

CARE FUNCTIONAL REVIEW

ACQUISITION OF SUPPLIES, SERVICES, AND EQUIPMENT

For information on the interpretation or clarification of the functional questions in this section, please contact Linda Wilson on 301-504-1733.

We recommend that the reviewer be able to take a copy of the Federal Acquisition Regulation (FAR) to assist in performing a review of acquisitions.

2.0 General Acquisitions

- Select 10 percent of orders from the purchase order log book for review. Look carefully at orders placed during the last 2 weeks of the fiscal year (FY) and at orders over \$3,000.
- Verify warrant limitations (delegation of authority) for acquisition personnel at the Location. (FAR Subpart 1.602-1)

2.01 Requisitions

References:

APD Issuances - <http://www.afm.ars.usda.gov/acquisitions/alerts.htm>

Federal Acquisition Regulation - <http://www.acqnet.gov/far/index.html>

APD Manual 213.3M REE Purchase Card Program - <http://www.afm.ars.usda.gov/purchase-cards/index.htm>

Departmental Regulation 5013-6 -

http://www.da.usda.gov/procurement/ccsc/purchase_card_more.htm

AbilityOne Program - <http://www.afm.ars.usda.gov/acquisitions/ability-one.htm>

Acquisition Toolkit - <http://www.afm.ars.usda.gov/acquisitions/toolkit.htm>

- Verify that the action was processed via the Integrated Acquisition System (IAS). If the action was processed external to IAS, a completed Procurement Request (PR) and Foundation Financial Information System (FFIS) Requisition (RQ) print screen is required. For orders external to IAS:
 - Ensure the file includes a PR complete with required sub-account, specifications, funding, estimates, justifications, and approval.
 - Verify that the PR is signed by an authorized individual.
 - Verify that the PR has a procurement request number and is properly dated.
 - Verify that an FFIS RQ print screen is included in the file.

- Are OF 347's or other approved procurement vehicles and/or Purchase Orders, prepared in accordance with the instructions on IRS Form 1099 reporting requirements (National Finance Center (NFC) Manual Title II, Chapter 5)?
- Verify that a tracking system is in place to handle the administration of PRs, contracts, purchase orders, and assignments of requests for action. An example would be to have a manual or automated log. Verify that an action is traceable through the system, i.e., from PR to award document. Is there a management information system in place to report on status of sensitive actions?

2.02 Procurement

- Verify that current Policies and Procedures (P&P's), Bulletins, etc., are readily available.
- Document the kind of random review and supervision of the purchasing function at the Location to insure efficiency and compliance with regulations. For example, does the Administrative Officer (AO) randomly review purchase order files, etc? What is the Area's involvement in this regard?
- Confirm that the Product Service Codes, NAICs, and Description of the Requirement fields, are completed in FPDS-NG for all reportable actions regardless of dollar value. (APD Alert 2008-02, February 2008)

2.02-1 Blanket Purchase Agreements (BPA's)

- Ensure that BPA's are replaced by using the purchase card when appropriate. Check BPA for frequency of use.
- Ensure that BPA's are documented on a proper form (FAR Subpart 13.307) and contain all the necessary terms and conditions, including individuals authorized to place orders and extent of their authority, and securing maximum discounts. (FAR Subpart 13.303)
- Ensure BPA orders are only used by those individuals authorized on the agreement. (FAR Subpart 13.303)
- Check to see that whenever possible, contractors invoice monthly rather than invoicing for each call order (FAR Subpart 13.303). This is to reduce paperwork and cost to the Government.
- Ensure BPA's are reviewed annually to reaffirm the need and proper usage. (FAR Subpart 13.303)
- Ensure that call orders over \$3,000 are documented to show that competition was obtained or notation for sole-source. (FAR Subpart 13.303)

- Ensure that individual call orders do not exceed the maximum call order limit. (FAR Subpart 13.303)
- Ensure that BPA's do not exceed the total dollar limitation or its stated period of performance. (FAR Subpart 13.303)
- Ensure there is a printout of the FPDS-NG action in the file for BPA calls over \$3,000. Verify the FPDS-NG action reflects the delivery order document/contract file. (FAR Subpart 4.6, <https://www.fpds.gov>)

