



DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND
200 STOVALL STREET
ALEXANDRIA, VA 22332 2300

4200
Ser 111F/97-35

19 Feb 97

From: Commander, Naval Facilities Engineering Command

Subj: MICRO-PURCHASE POLICY (7-97)

Encl: (1) COMNAVSUPSYSCOM/COMNAVFACENGCOM JOINT ltr of 3 Jan 97
(2) COMNAVSUPSYSCOM ltr of 29 Jul 96
(3) COMNAVSUPSYSCOM ltr of 24 Jul 96
(4) COMNAVSUPSYSCOM ltr of 14 Nov 96

1. A fundamental component of the Commander, Naval Facilities Engineering Command Improvement Plan is to give our customers choices. One method to support this plan was through the use of the NAVFACENGCOM Commercial Purchase Card (Card). The Card has been in service since April 1996 and has been used exclusively for NAVFACENGCOM cognizant facility services and construction purchases. However, due to the restrictions imposed on the Card based on the delegation of procurement authority, the Card could not be used for NAVSUPSYSCOM cognizant supply and services purchases. Likewise, the NAVSUPSYSCOM Commercial Purchase Card could not be used for NAVFACENGCOM cognizant services and construction purchases. These restrictions necessitated the need for two purchase card programs, administered by both NAVFACENGCOM and NAVSUPSYSCOM.

2. Over the past several months, concerns have been raised on the viability of the two purchase card programs, due to a duplication of program overhead and management and the need for some personnel to have two purchase cards. As a result of this duplication, enclosure (1) was issued which eliminated the need for two purchase cards and two purchase card programs because of procurement authority. Effective immediately, all cardholders issued purchase cards by NAVSUPSYSCOM and NAVFACENGCOM may be delegated the authority to purchase both NAVFACENGCOM cognizant services and construction and NAVSUPSYSCOM cognizant services and supplies.

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3. Current NAVFACENGCOM procedures for the use of the Card are found in Appendix E to the NAVFACENGCOM P-68 Contracting Manual. Due to the elimination of the need for two purchase card programs because of procurement authority, Appendix E is cancelled. Henceforth, the NAVFACENGCOM Commercial Purchase Card will be referred to as the Department of the Navy Commercial Purchase Card (Card). Further, NAVFACENGCOM will follow the guidance contained in NAVSUPINST 4200.85C for the use of the Card.
4. Training on the use of the Card is currently provided by the DoN Purchase Card CD-ROM Interactive Training Video. The CD-ROM contains the required training for NAVSUPSYSCOM cognizant supplies and services and NAVFACENGCOM cognizant services and construction. Enclosure (2) contains the ordering procedures for the CD-ROM. If you have any questions concerning how to place an order, contact Ms. Melynda Forsythe at the Army Management Engineering College. Her number is (309) 782-0469 or DSN 793-0469.
5. In addition to the required training prospective cardholders and approving officials must receive orientation on local operating procedures as provided by the Activity Program Coordinator (APC). However, before current and prospective NAVFACENGCOM cardholders can begin ordering NAVSUPSYSCOM cognizant supplies and services, it is necessary that they receive training in the screening procedures used in FAR Part 8, "Required Sources of Supplies and Services". Enclosures (3) and (4) provide NAVSUPSYSCOM's recent guidance on screening procedures. APCs are encouraged to choose the type of training that best suits the needs of their activity.
6. It is DoN policy that all Navy major claimants be encouraged to develop their own purchase card program. However, there may be some subordinate activities within the major claimants who decline to use their own purchase card program. For these activities NAVFACENGCOM, in the interim, will endeavor to provide procurement support to those activities. If NAVFACENGCOM elects to use the Card in making a purchase for an activity, the activity will be responsible for providing funds to cover NAVFACENGCOM's administrative support which will be in addition to the purchase price. These funds will be forwarded prior to NAVFACENGCOM making the purchase.

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7. NAVSUPSYSCOM has determined that NAVFACENCOM will have program oversight for the Purchase Card Program within NAVFACENCOM's claimancy. The definition of "oversight" means procurement review functions. The definition of "claimancy" is a NAVFACENCOM activity who receives its funding from NAVFACENCOM. For example, ROICCs, OICCs, PWCs, EFAs, EFDs, and CBCs are NAVFACENCOM claimants. However, since CBCs receive SAP authority from NAVSUPSYSCOM along with purchase card authority, program oversight will continue to reside with NAVSUPSYSCOM.

