I.M.P.A.C.
(International Merchants Purchase Authorization Card)
(Government Purchase Card)
(VISA)
STANDARD OPERATING PROCEDURES
Appropriated Funds
USAWC, Carlisle Barracks
2000 Edition

INTRODUCTION

The Government Purchase Card program was designed to provide a means of purchasing small dollar items when it would not be cost effective to write purchase orders. Executive Order 12352, Procurement Reform, instituted this type of purchasing for federal agencies.

The General Services Administration (GSA) awarded a contract to provide federal agencies with the purchase card services. The bank card's distinctive appearance was intended to set it apart from personal credit cards. It bears the Great Seal of the United Sates and has the words "United States of America" printed on its face. The name Smartpay, is embossed on the card along with the name of the individual authorized to use the card.

The purchase card provides procurement and nonprocurement personnel with a simplified method of purchasing commercially available supplies and services which do not exceed the micropurchase threshold. A micropurchase applies to purchases of supplies/services equal to or less than $2500 (for construction, $2000). It is important to remember that use of the Government-wide commercial purchase card is not limited to use in commercial stores.

Standard procurement rules as described in the Federal Acquisition Regulation (FAR) and Supplements, and fiscal law requirements of the Anti-Deficiency Act as described in DFAS-IN 37-1, apply to micropurchases. Purchases are not to be split to meet the $2,500 ($2000 for construction) micropurchase threshold. Appropriations to fund purchases must be available and must be appropriate for the purchase.

The program is intended to:

(1) Supplement and simplify established small purchase procedures;

(2) Can be used as a payment method under existing contracts or other contracting vehicles, and

(3) Is designed to minimize cost/administrative burden and reduce procurement lead-time.

Chapter 1

1-1. **PURPOSE.** The purpose of this Standard Operating Procedures is to establish internal policies and procedures to all Approving/Billing Officials, Cardholders, Resource Managers, Installation and Activity Commanders and to others involved with the IMPAC program for use of the purchase card to acquire and/or pay for supplies and services which are commercially available and have been approved for local purchase.

1-2. **APPLICATION.** This SOP applies to all purchases of supplies and services using the purchase card at Carlisle Barracks, PA, within the installation’s area of support as prescribed in AR 5-9.

1-3. **REFERENCES.**

a. AR 5-9, Intraservice Support Installation Area Coordination, Mar 1984 Edition and Changes/Updates.

b. DFAS IN 37-1, Finance and Accounting Policy Implementation, Sep 1995 Edition and Changes/Updates.

c. Army Federal Acquisition Regulations on Supplement (AFARS), 1996 Edition and Changes/Updates.

d. Department of Defense Federal Acquisition Regulation Supplement (DFARS), 1991 Edition and Changes/Updates.

e. Federal Acquisition Regulation (FAR), 1990 Edition and Changes/Updates.

f. HQ TRADOO Acquisition Regulation 715-3, 1997 Edition and Changes/Updates.

g. Governmentwide commercial Purchase Card Services Contract Guide, Revised Addition.

h. DOD 5500.7-R, Aug 1993 Edition and Changes/Updates, Joint Ethics Regulation, Standards of Conduct.

i. AR 710-2, Inventory Management Supply Policy Below the Wholesale Level, Mar 1994 Edition and Changes/Updates.

j. AR 735-5, Policy and Procedures for Property Accountability, Mar 1994 Edition and Changes/Updates.

k. AR 25-30, Army Integrated Publishing and Printing Program, Feb 1989 Edition and Changes/Updates.

l. AR 25-1, Army Information Resources Management Program, Nov 1988 Edition.

1-4. **DEFINITION OF TERMS:**

Agency Program Coordinator (APC). The individual at the installation or activity designated by the ordering agency/organization to perform contract administration for the Government Commercial Purchase Card Service program. THE APC is assigned to the Directorate of Contracting (DOC). This individual appointed by the DOC serves as the liaison between cardholders, the installation, HQ TRADOC, US BANK, and GSA. This individual provides training, oversight of the program at the installation and ongoing guidance and advice to all cardholders and approving officials.