2.02-2 Purchase/Delivery Orders

- For UNICOR purchases, ensure the file contains a comparability determination. (FAR Subpart 8.602 and APD Alert 2005-13)
- Check log books for orders just under \$100,000. Look for orders to a single vendor in close proximity to the same date. These orders may represent potential split requirements that were broken down into several purchases merely to permit the use of simplified acquisition procedures.
- Check log books for multiple orders to the same vendor/merchant broken down to remain under warrant authority.
- Check purchase orders for best value (getting the best deal) and/or price reasonableness determinations. Refer to APD Policy Memorandum 13-01 for information on best value determinations and FAR Subpart 13.106-3 for information on price reasonableness.
- Ensure there is an awareness of the procedures for ratification of unauthorized commitments. (APD P&P 212.16)
- Ensure that unpriced purchase orders are documented to show the need for using this type of order. (FAR Subpart 13.302-2)
- Ensure that the total value of the order is within the delegated authority of the contracting officer.
- Check to see that biobased products are purchased if comparable in price, quality and availability to non-biobased products. Refer to USDA's Web site for a list of biobased products (<http://www.da.usda.gov/procurement/programs/biopreferred.htm>). (FAR Subpart 23.4)
- Check to see that recycled products are purchased if the Agency designated item exceeds \$10,000 or the aggregate amount paid for designated items in the preceding FY was \$10,000 or more and can be acquired competitively within a reasonable time, meeting appropriate performance standards and at a reasonable price (FAR Subpart 23.4). Refer

to EPA's Web site for a list of designated items (<http://www.epa.gov/epawaste/consERVE/tools/cpg/products/index.htm>).

- Check to see that Energy Star®, FEMP designated products, or other energy efficient products and water efficient products are purchased (FAR Subpart 23.2). Refer to the following Web sites for information on energy star products: www.energystar.gov/ and www1.eere.energy.gov/femp/procurement/.
- Check to see if the purchasing agents are using required sources properly, particularly, AbilityOne (formerly Javits-Wagner-O'Day (JWOD) Act Program). (FAR Subpart 8.7)
- Check to see if procurement outreach efforts are being accomplished. Is there an awareness of the procurement preference program in terms of need to locate small businesses, small disadvantaged businesses, women-owned businesses, HUBZones, and service disabled veteran-owned? (FAR Parts 13 and 19, USDA DR 5090-002 & DR 5090-003)
- Are there established procedures for accepting capability statements and/or market literature from small businesses? Are these small businesses being added to source lists? For open-market projects between \$25,000 and \$100,000, are there at least one each of the following small business concerns identified on the source list: small business, woman-owned small business, small disadvantaged business, and service-disabled veteran-owned?
- Ensure that regulations on Set-Asides for Small Business are adhered to: Open-market purchases between \$3,000 - \$100,000 must be set-aside for small business. The file should be documented in accordance with FAR Part 19.502-2 if the eligible requirement was not set-aside. **Note:** Orders under \$3,000 (micro-purchases) do not have to be set aside for participation by small business.
- Check log book for multiple orders less than \$25,000 that may have been broken down into several purchases merely to circumvent synopsisizing requirements.
- Verify that all open-market requirements of \$25,000 or greater were posted on FEDBizOpps. (FAR Parts 5 and 13)
- Ensure that competition is obtained for requirements over \$3,000. If not, the file must document why competition was not feasible or not obtained. For non-competitive purchases exceeding \$3,000, ensure that the basis for the price reasonableness determination is included in the file. (FAR Subpart 13.106-3)
- Services over \$2,500: If subject to the Service Contract Act, wage rates should be obtained through Wage Determinations OnLine (www.wdol.gov) and incorporated in the order (FAR Subpart 22.1008-1, APD Alert 2004-04). A new wage determination should be incorporated with all exercised options.

