



CONTRACTING: GPC BACK TO BASICS



Split Purchases

[AF AUDIT FINDING]. A "split purchase" is separating a requirement that exceeds a CH's single purchase limit or threshold into two or more buys as a means of getting around that limit. No CH may fragment/split purchases that exceed the CH's limit or threshold as means to enable use of the GPC. To do so is a violation of federal procurement law. It might seem logical for you to divide a purchase into parts so each purchase would then be below your agency limits. It is NEVER permissible to intentionally divide purchases into parts just to get under statutory limits. When you have a defined need, all the parts of that need are considered ONE purchase. Here are some examples of "Splitting Purchases"

- A single CH makes multiple purchases from the same merchant on the same day. The total purchase amount exceeds the single purchase limit, **and the total requirement was known at the time of the first purchase**
- A single CH purchases the same/similar item(s) from multiple merchants on the same day. The total purchase amount exceeds the single purchase limit, **and the total was known at time of the first purchase**
- A single CH makes multiple purchases of similar items from the same or multiple merchants over a period of time. The total purchase amount exceeds the single purchase limit, **and the total was known at the time of the first purchase**
- Multiple CHs under the same supervision/AO purchase the same/similar item(s) on the same day or in a compressed timeframe. The total purchase amount exceeds the single purchase limit, **and the total was known at the time of the first purchase**

CH's should document the reason for any buy that may have the appearance of a split requirement. Additional information can be found in AFI 64-117, para 4.5.1.21.

Purchases Requiring Approval/Coordination

- ✓ Hazardous & Potentially Hazardous Materials: Base HMMP Team
- ✓ Communication & Computer Equip & Software: Communications Squadron
- ✓ Medial Items: Base Medical Supply Officer
- ✓ Paid Advertisements:
- ✓ Visual Information, Electronic Digital Imaging & Video Equip & Services: Base Visual Info Manager
- ✓ Test, Measuring, & Diagnostic Equip (TMDE): PMEEL
- ✓ Centrally Managed XB/XF Items Related to Weapon Sys: (see AFI 64-117 for specific instructions)
- ✓ Construction (Construction limited to \$2,000 per project): CES/DS2
- ✓ Civil Engineer Materials & Real Property (installed equip): CES/DS2
- ✓ Morale, Welfare & Recreation Items: Base Fitness Manager
- ✓ BASH Program: (see AFI 64-117 for specific instructions)
- ✓ Purchase of Commercially Printed Business Cards: DAPS
- ✓ All Equipment Assets (EAID): Logistics Readiness Squadron (LRS)
- ✓ Rental/Lease of Material Handling Equip/Fleet Motor Vehicles: LRS
- ✓ Other Government Motor Vehicle Conveyance/Low Speed Vehicles: LRS & Ground Safety
- ✓ Repair Services for General Equipment: Contracting Squadron
- ✓ Books, Periodicals, and Manuals: Base Librarian
- ✓ Professional Services: Contracting Squadron
- ✓ Package Delivery: LRS Transportation Management Office

Limits & Labor Laws

- ✳ Single purchase limit cannot exceed **\$3,000** for **authorized** supplies/equipment
 - ✳ Buys may be authorized over \$3,000 only if specifically authorized by a warranted contracting officer to make purchase from pre-priced government contracts and agreements. Authority to use the GPC will not exceed \$25,000 per transaction. (NOTE: A waiver must be submitted and approved by a warranted contracting officer before purchasing)
- ✳ SERVICES cannot exceed **\$2,500** threshold due to the Service Contract Act
 - ✳ Recurring services estimated to exceed \$2,500 per year shall be acquired through the local contracting office. Non-recurring services involve one-time unpredictable or occasional requirements. These services may be purchased with GPC up to \$2,500, however if any doubt exists as to which category a service falls under, the CH must consult the contracting office.
- ✳ CONSTRUCTION projects cannot exceed **\$2,000** (per project) due to the Davis Bacon Act
 - ✳ Construction, CE materials and real property (installed equipment) must be authorized by base Civil Engineering. Each requirement must be processed through the BCE work order approval process and requires an approved AF Form 332. Construction purchases in excess of \$2,00 are subject to the Davis Bacon Act and may only be accomplished by an warranted contracting officer.

Proper Card Use

- ▶ GPC will be used for only *mission-essential* purchases
- ▶ Obtain any required special coordinator/approvals from controlling/servicing organization **before** making the purchase
- ▶ Determine whether the need is within CH purchase authority
- ▶ Screen/use mandatory sources of supply and AF-designated sources of supply
- ▶ Rotate sources by soliciting suppliers in addition to the previous vendor.
- ▶ Avoid "Splitting the requirement"
- ▶ Buy Green (i.e. recycled content products, Energy Star, bio-based products, Environmentally preferable products & services, and non-ozone depleting substances)
- ▶ Fully understand what CAN and CANNOT be purchased (Reference AFI 64-117, paragraph 4.5)
- ▶ Ensure your AO is aware in advance of what you are purchasing
- ▶ Conduct market research/select best value (The purchase should represent the best buy that meets the government's **minimum** requirements)

Cable/Internet Services

[AF Audit Finding]. Unauthorized Use of the GPC. These services are on a consolidated base-wide contract. Contact the contracting office for assistance in procuring these services. Exception: (1) Units physically isolated from the base either in an off-site location (e.g. AF recruiting office) or located in a remote portion of the base (often non-contiguous) so as to not be part of the base infrastructure. The GPC may be used to purchase utility services provided the dollar amount of each utility does not exceed \$2,500 per year.





