



USAID
FROM THE AMERICAN PEOPLE

ADS Chapter 533

Purchasing for USAID's Overseas Activities

Full Revision Date: 08/01/2014
Responsible Office: M/MS/OMD
File Name: 533_080114

Functional Series 500 – Management Services
 ADS 533 – Purchasing for USAID’s Overseas Activities
 POC for ADS 533: Barney Chessin, (202) 712-5973, bchessin@usaid.gov

This chapter has been revised in its entirety.

Table of Contents

<u>533.1</u>	<u>OVERVIEW</u>	<u>3</u>
<u>533.2</u>	<u>PRIMARY RESPONSIBILITIES</u>	<u>3</u>
<u>533.3</u>	<u>POLICY DIRECTIVES AND REQUIRED PROCEDURES</u>	<u>4</u>
<u>533.3.1</u>	<u>Purchasing for USAID’s Overseas Activities</u>	<u>4</u>
<u>533.3.2</u>	<u>Source and Nationality Policy for USAID Procurements</u>	<u>5</u>
<u>533.3.3</u>	<u>Procurement of Special Categories of Expendable and Non-Expendable Equipment and Supplies</u>	<u>5</u>
<u>533.3.3.1</u>	<u>Emergency Generators and Uninterruptible Power Systems (UPS)</u>	<u>5</u>
<u>533.3.3.2</u>	<u>Informational Technology (IT) Procurements</u>	<u>5</u>
<u>533.3.3.3</u>	<u>Office Furniture and Equipment</u>	<u>5</u>
<u>533.3.3.4</u>	<u>Representational Furnishings (China, Crystal, and Flatware)</u>	<u>6</u>
<u>533.3.3.5</u>	<u>Residential Furniture, Furnishings, Appliances, and Equipment (FFA&E)</u>	<u>6</u>
<u>533.3.3.6</u>	<u>Telephones</u>	<u>6</u>
<u>533.3.3.7</u>	<u>Non-Armored Vehicles</u>	<u>6</u>
<u>533.3.3.8</u>	<u>Entertainment Expense and Representational Allowance</u>	<u>6</u>
<u>533.4</u>	<u>MANDATORY REFERENCES</u>	<u>7</u>
<u>533.4.1</u>	<u>External Mandatory References</u>	<u>7</u>
<u>533.4.2</u>	<u>Internal Mandatory References</u>	<u>7</u>
<u>533.5</u>	<u>ADDITIONAL HELP</u>	<u>8</u>
<u>533.6</u>	<u>DEFINITIONS</u>	<u>8</u>

ADS 533 – Purchasing for USAID’s Overseas Activities

533.1 OVERVIEW

Effective Date: 08/01/2014

This chapter specifies Agency policies and procedures governing administrative procurements (goods and services for the administrative support, direct benefit, and use of USAID offices abroad) in support of overseas Missions for all items not provided by the International Cooperative Administrative Support Services (ICASS) service provider under the interagency agreement (see [ADS 520, International Cooperative Administrative Support Services](#)).

This chapter specifies Agency policies and procedures governing purchases covered under the Operating Expense and Program-Funded Operational Costs (PFOC) annual budget (see M/MPBP/BUD [Web site](#)) for the administrative support, direct benefit, and use by USAID Mission offices in support of overseas operations.

533.2 PRIMARY RESPONSIBILITIES

Effective Date: 08/01/2014

a. The **Executive Officer (EXO)** is responsible for the Operating Expense (OE) budget and for the acquisition and management of all salaries & benefits of local staff and all support costs in support of Mission operations with the exception of the Department of State ICASS service provider under the interagency agreement (see [ADS 520](#)) and Overseas Building Operations (OBO) expendable and non-expendable property. This includes:

- (1) Developing procurement requirements/plans and related budget estimates in accordance with the Budget Execution and Formulation Manager (BEFM) and annual OE and Program-Funded Operational Costs (PFOC) Budget Request Guidance; as well as in accordance with the [State/F framework Objective 6 Program Development and Program Administrative Costs](#) and the [OPM/Treasury Object Class Code \(OCC\)](#) rules.
- (2) Ensuring that required inventories are performed;
- (3) Ensuring that inventory data calls are completed and provided to the Mission Controller and the Bureau for Management, Management Services, Overseas Management Division (M/MS/OMD) as directed;
- (4) Ensuring that the limits established in [14 FAM](#), asset management, and [15 FAM](#), representational items, are not exceeded without required approvals;

- (5) Ensuring that procurements comply with this ADS chapter and other governing laws and regulations, as well as required systems (i.e., E2, GLAAS, Phoenix, ILMS, etc.);
- (6) Ensuring procurement actions utilize Agency preferred payment mechanisms (i.e., use of the purchase card, travel card, and EFT payments are preferred to cash payments);
- (7) Ensuring that procurements relating to security goods and services are cleared through the Office of Security (SEC) prior to an award; and
- (8) Ensuring compliance with procurement and forward funding rules related to the [Funding of the USAID Workforce](#).

