



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

2.21.1

NOVEMBER 3, 2023

## EFFECTIVE DATE

(11-03-2023)

## PURPOSE

- (1) This transmits revised IRM 2.21.1, Shopping Cart Processing for Information Technology (IT) Products and Services, Introduction to Shopping Cart Processing for IT.

## MATERIAL CHANGES

- (1) IRM 2.21.1 - Updated with current processes, procedures, references, and links.
- (2) IRM 2.21.1.1 - Referenced the Acquisition Forecast Tool under the Program Scope and Objectives Section.
- (3) IRM 2.21.1.1.2 - Included the new Treasury's Policy Treasury Chief Information Officer (TCIO) Memorandum 23-01, dated 02/16/2023, under the Authority Section.
- (4) IRM 2.21.1.1.6 - Edited and updated some of the terms, definitions, and acronyms.
- (5) IRM 2.21.1.1.7 (12) - Replaced the Procurement 101 reference with Procurement Knowledge Base reference under the Related Resources Section.
- (6) IRM 2.21.1.1.7 (15) - Updated the link to Unfunded Request Template.
- (7) IRM 2.21.1.1.7 (16) - Added the following references under the Related Resources Section: Financial Management Code Handbook, Information Technology Definition reference, and IRS IT Policy Memorandum for Management of IRS Information Technology, dated July 15, 2020.
- (8) IRM 2.21.1.2 - Noted in the title that this IRM only applies to Information Technology (IT) Acquisitions.
- (9) IRM 2.21.1.3 (2) - Included the Treasury Policy Memorandum for Bureau Chief Information Officers Review and Approval of Information Technology Acquisitions, dated March 15, 2019.
- (10) IRM 2.21.1.3 (3) - Added to the Acquisition Planning Section the new Treasury's Policy TCIO Memorandum 23-01 provisions that outlines the new review and signature approval process for acquisition plans.
- (11) IRM 2.21.1.4 - Updated a citation under the Develop Requirement Section.
- (12) IRM 2.21.1.5 - Noted the new Unfunded Request (UFR) website.
- (13) IRM 2.21.1.6 - Revised 508 Compliance Section with the latest guidelines and policies.
- (14) IRM 2.21.1.7- Noted in the determine the Shopping Cart Routing Path Section for shopping carts to be reviewed and approved by IT Review Panel.
- (15) IRM 2.21.1.8.1 - Clarified when shopping cars do not require Strategic Supplier Management (SSM) approval.
- (16) IRM 2.21.1.8.1(1)c - The infrastructure acquisitions (e.g., servers, mainframes, network/telecom, managed services, "cloud" based services) and infrastructure-related services with an Independent Government Cost Estimate (IGCE) greater than or equal to amount changed from \$1,000,000 to \$5,000,000.

- (17) IRM 2.21.1.8.1(4)a - The IGCE value changed from \$4,000,000 to \$4,999,999.
- (18) IRM 2.21.1.8.1(4)b - The IGCE value changed from \$4,000,000 to \$4,999,999.
- (19) IRM 2.21.1.9.1 - Added additional instructions under the Process a Shopping Cart Returned by Procurement Section.
- (20) 2.21.1.9.2 - Corrected the “F” in the acronym JOFOC from “Free” to “Full”.

#### **EFFECT ON OTHER DOCUMENTS**

IRM 2.21.1, dated February 23, 2021, is superseded.

#### **AUDIENCE**

All IRS personnel involved in the processing of shopping carts for IT products, and services.

Kaschit D. Pandya  
Acting, Chief Information Officer

2.21.1

Introduction to Shopping Cart Processing for IT

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## 2.21.1.1

(11-03-2023)

**Program Scope and Objectives**

- (1) **Purpose:** The purpose of this IRM is to identify the policies, processes and information required to create a Procurement for Public Sector (PPS) shopping cart for IT products and services and the approvals required during the processing of the shopping cart.
- (2) **Audience:** IRS personnel involved in the creation, review, and approval of shopping carts for IT products and services.
- (3) **Policy Owner:** Director, Strategic Supplier Management.
- (4) **Program Owner:** Program Management (an organization within IT, Strategy & Planning).
- (5) **Primary Stakeholders:** Procurement; Privacy, Government Liaison and Disclosure (PGLD).
- (6) **Acquisition Forecast Tool:** The tool must be used to improve operations management to readily identify technology, systems, software, and asset status to forecast needs and inform proactive decision making when planning acquisition purchases when required by *Procurement Information Request or Transmittal No. 23-02*, **Procurement Information Request or Transmittal No. 23-02**.
- (7) **Program Goals:** Ensure that shopping carts for IT Products/Services have the following attributes:
  - a. Required fields are completed accurately.
  - b. Required acquisition documentation is attached.
  - c. Required reviews are documented.
  - d. Required approvals are obtained.
  - e. Acquisition planning dates are met.

