



# "Making it Happen... Through Operational Contracting"

61<sup>st</sup> CONS Newsletter – Spring 2003

Hello! Welcome to the summer edition of our quarterly newsletter. Its purpose is to enhance the acquisition process by ensuring all supported organizations and their personnel are sufficiently informed of appropriate regulatory and procedural requirements and current acquisition policies.

The information provided is not intended to be used as a substitute for regulatory guidance. In all cases when there may be a conflict between this guide and regulatory direction, the regulatory direction will be followed.

## **ADVANCE CONTRACT PLANNING/CONTRACTING LEAD TIME**

As a contracting customer, one of your key responsibilities is the timely and proper planning of your requirements. "Acquisition planning", as defined by the FAR, means the process by which the efforts of all people responsible for an acquisition are coordinated and integrated through a comprehensive plan for fulfilling your needs in a timely manner and at a reasonable cost.

In order to be able to manage all acquisitions programmed for a specific fiscal year, contracting squadrons Air Force wide institute an Advance Contracting Plan (ACP). Every year, before the end of the fiscal year, we establish and maintain a suspense system designed to conduct the timely processing of all recurring contract requirements.

ACP procedures usually begin on or about 150 days prior (around May) to the end of fiscal year. The 61<sup>st</sup> CONS issues a letter advising all using activities of the established cutoff dates for receipt of purchase requests and the use of the GPC and BPAs. In addition, the letter will require the customer to provide an AF Form 9, Request for Purchase, with complete specifications or purchase description, quantities, estimated cost, performance period, and required coordinations (when necessary), for those requirements that must be purchased by this office.

Contract planning is perhaps the most important element in receiving accurate, efficient, and timely contracting support. Remember, there are often statutory and regulatory requirements that consume varying amounts of time and have been built into the

ACP. Your understanding of and compliance with ACP requirements will guarantee your organization receives well-timed contracting support during the 2003 fiscal year.

For your convenience, a copy of the FY 2003 ACP Letter is attached. Should you have any questions or require additional information, contact Mr. Dennis Hass at 363-5115 or Mr. Will Strozier at 363-5115.

## **CELL PHONE SERVICE**

Effective 01 Oct 03, we will NO LONGER allow organizations to use the GPC to purchase recurring services (to include cell phone service) above the micropurchase threshold, even using the GSA service providers. If your organizations have requirements for cell phone services estimated to exceed \$2,500 annually, you MUST submit it to 61 CONS for purchase. Please submit all request for recurring services (to include cell phone service) to 61 CONS before 01 Aug 03. Please plan according to your organizations needs. More information's to come. (AFI64-117 para.2.1.2) For additional information please contact Ms Kelly Britton at (3-5930)

## **GOVERNMENT-WIDE PURCHASE CARD (GPC) PROGRAM**

The GPC program was created to provide an efficient means for federal agencies to purchase goods and services directly from vendors. Agencies acquire purchase cards and related services from banks that have been awarded contracting under the General Services Administration (GSA) Smart Pay Program. The Air Force obtains its cards through a five-year contract with US Bank.

GPC's are issued to LAAFB personnel specifically designated by their organizations to exercise purchase authority through the use of the card. The GPC bears the employee's name and is to be used only by that employee and only for official purchases, in compliance with agency regulations and procedures. Each cardholder falls under the authority of a "billing official" who is appointed to monitor the activities of the cardholder and who is required to review and approve each transaction on the cardholder's monthly.

For additional information on how to participate in the GPC Program, contact Ms. Kelly Britton (3-5930) Ms. Jennifer Agcaoili (3-0623) or Mr. Dalice Va (3-0285).

Misuse of the program is subject to a range of administrative and disciplinary actions, as well as criminal prosecution, depending on the nature of the infraction.

#### **NON-AUTOMATED CUSTOMER FOLLOW-UP PROCEDURES**

**A**fter what seems like endless red tape, you're finally received notification that your equipment or supplies were ordered or the repairs you need have been arranged and should be delivered or repaired in 5 days. On the anointed day, and everyday thereafter, your expected delivery or repairman fails to materialize. What should you do? Who has dropped the ball? Surely 61<sup>st</sup> CONS knows about this and is following up to correct the situation!!

Nothing could be as far from the reality of the situation!! Because of the sheer volume of requests processed, solicited and awarded, the Operational Contracting staff does not automatically perform follow-up of delinquent deliveries or services. Follow-up of simplified acquisition requirements (\$100,000 and less) is done by exception. This means unless the requester contacts us to inform us of the situation, we assume the vendor had made delivery or performed as promised and all has gone as planned.

If your request was processed through base supply or another of our automated customers, they will initiate the required follow-up request. However, all non-automated customers must contact this office to report delinquency in contractor performance. Failure to perform services should be reported to the contracting office after two duty days, delinquent deliveries after six calendar days.

It is your responsibility to inform us so that we can document the files of those who do not perform as promised. Past contractor performance is an important element of the decision of which of the thousands of vendors to make an award to. The quality of our goods and services directly correlates to the quality of our vendors. Habitually delinquent vendors are coded as such and may stricken from our database.

