



DEPARTMENT OF THE NAVY
NAVAL TRAINING CENTER
2601A PAUL JONES ST
GREAT LAKES, ILLINOIS 60088-5000

NTCGLAKESINST 4200.2C
N6

OCT 15 1998

CH-1
5 Nov 99

NTC GREAT LAKES (SIMPLEX) INSTRUCTION 4200.2C

From: Commander, Naval Training Center, Great Lakes

Subj: MORALE, WELFARE AND RECREATION (MWR) DEPARTMENT,
PURCHASING, CONTRACTING, AND ORDERING PROCEDURES

Ref: (a) BUPERSINST 7043.1A
(b) DoD 7000.14R
(c) BUPERSINST 1710.13A
(d) NAVSUPINST 4200.85C

Encl: (1) MWR NAF Purchase Request (MWR GLAKES 4226/1)
(2) Purchase Order Request Number Log Sheet (MWR GLAKES
4226/5)
(3) Purchase Order (NAVCOMPT DD Form 1155)
(4) MWR Purchasing Solicitation/Competition Summary
(MWR GLAKES 4226/2)
(5) Request for Quotation (SF-18)
(6) Solicitation, Offer and Award (SF-33)
(7) MWR Activity BPA Call Log (MWR GLAKES 4226/3)
(8) Mess Requisition (NAVCOMPT Form 2214)
(9) Petty Cash Voucher (NAVCOMPT Form 543)

1. Purpose. To issue revised procedures and guidelines for Nonappropriated Fund (NAF) purchasing, contracting and ordering of supplies and materials per references (a) through (c).

2. Cancellation. NTCGLAKESINST 4200.2B. This instruction has been substantially revised and should be reviewed in its entirety.

3. Contract Authority

a. The Assistant Chief of Staff, Quality of Life (ACOS, QOL) is the designated Contracting Officer for NAF procurement, he holds an unlimited warrant for supplies and services and a construction warrant with a limit of \$10K. The MWR Procurement Analyst has contracting authority not to exceed \$5,000 (\$50,000, Resale) for supplies and services. All construction contracting, unless performed in-house, in excess of \$10,000.00 (including minor construction, alteration and repair) will be handled by

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4. Purchase Request. All Purchase Requests (PRs) for retail items shall contain specifications, Price Look-up Unit (PLU) (inventory bar coding) code as well as the name, address and telephone number of the person contacted. Additional procedures will be followed when preparing the MWR NAF Purchase Request (enclosure (1)). Each branch shall assign consecutively numbered request numbers for tracing purposes, i.e. (FY)98-19(Facility)-0001 (enclosure (2)).

a. All purchase actions except for Blanket Purchase Agreements (BPA's) and emergencies shall be preceded by a PR, signed by the requesting activity and certifying the availability of funds. Failure to allow sufficient time for PR processing shall not constitute an emergency. Unpriced purchase order procedures will be used only when the following conditions exist:

(1) The estimated (or actual) price will not exceed the small purchase dollar limitation (\$25,000.00).

(2) It is impractical or impossible to obtain a price in advance if issuing a purchase order, e.g., for equipment repairs requiring disassembly and diagnosis, or for out of production items.

b. Restrictions. Each unpriced purchase order must contain a realistic cost limit, subject to adjustment, which the contractor cannot exceed without specific approval from the Contracting Officer. Unpriced purchase orders will contain the following: **"NOTICE TO SUPPLIER. This is a firm order only if your price does not exceed the total amount listed hereon. If you cannot perform within this limitation, withhold performance, and contact the Contracting Officer immediately."**

c. Source Selection. In lieu of competition based on actual price quotes, Contracting Officers will attempt to obtain several estimates from qualified suppliers. The file will be documented to show responses received and method of evaluation for award.

d. Equipment Repair. The tear down and quote procedure can be used for equipment requiring disassembly before a repair quote can be given. This method however requires that the equipment disassembly and repair be performed only at the NAFI installation, not at a contractor's facility. An unpriced purchase order is issued to tear down and diagnose the extent of damage. The contractor then quotes a firm price for the

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5. Purchase Order (General Policies). The Purchasing Branch will prepare a NAVCOMPT DD Form 1155 (enclosure (3)) when ordering supplies and materials. This form is prepared using the information furnished on the MWR PR.

6. Solicitation/Competition Summary. The Purchasing Branch will also prepare NTC Form 4226/2 (enclosure (4)) when requesting verbal quotations over the telephone, from catalogs, General Service Administration and/or Air Force Nonappropriated Fund (AFNAF) contracts.