- Actions under the Small Business Competitiveness Demonstration Program: Verify a printout of the FPDS-NG action is in the file and that it reflects the contract award document/contract file. Confirm the FPDS-NG report was completed within 3 workdays after contract award and that it was processed in accordance with the procedures found in the FPDS-NG User's Manual. (FAR Subpart 4.6, <https://www.fpds.gov/>)
- **Note:** The Small Business Competitiveness Demonstration Program actions (construction, refuse, services, etc.) of any dollar value must be entered in FPDS-NG.
- Construction over \$2,000: Ensure Davis-Bacon Wage Rates are incorporated in the order. (FAR Subpart 22.404)
- Request for quotes: The file should document the method of solicitation (orally or written) and include information on offers, prices, discounts, and basis for determination of price reasonableness. A written solicitation is required for construction requirements over \$2,000. (FAR Part 13)
- Ensure that source lists are maintained and used to select sources for simplified acquisitions. (FAR Part 13)
- Defaults – In the case of Termination for Default, did the office charge the excess costs of any reprocurement action to the defaulted contractor?
- Ceiling price: Are ceilings established for all estimated orders?
- Delivery date: Does the order contain a definitive or determinable date for delivery of supplies or performance of services?
- Check to see if procurement files are well maintained and organized. All pertinent data should be kept in the contracting officer's file. (FAR Subpart 4.803)
- Verify that all proposed contract actions between \$10,000 and \$25,000 are displayed in a public place or placed on FEDBizOpps. (<https://www.fbo.gov>, FAR Part 5)
- Ensure that as stated in FAR Subpart 4.805, the Location retains records as follows:
 - Construction contracts over \$2,000 and all other contracts over \$100,000 for 6 years and 3 months after final payment;
 - Construction contracts of \$2,000 or less, 3 years after final payment.

- Contracts (and related records or documents, including successful proposals) at or below the simplified acquisition threshold (\$100,000) for other than construction, 3 years after final payment.
- Confirm that purchasing agents are aware of the CCR requirements prior to issuance of purchase orders. Vendors must be registered in CCR to be eligible for contract award. (FAR Subpart 4.11)

2.02-3 Purchase Cards

Obtain a list of cardholders and their supervisors/managers from the Local Agency Program Coordinator (LAPC). Select 10 percent of cardholders to review their purchase card logs. In addition, select 10 percent of the supervisors/managers to review their respective purchase card management review reports to verify oversight of cardholder's purchases is being performed.

- Ensure LAPC is maintaining a file of cardholders and their associated approving officials for the Location. Each file should contain a record of the training for the cardholder and approving official. (Departmental Regulation 5013-6)
- Check purchase card log to determine if cardholders are using AbilityOne (formerly JWOD) distributors and suppliers to obtain office supplies.
<http://www.afm.ars.usda.gov/acquisitions/ability-one.htm>
- Check the purchase card log for multiple orders to the same vendor/merchant broken down to remain under cardholder's single purchase limit.
- Check purchase card log for transactions over \$3,000 to ensure competition is obtained and that the file contains a contracting document in the form of either a purchase order or contract, including applicable clauses. Ensure a printout of the FPDS-NG action is in the file and that it reflects the procurement award document.
- Confirm that purchasing agents are aware of the CCR requirements prior to paying with a card/check over \$3,000. (FAR Subpart 4.11)
- Check purchase card log for checks over \$2,500 to ensure approval from the REE APC is in the file. (AGAR Advisory No. 52 and APD Alert 2004-09)
- Check purchase card log for payments for recurring telecommunication services or telecommunication purchases over \$350. These purchases are prohibited. (APD Alert 2005-4 and AGAR Advisory 58A)
- Confirm that cardholders are maintaining adequate documentation of all purchase card and convenience check transactions in the cardholders transaction file. Adequate documentation includes maintaining a purchase card log, documentation of funds availability, receipts, purchase requests, packing slips, and electronic confirmation for all

purchases made over the counter, by telephone or via the Internet. (Departmental Regulation 5013-6)

