

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

Policies and Procedures Manual

PART	I	Operations Policies and Procedures
SECTION	130	Administrative Policies and Procedures
CHAPTER	130.1	Procurement and Invoice Processing

1. Purpose. To provide policy, procedures, guidelines, and responsibilities for purchasing goods or services within the Office of Inspector General.

2. Policy. The OIG will comply with the policies and directives for procurement and invoice processing of the FDIC Division of Finance and adhere to FDIC Circular 3700.16, Acquisition Policy Manual (APM). Further, the OIG will ensure that all procurements and payments conform to the rules and regulations governing appropriations set forth in OMB Circular No. A-34, Instructions on Budget Execution and the General Accounting Office's Principles of Federal Appropriations Law.

3. Responsibilities

a. OIG employees are responsible for following the guidelines outlined in this chapter for requesting goods or services and for obtaining the proper approval levels for purchasing goods or services, in accordance with Chapter 100.2, Delegations of Authority, OIG Policies and Procedures Manual. OIG employees are also responsible for verifying that they have satisfactorily received goods and services that have been purchased for them..

b. Office heads are responsible for approving the purchase of certain types of goods or services in accordance with this policy. Managers are responsible for approving purchases for \$100 or less for certain types of goods or services that are processed on petty cash forms.

c. The Office of Management and Congressional Relations (OMCR) will ensure adherence to corporate policy and provide the OIG's final approval for most purchases. In addition, OMCR is responsible for providing assistance to ensure that the purchases are timely and accurate. All procurement requisitions for task orders placed under a BOA, direct contracts, and modifications affecting price must be coordinated with OMCR. OMCR ensures the availability of funds and consistency of OIG procurement methods (contract pricing, approach to competition, use of technical evaluations, and content of task orders). OMCR is also the liaison with Acquisition and Corporate Services Branch to resolve acquisition policy issues. OIG employees should refer to the OIG Administrative Contacts List, which can be found on the OIGnet for the specific OMCR staff member who is responsible for a specific type of purchase. Click on the OIGnet icon and then click on the "Administrative Contacts" button.

4. Guidelines. Most purchases require advance approval by office heads and the Assistant Inspector General for Management and Congressional Relations. As discussed below, different methods are used to purchase goods or services depending on what is being bought. As such, OMCR will process the request either through the appropriate FDIC Office or through the FDIC Procurement Credit Card Program. A glossary of definitions and acronyms associated with the purchasing of goods or services is included in Attachment A.

5. Procedures for Purchasing Goods or Services. The procedures for requesting specific types of goods or services, listed below under 5.a., b., and c., address competitive procurements. Specific instructions for non-competitive procurements are addressed in Chapter 4 of the FDIC Directive 3700.16, FDIC Acquisition Policy Manual, Preparation of the Requirements Package.

Further, non-competitive procurements should be rarely needed or used. For all purchases of computer equipment or software, contact ██████(b)(6), in OMCR for separate instructions.

a. Contractual Services and Other Purchases of \$5,000 or Less. Generally, the request should be processed through the FDIC Procurement Credit Card Program. In all cases, for these types of purchases, it is more efficient and timely to request a service or purchase from a vendor that accepts credit cards. The FDIC Procurement Credit Card Program is designed to provide a simplified method of procuring low dollar value goods or services. These are not the same cards as those issued under the FDIC sponsored Government Travel Card Program. OMCR has three designated FDIC Procurement Credit Card Program cardholders available to procure items for the OIG. Requests for contractual services or purchases of \$5,000 or less are submitted via email according to the guidelines:

- 1) For all requests that are not on the GSA schedule, prepare an email that includes the vendor's name, address, and phone number, the service or type of purchase, the price, bids from three vendors, and an explanation of why the vendor was selected. If the item is on a GSA schedule, the three bids and the explanation of vendor selection are not required. **If the vendor does not accept a credit card, the request must be submitted on FDIC Form 3700/01, FDIC Procurement Requisition.** For requests submitted on the FDIC Form 3700/01, FDIC Procurement Requisition, refer to Attachment B for further instructions.
- 2) Send the email or FDIC Form 3700/01, FDIC Procurement Requisition to ██████(b)(6), OMCR, for review and then approval by the Assistant Inspector General for Management and Congressional Relations, and processing. For requests processed via the credit card, OMCR will notify the requestor via email of the date of purchase and the expected date of

delivery. For purchases that cannot be made with the credit card, OMCR will provide a copy of the approved requisition and forward the original to the Acquisition and Corporate Services Branch for processing. This process takes at least 2 - 3 weeks. Requestors should notify OMCR staff when purchased goods and services have been satisfactorily received.