You are the most important element of this tracking and reporting system. Your cooperation helps you to receive the goods and services that your

organization needs in a timely and efficient manner. Should you have any questions, contact us (310) 363-0284.

#### **BLANKET PURCHASE AGREEMENTS<sup>1</sup>**

**T**he 61 Contracting Squadron (CONS) possesses a variety of options for satisfying your procurement needs. In addition to the Government-Wide Purchase Card (GPC) and AF Form 9, a lesser-known method of purchasing is the blanket purchase agreement (BPA). A BPA is a simplified method of filling anticipated *repetitive* needs for supplies or services by establishing "charge accounts" with qualified vendors. Individual purchases under a BPA cannot exceed the dollar limitation for simplified acquisitions currently \$100,000 or the amount stated in the BPA, whichever is less. The existence of a BPA does not justify purchasing from only one source or splitting requirements to stay under the delegated purchasing authority.

All that is required to establish a BPA with a local vendor is a letter. The letter should include the name and address of the suggested vendors with whom you wish to establish the agreement. It should also include the estimated monthly ordering amount to be purchased, the call limitation per order (not to exceed \$25,000) and an attached list of personnel authorized to place calls against the BPA. The attached list shall contain the name, rank and duty title of each individual. Be sure to include a list of items you wish to purchase under the BPA. The contractor will submit a firm-fixed price list to the contracting officer for approval for a fixed period of time. The approved price lists will be distributed to the requesting organization. Prior to using the BPA, a funding document AF form 9 or AF Form 616 must be established with the accounting and finance office. Additionally, the BPA can be used in conjunction with the GPC.

For additional information, contact Ms. Audrey Campbell at 363-5088

#### **CONTRACT REPAIR SERVICES**

**D**o you know what to do if a vital piece of equipment is in need of repair? Within each organization, obtaining repair services will normally be the responsibility of the equipment custodian. The specific responsibilities of the equipment custodian are spelled out in AFR 67-23, however the following is a brief synopsis of those duties as they relate to obtaining contract repair services.

After identifying that an item is in need of repair, the first thing you must determine is if the item is covered under an existing maintenance agreement. If it is, you only need to contact the Services Contracts Branch (363-5088) and give us the requested information. The vendor will be contacted and should arrive within the next three (3) working days, if not, give us another call. In some cases, you may be authorized to contact the contractor directly. In all cases, read your copy of the contract for the maintenance, normally a Standard Form 1449. Specific instructions and authorizations will be included in the schedule or statement of work.

If the item in need of repair is not covered under a maintenance agreement, the next thing you must do determine if the repair can be made utilizing the Government wide Purchase Card (GPC). Things to consider are as follows:

Is the cost of the repair under the micropurchase threshold (\$2,500)? If yes, does the vendor accept the GPC? If both these questions are yes, use the GPC to have the item repaired. If the cost is under the micropurchase threshold, but the vendor does not accept the GPC, locate a vendor that will accept the GPC. If that is not possible, contact the Base Support Flight at 3-5088 for additional assistance.

If the cost of the item is in excess of the micropurchase threshold (\$2,500), but not above \$25,000 AND is available on a GSA or other prepriced contracting instrument, contact the GPC Program Office (3-2852 or 2-0623) for assistance.

If neither of the above options is available to you, contact the 61 CONS at 3-5088 for assistance. If you have to purchase this service through Contracting, be prepared to submit a funded AF Form 9, Request for Purchase and any accompanying documentation. As a minimum, the Form 9 must contain a detailed description of what you want, when you want it done, where the service is to be performed, and whether the contractor will be required to do the work on-site. If applicable, don't forget to include: (a) the maximum repair allowance, (b) warranty start/stop dates, and (c) acquisition date and original cost. NOTE: Your AF Form 9 must be funded by Accounting and Finance (Commercial Services) before we will accept it.

For any additional assistance on this topic, contact Ms. Audrey Campbell at 3-5088.

## 61 CONS WEB PAGE

Ever increasing levels of customer service is our goal. To better serve you, we have constructed a page on the SMC web site. Visit this location to gain immediate access to a number of our documents and publications. Currently available are our *Customer Guide*, *Blanket Purchase Agreement Training Guide*, our quarterly newsletter, *Making it Happen*, and *UNICOR Waiver*, which provide information and instructions on how to obtain a waiver to the mandatory use of UNICOR products. We will add more information to the location as it becomes available. Any suggestions for improvement should be submitted to Mark Alexander @ 3-0461.

