NROTC Supply Binder - Tab 4-1

SUBJECT: Tuition Ordering and Payment Process Policy and Procedures

PURPOSE: To inform NROTC unit Ordering Officers of the proper procedures in placing and administering Task Orders against Educational Service Agreements (ESAs).

OVERVIEW: It is standard practice for a NROTC Unit member, typically the Supply Technician, to be appointed as the NROTC Unit's Ordering Officer to place tuition orders against the ESAs.

Performing the duties of an ordering officer requires a very intricate working knowledge of both financial and acquisition regulations.

The process of placing orders and administering them involves being able to navigate these complex regulations and to understand which rules apply to which portion of the process. The attached Tuition Ordering Handbook is designed to simplify and provide a clear defined process to assist the unit ordering officer in meeting all legal requirements.

It is important to understand that Financial and Acquisition regulations DO NOT always agree with each other and which regulations to follow depends on which part of the process it is being applied to.

This Policy and Procedures incorporates the previous individual Supply Tabs that apply only to the ordering of tuition under the ESAs, into one encompassing handbook.

This Policy supersedes all pervious guidance.

ACTION REQUIRED:

1. There are significant changes in the tuition ordering process. It is imperative to read the attached handbook in its entirety.

2. NROTC Unit Ordering Officers shall verify that they are using the most current guidance before placing any orders. Current guidance is posted on-line in the Supply Binder, Contract Tab at: http://www.nrotc.navy.mil/sitemap.html.

3. Adhere to the guidance contained in the attached handbook.

Point of Contact:

See Handbook

Tuition Ordering and Payment Policy and Procedures Handbook

Date: 22 January 2019

IMPORTANT NOTICE:

NROTC Unit Ordering Officers shall read their Educational Service Agreement (ESA) prior to implementing this policy in whole.

This policy was written specifically for the updated next generation ESAs that state in Paragraph 3(g) "NROTC students are required to fulfill the NROTC scholarship contract requirements during the first 45-days of each term before they receive scholarship benefits. Once the NROTC students meets their scholarship requirements, the government assumes financial liability for tuition and allowable fees and will issue a task order effective the 46th day of each term which authorizes the Contractor to invoice the government for their tuition and allowable fees. The government reserves the right to reinstate scholarship eligibility requirements at a later date in accordance with the Regulations for Officer Development for NROTC students who failed to fulfill their initial requirements."

This is typically referred to as the 45-day rule and ONLY applies to the ESAs that contain this specific language.

This policy does not apply in whole for older ESAs that state "The Contractor shall submit invoices only for students in academic good standing with the institution. For the fall term of each academic year, the Contractor shall submit invoices to the NROTC Unit not earlier than October 1 so that the Unit can review and certify for payment the NROTC students that are then in academic good standing.", the 45-day rule does not apply and there are several unique differences to this policy in placing orders against theses ESAs.

Although the majority of the policy applies to all ESA's, the primary differences are:

- The requirement dates are different
- Fall tuition orders have to be issues on 01 October
- Spring tuition orders have to be issued by the first day of class
- For students that do not meet scholarship benefits eligibility as defined under the NROTC Scholarship Contract 45-day requirement, then the government incurs an obligation to pay the university and the government must recoup the indebtedness from the student.

The NSTC Logistics Department is working with FLC to phase these agreements out and enter into new agreements with the universities that contain the 45-day language.

NROTC Unit Ordering Officers shall contact the NSTC Contract Administrator for an alternate version of this policy after 4 July, 2019 if they are operating under an ESA that does not contain the updated 45-day language.

Table of Contents

Points of Contact Page 8

Forward Page 9

1. Educational Service Agreement Page 9
2. Ordering Officer Page10
3. Contract Files Page 12
4. Timelines Page 16
5. Bona Fide Need Rule Page 17
6. Tuition Budget Request (NSTC 7100/5) Page 18
7. Tuition Request for Services Page 19
8. Funding Requisition Document (DD Form 1149) Page 20
9. Issuing a Task Order (DD Form 1155) Page 21
    - A. Tuition and Fees Page 22
    - B. Tuition and Fees, Retroactive Page 22
    - C. Condensed Courses Page 23
    - D. Tutoring Page 23
    - E. Advance Placement Exams Page 24
10. SAM Page 24
11. FPDS-NG Contract Action Reporting Page 25
12. EDA Reporting Page 26
13. CPARS Reporting Page 27
14. Contract Administration Page 27
    - A. Tracking of Services Page 28
    - B. Tracking of Funds Page 28
    - C. Issuing a Modifications (SF 30) Page 28
    - D. Memorandum for the Record Page 31
    - E. Quality Control Page 31
    - F. Certifier Page 33
    - G. Payments Page 34
    - H. Payment Processing Issues Page 35

I. Under-Payments Page 36
J. Over-Payments/Reimbursements Page 36
K. Contract Close-Out Page 37
15. Student Withdrawals Procedures Page 38
16. Failure to Maintain Eligibility for Scholarship Benefits Page 39
17. Medical Leave of Absence and Scholarship Eligibility Reinstatements Page 40
18. Condensed Courses Page 42
19. University Provided Tutoring Services Page 43
20. ESA Annual Review Page 43
21. Self-Assessment Page 43
22. Finance End of Year Close-Out Page 44
23. Financial Improvement and Audit Readiness (FIAR) Page 44
24. Updates Page 45
25. Audit Support Page 45
26. Technical Support Page 45
References Page 46
Acronyms Page 48
Definitions Page 49
Useful Web Links Page 52

Appendix A
Detailed Instructions

A-1 Tuition Ordering Process and Flow Charts

A-2 Tuition Budget Request NSTC Form 7100

A-3 Requesting FASTDATA Access

A-4 DD Form 1149 Requisition Document

A-5 Annual Comptroller's Office Funding Line of Accounting Data Elements Directives

A-6 DD Form 1155 Sample – Placing an Order

A-7 DD Form 1155 Sample – Inspection and Acceptance

A-8 SF 30 Sample – Modifying a Task Order

A-10 FPDS-NG – How to Register

A-11 FPDS-NG – Contract Action Reporting

A-12 EDA – How to Register

A-13 EDA – How to Instructions

A-14 WAWF – Proper Invoice Data Entry Requirements

A-15 NSTC 1597 Contract Close-Out Form Instructions

A-16 Memorandum for the Record Example

A-17 Appointment and Termination of Ordering officer

A-18 Line of Accounting

A-19 SF 1164 Tuition Reimbursement Requirements

A-20 WAWF Invoice Training - University

A-21 Handbook Authorized Deviations

A-22 Frequently Asked Questions

A-23 *Reserved for future issuance*

A-24 *Reserved for future issuance*

A-25 *Reserved for future issuance*

Appendix B
Forms

B-1 Privacy Act Cover Sheet

B-2 Tuition Ordering Checklist

B-3 Tuition Budget Request NSTC Form 7100

B-4 Order/Fiscal/Closeout Log Tracker Spreadsheet Sample

B-5 Invoice Tracker Spreadsheet Sample

B-6 Release of Claims Form

B-7 NSTC 1597 Contract Close-Out Form

B-8 DD Form 1155 WAWF Clause Attachment A

B-9 Reporting Self-Assessment Checklist

B-10 NROTC ESA Listing

Contracting Subjects:	**Points of Contact:**
ESA Program Administrator, DD Form 1155, SF30, FPDS-NG & EDA Entries, WAWF Invoice Entries and Processing, CPARS, SAM, Appointments/Terminations All Contract Processes	Kevin Robinson NSTC Contract Administrators 847-688-4141 Ext 447 kevin.g.robinson@navy.mil
Compliance Auditing	Beth Kleinschmidt NSTC Program Analyst 847-688-5855 Ext 187 beth.kleinschmidt@navy.mil
WAWF/EDA Access	Sidney Coleman NSTC Group Administrator (GAM) 847-688-4141 Ext 176 NSTC_GAM@navy.mil
FPDS-NG Access	Gerald Wilson NAVSUP Procurement Analyst 717-605-2469 gerald.wilson2@navy.mil
Contract and Educational Service Agreements Process Owner	Jerry Long NSTC N4 Logistics Director 847-688-4509 Ext454 jerry.e.long@navy.mil

Financial Subjects:	**Point of Contact:**
DD1149, Other Funding Documents FASTDATA, SABRS All Financial Processes	Pam Madden NSTC Budget Officer, NROTC 847-688-6808 Ext 175 pam.madden@navy.mil
WAWF Invoice System Errors	Denetria Etienne NSTC Accounting Officer 847-688-6808 Ext 414 denetria.etienne@navy.mil
Financial Process Owner	Anne Hemingway NSTC Comptroller 847-688-3371 Ext 155 anne.hemingway@navy.mil

FORWARD

The ordering of scholarship tuition and allowable fees involves both finance and contracting processes. In order for the NROTC Unit Ordering Officers to properly and successfully award Task Orders for these services, the finance and contracting processes must smoothly transition between the two. This handbook is written to simplify and assist ordering officers in navigating the process from cradle to grave.

This handbook was developed under a combined effort of the NSTC Logistics Office, NSTC Comptroller's Office and NSTC Office of General Counsel with input from Fleet Logistic Center (FLC) Norfolk Contracting Office, FLC Office of General Counsel and FLC Policy and Procedures Branch.

A special thank-you to the following primary NROTC units that provided assistance, input, reviews and beta testing: NROTC University of Illinois, NROTC University of Kansas, NROTC Marquette University, NROTC Arizona State University, NROTC Savannah State University, NROTC University of Maryland and NROTC Virginia Polytechnic Institute.

This Handbook is organized into three parts.

The handbook portion discusses the overall process and procedures.

Appendix A provides detailed and specific guidance on the various processes.

Appendix B contains the common forms and samples.

1. EDUCATIONAL SERVICE AGREEMENTS

FLC Norfolk is the assigned office for the Navy to enter into all ESAs and are entered into under the authority of the Defense Federal Acquisition Regulations (DFARS). Only FLC Norfolk contracting has legal authority to enter into, modify, cancel and negotiate these agreements. NROTC Units are STRICTLY PROHIBITED from performing any of these functions.

The ESA program is administered by the NSTC Logistics Department and is NSTC's single point of contact with FLC Norfolk. NSTC Logistics Department is responsible for the development of tuition ordering policies, procedures and guidelines.

An ESA is a legally binding agreement between the government and a specific university that provides educational services to the NROTC program. Placing orders against this agreement is executed utilizing a contract instrument which must meet all requirements as directed by the Federal and Agency Acquisition Regulations.

The orders placed against the ESA by the NROTC Unit Ordering Officer are known as Task Orders and can only be placed with the university specifically listed and for the services specifically listed in the ESA. These Task Orders are the only instrument that allows for the government to pay the university directly for all tuition and fees under the NROTC Scholarship programs.

Each university in which tuition is directly paid too has its own ESA. An NROTC unit **MAY NOT** place a Task Order to pay tuition/fees at a different institution other than the one listed on the ESA and they also **MAY NOT** pay for anything not specifically listed in the ESA. It is important to remember that an ESA and Task Order are not the same.

The ESA should not be confused with a Cross Town Agreement which is a multi-party agreement between the government and two or more educational institutions. Tuition is paid to the educational institution holding the ESA. That institution then makes tuition payments to the other educational institution(s) covered by a Cross Town Agreement. For the purpose of the ESA program, the location that hosts the NROTC unit is irrelevant in determining Cross Town Agreements. If the NROTC unit can pay the university directly, it is an ESA. If the NROTC unit has to pay one university who then pays another university then it is a Cross Town Agreement.