- Confirm cardholders are obtaining proper authorization prior to making a purchase. Authorization can be in the form of a written purchase request or e-mail from a responsible official that identify an official Government need, including blanket authorizations for routine purchases. (Departmental Regulation 5013-6)
- For actions over \$300, verify that someone other than the cardholder is receiving and accepting the goods/services. (Departmental Regulation 5013-6)
- Qualification and Training of LAPC
 - Verify that the LAPC is in the 1102 or 1105 series. For those not in the 1102 or 1105 series, check to see what procurement training they have received to qualify them as a Level 1B Contracting Officer. This does not mean that the LAPC has to be warranted. (APC/LAPC Program Guide and DR 5001-1)
- Reference Tools
 - Check to see what tools the LAPC is using to manage and provide oversight of the purchase card program (i.e., Discoverer, Access Online®).
- Reports
 - Check to see if LAPC has consistently submitted the required management and oversight reports on Purchase Card/Check Use and Reconciliation to the Area.
- Management and Oversight
 - Check to see if the LAPC is performing any reviews of cardholder transactions for compliance with existing procurement policies, i.e., random review of cardholder transactions. (REE Manual 213.3M Purchase Card Program)
 - Check to see if cardholder's supervisors are receiving and reviewing cardholder reports on a monthly basis in accordance with the guidance in REE Manual 213.3M Purchase Card Program.
 - Ensure that cardholder's keep a log for recording purchase card transactions. (REE Manual 213.3M Purchase Card Program)
 - What kind of random review is performed on purchases made using the purchase card?

2.02-4 Training

- Verify warrants are posted (FAR Subpart 1.602-1).
- Verify training plans are in place to maintain and enhance purchasing/contracting skills (FAR Subpart 1.603 and DR 5001-1).

2.02-5 Federal Supply Schedule (FSS) (FAR Subpart 8.4)

- Ensure that delivery orders used to purchase from the FSS:
 - Is processed within IAS. If the purchase card is used, an OF-347 is used to document the transaction and is included in the purchase file.
 - Have the special item number shown for each item.
- Ensure there is a printout of the FPDS-NG action in the file for delivery orders and delivery order modifications. Verify the FPDS-NG action reflects the delivery order document and contract file (FAR Subpart 4.6, <https://www.fpds.gov/>).
- Ensure that quotes have been obtained from at least three schedule contracts before placing an order with an FSS contractor (FAR Subpart 8.405-1).

2.03 Administration

2.03-1 Simplified Acquisitions

- Ensure there is an effective tracking system and procedure for determining contract and order completion and final payment for closeout purposes.
- Scope of Order: If a modification increased the supplies or services ordered, it should be within the scope of the original order. Within the scope of the original order means that the added supplies and/or services could have been anticipated from the face of the original order and they are not materially different from the services and/or supplies currently produced under the original order. If not, it should be considered as a “new procurement” action (FAR Part 13).
- Supplemental agreement: Ensure that if a modification increased the total over \$100,000 and it was by supplemental agreement, it incorporated the mandatory contract clauses.

2.03-2 Receiving Reports

- Receiving reports must be entered in IAS.

2.03-3 Invoice/Payments/Closeout

- Verify there is evidence of record of invoice/payment in the file and evidence of final payment. (FAR Subpart 4.804)
- Verify there is evidence of closeout in the file. (FAR Subpart 4.804-5)

2.04 Personal Property

For information on the interpretation or clarification on the functional questions in this section, please contact Cheryl Brumback on 202-720-2359.

Note: USDA is planning to replace its current personal property system PMIS/PROP with a new system, CPAIS-PP, in February 2009. To accommodate this change, since it may be pending, any reference to a personal property system will only refer to “Official Personal Property System.”

2.04-1 Organizational Structure

- The AO has delegated authority as the property management officer (PMO), with oversight from the Area PMO (APMO). List additional staff positions that are responsible for performing personal property duties and responsibilities.
- Determine whether the Area Office performs the Location’s property management duties and responsibilities.
- Determine how many designated Accountable Property Officers (APO’s) the Location has.

2.04-2 Training

- List the types of informal and formal training that members of the Location’s property staff have had to ensure they are able to perform property management functions. Indicate whether the property staff needs additional training or support to adequately perform these functions.

2.04-3 Reference Material

- Determine whether the property staff has access to and uses the following personal property references:
 - REE Manual 221.1M, Personal Property, Motor Vehicle, & Aircraft Management, dated 8/3/99 (policy)
 - NFC Procedures Manual, Personal Property System (PROP), dated March 1998 (using PMIS/PROP)
 - CPAIS-PP documentation or On-Line Robo Help

- Property Management Quick Guide, dated 2004 (overview of PMO duties)
- Quick Guide to Using AAMS/GSAXcess, dated Oct 2007 (reporting and acquiring excess property)

2.04-4 File Management

- Ensure the property office maintains official property management files. Determine whether the office uses consolidated files for each APO with a section for various property functions or separate files for inventories, excess, disposal, transfers, etc.
- Review the files to ensure they contain copies of current physical inventories, purchase documents for property on inventory, excess/unserviceable property forms, and completed disposal documents.