Administrative Office. The office with direct overall responsibility for the IMPAC purchase card program. Within TRADOC, this office is the installation Directorate of Contracting (DOC). The DOC will appoint approving/billing/certifying officers, cardholders, Agency Program Coordinator and disputes official.

Approving/Billing/Certifying Official (ABCO). An individual appointed by Command authority who has under his/her purview one or more cardholders. This official is responsible for, at a minimum, reviewing cardholder(s) monthly statements and verifying all transactions made were for necessary government purchases and in accordance with the Federal Acquisition Regulations (FAR). This official also provides certification of cardholders transactions to

the disbursing office for payment to the Government purchase card contractor. The Army uses the Approving/Billing/Certifying Official concept in the commercial credit card program for internal control purposes. The ABCO provides a critical checkpoint by reviewing the cardholder's transactions to ensure that transactions are necessary and for official government purposes only. The individual is normally, the cardholder's immediate supervisor or higher level official within a directorate or activity. A cardholder cannot be his/her own ABCO. The DOC may delegate other duties as required by the installation.

Authorization. The process accomplished by the merchant at the point of sale to electronically verify that a purchase is being made within the established cardholder limits.

Bulk Funding. Specific reservation of funds by the Resource Manager.

Cardholder. Any individual designated by an agency/organization to be issued a purchase card and **procurement authority is delegated.** The purchase card bears the name of the individual **can be used only** by this individual to pay for official purchases in compliance with agency/organization internal procedures. Cardholders shall be held liable for **fraud, misuse or abuse of** their card.

Statement of Account. A statement provided to the cardholder by the Bank listing all transactions processed against the account during the billing cycle.

Billing Account Statement. A composite statement provided to the Approving/Billing/Certifying Official by the Bank listing all transactions processed by Cardholder(s) during the billing cycle.

Certification. The act of attesting to the legality, propriety and correctness of a document for payment as provided for in 31 U.S.C. 3528(a).

Construction. Construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property, inside and outside.

Defense Finance and Accounting Services (DFAS). The designated payment office. DFAS pays invoices from the Bank after certification by the cardholder's ABCO.

Delegation of Authority. A written delegation issued by the DOC to trained individuals, which established them as authorized cardholders. This delegation of authority will specify spending and usage limitations unique to that cardholder, and must be maintained in the file of each cardholder. Individuals delegated contracting authority are procurement officials, as defined under Section 27 of the Office of Federal Procurement Policy Act. They must receive training in the use of the purchase card and contracting ethics.

Dispute. A disagreement between the cardholder and the contractor regarding items/charges appearing on the cardholder's monthly statement of account (SOA).

Disputes Official. An individual in the DOC who will coordinate, process and monitor all disputed purchases, credit or billing errors, etc., after efforts by the cardholder and approving official have been unsuccessful.

Merchant Type Code. Code assigned by the Bankcard Company to a merchant which categorizes the type of business the merchant is engaged in and the kinds of goods and services provided. This code is identified each time an authorization is sought and is used to identify those merchants who provide goods and/or services that are unauthorized for the cardholder (e.g. airlines, travel agencies, bars, etc.)

Micro-Purchase. An acquisition of supplies or services (except construction) the aggregate amount of which does not exceed $2,500.

30-Day Spending Limit. It is the responsibility of the ABCO and the servicing Resource Manager to establish the maximum amount for cardholder purchases for each billing cycle. Purchase made during one month that does not appear on the month's statement will be carried into the following month and will be disbursed in the month they actually appear on the statement.

Monthly Spending Limit (Office Limit). (Note: Do not confuse with the 30-day spending limit.) The monthly

spending limit for the ABCO should equal all cardholder(s) 30-day spending limits. Ineffect, if the ABCO has 10 cardholders all with 30-day spending limits of $5,000, the ABCO's monthly spending limit should be $50,000. Once the ABCO's limit has been reached, all subsequent cardholder purchases will be denied.