## 2.21.1.1.1

(02-23-2021)

**Background**

- (1) IRS IT is responsible for approving the expenditure of IT funding based in accordance with Delegation Order *IT-2-1-1*, **Approval of Information Technology (IT) Requisitions**.
- (2) Internal IT organizations and stakeholders have reviews and approvals that need to be documented.

## 2.21.1.1.2

(11-03-2023)

**Authority**

- (1) Treasury Policy Memorandum 23-01, Treasury Chief Information Officer (TCIO) Review and Approval of Technology Acquisitions, dated February 16, 2023, provided changes to the Treasury's Office of the Chief Information Officer (OCIO) acquisition plan (AP) review and approval process for information technology (IT) acquisitions.
- (2) IRS IT Policy Memorandum for Management of IRS Information Technology, dated July 15, 2020, communicated the CIO's responsibilities for managing IT acquisitions for the IRS as required by the Taxpayer First Act (TFA).
- (3) *IRM 1.2.62 (08-10-2021), Servicewide Policies and Authorities, Delegation of Authorities for IT Activities, Division/Function Delegation of Authorities for Information Technology (IT)*, contains the Division/Function delegation orders issued by the Chief Information Officer (CIO). In addition, any revised delegation orders are posted on the Publication Management & Resource Services *website Delegation Orders*.

## 2.21 Shopping Cart Processing for Information Technology Products and Services

- (4) The Department of Treasury's Federal Information Technology Acquisition Reform Act (FITARA) of 2014 guidance, which delegates to the IRS CIO responsibility for reviewing the acquisition and contract selections and grants the Chief Information Officer (CIO) the authority to govern all areas related to Information Resources and Technology Management.
- (5) Delegation Order *IT-2-1-1*, Approval of Information Technology (IT) Requisitions, provides IRS IT leadership with delegated signature authority for approving IT purchases of goods and services.
- (6) IRM 1.2.1.3.4 (04-10-1994), *Policy Statement 2-92*, (1) Deviation from compatibility standards for Federal Information Processing (FIP) equipment and software requires CIO approval.
- (7) IRM 1.2.1.3.5 (11-12-1999), *Policy Statement 2-93*, Management and Control of Automated Data Processing (ADP) Property.

### 2.21.1.1.3 (11-27-2019) **Roles and Responsibilities**

- (1) Technical Point of Contact (TPOC): The person who is responsible for working with the applicable IRS organization to transform the business requirement into a technical requirement and completing the acquisition package.
- (2) Requestor: The person who enters a shopping cart into PPS and tracks it through the approval path to Procurement.
- (3) Signatory Authority Approver: The person who has the responsibility to ensure the shopping cart is fully compliant with IRS requirements and has the authority to approve shopping carts up to a specified dollar amount as described in Delegation Order *IT-2-1-1*.
- (4) Financial Plan Manager (FPM): The person who manages the overall spending within the financial plans under their control and approves shopping carts in accordance with *IRM 1.35.24, Financial Accounting, Establishing Commitments and Obligations*.

### 2.21.1.1.4 (11-03-2023) **Program Management and Review**

- (1) Program Reports
  - a. PPS Report: The PPS Report is reviewed to ensure that shopping carts created outside of Information Technology have gone through the appropriate Information Technology reviews. This report shows shopping carts generated from PPS that are enroute to Procurement.
  - b. Acquisition Timeliness: The date that shopping carts reached Procurement is compared to Procurement's Acquisition Planning Due Dates for the fiscal year to determine if they are timely. Strategic Supplier Management (SSM) provides a report to measure each ACIO's timeliness of shopping carts.
- (2) Program Effectiveness:
  - a. This IRM is reviewed annually to ensure that the information about required reviews and the shopping cart creation process are current. Feedback on the effectiveness of the required reviews is shared with the responsible stakeholder organizations for consideration as part of the annual IRM review process.

2.21.1.1.5  
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#### Program Controls

- (1) Program Controls help SSM to oversee the status of shopping carts for the ACIOs.
  - a. Data calls are sent by SSM throughout the fiscal year for Information Technology Contract Tool (ITCT) updates to be made by the ACIO Acquisition Program Managers (APMs) and Contracting Officer's Representatives (CORs). The IT areas are responsible for updating their shopping carts entries in the ITCT.
  - b. Monthly meetings are held in quarters 1-3 of the FY with Procurement, Financial Management Services (FMS) and APMs to discuss the status of shopping carts. The frequency of these meetings changes to biweekly in June and weekly for August and September.

