



DEPARTMENT OF THE NAVY
NAVAL SUPPLY SYSTEMS COMMAND
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IN REPLY REFER TO:
4200
Ser21B1/0038
SA00-02
24 JAN 00

From: Commander, Naval Supply Systems Command

Subj: WEB-BASED LETTERS OF AGREEMENTS

Ref: (a) NAVSUPINST 4200.94

1. An innovative approach to establishing Letters of Agreements (LOAs) in support of regional or command purchase cardholders has been instituted by the Fleet and Industrial Supply Center (FISC) Puget Sound. The approach uses the LOA contracting approach identified by reference (a) combined with a web-based technology to create a user-friendly tool that empowers purchase cardholders to use their purchase cards above the micro-purchase threshold (\$2500).

2. LOAs are blanket purchase agreements (BPAs) designed specifically for purchase cardholders to allow them to capitalize on the oral order methodology of the BPA and the use of the purchase card to pay for the oral orders above \$2500. The FISC Puget Sound website offers an on-line log with which to document oral orders, a purchase cardholder's telecon sheet for documenting vendor quotations, and provides an electronic fair and reasonable price determination. In addition, the website provides a list of vendors currently with LOAs, a link to a second webpage identifying the vendor, his/her cage or DUNS number and other information regarding the vendor including a link to their website where available.

3. HCAs with contracting offices supporting regional or command purchase cardholders should investigate the practicality of establishing this web-based technology as a business practice within their organizations. The website can be viewed at <http://www.puget.fisc.navy.mil/contracting/loa/index.htm>. The FISC Puget Sound point of contact for this initiative is CDR Stephen Shapro who can be reached at 360-476-2801, DSN 439-2801 or via e-mail at stephen_r_shapro@puget.fisc.navy.mil.

4. Purchase cardholders continue to be a growing but untapped population of customers for contracting offices. Contracting offices can provide added value by awarding procurement instruments that support the use of the purchase card. We increase the capability of the contracting office and purchase cardholder. By creating electronic processes that combine the procurement instrument with an electronic functionality.

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5. We are continuing our efforts to identify best practices associated with the use of simplified acquisition procedures (SAP) that enable contracting offices to provide added value to a greater variety of customers. If your contracting office has developed a best practice that can be shared with other DoN contracting offices using SAP we encourage you to share them with us as Puget did for this letter.

6. Point of contact for questions can be directed to Mr. Clay Welker who can be reached at DSN 430-7502 or commercial 717-605-7502 or via the internet clay_W_welker@navsup.navy.mil

A handwritten signature in black ink, appearing to read "Eva M. Robinson", with a long, sweeping horizontal line extending to the right.

EVA M. ROBINSON
By direction