Unlike the government who is bound by additional laws, regulations, instructions and operating procedures, the university is only required to comply with laws, Federal Acquisition Regulations (FAR), DFARS, their business practices and what is specifically contained in the ESA.

See Appendix A-13 on how to obtain a copy of your ESA(s) and any and all modifications that have been issued.

Note: The ESA is a legally binding agreement between the Navy and the university. The NROTC Scholarship contract is between the Navy and the scholarship recipient. When there is a conflict between the two, you shall follow what the ESA states when dealing with the university and you shall follow what the Scholarship contract states when dealing with the scholarship recipient. The Scholarship contract and the ESA have no legal bearing on each other. They are two total separate documents with two different entities. ESAs have very specific language as directed by federal regulations.

2. ORDERING OFFICER

The ordering officer is appointed using a SF 1402 “Certificate of Appointment as a Contracting Officer” and is the only person at the NROTC unit who can enter into a legitimate contractual obligation and legally bind the Federal Government of the United States. This position is unique as the ordering officer *exercises SOLE AUTHORITY AND RESPONSIBLE* in ensuring all contract actions they issue meet regulatory requirements.

FLC has delegated authority to the NROTC units' Commanding Officer to appoint an ordering officer to place orders against ESAs. This delegation authorizes the NROTC Unit Ordering Officer to act as an agent of the FLC Contracting Office and is mandated to comply with NAVSUP instructions. The NROTC Unit Ordering Officer's authority is limited by the FLC delegation letter, the ESA the order is being placed against and any limitations placed in their Certificate of Appointment as an Ordering officer (SF1402). It is **Imperative to read and understand the ESA, to include all modifications, delegation of authority letter and limiting scope of the certificate of appointment.**

Unless stated otherwise, your delegated authority is only to order tuition, fees and tutoring services allowed in the agreement. You DO NOT have the authority to make any changes to the ESA to include, but not limited, in changing institution names, address changes, CAGE Codes. For these issues, the NROTC Unit Ordering Officer shall contact the NSTC Contract Administrator for guidance.

NROTC Unit Ordering officers are responsible for ensuring performance of all necessary actions for effective contracting, compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships.

NROTC Unit Ordering officers shall --

- Safeguard the interests of the United States
- May bind the Government only to the extent of the authority delegated to them.
- Not enter into any Task Order unless the NROTC Unit Ordering Officer ensures that all requirements of law, executive orders, regulations, and all other applicable procedures have been met.
- Ensure that sufficient funds are available for obligation;
- Ensure that contractors receive impartial, fair, and equitable treatment;
- May not delegate authority
- Seek and consider the advice of contract specialists, law, finance and other fields, as appropriate.

NROTC Unit Ordering officers **SHALL NOT** –

- Enter into additional agreements with the university. Only FLC can enter into additional or terminate educational service agreements.
- Identify themselves as a "Contracting Officer"
- Withhold or delay properly submitted invoices.
- Conduct yourself in a manner that LOOKS improper or shows favoritism to the university.
- Change or add additional terms, conditions or requirements not specifically authorized in their letter of delegation AND certificate of appointment.
- Include payments for prohibited items such as:
    - Meals
    - Lodging
    - Special Courses
    - Permit/Parking
    - Delinquency Charges

- Equipment Deposits
- School Supplies, text books,
- Courses retaken due to failure or attempt to get a better grade
- Services such as gym memberships and computer time

The NROTC units Ordering officers are required to exercise good business judgments within the confines of their legal authority in dealing with unique issues with their university. It is understood that each university are their own individual entity and offer unique challenges in ordering and administering tuition Task Orders. In incidences where the university business rules do not allow the NROTC Unit Ordering Officer to follow the standard guidance the NROTC Unit Ordering Officer shall seek guidance from applicable subject POC and request a deviation authorization from the NSTC Contract Administrator. *See Appendix A-21 for guidance.*

Placing an order against an ESA is entered into under the authority of the Federal Acquisition Regulations (FAR), Defense Federal Acquisition Regulations (DFARS), NAVSUP instructions and other acquisition regulations and delegation of authority documents. Failing to comply with the acquisition regulations and/or exceeding your delegated authority may result in personally liable for any and all damages and subjected to administrative actions, and/or civil suite and/or criminal prosecution.

See Appendix A-17 for ordering officer appointment, turn-over and termination procedures.

3. CONTRACT FILES

Each NROTC Unit Ordering Officer shall establish files containing the records of all relevant contractual actions. These files are legal records and shall be sufficient to constitute a complete history of the transactions, background as a basis for the decisions, actions taken and shall contain adequate documentation to “tell the entire story” to an independent auditor, legal investigations or judiciary procedures.

The ESA shall have a separate folder and each individual Task Order is considered its own contract and shall have its own individual contract file containing all required documentation listed in Table 1.

Contract files contain procurement sensitive information and shall be properly safeguarded and stored under lock and key. The information contained within these files shall not be released outside the government (contracted workforce is not government) and the university. In addition, contract files that contain Privacy Act or Personal Identifiable Information shall include a Privacy Act Cover Sheet (DD Form 2923) either attached to the outside of the file or as the cover page in the file.

Each individual NROTC unit shall establish a standardize folder template. Consistency in record keeping assists in administering the orders, assists auditing’s and tends to

make the auditing process go smoother. Typical sections and sub-sections in a contract folder are:

Section A – Preaward

1. Tuition Estimation NSTC 7100 form
2. Tuition Request for Services
3. University Catalog Price List
4. Term calendar and 45th day determination documentation
5. SAM Verification Printout(s)
6. Student Scholarship Eligibility List or Student LOA/Academic Reinstatement Letters
7. Tuition Ordering Checklist

Section B – Contract and Modifications

1. (Order) DD Form 1155
2. (Modification) SF 30s

Section C – Correspondence

Section D – Financial

1. DD Form 1149 and certification of funds
2. Funds Expenditure Tracker
3. WAWF Invoice Printouts
4. Signed Inspection/Acceptance DD Form 1155's
5. Enrollment Cost Breakdown list
6. Tutoring Tracking Sheet

Section E – Admin

1. Supporting Documentation and Miscellaneous Forms
2. FPDS-NG Print Out
3. MFRs
4. Release of Claims
5. Close-Out Form

Each folder shall be labeled with:

- Open and Closed Dates
- ESA and Task Order Numbers
- Identifying it as the type of service (such as tuition) for term and year.

Typical sections and sub-sections in an ESA folder are:

Section A – Educational Service Agreement

1. Agreement (SF 1449)
2. Modifications (SF 30s)

Section B – Correspondence

1. CPARS Reporting

Section C – Tracking

1. Order/Close-Out Log
2. Order Accumulation Amount Tracker (CPARS)

Section D – Audits

1. Self-Assessment Audits
2. PPMAP Audits
3. NSTC IG Audits
4. Corrective Action Documentation

Section E – Admin

1. FLC Letter of Delegation
2. Ordering officer(s) Certificate of Appointment (SF 1402)
3. Ordering officer(s) Training Certificates (CON 237 and WAWF Inspector/Acceptor)
4. Ordering officer(s) Letter of Termination
5. DD Form 577(s) or designation letter(s) for Certifier and Quality Control
6. Turn-Over Documents
7. MFR's

Folder shall be labeled with:

- Open and Closed Dates
- ESA Numbers
- University Name

Contract files may be kept in both electronic and paper format, however upon contract close-out, all files shall be filed together in one format. All paper file signatures shall have "wet" signatures.

NROTC units must comply with procedures for the handling, storing, and disposing of contract files, in accordance with SECNAV M5210.1 – Record Retention and Destruction. These files must be maintained for ten years after the Task Order close-out form is signed. Ordering officers shall seek legal determination before destroying any contract files under dispute, legal litigation or being used in an investigation. Except for working documents, do not purge any other documentation.

Table 1 outlines the required reporting, filing and distributing contract documents.

Table 1.

	REPORT		FILE		UPLOAD INTO		DISTRIBUTION OF DOCUMENTS	
	FPDS	FLC	ESA FILE	TASK ORDER FILE	WAWF/ Invoice	EDA	Bursar	NSTC N8
ESA			X					
ESA Mods			X					
Order/Fiscal/Closeout Log		1M	X					
Appointments/Training/ Termination and Turn Over Documents			X					
Certifier and QC Delegation Letters			X					
PPMAP/NSTC IG/ Self-Assessments and Corrective Actions			X					
FLC Letter of Delegation			X					
CPARS		1M	X					
DD1155 w/Attachment A	X			O	X	X	X	
SF30	$			O	X	X	X	X
SAM Verification(s)				X				
FPDS-NG Printout				X				
EDA Proof of Submission				ALT				
DD1149 & Verification of Funds				X				
NSTC 7100 and email				X				X
Catalog Price Listing & Academic Calendar				X				
MFRs			X	X				
Signed Tuition Ordering Checklist				X				
Scholarship Eligibility List				X				
Tuition Request for Services				X				
Student LOA/Academic Reinstatement Letter				X				
Tutoring Tracking Sheets				X				
Enrollment Cost Breakdown				X	XS			
Funding Expenditure Tracker				X				
WAWF Payment Printouts with signed inspection/ acceptance DD1155's				X				
Release of Claims				X				
Close-Out Form				O				X
Supportive & Misc Documents			X	X				

O = Original XS = School required to attach $ = If contain change to FPDS CAR Data

* = Submit when processing WAWF payments ALT = Alternate method maybe presented for audit

** = The ESA file shall contain all SF1402s and termination letters for all appointed ordering officers throughout the life of the ESA.

1M = When total accumulated value of all Task Orders reaches/exceeds $1,000,000. See CPARS reporting requirements.

4. TIMELINES

The tuition ordering process has financial and acquisition regulatory requirements that the NROTC Unit Ordering Officers are mandated to comply with. Table 2 outlines the required tasks and associated timeline to complete.

Table 2.

Task	Days to Complete	Reference
Establish contract file	15 days prior to start of term	FAR Part 4
Go into EDA to verify if additional mods have been made to the ESA	15 days prior to start of term	FAR Part 4
SAM Verification	15 days prior to start of term	FAR Part 4 and FAR Part 9
Submit NSTC 7100 - *Tuition and Fees, Tutoring and Condensed Classes*	10 days prior to term start, amend as required	NSTC requirement
Submit NSTC 7100 – *Scholarship reinstatements*	Reinstatement effective date	NSTC requirement
Issue a Tuition Request for Services	Prior to start of term	ESA requirement
Submit DD 1149 – *Tuition and Fees when ESA has 45 day language*	10 days after term start, amend as required	FAR Subpart 32.7, NSTC requirement
Submit DD 1149 – *Tutoring and Condensed Classes*	10 days prior to start date	FAR Subpart 32.7, NSTC requirement
SAM Re-verification	Within 1 day prior to issuing Task Order or cost increase mod	FAR Part 4 and FAR Part 9
Issue Task Order – *Tuition and Fees*	Prior to 46th day of term	FAR (Various Parts)
Issue Task Order – Reinstated *Scholarship Benefits*	Reinstatement effective date	FAR (Various Parts)
Issue Task Order – *Condensed classes, Tutoring, Placement Exams*	Prior to start date	FAR (Various Parts)
Enter Task Order/Mods into EDA	3 working days	NMCARS 5204.207-1(b)(1) modified by NSTC policy to 3 days
Enter Task Order/Mods into FPDS-NG	3 working days	FAR 4.604(2)
CPARS Reporting	3 work days of issuing Task Order	FAR 42.1502
Provide Signed copy of Task Order or Mod to Bursars Office	3 working days	FAR Subpart 4.2, modified by NSTC directive to 3 days
Issue SF 30	3 working days of change known	FAR Subpart 43.1
Process WAWF Invoices	With 7 calendar days of receipt	31 USC § 3901 to 3907, 5 CFR 1315 and FAR 32.904
LPO Process WAWF Invoices	Payment made within 30 days of receipt	31 USC § 3901 to 3907, 5 CFR 1315 and FAR 32.904
Contract Close-Out	Within 1 month of final invoice payment	FAR 4.804, modified by NSTC requirements to 1 month

5. BONA FIDE NEED

The Bona Fide Need rule (law) requires appropriated funds be used only to meet a legitimate – or bona fide – government need arising in the period of that appropriation's availability for obligation. The Anti-Deficiency Act prohibits obligating the government in excess of or in advance of appropriations.

