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CHAPTER 5
PROCUREMENT THROUGH OTHER
U.S. GOVERNMENT AGENCIES

5A. General

This chapter covers the use of U.S. Government agencies, other than AID, to purchase commodities on behalf of the Borrower/Grantee (B/G) under AID-financed programs. It is important to remember that while the procurement instructions are issued by AID, AID is acting at the instruction of the B/G. In order to use U.S. Government agencies as purchasing agents for AID programs on a continuing basis, AID negotiates agreements with them. The agreements spell out operating relationships, responsibilities of both parties, surcharge provisions, and arrangements for reimbursement. See Handbook 12, Use of Federal Agencies, for information on AID's relations with other government agencies, the types of services they provide, and a description of the contents of agreements. If the services of a particular agency are not to be reimbursed, appropriate authorizing and implementing documents may be used without a formal agreement.

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5B. General Services Administration - The Federal Supply Service

The Federal Supply Service (FSS) within the General Services Administration (GSA) provides procurement and supply support for the U.S. Government in its domestic and overseas operations. It supplies commodities for AID through a variety of supply programs.

1. Surcharge

- a. GSA assesses a surcharge of six percent (6%) of the price of the commodity as compensation for GSA's costs of providing services such as inspection, marking, labeling, packaging, packing, and transportation to the port of export.
- b. Where applicable, freight forwarders' fees are reimbursable in addition to the GSA surcharge on all purchases and are separately listed.
- c. For items shipped without overseas preparation at GSA facilities, GSA bills AID for actual costs

of the items plus the applicable surcharge rate regardless of where or by whom the packaging is accomplished. In such cases packing charges by the vendor will not be passed on to AID as a separate charge. Transportation costs are chargeable when items are purchased f.o.b. at the supplier's plant.

2. Commodities and Services Available from GSA

Commodities supplied by GSA to AID fall into three principal categories: (a) stores stock, (b) Federal Supply Schedule, and (c) open market or commercial procurement. Information on the stores stock program and Federal Supply Schedules and their use can be found in the GSA Supply Catalog, which may be obtained from:

General Services Administration
CMLS 819 Taylor Street
P.O. Box 17077
Ft. Worth, Texas 76102-0077
FTS: 334-4040
COM: (817) 334-4040

a. Stores Stock

(1) Stores stock items are common use commodities bought in quantity, inspected, and described in the GSA Supply Catalogs.

(2) They are stored in GSA regional depots in anticipation of customer needs. The GSA Supply Catalogs contain descriptive data and representative illustrations for thousands of stores stock items. GSA catalog prices for these items are generally about twenty percent cheaper than comparable commercial prices in the United States. Discretion should be exercised, however, in ordering stores stock for overseas delivery since such items often may be purchased more economically in the local market.

b. Federal Supply Schedules

(1) These schedules are listings of commodities not included in stores stock. They are available at a fixed price for a given time on contracts negotiated and administered by the Federal Supply Service. The schedules and accompanying contractors' catalogs and price lists contain thousands of items frequently required by USAIDs. Federal Supply Schedules are listed in the GSA Supply catalogs.

(2) While Federal Supply Schedules are designed primarily for domestic agency use, USAIDs can order the items listed in the schedules through the GSA Regional Offices or by placing the order directly with the schedule contractor. Orders for Federal Supply Schedule items placed through GSA will be subject to the 6 percent surcharge. If placed directly with the contractor the surcharge will not apply. Prices for items listed in the schedules include delivery to any destination within the United States. Orders should clearly state that shipment to overseas destination is required and should include estimated ocean freight or air freight costs and insurance, if required. Delivery time has proven to be shorter when ordering directly from the contractor. Federal Supply Schedule items, as well as stores stock program items, are considered to be of U.S. source origin for purposes of AID's requirements.

(3) Quantities and prices in the schedules are based on continuing average demand, and each contract includes a Maximum Order Limitation (MOL) specifying the maximum quantity or dollar limit that can be ordered. Orders exceeding the MOL limit will be purchased on the open market.

c. Open Market

Commodities not available from the GSA supply catalogs or from Federal Supply Schedules are purchased by GSA from commercial suppliers through open market procurement using GSA's usual procurement procedures, i.e., solicitation, bid evaluation and contract award. Open market procurements constitute the major portion of AID's purchases from GSA and are made by the Federal Supply Service's Special Programs Division of the GSA Central Office in Washington, D.C.

d. Leadtime

(1) In planning the delivery period for commodities consider the total leadtime from requisition through delivery. Approximate leadtimes for GSA to process orders and prepare commodities for shipment from a U.S. port of exit are as follows:

(a) Stock catalog commodities generally are at a port ready for shipment within 30-40 days after the date the USAIDs order is acknowledged.

(b) Federal Supply Schedule commodities are usually ready for shipment 55 days from date of acknowledgement of placement of order with the contractor plus the delivery period within the United States cited in the pertinent supply schedule. The delivery period for Schedule commodities varies depending upon the items involved. USAIDs may estimate such leadtimes from the terms in the pertinent schedules. When earlier shipment dates are required, USAIDs should notify GSA or the schedule contractor and confirm the shipping date.

(c) Open market purchases: Standard manufactured items are usually ready for shipment within four months after receipt of order by the supplier. Leadtime for abnormal quantities or nonstandard items will depend upon the manufacturer's production time. USAIDs can estimate leadtime from past procurement experience or by obtaining an estimate from the supplier or from AID's Office of Procurement (M/SER/OP).

(2) When USAID orders and specifications are properly prepared and special instructions are not unusual, the GSA can reduce the time of the estimates. In summary, the record of past experience of each Mission provides the best approximation of total leadtime required from mailing the requisition to delivery of commodities to the point of use.

e. In-Country Warranty and Service Support

For some types of equipment and vehicles GSA will, if requested, include in country warranty and service support requirements in its solicitation. There will be an added charge for the inclusion of such requirements in excess of the supplier's normal warranty provisions. The sample in-country warranty and service support agreements contained in Appendix 5C are generally used as guidelines for negotiation of final overseas warranty and service support terms that are acceptable to the supplier.

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5C. How to Order From the Federal Supply Services

1. Introduction

Requisitions sent to GSA Regional Offices must be filled out in accordance with FEDSTRIP procedures. FEDSTRIP is an abbreviation of Federal Standard Requisitioning and Issuance Procedures and is based on the use of data processing equipment that receives and transmits information in both punched cards and printed forms. FEDSTRIP procedures are described in detail in the FEDSTRIP Operating Guide (FOG) available from GSA, Centralized Mailing List Services, Building 41, Denver Federal Center, Denver, Colorado 80225. Requisitioning documents should be sent to the GSA Regional Office servicing the USAID, except that PIO/Cs (form AID I370-I) for open market procurement items and surcharge exempt items must be sent to M/SER/OP/COMS for forwarding to the Special Programs Division, GSA Washington, Central Offices. PIO/Cs for Family Planning Program items on GSA term contracts must also be submitted to M/SER/OP/COMS. USAIDs are periodically informed by circular messages of contract items and prices. PIO/Cs for procurement by Special Programs Division do not require use of FEDSTRIP procedures.

2. Required Forms

a. Under FEDSTRIP, as adapted for AID, each order consists of two AID forms:

(1) Form AID 1370-1, PIO/C-Project Implementation Order/Commodities (Appendix 5A); or one copy of an AID Mission Purchase Order. Mission purchase orders charged against operating expense funds may be used only for requisitioning stores stock items.

(2) Form AID 11-94, Document Distribution and Shipping Instructions, (Appendix 5A).

b. In addition, a requisition form will be required in accordance with the provisions of the FEDSTRIP Operating Guide. The requisition form takes the place of Block 16 of the PIO/C and the item or commodity description portion of a purchase order. Continuation sheets for PIO/Cs, form AID 1300-1, are not used when ordering from GSA. Instead, commodity requirements are entered in the requisition form being used.