CH/AO Basic Responsibilities

Card Holder

- MANDATORY:** Ensure all purchases are proper, legal, economical, and satisfy a bona fide requirement
- Ensure funding is available
- MANDATORY:** Maintain a purchase log, files, and records
- Verify receipt of the supplies or services, if applicable
- Track any purchases made but not received
- Ensure accountable property is properly documented
- MANDATORY:** Review/reconcile all transactions in a timely manner, maximizing rebates/avoiding late payment interest
- MANDATORY:** Approve the statement for input to the AO; notify the AO of any discrepancies
- Maintain an audit trail of the purchases made with the card, including receipts and other supporting documentation
- Only AUTHORIZED individuals may use the card, otherwise they may be held financially liable. Do not allow others to use your card or use the card in a careless manner
- Seek tax exemptions

Approving Official

- [AF AUDIT FINDING]:** Conduct surveillance on 100% of CHs at least every 12 months, quarterly if it is a check writing account, 3 months if new CH
- Ensure items are independently received/accepted by separate officials
- Ensure items are properly recorded in property systems (including pilfer able items)
- Ensure CHs fulfill their responsibilities
- Ensure all purchases were made IAW established policies, rules, regulations and are in support of organizational mission
- Resolve questionable purchases with CHs
- Take appropriate action upon discovery of misuse
- Review/approve CH statements within ten (10) days
- Ensure monthly billing account accuracy
- Retain copies of monthly invoices and supporting documentation and ensure continuity of records
- Ensure CHs notify the issuing bank of lost or stolen cards
- Review each CH's electronic statement of accounts

GSA Tips

Quoted Price: Quoted prices must conform to the Schedule contract price (equal to or lower than).

Price Reductions: Seek a price reduction whenever the service or supply is available elsewhere at a lower price. You may request additional pricing discounts or concessions from Schedule contractors at any time.

Open Market Items: Items/services not on the Schedule contract are consider "Open Market" and must be clearly labeled on the order.

Mandatory Sources

Agencies shall purchase supplies/services from or through the required sources listed below in descending order:

Supplies

- Agency Inventories/Base Supply (LRS)
- Federal Prison Industries
- Ability One (NIB/NISH)
- Wholesale supply sources
- Federal Supply Schedules
- Commercial Sources

Services

- Ability One (NIB/NISH)
- Federal Supply Schedules
- Federal Prison Industries

GPC Training

❖ **Initial Training:** Mandatory training includes GSA SmartPay Purchase Card, DoD Purchase Card Tutorial, DAU online course CLG 001, CON 237, Simplified Acquisition Procedures, Section 508, DAU CLG 005, and specific local training

❖ **Refresher Training:** Mandatory every two years. DAU CLG 004, satisfies this requirement

❖ **Green Procurement Training:** Mandatory every two years and available online through the Environment, Safety, and Occupational Health Training Network (ESOHTN) website at <https://afenvsymp.esohtn.com>.

❖ **Remedial Refresher Training:** As needed.

AF Mandatory Use Policies

- ❖ Federal Strategic Sourcing Initiative (FSSI) Office Supply BPAs
- ❖ AF Dormitory Furnishings BPAs
- ❖ AF Office Seating BPAs
- ❖ AFWAY – all laptops, desktops, monitors & printers
- ❖ Army/Air Force Buying Cellular Services & Devices BPAs
- ❖ NETCENTS-2 - to support missions that require voice, data and video communications, information services, solutions, and products.

NOTE: Additional information can be obtain from the AF Advantage website or the 82 CONS GPC CoP. **Deviation from these policies will require written approval from the appropriate AF Commodity Council.**

TD Form 1099 Reporting

Check writers are responsible for the capture of TD Form 1099 MISC, Statement for Recipients of Miscellaneous Income, data for service paid by convenience checks. NOTE: All checks, no matter the dollar amount, must be captured and reported.

Assistance

- AFI 64-117, AF Government-wide Purchase Card Program
- GPC Team Email Box – GPC2@sheppard.af.mil
- 82 CONS GPC CoP - <https://www.mil.af.mil/afnprod/community/news/home.aspx?EItem=00-XP-AE-36>



SHEPPARD AIR FORCE BASE, TEXAS

82D TRAINING WING • 80TH FLYING TRAINING WING