2.21.1.1.6  
(11-03-2023)

#### Terms/Definitions/ Acronyms

- (1) Defined Terms

Term	Definition
Financial Plan Manager (FPM)	verifies that there is adequate and appropriate funding available; is in approval path
Information Technology	any equipment, or interconnected system(s) or subsystem(s) of equipment, that is used in the automatic acquisition, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the agency
Requestor	initiator of shopping cart
Shopping Cart	used to request external goods and services and to secure the necessary approval and funding for those goods and services prior to the request being submitted (formerly called a requisition)
Signatory Authority Approver	the person under IT-2-1-1 who has the authority to sign up to a specified dollar amount and who ensures that the shopping cart is fully compliant with IRS requirements prior to forwarding it to the Financial Plan Manager (FPM)

- (2) Defined Acronyms

## 2.21 Shopping Cart Processing for Information Technology Products and Services

Acronym	Definition
ACIO	Associate Chief Information Officer
ADP	Automated Data Processing
AP	Acquisition Plan
APM	Acquisition Program Manager
BPA	Blanket Purchase Agreement
BU	Business Unit
CI	Criminal Investigation
CIO	Chief Information Officer
CO	Contracting Officer
COR	Contracting Officer's Representative
CPIC	Capital Planning and Investment Control
DCIO	Deputy Chief Information Officer
DME	Development, Modernization and Enhancement
EA	Enterprise Architecture
EIT	Electronic and Information Technology
ESP	Enterprise Standards Profile
FITARA	Federal Information Technology Acquisition Reform Act
FMS	Financial Management Services
FPM	Financial Plan Manager
HW AM	Hardware Asset Management
ICT	Information and Communication Technology
IFS	Integrated Financial System
IGCE	Independent Government Cost Estimate
IRAP	Information Resources Accessibility Program
IRSAP	Internal Revenue Service Acquisition Procedures



IT	Information Technology
ITCT	Information Technology Contract Tool
JEFO	Justification for an Exception to Fair Opportunity
JOFOC	Justification for Other Than Full & Open Competition
LSJ	Limited Sources Justification
OCIO	Office of the Chief Information Officer
OCPO	Office of the Chief Procurement Officer
O&M	Operations and Maintenance
PA	Privacy Act
PGLD	Privacy, Government Liaison and Disclosure
PII	Personally Identifiable Information
PM	Program Manager
POC	Point of Contact
POP	Period of Performance
PPS	Procurement for Public Sector
PTS	Project Tracking System
PWS	Performance Work Statement
SAM	Software Asset Management
SBU	Sensitive But Unclassified
SIW	Senior Executive Service in Waiting
SPI	Spend/Spending Plan Item
S&P	Strategy and Planning
SOW	Statement-of-Work
SS	Support Services
SSM	Strategic Supplier Management
TCIO	Treasury Chief Information Officer
TCV	Total Contract Value
TEOAF	Treasury Executive Office Asset Forfeiture
TFA	Taxpayer First Act

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TO	Task Order
TPOC	Technical Point of Contact
UFR	Unfunded Request
UWR	Unified Work Request
WRMS	Work Request Management System

2.21.1.1.7  
(11-03-2023)

### Related Resources

- (1) *Acquisition Planning Due Dates*
- (2) *Form 14775, Security Compliance Review Checklist for IT Acquisitions*
- (3) *IRM 2.15.1, Enterprise Architecture (EA), EA Overview*
- (4) *IRM 10.8.1, IT Security, Policy, and Guidance*
- (5) *Section 508*
- (6) *IRM 11.3.24, Communications & Liaison, Disclosure of Official Information Disclosures to Contractors*
- (7) *IRSAP Section w1039.9001 Services Requiring Access to IRS Information*
- (8) *IT-2-1-1-A, Consent to Approval of JOFOCs, JEFOs and LSJs*
- (9) *IRS Procurement - Acquisition Package Document Checklist (IT and Non-IT)*
- (10) *IT Shopping Cart Checklist*
- (11) *Procurement Knowledge Base*
- (12) *Procurement for Public Sector (PPS)*
- (13) *Process Returned Shopping Cart - Business Unit*
- (14) *PPS Work Step Instructions*
- (15) *2023 Unfunded Request Template*
- (16) *Financial Management Code Handbook*
- (17) *Definition of Information Technology*
- (18) *Management of IRS IT Taxpayer First Act (TFA) Section 7803 Requirement 07-15-2020*

2.21.1.2  
(11-03-2023)

### Determine if an IT Acquisition is Needed

- (1) In-house: If the IT organization can provide the needed IT products or services, develop a work request as described in IRM. 2.22.1, Business Planning & Risk Management (BPRM), *Unified Work Request (UWR) Process*.
- (2) Outsource: If the IT organization cannot provide the needed IT products or services, plan an acquisition as described in the next section.