Unlike traditional contracting practices where a contract has to be in effect prior to the government receiving any services or goods, scholarships payments have a unique requirement per a DoD legal determination. This determination states that the government has no Bona Fide need until the scholarship student fulfills their scholarship eligibility requirements on the 45th day of the term. This is commonly referred to as the 45-day rule. The 45-day rule only applies to the next generation ESA's that specifically state in Paragraph 3(e)., that the government assumes financial obligation on the 45th day.

For regular terms, the government incurs the legal obligation to pay for the scholarship recipients' tuition and fees on the 45th day of each term. Under this ruling, the Task Order is to be issued once the Bona Fide need is known, or should be reasonably known. Even if the student fails to maintain good standing or is withdrawn from the course after the student met the initial scholarship requirements, the government is still legally obligated to pay for the scholarship tuition and fees as outlined in the ESAs. *See the Withdrawal and Failure to Maintain Eligibility Benefit sections for processing these issues.*

For scholarship students, a Task Order shall be issued with an effective date of the 46th day of each term for all scholarship recipients who meet eligibility requirements as of the 45th day. A list of eligible scholarship recipients shall be included in the Task Order file.

For scholarship students who failed to meet eligibility requirements on the 45th day of the term and later authorized retroactive payments, the Bona Fide need date is the effective day they are authorized retroactive payments *(See Medical Leave of Absence and Scholarship Eligibility Reinstatements for further guidance)*.

To calculate the 45-day counter, day 1 is the first day that the university actually starts classes (i.e. if term starts on a Sunday, Monday when students go to class is considered day 1). When the 45th day is on a weekend/holiday in which the university does not hold classes, then the 45th day is the previous last date classes were held (i.e. 45th day is on a Sunday, then the 45th day would move forward to the previous Friday).

Freshman Orientation requirements are not considered part of the term for calculating the 45th day requirement.

Summer school and other accelerated academic classes referred to as condensed course are not an academic term. These classes do not fall under the 45-day rule, and the bona fide need to pay the tuition bill is established on the first day of any

accelerated class. The NROTC Unit Ordering Officer shall issue a Task Order prior to the commencement of the course.

Note 1: All older ESAs do not allow for the implementation of the 45-day rule <u>AND YOU MUST COMPLY</u> with what the ESA states.

Refer to Table 3 to assist in determining the Bona Fide need date.

Table 3.

Task	Bona Fide Need Date	Task Order Issuance
ESA Contains 45-day language – host	45th Day of ESA Term Start Date	On or Before the 46th day of term
ESA Contains 45-day language – crosstown	45th Day of Crosstown Term Start Date	On or Before the 46th day of term
MLOA Reinstatement of Scholarship Benefits	Effective Date of Reinstatement	On or Before Effective Date of Reinstatement
School Tutoring	Tutoring Start Date	Prior to Tutoring Start Date
Condensed Courses - All	Term Start Date	Prior to Term Start Date
Advance Placement Exams	Test Date	Prior to Test Date

6. TUITION BUDGET REQUEST (NSTC 7100/5)

NROTC Unit Ordering Officers shall submit a separate budget request for each DD Form 1149.

10 days prior to the beginning of each term, the NROTC Unit Ordering Officer shall submit a tuition budget request NSTC Form 7100 to the NSTC Comptroller's Office at the email addresses noted at the bottom of the form with the estimated student numbers (based off of the 6100 report), tuition and fee amounts.

As each university's business practices differ, this handbook cannot give specific guidance on how to generate the estimate. The NROTC Unit Ordering Officer will need to work with the university to develop their own system. For some units, the BURSARS office will provide the information, some units have access to the university's registration system while other units can generate the information from catalog pricing.

Prior to the Bona Fide Need date, the unit shall generate the Scholarship Benefit Eligibility list. The NROTC Unit Ordering Officer shall review and compare the list to their original estimate for any changes. If there are no changes, the NROTC Unit Ordering Officer can proceed to creating a Task Order. If there are changes, the NROTC Unit Ordering Officer shall amend their original budget request with the actual student numbers, tuition and fee amounts and amend their Funding Document in FASTDATA.

For condensed courses such as summer school where the student is taking the course at an ESA or Crosstown school, the NROTC Unit Ordering Officer shall submit a tuition

budget request with the actual student numbers, tuition and fee amounts when submitting their request for funding document in FASTDATA. When there are multiple students attending different universities, the NROTC Unit Ordering Officer shall submit a separate budget request for each school.

For condensed courses where the student is taking a course with a school that doesn't have an ESA or crosstown, then the NROTC unit shall submit a budget request to the NSTC Comptroller's office to request funds. A copy of the budget request and the submission email shall be included in the reimbursement request. *Refer to Appendix A-19 for further requirements.*

For scholarship benefit reinstatements, the NROTC Unit Ordering Officer shall follow the guidelines outlined in the reinstatement of scholarship benefits section. The NROTC Unit Ordering Officer shall submit a budget request with the actual student numbers, tuition and fee amounts when submitting their Funding Document in FASTDATA.

For tutoring, the NROTC Unit Ordering Officers shall submit a budget request for the best estimate of tutoring hours needed.

For advance placement exams, the NROTC Unit

All budget requests shall be submitted on a NSTC 7100 following the guidance in Appendix A-2.

See table 2 for specific dates submissions are due.

Note: All budgeting and funding documents are subject to the approval of the NSTC Comptroller's office and can be denied if funding is not available.

7. TUITION REQUEST FOR SERVICES

Regulatory mandated language contained in the ESA requires that either a task order or a Request for Services shall be issued prior to the scholarship awardees attending any classes. To meet this requirement, the NROTC Unit Ordering Officer shall issue a Request for Services to the university prior to the first day of the term.

The NROTC Unit Ordering Office shall develop its own format in issuing the university Tuition Request for Services. Each request must contain, at a minimum, the following:

- Total number of scholarship awardees attending (based off of the 6100 report)
- Names of scholarship awardees, if known
- ESA number
- Ordering Officers name, date and signature

8. FUNDING REQUISITION DOCUMENT (DD Form 1149)

The funding requisition document used to commit monies to pay for the tuition and fees is done using the electronic DD Form 1149 through the FASTDATA web-based system.

The NROTC Unit Ordering Officer shall complete the electronic DD Form 1149 Requisition Document following the guidance in Appendix A-4 and using the appropriate funding Line of Accounting Data Elements as directed by NSTC Comptroller's Office.

Line of Accounting Data Elements are generally updated annually and released by email. The NROTC Unit Ordering Officer shall update Appendix A-5 with all new releases. The NROTC Unit Ordering Officer shall ONLY use the Line of Accounting Data Elements directed to be used by the NSTC Comptrollers Officer when submitting the DD Form 1149.

Do to FASTDATA programming limitations, a separate funding requisition document is shall be generated for each Bona Fide need.

1. Universities whose classes begin prior to August 20th of each year, the NROTC Unit Ordering Officer shall create the Fall term obligation using current fiscal year's line of accounting. The NROTC Unit Ordering Officer shall follow the guidance as shown in Appendix A-4.

2. Universities whose classes begin on or after August 20th of each year, the NROTC Unit Ordering Officer shall create the Fall term obligation using next fiscal year's line of accounting. The NROTC Unit Ordering Officer shall manually enter the Availability of Funds statement and follow the guidance as shown in Appendix A-4. DO NOT use any system generated statements as FASTDATA is programmed incorrectly to support this function.

Reminder: When creating the DD Form 1149 in FASTDATA, do not forget to manually enter the document number. The DD Form 1155 must have an effective date (obligation date) as of the 45th day of the term. The 45th day culminates successful completion of the scholarship contract requirements and the governments assumption of financial obligation for the tuition and allowable fees.

Prior to the 45th day and BEFORE generating the Task Order, the NROTC Unit Ordering Officer shall compare the actual tuition benefit eligibility list and compare it to their original estimate for any changes. If there are no changes, the NROTC Unit Ordering Officer can proceed to creating a Task Order. If there are any changes, The NROTC Unit Ordering Officer shall amend their original budget request with the actual student numbers, tuition and fee amounts and amend their Requisition Document in FASTDATA.

For Cross-Town, when the Cross-Town starts on the same day as the ESA school, then all tuition and fees can be on one order. When the start dates are different, then a separate DD Form 1149 shall be submitted.

For all retroactive, advance placement exams and condensed course orders, the NROTC Unit Ordering Officer shall submit a Requisition Document containing actual requirement numbers prior to the Bona Fide Need date. If there are changes prior to the Task Order being issued, the NROTC Unit Ordering Officer shall coordinate with the NSTC Comptroller to determine if the Funding Requisition can be amended or if the NROTC Unit Ordering Officer shall have to generate a Task Order and immediately issue a modification to reflect the change.

The NROTC Unit Ordering Officer shall print out the DD Form 1149 and ensure the contract file contains detailed supportive documentation of all tuition and fee amounts.

Note 1: The NROTC Unit Ordering Officer shall attach an electronic copy of the NSTC 7100 with all DD Form 1149 submissions.

9. ISSUING A TASK ORDER (DD Form 1155)

A contractual Task Order is the only official manner in which tuition, fee's, school provided tutoring services and advance placement exams can be ordered from and paid to the university. These orders can only be issued by a warranted ordering officer acting within the scope of their delegated authority and are legally binding once the ordering officer signs the order.

The Task Orders (DD Form 1155) are electronically generated in the FASTDATA web-based system. Unfortunately, FASTDATA is not designed as a contract writing system which cause unique issues to include incorrectly filling in the contract forms, not allowing for proper inclusions of contract clauses and other format issues. These unique issues that are beyond the ability of the NROTC Unit Ordering Officer to correct are annotated in Appendix A-4 (DD Form 1149), A-6 (DD Form 1155) and A-8 (SF30).

FASTDATA system "work-a-rounds" and issues that the NROTC Unit Ordering Officer can correct are implemented in this handbook. Previous guidance" "work-a-rounds" SHALL NOT be used.

Task Orders are for a definitive service, quantity and amounts. With the exception of tutoring services, estimated amounts shall not be used.

Once your funding document has been approved and prior to the Bona Fide need date, the NROTC Unit Ordering Officer shall verify that the DD Form 1149 is correct for the actual services being ordered following the guidelines listed in this handbook.

