

PMR TIMES

ISSUED BY THE FLEET AND INDUSTRIAL SUPPLY CENTER
PROCUREMENT MANAGENT REVIEW TEAM

NORFOLK, VIRGINA

January 2002

Providing procurement information to field contracting activities of the Naval Supply Systems Command located in the East Coast PMR region.

THE PMR TIMES IS BACK



Due to personnel shortages and increases in responsibilities, the FISC Norfolk **PMR TIMES** has not been published in some time. With this issue, we hope to return to a regular quarterly schedule. Look for us again in early April. We have been in touch with our customers many times during this hiatus and hope to continue to satisfy your need for procurement information.

As you might expect, there have been many changes during this time period and we will discuss a few of them below.

PMR TIMES GOES PAPERLESS



This will be the last hard copy of the **PMR TIMES**. In the future, you can find us on the FISC Norfolk website: <http://www.nor.fisc.navy.mil>. Look for us under "Contracting" and then choose "Announcements and Request for comments." If your activity is not able to access us by Internet please call and we will ensure that you get a copy by other means.

PERSONNEL CHANGES



We have added to our Norfolk staff to better serve you. Many of you were accustomed to contacting Milly Matherne in Norfolk for your training and other needs. Milly has moved on to another job, but Mr. Tony Savoy is available to provide you with training assistance. Call him at (757) 443-2060/DSN 646-2060 or email him at marion_a_savoy@nor.fisc.navy.mil. A complete listing of personnel at both the Norfolk and Charleston sites is found on the last page of the **PMR Times**.

ONLINE SOURCE FOR PURCHASE CARD INFORMATION

The NAVSUPINST 4200.94 dated 29 June 99 provides purchase card policy and procedures for the Navy. Availability is at your fingertips since it can be downloaded from the NAVAL SUPPLY SYSTEMS COMMAND home page at <http://www.navsup.navy.mil>. Click on the Sitemap in the upper left-hand corner and then select "N" (for Navy) and look for "Navy Purchase Card

Program". The 4200.94 is found under "News, Policy, Messages, Update, Etc". We greatly encourage you to review the other information available relating to the purchase card at this site. Policy Letters focusing on purchase card, simplified acquisition, or contracting issues are available for download. Also, the DoN Purchase Card Discussion Group is a great resource providing a direct question and answer link to policy makers as well as to other purchase card personnel. Here you may well find the answer to the question that has been puzzling you since it is likely that someone else has had the same question. You are encouraged to visit this site often to see what is new with the purchase card.

SPAN OF CONTROL

Hopefully, you have already noted Policy Letter PC02-05. This policy letter made two important policy changes affecting controls over the purchase card program. First, approving officials should have no more than seven cardholders reporting to them. This policy is designed to ensure that approving officials are able to provide an effective review over the monthly statements of assigned cardholders.

The second policy change requires activities to establish local policies for approving and issuing cards. Included is a requirement that the prospective cardholder's supervisor must provide to the APC a written request stating that the card is essential to meet mission requirements. It should also identify the types of items to be normally purchased by the cardholder. The request must state that regular usage of the card is anticipated and that someone within the cardholder's direct chain of command will be the approving official. Please review this policy letter and call us with your questions.

SEMI-ANNUAL INTERNAL REVIEW OF THE PURCHASE CARD PROGRAM

By now you probably have heard about recent reviews of purchase card usage by the General Accounting Office (GAO). These reviews revealed the need for stricter oversight of this procurement method to ensure that each person who manages, uses, or performs oversight of the purchase card is fully aware of his/her responsibilities and is accountable under the program.

NAVSUPINST 4200.94 requires the Agency Program Coordinator (APC) of every command using the purchase card to personally perform or to ensure the performance of a semi-annual review of all aspects of purchase card usage. This review includes a thorough evaluation of management of the program (the Internal Operating Procedures, training, receipt and invoicing procedures, security of the card, etc.) as well as a review of individual accounts. Finally, regardless of who performs the review, the APC is responsible for implementing corrective actions resulting from these reviews. The semi-annual review is a giant step although not the only one in maintaining control over this purchase method.