2.21.1.3  
(11-03-2023)  
**Acquisition Planning**

- (1) The TPOC or COR, serving in the TPOC role, plans the acquisition and produces the documents needed by Procurement. The required documents are described in the *IRS Procurement - Acquisition Package Document Checklist (IT and Non-IT)*.
- (2) **Treasury Policy Memorandum for Bureau Chief Information Officers Review and Approval of Information Technology Acquisitions, dated March 15, 2019**, formally established the process for Treasury's CIO (TCIO) review and approval of all IT acquisitions to monitor and maintain the effectiveness and efficiency of IT acquisition strategies implementation. Importantly, the TCIO is required to review and approve all IT acquisition plans or strategies while the Senior Procurement Executive (SPE) is responsible for ensuring that IT contract actions are consistent with CIO approved acquisition strategies and plans. Hence, TCIO approval is verification of compliance with FITARA requirements and authorizes the Office of the Chief Procurement Officer (OCPO) to proceed with the procurement.
- (3) In accordance with **Treasury Department Memorandum 23-01**, Treasury Chief Information Officer (TCIO) Review and Approval of Technology Acquisitions, dated February 16, 2023, the TCIO shall review and approve all IT Acquisition Plans (APs) executed during the current fiscal year. Actions involving IT acquisitions and/or planned IT acquisitions (including services, hardware, and software) that meet the following criteria are required to be reviewed by the Treasury CIO.
  - a. All acquisition plans, new acquisitions, or task orders (regardless of value) associated with Major IT investments (as defined in the annual information technology capital planning guidance of the Office of Management and Budget).
  - b. IT acquisition plans, new acquisitions, or task orders with a total acquisition value greater than or equal to \$10 million. The TCIO will review and approve any Bureau delegations of IT acquisition plans.
  - c. Actions with a period of performance greater than 5 years, regardless of value.
  - d. The TCIO may choose to highlight and ask for further data on certain planned IT acquisitions for the upcoming fiscal year, as part of the Capital Planning and Investment Policy (CPIC) annual review process.
  - e. Requests for TCIO signature approval of IT APs is covered in **Treasury's Policy Alert 23-03, dated May 1, 2023**.

**Note:** The TCIO FITARA Reviews is required only (in accordance with FITARA Pub L. No. 113-291) for modifications requiring substantial changes to the scope of a contract or order for IT that is inconsistent with the approved acquisition plan. All inquiries and replies must be sent to the FITARA Team mailbox, which is listed as \*IRS IT OCIO FITARA.
- (4) Acquisitions should be planned to meet Procurement's *Acquisition Planning Due Dates*.

**Note:** If a justification for other than full and open competition is required after the shopping cart is forwarded to Procurement, the justification will be approved in accordance with Delegation Order **IT-2-1-1-A**.

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2.21.1.4  
(11-03-2023)

### Develop Requirements

- (1) *Procurement Knowledge Base* provides guidance on developing requirements. Treasury policy and standard forms are also located on *the Acquisition Gateway* in the Treasury Hub.
- (2) Privacy Act (PA)/Personally Identifiable Information (PII): If the acquisition involves the creation, collection, use, processing, storage, maintenance, dissemination, disclosure, or disposal of information that is linked or linkable to an individual, contact the *\*Privacy* mailbox for a pre-award review for compliance with privacy and disclosure requirements. See *IRM 11.3.24, Disclosures to Contractors* for further information.
  - a. **Caution:** A contractor and its employees are not considered employees of the Department of the Treasury for purposes of the Privacy Act 5 USC § 552a. Therefore, PA protected records cannot be disclosed to contractors pursuant to 5 USC § 552a(b)(1). Disclosures of such records to contractors may be made only if one of the statutory disclosure provisions applies. The most commonly applicable disclosure provisions are 1) a published "routine use" in the appropriate system of records notice and 2) written consent to the disclosure from the individual whose records are at issue.
  - b. **Caution:** A contractor and its employees are subject to the PA's criminal penalties pursuant to 5 USC § 552a(m)(1) if the contract is to operate a system of records for the agency. The IRS routinely includes disclosure prohibitions in contracts that authorize contractor access to PA protected records.
  - c. **Caution:** For tax returns and return information, IRC § 6103 preempts the PA. Disclosure of tax returns and return information is controlled by IRC § 6103. Returns and return information may not be disclosed to a contractor unless the requirements of IRC § 6103 are met (regardless of whether the PA authorizes disclosure). IRC §6103 requires special clauses to meet disclosure requirements of 6103(n). See *IRM 11.3.24, Disclosures to Contractors*, for tax returns and return information contract requirements pertaining to disclosures and refer to 10.5.6.2.4.1, Privacy Act Contract Requirements, for further information.
- (3) Sensitive But Unclassified (SBU) Information: All IRS acquisitions and contract vehicles contain appropriate language holding contractors and other service providers accountable for complying with federal and IRS privacy policies and procedures. SBU data is any information that if lost, stolen, misused, accessed, or altered without proper authorization, may adversely affect the national interest or the conduct of federal programs (including IRS operations), or the privacy to which individuals are entitled under the Privacy Act. For the full definition, refer to TD P 15-71, Treasury Security Manual, Chapter III, Section 24, Sensitive But Unclassified Information. For further guidance on SBU Data, see *Sensitive But Unclassified (SBU) Data*.