The NROTC Unit Ordering Officer shall then follow the guidance in Appendixes A-4 and A-6 in generating and properly filling out DD Form 1155. This may require the NROTC Unit Ordering Officer to manually edit the DD Form 1155. The DD Form 1155 shall be verified for accuracies prior to saving it. Once the document is saved, FASTDATA will assign a 13-digit Task Order number. This number is also known as a Procurement Instrument Identification number (PIID).

To overcome FASTDATA limitations, the NROTC Unit Ordering Officer shall complete Appendix B-8 (WAWF Clause continuation form) and attach it to the Task Order in FASTDATA. Directions in completing Appendix B-8 are contained in Appendix A-6.

The NROTC Unit Ordering Officer shall printout the DD Form 1155 and re-verify it for accuracies. The NROTC Unit Ordering Officer shall printout and attach a copy of the completed WAWF Clause continuation form to the DD Form 1155.

The NROTC Unit Ordering Officer shall follow the process chart in Appendix A-1 in completing the remaining Task Order award process.

Paragraph 9.A through 9.e lists more specific guidance for the various services that the NROTC Unit Ordering Officer maybe authorized to order per their ESA.

A. TUITION AND FEES

The Task Order for tuition and fees are for a definitive requirement and shall be issued prior to the Bona Fide Need date. It is the government's responsibility to ensure that only and all scholarship students who met all eligibility requirements are included in the Task Order. Once the NROTC Unit Ordering Officer issues the Task Order, the government assumes all financial obligation for the scholarship student's tuition and allowable fees. Except during the university's allowable withdrawal period, the government is prohibited from attempting to recoup funds from the university for any scholarship student who later fails to maintain requirements. All actions to recoup fees is between the government and the scholarship student.

All tuition and fees to include cross-towns, in-state and out-of-state are all lumped into one-line item.

B. TUITION AND FEES RETROACTIVE

Scholarship students who failed to meet eligibility requirements by the Bona Fide Need date may later be reinstated and receive retroactive scholarship payments. *See Paragraph 17 for additional guidance.*

The Task Order for retroactive tuition and fees are for a definitive requirement and shall be issued as close to the reinstatement effective date as possible. Once the NROTC Unit Ordering Officer issues the Task Order, the government assumes all financial obligation for the scholarship student's tuition and allowable fees.

C. CONDENSED COURSES

The Task Order for tuition and fees for condensed courses are for a definitive requirement and shall be issued prior to the course convening date. Once the NROTC unit authorizes a scholarship student to attend a condensed course and the NROTC Unit Ordering Officer issues the Task Order, the government assumes all financial obligation for the scholarship student's tuition and allowable fees. Except during the university's allowable withdrawal period, the government is prohibited from attempting to recoup funds from the university for any scholarship student who later fails to maintain requirements. *See Paragraph 18 for additional guidance.*

D. TUTORING

When the ESA authorizes tutoring services to be ordered under it, the unit is required to always obtain tutoring services through the university.

If the university does not offer, or cannot support the full requirement, then the unit may obtain the services that the university cannot provided through private sources. The NROTC unit Ordering Officers shall ensure that adequate documentation from the university (such as a letter on university letterhead attesting to the fact) is in the ESA file to justify ordering from alternate sources.

The Task Order for tutoring services are for a "best approximation" hours/sessions and calculated cost requirement and shall be issued prior to tutoring service(s) start date. The NROTC Ordering Officer shall ensure the contract file contains documentation on how the "best approximation" was calculated. The government only incurs financial obligation for the actual tutoring services used. *See Paragraph 19 for additional guidance.*

Example: Historically, the unit uses 300 hours of tutoring services. The university charges $20 per hour. The Task Order shall be for 300 hours at $20 per hour for a total amount of $600.

The NROTC Unit Ordering Officer and Commanding Officer are required to be proper stewards of American Taxpayer's Dollars. When ordering tutoring services, the services shall be offered to groups as much as reasonably possible. One-on-one services are considered personal service and are typically not

authorized by regulation. This does not limit tutoring service being offered to only one scholarship recipient if only that scholarship recipient is the only one who needs the service. In this case, the group size would be one. However, if two scholarship recipients need the tutoring service, then the groups size should be two.

When tutoring is offered at the different class levels (100, 200, 300, etc. level classes), then services should be ordered for the appropriate class levels.

If the university only offers one-on-one tutoring services, the NROTC unit Ordering Officers shall ensure that adequate documentation (such as a letter on university letterhead attesting to the fact) is in the Task Order file to justify ordering one-on-one tutoring service.

E. ADVANCE PLACEMENT EXAMS

The Task Order for advance placement exams are for a definitive requirement and shall be issued prior to the advance placement exam date. When multiple advance placement exams will take place over a known period of time, the NROTC Unit Ordering Officer shall include them all on one order and have the period of performance dates be from the first known to the last known exam date. The government only incurs financial obligation for the actual advance placement exams taken.

Note 1: Prior to signing any contractual document that obligates, YOU MUST have a certificate of availability of funding. For Task Orders, the DD Form 1149 is the certificate of funding. Obligating the government when funds are not available is an Unauthorized Obligation in which the ordering officer can be held personally liable for along with other administrative and civil actions.

Note 2: The Ordering officer ALWAYS signs and dates the contract documents last. The signature date starts the 3-day reporting timeframe. If the NROTC Unit Ordering Officer fails to date the document, the effective date listed is used.

10. SAM

System for Award Management (SAM) is the official website which requires contractor registration in order to conduct business with the U.S. Government. SAM is a combination of the Central Contractor Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application (ORCA) - and the Excluded Parties List System (EPLS).

The NROTC Unit Ordering Officer shall verify that the university is registered in the SAM database and is eligible to conduct business with the government a minimum of 15

days prior to the beginning of the upcoming term. The NROTC UNIT ORDERING OFFICER shall print out the SAM record, verify eligibility status and file it in the contract file. Many universities have multiple CAGE Codes. Ensure you use the correct CAGE Code from the ESA ONLY.

SAM is a CRITICAL requirement. If the university is not eligible to conduct business with the government, you CANNOT UNDER ANY CIRCUMSTANCES issue a Task Order or Modification with a cost increase to the university.

> If the university is not registered or registration is (or will expire soon) expired, work with the university to re-register their account. It takes approximately 48 hours for SAM to process the registration.
>
> If the university has exclusions or is delinquent in federal debt, immediately notify your chain of command and seek guidance from the NSTC Contract Administrator. DO NOT issue a DD1155 or SF30 (with obligation increase) to the university.

See Appendix A-9 for additional guidance on obtaining a SAM report

Within one-day prior of the NROTC Unit Ordering Officer signing the DD 1155 or an SF 30 (that increases the obligated amount), the Ordering officer shall re-verify the university is still eligible to do business with the government and file proof of the SAM reverification record and file it in the contract file.

11. FPDS-NG CONTRACT ACTION REPORTING

The NROTC Unit Ordering Officer is responsible for the timely and accurate submissions of all Contract Action Reports (CAR) to be entered into FPDS-NG. Task Orders placed against the ESA with a value over the micro-purchase threshold (See Table 5) and modifications that changes any of the CAR data, regardless of monetary value, must be reported in FPDS-NG within **THREE (3)** business days after contract award. If a Task Order is issued under the micro-purchase threshold and later a modification(s) is/are issued that increases the total contract value (DD Form 1155 and all mods) over the micro-purchase threshold, then the DD Form 1155 and modifications will need to be entered into FPDS-NG.

Table 5.

	Micro-Purchase Threshold Amount
Scholarship Tuition and Fees to include condensed courses and MLOA reinstatements	$10,000
Advanced Placement Exams	$10,000
Tutoring Services	$2,500 (Service Contract Act)

Modifications that do not change any of the CAR reporting data do not get entered into FPDS-NG. Contract award date is the day the NROTC Unit Ordering Officer signs the DD Form 1155 or Standard Form 30. If the NROTC Unit Ordering Officer fails to date the document, then the effective date listed in Block 3 of the DD Form 1155/SF 30 is used*. Follow the guidance in Appendix A-10 to register for an FPDS-NG account and A-11 for how to report FPDS-NG data.*

FPDS-NG does not automatically record the date and time that you reported the CAR information in the FPDS-NG history report, therefore the NROTC Unit Ordering Officer shall printout proof of the FPDS-NG reporting and file it in the Task Order File.

Occasionally the NROTC Unit Ordering Officer may elect to printout the entire reporting history. To do so, follow the procedures in *Appendix A-11* and download the submission report in excel. The history report is beneficial in allowing a block by block comparison of all orders for consistency, accuracy and completeness.

12. EDA REPORTING

Task Orders and all modifications must be uploaded into EDA within **three (3)** business days after the NROTC Unit Ordering Officer signs the DD Form 1155 or SF 30.

Each Task Order and modification shall be entered into EDA separately as issued. DO NOT WAIT OR LUMP the Task Order and mods together. Modification numbers are entered into EDA in the “PCO Mod” block.

Only the documents shown in Table 1 shall be uploaded into EDA. All other documents listed in Table 1 shall be filed in the unit’s contract file.

EDA Registration instructions are contained Appendix A-12 and Reporting instructions are contained in Appendix A-13.

Although there is no regulatory requirement to print out proof of EDA reporting, only that you report the contract action in EDA. To assist during PPMAP audits, the NROTC unit may elect to:

- Printout proof the EDA reporting the Task Order and all mods and place the documents in the Task Order file; or
- If requested by an auditor for proof of EDA submissions, follow the procedures in Appendix A-13 and download the submission report.

Utilizing the second method also allows for displaying a complete history of all reported actions under the ESA and allows for a block by block comparison of all orders for consistency, accuracy and completeness.

Note: Orders/mods placed before May 22nd, 2018 were required to be reported within two (2) working days per NMCARS 5204.201, Orders placed after May 22nd, 2018 shall be reported within three (3) working days per NMCARS 5204.207-1(b)(1) due to change to NMCARS and NSTC directive.

13. CPARS

Contract Performance and Reporting System (CPARS) is a web-enabled application that collects and manages contractor performance assessment information and is a mandatory reporting requirement once the total accumulated value of all orders under an ESA reaches $1,000,000. Upon reaching the $1,000,000 total accumulated value threshold, and for orders after that, the NROTC Unit Ordering Officer must submit a CPARS report to the FLC ESA Contract Specialist at jacob.gephart@navy.mil.

The NROTC Unit Ordering Officer shall make one consolidated report each term once the reporting threshold has been reach. The consolidated CPARS report shall include a listing of all orders placed during the term, value of each order and total accumulated value of all orders and shall be made within **THREE (3)** business days of when the tuition and fees Task Order is issued.

The NROTC unit Ordering officers shall submit by email a copy of the documents listed in Table 1 along with a statement that the university is complying with the requirement to provide courses at established catalog prices.

The CPARS email and responses shall be filed in the ESA file.

14. CONTRACT ADMINISTRATION

Contract Administration is the management of all contract actions beginning with the Task Order award all the way to close-out.

This consists of:

- Protecting the governments interest
- Ensuring both the university and the government are complying with the terms and conditions of the ESA, Task Orders and governing acquisition regulations
- Tracking of services and payments
- Ensuring additional funds are added to the order prior to the government receiving services
- Issuing modifications to implement any changes to the order
- Properly maintaining contract files
- Verifying that the government is only paying for the services it is receiving
- Processing Invoices
- Deobligating excess funds in a timely manner
- The contract is properly closed.

The ultimate goal in contract administration is during the closeout procedures, your files are already complete and accurate, “The Books Are Balanced” and there is no excess money left on the order to deobligated.

