60 days) the government must give the contractor indicating the government's intent to exercise an option. The clause also requires a fill-in for the time period in which the contracting officer has to exercise the option. Options for services are generally exercised prior to or on the first day of the option period. Due to the budget process of the government, many times the CG appropriation is not available on the first day of a fiscal year. For this reason, most options for services are exercised subject to the availability of funds. Once Congress passes the appropriation, the funding is provided, usually via a SF 30. Examples of these two documents are included in Enclosure 20 and 21.

Supplies: The clause for options for supplies ([FAR 52.217-7](#)) also contains a fill-in for the contracting officer to indicate the time the government will exercise the option for additional quantities. When using this clause, keep in mind the delivery requirements of the order. For example, the order may state that option quantities are required to be delivered within 30 days of option exercise.

Un-priced Purchase Orders

An un-priced purchase order is one for supplies or services, for which the price is not established at the time the order is placed. Examples of when an un-priced purchase order should be used are:

1. It is impractical to obtain pricing in advance.
2. An un-priced item is available from only one source and the cost cannot be readily established.
3. Prices are known to be competitive but exact prices are unknown.
4. Requirement is for repairs requiring disassembly to determine the nature and extent of repairs.

Chapter 7: Processing Simplified Acquisitions

Un-priced Purchase Orders (continued)

Un-priced orders are generally used for repairs. In some cases, it may be necessary to issue a PO for a vendor tear down and inspect equipment before a quote can be given for repair (commonly referred to as “teardown and quote” (TD&Q). Do the following:

1. Obtain a quote from the vendor to tear down the equipment and provide a quote for repairs.
2. If reasonable, issue purchase order for the not-to-exceed amount of the quote; or

Other types of un-priced purchase orders are normally processed as follows:

1. Obtain quote (estimate).
2. Determine reasonableness of the quote.
3. If reasonable, issue un-priced purchase order using the words “NOT-TO-EXCEED” prior to the amount.
4. If, however, the work can be completed within the not-to-exceed price, the contractor completes the work and submits an invoice to the KO. POs must be properly prepared to indicate that the invoice must be submitted to the KO and NOT to FINCEN. Since this is the case, the order is issued as a doc type 24 and the instrument code is “N” in keeping with FINCEN invoice payment procedures.
5. The final step by KO, or designee, is to review the invoice. If reasonable, the invoice is processed for payment as long as the KO has approved the invoice either by the KO’s signature or an equivalent signed form that has the KO’s authorization.
6. A requirement that the supplier submit a summary invoice at least monthly, for all deliveries made during the billing period, identify the delivery tickets covered, their dollar value and supported by receipt copies of delivery tickets (for more guidance, see [Federal Acquisition Regulations Subpart 13.302-2 Un-priced purchase orders](#)).

Chapter 7: Processing Simplified Acquisitions

Blanket Purchase Agreements (BPA)

Rotation and Competition. BPAs should be established with more than one supplier for a class of items. BPA calls are to be rotated among qualified suppliers for calls within the micro-purchase threshold. BPA calls in excess of the micro-purchase threshold must be supported by (1) evidence of competitive quotations or (2) a price reasonableness determination.

Establishing a BPA. Federal Acquisition Regulations ([FAR 13.303-2](#)) requires specific data in BPAs, as follows:

1. A description of the supplies/services to be purchased.
2. The names of the individuals authorized to place calls under the BPA and their per call dollar limitation.
3. The maximum dollar amount for each individual purchase.
4. A statement that the government is obligated only to the extent of authorized purchases made under the BPA.
5. A statement that the prices to the government shall be as low or lower than those charged the supplier's most favored customer for comparable quantities under similar terms and conditions, in addition to any discounts for prompt payment.

A requirement that all shipments under the BPA be accompanied by delivery tickets or sales slips, which shall contain the following minimum information:

1. Name of supplier.
2. BPA number.
3. Date of purchase.
4. Purchase (call) number.
5. Itemized list of supplies or services furnished.
6. Quantity, unit price and extended price of each item, less applicable discounts.
7. Date of delivery or shipment.

A sample Blanket Purchase Agreement is provided in Enclosure 2.

Chapter 7: Processing Simplified Acquisitions

Pre-Priced BPAs

In cases where BPAs can be pre-priced, the Contracting Officer (KO) must first determine that the prices are fair and reasonable and marks the price list “Approved” and signs the list of pre-priced items. Coast Guard pre-priced BPAs must contain the following statement:

“THE CONTRACTOR AGREES TO FURNISH PRICE CHANGES TO THE CONTRACTING OFFICER AT LEAST _____ DAYS (10 days unless the contracting officer specifies another time frame) PRIOR TO THE EFFECTIVE DATE OF THE PRICE CHANGE.”

Ordering offices shall not negotiate prices. Only items on the approved price list may be purchased.

Placing BPA Calls

Since BPAs do not contain accounting data, some method of funds certification must be accomplished.

A funded Procurement Request (PR) is generally used for this purpose, however, units may use the bulk-funding concept under the following conditions:

1. The KO receives authorization from a funds certification officer for a specific amount for a specified purpose for a specified time. This may be accomplished with a funded PR for a lump sum of funds.
2. The amount of each BPA call is deducted from the authorized funded amount.
3. BPA calls do not exceed the authorized funded amount.
4. BPA call record sheets shall cite the correct accounting data.

All orders placed under a BPA should be numbered sequentially. Generally, the BPA number is designated, followed by a serial number.

When placing a BPA call, identify yourself to the supplier and provide the following information:

1. BPA number and call number.
2. Items ordered.
3. Unit price, total price, established by the BPA, if applicable.
4. Point of contact.
5. Time and place of delivery.

BPA call records shall be maintained. The BPA call record shall include:

Chapter 7: Processing Simplified Acquisitions

Placing BPA Calls (continued)

1. Call number.
2. Date of call.
3. Items or services ordered.
4. Price, delivery date, and
5. Accounting data.

A sample BPA call record sheet is provided as Enclosure 4.

BPA Invoices-Payment

As stated above, the vendor submits a monthly, summary invoice directly to FINCEN. The summary invoice must contain the following information:

1. delivery tickets covered and their dollar value, and
2. delivery tickets or sales slips supported with CG signature indicating the materials have been received.

The KO (or designated representative) must submit a copy of each sales slip or delivery ticket with the monthly call sheet to FINCEN for obligation and receipt purposes when hard copies are used. When using CG electronic generated forms, electronic call sheets without delivery or sales slips can be submitted.

BPA Reviews

The KO that entered into the BPA is required to review each BPA annually and update, as necessary. For CG BPAs, this review will be considered accomplished when the BPA is renewed. At that time, the KO should consider changes in market conditions, which may have an affect on the BPA (i.e., pricing and new suppliers of the class of items). If necessary, the KO should establish additional BPAs for similar commodities and ensure reissued BPAs are adequately updated (see also [Federal Acquisition Regulations 13.303-6](#)).

Annual Review of BPA Calls by Issuing Contracting Officer

The KO or designated representative, must annually review a sample of BPA calls placed under BPAs. The review should ensure that:

1. Calls are rotated among qualified suppliers.
2. Authorized callers have not exceeded their call authority.
3. BPA call logs are properly maintained.
4. Invoices are properly supported and timely submitted for payment.
5. Requirements are not “split” in order to permit purchasing within caller’s authority.
6. The KO shall maintain evidence of these reviews.

Chapter 7: Processing Simplified Acquisitions

Exceptions to Limitations When Placing BPA Calls

Non-warranted individuals are designated as BPA callers in amounts not-to-exceed the micro-purchase limit.

Only warranted KO (see exceptions, below) may place BPA calls in excess of the micro-purchase limit.

Exceptions:

Food Service specialists on cutters placing BPA calls for subsistence items and purchasing agents inside a contracting office may place BPA calls exceeding the micro purchase limit as follows:

Food Service Specialists: A KO must issue the food service specialist a letter of instruction on how to place the BPA calls. This letter is provided in Enclosure 3.

Purchasing Agents inside a contracting office: A KO must review and approve calls over \$2,500 by reviewing documentation of competitive quotes received and approving the action by signing the call record sheet in the “Signature of Caller” block. The purchasing agent may then proceed to place the call and complete the file documentation (NOTE – Caller should sign as Caller and KO as Approving Official, not Caller).

Service Maintenance Agreements

The P-Card may be utilized as a payment tool for service maintenance agreements (e.g. cellular phones, cable TV, pagers, copiers, etc.). As with any other service maintenance agreement, a KO using a SF 1449 or an OF-347 must establish a written document. KOs shall ensure that all required FAR clauses and provisions are incorporated into the document, including appropriate Service Contract Act clauses and any applicable wage determination from the Department of Labor (DOL). The document shall be completed as follows (Block numbers below refer to the OF 347):

- a. Block 3, leave blank.
- b. Block 4, insert 32, FY, Region, PE and sequential number. (e.g., 32-99-6PE020) to indicate credit card charge.
- c. Block 9, do not include accounting data.
- d. Block 17, insert

Chapter 7: Processing Simplified Acquisitions

Service Maintenance Agreements (continued)

**"BILLING TO BE MONTHLY IN ARREARS.
PAYMENT WILL BE MADE USING THE
GOVERNMENT-WIDE COMMERCIAL
PURCHASE CARD."**

- e. Block 32, insert the unit address for payment.

Use P-Card payment procedures **only** when vendors agree to bill monthly in arrears. Do not use FINCEN address in Block 21 or mail copies of the agreements to FINCEN. Payments for these agreements will show on the PES report as direct charges and as Document Type 32 vice Document Type 23.

Under no circumstances should specific information from the credit card (i.e., credit card account number) be placed on the service/maintenance agreement. After receipt of the monthly invoice, cardholders can then provide their P-Card over the counter or provide the credit card number over the phone in accordance with local contracting procedures. Cardholders shall not charge payment for supplies/services until the end of the month for which the supplies/services were received. Cardholders shall attach invoices for all maintenance agreements to monthly statements submitted to FINCEN.

Notes for Cellular telephone SMAs: Cellular telephone invoices require the following certifications:

**"THE SERVICES BILLED HEREIN HAVE BEEN
RECEIVED FOR THE PERIOD INDICATED."**

Charges for personal calls shall be collected with an additional 3% Federal Excise Tax and forwarded to the appropriate collection point/lockbox. See [FINCEN SOP](#).

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Chapter 8: Reporting and Publicizing Actions

Introduction

This section explains the additional administrative requirements for procurement actions. While the method, policies, and procedures for actually accomplishing the procurement remain the same, there are additional administrative requirements that must be followed.

Reporting Contract Actions

Effective 1 October 2004, the SF-281 reporting process is obsolete. Procurement actions must now be reported to the Federal Procurement Data System-Next Generation (FPDS-NG). All actions will be reported with the exception of purchase card transactions and interagency agreements such as Military Interdepartmental Purchase Request (MIPR)s.

Coast Guard users will utilize one of the following processes to enter data into FPDS-NG:

- a. Automated entry via FPD (Finance and Procurement Desktop).
- b. Automated entry via CIMS (Contract Information Management System).
- c. Manual entry FPDS-NG.

Site Administrators

All users must be assigned a user account prior to using the systems above. Contact your Site Administrator for assistance in establishing a user account and reporting procedures. For a listing of your Site Administrator, see the [CG-85 website](#), select Acquisition Systems & Guidance, and select FPDS-NG Primary and Alternate Site Administrators.

Publicizing Contract Actions

Submitting your synopsis: Submit your synopsis to the Governmentwide Point of Entry (GPE) using the Internet. The Internet address for entering a synopsis is <http://www.fedbizopps.gov/>. Additionally, the Fed Biz Opps (FBO) Government Manual that provides instructions for posting synopses and solicitation documents to the GPE is also under the same website, specifically under the Government Buyers link. Click on “FBO” for Government Buyers, click on FBO Government Buyers Manual. In addition to the manual, the website has a Frequently Asked Questions link.

There is no charge for entering and posting a synopsis. Special characters, such as the following, cannot be used in the solicitation number: **<space>, *, &, /, %, #, @, and comma or semi-colon**. If any of these characters are in the solicitation number, you will need to remove them and repost the solicitation (you may contact the FBO Help Desk at (877) 472-3779).

Chapter 8: Reporting and Publicizing Actions

Publicizing Contract Actions (continued)

The “Save” function is intended to allow you to partially create a document for follow-up at a later time. If you want to create a document, but in the process you realize that not all of the information is available, you can elect to save that document and come back later. When a document is saved it will be available under the Edit menu button. In general, if you are prepared to post a document at the time of creation it is advisable to NOT save it first. Simply click Post to preview your posting, verify the information, and confirm that you would like to post the notice. If you do save it you will need to re-work the fields that are automatically reset.

NOTE: You should either save or post once you review your document. If you decide not to post and leave the page without saving your document, it will no longer be available via the edit table even if you have saved it before. You will then have to create the posting. Should you retrieve a saved file, when you open the item for editing, any previously entered “dates” are removed and must be re-entered. In the response date field, enter the date it will be one month from today (key in the year in XXXX format). In the archive date field, click automatic, on specified date and enter the date it will be one month from today.

For more specifics, refer to the [FBO manual](#). Once posted, you can verify by checking after 24 hours.

Preliminary Requirements:

To obtain a FedBizOpps account, contact CG-852 Program Manager. See also CG-85 webpage for guidance at <http://www.uscg.mil/hq/cg-85/acquisition systems.htm>

Federal Technical Data Solution (FedTeDS)

Effective 1 October 2003, all Sensitive But Unclassified (SBU) acquisition information used during the solicitation/proposal phase of the procurement cycle will be protected by FedTeDS. FedTeDS is an electronic link with FedBizOpps that has SBU information accessible only by the contracting officer.

FedTeDS requires vendors to be registered in CCR prior to gaining access to data. (see [HSAM – 3005.203-70](#) Use of FedTeDS for Sensitive but Unclassified Acquisition Information on the Internet).

Chapter 8: Reporting and Publicizing Actions

Federal Technical Data Solution (FedTeDs) (continued)

The determination of sensitivity will remain the responsibility of the requiring activity until further guidance is released. SBU acquisition materials includes information related to operations, systems, structures, individuals and services essential to the security and management of a facility, including telecommunications, electrical power, building facility structural layout, gas and oil storage/transportation, water supply,

Most data found in FedTeDs that Coast Guard would view relate to construction drawings, for example, or ship specifications, and berthing information. emergency services, and the continuity of operations.

An official definition of sensitive but unclassified data via e-commerce is defined as certain data that needs to be secure in order to comply with the new standards for safeguarding information. This material includes information related to operations, weapon systems and plans, transit authority, structures, individuals and services essential to the security and management of a facility, including telecommunications, electrical power, building facility structural layout, gas and oil. For further information, refer to the following link:

http://egov.gas.gov/QuickPlace/egov/PageLibrary85256AF00062C488.nsf.h_Index/1C1219DB67249FAF85256DCE007240D3/?OpenDocument

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Chapter 9: Acquisitions Exceeding \$100K

Overview

[Federal Acquisition Regulations Subpart 13.5](#) provides special authority for acquisitions of commercial items exceeding \$100,000, but not exceeding \$5 million (\$10 million for acquisitions entered into under the authority of 12.102(f)(1)), for supplies or services that include only commercial items, and options, under the test program that expires 1 January 2008 (In accordance with Sec. 817 of the FY 05 National Defense Authorization Act).

The purpose of the test program is to vest contracting officers with additional procedural discretion and flexibility, so that commercial item acquisitions may be solicited, offered, evaluated, and awarded in a simplified manner that maximizes efficiency and economy and minimizes burden and administrative costs for both the government and industry.

Procedures

Commercial acquisitions using the test program require additional procedures and reports, including:

1. Preparation of an Advanced Acquisition Planning Report.
2. Ombudsman Notice attached to solicitation.
3. Preparation of Congressional Notification of Contract Awards (valued in excess of \$3 million).
4. Documenting file to include a brief written description of the procedures used in awarding the contract, including the fact the test procedures in FAR Subpart 13.5 used, the number of offers received, an explanation, tailored to the size and complexity of the basis for the award, and any justification approved under FAR Subpart 13.500(a).
5. Documentation of market research.
6. Evidence that a Small Business Specialist reviewed procurement.
7. Evidence acquisition posted – FedBizOpps.

HUBZones

NOTE: KOs shall set-aside acquisitions **exceeding** SAT for competition restricted to HUBZone small business concerns when offers will be received from two or more HUBZone Small Business Concerns and award will be made at a fair market price.

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Chapter 10: Non-Routine Procurement Actions

Introduction

This chapter will describe actions that are not routine. They are: Small Business 8(a) contracting, Military Interdepartmental Purchase Requests (MIPRs), Inter-Agency Support Agreements (ISSAs), Husbanding Agent Contracts, Construction Contracting, Service Contracting and contracting through the NISH.

Small Business Administration (SBA) 8(a) Contracting

DHS has entered into a partnership agreement (PA) with the SBA, granting authority for the Coast Guard to expedite 8(a) awards through 30 September 2006 that includes requirements under the simplified acquisition threshold (SAT). No offering or acceptance letter is required for orders processed under the SAT, which permits simplified acquisitions under the Small Business Administration 8(a) Program. Additionally, the PA allows Coast Guard Contracting Officers, if delegated by their Chief of the Contracting Office (COCO), to enter directly into contracts with eligible firms, without SBA signing as the prime contractor.

For information, contact your COCO or the Coast Guard [Small Business Program Manager](#).

Husbanding Agent (HA) Contracts

Husbanding Agent (HA) contracts are multi-year contracts issued by the Navy (FISC Norfolk, FISC San Diego and NRCC Naples) for port services in foreign ports. These contracts provide for standard services and prices for military ships visiting various ports-of-call.

Contracts are established with a HA (ship's chandler) permitting visiting vessels to obtain services under a delivery order type contract. It also provides guidance for shipping and receiving of supplies. Prices are pre-negotiated based upon vessel size and alleviates the unit from negotiating its own terms.

For first time users, the HA serves as the unit's first POC for all in-port services and provides guidance for shipping and receiving of supplies.

Points of Contact:

FISC Norfolk: (757) 443-1437

Area covered: Caribbean, South America

Internet address:

<http://www.nor.fisc.navy.mil/Contracts/husband/index.htm>

Chapter 10: Non-Routine Procurement Actions

Husbanding Agent (HA) Contracts (continued)

FISC San Diego: (619) 532-2562

Area covered: Western Pacific

Internet Address:

<http://www.sd.fisc.navy.mil/> - click on “Husbanding Contracts.”

NRCC Naples: 011-39-81-724-4117; 4118

Area covered: Europe Internet address:

<http://www.naples.navy.mil/Supply/> - click on CRAFT (Cost Reporting, Analysis & Forecasting Tools).

Procedures: Request HA in a LOGREQ to the supporting Defense Attaché Office of the Embassy for the host country. Specify services and supplies required. Embassy notifies appropriate HA (Contractor) or finds resource when a contract does not exist. Upon arrival, meet with the HA to discuss your requirements and confirm the prices to be charged. Anticipate obtaining agreement on the vessel size, delivery requirements (e.g., remove trash daily, etc.), and settlement for services.

MIPRS, Inter-Agency Purchase Agreements, Intra-Agency Support Agreements (ISSAs), Memoranda of Understanding MOUs/MOAs

Most of these types of instruments are covered in [FAR 17.5](#), with the exception of MOUs and MOAs. If any of these documents involves the exchange of funds (except for host/tenant agreements), they must be signed by a warranted KO whose authority meets or exceeds the estimate/dollar amount of the document. Coast Guard procedures for processing these documents are contained in CGAP Subchapter 3017.504-90 and CGAP Enclosure (3).

NOTE: when acquiring goods or services via a franchise fund organization, such as GovWorks (Department of Interior) or FedSource (Department of Treasury), the Economy Act is the statute authorizing Coast Guard to enter into an interagency acquisition with the franchise fund organization.

There are three general categories for these instruments:

1. Those subject to the Economy Act and require a D&F (see Enclosure 22 for a sample D&F).
2. Host/tenant type agreements.
3. Other. Instruments issued pursuant to specific statutory authority.

NOTE: A COCO shall sign all D&F's.

Chapter 10: Non-Routine Procurement Actions

Construction Contracting Overview

Construction contracting includes construction, alteration or repair, painting and decorating of public buildings and public works. Included in this definition are improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewer mains, power lines, cemeteries, pumping stations, railways, airport facilities, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, canals, and channels.

Construction contracts in excess of \$2,000 must be issued on an Order for Supplies or Services (OF 347), or Solicitation, Offer, and Award (Construction, Alteration, or Repair)(SF 1442). These requirements are subject to the Davis-Bacon Act and the Federal Acquisition Regulation (FAR) requires all solicitations for construction be issued in writing (use SF 18, Request for Quotations or SF 1442, Solicitation, Offer, and Award (Construction, Alteration, or Repair).

NOTE: At this time, construction has not been determined to be commercial; therefore, the SF 1449 **shall not** be used for construction purchases (see also description of construction at [FAR 2.101](#)).

The Contracting Officer must ensure that the appropriate wage determinations and required clauses are incorporated into the simplified acquisition solicitations and awards for construction over \$2,000.

The Davis-Bacon Act was designed to prevent federal construction funds from being used to depress local wage standards. A key provision of the statute was that the rate of wages for all laborers and mechanics employed by a contractor or subcontractor shall not be less than the prevailing wage rate for work of a similar nature in the area in which the contract is performed.

The Department of Labor (DOL) makes the determination of the prevailing wage rates and publishes them weekly. Wage rates are available on-line, at no cost at <http://www.wdol.gov>.

Due to the requirements of the Davis-Bacon Act AND other special requirements, additional training is required in order to be granted construction contracting authority.

Chapter 10: Non-Routine Procurement Actions

Service Contracting Overview

A service contract is one that calls for a contractor's time and effort performing services rather than an end item of supply. In general, service employees include guards, watchmen and persons engaged in skilled mechanical crafts or unskilled, semiskilled or skilled manual labor occupations (for more examples of service contracts see also Federal Acquisition Regulation ([FAR](#)) [22.1003-5](#)). The law originally covered blue-collar workers; its provisions were amended to extend coverage to white-collar workers while accepting those employed in a bona fide executive, administrative or professional capacity.

A service contract in excess of \$2,500 must be issued on a purchase order (SF-1449 or OF-347) after receiving quotes on a Standard Form (SF) 18 or SF 1449. When buying services, you must comply not only with simplified acquisition policies and procedures, but you must also comply with statutes and acts, which are aimed at protecting service employees.

The McNamara-O'Hara Service Contract Act (SCA) of 1965, provides that the Secretary of Labor shall determine the minimum wages and fringe benefits to be paid "service employees" to those working under federal contracts in excess of \$2,500. Wage levels vary by type of service and by locality. The wage determination is made part of the order, and the contractor and any subcontractor are obliged to comply with it. Therefore, the buyer or Contracting Officer (KO) must obtain from the Department of Labor (DOL), prior to the award of a service contract, the determination of prevailing wages for the locality in which the contract is to be performed.

The DOL database website entitled "WDOL.GOV" is part of the Integrated Acquisition Environment, one of the E-Government initiatives in the President's Management Agenda. As part of the President's Management Agenda, DOL provides electronic access to wage determinations at: <http://www.wdol.gov>. KOs may elect to use the e98 request form for any SCA-covered contract action.

In cases when a KO cannot obtain an appropriate SCA wage determination (WD) within the DOL database, the KO must request an official SCA WD by completing the e98 form at <http://www.wdol.gov>.

Chapter 10: Non-Routine Procurement Actions

Service Contracting Overview (continued)

In an emergency procurement, such as an environmental clean up, it may be impossible to obtain the wage determination from the Department of Labor (DOL) prior to award. Therefore, you must make sure the contractor knows the Service Contract Act applies and that the contractor is paying prevailing labor rates for the area (see also Federal Acquisition Regulation ([FAR](#)) [Subpart 22.10](#) Service Contract Act of 1965, as Amended). When you receive the wage determination from DOL, you must modify the purchase to incorporate the wage rates with a bilateral agreement. In some cases, you may have to increase the amount of the purchase order to accommodate the payment of those rates. A sample Standard Form (SF) 30 incorporating a wage determination is included in Enclosure 23.

For service contracts over \$2,500, the Contracting Officer (KO) must include:

[FAR 52.222-41](#), SERVICE CONTRACT ACT OF 1965, AS AMENDED (MAY 1989) and

[FAR 52.222-42](#), STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989).

The DOL Publication WH-1313 entitled “Notice to Employees Working on Government Contracts” must be furnished to the vendor at the time of award (see [FAR 22.1018](#)). The publication explains to the vendor that the poster be displayed at the worksite for employees to know what types of wages and compensation they are entitled to by federal law. The publication should be furnished to the vendor under the following criteria:

Possible services that fall under the Service Contract Act (when exceeding \$2,500): custodial, janitorial, food services, laundry, trash removal, grounds maintenance, engineering or logistic support services.

Repairs that fall under Walsh Healey Public Contract Act (when exceeding \$10,000): ship repair, work related by manufacturer of materials, supplies, articles, or equipment.

Architect/Engineering Services (A&E)

[FAR Part 36.5](#) describes procedures to be followed when acquiring A&E services not expected to exceed SAT. Only KOs with specific A&E warrant authority are authorized to procure A&E services.

Chapter 10: Non-Routine Procurement Actions

Contracting with the National Industries for the Blind/Severely Disabled (NIB/NISH)

Prior to purchasing anything on the open market, Contracting Officers (KO)s must first attempt to locate the desired supply or service from one of the mandatory sources listed in Chapter 2, Required Sources of Supplies and Services.

The first priority for purchasing services is from NIB/NISH/JWOD.

The NIB/NISH/JWOD maintain a Procurement List and is available online at <http://www.nish.org/> - a copy may be requested by writing to:

**National Industries for the Blind
1091 N. Beauregard St., Suite 200
Alexandria, VA 22311-1727
(703) 998-0770**

or

**NISH
2235 Cedar Lane
Vienna, VA 22182-5200
(703) 560-6800**

Check to determine whether the supply or service is on the list. If the supply or service is not on the list, then the Committee is not a mandatory source. Contact the Committee for procedures to add to the list.

Performance Based Contracting (PBC)

PBC is contracting for results, not just best efforts. PBC means structuring all aspects of an acquisition around the purpose of the work to be performed. PBC techniques include: using objective, measurable performance requirements and quality standards in developing statements of work; selecting contractors using performance as a consideration; determining contract type and incentives in accordance with a fair assessment and assignment of performance risk; and performing contract surveillance and administration for insight only into essential areas of contractor performance, and mindful of the need for conservation of government resources.

For a contract to be considered as PBC, it cannot be: level-of-effort (either fixed-price or cost reimbursement), time and materials, or have a design or detail specification. Finally, a

Chapter 10: Non-Routine Procurement Actions

Performance Based Contracting (PBC) (continued)

PBC contract must have performance standards (criteria for determining whether the work requirements are met), and some kind of contract performance incentive, positive or negative, explicit or implicit. Samples and tools for PBC may be found at: <http://www.arnet.gov/> or [CG-85 website](#).

Personal Services

Personal services contracts are defined in Federal Acquisition Regulation (FAR) Subpart 37.1 ([FAR 37.104](#)) that characterizes personal services as an employer-employee relationship. Personal services contracts are not authorized because they circumvent civil service personnel laws. Therefore, contracts that call for the effort of a particular individual(s) must be authorized by statute (e.g., 5 U.S.C.3109).

Consultant/ Expert Services

The rate of pay for services rendered by a consultant to an advisory committee is governed by DHS Management Directive (MD) Number 3010.1, Employment of Experts and Consultants or 5 CFR part 304.101-108. Since the statutes governing the acquisition of and rate of pay for these services are subject to change, the Contracting Officer (KO) must seek the advice of legal counsel prior to taking action on the procurement request for such service solicitation and contract clauses for Personal Service Contracts that apply to the acquisition of services and security related matters.

DHS Personnel Security Program for Contractor Employees

[DHS MD Number 4300](#), Information Technology System Security and supplemented by MD 4300A, Policy for Sensitive Systems, and MD 4310.

DHS MD 11050.1, Personnel Security Program contains policy and procedures for conducting access investigations on contractor employees who have access to DHS facilities, sensitive information and/or resources. KOs and requiring officials shall coordinate the requirements for access investigations with the cognizant security office.

All DHS headquarters requirements that require contractor employees to have access to DHS facilities, sensitive information and/or resources shall be coordinated with the DHS Office of Security prior to release of the solicitation. For further instructions, refer to [HSAM 3037 - Appendix A](#).

Chapter 10: Non-Routine Procurement Actions

Affirmative Procurement for Recovered Materials/EPA Designated Products

EPA Designated Products. As part of its continuing program to promote the use of recovered materials, the EPA has issued “Comprehensive Guidelines for Procurement of Products Containing Recovered Materials” (CPG) to designate recycled-content products in various product categories. The CPG implements section 6002 of the Resource Conservation and Recovery Act (RCRA) requiring the EPA to designate products that are or can be produced with recovered materials, and to recommend practices for the procurement of designated products by procuring agencies. Once the EPA designates a product, RCRA requires any federal agency procuring that produce to purchase it with the highest percentage of recovered materials practicable.