The Operational Contracting Web Page is located at:  
<http://www.laafb.af.mil/SMC/PK/base.htm>

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## DEPARTMENT OF THE AIR FORCE

61st CONTRACTING SQUADRON (AFSPC)  
LOS ANGELES AIR FORCE BASE, CALIFORNIA

08 May 2003

MEMORANDUM FOR ALL UNITS SUPPORTED BY LOS ANGELES AFB

FROM: 61 CONS/CC

SUBJ: End of Fiscal Year Planning and Contracting Lead Time (Operational Contracting)  
- ACTION MEMORANDUM

1. It's again that time of year to provide all our customers with realistic submission dates for their fiscal year-end requirements. Strict adherence to these dates will help ensure that awards are processed without possible interruption or delay in service.
2. Your planning should begin with a comprehensive review of all your remaining requirements to be put on contract before 30 Sep 03. We encourage you to submit requirement packages as soon as possible. Early submission will allow us to provide maximum support through preliminary planning and coordination.
3. A complete acquisition package, including a certified purchase request, must be received and accepted in 61 CONS not later than the following dates: (Note: The requester is reminded that the Financial Services Office will require a few days to certify the purchase request document. A mission impact statement signed by the two-letter organization commander or designee must accompany any requirement submitted after the scheduled cut-off date).

a. **Automated Data Processing Equipment** (*Hardware and Software*)

Recurring Maintenance/Service for **(01 Oct 03 Start Date)** 25 Jul 03

- **Purchases \$25,000 or Less** – All purchases under this threshold must be satisfied through AFWAY utilizing the Government Purchase Card (GPC). To accomplish this, each organization must designate a cardholder to serve as the Organizational Purchase Cardholder (OPCH). This individual must register in AFWay and is afforded a single purchase limit of \$25,000. Use of the GPC during FY close-out is as explained in Section G below.
- **Purchases Over \$25,000** – Only warranted Contracting Officers may make any purchases greater than \$25,000. Purchase exceeding \$25,000 require the requesting organization to forward an AF Form 9, Request for Purchase, for the fully funded total to 61<sup>st</sup> CONS. Use of the GPC during FY close-out is as explained in Section G below.

b. **Systems Furniture - All** 27 Jun 03

c. **Construction Requirements (Funded)**

Over \$100,000 27 Jun 03  
Between \$2,000 & \$100,000 27 Jun 03

d. **Construction Requirements (Unfunded/Straddle Bid)**

Regardless of Amount 27 Jun 03

e. **Services Requirements**

Over \$100,000 13 Jun 03\*  
Between \$2,500 and \$100,000 11 Jul 03\*  
Recurring Maintenance/Service **(01 Oct 03 Start Date)** 01 Aug 03

\* Any known or recurring requirement for open market services involving laborers and mechanics will require an additional 30 days to allow for coordination with the Department of Labor.

f. **Commodities Requirements:**

Open Market (Over \$100,000) 13 Jun 03  
Open Market (\$2,500 - \$100,000) 15 Aug 03  
GSA 29 Aug 03

g. **GPC Program:**

Although GPC transactions do not have a cut off date, the September billing cycle will close on 25 Sep 03. All charges appearing on that statement of account will be obligated NLT 29 Sep 03. At close-of-business on 29 Sep 03, all residual balances from AF 4009's will be used to fund a year-end (automatic) computer generated MORD that will be retained to fund unbilled balances for those accounts. On or about 3 Oct 03, the US Bank will generate a special fiscal year-end bill referred to as the "13<sup>th</sup> Month" billing cycle. The "13<sup>th</sup> Month" billing cycle will include charges for all purchases received and posted by US Bank between 25 Sep -30 Sep 03. The computer generated year-end MORD will be used to fund the billed amount.

Our experience has shown that charges made during the last week of September, often are delayed in posting to the account, sometimes taking up to 30-90 days to appear on the bill. Should you encounter this situation, your bill will be paid using current year funds (FY 04) and you will be required to prepare an SF 1081 to reverse the charges so that payment is made from your MORD'd (FY 03) funds. **NOTE:** It is the responsibility of the Billing Official/Cardholder to ensure sufficient funds are available to cover all charges made in September and throughout the year. Year-end close out activities do NOT authorize you to circumvent procurement guidance. Make your plans early so you have plenty of time to execute them properly.

h. **Blanket Purchase Agreements (BPAs):**

BPA transactions do not have a cut-off date. However, to continue using a BPA during the last few days of the fiscal year, the organizational funds manager must ensure that the Financial Services Office (FSO) has set up a MORF for any remaining funds. If a MORF is not executed, no purchases using the BPA shall be made after 12 Sep 03. For more information on setting up a MORF, contact the FSO at (310) 363-6070.

4. Historically, fall out funds become available during the last 7-10 days of the fiscal year. This leaves little time to process requests and obligate funding by 30 September. As a result of this timing, purchases utilizing this method of funding must be restricted to those items/services that are either available through GSA or fall within the simplified acquisition threshold of \$100,000. Compliance with either of those criteria will not automatically ensure acceptance of your purchase request. The determining factor will be priority and existing workload. Acceptance will be determined on a case-by-case basis.

5. I solicit your help to ensure that your funds are obligated as early as possible to preclude any last minute deluge that may result in lost funding. If you have any questions, please contact 61 CONS/LGCP, Mr. Will Strozier at extension 3-5115.



TODD C. BYNUM, Major, USAF  
Commander