

Non-Required Sources Form Frequently Asked Questions (FAQs)

What are the required sources?

The list of required sources is below. Additional information on each source and useful web links for the required sources are available in [Appendix E of the USDA Purchase Card Program Guide](#).

<u>Supplies</u>	<u>Services</u>
1. Activity Inventory (On-Hand Stock/Cupboard Stock)	1. Procurement List of Services Available Through the Committee for Purchase from People Who Are Blind or Severely Disabled
2. Excess Personal Property	2. Mandatory Federal Supply Schedules (FSS)
3. Federal Prison Industries (FPI/UNICOR)	3. Optional Use FSS
4. Procurement List of Products Available Through the Committee for Purchase from People Who Are Blind or Severely Disabled	4. Federal Prison Industries (FPI/UNICOR)
<ul style="list-style-type: none">• Buy AbilityOne• Commercial Vendors Office Supplies (FSSI OS3 Vendors)• GSA Customer Supply Centers• GSA Advantage! and USDA Advantage!	5. Commercial/Open Market Vendors
5. Wholesale Supply Sources	
<ul style="list-style-type: none">• GSA Supply Catalog• Defense Logistics Agency and Military Inventory Control Points	
6. Mandatory Federal Supply Schedules (FSS)	
7. Optional Use FSS	
8. Commercial/Open Market Vendors	

What types of supplies are “commercial supplies”?

Commercial supplies are generally defined as commercially available off-the-shelf (COTS) supplies offered and sold competitively in the commercial marketplace to both the public or by non-government entities for purposes other than governmental purposes. Prices for commercial supplies are usually based on established catalog or market prices.

When can I purchase from open market vendors?

Part 8 of the Federal Acquisition Regulations (FAR) set forth statutory requirements to acquire supplies and services from priority sources when available and meeting your needs. Other sources should be considered for use only after the priority sources have been considered for fulfilling requirements. It is important to understand that just because a required source sells the product or service you are looking for doesn't mean always mean that they meet your need. They must also meet your needs in terms of:

- Timeliness of delivery

- Quantity- This includes not only being able to satisfy your entire requirement, covering your entire order, but also their minimum order levels need to not exceed what you require.
- Cost- The open market vendor needs to be able to meet your budget for the given requirement.

Are Amazon/Wal-Mart/Newegg considered open market vendors?

Yes. Amazon/Wal-Mart/Newegg, etc. are considered open market vendors. They should only be considered when required sources cannot fulfill your requirement (time, cost, quantity, etc., as described above). Please keep in mind that if you purchase commercial items from an open market vendor, you must complete the Non-Required Sources Form maintained with the transaction supporting documentation.

How do I document that required sources cannot fulfill my requirement?

If a required source cannot meet your commercial needs, you must complete the Non-Required Source Vendor Form. The justification box on the Non-Required Source Vendor Form is your opportunity to explain in detail why you could not consider/use a required source to meet your needs. You should consider including screenshots from required vendors of estimated cost, shipping time, etc., to support your justification.

Can I walk in to a store and purchase from office supplies from AbilityOne?

No. Federal customers can purchase mandatory AbilityOne office supplies from Office Supply Third Generation (OS3) vendors who are authorized AbilityOne distributors with next-day, desktop delivery. Orders can be placed by telephone or fax. Appendix E states that “walk-in store purchases are not included”.

What happens if I do not purchase commercial supplies/services from a required source, or do not fill out the Non-Required Sources Vendor Form?

Completing the Non-Required Source vendor form, when required, is a USDA Purchase Card Program policy. Not complying with required purchase card program policy can result in receiving a policy reminder letter or even losing purchase card privileges depending on the circumstances of the situation.

Do I have to go to OS3, GSA Advantage, USDA Advantage, etc. for all the supplies I need to buy, or can we go straight to a vendor that has a current GSA contract? There are lots of vendors that hold GSA contracts and/or Blanket Purchase Agreements (BPAs) that we know and trust.