At present, there are 61 designated products listed in the CPG, as follows:

PAPER AND PAPER PRODUCTS VEHICULAR PRODUCTS

Engine Coolants
Re-refined Lubricating Oils
Retread Tires

CONSTRUCTION PRODUCTS

Building Insulation Products
Carpet
Carpet Cushion
Cement & Concrete Containing Coal Fly Ash
Cement & Concrete Containing Granulated Blast Furnace Slag
Consolidated & Reprocessed Latex Paint
Floor Tiles
Flowable Fill
Laminated Paperboard
Patio Blocks
Railroad Grade Crossings Surfaces
Shower & Restroom Dividers and Partitions
Structural Fiberboard
Cement & Concrete Containing Granulated Blast Furnace Slag
Consolidated & Reprocessed Latex Paint
Floor Tiles
Flowable Fill

Chapter 10: Non-Routine Procurement Actions

**Affirmative
Procurement for
Recovered
Materials/EPA
Designated
Products**
(continued)

Laminated Paperboard
Patio Blocks
Railroad Grade Crossings Surfaces
Shower & Restroom Dividers and Partitions
Structural Fiberboard

TRANSPORTATION PRODUCTS

Channelizers
Delineators
Flexible Delineators
Parking Stops
Traffic Barricades
Traffic cones

PARK AND RECREATION PRODUCTS

Park benches and Picnic Tables
Playground Equipment
Plastic Fencing
Playground Surfaces
Running Tracks

LANDSCAPING PRODUCTS

Food Waste Compost
Garden and Soaker Hoses
Hydraulic Mulch
Plastic Lumber Landscaping Timbers & Posts
LawYard Trimming Compost

NON-PAPER OFFICE PRODUCTS

Binders (plastic covered, chipboard, & pressboard)
Office Recycling Containers
Office Waste Receptacles
Solid Plastic Binders
Plastic Clipboards
Plastic File Folders
Plastic Clip Portfolios
Plastic Presentation Folders
Plastic Desktop Accessories
Plastic Envelopes
Plastic Trash Bag
Printer Ribbons
Toner Cartridges

Chapter 10: Non-Routine Procurement Actions

Affirmative Procurement for Recovered Materials/EPA Designated Products (continued)

MISCELLANEOUS PRODUCTS

Awards and plaques
Manual-Grade Strapping
Industrial Drums
Mats
Pallets
Signage
Sorbents

The current list of EPA designated products can be found at: <http://www.epa.gov/> - click on “Comprehensive Procurement Guidelines,” and click on “Products” for each designated item to obtain additional product information, such as recommended percentage of recovered materials content.

A link to the EPA items is also included on the Commandant [CG-85 website](http://www.uscg.mil/hq/cg-85) at <http://www.uscg.mil/hq/cg-85>.

Documentation Requirements:

Procurement Request: The authorized requisitioner (program official) initiating the purchase request must complete and submit the Recovered Materials Determination Form provided in Enclosure 24 with each procurement request that includes EPA designated products, regardless of dollar value.

Award: Purchase of non-EPA designated products over the micro-purchase threshold must be justified in writing. The Contracting Officer (KO) shall complete Enclosure 25 and retain the original in the purchase file.

For further guidance, see [FAR Subpart 23.405](#) and [HSAM Chapter 3023, Appendix A](#).

Reporting: Report all purchases of EPA designated items, regardless of dollar value, to the COCO via the RCRA report format provided in Enclosure 36.

NOTE: Each COCO shall collect RCRA reports from procurement offices under their areas of responsibility and provide one consolidated response to Commandant (CG-85) by November 15 each year. CG-851 will consolidate the responses and provide the information to the Department of Homeland Security (DHS).

Chapter 10: Non-Routine Procurement Actions

Affirmative Procurement for Recovered Materials/EPA Designated Products (continued)

SOURCES – The EPA designated items and other environmentally preferable products can be found in several catalogs. Typically, suppliers flag the green products with special symbols to make purchasing easier.

The following websites are good places to start:

GSA ADVANTAGE! This website allows customers to browse, search, and order environmentally oriented products and services. Click on “Advantage,” then “Environmental Concern at Advantage” at the GSA Advantage Internet address:

<http://www.gsaadvantage.gov>

GSA /FSS: This website allows customers to identify items that meet EPA designated product criteria for recycled content and energy star product designations on FSS contractor catalogs and/or price lists. Click on “Environmental Catalogs and Guides,” at the following website: <http://fss.gsa.gov/>

EPA Website: The current list of EPA designated items can be found at the following website: <http://www.epa.gov/>

Hazardous Materials

Enclosure 1 (Table 1 of Federal Standard 313C) provides a listing of hazardous material that must be reviewed by your unit Pollution Prevention Coordinator (PPC), prior to purchase. If the procurement request (PR) contains any item found (with the exception of fuel products, housekeeping, janitorial), the PR must include a Statement of Essential Need (Enclosure 26) approved by the PPC. For further guidance, see Emergency Planning and Community Right-To-Know Act (EPCRA), and Pollution Prevention (P2), [COMDTINST M16455.10 \(series\)](#). If the PR is lacking the required documentation, the PR shall be returned without action to the requester.

Required Clause: Include the clause [FAR 52.223-3](#) with Alt I in all orders for hazardous materials identified in Federal Standard 313C. This clause requires the vendor to furnish a Material Safety Data Sheet (MSDS) with the shipment of material.

Acquiring Training

The Coast Guard recognizes that acquiring training services is not a function of the Contracting Officer but that of the Coast Guard Training Officer. Generally, an individual who has a “Delegation of Procurement Authority (DPA)” from a COCO procures off-the-shelf training via a Standard Form 182, or a Government Commercial P-Card. See Enclosure 27 for a sample request for DPA.

Chapter 10: Non-Routine Procurement Actions

Acquiring Training (continued)

Training which is not commercially available and must be developed to meet an agency's needs is procured by a Contracting Officer (KO) via normal acquisition procedures.

When acquiring training from other than a government source, in excess of the micro-purchase threshold using a SF 182, supplemental terms and conditions must be included with the SF-182. In addition, completion of the Simplified Acquisition Procedures Summary ([DHS 700-16](#)) shall be prepared.

Ship Repair

Ship repair includes construction, alteration, furnishing or equipping vessels. The Service Contract Act pursuant to Section 7299 of 10 U.S.C. does not cover ship repair. Such actions are subject to the labor provisions of the Walsh-Healy Public Contracts Act.

Fast Payment Procedures

Introduction: Payment for small purchases may be made by the FAST PAYMENT METHOD. This method reduces lead-time to suppliers and speeds up payment (see [Federal Acquisition Regulation Subpart 13.4](#)).

Basis for payment: The payment is based on the supplier's invoice, which represents that the item has been delivered to the government's designated point of first receipt (post office, carrier, etc.). It also indicates that the supplier agrees to replace or repair any lost or non-conforming items upon arrival at the point of first receipt.

When to use this method: The Fast Payment method is designed to encourage faster delivery to the government and to improve supplier relations by speeding payments to contractors. The Fast Payment procedure is especially suitable when the receiving activity is located in a distant location and the time required for processing would delay payment to the vendor. To receive payment for the supplies delivered, the vendor submits an invoice directly to FINCEN stating that the supplies were delivered.

Conditions for Use: The Fast Payment procedure is authorized for purchases that require special attention to avoid an excessive delay through normal procedures. Fast Payment procedures are not appropriate when the point of acceptance is nearby, where normal receiving report control procedures apply, or where the item is complex and requires special quality assurance and/or inspection and acceptance procedures. Fast Payment use is authorized only if all of the following conditions are present:

Chapter 10: Non-Routine Procurement Actions

Fast Payment Procedures (continued)

Individual orders do not exceed \$25,000.

1. The requiring activity is located in a location that would prevent quick payment of the vendor's invoice by normal receiving report procedures.
2. The vendor agrees to replace, repair, or correct supplies not received at destination, damages in transit, or not meeting purchase requirements.
3. Government ownership occurs upon delivery to a post office or common carrier or upon receipt by the government if the shipment is by means other than Postal Service or common carrier.
4. The method of purchase is a firm-fixed price contract, a purchase order, or a delivery order for supplies delivered.
5. A system is in place to ensure that contractor performance under fast payment procedures is documented, timely feedback to the KO of vendor deficiencies, and identification of vendors that have a current history of abusing fast payment procedures.

Forms/Clauses for Use

Purchase orders or Blanket Purchase Agreement (BPA)s using the Fast Payment method are issued on the Standard Form (SF) 1449 or Optional Form (OF) 347 and must include the following:

1. The FAR clause "Fast Payment Procedure" (BPA's may include the clause in the BPA or the orders placed under the BPA.). See [FAR 52.213-1](#).
2. A requirement that supplies be shipped with transportation or postage prepaid.
3. A requirement that the invoice be submitted directly to the Finance Center (FINCEN) or in the case of unpriced purchase orders to the contracting officer.

The SF 1449/OF 347 must include the statement saying:

"The consignee shall notify the purchasing office promptly after the specified date of delivery of supplies not received, damaged in transit, or not conforming to specifications of the purchase order. Unless extenuating circumstances exist, the notification should be made not later than 60 days after the specified date of delivery."

The supplier must mark all outer shipping containers "FAST PAY."

Chapter 10: Non-Routine Procurement Actions

Fast Payment Procedures (continued)

The KO is responsible for collecting debts resulting from failure of vendors to properly replace, repair, or correct supplier loss of damages, or not conforming to the requirement.

The KO must establish a system to ensure regular follow-up with consignees to ensure the receipt and conformance information is obtained and forwarded to the purchasing office as required.

Rehabilitation Act of 1973 Section 508 Implementation

Rehabilitation Act requires that when federal departments or agencies develop, procure, maintain, or use Electronic and Information Technology (EIT), they must ensure that the EIT allows federal employees with disabilities to have access to, and use of, information and data in the same manner as federal employees without disabilities.

Section 508 also requires that members of the public with disabilities seeking information or services from a federal department or agency have comparable access to and use of information and data as members of the public without disabilities.

Comparable access is not required if it would impose an undue burden. If an undue burden exception is applicable, the Coast Guard must still make EIT available by an alternate means of access.

CG policy on Section 508 implementation may be found at: <http://cgweb.comdt.uscg.mil/508/SECTION508/CG-SEC508HOME.HTML>. The COMDTINST provides policies for all Section 508 requirements, including budget, enforcement and complaint processes, training, etc. It is important that you and your customers continue to use the CIO's Section 508 Resource Center.

The GSA website has many helpful links, including the online training modules, such as Buying Accessible E&IT which may be accessed at <http://www.section508.gov/>.

Additionally, the website ([508 Universe](#)) offers free training on subjects pertaining to Section 508, including a NEW course module on **Micro-Purchases / Credit Card Training**

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Chapter 11: Funding In Selected Procurements

Introduction

Many questions arise concerning the propriety of using funds (both appropriated and non-appropriated OE and NAF) to accomplish the various missions of the Coast Guard. Procurement officials and those in supervisory and command positions must be aware that the consequence of using Coast Guard funds inappropriately could lead to a member or employee being held **personally** responsible for commitments and purchases made by them. For this reason, any question of whether a contemplated action is appropriate must be resolved prior to entering any agreement that commits (or appears to commit) the Coast Guard to payment. Procurement officials and others shall seek the advice of the following personnel, in the order presented, to ensure actions are legitimate, and legal, prior to any action taken:

Unit Contracting Officer
Unit Supply Officer/Comptroller
Chief of Contracting Office for unit
Area Procurement Analyst at the MLC
Chief of Contracting Office at the MLC
CG-843

Procurement officials should ensure that written guidance is received for questionable procurements and include that guidance in the procurement files.

The Comptroller General of the United States has reviewed many such inquiries and has issued published rulings on them. A compilation of decisions of the Comptroller General is contained in the General Accounting Office's publication "Principles of Federal Appropriations Law." This publication is currently issued in three volumes and is available from:

**Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402
941 N. Capitol Street
Washington, DC 20402**

You may also order with a P-Card by calling (202) 512-1800. Volumes may be purchased separately or as a set. Volume I contains a chapter on the use of appropriated funds and covers such subjects as entertainment, gifts and awards, personal expenses and membership fees. These manuals are also available on-line at <http://www.gpo.gov> then click on "Special publications and Software."

Chapter 11: Funding In Selected Procurements

Introduction (continued)

The Coast Guard has issued policy on several issues of restricted purchases and this is contained in Financial Resource Management Manual, (FRMM) [COMDTINST M7100.3](#) (series). Chapter 5 of this publication provides guidance for Coast Guard personnel, it is also found at the CG Directives System website: <http://cgweb.uscg.mil/g-c/g-ccs/g-cit/g-cim/directives/cgcim.html>. The material provided in this section is reprinted for the convenience of the reader and to allow for an all inclusive resource. The reader is cautioned to check the latest version of the FRMM and review the most recent published policy. Where a difference between the FRMM and this manual occurs, the manual (or change) with the most recent date takes precedence and should be referenced in the procurement file.

Awards and Recognition

The Coast Guard provides recognition in a variety of circumstances, both internal and external to the Coast Guard. The use of appropriated funds is authorized for the formal or informal presentations of medals, plaques, certificates, pins, *etc.*, as long as the purchase and presentation are accomplished in compliance with published directives as stated below.

The same is true of cash awards when expressly authorized. Similarly, awards may also be granted for a variety of specific reasons as authorized by other approved instructions.

Formal Recognition

Guidance for formal recognition of Coast Guard personnel is contained in the following references:

1. **Military and Civilian Personnel:** Military and Civilian award programs are described in Medals and Awards Manual, [COMDTINST M1650.25](#) (series).
2. **Civilian Personnel:** Civilian award programs are also described in the Coast Guard Civilian Awards Manual, [COMDTINST 12451.1](#)
3. **NAF Employees:** NAF Employee award programs are described in the Non-appropriated Fund (NAF) Personnel Manual, [COMDTINST M12271.1](#) (series).
4. **Auxiliary Personnel:** Auxiliary award programs are described in the Auxiliary Manual, [COMDTINST M16790.1](#) (series).

Informal Recognition

14 USC § 503 provides for informal recognition of Coast Guard employees. Informal recognition is authorized to recognize **individuals, groups, or teams in a manner less structured than formal recognition**. In order to use appropriated funds for

Chapter 11: Funding In Selected Procurements

Informal Recognition (continued)

informal recognition, the award must meet the following three (3) criteria:

1. Be non-monetary in nature (except for authorized cash awards such as savings bonds).
2. Be of nominal value (less than \$100).
3. Be linked to excellence in performance or a special contribution to the Coast Guard.

Informal recognition shall not be used to recognize individuals simply for belonging to a group (*i.e.* onboard a unit for a pre-selected amount of time, completing a tour at a unit or mere participation in a “wellness event”). All informal recognition programs must be authorized in writing and stipulate:

1. Performance goals to be met.
2. Nominating procedures.
3. Awarding authority.
4. Frequency.
5. The item to be awarded.

The Commanding Officer/Unit Commander **must** sign all instructions establishing recognition programs. All items awarded **must** be of nominal value (less than \$100), **contain the Agency (CG) seal**, and have an obvious honor or award connotation. Unit logos or seals may also be included. The following examples are provided as a guide, however this list is not all-inclusive:

Authorized:

1. Soul of the Service Award.
2. Golden Wrench Award.
3. Making a difference medallion.

Not Authorized:

1. Tour completion items.
2. Awards that are so easily achievable that the majority of the unit or other organizational element will attain the award.
3. Items (e.g. t-shirts, water bottles, etc.) that signify mere participation in a wellness event.

Chapter 11: Funding In Selected Procurements

Retirement Recognition

Additional authorization is provided to allow a unit to present a retiring member assigned to their command with an item of *nominal value* (less than \$100) to recognize their contribution to the service and the country. *Items must be non-monetary and convey pride and honor to the recipient.* Items to be considered may include, but are not limited to: Plaques (wall, desk, or shadow box), pen sets, desk medallions, certificates etc.

Discretion should be used when selecting an item for retirement recognition. Gifts (i.e., golf clubs, deck chairs, clothing items) are NOT AUTHORIZED and shall not be purchased with appropriated funds.

External Recognition 14 U.S.C. § 93 (w)

14 U.S.C. § 93 (w) empowers the **Commandant** to “provide for the honorary recognition of individuals and organizations that **significantly contribute** to Coast Guard programs, missions, or operations, including state and local governments and commercial and nonprofit organizations, and pay for, using any appropriations or funds available to the Coast Guard, plaques, medals, trophies, badges, and similar items to acknowledge such contribution (including reasonable expenses of ceremony and presentation).”

The purpose of honorary recognition is to recognize past support to the Coast Guard mission.

The cost of honorary recognition will generally be charged to unit AFC-30 funds. However, other sources of funds may be used, as appropriate (e.g., R&R funds).

Eligible Recipients

Consistent with the recipients expressly named in 14 U.S.C. §93(w), individual, for purposes of this statute, is interpreted as also including foreign individuals and government agencies, as well as family members of deceased former Coast Guard members, dignitaries, high public officials, and others consistent with the intended recognition.

Delegation

Authority is hereby delegated to approve recognition ceremonies and presentations in accordance with this policy to G-CCS, all headquarters assistant commandants and directors, area commanders, MLC commanders, the Superintendent of the Coast Guard Academy, and district commanders. Further delegations must be authorized in writing; however additional limitations and controls are encouraged.

Chapter 11: Funding In Selected Procurements

Monetary Limits

Presentation Item: Items presented in recognition of significant contributions to the Coast Guard must be of minimal value. In order to maintain parity between what the Coast Guard can accept (as defined later in this chapter) and what it can present, the presentation item must be of nominal (or minimal) value. 'Minimal value' is defined, for all purposes of this section, in 5 U.S.C. § 7342(a)(5)(A). This law currently defines 'minimal value' as \$260.00 or less (as adjusted every three years by the Administrator of General Services, to reflect changes in the consumer price index). More than one presentation item is authorized provided the nominal value is not exceeded in the aggregate. The item(s) must be in good taste and suitable to the occasion. Where an award recognizes the significant contribution of an organization, the dollar limit will be applied to the organizational award. In no case will the dollar limit be applied to each individual member of the organization recognized.

Presentation Ceremonies: The cost associated with ceremonies and presentations are authorized charges against appropriated funds. This includes facility rentals, equipment, and light refreshments. Refreshments shall be limited to light snacks and beverages, and shall not provide the appearance of a meal. The total amount of funds expended for ceremony and presentation costs are limited to \$10,000 annually for each flag level command and Headquarters directorate listed in the delegations paragraph. In addition, if authority is further delegated as authorized, the total amount of funds expended annually by each unit below the district level is limited to one percent of their AFC-30 appropriation or \$10,000 whichever is less.

Frequency of Award Ceremonies and Presentations

A significant contribution shall only be recognized **once**. Programs created to recognize contributions on a periodic basis must be supported by written instruction approved by the district commander or above.

Accounting

In order to monitor the use of this authority, all procurement actions accomplished for this purpose shall utilize the following object codes.

2690 - Mementos and Awards - Supplies presented in recognition of significant contributions to the Coast Guard under the authority of 14 U.S.C. § 93 (w).

2560 - Ceremonies and Presentations - Services provided in recognition of significant contributions to the Coast Guard under the authority of 14 U.S.C. § 93 (w).

Chapter 11: Funding In Selected Procurements

Waiver

Requests for waivers from this policy will only be granted for extraordinary circumstances. Requests must be submitted through the chain of command to CG-843.

Bottled Water

Bottled or potable water cannot be purchased using appropriated funds unless a local health official determines the water is unfit due to medical or sanitary reasons. The local health official must be a government health department laboratory (non-Coast Guard). Tainted, discolored and odorous water is not a basis for authorizing the purchase of bottled water.

As stated in the GAO's decision ([B-147622 12/7/61](#)), bottled water may be purchased with appropriated funds only on the grounds of necessity which include:

1. No potable water is available within 200 feet of the place where people normally work.
2. Water is contaminated.
3. There is an urgent need for water that could not otherwise be met.

Business Cards

Printing business cards either commercially or utilizing GPO, is not authorized except in those rare cases where a specific statutory authority exists (i.e. Recruiters and Academy Admissions Officials).

Business cards may be produced in-house when a Commanding Officer has determined that the cards are necessary to perform official duties and to facilitate mission related business communications (as distinct from the extension of a social or business courtesy).

Local production of cards will use CG standard computer hardware and software on perforated card stock that may be obtained with unit appropriated funds using standard unit procurement procedures and policies.

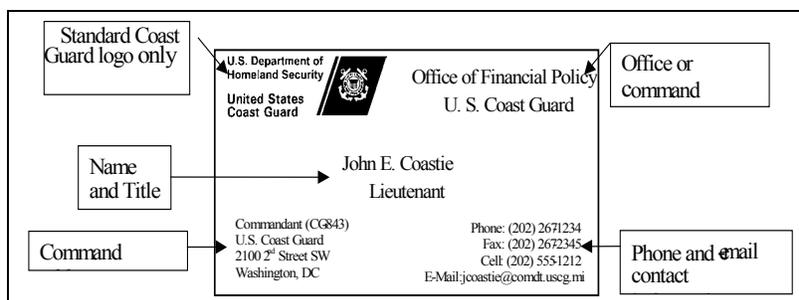
All locally produced cards shall comply with the following standards. Deviations are not authorized.

Chapter 11: Funding In Selected Procurements

Business Cards and Information Cards (continued)

White or Ivory card stock 50 –110 pound
(non- glossy. No matte finish)
(NSN 7530-01-425-6754 or 7530-01-449-6946
or equivalent)
Finish size of 3-1/2 by 2 inches
Print one side only
No additional artwork, symbols, or
information is authorized
Finish size of 3-1/2 by 2 inches
Print one side only
No additional artwork, symbols, or
information is authorized

Sample Business Card



Personally Procured cards: Business cards purchased with personal funds may be of any design as long as they convey favorably upon the Coast Guard as a professional Government Agency. The cost of cards purchased with personal funds may not be reimbursed with appropriated funds.

Use of DHS Logo: Any business cards that contain the DHS logo shall comply with [DHS Management Directives 0030 and 0570](#).

Cable/Satellite TV Service

The use of appropriated funds to pay for subscription services for cable or satellite TV service is permissible only under the following circumstances:

1. The service **must** be viewable in general areas, such as rec decks, lounges, wardroom, and not individual offices.

Chapter 11: Funding In Selected Procurements

Cable/Satellite TV Schedule (continued)

2. The subscription must be limited to basic and three (3) premium stations/services. Premium stations/services are defined as those stations or services that are not included in the most basic service agreement offered. They normally include such services as dedicated movie channels, channels of special interest (children's programming, history or technology related programming, sports programming) and sports packages (services that give access to all games within a season, or packages that provide expanded sports coverage beyond the basic level service). Payment for these services **shall not** be paid in advance.

The following stations/services are not authorized to be purchased with OE funds:

1. Movie and special event viewing paid per event/daily basis.
2. Payment for adult entertainment stations where the content is sexually related.

NOTE: Advance payment for cable and satellite services is **not authorized** and units shall exercise care to ensure compliance with 31 U.S.C. § 3324(a) (B-237789 12/10/99).

Change of Command Expenses

See Financial Resources Management Manual (FRMM), [COMDTINST M7100.3](#) (series), 5.K.24 Traditional Ceremonies, for guidance on the use of appropriated funds for change of command expenses. Additional guidance associated with mailing of items may be found in United States Coast Guard Postal Manual, [COMDTINST M5110.1](#) (series).

Chaplain

The Coast Guard is obligated to support the chaplains that are assigned to the service and the valuable work that they accomplish. The manual, Religious Ministries within The United States Coast Guard, [COMDTINST M1730.4](#) (series) provide applicable guidance concerning support of the Coast Guard Chaplain Corps.

Coffee Mess, Picnic Supplies and Equipment

The use of appropriated funds to procure coffee pots, microwaves, refrigerators, or other equipment, as well as supplies, such as plates, flatware, and condiments, for messes or picnics, is not authorized, unless the items are in support of an approved dining facility (CGDF), **or meet** the exception noted below.

Chapter 11: Funding In Selected Procurements

Coffee Mess, Picnic Supplies and Equipment (continued)

The use of appropriated funds to purchase mess type equipment (coffee pots, small microwaves, refrigerators) may be authorized if **all** of the following conditions are present:

- a. The facility or space is in operation seven days a week, 24 hours a day, and
- b. The employees must be continuously available during an eight hour shift, and
- c. There are no other eating facilities available nearby.

Note: [FRMM](#) Section 5.K.7 is **currently being revised to include additional conditions that may authorize purchase** - refer to latest revision of FRMM before processing.

Conference Planning

Planning for a Coast Guard sponsored conference must be done correctly in order to avoid improper use of appropriated funds. Conference planners **shall** ensure they are familiar with all aspects of the conference such as attendees, subject matter, agenda, etc., as well as the rules and regulations surrounding conference planning. Some references to consider are:

- a. [Joint Federal Travel Regulations](#) (JFTR), including, but not limited to U1050, U2550 part G, U2555, U3500.
- b. [Federal Travel Regulations](#) (FTR), including, but not limited to C1060, C4410, C4552.
- c. [DOT Travel Guiding Principles, Part 301-16](#) – Conference Planning.

All conference planners shall ensure the following restrictions are adhered to:

- a. Attendees at a conference held within the attendee's permanent duty station (PDS) are ineligible for **per diem** for lodging and meals.
- b. The cost of government-contracted meals (if any) shall not exceed the applicable per diem rate (JFTR U2550.D.3).

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Conference Planning (continued)

- c. Records shall be kept of efforts to reduce costs by seeking less-costly facilities (JFTR U2550 H.1).
- d. Lodging, in conjunction with a conference, may **not** be procured by government contract within the confines of Washington D.C. Attendees may, however, rent rooms and receive reimbursement by filing a travel voucher (see 40 U.S.C. § 34) (JFTR U2550 H.1).

NOTE: See [FRMM section 5.K.10.b](#) concerning internally organized meetings, conferences, and workshops.

Daycare Services

Coast Guard Child Development Services Manual, [COMDTINST M1754.15](#) (series) contains Coast Guard policies governing the use of appropriated funds for daycare services. In general terms, appropriated funds may be used for most daycare center expenses except for food.

Flowers

Appropriated funds may be used to purchase flowers under the following circumstances:

Traditional Ceremonies: Floral centerpieces may be purchased for traditional ceremonies. Traditional ceremonies include, ground breaking, change of command, change of homeport, building dedications, graduation, vessel commissioning/decommissioning, and wreath laying for National Veteran Commemorations.

Receptions held in conjunction with traditional ceremonies are separate events and XXF funds (which are only available to a small number of units) or personal funds must be used to fund most items for them. Flowers used as decoration at a reception held in conjunction with a traditional ceremony or flowers given to participants or their family members are not allowed.

Decorative Items: The [Federal Property Management Regulations](#) (41 CFR 101-26.103-2) permits the purchase of pictures, objects of art, plants, flowers (both artificial and real) and other similar items as decorative items when furnishing federal buildings. Such items may be purchased for general use areas and may not be purchased solely for the personal convenience or to satisfy the personal desire of an employee.

Chapter 11: Funding In Selected Procurements

Food – Refreshments

For the purpose of this section, the following definitions shall be used:

Refreshments: Light snacks and drinks commonly consumed at business or entertainment type functions. These include cookies, brownies, muffins, rolls, teas, coffee, soda, water, etc.

Meals: One of the regular occasions during the day when food is taken, as breakfast, lunch or dinner. This includes items commonly referred to as light or heavy hors d'oeuvres.

Policy: Food and refreshments may not be furnished to government employees and military personnel **without charge** except as noted.

Authorization: If meals or refreshments are to be provided under the circumstances described below, written justification shall be submitted via the chain of command, to the appropriate authority listed below for prior approval. The justification shall include all information necessary to determine compliance with this guidance:

- a. Deputy Office Chief at Headquarters
- b. Commander MLC (f)
- c. ISC Comptroller
- d. Commanding Officer for Headquarters unit

External Meetings and Conferences Ordered by Other than the Coast Guard

Meals and refreshments may be funded at government expense during meetings and conferences given for the purpose of enhancing employee proficiency or qualifying employees for other duties **only** under the following circumstances. Charges for the meals and refreshments may be paid when the cost is a mandatory non-separable element of the registration fee.

In order to provide for meals and refreshments during conferences and meetings, where charges for meals and refreshments **are** a separate charge, the following requirements must be met (B-160579 4/26/78):

Chapter 11: Funding in Selected Procurements

Food – Refreshments (continued)

1. Essential business relating to the official duties of the Coast Guard participant must be discussed during meal time, **and**
2. The presence of the Coast Guard participant during mealtime is absolutely necessary if the purpose and goal of the Coast Guard for authorizing the participant to attend the meeting is to be realized by the Coast Guard, **and**
3. The employee is not free to take the meals elsewhere without being absent from essential formal discussions, **and**
4. The meal must be incident to the meeting and not the other way around; that is, the conference must extend significantly beyond the meal itself.

Internal Business Meetings: Meals and refreshments may not be funded at government expense during meetings, conferences, and workshops organized to principally deal with Coast Guard issues, meetings relating to Coast Guard operations or meetings dealing with internal agency functions. Internal business meetings do not meet the criteria of training as described below. (Comp. Gen. B-270199 8/06/1996)

Meals in Lieu of Per Diem: Meals may be provided during training sessions. However, meals and/or refreshments may not be funded at government expense for non-federal attendees during meetings, conferences, or workshops sponsored by Coast Guard units. If non-federal employees will be present during Coast Guard conducted events, food and/or refreshments **shall not be procured**. However, the use of the Coast Guard Trust, Extraordinary Expense Fund (XXF fund) may be authorized **if** the purpose of the event is determined to be representational in nature. (Comp. Gen. B-247966 6/16/1993).

