



United States Department of the Interior  
OFFICE OF THE ASSISTANT SECRETARY - INDIAN AFFAIRS

Washington, D.C. 20240



IN REPLY REFER TO:

## National Policy Memorandum

Assistant Secretary - Indian Affairs  
Deputy Assistant Secretary – Indian Affairs (Management)

Effective: April 14, 2014

Expires: April 14, 2015

**Number:** NPM-ACQ-05

**Title:** Purchase Request Package Requirements

### 1. Purpose

This memorandum provides guidance for all procurement and non-procurement personnel to establish direction in preparation of complete purchase request packages.

### 2. Scope

This policy applies to all IA headquarters, field and program staff under the authority of the Assistant Secretary – Indian Affairs (AS-IA), including the Bureau of Indian Affairs (BIA) and the Bureau of Indian Education (BIE).

### 3. Policy

It is the policy of Indian Affairs to comply with federal regulations and policy and direction from the Department of the Interior (DOI) and the Office of Management and Budget (OMB) to ensure adequate internal control measures and reviews are established and implemented. IA has implemented these procedures to ensure proper internal controls in compliance with OMB Circular A-123.

### 4. Procedures

This document establishes guidance for all procurement and non-procurement personnel to enable the preparation of a complete Purchase Request Package required by Contracting Officers (CO) to initiate the procurement process. The program offices technical expert is the primary point of contact serving as the lead in the preparation of all required documentation to ensure timely processing of their requirement by the contracting office. The contracting office cannot initiate procurement actions without all required documentation and a fully approved Program Purchase Request (PR) in FBMS as

Release # 14-13

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stated in this guidance. For the complete collection of acquisition hyperlinks click on:  
<http://www.bia.gov/WhoWeAre/AS-IA/OCFO/Acquisitions/index.htm>

## A. Definitions

1. **Architect-Engineering service** means professional services of an architectural or engineering nature, as defined by State law, if applicable, that are required to be performed or approved by a person licenses, registered, or certified to provide those services; Professional services of an architectural or engineering nature performed by contract that are associated with research, planning, development, design, construction, alteration, or repair of real property; and those other professional services of an architectural or engineering nature, or incidental services, that members of the architectural and engineering profession (and individuals in their employ) may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual designs, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manuals, and other related services.

2. **Construction service** means construction alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property. For purposes of this definition, the terms “buildings, structures, or other real property” include, but are not limited to, improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, cemeteries, pumping stations, railways, airport facilities, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, canals, and channels. Construction does not include the manufacture, production, furnishing, construction, alteration, and repair processing or assembling of vessels, aircraft or other kinds of personal property.

3. **Davis Bacon Act** requires that contracts in excess of \$2,000 to which the United States or the District of Columbia is a party for construction, alteration, or repair (including painting and decorating) of public buildings or public works within the United States, shall contain a clause that no laborer or mechanic employed directly upon the site of the work shall receive less than the prevailing wage rate as determined by the Secretary of Labor.

4. **Design-Build** means a delivery method for construction project that combines the architectural, engineering, and construction services required for a project into a single contractual agreement. Under such an agreement the owner contracts with a single entity; the contractor providing the end product is responsible for both design and construction.

5. **Micro-purchase** means an acquisition of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold.

6. **Micro-purchase threshold** means \$3,000 except for acquisitions of construction subject to the Davis-Bacon Act, \$2,000; for acquisitions of services subject to the Service Contract act \$2,500; and for actions of supplies or services that, as determined by the head of the agency, are to be used to support contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack, as described in 13.201 (g) (1), except for construction subject to the Davis-Bacon Act (41 U.S.C. 428a) for construction services.



7. *Service contract* means any government contract, the principal purpose of which is to furnish services to the United States through the use of service employees, except as exempted under section 7 of the Act (41 U.S.C. 356, see 22.1003-3 and 22.1003-4), or any subcontract at any tier thereunder.

8. *Service Contract Act* requires that contractors and subcontractors performing service contracts in excess of \$2,500 contain mandatory provisions regarding minimum wages and fringe benefits as set by the Secretary of Labor, provide safe and sanitary working conditions, notification to employees of the minimum allowable compensation, and equivalent Federal employee classifications and wage rates.

9. *Supply* means all property except land or interest in land.

## **B. Micro-Purchases**

Micro-purchases do not require a purchase request package if the purchase is being conducted by the purchase cardholder. If purchase is to be conducted by a Contracting Officer the requirements found in "Acquisition of Commercial Items" or "Simplified Acquisition Procedures" apply.