8. Since there is now only one Purchase Card Program within DoN, it will be necessary for the current program coordinators from each activity to merge the NAVFACENCOM and NAVSUPSYSCOM programs as soon as possible. In addition, it will be necessary for the APCs to cancel all NAVFACENCOM Cards issued to non-NAVFACENCOM claimants and all NAVSUPSYSCOM Cards issued to NAVFACENCOM claimants, no later than 31 Mar 97. Prior to cancellation, the APC should do the following: (1) advise all non-NAVFACENCOM claimants to obtain new Cards through their own claimancy; and (2) issue new DoN Cards to NAVFACENCOM claimants. If a non-NAVFACENCOM claimant is unsure how to proceed in obtaining a new Card from its major claimant, have them contact Mr. Craig Spencer, at Rocky Mountain BankCard System. His number is (202) 414-0244.

9. The NAVFACENCOM Program Coordinator for the DoN Commercial Purchase Card within NAVFACENCOM is Mr. John McElhenny. If you have any questions please contact him at (703) 325-7656 or DSN 221-7656.

Thanks!
Robert R. Boyer

ROBERT R. BOYER
Director, Contracts

Subj: MICRO-PURCHASE POLICY (7-97)

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CO, CIVIL ENGINEER CORPS OFFICERS SCHOOL
NAVAL FACILITIES CONTRACTS TRAINING CENTER
NAVAL FACILITIES CONTRACT OFFICE, PORT HUENEME (27)

DEPARTMENT OF THE NAVY
NAVAL SUPPLY SYSTEMS COMMAND, MECHANICSBURG, PA 17055-0791
NAVAL FACILITIES ENGINEERING COMMAND, ALEXANDRIA, VA 22332-2300

NAVFAC
111F/97-13
10 Dec 96

NAVSUP
SA 97-05

JAN 3 1997

JOINT LETTER

From: Commander, Naval Supply Systems Command
Commander, Naval Facilities Engineering Command

To: See Distribution

Subj: DELEGATION OF NAVSUP AND NAVFAC PROCUREMENT AUTHORITY FOR
PURCHASE CARD

Encl: (1) NAVSUPINST 4200.85C, Simplified Acquisition
Procedures, Enclosure (2), Pages 12-1 - 12-4

1. Department of Navy (DoN) activities with a delegation of purchase card authority from their Head of the Contracting Activity (HCA) now have authority to purchase facilities services up to \$2,500 and facility improvements (construction) up to \$2,000 using their HCA authorized purchase card. Activities within the NAVFAC claimancy with a delegation of purchase card authority from NAVFAC for facilities services up to \$2,500 and facility improvements (construction) up to \$2,000 now have purchase card authority to purchase NAVSUP cognizance supplies and services up to \$2,500 using their NAVFAC purchase card. This action further streamlines the Navy's purchase card program by eliminating the need for two purchase cards because of procurement authority.

2. Enclosure (1) is an advance change to NAVSUPINST 4200.85C effective immediately.

3. The DoN Purchase Card CD-ROM Interactive Training Video contains the required training for NAVSUP cognizant supplies and services and NAVFAC cognizant services and construction.

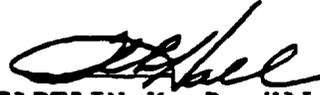
4. Program oversight, for activities with purchase card authority only, shall be maintained by the Head of Contracting Activity (HCA) within the activity's claimancy unless program oversight has been delegated to a different HCA (e.g., NAVSUP provides program oversight for activities in BUMED, Naval Reserve Centers, and various NAVAIR, NAVSEA, and SPAWAR activities).

Subj: DELEGATION OF NAVSUP AND NAVFAC PROCUREMENT AUTHORITY FOR
PURCHASE CARD

5. The cardholder delegation of authority letter must state that NAVFAC cognizant services and construction are authorized as appropriate.



ROBERT BOYER
Director
Contracts



CAPTAIN K. R. HALL, SC, USN
Deputy Commander
Contracting Management Directorate

Distribution:
NAVSUP List "D"
NAVSUP List "E"

Subj: CONSTRUCTION AND OTHER NAVFAC SERVICES/SUPPLIES

General Rule:

Contracting Officers of the Naval Facilities Engineering Command buy construction. NAVSUP contracting officer's should generally refer construction requirements to a construction activity. However, this general rule does not apply to normal "installation" of equipment purchased under NAVSUP contracting authority.

Construction means erection, installation or assembly of a new facility, the addition, expansion, extension, alteration, conversion or replacement of an existing facility, the acquisition or relocation of a facility and includes the repair and maintenance of building and public works, and equipment installed and made a part of such facilities. It includes dredging, excavating, and painting of buildings, structures or other real property. For purposes of this definition, the terms "buildings, structures or other real property" include but are not limited to improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, cemeteries, pumping stations, railways, airport facilities, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, canals, and channels.