Payment Cycle Standards. Carlisle Barracks billing cycle date begins on the 24th of the previous month and ends on the 23rd of the present.

Personal Services. A contract that by its express terms or as administered makes the contractor personnel appear, in effect, government employees.

Property Book Officer. The individual responsible for monitoring purchases of nonexpendable items and ensuring that inventory accountability is performed. Cardholders are responsible for obtaining **prior** approval of purchasing nonexpendable items and for supplying their perspective property book officer with notification of receipt of such items.

Single Purchase Limit. The maximum single purchase limit is $2,500 ($2,000 for construction), unless you have been appointed as a "Super-User". The delegation of appointment letter that appoints the cardholder designates the single purchase limit and the 30-Day spending limit. This authorization has been established to ensure Procurement laws and Federal Acquisition Regulations are followed.

Tax Exemption. Purchase card transactions are exempt from state and local taxes, in accordance with state and local laws. The phrase "U.S. Government Tax Exempt" will be embossed on the front of each purchase card. The cardholder is responsible for ensuring the merchant does not charge taxes, since taxes are not valid disputes and cannot be deducted from payment.

1-5. **GENERAL INFORMATION.**

TRADOC Directors of Contracting (DOCs) will return purchase request for items or services valued at less than $2,500 if not supported by an adequate justification why the cardholder cannot obtain the requirement with the purchase card. Cardholders should e able to obtain most

micropurchase requirements with the purchase card. Some examples of acceptable justifications include:

(1) If the activity's only cardholder has not yet completed, or is scheduled for training;

(2) If the cardholder has made and documented three calls to legitimate vendors and cannot find a source or cannot find a vendor who will accept the purchase card;

(3) If the price quoted by the vendor that will accept the card is higher than the price of a vendor that does not. However, note that the DOC may choose to reject a purchase request in this situation if the administrative cost of issuing a purchase order makes it in the best interest of the Government for the cardholder to make the purchase.

Chapter 2

2.1 RESPONSIBILITIES

a. NOMINATIONS.

(1) **Selection and Appointment.** Cardholder(s) and Approving/Billing/Certifying Official(s)(ABCO) must be nominated by the command chain through the Agency Program Coordinator who is responsible for reviewing nominations for possible conflicts of interest with other duties and responsibilities. Each cardholder must be assigned to an ABCO. Selection and assignment of both cardholders and ABCOs established the main management control for prevention or detection of fraud or abuse of the purchase card. The ABCO may be the cardholders direct supervisor, or someone else within the command chain, that can provide an oversight function without creating a conflict of interest. For example, Property Book Officers will not be appointed as either cardholders or as ABCOs. Individuals with fund certification authority will not be appointed as cardholders for cards citing those funds. No one individual shall be established as purchaser, receiver, and certifier. Nomination of Cardholder(s)/Approving/Billing/Certifying Officials will be coordinated with the activity Resource Manager.

b. DIRECTOR OF CONTRACTING (DOC).

(1) The DOC has overall responsibility for oversight of the Government purchase card program on the installation the DOC will:

(2) Designate an individual within the DOC to act as the Agency Program Coordinator (APC) to monitor/manage the program and resolve problems.

(3) Develop (when necessary) and maintain supplemental implementing instructions.

(4) Issue delegations of authority to cardholder and approving/billing/certifying officials.

(5) Promote and publicize the program throughout the command and industry.

(6) Assist activities in determining cardholder requirements.

(7) Develop training and orientation covering use of the purchase card prior to delegating authority under the program.

(8) Establish accounts after training has been completed.

(9) Review cardholder and ABCO performance to ensure proper controls are in place to prevent potential fraud, waste and abuse.

(10) Initiate recommendation for disciplinary action for unauthorized use of the purchase card or failure to follow prescribed procedures.

