

Approved by _____ Date: _____

NOTICE: Instructions for Completing Purchase Requests, and Property Control (including Shipping Memos). **DOCUMENT FOLLOWS.**

1. Completing Purchase Requests¹

Purchasing is the organization responsible for buying the goods and services National Scientific Balloon Facility (NSBF) requires in its operations. The mission of Purchasing is (1) to obtain quality goods and services; (2) at a fair and reasonable price. You, the NSBF Employee, are our customer, and we want to help you promptly and get your purchases done correctly the first time. Also, Purchasing must assure that procurements comply with the requirements of our contract with NASA (National Aeronautics and Space Administration) and with other requirements, such as those of NMSU / PSL (New Mexico State University / Physical Science Laboratory).

Purchase Requests (PRs) are your very first step in procuring an item, after you identify a need.

PR information must be accurate, neat, and complete. It is especially important that model or part numbers, quantities, and prices, be legible and complete. You should include any and ALL information that will help the Buyer place the order (i.e., faxed quote, copy of advertisement, etc.). If you spoke to a specific person, write down his or her name and direct telephone number. Leaving out important information delays your getting what you need, because incomplete purchase requests are set aside to be reworked with you when time allows. Complete PRs go more smoothly through the system.

When you are discussing a quote or other matter with a vendor, do NOT allow the vendor to believe that you are placing an order, or are committing that an order will be placed by NSBF. You are only obtaining a quote. The only persons authorized to commit NMSU / PSL (represent to a vendor that a commodity or service will be purchased) are NSBF Buyers.

You, as the requester (person needing parts/items), are responsible for (1) preparing the PR; (2) obtaining all signatures through your Department Head's; and (3) routing the PR to the Administration Department. From there Administration will obtain the balance of necessary signatures and route the PR to Accounting and Property, before routing it to Purchasing. Once the PR is in Purchasing, processing by the Buyers begins.

The list below numerically corresponds to the fields of the sample PR attached to this document.

Reference	Field	Instructions
1.	REQ Number	Request number assigned by the requester for use in requester's own Tracking of PRs. Example: ELECT102. PR FORMS ARE AVAILABLE FROM SUPERVISORS OR FROM THE PURCHASING DEPARTMENT.
2.	Responsibility for Inspection	Ordinarily, Purchasing will check this block to be your responsibility ("User"). If you want an exception, discuss it with the Buyer. Shipping and Receiving will check in all orders for line

¹ See Attachment 1.

Reference	Field	Instructions						
		items, quantities, and basic condition of the packaging /contents. However, you must make sure that the goods received are correct and in good working order.						
3	Suggested Sources	<p>You must include the complete name, address, and telephone number or website of at least ONE source for the goods or service you are requesting. If you cannot do this, prepare a sole source justification and contact Purchasing to discuss.</p> <table border="1" data-bbox="760 600 1382 837"> <thead> <tr> <th data-bbox="764 606 1024 659">Total PR Value</th> <th data-bbox="1029 606 1377 659">Number of Suggested Sources</th> </tr> </thead> <tbody> <tr> <td data-bbox="764 665 1024 747">\$2,500 or less</td> <td data-bbox="1029 665 1377 747">One source – no sole source required.</td> </tr> <tr> <td data-bbox="764 753 1024 835">Over \$2,500</td> <td data-bbox="1029 753 1377 835">Three (3) sources or a sole source justification.</td> </tr> </tbody> </table> <p>You should write the name and telephone number of any person(s) you have technical discussion with, below the name and address of the suggested source(s) or in the Special Instructions Section of the PR.</p> <p>Attach to the PR copies of any correspondence sent to or received from the vendor, quotations, drawings, specifications or literature.</p>	Total PR Value	Number of Suggested Sources	\$2,500 or less	One source – no sole source required.	Over \$2,500	Three (3) sources or a sole source justification.
Total PR Value	Number of Suggested Sources							
\$2,500 or less	One source – no sole source required.							
Over \$2,500	Three (3) sources or a sole source justification.							
4	Requisition Date	The date you complete the PR and place it into the approval process.						
5	Requested by	Your name. (Last name, first name or initial)						
6	Extension	Your extension number. However, if you are away from the base for an extended period, send the Purchasing Agent an email with the best way to reach you if there are questions about your PR.						
7	Cost Center	Insert your cost center. If you do not know your cost center, Accounting will complete the information.						
8	Item Number	Number each different item described on the order, if you are requesting multiple items. Leave a blank line between items in case changes need to be made during the procurement process.						
9	Description	<p>Enter a description of what you want bought and include such items as:</p> <ul style="list-style-type: none"> • Part number; 						