Construction does not include the manufacture, production, furnishing, construction, alteration, repair, processing or assembling of vessels, aircraft or other kinds or personal property.

Construction Activity means an activity, at any organizational level of the Military Departments, which has responsibility for the architectural, engineering, and other

Subj: CONSTRUCTION AND OTHER NAVFAC SERVICES/SUPPLIES
(Continued)

related technical aspects of the planning, design, and construction of facilities and which receives its technical guidance from the Army Office of the Chief of Engineers, Naval Facilities Engineering Command (NAVFAC), or Air Force Directorate of Civil Engineering. Station public works officers should process construction requirements either by using their own contracting officer authority or by referral to the cognizant NAVFAC office.

Note that guard services, lawn-mowing services, grounds maintenance services, landscaping services, lease of offices and other real property, custodial/janitorial services, fire protection services, forestry services (timber contracts, tree cutting and harvesting, tree marking, clearing and pruning services, cutting fire lanes, etc.) are within the purview of NAVFACENGCOM. Also within NAVFAC's responsibility are supply contracts for the purchase of specialized functions (including four-wheel drive vehicles for foresters; fire trucks; earth-moving and other construction vehicles and equipment, etc.). Also included is lease of real property.

For repair services involving central heating and cooling equipment, the general rule is: If the repair is made on-site, the requirement is a NAVFAC contracting responsibility. If the repair is made in the contractor's shop, the repair is a NAVSUP contracting responsibility. However, since portable and window type units are considered personal property items, repair of these items is a NAVSUP contracting responsibility.

Subj: CONSTRUCTION AND OTHER NAVFAC SERVICES/SUPPLIES
(Continued)

Exceptions:

Department of Navy (DoN) activities with a delegation of purchase card authority from their Head of the Contracting Activity (HCA) also have authority to purchase facilities services up to \$2,500 and facility improvements (construction) up to \$2,000 using their HCA authorized purchase card. Activities within the NAVFAC claimancy with a delegation of purchase card authority from NAVFAC for facilities services up to \$2,500 and facility improvements (construction) up to \$2,000 also have purchase card authority to purchase NAVSUP cognizance supplies and services up to \$2,500 using their NAVFAC authorized purchase card.

NAVSUP Contracting Officers at Naval Reserve activities are authorized to contract for construction repairs, not to exceed \$2,000 and facilities related services not to exceed \$2,500 on Naval Reserve Center facilities.

1. Examples of such construction repairs include:

- (a) Repair to central heating and air conditioning system.
- (b) Plumbing services.
- (c) Repair of broken windows or panes.
- (d) Repair of doors.
- (e) Roof repairs of a minor nature.
- (f) Minor structural repairs including touch-up painting.
- (g) Repair of alarm systems.
- (h) Locksmith services.

Subj: CONSTRUCTION AND OTHER NAVFAC SERVICES/SUPPLIES
(Continued)

- (i) Repair of fences.
- (j) Repairs to correct electrical distribution/breaker systems.
- (k) Repairs arising from storm damage or other natural disasters.

2. Examples of facilities related services include:

- (a) Guard services.
- (b) Lawn-mowing services.
- (c) Grounds maintenance services.
- (d) Landscaping services.
- (e) Pest control.
- (f) Snow removal.
- (g) Trash/garbage removal.

See page 12-2, paragraphs 2 and 3, for additional examples of facilities related services.

3. Technical support will be provided by reserve public works personnel having cognizance of the facility. No special contractual provisions are required in procurements of repairs not exceeding \$2,000 and services not exceeding \$2,500.

References:

FAR 36
DFARS 236
NAPS Part 1



DEPARTMENT OF THE NAVY
 NAVAL SUPPLY SYSTEMS COMMAND
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 MECHANICSBURG PA 17055-0791

TELEPHONE NUMBER
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 IN REPLY REFER TO:
 4226
 SUP 21C1

