



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS AIR FORCE SERVICES AGENCY

MEMORANDUM FOR ALL MAJCOMS/BASES

FROM: HQ AFSVA/SVC
10100 Reunion Place, Suite 304
San Antonio TX 78216-4188

SUBJECT: Nonappropriated Funds (NAF) Mandatory Contracting and IBPS Guidance

1. We need your immediate assistance in the Prime Vendor Program that supplies a number of the activities with their food and related items. We have identified systemic non-compliance issues with AFMAN 64-302 mandatory requirements on the proper establishment of contractual agreements, particularly the establishment of Blanket Delivery Orders (BDO). AFNAFPO has created Nonappropriated Fund Purchasing Agreements (NPAs) that establish the primary terms and conditions. These agreements are not the authorizing documents for your bases to request delivery of goods/services. Your base NAF CO **must** establish a BDO in IBPS against our NPA for each ordering activity. The attached document contains the procedures to establish a BDO. Once the BDO is established at your base, the activities will create a call in IBPS that will interface to the Air Force Services Financial Management System (AFSFMS). There are a few critical actions required by the activity. They are as follows:

- a. Before contacting the vendor, the call number must be obtained from IBPS. This applies to all calls with vendors, whether ordering through the vendor's order entry system or placing a call verbally. All calls **must** have an award number. This award number is the BDO number **with** the IBPS call number.
- b. Enter the call into IBPS and ensure it is signed. As previously advised, the activity does not have to enter each item ordered. However, they must break the entries down by Cost Center and GLAC.
- c. Enter the receiving against the respective call into IBPS and ensure the receiving report is signed.

Regardless whether or not the base has deployed AFSFMS, all contractual agreements, including BDOs must be executed by a NAF Contracting Officer (CO) and entered into IBPS. This is a **mandatory** process. Contracting Officers in turn, delegate authority to activities to place calls. Calls placed without an agreement in place result in ratifications.

2. Attached is a Memorandum for all Prime Vendors that is being sent to our vendors. By complying with the above guidance we can ensure the NAFI will continue to receive their requirements to operate their activities and the vendor will be able to submit a proper invoice and be paid in a timely manner.

3. We appreciate your assistance in ensuring your bases are in compliance. The partnership between the MAJCOMs, Bases, and the Agency for the procure-to-pay processes has dramatically reduced interface/process errors from 30% in Oct 07 to 8% in Dec 07. If you have any questions, please contact my POC, Ms. Diana Runkle, HQ AFSVA/SVCKI, DSN 487-6931.



WILLIAM A. FORAN, YC-03, DAF
Director of AF NAF Purchasing

Attachment:

1. BDO Guidance
2. Memorandum for all Prime Vendors

A Blanket Delivery Order (BDO) is an order against an established Nonappropriated Funds Purchasing Agreement (NPA) or an Essential Products Program (EPP) or GSA contract. If you are using a GSA contract, check IBPS to ensure it exists. For assistance with creating GSA contracts, reference the IBPS Training Manual.

Recommend you read the entire document before beginning.

PR Preparation for a BDO

- Ensure Purchase Requests (PR's) are CREATED for each Activity/Organizational Unit (OU) and or cost center and NAFI code. This ultimately will result in one PR per BDO.
- PR's will contain a line item, quantity, unit of issue and a dollar value (in some cases the dollar value may be estimated).
- No attachments are necessary (i.e. Templates) when preparing a PR for a BDO.

On the address tab we recommend you SEARCH by CONTRACT # for the vendor associated with the NPA/EPP/GSA contract.

Select a Vendor Address

Click on the Vendor index tab for a vendor list

A B C D E F G H I J K L M N O P Q R S I U V W X Y Z

OR

Enter the information below to search for a vendor:

Vendor Name:

Contract Number: F4199906D1234

Contact Last Name:

Contact First Name:

Zip Code:

Search

Cancel

Search results will display the vendor attached to that contract. Select the link and the vendor will be added to your Purchase Request vendor address.

Once the PR has been signed, approved and certified, issue the PR.