Training: Training, for the purpose of this section, is defined as an instruction given for the purpose of enhancing employee proficiency or qualifying employees for other duties. Training sessions are primarily given to materially enhance the student's ability, existing skill, or modify the student's professional qualifications so as to enable the student to assume different or enhanced duties.

Chapter 11: Funding in Selected Procurements

Food – Refreshments (continued)

Meals may be provided during training sessions for attendees who are authorized per diem, if the following provisions are followed. However, meals provided to an attendee within the attendee's PDS must be paid by the attendee.

The procurement of meals to be served during a Coast Guard training session is authorized only under very limited circumstances. In order for the purchase of meals to be authorized, documentation must exist (Comp. Gen. B-24473 1/13/92 - note: updated reference: Joint Travel Regulations C4552.H and Joint Federal Travel Regulations U4215.D) to show that:

1. The meal is incidental to the training meeting; that is, the meeting is not completely conducted at the meal table, **and**
2. The provision of food must be necessary to obtain the full benefit of the training, **and**
3. The employees are not free to take meals elsewhere without missing vital information relative to the training.
4. The amount to be contracted for the meal **shall not** exceed the applicable proportional per diem rate, **and**
5. The event must be a training event, dealing with contingency operations and not day-to-day operations of the service.

Refreshments: Coast Guard policy is that refreshments **will not** be provided for during training sessions organized by the Coast Guard.

Cultural Awareness program: Appropriated funds may be used to purchase "samples" of ethnic food, not readily available in the community, to be served to government employees for the purpose of promoting cultural awareness.

The term **sample** is defined to mean of minimal portions and be separate from any meal. The intent of providing the samples is to provide attendees at such observances with an awareness of the culture or ethnic history being celebrated, and is limited to circumstances in which the serving of food samples advances the

Chapter 11: Funding in Selected Procurements

Food – Refreshments (continued)

agency's equal employment opportunity (EEO) objectives. The term “readily available in the community” is defined to mean items that are not **mass-produced and mass consumed in urban areas**. In other words, if a unit were celebrating Italian heritage month, ordering pizza would not be appropriate. If a unit were celebrating Hispanic heritage month, ordering fast food tacos or burritos would not be appropriate. The EEO council should request items that will promote the program and provide workers with a broader understanding of the group it's promoting (Comp. Gen. B-199387 dated 3/23/82),

Emergencies: Expenditures for food are authorized when the purchase of food is incidental to an extreme emergency requiring the protection of government property or the protection of human life. Law enforcement officials and their immediate family members may be quartered in temporary quarters and fed when their lives are threatened. (53 Comp. Gen. 71; 5 U.S.C. §5706a). This authority may not be used to stockpile emergency rations at units that are not authorized such stock.

Uncompensated Volunteer: Meals may be furnished to uncompensated volunteer workers when their scheduled assignment extends over a meal period.

Vessel Availability: Appropriated funds may be used to procure meals during emergency yard periods when the ship's mess is temporarily unusable or unavailable as a result of the yard period. The general principles contained in the Federal Acquisition Regulation (FAR) concerning reasonableness of price and full and open competition would provide the appropriate limitations on issuing contracts for meals.

Federal Executive Board

Public Law 107-67 authorizes federal agencies to use federally appropriated funds to support Federal Executive Board's (FEB). This support is accomplished by participating in the various programs provided by the local boards such as recognition and training programs. This authority does not allow the Coast Guard to make grants or donations to a local FEB without receiving some tangible benefit or service in return.

Chapter 11: Funding in Selected Procurements

Gifts

In general, insufficient justification exists to use appropriated funds to purchase gifts ([FRMM 5.K.13](#)). This prohibition results from the application of the necessary expense rule. The use of appropriated funds for the purchase of gifts to foster goodwill is not authorized unless expressly authorized by Congress (see FRMM 5.K.1.d External Recognition) (B-260260 12/28/95).

Information Technology (IT)

Formerly known as FIP (Federal Information Processing) and ADP. IT includes any equipment or interconnected system(s) or subsystem(s) of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission or reception of data or information. This includes all hardware, software and services. Refer to Planning Approval for Automated Information Systems (AIS), [COMDTINST 5231.2](#) and Acquiring Microcomputer Resources, [COMDTINST 5230.55](#), for procedures and specifics.

Smartbuy: is a program developed by OMB to obtain best prices and cost savings for commercial software packages across federal agencies by entering into governmentwide agreements with vendors for commonly used software licenses. Until further notice, all enterprise-wide software licenses to be procured by Coast Guard should have advance written approval by the CG CIO (CG-6). Any near-term procurements in your AOR for the following software products **MUST** be cleared through DHS CIO's office via CG-6: Adobe, Cognos, Entrust, ESRI, Mercury Interactive, Novell, SAS, Tivoli, Veritas.

NOTE: Purchase of workstations and portables less than \$100,000 are the responsibility of units. For further guidance, contact CG-63.

Insurance

The federal government is essentially a self-insurer. Therefore, in the absence of express statutory authority to the contrary, appropriated funds are not available for the purchase of insurance to cover loss or damage to government property. The following exceptions to this policy are allowed:

Rental Vehicle Insurance: Members and employees may be reimbursed for the cost of collision damage waiver insurance if it is determined that purchase of such insurance is required by law or procedure in certain foreign countries. [The Joint Federal Travel Regulations](#) (JFTR) and the Civilian Travel Manual (DOT 1500.6A) are the principal directives in this area and must be consulted.

Chapter 11: Funding in Selected Procurements

Insurance (continued)

Contractor Required Insurance: The Federal Acquisition Regulation (FAR) and Coast Guard Acquisition Procedures (CGAP) require contractors to carry minimum amounts of insurance under certain conditions against the loss of or damage to government property when in the possession of contractors.

Professional Liability Insurance: Coast Guard Professional Liability Insurance Reimbursement (PLIR) Policy, [COMDTINST 12800.1](#), (series) provides the policy concerning reimbursement of liability insurance for certain government employees.

Liability Insurance for CDC Operation: Appropriated funds may be used to obtain liability insurance to protect its non-appropriated fund assets in the event that an adverse judgment or settlement is to be paid from non-appropriated funds.

Luggage

In **very limited and highly unusual instances**, the Coast Guard may use appropriated funds to pay for luggage to be used by its members and employees in the performance of their official duties.

The luggage in question must remain the property of the Coast Guard and must be assigned to the user and returned when not in use. The following circumstance must be present and documented prior to any purchase of this equipment (Comp.General. B-200154 2/12/81).

- a. The luggage must be needed for the individual or unit to perform their mission.
- b. The individual or unit must travel extensively in the performance of their duties in order to carry out its mission expeditiously and satisfactorily.
- c. Individuals or team members cannot travel without luggage.

Chapter 11: Funding in Selected Procurements

Luggage (continued)

For the purpose of this section, the term “travel extensively” is defined by the number of travel days, **and** the reoccurrence of travel trips. These two together must be considered prior to authorizing a purchase for luggage. At a minimum, the member must travel:

1. A minimum of 20 trips per year, **and**
2. In excess of 140 days per year

Some examples of units that **may** be authorized under this provision would be:

1. Training Teams
2. Substance Advisory Team (SAT) Teams
3. STAN Teams (Standardization Teams, Aviation, Search & Rescue Teams)

The use of this authority shall be certified by a member of the senior command staff and incorporated into the procurement file

Mascots

While station and unit mascots are a great tradition within the Coast Guard, providing support for these animals does not qualify as a necessary expense that may be charged to OE funds. All support costs (food, veterinary, etc.) for unit mascots must be borne by individual members of the unit on a voluntary basis, and must not be borne by appropriated funds.

Membership Fees

Memberships may be purchased in the Coast Guard's name in private and professional organizations if:

- a. The membership primarily benefits the Coast Guard **and**
- b. Is necessary to carry out an authorized function.

Generally, this benefit can result by permitting access to publications or information, as in the case of professional or civic organizations (B-221569 6/2/1986, B-240371 1/18/91).

All memberships are subject to the review and approval of Headquarters Office Chiefs, District Chiefs of Staff, Deputy Commander, Maintenance and Logistics Command, or Commanding Officers of Headquarters units, as applicable. All membership requests **shall** be routed through the Chief of Contracting Office (COCO) that provides contracting support for the unit. The COCO shall determine whether the membership is proper. The final approving authority shall determine if the membership is necessary in support of the Coast Guard mission (**See also Recreational Memberships in this chapter**).

Chapter 11: Funding in Selected Procurements

Military Exchange Facilities as Sources of Supply

CG units are authorized to consider DOD & CG exchanges as a possible source of supply for micro-purchases. The requirements regarding mandatory sources of supply and distribution of micro-purchases as outlined in [FAR 13.202](#) must still be followed.

Morale, Welfare, and Recreation

The Coast Guard has statutory authority to make expenditures from OE for the morale and recreation of military members. Funds for the acquisition, construction, and improvement of Coast Guard Morale, Welfare, and Recreation (MWR) facilities must be specifically obtained. Expenditures for morale are controlled by established directives. [Consult the Coast Guard Morale, Welfare, and Recreation Manual, COMDTINST 1710.13](#) (series) for additional guidance.

Organizational Clothing

14 USC § 447 and 5 USC § 7903 authorize the use of appropriated funds to purchase special clothing equipment for the promotion and maintenance of safety and occupation health. These statutes, along with prior GAO decisions form the basis for Coast Guard policy on organizational clothing. (NOTE: [Uniform Regulations, COMDTINST M1020.6](#) (series) will be updated to reflect this new policy).

Organizational clothing is Coast Guard owned clothing that is issued to Coast Guard members to perform their duties. Organizational clothing is only authorized to mitigate unusual situations or to alleviate a health and safety concern. Organizational clothing is not authorized to promote the appearance of the Coast Guard or Coast Guard programs without prior approval of G-WPM and CG-843.

Uniform Regulations, COMDTINST M1020.6 (series) paragraphs 4.D.1 through 4.D.10 provide authorization for specific pre-approved organizational clothing. In situations that require organizational clothing other than those listed, the unit must request authorization from headquarters, prior to purchasing any items

Requests for organizational clothing may be made in writing or electronically. Requests must be routed through the chain of command to G-WPM. G-WPM will provide a response to the unit in consultation with G-LGL and CG-843 when required.

Chapter 11: Funding in Selected Procurements

Organizational Clothing (continued)

In order for organizational clothing to be approved, three tests must be met:

1. The item must be “special” and not part of the ordinary and usual furnishings an employee may reasonably be expected to provide for themselves; **AND**
2. The item must be for the benefit of the government. That is, essential to the safe and successful accomplishment of the work, and not solely for the protection of the employee, **AND**
3. The employee must be engaged in hazardous duty

All requests for organizational clothing must provide information that addresses each of the above tests and any other relevant information that will assist G-WPM in making an informed decision that follows the above laws and will withstand the scrutiny of a GAO audit (see also PT on Page 25).

Paper

All Coast Guard activities shall, as a general rule, purchase and use only white recyclable paper for printing, copying, note pads, route slips and other related office supplies. Commands shall convert to white stock when purchasing printing services from local Government Printing Offices (GPO). Whenever possible, recycled white paper supplies shall be acquired.

Personal Expenses and Furnishing

Items that are personal expenses or personal furnishings (i.e., business cards (except for designated recruiters), non essential medical care, personal qualification expenses, and seasonal greeting cards, coffee cups (except for authorized CG Dining Facilities, etc.) may not be purchased with appropriated funds.

Personnel are encouraged to review 4.C.13 of the Principles of Federal Appropriations Law (Red Book) for additional guidance.

Printing and Related Services

All requests for printing and related services must be forwarded through a regional GPO. The term ‘printing’ includes and applies to the processes for composition, plate making, presswork, binding, and microfilm; the equipment used in such processes; and the items produced by such processes and equipment. Design concepts, layouts, and prototypes prepared up to the completion of a camera ready copy may continue to be procured directly. The printing process begins with the camera-ready copy being presented for plate-making or negative production. At that point, printing requests must be submitted to GPO. GPO may certify that small, emergency, non-repetitive printing of \$1000 or less can be obtained from other sources.

Chapter 11: Funding in Selected Procurements

Printing and Related Services (continued)

Exceptions/Waivers may be granted if the Public Printer (GPO) certifies that GPO cannot provide the work more economically. See Policy and Procedures: Printing, Duplicating, Copying, COMDTINST M5600.6 (series) and Printed Matter For Official Ceremonies, COMDTINST 5603.1 (series). Printing policy for the Coast Guard HQ is issued by G-SII. Alternatively, you may utilize the Simplified Purchasing Agreement (SPA) between GPO and CG. The SPA allows P-card holders to issue purchase orders for specific types of printing **under** \$2,500.00. GPO provides a list of authorized vendors for CG to solicit, a description of the processing, an explanation of fees charged by GPO to the nominee's credit card, and training process. Refer to Chapter 2, Page 15 for detailed instructions to the SPA process.

Promotional Items

Promotional items are items that further the growth of a specific program or the Coast Guard service as a whole. In general, these items **may not** be purchased with appropriated funds without **specific** statutory authority.

Coast Guard Recruiting commands have limited authority to procure promotional items that will be provided to the general public for recruiting purposes (14 USC § 468).

Another program that currently has specific, limited legislative authority is the Commercial Fishing Vessel Safety program.

Requisitioners are advised to obtain written authorization from program managers or CG-843 to ensure the items are legislatively authorized.

Recreational Memberships

The purchase of this type of membership is authorized to provide eligible MWR patrons, as defined in the [Coast Guard Morale, Well-Being, and Recreation Manual, COMDTINST 1710.13](#) (series), access to fitness center-type equipment when they are not reasonably available at the installation.

Golf memberships shall not be purchased with OE funds except as noted in Chapter 5 of the Coast Guard Morale, Well-Being, and Recreation Manual, [COMDTINST M1710.13](#) (series).

Memberships in the name of the command are authorized for use by eligible patrons of the MWR program, considering the prioritized eligible patron listing as contained in the Coast Guard Morale, Well Being, and Recreation Manual, [COMDTINST 1710.13](#) (series). Memberships shall be approved in the same

Chapter 11: Funding in Selected Procurements

Recreational Memberships (continued)

manner and using the same criteria as memberships to professional or civic organizations previously discussed in this chapter.

Retirement Issues

See [FRMM 5.K.27](#) Traditional Ceremonies and FRMM 5.K.1.b.1, Retirement Recognition for guidance on use of OE funds for this purpose.

The cost associated with retirement ceremonies are considered personal expenses and may not be charged to unit funds. Units may provide government facilities and equipment for retirement facilities if available without additional cost to the Government.

Savings Bonds

Appropriated funds may be used to purchase savings bonds for “Sailor of the Quarter” awards in a nominal amount. Nominal has been defined to mean not-to-exceed \$100. G-LGL has determined that this use falls within 14 U.S.C. 503.

Subscriptions

Statutory authority exists which allows FINCEN to make advance payments for subscriptions. You must include FAR clause 52.213-2, Invoices, in purchase orders that authorize advance payments for subscriptions.

You may also buy subscriptions for more than the current fiscal year, if known in advance that a continuing requirement exists and it is with current fiscal year funds. This is authorized when it is advantageous for the purpose of economy or otherwise (Ref: FPMR 101.25.108; 31 U.S.C. 530a).

Traditional Ceremonies

Non-personal expenses that are customarily incurred incident to traditional ceremonies are payable from appropriated funds. The appropriation account to be charged depends upon the essential nature of the ceremony. Hence, expenses incident to a unit change of command ceremony are chargeable to OE, while expenses incident to a groundbreaking or cornerstone ceremony are chargeable to the appropriation that funded the construction of the facility. The charges allowed for change of command ceremonies must be linked directly to the ceremony itself and not any reception that follows. **All expenses related to a reception are considered personal expenses and are not payable with appropriated funds.**

Chapter 11: Funding in Selected Procurements

Traditional Ceremonies (continued)

This includes (but is not limited to) facility and equipment rentals, food expenses, and travel expenses for personnel whose sole purpose is to coordinate or be involved in the reception, and return postage for RSVP cards/envelopes. The same prohibition generally applies to expenses related to retirement ceremonies and the receptions that follow.

Expenses related to retirement ceremonies and receptions are personal expenses and are not payable with appropriated funds. Limited exceptions to this prohibition do exist. These include items traditionally provided for (i.e., government facility or equipment usage that does not involve charges), items customarily presented to a member/employee upon retirement (i.e., Retirement certificate, Appreciation certificate for spouse, flag etc.) or a recognition item as previously mentioned in this part.

Traditional ceremonies are limited to:

1. Change of commands
2. Vessel christenings
3. Vessel decommissioning
4. Change of Watch ceremonies for the Vice Commandant of the Coast Guard and the Master Chief Petty Officer of the Coast Guard
5. Ceremonies recognizing the Coast Guard "Ancient Mariner" and the Coast Guard "Ancient Albatross"
6. Groundbreaking ceremonies
7. Dedication ceremonies for the laying of cornerstones in public buildings, and
8. Graduation ceremonies

Training

Refer to Chapter 10, Non-Routine Procurement Actions, Acquiring Training.

Warranties

Warranties may be authorized if the warranty is standard industry practice. In accordance with [HSAM Subchapter 3046.7](#), Contracting Officer (KO)s are authorized to approve the use of warranties. Warranties of data shall be used only after consultation with legal counsel.

Chapter 11: Funding in Selected Procurements

Leasing of Passenger Vehicles Information

TRANSPORTATION REQUIREMENT

LESS THAN 60 DAYS:

Passenger vehicle, as defined by legal, includes: sedans, mini-van, passenger van, buses, SUV's and ambulances. Rental vehicle authorized without HQ approval.

MORE THAN 60 DAYS:

Interagency Fleet Lease: An Interagency Fleet Lease is when another agency retains ownership of the vehicle while allowing the Coast Guard to use and manage the vehicle. Interagency Fleet Lease is the preferred acquisition method. The most common Interagency Fleet Lease is GSA Fleet Lease Program. Other government agencies (such as the Navy) can provide vehicles to the Coast Guard as an interagency fleet lease.

GSA Fleet Lease Program must purchase the vehicle prior to leasing to the CG. GSA plans their budget to replace approximately 20% of the existing fleet each year. CG must request additional vehicle and/or upgrades to vehicles scheduled for replacement prior to the beginning of the fiscal year to be considered in the GSA budget process. Normally, upgrades and additional vehicles are delivered in the third or fourth quarter of the fiscal year.

GSA Fleet Lease can offer some types of vehicles, via an MOU, as a pass through commercial lease. This is still considered an Interagency Fleet Lease. These vehicles can be delivered quicker, usually within 60 days. The vehicles will be offered at the market commercial lease cost (approximately double the cost of a normal GSA Fleet Lease). Besides cost, all other GSA Fleet Lease services, such as billing, fuel card GSA tags, etc., will be the same as a normal GSA Fleet Lease.

Purchase, Transfer and Commercial Lease: For vehicles, acquisition through transfer to CG (such as through DRMO, or any other non-CG source), purchase and commercial vehicle lease are all considered "purchases" by law.

Chapter 11: Funding in Selected Procurements

Leasing of Passenger Vehicles (continued)

GSA Automotive Division is a mandatory source of new vehicle purchases: GSA Automotive Division can issue waivers for agencies to do open market purchases if, for example, GSA cannot offer a vehicle that fits your requirement. Rentals for more than 59 days are considered commercial leases. A series of sequential “rentals” less than 59 days extending past the 60-day limit is also considered a commercial lease and should not be considered an alternative to a commercial lease. Any vehicles acquired through any of these methods must have prior approval from G-SLP.

Purchase, Transfer and Commercial Lease of Passenger Vehicles: The CG cannot acquire additional passenger vehicles through purchase, transfer or commercial lease. The term “passenger vehicle” includes sedans, station wagons, sport utility vehicles (SUVs), passenger vans and buses regardless of the use of the vehicle. CG can only acquire a limited number of passenger vehicles per year (25 in FY 2004) by these methods **for replacement only**. It is not authorized to replace an Interagency Fleet Lease Vehicles with a passenger vehicle using any of these acquisition methods.

Purchase, Transfer and Commercial Lease of Trucks: These types of acquisition should only be used if Interagency Fleet Leases are inappropriate for the mission such as for vehicles that are subject to long term overseas deployment in an area not serviced by interagency fleet lease programs. Purchase must be accomplished through GSA Automotive division. Trucks acquired through transfer must be the minimum body type and maximum fuel efficiency. For example, if your mission requires a compact pickup truck to accomplish the mission, the unit should not acquire a F550 stake bed because it is available from DRMO. Trucks may be leased commercially via the GSA Schedule 751 contract. The normal commercial lease is for one year with a-year options. If a truck lease is established to fill an immediate need, a GSA Fleet Lease vehicle should be requested at the same time as the commercial lease for a replacement vehicle at the end of the one year lease period.

Customers should be sending their requests to G-SLP via their cognizant Regional Motor Fleet Manager.

Area Commanders - to submit requests to Headquarters (G-SLP) requesting authorization in procuring passenger vehicles. Upon review, G-SLP approves or denies the requests. When deemed necessary, leasing of vehicles are authorized NTE 59 days.

Chapter 11: Funding in Selected Procurements

Leasing of Passenger Vehicles

(continued)

For specific instructions on when you are and are not eligible to lease a passenger vehicle, contact the CG Vehicle Manager in G-SLP.

Physical Training (PT) Clothing

Currently there are two programs within the CG that are authorized to purchase and issue PT clothing. Port Security Units and Aviation Survival Technicians have approved mandatory PT requirements that authorize these purchases. No other units or personnel are authorized to procure or issue these items, including LEDETs and MSSTs.

Clothing purchases that are discovered during audits performed by FINCEN that do not follow this policy, will be considered personal purchases and the purchaser will be required to reimburse the CG for the amount of the purchase.

For further information and guidance, refer to the Chief of the Contracting Office ([COCO](#)) [Alert 04-04](#).

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Chapter 12: Forms Preparation

Introduction

This section is designed as a guide to filling out common procurement related documents. Users are strongly encouraged to check any stated references for the most recent guidance and forms usage instruction. The instructions below only list items of special interest and not items that are self-explanatory.

Document Numbering

Procurement documents, which are issued using Uniform Procurement Instrument Identification Number (PIIN) system shall be numbered in accordance with Enclosure 28. Those documents, which are issued shall be numbered in accordance with the [FINCEN SOP](#).

Optional Form (OF) 347 Order for Supplies or Services

Refer to FINCEN SOP for special entries required when ordering items from Federal Prison Industries (UNICOR).

Special Items: May only be used for micro-purchases, non-commercial item purchases, and delivery orders against current government contracts. See Chapter 6, Commercial Item Acquisition, for definition of commercial items.

Must attach applicable clauses. **NOTE:** The KO is responsible for ensuring that all applicable clauses are included with the order. Instructions for completing individual blocks can be obtained from the corresponding information listed on the OF 347 form. Secondary pages shall be issued on the OF 348 form.

Standard Form (SF) 30 Amendment of Solicitation/Modification of Contract

Preparation: The [SF 30](#) is a self-explanatory form with each block labeled for the information that needs to be provided. Each block should be filled out as applicable to the type of change order/modification that you are issuing. When completing block 13, an authority must be listed that allows for the type of change/modification that you are issuing. For a SF30 electronic version see http://www.uscg.mil/ccs/cit/cim/forms1/form_sf.html.

Some examples of authority are:

1. [FAR clause 52.243-1](#) for change orders.
2. 10 USC 2304 (g) (1) for new procurements (adding new items to original order).
3. FAR clause 52.249-1 for termination or partial termination of fixed price contracts amount \$100,000 or less.
4. FAR clause 52.249-4 for termination or partial termination for service orders, regardless of contract value.
5. [FAR 43.101 or 103\(a\)](#) (supplemental agreement/mutual agreement of the parties).

Chapter 12: Forms Preparation

SF 30 Amendment of Solicitation/ Modification of Contract (continued)

6. Mutual agreement of the parties are used in most commercial contracts and are supplemental agreements for such things as price increases, quantity increases to meet unit pack requirements, cancellations or partial cancellations, etc. **ALWAYS USE MUTUAL AGREEMENT WHEN IN DOUBT.**

Use the following guidance when determining which block to use completing item 13 of the form:

13A. This block is used when issuing a “**Change Order**”. An example of a change order would be:

1. changing place of delivery
2. changing a specification

13B. Use this block when making an “**Administrative change**” to the order. An example of an administrative change would be:

1. changing vendor address
2. changing accounting data

13C. Use this block when issuing a “**supplemental agreement/mutual agreement**”.

13D. Use this block for all other changes, not included above. These changes are normally bilateral. Examples of other changes are:

1. termination or partial termination
2. cancellations
3. increases in quantity to conform to unit packs

Numbering Modifications: Each modification shall reference the applicable purchase order number as well as a modification number. Modifications shall be numbered sequentially with a six-position numbers and alpha numbers, as applicable (see Enclosure 28 and [CGAP SUBCHAPTER 3004.602-7103\(2\)\(a\)](#) for specific instructions).

These forms are included in the USCG forms application or obtained through the DOL at <http://www.wdol.gov>.

Chapter 12: Forms Preparation

SF-98 – e98 or SF98A – Notice of Intent to Make a Service Contract and Response to Notice and Attachment A

Materials needed:

1. Standard Form 98 and 98A are included in Adobe on SWIII.
2. Service Contract Act Directory of Occupations. may be ordered from the Superintendent of Documents, or accessed via the internet at URL: <http://www.wdol.gov>.

Instructions:

The electronic version is found under e98. Contracting Officer (KO)s may elect to use the e98 request form for any SCA-covered contract action. If a KO cannot obtain an appropriate SCA WD within the DOL database, the KO must request an official SCA WD by completing the e98 form at: <http://www.wdol.gov>.

SF-1449 Solicitation / Contract / Order for Commercial Items

Refer to Coast Guard Acquisition Procedures (CGAP), [COMDTINST M4200.19](#) (series) in Enclosure 3, for further block by block in filling out this form.

The solicitation: When completing this form for a solicitation, the order number (block 4) is not used. You should complete all applicable blocks for a solicitation, and forward the form to all perspective bidders. Check block 27a, and include the following clauses:

1. 52.212-1 Instructions to Offerors - Commercial Items as tailored (see Enclosure 6).
2. 52.212-2 Evaluation - Commercial Items. This clause must be included if the purchase is to be accomplished using best value practices. You must inform all prospective bidders of the factors used in evaluating their quotes.
3. 52-212-3 Offeror Representations and Certifications - Commercial Items. This clause must be included in full text*, with the appropriate clauses checked for inclusion. Enclosure 29 has been provided to assist you in determining which clauses should be included. All KOs should refer to the [FAR clause Matrix](#) and ensure that all applicable clauses are included for the procurement. ***An offeror shall complete only paragraph (j) of this provision if the offeror has completed the annual representations and certifications electronically at <http://orca.bpn.gov/>** The 1st page of the vendor's ORCA record will be kept in the contract file.

Chapter 12: Forms Preparation

SF-1449 Solicitation / Contract / Order for Commercial Items (continued)

When the form is returned from the vendor, blocks 12 and 30 should be completed. If these blocks are not completed, contact the bidder for the required information.

If oral solicitations are sought, the information in clauses 52.212-1 and 52.212-3 must be passed to the vendor, and the information in clause 52.212-2 must be gathered during the solicitation (an offeror shall complete only paragraph (j) of this provision if the offeror has completed the annual representations and certifications electronically at <http://orca.bpn.gov/>).

The Order: Upon receipt and evaluation of all quotes, the KO issues the SF 1449 to the vendor. When issuing the form as an order, you must ensure the following:

1. Page number - The correct number of pages must be stated in this block in order to be included in the order. If the order is types as “page 1 of 1” then the order legally is only 1 page. Orders for commercial items **will never** be one page.
2. Clauses - check block 27b, and include the clauses 52.212-1 (as amended in Enclosure 6) and 52.212-2 to the vendor, **even if you provided these in the RFQ package**. Remember, a quote is non-binding, therefore, you must include all clauses in the order for them to be in effect.
3. Block 10 – enter unrestricted (open to any vendor) or set-aside. If the order is between \$2,500 and \$100,000, then it is a small business set-aside. See [FAR 19](#) for more information on set-asides and NAIC codes.

An example [SF 1449 form](#) used for ordering is included in Enclosure 29.

Special Items:

Continuation pages may be typed on the reverse of the form, the Optional Form (OF) 348 form or a blank piece of paper.

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Chapter 13: Administration After Award

Introduction

Administration refers to actions that may occur after award of simplified acquisitions. It may include modifications, report preparation, disputes resolution, ratification of unauthorized commitments, payment and file closeout.

Documentation

Documentation is a vital element in a procurement file and its importance cannot be overstated. All procurement files should contain enough information so that the file can withstand any audit on its own. Documentation provides crucial information explaining facts and reasons for decisions made (the 1st page of the vendor's electronic record [ORCA](#) will be kept in the contract file).