2.04-5 Inventory Management

- Review the files to determine whether physical inventories are current. (USDA regulations require offices to conduct physical inventories every 2 years and when there is an APO change.)
- Ensure the files contain the “working copy” of the current physical inventory. The “working copy” should include notations of items on-hand, excess, etc., and it is signed by the APO. (See REE Manual 221.1M, Section 4, Physical Inventories, and Agriculture Property Management Regulations, AGPMR 104-51.106.)
- Determine how often the office reviews the Inventory Status Report from the Official Personal Property System. This report lists the APO name, address, inventory date, and inventory status.
- Explain how the office notifies APO’s when physical inventories are due. Determine whether the office provides APO’s with written instructions and how much advanced notice they routinely provide.
- Determine whether APO’s submit documentation supporting inventory changes such as transfers, excess, disposals, and new acquisitions before the property officer makes any inventory adjustments. (Documentation includes forms AD-107 Report of Transfer, SF-120 Report of Excess Property, AD-112 Report of Unserviceable, Lost, Stolen, or Damaged Property, and purchase documents.)
- Determine whether the property office forwards a copy of the reconciled inventory to APO’s. (See REE Manual 221.1M, Section 4, Physical Inventories, and Subsection “Reconciling Physical Inventories”.)

- Explain any problems that occur when requesting, performing, or completing physical inventories and how the property office resolves the problems.

2.04-6 Property Accountability and Control

- Determine whether the property office receives copies of purchase documents from the purchasing agent/contracting officer at the time of purchase for accountable property or whether the property office has to request copies after the transaction appears on the Suspense Report/Staging Area Report.
- Explain how the property office requests equipment descriptive information, serial number, etc., information from the APO, assigns the AG number, and updates new accountable property to the official personal property system. (See REE Manual 221.1M, Section 3, Accountability and Control, Subsection “Receipt Documents for Accountable Property.”)
- Explain how the office authorizes employees to remove property from the facility, including what type of documentation they use, such as memoranda, form AD-873, AD-107, etc; and who is authorized to approve property passes. (See REE Manual 221.1M, Section 3, Accountability and Control, Subsection “Removing Property from Government Offices”.)
- Determine how the office ensures employees return property on loan.

2.04-7 Property Suspense/Staging Area Reports

- Determine how often the property office receives and reconciles the Suspense Report.
- Verify whether the property office reconciles transactions according to USDA policy, which requires offices to reconcile upon receipt, but no later than 60 days of appearing on Suspense. (See REE Manual 221.1M, Section 5, Suspense Listings, and APD Policy Memorandum 221.1-04, Reconciling Area Suspense Reports, dated 3/9/00.)
- Explain any problems that occur when reconciling Suspense Reports and how the property office resolves the problems.

2.04-8 Sensitive Property

- Determine whether the office has any sensitive property, which are firearms and law enforcement badges. Ensure the office properly secures, bar codes, and lists sensitive property on the APO’s inventory. (REE Manual 221.1M, Section 2, Accountability and Control, subsection “Sensitive Property.”)

- Determine whether the Area or Location has declared, in writing, other types of property as sensitive. Ensure the office lists any other item declared “sensitive” on the inventory in the official personal property system.

2.04-9 Reporting Property Theft, Loss, or Damage

- Determine if the office has experienced any property theft, loss, or damage. Ensure the files contain documentation of incidents (form AD-112), including statements from the custodian, supervisor, APO, and appropriate law enforcement officials (for thefts).
- Verify the documentation contains a signature from the APO and the property office removes accountable property from the official personal property system, as appropriate. (See REE Manual 221.1M, Section 9, Reporting Lost, Stolen, or Damaged Property.)