3. Preparation of Required Forms

a. Use a separate requisition for stores stock, supply schedule, and open market items. Number items consecutively and double space each entry. Whenever possible, list the commodities by supply groups as they are shown in the GSA Supply Catalog. Stores stock items are processed by computer so be certain to check and double check stock number, unit of issue, and unit and total price. When reference is made to commercial catalogs to describe items, the catalog number of the item as well as the date of the catalog should be given.

b. Items should be described whenever possible in terms of National Stock Numbers, Federal Specifications or standards, or the manufacturer's identification symbols and numbers. When this is not possible, U.S. industrial specifications, performance characteristics, or other identification should be supplied. Items described with brand names are supplied with that item or an equivalent substitute unless proprietary justification is furnished.

c. PIO/C, Form AID I370-I

Complete the PIO/C Face Sheet in accordance with the instructions on the use and preparation of the PIO/C contained in Appendix 5A plus the following changes:

(1) Block 9 Authorized Agent, insert "GSA/FSS" and the appropriate GSA Regional Office (See Appendix 5D) for requisitions sent to Regional Offices. When procurement is by the Special Program Division, GSA Washington, Central Office, insert "GSA/W" or "AID/W to designate" and send to M/SER/OP/COMS.

(2) Block 10, Method of Financing, enter "U.S. Government."

(3) Block 12, Delivery Period, enter the beginning and ending dates of the period in which deliveries are required. Two digit codes to designate the priority of each order are entered in Block 20, Column 60 and 61, of the requisition forms. Use the FEDSTRIP Operating Guide for priority codes.

(4) Block 13, Project Assistance Completion Date, since FEDSTRIP forms do not provide space to record this date, the entry in Block 13 applies to all items contained in the accompanying requisition form.

(5) Block 15, Dollar Value, this must be furnished before the order can be prevalidated. It is essential that this dollar amount be shown since it cites the maximum AID funds programmed and available for reimbursement for the commodities ordered.

(6) Block 16, for quantity, description, and specifications, insert: "See commodity requisition data in the SF 344" (or other FEDSTRIP form). For instructions and special provisions, insert as appropriate those provisions and instructions which together with the document distribution, packing and shipping instructions on the form AID 11-94 will enable GSA to complete the order without the need to go back to the requisitioner for additional instructions. Use those appropriate to your particular circumstances adding others which you feel are essential to a complete understanding of your order. For orders other than for stores stock, the GSA incorporates AID requirements into their own purchases and contract provisions. The PIO/C should specify any special AID requirements, at a minimum setting forth by geographic code the source for the commodities and transportation services and following the instructions in Appendix 5A for completing block 16 of the PIO/C.

d. Document Distribution and Shipping Instructions, Form AID 11-94

This form instructs GSA on packing, marking, shipping, document distribution, and status reporting. Complete the form in accordance with the instructions in Appendix 5A with the following changes:

(1) Block 4. Leave blank since GSA will insert the FEDSTRIP number it assigns to your order.

(2) Block 5. Identify in plain language the addressee at the foreign port of entry or point of discharge to which the shipment is to be consigned. This must be consistent with the coded address indicated in the requisition.

(3) Block 8. Fill in plain language address(es) of the AID officials to receive information on status of the requisition. This plain language address must be the same as the coded address entered in the requisition. A single copy of GSA Form 2779, Supply Status/Shipment Information, or GSA Form I348m, GSA Single Line Item Requisition System Document, will be sent to this address to keep the Mission informed of procurement status.

(4) Block 9. Insert the mailing address of the USAID Controller to receive billing documents. These include GSA Form 789, Statement, Voucher, and Schedules of Withdrawals and Credits; GSA Form 1917, Export Invoice; GSA Form 952, Single Line Item Billing Register; and other related documents. This plain language address must be consistent with the coded address.

(5) Block 11. In furnishing packing instructions to GSA, use the packing standards contained in Types and Codes of Export Packing, Appendix 5B. Requisitioners should select and designate the packing style which they feel will assure reliable delivery of the commodities to their final destination considering the nature of the commodity, special handling, unloading, or transit considerations, and storage en route and at final destination. If the packing instructions apply to the entire order, the type of pack chosen should be entered in Block 10; e.g., Pack Type 1 or Pack Type 2. If the packing instructions apply to individual items, they should be entered in the remarks column of the form AID 1430-1, SF 344, or GSA 1348. Packing costs may be reduced through use of containers. Arrangements to use containers may be made with the supplier or freight forwarder.

e. Requisition

The requisition should be completed in accordance with the instructions in the FEDSTRIP Operating Guide.

f. PIO/C Reproduction/Distribution

GSA requires only the face sheet of the PIO/C. Additional copies required for use of AID/W, USAID, B/G, or other authorized purchase agents should be reproduced and distributed in accordance with the PIO/C instructions in Appendix 5A.

4. Payment

Stores stock and other commodity purchase orders placed with GSA by AID are initially financed by GSA subject to reimbursement by AID. Reimbursement is made on the basis of GSA billings directed to the proper accounting station, so that shipments against USAID-funded PIO/Cs are billed directly to and paid by an appropriately designated accounting station responsible for that USAID's Controller services. In many cases this will be the ordering USAID. Charges against PIO/Cs and other AID funded authorizations charged to AID/W allotments are billed to and paid by AID/W. In this way, advice-of-charge procedures are held to a minimum.

a. Billing documents

The billing documents required for processing payments to GSA are as follows:

(1) Statement, Voucher, and Schedule of Withdrawals and Credits, GSA Form 789

This is the only document on which payment can be made. It must always include appropriate supporting documents before it can be processed. The GSA Form 789 identifies the billing register(s) attached to it and the amount applicable thereto. Detail necessary for processing payment is shown on the supporting Single Line Item Billing Register, GSA Form 952, and other related documents as appropriate.

(2) Export Invoice, GSA Form 1917

This form is always attached to the GSA Form 789 which is sent to the USAID Controller or

AID/W, Attn: Office of Financial Management (M/FM). The export invoice and its supporting forms are also included with the shipping documents which are forwarded to USAIDs to confirm the shipment of goods. The original of the export invoice is sent with the shipment to the consignee, and the customer's copies are distributed in accordance with the instructions on form AID II-94.

(3) Bill of Lading (B/L)

The usual evidence of shipment is the ocean freight bill of lading. However, it may include others, such as those for airway, railway, barge and truck, postal receipts, etc. The B/L should indicate the carrier's complete statement of charges including all relevant weights, cubic measurements, rates, and additional charges, whether or not freight is financed by AID. They are to be properly signed and endorsed, when required.

(4) Single Line Item Billing Register, GSA Form 952

This form lists materials issued from GSA Depots and is also used to identify direct delivery orders. The prescribed format provides sufficient detail on each line item in order to identify the ordering and/or obligating documents, funding, etc.

(5) Stores Stock Requisition and Purchase Orders

Copies of these forms included with the above billing documents contain substantially the same information as provided in the GSA Form 952. Billing documents are always forwarded directly to the Mission Controller or AID/W, M/FM, as appropriate. Bills are processed promptly and paid in the amount billed, subject to subsequent adjustments if necessary. Questions relating to billings and adjustments are the responsibility of the USAID Controller or AID/W, M/FM and the GSA office indicated on the billing voucher. Inquiries pertaining to items on the billing statement but relating primarily to supply are to be directed to the assigned GSA regional office per Appendix E1.

b. Billing and Payment Procedures

(1) Payments are processed on the basis of GSA Form 789 - Statement, Voucher, and Schedule of Withdrawals and Credits - and prescribed supporting documents, within one full working day after receipt in M/FM (M/FM receives only billings charged to AID/W allotments.) Mission Controllers take whatever action is necessary to assure that all GSA billing data is routed directly to M/FM. Payment cannot be made without both the supporting documents and the GSA Form 789. The basic identification data required on all GSA bills must appear on the initial original requisition in order to be available for billing purposes.

(2) GSA submits bills at least twice each month. Under no circumstances should the USAID or AID/W delay payment of GSA billings pending receipt of the supplies or materials. However, this does not relieve the USAID Controller of the responsibility for assuring that all items paid for are ultimately received.

(3) Payment of GSA bills funded against USAID allotments requires close control and follow-up by USAID Controllers, including coordination with requisitioning offices and technical staffs to assure that all items paid for have been received. Receiving reports, property records, and other records relating to the receipt of supplies and materials serve as a verification of the ultimate receipt of the goods. Arrival accounting and property accounting records are utilized for verification of deliveries and also serve as a basis for subsequent adjustments of billings, claims for omissions, damage, etc. Status information provided by GSA, and the USAID's status registered and purchase follow-up records of all undelivered items also are used by USAID

Controllers as required.

c. Changes in Amount of Purchase Authorization

(1) All contracts, purchase orders, or other obligations are prevalidated by GSA against the amount of the PIO/C, requisition, or purchase order. Except as noted below, no procurement action is initiated by GSA when the total amount of such costs exceeds the amount of the purchase authorization until GSA receives from AID an amendment to the purchase authorization increasing the amount of the authorization. However, when GSA requests increases in the amount of the authorization which are within the following specified limits, GSA may, after making the request to AID proceed with procurement action without awaiting receipt of an amendment.