USDA Purchase Card Program Manual, Appendix E Required Sources of Supply, outlines the eight (8) required supplies sources, **in order**, that must be considered before you can buy directly from a GSA contract/BPAs (general GSA Schedules are considered optional use FSS), or from an open market vendor to procure commercial supplies/services. Since GSA Schedules are one of the required sources the Non-Required Source Vendor form does not need to be completed if you buy supplies from them.

What if the supplies I want are not available from a required source vendor?

It is recommended that you always check the required sources first to make sure the supplies are not available. If the commercial supplies are not available from a required source, you need to fill out the Non-Required Source form and check the “NO” box to indicate the item is not available from a priority source.

If we need to purchase services on a purchase card, are we required to go through GSA as well?

USDA Purchase Card Program Manual, Appendix E Required Sources of Supply, also lists the required sources for commercial services from AbilityOne (1) to commercial sources/open market (5). You need to **CONSIDER** the required sources for commercial services, in the order listed, before purchasing from open market sources. If the required source cannot meet your needs the justification box on the Non-Required Source Vendor Form is your opportunity to explain why you weren't able to consider/use a required source to meet your needs.

What types of services are "commercial services"?

Commercial services are generally defined as services offered and sold competitively in the commercial marketplace to both the public and the government. Prices for commercial services are based on established catalog or market prices for specific tasks performed or specific outcomes to be achieved and under standard commercial terms and conditions. This includes installation services, maintenance services, repair services, training services, etc. Most services REE purchases are commercial in nature with the exception of construction.

AbilityOne has an extensive list of commercial services they provide including, but not limited to, facilities maintenance/management, janitorial/custodial, grounds/landscaping, HVAC, etc. AbilityOne provides a "Search Services" tool on their website that can help you determine if AbilityOne vendors can provide services to meet your needs. Please see the [AbilityOne Procurement List Services](#) website for a complete list of services AbilityOne provides.

What types of services are "non-commercial services"?

Noncommercial services are services that don't meet the definition above. Most services REE purchases are commercial in nature with the exception of construction.

What if the supplies/services I want are not commercially available?

The Non-Required Sources Form is not required for non-commercial supplies/services.

GSA Advantage is a cumbersome, time-consuming, and complex system that has minimum order quantities that are often well above what is needed.

FAR Part 8 requires us to use the required sources whenever possible to leverage the Federal government's buying power. As part of the government's sustainable mandates, placing larger orders reduces the number of transactions and deliveries, and ultimately providing indirect savings. The minimum order amount on OS3 is currently \$100, but some OS3 vendors have lower minimums. Smaller order maybe be placed with some OS3 vendors by contacting the vendor directly, but they may charge a small fee for this service. If the required source cannot meet your needs, the justification box on the Non-Required Source Vendor Form is your opportunity to explain why you weren't able to consider/use a required source to meet your needs. You should consider including screenshots from required vendors website of estimated cost, shipping time, etc., for your transaction file to help support your justification.

What if we need to buy construction? Is GSA Ebuy a realistic route, even if we are well under the micro purchase limit?

Construction is a non-commercial service. Non-warranted cardholders have a single purchase limit (SPL) of \$2,000 for construction purchases. Construction purchases do not require the Non-Required Source Vendor Form to be completed. If the purchase cardholder is not sure if their required services to build, repair, or maintain facilities or real property is classified as construction or services, and the amount is over the construction SPL (\$2,000), it is recommended that purchase cardholder consult with their contracting office before making the purchase so they do not unintentionally exceed their SPL for construction. Please note, painting is almost always classified as construction.

Does Department Management understand who we are and what we do at REE? I understand that there are regulations, but there is also the mission. The level of oversight that we are coming under is burdensome for cardholders.

We understand how new requirements such as this form impact your purchase card duties.

Concerns regarding the impact of the new Non-Required Source Vendor form were raised with Department when the first version of the form was issued. We requested the Department review and revise the form to make it easier to understand and complete. While this version of the form is easier to use than the original, we understand it still is adding to the process. However, the requirement for this form is the direct result of an Office of Inspector General (OIG) audit. The audit found a large percentage of transactions across USDA were with open market vendors when required source vendors were available and there was insufficient documentation in the transaction file to demonstrate why a required source vendor could not satisfy the need.