Reference	Field	Instructions
		<ul style="list-style-type: none"> • Manufacturer; • Model number; • Size, capacity, voltage or other relevant information. <p>As much as possible, if a suitable item is manufactured by several different manufacturers, be non-specific about the manufacturer and Purchasing will try to find the best price for a product satisfying your requirement. (Example: NOT “Craftsman Model XA1453 cordless drill,” BUT “3/8 inch cordless drill, 18 volt.”) However, if a specific brand is needed for compatibility or another valid reason, specify the brand and attach a completed sole source justification² for items over \$2,500, explaining why the specific brand is necessary.)</p> <p>For computers, specify what your minimum need is in terms of monitor size, CPU type and speed, hard-drive size, and CD-RW / DVD, etc.</p> <p>If you are asking for an item to be fabricated to an NSBF specification, forward a copy of the specification or drawing to Purchasing via email, and attach the specification to the purchase request. Any specification or drawing must be dated and approved by a Department Head’s signature before it is acceptable to Purchasing.</p> <p>If you are sending an item out for evaluation for repair, describe what is wrong with the item, and if there is a dollar limit on the teardown repair that you do NOT want exceeded without permission, put it in the description.</p>
10	Catalog No	<p>If an item needed has number assigned by vendor such as a part number or catalog number, write it here. If you are looking at a specific catalog, it is also a good idea to write the date of the catalog and page number of the item in the SPECIAL INSTRUCTIONS section, and attach a photocopy of the page to the PR.</p>
11	Property No.	<p>If ordering NEW EQUIPMENT, leave it blank.</p> <p>If seeking REPAIR or refurbishment or modification of Government Property, (1) enter the property number from the NASA or PSL tag; (2) complete a Shipping Memo and submit it with the purchase</p>

² See Attachment 2.

Reference	Field	Instructions
		<p>request.</p> <p>SHIPPING MEMO FORMS ARE AVAILABLE IN THE SHIPPING / RECEIVING OFFICE. REQUESTERS SHOULD OBTAIN SIGNATURES REQUIRED IN THE "EQUIPMENT MOVEMENT NOTICE" SECTION.</p>
12	Quantity	Enter the number of the item you need.
13	Unit	<p>Insert whatever describes purchase quantity or measure of the item. Examples include: "each", "dozen", "pound", "pair", etc. Contracts for services are usually described as one (1) "job."</p>
14	Unit Price	<p>Insert your best estimate of what the unit price is for the item. If a prospective vendor has given you a quote, ask for a quote number and reference it, as this makes it much easier for Purchasing to place the order.</p>
15	Amount	<p>Calculate and insert the extended price for each line item (unit price times quantity). Total the extended prices in the blank marked "Total". If there is any uncertainty about price, it is better to be "conservative" and slightly over-estimate it, as added costs may result in additional approvals being required. THE APPROXIMATE TOTAL PRICE MUST ALWAYS BE COMPLETED ON THE PR.</p>
16	Specific Application	<p>THIS SECTION MUST BE COMPLETED. Explain the exact purpose or use of the item. Examples include "upgrade existing software for compatibility with . . .", "Antarctica Launch Vehicle", "Ft. Sumner", etc.</p>
17	Date Required	<p>Indicate a realistic date that you need the item on dock that allows procurement lead-time. If it requires expedited shipping or overnight delivery to accomplish your date, you are by implication authorizing the special shipping instructions and costs. Do not use "ASAP"; use the date you actually need the item. If this section is left blank, generally Purchasing will (1) get the best "regular" delivery possible; (2) process your PR after others needed sooner.</p> <p>You need to also allow processing time by the Buyer. Purchasing processes hundreds purchase requests per year. Emergency or expedited items as approved by management are given higher priority.</p>