2-3 **AGENCY PROGRAM COORDINATOR (APC).** The APC functions as the primary liaison between cardholders, the installation, HQ, TRADOC, Bank and GSA and will:

a. Serve as the representative on technical matters for the installation program.

b. Provide and certify training for the purchase card program.

c. Serve as the disputes official.

2-4. **CARDHOLDER.** Cardholders hold a public trust and must meet the highest ethical standard. Cardholders shall:

a. Ensure that the purchase card is used **FOR OFFICIAL GOVERNMENT PURPOSES ONLY.**

b. Safeguard the purchase card and account number at all times. The card is embossed with the cardholder's name and is designed so that it cannot be confused with personal credit cards. **CARDHOLDERS SHALL NOT ALLOW ANYONE ELSE TO USE THEIR CARD OR ACCOUNT NUMBER, INCLUDING APPROVING/BILLING/CERTIFYING OFFICIALS, SUPERVISORS, OR COMMANDERS IN THE CARDHOLDER'S CHAIN OF COMMAND.** Failure to safeguard the purchase card and account number will result in the card being withdrawn from the cardholder.

c. Ensure proper documentation of the following elements prior to making any purchase;

(1) Brief, written description of required item or service.

(2) **Funding Availability. Funds must be made available prior to making any purchase.** The Director, Resource Management (DRM) or activity budget official will be responsible for providing "bulk" funding for micropurchase transactions to each cardholder. It is the cardholder's responsibility to ensure that funding has been certified and is sufficient for the purchase. The bulk funding provided by the Resource Manager shall not be exceeded without prior written approval from the Resource Manager. If purchases were made exceeding the allocated bulk funding, this would create an unauthorized commitment by the cardholder.

(3) Ensure local purchase authority has been provided by the responsible process owner (PBO, CIO, HAZEMAT, etc.).

(4) If purchasing a property book (non-expendable) or a hand receipt (durable) item, ensure that procedures established by the installation DPW are followed regarding property accountability.

(5) If purchasing an Information Mission Area (IMA) equipment or any ADPE item, ensure that procedures established by the Chief Information Office (CIO) are

followed regarding authentication requirements. (See Attachment 2)

(6) If purchasing any type of hazardous materials, i.e., paints, chemicals, contact the DPW, Safety Office for information on Material Safety Data Sheets.

(7) Requirements for library or information resources, regardless of cost, to include: electronic databases, books, subscriptions, workbooks, microforms, maps, video cassettes, archival materials, photographs, and CDs will be procured by Library personnel only. Customers submit a Request Information Resource form (CBKS Form 658-E) available on FormFlow.

d. Check **MANDATORY SOURCES** of supply **PRIOR** to initiating purchases. Mandatory sources include:

(1) Institute of Heraldry for flags and guidons; and

(2) General Services Administration (GSA) for tires, chemicals, office supplies and other items; (GSA ADVANTAGE @ http://www.gsa.gov and

(3) Federal Prison Industry, Inc. (FPI/UNICOR) for furniture and toner cartridges; (http://www.unicor.gov) and

(4) National Industries for the Blind/National Industries for the Severely Handicapped (NIB/NISH) for many office supplies. NIB/MNISH requirements can be satisfied by going to GSA, or GSA's new federal supply schedule "desktop" contracts. (http://www.jwod.gov)

e. Make purchase card transactions as prescribed in accordance with this SOP, procurement statue, policies and regulations, training received and within the specific, delegated authority. If questions arise, contact the installation APC. The Bank customer service representatives are also available to answer questions.

f. A single purchase transaction may include multiple items, but the total amount, to include all incidental charges (e.g., shipping/transportation costs) **shall not exceed** the cardholder's single purchase limit ($2,500). **Do not split requirements to stay within the single purchase limit.** This practice is prohibited. When the total value of required items exceeds the cardholder's single purchase

limit, combine the items on one purchase request and forward to the Directorate of Contracting. The Directorate of Contracting has the authority to return any purchase request valued at and below $2,500 to the requester if the item is one which could be purchased with the card unless a valid justification is attached and approved by the Directorate of Contracting.