b. The **Chief, Bureau for Management, Management Services, Overseas Management Division (M/MS/OMD)** is responsible for:

- (1) Providing procurement advice and guidance to Missions as requested;
- (2) Approving Mission requests to exceed the quantities of representational items listed in [15 FAM 730 Exhibit 732.A](#);
- (3) Establishing dates and formats and reviewing property inventories and other required property reports submitted by Missions; and
- (4) Distributing and storing such reports/inventories, as appropriate.

c. The **USAID Principal Officer** is ultimately responsible for Mission compliance with the provisions of this ADS chapter, including the selection, procurement, and management of U.S. Government property. This responsibility covers USAID direct procurement not accomplished by ICASS.

533.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES

533.3.1 Purchasing for USAID's Overseas Activities

Effective Date: 08/01/2014

- (a) **Applicable Guidelines:** The EXO must ensure that the procurement of expendable and non-expendable property, supplies, services, and vehicles in support of USAID Missions, using OE funds and not procured or supplied by the ICASS service provider under consolidated ICASS cost centers, comply with the delegations of authorities outlined in [ADS 103, Delegations of Authority](#) as they relate to acquisition (i.e., contracts, purchase orders, etc.) and non-acquisition (i.e., leases, travel, transportation) actions. For an exhaustive list of applicable guidance, see **533.4.2**.

- (b) **ICASS Procurements and the AIDAR:** When the Department of State/ICASS procures items for USAID under ICASS, the USAID Acquisition regulation ([AIDAR](#)) remains as the controlling regulation (see [6 FAH 5 H 341.7-3 \(A\)](#)).
- (c) **Procurements when USAID is the Alternate Service Provider (ASP):** When USAID is an ASP under ICASS and procures items for a customer Agency with that Agency's funds, the acquisition regulations of the customer Agency apply (see [ADS 520](#), [ADS 635](#), [Working Capital Fund](#), and [6 FAH 5 H-341.7-3 \(A\)](#)).
- (d) **Transferred Funds:** Procurements using funds that have been transferred to USAID under a 632(b) agreement, or an Economy Act agreement, must follow USAID procurement procedures, including the Federal Acquisition Regulation (FAR), if applicable (see [ADS 306](#), [Interagency Agreements](#)).

533.3.2 Source and Nationality Policy for USAID Procurements

Effective Date: 08/01/2014

When purchasing from third and host country vendors, the EXO must ensure compliance with the [FAR](#), [AIDAR](#), and [ADS 330, Source Rules for Administrative Procurement](#). Balance of Payments, and the Trade Agreements Acts apply to Operating Expense (OE) funded procurements.

533.3.3 Procurement of Special Categories of Expendable and Non-Expendable Equipment and Supplies

533.3.3.1 Emergency Generators and Uninterruptible Power Systems (UPS)

Effective Date: 08/01/2014

The EXO must ensure that the procurement of emergency generators and UPS equipment, for both residential and functional space, is done in accordance with [15 FAM 645.3, Emergency Generators and Uninterruptible Powers Systems \(UPS\)](#).

533.3.3.2 Informational Technology (IT) Procurements

Effective Date: 08/01/2014

For the procurement of OE-funded computer hardware and software, see [ADS 546, Acquisition of Federal Information Technology \(IT\) Resources](#).

For control of IT property, see [ADS 547, Property Management of Information Technology \(IT\) Resources](#).

For the procurement of program-funded computer hardware and software, see [ADS 548, Program-Funded Independent Verification and Validation \(IV&V\) Reviews](#).

533.3.3.3 Office Furniture and Equipment

Effective Date: 08/01/2014

Procurement of office furniture must comply with the standards established for office furniture in [14 FAM 412.2 Office Furniture Use Standard](#). Missions must furnish offices with the minimum necessary furniture and equipment to meet requirements (see [ADS 534, Personal Property Management Overseas](#)).

533.3.3.4 Representational Furnishings (China, Crystal, and Flatware)

Effective Date: 08/01/2014

USAID Missions must follow the policies concerning authorized representational furnishings for the USAID Principal Officer residence specified in [15 FAM 730 Representational Items](#).

533.3.3.5 Residential Furniture, Furnishings, Appliances, and Equipment (FFA&E)

Effective Date: 08/01/2014

Missions must follow the policies contained in [ADS 534.1b](#), [6 FAH-5 H-510, Furniture and Appliance Pools](#), [14 FAM 400, Asset Management](#), and [15 FAM 723 Basic Furniture, Furnishings, Appliances, and Equipment \(FFA&E\), Supplemental FFA&E, and Other Items](#), regarding the procurement and provision of FFA&E for USAID residences. Exhibits 15 FAM and Exhibits 723 A and B list the basic and supplemental FFA&E authorized for U.S. Government-furnished residences.