<u>Amount of Authorization</u>	<u>Requested Increase</u>
Under \$1,000	Not over \$200
Over \$1,000	Not over \$500

(2) Appropriate action is taken by AID/W allottees and Mission Controllers to establish reasonable reserves in their accounts to cover allowable increases. Disbursements to liquidate obligations incurred by GSA against a purchase authorization may exceed the amount of said authorization within the following specified limits:

<u>Amount of Amount of Authorization</u>	<u>Allowable Excess</u>
Under \$5,000	\$25.00
\$5,000 to \$100,000	1/2 of 1%
Over \$100,000	\$500.00

At the time of close-out, total costs incident to each specific purchase authorization including but not limited to, the cost of commodities and services transportation, and additional accessorial costs are reported by GSA to AID/W.

d. Closing USAID-Funded Purchase Actions Issued to GSA

Under the FEDSTRIP system, status information is not furnished to USAID Controllers. This necessitates close cooperation and coordination between USAID Controllers and requisitioning officers. However, GSA does dispatch final supply and status information with the GSA Form 1917. This serves as a guide in analyzing the contract file and enables the USAID to close each PIO/C after payment has been made to GSA for all purchase orders and contracts issued. The USAID may, if past experience so suggests establish a small reserve for contingencies under pertinent PIO/Cs to cover anticipated or possible additional miscellaneous charges. The balance in such a reserve is normally deobligated within three months after receipt of the final GSA invoice for the commodities procured under the authorization. Before deobligation of funds is initiated, USAID Controllers must ascertain whether any additional commitments or obligations are in process. This action is especially important for USAID Controllers of regional funded projects who are located at a USAID other than the one receiving the commodities.

5. Follow-up and Status Reporting

a. Missions and other ordering activities should exercise reasonable monitoring of orders to GSA

in order to minimize costly follow-up telegrams and letters.

b. GSA status reports are normally sent to ordering activities in the form of a coded punched card with no plain language interpretations. In order to receive plain language information on status of orders, USAIDs insert code letter "A" in Column 7, the "Media and Status Code" in SF 344. Missions will then receive GSA Form 2779, Supply Status/Shipment Information, a machine-prepared form letter which provides status of orders in plain language. The form furnishes requisition number, agency, stock number, unit and quantity, Bill of Lading (B/L), identification, unit price, supply source, and other information advising requisitioning offices on procurement status. Although USAIDs receive this information from the Department of Defense (DOD), Automatic Addressing System Office in Dayton, Ohio, status inquiries should continue to be addressed to GSA.

c. Acknowledgement of orders for GSA Stores Stock Items should reach USAIDs no later than 30 days after submission of the PIO/C. The order is normally processed and shipping documents received at the USAID in about 60 days. For open market items, acknowledgement of the PIO/C should reach the USAID about two weeks after submission. If status reports are not received within these limits, inquiries to the appropriate GSA Region or to M/SER/OP/COMS should be made, citing the PIO/C number and date. If the requisitioning has been acknowledged, the GSA control number should be included in any inquiry.

d. GSA status reports provide a continuous flow of information to requisitioners. It is important that status reports be reviewed promptly after they are received by the USAIDs so that any required corrections and amended instructions may reach GSA before commodities might be shipped.

e. When commodities are packed and prepared for shipment, GSA Form 472, Export Shipping Instructions, is sent to the requisitioner. This form gives the estimated date of delivery. When the commodities are ready for overseas shipment, GSA issues the Export Invoice, GSA Form 1917, and prepares a packing list. These forms together with copies of purchase orders and ocean bills of lading are then dispatched to the requisitioner by a commercial freight forwarder as soon as shipment is made.

6. Discrepancies in Shipments

a. Shortage and Damage Claims

(1) Establishing Claims

(a) GSA does not insure commodities unless requested and authorized by the B/G or AID. Since funds for repair or replacement are unlikely to be available under the applicable PIO/C, particularly for the higher value items, the requisitioner should consider carefully the need for insurance. An insurance policy should provide for payment of all losses sustained by the buyer without regard to liability. When shipments are insured, any claims that arise should be filed in accordance with the insurer's instructions. The requisitioner should contact M/SER/OP/COMS for instructions when claims arise concerning any GSA shipments which were not insured.

(b) Shipments of commodities should be unpacked and checked as promptly as possible after receipt so that any shortage or damage can be reported promptly. If shortage or damage is reported, claims should be initiated immediately in view of the short period of carrier liability. Shortage and damage may be caused by faulty packing, careless handling, exposure to severe weather conditions, or pilferage. If details for making a claim are not immediately available, the carrier should nevertheless be notified at once that damage or shortage has been discovered and

a claim will follow. If it is subsequently determined that the carrier is not at fault, the claims should be filed against the GSA or its supplier.

(c) In order to determine the proper action to be taken when shortage or damage to incoming shipments is discovered, the requisitioner must establish whether the shortage or damage occurred before or after the arrival of the shipment at the port of entry. The requisitioner should refer to the bill(s) of lading, dock receipts and/or other receipts to ascertain when and where the first notation concerning shortage or damage was made. The notations of damage will help place the responsibilities of the various handlers and help the requisitioner to properly file its claim.

(d) When shortage or damage is evident at the time the shipment is received, the bill of lading, receiving and inspection reports and all other documents upon which receipts are signed must be annotated to show that the shipment was received in a damaged condition or that items were missing.

(e) Claims for shortage or damage sustained before acceptance of commodities at the port of entry are to be made by the requisitioner with GSA, with the supplier if, under the purchase terms, the supplier assumed responsibility for delivery, or with the carrier, as appropriate. However, no claim should be filed against a carrier when the total value of the claim is \$100 or less, and no claim should be filed against GSA when the value is \$25 or less per line item. The administrative expense in processing such claims would exceed the amount of recovery. For shipment originating within the United States, where shortage or damage is clearly due to faulty or improper packing, the GSA is to be furnished full information.

(f) The requisitioner is responsible for initiating and settling any claims for loss or damage which occurs after acceptance of the shipment at the port of entry. Such claims should be initiated in accordance with local laws and procedures.

(2) Processing Claims

(a) When shortage, loss, damage, or other discrepancy in shipment occurs, Standard Form 361, Discrepancy in Shipment Report, is to be completed and forwarded to the GSA. The SF 361 is to be completed and submitted at the earliest possible date after the shortage, or damage is discovered. When a portion of a shipment is not received, GSA should be notified within 10 days so that GSA can file a tracer with the carrier. Prompt submission of claims is to great importance, since delays in notifying the shipper or the carrier make investigation and determination or responsibility more difficult.

(b) The original and two copies of the SF 361 should be submitted to the appropriate GSA office. Insert full information in the appropriate blocks. Since the form was designed by GSA primarily for use within the United States some of the references to rail and truck shipments may not be applicable.

(c) The more complete the information furnished by the requisitioner, the faster a claim can be processed. Photographs of the shipping container and damaged contents taken upon arrival at the port are among the best evidence that can be presented to support claims for loss, shortage, or damage, and should be provided whenever possible.

(d) If the form is not available or if the claim is to be presented to another organization or supplier, the claim may be in letter form including the following information:

1. PIO/Cs, Purchase Order, or other applicable document numbers.

2. Bill of Lading (B/L) date and number. In addition, give the inland carrier's waybill identification if loss, shortage, or damage is discovered at an inland destination.
3. Consignee or owner of the goods.
4. Statement of damage or shortage and amount claimed. (Refer to the attached supporting documents.)
5. Statement of who - carrier or supplier - is considered liable and why.
6. Kind of receipt given for goods and whether shortage or damage noted by endorsement of receipt.
7. State whether financial settlement or replacement is desired. Amounts claimed should be itemized. The cost of ocean freight should be included.
8. Signature and identification of person filing claim.