JUL 29 1996

From: Commander, Naval Supply Systems Command
 To: See Distribution

Subj: ORDERING INFORMATION FOR THE DON PURCHASE CARD PROGRAM
 CD-ROM INTERACTIVE TRAINING VIDEO

1. NAVSUPINST 4200.85C requires the agency program coordinator (APC), prospective cardholders, and approving officials to complete purchase card training. The new CD-ROM Interactive Training Video for the DoN Purchase Card Program, developed by the Naval Supply Systems Command in conjunction with the U.S. Army Management Engineering College (AMEC), Rock Island, Illinois meets the training requirement is now available.
2. DoN APCs may request one complimentary copy of the single user version CD-ROM. Afloat Units need not order as a complimentary copy will be mailed by NAVSUP to each Supply Officer. For all others, the CD-ROM is available in single user (Price \$15) or LAN version (Price \$100). Send your order/request, including complete mailing address and funding, to Army Management Engineering College, Attn: AMXOM-MM, Rock Island IL 61299-7640, or fax your request to DSN 793-0494 or commercial (309) 782-0473.
3. The funding document must include: (1) Amount (2) Signature of a Certifying Official stating that funds are "Certified for Availability"; (3) Accounting classification; (4) Statement as to the Purpose of Funds (Navy Marine Corps Purchase Card CD-ROM, LAN or single user version, and number of copies); (5) Proper Billing Address; and (6) POC - Name, Phone number, FAX number
4. If you have questions concerning your order, contact Ms. ~~Leesa~~ ^{Melynda} ~~Ballard~~ ^{Forsythe} at DSN 793-0494 or commercial (309) 782-0494. For questions regarding the Navy's purchase card program, contact Ms. Eva Robinson at (717) 790-3728 or Ms. Kimberly A. LeCates, (717) 790-7502 (DSN: 430).
5. Procurement Management Review Divisions and Detachments are requested to provide maximum dissemination of this information within their respective regions.

David H. Schuur
 DAVID H. SCHUUR
 By Direction

Distribution:
 List "D"
 List "E"



DEPARTMENT OF THE NAVY
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TELEPHONE NUMBER
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IN REPLY REFER TO

4226.1
SUP 21C
SA 96-14

JUL 24 1996

From: Commander, Naval Supply Systems Command

Subj: REMOVAL OF NON-ESSENTIAL TECHNICAL SCREENING
REQUIREMENT FOR PURCHASE CARD BUYS

Ref: (a) NAVSUPINST 4200.85C, Chapter 2, Paragraph
4.b.(1)

Encl: (1) OUSD (Logistics) Memorandum of 05 Jul 1996

1. Enclosure (1) eliminates the requirement for non-essential technical screening for International Merchant Purchase Authorization Card (IMPAC) purchases within the micro-purchase threshold (\$2,500).
2. Evidence of screening for non-statutory sources of supplies, e.g., agency and local inventories, is no longer required for micro-purchases obtained via the purchase card. As a result, reference (a) is revised to require that IMPAC purchases, within the micro-purchase threshold, reflect evidence of screening only for statutory sources of supply, e.g. Federal Prison Industries (FPI) and Committee for Purchase from People who are Blind or Severely Disabled (NIB/NISH).
3. The new Navy/Marine Corps Purchase Card Training CD-ROM will contain catalogs from FPI and NIB/NISH and can serve as a ready-resource to aid in conducting essential screening.
4. Cardholders must continue to comply with the restrictions on purchases of items that are dangerous, have special security features, or are critical to the safe operation of a weapon system. All items associated with safety of flight, configuration controls or technical orders should not be bought with the purchase card, except in emergencies. Cardholders must continue to ensure that

Subj: REMOVAL OF NON-ESSENTIAL TECHNICAL SCREENING
REQUIREMENT FOR PURCHASE CARD BUYS

demand is recorded for weapon system-related items to support readiness and surge requirements.

5. Procurement Management Review Divisions and Detachments are requested to further disseminate this information within their respective regions. Purchasing activities and Agency Purchase Card Program Coordinators are requested to disseminate this information to all purchase cardholders within their cognizance.



David H. Schuur
By direction

Distribution:
List D
List E



ACQUISITION AND
TECHNOLOGY
(L/MDM)

OFFICE OF THE UNDER-SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON DC 20301-3000



05 JUL 1996

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY
(INSTALLATIONS, LOGISTICS, AND ENVIRONMENT)
ASSISTANT SECRETARY OF THE NAVY
(RESEARCH, DEVELOPMENT, AND ACQUISITION)
ASSISTANT SECRETARY OF THE AIR FORCE
(ACQUISITION)
DIRECTORS OF DEFENSE AGENCIES

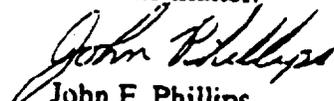
SUBJECT: Enhancing Use of the Government-Wide Purchase Card

I request that the Military Departments and Defense Agencies remove non-essential technical screening requirements and reduce the categories of items which require such screening controls for International Merchant Purchase Authorization Card (IMPAC) purchases up to \$2500.