7. Request for Quotations. The Purchasing Branch using the information provided on the manager's PR, will prepare a Request for Quotation (SF-18 Form) (enclosure (5)) when requesting prices/information from vendors, on purchases over \$5K.

8. Unsolicited Proposal. Per reference (a), an unsolicited proposal is a written proposal that is submitted to the Nonappropriated Fund Instrumentality (NAFI) for the purpose of obtaining a contract and which is not in response to a formal or informal request. Advertising material, commercial product offers, contributions or technical correspondence are not unsolicited proposals. Unsolicited proposals can provide innovative and unique methods of approach. However, NAFI will not encourage vendors to submit proposals. A proposed award resulting from an unsolicited proposal must receive legal review and must be approved by the Contract Review Board.

a. Validity: Per reference (a), a valid unsolicited proposal must:

(1) Be innovative and unique.

(2) Be independently originated and developed by the offerer.

(3) Be prepared without NAFI or government personnel supervision.

(4) Include sufficient detail to permit determination that NAFI would benefit.

(5) Not be an advance proposal for a known NAFI requirement that can be obtained by competitive methods.

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selected suppliers. They reduce administrative cost by reducing the number of individual purchase orders and payments. Authorized user activities obtain supplies and services directly from contracts as required and are billed for them monthly or as otherwise agreed. BPAs should be negotiated concurrently with several vendors providing the same commodity. Only Contracting Officers have the authority to establish BPAs.

b. Competition. The existence of a BPA does not justify sole source purchasing. Calls \$2,500.00 or less will be rotated among BPA vendors. If multiple BPAs are not available, competition must be obtained from other sources. Calls in excess of \$5,000.00 shall be competed.

c. Dollar Limits. Contracting Officers are limited to \$25,000.00 (\$50,000.00 for resale) per call. BPA callers are limited to ~~\$5,000.00~~ or less per call.

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d. Types of BPAs. BPAs may be either priced or unpriced.

(1) Prepriced agreements are preferred. The Contracting Officer establishes fixed unit prices for supplies or services through negotiation or incorporation of vendor price lists.

(2) Unpriced agreements may be negotiated for general categories of supplies such as hardware, athletic equipment, special order goods or services which are difficult or incapable of prepricing. Prices shall be established at the time a call is placed.

e. Execution. BPAs may be prepared on a purchase order form as shown in Appendix Q. All pertinent descriptive and price data should be included, together with extent of obligation, delivery and payment terms and any special considerations such as maximum-minimum quantities, times and frequency of deliveries, invoicing, etc. BPAs expected to exceed \$2,500.00 in total calls or orders shall contain clauses required in paragraph 114.

f. BPA Callers. A BPA caller is an individual appointed in writing by a Contracting Officer to place calls only against BPAs. BPA callers will be limited to calls of \$2,500.00 or less. BPA callers should not be located in the contracting office but in designated requesting activities as needed. The Contracting Officer is responsible for training and monitoring the performance of the BPA caller.

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a. Upon receipt of the order entry, e-mail request or mess requisition, fill the requirements from available stock using the first-in first-out concept (FIFO), take the necessary action to procure items that were not in stock and initiate appropriate action to replenish stock levels to the maximum par level.

b. Items not normally stocked by the central warehouse can be requested via e-mail or fax providing the requested items fall under the prime vendor contract. All other items can be requested on enclosure (1).

c. Central Warehouse Manager will monitor usage data on all perishable items and adjust par levels accordingly to minimize spoilage and loss due to shelf life expiration dates, and maintain records of requests, proof of delivery and receipt documentation on all transactions.

d. Central Warehouse Manager will conduct monthly inventories of all items stocked within the central warehouse. All overages/shortages will be investigated and the results forwarded to the ACOS, QOL for disposition instructions.

12. Beer, Dairy and Bakery Products

a. Branch Managers requiring these products will prepare a PR rough which will reflect the assigned call number and BPA numbers. The Activity Manager will maintain a log, reflecting BPA number and call numbers granted by the Purchasing Branch. The PR rough and delivery tickets/invoices will be submitted to the Accounting Branch the next scheduled working day. A Copy of PR rough will be submitted to the Manager, Purchasing Branch.

b. Beer, dairy, bakery and a limited number of other products are the only exceptions to the submission of the mess requisitions to the Manager, Central Warehouse.

13. Separation of Functions. Per reference (a), to maintain the integrity of the contracting system the following functions will be performed by different people:

a. Issuance of the purchase request.

b. Execution and signing of purchase orders, delivery orders or contracts.

