



HEADQUARTERS
PRINCIPAL ASSISTANT RESPONSIBLE FOR CONTRACTING - AFGHANISTAN
BAGRAM AIR FIELD, AFGHANISTAN
APO AE 09354



21 October 2009

JCC-I/A PARC-A -- STANDARD OPERATING PROCEDURE

FIELD ORDERING OFFICER PROGRAM

1. PURPOSE: This SOP provides FOO program guidance and outlines duties and responsibilities for Regional Contracting Center (RCC) Chiefs, FOO Managers, and FOOs using Afghanistan Security Forces Funding (ASFF) and Operation and Maintenance, Army (OMA) funds, and Official Representative Funds (ORF).

2. APPLICABILITY: This SOP applies to Principal Assistant for Contracting –Afghanistan (PARC-A) RCC Chiefs, FOO Managers, and FOOs. All appointed FOOs will adhere to the guidance referenced below.

3. REFERENCES:

- a. USFOR-A Pub 05-09, Money as a Weapon System – Afghanistan (MAAWS-A)
- b. Joint Contracting Command-Iraq/Afghanistan, Field Ordering Officer Standard Operating Procedure
- c. FAR 13.2, Actions at or below the micro-purchase threshold
- d. FAR 13.306, SF 44, Purchase Order—Invoice—Voucher
- e. FAR 18.201, Contingency Operation
- f. DFARS 213.306, SF 44, Purchase Order-Invoice-Voucher
- g. DFARS 218.201, Contingency Operation
- h. AFARS 5113.306, Standard Form 44, Purchase Order -- Invoice –Voucher
- i. Contingency Contracting – A Joint Handbook, Air Force Logistics Management Agency
- j. Standard Form (SF) 44, general procedural instructions
- k. DoD 5500.7-R Joint Ethics Regulation
- l. 09-16, Field Ordering Officer and Paying Agent Handbook

m. AFARS 5101.602-2-90 Appointment of Ordering Officers

4. SUMMARY OF CHANGES: This document supersedes the PARC-A SOP for Field Ordering Officers dated 2 Oct 08.

5. MISSION: FOOs provide their commands the ability to make quick, local purchases for mission-critical requirements. Contracting Officers appoint FOOs to make over-the-counter purchases up to the micro-purchase threshold in accordance with the DFARS (currently \$25,000). All purchases over \$10K require a legal review IAW USARCENT policy. The Resource Manager (RM) determines the unit's monthly funding amount and is contingent upon availability of funds.

6. STANDARDS OF CONDUCT:

- a. Although Contracting Officers appoint FOOs to solely purchase supplies and services in Afghanistan, they must conduct business in accordance with applicable US laws, regulations, and policies. Receiving gifts or cash in exchange for a contract award is illegal and strictly prohibited. Afghan business and cultural norms may differ from US practices, requiring FOOs to be ever vigilant. FOOs must strive to eliminate any potential for misunderstanding or any appearance of impropriety. The actions of a FOO must be above reproach at all times.
- b. FOOs may not solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who:
 - (1) Has sought or is seeking to obtain Government business;
 - (2) Conducts activities that are regulated by a Contracting Officer or FOO; or
 - (3) Has an interest that may be affected by the performance or nonperformance of his/her official duties.
- c. FOOs must consider not only whether their actions fall within the bounds of ethical rules and criminal law, but must consider the appearance of accepting any gratuity, gift, favor, entertainment, loan or anything of value may have on their ability to conduct FOO duties and responsibilities. Avoiding appearances of impropriety is as important as staying within the bounds of the law.
- d. FOOs and vendors shall not exchange gifts.
- e. FOOs may not accept cash or cash-equivalent gifts.
- f. FOOs should foster positive relations within the bounds of the local populace without compromising the acquisition process. It is important for FOOs to respect important cultural, tribal, and religious customs.