**Note:** *Post-award compliance contract reviews are conducted to monitor conformity with Disclosure, Privacy Act and Safeguard policies and procedures.*

2.21.1.5  
(11-03-2023)

### Unfunded Request (UFR)

- (1) Request funding for the requirement. The *FPM* must validate funding and accounting string information.

**Note:** Do not use a purchase card for Electronic and Information Technology (EIT), as EIT is on the *Restricted Purchase List*.

When an ACIO requires funding that was not planned in the current year budget or the amount needed exceeds what is available, the ACIO can submit an *Unfunded Request (UFR)* to the CIO.

- (2) For unfunded shopping carts, obtain the accounting codes from Project Manager and include them on the Funding Template.
- (3) Procurement may return an approved unfunded shopping cart to the FPM to add funding.
  - a. If changes have been made to the acquisition package that require additional levels of approval, the shopping cart must go through the same approvals as a new requirement.
  - b. If no changes have been made that require a different level of approval, the FPM will send the shopping cart directly back to Procurement once the funds are added.
- (4) An acquisition package must be sent to Procurement, so the Acquisition Planning Due Date is met, especially when the acquisition need is for the first quarter of the next fiscal year.

#### 2.21.1.6

(11-03-2023)

#### Obtain Requirements Reviews and Approvals

- (1) Enterprise Systems Management Review (ESMRVW) – All hardware, software, and cloud technologies must be approved and reviewed by Enterprise Architecture (EA); and posted on the *Enterprise Standards Profile (ESP)*. EA manages at the major release level, so **upgrades to the next or “newer” version are not automatically approved**. Please send an email to the EA office at \*EA Change Requests or [ea.change.requests@irs.gov](mailto:ea.change.requests@irs.gov) with the subject title “Shopping Cart – Request to buy Technology” and provide EA the **vendor name, product name, and major version** of the technology being purchased. EA staff will look up product to verify it’s in the ESP. For any technologies being requested that are **not** in the ESP, requester will be given instructions via a separate correspondence on how to submit an Enterprise Architecture Enterprise Standards Profile Change Request for ESP inclusion. Attach the email **approval** from the EA Office to the shopping cart as evidence of compliance. You can find additional references and guidance in *IRM 2.15.1, Enterprise Architecture (EA), EA Overview*.
- (2) Technical Tier III Review: This tier consists of end-user computing-related hardware, software, maintenance, and related services, including desktops, lapto and personal communication devices.
  - i. All acquisitions for workstation/Tier 3 software licenses, subscriptions, and/or maintenance, including for off network and Cloud based products, require Tier III approval. Approval requests should be emailed to the \*IT T3 Software Review mailbox or email [IT.T3.Software.Review@irs.gov](mailto:IT.T3.Software.Review@irs.gov). Approval requests must include publisher name, product name, license type, quantity, version, Period of Performance and the applicable End User License Agreement (EULA).
  - ii. Once approval has been obtained, the applicable review completion/ approval e-mail(s) must be attached to the shopping cart.
- (3) Enterprise Hardware Asset Management Review: This review consists of enterprise IT hardware, hardware maintenance and related services. Every

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acquisition for new and maintenance hardware must have Hardware Asset Management (HW AM) review email approval.

i. Every acquisition for new trackable hardware and hardware maintenance must have Hardware Asset Management (HW AM) review email approval. Email requests must be sent to \*IT Asset Management Review mailbox or email *IT.UNS.AM.REQ@irs.gov* to be reviewed and to prepare for proper asset barcoding, tracking, management, and shipment confirmation. Asset tagging (barcoding) of new hardware purchases must be included for a quantity of 10 or more assets. Acquisitions for maintenance hardware must have a list of the impacted assets to be covered by the hardware maintenance contract. At a minimum, the list must contain barcodes, serial numbers, brand, model, location, and Period of Performance (POP) dates of the hardware assets. The list of hardware assets will be validated with the information from HP Asset Manager (ServiceNow).

ii. Once approval has been obtained, the applicable review completion/approval e-mail(s) must be attached to the shopping cart in the "Notes and Attachments".