- b. **Contracts and Purchases over \$5,000 up to \$100,000.** Requests for contracts and purchases over \$5,000 and up to \$100,000 generally fall into the category of simplified contracting and are processed in accordance with the guidelines set forth in Chapter 5 of the FDIC Directive 3700.16, FDIC Acquisition Policy Manual, Simplified Procurement Procedures.
- 1) To initiate a request under simplified contracting procedures, the OIG employee should complete *FDIC Form 3700/01, FDIC Procurement Requisition*, and additional information as required in accordance with Chapter 5 of the *FDIC Directive 3700.16, FDIC Acquisition Policy Manual, Simplified Procurement Procedures*. Attachment B contains instructions and a sample of this form. Based on the type of service or product, and the amount of money, the request may or may not require the use of evaluation criteria and the impanelment of a technical evaluation panel. For certain services, such as audit contracts, the OIG may have a Basic Ordering Agreement (BOA) with vendors, which can be used to streamline the procurement process. In these situations, the requisition should specify that the OIG wants a task order under the relevant BOA
 - 2) Once approved by the OIG office head, the requisition and additional information as required should be submitted to [REDACTED] (b)(6), OMCR, for review and then approval by the Assistant Inspector General for Management and Congressional Relations. After approval, OMCR will assign a requisition number, hand carry the requisition package to FDIC's Acquisition and Corporate Services Branch, and provide the requesting employee with a copy of the approved requisition.
 - 3) The Acquisition and Corporate Services Branch will select the vendor, prepare the purchase order, and assign a ten-digit (alphanumeric) purchase order number for future reference. After the purchase order is completed, a copy will be sent to OMCR, which will provide a copy to the requesting employee.
 - 4) Contractors are required to send invoices directly to the Acquisition and Corporate Services Branch for initial review. The invoice is then forwarded to OMCR for approval. OMCR will ask the oversight manager to verify that goods or services were satisfactorily received before approving the invoice payment. The OIG has 10 calendar days to review, approve, and submit the invoice to FDIC Accounts Payable for processing. If a contractor inadvertently sends the invoice directly to the oversight manager, it should be

forwarded immediately to [REDACTED] (b)(6) in OMCR, for rerouting to the Acquisition and Corporate Services Branch.

- c. **Contracts and Purchases over \$100,000.** Requests for contracts and purchases over \$100,000 generally fall into the category of formal contracts and are processed in accordance with the guidelines set forth in Chapter 6 of the FDIC Directive 3700.16, FDIC Acquisition Policy Manual, Formal Contracting Procedures.
- 1) To initiate a request for a formal contract, the OIG employee should complete FDIC Form 3700/01, FDIC Procurement Requisition, and additional information as required in accordance with Chapter 6 of the FDIC Directive 3700.16, FDIC Acquisition Policy Manual, Formal Contracting. Attachment B contains instructions and a sample of this form.
 - 2) For processing and payment procedures, refer to Section 5.b.(2) - (4) above.
- d. **Professional Memberships.** Generally, each employee is allowed one membership in a job-related professional organization. To obtain a new membership or to renew an existing membership, the OIG employee should submit the application or renewal form to [REDACTED] (b)(6) OMCR. The request will be processed within 3 days of receipt by OMCR. If the vendor does not accept a credit card, the invoice will be processed through the Division of Finance on a Payment Authorization Voucher (PAV). This process takes approximately 2 - 3 weeks. For additional information on obtaining a professional memberships, refer to Chapter 120.4 OIG Membership Program, OIG Policies and Procedures Manual, when issued.
- e. **Training.** Training vendors are instructed to submit all training invoices directly to the OMCR Policy and Resources Branch for processing. However, if a contractor inadvertently sends the invoice directly to the employee, it should be forwarded [REDACTED] (b)(6), OMCR. For additional information on OIG training procedures, refer to Chapter 120.1, Training and Professional Development, OIG Policies and Procedures Manual.
- f. **Supplies.** General office supplies are maintained in a designated supply area by each OIG secretary and restocked on an as needed basis. For specialized supplies, OIG employees should contact their secretary for the current edition of the catalogue of office products, as provided by the Division of Administration. The secretary will order the selected item on FDIC Form 3630/02, Requisition for Stocked Items. The office head or manager with delegated authority for approving supply requisitions must approve the request. If a specialized supply is not available through the catalogue, complete FDIC Form 3700/01, FDIC Procurement Requisition. Refer to Attachment B for a complete list of requirements and instructions. The form should be sent to

██████████(b)(6), OMCR, for review and then approval by the Assistant Inspector General for Management and Congressional Relations.

