

**Form FHA 021-4**

**UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
HARRISBURG, PENNSYLVANIA**

**TO:**

**State Office  
Area Office  
Local Office**

**STATE PROCEDURE  
NOTICE**

**ISSUE NO. 287**

**DATE: December 15, 2004**

**RURAL DEVELOPMENT MANUAL CHANGE**

**RD Instruction 2024-A**

**GENERAL** - This instruction is designed to provide Rural Development employees in Pennsylvania with policies and procedures to assist them in the function and renewal of program Blanket Purchase Agreements (BPA's) for appraisals for Single Family Housing.

This instruction also provides requirements for completion of all program procurement request forms in order to enable accurate and timely processing of Type 60 procurements (Contractual & Non-Contractual) into the Foundation Financial Information System (FFIS) (accounting system) to ensure prompt payment restrictions are met and to avoid the payment of penalty interest and timely reimbursement to vendors.

**INSERT:**

PA PN # 287 (Exhibit D, Para. III & Attach. 1, "Monthly Record of Call Log")

RD Instruction 2024-A, Exhibit D

III. Program Authority.

A. General.

Orders under program Blanket Purchase Agreements (BPA's) must be made on a rotating basis among all vendors holding agreements for that service.

SFH Appraisal BPA's have a prearranged pricing arrangement. Check page 18 of the BPA for pricing information. Follow the BPA ordering requirements. Splitting orders is not permitted under the Federal Acquisition Regulation (FAR). If you have multiple requirements to order at any given time, then you must include them all in one order to the same vendor.

The process for obligating funds for utilizing BPA's is as follows:

1. Upon arrival of contractor's invoice, the Area Office will forward Attachment 1, "Monthly Record of Call Log" (pages 1 and 2), to the State Office with the vendor's invoice. This must be completed five (5) days from receipt of the Contractor's invoice, so the Government complies with the Prompt Payment Act.
2. If at any time this BPA has outstanding orders exceeding \$5,000.00, for which obligations have not been processed, you must contact the State Office Contract Specialist immediately.

When submitting the "Monthly Record of Call Log" (pages 1 and 2) and contractor's invoice to the State Office for processing payment to the vendor, include a partially completed RD Form 838-B, (Rev. 7-97) "Invoice - Receipt Certification":

1. Blocks 1 thru 3 leave blank
2. Blocks 4 thru 8 provide required information
3. Blocks 9 and 10 leave blank
4. Blocks 11 thru 13 provide required information
5. Block 14 provide Borrower Case Number
6. Blocks 15 and 16 leave blank
7. Blocks 17 thru 19 provide required information
8. Block 20 leave blank
9. Block 21 provide your Fedstrip Number
10. Block 22 provide your office address
11. Blocks 23 thru 25 leave blank
12. Block 26 provide your office phone number

Stamp “Inspected and Accepted” within the body of the form. Substitute the BPA number where it asks for contract number. Only one vendor’s invoice can be attached to each RD Form 838-B.

Only authorized individuals listed in the BPA may place orders against this BPA. You are reminded that you cannot place orders against a BPA until you have received the signed Blanket Purchase Agreement from the Contracting Officer. Just having a signed document from the contractor is not sufficient to place an order.

To renew a Blanket Purchase Agreement, the Area Office should submit a memo to the Contracting Section sixty (60) days in advance of the BPA’s expiration, expressing a desire to continue performance. If the Area Office would like to rotate vendors, then they must submit a memo sixty (60) days in advance of BPA’s expiration, stipulating BPA number they wish to let expire, and providing name, address, and tax ID number of the vendor they recommend for the new BPA.

Effective October 1, 2004, all Program Loan Cost Expense (PLCE) funds must be allocated and obligated using the Foundation Financial Information System (FFIS). The former Purchase Order System located at the National Finance Center was concurrently retired at that time. PLCE funds must be obligated “Direct Entry” by the users in each State. The State Office is responsible for accurate entry of all transactions; therefore it is imperative that the information received from the Field Offices is accurate. Inaccurate information causes delays in the processing of obligations and payments to vendors, and robs the employees responsible for data entry of precious time required to work on program issues. **It is very important that the following information (which is all located in the Field Office case files for the respective borrowers and contractors) is reviewed prior to submitting procurement requests to the State Office as this is the information that is required to be entered into FFIS and will cause the entry to reject if not accurate:**

**Contractor/Vendor Name (Be sure to only use the name as it appears on the BPA)**  
**Vendor Identification Number (VID#)**  
**County Code (location of property)**  
**Fund Code (\*A,L,R - Check Mortgage Serve System Which Shows Loan Dates) & Program Authority Code (PAC) (See RD Inst. 2024-A Tables)**  
**(Examples of Fund and PAC Codes For SFH: R-S1B1 – non-servicing; L-S2B1 or R-S2B1 – servicing. PAC Code identifies/denotes if it is a Servicing Appraisal.)**  
**Contract Date (Appraisals-Date Requested; Non-Contractuals-current date)**  
**Date Service Accepted & Date Invoice Received**  
**Borrower ID Number (servicing) (Be sure to check Mortgage Serve System to verify ID#)**  
**Invoice Number**  
**Dollar Amount**

\* Administrative (A): These costs are non-recoverable items; i.e., items that cannot be charged to a borrower or a property account.

\* Liquidated (L): Chargeable to a property account or borrower and the loan/primary loan was obligated prior to Fiscal Year 1992.

\* Financing (R): Costs that are charged to a borrower or property account on a loan/primary loan that was obligated in Fiscal Year 1992 and subsequent years. Also includes expenses not charged to a borrower or property account, which are paid by the borrower/applicant.