A. TRACKING OF SERVICES

The NROTC Unit Ordering Officer and Quality Control Assessor are required to ensure that the government receives all services it orders independently from the university records. This includes verifying the number of scholarship students authorized enrollment are being invoiced for, that the tuition, fees and school provided tutoring (if included in your ESA and only for classes authorized by the current revision of NSTCINST M-1533.2) are properly being charged and the actual number of hours of tutoring services received per individual per day.

The NROTC Unit Ordering Officer shall maintain evidence of independent tracking and verification that the government received all/only the services that were ordered in the contract file.

It is recommended that the unit establishes a sign-in/sign out form to track school provided tutoring service utilization. *Note: The NROTC unit shall follow the standard business practices of the university in determining how hours are billed to include rules in rounding partial hours.*

B. TRACKING OF FUNDS

The NROTC Unit Ordering Officer is required to monitor and analyze funding expenditures throughout the period of performance to ensure that adequate funds are obligated to the order prior to receiving services. It is prohibited by law to operate a contract “In the Red”, doing so is an unauthorized obligation.

The NROTC Unit Ordering Officer shall develop a funding tracker to record funding debits and credits to include original order amount, any mods that increases or decreases the order, invoices and other adjustments. Funds shall be tracked at both the order and line item level. This process is similar to maintaining a checkbook. See Appendix B-5 for an example.

C. ISSUING A MODIFICATION (SF 30)

Once the NROTC Unit Ordering Officer executes a contract by signing the DD Form 1155, it is a legal binding document and no changes can be made to the document itself. (This also applies when the ordering officer signs a SF30).

NROTC Unit Ordering Officers are prohibited from issuing any modifications that changes any part of the ESA itself.

To make changes or cancel an executed Task Order or modification, the ordering officer has to issue a contract modification. This is done by using a SF 30 Contract Modification form and is required each time a modification is needed. The form shall be completed using the guidance shown in Appendix A-8.

Contracts with modifications are "stacked" requiring you to read each mod to determine what in the contract was changed. This can be difficult or cumbersome in following the changes each one makes to the original contract. To make it easier, a working copy can be used. A working copy is a photocopy of the original Task Order (never make any changes/marks/annotations to the original Task Order) with pen and ink changes to the applicable section and annotated what mod number changed the information. This practice can also be used with tracking modifications to the Educational Service Agreement.

Modifications made by the NROTC Unit Ordering Officer are referred to as "PCO" or "POO" mods. Block 6 of the SF 30 contains the modification number which will always be six digits long with the first digit always being a "P" followed by five numbers and will be similar to P00001 format. These numbers MUST always be sequential and are generated by FASTDATA.

The two types of contract modifications are bilateral and unilateral.

Bilateral. A bilateral modification is a supplemental agreement between the government and the university and are used to change any of the terms of conditions of the Task Order. Since this is an agreement to the change, both the government and university have to sign the document for it to be valid. Bilateral modifications are used to –

(1) Changes in student enrollment
(2) Changes to the period of performance
(3) Monetary changes to include deobligating funds

Unilateral. A unilateral modification is only signed by the NROTC Unit Ordering Officer and are used to –

(1) Make administrative data changes such as correcting the Task Order number, wrong DoDAAC or CAGE code was used, accounting data, typing errors, change in payment office, etc.
(2) **MAY NOT** be used for monetary or quantity changes to the Task Order

Note 1: The NROTC unit Ordering officers shall not wait to bundle multiple modifications, but shall issue them within three days of the change occurring.

Note 2: You can issue a unilateral and bilateral modification in the same document. In these cases, process the modification as a bilateral mod.

The following steps shall be used when issue a modification:

(1) Get Organized
   a. Collect all supporting documentation and other information you will need for the modification. This supporting documentation shall be filed in the Task Order file.
   b. List out by contract area all of the changes.

(2) Determine if the modification is unilateral or bilateral.

(3) Determine if the modification is within scope.

(4) Determine what gives you the legal authority to issue the modification.
   a. Unilateral – FAR 43.103(b)
   b. Bilateral -- FAR 43.103(a)(3) – Mutual agreement of the contracting parties

(5) Draft the modification

(6) Write the mod justification (often easier to type in word and then cut and paste into FASTDATA). Your write-up has to be crystal clear exactly what is being changed/corrected. Example of proper format is shown in Appendix A-8
   a. First sentence is always the purpose of the modification
   b. Keep changes separate and distinct
   c. Make changes in order
   d. Use “correct” when you mean correct
   e. Use “change” when you man change
   f. Use “From… To…” format
   g. Summarize dollars
   h. Statement that all other terms and conditions remain unchanged

(7) Proof read the modification for correctness. FASTDATA WILL NOT allow you to correct errors after the document is submitted

(8) (Bilateral mod only with cost change) Route to NSTC Comptroller’s Office to certify funding. NSTC Comptroller’s Office will sign block in or near block 14 and return. The NROTC Unit Ordering Officer shall not execute a contract modification that will cause an increase or decrease in funds without having first obtained a certification of fund availability. SF30s shall be submitted to the NSTC Comptroller’s Office by email to GRLK_NSTC_ROTC_DOCS@NAVY.MIL

(9) (Bilateral mod only) Route to university for signature.

(10) (Bilateral mod with price increase only) Verify in SAMs that the university still is eligible to conduct business with the government. Do not issue a mod if the university is no longer eligible to do business with. Document the verification in the contract folder.

(11) Sign the modification.

(12) Provide the university a copy of the mod.

(13) Upload the modification in EDA.

(14) (If any changes to reportable data) Enter the mod into FPDS-NG

(15) File the modification and supporting documentation in the contract folder

Modifications cannot be issued to add services after the period of performance has ended.

Note 3: Prior to signing any contractual document that increases funds, YOU MUST have a certificate of availability of funding. For modifications, the Comptroller's Office signing Block 14 of the SF 30 is the certificate of funding. Obligating the government when funds are not available is an Unauthorized Obligation.

Note 4: The Ordering officer ALWAYS signs the modification last.

D. MEMORANDUM FOR THE RECORD (MFR)

Use a Memorandum for the Record (MFR) as an internal document to record supporting information in the record that is not recorded elsewhere. Examples include such things as documenting the results of a meeting, an important telephone conversation, unable to follow standard procedures, computer system outages/access issues preventing you from loading documents into EDA/FPDS-NG in required time frames, etc. MFRs are a way of documenting your decision, rationality and why you made that decision.

Each contract file has to "tell its own story". The MFR is the tool you use to document "the story". MFR's should state what Task Orders it applies to, the issue, the action and the justification. See Appendix A-16 example and guidelines on how to write an MFR.

MFR's that apply to all Task Orders issued under the ESA (blanket MFR) shall be filed in the ESA contract file.

MFR's that apply to only a limited number of Task Orders shall be filed in the individual contract files.

E. QUALITY CONTROL (QC) ASSESSMENTS

Ordering Officers are required to ensure that the government receives all supplies/services that it has ordered and that those supplies/services meet minimum quality levels prior to authorizing invoice payments. This is done through a quality control assessment process required prior to accepting each invoice for payment.

The NROTC unit shall designated QC assessor who performs this function and is responsible for scrutinizing all submitted invoices. This individual shall not be the

ordering officer who issued the order, shall have technical knowledge of the services being accepted and must be a government official.

The assessment process consists of two primary focal points.

1. Quality Control
2. Properness of the invoice.

For the quality control assessment, universities are evaluated whether or not the school complied with the requirement to provide courses at established catalog prices.

Prior to accepting any invoice for payment, the QC shall:

1. Verify the Task Order to the ESA to ensure all data is accurate:
    a. University CAGE Code and Address are correct
    b. Only the services ordered under the Task Order were legally allowable to be ordered under the ESA. This includes tuition, specific fees, advance placement exams and tutoring services
2. Verify the properness of the invoice. Compare the data fields in the invoice matches the Task Order to include all modifications. See Appendix A-14 for additional guidance.
3. Verify the submitted invoice amounts matches the order amounts. Invoice line item amount may never exceed the Task Order line item amount. If the university submits partial invoices, the QC shall verify that the total of the partial invoices do not exceed the total authorized amounts.
4. Total invoice amounts may be less than the order, but may NEVER exceed the order amount.
5. Verify the invoiced amount matches the current catalog prices
6. Verify the invoiced amount to the independent government recorded amounts
7. Verify that the contract file contains adequate supporting documentation to justify the services being invoiced were received.
8. Verify the university included with the invoice a listing of:
    a. Student by name
    b. Listing of courses, if school charges by credit hour
    c. Resident/non-resident status
    d. Breakdown of charges
9. Verify the university student listing matches the units submitted listing.
10. Refer to the section on student withdrawals and failing to maintain good standing if applicable under the specific Task Order.
11. For the final payment, the QC shall also follow the guidance in the Contract Close-Out Section and Appendix A-15 for additional approval requirements.

Note: If the university partially bills, they should adjust the dollar amount per student. This is allowable as long as the total dollar amount of all payments do not exceeded the total amounts listed in the Task Order.

The QC's assessment results are documented utilizing a photocopy of the complete Task Order DD Form 1155.

The NROTC unit QC assessor shall follow the guidelines in Appendix A-7 in completing Blocks 27 through 29 of the Task Order DD Form 1155.

If the university is providing courses at established catalog prices and that the invoice is accurate, the QC shall check Block 27.a Inspected and Accepted Blocks and complete Blocks 27.b through 29.

If the QC Assessor discovers discrepancies with the invoice, NROTC Unit Ordering Officer and QC Assessor will investigate the issue to determine the nature and validity of the issue.
If the university is in error, the QC Assessor shall write "REJECTED" on the line in Block 27.a along with the specific reason that the invoice is being rejected and complete Blocks 27.b through 29. The QC Assessor will return the rejected invoice to the NROTC Unit Ordering Officer to reject the invoice in WAWF. The rejection reason shall reference the contractual document part/regulation that the university did not comply with along with name and POC information *(Example: Invoice contains vehicle registration fees which are prohibited per the agreement number N00140-06-H-0045 paragraph 3(e)(i)*, *Kevin Robinson, 814-863-9651 or krobinson@pennu.edu).* See Appendix A-14, Rejecting an Improper Invoice section for further guidance.

Government officials shall never accept an erroneous invoice for payment.

Government Officials are prohibited from "blindly" accepting services on behalf of the government. ALL aspects of the invoice and supporting documentation shall be scrutinized and documented.

F. CERTIFIER

The NROTC unit's designated certifier shall review the QC's assessment and verify the invoice and supporting documentation for accuracy and adequacy. If the invoice is accurate, the certifier will complete Blocks 36.a, 36.b and 31.

The certifier shall return the form to the NROTC Unit Ordering Officer to process the invoice in WAWF for payment.

Note: The unit may elect to have the same person be the Quality Control Assessor and Certifier. This is allowable, however the Quality Control and Certifier CANNOT be the unit's Ordering officer.

G. PAYMENTS

University invoices are required to be submitted through WAWF in order to process for payment. The NROTC unit shall inspect and accept a properly submitted invoice within seven (7) calendar days and accepted invoices have to be paid within 30 days. Failing to meet these timeline limits the government's legal rights and obligates the unit to pay interest, computed at the Federal Funds Rate, and automatically paid by DFAS. If the delay is significant, the university has the right to file a claim against the government. The university is entitled to invoice:

Table 5.

