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Contracting

**NON-APPROPRIATED FUND (NAF)
CONTRACTING SYSTEM**

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This directive implements DoDD 4105.67, Non-Appropriated Fund (NAF) Contracting System. This Air Force Policy Directive (AFPD) applies to all purchases using NAFs to support Non-Appropriated Fund Instrumentalities (NAFI) on Air Force Installations. This directive applies to the Air Force Reserve and does not apply to the Air National Guard (ANG). It does not apply to the Army and Air Force Exchange Services (AAFES), chaplain funds, or civilian welfare funds, although these activities may request NAF contracting support for their NAF requirements. Ensure all records created as a result of the processes prescribed in this publication are maintained in accordance with

AFMAN 37-123 (will convert to 33-363), *Management of Records* (August 31, 1994) and disposed in accordance with the *Air Force Records Disposition Schedule (RDS)* located at <https://afrims.amc.af.mil/>

SUMMARY OF REVISIONS

The revision of AFPD 64-3, Non-appropriated Fund (NAF) Contracting System revises the roles and responsibilities of key offices within the program.

1. The Air Force relies on its non-appropriated fund (NAF) contracting system to buy the supplies and services essential to Services (SV) NAF programs. This directive establishes the framework for providing responsive, economical, and ethical contract support.
2. The goal of the Air Force NAF contracting system is to be responsible to the needs of its customers, obtain the best value for the Air Force, and ensure the terms and conditions are fair and reasonable to the vendor or contractor.
3. To meet its objectives NAF contracting shall maintain a process that:
 - 3.1. Limits purchase descriptions and specifications to necessary requirements.

- 3.2. Utilizes competition and commercial practices, when appropriate. When not appropriate, ensures adequate documentation of the contract file.
 - 3.3. The quality assurance methods used by the contractor is in accordance with the terms and conditions of the contract.
 - 3.4. Ensures NAF purchasing does not support private organizations or individuals.
 - 3.5. Is fair and impartial in selecting vendors and contractors.
4. The following responsibilities and authorities are established:
- 4.1. The Deputy Assistant Secretary (Contracting) (SAF/AQC) approves NAF contracting policies and procedures, and oversees the Air Force Non-Appropriated Funds Purchasing Office (AFNAFPO).
 - 4.2. AFNAFPO carries out central purchasing programs, gives NAF contracting guidance to field offices, and provides general training on NAF contracting. The Director of NAF Purchasing, Headquarters Air Force Services Agency (HQ AFSVA/SVC) may delegate limited contracting authority to NAFIs as described in AFMAN 64-302, *Non-appropriated Fund (NAF) Contracting Procedures*.
 - 4.3. The Resource Management Flight (SVF) of the Services Squadron and AFSVA/SVF for Central Fund purchases works within the NAFI organization to provide the day-to-day contracting support for SV activities.
5. This directive carries out requirements and policies in DoD Directive 5500.7-R, *Joint Ethics Regulations (JER)* (30 Aug 93, with change 4, September 6, 1998).
6. AFI 64-301, *Non-Appropriated Fund (NAF) Contracting Policy*, and AFMAN 64-302, *Non-Appropriated Fund (NAF) Contracting Procedures* implement this AFPD.

Michael W. Wynne
Secretary of the Air Force

Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

Department of Defense Directive 4105.67, *Non-Appropriated Fund (NAF) Contracting System*

Department of Defense Directive 5500.7-R, *Joint Ethics Regulations (JER)*

AFI 64-301, *Non-Appropriated Fund (NAF) Contracting Policy*

AFMAN 37-123, *Management of Records*

AFMAN 64-302, *Non-Appropriated Fund (NAF) Contracting Procedures*

Abbreviations and Acronyms

RDS—records disposition schedule

Terms

AAFES—Army and Air Force Exchange Services

AFDPO—Air Force Distribution Publishing Office

AFNAFPO—Air Force Non-Appropriated Fund Purchasing Office

AFMAN—Air Force Manual

AFPD—Air Force Policy Directive

ANG—Air National Guard

AQC—Deputy Assistant Secretary (Contracting)

AFSVA—Air Force Services Agency

HQ—Headquarters

JER—Joint Ethics Regulations

NAF—nonappropriated fund

PDO—Publishing Distribution Office

RDS—records disposition schedule

SAF—Secretary of the Air Force

SV—services

SVC—Services Contracting