You must maintain a file containing documentation of all actions taken for each individual purchase. Each procurement file shall include, as applicable, the following items:

1. A copy of the procurement request.
2. A copy of the small purchase summary form, showing price reasonableness determination, sources solicited, verbal quotes received, and other applicable information as needed.
3. Sole source justification from the requisitioner, if required.
4. A copy of all written quotes received.
5. A copy of the award document (OF-347, SF-1449, SF-44 etc.).
6. A copy of all change orders/modifications issued against the order.
7. A copy of SF-98 (e98) when a Service Contract Act (SCA) wage determination has been requested.
8. A copy of all SCA/Davis-Bacon wage determinations received and incorporated into the order.
9. Evidence of receipt.

End of Fiscal Year/Beginning of Fiscal Year Orders

What do you do when you HAVE to have an order in place for continuing services on 1 October? Usually, Congress has not yet appropriated the funds necessary to commit the government to the expenditure. The Anti-Deficiency Act prohibits a Contracting Officer from obligating funds in advance of the appropriation. The Federal Acquisition Regulation (FAR) has included provisions that will enable you to issue your orders in advance of the appropriation (see [FAR 32.705](#) Contract Clauses).

The following conditions commonly apply:

Chapter 13: Administration After Award

End of Fiscal Year/Beginning of Fiscal Year Orders (continued)

The purchase/delivery order must contain the clause entitled “Availability of Funds” [FAR 52.232-18](#).

The purchase/delivery order must be for operation, maintenance and continuing services (e.g., rentals, utilities, and supply items not financed by stock funds) that are: necessary for normal operations and for which Congress has previously and consistently funded.

Once funds have been appropriated, a modification to the order must be issued, citing the authority of the “Availability of Funds” clause. The amount of funds made available should be indicated in the modification. For example, if a Continuing Resolution is in effect (funding for continued operations for a short period of time, e.g., one month), the modification should indicate that funds are available for that period of time only, such as “This modification is issued to provide funds for the period of October 1 through October 31, 200X in the amount of \$5,000.” This type of modification should be issued until the entire appropriation has been received. At that time, a modification to the order should be issued which provides funds for the remainder of the fiscal year. This enables a contractor to perform work, invoice and receive payment.

The government **shall not** accept supplies or services under a purchase order conditioned upon the availability of funds until the contracting officer has given the contractor notice. This notice must be confirmed in writing, by issuance of a modification, that funds are available.

File Close-Out and Retention

The purchasing office shall close out simplified acquisitions upon evidence of receipt, acceptance and final payment. Generally, files for simplified acquisitions must be retained for one year after final payment. However, P-Card statements must be retained for a period of three years. Construction actions in excess of \$2,000 must be retained for six years and three months. Contracts exceeding SAT, other than construction three years after final payment. Construction actions less than \$2,000 shall be retained three years following final payment. There are other specific retention periods for actions such as protests and claims. [Consult FAR 4.805](#).

Chapter 13: Administration After Award

Contracting Officer Review

Each Contracting Officer (KO) shall conduct annual reviews of all offices exercising procurement authority within their respective AOR. This review shall include all P-Card statement files, Standard Form (SF) 44 files, BPA files and purchase/delivery order files. BPA review procedures are outlined in Chapter 7, Processing Simplified Acquisitions. The review will be conducted to ensure compliance with all current applicable regulations and statutes. The review shall be documented and maintained by the KO.

Inspection and Acceptance Process

Each purchase/delivery order form (Optional Form (OF) 347 and SF 1449) has a space reserved for inspection and acceptance of the items/services order. This block is very important and the difference between inspection and acceptance needs to be understood by everyone involved in the procurement process.

There are two types of inspections:

1. **Destination:** In most instances, government inspections and acceptance are performed at the destination by the receiving activity because of the increased administrative costs associated with source inspection. However, if the inspection is performed at the source or site, a check is performed at destination for the following:
 - a. Proper type/kind
 - b. Correct quantity
 - c. Damage
 - d. Operability
 - e. Preservation
 - f. Packaging
 - g. Packing
 - h. Marking
2. **Source/site inspection:** Source/site inspection can be conducted when:
 - a. Performance elsewhere would destroy or disassemble product or destroy costly packaging.
 - b. Considerable loss would result from manufacture and shipment of unacceptable supplies.
 - c. Special testing facilities are only available at the source.
 - d. Supplies are for overseas shipment.
 - e. There are special contract specifications.
 - f. Any other reason of special government interest.

Chapter 13: Administration After Award

Inspection and Acceptance Process (continued)

NOTE: Inspection at the site is costly and should be used judiciously. If you are going to require a contractor to perform inspection, you must ensure compliance with [FAR Part 46](#).

Acceptance is acknowledgment that the deliverables conform to the terms of the purchase/delivery order.

Supplies normally are accepted at their destination point. Supplies inspected at points other than destination are again checked at the destination.

Acceptance constitutes acknowledgment that supplies or services conform to the applicable purchase/delivery order. This includes specifications, quality and quantity. If acceptance of the supplies/services occurs at a place other than place of inspection, check for:

1. correct quantity
2. damage in transit
3. possible substitution or fraud

Resolving the Non-Conformance Deliveries: If a supplier delivers supplies or performs services that are not in conformance with the purchase order, use the decision table below to determine the correct course of action.

if	then
The supplier will replace the items, which are defective, or re-perform the service as requested, within a reasonable period of time.	Reject the non-conforming supplies and let the supplier make changes at its expense.
You elect to accept non-conforming supplies or services.	If necessary, adjust the price prior to acceptance.
The supplier cannot correct or replace the supplies, or re-perform the service, within a reasonable period of time, and the item or service is readily available from another source.	Reject the defective supplies or services and adjust the price and quantities accordingly.

Chapter 13: Administration After Award

Transportation of Freight Guidance

[Transportation of Freight, COMDTINST M4610.5](#) (series) provides guidance for moving freight in the Coast Guard.

The Coast Guard (CG) has obtained authorization to use the Military Surface Deployment and Distribution Command's (SDDC) "Electronic Transportation Acquisition" (ETA) systems to electronically select transportation service providers, manifest shipping documents and issue bills of lading.

ETA allows Coast Guard shippers to create an electronic bill of lading to replace the GBL for CONUS freight shipments. The accountable GBL forms, SF 1102 and SF 1202, may still be used for OCONUS freight shipments as well as CBLs.

Small Packages – To ship small parcels use commercial small parcel carriers, such as UPS or Federal Express, which offer DOD-negotiated discount rates.

No government form is required to request and pay for the small parcel services, but must be billed by using an established carrier account and invoiced to the U.S. CG Finance Center on commercial forms or via electronic methods.

To satisfy government wide prepayment and post payment transportation of invoice audit requirements, freight and small parcel shipping services may not be obtained and paid for by use of purchase/credit cards unless authorized as an exception by the Unit's support command.

Exceptions are those instances (i.e., units operating in OCONUS deployment status and/or are located in remote geographical areas) in which the use of a purchase card is the only feasible option for obtaining and paying for satisfactory transportation services. As prescribed in this handbook, dollar amount limitations and processing requirements for use of the purchase card apply.

Contact the Transportation of Freight Program Manager for questions regarding policies related to shipping small parcels and freight, and identification of applicable freight bill of lading support centers at telephone number (202) 267-0640.

See also G-SLP website: <http://cgweb.comdt.uscg.mil/gsl/gsl.htm>

Chapter 13: Administration After Award

Transportation of Freight (continued)

All Power Track transactions for freight shipment will be received and processed at FINCEN. These transactions include those generated at the two ICPs (AR&SC and ELC). A business plan has been developed for monthly billing certification and PES report reconciliation requirements.

ETA users obtain maximum system proficiency when required to frequently process various kinds of freight shipments each business day.

Therefore, as a policy, the Coast Guard intends to use the "hub" or "Center of Excellence" concept to support freight shipping requirements. Infrequent freight shippers (i.e., non-ETA sites) will be advised to request transportation services (via e-mail, fax) using support commands or other area ETA sites.

Cancellation or Termination of Purchase/Delivery Orders

A purchase order can be canceled by one of three methods:

1. cancellation,
2. termination for default, or
3. termination for convenience of the government.

A purchase order may be canceled if acceptance has not yet occurred, or by mutual agreement between you and the supplier.

A cancellation also occurs if, after placing an order, you decide that you should delete some of the items from that order. This is a partial cancellation.

Only a contracting officer can cancel a purchase order.

Cancellations are generally issued on a SF 30. Examples of a partial and complete cancellation are provided in Enclosure 34 and Enclosure 35.

Termination: [CGAP Part 3049](#) states you cannot terminate an order for default unless you have included the appropriate Default clause in the order. If default is appropriate, contact your servicing legal counsel for advice. Copies of default notices must be approved by Commandant (G-LPL) prior to issuance. You should also contact our servicing legal counsel for terminations for convenience since the government may have to pay for claims resulting from such terminations.

Chapter 13: Administration After Award

Cancellation or Termination of Purchase/Delivery Orders (continued)

All cancellations and terminations shall be issued in accordance with [FAR part 49](#) and CGAP part 3049.

Federal Procurement Data System (FPDS): The information is utilized by Departmental officials as well as members of Congress. Reporting actions into FPDS is required by statute.

Reporting Contract Actions

Procurement actions must be reported including orders placed against GSA or other federal agency schedules and contracts. In addition, any modifications or cancellations of these orders must also be reported. Refer to Chapter 8, Reporting and Publicizing Actions.

Resource Conservation & Recovery Act (RCRA) Reporting

Your office must report all purchases of EPA designated items (see Chapter 10, Non-Routine Procurement Items) regardless of dollar value, to the Chief of the Contracting Office (COCO) via the RCRA reporting format provided in Enclosure 36. Each COCO will consolidate the responses in the same format and forward to the Commandant (CG-851) by 15 November each year.

CG-851 will consolidate the responses and provide the information to DHS.

Ratification of Unauthorized Commitments

It is illegal for anyone other than a properly appointed contracting officer, ordering officer or cardholder to make a purchase for the government (see also [Federal Acquisition Regulations FAR 1.602-3](#)).

Personnel without procurement authority who order supplies or services, who attempt to change the terms of an existing purchase, or who commit the government to pay a vendor for anything received, may be held to disciplinary action and may be responsible for payment.

Such actions are called unauthorized commitments. This also applies to Contracting Officers (KO)s who exceed the limitations stated on their warrant.

The Head of the Contracting Activity (HCA) has delegated the authority to approve or disapprove ratifications of unauthorized commitments to the COCO as follows:

Chapter 13: Administration After Award

Ratification of Unauthorized Commitments

1. All COCOs are authorized to approve/disapprove ratifications up to their contracting warrant limits.
2. All ratifications of **\$10,000 or more** must be reviewed by local legal counsel for legal sufficiency prior to COCO review and approval/disapproval.
3. All ratifications reporting must be provided to the HCA.

Process: The steps in the ratification process are listed beginning on Page 13-9. Additionally, an example of the ratification statement is provided in Enclosure 37. Each ratification request shall be prepared and processed on its own merits.

Chapter 13: Administration After Award

Ratification of Unauthorized Commitments (continued)

Step 1: The individual who made the unauthorized commitment must state the facts that precipitated the action. If the person who made the unauthorized commitment is no longer available, the immediate supervisor must provide the information. The explanation **must** clearly include the following items:

1. A statement describing the circumstances of the action including a description of items, service or construction work.
2. Government benefit received from the action.
3. Reasons why normal acquisition procedures were not followed.
4. Describe bona fide government requirement necessitating the commitment.
5. Provide the dollar value of the unauthorized commitment explaining procedure(s) used to determine price was fair and reasonable.
6. Provide the status of performance with dates of delivery or competition.
7. Provide rationale for the contractor selected and identify other sources considered.
8. Provide a completed purchase request, including a certification that the funds included in the purchase request were available at the time the unauthorized commitment occurred.
9. List and attach all relevant documents, including orders, invoices, receipts and other evidence of the transaction. If an invoice is not available, the request must include some form of request for payment from the vendor.
10. Provide signature certifying to the accuracy of the information provided.
11. Forward all documents to their immediate supervisor.

Step 2: The immediate supervisor shall certify to the accuracy of the information provided. In addition, the immediate supervisor shall provide the following information:

1. Recommendations for corrective action to preclude the situation from recurring.
2. Description of any disciplinary action taken or an explanation as to why none was considered.
3. Forward the request to the appropriate contracting officer who would have entered into the commitment.

Chapter 13: Administration After Award

Ratification of Unauthorized Commitments (continued)

Step 3: The **contracting officer** shall return incomplete or incorrect data to the originator for corrective action.

Within seven working days of receipt of all required information, the contracting officer will provide the following to the ratifying authority responsible for approving or disapproving the unauthorized commitment:

1. A written document clearly addressing the limitations in [FAR 1.602-3](#).
2. Recommendation(s) for approving or disapproving the ratification.
3. If the amount of the action exceeds 10% of the simplified acquisition threshold, the package must be reviewed by local legal counsel or MLC legal, as applicable, before being sent to the HCA via the COCO.

Step 4: The COCO or the HCA shall render a final decision within 30 calendar days of receipt of the ratification request.

if	Then
An unauthorized commitment is approved for ratification.	The contracting officer shall process a purchase order or other procurement document for payment purposes.
An unauthorized commitment is disapproved for ratification.	The contracting officer shall promptly notify the individual who made the unauthorized commitment, in writing, stating: <ol style="list-style-type: none"> 1. the reasons for disapproval 2. recommendation that the individual obtain legal advice 3. that the non-ratifiable commitment will not be paid IAW prescribed procurement procedures

Chapter 13: Administration After Award

Ratification of Unauthorized Commitments (continued)

The contracting officer shall maintain a separate file, for audit purposes, containing the following information:

1. A copy of each request for ratification and a record of the decision.
2. A copy of the purchase order if the request for ratification was approved.
3. A copy of the forwarding letter advising he/she of a disapproval of the ratification request if applicable.

Streamlined Acquisition Authority

HSAR Subpart 3013.70 provides the following guidance concerning Special Streamlined Acquisition Authority (also see [HSAM Subchapter 3013.7001](#)).

(a) The Secretary may use special streamlined acquisition authority set forth in [Public Law 107-296](#), Sec. 833, with respect to any procurement made during the period beginning on November 25, 2002 and ending September 30, 2007 where if the Secretary determines in writing the mission of the Department (described in [Public Law 107-296, Sec 101](#)) would be seriously impaired without the use of such authorities.

(b) The Secretary may deem any item or service to be a commercial item for the purpose of federal procurement laws for procurements described in (HSAR) 48 CFR 3013.7005.

Contingency Operations

HSAR 3013.7001 Delegations: The Secretary may delegate this authority to an officer of the Department who is appointed by the President with the advice and consent of the Senate. Delegations of this authority are discussed in HSAM 3013. For more additional information, see Public Law 107-296 at the electronic website: http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107_cong_public_laws&docid=f:pub1296.107.pdf.

HSAR 3013.7002 Reporting requirements: (a) The Secretary shall submit to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate- (1) notification of such determination; and (2) the justification for such determination.

(b) This report shall be submitted no later than seven days after the date of any determination. Reporting requirements and procedures are discussed in [HSAM 3013](#). For more additional information see DHS electronic version website at: http://www.dhs.gov/interweb/assetlibrary/DHS-HSAM-Notice_thru_05-02.pdf

Chapter 13: Administration After Award

Contingency Operations (continued)

HSAR 3013.7003 Micro-purchase authority: (a) When the streamlined acquisition authority is exercised, the micro-purchase threshold is raised to \$7,500.

(b) The authority in this section may be exercised only by individuals designated by the Secretary. The number of employees shall be:

- 1). Fewer than the number of employees of the Department that are authorized to make purchases without obtaining competitive quotations.
- 2). Sufficient to ensure the geographic dispersal of the availability of the use of the procurement authority under such paragraph at locations reasonably considered to be potential terrorist targets; and
- 3). Sufficiently limited to allow for careful monitoring of employees designated under each paragraph.

(c) Procurements made under this authority shall be subject to review by a designated supervisor on not less than a monthly basis. The supervisor responsible for the review shall be responsible for no more than seven employees making procurements under this authority.

HSAR 3013.7004 Simplified acquisition authority: When the streamlined acquisition authority is exercised, the simplified acquisition threshold shall be:

- (a) \$200,000 in the case of a contract to be awarded and performed, or purchase to be made, within the United States; and
(b) \$300,000 in the case of a contract to be awarded and performed, or purchase to be made, outside of the United States.

HSAR 3013.7005 Test program for certain commercial items: When the streamlined authority is exercised, the \$5,000,000 limitation provided in (FAR).

Chapter 13: Administration After Award

Contingency Operations (continued)

Contingency –

48 CFR Subpart 13.5 is increased to \$7,500,000.

Micro-Purchase: For acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack, the micro-purchase threshold is \$15,000. (Purchases using this authority must have a clear and direct relationship to the support of a contingency operation or the defense against or recovery from nuclear, biological, chemical or radiological attack.

The definition in [Federal Acquisition Regulations \(FAR\) 2.101](#) reads as follows,

“Simplified acquisition threshold” means \$100,000, except for acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack (Public Law 108-136, Title XIV, Sec. 1443), the term means- (1) \$250,000 for any contract to be awarded and performed, or purchase to be made, inside the United States; and (2) \$500,000 for any contract to be awarded and performed, or purchase to be made, outside the United States.

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Definitions

A-76	A study to determine whether or not commercial activities should be performed under contract with commercial sources or in-house using government facilities and personnel. Services, for example, may be contracted out to commercial companies (see OMB Circular A-76 for more information).
Acceptance	<p>When required by the contracting officer, acceptance of a purchase order, in writing, by a contractor. Acceptance can also be made by a contractor's performance (i.e. shipment/delivery, or initiating action to fulfill the government's requirement).</p> <p>An acknowledgement of delivery of the supplies or services as received or completed.</p>
Accounting Certification Officer (ACO)	The person listed on the procurement request that has the authority to approve and certify that funds for purchases are available. This ACO is not to be confused with authorized certifying officer and authorized certifying official.
Acquisition	The process of obtaining supplies or services either by open market or government instruments that is eligible for property, RCRA, HAZMAT, etc. reviews.
Affirmative Procurement for Recovered Materials	Program for ensuring procurement of recycled material – see FAR 23.405 .
Agency Program Coordinator (APC/OPC)	The person responsible for managing P-Card Program within a geographical area.
Amendment	A change to a solicitation (either a Request for Quotation or an Invitation for Bid) usually issued on a SF-30.
Approving Official	A person authorized to review and approve purchase card.
Basic Ordering Agreement	An agreement that is similar to a Blanket Purchase Agreement (BPA), issued by a KO with appropriate procurement authority. See FAR 16.703 (a)

Definitions

Best Value	The expected outcome of an acquisition that, in the government's estimation, provides the greatest overall benefit in response to the requirement considering both price and technical capability.
Bi-Lateral	A document signed by both the contracting officer and the contractor.
Blanket Purchase Agreement (BPA)	An agreement that allows authorized callers to purchase supplies/services by placing calls against the agreement.
Buy American Act	The Buy American Act requires that only domestic end products be acquired for public use (see exceptions FAR Subpart 25.1).
Cancellation	The act of withdrawing an offer on a purchase order prior to acceptance by the contractor.
Cardholder	The person whose name is embossed on a P-Card.
Central Contractor Registration (CCR)	CCR is a database established for all government agencies to access contractor information. FAR requires contractors to register in CCR prior to award of any contract, basic agreement, basic ordering agreement or blanket purchase agreement. Exceptions: Purchase Card (P-Card) transactions for purchase and payment, classified contracts, military or contingency operations, emergency response operations, urgent and compelling exceptions under FAR 6.302-2 , foreign vendors, and micro-purchases.
Change Order	A written order signed by the contracting officer, directing the contractor to make changes authorized by the Changes clause.
Chief of the Contracting Office (COCO)	The person designated by the Head of the Contracting Activity (HCA) who has the responsibility for oversight of all procurement actions within an assigned area of responsibility.
Clause	A term or condition to further define the legal requirements of a solicitation, purchase order, or contract.
Coast Guard Acquisition Procedures	Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19 (series). The Coast Guard supplement to the HSAR and HSAM.

Definitions

Commercial Item	An item or service generally available and purchased by the private sector.
Commitment of Funds	An administrative reservation of funds.
Competition in Contracting Act (CICA)	A public law enacted for the purpose of increasing the number of government procurements conducted under the principles of full and fair competition, as opposed to contracts issued under noncompetitive arrangements such as “sole source” or “set-aside” awards.
Confirmation Order	A written order validating a verbal order.
Construction Contract	A procurement for construction, alteration, or repair of real property.
Contract	A legally binding relationship obligating the seller to furnish the supplies/services and the buyer to pay for them.
Convenience Check	Checks issued by P-Card bank to CG cardholders for use as a procurement vehicle, also called C-Check.
COWP	Contracting Officers Warrant Program Coast Guard Acquisition Procedures CGAP) COMDTINST M4200.19 (series) – Enclosure 2).
Contracting Officer (KO)	An individual designated in writing by the HCA authorized to obligate the government to procure supplies or services; and oversees the activities of non-warranted cardholders, ordering officers and purchasing agents within a designated activity.
Contracting Officer’s Technical Representative (COTR/COR)	The person designated in writing by the KO to oversee the performance of a contract.
Customer Supply Center CSC	GSA express service center providing housekeeping and office supplies.

Definitions

D&F	Determination and Findings
Davis-Bacon Act	Legislation that requires laborers and mechanics on government construction contracts be paid wages and benefits as determined by the Department of Labor.
Delivery Order	An order of supplies placed against an established government contract.
DESC	Defense Energy Support Center, formerly Defense Fuel Supply Center (DFSC).
Discount	A price reduction offered by a vendor. Prompt Payment: A price reduction offered by a vendor for payment of supplies within a specified time.
DLA	Defense Logistics Agency
DOL	Department of Labor
DPSC	Defense Personnel Support Center
DRMO	Defense Reutilization and Marketing Office
Delegation of Procurement Authority (DPA)	The document that grants procurement authority to P-Card holders.
DHS/EMALL	DHS/EMALL mandatory office supply source ordering portal at website: http://www.emall.dla.mil/
e.g.	example given, or as in.
Excess Property	Property, which exceeds the quantity, required and is available for reutilization.
Federal Acquisition Regulation (FAR)	The procurement regulations utilized by the federal government.

Definitions

FedBizOpps (FBO)	FedBizOpps is the electronic GPE for government solicitations and contract awards of \$25,000 or more. See http://www.fedbizopps.gov website.
Federal Prison Industries (FPI)	See UNICOR.
Federal Technical Data Solution (FedTeDS)	Link to FBO for distribution of sensitive but unclassified acquisition-related information.
FOB	Free on board. The point at which transportation costs are levied and responsibility is transferred. Origin: Means that you pay the bill for freight Destination: Means shipping is included
FPD	The current electronic system to record obligations, prepare PRs and record/prepare SAP purchase documents
FSC	Federal Supply Classification Codes (FSC) –Four-numeric digits that are similar to SIC Codes used only to identify products. You may search for FSC Code – http://www.dlis.dla.mil/h2 or http://www.dlis.dla.mil/PDFs/h2.pdf either link available.
FSS	Federal Supply Schedule or Federal Supply System.
Funds Certification Official	See ACO.
General Services Administration (GSA)	A government agency that buys commonly used supplies and services for all government agencies. The GSA establishes FSS contracts for use by all government agencies.

Definitions

Government Point of Entry (GPE)	Is a single point where government business opportunities greater than \$25,000 (including synopses of proposed contract acquisitions, solicitations, and associate information) can be accessed electronically by the public. This GPE is located at http://www.fedibzopps.gov see also FedBizOpps.
Government-Wide Acquisition Contracts (GWAC)	GWACs are task order or delivery order contracts for IT established by one agency for government-wide use. Each GWAC is operated by an executive agency designated by the Office of Management and Budget (OMB) pursuant to section 5112(e) of the Clinger-Cohen Act. The Economy Act does not apply to orders under GWACs (See FAR 16.505 for details).
GS Smart Pay	The government-wide commercial purchase card.
HSCIS	Homeland Security Contract Information System
HAZMAT	Material that has been determined to be capable of posing an unreasonable risk to health, safety and property.
HCA	The HCA for the Coast Guard is the Deputy Assistant Commandant for Planning, Resources & Procurement, Chief Financial Officer/Chief Procurement Officer (CG-8d).
Homeland Security Acquisition	HSAM – The Homeland Security Acquisition Manual for DHS that establishes policies and procedures. HSAR - The Homeland Security Acquisition Regulation supplement to the Federal Acquisition Regulation.
HUBZone	A historically underutilized business zone that is an area located within one or more qualified census tracts, qualified non-metropolitan counties, or lands within the external boundaries of an Indian reservation.
Husbanding Agent Contracts	Contracts for standard port services and prices for military ships visiting various foreign port-o-calls.
Integrated Acquisition Environment (IAE)	IAE is one of 24 e-government initiatives such as deployment of single point entry for collection of statistical acquisitions - see The President's Management Agenda of FY2002 for complete list of the 24 initiatives.
Imprest Funds	Funds advanced by a disbursing officer to a duly authorized agent.

Definitions

Independent Government Estimate (IGE)

The requisitioner's calculation of the cost of the item to be procured based on market research or some other standard.

Industrial Products Center (IPC)

GSA express service center providing industrial supplies.

Information Technology (IT)

Formerly ADP, ADPE, and FIP. Equipment or interconnected system or subsystem of equipment, that is used in the automated acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the agency. The term information technology includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources.

Inter-agency Acquisition

An agreement to obtain or provide supplies or services between agencies (e.g., MIPR, ISSA).

International Federal Supply Schedule (IFSS)

A Federal Supply Schedule used by overseas units.

Intra-agency Acquisition

Same as Interagency Acquisition except the agencies are in the same department (e.g. Federal Emergency Management Agency (FEMA) providing services for CG).

Inspection

The act of ensuring that the supplies or services meet the specifications of the order.

JWOD

Javits-Wagner O'Day – the Act that created the commission for National Industries for the Blind (NIB) and National Industries for the severely handicapped (NISH).

MCC

Merchant Category Code

Military Inter - departmental Purchase Request (MIPR)

A financing document for interagency acquisitions, usually under authority of the Economy Act (FAR Subpart 17.5).

Definitions

Memorandum of Agreement (MOA/(MOU))	Programmatic agreements (i.e., MOA, MOU) between government entities, which may sometimes be established by MIPRs.
Micro-Purchase	The acquisition of supplies/services for \$2500 or less. For micro- purchase exceptions see FAR 2.101.
Modification	Any written change in the terms of a contract authorized by the contracting officer (SF30).
Multiple Award Schedule (MAS)	A Federal Supply Schedule awarded to more than one vendor.
North American Industry Classification System (NAICS)	NAICS has replaced the U.S. Standard Industrial Classification (SIC) system. NAICS was developed jointly by the U.S., Canada, and Mexico to provide new comparability in statistics about business activity across North America. The website for NAIC is: http://www.census.gov/ , under "Business," click on NAIC.
Non-warranted Cardholder	An individual who is designated in writing by a COCO who is authorized to purchase supplies or services using the government-wide commercial purchase card up to \$2,500.00.
Not to Exceed Order (NTE)	See Un-priced Purchase Order
New Item Introductory Schedule (NIIS)	See Federal Supply Schedule.
Obligation of Funds	Amount of order placed, contracts awarded and similar transactions that will require payment in the future
OPC	Organization Program Coordinator that has overall responsibility for administration of P-Card program at Coast Guard Headquarters.
Option	A unilateral right in a contract by which, for a specified time, the government may elect to purchase additional quantities of the supplies called for by the contract, or may elect to extend the period of performance of the contract.
Ombudsman Program	Solicitations exceeding \$100,000 require the Notice for Filing as a cover page (see Coast Guard Ombudsman Program for Agency Protests, COMDTINST 4200.14 (series)).

Definitions

Ordering Officer	An individual authorized to place orders.
P-Card Log	P-Card Log for documenting P-Card activities – see also CG Form 5623 in Jet form Filler.
Performance Based Contracts	A service contract (see also Service Contract Act) that describes requirements in terms of results rather than the methods of performance of the work (Far 37.6).
Personal Property	All tangible property including art work, models and artifacts, with the exception of real property and records of the federal government.
Pollution Prevention Coordinator (PPC)	An individual authorized to approve Statement of Essential Need (SEN) for hazardous material.
Price Reasonableness	The process of determining that the proposed price is fair and reasonable (e.g., price analysis).
Prime Vendor Contract	A contract for procurement of supplies within a designated geographic area (e.g. subsistence prime vendor, pharmacy/medical supply prime vendor).
Product Service Codes (PCS)	Four character, alphanumeric codes used to identify services. You may search for PSC Codes at http://www.scrantonrtg.com/secrc/fsc-codes/fsc.html
Purchase Card Statement (PCS)	P-Card Statement.
Purchase Limits	An amount established as a financial control for the single purchase limit, monthly purchase limit, and office purchase limit of the cardholder and approving official.
Purchase Order (PO)	An offer by the government to buy supplies or services, including Construction and research and development, upon specific terms and conditions, using simplified acquisition procedures.
Purchase Request	A form (DOT 4200.1.1 or DHS 700-20) used to request the purchase of supplies or services (see also FPD).