- g. The FOO may not authorize anyone to act on his or her behalf.
- h. FOOs may accept meals, refreshments, and entertainment in the course of conducting Government business if refusing to accept it would offend the Afghan vendor or otherwise negatively affect the business at hand.
- i. Failure to follow these standards of conduct may result in FOO appointment termination, personal liability, and/or punishment under the UCMJ.

7. NOMINATION, TRAINING, and APPOINTMENT:

a. Nomination:

Commanding Officers (O-5 or above) nominate FOOs (E-7 or above; waivable to E-6) in writing.

b. Training:

The RCC will conduct FOO training; the Finance Office will conduct Paying Agent (PA) training. The PA and the FOO will attend both training sessions.

c. Appointment:

RCC Chiefs will appoint FOOs in writing upon successfully completing FOO and PA training. The FOO Manager will have oversight of appointed FOOs.

8. RCC CHIEF and FOO MANAGER RESPONSIBILITIES:

- a. The RCC Chief and FOO Manager will oversee all appointed FOOs; each respective RCC and FOO will maintain files, which will include the following documents, as a minimum:

Nomination letters for the FOO and PA

Appointment letters for the FOO and PA

FOO and PA training certificates

DD Form 577s (for FOO and PA)

DA Form 3953

Copies of the SF 44s and Seller's Receipts (filed by month)

PIIN Ledger or Declining Balance Ledger

Letters of Justification

Copy of clearance/termination memorandum(s)

Special instructions, if applicable.

- b. After the FOO and PA have been appointed, the FOO and PA must be together when opening a new account. (Note: the PA is appointed by the Disbursing Agent and is under the authority of the Finance Office). To open an account, the following documents are needed:

- (1) Request for appointment of Ordering Officer signed by an O-5 or above
- (2) Paying Agent's Appointment Orders
- (3) DA Form 3953 with accounting classification approved and signed by the RM
- (4) Copy of FOO appointment letter signed by the RCC Chief

Note: The FOO is never authorized to handle funds on behalf of the PA.

9. FOO OPERATIONS:

- a. General conditions for the use of FOO funds:

- (1) Transactions may not exceed \$25,000 and all purchases exceeding \$10,000 require a legal review. The price may include delivery charges for supplies.
- (2) Funds must be available at the time of purchase.
- (3) Supplies or services shall be immediately available. If the supplies are not immediately available, use normal contracting procedures.
- (4) The purchase does not require detailed technical specifications or technical inspection.
- (5) The purchase must be in support of a contingency operation.
- (6) FOOs may execute approved ASFF Quick Response Fund (QRF) and ORF requirements costing less than the \$25,000 micro-purchase threshold.
- (7) As a general rule, life support and logistic supplies for the ASFF are a Ministry of Defense (MoD) and/or Ministry of Interior's (MoI) responsibility. The expenditure of QRF should be the absolute last resort, and only when the mission will fail without direct intervention. This intervention should be limited to essential support in order to prevent a collapse of operational effectiveness during

the conduct of kinetic operations. Support of a training event is not considered “essential support” as the MOD/MOI should plan for and fund these events. All QRF requests must be for short-notice and emergent requirements.

- (8) May not be used for foreseeable or recurring requirements.
- (9) ASFF QRF cannot be used in conjunction with or commingled with OMA or any other appropriated or non-appropriated funds. Conversely, OMA funds may not be used for the purpose of supporting the Afghanistan National Security Forces (ANSF).

b. Procedures / Purchasing Process:

- (1) All requirements for purchase must be documented in writing using a DA Form 3953 or locally produced request memorandum. The document shall state operational funds or “OPFUND” and contain a clear and understandable item description, specific quantity, and cost estimate.
- (2) The FOO shall determine whether he/she is authorized to purchase the requested item. Authorizations or limitations may be found in this SOP, FOO’s letter of appointment and/or special instructions. The FOO is not authorized to make a purchase if the item is available through Government the supply channels or Government sources. Additionally, the FOO is not authorized to make a purchase if the item is available on a contract.
- (3) The FOO is authorized to procure items only after a requisition has been submitted through the normal Army supply channels, which has been annotated as not available, or not available in a timely manner. A copy of the supply requisition document or MOI/MOD-14 must be attached as proof that the item was first ordered through the supply system.
- (4) The FOO and the PA will locate a local vendor capable of filling the requirement. If the price exceeds the FOO’s authority, the FOO shall forward the requirement to CJ4 and follow the correct procedures to process a PR&C.
- (5) The FOO may not purchase an item unless the FOO determines the price to be fair and reasonable. The FOO should consider the market environment and use sound business decisions when obligating government funds. Rotate vendors to the maximum extent practicable.
- (6) The FOO should ask the vendor if an on-the-spot prompt payment will result in a discounted price. The FOO may also ask if any Afghan tax has been imposed on the transaction. Purchases for US Forces in Afghanistan are exempt from the payment of taxes. If the vendor identifies a tax as part of the sales price and refuses to exclude the tax from the transaction, complete the transaction,

document the circumstances, and forward the information to the RCC Chief for evaluation.

- (7) If the FOO considers the price fair and reasonable, the FOO completes the buyer and vendor's portion of the SF 44 and purchases the item. If the goods or services are acceptable, the FOO annotates the receiver's sales document "received and accepted," dates the document, and signs the document. The requestor, supply OIC/NCOIC, or technical person will sign as the receiver. The PA completes the SF 44 after he/she pays the vendor. Completing the SF 44 includes adding a statement that cash payment was received in full, the amount paid, the date of payment, and the signature and title of the vendor.
- (8) The FOO distributes the four copies of the SF 44 as follows:
 - i. Copy 1 is submitted to the Finance Office.
 - ii. Copy 2 is provided to the vendor.
 - iii. Copy 3 is submitted to the Contracting Officer.
 - iv. Copy 4 is retained in the SF 44 book
- (9) The FOO shall obtain a purchase receipt from the seller and maintain it with the FOO's records as proof of purchase. If the seller will not or cannot provide a purchase receipt, the FOO shall create a receipt and both the FOO and PA will sign.
- (10) The FOO shall maintain a record of purchases including the purchase order number, the date of transaction, the description of the supply/service purchases, amount of the obligation, and the balance of un-obligated funds. An electronic form is preferred and may be in the form of a spreadsheet.
- (11) If FOOs make purchases under unusual circumstances, special situations, or as a regulated purchase, the FOO shall document his/her file with the date, description of the circumstances, and any other relevant information.
 - i. Prohibited Purchases. In general, FOOs should not use funds to pay for equipment or services already provided by another source. RCCs will provide FOOs a list of items that may be purchased. The Master FOO Purchase Authorization List may be accessed at <https://cstca.oneteam.centcom.mil/sites/PARC>. Prior to making any purchase, the FOO should check for availability of the requirement from existing sources, such as within the unit, the Installation Property Book Office (IPBO), LOGCAP Contractor, Self Service Supply Center (SSSC) and the RCC. **When in doubt, call your respective RCC.** Violations of the below guidance will result in immediate FOO termination unless an

exception to policy is granted by the supporting RCC, as recommended by the Resource Management Office.

ii. Other Prohibited Actions.

1. Stockpiling. Since the FOO's responsibility is to purchase urgently needed items, purchasing items for stockpiling or to have on hand "just-in-case" is not authorized.
2. "Getting well." A unit deploying with equipment which is non-mission capable and using the deployment as a reason to obtain the parts necessary to repair the equipment is not authorized. This is an attempt to circumvent the supply system and is known as "getting well."
3. Split purchases. When a requirement exceeds the FOO's single purchase authorization, the request shall be forwarded to the RCC for procurement. Splitting the requirement into two or more purchases to maintain each purchase amount under the single purchase authorization is not authorized and is considered fraud for which the FOO may be held personally liable.

iii. Special situations.

