

Attachment 1
Making Determinations about Ratifying
Unauthorized Commitments of \$100,000 or Less

A. Ratifying the Unauthorized Commitment (UC): If the Regional Director (RD)/CNO Manager or their designee ratifies the UC, the RD/CNO Manager or designee prepares a memorandum to the appropriate Regional/CNO Budget and Finance Officer (BFO) or to the Regional/CNO Contracting and General Services (CGS) Office if CGS is the office responsible for paying the invoice. The memorandum to the BFO:

- States that the ratification has been approved for payment, and
- Must address each of the limiting factors in the Federal Acquisition Regulation (FAR) 1.602-3(c).

Each Region/CNO must maintain files and a summary of all ratification actions they process. The Service's Chief, Contracting and Facilities Management (CFM) may review the summary.

RDs and the CNO Manager or their designee must ask the Solicitor's Office to review and concur on all UCs exceeding the micro-purchase limit (\$3,000). The memorandum to the Solicitor's Office must include:

- A Contracting Officer's determination that the price paid was fair and reasonable,
- Statements addressing each of the limiting factors in FAR 1.602-3(c) (FAR Subpart 1.6),
- A description of corrective measure(s) taken to prevent future violations, and
- The signatures of the Regional/CNO Chief of the Contracting Office and Assistant Regional Director/CNO Assistant Manager – Budget and Administration recommending ratification.

B. Refusing to Ratify the UC: The RD/CNO Manager or their designee may refuse to ratify the UC completely, or in part. They may do this as a part of the employee's disciplinary action in coordination with the employee's supervisor and the servicing Human Resources office. Refusal is appropriate if the items or services:

- Are of marginal benefit to the Government,
- Were unreasonably priced, or
- Have not been formally accepted or extensively used by any Federal employees other than the purchaser.

Paying for the items/services: If the RD/CNO Manager or their designee refuses to ratify the UC, they must direct the purchaser to personally pay any unpaid amounts or to reimburse the Government if the Service has already paid the vendor. The purchaser must coordinate with the Regional/CNO BFO to make payment.

After the purchaser pays the vendor or reimburses the Government, he/she owns the goods or services and should remove them from the premises (assuming the purchaser can remove the goods/services without serious damage to Government property). If removal will damage Government property, the purchaser must coordinate with the RD/CNO Manager or their designee to resolve the issue.

Making a Claim to the Government Accountability Office: If a case does not meet the stated limitations in the FAR, and the items/services are not disposed of by directing the purchaser to pay for them, the RD/CNO Manager or their designee must first get legal advice from the Office of the Solicitor (Department of the Interior Acquisition Regulation 1401.602-3). The only remaining alternative (other than nonpayment) is to submit a claim to the Government Accountability Office (GAO) for resolution under its claim procedure. See FAR 1.602-3(d) and GAO's Website.

C. Penalties: Penalties for UCs are in the Department's "Handbook on Charges and Penalty Selection for Disciplinary and Adverse Actions."

- Recommended penalties for violations of ethics regulations and statutes applicable to Federal employees (Standards of Conduct) range from a 1-day suspension to termination for a first offense, and from a 14-day suspension to termination for subsequent offenses.
- When there are mitigating circumstances, the purchaser may be subject to lesser sanctions, such as a written reprimand for a first offense.
- Other forms of disciplinary action may be taken against the violators. For example, Contracting Officer warrants and purchase card authority may be rescinded, suspended under conditions, or limited by dollar value or otherwise. These actions may reduce the Service's risk of future UCs.
- Supervisors should work with their servicing Human Resources office to determine appropriate disciplinary actions.