Definitions

Purchasing Agent	A person within a procurement office who may have warranted/non-warranted procurement authority and performs the administrative task of awarding and administering simplified acquisitions.
Quote	A price from a vendor in response to a request from a government representative.
Ratification	The act of approving an unauthorized commitment by an official who has the authority to do so (see FAR 1.602-3 and HSAM 3001.602-3).
Real Property	Land and rights in land, ground improvements, utility distribution systems, and buildings and other structures. The term does not include foundations and other work necessary for installing special tooling, special test equipment, or plant equipment.
Receiving Report	Written or electronic instrument indicating supplies/services have been received, inspected and accepted, and that payment is proper.
Red Book	A nickname for the General Accounting Office publication titled <u>Principles of Federal Appropriations Law</u> , which covers a myriad of topics including proper use of appropriated funds.
Requisitioner	One who requires something to be furnished and initiates the procurement request.
Restricted	Refers to restrictions on who can compete for government acquisitions. Generally, it refers to small business set-asides.
Resource Conservation and Recovery Act (RCRA)	The statutory basis for the recovered materials program. The statute requires agencies to ensure that they do not exclude the use of recovered materials and that they require, for Environmental Protection Agency (EPA) designated items, the use of recovered materials to the maximum extent practicable.
Reverse Auctioning	The automated process whereby vendors bid on-line for government requirements.
SAP	Simplified Acquisition Procedures.
SAT	Simplified Acquisition Threshold – means \$100,000 with exceptions – see FAR 2.101.
Scope of Work	A general description of the requirement.

Definitions

SEN	Statement of Essential Need.
Service Contract	A contract to perform an identifiable task rather than to furnish an end item of supply (e.g. engine repair, mess service, etc.).
Service Contract Act	Legislation that requires laborers and mechanics on government service contracts be paid wages and benefits as determined by the Department of Labor.
Service Maintenance Agreement (SMA)	A procurement for recurring services (i.e. copier maintenance, cellular phone, laundry service etc.).
Single Award Schedule (SAS)	A Federal Supply Schedule awarded to one vendor.
SIN	Numbers assigned to individual items listed on Multiple Award Schedules.
Small Business Specialist	Individuals appointed to facilitate agency efforts to improve opportunities for small business concerns to obtain a fair portion of government contracts.
Small Disadvantaged Business	A small business concern that is at least 51% unconditionally owned by one or more individuals who are both socially and economically disadvantaged individuals and has its management and daily business controlled by one or more such individuals.
Sole Source Justification	A brief written statement that adequately explains the lack of competition for a specific procurement. See also FAR 6.301-2 .
Solicitation Provision	A term or condition used only in solicitations and applying only before a contract is award.
Special Item Numbers (SIN)	Numbers assigned to individual items listed on Multiple Award Schedules.
Specification	Details what we want the contractor to do and how we want them to do it.
Statement of Work	SOW - details the requirement in a performance-based contract. (i.e., we tell the contractor what to do, not how to do it).
Supply Contract	The procurement of an identifiable end item.

Definitions

Taxpayer ID Number (TIN)	The number used to identify vendors with the Internal Revenue Service (IRS).
Unauthorized Commitment	An order placed by an individual without designated or adequate procurement authority.
UNICOR (FPI)	The trade name of Federal Prison Industries, Inc., which provides supplies and services from federal prison rehabilitation programs.
Unilateral	A document signed only by the contacting officer.
Un-priced Purchase Order (UPO)	Order for supplies or services, the price of which is not established at the time of issuance of the order. Also known as Not-to-Exceed purchase orders.
Unrestricted	An acquisition that is unrestricted is open for any eligible concern to submit a quote/bid on.
Wage Determination	A Department of Labor determination of wages to be paid on a specific service or construction contract.
Walsh-Healy Public Contracts Act	Legislation designed to protect workers in the manufacturing industry, for federal contracts over \$10,000.
Warranted Cardholder	An individual who holds a P-Card and a contracting warrant.
Wholesale Supply Sources	The wholesale sources of the federal government (e.g. GSA supply centers, DLA, etc.).
8(a)	A section of the Small Business Act (15 U.S.C. 637(a)) that gives preference to the use of Small and Disadvantaged Businesses that are certified by the Small Business Administration, through a special contracting program.

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TABLE 1 OF FEDERAL STANDARD 313C

Federal Supply Class	Title
6310	Chemicals
6820	Dyes
6830	Gases: Compressed and liquified
6840	Pest Control Agents and Disinfectants
6850	Miscellaneous Chemical Specialties
7930	Cleaning and Polishing Compounds and Preparations
8010	Paints, Dopes, Varnishes and Related Products
8030	Preservative and Sealing Compounds
8040	Adhesives
9110	Fuels, Solid
9130	Liquid Propellants and Fuels, Petroleum Base
9135	Liquid Propellant Fuels and Oxidizers, Chemical Base
9140	Fuel Oils
9150	Oils and Greases: Cutting, Lubricating, and Hydraulic
9160	Miscellaneous Waxes, Oils and Fats

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Enclosure (2) to COMDTINST M4200.13G
SAMPLE BLANKET PURCHASE AGREEMENT

AUTHORIZED FOR LOCAL REPRODUCTION

SEE REVERSE FOR OMB CONTROL

STANDARD FORM 1449 (4/2002)

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS <i>OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30</i>			1. REQUISITION NO. 2198G88PBDZZB	PAGE 1 OF 5	
2. CONTRACT NO.	3. AWARD/EFFECTIVE DATE	4. ORDER NO. HSCG8-98-A-PBDZZB	5. SOLICITATION NO.	6. SOLICITATION ISSUE DATE	
7. FOR SOLICITATION INFORMATION CALL			a. NAME	b. TELEPHONE NO. <i>(No collect calls)</i>	8. OFFER DUE DATE/LOCAL TIME
9. ISSUED BY Commandant (G-HSC) U.S. Coast Guard Maintenance and logistics Command Pacific 2100 Second Street, SW. Washington, DC 20593-0001 Coast Guard Island		CODE	10. THIS ACQUISITION IS <input type="checkbox"/> UNRESTRICTED <input checked="" type="checkbox"/> SET ASIDE: 100 % FOR <input checked="" type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> SMALL DISADV. BUSINESS <input type="checkbox"/> 8(A) SIC: 1442 SIZE STD: 500 Employees		11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE <input type="checkbox"/> 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) 13b. RATING 14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP
15. DELIVER TO Commander, USCG Station B Coast Guard Road Ocean City, MD 20001		CODE	16. ADMINISTERED BY Same as block 9		
17a. CONTRACTOR/OFFEROR Golden Hill Sand and Gravel 2301 Golden Hill Rd. Bethany, MD 20002 TELEPHONE NO.		CODE	FACILITY CODE	18a. PAYMENT WILL BE MADE BY Commercial Invoices P. O. Box 4115 Chesapeake, VA 23327-4115 (800) 564-5504 E-Mail Address: CSCall/Fincen@cgsmp.uscg.mil	
<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER			18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM		
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES		21. QUANTITY	22. UNIT	23. UNIT PRICE
0001 0002	DESCRIPTION OF AGREEMENT: This is a blanket purchase agreement (BPA) for sand and gravel for which the contractor may deliver to the Government if and when requested by the Contracting Officer or his authorized representative, for the period October 1, 1998 through September 30, 1999. Sand: Type A, Fine, Construction Quality Gravel, Grade C, Coarse <i>(Attach Additional Sheets as Necessary)</i>			TN TN	\$50.00 \$30.00
25. ACCOUNTING AND APPROPRIATION DATA				26. TOTAL AWARD AMOUNT <i>(For Govt. Use Only)</i>	
<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA <input type="checkbox"/> ARE <input checked="" type="checkbox"/> ARE NOT ATTACHED.					
<input checked="" type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.					
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN _____ COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN. <input type="checkbox"/>			29. AWARD OF CONTRACT: REFERENCE _____ OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS: <input type="checkbox"/>		
30a. SIGNATURE OF OFFEROR/CONTRACTOR			31a. UNITED STATES OF AMERICA <i>(SIGNATURE OF CONTRACTING OFFICER)</i>		
30b. NAME AND TITLE OF SIGNER <i>(TYPE OR PRINT)</i>		30c. DATE SIGNED	31b. NAME OF CONTRACTING OFFICER <i>(TYPE OR PRINT)</i> CWO 2 R. L. SWEENEY		31c. DATE SIGNED 10/1/98
32a. QUANTITY IN COLUMN 21 HAS BEEN <input type="checkbox"/> RECEIVED <input type="checkbox"/> INSPECTED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED			33. SHIP NUMBER <input type="checkbox"/> PARTIAL	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR
32b. SIGNATURE OF AUTHORIZED GOVT REPRESENTATIVE		32c. DATE	36. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/>		37. CHECK NUMBER
41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT			38. S/R ACCOUNT NO.	39. S/R VOUCHER NO.	40. PAID BY
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER		41c. DATE	42b. RECEIVED AT <i>(Location)</i>		
			42c. DATE REC'D <i>(YY/MM/DD)</i>	42d. TOTAL CONTAINERS	

**Enclosure (2) to COMDTINST M4200.13G
SAMPLE BLANKET PURCHASE AGREEMENT**

STANDARD FORM 1449 (4/2002) BACK

Order Number: HSCG8-98-A-PBDZZB

1. EXTENT OF OBLIGATION: The Government is obligated under this Blanket Purchase Agreement only to the extent of authorized calls actually placed against this agreement.
2. PURCHASE LIMITATION: No call placed under this agreement shall exceed the amount specified for each individual listed in paragraph 7.
3. ORDERING PROCEDURES AND LIMITATIONS: A. Call Orders. Calls placed under this BPA will generally be made by oral solicitation without a written confirmation by the Government. Each call will be assigned an identification (call) number. The last five positions of the number will identify the month the call is placed (OCT - 01; NOV - 02; DEC - 03, etc.) and a serial number of the action (call) within the month. The positions preceding the last five digits will designate a call code. For example:

<u>OFFICE CODE</u>	<u>MONTH</u>	<u>ACTION SERIAL NUMBER</u>
HTH010	03	040

- a. These instructions for the identification of calls against the BPA shall be used (along with the BPA number shown in Block 4 of the SF 1449) when calls are placed by the ordering activity and by the vendor in the preparation of delivery tickets and invoices.
 - b. Authority to Place Calls. A BPA Call Number, assigned by the Contracting Officer, must accompany all calls placed with the vendor under this BPA.
4. NOTICE OF INDIVIDUALS AUTHORIZED TO PURCHASE UNDER THIS BPA AND DOLLAR LIMITATIONS.

The following lists individuals authorized to place calls hereunder, their dollar limitations and call numbers.

<u>Name</u>	<u>Call Limit</u>	<u>Call Number</u>
SK1 P.J. Moore	\$25,000	HRF 020
Frances Smith	\$2,500	TSP 040
CWO R.L. Jones	\$25,000	LPT 050

5. DELIVERY TICKETS: All shipments under this agreement shall be accomplished with delivery tickets, or sales slips, which shall contain the following minimum information:

Order Number: HSCG8-98-A-PBDZZB

Enclosure (2) to COMDTINST M4200.13G
SAMPLE BLANKET PURCHASE AGREEMENT

- a. Name of supplier;
 - b. Blanket Purchase Agreement number;
 - c. Date of call;
 - d. Call number
 - e. Itemized list of supplies or services furnished;
 - f. Quantity, unit price and extension of each item less applicable discounts (unit prices and extension need not be shown when incompatible with the use of automated systems, provided that the invoice is itemized to show this information); and
 - g. Date of delivery or shipment
6. INVOICES. A summary invoice shall be submitted at least monthly for all deliveries made during a billing period, identifying the delivery tickets covered therein, stating their total dollar value and supported by receipted copies of the delivery tickets. Invoices shall be submitted to the U.S. Coast Guard Finance Center, at the address shown in block 18a. of the SF 1449.
7. FEDERAL SUPPLY SCHEDULE ORDERS. When appropriate and authorized by the Federal Supply Schedule, orders under the schedule may be placed under this Blanket Purchase Agreement. In the event of any inconsistency between provisions of the Federal Supply Schedule and this Blanket Purchase Agreement, the Federal Supply Schedule shall govern.
8. DELIVERY (TRANSPORTATION) TERMS. Delivery F.O.B. term shall be agreed upon by the authorized caller and contractor at the time each call is placed. Delivery term will normally be F.O.B. Destination, unless there are valid reasons to the contrary. If the delivery term agreed upon is F.O.B. Shipping Point, the following provision will apply:

“PREPAID SHIPMENT - REIMBURSABLE TRANSPORTATION”

The contractor subject to reimbursement by the Government shall prepay transportation charges. Material will be delivered F.O.B. supplier's plant, Bethany, MD, with shipment to be made to the destination(s) specified herein.

The transportation cost is to be shown on the same invoice as supplies are billed but as a separate item. The contractor agrees to retain related transportation billings paid separately for a period of three years and to furnish such bills to the Government when requested for audit purposes.

INCORPORATION OF CLAUSES

In addition to FAR 52.212-4, which is incorporated by reference (ref. Block 27b of SF 1449), the following clause is included and appears in full text.

FAR 52.212-5, Contract Terms and Conditions Required to Implement Statutes or Executive Orders - Commercial Items (Jun 2004)

**Enclosure (2) to COMDTINST M4200.13G
SAMPLE BLANKET PURCHASE AGREEMENT**

Order Number: HSCG8-98-A-PBDZZB

(a) The Contractor agrees to comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or executive orders applicable to acquisition of commercial items:

- (1) 52.222-3, Convict Labor, (E.O. 11755); and
- (2) 52.233-3, Protest after Award (31 U.S.C. 3553).

(b) The Contractor agrees to comply with the FAR clauses in this paragraph (b) which the contracting officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

- (1) 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C. 253g and 10 U.S.C. 2402).
- (2) 52.203-10, Price or Fee Adjustment for Illegal or Improper Activity (41 U.S.C. 423).
- (3) 52.219-8, Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (15 U.S.C. 637(d)(2) and (3)).
- (4) 52.219-9, Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (15 U.S.C. 637(d)(4)).
- (5) 52.219-14, Limitation on Subcontracting (15 U.S.C. 637(a)(14)).
- XX (6) 52.222.-26, Equal Opportunity (E.O. 11246)
- XX (7) 52.222-35, Affirmative Action for Special Disabled and Vietnam Era Veterans (38 U.S.C. 4212)
- XX (8) 52.222-36, Affirmative Action for Handicapped Workers (29 U.S.C. 793).
- XX (9) 52.222-37, Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212)
- XX (10) 52.225-3, Buy American Act - Supplies (41 U.S.C. 10).
- (11) 52.225-9, Buy American Act - Trade Agreements Act - Balance of Payments Program (41 U.S.C. 10, 19 U.S.C. 2501-2582).
- (12) Reserved
- (13) 52.225-18, European Union Sanction for End Products (E.O. 12849).
- (14) 52.225-19, European Union Sanction for Services (E.O. 12849).
- (15) 52.225-21, Buy American Act - North American Free Trade Agreement Implementation Act - Balance of Payments Program (41 U.S.C. 10, PL 103-187).
- (16) 52.239-1, Privacy or Security Safeguards (5 U.S.C. 552a).
- (17) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241).

(c) The Contractor agrees to comply with the FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated into this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

- (1) 52.222-42, Service Contract Act of 1965, As Amended (41 U.S.C. 351, et seq.)
- (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (29 U.S.C. 206 and 41 U.S.C. 351, et

Order Number: HSCGG8-98-A-PBDZZB

Enclosure (2) to COMDTINST M4200.13G
SAMPLE BLANKET PURCHASE AGREEMENT

- (1). seq.)52.222-43, Fair Labor Standards Act and Service Contract Act - Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.)
 - (2). 52.222-44, Fair Labor Standards Act and Service Contract Act - Price Adjustment (29 U.S.C. 206 and 41 U.S.C. 351, et seq.)
 - (3). 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (41 U.S.C. 351, et seq.)
- (d) Comptroller General Examination of Record. The Contractor agrees to comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records - Negotiation.
- (1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.
 - (2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.
 - (3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.
- (e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) or (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by an addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components –
- (1) 52.222-26, Equal Opportunity (E.O. 11246);
 - (2) 52.222-35, Affirmative Action for Special Disabled and Vietnam Era Veterans (38 U.S.C. 2012(a));
 - (3) 52.222-36, Affirmative Action for Handicapped Workers (29 U.S.C. 793); and
 - (4) 52.247-64, Preference for Privately-Owned U.S.-Flagged Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

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Enclosure (3) to COMDTINST M4200.13G
BPA INSTRUCTION LETTER FOR FOOD SERVICE SPECIALISTS

THIS INSTRUCTION LETTER IS TO BE USED IN ACCORDANCE WITH CGAP 3001.603-1 AND CHAPTER 7. OF THE SIMPLIFIED ACQUISITION PROCEDURES HANDBOOK, FOR FOOD SERVICE SPECIALISTS ON CUTTERS FOR SUBSISTENCE ITEMS ONLY.

You are designated as an authorized Blanket Purchase Agreement (BPA) caller under BPA number (s):

In exercising your authority as an authorized caller, the following procedures must be followed:

CALLS, \$2,500 OR LESS:

1. Review the purchase request (PR) for completeness (accounting data, required delivery date, approval signatures, etc.).
2. After determining that an open market purchase is appropriate, check the BPA logs to determine if a source with a BPA is available to supply the requested items.
3. Examine the BPA logs to decide which firm with a BPA has received the most recent BPA call and utilize the BPA supplier, which should receive the next call. Remember, calls under \$2,500 must be rotated among suppliers.
4. Call the vendor and request a quote on the items listed on the purchase request. If pricing is reasonable, supplier can meet required delivery date on the PR and total of the order is less than \$2,500, place the call. Document the call record sheet to include the information required on attached call record sheet, for example: your signature (as authorized caller), date of the call, call number, amount of call, etc.

CALLS OVER \$2,500.

1. When a purchase request is received / generated which is estimated to exceed \$2,500, but not in excess of \$25,000, you must obtain at least 3 competitive quotations. Sources may include companies, which have BPAs and other commercial sources.
2. Document the quotes received on an **abstract of quotes** or other acceptable form (i.e., procurement request).
3. If the lowest competitive quote is from a company that has a BPA, proceed as follows: include the documentation of competitive quotes in the call file. Documentation should indicate the firm offering the lowest total price.
4. Provide documentation to the contracting officer. The Contracting Officer shall indicate approval by signing in the "Signature of Caller:" block of the call record sheet. Place the BPA call (not in excess of \$25,000) with the vendor offering the lowest price. Fill in the remainder of the BPA call record sheet as described in number 4 above.

Enclosure (3) to COMDTINST M4200.13G
BPA INSTRUCTION LETTER FOR FOOD SERVICE SPECIALISTS

If the lowest competitive quote is from a source which does not have a BPA, the action should be awarded on a SF 1449, Solicitation/Contract/Order for Commercial Items, and signed by a warranted contracting officer.

THIS AUTHORITY IS FOR FOOD SERVICE SPECIALIST BUYING SUBSISTENCE ITEMS ONLY.

BY SIGNING BELOW, YOU AGREE TO THE CONDITIONS AND LIMITATIONS OF THIS AUTHORITY.

Food Service Specialist

Contracting Officer

THIS INSTRUCTION LETTER, WHEN SIGNED, SHALL BE PLACED IN THE APPLICABLE BPA FILE (S).

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SAMPLE BPA CALL RECORD SHEET

BPA PERIOD 10/01/98- 9/30/99

VENDOR NAME Golden Hill Sand and Gravel

DOCUMENT NUMBER: 38-98-G88PBDZZA

UNIT NAME USCG STATION B.OCEAN CITY, MD

MONTH January

Date or Call	Call No	Signature or Caller	Description	Vendor Ticket#	Amount of Call	Call Suffix
1/05	00010	SKI Moore	Sand for fe div.	1,25484	\$250.00	A04
1/09	00011	CWO Jones	Gravel for Road	1,25520	\$1500.00	A04
1/15	00012	Frances Smith	Sand for Box	1,24575	\$800.00	A04

ACCOUNTING DATA: 2/6//801/133/30/0/GP/12484/2625 SUFFIX A04 TOTAL \$2550.00

SUFFIX TOTAL _____

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Standard Form 1165
 7 GAO 5100
 1165-105

RECEIPT FOR CASH—SUBVOUCHER

Subvoucher No.

Date

(To be used when invoice is not available)

Received in cash from

and (\$.....) for the following:

QUANTITY	ARTICLES OR SERVICES	AMOUNT

Vendor

Address

By
 (Signature of Vendor/Agent)

Title

PURPOSE (Project, etc.)
 APPROPRIATION AND ACCOUNTING CLASSIFICATION

(DO NOT SIGN IN DUPLICATE)

INTERIM RECEIPT FOR CASH

DATE

Received of Imprest Fund Cashier
 \$..... for which I hold
 myself accountable to the United
 States.

.....
 (Signature)

NOTE TO SIGNER
 Be sure this receipt is marked "VOID"
 and returned to you when the transaction is
 completed or the funds returned to the Cashier.

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COMMERCIAL SIMPLIFIED ACQUISITION ORDER PROVISIONS AND CLAUSES

SOLICITATION PROVISIONS (Reference Block 27a. of the SF 1449). Include these provisions, as indicated below in simplified acquisition solicitations.

1. FAR 52.212-1, Instructions to Offerors - Commercial Items (Jan 2005)

As described in FAR 12.301(b)(1), this provision provides a single, streamlined set of instructions to be used when soliciting offers for commercial items and is incorporated in the solicitation by reference. The KO may tailor these instructions or provide additional instructions tailored to the specific acquisition in accordance with 12.302 (include by reference).

2. FAR 52.212-2, Evaluation - Commercial Items (Jan 1999)

Pursuant to FAR 12.301(c), include this provision in full text including evaluation factors, **if awarding a simplified acquisition using the “best value”** technique.

3. FAR 52.212.3, Offeror Representations and Certifications- Commercial Items (May 2005)

Pursuant to FAR 12.301(b)(2), include this provision in **full text** for all commercial simplified acquisitions. An offeror shall complete only paragraph (j) of this provision if the offeror has completed the annual representations and certifications electronically at <http://orca.bpn.gov/> **If an offeror has not completed the annual representations and certifications electronically at the ORCA website, the offeror shall complete only paragraphs (b) through (i) of this provision.**

. FAR 52.212.4, Contract Terms and Conditions –Commercial Items (Oct 2003)

Pursuant to FAR 12.301(b)(3), include the clause **by reference** in all commercial simplified acquisition solicitations and resulting purchase orders.

5. FAR 52.212.5, Contract Terms and Conditions –Commercial Items (Jan 2005)

Pursuant to FAR 12.301(b)(4), include this clause in **full text** in solicitations and resulting purchase orders for the acquisition of commercial items. The contracting officer must tailor this clause. This clause incorporates by reference only those clauses that are required to implement provisions of law or executive orders. The clauses listed below in bold face type are those that apply to simplified acquisition.

“(b) The Contractor agrees to comply with the following FAR clauses in this paragraph (b) which the contracting officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items:

COMMERCIAL SIMPLIFIED ACQUISITION ORDER PROVISIONS AND CLAUSES

NOTE – THE CLAUSES LISTED BELOW IN BOLD ARE NORMALLY REQUIRED AND THE REMAINING CLAUSES (NOT IN BOLD) COULD BE APPLICABLE – REFER TO COMMENTS MADE IN PARENTHESE, I.E., USE IN CONTRACTS IF OVER \$10,000, FOR EXAMPLE, OR CHECK THE FAR MATRIX.

1. 52.203-6, Restrictions on Subcontractor Sales to the Government (Jul 1995), with Alternate I (Oct 1995) (41 U.S.C. 253g and 10 U.S.C. 2402). (use in contracts that exceed \$100,000).
2. **52.219-1, Small Business Program Representations (Apr 2002)** (use in contracts that exceed \$2500 – fill in) **52.219-3, Notice of Total HUBZone Set-Aside (Jan 1999) (15 U.S.C. 657a)**. (use if set-aside).
3. 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a)(use in contracts that exceed \$100,000).
4. 52.219-5, Very Small Business Set-Aside (June 2003) (Pub. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994) (use when set-aside for very small business).
5. **52.219-6, Notice of Total Small Business Set-Aside (June 2003) (15 U.S.C. 644) (use when set-aside)**.
6. **52.219-7, Notice of Partial Small Business Set-Aside (June 2003) (15 U.S.C. 644) (use when a partial set-aside)**.
7. 52.219-8, Utilization of Small Business Concerns (May 2004) (15 U.S.C. 637(d)(2) and (3)). (used in contracts that exceed \$100,000 except when personal services contemplated).
8. 52.219-9, Small Business Subcontracting Plan (Jan 2002) (15 U.S.C. 637(d)(4) (use in contracts that exceed \$500,000).
9. 52.219-14, Limitations on Subcontracting (Dec 1996) (15 U.S.C. 637(a)(14) – (used in contracts that exceed \$100,000).
10. 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (June 2003) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (use when applicable).
11. 52.219-25, Small Disadvantaged Business Participation Program-Disadvantaged Status and Reporting (Oct 1999) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (use when applicable).
12. 52.219-26, Small Disadvantaged Business Participation Program-Incentive Subcontracting (Oct 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (use when applicable).
13. 52.219-27, Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside (May 2004) (use if set-aside).
14. **52.222-3, Convict Labor (June 2003) (E.O. 11755) (use when over \$2,500)**.
15. **52.222-19, Child Labor-Cooperation with Authorities and Remedies (June 2004) (E.O. 13126) (use when over \$2,500)**.
16. **52.222-21, Prohibition of Segregated Facilities (Feb 1999)(use if 52.222-26 is applicable)**.
17. 52.222-26, Equal Opportunity (Apr 2002) (E.O. 11246) (use if contract is over \$10,000).
18. 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212) (use if contract is over \$25,000)

COMMERCIAL SIMPLIFIED ACQUISITION ORDER PROVISIONS AND CLAUSES

1. 52.222-36, Affirmative Action for Workers with Disabilities (Jun 1998) (29 U.S.C. 793) (use if contract is over \$10,000).
2. 52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212) (use if 52.222-35 is in contract).
3. 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (Aug 2000) (42 U.S.C. 6962(c)(3)(A)(ii)) (use if contract is over \$100,000).
4. **52.225-1, Buy American Act-Supplies (June 2003) (41 U.S.C. 10a-10d)**(use if contract is over \$2,500).
5. **52.225-3, Buy American Act-Free Trade Agreements-Israeli Trade Act (Jan 2004) (41 U.S.C. 10a-10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, Pub. L. 108-77, 108-78)**(use if contract is over \$25,000).
6. 52.225-5, Trade Agreements (June 2004) (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note). (use if contract is over \$177,000).
7. 52.225-13, Restrictions on Certain Foreign Purchases (Dec 2003) (E.o.s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury) (use if contract is over \$2,500).
8. 52.225-15, Sanctioned European Union Country End Products (Feb 2000) (E.O. 12849). (use if contract is **less** than \$169,000).
9. 52.225-16, Sanctioned European Union Country Services (Feb 2000) (E.O. 12849). (use if contract is **less** than \$169,000).
10. 52.232-29, Terms for Financing of Purchases of Commercial Items (Feb 2002) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
11. 52.232-30, Installment Payments for Commercial Items (Oct 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
12. **52.232-33, Payment by Electronic Funds Transfer-Central Contractor Registration (Oct 2003) (31 U.S.C. 3332) (use for all).**
13. 52.232-34, Payment by Electronic Funds Transfer-Other than Central Contractor Registration (May 1999) (31 U.S.C. 3332).
14. 52.232-36, Payment by Third Party (May 1999) (31 U.S.C. 3332).
15. 52.239-1, Privacy or Security Safeguards (Aug 1996) (5 U.S.C. 552a) (on all IT contracts that require security).
16. 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr 2003) (46 U.S.C. Appx 1241 and 10 U.S.C. 2631)(as applicable).

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items.

52.222-41, Service Contract Act of 1965, as Amended (May 1989) (41 U.S.C. 351, *et seq.*) (use if service contract and over \$2,500).

Enclosure (6) to COMDTINST M4200.13G

COMMERCIAL SIMPLIFIED ACQUISITION ORDER PROVISIONS AND CLAUSES

52.222-42, Statement of Equivalent Rates for Federal Hires (May 1989) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*)(use if contracts over \$2,500 and applicable).

52.222-43, Fair Labor Standards Act and Service Contract Act-Price Adjustment (Multiple Year and Option Contracts) (May 1989) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*) (as applicable).

52.222-44, Fair Labor Standards Act and Service Contract Act-Price Adjustment (Feb 2002) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*)(as applicable).

52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreements (CBA) (May 1989) (41 U.S.C. 351, *et seq.*)(as applicable).

52.233-3 – Protest After Award (use if contracts exceed \$100,000).

52.244-6 Subcontracts for Commercial Items (as applicable).

The clauses and provisions listed below are required by DHS regulations, when applicable. Again read the notes to each provision/clause in determining whether or not to incorporate into your solicitation.

HSAR 3052.204-70 – Security Requirements for Unclassified Information Technology Resources (Dec 2003) – use when IT Security Plan Required

HSAR 3052.209-70 – Prohibition on Contracts with Corporate Expatriates (Dec 2003) – use when SAP is not used

HSAR 3052.237-71 – Information Technology Systems Access for Contractors (Dec 2003) – use when HSAR 3052.204-70 is applicable

HSAR 3052.211-90 – Bar Coding Requirement – use when SAP used and POs issued by the ICPs when bar coding of supplies is necessary

HSAR 3052.213-90 – Evaluation Factor for Coast Guard Performance of Bar Coding Requirement – use in RFQs when HSAR 3052.211-90 – Bar Coding Requirement used in SAP

HSAR 3052.242-72 – Contracting Officer's Technical Representative (Dec 2003) – use when COTR necessary and applicable.