2.04-10 Property Trade-in/Exchange or Sale

- Determine whether the office evaluates property for possible reassignment or trade-in/exchange potential. Explain the method used to process trade-ins/exchange (such as direct trade-in with vendor or sale by GSA).
- Ensure the office is aware that USDA prohibits selling property to employees who are or were accountable for the property, used the property, or connected with its declaration as excess or sale. (See REE Manual 221.1M, Section 14, Agency Administered Sales, Subsection “Exemptions” and AGPMR 104-45.302.)
- Ensure the office follows Federal sale regulations, including an awareness of the list of ineligible property categories, follows the definition of similar items (within the same Federal Supply Classification Group), and applies the one-for-one rule. (See REE Manual 221.1M, Section 13, Exchange/Sale of Property and Federal Management Regulations, FMR 102-39 for the ineligible list.)
- Review the files to ensure the office documents the trade-in process by listing item descriptions, serial numbers, AG numbers, if accountable, and the trade-in amounts on the purchase document. Ensure the property office accurately removes the item in the official personal property system when the trade-in involves accountable property.
- Ensure the Location reports exchange sale property via AAMs/GSAXcess, to the General Services Administration (GSA) as the official Sales Center for all sales except crops/animals. (SEE APD Alert 2008-09 dated June 2008.)
- Determine whether the office conducts sales of crops or animals. Verify that the Location maintains sales information for the annual report of crop/animal sales. Reporting requirements include gross/net sales, commodity type, and the number of days to complete the sale. (See REE Bulletin 8-220, Exchange/Sale for Qualified Personal Property, dated 8/26/08.)

2.04-11 Acceptance of Gifts

- Determine whether the office has accepted any unconditional gifts and who has the authority to accept unconditional gifts for the Location on behalf of ARS/USDA. (See REE Manual 221.1M, Section 18, Acceptance of Gifts, Subsection “ARS Field”.)
- Review the files to ensure all gift acceptances contain a letter from the offeror stating the gift is “unconditional” and the value of the gift. Determine how the Location ensures the unconditional gift is not from a prohibited source. Ensure the Location documents acceptance of the unconditional gift on behalf of ARS/USDA and updates the official personal property system if the gift meets the accountability criteria. (See REE Manual 221.1M, Section 18, Acceptance of Gifts, Subsection “Unconditional Gifts”.)

2.04-12 Excess Property

- Explain how the office determines whether excess property is available before acquiring new acquisitions (first source of supply, as applicable). Determine the methods the office uses to view available excess property.
- Determine the method APO’s use to report excess property, listing the type of documentation required, such as form SF-120, AD-107, or e-mail.
- Review the files to ensure excess reports contain the APO’s signature or approval (if e-mail) and lists the property condition code.
- Review the files to ensure the property office reports excess property for required USDA and Federal screening using AAMS/GSAXcess, for both accountable and non-accountable property. (Federal regulations FMR 102-36 require agencies to report most all property as excess for potential reuse.) Verify whether the files contain documentation of required screening, such as screen prints from AAMS or file notations.
- Determine whether the office submits/uploads pictures of excess property to AAMS/GSAXcess for excess property meeting GSA’s criteria, which includes all vehicles, tractors, medical equipment, and all accountable property. (See APD Alert 2007-12, Using Photos When Reporting Excess Property, dated May 2007.)
- Explain how APO’s maintain accountability and control of excess property during the screening process and pending disposal. Determine how the office identifies and labels excess pending disposal and whether the office has a storage facility. (See REE Manual 221.1M, Section 10, Reporting Excess Property, Subsection “Procedures”.)
- Explain the circumstances when the property officer bypasses required screening and authorizes abandonment or destruction using form AD-112.

- Review the files to determine whether form AD-112 contains detailed information supporting condition codes of “unserviceable”, “salvage”, or “scrap” when reporting property as unserviceable. Ensure the documentation also contains signatures from the APO and PMO. (See REE Manual 221.1M, Section 16, Abandonment and Destruction.)
- Explain any problems that occur when reporting excess/unserviceable and how the property office resolves the problem.

