

Financial Administration
LOCAL PURCHASE OF SUPPLIES AND SERVICES FROM CONSUMER FUND

SUPPLEMENTATION. Local supplementation of this regulation is prohibited except upon approval of AFZF-RM-FI-S.

SUGGESTED IMPROVEMENTS. The proponent of this regulation is the Systems Accounting Branch, Finance and Accounting Office (FAO). Users are invited to send comments and suggested improvements to the Commander, III Corps and Fort Hood, ATTN: AFZF-RM-FI-S.

OVERVIEW

		<u>1</u>
Purpose	This regulation <ul style="list-style-type: none">● assigns responsibility for preparation, approval, routing, and processing of certain financial accounting documents which cite consumer funds for local purchase of supplies and services● excludes purchase of supplies and equipment using stock fund obligation authority. <p>NOTE: Process supplies and equipment using stock fund obligation authority under the Standard Army Intermediate Level System (SAILS) procedures as outlined in TM 38-L03-11 through TM 38-L03-22-2.</p>	<u>1a</u>
Applicability	This regulation applies to Fort Hood units, activities, and tenant organizations that request local purchase of supplies and services from consumer fund.	<u>1b</u>
References	AR 25-1 (The Army Information Resources Management Program) AR 25-30 (The Army Integrated Publishing and Printing Program) AR 37-107 (Finance and Accounting for Installation Processing and Payment of Commercial Accounts) AR 37-108 (General Accounting and Reporting for Finance and Accounting Officers) AR 710-2 (Supply Policy Below the Wholesale Level) AR 735-5 (General Principles and Policies and Basic Procedures) FH Supplement 1 to FORSCOM Reg 37-6 (Control of Financial Resources) Standard Finance System (STANFINS) User Manual, 1 April 1974, Change 45 effective 1 October 1989.	<u>1c</u>

*This regulation supersedes Fort Hood Regulation 37-14, 26 February 1985.

GENERAL

2**DA Form 3953**

The first step in procurement prescribes use of DA Form 3953 (Purchase Request and Commitment) except as indicated in 2c, 2d, and 3, below.

In order that the request may be examined by each interested official in advance of purchase, the DA Form 3953 shows

- the local purchase authority
- approval for procurement, as well as,
- the appropriate fund citation, including the Department of Defense activity address code (DODAAC) and accounting processing code (APC) obtained from installation edit files.

2a**AR 710-2**

AR 710-2, paragraph 3-55g (3), authorizes certain local purchase of non-standard, non-stocked items without referral to the appropriate national inventory control point (NICP).

Higher headquarters further authorizes direct procurement with consumer funds on specific supply items.

Procure other items using stock-fund obligation authority, except for the following

- parts and supplies incidental to roadside repair of Army vehicles and equipment
- courtesy card purchases, toll tickets, and tokens
- books, magazines, periodicals, and decalomania for privately-owned vehicles
 - for procurement purposes, consider magazines and periodicals as supply items and purchase accordingly
- special recruiting message carrying items and advertising matter related to Reserve Officers' Training Corps (ROTC) and other recruiting actions

NOTE: Advertising matter is interpreted to include raw materials, non-standard, non-stocked, for use in fabricating advertising matter.

- Medical investment type items procured under medical care support equipment (MEDCASE) program and authorized to be financed directly with other procurement, Army (OPA) funds managed by United States Army Medical Materiel Agency (USAMMA).

NOTE: Normally, such items are valued at \$3,000 or more.

2b**SF 149**

Installation Property Book, Directorate of Logistics (DOL), issues the SF 149 (United States Government National Credit Card) authorizing service station credit card purchases of petroleum products including parts and supplies incidental to roadside repair of Army vehicles and equipment.

(continued on next page)

SF 149
(Continued)

These cards are issued upon receipt of an informal memorandum showing the purpose and signature of the approving authority.

Attach a copy of the DD Form 1610 (Request and Authorization for TDY Travel) to the informal memorandum when required for the performance of temporary duty (TDY) travel.

2c

Utilities

Address an informal memorandum to Directorate of Engineering and Housing (DEH) to request utilities services.

2d

FH Form 6

Use FH Form 6 (Request for Transportation of Supplies) to request the preparation of a Government Bill of Lading and shipment of supplies.

2e

Activity

The enclosed responsibility chart, appendix A, identifies the activity responsible for each type of local purchase action covered by this regulation.

The term 'Activity' as depicted therein relates to the program or activity director authorized to obligate and control the funds to be used to cover the cost of the supplies or services required.