Task	Task Order Issuance
Tuition and Fees, Reinstated Scholarship Benefits, Condensed Classes	Any time after the Task Order is issued
Tutoring and Placement Exams	After services are provided and no more than one invoice every 30 days.

To ensure compliance with Separation of Function requirements, the NROTC unit shall comply with the following procedures in processing payments:

This section is written under the assumption that the WAWF Inspector/Acceptor is also the Ordering Officer.

1. Upon receipt of WAWF submitted invoice, the NROTC unit's WAWF approver Ordering Officer shall print out the WAWF invoice and all attachments. A photocopy of the DD Form 1155 Task Order shall be used to document the inspection/acceptance/certifying of services. *If this is the final invoice, also follow the guidance in the Contract Close-Out section.*
2. The NROTC Unit's QC shall follow the QC assessment procedures and verify that the invoice, university and government supporting documentation is legible, accurate and complete.
3. The NROTC Unit's Certifying Official will verify and certify the invoice following the certifying procedures listed in paragraph 14.E.
4. The NROTC Unit's Ordering Officer shall attach a copy of the DD Form 1155 documenting the inspection and acceptance to the invoice prior to approving it.
5. The NROTC Unit's Ordering Officer shall ensure all documents listed in Table 1 (under WAWF Upload Column) are attached to the invoice.
6. The NROTC Unit Ordering Officer shall file the approved WAWF invoice, supporting documentation and the DD Form 1155 documenting the inspection and acceptance in the contract file and record the expenditure in the fiscal tracking log

If the invoice reflects an unforeseen event that requires the university to incorporate additional charges that is payable under their normal tuition and fee schedule than:

1. The university shall clearly identify and explain the increase charges. The university is authorized to submit a supplemental invoice or make the adjustment on the next regular invoice.
2. The NROTC Unit Ordering Officer will verify that the increase charges are not solely limited to the government.
3. Process a modification to increase the order. *This may require working with the BURSARS office to recall the WAWF invoice until after the mod is completed. DO NOT approve an invoice for more than what is on the Task Order (as modified).*
4. Process the invoice for payment.

In the event that an invoice has to be rejected, then the NROTC Unit Ordering Officer shall reject the invoice in WAWF and approver's comments section will explain in detail why the invoice is rejected, legal authority to do so (See Appendix A-14) along with their name, email address and phone number.

Prior to rejecting an invoice, the NROTC Unit Ordering Officer shall verify the legitimacy of the reason and the ability to legally defend their decision. Improperly rejecting an invoice can lead to contractor filing a claim against the government and the WAWF inspector/acceptor being held personal liable for all interest and damages.

All rejected and approved WAWF invoices shall be printed out and filed in the contract file along with all supporting documentation.

H. PAYMENT PROCESSING ISSUES

The NROTC Unit Ordering Officer is the process owner in ensuring that the all invoices that the unit inspects/accepts are paid to the university in a timely manner.

In the event that the NETPDC Local Processing Official determines that the invoice contains errors, immediately upon being notified of the error, the NROTC Unit Ordering Officer shall recall the document and;

1. Determine if the issue if it is the government's or contractor's responsibility to resolve. If it is the contractor's responsibility in compliance with this policy and other regulatory requirements, the unit shall reject the invoice following the guidance of Appendix A-14.
2. If it is the government's responsibility, the NROTC Unit Ordering Officer will investigate and take corrective action to resolve. Once the issue is resolved, the invoice shall be re-processed.
3. In the event that the issue requires a policy change, the NROTC Unit Ordering Officer will follow the guidance paragraph 24.

I. UNDER-PAYMENTS

In the event that the university submits an additional invoice to a Task Order that is still open, the NROTC Unit Ordering Officer shall verify its accuracy, validity the cause of the under-payment (such as the university raised its rates during the term for the entire student body). If it is accurate, the NROTC Unit Ordering Officer shall issue a modification (if having to add additional funds) and process the invoice for payment.

In the event that the university submits an additional invoice to a Task Order that is closed and the university has already submitted a Release of Claims form with the final invoice, contact the NSTC Contract Administrator for guidance.

Do not issue a modification when the university issues a reimbursement payment and then attempts to invoices additional amount. Contact the NSTC Contract Administrator for guidance.

J. OVER-PAYMENTS/REIMBURSEMENTS

In the event that the university identifies an over-payment, the university shall issue a refund check payable to the Treasurer of the United States. Along with the refund check, the university shall identify the reason for the refund and the applicable term dates.

If the university submits the check to the NROTC Unit Ordering officer, the NROTC Unit Ordering Officer shall:

1. Place a copy of the check, the university's letter stating the reason for the refund, shipment tracking number and proof of delivery in the contract file(s) for the effected Task Order(s).
2. Forward the check, ideally the same business day, but not greater than two business days, to NSTC Comptroller by 2nd day UPS or FEDEX service. Checks shall be sent to: NSTC Comptroller's Office, 2601A Paul Jones St, Room M21, Great Lakes, IL 60088. *You must include the street address and room number otherwise the package will not be delivered.*
3. Email NSTC Comptroller's Office the tracking number, check amount and attach the university's letter stating the reason for the refund
4. In the event the check cannot be immediately sent to NSTC Comptroller, the check will be treated as cash and properly safeguarded.
5. Five days after the Comptroller's Office has received the package, go into FASTDATA and printout the DD Form 1131 for the check and file it in the Task Order file.

If the university submits the check to the NSTC Comptroller's office, the Comptroller's Office shall email the NROTC Unit Ordering Officer a copy of the

university's letter stating the reason for the refund. The NROTC Unit Ordering Officer shall place a copy of the reason for refund letter along with going into FASTDATA and printing out the DD Form 1131 and file them in the contract file(s) for the effected Task Orders(s).

If after the university issues a refund check they attempt to invoice for additional amount, immediately contact the NSTC Contract Administrator and NSTC Budget Officer. DO NOT process A SF 30 or an invoice in the WAWF system.

K. CONTRACT CLOSE-OUT

Contract close-out procedures begin immediately upon the Task Order being awarded and continues throughout the life of the order. The primary way to assist you in closing out a Task Order is by properly documenting each and every contract action.

Each individual Task Order is required to be closed out within 30 days of being physically complete, the period of performance is over and final payment made. A contract is considered physically complete once the government has received evidence of the completion and inspected and accepted these services for final payment.

A contract file shall not be closed if the contract is in litigation, under appeal or legal investigation. In the case of such event, contact your legal officer for guidance and document the facts in a MFR and enter it in the contract file.

Once the term is complete and the university has submitted the final invoice, the NROTC Unit Ordering Officer shall begin closeout procedures utilizing Form NSTC 1597 to verify and document that all close-out procedures have been completed. The closeout procedures and instructions for completing the NSTC Form 1597 are located in Appendix A-15.

During the close-out process, the NROTC Unit Ordering Officer shall forward a copy of the invoice(s) along with the student listings to the units HRA officer to process their required paperwork to be filed in the scholarship recipient's record.

If the university does not invoice within 30 days of the end of the term, then the NROTC Unit Ordering Officer shall work with the university to submit the invoice. If the university continues to delay invoicing, then the NROTC Unit Ordering officers shall document the issue, all attempts to resolve the issue and any other supporting information in a MFR and file it in the contract file and forward a copy to GRLK_NSTC_ROTC_DOCS@NAVY.MIL. This process shall continue to be followed and documented every 30 days until the university submits a proper final invoice.

The start date for the ten-year file retention requirement is the date the NROTC Unit Ordering Officer signs the NSTC Form 1597 officially closing the order.

Upon an ESA being terminated, the ESA file must also be closed out. To close out an ESA, the NROTC ordering officer will verify that all Task Orders placed against that ESA are closed. Once this is verified, the NROTC Unit Ordering Officer shall document and certify this action in a MFR and attach a chronological listing of all Task Orders to include:

- Order Number
- All modifications
- Funding document number
- Dollar value of each order
- Cumulated dollar value
- Closed Status
- Date of being closed

Note 1: This requirement can be done using the Invoice Tracker Spreadsheet as an attachment.

15. STUDENT WITHDRAWAL PROCEDURES

Scholarship recipients may be involuntarily withdrawn by the university if the student fails to meet university requirements or by the government for failing to fulfill their scholarship requirements. Scholarship recipients may also voluntarily withdraw. The NROTC Unit Ordering Officers shall follow the below guidance to process ALL withdrawals that occur during each term.

A. Withdrawal occurs before meeting scholarship eligibility requirements for that term, the student is liable to pay the university for all tuition and fees. Do not include these individuals on the task order.

B. Withdrawal occurs after the scholarship recipient met scholarship eligibility requirements for that term AND the university withdrawal policy allows for a full/partial refund credit.
    a. The NROTC Unit Ordering Officer shall issue a <u>bilateral</u> contract modification to reflect the refund credited amount by the following the guidance in Appendix A-8. The SF-30 is the official command notification to the university for the student withdrawal.
    b. Process invoices to pay for the remaining portion of the individual's tuition and allowable fees for that term.
    c. Follow the procedures of the current revision of NSTCINST M-1533.2 and your command's policy in processing form NSTC 1533/123 to pursue any student indebtedness to the government.

C. Withdrawal occurs after the scholarship recipient met scholarship eligibility requirements for that term and the university withdrawal policy DOES NOT allow for a full/partial refund credit.
    a. The NROTC Unit Ordering Officer shall issue a unilateral contract modification to reflect the individual was withdrawn from the program following the guidance in Appendix A-8. The SF-30 is the official command notification to the university for the student withdrawal.
    b. Process invoices to pay for the individual's tuition and allowable fees for that term.
    c. Follow the procedures of the current revision of NSTCINST M-1533.2 and your command's policy in processing form NSTC 1533/123 to pursue any student indebtedness to the government.

Note 1: Tuition ordering is done through a contract process which requires all withdrawal notifications to be done through a contract modification issued by an ordering officer. No other documentation or person is authorized to change the terms or conditions of a Task Order to include withdrawals. Command generated documents should be used as supporting justification for the modification, but not in lieu of a contract modification.

Note 2: The university is not authorized to charge the government any fee other than required fees they charge any student who withdraws per their standard business procedures.

Note 3: Once the scholarship recipient meets initial scholarship eligibility requirements for that term, the Bona Fide Need rule applies and the government automatically assumes full liability to pay the university for the tuition and allowable fees for that individual.

Note 4: It is not legally allowable to use the university as a "debt collector" to recoup any funds owed to the government by the scholarship recipient. Any debts owed to the government by the scholarship student is strictly between the government and the student.

Note 5: If the scholarship recipient withdrawals from the program, the unit is required to use government records when determining any amount required to be paid back to the government. This includes all fees paid for condensed courses and scholarship reimbursements done through the DD Form 1164 process. University records can be used to augment government records, but cannot be used in lieu of government records.

16. FAILURE TO MAINTAIN ELIGIBILITY FOR SCHOLARSHIP BENEFITS

NROTC Unit Ordering officers shall comply with the following guidance in dealing with scholarship recipients who fail to maintain eligibility for scholarship benefits as defined

by the NROTC Scholarship contract. This includes individuals placed on medical leave of absence and failing to maintain academic or participation requirements. The NROTC Unit Ordering Officers shall follow the below guidance to process ALL failures to maintain eligibility requirements that occur during each term.

A. Failure to obtain eligibility requirement occurs before meeting scholarship eligibility requirements for that term, the student is liable to pay the university for all tuition and fees. Do not include these individuals on the task order.