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a. Purchase Orders - If merchandise is to be picked up by an authorized MWR employee (rather than delivered by the vendor), the individual picking up the merchandise will sign for it at the pick up point and "Deliver it to a designated receiver at the central warehouse for receipt certification by warehouse personnel".

b. Blanket Purchase Agreements - If merchandise purchased via BPA is to be picked up by an MWR employee rather than delivered, the employee must be an authorized receiver as listed on the BPA for that particular vendor, signed vendor slip or invoice will be attached to purchase request with BPA# and assigned call#. Once confirmation of receipt is attached to purchase request it will be turned in to Manager, Purchasing Branch, where it will be reviewed and then forwarded to Manager, Finance Branch.

17. Accounting Branch Requirements

a. The MWR Accounting Branch will verify that all documents are properly completed and all required signatures appear. All documents will be matched to the requests, delivery slips, etc. Upon receipt of vendor's invoice, and a review of charges is made, payment will take place.

b. Prior to any payments being approved by vendor's invoice, a complete review will be made to ensure that only those orders which have been approved will be paid. If activities or individuals order products without obtaining approval or have failed to obtain the call numbers for BPA items, immediate personnel action will take place, which may include termination.

18. Petty Cash Fund

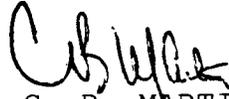
a. A MWR Departmental Petty Cash Fund has been established to pay for minor transactions that have taken place and are incidental in nature. This procedure will eliminate the Accounting Branch's requirement to process check payments and reimbursement for small amounts (less than \$100.00).

b. Reimbursement to authorized employees for those monies expended will take place in the Administrative Office, Building 160, Great Lakes, by the Petty Cash Fund Custodian. Funds have also been issued to Director, Athletic Division, Manager, Willow

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d. Invoices and receiving documents must be returned to the card holders for processing.



C. B. MARTIN

Chief of Staff, Operations

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LIST I

1, 2, 3, 7, 20, 24, 25

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NTC GREAT LAKES (SIMPLEX) INSTRUCTION 4200.2C CHANGE TRANSMITTAL 1

Subj: MORALE, WELFARE AND RECREATION (MWR) DEPARTMENT,
PURCHASING, CONTRACTING, AND ORDERING PROCEDURES

1. Purpose. To issue change 1 to the basic instruction.
2. Action. Make the following pen and ink changes.
 - a. Page 4, paragraph e., lines 7 and 8 delete "(other than on BPA's)."
 - b. Page 4, paragraph f., line 3, change "7042.1" to read "7043.1A".
 - c. Page 6, paragraph 9b., lines 1 and 2, change "\$2,500.00" to read "\$5,000.00".
 - d. Page 6, paragraph 9c., line 1, change "\$2,500.00" to read "\$5,000.00".
 - e. page 7, paragraph 10c., line 3, change "\$5,000.00" to read "\$2,500.00".


G. L. GERARD
Chief of Staff, Operations

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DEPARTMENT OF THE NAVY

NAVAL TRAINING CENTER

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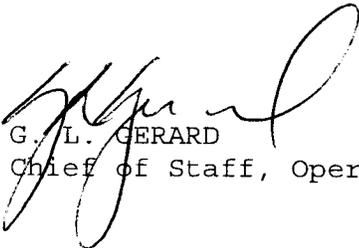
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NTC GREAT LAKES (SIMPLEX) INSTRUCTION 4200.2C CHANGE TRANSMITTAL 2

Subj: MORALE, WELFARE AND RECREATION (MWR) DEPARTMENT, PURCHASING, CONTRACTING, AND ORDERING PROCEDURES

1. Purpose. To issue change 2 to the basic instruction.
2. Action. Make the following pen and ink changes:
 - a. Page 4:
 - (1) Paragraph e., lines 7 and 8 delete "(other than on BPA's)."
 - b. Page 6:
 - (1) Paragraph 9b., first line, change \$2,500.00 to read: \$5,000.00 or less.
 - (2) Paragraph 9c., first line, change over \$2,500.00 to \$10,000.00 to read: Over \$5,000.00 to \$10,000.00.
 - c. Page 7:
 - (1) Paragraph 10b., second line, change Calls \$2,500.00 or less to read: Calls \$5,000.00 or less.
 - (2) Paragraph 10c., second line, change after "per call" to read: per call or their warrant level.
 - (3) Paragraph 10e., sixth line, change \$2,500.00 to read: \$25,000.00 (\$50,000.00 resale).
 - (4) Paragraph 10f., third line, change \$2,500.00 to read: \$5,000.00.


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