g. For requirements under $2,500, competition is not required. However, the cardholder must determine price to be fair and reasonable (information on how to determine price reasonableness will be covered in credit card training) and rotate purchases among qualified vendors.

h. For transactions whose total value exceeds $2,500 (the micropurchase limit), the purchase card may be used **but only for payment** and **only if a higher dollar limitation is authorized in the cardholder's specific delegation.**

i. Inform merchants that the purchase is for official Government purposes and, therefore, is exempt from state or local taxes in accordance with state law. The IMPAC card is imprinted with "U.S. Government Tax Exempt" for additional clarification. If the vendor refuses to accept this status, the cardholder should notify the IMPAC contractor and find another merchant with whom to process the transaction.

j. Backordering is not allowed. **Cardholders are responsible for informing the merchant that the billing cannot occur until the item(s) are shipped and/or delivered.** Ensure that the merchant uses either electronic or telephone clearance of purchase from the IMPAC contractor. Items purchased should be available for delivery within 30 days or by the time the monthly report is received to simplify monthly reconciliation. Delivery sites are to be the cardholder office address, unless otherwise indicated by your ABCO. If an item has been billed on the SOA, but not yet received by the activity, the cardholder waits until the following billing cycle to submit the Cardholder Statement of Questioned Item Form (CSQI).

k. The merchant obtains authorization automatically for all purchases at the point-of-sale. The IMPAC contractor authorization system checks each individual cardholder's single purchase limit, monthly limit, and the type of

merchant being utilized before the transaction are approved. This ensures that cardholders are within the limits established in their letter of authorization. Emergency purchases beyond the assigned monthly limit may be authorized by the ABCO, but **must be coordinated with the installation Agency Program Coordinator (APC) at the DOC and the IMPAC contractor prior to exceeding limits. The Agency Program Coordinator (APC) takes care of notifying the IMPAC contractor.**

l. Maintain a comprehensive register/log of all purchases with supporting documentation (receipts, packing slips, etc.) Register/log should be complete and up-to-date since it will be used to reconcile the monthly SOA and will be subject to review by the ABCO, DOC, CID or other surveillance organizations/activities.

m. Review, verify and reconcile the itemized month statement of account (SOA) and record a description of the items purchased, note that hand receipts have been obtained where required. Ensure that all documents (sales receipts and/or delivery tickets, etc) are legible, accurate, complete and on hand for reconciliation at the end of the billing cycle. Sign the SOA, attach supporting documentation (including credit vouchers), and forward all to the ABCO for further action within 5 days of receipt from the IMPAC contractor (date stamp your SOA upon receipt). If the SOA is not received by the second day of the month following the billing cycle, contact the IMPAC contractor as indicated on the back of the purchase card and request a reprint of the SOA.

n. Attach all **originals** of the purchase card charge slips/sales drafts, merchant invoice or cash register receipts and delivery tickets, etc. with the **original** SOA. These documents become part of the audit trail required and must be **retained** by the Cardholder or ABCO for **three years.**

o. Cardholders will maintain a suspense file of disputed transactions. Disputed transactions should first be addressed to the vendor for credit. If the vendor does not remedy the situation, cardholders should contact the Agency Program Coordinator (APC) immediately. A record of conversation detailing the problem should be attached to the SOA and sent to your ABCO.

p. During periods of temporary duty (TDY) or when on leave status during the period when the SOA is received for verification/reconciliation, the cardholder must forward all supporting documentation to the ABCO prior to departure. The ABCO will be responsible for reconciliation and coordinating with the billing office to ensure timely payment. The cardholder must sign a copy of the SOA upon return to work.