(e) All documents to support the claim are to be attached to the SF 36I, or letter, together with any relevant correspondence. Copies of cost estimates for repairs or bid estimates on salvage should also be included. Costs incurred by surveyors and costs of obtaining required supporting documents and other evidence are to be included in the claim.

b. Diverted Shipments, Over-Shipments and Complete Shortages

Claims arising from diverted shipments, overshipments, and complete shortages are processed in the same way as those for shortage, loss and damage. Upon accepting delivery of commodities a careful check of all commodities received is to be made against the Bill of Lading, packing list, and other documents. All discrepancies are to be reported and proper action initiated.

(1) Diverted and Frustrated Shipments

Diversion of commodities upon AID's instructions is covered in Chapter 11. Shipments diverted for other reasons are to be reported to GSA as soon as the requisitioner learns of such shipments. See the FEDSTRIP Operating Guide for full instructions governing frustrated shipments.

(2) Overshipments

Requisitioners report overages on the SF 36I. Upon receipt of the SF 36I, GSA advises the Mission on appropriate disposition.

(3) Complete Shortages

When no part of a shipment is received within 180 days from the date of shipment, the requesting office should notify GSA on an SF 36I. If no part of the shipment is received within 20 days of the date of the SF 36I, the shipment is considered a complete shortage. The requisitioner should annotate the reverse side of the B/L accordingly, forward it to the GSA office where the shipment originated, and request reshipment or cancellation of the items not received.

5D: Department of Defense (DOD)

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5D. Department of Defense (DOD)

The Agency has agreements with the Department of the Army (DA) and the Defense Logistics Agency (DLA) for the supply of certain commodities, mainly medical equipment and supplies and certain subsistence, clothing and textile items.

Few USAIDs have personnel and equipment with the capability of requisitioning supplies using MILSTRIP. The USAIDs which requisition from DLA and DA have a close working relationship with those agencies and keep current on the newest regulations and procedures. Therefore, the details of the agreements and the requisitioning procedures will not be included in this Handbook. Any questions concerning the agreement and procedures are to be directed to M/SER/OP, AID/W.

Handbook 15: AID-Financed Commodities
Chapter 5: Procurement through other U.S. Government Agencies
5E: U.S. Government Printing Office (GPO)

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5E. U.S. Government Printing Office (GPO)

The United States Government Printing Office (GPO), in addition to its printing and binding functions, sells through mail orders and Government bookstores over 25,000 different publications which are prepared by or for U.S. Government agencies. USAIDs may use this facility for ordering any GPO publications required for AID-financed activities. The GPO issues lists of all publications with current prices. These list may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402; Attention: Department of Public Documents. Available by purchase from GPO is a "Monthly Catalog of United States Government Publications" which contains a comprehensive listing of all publications issued by the departments and agencies of the U.S. Government.

I. How to Order from the GPO

a. GPO Coupons

The easiest way to order from GPO is to use a GPO order blank or letter indicating by catalog number and title the publications requested and by providing sufficient coupons to pay for them. The coupons are in values of 5, 10, 25, and 50 cents and are purchased by Missions in anticipation of annual need. A U.S. Treasury check, U.S. bank check, or international money order is issued to the Superintendent of Documents for the total value of the coupons requested. The coupons have no expiration date.

b. Purchase Order

A U.S. Government Purchase Order may also be used to purchase GPO publications. This is especially useful for large quantity purchases. The purchase order must provide for reimbursement in U.S. dollars.

c. Discounts

Discounts are usually provided for quantity purchases of 100 or more copies of a single document. See the GPO price lists and other issuances for further details.

2. Delivery

Except for very large quantity purchases, the GPO sends publications via international surface mail. Coupons or funds should be provided in the amount of 25 percent of the value of the order to provide postage. This figure should be higher for airmail and depends upon the ordering country's location. This extra charge for postage does not apply to Mexico and Central and South American countries except Argentina, Brazil, and Guyana.

Handbook 15: AID-Financed Commodities
Chapter 5: Procurement through other U.S. Government Agencies
5F: Other Federal Agencies

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5F. Other Federal Agencies

I. Surcharges

Surcharges vary among the various Federal agencies as do the kinds of services furnished as part of the surcharge. It is important to consider all procurement cost elements prior to issuance of the procurement instruction.

a. Federal Highway Administration (FHWA)

The FHWA applies a surcharge computed on 3 percent of actual commodity purchase costs. This surcharge includes required inspection and testing only. All other costs such as packing, shipping, etc. are additional.

b. Federal Aviation Agency (FAA)

The FAA assesses a 7-1/2 percent surcharge to the total value of the purchase authorization. This charge provides for:

- (1) Development of commodity requirements and preparation of specifications;
- (2) Factory inspection and testing;

- (3) Technical advice and consultation; and
- (4) General administrative costs associated with purchase and related activities.

All other costs such as export packing and marking and shipping are additional.

c. Other Federal Agencies

There are no formal surcharges applied by other Federal agencies; however, all export costs which they incur must be reimbursed by AID.

2. How to Place Orders with Other Federal Agencies

a. General

The PIO/C is the document ordinarily used for procurement from other Federal agencies. Since these agencies usually insist that an AID/W office be designated as a contact point for overseas procurements, submission of a PIO/C as a worksheet to M/SER/OP/COMS is the recommended procedure to assure optimum coordination between AID and the purchasing agency. Purchases placed with other Federal agencies are also subject to AID policies and requirements prescribed in the loan or grant agreement. All AID and B/G requirements are to be clearly expressed in the documents authorizing procurement. If less than full and open competitive procurement is desired for any item, the requesting office or USAID must justify the request in accordance with the requirements of the Federal Acquisition Regulation. The purchasing agency will be responsible for determining whether a noncompetitive procurement may be undertaken.

b. Required Forms

(1) Project Implementation Order/Commodities (PIO/C) Form AID I370-I, Appendix 5A

Complete the PIO/C in accordance with the instructions on its use and preparation contained in Appendix 5A. If specifications are to be developed by another Federal agency, the requisition or other authorization document is to indicate "Detailed specifications are to be developed by the (Name of Agency) and agreed to by the AID Mission in (Name of Country)."

(2) Form AID II-94, Document Distribution and Shipping Instructions, Appendix 5A

This form should be filled out in accordance with the instructions on its use and preparation contained in Appendix 5A. In furnishing export packing instructions in Block 11 of the Form AID II-94, use the packing standards contained in Types and Codes of Export Packing which are in Appendix 5B.

c. Payment

(1) Other Federal agencies generally reimburse suppliers from their own appropriations. The agency then bills AID for reimbursement. If purchases are frequent, this is done monthly. In addition, other Federal agencies furnish AID a monthly statement of cumulative accrued expenditures applicable to all commodities received and commodity-related services performed through the end of the reporting period. Billings and reports are prepared and submitted in accordance with AID instructions in any existing interagency agreement or in AID notices and instructions.

(2) Documents authorizing procurement are issued for an amount sufficient to cover total costs of commodities and commodity related surcharges through delivery to ultimate destination.

Funds required for surcharges are to be included.

(3) Funding amendments can be made only with the approval and authorization of the office controlling funds (allottee) cited in the authorizing document. The amount shown in the authorizing document is the maximum amount programmed by AID to pay for the procurement, and reimbursement is limited to such amount unless amended. If additional funding or extension of delivery date is required, the AID office which issued the procurement authorization is advised promptly.

3. Follow-up and Status Reporting

USAIDs or their ordering activities control and follow-up purchases placed with other Federal agencies in the same manner as for other procurements and may deal directly with the authorized agent on matters relating to their orders. However, when the PIO/C has been issued by M/SER/OP/COMS to a Federal agency, it is recommended that requests for status reports or for changes in procurement instructions be addressed to M/SER/OP/COMS for action or implementation.

4. Loss, Damage, and Shortages Claims

Claims resulting from shipments are treated in accordance with established local procedures. Ordering activities take prompt action initiating claim actions in order to meet all the requirements included in the purchasing agent's regulations and in the Federal Acquisition Regulations.