B. Failing to maintain eligibility requirement after the scholarship recipient met initial scholarship eligibility requirements, the Professor of Naval Science shall determine if the scholarship recipient will be allowed to finish the term or if the scholarship recipient shall be involuntarily withdrawn.
    a. If the Professor of Naval Science withdraws the scholarship recipient, the NROTC Unit Ordering Officer shall follow the guidance outlined in section 14. WITHDRAWALS.
    b. If the student is allowed to finish the term, then:
        i. Pay the tuition and fees for that term
        ii. Follow the procedures of the current revision of NSTCINST M-1533.2 and your command's policy in processing form NSTC 1533/123 to pursue all student indebtedness to the government.

17. MEDICAL LEAVE OF ABSENCE (MLOA) AND SCHOLARSHIP ELIGIBILITY REINSTATEMENTS

NSTC Officer Development Department (NSTC OD) has been delegated authority to authorize retroactive tuition payments for scholarship recipients that meet the eligibility requirements to receive retroactive scholarship eligibility requirements when reinstated from a Medical Leave of Absence. Although NSTC OD can authorize retroactive payments for MLOA, these payments are not authorized to be made nor can a Task Order be issued unless NSTC Comptrollers Officer certifies that funds are available. Once NSTC Comptrollers Officer certifies that funding is available, follow the below guidance to process retroactive payments.

A. In situations where a Scholarship Recipient:
    (1) Was authorized retroactive tuition benefits, and;
    (2) <u>Paid tuition payments in full</u> to the university.

Upon being re-instated and authorized retroactive payments by NSTC OD:
    (1) Process tuition reimbursement to the Scholarship Recipient via SF 1164 Claim for Reimbursement; following the NSTC Comptroller's Office guidelines outlined in Appendix A-19.
    (2) <u>DO NOT</u> issue a Task Order and make payment to the university to reimburse the Scholarship Recipient.

B. In situations where a Scholarship Recipient:

(1) Was authorized retroactive tuition benefits, and;
(2) Paid a portion of the tuition payments to the university, and;
(3) Retroactive benefits are for the current term AND the modification will be complete prior to the last day of class.

Upon being re-instated and authorized retroactive payments by NSTC OD:

(1) Calculate the amount of tuition paid and still owed for the term. Do not include late fees, credit card processing fees, etc. when calculating how much the government owes
(2) Issue a SF-30 Modification for the tuition and allowable fee amounts for the government portion still owed to the university following the guidelines in Appendix A-8.
(3) Process tuition reimbursement to the Scholarship Recipient via SF 1164 Claim for Reimbursement for the amount the government owes the scholarship recipient; follow the guidelines outlined in Appendix A-19.
(4) DO NOT issue a Task Order for the full amount to the university for them to reimburse the Scholarship Recipient.

C. In situations where a Scholarship Recipient:

(1) Was authorized retroactive tuition benefits, and;
(2) Paid a portion of the tuition payments to the university, and;
(3) It is past the last day of class for the term that retroactive benefits have been approved for.

Upon being re-instated and authorized retroactive payments by NSTC OD:

(1) Calculate the amount of tuition paid and still owed for each term. Do not include late fees, credit card processing fees, etc. when calculating how much the government owes
(2) Issue Task Order for the tuition and allowable fee amounts for the government portion still owed to the university following the guidelines in Appendix A-6.
(3) Process tuition reimbursement for the amount the government owes the scholarship recipient to the Scholarship Recipient via SF 1164 Claim for Reimbursement; follow the guidelines outlined in Appendix A-19.
(4) DO NOT issue a Task Order for the full amount to the university for them to reimburse the Scholarship Recipient.

D. In situations where a Scholarship Recipient:

(1) Was authorized retroactive tuition benefits, and;
(2) Has not made any payments to the university, and;
(3) Retroactive benefits are for the current term AND the modification will be complete prior to the last day of class.

Upon being re-instated and authorized retroactive payments by NSTC OD:

(1) Issue a SF-30 Modification for the tuition and allowable fee amounts. Do not include late fees or other fees not allowed per your ESA, etc.

E. In situations where a Scholarship Recipient:
(1) Was authorized retroactive tuition benefits and;
(2) Has not made any payments to the university.
(3) It is past the last day of class for the term that retroactive benefits have been approved for.

Upon being re-instated and authorized retroactive payments by NSTC OD:
(1) Issue a DD Form 1155 Task Order for the owed amount following the guidelines in Attachment A-6. Do not include late fees or other fees not allowed per your ESA.

At no time is it legally allowable to issue a tuition payment to the university for that university to refund the Scholarship Recipient tuition payments. The only exception to this rule as authorized by regulation and your ESA is for enrollment fees charged by the university before the start of the term.

18. CONDENSED COURSES

When scholarship students are approved to take condensed course sessions (such as summer school), then the scholarship recipient is considered to have met all scholarship eligibility requirements. The NROTC unit Ordering officers shall use the following guidelines:

A. When the scholarship student is attending courses at the same university (to include cross-towns) that the NROTC unit is located at, follow the standard tuition ordering guidelines. The Bona Fide need date is the first day of class and the NROTC Unit Ordering Officer shall issue a Task Order prior to this date.

B. When the scholarship student is attending courses at a different university that NSTC has an ESA (to include cross-towns) with, then coordinate with the NROTC unit at that university. Although either NROTC unit can issue and administer the Task Order, the university may not cooperate if it is not from the NROTC unit located at their campus. It is best practice for the NROTC unit residing at the university to issue the Task Order. The Bona Fide need date is the first day of class and a Task Order shall be issued prior to this date. *See appendix A-22 FAQs general section on dealing with a unit that doesn't have an appointed Ordering officer for additional guidelines.*

C. When a scholarship student is attending courses at a university that NSTC does not have an ESA with, then the scholarship student shall pay for the courses themselves and submit a claim for reimbursement. Follow the guidelines in Appendix A-19 in filing a claim.

Note: The government will only pay Tuition and fee amounts for condensed courses up to the standard scholarship tuition rate amounts and the scholarship student is liable for the additional amounts. This issue typically occurs with international studies courses in which the student will travel abroad for part of the course. Example: If the student takes a studying abroad 3 credit hour course that the tuition rate is $5,000 and the standard tuition rate the government would normally pay for 3 credit hours is $3,000, then the government will pay $3,000 and the student is responsible to pay the remaining $2,000.

19. UNIVERSITY PROVIDED TUTORING SERVICES

NROTC units whose ESA authorizes university provided tutoring services AND the university offers the tutoring services for the classes authorized per NSTCINST M-1533.2, then the NROTC unit is required to use the university provided tutoring service.

The NROTC unit shall calculate a Not to Exceed number of hours and cost following the university's business practice for each class/subject. Tutoring services should be done in the most cost effective manner. See Paragraph 9 and Appendix A-6 for further guidance.

20. ESA ANNUAL REVIEW

The requirement to review the actual ESA for regulatory compliance changes is the responsibility of the FLC issuing office.

For the NROTC units, the unit's Ordering officer shall follow the procedures of this handbook and upon issuing each Task Order, shall verify in EDA for any modifications that have been issued on their ESA, and if a mod(s) have been issued, file a copy in the ESA file. The NROTC Unit Ordering Officer shall review the ESA and each mod before issuing any Task Order. The NROTC Unit Ordering Officer shall document this using the Tuition Ordering Checklist Attachment B-2.

If the NROTC Unit Ordering Officer believes that the ESA needs to be modified, they shall contact the NSTC Contract Administrator for further guidance.

21. SELF-ASSESSMENT

Unit Commanding Officers are required by instruction to actively and visibly participate in the Assist Visit inspections and Self-Assessments of their units.

NROTC units that fail PPMAP audits can have their delegation of authority revoked which will prevent them from being able to place tuition orders. Due to the criticality of

maintaining their delegation of authority to appoint an ordering officer, it is recommended that NROTC unit Commanding Officers establish an annual Self-Assessment of the Tuition Ordering Process to ensure full regulatory compliance of the program.

Prior to conducting the assessment, the assessing official should familiarize themselves with this handbook. Attachment B-9 can be used to assist the unit's in conducting a self-assessment.

22. FINANCE END OF YEAR CLOSE-OUT

The NROTC Unit Ordering Officer shall verify and compare all open Task Orders' obligations to actual costs by August 15th of each year. If there are excess funds not required on the Task Order, the NROTC unit Ordering Officer shall document the fact and issue a bilateral modification to deobligate the funds. *CAUTION: You cannot re-obligate funds to the order once you have deobligated them.*

For all open Task Orders, the NROTC Unit Ordering Officer shall provide an explanation to GRLK_NSTC_ROTC_DOCS@NAVY.MIL (if not already done under paragraph 14.J) that the university has not invoiced the government along with the estimated billing date.

Note: This does not apply to any Task Order issued for the fall term which started just prior to the ending of that fiscal year.

23. FINANCIAL IMPROVEMENT AND AUDIT READINESS (FIAR)

The Chief Financial Officers Act of 1990 established the requirement for audits of all executive branch agency's financial statements. In response to DoD's failure to comply with this act, congress mandated in the 2010 National Defense Authorization Act that DOD shall ensure all financial statements are validated as audit-ready no later than Sept. 30, 2017. This requirement is known as Financial Improvement and Audit Readiness(FIAR) and is one of the Secretary of Defense's top priorities.

For the NROTC Unit Ordering Officer to be in compliance with FIAR requirements, they must:

1. Follow established policies or guidelines, and;
2. All documents must be processed in a manner in which allows for an independent auditor to be able to audit the financial statements and spending documents. This audit includes a process known as "Tic and Tie" in which an auditor must be able to track an acquisition, to the penny, individual unit of issue and line item through each document and through the entire acquisition process from cradle to grave.

24. UPDATES

At the time of this handbook release, all information and guidance is accurate. Over the course of time regulations and processes change, new legal determinations are issued or computer systems change processes which will require revisions to this policy. All recommended changes should be sent to kevin.g.robinson@navy.mil and contain the following:

1. Name, Rank, Organization, Email Address, Phone Number
2. Specific details to include paragraph/section/computer system issue with proposed change
3. Justification of requested change

The main purposes of this handbook is to ensure regulatory compliance and that all parties involved are "on the same sheet of music". The ESA Administrator shall be responsible to coordinate with the appropriate office(s) to address and, if proper, implement any suggested changes.

To ensure integrity in the process, all process changes to this policy will be issued by the ESA Administrator and published in the on-line NROTC Supply Binder at http://www.nrotc.navy.mil/sitemap.html.

25. AUDIT AND TRAINING SUPPORT

NROTC units may request audit and/or training support by contacting the NSTC Logistics Director. Support may include, but not limited to, PPMAP rebuttals and virtual or on-site program reviews and virtual or on-site training.

26. TECHNICAL SUPPORT

NROTC Unit Ordering Officers shall direct all ordering process technical issues to kevin.g.robinson@navy.mil and pam.madden@navy.mil for resolution.

NROTC Unit Ordering Officers shall not develop alternate methods to resolve issue. Many of these "creative" alternatives generate other issues in the process.