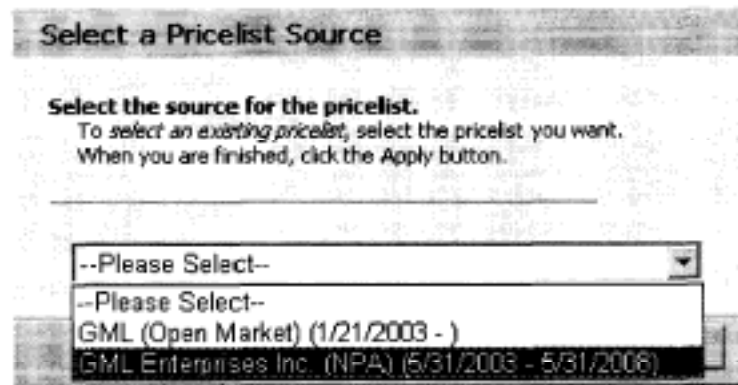
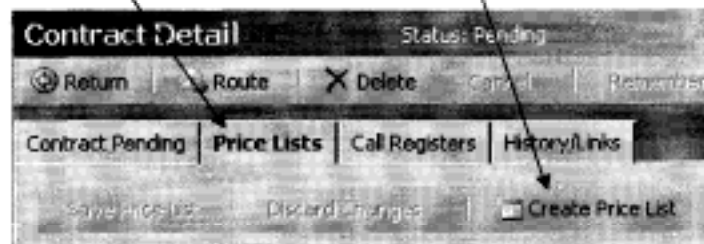
PRE-AWARD Stage

- Line Items Tab
 - Ensure the NPA/EPP vendor is attached to the applicable line items
- To Award the PR select
 - Award to - Select the vendor from the drop down
 - Award type – BDO
 - AWARD button

The PENDING Contract will populate the screen

- Verify that it is a BDO type contract
- Verify the vendor is correct
- Enter a COMMODITY (Important). If multiple BDO's will be created for various activities, recommend incorporating the activity name in this box. (Example: Golf Course - Prime Vendor).
- Payment Terms defaults to the parent contract – DO NOT CHANGE.
- Select desired FOB—ensure it does not conflict with parent contract.
- Enter an EFFECTIVE and EXPIRATION date for the BDO. **Ensure it does not exceed parent contract expiration date.**
- Add an attachment – BDO Authorization Call letter
 - You DO NOT need to add General Provisions—they are contained in the parent contract.
- Select the ADDRESS TAB
 - Verify the vendor address
 - Issued by address should be your Address
 - BILL TO – Deployed bases should have the HQ AFSVA address
 - Non-deployed bases should have local NAF accounting address
- Select the Distribution List Tab
 - Add users to be notified when this order is executed
 - For example--activity manager
- Select the Signatures Tab
 - **DO NOT ENTER the AFNAFPO contract number** in the contract number block. Allow the system to assign the contract number.
 - If you are authorized, select the CO Sign Button, if not
 - Expand the PROXY box and enter the CO's signature and date the CO provided you the written authorization to do so and APPLY PROXY INFORMATION.
 - Keep in mind, a BDO does NOT require a Contactor(s) Signature
 - A print preview should reflect the:
 - BDO AWARD - NPA or EPP contract # in block 2.
 - Authorized call letter
- Print these and send to the vendor.

Select the PRICE LISTS Tab, then the CREATE PRICE LIST button



- Select the current NPA/EPP pricelist from the drop down and APPLY. If an NPA/EPP price list does not exist, contact the AFNAFPO contract administrator.

- SAVE

Select the CALL REGISTER tab

Select the  button and the following is displayed.

Call Register Information

Please review the information below and change as needed.

Select Contract:

Contract #: +

Drop-down menu allows you to select a contract as applicable

BDO

Effective Date:

Expiration Date:

Vendor: ALONIA TECHNOLOGIES (BEDFORD TX)

Status: Awarded

BASIC BDO data is displayed (Read only)

Effective Date: (MM/DD/YYYY) *

Expiration Date: (MM/DD/YYYY) *

Enter an effective date
Enter an expiration date of the register, not to exceed Fiscal Year or end of contract whichever occurs first

Select PR: +

Air Force, AIR FORCE SERVICES AGENCY, DIRECTORATE OF NAF PURCHASING, POLICY, PROCEDURES, TRNG & 38P5 *

Activity:

Cost Center: +

NAFI:

Currency: +

Before entering any other data, first select the ACTIVITY
- CRITICAL - What activity is the register being created for.
- Select the applicable PR

- Enter the appropriate Cost center
- Enter the appropriate NAFI code and Currency.