Reference	Field	Instructions	
		Type of Order	Normal priority procurement lead time (does not include property – controlled items)
		< \$2,500 except consulting	5 working days
		\$2,501 - \$5,000	7 working days
		\$5,001 - \$10,000	10 working days
		Over \$10,000	15-30 working days, depending on whether the item must be placed for bid or competitive proposals and negotiated.
		Consulting Services	Contracts for professional, technical, legal or economic consulting require NASA approval and may require PSL approval.
		<p>Mere <u>delivery</u> is NOT an adequate Sole Source justification unless an emergency exists. A Sole Source form³ stating the circumstances should be attached.</p> <p>You will be informed as soon as possible by email or phone if Purchasing cannot meet your required delivery date, and options will be discussed with you.</p>	
18	Signature Block	You must obtain signatures through that of your Department Head – this is not Purchasing’s responsibility!	
19	Special Instructions	Enter comments such as special delivery, special shipping instructions, or other information relative to the procurement or other pre-purchase activity. Examples include quote references, vendor contacts and telephone extensions, dates, discounts, etc.	

APPROVALS

Department heads, or “acting”⁴ department heads shall sign the PR document. Mere initials are NOT acceptable.

³ See Attachment 2.

⁴ “Acting” status includes signature authority and is delegated in writing prior to the absence of the NSBF Site Manager or NSBF Department Head stating length of time “acting” status is delegated. Should both the Department Head and the Acting Department Head be absent, all requisition approving authority will reside with the NSBF Site Manager (or Acting NSBF Site Manger) until either the Department Head, Acting Department Head return to work. If you are delegated “acting” status, you should sign your name on the signature line of the person for whom you are acting; next, you should write their name; last, fill out the date block (e.g., Mary Smith for John Doe 2-10-2004).

PR APPROVAL AUTHORITY FOR NSBF IS SHOWN BELOW:

NAME	TITLE	AUTHORITY THRESHHOLD
Donald L. Birx	Director, PSL	> \$100,000
Stephen B. Hottman	Program Manager, PSL Balloon Program	≤ \$100,000
Danny RJ Ball	NSBF Site Manager	≤ \$5,000
Judy Reynolds	NSBF Head, Administration & Facilities Dept.	≤ \$1,500
Bill Stepp	NSBF Head, Operations Dept.	≤ \$1,500
Dwayne Orr	NSBF Head, Electronic Systems Dept.	≤ \$1,500

SOLE SOURCE PROCUREMENT / \$2,500 AND OVER

A valid sole source justification⁵ is required when you want to buy something worth over \$2,500 from only one specific source. In a sole source justification, you must explain why it is necessary, in good business judgment, to buy an item from only one source. Examples include compatibility with existing equipment or software or compatibility with proprietary hardware or software that NSBF already uses. Other examples, related to services, include the fact that a certain company is the only known source of expertise in a specific highly specialized area. The Purchasing Agent determines the validity of a sole source justification, on the basis that it has to explain to a person with no specialized knowledge of an area, why obtaining competitive bids is not possible, or why a sole source makes good business sense. Sole Source applies both to vendors and to products (brand names). When brand names are specified, bids will be solicited from only those vendors who sell the item requested.

The attached sole-source justification⁶ exists as a MS Word document and can be forwarded to you electronically by request to any Buyer. Please refer to the attached sole source justification (SSJ) form attached:

Items 1, 2, 4, 5, 6, 7, and 9 are identical to the information on the PR, and should be completed so that they tie unequivocally back to that PR. Skip item 8, which is completed by Purchasing. Enter your assigned PR number in No.9, but if you do not assign one, Purchasing will enter the PO number here. Item 3, is a short description of the purpose of the item or project. Item 10 only applies to direction received from NASA to buy something from a specific vendor. Items 11, 12, 13, 14, and 15 are largely self-explanatory. Item 15 would be checked for example, if a vendor has the only heavy lift equipment available that can reach a payload landing site in necessary time to retrieve the payload. Regardless of which block is checked, you must explain in 16 the details of the reasoning are that will justify the sole source. A sole source justification need not be lengthy, but must make a compelling case that a sound business reason exists which prevents NSBF from seeking competitive bids.

Except for balloon procurements for Non-Standard NASA Design Balloons, which require an RFP or IFB to the vendor, Standard Design balloon procurements are normally handled through an annual requirements order with the vendor.

⁵ See Attachment 2.

⁶ See Attachment 2.

