

VDFR 37-1

# **Virginia Defense Force Financial Operations and Procurement**

**VIRGINIA DEFENSE FORCE HEADQUARTERS  
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RICHMOND, VIRGINIA 23230**

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## **1. PURPOSE**

The purpose of this regulation is to describe the source(s) of funds for the Virginia Defense Force (VDF) and the authority and procedures for the spending of these funds for the procurement of supplies and equipment.

## **2. REFERENCES**

- a. VAFA memorandum of 31 January 2014, subject: Financial Operations and Procurement.
- b. Executive Order 33 (2006), subject: Enhancing Opportunities for Small, Women and Minority (SWaM) Businesses.
- c. Department of Accounts Small Purchase Charge Card (SPCC) program.
- d. Department of General Services, eVa Procurement Portal mandatory source list.
- e. Commonwealth Code 44-113 and 44-137 (as amended in 2014).
- f. The Adjutant General memorandum of 10 July 13, subject: Directive on the Disposition of All Unauthorized of VDF Unit Funds and/or Accounts.
- g. Commonwealth Voyager motor vehicle fuel credit card program.
- h. Title 32 USC 109, Maintenance of Other Troops.
- i. National Guard Regulation 10-4, State Defense Forces.

## **3. PROPONENT**

The VDF Unit Administrator is the proponent for this regulation. The VDF Unit Administrator is a civilian employee of the Commonwealth of Virginia reporting to the Department of Military Affairs (DMA) Director of Personnel and Administration.

## **4. SOURCES OF FUNDS**

The VDF receives appropriated funds from the Commonwealth through the Department of Military Affairs. Appropriated funds may be general funds and other special funds so designated by the legislature. The VDF may also obtain appropriated funds from Commonwealth localities per reference 1e.

- a. All VDF funds received will be under the oversight of the Department of Military Affairs Director of Fiscal Operations.
- b. So-called unit funds or other unofficial funds are not authorized. Private accounts are not sanctioned by the VDF. Any private accounts maintained by VDF members will not contain references to the Department of Military Affairs or the Virginia Defense Force. No cash will be stored overnight in any armory space used by the VDF.

- c. Department of Defense (DoD) funds, supplies and equipment are not authorized for the VDF.
- d. Other Federal, non DoD funds, equipment and supplies may be made available to the VDF. Sources of such funds, such as from the Department of Homeland Security, will be through Commonwealth channels to the Department of Military Affairs for allocation to the VDF.
- e. Funds obtained from localities under reference e. may be either general or special in nature.
  - (1) Special funds are funds provided by the locality for a specific purpose or event, such as the Apple Blossom Festival. The locality will indicate its intention to provide such funds as part of the established VDF G3- JFHQ J3 community support event approval process.
    - (a) Localities will make such funds payable to the Treasury of Virginia and remit them to the Department of Military Affairs, Director of Fiscal Operations, Bldg 316, Ft Pickett, Blackstone, VA 23824.
    - (b) Special funds will be obligated and disbursed in accordance with existing VAFA procedures under the supervision of the DMA Director of Fiscal Operations.
    - (a) The VDF will publish an implementing Letter of Instruction (LOI) to VDF units on the funding process for each JFHQs approved special event. The VDF Unit Administrator will maintain separate accounting of locality-provided special funds.
  - (2) Funds of a general nature provided by localities to the VDF will be treated the same as general funds appropriated by the legislature, with the exception that they will be expended in support of the local unit or units so designated by the locality.
    - (b) Such funds will be obligated and disbursed in accordance with existing VAFA procedures under the supervision of the DMA Director of Fiscal Operations.
    - (c) Localities will make such funds payable to the Treasury of Virginia and remit them to the Department of Military Affairs, Director of Fiscal Operations, Bldg 316, Ft Pickett, Blackstone, VA 23824.
    - (d) The VDF Unit Administrator will maintain separate accounting of locality-provided general funds and ensure that these funds are spent in support of the locality-designated unit or units.

## **5. AUTHORITY TO OBLIGATE AND DISBURSE FUNDS**

- a. The authority to obligate funds within the VDF resides with the VDF Unit Administrator and those subordinate Commonwealth employees he so designates.
- b. The authority to disburse VDF funds the Department of Military Affairs Director of Fiscal Operations and those subordinate Commonwealth employees he so designates.

- (1) The Department of Military Affairs Director of Fiscal Operations and those subordinate Commonwealth employees he so designates may also obligate funds on behalf of the VDF. An example is a rental vehicle coordinated by VAFA and charged to their internal SPCCs.
  - (2) The Director of Personnel and Administration has obligation authority over the payroll submission of the VDF Unit Administrator.
- c. VDF members in a non-duty status do not have the authority to bind the Commonwealth or obligate funds. VDF personnel in a duty status, even if unpaid, may use the Voyager fuel credit card. The Voyager cards are limited to fuel purchases only and may not be used for any other purpose.
  - d. The Commonwealth disburses funds in arrears, that is to say, only after the goods or services ordered have been either delivered or performed.
  - e. This regulation is not applicable to State Active Duty payments to VDF members placed on State Active Duty by the Department of Military Affairs.