ANNUAL OVERSIGHT OF PURCHASE CARD PROGRAMS BY FISC NORFOLK

NAVSUP Policy Letter PC02-07 of November 5, 2001 greatly changed the requirements for oversight by the FISC Norfolk PMR Team. We are now required to review every activity which operates a purchase card program on an annual basis. This review may take the form of a desk audit or an on-site review depending on the number of transactions performed each year. The policy letter provides for a very stringent review of the program and allows for only a limited number of transgressions against a set list of review areas. Again, this policy letter is available

online at www.navsup.navy.mil and should be reviewed by all APCs and others involved in the purchase card process. Note well: If you have been receiving a triennial Procurement Management Review (PMR) from this office, you will continue to do so. The PMR will include a review of your purchase card program. In the two off years, there will be a purchase card review on-site or by desk audit depending on your usage. If you have any questions relating to this new review process, please call any of the analysts listed at the end of this Newsletter

FY 2002 TRAINING



Our training schedule is now available online at the FISC Norfolk website: <http://www.nor.fisc.navy.mil>. Click on Contracting and then on "PMR Training Courses" to view the schedule and points of contact for registration. We offer three classes: Purchase Card, Simplified Acquisition Procedures and Contracting Officer Representative (COR) all at no cost. See last page for POC information.

NEW DD1057 AND DD350 FORMS



There are some PMRS changes to the DD Form 1057 and DD Form 350 reports. Be sure that you have the latest revision of these forms. They are available through the PMRS website, which is [HTTP://www.navypmrs.nor.fisc.navy.mil](http://www.navypmrs.nor.fisc.navy.mil). In order to print these forms, click on "Agree, click on "Forms", click to view DD 350/1057 in OSD site in PDF format or view the Word version of the forms, and then print forms.

UNAUTHORIZED COMMITMENTS



WHAT ARE THEY? An agreement made to bind the Government by an employee who does not have the authority to do so.

WHERE DO THEY COME FROM? *UNAUTHORIZED* action of a Government employee that results in obligating the Government to spend money for an acquisition.

YOU REALIZE YOU'VE MADE ONE NOW HOW DO YOU CORRECT IT?

You must thoroughly document the situation, secure approval from your CO to proceed with ratification, have counsel review and approve, and have a ratification document issued by a ratifying official. Your documentation should:

Describe the circumstances necessitating your actions giving reasons why normal procedures were not followed.

Describe the benefit received by the government, provide a complete purchase description list the value of the transaction; and provide copies of any invoices, delivery tickets, and other pertinent documents or facts supporting your action. Justify why the price is fair and reasonable.

Provide sufficient funds of the correct type and year for the requirement. The correct year means the year in which the commitment occurred which may not be the current year. (You and your comptroller may need to get together on this one.)

Forward all to your Commanding Officer for review/approval. (Note your CO can refuse to approve; you are left holding the invoice.)

WHAT DOES THE COMMANDING OFFICER DO?

The Commanding Officer reviews the documentation, validates the facts, and makes a determination whether to ratify or to request ratification by the appropriate command. (Only those activities with higher levels of purchase authority may ratify unauthorized commitments – for example FISC Norfolk).

The documentation is then forwarded to the contracting officer with an endorsement that verifies accuracy and completeness in cases where he/she concurs with ratification.

Ensure that measures are taken to prevent future unauthorized commitments (note emphasis!) and that these measures are fully described

WHAT DOES THE CONTRACTING OFFICER DO?

The Contracting Officer will carefully review all submitted documentation and address any doubtful questions of fact. Next he or she will prepare a Determination & Finding (D&F) addressing the limitations of FAR 1.602-3(c) and finally will make a recommendation to the ratifying official including required contractual documents (if ratification is recommended). All documentation is then reviewed by legal counsel.

WHAT DOES COUNSEL DO?

Reviews all documentation for form and legality paying close attention to such things as was the purchase itself a legal transaction had a properly appointed contracting officer made the buy and are the funds the correct type and year.

WHAT DOES THE RATIFYING OFFICIAL DO?

Makes the final review of all documentation submitted, evaluates the plan to prevent future occurrences, and, if ratification is proper, approves the determination and findings and executes the ratification.

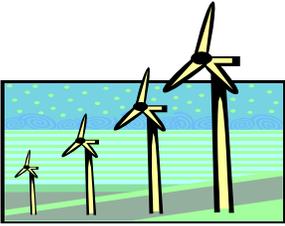
DOES THIS SOUND LIKE A LOT OF WORK?

Yes. Avoid unauthorized commitments by ensuring that only duly appointed contracting/ordering officers (this includes purchase card holders) acting within the limits of their authority commit the government to spend money for the acquisition of goods and services.

DOES IT SOUND AS THOUGH THERE ARE A LOT OF PEOPLE IN THE CHAIN WITH THE ABILITY TO SAY “NO!”

Yes. This is always a possibility. So don't get stuck paying the bill!!!!