2-5 **APPROVING OFFIICALS.** Approving/Billing/Certifying Officials (ABCO), like cardholders, must also meet the highest ethical standards. The ABCO is now the key player in the purchase card purchasing, dispute and bill paying process.

a. Under current procedures, the ABCO's signature validates that purchases made by cardholders:

(1) Are correct and essential to fulfill immediate mission requirements.
(2) Do not exceed spending limits approved by the resource manager.
(3) Are not for personal use – official Government business only
(4) Are not items that have been specifically prohibited by the organization or by statue.
(5) Have not been split into smaller segments to stay under the micropurchase limit ($2,500 for supplies and services - $2,000 for construction)
(6) Is not part of a system or larger purchase exceeding $100,000.00 in value.
(7) Purchases are made in accordance with Federal Acquisition Regulation and Supplements.

b. The ABCO is responsible for ensuring that proper property book procedures have been followed and that hand receipts have been made obtained when required.

c. Under standard Business Practices, the Bank sends the Billing Statement directly to the ABCO. The Billing statement must be certified for payment and sent to the DFAS-Rome.

d. The ABCO will be designated a purchase card Certifying Officer by issuance of a letter of appointment and completion of a signature card (DD Form 577).

e. The ABCO will also be responsible for the following certification functions:

(1) Reconciles the Billing Statement against the cardholder SOAs and supporting documentation, verifying that the transactions meet the legal requirements for authorized purchase card purchases.

(2) Verifying that adequate documentation is available for individual transactions.

(3) Verifying that the facts presented in the documents for payment are complete and accurate.

(4) Verifying proper documentation has been issued for hand receipted items.

(5) Taking appropriate action to prevent two or more payments for the same transaction.

(6) Date stamp Billing Account Statement upon receipt.

(7) Issuing a certification statement to the payment office. The payment office must receive the certified Billing Statement no later than ten (1) calendar days after receipt of the Billing Statement.

f. In cases where the cardholder will not be available to perform the reconciliation (i.e., annual leave, TDY, or sick leave), the ABCO should assist in making alternate arrangements. If satisfactory arrangements cannot be made, the ABCO must still certify the Billing Statement and direct a specific reconciliation after the cardholder returns. **Note:** If a cardholder cannot produce his/her Statement of Account, the ABCO may direct the cardholder to endorse that portion of the Billing Statement that applies, since identical information from the SOA is on the Billing Statement.

g. In cases where the ABCO will not be available to perform certification of the Billing Account Statement, the ABCO will make alternate arrangements for certification by an alternate ABCO (**the alternate must also be an appointed Certifying Officer)** or by Nancy Mallein, DRM, (X4393). The ABCO will inform his/her cardholders to forward their SOAs with supporting documentation to the DRM in a timely manner.

h. Under the revised procedures, **the ABCO is pecuniary liable for an illegal, improper, or incorrect payment due to an inaccurate or misleading certification. Consequently, ABCOs that knowingly make a false certification could be asked to repay the Government for the items purchased** in accordance with provision at 31 U.S.C. 3528. If the ABCO is unsure about fund certification, the ABCO should contact the Resource Manager for guidance and/or assistance.

2-5.1 **Disputed Items**

a. The ABCO monitors the dispute process to see that disputes initiated by the cardholder(s) are eventually settled and credit is provided to the government when appropriate. If a cardholder disputes a charge, the original CSQI is sent directly to the Bank and a copy is attached to the SOA when it is forwarded to the ABCO for review. A copy of the CSQI is kept by the Cardholder in a suspense file until resolved.

b. The ABCO will sign and date the SOA and Billing Statement. Payment will not be withheld for disputed items. The AO will certify the invoice for payment in full, and any credits for the disputed items will be offset against future billings.