1. There may be special situations whereby regulated or prohibited purchases may be authorized. FOOs should check their special instructions regarding these purchases or contact the RCC if there are any questions.
2. It is prevalent in many countries to conclude an agreement or contractual understanding with nothing more than a handshake. This may occur at the outset of the contingency, but the agreement should be quickly followed by completing an SF 44. Official looking documents written in English may be viewed with suspicion and sometimes anger due to a lack of trust with other governments. Obtaining signatures can be challenging. If a local business person or vendor refuses to sign the SF 44, annotate the seller's signature block on the SF 44 "Refused to Sign," and continue with the transaction.

BOTTOM LINE: If in doubt of your actions, before expending funds, first seek guidance from the RCC. In some cases, the RCC may have already established a Blanket Purchase Agreement (BPA) or contract for what you are about to purchase. The general rule is that FOOs should not purchase commodities or services already under contract or BPA by the supporting RCC. In all cases document the circumstances and reasons for your actions.

10. CLEARING:

- a. If the FOO spends the funds entrusted to the PA, the FOO must clear his/her records before making more purchases. The FOO contacts the RCC Chief designee / FOO Manager and reconciles the transactions. Once the records have been reconciled and the FOO has cleared the RCC, the FOO and PA shall clear with the RM, Finance Office, or both, before drawing more funds.
- b. FOOs may clear electronically by submitting the required documentation to the FOO Manager.
- c. The RCC Chief or designee shall physically inspect or review FOO activity at least once a month.
- d. Inspection or review findings shall be written and shall include specific comments as to whether the FOO is:
 - (1) Operating within the scope and limitations of authority.
 - (2) Maintaining the standards of conduct as prescribed in DoDD 5500.7R, Joint Ethics Regulation.
 - (3) Not exceeding funding authorization.
 - (4) Not delegating authority to others.
 - (5) Submitting correct and timely information for procurement reporting purposes.
 - (6) Not making unauthorized or prohibited purchases of items.
 - (7) Maintaining adequate documentation for each purchase.
- e. Maintaining adequate documentation for each purchase.
- f. The RCC office and FOO shall retain copies of inspections and review findings for three years.

11. TERMINATION:

- a. The RCC terminates a FOO when:
 - (1) The unit that nominated the appointed FOO leaves the Area of Operations.
 - (2) The FOO's duties change.
 - (3) The FOO's appointment term expires (appointments normally expire after one year).
- b. The RCC Chief may terminate a FOO's appointment:
 - (1) Upon recommendation of the FOO's unit commander.
 - (2) If the FOO fails to properly execute his or her duties.
- c. The FOO shall submit the following documents to the RCC upon termination:
 - (1) Copy of appointment letter
 - (2) SF 44s in their possession
 - (3) Copy of termination letter
 - (4) DD Form 577, Appointment/Termination of Record
- d. The RCC shall issue a letter of clearance, termination, or both. The RCC does not have to issue a Letter of Clearance if an outstanding matter is unresolved, regardless of redeployment, or relocation within theater.

12. RESPONSIBILITIES/LIABILITIES:

- a. Deviations from standard FOO procedures must be thoroughly documented immediately. Procurement, property accountability, and budget execution are a command responsibility. Commanders must ensure adequate controls are in place to account for all expenditures and acquisitions.
- b. The RCC Chief will conduct an analysis of the their FOO program and make recommendations to convert high volume FOO purchases to more traditional contract vehicles such as BPAs or Indefinite Delivery/Indefinite Quantity contracts.

- c. The PARC-A Chief, Plans and Programs, will validate compliance with this SOP during normally scheduled Procurement Management Reviews.

A handwritten signature in black ink, appearing to read "Daniel T. Cottrell". The signature is written in a cursive style with a large initial 'D' and 'C'.

DANIEL T. COTTRELL

Colonel, US Army

Deputy Commander and Principal Assistant

Responsible for Contracting - Afghanistan