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

1: Introduction

CDT: 1992/08/12

EDT: 1987/03/17

APPENDIX 5A

INSTRUCTION ON USE AND PREPARATION OF THE PIO/C - FORM AID 1370-1 (PROJECT IMPLEMENTATION ORDER/COMMODITIES)

1. Introduction

a. The PIO/C (form AID 1370-1, Attachment A) is used for procurement of project commodities when the USAID or AID/W undertakes to implement a project commodity element, or to arrange for its implementation through a third party. Such a commodity procurement may include the procurement of commodity-related services, including incidental services. There is a limitation as to the value of incidental services which may be procured by a PIO/C (see 2b below).

b. The PIO/C serves several purposes. First, it contains a detailed description of what is to be procured, directly or indirectly, by AID; it is thus a purchase request. Secondly, when it is countersigned by the cooperating country, it constitutes an agreement on specific commodities and services AID undertakes to procure. Thirdly, it earmarks funds obligated by a Project

Agreement, or when no bilateral Project Agreement is involved (as in centrally administered research projects), the PIO/C makes an "administrative reservation" of funds.

c. The PIO/C must designate an "authorized agent" to accomplish the procurement. The authorized agent may be:

- (1) the concerned USAID;
- (2) another USAID, with its concurrence;
- (3) AID/W;
- (4) another U.S. Government Agency; or

(5) a non-USG entity acting as procurement agent provided there is an underlying contractual agreement.

d. When the cooperating country is to implement a project commodity element, a Project Implementation Letter (PIL), rather than PIO/C, will be issued to the borrower/grantee to provide guidance, information and authorization to initiate procurement action, and to earmark funds. If the B/G enters into a contract with a non-governmental procurement agent, it may use a PIO/C form as a convenient way to inform the agent of specific commodity requirements for procurements under the contract. A PIO/C may not be sent to a non-governmental procurement agent unless there is an underlying contract. See Chapter 4 of this Handbook for more information on using procurement agents.

e. Except where specifically noted, the instructions in this Appendix apply to situations where AID implements or arranges implementation of a project commodity element through a third party.

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C Form AID 1370-1

2: Limitations and Restrictions

CDT: 1992/08/12

EDT: 1987/03/17

2. Limitations and Restrictions

a. The PIO/C will not be used for the procurement of project commodities when:

(1) the commodities are included in a Project Implementation Order/Technical Services (PIO/T), form AID 1350-1;

(2) the items are books, pamphlets, or other materials available from the Superintendent of Documents, U.S. Government Printing Office; or

(3) the procurement is to be financed with U.S.-owned foreign currency. See Handbook 19 - Financial Management.

b. The price of any incidental services, as defined in Chapter 2 of this Handbook, must be stated

separately on each PIO/C, and may not exceed 25 percent of the commodity price. A PIO/T, rather than a PIO/C, is used to authorize the purchase of incidental services if their cost is in excess of this limitation.

c. See Handbook 19 for AID's obligation concepts applicable to project assistance. Prior to the issuance of a PIO/C, there must be either;

(1) an executed bilateral project agreement (either grant or loan funded), obligating the project's funds; or

(2) a project authorization and allotment of funds for an AID/W project. PIO/C's for such projects may be issued with, or following such authorization and allotment.

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

3: Issuance of PIO/C's

CDT: 1992/08/12

EDT: 1987/03/17

3. Issuance of PIO/C's

a. USAID Issuance

(1) USAIDs are responsible for issuing PIO/C's which designate the USAID's assigned GSA Region, another USAID or the USAID itself as authorized agent. USAIDs are also responsible for initiating the "worksheet" PIO/C (form AID 1370-1) to be transmitted to M/SER/OP/COMS when the PIO/C is to be issued by AID/W.

(2) When justified on the grounds of urgency, a USAID may initiate a PIO/C by telegram for AID/W to complete the issuance. The telegram must provide the data called for in Blocks 2 through 7 and 13 of the form AID 1370-1, as well as indicate the consignee and any special documentation requirements for completing the form AID 11-94, Document Distribution and Shipping Instructions. When information furnished in Block 7 indicates that the funds are obligated by an agreement, the date that the agreement was executed should be provided. Failure to provide the requested information may delay issuance of the PIO/C. Telegram requests must be confirmed immediately by forwarding a "worksheet" PIO/C to MS/OP/COMS which references the telegram in Block 17.

b. AID/W Issuance

AID/W, MS/OP/COMS, issuance is required for all PIO/C's:

(1) for procurement by the GSA Central Office, Washington, D.C. (as distinct from a GSA Regional Office), or by other U.S. Government agencies;

(2) for procurement by an AID/W contractor;

(3) for procurement of agricultural commodities, such as seeds, pesticides and fertilizer;

(4) for procurement of contraceptives and related family planning commodities;

(5) for procurement of commodities from GSA for malaria eradication programs;

(6) for procurement of commodities from UNICEF.

c. AID/W Reissuance of USAID-Issued PIO/Cs

Circumstances may warrant reissuance of a USAID-issued PIO/C or amendment by M/SER/OP/COMS in AID/W. Changes deemed necessary by AID/W in a USAID-issued PIO/C will be made when feasible and approved over the signature of an authorized AID/W official. Copies of such reissuances will be distributed to the USAID and other offices in the same manner as for other AID/W-issued PIO/Cs.

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

4: Issuance of Amendments

CDT: 1992/08/12

EDT: 1987/03/17

4. Issuance of Amendments

a. Amendments to a PIO/C are generally initiated and issued pursuant to the same rules as the original PIO/C. However, USAIDs may issue an amendment to any PIO/C (whether issued by AID/W or the USAID) which decreases its authorized value. Such action is taken with the concurrence of the authorized agent upon determining that the value of the PIO/C exceeds the amount required to complete the procurement.

b. Amendments to a PIO/C increasing its authorization value in order to cover increased costs of commodities may be made so long as there are funds available within the project. An issued PIO/C should not be amended to add new items or to increase quantities of previously listed items after the authorized agent has finalized orders with specific suppliers for items originally authorized. Additional items and/or increased quantities should be authorized in a new PIO/C.

c. AID/W does not issue closing amendments.

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

5: Methods of Financing

CDT: 1992/08/12

EDT: 1987/03/17

5. Methods of Financing

a. Standard methods of reimbursement for transactions between U.S. Government agencies are applicable when the authorized agent named in a PIO/C is a U.S. Government agency.

b. If a PIO/C is used to provide commodity information to non-U.S. Government entities, AID's usual methods of financing commercial type transactions are used. The procedures should be specified in the contract.

- 1 PIO/P: Participant Training
- 2 PIO/T: Participating Agency
Service Agreement
- 3 PIO/T: Contract for Services
- 4 PIO/C: Commodities - Mission
issuance for procurement
as stated in paragraph 3a
above
- 5 PIO/C: Commodities - AID/W,
M/SER/OP issuance as
stated in paragraph 3b
above.

(2) Second Segment of Document Code No. - Document Serial Number

(a) This is a five-digit identification number assigned by the Mission Controller to PIO's for country projects. This number is recorded in the appropriate USAID accounts to identify the project.

(b) The first digit identifies the fiscal year in which the funds were obligated by an agreement or administratively reserved. For example, the digit 5 indicates fiscal action against FY 85.

(c) The last four digits are assigned in numerical sequence to PIO's as they are initiated or issued. Numbers run consecutively (not as a separate series under each field of activity or project). The series from 9001 through 9999 is reserved for use by AID/W.

b. For PIO's for AID-funded projects/activities; i.e., regional and interregional projects, including research, a seven-digit serial number is assigned by the AID/W allottee. (See Appendix D, Handbook 18.)

Handbook 15: AID-Financed Commodities
Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-8: Format and Distribution

CDT: 1992/08/12
EDT: 1987/03/17

8. Format and Distribution

a. Format

(1) A properly prepared PIO/C consists of:

(a) Completed PIO/C, form AID 1370-1, Attachment A.

(b) Continuation Sheet(s) for PIO's, as required, form AID 1300-1, Attachment B. Plain white paper is acceptable for continuation sheets when form AID 1300-1 is not available.

(c) Completed form AID 11-94, Document Distribution and Shipping Instructions, Attachment C.

(d) Special provisions covering transportation, Attachments D and E, are applicable to U.S. government agencies.

b. Distribution

(1) USAID-issued PIO/Cs are distributed as follows:

(a) Ten sets to the AID/W Mail Room for distribution, showing the complete PIO/C number and project number on the outside of the envelope.

(b) Additional copies as required by the USAID and the B/G.

(c) Two sets to the designated authorized agent with a cover memo requesting acknowledge of receipt.

(2) USAID-issued "worksheet" PIO/Cs are distributed as follows:

(a) Ten sets to the AID/W Mail Room showing the complete PIO/C number and project number on the outside of the envelope

(b) Additional copies as required by the USAID and the B/G.