ACTION ITEM FOR EMAIL ADDRESSES



Please send us the Email address for your purchasing supervisor (or Agency Program Coordinator if you use only the purchase card) and one other Email address of a backup point of contact. We need to update our activity files and our database. All activities south of the Virginia/North Carolina state line are asked to send the Email addresses to Jestine Middleton (843) 743-7400 (DSN563), FAX (843) 743-7402, Email is jmiddleton@charleston.med.navy.mil.

All other activities should send their Email addresses to Marion (Tony) Savoy at (757) 443-2060 (DSN646); FAX (757) 443-2067, Email is Marion_A_Savoy@nor.fisc.navy.mil.



PROCURING "GREEN" PRODUCTS

The Federal Acquisition Regulation now requires that all procurements be screened for possible purchase of environmentally preferable products.

NAVSUP Policy Letter SA01-01 (PC01-03) contains guidance on the

screening requirements. The EPA has issued a guide, "Guidance on the Acquisition of Environmentally Preferable Products". It identifies EPA preferable items and can be accessed on the Internet at <http://www.epa.gov/cpg/>. This requirement shall also apply to purchase cardholders that have bought an aggregate amount of \$10,000 of EPA-designated products in the preceding fiscal year. In order to assist these cardholders, GSA has published a listing of products and services qualifying as "green" (environmentally friendly). It can be accessed on the Internet at <http://pub.fss.gsa.gov/environ>. In addition, commercial sources have labeled their products with an icon identifying a listing of their green products. In short, the overall objective is to acquire recovered materials that meet reasonable performance requirements in a competitive, cost-effective environment. The contracting officer must place a written justification in the contract file of an acquisition of EPA-designated products above the micro-purchase threshold that does not contain recovered material.

WHAT CAN WE DO TO HELP YOU?



Customer feedback....

At Procurement Management Review we place a high value on customer satisfaction. We want to know how you feel about the way we handle the business you have entrusted to us. Please give us your feedback. You may call, email, fax your input to: Susan Garrow, Director (757) 443-2063 DSN 646-2063 FAX 757 443-2067/DSN 646-2067 or email to susan_garrow@nor.fis.navy.mil

WELCOME ABOARD

We would like to introduce to you our newest Procurement Analysts for the FISC Norfolk's PMR staff (Norfolk site):

Shirley (call me Diane) Burnett (757) 443-1625 DSN 646-1625 or shirley_d_burnett@nor.fisc.navy.mil

Linda Gallaher (757) 443-2070 DSN 646-2070 linda_n_gallaher@nor.fisc.navy.mil

Ann Calvin (757) 443-1624 DSN 646-1624 ann_m_calvin@nor.fisc.navy.mil

Rebecca Bradley (757) 443-2074 DSN 646-2074 rebecca_e_bradley@nor.fisc.navy.mil

Yvonne Davis (757) 443-2073 DSN 646-2073 yvonne_p_davis@nor.fisc.navy.mil

Also:

Training POC: Tony Savoy (757) 443-2060/DSN 646-2060 marion_a_savoy@nor.fisc.navy.mil
Database Manager and Alternate for training: Karen Olszak (757) 443-2061/DSN 646-2061
karen_e_olszak@nor.fisc.navy.mil

AND SURELY YOU REMEMBER ...

Tami J Cartos (757) 443-2066 DSN 646-2066 tami_j_cartos@nor.fisc.navy.mil
John Folston (757) 443-2062 DSN 646-2062 john_w_folston@nor.fisc.navy.mil
Marty Harrell (757) 443-2064 DSN 646-2064 martin_l_harrell@nor.fisc.navy.mil
Elizabeth Lewis (757) 443-1606 DSN 646-1606 elizabeth_v._lewis@nor.fisc.navy.mil
Joyce Stukekey (757) 443-2071 DSN 646-2071 Joyce_e_stukekey@nor.fisc.navy.mil

Susan Garrow, Director (757) 443-2063 DSN 646-2063 susan_garrow@nor.fisc.navy.mil

AND YOU CAN FAX US AT: (757) 443-2067 DSN 646-2067

Charleston site (serving the region south of the Virginia-North Carolina State line):

Patricia Byrd (843) 743-7401 DSN 563-7401 pbyrd@charleston.med.navy.mil
Joy Bennett (843) 743-7406 DSN 563-7406 jbennett@charleston.med.navy.mil
Eric Kemmerer (843) 743-7407 DSN 563-7407 ekemmerer@charleston.med.navy.mil

Also for Classes: Jestine Middleton, (Training Coordinator) (843) 743-7400
DSN 563-7400 jmiddleton@charleston.med.navy.mil.

AND FOR FAXING TO CHARLESTON: (843) 743-7402 OR DSN 563-7402

Please put our names and numbers in a handy place (on speed dial!!!). We are waiting to hear from you! **Please ring!!!**