- (4) *Security Compliance Review Checklist for IT Acquisitions*: This review applies to the following:

- a. any acquisition for the procurement of an IT system, or IT products; any IT hardware and/or software, telecommunications, equipment, maintenance, or service.
- b. acquisition of any consulting services, commercial service provider, outsourcing or cloud provider that will operate, manage, access, or use any IRS IT system and/or data, including SBU, PII and/or IRS taxpayer data.

Complete and submit *IRS Form 14775, Security Compliance Review Checklist for IT Acquisitions* for approval. Once approval has been obtained, the approved Form 14775 must be attached to the shopping cart.

**Note:** *Per IRM 10.8.1, IT Security, Policy and Guidance, any vendor that will operate, manage, or use any IRS IT system and/or data, including SBU, PII and/or IRS taxpayer data, must follow the guidance of IRS. IRS Publication 4812, Contractor Security Controls for any contractor operated system and is subject to the IRS contractor site review/assessment process.*

- (5) *Section 508 Compliance*: Effective August 21, 2021, Requisitions for Information Technology (IT) products and services, which includes an Electronic and Information Technology that are referenced in *IRM 1.35.4.3.10, Electronic and Information Technology Buys*, shall be submitted to Information Resources Accessibility Program (IRAP) office for review and approval. For specific instructions and requirements please visit *IRAP's website* IRAP's website .

**Note:** *Section 508 does not apply if state and local entities are the supplier.*

2.21.1.7  
(11-03-2023)

### Determine the Shopping Cart Routing Path

- (1) IT shopping carts initiated by an IT ACIO area must be routed to the appropriate manager, per Delegation Order *IT-2-1-1*, for review and approval.

**Note:** *Each ACIO may have their own internal management review process, which may require adding reviews prior to the Signatory Authority Approver.*



- (2) Signature Authority Approver: The signature authorities and associated re-delegations supported by Delegation Order IT-2-1-1, apply to shopping carts for purchases of IT products and services. Please reference *the Requisition Signature Authority List* link, which lists the latest authorized IT official approvers.
- (3) FMS Financial Plan Manager approves IT shopping carts in accordance with *IRM 1.35.24, Financial Accounting, Establishing Commitments and Obligations*.
- (4) IT shopping carts initiated by a non-IT BOD must be routed to the Appropriate ACIO for review and approval only after FMS has approved funding.

**Exception:** Any exceptions to the IT approval requirement will be documented in an MOU between IT and the Business Unit in accordance with IRM 1.2.1.3.5, Policy Statement 2-93.

- (5) A shopping cart is required to *exercise an option*.

2.21.1.7.1  
(11-03-2023)  
**Strategic Supplier  
Management (SSM)  
Approval**

- (1) The SSM Director or designee approval is required on shopping carts for:
  - a. Bailment agreements, no cost demonstrations, Request for Information (RFI), Market Research Requests or evaluation agreements for software, hardware, managed services, and “cloud” based services, regardless of dollar value.
  - b. “Pilot IRS” shopping carts (a program under which a more streamlined procurement process allows a company to propose an innovative solution to an IRS problem and receive technical and actionable feedback in weeks instead of months regardless of dollar value).
  - c. Infrastructure acquisitions (e.g., servers, mainframes, network/telecom, managed services, “cloud” based services) and infrastructure-related services with an Independent Government Cost Estimate (IGCE) greater than or equal to \$5,000,000. Infrastructure-related services are services supporting the delivery, installation, and initial configuration of the new infrastructure.
  - d. Software acquisitions with an IGCE greater than or equal to \$500,000.
- (2) For clarity, shopping carts in the following categories do not require SSM approval:
  - a. Services supporting non-infrastructure-related work, such as cyber analysis, data analysis, business process improvement and other services not directly related to IT infrastructure installation or configuration,
  - b. Exercise of option periods for previously approved contracts are not required to be approved again unless the scope has been modified, and
  - c. Incremental funding items do not require approval again when an IGCE from a previously approved cart is attached.
- (3) SSM review will be conducted prior to ACIO/Director/Senior Manager approval of the shopping cart via Procurement for Public Sector (PPS) routing. The following describes the scope of the review:
  - a. Evaluate if similar, in-place agreements or capabilities could be used or if requirements could be combined to improve economies of scale to reduce costs to the IRS.

