

Doing Business *with* USDA

Procurement Procedures and Policies

Introduction

This kit has been prepared to assist businesses that are interested in selling their products and services to the U.S. Department of Agriculture (USDA). Because of the diversity and dispersion of agricultural programs, marketing to the USDA can be a complex undertaking. This information sheet describes procurement procedures and policies generally applicable to buying done by USDA. Other inserts explain in broad terms the types of items bought, who buys them and where they are bought. Information specifically directed to small, disadvantaged and women-owned businesses is also included.

USDA

USDA was established by Congress in 1862 “. . . to acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture . . . and to procure, propagate, and distribute among the people new and valuable seeds and plants.” Today, USDA’s functions have evolved to include research, education, conservation, marketing and consumer services, regulatory work and rural development.


Where Procurement Takes Place

USDA buys goods and services on a decentralized basis. A “Directory of USDA Purchasing Offices,” which lists the major USDA and USDA agency procurement offices, is included in this kit. Vendors are urged to contact the procurement offices listed for more information on the specific products and services being purchased. Purchases are also made at many smaller offices that are not listed. The purchases made at these offices are, however, generally limited to small dollar value, off-the-shelf items that are available locally. The names and locations of the smaller offices are available from the USDA agency office in which the head of the contract activity designee (HCAD) is located. These offices are identified in the “Directory of USDA Purchasing Offices.”

How USDA Acquires Goods and Services

GSA Advantage!®

USDA fills many of its requirements for commonly used items through GSA Advantage!® (www.gsaadvantage.gov), a General Services Administration (GSA) on-line system from which GSA stock items and Federal Supply Schedule (FSS) products and services may be ordered. Products and services from the Federal Prison Industries, Inc. (FPI), also referred to as UNICOR, and nonprofit agencies serving people who are blind or severely disabled (National Industries for the Blind (NIB) and the nonprofit agencies serving people with severe disabilities other than blindness (NIB/NISH) are sold through GSA Advantage. Where specific products or services from either UNICOR or NIB/NISH are not available through GSA Advantage, USDA may acquire them directly from UNICOR or the NIB/NISH nonprofit agencies.



**GSA Federal Supply
Schedule & Other
Governmentwide
Contracts**

One of the primary methods for acquiring goods and services not available through GSA *Advantage!*[®] is by ordering from vendors that have GSA Federal Supply Schedule (FSS) contracts, or that have indefinite delivery type contracts issued by one Federal agency but against which other Federal offices are allowed to issue orders.

**Purchasing
Procedures**

USDA uses a variety of procedures for purchasing on the open market. These procedures, governed by the Federal Acquisition Regulation (FAR) and the USDA Agriculture Acquisition Regulation (AGAR), are recapped below. The FAR is available on the Internet at www.arnet.gov/far/ and the AGAR is available at www.usda.gov/procurement/policy/agar.html. Acquisitions of agricultural (food) commodities by the Agricultural Marketing Service (AMS) and by the Kansas City Commodity Office of the Farm Service Agency (FSA KCCO) are in some instances not subject to the FAR or AGAR, but follow comparable procedures. Further information on these procedures can be obtained from AMS and FSA KCCO.

**Micro-Purchases by
Non-Procurement
Personnel**

Within USDA micro-purchases (procurements of \$2,500 or less) are generally not referred to a procurement office, but are bought by authorized non-procurement personnel through use of a Governmentwide commercial purchase card.

**Simplified
Acquisition
Procedures**

For requirements estimated to cost more than \$2,500 but not more than \$100,000, procurement offices generally use simplified acquisition procedures. These procedures are less structured than those in sealed bidding or negotiated procurements. Competition to the maximum extent practicable is required, with solicitation of at least three sources generally considered to meet this requirement. Acquisitions in this dollar range are set aside for the exclusive participation of small business concerns unless there is a reason why this is not feasible.


Up to \$25,000, requests for quotation are usually oral and written solicitations are rarely used. Notices of business opportunities over \$25,000 are posted on the Federal Business Opportunities (FedBizOpps) website at www.fedbizopps.gov. These notices, also referred to as synopses, may contain sufficient information for vendors to submit quotes (this is referred to as a combined synopsis/solicitation) and in these instances a separate written solicitation is not issued.