Increased DoD use of IMPAC offers opportunities for substantial reductions in administrative costs and response times. The requirement for technical screening—recording demand at the base/retail level, checking the Federal Catalog System for central management information, and other related tasks—is one barrier to increased use of IMPAC. Cardholders remain responsible for performing essential screening requirements. For example, the statutory requirements to use products from National Industries for the Blind (NIB), National Industries for the Severely Handicapped (NISH), and Federal Prison Industries (FPI) still apply.

In addition, cardholders must comply with restrictions on purchases of items that are dangerous, have special security characteristics, or are critical to the safe operation of a weapon system. Items associated with safety of flight, configuration controls or technical orders should not be purchased through IMPAC except in emergencies. Cardholders must ensure that demand is recorded for weapon system-related items to support readiness and surge requirements.

Cardholders should be made aware of the price and delivery advantages frequently available through established sources such as DLA and GSA. DLA has adopted new business practices which offer online ordering, prime vendor, quick response, and corporate contracts with low prices and fast delivery. The GSA Advantage online ordering system, which accepts IMPAC, offers many common-use items and identifies and assists in ordering NIB, NISH, and FPI products. My office will work with the DoD Inspector General quantitative analysts to evaluate the effect of this action. Please provide me copies of your implementing documents by September 30, 1996. Thank you for your assistance in this matter.


John F. Phillips
Deputy Under Secretary
of Defense (Logistics)

CC: Assistant DoDIG (AUD)





DEPARTMENT OF THE NAVY
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8480 CARLISLE PIKE
PO BOX 2060
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TELEPHONE NUMBER
COMMERCIAL
AUTOVON
4226
REPLY REFER TO
SUP 21C1
SA 97-03
NOV 14 1996

From: Commander, Naval Supply Systems Command

Subj: AUTHORIZED DISTRIBUTORS OF JWOD PROGRAM OFFICE SUPPLIES

1. The Javits-Wagner-O'Day (JWOD) Program, a required source of supply as stipulated by FAR Par 8.7, generates employment and training opportunities for people who are blind or who have other severe disabilities through Federal purchases of supplies and services. Through recent changes in the Committee's regulations and a new GSA Multiple Award Schedule for next-day desktop delivery of office supplies, there are now several authorized distributors of JWOD (often called NIB/NISH) mandatory source products, including certain commercial vendors. These changes provide the simplified acquisition buyers and Governmentwide IMPAC Purchase Card holders with several convenient and economical choices for ordering office supplies.
2. GSA's Federal Supply Services remains the JWOD Program's primary distributor of office supplies, as well as many other items such as cleaning products, flashlights, etc. There are currently three basic ways to order JWOD and other items distributed by GSA, providing access to the entire JWOD product line and allowing payment by IMPAC Card or interfund billing.
 - GSA Stock Program (wholesale)
 - GSA Customer Supply Centers (retail)
 - GSA Advantage! On-Line Shopping Service
3. If you would like more information about the above GSA ordering methods, contact your local GSA Customer Service Director, or call the GSA National Help Line at (800) 488-3111.
4. Under GSA Schedule 75 III A, you can now receive next-day desktop delivery of office supplies and be assured of meeting all the JWOD Program requirements. Six commercial vendors currently have contracts to provide this service nationwide, and have been authorized by the Committee as JWOD product distributors. The vendors have agreed to exclude from Federal sales any products which are essentially the same as JWOD mandatory source items, which will assist in complying with the JWOD Act.
5. Ordering offices may use the purchase card as a method of payment up to \$100,000 when placing orders against these Federal Supply Schedule (FSS) contracts. Contracting Officer Appointments (SF1402) should address this methods and associated dollar limitation against FSS contracts.

Subj: AUTHORIZED DISTRIBUTORS OF JWOD PROGRAM OFFICE SUPPLIES

6. For more information about next-day desktop delivery, you may contact the FSS 75 III A vendors listed below directly.

- Boise Cascade Office Products (888) 505-FEDS (3337)
- BT Office Products International (800) 759-4466 Ext. 8332
- Corporate Express (800) 826-3421
- Office Depot (800) 890-4914
- Staples National Advantage (800) 999-9077
- Innovative Sales Brokers (800) 283-1903

7. The Committee believes that its partnership with GSA and the above vendors will reward Federal customers with a wide variety of products to be purchased quickly, conveniently and at a great value. Like other Federal agencies, the committee is continually implementing reforms to better serve their customers.

8. If you have any questions about ordering JWOD Products (including SKILCRAFT) through any method, or you would like more information on the Program or product line in general, contact Kimberly Putnam or Robert Hartt of the Committee staff at (703) 603-7740.


DAVID H. SCHUUR
By Direction

Distribution:
List "D"
List "E"