2.04-13 Disposal

- Review the files to ensure that when the Location disposed of property by abandonment/destruction, the PMO authorized the action via signature, and the APO and a witness signed the AD-112 certifying the disposal.
- Review the files to ensure that when the Location donated property in lieu of abandonment/destruction after USDA and Federal screening, the PMO authorized the action via signature, and the office donated property to a public body, which is an organization that receives Federal, State, or local funding. (Note: Non-profit organizations are not public bodies. See REE Manual 221.1M, Section 16, Abandonment and Destruction, Subsection “Donation to Public Bodies” and FMR 102-36.)
- Confirm that the property office posts the “Public Notice of Abandonment or Destruction” prior to abandonment/destruction, when disposing of excess property with an acquisition cost of \$500 or more. (See REE Manual 221.1M, Section 16, Abandonment and Destruction, Subsection “Public Notice” and FMR 102-36.)
- Confirm that the property office does not allow employees to acquire, for personal use, any property that has been declared unserviceable, or authorized for abandonment/destruction.
- Review the files to verify that the disposal process shows a clear audit trail from reporting an asset as excess to its final disposal. A complete audit trail includes a signed excess report, proof of screening, signed transfer document or AD-112 signed by an APO and witness. (See APD Alert 2007-10 Audit Trail for Reporting Excess and the Audit Trail, dated April 2007.)
- Explain how the property office ensures excess property that contains hazardous materials, including excess electronic equipment such as monitors, are disposed of in a safe and environmentally friendly manner.
- Explain any problems that occur with the disposal process and how the property office resolves the problem.

2.04-14 USDA Donation Programs

- Determine whether the office uses one of USDA’s Donation Programs, such as Computers for Learning (CFL), Stevenson-Wydler (S/W) Technology Act, FEPP Programs for 1862-Land Grant Institutions, and FAIR-1890 (Historically Black), 1994 (Native American), and HSI (Hispanic Serving) Institutions, to transfer excess property.
- Review the files to ensure the office first reported property as excess for required USDA screening in AAMS/GSAXcess (required only for CFL and S/W). (See APD Alerts 2007-13, Stevenson-Wydler, dated May 2007, and 2007-14, Computers for Learning, dated July 2007.)
- Ensure the transfer document, contains signatures from the recipient and the PMO. (See APD Alerts 2007-13, Stevenson-Wydler, dated May 2007, and 2007-14, Computers for Learning, dated July 2007.)
- Ensure the office tracks and submits reporting requirements to the Area Office for the annual non-Federal Recipients Report, for property transferred under the donation programs.

2.04-15 Motor Vehicles

2.04-15.1 Size and Composition

- Confirm that the office is aware of the limits on passenger vehicles (sedans/station wagons).
- Explain any fleet increases and review the files to ensure the office submitted an approved justification for additions.
- Determine how the office ensures they only acquire vehicles that meet the Federal fuel average fleet economy standard, meet replacement standards, and are the minimum size necessary to accomplish the mission. (This may be accomplished at the Area level. However, Locations are responsible for requesting replacement vehicles according to requirements listed in REE Manual 221.1M, Section 19, Motor Vehicle Management, Subsection “Replacement Standards” and FMR 102-34.)
- Explain how the office ensures there is a continued need for a vehicle before it is replaced. Verify that requests for new vehicles include the AG number or tag number of the vehicle the Location is replacing. Determine how the office ensures they report the old vehicle as excess or sale upon receipt of the new vehicle.
- Verify whether the office has purchased alternative fueled vehicles (AFV’s). (See ADP Alert 2007-9, Purchase of Alternative Fueled Vehicles and Fuel, dated April 2007. In FY2007 all offices are required to acquire an AFV when an AFV is available in the type and size needed. Also required by EO13423.)

- Determine the types of hybrid vehicles the office has purchased. (EO13423)

2.04-15.2 Vehicle File Management

- Verify whether the office maintains official motor vehicle files. If the Area maintains the files, list the information that the Location sends to the Area. Review the vehicle files to ensure files contain vehicle requisition, maintenance and service records, and accident files.

2.04-15.3 Identification

- Ensure the vehicles are properly identified with Government tags, decal AD-792, For Official Use Only, AD-185, Penalty for Unofficial Use. (The new version of Government tags are embossed with “For Official Use Only”. When using these tags, the AD-792 decal is not required.) Verify that the vehicles have form AD-651, Accident Reporting Kit, in the glove box.