2-5.2 **Maintaining Records**

a. The ABCO must date stamp the Billing Statement when received to ensure prompt payment is computed properly. Payment is due 23 calendar days from date of receipt of the Billing Statement. If the ABCO does not clearly identify the date of receipt on the Billing Statement, the Prompt Payment Act requires the payment office to use the statement date assumed date of receipt. In many cases this will result in the payment not being made in a timely manner and interest penalties will be assessed.

b. ABCOs are responsible for ensuring that the signed billing statement arrives in the Finance Office by the 10th calendar day from receipt of the Billing Statement.

c. ABCOs will make sure that original SOAs, individual transaction receipts, and copies of the

certified Billing Account Statements are retained for a period of three years.

d. Issue a memorandum to the Agency Program Coordinator when changes to accounts are necessary. The ABCO is to ensure that all terminating cardholders have cleared through the Agency Program Coordinator with a memorandum or email requesting cancellation of their account and destruction of their purchase card.

2-6. **Resource Management**

a. **Funding Method**

(1) Resource Mangers will fund purchase card purchases using the “Bulk” funding method. Cardholder will not longer request funding for each separate purchase.

(2) The “Bulk” method requires that a specific fund reservation (obligation or formal commitment) be posted to the official accounting records prior to payment of the invoice. “Bulk” funding may be made in month, quarterly, semi-annually, or annual increments as is appropriate to the funding environment of the activity. The Resource Manager will, in conjunction with the Command and the Agency Program Coordinator, determine the cardholder’s 30-day spending limit and the ABCO limits, then use the limits to budget for purchase card purchases.

(3) The Resource Manager will use the Cardholder’s 30-day spending limit as the basis for creating and posting “Bulk” funding reservations. The Resource Manager based upon available funding and historical spending patterns will determine actual bulk funding provided. In those cases where the Cardholder’s 30-day limit will not be the same as the amount bulk funded, alternate internal controls must be established to assure bulk funding is not exceeded. Cardholders will not exceed the “Bulk” funding amounts without first obtaining additional funding from the Resource Manager.

(4) The Resource manager will assign a single accounting classification for each Cardholder’s account number. Use only one basic symbol on each card to provide audit trail for future interest payments, discounts, and rebates. The accounting classification should be entered in the Master Accounting code field on the purchase card account setup.

Note: conditions will exist where it is necessary to use more than one line of accounting. APCs will coordinate with local Resource Managers to determine if an exemption is in effect and what procedures to use in place of the single line of accounting per card. DFAS will assess one work load count for each line of accounting cited in the Billing Statement.

(5) Employing a Single Line of Accounting (LOA) will facilitate summary level accounting per purchase card and by using single object class in formal accounting records.

2-6.1 **Allocation of Funds**

Appropriations without formal commitment accounting will post estimated obligations for each Cardholder equal to that cardholder's monthly spending limit multiplied by the number of months being obligated.

2-6.2 **Fund Authorization**

a. Requests to establish cardholders will be coordinate with the activity Resource Manger before delivery to the Bank. The Resource Manager will assign a single line of accounting to each IMPAC account. A total of 75 characters are available in the Master Accounting code field to accommodate fund citations. All fund citation will be entered in this field as follows:

Position	**Length**	**Data Element**
1-2	2	Department
3	1	Fiscal Year (fill with *)
4-7	4	Basic Symbol
8-11	4	Limit/Subhead
12-13	2	Operating Agency (OA)
14-17	4	Allotment Serial Number (ASN)
18-21	4	Element of Resource
22-35	14	Standard Document Number(DSN)
36-41	6	Account Processing Code (APC)
42-44	3	Blank or Local Use
45-50	6	Fiscal Station Number
51-75	25	Local Use

b. One and only one treasury symbol will be cited on each card to provide an adequate audit trail for discounts and rebates. Exceptions to this general rule may be

required when the cardholder buys for several appropriations and/or project orders. Approval for exceptions must be explicitly granted by the Resource Manager on the cardholder application and the activity must provide an automated method for charging each purchase to the correct appropriation and/or project order.

c. Activities will establish local procedures to update the accounting code for the new fiscal year as part of the year-end close out procedures.

d. Unique Standard Document Numbers (DRN) will be assigned to each cardholder account.

e. Element of Resource (detailed object class or EOR) assignment will depend on the availability of automated processes. Activities with access to automated programs that assign a specific EOR to each purchase will use those programs to assign EOR. Activities without such automation will apply a single EOR to each purchase card. The Resource Manager will determine the EOR that best fits the types of purchases envisioned with the particular card. Cards generally used to purchase supply items should cite 26EB.