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- b. Confirm required documentation (PWS/SOW, LSJ, IGCE, Market Research, Acquisition Plan) has been submitted.
  - c. Validate the documentation reasonably and accurately describes the requirements of the proposed acquisition.
- (4) In support of this review, Program/Project Managers, Acquisition Program Managers (APMs) and TPOCs/CORs are encouraged to contact SSM as soon as upcoming requirements are identified. SSM reviews will be completed:
- a. Within 8 working days after approval request for shopping carts with an IGCE value less than \$4,999,999; or
  - b. 15 working days after approval request for shopping carts with an IGCE value from \$4,999,999 to \$10,000,000; or
  - c. Case-by-case basis as determined by Director, SSM or designee, for shopping carts with an IGCE value greater than \$10,000,000.

**Note:** For Shopping Cart that use Surge CLINs or are submitted with limited documentation, further discussions may be required to determine appropriateness and requirements before approval will be granted.

- (5) Shopping carts for new, recompetes, follow-ons, and interims (this includes contracts, agreements, orders, task orders and delivery orders) greater than or equal to \$10,000,000 or have a period of performance greater than 5 years must be reviewed by the IT Review Panel.

### 2.21.1.7.2 (11-03-2023)

#### Signature Authority Approval

- (1) Each ACIO may have their own internal management review process, which may require adding reviewers prior to the Signatory Authority Approver.
- (2) IT shopping carts initiated by a non-IT BOD must be routed to the appropriate ACIO for review and approval only after FMS has confirmed there is approved funding.
- (3) The signature authorities and associated redelegations supported by Delegation Order **IT-2-1-1** apply to shopping carts for purchases of IT products and services.
  - a. Signature authority up to \$50,000 for shopping carts/purchase card transactions that support non-IT goods or administrative services (court reporters, movers, executive certificate framing, fax/prINTER toner, general office supplies) and IT operating costs specifically associated with telecommunications recurring billing (i.e., local/long distance phone service) may be approved by the senior manager or frontline manager.
  - b. This authority cannot be redelegated and acting managers are not approved as proxies. The contract writing system (PPS) record must include the approval of the signature authority. Signature authority for shopping carts greater than \$50,000 (cumulative) revert to standard IT shopping cart signature authority.
  - c. The Delegation and Signature sheet called **Shopping Cart Signature Authority List** outlines each level of funding authority. This sheet is updated monthly or whenever an executive change occurs. Due to the length and frequency of senior manager and frontline manager changes, it is not feasible to include these names in the Shopping Cart Signature Authority List. The current Shopping Cart Signature Authority List is maintained on the *IT Delegations Orders* website.



- (4) Shopping Cart Proxy, Actors and Executive Officers or SES in Waiting (SIW) - Situations arise when executives cannot electronically approve shopping carts due to no n-system access such as vacations or conferences.
- a. **Executive Officers or SES in Waiting (SIW) in Executive Positions:** Executive Officers or SES in Waiting (SIW) are employees who are performing in Executive positions but have not completed their executive certification. These candidates are authorized to sign as approvers commensurate with the level of the position they are filling.
  - b. **Proxies for Executives:** Executives who cannot electronically approve shopping carts due to non-system access (such as computer downtime) can designate a proxy staff member on an as-needed basis to perform the electronic signature. The staff person is responsible for obtaining and retaining electronic approval of the proxy designation (via e-mail) for audit purposes. The staff person performing the proxy action must state in the PPS approval comments section: "Proxy (name) Approved and signed by (title and name) on (date). The e-mail approval of shopping cart is on file."
  - c. **Executives Appointing Actors with Same Funding Authority:** Executives, who will be unavailable for specific periods, can appoint another executive to "act" in their position. Non-executive staff personnel cannot be given acting authority in terms of approving shopping carts. To clarify the process, the designating executive is the unavailable executive and the executive appointed will be called an actor. When the designating executive and the actor have the same funding level authority, the shopping cart routing path should be changed to the actor's name instead of the designating executive name. This should be completed before the shopping cart reaches the designating executive in PPS or the document routing becomes an issue in the electronic system. The only remedy when this occurs is for the helpdesk to redirect the shopping cart. Contact the helpdesk via phone (240-613-8540).
  - d. **Executives Appointing Actors with Lower Funding Authority:** When a designating executive's funding authority is higher than the actor, a formal "acting" document must be generated and retained for audit purposes. This documentation will allow the acting executive to approve shopping carts at the designating executive's higher funding authority.
    - This formal acting authorization must be in a memo or email. The authorization must contain the actor's authority for a specific period. This authorization must be retained by the actor for audit purposes.
    - When the actor approves a shopping cart, an additional statement must be inserted in the PPS approval comment section. The comment should state "Acting for (name) from (date) to (date). Acting documentation on the file with the Acting Executive."
  - e. **Proxies and Actors for Senior Managers and Frontline Managers:** There is no authorization for a senior manager or frontline manager to designate a proxy or an actor to approve shopping carts. Senior manager or frontline manager unavailability requires approval at a higher level.
- (5) **Approval of \$0.00 Shopping Carts for Accounting Code Changes:** IT Strategy & Planning, Financial Management Services, Senior and Frontline Managers may approve \$0.00 shopping carts for accounting codes changes if they do not serve as an initiator of the shopping cart or as the Financial Plan Manager.