References:

a) 31 USC § 1341 -- Anti-Deficiency Act
b) 31 USC -- Money and Finance
c) 31 USC § 1502(a) – Bona Fide Need
d) 31 USC § 3901 to 3907 – Prompt Payment Act
e) 10 USC § 2004 – Advance Payments for Tuition
f) 10 U.S. Code § 2107 – Scholarship Financial Assistance Program
g) 5 CFR Part 1315 -- Prompt Payment Act
h) FAR 1.602 – Ordering officers
i) FAR 1.602-3 – Unauthorized Commitment
j) FAR Subpart 4.6 – Contract Reporting
k) FAR Subpart 4.8 - Government Contract Files
l) FAR Subpart 4.11 – System for Award Management
m) FAR Part 12 – Acquisition of Commercial Items
n) FAR Part 13 – Simplified Acquisition Procedures
o) FAR 16.702 - Basic Agreements
p) FAR Part 24 – Protection of Privacy and Freedom of Information
q) FAR Subpart 32.7 – Contract Funding
r) FAR Subpart 32.9 – Prompt Payment
s) FAR 32.905 – Proper Invoices
t) FAR 42.15 – CPARS
u) FAR Subpart 43.1 – Modifications
v) FAR 43.105 – Availability of Funds
w) FAR Part 46 – Quality Control
x) DFARS PGI 204.6 – Contract Reporting
y) DFARS PGI 204.71 – Uniform Contract Line Item Number System
z) DFARS 204.7103 – Contract Line Items
aa) DFARS PGI 204.8 – Contract Files
bb) DFARS 237.72 – Educational Service Agreements
cc) DFARS PGI 253.204(2)(a) – Completion of DD Form 1155
dd) NMCARS PART 5203 – Improper Business Practices and Personal Conflicts of Interests
ee) NMCARS PART 5204 – Administrative Matters
ff) DoD FMR Vol 1, Ch 1, DoD Financial Management Regulations
gg) DoD FMR Vol 10, CH 1, DoD Financial Management Regulations
hh) SECNAV M-5210.1 – Record Retention and Destruction
ii) SECNAV M-5216.5 – Correspondence Manual
jj) OUSD (AT&L) Financial Improvement and Audit Readiness (FIAR) Guidance
kk) Deputy Assistant Secretary of the Navy, Financial Operations Memorandum of 29Jan15.
ll) GAO Ruling B-212848 – State University's Claim for Tuition
mm) GAO Ruling B-289903 – Gifts, Goods and Free Services to the Government
nn) NAVSUPINST 4200.85D – DoN Simplified Acquisition Procedures
oo) NAVSUPINST 4200.82G – Procurement Performance Management Assessment Program

pp) NAVSUP Contracts Handbook
qq) NAVSUP P-738 Ordering Officer Guidebook
rr) FLC Norfolk CPARS Evaluation Criteria Guidance email dated 02Apr18
ss) 2016 Judge Advocate General's Contract Fiscal Law Book
tt) EDA Training Guide
uu) GAO Principles of Federal Appropriations Law Vol-1, Ch-5
vv) 45 day Bona Fide Need Determination Memo from DoD OGC (Fiscal and Inspector General) dated 19May89
ww) 45 day Bona Fide Need Concurrence from SECNAV OGC (Fiscal and comptroller) dated 25Feb05
xx) 45 day Bona Fide Need Point Paper from NSTC OGC dated 10Jan05
yy) NROTC Scholarship Contract NSTC 1533/135 (Rev. 07-15)
zz) FASTDATA User's Guide
aaa) DFAS Navy Acceptor WAWF Training Presentation
bbb) DFAS Navy Local Processing Official (LPO) WAWF Training Presentation
ccc) DFAS WAWF 2-in-1Invoice Instruction
ddd) Defense Contract Management Agency (DCMA) Vendor WAWF 2-in-1 Invoice Training Presentation
eee) WAWF Acceptor Training Video Presentation
fff) WAWF LPO Training Video Presentation
ggg) Navy WAWF Acceptor Webinary
hhh) Navy WAWF LPO Webinary
iii) SECNAVINST 5040.3A – Inspections within the Department of the Navy
jjj) NSTCINST 5040.1E – Naval Service Training Command (NSTC) Assist Visit Program

Acronyms:

CFR	Combined Federal Regulations
COB	Close of Business Day
CPARS	Contractor Performance Assessment Reporting System
DFARS	Defense Federal Acquisition Regulations (supplement to the FAR)
DFARS PGI	DFARS Policy, Guidance and Instructions
DoDAAC	Department of Defense Activity Address Code
FIAR	Financial Improvement and Audit Readiness
FAR	Federal Acquisition Regulations
FLC	Fleet Logistics Center, also commonly referred to as NAVSUP
FPDS-NG	Federal Procurement Data System-Next Generation
iRAPT	Invoice, Receipt, Acceptance, and Property Transfer (formerly known as WAWF). This term is being phased out and is now back to being known as just WAWF
NMCARS	Navy Marine Corps Federal Acquisition Regulations (supplement to DFARs)
MFR	Memorandum for the Record
OD	Officer Development
PCO	Procurement Ordering officer
POC	Point of Contact
PPMAP	Procurement Performance Management Assessment Program
QC	Quality Control
SABRS	Standard Accounting, Budgeting and Reporting System
SAM	System for Award Management
TO	Task Order
USC	United States Code
WAWF	Wide Area Workflow

Definitions:

Allowable Fee Amounts: Allowable fee amounts that can be paid under a Task Order are fee's that are specially authorized in the ESA.

Amendment. Amendments are changes to DD Form 1149 funding documents and NSTC 7100 Projected Tuition Form and should not be confused with the term **Modification** which refers to a change to a Task Order.

Availability of Funds: The ordering officer shall not execute a contract order or modification that causes or will cause an increase in funds without having first obtained a certification of fund availability from NSTC Comptroller's Office.

Contract Action Report (CAR): Contract action data required to be entered into the Federal Procurement Data System (FPDS-NG).

Condensed Course: A course that is shorter in duration than the standard academic terms. This includes summer school, winter courses or any similar word the Contractor may use. These courses are normally six weeks or less.

Cradle to Grave: A representation of the total contract cycle from concept, development, acquisition, execution and final close-out. From the beginning to end of the acquisition process.

Day: Unless specifically stated otherwise, the term day refers to a calendar day. Working or business days refers to the days the office is normally open, typically Monday through Friday minus federal holidays. In calculating days, the first full day after the event is considered day 1.

Department of Defense Activity Address Code (DoDAAC): A six-digit code that uniquely identifies a DoD unit or organization. The Navy commonly refers to this as a UIC. For Navy units, the first digit is a "N". As an example, NROTC Penn State University's DoDAAC is N63310.

Excess Funds: Funds relating to a specific line item or deliverable that was not performed on a contract***/order***. The functional specialist shall deobligate all excess funds by contract*/order* modification

Fixed-Priced Contract: A contract instrument in which the price arrangements are established and agreed upon by both parties at the time the contract instrument is issued. ESA Task Orders are fixed priced contracts.

***Language**:* The manner in which the intent of the contract or agreement is worded. Typically written in "Legalese", it defines the legal obligations and rights of the agreeing parties. Unless otherwise defined by the contract, agreement or federal regulation, words have common meaning.

***Modifications**:* Each and every change made to the original Task Order issued under Form DD1155 Order for Supplies or Services is done through a modification which utilizes form SF 30 Amendment of Solicitation/Modification of Contract. This term should not be confused with the term **Amendment**. The two types of modifications are:

***Bilateral**.* A bilateral modification (supplemental agreement) is issued under the authority of **FAR 43.103(a)** and is a contract modification that is signed by the contractor and then the ordering officer. Bilateral modifications are used to –

(1) Monetary changes
(2) Other agreements between the parties modifying the terms of the contract (limited to what is authorized in the ESA and Delegation of Authority letter)

***Unilateral**.* A unilateral modification is issued under the authority of **FAR 43.103(b)** and is a contract modification that is signed only by the ordering officer. Unilateral modifications are used, for example, to –

(1) Make administrative data changes such as correcting the Task Order number, wrong DoDAAC used, accounting data, typing errors, change in payment office, etc.
(2) **MAY NOT** be used for monetary changes to the Task Order

Ordering Officer: A person with the authority to enter into and administer task and delivery orders placed off of (as used in this policy) Educational Service Agreements. NROTC Ordering Officer's authority is limited by the FLC Letter of Designation and SF1402 Certificate of Appointment as Ordering officer.

Period of Performance: The to – from dates that services are authorized to be performed. For ESA Task Orders for tuition and fees, the Period of Performance is the 45th day of the term when the government assumes payment responsibility under the scholarship student contract. For advance placement exams and tutoring services, the Period of Performance is on or before the first day services are needed.

Prompt Payment Act: A law that requires the inspector/acceptor to accept or reject a properly submitted invoice within 7 calendar days and for the invoice to be paid within 30 calendar days. Failing to pay a valid contractor invoice within a specified period of time, the Government is liable to pay interest, computed at the Federal funds rate.

Ratification: The act of approving an unauthorized commitment by an official who has the legal authority to do so. NROTC Unit Ordering Officers DO NOT have authority to ratify an unauthorized commitment.

Reconciliation: Reconciliation is an accounting term that refers to keeping financial or other records in balance, in agreement, and accurate. In simple terms, reconciliation is the comparing of two or more sets of records to make sure they are accurate and in agreement with one another.

Shall: When the Federal Acquisition Regulation and all supplemental guidance uses the term “shall”, it denotes that the regulation must be followed unless the ordering officer has obtained a Contract Deviation issued by Defense Pricing and Contracting center.

Student: For the purpose of this handbook, student refers only to NROTC Scholarship Recipients.

Task Order: An order placed for the primarily purpose of obtaining services are known as Task Orders. This term should not be confused with Delivery Orders which are an order for the primarily purpose of obtaining supplies. Each Task Order is considered to be its own separate contract.

Term: The period of time into which the Contractor divides the academic year for purposes of instruction. This includes “semester,” “trimester,” “quarter,” or any similar word the Contractor may use. This does not include condensed academic periods such as summer school and winter courses. The “Term” start date will be considered to be the first workday in which the institution begins classes for that term.

Total Contract Value: The total value of the contract to include all modifications. If the order was for $10,000, Mod P00001 increased it by $1,000 and Mod P00002 decreased it by $750 then your total contract value is $10,250 ($10,000 + $1,000- $750 = $10,250).

Unauthorized commitment*:* An agreement that is not binding solely because the Government representative who made it lacked the authority to enter into that agreement on behalf of the Government.

Unauthorized obligation*:* An agreement that was entered into by a Government representative who had authority to enter into said agreement, but used funds that were not available or the wrong type of appropriations.

University*:* For the purpose of this handbook, the term university means an accredited institute of higher level learning in which the attendees can earn a bachelor’s degree or higher from.

Warrant: Refers to your Certificate of Appointment as a ordering officer that gives you the authority to enter into and administer contracts on behalf of the government.

Useful Web Links:

Acquisition Regulations (FAR, DFARS)	https://farsite.hill.af.mil
Defense Acquisition University (DAU)	www.dau.mil
DD Forms	http://www.esd.whs.mil/DD/
Electronic Document Access	https://wawf.eb.mil
FASTDATA	https://fastdata.navy.mil
FASTDATA User Guide	https://fastdata.navy.mil/fastdata/info/fddocumentation.htm
Federal Procurement Data System	www.fpds.gov
Navy Logistics Library	https://nll.navsup.navy.mil/default.cfm
NAVSUP Instructions (CAC Req)	https://nll.navsup.navy.mil/com.cfm
NROTC Supply Binder	http://www.nrotc.navy.mil/sitemap.html
System for Award Management	www.sam.gov
Wide Area Workflow	www.wawf.eb.mil
Standard Forms	https://www.gsa.gov/reference/forms