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Enclosure (7) DHS FORM 700-16 to COMDTINST M4200.13G

DEPARTMENT OF HOMELAND SECURITY SIMPLIFIED ACQUISITION SUMMARY (see Continuation on Reverse)	Requisition No.				
Note: Enter an "X" in the box to the left of all applicable items	Purchase Order No.				
1. Sources Considered: <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; text-align: center; vertical-align: top;"> SUPPLIES </td> <td style="width: 33%; border-left: 1px solid black; text-align: center; vertical-align: top;"> SERVICES </td> </tr> <tr> <td style="border: none;"> 1. <input type="checkbox"/> DHS/CG Inventories 2. <input type="checkbox"/> Excess from other Agencies 3. <input type="checkbox"/> Federal Prison Industries 4. <input type="checkbox"/> Blind/Severely Handicapped </td> <td style="border-left: 1px solid black; border: none;"> 5. <input type="checkbox"/> Wholesale Supply Sources 6. <input type="checkbox"/> Mandatory Federal Supply Schedule 7. <input type="checkbox"/> Optional Use Federal Supply Schedule 8. <input type="checkbox"/> Commercial 1. <input type="checkbox"/> Blind/Severely Handicapped 2. <input type="checkbox"/> Mandatory FSS 3. <input type="checkbox"/> Optional Use FSS 4. <input type="checkbox"/> FPI or Commercial </td> </tr> </table>		SUPPLIES	SERVICES	1. <input type="checkbox"/> DHS/CG Inventories 2. <input type="checkbox"/> Excess from other Agencies 3. <input type="checkbox"/> Federal Prison Industries 4. <input type="checkbox"/> Blind/Severely Handicapped	5. <input type="checkbox"/> Wholesale Supply Sources 6. <input type="checkbox"/> Mandatory Federal Supply Schedule 7. <input type="checkbox"/> Optional Use Federal Supply Schedule 8. <input type="checkbox"/> Commercial 1. <input type="checkbox"/> Blind/Severely Handicapped 2. <input type="checkbox"/> Mandatory FSS 3. <input type="checkbox"/> Optional Use FSS 4. <input type="checkbox"/> FPI or Commercial
SUPPLIES	SERVICES				
1. <input type="checkbox"/> DHS/CG Inventories 2. <input type="checkbox"/> Excess from other Agencies 3. <input type="checkbox"/> Federal Prison Industries 4. <input type="checkbox"/> Blind/Severely Handicapped	5. <input type="checkbox"/> Wholesale Supply Sources 6. <input type="checkbox"/> Mandatory Federal Supply Schedule 7. <input type="checkbox"/> Optional Use Federal Supply Schedule 8. <input type="checkbox"/> Commercial 1. <input type="checkbox"/> Blind/Severely Handicapped 2. <input type="checkbox"/> Mandatory FSS 3. <input type="checkbox"/> Optional Use FSS 4. <input type="checkbox"/> FPI or Commercial				
2. Basis for Award: <input type="checkbox"/> Sole/proprietary source (Complete Blocks #3, #5, & #6 below) and reverse side & FAR 8.405-6 (FSS Schedules) <input type="checkbox"/> Over \$2,500 (Complete Blocks #3 and #6 below) <input type="checkbox"/> Low quote/offer/GSA, FSS price (Complete Blocks #4 and #6 below) <input type="checkbox"/> Mandatory GSA/FSS or other agency contract (Complete Block #3 & 7 below)					
3. Basis for Determining Price Reasonableness: <input type="checkbox"/> Comparison with published price lists, catalogs, or advertisements <input type="checkbox"/> Specify source(s): _____ <input type="checkbox"/> Comparison of quote(s) with prices paid previously for same or similar items <input type="checkbox"/> List previous purchase order number(s): _____ <input type="checkbox"/> Lowest of 3 or more oral or written quotes, including previous supplier, if practicable. (Complete Block #4 below) <input type="checkbox"/> Unpriced order; explain reason and specify monetary limit (FAR 13.502-2(b)); include clause FAR 52.213-3 with order. <input type="checkbox"/> Other (Specify): _____					
4. Competitive Procurement <input type="checkbox"/> (Complete reverse side of form for oral quotations. Optional use permitted for written quotations, if all required information is contained in the quotation.)					
5. Noncompetitive Procurement <input type="checkbox"/> Utility services available from only one source/educational services from nonprofit institution <input type="checkbox"/> Only known source of supply (Document in Block #7 below) <input type="checkbox"/> Other (If greater than \$2,500, state reasons for noncompetitive action in Block #7)					
6. Small Business <input type="checkbox"/> Provide rationale for awarding to other than a small business in Block #7 below (FAR 19.502-2).					
<input type="checkbox"/> 7 Remarks for Blocks No.					
PREPARED BY: (Prepared by Specialist/Buyer) (Signature)	DATE				
APPROVED BY: (CONTRACTING OFFICER): (Signature)	DATE				

Enclosure (7) FORM DHS 700-16 TO COMDTINST M4200.13G

SIMPLIFIED ACQUISITION SUMMARY (CONT'D)									
Firm's Name									
Address/Tel. No./Fax No.									
Person Contacted									
Delivery Time									
F.O.B. Point									
Payment Terms									
Type of Business: ED=Educational L=Large LS=Labor Surplus MB=Minority NP=Non-Profit S=Small WO=Women-Owned									
GSA Contract No.									
DOL Wage Determination No.									
ITEM	QTY	UNIT	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	EXTENSION
Proposed Price									
Discount (Trade or Quantity)									
Estimated Shipping Cost									
Total Price									
DUNS/TIN Number (provide to accounting office (FAR 4.6/FAR 4.9))									
<input type="checkbox"/> The firm or individual recommended for award does not appear on the debarred, ineligible, and/or suspended bidder's list.									

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J&A SAMPLE

**SIMPLIFIED ACQUISITION PROCEDURES (SAP)
JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION (J&A)**

SOLICITATIONS MAY BE LIMITED TO ONE SOURCE ONLY IF THE CONTRACTING OFFICER DETERMINES THAT ONLY ONE SOURCE IS REASONABLY AVAILABLE. THIS DETERMINATION MUST BE SUPPORTED WITH FULL JUSTIFICATION FOR SOLE SOURCE FROM THE CUSTOMER. WHEN THE CUSTOMER DESCRIBES AN ITEM WITH A PURCHASE DESCRIPTION WHICH LIMITS THE AVAILABILITY TO ONE SOURCE, THE JUSTIFICATION MUST EXPLAIN WHY THE ITEM IS THE ONLY ONE THAT WILL MEET THE GOVERNMENT'S REQUIREMENT. STATEMENTS SUCH AS "ONLY KNOWN SOURCE" OR "ONLY SOURCE WHICH CAN MEET THE REQUIRED DELIVERY DATE" ARE INADEQUATE TO SUPPORT A SOLE SOURCE PURCHASE. THE CUSTOMER SHALL PROVIDE THE FOLLOWING INFORMATION:

PURCHASE REQUEST OR REQUISITION NUMBER	PROJECT/TASK NUMBER	ESTIMATED AMOUNT (OVER \$2,500 BUT NOT EXCEEDING \$100,000)
--	---------------------	---

BRIEF DESCRIPTION OF SUPPLIES OR SERVICES REQUIRE, AND THE INTENDED USE

UNIQUE CHARACTERISTICS THAT LIMIT AVAILABILITY TO ONLY ONE SOURCE, WITH THE REASON NO OTHER SUPPLIES OR SERVICES CAN BE USED.

REASON THAT SUGGESTED SOURCE IS THE ONLY SOURCE WHICH CAN PROVIDE THE SUPPLIES OR SERVICES

EXPLAIN WHY AN ADEQUATE PURCHASE DESCRIPTION OR OTHER INFORMATION SUITABLE TO SOLICIT BY FULL AND OPEN COMPETITION HAS NOT BEEN DEVELOPED OR ARE NOT AVAILABLE.

PROVIDE A STATEMENT OF ACTIONS, IF ANY, THE GOVERNMENT MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS TO COMPETITION BEFORE FUTURE ACQUISITIONS ARE REQUIRED

SIGNATURE AND TITLE OF CUSTOMER	CODE	TELEPHONE NUMBER	DATE
SIGNATURE OF CONTRACTING OFFICER	CODE	TELEPHONE NUMBER	DATE

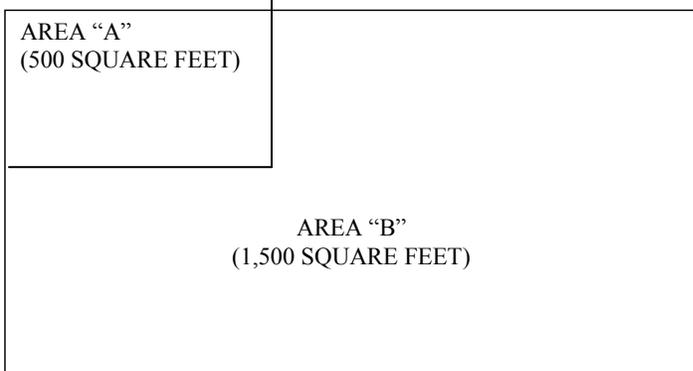
For orders placed under FSS – prepare sole source justifications using FAR Part 6.303-2 and cite the authority of Section 201 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 501).

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EXAMPLE OF DETERMINING PRICE REASONABLENESS BASED ON COMPETITION

Proper Pricing Example

A solicitation was issued for custodial services estimated to cost \$8,500. The area to be serviced is in two sections.



Quotations are allowed for areas A or B (split award), or both areas A&B (total award). An administrative cost of \$500 is included as an evaluation factor for split awards.

For responses were received:

Vendor	Area A	Area B
1	\$1,900	\$5,700
2	NO BID	NO BID
3	\$1,800	NO BID
4	\$2,000	\$5,400

Vendor 3 has the lowest price for Area A before evaluation, but after adding the \$500 evaluation factor for the administrative costs of a multiple award, it \$300 higher than Vendor 4 and \$400 higher than Vendor 1 (below).

Evaluation of Service Area A award to Vendor 3:

Area A	\$1,800
<u>Evaluation Factor</u>	<u>500</u>
Total Evaluation Price	\$2,300

Enclosure (9) to COMDTINST M4200.13G

**EXAMPLE OF DETERMINING PRICE REASONABLENESS BASED ON
COMPETITION CONTINUED**

Evaluation of Service Area B award to Vendor 4:

Area B	\$5,400
Evaluation Factor	500
Total Evaluation Price	\$5,900

Total evaluated price for both service areas on split awards is \$8,200. A total award to Vendor 4 results in lower overall cost to the government, as shown below.

Evaluation of **total award** to Vendor 1:

Area A	\$1,900
Area B	\$5,700
Evaluation Factor	0
Total Evaluation Price	\$7,600

Evaluation of **total award** to Vendor 4:

Area A	\$2,000
Area B	\$5,400
Evaluation Factor	0
Total Evaluation Price	\$7,400

EXAMPLE OF DETERMINING PRICE REASONABLENESS BASED ON COMPETITION

Improper Pricing Sample

A solicitation was issued for custodial services estimated to cost \$8,500. The area to be serviced is in two sections.

AREA "A" (500 SQUARE FEET)	AREA "B" (1,500 SQUARE FEET)

Quotations are allowed for areas A or B (split award), or both areas A&B (total award). An administrative cost of \$500 is included as an evaluation factor for split awards.

Four responses were received:

Vendor	Area A	Area B
1	NO BID	NO BID
2	NO BID	NO BID
3	NO BID	\$5,500
4	\$2,000	\$5,400

While the award in this example may go to Vendor 4, the price cannot be based on adequate price competition for Area A since Vendor 4's quotation is the only price received. Some other form of price analysis must be used.

If	Then
only one response is received <i>or</i> only one quote is solicited <i>or</i> the price variance between responses reflect a lack of adequate competition	the file must be documented showing the basis of the determination of a fair and reasonable price.

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**EXAMPLE OF DETERMINING PRICE REASONABLENESS
BASED ON CATALOG OR PRICE LIST**

When relying on published prices, there must be a high degree of confidence that the price list reflects prevailing competitive rates and that the suppliers' awareness of one another's prices was as effective as direct competition in establishing those prices.

Some manufacturers may use a series of catalogs with varying prices for different classes of customers, charging what they think the market will bear. Government buyers need to ask a lot of questions and document the answers.

Proper Pricing Sample

Solicitation issued for 2,000 widgets estimated to cost \$10 each.

Two responses are received, as follows:

Vendor	Bid
KEY CO. INC.	NO BID
ACME CO., INC.	\$9.75

Acme Co., Inc. states the price is published in the firm's current public sales catalog and attaches a copy of the page on which widgets appear at \$9.75 each.

Award is rightly made to Acme Co., Inc., with the price determined to be fair and reasonable on the basis of catalog prices

**EXAMPLE OF DETERMINING PRICE REASONABLENESS
BASED ON CATALOG OR PRICE LIST**

Improper Pricing Sample

Solicitation issued for 2,000 widgets estimated to cost \$10 each

Two responses are received, as follows:

Vendor	Bid
KEY CO. INC.	NO BID
ACME CO., INC.	\$9.75

Acme Co., Inc., states that its price of \$9.75 is quoted from the current *Widget Division Pricing Bulletin*, which is not releasable to the public.

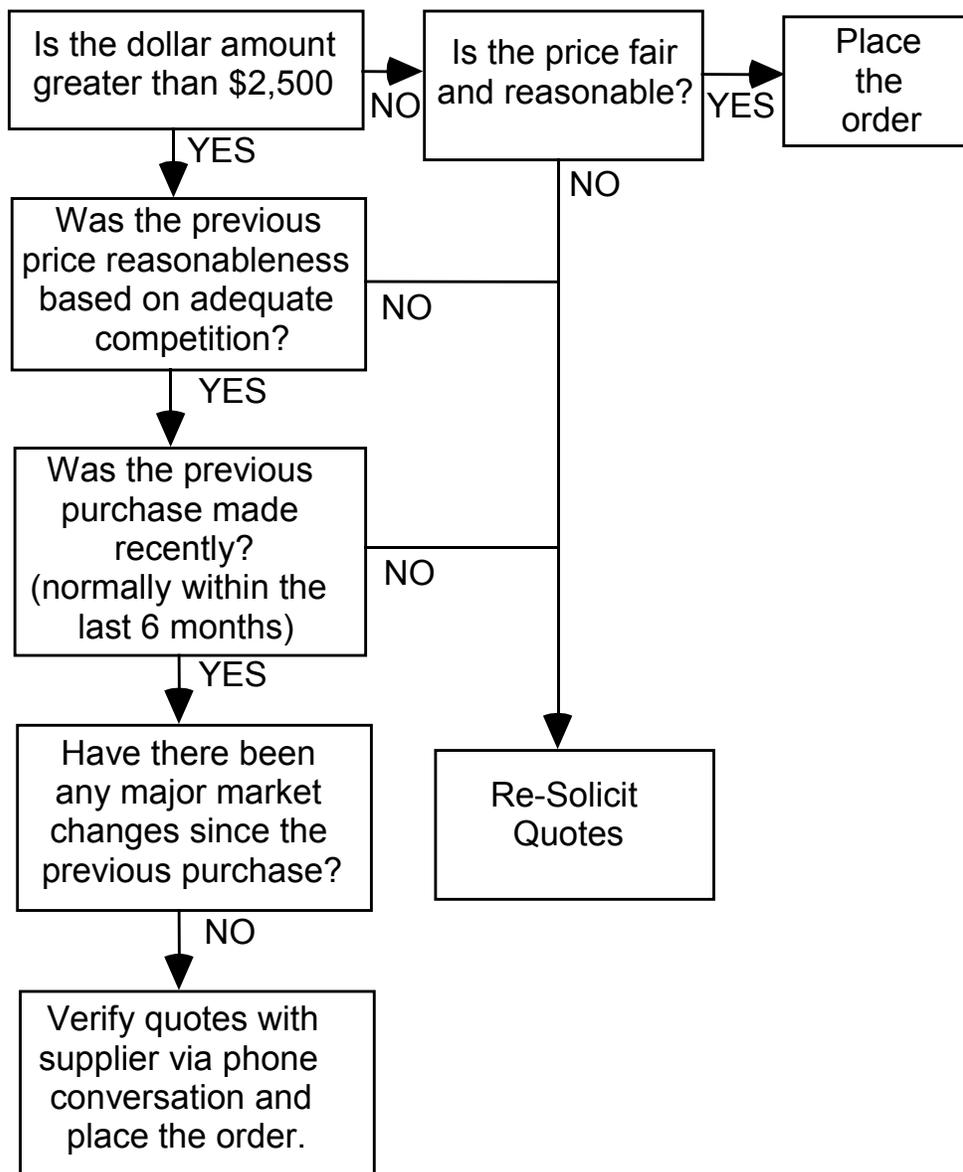
Award should **not** be made, since price cannot be determined to be fair and reasonable. On the basis of information available, the price list in question is probably an internal document that does not accurately reflect the price at which widgets are normally sold to the general public.

**EXAMPLE OF DETERMINING PRICE REASONABLENESS
USING PREVIOUS SIMILAR BUY**

A price previously paid cannot be used to determine price reasonableness unless you know that the prior purchase was fair and reasonable. Such would be the case if the previous purchase order amount was determined by obtaining competitive quotes.

Proper Pricing Sample

Use the following flow chart to determine if previous prices paid is fair and reasonable.



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**EXAMPLE OF DETERMINING PRICE REASONABLENESS
USING COMPARISON WITH GOVT. ESTIMATE**

A quoted price may be compared with a reliable government estimate when price comparisons with other previous purchases are not possible.

However, do not assume that, because the quoted price is the same as or less than the government estimate, that the quoted prices is reasonable.

In some cases, the requester obtains an informal quote from the supplier before giving you the request. A prudent buyer investigates the basis for the estimate.

Proper Pricing Sample

Solicitation issued for one roll (1000 LF) of #2 copper wiring estimated to cost \$.60 per linear foot.

Two responses are received, as follows:

Vendor	Bid
Bright Electric Inc.	\$570
Knight Light Corp.	NO BID

The government estimate may be used for price analysis in this case, along with other methods that might be appropriate.

The purchasing agent contacts the estimator and learns the following:

- The wiring is to be used for an in-house construction job and the electrical engineer provided the figure of \$.60 per linear foot.
- The electrical engineer stated that this figure came from the current issue of Electrical Estimating Magazine, a trade journal, and that the same price is currently included in a Corps of Engineers contract for which the local engineering division is providing inspection services.
- The Corps of Engineers contract number and a copy of the trade journal are provided to the purchasing agent.

Award is correctly made to Bright Electrical, Inc., and the price determined to be fair and reasonable through comparison with the validated government estimate.

**EXAMPLE OF DETERMINING PRICE REASONABLENESS
USING COMPARISON WITH GOVT. ESTIMATE**

In previous pricing sample, solicitation issued for one roll (1000 LF) of #2 copper wiring estimated to cost \$.60 per linear foot.

Two responses are received, as follows:

Vendor	Bid
Bright Electric Inc.	\$570
Knight Light Corp.	NO BID

Upon contacting the estimator, the purchasing agent learns the following:

- The electrical engineer has used this figure in a recent in-house construction estimate and when questioned, was fairly certain this was the price that had been paid in a recent contract, but he could not remember the:
 - contract number
 - when it was accomplished, or
 - exactly what it was for
- Since the electrical engineer provided the price, the estimator simply passed it on to the procurement office, deferring to the engineer's expertise in electrical wiring.

Award should not be made without further analysis, since the estimate (pricing basis) cannot be validated and therefore cannot be used to determine price reasonableness.

**EXAMPLE OF DETERMINING PRICE REASONABLENESS
PRICES SET BY LAW OR REGULATION**

Use the step action job aid below when using this comparison technique.

Step	Action
1	Obtain a copy of the rate schedule set by the applicable law or regulation.
2	Verify that it applies to a particular situation and that the government is being charged the correct price. <i>NOTE:</i> for utility contracts, an effective, independent regulatory body must prescribe prices.

Proper Pricing Sample

Solicitation for temporary refuse collection at a government warehouse for a period of three months. Estimated tonnage is 12,000 tons at an estimated cost of \$60,000.

One quote is received from P.U. Garbage for a price of \$5.00 per ton. The local utility regulatory commission has set refuse-collection rates based on mileage from city hall for a radius that includes the government warehouse.

The regulated rate for the site is \$5.00 per ton.

Award is made to P.U. Garbage and price determined to be fair and reasonable on the basis of the local utility regulatory commission's rate schedule for refuse collection.

Improper Pricing Sample

Solicitation for temporary refuse collection at a government warehouse for a period of three months. Estimated tonnage is 12,000 tons at an estimated cost of \$60,000.

The local utility regulatory commission has set refuse collection rates for a radius of 30 miles from city hall with the highest rate being \$3.00 per ton at the 30-mile point.

The government warehouse is 50 miles from city hall.

Award should **not** be made without further analysis because refuse collection prices for the area in question (the government warehouse) are not controlled by law or regulation.

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**Enclosure (14) to COMDTINST M4200.13G
REQUEST FOR QUOTATION – SF18**

REQUEST FOR QUOTATIONS <i>(THIS IS NOT AN ORDER)</i>		THIS RFQ IS NOT A SMALL BUSINESS- SMALL PURCHASE SET-ASIDE (52.219-4)			PAGE 1	OF 	PAGES 6
1. REQUEST NO. HSCG8-98-Q-0328	2. DATE ISSUED 12/1/97	3. REQUISITION/PURCHASE REQUEST NO. 21-98-G88PBDZZA	4. CERT. FOR NAT. DEF. UNDER BDSA REG. 2 AND/OR DMS REG. 1	RATING			
5A. ISSUED BY HQ Support Command, USCG, 2100 2 nd St., SW., Washington, DC 20593-0001			6. DELIVER BY (Date) See SOW				
5B. FOR INFORMATION CALL: (Name and telephone no.) (No collect calls) Daryl Mims, Rm B41 (202) 267-1575			7. DELIVERY XFOB DESTINATION OTHER (See Schedule)				
8. TO: NAME AND ADDRESS, INCLUDING ZIP CODE			9. DESTINATION (Consignee and address, including ZIP Code) U.S. Coast Guard 2100 2 nd Street, SW. Washington, DC 20593-0001				
10. PLEASE FURNISH QUOTATIONS TO THE ISSUING OFFICE IN BLOCK 5A ON OR BEFORE CLOSE OF BUSINESS (Date) 12/04/97		11. BUSINESS CLASSIFICATION (Check appropriate boxes) a. STANDARD INDUSTRIAL CLASSIFICATION CODE <u>8299</u> b. SMALL BUSINESS SIZE STANDARD <u>\$5.0 Million</u> c. SMALL OTHER THAN SMALL DISADVANTAGED WOMEN-OWNED					
<p>IMPORTANT: This is a request for information, and quotations furnished are not offers. If you are unable to quote, please so indicate on this form and return it to the address in Block 5A. This request does not commit the Government to pay any costs incurred in the preparation of the submission of this quotation or to contract for supplies or services. Supplies are of domestic origin unless otherwise indicated by quoter. Any representations and/or certifications attached to this Request for Quotations must be completed by the quoter.</p>							
12. SCHEDULE (Include applicable Federal, State and local taxes)							
ITEM NO. (a)	SUPPLIES/SERVICES (b)	QUANTITY (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)		
0001	Basic Simplified Acquisition Procedures Course, CLVN Jan 5-9, 1998	0001	EA		\$ _____		
0002	Advanced Simplified Acquisition Procedures Course, CLVN Jan 12-16, 1998	0001	EA		\$ _____		
13. DISCOUNT FOR PROMPT PAYMENT >		10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	CALENDAR DAYS %		
NOTE: Additional provisions and representations X are are not attached.							
14. NAME AND ADDRESS OF QUOTER (Street, city, county, State, and ZIP Code)			15. SIGNATURE OF PERSON AUTHORIZED TO SIGN QUOTATION			16. DATE OF QUOTATION	
			17. NAME AND TITLE OF SIGNER (Type or print)			18. TELEPHONE NO. (Include area code)	
SN 7540-01-152-8084 PREVIOUS EDITION NOT USABLE		18-120 Computer Generated			STANDARD FORM 18 (Rev. 6-95) Prescribed by GSA FAR (48 CFR) 53.215-1(a)		

ENCLOSURE (14) TO COMDTINST M4200.13G

SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES

STATEMENT OF WORK BASIC SIMPLIFIED ACQUISITION PROCEDURES COURSE

1. Provide for the purpose of in-house training, a simplified acquisition procedures course to satisfy, at a minimum, the following information:
 - a. Course shall be five full days in length, equivalent to 40 hours of training. Each course will have a maximum of 30 students and may have Government COTR in attendance.
 - b. Contractor shall provide course materials to include course text, training aids, name placards and highlighters.
 - c. Course shall be held at Training Center Petaluma, California on the following dates:

5-9 January 200X
 - d. The Government will provide classroom facilities.
 - e. Course shall provide participants with current information on simplified acquisition procedures and required sources. Include discussion of available programs which contain items from required sources including FEDLOG, GSA Advantage!, CMPLUS, FLS
 - f. Material shall include the new thresholds and rules that currently apply to purchasing under the revised Parts 12 and 13 of the FAR.
 - g. Include a discussion of Coast Guard thresholds along with an overview of the procurement chain of command and the relationships between commands providing procurement support in the Coast Guard.
 - h. Define COCO and identify the position(s) within the Coast Guard.
 - i. Course shall be suitable for new and experienced purchasing and contracting personnel.
 - j. Subjects shall include an introduction to federal acquisition, standards of conduct, preliminary purchase considerations (i.e., elements of a proper purchase request), required sources of supply, market research and specifications, and commercial item acquisitions (including RCRA/HAZMAT).
 - k. Include a discussion of each of the simplified acquisition techniques (Government Wide Purchase Card, Blanket Purchase Agreements, Purchase Orders, (including Un-priced Purchase Orders), Standard Form 44, Imprest Funds and Third Party Drafts) and when their use is most appropriate. Include a class exercise that enables students to identify the most efficient method. Describe when the use of a SF-1449 is appropriate vs. the use of an OF-347.
 - l. Include detailed discussion of various pricing techniques described in FAR 13 and describe when their use is appropriate.
 - m. Include a unit on small business set-asides, requirements for inclusion of NAICS Codes and Small Business size standards, along with information on how to correctly identify each.

**SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES
(CONTINUED)**

**STATEMENT OF WORK
BASIC SIMPLIFIED ACQUISITION PROCEDURES**

- n. Practical exercises shall be provided which enable students to:
 - analyze a procurement request for sufficiency for procurement action
 - determine most efficient simplified acquisition method
 - determine established source of supply
- o. Include a discussion on synopsis requirements and provide detail on how to prepare pre and post award synopsis. Provide students with Department of Commerce publication on synopsis preparation. Include discussion of requirements to synopsise sole source actions and when synopsis is NOT required. Include documentation requirements.
- p. Incorporate appropriate DHS Acquisition Regulations, Coast Guard Acquisition Procedures and Simplified Acquisition Procedures Handbook, as well as the Federal Acquisition Regulation.
- q. Include discussion on the Service Contract Act and the Davis-Bacon Act and how they impact Simplified Acquisition, their thresholds and general requirements of each law.
- r. Include discussion on DHS requirements for obtaining training services OAW from the HSAM and include requirement for COCO to issue Delegations of Procurement Authority (DPAs) to Training Officials.
- s. Include instruction on preparation of the Federal Procurement Data System New Generation (FPDSNG), reporting frequency and reporting location. Include instruction on requirements for reporting individual actions.
- t. An open-book exam shall be administered at the end of the course, with numeric scores provided to Commandant (CG-85). Contractor shall provide and ensure certificates of completion are delivered to students passing the course. Contractor shall provide course evaluation forms to students, collect completed forms, and provide copies of all evaluations to Commandant (CG-85).
 - a. Cost shall include all materials, textbooks for each student, training aids, travel and per diem for the instructor.
 - b. Contractor shall provide a copy of the course text and discuss course content with Commandant (CG-85) before finalizing for presentation to a class of Coast Guard students, no later than 4 weeks prior to the first course date.

SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES

**STATEMENT OF WORK
ADVANCED SIMPLIFIED ACQUISITION PROCEDURES**

1. Provide for the purpose of in-house training, an advanced simplified acquisition course to satisfy as a minimum, the following information:
 - a. The course shall be five full days in length, equivalent to 40 hours of training. Each course will have a maximum of 30 students and may have Government COTR in attendance.
 - b. Contractor shall provide course materials to include course text, training aids, name placards and hi lighters.
 - c. Course shall be held at Training Center, Petaluma, California, on the following dates:
12-16 January 1998
 - d. The Government will provide classroom facilities.
 - e. Course shall include discussion of each of the simplified acquisition techniques and when their use is most appropriate. Include Coast Guard requirements and procedures for use of the SmartPay card.
 - f. Strong emphasis shall be given to pricing techniques for simplified acquisitions. Include practical exercises showing the following pricing techniques: competition, comparison of proposed price with prices found reasonable on previous purchases; comparison of proposed price with current price lists, catalog prices, or advertisements; comparison of proposed price with similar items in a related industry; value analysis of the proposed price.
 - g. Simplified acquisitions subject to the Service Contract Act (SCA) requirements between \$2,500 and \$100,000 shall be covered, including, but not limited to the requirement and procedures for acquiring SCA wage determinations and appropriate provisions and clauses to be utilized. Include administration of SCA simplified acquisitions and SCA requirements for posting Notices at worksite(s). Include information on awarding orders before wage determinations are received from DOL and how to incorporate wage determinations after receipt; include allowance for contractor to submit a request for equitable adjustment (REA) as a result of inclusion of wage determinations.
 - h. Simplified acquisitions subject to the Davis-Bacon and related acts (requirements between \$2,000 and \$100,000) shall be covered, including, but not limited to the requirement to use procedures for acquiring and using wage determinations for construction contracts and appropriate provisions and clauses, requirement for written solicitations for construction and how to prepare a written solicitation for construction (utilizing an SF-18). Include administration of construction contracts and Davis-Bacon requirements for posting wage determinations and reporting requirements

ENCLOSURE (14) to COMDTINST M4200.13G

SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES

Include discussion of requirement for payrolls, how to review payrolls, how to determine payment amounts when progress payments are authorized

- i. Simplified acquisitions awarded using best value analysis. Include a practical exercise where best value analysis is used for award.
 - j. Simplified acquisitions with option quantities. Include required clauses and procedures (i.e., modifications exercising options, option notification periods (include sample letter of notification to Contractor), how to set up the pricing schedule (CLINs), and method of evaluation for award purposes.
 - k. Specific topics shall also include the Contract Work Hours and Safety Standards Act, Walsh-Healy Public Contracts Act, Fair Labor Standards Act, Applicability of the various labor-related Acts, differentiation between personal and non-personal services. Contract administration problems related to service and construction contracts.
 - l. Course shall incorporate appropriate Department of Homeland Security Acquisition Regulations, Coast Guard Acquisition Procedures, Governmentwide Commercial Purchase Card, Simplified Acquisition Procedures Handbook, as well as, the Federal Acquisition Regulation.
 - m. Applicability of the Competition in Contracting Act to simplified acquisitions shall be discussed.
 - n. Course shall include a mock negotiation session involving a construction and/or service contract.
 - o. Provide detailed instruction on requirements for posting requirements and awards in FedBizOpps, format for preparation, requirements for posting, exceptions to posting and documentation requirements when synopses are waived.
 - p. Provide instruction on CG procedures for acquiring training services. Include requirements for COCO issued Delegations of Procurement Authority.
 - q. Provide instruction on reporting procurement actions either in the Federal Procurement Data Systems New Generation(FPDSNG).
2. An open-book exam shall be administered at the end of the course, with numeric scores (70% = passing) provided to COMDT (CG-85). Contractor shall provide and ensure certificates of completion are delivered to students passing the course. Contractor shall provide course evaluation forms to students, collect completed forms, and provide copies of all evaluations to COMDT (CG-85).
 3. Cost shall include all materials, textbooks for each student, hi-liters, training aids, travel and per diem for the instructor.
 4. Contractor shall provide a copy of the course text and discuss course content with COMDT (CG-85) before finalizing for presentation to a class of Coast Guard students, no later than 4 weeks prior to the first course date

ENCLOSURE (14) to COMDTINST M4200.13G

SAMPLE SOLICITATION USING BEST VALUE EVALUATION TECHNIQUES

AWARD CRITERIA

Award of this requirement shall be made to the offeror whose proposal offers the greatest value to the Government. Technical factors, including past performance, are significantly more important than price.

TECHNICAL EVALUATION FACTORS

The following factors shall be evaluated and are listed in descending order of importance. The evaluation shall consider the offerors' response to each of these evaluation factors as well as past performance and the contracting officer's knowledge of and previous experience with the services being purchased.

1. PAST PERFORMANCE-Provide contract numbers and government points of contact for similar efforts performed within the last two years.
2. QUALIFICATIONS OF INSTRUCTORS-Resumes of instructors shall be provided.
3. SAMPLE CURRICULA-Provide a typical curriculum for both an advanced and basic simplified acquisition training course.
4. SAMPLE TEXT-Provide a sample text, covering use of Governmentwide commercial credit cards, which reflects Coast Guard or other agency specific requirement (refer to the electronic versions of FAR, CGAP, DHS regulations, and SAP Handbook for guidance).

PRICE

While price is not the primary evaluation factor in this requirement, it is important and will be considered when determining contract award.

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SAMPLE D & F FOR USE OF OPTIONS

UNITED STATES COAST GUARD
DETERMINATION AND FINDINGS
OPTIONS, JUSTIFICATION FOR USE

Pursuant to FAR 17.205(b), I hereby make the following findings and determination:

Findings

1. U.S. Coast Guard Base Anywhere has a need for grounds maintenance service. This service has been successfully contracted for the past ten years. Based upon prior funding authorization, it is anticipated that funds for grounds maintenance will be available in the future. Purchase Request 21-98-358SEN034 requests a base period plus two one-year options for these services.
2. A notification period of 60 days of the Government's intent to exercise each option will be provided to the contractor. This period of time is considered reasonable to allow the contractor to plan for the work.
3. Option prices will be evaluated prior to award and a determination of price reasonableness will be made at that time. There are no other limitations on option prices.

Determination

Based upon the findings provided herein, I hereby determine within the meaning of FAR 17.205(b), that the inclusion of options in the acquisition of grounds maintenance is necessary and appropriate.

SK2 Roy A. Collins
Contracting Officer

Date

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SAMPLE D & F TO EXERCISE AN OPTION

DETERMINATION AND FINDINGS
AUTHORITY TO EXERCISE AN OPTION
HSCG8-05-P-SEN034

In accordance with FAR 17.207(c) & (f), I hereby make the following findings and determination:

Findings

1. The Facilities Engineering Division of U.S. Coast Guard Base Anywhere has submitted purchase request 21-99-359SEN022 for grounds maintenance for the Base. The exercise of the option is in accordance with the option provisions of purchase order HSCG8-05-P-SEN034.
2. The purchase request for the exercise of the option was submitted subject to the availability of FY05 funds. The purchase order contains FAR 52.232-18, Availability of Funds. Funding will be provided upon Congressional appropriation.
3. The exercise of the option will fulfill the necessity for grounds maintenance for Coast Guard Base Anywhere for FY05.
4. The exercise of the option is the most advantageous method of fulfilling the need for grounds maintenance at Coast Guard Base Anywhere, price and other factors considered. An informal analysis of market conditions reveals that pricing for these services has remained relatively stable, with minor adjustments for inflation.
5. The initial requirement was synopsized in the Federal Business Opportunities (FedBizOpps) Governmentwide point of entry and included all option periods.
6. The exercise of the option is in accordance with FAR Part 6, in that pricing for option periods was evaluated prior to award and found to be fair and reasonable.

Determination

Based upon the findings made above, I determine within the meaning of FAR 17.207, that it is in the best interest of the Government to exercise Option 1 for purchase order HSCG8-05-P-SEN034.

SK2 Roy A. Collins
Contracting Officer

Date

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**Enclosure (17) to COMDTINST M4200.13G
SAMPLE RFQ INCLUDING OPTIONS**

REQUEST FOR QUOTATIONS <i>(THIS IS NOT AN ORDER)</i>		THIS RFQ IS NOT A SMALL BUSINESS- SMALL PURCHASE SET-ASIDE (52.219-4)			PAGE 1	OF 	PAGES 6
1. REQUEST NO. HSCG8-05-Q-0459	2. DATE ISSUED 6/1/97	3. REQUISITION/PURCHASE REQUEST NO. 21-98-358SEN034	4. CERT. FOR NAT. DEF. UNDER BDSA REG. 2 AND/OR DMS REG. 1	RATING			
5A. ISSUED BY HQ Support Command, USCG, 2100 2 nd St., SW., Washington, DC 20593-0001			6. DELIVER BY (Date) See SOW				
5B. FOR INFORMATION CALL: (Name and telephone no.) (No collect calls) Daryl Mims, Rm B41 (202) 267-1575			7. DELIVERY XFOB DESTINATION OTHER (See Schedule)				
8. TO: NAME AND ADDRESS, INCLUDING ZIP CODE			9. DESTINATION (Consignee and address, including ZIP Code) U.S. Coast Guard Base Anywhere Anywhere, USA 89456-0001				
10. PLEASE FURNISH QUOTATIONS TO THE ISSUING OFFICE IN BLOCK 5A ON OR BEFORE CLOSE OF BUSINESS (Date) 6/15/97		11. BUSINESS CLASSIFICATION (Check appropriate boxes) a. STANDARD INDUSTRIAL CLASSIFICATION CODE <u>7389</u> b. SMALL BUSINESS SIZE STANDARD <u>\$5.0 Million</u> c. SMALL OTHER THAN SMALL DISADVANTAGED WOMEN-OWNED					
IMPORTANT: This is a request for information, and quotations furnished are not offers. If you are unable to quote, please so indicate on this form and return it to the address in Block 5A. This request does not commit the Government to pay any costs incurred in the preparation of the submission of this quotation or to contract for supplies or services. Supplies are of domestic origin unless otherwise indicated by quoter. Any representations and/or certifications attached to this Request for Quotations must be completed by the quoter.							
12. SCHEDULE (Include applicable Federal, State and local taxes)							
ITEM NO. (a)	SUPPLIES/SERVICES (b)	QUANTITY (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)		
0001	Base Period Grounds Maintenance at U.S. Coast Guard Base Anywhere, for the period October 1, 2004 through September 30, 2005, in accordance with attached Statement of Work.	12	MO	\$ _____	\$ _____		
0002	Option 1 Grounds Maintenance at U.S. Coast Guard Base Anywhere, for the period October 1, 2005 through September 30, 2006. In accordance with attached Statement of Work.	12	MO	\$ _____	\$ _____		
0003	Option 2 Grounds Maintenance at U.S. Coast Guard Base Anywhere, for the period October 1, 2006 through September 30, 2007, in accordance with attached Statement of Work.	12	MO	\$ _____	\$ _____		
13. DISCOUNT FOR PROMPT PAYMENT >		10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	CALENDAR DAYS %		
NOTE: Additional provisions and representations X are are not attached.							
14. NAME AND ADDRESS OF QUOTER (Street, city, county, State, and ZIP Code)			15. SIGNATURE OF PERSON AUTHORIZED TO SIGN QUOTATION			16. DATE OF QUOTATION	
			17. NAME AND TITLE OF SIGNER (Type or print)			18. TELEPHONE NO. (Include area code)	

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Enclosure (18) to COMDTINST M4200.13G

LIST OF CLAUSES TO BE USED FOR OPTIONS

Purchase Order Option Provisions and Clauses

FAR 52.217-3, Evaluation Exclusive of Options

Include in RFQ when RFQ includes an option clause, but does not include either FAR 52.217-4 or 52.217-5. This provision informs offerors that only the price for the basic requirement or period will be included in the evaluation for award purposes. This will rarely be used for simplified acquisitions. **No fill-ins required.**

FAR 52.217-4, Evaluation of Options Exercised at Time of Contract Award

Include in RFQ when RFQ includes an option clause, and the contracting officer has determined that there is a reasonable likelihood that the option will be exercised, and the option may be exercised at the time of award. This will rarely be used under simplified acquisition procedures, since we generally won't be exercising the option at the time of award. No fill-ins required.

FAR 52.217-5, Evaluation of Options

Include in RFQ when the RFQ contains an option clause, an option is not to be exercised at time of award, and the contracting officer has determined that there is a reasonable likelihood that the option will be exercised. This will be a normal situation. That is, it is our desire to evaluate the option periods as part of the initial award, but we are not going to exercise the option until later. No fill-ins required.

FAR 52.217-6, Option for Increased Quantity

Include in RFQ and order if the order is not for services and you want the option to order increased quantities. The increase can be expressed in terms of percentages or an additional quantity of a specific line item. This clause would be used where we want to include an option for ordering an additional quantity of an already specified item on the order and the increased quantity does not have a separate price. Contracting Officer **fill-in required.**

FAR 52.217-7, Option for Increased Quantity - Separately Priced Line Item

Include in RFQ and order if the order is not for services and you want separately priced line items as options. This is similar to 52.217-6, except that it allows for the option quantity to have a separate price from the original quantity. Recommend that this quantity be expressed as a firm amount and not a percentage. Recommend that when you have a requirement for an increased option quantity, include both 52.217-6 and 52.217-7 in the RFQ since you probably won't know if the option quantity will be separately priced by the winning vendor. The order will then specify one of the clauses. Contracting Officer fill-in required.

LIST OF CLAUSES TO BE USED FOR OPTIONS

FAR 52.217-8, Option to Extend Services

Include in RFQ and order for services if we determine that we will need coverage for any potential lapse between this order and a subsequent order for the same services. No fill-ins required.

FAR 52.217-9, Option to Extend the Term of the Contract

Include in RFQ and order when the order is for services and a potential requirement exists to extend the order beyond its base period. This clause will allow us to extend the order after its initial term (generally one year). The clause requires preliminary written notice to the contractor at least 60 days prior to order expiration. Contracting Officer fill-ins required.

Clauses for contracting in advance of funds – not mandatory but a good idea to include

:

FAR 52.232-18, Availability of Funds – may be included in solicitations and contracts if the contract will be chargeable to funds of the new fiscal year and the contract action will be initiated BEFORE the funds are available.

FAR 52.232-19, Availability of Funds for Next Fiscal Year, may be included in solicitations and contracts if a one year indefinite quantity or requirements contract for services is contemplated and the contract is funded by annual appropriations and will extend beyond the initial fiscal year. Fill-in required.

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Enclosure (19) to COMDTINST M4200.13G

SAMPLE NOTICE OF INTENT TO EXERCISE OPTION

Commandant 2100 Second Street, S.W.
United States Coast Guard Washington, DC 20593-0001
Staff Symbol: G-ACS
Phone: (202) 267-1111
FAX:

4200
July 20, 2004

The Only Company
1357 Cherry Hill Lane
Anywhere, CA 99901
Attn: Mr. Steve Smith

Dear Mr. Smith:

This letter serves as the Coast Guard's preliminary notice of intent to exercise the option to continue performance of contract HSCG23-05-P-FRN029 for the period October 1, 2004 through September 30, 2005. This preliminary notice is in accordance with FAR 52.217-9, Option to Extend the Term of the Contract.

This notice does not commit the Government to an extension. Exercise of the option is subject to the availability of Fiscal Year 2005 funds.

If you have any questions regarding this matter, please contact Ms. Linda Gray, Contract Specialist, at (202) 267-1111.

I. Q. SUPPLY
Contracting Officer

*** - Could also include 52.232-18(19) – see Enclosure 18 for information about clauses.

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Enclosure (20) to COMDTINST M4200.13G
SAMPLE SF 30 TO EXERCISE OPTION YEAR "SUBJECT TO AVAILABILITY OF FUNDS"

		1. CONTRACT ID CODE	PAGE OF PAGES
AMENDMENT OF SOLICITATION/MODIFICATION OF			1 1
2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
0003	10/1/04		
6. ISSUED BY	CODE	7. ADMINISTERED BY (If other)	CODE
Commandant (G-ACS), U.S.C.G. 2100 Second St., SW. Washington, DC 20593-0001		Same as block 6	
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code)		<input checked="" type="checkbox"/>	9A. AMENDMENT OF SOLICITATION NO.
The Only Company 1357 Cherry Hill Lane Anywhere, CA 99902			
			9B. DATED (SEE ITEM 11)
			10A. MODIFICATION OF CONTRACT/ORDER NO.
		<input checked="" type="checkbox"/>	HSCG23-04-P-FRNO29
			10B. DATED (SEE ITEM 13)
CODE	FACILITY CODE		9/30/04
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATION			
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.			
12. ACCOUNTING AND APPROPRIATIONS DATA (if required) SUBJECT TO THE AVAILABILITY OF FUNDS			
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDERS NO. AS DESCRIBED IN ITEM 14.			
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A. B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b). C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: D. OTHER Specify type of modification and authority)			
<input checked="" type="checkbox"/> Unilateral modification pursuant to FAR 52-217-9 and FAR 52-232-18			
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not <input type="checkbox"/> is required to sign this document and return copies to the issuing office.			
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible). This modification is issued to exercise option year two for the period October 1, 2004 through September 30,2005, subject to the availability of funds.			
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
		I. Q. Supply, CWO3, USCG	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
_____ (Signature of person authorized to sign)		BY _____ (Signature of Contracting Officer)	9/26/04

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**Enclosure (21) to COMDTINST M4200.13G
SAMPLE SF 30 ADD FUNDING TO ORDER ISSUED "SUBJECT TO AVAILABILITY OF FUNDS"**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE 1	PAGE OF PAGES 1 1
2. AMENDMENT/MODIFICATION NO. 0004	3. EFFECTIVE DATE Block 16 C	4. REQUISITION/PURCHASE REQ. NO. 2398238FRN001	5. PROJECT NO. (If applicable)
6. ISSUED BY CODE Commander (fcp-3) USCG MLCPAC Bldg 54A, Alameda, CA 95401-5100		7. ADMINISTERED BY (If other than Item 6) CODE Same as block 6	
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code) The Only Company 1357 Cherry Hill Lane Anywhere, CA 99902		<input checked="" type="checkbox"/>	9A. AMENDMENT OF SOLICITATION NO.
			9B. DATED (SEE ITEM 11)
		<input checked="" type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NO. HSCG23-04-P-FRN029
			10B. DATED (SEE ITEM 13) 9/30/96
CODE	FACILITY CODE		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATION			
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.</p> <p>Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:</p> <p>(a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.</p>			
12. ACCOUNTING AND APPROPRIATIONS DATA (if required) T.501.152.30.NJ.40305.2696 Increase: \$20,265 From: \$19,934 To \$40,199.			
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDERS NO. AS DESCRIBED IN ITEM 14.			
<input checked="" type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.		
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).		
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:		
<input checked="" type="checkbox"/>	D. OTHER Specify type of modification and authority) Unilateral modification pursuant to FAR 52.232-18 and FAR 52.217.9		
E. IMPORTANT: Contractor x is not <input type="checkbox"/> is required to sign this document and return <input type="checkbox"/> copies to the issuing office.			
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation subject matter where feasible). Funding is available and is provided as referenced in Block 12.			
Except at provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.			
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
		I. Q. Supply, CWO3, USCG	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
		BY	10/18/04
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

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**Enclosure (22) to COMDTINST M4200.13G
SAMPLE D&F FOR MIPRS**

DETERMINATION AND FINDINGS

Upon the basis of the following findings and determination which I hereby make as Chief, MLCPAC Contracting Division, the supplies or non-personal services described below may be acquired from another Government agency pursuant to the Economy Act (31 U.S.C. 1535).

FINDINGS

1. MLCPAC (fcp) proposes to issue a MIPR

to: _____

for: _____

estimated cost: \$ _____

2. These supplies or services are required by the Coast Guard because _____.

The proposed MIPR does not conflict with any other agency's authority or responsibility, and legal authority for this acquisition otherwise exists. The proposed acquisition does _____ does not _____ involve the use of a commercial or industrial activity operated by the servicing agency.

3. ____ This paragraph applies if the above sentence is "does"

The results of the cost comparison under FAR 7.300 were

or a cost comparison under OMB Circular No. A-76 was not conducted because

4. If this action requires contracting action by the servicing agency, at least one of the following circumstances must apply (check the appropriate block):

_____ The acquisition will appropriately be made under an existing contract of the servicing agency, entered into before placement of the order, to meet the requirements of the servicing agency for the same or similar supplies or services;

_____ The servicing agency has capabilities or expertise to enter into a contract for such supplies or services which is not available within the requesting agency; or

_____ The servicing agency is specifically authorized by law or regulation to purchase such supplies or services on behalf of other agencies.

SAMPLE D&F FOR MIPRS

5. Complete the following for all actions when the servicing agency will provide the required supplies or services through a contract action:

The goods or services cannot be provided as conveniently or more economically by contracting directly with a commercial enterprise because

_____.

6. If the servicing activity is providing the above described supplies or services by contract check one of the blocks below:

_____ a. The servicing agency has advised that any fee they are charging the Coast Guard is not in excess of their actual cost to enter into and administer the contractual document under which this order will be filled.

_____ b. The servicing agency representative has advised that the any fee they are charging the Coast Guard is not in excess of their estimated cost (since their actual costs are not known) to enter into and administer the contractual document under which this order will be filled.

DETERMINATION

7. Upon the basis of the above findings, I hereby determine that issuing a MIPR is in the best interest of the Government, all factors considered.

Date

Patricia A. Walker
Chief, Contracting Division
MLCPAC

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Enclosure (24) to COMDTINST M4200.13G

CG PREFERENCE PROGRAM FOR RECOVERED MATERIALS

1. The Statement of Work/Specifications covering Procurement Request No. _____ is subject to DHS's Procurement Preference Program for Recovered Materials as set forth in HSAM Chapter 1223.

_____ Yes
_____ No (If no, stop here)

2. If yes, the items are: _____

3. If yes, the specifications for the item(s) complies with the applicable Environmental Protection Agency (EPA) procurement guidelines as implemented by HSAM Chapter 1223.

_____ Yes
_____ No

4. If answering "no" to the previous question, the requisitioner must check the appropriate reason below and provide an explanation as to why item containing recovered materials and meeting EPA procurement guideline recommendations (minimum content standards) as implemented by HSAM Chapter 1223 were not used:

_____ obtaining designated items will result in unusual and unreasonable delay,
or

_____ obtaining designated items will fail to meet the performance standards set forth in the applicable specification or will fail to meet the reasonable performance standards of DHS, or

_____ the designated items are only available at an unreasonable price.

Explanation _____

Coast Guard Command _____

Point of Contact _____

Telephone & Fax # _____

Email Address _____

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WAIVER REQUEST FOR NON-RECYCLED MATERIAL

Instructions: This form is needed only if the item(s) being procured are subject to DHS's Affirmative Procurement Program for recycled materials.

Procurement Request Number: _____

Products containing recycled materials and meeting DHS's preference standards for the following designated items:

were not obtained because of the following reason(s):

_____ Not available competitively within a reasonable period of time

_____ Does not meet appropriate performance standards

_____ Only available at an unreasonable price

Contracting Officer

Date

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Memorandum

Subject: REQUEST FOR DELEGATION OF PROCUREMENT
AUTHORITY (TRAINING SERVICES)

Date: 4200

From: Chief, Administration Department

Reply to
Attn. of: Jones
523-6780

To: Chief of the Contracting Office

Ref: (a) COMDTINST 4200.13

1. A Delegation of Procurement Authority (DPA) is requested for the individual identified below who shall be designated as a DPA recipient for the purposes of acquiring training services in accordance with the procedures prescribed in HSAM Chapter 1213 and the Departmental Personnel Manual System Chapter _____. It is understood that the DPA will terminate upon the employee's separation from USCG or reassignment to another office within the Coast Guard.

2. This individual has received a minimum of 32 hours of simplified acquisition training or required purchase/credit card training from the organization or institution identified below, and a copy of the individual's course completion certification or equivalent documentation of successful course completion is enclosed.

Name of designee: _____
Operating Administration: _____
Business Address: _____

Telephone No.: _____
Training date(s): _____
Training institution: _____

A copy of Federal Acquisition Regulation Part(s) _____, (not provided with the designated DPA recipient's simplified acquisition procedures training), HSAR Part(s) _____, and HSAM Chapter(s) _____ are requested for the use of the DPA recipient.

3. If there are any questions concerning this request, please contact _____(name), _____(telephone).

Encl: (1) Training Certificate

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Enclosure (28) to COMDTINST M4200.13G

USE OF THE UNIFORM PROCUREMENT INSTRUMENT IDENTIFICATION NUMBERING SYSTEM (PIIN)

Introduction

This enclosure prescribes procedures for assigning PIIN numbers and supplementary PIINs to identify Coast Guard acquisition document types (see also [CGAP Subchapter 3004.602-71](#) and [HSAM Subchapter 3004.602-71](#)).

PIIN number breakdown

The PIIN shall consist of primarily 13 to 15 alphanumeric characters as follows:

Positions 1 through 6:

The first six positions shall identify the procuring office. The first four positions shall always be **HSCG** for the Department of Homeland Security, U.S. Coast Guard.

Positions five and six shall be numeric characters, which identify the contract activity preparing the procurement instrument.

Example:

HSCG23-04-P-HPE123

23 – the contracting office located at CG Headquarters

Positions 7 and 8:

The seventh and eighth positions shall be the last two digits of the fiscal year in which the PIIN is assigned.

Example:

HSCG2304-P-HPE123

Position 9

The ninth position shall be a capital letter assigned to indicate the type of instrument code (IC), as follows:

A - Agreement: Use for a basic agreement, basic ordering agreement (BOA), or blanket purchase agreement (BPA).

B. Sealed Bidding: Use for solicitations as defined under ([FAR 48 CFR 14.2](#) (Character “B” use is at the CG’s discretion).

C. Contracts: Use for all contracts (i.e., letter, 8(a), etc.) – also include contracts for appraisals, surveys, title, closing, and other work related to leasing or acquiring real estate rights. **DO NOT** use this code for Task or Delivery Order contracts.

D. Task or Delivery Order Contracts: Use for Indefinite Quantity, Definite Quantity (IDIQ), and Requirements contracts as defined under ([FAR\) 48 CFR 16.5](#).

Enclosure (28) to COMDTINST M4200.13G

USE OF THE UNIFORM PROCUREMENT INSTRUMENT IDENTIFICATION NUMBERING SYSTEM (PIIN)

E. Reserved

F. Task or Delivery Orders: Use when **placing** orders again (1) a contract administered by another Government agency e.g., GSA, FSS, VA, or the Office of Personnel Management, (2) contracts administered by agencies other than DHS including the National Industries for the Blind, National Industries for the Severely Handicapped, and the Federal Prison Industries (UNICOR).

NOTE: When task orders are issued against contracts whose document numbers begin with “**DTCG**” – the task order number should begin with “**HSCG**” and the instrument code should be “**J**” instead of “**F**.”

Contracts administered by agencies other than DHS including the National Industries for the Blind, National Industries for the Severely Handicapped, and the Federal Prison Industries (UNICOR). For those contracting activities subject to DAFIS accounting and to invoice payment by the Coast Guard Finance Center, see below for orders with the Superintendent of Printing, Government Printing Office and Federal Prison Industries, Inc. (UNICOR).

G. Reserved

H. Reserved

I. Request for Information: Use when placing an announcement in FedBizOpps for international purposes.

J. Task or Delivery Orders: Use when placing orders against DHS contracts. This does not include Organization Element (OE) BPA orders placed under GSA schedules (see [HSAM 3004.602-7102\(a\)\(2\)](#) and [CGAP SUBCHAPTER 3004.602-7102 \(a\)\(1\)](#) for guidelines.

K. Land Purchases and Condemnations: Use for acquisition of permanent real estate interests by purchase or condemnation. Does not include leasehold interests (land or space) in real property.

L. Lease Agreement: Use for leasing real property and supplies or equipment. DO NOT use this code for Interagency Agreements.

N. Construction or Service Purchase Orders: Use only when KO approval is necessary before contractor payment.

P. - Purchase Orders: Use for purchase orders (assign V, then W when numbering capacity of P becomes exhausted during a fiscal year). Also, includes orders for appraisals, surveys, title, closing, and other work related to leasing or acquiring real estate rights.

Q. Request for Quotation: Use when procedures under ([FAR\) 48 CFR Part 13](#) are followed.

R. Request for Proposal: Use when procedures under (FAR) 48 CFR Part 15 are followed (Character “R” use is at the OE’s discretion).

Enclosure (28) to COMDTINST M4200.13G

USE OF THE UNIFORM PROCUREMENT INSTRUMENT IDENTIFICATION NUMBERING SYSTEM (PIIN)

S. Sales Contract: Use for sales and other disposal of real and personal property.

U. Utilities: Use for contracts for electric, telephone, water, natural gas and other utilities.

X. Interagency Agreements: Use when placing an order with any other government agency or OE for supplies or services that the servicing agency may be in a position or equipped to supply, render, or obtain by contract (see [\(FAR\) 48 CFR 17.502](#) applies).

Position	Identification	Code
1-2	Agency	HS
3-4	Organizational Element	CG
5-6	Sub-Organization Contracting Office	23
7-8	Fiscal Year in which PIID is assigned to the procurement instrument	04
9	Type of procurement instrument	B
10-15	Unique identifiers of procurement instrument	0001, 00001, 000001, A001, AB001, ABC001

Supplementary Procurement Instrument Identification Numbers (SPIIDs). The following is provided from [CGAP SUBCHAPTER 3004.602-7102](#):

(a)(1) In instances where a Blanket Purchase Agreement (BPA) call is made against a Coast Guard BPA established under another federal agency's indefinite delivery contract, the determination of whether the BPA call should be identified with instrument code "F" or "J" will depend on the source of the terms and conditions of the BPA. When these terms and conditions are rooted in another agency's contractual instrument (e.g., a GSA schedule), even if calls relate to a Coast Guard BPA the instrument code identifying the BPA call should be "F." Conversely, if the Coast Guard or other DHS Organizational Element created the terms and conditions reflected in the BPA, the BPA call should be coded "J."