**Sealed Bidding
and Negotiated
Procedures**

For acquisitions estimated to exceed \$100,000, sealed bidding or negotiated procedures are used. These are more formal and structured than simplified acquisition procedures. These acquisitions must (with limited exceptions) be competed using procedures that provide for full and open competition, which means that all responsible sources are permitted to compete. Acquisitions in this dollar range are generally synopsized on the FedBizOpps website (www.fedbizopps.gov) prior to issuance of the written solicitation (Invitation for Bids or Request for Proposals).

Sealed Bidding

Under sealed bidding procedures, an Invitation for Bids (IFB) is issued inviting interested companies to compete by submitting a sealed bid. Bids are publicly opened at a date and time specified in the IFB. The bids are evaluated without discussions and contract award is made to the responsible bidder whose bid, conforming to the IFB, is the most advantageous to the Government, considering only price and the price-related factors included in the IFB.




**Negotiated
Procedures**

Under these procedures, a Request for Proposals (RFP) is issued inviting interested companies to submit proposals by a specified date. Unlike offers submitted in sealed bidding, proposals submitted for negotiation are not publicly opened. Proposals received are evaluated based on the factors and subfactors contained in the solicitation. Award may be made without discussions if the Government includes a notice in the solicitation stating its intent to evaluate proposals and make award without discussions. If discussions are held, offerors may be given the opportunity to revise price, schedule, technical requirements, contract type or other contractual terms and conditions in their offer. After completion of all discussions and receipt of final proposal revisions, award is made to the responsible offeror whose offer is the most advantageous to the Government considering price and the other factors specified in the solicitation.

**Commercial Item
Acquisitions**

The Federal Acquisition Streamlining Act of 1994 established a preference for the acquisition of commercial items and also established procedures intended to more closely resemble the commercial marketplace. The procedures unique to acquisition of commercial items are used in conjunction with those for simplified acquisition, sealed bidding or contracting by negotiation. Special requirements related to commercial item acquisitions include expanded market research, streamlined evaluation procedures, and the ability to more closely follow the customary commercial practice for the item/service being acquired.

**Central Contractor
Registration
(CCR) Database**

In most cases, contractors must register in the Central Contractor Registration (CCR) database before they can be awarded contracts over \$2,500. The CCR website is at <http://www.ccr.gov/>.

**Online Representations
and Certifications
Application (ORCA)**

In conjunction with registration in the CCR Database, contractors must also submit their representations and certifications electronically through the Online Representations and Certifications Application (ORCA) at <http://orca.bpn.gov/>.

How to Obtain Information Regarding Proposed Purchases**Federal Business
Opportunities
(FedBizOpps)**


The Federal Business Opportunities website at www.fedbizopps.gov is the website where the public can obtain information about Governmentwide business opportunities greater than \$25,000. Synopses of proposed contract actions, solicitations and associated information, and award synopses can be accessed electronically at this site.

**Solicitation copies
at Procurement
Offices**

Procurement offices also maintain and post copies of open solicitations for ready reference. Vendors are invited to visit the various procurement offices to review and/or pick up copies of these solicitations. Vendors may also wish to set up appointments to meet with procurement personnel to discuss the types of products and services offered and the needs of the procurement office customers.

**Procurement
Forecast**

The USDA Office of Small and Disadvantaged Business Utilization (OSDBU) posts an annual forecast of procurement opportunities at USDA agencies on the Internet at www.usda.gov/osdbu.





**Selling
Opportunities
Through GSA**

GSA purchases goods and services for U.S. Government agencies, buying both nationally and in local markets, through its Washington, DC headquarters and its regional offices throughout the country. Information about selling to the Government through GSA is available at www.gsa.gov.

**Procurement
Policy**

The USDA Chief Acquisition Officer and the USDA Senior Procurement Executive have overall responsibility for the USDA procurement activities. The procurement Policy Division of the USDA Office of Procurement and Property Management provides staff support to these individuals. Vendors may obtain information concerning any of the procurement activities of USDA from the specific USDA agency or from the USDA Procurement Policy Division at the following mailing address:

U.S. Department of Agriculture
Office of Procurement & Property Management
Procurement Policy Division
1400 Independence Ave., SW, Mail Stop 9303
Washington, DC 20250
Telephone: (202) 720-7527
Internet website: <http://www.usda.gov/procurement/>

Issued by:

USDA Office of Procurement & Property Management (www.usda.gov/procurement)

USDA Office of Small & Disadvantaged Business Utilization (www.usda.gov/osdbu)

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

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