2f

PREPARATION OF DA FORM 3953 (PURCHASE REQUEST AND COMMITMENT FORM)

3

Item A and B,
Appendix A
(Supplies)

Presently only items outlined in 2b above, are authorized for procurement directly with consumer funds.

In the event that higher headquarters authorizes additional items of supply to be procured directly with consumer funds, show the

- appropriate fiscal accounting classification
- DODAAC
- APC, and
- 14 position document number (STANFINS paragraph 2-18), on the DA 3953 when this form is used in the procurement of a single line item.

If two or more line items are shown on the DA Form 3953, the second and each succeeding line shows

- 14 position document number, and
- the codes specified for the first line if the APC or any position of the fiscal accounting classification is different.

When the coding for the second and succeeding lines is identical to the first line, it is permissible to add the following statement immediately after the 14 position document number: 'Financial Accounting Codes shown for line one are applicable.'

(continued on next page)

Item A and B,
Appendix A
(Supplies)
(Continued)

Carry forward to the purchase order and use for financial accounting purposes

- the 14 position document number
- fiscal accounting classification, and
- APC assigned to each line item.

3a

Item C and E,
Appendix A

Item C and E, appendix A: Activity or program director employees initiate the DA Form 3953 for the items outlined above.

Activity or program director employees

- obtain the 'Initiating Officer' signature
- forward to the installation property book officer (IPBO) for signature as the 'Supply Officer'
- forward through the appropriate program director for fund approval.

NOTE: The program director has the authority to sign as the 'commanding officer' designee.

3b

Items D, F, G,
H, and I,
Appendix A

Items D, F, G, H, and I, appendix A: Activity employees initiate DA Form 3953 for the items outlined above.

Activity employees

- obtain the 'Initiating Officer' signature
- forward to the activity director for signature as the 'Supply Officer and 'Fiscal Officer'
- forward through the appropriate staff section for approval and signature of the 'commanding officer' as indicated in 4 below.

3c

Item J,
Appendix A

Item J, appendix A: Program directors

- prepare the monthly estimate of petroleum, oils, and lubricants (POL) credit card purchases as required by FORSCOM Reg 37-108, paragraph 9-3
- submit estimate to FAO on DA Form 3717 (Miscellaneous Obligation Document (MOD))
 - break out the MOD to cover the estimated credit card purchase by APC and element of resource (EOR)
 - forward the MOD to arrive at FAO on or before the fourth workday before the end of the month
 - prepare and forward documentation to FAO to reverse the MOD in the next subsequent month, except for the MOD submitted for the last month of the fiscal year.

(continued on next page)

Item J,
Appendix A
(Continued)

13th Corp Support Command (COSCOM)

- has available, on a weekly basis, the flimsy copy of each credit card purchase made to aid program directors in preparing the MOD for credit card purchases
- furnishes FAO a cross-reference list of credit cards and APC's for use in recording actual cost
- furnishes FAO a list of changes, additions, and deletions to the cross-reference list as they occur.

3d

Services

Use the following procedures in preparing DA Form 3953 for services:

- Program directors use a 14 digit requisition number consisting of the
 - program director code
 - APC of the customer
 - Julian date, and
 - four digit serial number.

If the DA Form 3953 contains more than one line item,

- assign each line item a 14 digit requisition number using consecutive serial numbers
- the requisition number placed in the requisition number block of DA Form 3953 represents the first line when multiple line items are requested.

3e

APPROVAL OF DA FORM 3953 BY COMMANDING OFFICER

4

General

The activities or program directors listed below act for the installation commander in approving the DA 3953 by obtaining the last signature block 'Approved by Commanding Officer or Designee' for each type of procurement indicated. See appendix A.

4a

Item A

The program director approves purchase request for supplies and equipment

- authorized to be procured through the contracting officer with a direct citation of consumer funds
 - except ADP items.

4b

Item B

The Garrison Commander approves purchase request for magazines and periodicals.

4c

Item C

Requesting activity routes purchase request for rental of office copying, reproduction, and microforms equivalent through Directorate of Information Management (DOIM) for approval.

4d

- Item D** Requesting activity routes purchase request for contract printing and reproduction for services obtained from the printing control officer, DOIM, after approval.
- The printing control office, if request is approved for procurement, forwards a copy of the procurement document with the estimated cost to the FAO, ATTN: Consumer Funds.

FAO uses this copy of the procurement document to record obligations.

4e

- Item E, F, G** Route requests for these items, services, or changes to existing contractual arrangements through the DOIM for approval.

Submit requests to remove this equipment from rental or service contracts

- through the same channel to the contracting officer
- at least 30 days prior to the date the equipment is to be removed or the service is to be discontinued.