OTHER CONSIDERATIONS

1. The Purchasing Department may request your help in evaluating one or more proposals, bids or quotes. Ordinarily, a vendor's responses for items less than \$9,999 are not routinely sent to you for technical review and evaluation unless the Buyer cannot find a vendor to meet your requirement, in which case you will be contacted via email or telephone.
2. For purchases over \$10,000 you may be asked to review the responses and indicate in writing whether or not each one is technically acceptable, or express an opinion as to whether proposed work is reasonable to the task.
3. Ordinarily competition is not required for purchase requests under \$2,500, but the Buyer must determine the price from the suggested source to be reasonable. If there is any doubt as to the reasonableness of the price, the Buyer is required to solicit competition.
4. If you contact a vendor for free material samples or bulky catalogs, you should request the vendor to write your name on the address label of the package and mark as "FREE SAMPLE" or "FREE CATALOGS".
5. You must notify Purchasing, preferably by email, in the event you are returning an item to a vendor for WARRANTY repair or replacement, and you must complete a Shipping Memo.

2. Property Control

Property is any kind of tangible item that is bought for NSBF or fabricated by NSBF. All items bought under our NASA contract are Government Property. Our NASA contract requires us to control Government Property which has a value equal to or exceeding \$250. Government Property includes Ground Support Equipment (GSE), but does NOT include flight hardware.

Centrally Reportable Equipment (CRE) means plant equipment, special test equipment (including components), special tooling, and non-flight space property (including ground support equipment):

1. generally commercially available and used either as a separate item or as component of a system; and
2. having an acquisition cost of \$1,000 or more; and
3. is identifiable by a manufacturer and model number and serial number.

NASA approval to acquire CRE must be requested by the NSBF Property Administrator and given by the Contracting Officer (CO), BEFORE the item can be purchased. Please know that this can take up to 30 days, which needs to be calculated into your required date. Questions regarding property control should be directed to the Property Administrator.

3. Completing Shipping Memos⁷

A Shipping Memo should be completed whenever:

1. Received Purchase Order items are being returned to a vendor for any reasons (if the return is for credit, inform Purchasing immediately, so the credit can be discussed with the vendor by a Buyer). If you discover a discrepancy or problem in an order, notify Accounts Payable AND Purchasing as soon as possible to make sure an invoice is not paid while there is a problem with an order.
2. Equipment or Controlled Property is forwarded to a vendor for repairs or modification (if the repair is NON-warranty, and will result in a charge to NSBF, you MUST prepare a PR to accompany the Shipping Memo).

⁷ See Attachment 3.

3. Equipment or Controlled Property is shipped or carried off site for field trips or remote flights.

The Shipping Memo is completed as follows. (Numbers refer to the appropriate blanks on the sample Shipping Memo (SM) form attached):

- You should complete items 1 (vendor's name only), 2, 3, 4, 5, 6, 7, 8, 9, and 10.
- Complete item 11, the "Ship To:" address, only if this shipment does NOT involve a Purchase Request / Purchase Order.
- For NASA-owned property and items charged on the 90412 fund/task ONLY, route the SM to your Department Head **and to the Site Manager** for approval (item 12). Otherwise, your signature on the document is sufficient.

4. List of Attachments

1. Purchase Requisition (PR) form
2. Sole Source Justification (SSJ) form⁸
3. Shipping Memo (SM) form

⁸ This form as a word processing (MS Word) document is available on request from the Purchasing Department. It should be completed, printed out, and signed and attached to the PR. Where personnel are on remote duty, it may be completed, signed, scanned and forwarded to Purchasing as an Adobe PDF document. **All** fields from the form must be included in the memorandum, each in a separate paragraph with a heading with the same name as the field on the form, EXCEPT for those "inapplicable" to the PR. Fields inapplicable may only include fields from 10-15, and it must be signed.

Date: <u>20 January 2004</u>		Requestor Signature: _____
Contract Number: <u>NAS5-03003</u>	WORK ORDER:	COST CENTER:
Vendor: Address:	Purchase Request: \$	
	ACTUAL COST: \$	
	PURCHASE ORDER NO.:	
<p><i>CONTRACT DIRECTED</i></p> <p>Instructions: Please identify directing contract instrument reference by date, page numbers, paragraphs, etc., applicable and attach copy of NASA authorization.</p>		
<p>OTHER SOLE SOURCE JUSTIFICATION</p> <p><input type="checkbox"/> Software Already Developed <input type="checkbox"/> Compatibility <input type="checkbox"/> Repair/Maintenance <input type="checkbox"/> Proprietary <input type="checkbox"/> Other</p> <p>Instructions: Provide details supporting above criteria.</p>		

ATTACHMENT 2