(2) Modifications to Contracts, Agreements and Orders

(a) When an existing contract whose document number begins with "DTCG" has to be modified, no change is needed to the existing document (HSAM Subchapter 3004.602-7102) number. However, the identifier "A" or "P" must be included in the numbering of modifications. For example, contract DTCG88-03-C-000001 was awarded in July 2003, and modified for the first time prior to implementation of HSAM CGAP SUBCHAPTER 3004.602-7102(DTCG88-03-C-000001 Mod 000001). The second modification, which occurred **after** implementation of HSAM 3004.602-7102, will be numbered DTCG88-03-C-000001 ModA000002.

(b) If multiple modifications to task orders previously awarded using a number beginning with "DTCG" are expected, do NOT change the instrument code or procuring agency. Simply incorporate modification numbers containing a "P" or "A" depending on whether the principal

Enclosure (28) to COMDTINST M4200.13G

**USE OF THE UNIFORM PROCUREMENT INSTRUMENT
IDENTIFICATION NUMBERING SYSTEM (PIIN)**

procuring office retains authority for contract administration (“P”) or administration is delegated to a separate contract administration office (“A”).

© In the case of modifications to Coast Guard orders against GSA Schedules or other agency contractual instruments, the rule in subparagraph (b), above will apply in determining whether the modification number contains a “P” or “A.” If the office that created the order issues a modification to it, the modification number will begin with “P.” If another office administers the order, the modification number will begin with “A.”

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Enclosure (29) to COMDTINST M4200.13G
SF 1449 SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS <i>OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30</i>				1. REQUISITION NO. 2398898QRF123		PAGE 1 OF 4	
2. CONTRACT NO.		3. AWARD/EFFECTIVE DATE February 18, 1998		4. ORDER NO. HSCG89-98-P-QRF123		5. SOLICITATION NO.	
6. SOLICITATION ISSUE DATE		7. FOR SOLICITATION INFORMATION CALL		a. NAME		b. TELEPHONE NO. (No collect calls)	
8. OFFER DUE DATE/LOCAL TIME		9. ISSUED BY Commander (fcp-4) Maintenance and logistics Command Pacific Building 54-A Coast Guard Island Alameda, CA 94501-5100		10. THIS ACQUISITION IS <input type="checkbox"/> UNRESTRICTED <input checked="" type="checkbox"/> SET ASIDE: 100 % FOR <input checked="" type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> SMALL DISADV. BUSINESS <input type="checkbox"/> 8(A) SIC: 3621 SIZE STD: 1,000 Employees		11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE <input type="checkbox"/> 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) 13b. RATING 14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP	
12. DISCOUNT TERMS Net 30		15. DELIVER TO Commander (tb), USCG MLCPCAC Bldg 54, CG Island Alameda, CA 94501-5100		16. ADMINISTERED BY Same as block 9		17. CONTRACTOR/OFFEROR Able Generator Co. 4522 Power Highway Paducah, KY 45688 TELEPHONE NO.	
18a. PAYMENT WILL BE MADE BY Commercial Invoices P. O. Box 4115 Chesapeake, VA 23327-4115 (800) 564-5504 E-Mail Address: CSCall/Fincen@cgsmp.uscg.mil		17a. CONTRACTOR/OFFEROR CODE		17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER		18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM	
18a. CODE		19. ITEM NO.		20. SCHEDULE OF SUPPLIES/SERVICES		21. QUANTITY	
22. UNIT		23. UNIT PRICE		24. AMOUNT			
001		Generator, 20 amp, P/N 0004327		10		EA	
002		Spare parts kit for generator, P/N 0004328 <i>(Attach Additional Sheets as Necessary)</i>		10		EA	
25. ACCOUNTING AND APPROPRIATION DATA 2/Q/801/175/30/0/WF/63122/2617/4123.80		26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$2785.00		27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.		27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA <input type="checkbox"/> ARE <input checked="" type="checkbox"/> ARE NOT ATTACHED.	
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN _____ COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH <input type="checkbox"/> OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.		29. AWARD OF CONTRACT: REFERENCE _____ OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS: <input type="checkbox"/>		30a. SIGNATURE OF OFFEROR/CONTRACTOR		31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)	
30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT)		30c. DATE SIGNED		31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT) CWO C.W. MOSS		31c. DATE SIGNED	
32a. QUANTITY IN COLUMN 21 HAS BEEN <input type="checkbox"/> RECEIVED <input type="checkbox"/> INSPECTED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED		33. SHIP NUMBER <input type="checkbox"/> PARTIAL		34. VOUCHER NUMBER		35. AMOUNT VERIFIED CORRECT FOR	
32b. SIGNATURE OF AUTHORIZED GOVT REPRESENTATIVE		32c. DATE		36. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/>		37. CHECK NUMBER	
41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT		38. S/R ACCOUNT NO.		39. S/R VOUCHER NO.		40. PAID BY	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER		41c. DATE		42a. RECEIVED BY (Print)			
				42b. RECEIVED AT (Location)			
		42c. DATE REC'D (YY/MM/DD)		42d. TOTAL CONTAINERS			

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NUMBER AND PAPERWORK BURDEN STATEMENT

STANDARD FORM 1449 (4-2002)
Prescribed by GSA - FAR (48 CFR) 53.212

**Enclosure (29) to COMDTINST M4200.13G
SF-1449**

Order Number: HSCG89-04-P-QRF123

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (VRS), Office of Federal Acquisition Policy, GSA, Washington, DC 20405.	OMB No.: 9000-0136 Expires: 09/30/98
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The following clause is incorporated herein by reference with the same force and effect as though set forth in full text:

- ___ (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (Jul 1995), with Alternate I (Oct 1995) (41 U.S.C. 253g and 10 U.S.C. 2402).
- ___ (2) 52.219-3, Notice of Total HUBZone Set-Aside (Jan 1999) (15 U.S.C. 657a).
- ___ (3) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).
- ___ (4)(i) 52.219-5, Very Small Business Set-Aside (June 2003) (Pub. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994).
- ___ (ii) Alternate I (Mar 1999) of 52.219-5.
- ___ (iii) Alternate II (June 2003) of 52.219-5.
- ___ (5)(i) 52.219-6, Notice of Total Small Business Set-Aside (June 2003) (15 U.S.C. 644).
- ___ (ii) Alternate I (Oct 1995) of 52.219-6.
- ___ (iii) Alternate II (Mar 2004) of 52.219-6.
- ___ (6)(i) 52.219-7, Notice of Partial Small Business Set-Aside (June 2003) (15 U.S.C. 644).
- ___ (ii) Alternate I (Oct 1995) of 52.219-7.
- ___ (iii) Alternate II (Mar 2004) of 52.219-7.
- ___ (7) 52.219-8, Utilization of Small Business Concerns (May 2004) (15 U.S.C. 637(d)(2) and (3)).
- ___ (8)(i) 52.219-9, Small Business Subcontracting Plan (Jan 2002) (15 U.S.C. 637(d)(4)).
- ___ (ii) Alternate I (Oct 2001) of 52.219-9.
- ___ (iii) Alternate II (Oct 2001) of 52.219-9.
- ___ (9) 52.219-14, Limitations on Subcontracting (Dec 1996) (15 U.S.C. 637(a)(14)).
- ___ (10)(i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (June 2003) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).
- ___ (ii) Alternate I (June 2003) of 52.219-23.
- ___ (11) 52.219-25, Small Disadvantaged Business Participation Program-Disadvantaged Status and Reporting (Oct 1999) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

**Enclosure (29) to COMDTINST M4200.13G
SF 1449**

- ___ (12) 52.219-26, Small Disadvantaged Business Participation Program-Incentive Subcontracting (Oct 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).
- ___ (13) 52.219-27, Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside (May 2004).
- ___ (14) 52.222-3, Convict Labor (June 2003) (E.O. 11755).
- ___ (15) 52.222-19, Child Labor-Cooperation with Authorities and Remedies (June 2004) (E.O. 13126).
- ___ (16) 52.222-21, Prohibition of Segregated Facilities (Feb 1999).
- ___ (17) 52.222-26, Equal Opportunity (Apr 2002) (E.O. 11246).
- ___ (18) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212).
- ___ (19) 52.222-36, Affirmative Action for Workers with Disabilities (Jun 1998) (29 U.S.C. 793).
- ___ (20) 52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212).
- ___ (21)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (Aug 2000) (42 U.S.C. 6962(c)(3)(A)(ii)).
- ___ (ii) Alternate I (Aug 2000) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)).
- ___ (22) 52.225-1, Buy American Act-Supplies (June 2003) (41 U.S.C. 10a-10d).
- ___ (23)(i) 52.225-3, Buy American Act-Free Trade Agreements-Israeli Trade Act (Jan 2004) (41 U.S.C. 10a-10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, Pub. L. 108-77, 108-78).
- ___ (ii) Alternate I (Jan 2004) of 52.225-3.
- ___ (iii) Alternate II (Jan 2004) of 52.225-3.
- ___ (24) 52.225-5, Trade Agreements (June 2004) (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note).
- ___ (25) 52.225-13, Restrictions on Certain Foreign Purchases (Dec 2003) (E.o.s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).
- ___ (26) 52.225-15, Sanctioned European Union Country End Products (Feb 2000) (E.O. 12849).
- ___ (27) 52.225-16, Sanctioned European Union Country Services (Feb 2000) (E.O. 12849).
- ___ (28) 52.232-29, Terms for Financing of Purchases of Commercial Items (Feb 2002) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
- ___ (29) 52.232-30, Installment Payments for Commercial Items (Oct 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
- ___ (30) 52.232-33, Payment by Electronic Funds Transfer-Central Contractor Registration (Oct 2003) (31 U.S.C. 3332).
- ___ (31) 52.232-34, Payment by Electronic Funds Transfer-Other than Central Contractor Registration (May 1999) (31 U.S.C. 3332).
- ___ (32) 52.232-36, Payment by Third Party (May 1999) (31 U.S.C. 3332).
- ___ (33) 52.239-1, Privacy or Security Safeguards (Aug 1996) (5 U.S.C. 552a).
- ___ (34)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr 2003) (46 U.S.C. Appx 1241 and 10 U.S.C. 2631).

**Enclosure (29) to COMDTINST M4200.13G
SF 1449**

__ (ii) Alternate I (Apr 1984) of 52.247-64

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

[Contracting Officer check as appropriate.]

__ (1) 52.222-41, Service Contract Act of 1965, as Amended (May 1989) (41 U.S.C. 351, *et seq.*).

__ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (May 1989) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

__ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act-Price Adjustment (Multiple Year and Option Contracts) (May 1989) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

__ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act-Price Adjustment (Feb 2002) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

__ (5) 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreements (CBA) (May 1989) (41 U.S.C. 351, *et seq.*).

(d) *Comptroller General Examination of Record.* The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records-Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

**Enclosure (29) to COMDTINST M4200.13G
SF 1449**

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in paragraphs (i) through (vi) of this paragraph in a (i) 52.219-8, Utilization of Small Business Concerns (May 2004) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$500,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(ii) 52.222-26, Equal Opportunity (Apr 2002) (E.O. 11246).

(iii) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212).

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (June 1998) (29 U.S.C. 793).

(v) 52.222-41, Service Contract Act of 1965, as Amended (May 1989), flow down required for all subcontracts subject to the Service Contract Act of 1965 (41 U.S.C. 351, *et seq.*).

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**Enclosure (30) to COMDTINST M4200.13G
SAMPLE SF30 ADMINISTRATIVE CHANGE**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE	OF	PAGES
			1		1
2. AMENDMENT/MODIFICATION 0001	3. EFFECTIVE DATE 11/30/04	4. REQUISITION/PURCHASE REQ. NO. 23-04-8986PE030		5. PROJECT NO. (If applicable)	
6. ISSUED BY Commander (fcp-3) USCG MLC PAC Bldg 54A Alameda, CA 94501-5100		CODE	7. ADMINISTERED BY (If other than Item 6) Same as block 6		
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code) The Only Company 1357 Cherry Hill Lane Anywhere, CA 99902		<input checked="" type="checkbox"/>	9A. AMENDMENT OF SOLICITATION NO.		
			9B. DATED (SEE ITEM 11)		
		<input checked="" type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NO. HSCG89-04-P-6PE030		
			10B. DATED (SEE ITEM 13) 9/30/04		
CODE	FACILITY CODE				
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATION					
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:</p> <p>(a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.</p>					
12. ACCOUNTING AND APPROPRIATIONS DATA (if required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDERS NO. AS DESCRIBED IN ITEM 14.					
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).				
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
<input checked="" type="checkbox"/>	D. OTHER Specify type of modification and authority				
E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not <input type="checkbox"/> is required to sign this document and return copies to the issuing office.					
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)					
1. Change the purchase order, listed in block 10a above as follows:					
<ul style="list-style-type: none"> • Change the part number of line item one to read 12453-MODI • Change the part number of line item two to read 545-MOD2 					
2. The above changes are executed at no cost to either party.					
15A. NAME AND TITLE OF SIGNER (Type or print)			16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)		
			I. Q. Supply, CWO3, USCG		
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA		16C. DATE SIGNED	
		BY _____		10/18/04	
(Signature of person authorized to sign)		(Signature of Contracting Officer)			

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**Enclosure (31) to COMDTINST M4200.13G
SAMPLE SF30 CHANGE ORDER**

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE 1	PAGE OF PAGES 1
2. AMENDMENT/MODIFICATION NO. 0001	3. EFFECTIVE DATE 10/1/04	4. REQUISITION/PURCHASE REQ. NO. 23-04-04-86PE030	5. PROJECT NO. (If applicable)
6. ISSUED BY Commander (fcp-3) USCG MLCPAC Bldg 54A, Alameda, CA 95401-5100		7. ADMINISTERED BY (If other than Item 6) CODE Same as block 6	
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code) The Only Company 1357 Cherry Hill Lane Anywhere, CA 99902		<input checked="" type="checkbox"/>	9A. AMENDMENT OF SOLICITATION NO.
			9B. DATED (SEE ITEM 11)
		<input checked="" type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NO. HSCG89-04-P-6PE030
CODE	FACILITY CODE		10B. DATED (SEE ITEM 13) 10/1/04
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATION			
<p><input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.</p> <p>Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:</p> <p>(a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.</p>			
12. ACCOUNTING AND APPROPRIATIONS DATA (if required) 2/P/801/124/30/0/PE/12345/2200		Decrease: \$50.00	
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDERS NO. AS DESCRIBED IN ITEM 14.			
<input checked="" type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.		
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).		
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:		
	D. OTHER Specify type of modification and authority)		
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return 1 copy to the issuing office.			
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)			
<ol style="list-style-type: none"> 1. Change the purchase order, listed in block 10a, to read FOB point Destination. 2. Decrease the amount of this purchase order by \$50.00 to remove estimated freight cost. 			
Old Total: \$285.00		Decrease: \$50.00	
New Total \$235.00			
15A. NAME AND TITLE OF SIGNER (Type or print) Y.F. Company, Sales Representative		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) I. Q. Supply, CWO3, USCG	
15B. CONTRACTOR/OFFEROR <i>(Signature of person authorized to sign)</i>	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY <i>(Signature of Contracting Officer)</i>	16C. DATE SIGNED

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SAMPLE RCRA REPORT

Date Due at COMDT (CG-85): 15 NOV

Date Prepared: _____

RESOURCE CONSERVATION AND RECOVERY ACT (RCRA)

Command Summary Report

for Fiscal Year _____

Coast Guard Command: _____

Point of Contact: _____

(Name)

(Title)

Telephone & Fax Numbers: _____

E-mail Address: _____

Each command will provide a summary report on purchases made from sources OTHER THAN a Federal Source of Supply. Purchases made from a Federal Source of supply (i.e. GSA, DLA) will be reported for you by the agency operating the supply center. This report is limited to facilities (including vessels) that are located (homeported) within the 48 contiguous states. DO NOT REPORT facilities that are located OUTSIDE of the contiguous United States.

I. EPA Guideline Items

A. Cement and Concrete Products containing fly ash and cement and concrete products containing granulated blast furnace slag.

1. Total dollar amount of concrete cement purchased and/or used by your command in previous FY.

without fly ash or slag \$ _____ or total number of procurements _____.

With fly ash or slag \$ _____ or total number of procurements _____

2. Total amount of **concrete** purchased and/or used by your command in previous FY. \$ _____

without fly ash or slag \$ _____ or total number of procurements _____

with fly ash or slag \$ _____ or total number of procurements _____

3. Were there any technical impediments to increasing the amount of concrete and cement containing fly ash and granulated blast furnace slag purchased by your command in PREVIOUS FY? _____ (if yes, please attach an explanation of the technical impediment).

SAMPLE RCRA REPORT

B. Paper and Paper Products. GSA and GPO will provide data for commands' purchases of paper products made through their retail and wholesale stock program. However, please provide amounts for command purchases from any other sources. Also, please report items ordered under GSA schedule contracts.

1. Total dollar amount of **paper and paper products** purchased by your command from sources other than GSA and GPO in PREVIOUS FY \$ _____ and total number of procurements _____.
2. Total dollar amount of **paper and paper products containing recycled material** purchased by your command from sources other than GSA and GPO in PREVIOUS FY \$ _____ and total number of procurements _____.
3. Were there any technical impediments to increasing the amount of paper and paper products containing recycled material purchases by your command in PREVIOUS FY ____? (if yes, please attach an explanation of the technical impediment).

C. Motor Vehicle Lubricating Oils. DLA will provide data for commands' purchases of oil through their program. However, please provide amounts for command purchases from other sources.

1. Total dollar amount of **motor vehicle lubricating oils** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____ (if your vehicle maintenance is accomplished through service contracts that include a standard price for vehicle servicing, report the total number of servicing(s) rather than the dollar value _____).
2. Total dollar amount of **motor vehicle lubricating oils containing re-refined oil** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____ (if your vehicle maintenance is accomplished through service contracts that include a standard price for vehicle servicing, report the total number of services where the vehicle was serviced with re-refined oil rather than the dollar value _____).

D. Retread Tires Refer to the Federal Supply Schedule for Pneumatic Tires, FSC Group 26, Part II, Section A for items covered by this guideline. TACOM will provide data for commands' purchases of retreads for tactical vehicles.

DO NOT include exempt tires. The dollar amount and number of tires should only include those tire categories that are included in the Comprehensive Procurement Guidelines.

1. Total dollar amount of **tires** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____.
2. Total number of **tires** purchased by your command ~~in~~ PREVIOUS FY _____.
3. Total dollar amount of **retread tires** purchased by your command in PREVIOUS FY \$ _____.

SAMPLE RCRA REPORT

4. Total number of **retread tires** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____.

5. Were there any technical impediments to increasing the amount of retread tires purchased by your command in PREVIOUS FY? _____ (if yes, please attach an explanation of the technical impediment).

E. Building Insulation Products.

1. Total dollar amount of **building insulation products** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____.

2. Total dollar amount of **building insulation products containing recycled materials** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____.

3. Were there any technical impediments to increasing the amount of building insulation products containing recycled materials purchased by your command in PREVIOUS FY _____ (if yes, please attach an explanation of the technical impediment).

F. Engine Coolants.

1. For commands that maintain fleet maintenance facilities, how many fleet maintenance facilities do you operation? _____.

2. How many vehicles are maintained? _____.

3. How many of your fleet maintenance facilities own and operation **anti-freeze** recycling equipment?

G. Structural Fiberboard and Laminated Paperboard.

1. Total dollar amount of **structural fiberboard and laminated paperboard** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____.

2. Total dollar amount of **structural fiberboard and laminated paperboard containing recycled materials** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____.

3. Were there technical impediments to increasing the amount of recycled materials for structural fiberboard and laminated paperboard purchased by your command in PREVIOUS FY? _____ (if yes, please attach an explanation of the technical impediments).

H. Carpet (low and medium wear polyester fiber only).

1. Total dollar amount of **carpet** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____.

SAMPLE RCRA REPORT

2. Total dollar amount of **carpet containing recycled material** purchased by your command in PREVIOUS FY \$ _____ or total number of procurements _____.

3. Provide any additional information to demonstrate your command's compliance/commitment to purchasing carpet (low and medium wear polyester fiber) in PREVIOUS FY. This information could include policies issued, pilot projects, etc.

I. Floor Tiles (rubber or plastic only).

Provide any pertinent information to demonstrate your command's compliance/commitment to purchasing floor tiles (rubber or plastic only) in PREVIOUS FY. This information could include dollars spent, number of contracts, policies issued, pilot projects, etc.

J. Traffic Cones and Traffic Barricades (rubber or plastic only).

GSA will provide data for commands' purchases of traffic cones and traffic barricades and those with recycled materials. However, please provide amounts for commands' purchases from any other sources.

1. Total dollar amount of **traffic cones and traffic barricades** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____.

2. Total dollar amount of **traffic cones and traffic barricades with recycled content** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____.

K. Office Recycling and Waste Containers (plastic, paper or steel).

Provide any pertinent information to demonstrate your command's compliance/commitment to purchasing office recycling and waste containers (plastic, paper or steel) in PREVIOUS FY. This information could include dollars spent, number of contracts, policies issued, pilot projects, etc.

L. Plastic Desktop Accessories.

GSA will provide data for commands' purchases of desktop accessories and plastic desktop accessories. However, please provide amounts for command purchases from any other source.

1. Total dollar amount of **desktop accessories** purchased by your command in PREVIOUS FY \$ _____ and total number of procurements _____.

M. Toner Cartridges.

GSA and DLA will provide data for commands' purchases of toner cartridges and recycled toner cartridges. However, please provide amounts for command purchases from other sources.

SAMPLE RCRA REPORT

1. Total dollar amount of **toner cartridges** purchased by your command in PREVIOUS FY \$____ and total number of procurements ____.
2. Total dollar amount of **recycled toner cartridges** purchased by your command in PREVIOUS FY \$____ and total number of procurements.

N. Binders (chipboard and plastic covered, not cloth).

GSA will provide data for commands' purchases of binders and chipboard and plastic covered binders. However, please provide amounts for command purchases from any other source.

1. Total dollar amount of **binders** purchased by your command in PREVIOUS FY \$____ and total number of procurements ____.
2. Total dollar amount of **recycled content chipboard and plastic covered binders** in PREVIOUS FY____ and total number of procurements ____.

O. Plastic Trash Bags

Provide any pertinent information to demonstrate your command's compliance/commitment to purchasing plastic trash bags in PREVIOUS FY. This information could include dollars spent, number of contracts, policies issued, pilot projects, etc.

II. Specifications. RCRA. Section 6002(d) requires that Federal activities having responsibility for preparing specifications; review them to eliminate unnecessary requirements for the use of virgin materials and prohibitions against using recovered materials and add preferences for recovered material.

A. Does your command have responsibility or control over a particular Federal Supply class or group of specifications or standards?

Yes _____ No _____

B. How many product specifications standards. Commercial Item Description (CIDs), product descriptions or other similar documents does your office control?

Number _____

C. How many such documents have been reviewed in PREVIOUS FY?

Number _____

D. How many documents were modified in PREVIOUS FY to remove the requirements for the use of virgin materials? Number _____

SAMPLE RCRA REPORT

E. How many documents were modified in PREVIOUS FY to remove references of language prohibiting the use of recovered materials?

Number _____

F. How many documents were modified in PREVIOUS FY to add preferences for recovered materials?

Number _____

G. Does your command have a policy to remove the requirements for virgin materials and add preferences for recovered materials to these service contracts (i.e., include the use of re-refined oil in your vehicle service contracts).

Yes _____ No _____

H. If your command does have a policy like the above, please provide a copy to us.

I. If your command does not have a policy, please provide an explanation.

III. Solid Waste Prevention

Please report solid waste prevention efforts for facilities for which your command is responsible.

A. Did you institute new solid waste prevention practices in PREVIOUS FY?

Yes _____ No _____

B. If the response is Yes, please provide an explanation of those practices.

C. If the response is No, please provide an explanation of why not.

IV. Recycling.

A. What percentage of the offices/sites operated by your command have an active office products recycling program? _____ **Percent**

B. What percentage of residential housing operated by your command have an active household products recycling program? _____ **Percent**

C. What percentage of demolition projects managed by and/or contracted by your command includes the recovery of construction materials? _____ **Percent**

D. What percentage of your total solid waste was diverted to recycling? _____ **Percent?**

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SAMPLE RATIFICATION DOCUMENTATION

Memorandum

Subject: RATIFICATION OF PURCHASE FOR ENGINE REPAIR

Date: 19 December 2003
4205

From: MK1 Engine

Reply to (xpm)
Attn. of: MK1 Engine

To: CWO Money, Contracting Officer
Via: LCDR D. Head, Facilities Engineering

Ref: COMDTINST 4200.13 (series) Simplified Acquisition Handbook
Homeland Security Acquisition Manual 3001.602-3

1. In accordance with reference (a), I submit to you the following information concerning the purchase I made for the emergency repair of two outboard motors.

a) **Circumstances which precipitated the action:** During a harbor check at Clear Bay, the station RHI experienced engine problems. The right outboard was running fast, and the left outboard was smoking. Since this problem endangered the crew and the safety of the vessel, I maneuvered the RHI into Dicks Marina for repair. Since we were away from our station, and no means of repairing the engines ourselves, I authorized Dick to repair the engines so that we could return to the station.

b) **Bona fide government need and benefit received from this action:** The RHI engines need to be repaired. Failure to repair the engines would have caused irreversible damage and the engines would have needed to be replaced. Also, if the patrol had continued, or if I had attempted to return to the station, I may have destroyed the engines in transit, or suffer loss of propulsion, and strand myself and crew. The benefit received was that the engines were repaired, we completed our patrol, and the engines were saved from replacement.

c) **Dollar value of performance:** The dollar value of this action is \$1,150.00. Attached is the invoice from Dick's Marina for the repair, and a completed purchase request.

d) **Rational for contractor selected:** Dick's Marina is the only outboard repair facility located in Clear Bay. Since I didn't want to ruin the engines, I had them repaired.

2. I certify that the above information is a true and accurate account of the events described.

SAMPLE RATIFICATION DOCUMENTATION

Memorandum

Subject: RATIFICATION OF PURCHASE FOR ENGINE REPAIR Date: 23 December 2003
4205

From: LCDR D. Head, Department Head, Facilities Engineering Reply to: fe
Attn. of: LCDR D. Head
To: CWO Money, Contracting Officer 432-1289

Ref: (b) Simplified Acquisition Handbook
(c) Homeland Security Acquisition Manual 3001.602-3

1. In accordance with reference (a), and (b), the following information is provided, and the memo from MK1 Engine is forwarded for your action.

- a) The action taken by MK1 Engine, while unauthorized, did end up saving the service considerable money. The statement of facts as presented are true and accurate to the best of my knowledge.
- b) I have counseled MK1 Engine on proper procurement procedures and directed all shop chiefs to conduct training on proper procurement actions. The complete (fe) division will be trained on procurement procedures by the end of next month.
- c) No disciplinary action will be taken against MK1 Engine. PO Engine is one of my best PO's and I believe he took the action that was needed. His only fault was that he did not receive prior approval from a contracting officer. As noted above, PO Engine has been counseled and I believe this mistake will not be repeated.

D. HEAD

Encl: (1) Memo from MK1 Money

Enclosure (37) to COMDTINST M4200.13G

SAMPLE RATIFICATION DOCUMENTATION

Commander, Maintenance & Logistics Command Pacific United States Coast Guard Building 54A	Coast Guard Island Alameda, CA 94501-5100 Staff Symbol: (fcp-4) Phone: (510) 437-2735 FAX: (510) 437-3014
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4205
1/05/2004

From: Commander, Coast Guard Group Port Arena, CA
To: Commandant (CG-851)
Via: Chief of Contracting Office, Integrated Support Command San Francisco, CA
Commander, Maintenance & Logistics Command Pacific (f)
Commander, Maintenance & Logistics Command Pacific (lp)
Subj: RATIFICATION OF UNAUTHORIZED COMMITMENT - REPAIR OF OUTBOARD
ENGINES – PR NUMBER 21-04-3486AD024
Ref: (a) Coast Guard Acquisition Procedures, COMDTINST M4200.19H. 1201.602.390
(b) Homeland Security Acquisition Manual 3001.602-3486AD024

1. Per reference (a) the following information is provided in accordance with FAR 1.602-3:
 1. Services have been provided to the Government and benefit has been obtained from this unauthorized commitment. The engines were repaired on 12/12/03.
 2. The ratifying authority has the authority to enter into this contractual commitment.
 3. The resulting contract would otherwise have been proper if made by an appropriate Contracting officer.
 4. I, as Contracting Officer have reviewed the unauthorized commitment and determined that the price charged by Dick's Marina is fair and reasonable. I have contacted several marine repair establishments and determined the prices paid would have been paid at other establishments.
 5. I recommend payment.
 6. I have determined that the funds are available and were available at the time of the unauthorized commitment.
 7. This ratification is in accordance with any other limitations prescribed under agency Procedures.

Enclosure (37) to COMDTINST M4200.13G

SAMPLE RATIFICATION DOCUMENTATION

2. I recommend legal concurrence and that this procurement be ratified.

I.M. MONEY
CWO2, USCG
Contracting Officer

Encl: (1) Memo 4204 from MK1 Engine dated 12/19/03
(2) Memo 4204 from LCDR Head dated 12/23/03
(3) Procurement Request number 21-04-3486AD024
(4) Invoice Number 5204 from Dick's Marine Repair Service