

MEMORANDUM FOR DISTRIBUTION

4 August 2008

To: All MWR and CBH Activities

Subj: F&FRSC Procurement Office Update #2

Below information is a follow-up on the new NAF purchase card program training we received from Jason Phillips, Millington Tennessee HQ staff, on 21 Feb '08.

NEW NAF PURCHASE CARD PROGRAM... Upon the expiration of the current Citibank contract in Nov 08, Navy NAIs (F&FR, NEXCOM, and USMC MCCS) will be transitioning to a new program designed specifically for NAF by the Air Force Nonappropriated Fund Purchasing Office (AFNAFPO). The AFNAFPO contract was set up to allow other Service NAIs to participate in their Purchase Card Program with JP Morgan Chase. The bank will provide interfaces to each Navy NAI in accordance with their individual accounting systems.

CNIC is working with JP Morgan Chase to develop a web-based purchase card call log and approval application that populates all the purchase data and allows for the on-line entry of the associated cost center. This new process will have an automated interface to SAP, significantly reducing the level of effort by the regional business office staff to maintain the data. Training materials for the new program are being developed and details will be provided soon as to dates/sites for the training. New VISA cards will be issued to Navy NAF cardholders by CNIC, Millington at the time of implementation.

The new program will result in many benefits, a few of which are:

- increased rebates based on the combined spend volume of AFNAFPO plus the three Navy NAIs participating (the new system will allow a portion of the quarterly rebates to eventually be passed to the regions/activities once the program set-up, required training, and operational costs have been identified and budgeted by CNIC)**
- web-based software and data mining feature with analytical reporting tools**
- streamlined processes and better control features**
- automated process reconciliation and general ledger posting in SAP**
- ability to change current billing cycle to end of month to reduce/eliminate accrual process and other manual accounting processes**
- reconciliation of transactions on-line throughout the cycle instead of manually at the end of the cycle**
- setup of CH and AO accounts on line; no faxing forms and waiting for confirmation**
- transfer of accounts within or between offices without cancelling cards and starting over and without disrupting purchase card history**
- automatic email notifications from bank when a transaction posts**
- vendor disputes and point-of-sale declines handled quickly on-line**
- capability of custom ad hoc reports and posting of messages in the system**
- oversight will be provided by ASN(M&RA) in accordance with NAF policies and procedures**

Additional information will be provided soon via email to Agency Program Coordinators. POC is Nina Marshall (901) 874-6686.