2.04-15.4 Vehicle Use

- Verify the type of vehicle dispatch records/logs the office uses to provide reasonable audit trails to track official use of vehicle. (See REE Manual 221.1M, Section 22, Use of Government Vehicles, Subsection “Supervisory Responsibilities” and AGPMR 104-38.301I (3).) In FY2009, USDA revised DR 5400-6, Fleet Card Management, dated November 2008, to state vehicle use logs must include: date, driver name, odometer, use of fleet card to refuel or provide maintenance.
- Explain how the office secures vehicle keys and fleet cards when they are not in use.

2.04-15-5 Fuel/Maintenance Costs

- Explain how the office tracks vehicle cost data for Government provided fuel and maintenance and when drivers do not use the new VISA Fleet Card. Note: Offices may use Booklet ARS-715, Operational and Maintenance Record or other methods to capture vehicle operational costs. (See APD Policy Memorandum 221.1-05, Motor Vehicle Reporting Requirements, dated 10/11/00, and REE Manual 221.1M, Section 23, Vehicle Operations, Subsection “Reporting Operational and Maintenance Data”. Also, EO 13423 requires strict reporting of all fuel use.)
- Explain how often the property office requests and updates Government provided fuel/maintenance costs and POOL Card data to the official personal property system. (See APD Policy Memorandum 221.1-05, Motor Vehicle Reporting Requirements, dated 10/11/00, and REE Manual 221.1M, Section 23, Vehicle Operations, Subsection “Reporting Operational and Maintenance Data”. EO13423 requires strict reporting of all fuel use.)

- Determine how the office ensures vehicles are mechanically inspected according to State/local requirements. (Note: If there is no State or local requirements, the office must follow the manufacturer's recommendations.)
- Determine how the office ensures drivers refuel flex fuel vehicles with alternative fuel when an alternative fuel station is within a 5 mile radius of the office. (See APD alert 2008-04, How to Locate Alternative Fuel, dated April 2008. This is in accordance to EPACT 2005, Section 701.)
- Determine how the office ensures vehicles are mechanically inspected according to State/local requirements. (Note: If there is no State or local requirements, the office must follow the manufacturer's recommendations.)
- Determine how the office ensures vehicles undergo annual visual safety inspections. Verify how the office documents the process and promptly repairs any noted repairs or problems. (See REE Manual 221.1M, Section 23, Vehicle Operations, Subsection "Visual Safety Inspections" and APD Policy Memorandum 221.1-06, Motor Vehicle Visual Safety Inspections, dated 11/29/00.)
- Explain any problems that occur when tracking, requesting, or updating required operational and maintenance costs and how the property office resolves the problem.

2.04-15-6 Home-to-Work Transportation Authority

- Determine whether the office has employees that use Government vehicles for Official Home-to-Work Transportation under the Home-to-Work Authority.
- Verify whether the employee is in a job series authorized for Home-to-Work. (See REE Manual 221.1M, Section 22, Use of Government Vehicles, subsection "Home to Work Transportation", and Department Regulation 5400-5, Use of Government Vehicle for Home-to-Work Transportation, Appendix A, for the list of authorized job series.)
- Explain any compelling circumstances for allowing home-to-work transportation for employee outside the authorized job series. Determine whether the Location/Area received required USDA approval for any other occurrence. (See REE Manual 221.1M, Section 22, Use of Government Vehicles, subsection "Home to Work Transportation".)
- Explain the approval process for allowing employees, who are in "official travel status", entitled to per diem, and are using the Government vehicle rather than a rental vehicle, to temporarily store a Government vehicle overnight. Ensure overnight storage is to prevent employee hardship and increases Government efficiency and is not for employee convenience or comfort. (Temporary overnight storage may be approved when an employee must arrive/depart at an unusually early or late timeframe, determined on a case-by-case basis. (See REE Manual 221.1M, Section 22, Use of Government Vehicle, subsection "Temporary Home to Work Transportation While in Travel Status.)

2.04-16 Oversight

- Describe any oversight provided to the Location property staff by the Area Office in inventory management, use of the official personal property system, suspense/staging area reconciliation, reporting excess, fleet management, or overall property management.