- g. **Newspapers, Periodicals, and Publications.** Requests for these items are usually ordered through an email, but may also be ordered on a FDIC Form 3020/11, *Library Publications Order Form*. If the request is prepared via email, include the publisher's name, address, and phone number, estimated cost, a short justification, and concurrence from the manager or office head. If using the *Library Publications Order Form*, refer to Attachment C for a sample copy. The email or completed *Library Publications Order Form* should be sent to ██████████(b)(6), OMCR, for review and then approval by the Assistant Inspector General for Management and Congressional Relations. It takes approximately 2 weeks to receive the item. Vendors are required to send invoices directly to the FDIC Library. However, if an invoice for a library order is inadvertently sent to the employee, it should be forwarded to ██████████(b)(6), OMCR.
- h. **Subscription Renewals.** The FDIC Library automatically renews all subscriptions. To ensure continuous service, the FDIC Library sends employees a copy of the annual publication survey. The employee should review this survey, delete any subscriptions that are no longer needed, and return the form directly to the FDIC Library. If a vendor inadvertently sends a renewal notice directly to an employee, the employee should mark it "Renew" and send it to ██████████(b)(6), OMCR.
- i. **On-line Services.** The FDIC Library handles renewals for existing on-line services. To request a new on-line service, OIG employees should refer to the following guidelines.
- 1) Review the current on-line systems database found on the FDIC Library homepage under Commercial Databases. Determine if there is a service available to meet the workload requirements. If the existing on-line systems are inadequate, research other companies and determine which service would be appropriate.
 - 2) Prepare a memorandum that includes a justification for the system, the capabilities of the system, and the reasons it would better serve the employee than the existing on-line services. The memorandum should be signed by the manager through the office head, and sent to ██████████(b)(6), OMCR, for review and then approval by the Assistant Inspector General for Management and Congressional Relations. After approval, the request is transmitted to the FDIC Library and a coordinator will contact the employee about starting the new on-line system.

- j. **Catering Services.** OIG employees may request catering services for official OIG business meetings and functions. To request a catering service, refer to the guidelines listed below.
- 1) For meetings held in the FDIC Main Building or the Seidman Center, the employee must use the FDIC cafeteria catering services. The OIG employee should complete *FDIC Form 3400/01, Request for Catering Services* and have it approved by the office head. Refer to Attachment D for a sample copy. The completed form should be sent to the OIG Administrative Officer, OMCR, for processing and payment. For a meeting in the 801 Building, the requestor may still use the FDIC cafeteria; however, the service does not include transporting of the food and beverages from the FDIC cafeteria.
 - 2) For all other official FDIC meetings, a requesting office may select a vendor in the vicinity of the meeting. The requestor should prepare an email, which includes the vendor name, phone number, estimated cost, type of catering service, a justification for the catering service, and approval of the cognizant manager or office head and send it to the OIG Administrative Officer in OMCR for processing and payment. If the purchase is less than \$100, the employee may pay for the purchase and obtain reimbursement from FDIC through the petty cash process. Refer to Attachment E for instructions about the petty cash process.
- k. **Expressions of Sympathy and Acknowledgment of Personal Events.** For expressions of sympathy, illness, births, or adoptions, the OIG employee should notify the OIG Administrative Officer of the event via email. The email should include the type of item (flowers, fruit basket, or donation to a charity), the recipient's name and address for the delivery, and a short explanation of the event.
- l. **Non-Monetary Awards.** Each office head is responsible for implementing the non-monetary award program within his/her unit and approving the requests. Generally, non-monetary awards are purchased by the requestor, after approval by the office head and reimbursed through petty cash. Refer to Attachment E for instructions about the petty cash process. Purchases over \$100 may be requested through FDIC Form 3700/01, FDIC Procurement Requisition (refer to Attachment B for instructions), or through the FDIC Procurement Credit Card Program by sending an email to ██████████(b)(6), OMCR. The email must be approved in advance by the office head. The employee may use the FDIC-Sponsored Government Travel Card to pay for a lunch, if approved by the office head, as a non-monetary award. This is the only situation where an employee may use his/her FDIC-Sponsored Government Travel Card for expenses other than when on official travel.

6. Contact. OIG employees are responsible for following the guidelines outlined in this chapter for requesting goods or services and for obtaining the proper approval levels for purchasing goods or services, in accordance with Chapter 100.2, Delegations of Authority, OIG Policies and Procedures Manual. OIG employees are also responsible for verifying that they have satisfactorily received goods and services that have been purchased for them.