Purchase cardholders are to use the direction found in the "Indian Affairs Charge Card Policy Manual" to make authorized purchases. The purchase cardholders file shall contain an approved "Requisition", document compliance with "greening" requirements, and be made in accordance with the required sources of supply found in FAR Part 8 and Indian Affairs guidance.

The micro-purchase threshold is \$3,000 for supply items, \$2,500 for services, except those subject to the Service Contract Act, and \$2,000 for construction, except those subject to the Davis Bacon Act.

## **C. Acquisition of Commercial Items**

The FAR describes a commercial item as any item, other than real property, that is of a type customarily used by the general public or by non-governmental entities for purposes other than 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.

Commercial item acquisition procedures are used for all purchases, above the micro-purchase limit (includes micro-purchase if purchased by CO) up to a threshold of \$150,000, unless special authority is granted in accordance with, FAR Part 13.5, "Test Program for Certain Commercial Items" which increases the threshold to \$6.5 million (\$12 million in support of contingency operation or to facilitate the defense against or recovery from nuclear, biological, chemical, or radiological attack), including options.

Although "Construction and Architect-Engineering Services" appear to fit the description of a commercial item these services shall not be purchased under FAR Part 12. FAR Part 36 describes procedures for making these types of purchases.

A large amount of IA purchases fall into the commercial item category and the purchase request package requirements are as follows:

Supply:

- Detailed description of required item obtained by conducting market research
- Funding sited and approved on the Program Purchase Request (PR)
- Independent Government Cost Estimate
- List of recommended sources (potential vendors)
- Sole Source or Brand Name Justification, if limiting competition
- Evaluation Criteria (if applicable)

Service:

- Statement/Scope of Work written after conducting market research
- Funding sited and approved on the Program Purchase Request (PR)
- Independent Government Cost Estimate to include TERO, Tribal, and State tax (if applicable)
- List of recommended sources (potential vendors)
- Sole Source and Brand Name Justification, if limiting competition
- Evaluation Criteria (if applicable)
- Acquisition Planning Document (if applicable)
- Copy of FAC-COR Certification for proposed Contracting Officer's Representative if other than simple service or supply

#### **D. Simplified Acquisition Procedures**

Simplified acquisition procedures are used for all purchases, including micro-purchases that do not exceed the simplified acquisition threshold and do not fit the definition of "Commercial Item".

The simplified acquisition threshold is \$150,000.

With the exception of construction the purchase request package requirements are identical to that of commercial items. Construction purchase request requirements are described below.

#### **E. Construction and Architect-Engineering (A-E) Services**

Purchasing construction and Architect-Engineering services requires the use of various parts of the FAR including but not limited to Part 13, 14, 15 and 36.

Construction requirements are to be written by a person licensed, registered, and/or certified to produce the plans, technical specifications, drawings, bid schedule(s), alternate bid items, liquidated damages amount, etc.

The Design-Build (DB) project delivery method or approach is by definition a construction project. As a result, additional construction requirements includes but is not limited to design, producing technical specifications, drawings, project administration, etc. as part of a DB project delivery method.

Construction service purchase request package requirements are as follows:

- Plans and technical specifications (including drawings, bid schedule(s), alternative bid items, liquidated damages amount, etc.)
- Special Conditions/Requirements
- Required Approved Permits (NEPA, NHPA, etc.)
- Funding sited and approved on the Program Purchase Request (PR)
- Independent Government Cost Estimate to include TERO, Tribal, and State tax (if applicable)
- Listing of recommended sources (potential vendors)
- Sole Source Justification, if requesting to limit competition
- Evaluation Criteria (if applicable)
- Acquisition Planning Document (if applicable)

Architect-Engineering service purchase request package requirements are as follows:

- Statement/Scope of Work
- Funding sited and approved on the Program Purchase Request (PR)
- Independent Government Cost Estimate
- Listing of recommended sources (potential vendors)
- Evaluation Criteria

## **5. Authorities**

### **A. Statues and Regulations**

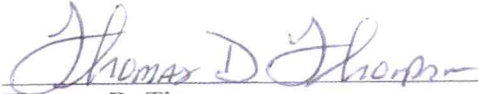
- 1) Federal Acquisition Regulation (FAR), FAR Subpart 8
- 2) 48 CFR, Federal Acquisition Regulations System
- 3) Department of the Interior Acquisition Regulations (DIAR)
- 4) Departmental Manuals
- 5) Executive Orders

### **B. Guidance.**

- 1) Department of the Interior Acquisition Policy Release (DIAPR)

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- 2) Department of the Interior Guidance (DIG)
  - 3) Indian Affairs Acquisition Guidance Release (IA-AGR)

**6. Approval**



Thomas D. Thompson  
Deputy Assistant Secretary – Indian Affairs (Management)

4/14/2014  
Date