(c) Two sets to MS/OP/COMS for action with a cover memo requesting acknowledgement or receipt.

(3) AID/W-issued PIO/Cs (20 copies) are forwarded to the AID/W Mail Room for distribution to the appropriate USAID, AID/W offices and the authorized agent.

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

9: Preparation of the PIO/C

CDT: 1992/08/12

EDT: 1987/03/17

9. Preparation of the PIO/C (Form AID 1370-1, Face Sheet)

The following are instructions for preparing the PIO/C. For additional instruction of preparing a PIO/C when GSA is the authorized agent, see Chapter 5 of this Handbook.

Worksheet/Issuance Block - Insert an "X" in the appropriate box to indicate whether the PIO/C is a worksheet or an issuance.

Page Numbering - Form AID 1370-1 is always numbered page 1. Continuation sheets are numbered consecutively. The total number of pages in the collated set should be shown; e.g., page 1 of 10 pages, page 2 of 5 pages, etc.

a. Block 1 - Cooperating Country: Insert the name of the country, regional, or interregional program.

b. Block 2 - PIO/C Number: Insert the complete PIO/C number (three-digit geographic code;

four-digit project serial number; one-digit type of document code; and five-digit or seven-digit document serial number, as appropriate.

c. Block 3 - Project Number and Title: Insert the complete project number and description title as shown on the related project description, and the project or loan agreement under which the PIO/C is funded. If the PIO/C is authorized by an AID/W project, a cost component code is inserted immediately following the four segment project number (see Handbook 19). If the PIO/C is loan-funded, insert the loan number and Disbursement Authorization No. immediately following the project and title.

d. Block 4 - Appropriation Symbol: Insert the appropriation number that appears in the related agreement. If the PIO/C is an administrative reservation, insert the appropriation to be charged, as authorized.

e. Block 5 - Allotment Symbol and Charge: Insert the allotment symbol used on the related Project Agreement or Activity Description or other obligating document.

f. Block 6 - Funds Allotted To: Insert an "X" in the appropriate box to show whether the funds are allotted to AID/W or to the USAID. On a worksheet PIO/C, where the project has not been approved, or is approved and funds are not yet available, this block should be left blank and footnoted appropriately. USAIDs should not submit a PIO/C for AID/W issuance until the project has been approved and the funds are available.

g. Block 7 - Obligation Status: Mark "Administrative Reservation" if the procurement is not funded by a Project Agreement, indicating that funds will require revalidation before implementing document is fully executed. Mark the box indicating "By Agreement" if the procurement is funded by a Project Agreement.

h. Block 8 - Original or Amendment Number: Check original or insert the number of the amendment, as appropriate. Amendments are numbered consecutively against each original PIO/C.

i. Block 9 - Authorized Agent: Insert the name of the agent designated to procure or to direct the purchase of the commodities. In USAID initiated PIO/C's for AID/W issuance, the USAID should insert: "AID/W to designate....." followed by the name of the agent which the USAID recommends for AID/W consideration.

j. Block 10 - Method of Financing: Insert an "X" in Box A when the authorized agent is a U.S. Government agency (including AID). If the PIO/C is being used in conjunction with a contract for procurement services by a non-U.S. Government agency, leave Box B blank and indicate the financing method in Block 16.

k. Block 11 - Contracting Period

From: This block is left blank when a U.S. Government agency is the authorized agent.

To: This block is left blank when a U.S. Government agency is the authorized agent, except to call attention in Administrative Reservation PIO/S's (Block 7) to the need to contract or place orders by September 30 of the fiscal year in which the PIO/C was issued. For Administrative Reservation PIO/C's, insert September 30 of the applicable fiscal year.

If the PIO/C is being used in conjunction with a contract with a non-U.S. Government agent, the contracting period should be a realistic time period within the effective dates of the underlying contract.

1. Block 12 - Delivery Period

From: This block is left blank when a U.S. Government agency is the authorized agent. If used in conjunction with a Host Country contract, the date may not antedate the effective date of the contract.

To: Insert the period of time, by dates (month, day, year), during which it is desired that commodities be delivered. Required delivery dates and/or schedules for delivery in country should be identified in Block 16. Delivery dates should be realistically related to leadtime and the procurement plan for project implementation.

m. Block 13 - The Project Assistance Completion Date (PACD) is the date shown in the project agreement as the estimated final date by which contribution of materials, supplies, or services may be delivered to a project.

n. Block 14 - Area of Source: Insert the AID Geographic Code for the source authorized by the Project Agreement.

o. Block 15 - Dollar Value: This block is used to show the estimated landed costs of the commodities. Inserts are made as follows:

(1) Original PIO/C's

(a) Increase (Block 15B) - Insert the estimated landed costs of commodities.

(b) Total to Date (Block 15D) - Insert the same figure listed in Block 15B.

(2) Amendments to PIO/C's

(a) Previous Total (Block 15A) - Insert the figure shown in Block 15D of the PIO/C.

(b) Increase (Block 15B) - Insert the estimated increase, if any, over the figure shown in Block 15D of the PIO/C which is being amended.

(c) Decrease (Block 15C) - If pertinent, insert the estimated decrease in the figure shown in Block 15D of the PIO/C which is being amended. Otherwise, leave blank.

(d) Total to Date (Block 15D) - Insert the revised estimate of landed costs (Block 15A, plus Block 15B or minus Block 15C). Where the amendment does not involve a change in the cost estimate, insert the figure listed in Block 15A.

p. Block 16 - Quantity, Description, Specifications, Instructions, and Special Provisions

(1) Space in this block is usually inadequate to include all of the necessary detail. It is often necessary to limit the entries in this block to an index of pages (continuation sheets) attached to the face sheet, which provide the needed details. One such index, which may be modified to meet individual USAID preference, is:

A. PROJECT COMMODITIES

B. BASIS OF DELIVERY

C. SHIPPING

D. DELIVERY

E. MARKING, INCLUDING REQUIREMENT FOR AID EMBLEM

F. DOCUMENT DISTRIBUTION

G. AUTHORIZATION FOR NEGOTIATED PROCUREMENT (WHEN APPROPRIATE)

H. PAYMENT

I. SOURCE WAIVERS, IF ANY

(2) In listing project commodities, assign a line item number to each item. State the quantity and unit of measure (each, pound, etc.) and name the commodity in commercial terminology. Insert detailed specifications for each item unless, under existing arrangements with AID, such specifications are to be developed by the authorization agent. In the latter case, insert a clause along the following lines: "Specifications are to be agreed upon between AID and the Authorized Agent." Each item is normally described by its technical nomenclature and specifications. When it is expedient to cite catalog references or brand names, the words "or equal" are added and the catalog identified by name of company and date it was issued. It is also desirable to use more than one brand name before the "or equal" if possible. Maximum participation by all qualified suppliers is desired and specifications should be made as broad as practicable. List separately the estimated cost of:

- Each commodity item

- Transportation, plus insurance, if applicable, for the total quantity of commodities

- The total procurement fee or surcharge

(3) Other Than Full and Open Competition - Whenever a PIO/C is issued to a U.S. Government agency covering an item or items for which other than full and open competition is requested, the requesting office must provide, and certify as accurate, all the necessary data to support the request. See Federal Acquisition Regulation Section 6.303.

(4) Special Provisions and Instructions - Insert, as appropriate such special provisions and instructions as are required for the PIO/C to serve as a complete authorization and instruction document for effecting the required procurement. This includes:

(a) Special instructions regarding consignee, delivery, routing, shipping, source, end-use, packing, marking, catalogs, operating manuals, repair tools, spare parts, documentation, services, including marine insurance, if desired, etc.

(b) Ocean Transportation

1. All PIO/C's must include a special provision on ocean transportation. Attachment D provides standard language for this purpose.

2. Occasionally a B/G may elect not to use the loan/grant funds to finance the ocean freight. This may occur when B/G wishes to have AID-financed commodities shipped aboard vessels of flag registry where the freight would be ineligible for AID financing. The B/G in such cases must furnish to AID, prior to issuance of the PIO/C, means acceptable to AID to finance the ocean freight from other than loan/grant funds. This may be authorization which AID may pass to

the authorized agent to ship freight collect aboard ships of a specified ocean carrier. It may be a freight financing commitment from other funds. This authorization and its own administrative particulars will be incorporated in the PIO/C in lieu of Attachment D. When B/G finances the freight, a free world flag vessel must be used.