4f

- Items H and I** The activity authorized to obtain the certification of funds

- approves purchase requests for these contractual services
- forwards requests direct to the Directorate of Contracting (DOC) for further action.

4g

DELEGATION OF AUTHORITY

5

Program and Activity Directors

Program and activity directors

- designate authorized individuals to obtain the signature block on DA Form 3953
- Furnish the Internal Control and Analysis Branch, FAO, with a list of individuals authorized to certify local purchase authority and availability of funds on FH Form 715-X3 (Individual Authorized to Certify Request for Procurement Support).

5a

PREPARATION AND DISTRIBUTION OF PURCHASE ORDERS

6

Preparation Carry forward to the purchase order the

- 14 position document number
- APC, and
- each assigned line item on the DA Form 3953.

The supply office uses the purchase order in the preparation of the receiving report.

FAO uses the purchase orders or receiving reports to record the document number and financial data.

6a

Distribution

Distribution of Consumer-Funded Purchase Orders # _____					
Number of Copies					
Item Purchased	FAO	APO	Activity	Vendor	Contracting Division
Supplies & Equipment	Original + 2	5	See Note	1	1
Contractural Services	Original + 2	0	5	1	1

FAO forwards one copy of consumer-funded purchase orders for supplies and equipment to the activity verifying the EOR portion of the fiscal accounting classification.

The purchase order price may differ from the purchase request and commitment price, and may cause the EOR to change from 26XX to 31XX or vice versa.

6b

DOCUMENTING RECEIPTS OF CONSUMER FUNDED SUPPLIES AND EQUIPMENT

7

Charge Account Deliveries

Receiving activity

- may use the vendor's delivery tickets in lieu of DD Form 250 (Materiel Inspection and Receiving Report).
- codes each line item on the vendor's delivery ticket to show the
 - fiscal accounting classification
 - 14 position document number, and
 - APC.

Receiving activity makes the following distribution of the coded delivery ticket

- one copy to the activity director for his records
- one copy forwarded to the Control Section, FAO, for date stamping
 - then to Accounts Payable in order to match the vendor's month-end invoice.
- one copy to the DOC, and
- one copy retained by supply.

7a

Small Purchase Document Procedure

Use SF 1165 (Receipt for Cash Subvoucher) and SF 44 (Purchase Order Invoice Voucher) in lieu of DD Form 250.

Each line item shown on these forms will be coded, and recorded as outlined in 7a above.

7b

Other Supply Receipts Use DD Form 250 or DD Form 1155 (Order for Supplies or Services/Request for Quotations) on receipts except as outlined in 7a and 7b.

Code each line shown on these forms and distribute the forms as shown in 7a.

Immediately after the document number add 'financial accounting code shown for line one is applicable' when

- a receiving report shows two or more lines, and
- the coding for the second and succeeding lines are identical to the first line.

7c

DOCUMENTING RECEIPTS OR CONTRACTUAL SERVICES

8

DD Form 250 and 1155 Use DD Form 250 or DD Form 1155 to receipt contractual services.

Exceptions to this policy are utilities services, bills of lading, and communication services, blocks 10 through 12.

8a

Signatures The individual who signs receiving reports

- is authorized to
 - approve the local purchase, or
 - obtain the certification of funds
- makes sure the code on each receiving report shows the correct fiscal accounting classification APC code.

8b

Forwarding The receiving activity forwards

- the original and one copy of each receiving report to the Control Section, FAO, and
- one copy to DOC.

8c

RENTAL OR PUNCH CARD EQUIPMENT, OFFICE COPYING AND REPRODUCTION EQUIPMENT, MEMORY TYPEWRITERS, MAGNETIC CARDS AND MAGNETIC TAPES

9

Recording Obligations Upon receipt of the rental contract from DOC, the program or activity director

- prepares a MOD to obligate one month's rent plus the termination clause contained in the contract
- records an obligation each month in the amount of rent payable for that month.

9a

Documenting Receipts of Rental Services Accounts Payable Section, FAO

- is initial recipient for vendor's invoice
- stamps billing with receipt date, which is the point in time from which allowance to take a discount commences

(continued on next page)

Documenting Receipts of Rental Services (Continued)

- attaches the original and one copy of invoice to the transmittal document with a suspense date for return, and
- forwards transmittal document with attachments to the appropriate program director.

Program director

- enters appropriate fiscal data
- certifies payment using the following statement

'I certify that the services listed hereon have been rendered in accordance with the terms of the order and the specifications governing same.'