SAVE CALL REGISTER

The call register is created and the activities can now enter applicable calls.



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS AIR FORCE SERVICES AGENCY

February 25, 2008

MEMORANDUM FOR ALL PRIME VENDORS

FROM: HQ AFSVA/SVCKH
10100 Reunion Place, Suite 304
San Antonio TX 78216-4188

SUBJECT: Nonappropriated Fund (NAF) Invoice Guidance

1. This letter is to provide information and guidance to assist you with proper invoice procedures to ensure prompt payment to your company. The Air Force Services Agency has implemented a new NAF accounting system and formed a Shared Service Center (SSC) in San Antonio TX where all NAF payments are to be processed. A phased approach is being used to deploy the new system at all of our bases, see Attachment 1, and transfer this responsibility from base level NAF Accounting Offices to the SSC by the end of 2009.
2. The implementation of the SSC and automation of our accounting processes has brought to our attention instances of non-compliance with contractual terms pertaining to the submission of invoices that have occurred in the past and cannot continue under the new system. These practices will prevent timely processing for payment under this new accounting system. Examples of non-compliance are:
 - a. Improper invoices: The majority of the improper invoices received are due to either missing Blanket Delivery Order (BDO) call numbers or invalid BDO numbers cited on the invoice. If you are not provided with a BDO award number and call number, you do not have sufficient data to submit a proper invoice for payment in accordance with the contract. Attachment 1 describes the procedures for a proper invoice. Improper invoices will be returned unpaid.
 - b. Invoices not submitted to the designated paying office. It is critical that you submit invoices to the correct paying office as indicated in your BDO. BDOs have been modified to change the paying office to the SSC for bases that have deployed the new accounting system. We have attached the deployment schedule to assist you in determining if you should send the invoice to the base or to the SSC and included invoice procedures in Attachment 2.
3. To ensure you receive a BDO award and call number, we recommend you identify to your customers a field for entry of the award/call number in your company's Electronic Ordering System (EOS). If your EOS can require this mandatory data at the time of entry, this will ensure you are always provided with this information from the base for entry on your invoice. This will make the matching of your invoice to the call and receipt of goods easier at the paying office.

4. An alternative to submitting invoices is vendor acceptance of the NAF Purchase Card (P-Card) – a VISA card. The Air Force Services Agency is migrating all Prime Vendor contracts and other eligible Air Force NAF contracts to accept the NAF P-Card thereby streamlining the procure-to-pay process. We are asking current vendors to weigh the advantages of converting to this method now. Some things to consider are

- i. Program Benefits
 1. Payment is a two day process versus weeks
 2. Reengineers your accounts receivable
 3. No need to submit an invoice to the SSC. Payment is based on individual invoices (priced delivery tickets) submitted to the activity with each delivery.
- ii. If you accept credit cards, please call your credit card service provider and arrange for a software upgrade to "Level III" to electronically transmit valuable accounting data with our P-Card. Depending on your merchant agreement with your bank, P-Card acceptance could increase your sales volume, which may lower your bank discount rate.
- iii. Contact our office to change the method of payment to accept the NAF P-Card as the only form of payment authorized under your contract.
- iv. If you currently do not accept credit cards, call JPMorgan Chase Supplier Hot Line at 1-800-619-1982 to find out how you can begin saving time and money.

5. Please notify us by 10 March 08, if your EOS is capable of accepting call numbers or if your company will be accepting the NAF P-card. If you have questions or require assistance with any of the above, please feel free to contact my POC, Ms. Rhonda Good, HQ AFSVA/SVCKH, at (210) 652-6931 or email her at Rhonda.Good@randolph.af.mil.



JOSE SAUCEDA, JR.
Contracting Officer

Attachments:

1. Deployment Schedule
2. Procedures for a proper invoice

NAFT Deployment
Schedule

Bases Serviced	NAFT-Bases Deployed	Non-Deployed Bases (projected date)	Prime Vendor Bases using P-Card
AAFES	Deployed		
Altus		Apr-08	
Andersen		Apr-08	
Andrews		May-08	
Arnold		Jul-08	
Aviano		Mar-09	
Barksdale	Deployed		
Beale	Deployed		
Bellows		Oct-08	
Bolling		May-09	
Brooks		Jul-08	
Buckley	Deployed		
Cannon	Deployed		
Charleston	Deployed		
Columbus		May-08	
Davis Monthan	Deployed		P-Card
Dobbins	Deployed	Feb-08	
Dowd	Deployed		
Dyess	Deployed		
Edwards		Sep-08	
Eglin		Aug-08	P-Card
Eielson		Oct-08	
Ellsworth	Deployed		
Emmendorf		Oct-08	
Fairchild	Deployed		
Ft Warren	Deployed		
Goodfellow		May-08	
Grand Forks	Deployed		
Hanscom		Sep-08	
Hickam		Apr-08	
Hill		Aug-08	
Holloman	Deployed		
Homestead	Deployed	Feb-08	
Hulbert	Deployed		P-Card
Incirlik		Mar-09	
Kadena		Oct-08	
Kaebler		Jun-08	
Kirtland		Aug-08	
Kunsan		Nov-08	
Lackland		Mar-08	
Lakehath		Mar-08	
Lajes Fields		Feb-09	
Langley	Deployed		
Laughlin		Mar-08	
Little Rock		May-08	
Luke		May-08	P-Card
MacDill	Deployed		
Malmstrom	Deployed		
March	Deployed		
Maxwell		Jun-08	
McChord	Deployed		
McConnell	Deployed		
McGuire	Deployed		
Widenerhat		Mar-08	
Minneapolis	Deployed		
Mint	Deployed		
Misawa		Nov-08	
Mitchell Hall	Deployed		
Moody	Deployed		P-Card
Mt Home	Deployed		
Nellis	Deployed		P-Card
Offutt	Deployed		P-Card
Osan/Taeegu		Nov-08	
Patrick	Deployed		
Peterson	Deployed		
Pope	Deployed		
Ramstein		Feb-09	
Randolph		Mar-08	
Robins		Sep-08	
Scott	Deployed		

2/22/2008

NAFT Deployment
Schedule

Bases Serviced	NAFT Bases Deployed	Non-Deployed Bases (projected date)	Prime Vendor Bases using P-Card
Schiever	Deployed		
Seymour Johnson	Deployed		
Shaw	Deployed		
Sheppard			
Spangheim		Apr-08	
Tinker		Feb-08	
Travis	Deployed	Aug-08	
Tyndall			
USAF Academy	Deployed	Jun-08	
Vance			
Vandenberg	Deployed	Apr-08	
W Patterson			
Westover	Deployed	Jul-08	
Whiteman	Deployed		
Yokota		Nov-08	

Procedures for a proper invoice must include the following mandatory information:

1. Invoice date;
2. Vendor name;
3. BDO Award number with a call number (with the last 4 characters indicating the call number (i.e. BASEF08O01260002). This should be provided by each ordering activity. **Note:** F41999XXXXXXX is the basic contract number issued by AFNAFPO and should not be used as the BDO number);
4. Description of goods/services provided, as stated in the call;
5. Quantity and Price;
6. Shipping and payment terms;
7. Name, title, phone, & mailing address of a person to contact in the event of questions regarding the invoice; and
8. Any other information/documentation required by the contract provisions. For example, the Pricing Arrangements provision strongly encourages you to divide your invoice into 4 separate prompt payment categories, which is at your discretion. In any case, your invoice must contain the above listed mandatory information.
9. For bases that have deployed to the new accounting system, we prefer you submit them electronically to ap.invoices@afsv.net. Alternatively, you can mail your invoice(s) to:

Mail to: HQ AFSVA/SVTEA (SSC)
10100 Reunion Place, Ste 725
San Antonio, Texas 78216-4188
Accounts Payables at (210) 652-5566

- a. For bases that have not deployed the new accounting system, you should continue to submit invoices to the address specified in the BDO.
- b. There may be a few cases where you may provide service to more than one base, with some bases already deployed and some not. Be aware of each base's status and ensure you submit the invoice properly.

Note: Payment date and discount period are calculated based on receipt of a proper invoice submitted to the SSC at the designated "Invoice To" location and a receiving report submitted by the base. Remember for deployed bases; do not mail your invoice to the base NAF Accounting Office. Please leave a delivery ticket with the receiving activity; however, this delivery ticket is not considered a proper invoice. If you have not received payment after submitting a proper invoice, please contact ap.invoices@afsv.net. If you are in need of additional assistance please contact AFNAFPO Contracting Officer.