533.3.3.6 Telephones

Effective Date: 08/01/2014

USAID Missions must order telephone equipment directly from the vendor. Technical assistance is available from the Bureau for Management, Office of the Chief Information Officer (M/CIO) (see [ADS 549, Telecommunications Management](#)).

533.3.3.7 Non-Armored Vehicles

Effective Date: 08/01/2014

For the purchase of all non-ICASS OE-funded and Program-funded (for use by the Mission) vehicles, see [ADS 536, Use and Control of Official Vehicles](#), [ADS 302, USAID Direct Contracting](#), and [ADS 312, Eligibility of Commodities](#). USAID does not purchase vehicles for support of consolidated motor pools except when authorized as an exception or as an Alternate Service Provider under ICASS (see [ADS 520.3.1](#)).

NOTE: See [ADS Chapter 563](#) for rules related to armored vehicles.

533.3.3.8 Entertainment Expense and Representational Allowance

Effective Date: 08/01/2014

Like the Entertainment Account, Representation Allowance funds are outlined annually in the USAID appropriation bill and are a separate line item within the OE account and

are for overseas events of a protocol nature. Other entertainment expenses may be funded from USAID's operating expense and program funds (see [ADS 610, Use of Entertainment Account, Representation Allowances, and Program and Operating Expense Funds for Entertainment](#)).

533.4 MANDATORY REFERENCES

533.4.1 External Mandatory References

Effective Date: 08/01/2014

- a. [14 FAM Asset Management](#)
- b. [15 FAM Overseas Building Operations](#)
- c. [22 CFR 228](#)
- d. [Department of State \(DOS\) Standardized Regulations \(DSSR\)](#)
- e. [Federal Acquisition Regulation \(FAR\)](#)
- f. [Foreign Assistance Act of 1961, as amended](#)

533.4.2 Internal Mandatory References

Effective Date: 08/01/2014

- a. [48 CFR 7, Agency for International Development](#)
- b. [ADS 101, Agency Programs and Functions](#)
- c. [ADS 103, Delegations of Authority](#)
- d. [ADS 300, Agency Acquisition and Assistance \(A&A\) Planning](#)
- e. [ADS 302, USAID Direct Contracts](#)
- f. [ADS 306, Interagency Agreements](#)
- g. [ADS 330, Source Rules for Administrative Procurement](#)
- h. [ADS 331, Simplified Acquisitions, Micro-purchases, and Use of the USAID Worldwide Purchase Card](#)
- i. [ADS 520, International Cooperative Administrative Support Services \(ICASS\)](#)
- j. [ADS 522, Performance of Temporary Duty Travel in the U.S. and Abroad](#)

- k. [ADS 526, USAID Guest House Services](#)
- l. [ADS 534, Personal Property Management Overseas](#)
- m. [ADS 535, Real Property Management Overseas](#)
- n. [ADS 536, Use and Control of Official Vehicles](#)
- o. [ADS 546, Acquisition of Operating Expense \(OE\)-Funded Federal Information Technology \(IT\) Resources](#)
- p. [ADS 547, Property Management of Information Technology \(IT\) Resources](#)
- q. [ADS 549, Telecommunications Management](#)
- r. [ADS 563, Armored Vehicles](#)
- s. [ADS 601, Funding Source Policy](#)
- t. [ADS 602, Forward Funding, Program Funds](#)
- u. [ADS 603, Forward Funding, Non-Program Funds](#)
- v. [ADS 610, Use of Entertainment Account, Representation Allowances, and Program and Operating Expense Funds for Entertainment](#)
- w. [ADS 621, Obligations](#)
- x. [ADS 630, Payables](#)
- y. [ADS 631, Accruals](#)
- z. [ADS 635, Working Capital Fund](#)
- aa. [ADS 629, Accounting for USAID Owned Property and Internal Use Software](#)
- ab. [Agency for International Development Acquisition Regulation \(AIDAR\)](#)

533.5 ADDITIONAL HELP
Effective Date: 08/01/2014

There are no Additional Help documents for this chapter.

533.6 DEFINITIONS
Effective Date: 08/01/2014

International Cooperative Administrative Support Service (ICASS)

The International Cooperative Administrative Support Services (ICASS) system is the principal means by which the U.S. Government provides and shares the cost of common administrative support at its more than 250 diplomatic and consular posts overseas. The Department of State is the primary service provider and it offers these administrative support services to other agencies under its non-Economy Act authorities contained in 22 USC 2695 and 2684. ICASS is, for the most part, a voluntary system.

Agencies select from a list of cost centers (which are “bundles” of services) which services they would like to receive via the ICASS system. Agencies may obtain services from non-ICASS sources or self-provide services as long as there is no duplication of the ICASS platform. (Chapters [520](#), [527](#), [533](#), [534](#), [635](#))

Operating Expenses (OE)

Costs related to personnel, other administration costs, rental, and depreciation of fixed assets. (Chapters [200-203](#), [533](#), [548](#))

533_080114