3. In providing guidance on ocean transportation, consideration should be given to cargo preference requirements. In some cases, it may be desirable to instruct the authorized agent to ship only on U.S. flag vessels. When the PIO/C covers a large portion of commodity procurement under a project, it may be desirable to provide more detailed instructions on cargo preference.

(c) Air Transportation - Where air transportation is required to meet urgent project needs, or where such mode of shipment is demonstrably more advantageous than ocean transportation, the PIO/C may authorize the use of air transportation in lieu of ocean transportation. The PIO/C may also authorize partial shipment by air and the rest by ocean, as dictated by project delivery requirements. In those instances where only air transportation will be used, Attachment D will not be included in the PIO/C. See Handbook 1B, Chapter 7C, for U.S. flag requirement on grant-funded PIO/C's. Attachment E covers air transportation.

(d) Terminal Date for Disbursements - When the PIO/C funds are from a Project Agreement, include the following:

9 "In accordance with Project Agreement Number ____, except as AID may otherwise agree in writing, no disbursement shall be made against documentation received by AID after (insert date months after PACD in Agreement)."

(e) Marking Requirements - the PIO/C should indicate that the commodities and shipping cartons must be marked with the AID hand clasp emblem.

q. Block 17 - Mission References: This block is used to cite references significant to the PIO/C, as appropriate. For example, the project agreement number and the date the agreement was executed are inserted in this block. Communication references regarding source waivers, proprietary procurement authorization, etc., are also cited.

r. Block 18 - Mission Clearances: Insert Mission clearances' signatures (always including that of the Mission Controller) and the date cleared by each.

s. Block 19 - Date of Original Issuance: Insert the date on which the PIO/C is approved for issuance.

t. Block 20 - Date of this Issuance: Insert the date on which the PIO/C or PIO/C amendment is approved for issuance. If the document is an original PIO/C issuance, this same date will also be shown in Block 19.

u. Block 21 - For the Cooperating Country: Whenever a PIO/C is issued under a bilateral Project Agreement, an authorized representative of the B/G must sign in this Block to indicate an agreement on the specific commodities to be procured.

v. Block 22 - Signature Block for the Agency for International Development:

(1) USAID-initiated or issued PIO/C - The signature in this Block must be that of the Director of the USAID, or his/her authorized designee, as prescribed by a written delegation of authority.

(2) AID/W-issued PIO/C - The signature must be that of the AID/W official authorized to sign the

PIO/C, as prescribed by a written delegation of authority.

NOTE: The signature in Block 22 of the PIO/C evidences certification to the fact that (a) a current agreement covers the activity described and that the PIO/C is in conformity with the provisions of the agreement with respect to value, scope, and technical content or (b) that the funds have been administratively reserved for commodity procurement under an approved activity.

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

10: Preparation of the Continuation Sheet for PIO/C's

CDT 1992/08/12

EDT 1987/03/17

10. Preparation of the Continuation Sheet for PIO's, Form AID 1300-1

The Continuation Sheet, form AID 1300-1, is not used when ordering from GSA. In other instances, form AID 1300-1 (Attachment B) is prepared as follows:

a. Worksheet-Issuance Block: Insert an "X" in the appropriate box to indicate whether the Continuation Sheet is being initiated or issued.

b. Block 1 - Cooperating Country: Insert the name of the country, regional, or interregional program as shown on the face sheet.

c. Block 2 - PIO Number and Original or Amendment

(1) Block 2.a. - PIO Number: Insert the complete PIO/C number as shown in Block 2 of the face sheet.

(2) Block 2.b. - Original or Amendment: Check original or insert amendment number, as shown in Block 8 of the face sheet.

d. Block 3 - Project Number and Title: Insert the complete Project Number and Title as shown in Block 3 of the face sheet.

e. Narrative Block: Use this portion of the form to complete the information required in any block of the face sheet of the PIO/C, form AID 1370-1. Insert in the left margin, opposite each entry, the block number to which the entry is related; e.g., Block 16, etc.

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

11: Preparation of Amendments

CDT: 1992/08/12

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11. Preparation of Amendments

PIO/C's may be amended by:

- a. Preparing a complete revision with the new text and/or numbers underlined, or,
- b. Preparing a partial revision showing only the changes as follows:

REVISE: "(State the text of the revision)"

ADD: "(State the additions)"

DELETE: "(State the deletions in brief form, identifying by title, paragraph, or block within which the deletions occur)"

NOTE: The second method (i.e., Revise, Add and/or Delete) should be used only where the changes are minimal in number and complexity and their significance is readily apparent; otherwise, the first method, complete revision is preferred.

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

12: Instructions for Preparing Form AID 11-94, Document Distribution and Shipping Instructions

CDT: 1992/08/12

EDT: 1994/02/25

12. Instructions for Preparing Form AID 11-94, Document Distribution and Shipping Instructions

This form (see Attachment C of this Appendix) is designed to systematize the requirement of overseas countries for certain kinds and quantities of export documents. It is required on all AID-initiated commodity purchases for overseas delivery in order to expedite arrival accounting and customs clearance. It also helps freight forwarders and others who may be unfamiliar with AID requirements for export documentation to furnish and distribute specific kinds and quantities of forms and documents.

a. Obtaining forms: The form may be obtained from AID/W Distribution Branch, M/AS/ISS/MM or may be reproduced locally.

b. Preparation

(1) Block 1 - Date: Insert the date on which the form AID 11-94 is issued.

(2) Block 2 - USAID Procurement Request Number: Insert the identification number contained in the commodity order.

(3) Block 4 - Document Control Number. Leave blank. This number will be filled in by the supplier or purchase agent.

- (4) Block 5 - Consign Shipment To: Identify in plain language the addressee(s) at the foreign port of entry or the point of discharge to which the shipment is to be consigned.
- (5) Block 6 - Mark for (Final Destination): Identify the name and address of the ultimate consignee. This will be the address marked on all shipping containers.
- (6) Block 7 - Partial Delivery Acceptance: Indicate if partial shipments are acceptable. Partial shipments may be made unless specifically prohibited in this block.
- (7) Block 8 - Address to Receive Information Regarding Status of Procurement Request: Insert title(s) and address(es) of persons or officials designated to receive information on procurement status.
- (8) Block 9 - Address to Which Billing Documents are to be Sent: Insert the mailing address of the Controller's Office to which invoices for payment and other billing and supporting documents should be sent. Prior clearance from AID's Office of Financial Management is required when payment by that office is desired.
- (9) Block 10, a, b, c. - Shipping Data: Insert the complete address of the persons or offices designated to receive export shipping documents. Insert in each appropriate block the minimum required quantity for each form. If more than one address is given, indicate if separate mailings are required or if all documents can be mailed to address (a) for local distribution or forwarding.

The following offices have been designated to receive rated copies of all ocean bills of lading and these addresses should be listed in the block for ocean freight shipments:

Maritime Administration
National Cargo Division
400 Seventh Street, S.W.
Washington, D.C. 20590

and

Office of Procurement
Transportation Division
USAID
Washington, D.C. 20523-1419

- (10) Block 11 - Special Documentation - Insert any special instructions related to documents, packing, marking, etc. USAID located in land-locked countries should furnish complete information on ports of entry and subsequent routing. Specify if overseas courier delivery of shipping or other documentation is required. Include the name of the office and street and room address to which courier deliver is to be made.