## 6. VDF OBLIGATION INSTRUMENTS

- a. The Small Purchase Charge Card (SPCC): The VDF will make maximum use of the SPCC's assigned to its Commonwealth employees for obligation transactions.
  - (1) The review and approval of the monthly statements of SPCC cards assigned to VDF Commonwealth employees is the responsibility of the VDF Unit Administrator.
  - (2) The review and approval of the monthly statement of SPCC cards assigned to the VDF Unit Administrator is the responsibility of the VDF Commanding General.
- b. Public Vouchers: Public vouchers are used to transmit invoices to DMA for payment for goods and services that cannot be completed by SPCC action. A sample public voucher and instructions are at Appendix A.
- c. Individual Travel Vouchers: Individual travel vouchers are used to make per-diem payments, reimburse mileage expenses and miscellaneous travel expenses, such as tolls, to VDF members authorized official travel. The authority to authorize official travel resides with the VDF Unit Administrator. A sample travel voucher and instructions are at Appendix B.
- d. Voyager Fuel Cards: Voyager fuel cards are used to fuel Commonwealth-owned vehicles assigned to the VDF. VDF personnel in a duty status, even if unpaid, may use the Voyager fuel credit card. The Voyager cards are limited to fuel only purchases and may not be used for any other purpose.
  - (1) Units are responsible to forward all fuel receipts from the Voyager fuel cards to the VDF Unit Administrator, 5001 Waller Rd, Richmond, VA 23230, no later than the 10<sup>th</sup> of the month for charges made in the preceding month.

- (2) The VDF Unit Administrator will reconcile receipts with the Voyager fuel card report provided by DMA VAFA.
- e. Payroll Documents: VDF payroll documents are an obligation on the Commonwealth.
- (1) The VDF Unit Administrator, as the supervisor of the VDF Commonwealth employees is responsible for the verification and submission of bi-monthly payroll sheets to DMA VAFA per the schedule published by VAFA annually. A sample payroll sheets is at Appendix C.
  - (2) The Department of Military Affairs Director of Personnel and Administration is responsible for the verification and submission of the bi-monthly payroll sheet of the VDF Unit Administrator to DMA VAFA per the schedule published by VAFA annually.

## 7. PROCUREMENT

- a. VDF procurement of supplies and equipment will be accomplished through approved Commonwealth channels in accordance with applicable laws, regulations, use of mandatory sources and other such guidance provided by the Department of Military Affairs Director of Fiscal Operations.
  - b. Local procurement by VDF members is not authorized with the following exceptions:
    - (1) Members will be reimbursed for postage and courier services (FedEx, DHL, etc.) that are required to perform their VDF duties. Reimbursement will be claimed on a Public Voucher.
    - (2) Limited photocopier service for such documents required for the administration and training of VDF volunteers. Bulk copier requirements in excess of \$ 50.00 require prior coordination with the VDF Unit Administrator. Reimbursement will be claimed on a Public Voucher.
    - (3) Members will be reimbursed for limited vehicle parts and services for Commonwealth owned vehicles, such as annual state inspection, replacement windshield wipers, etc. Vehicle repair and service requirements in excess of \$ 100.00 require prior coordination with the VDF Unit Administrator. Reimbursement will be claimed on a Public Voucher.
    - (4) Purchases of an emergency nature where coordination with the VDF Unit Administrator is not feasible, such as a padlock to secure vulnerable Commonwealth property or an item to address an immediate health or safety issue. Reimbursement will be claimed on a Public Voucher.
    - (5) The VDF, as an arm of the Commonwealth, is exempt from paying state sales tax. Any sales tax paid will not be reimbursed to individual VDF members. Those VDF members who exercise local purchases on subparagraphs (1 - 3) above of this section may obtain a copy of the VDF tax exemption certificate from the VDF Unit Administrator.
1. FISCAL YEAR COMPLIANCE: The VDF operates on the Commonwealth's fiscal year, which runs from 1 July to 30 June annually. Unlike the federal fiscal year, which runs 1 Oct to 30 Sep, all obligations and disbursements of VDF appropriated general funds must occur within the specified fiscal year. All appropriated general funds expire at the end of the fiscal year. Unlike the federal system, a mere obligation does not extend those funds into the next fiscal year.

2. RECONCILLIATION: The VDF Unit Administrator will reconcile all disbursements made by DMA VAFA of VDF funds with the appropriate source obligation document and the management reports provided monthly by DMA VAFA. Any and all discrepancies noted will be immediately reported to the DMA Director of Fiscal Operations or his designee for resolution.