- signs the original copy of vendor's billing and returns it to the FAO.
- distributes copies of the invoice to
 - DOC
 - activity or unit using the equipment, and
 - the program director file.

Units or activities, using office copying and reproduction equipment will

- furnish the program director having fund control over the rental contract, a copy of the meter reading card for validation.
- on the last day of each month, prepare the meter reading card to mail to the vendor.
- annotate the program director's copy of the meter reading card with the date the using unit or activity mailed the vendor's card.

9b

UTILITIES SERVICES

10

Certified Utility Service Invoice

The certified invoice received from the activity director obligates, accrues, and costs utilities services.

When the invoice is not received from the vendor in time for obligation, cost, or accrual prior to the month end, the consuming activity forwards MOD to Consumer Funds, FAO.

Show the applicable APC and DODAAC on the vendor's invoice and the MOD.

10a

BILLS OF LADING

11

Routing Bills Of Lading

Installation funded Bills of lading are forwarded by the transportation officer to the Control Section, FAO, using OF 41 (Routing and Transmittal Slip).

General Accounting Office (GAO) routes bills of lading received from off-post activities to the transportation officer for recording of cost data and retransmittal to the Control Section, FAO, when appropriate.

The transportation officer shows applicable APC and DODAAC codes on each bill of lading transmitted to FAO.

11a

COMMUNICATIONS SERVICES

12

Commercial Communication Services On or before the 25th of the month, United States Army Information Systems Command (USAISC) submits MOD to Control Section, FAO, covering commercial communications services received during the month.

The MOD cites appropriate APC and DODAAC codes.

11a

FOR THE COMMANDER:



PAUL T. WEYRAUCH
Brigadier General, GS
Chief of Staff

OSCAR N. WHITE, JR.
LTC SC
DOIM

1 Appendix

A - Responsibility for Preparation and Approval of Request for Procurement Citing Consumer Funds.

DISTRIBUTION:

IAW FH Form 1853, C

Plus: IM-AO (2)

IM-ARL (1)

IM-Pubs (100)

APPENDIX A

**RESPONSIBILITY FOR PREPARATION AND APPROVAL OF REQUESTS
FOR PROCUREMENT CITING CONSUMER FUNDS**

(DA Form 3953 signature blocks)

<u>Type of Supplies or Service</u>	<u>Initiating Officer</u>	<u>Supply Officer</u>	<u>Fiscal Officer</u>	<u>Commanding Officer</u>
A. Supplies	Accountable Supply Office Employee	Accountable Supply Officer	Activity Director Employee	Program Director
B. Magazines & Periodicals	Activity Director Employee	Activity Director	Activity Director Employee	Garrison Commander
C. Rental of Office Copying & Reproduction Machines and Microforms	Activity/Program Director Employee	DOL Installation PBO Office Employee	Activity Director Employee	DOIM
D. Printing & Reproduction	Activity Director Employee	Activity Director	Activity Director Employee	DOIM
E. Rental or Purchase of Computers & PCM, and ADP Supplies, Word Processing Equipment, Magnetic Cards & Tapes (Non-ADP)	Activity/ Program Director	DOL PBO Office Employee	Activity Director Employee	DOIM
F. Purchased ADP Services Outside Government	Activity Director Employee	Activity Director	Activity Director Employee	Program Director
G. Purchased ADP Within Govern- ment	Activity Director Employee	Activity Director	Activity Director Employee	Program Director
H. Purchased Services Aircraft	Activity Director Employee	Activity Director	Activity Director Employee	Program Director
I. Other Purchased Services	Activity Director	Activity Director	Activity Director	Program Director
J. POL (Credit Card Purchases)*	Activity Director	Installation Property Book	Activity Director	Program Director

<u>Type of Supplies or Service</u>	<u>Initiating Officer</u>	<u>Supply Officer</u>	<u>Fiscal Officer</u>	<u>Commanding Officer</u>
K. Transportation of Things (FH Form 6, Request for Transportation of Supplies)	Activity Director	Not Applicable	Activity Director	Program Director
L. Purchased Utilities	Activity Director	Not Applicable	Activity Director	Program Director
M. Communications	USAISC Agency	Not Applicable	USAISC Agency	USAISC Agency

* Purchase Request and Commitment Form are not prepared for POL (Credit Card Purchases). Request for United States National Credit Card will be made in accordance with block 2c, this regulation, and other pertinent regulations.

NOTE: Signatures may be obtained below the level indicated in the above table, i.e., by the unit or subactivity requiring the service, provided the program director has furnished the Internal Control Branch, FAO, with a listing of those individuals to certify local purchase authority and fund availability and approve the procurement request. (See block 5).