Handbook 15: AID-Financed Commodities
Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1
Attachment A: Form AID 1370-1, Project Implementation Order/Commodities

CDT: 1992/08/12
EDT: 1979/10/01

APPENDIX 5A

PROJECT IMPLEMENTATION ORDER/COMMODITIES FORM

ATTACHMENT A

Form AID 1370-1, Project Implementation Order/Commodities

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** END OF SECTION **

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AID 1370-1 (10/79)

@15Ap5A01.001 |

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

Attachment B: Form AID 1300-1, Continuation Sheet

CDT: 1992/08/12

EDT: 1980/06/01

ATTACHMENT B

Form AID 1300-1, Continuation Sheet

[AVAILABLE AS AN IMAGE]

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AID 1300-1 (6/80)

@15Ap5A02.001 |

Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

Attachment C: Form AID 11-94, Document Distribution and Shipping Instructions

CDT: 1992/08/12

EDT: 1980/06/01

ATTACHMENT C

[AVAILABLE AS AN IMAGE]

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AID 11-94 (6/80)

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Handbook 15: AID-Financed Commodities

Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1

Attachment D: Ocean Transportation Special Provisions

CDT: 1992/08/12
EDT: 1987/03/17

ATTACHMENT D

OCEAN TRANSPORTATION SPECIAL PROVISIONS

(For USG Authorized Agents)

1. The costs of ocean transportation and of other delivery services for the authorized commodities are eligible for reimbursement, except that air transportation is eligible only if specified in the PIO/C. Delivery services means the services customarily performed in an export transaction which are necessary to effect a physical transfer of commodities to the cooperating country. Examples of such services include export packing, local drayage in the source country (including waiting time at the dock), ocean and other freight, loading, heavy lift, wharfage, tollage, switching, dumping and trimming, lighterage, insurance, commodity inspection services, and services of a freight forwarder. Delivery services may also include work and materials necessary to meet AID marking requirements.
2. To be eligible for reimbursement, ocean transportation of authorized commodities must be on vessels under flag registry of countries included in the Area of Source. When the Area of Source is AID Geographic Code 941, vessels under flag registry of the cooperating country may be used as well as U.S. flag vessels and vessels under flag registry of other Code 941 countries.
3. In the event a contracting officer of the authorized agent determines there are no eligible vessels as stipulated in paragraph 2 available to make timely delivery, the contracting officer should contact the Office of Commodity Management, Transportation Support Division, to request a waiver authorizing use of any free world flag vessel.

Handbook 15: AID-Financed Commodities
Appendix 5A: Instruction on Use and Preparation of the PIO/C - Form AID 1370-1
Attachment E: Air Transportation

CDT: 1992/08/12
EDT: 1987/03/17

ATTACHMENT E

Air Transportation

When air transportation is authorized by the PIO/C, the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 1517) (Fly American Act) shall apply and the provisions of the Federal Acquisition Regulation governing air transportation must be followed.

Handbook 15: AID-Financed Commodities
Appendix 5B: Types and Codes of Export Packing
A: General
CDT: 1992/08/12

EDT: 1987/03/17

Appendix 5B

TYPES AND CODES OF EXPORT PACKING

A. General

AID and GSA have agreed to an arrangement whereby requisitioners may select and designate the optimum type of packing container required to assure satisfactory delivery of commodities to their final destination. This arrangement was made primarily to help reduce incidents of damage and pilferage that result from faulty or inadequate packing. Another objective is a reduction in costly and time consuming claims processing when damage or pilferage takes place.

Handbook 15: AID-Financed Commodities
Appendix 5B: Types and Codes of Export Packing
B: Basic Packing Styles

CDT 1992/08/12
EDT 1987/03/17

B. Basic Packing Styles

Six basic packing styles are provided for shipments to Missions. They are illustrated and described below.

Handbook 15: AID-Financed Commodities
Appendix 5B: Types and Codes of Export Packing
C: Export Packing Instructions

CDT: 1992/08/12
EDT: 1987/03/17

C. Export Packing Instructions

Packing instructions may be communicated to the GSA as follows:

1. If the instructions apply to the entire order the type of container(s) will be entered in the "Special Documentation," Block 10, at the bottom of form AID 11-94. Example, "Pack 1" or "Pack 2," etc., in the lower portion of Block 10.
2. If packing instructions apply only individual line items enter the same instructions as in A. above, on the same line in the "Remarks" Block 23 of the form AID 1430-1.

Handbook 15: AID-Financed Commodities
Appendix 5B: Types and Codes of Export Packing
D: Selection of Proper Container

CDT 1992/08/12
EDT 1987/03/17

D. Selection of Proper Container

Factors to be considered in selecting the optimum packing container are the nature of the commodity to be shipped, the exigencies of shipping and handling, and the storage conditions at the ultimate destination. In addition, economy of packing is important. Nailed wooden boxes or similar expensive containers should not be specified in circumstances where tri-wall or less costly light-weight boxes will suffice.

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APPENDIX 5B (PICTURES)	@1505Ap5B.001
APPENDIX 5B (PICTURES)	@1505Ap5B.002
APPENDIX 5B (PICTURES)	@1505Ap5B.003
APPENDIX 5B (PICTURES)	@1505Ap5B.004
APPENDIX 5B (PICTURES)	@1505Ap5B.005

Handbook 15: AID-Financed Commodities
Appendix 5C: In-Country Vehicle Warranty and In-Country Service Support
In-Country Vehicle Warranty

CDT: 1992/08/12
EDT: 1987/03/17

In-Country Vehicle Warranty

The supplier warrants/guarantees items delivered in accordance with the specifications, all parts and accessories against defects in workmanship or quality for a period of twelve (12) months or 12,000 miles from date of acceptance by the _____. During the period of the warranty/guaranty, parts, accessories, etc., determined to be defective shall be replaced by a qualified representative of the supplier in _____ at no cost for replacement part(s), labor, duties, taxes, transportation, etc. The original warranty/guaranty time for replaced part(s) shall apply to the new part(s), and shall commence from the date of installation. The name and address of the qualified representative in _____ will be specified in the contract and a copy of the letter of instruction from the manufacturer to the representative in _____ will be made a part of the contract. This letter will specify the guarantee responsibilities to the representative in _____.

Name and address of qualified representative in _____

Letter of instruction from manufacturer to representative in _____
_____ enclosed and incorporated into contract.

Signature

Supplier

Date

Handbook 15: AID-Financed Commodities
Appendix 5C: In-Country Vehicle Warranty and In-Country Service Support
In-Country Service Support

CDT 1992/08/12
EDT 1987/03/17

In-Country Service Support

The supplier must have a qualified sales and service distributor or representative in _____ with fully equipped repair facilities and a comprehensive spare parts inventory. The supplier's local representative will be responsible for:

1. Servicing at destination for initial de-processing, checking, servicing, adjustments and repairs as necessary, correction of defects and non-conformities to specifications, and warranty registration. Units are to be delivered to the consignee by the supplier's representative in fully corrected and operable driveway condition. Where allied and accessory equipment are a part of the end-item, for example, tractor attachments, servicing will include assembly, mounting and adjustment of such equipment to assure operability of the complete unit.
2. Maintaining a stock of spare parts, recommended by the manufacturer for one year's operation of the equipment, and to continue to maintain, on a rotating basis, an adequate supply of parts to maintain the equipment in operation for not less than five years.
3. Providing operator and maintenance training as may be required by the buyer, such training to be specified at the time of procurement.

Handbook 15: AID-Financed Commodities
Appendix 5D: Assignment of AID Overseas Activities to GSA Regional Offices

CDT: 1992/08/12
EDT: 1987/03/17

ASSIGNMENT OF AID OVERSEAS ACTIVITIES TO GSA REGIONAL OFFICES

	<u>Region 2</u>	<u>Region 7</u>	<u>Region 9</u>	<u>Region 10</u>
MAILING ADDRESS	GSA, FSS, Region 2	GSA, FSS, Region 7	GSA, FSS, Region 9	GSA, FSS Region 10

	Requisitioning Processing and Control Branch (2FSR) 26 Federal Plz New York, NY 10007	Requisitioning Processing and Control Branch (7FSR) 819 Taylor St Fort Worth, TX 76102	Requisitioning Processing and Control Branch (9FSR) 525 Market St San Francisco, CA 94104	Requisitioning Processing and Control Branch (10FSR) GSA Center Auburn, Wa 98002
TELEGRAM ADDRESS	GSA Teletype Center Washington, D.C. (The first line of text should be -- "Pass GSA/FSS "Pass GSA/FSS Region 2, New York")	GSA Teletype Center Washington, D.C. (The first line of text should be "Pass GSA/FSS Region 7, Fort Worth.")	GSA Teletype Center Washington, D.C. (The first line of text should be "Pass GSA/FSS Region 9, San Francisco, Calif.")	GSA Teletype Center Washington, D.C. (The first line of text should be "Pass GSA/FSS Region 10, Auburn, Washington")
COUNTRIES ASSIGNED	All USAIDs not assigned to other Regions	Managua, Nicaragua Guatemala City, Guatemala Panama, City, Panama San Jose, Costa Rica San Salvador, El Salvador Tegucigalpa, Honduras	Jakarta, Indonesia Manila, Philippines Rangoon, Burma Santiago, Chile Victoria, Seychelles	Bangkok, Thailand Seoul, Korea