## 2.21 Shopping Cart Processing for Information Technology Products and Services

**Note:** For shopping carts associated with purchase card transactions, consult the Purchase Card Guide for any associated dollar limits.

### 2.21.1.7.3 (11-03-2023) FMS Financial Plan Manager Approval

- (1) FMS Financial Plan Manager approves IT shopping carts in accordance with **IRM 1.35.24, Financial Accounting, Establishing Commitments and Obligations**.

### 2.21.1.8 (11-03-2023) Prepare Shopping Cart

- (1) The Requestor creates the shopping cart using the following guidance to ensure all fields are completed properly:
  - a. IT Shopping Cart Checklist, which is used to guide the Requestor through entering information in the various tabs in PPS (e.g., General Data tab, Account Assignment tab and Item tab) and the required approval path. This must be completed during the shopping cart creation and added to the shopping cart attachments.
  - b. Work Step Instructions, which are available for detailed guidance on completing the shopping cart fields.

**Note:** In case of a Lapse in Appropriation due to a government shutdown, the information contained in Continuity of Operations (in PPS), Lapse Plan Exception Code and Lapse Plan Justification Text, needs review for confirming accuracy or making updates for identifying contractors to continue work during a shutdown .

- (2) For software development acquisitions, the Request must indicate in the Description field of the PPS record that the shopping cart is for software development and describe the nature of the software development to be performed. This information notifies the Contracting Officer that required clauses must be incorporated into the contract. See *Internal Revenue Service Acquisition Procedures (IRSAP) Section 1039.9001 Software Development Prerequisites* for more information.
- (3) An unfunded shopping cart is needed when funding is not available and one of the following is true:
  - the *Acquisition Planning Due Date* must be met.
  - the acquisition need is for the first quarter of the next fiscal year.
  - an option is being exercised.

- i. A price, quantity and cost center data must be entered in the Item Overview line.
- ii. The Accounting Assignment Category must be changed from Cost Center to Unfunded.

- (4) The Requestor attaches the required documents, as identified in the *IRS Procurement - Acquisition Package Document Checklist* (IT and Non-IT), to the shopping cart.

**Note:** The **IRS Procurement - Acquisition Package Document Checklist (IT and Non-IT)** is not used for exercising an option, extensions, or incremental funding. Please see the Procurement Knowledge Base Reference Guide for more details on “Exercising an Option”.

- (5) Once all required documents are attached, the completed **IRS Procurement - Acquisition Package Document Checklist (IT and Non-IT)** is attached to the shopping cart to be used by shopping cart reviewers.

**Note:** This checklist and all applicable documentation **must be attached** to the approved shopping cart in PPS to be considered a complete package. Many documents are collaborative; however, TPOCs/CORs must complete as much of the required information as possible and include signatures where applicable to avoid delays in processing.

- (6) The Requestor validates the field entries and attaches the completed **IT Shopping Cart Checklist** to the shopping cart.

**Note:** The **IT Shopping Cart Checklist** is **not** used for exercising an option, extensions, or incremental funding.

- (7) The Requestor submits the shopping cart for approval.

2.21.1.9  
(11-03-2023)  
**Review and Approve  
Shopping Cart**

- (1) Reviews are conducted in PPS sequentially. Reviewers may approve, edit, or reject the shopping cart.
- (2) The FPM validates availability of funds and releases the shopping cart to Procurement.

2.21.1.9.1  
(11-03-2023)  
**Process a Shopping  
Cart Returned by  
Procurement**

- (1) If an approved shopping cart is returned by Procurement, the Requestor follows the Work Step Instruction: **Process Returned Shopping Cart - Business Unit**.
- (2) If a shopping cart is rejected in error rather than returned by Procurement, the replacement cart will note the prior cart number in the approval note box and all approvals from the rejected cart will be considered approvals for the new cart.

2.21.1.9.2  
(11-03-2023)  
**Approval of Limited  
Competition**

- (1) When a Justification for Other than Full and Open Competition (JOFOC), Justification for an Exception to Fair Opportunity (JEFO), or Limited-Source Justification (LSJ) is required after the shopping cart is forwarded to Procurement, the justification will be approved in accordance with Delegation Order **IT-2-1-1-A**.