2-7 **DEFENSE FINANCE AND ACCOUNTING SERVICE (DFAS)**

As the designated payment office, DFAS will:

a. Receive monthly Billing Account Statement from the ABCO after verification and certification.

b. Make proper payment electronically to the Bank in accordance with the Prompt Payment Act.

c. The Defense Finance Officer will appoint all certifying officers.

NOTE: All Billing Account Statements must be date stamped or annotated with date of receipt by the ABCO. If the date received by the ABCO is more than 10 days later than the invoice date, convincing evidence, a statement by the ABCO,need to accompany the Billing Account Statement stating why the statement was late. If the statement is not attached, than Interest may occur. The Prompt Payment clock starts when the Billing Account Statement is received at the designated billing office. The invoice (billing

statement), not the envelope, should be date stamped upon receipt in your office. If the invoice is not properly stamped with receipt date, than the date of the invoice will be used for entitlement computation. Delay of more than 10 days later than the invoice date is assumed to indicate an invoice was not properly receipt date stamped.

Chapter 3

GENERAL INSTRUCTIONS

3-1 **TRAINING REQUIREMENTS**

a. Prospective Cardholders and ABCOs must receive credit card training on use of the purchase card. This training will be developed by the DOC and will include but not necessarily be limited to information about federal, defense and Army regulations, policies and procedures pertaining to micropurchases and simplified acquisitions, and Government ethics training. Orientation shall address GSA, IMPAC contractor and installation-specific procedures for use of the purchase card. The installation Agency Program Coordinator or an authorized individual will conduct this training.

b. For those cardholders that are authorized a single purchase limit exceeding $2,500, additional training is required. The DOC will determine the extent and duration of this additional training.

c. Nominations for cardholder/ABCOs must be submitted by the activity Commander/Director and coordinated with the activity’s Resource Manager. The Resource Manager will establish the cardholder’s 30-day limit and the ABCO’s 30-day office limit based upon prior history of usage for that activity and assign the appropriate accounting data. Once submitted to the Directorate of Contracting, it will be reviewed in regard to conflict of interest.

3-2 **DOLLAR LIMITS**

Any changes to the following limits must be requested in writing by the ABCO and the Director, Resource Management (DRM). The ABCO will forward a memorandum through the appropriate budget office to the Agency Program Coordinator at the DOC.

3-2.1 **SINGLE PURCHASE LIMIT**

This is the maximum amount the cardholder can obligate per transaction, per merchant, and will be authorized by the DOC in the cardholder's delegation of authority. This amount will be determined by the ABCO in coordination with the commander/directorate and the budget certifying official, and will normally be limited to the micropurchase threshold ($2,500 - $2,000 for construction) for outside-DOC cardholders. DOC and some outside-DOC cardholders, with appropriate training and experience, may be authorized a higher amount when the card is used as a method of payment (must be specifically authorized in the cardholder's delegation of authority), and

(a) the card is being used in conjunction with a simplified acquisition procedure such as a purchase order, purchase card agreement or requirements type contract or

(b) the card is being used to initiate calls or orders placed against existing contracts or agreements which include applicable clauses/provisions, and

© individual contract/procurement instrument provisions provide for payment by IMPAC purchase card.

A single transaction may include multiple items, but the total amount of the transaction, to include all incidental charges (e.g. transportation costs), shall not exceed the cardholder's single purchase limit. **Purchases shall not be split in order to stay within the single purchase limit.**

3-2.2 **Monthly Cardholder Limit.**

This is a budgetary limit established by the ABCO in coordination with the budget certifying official. This limit is used for funds control purposes.

(a) The total cumulative dollar value of all purchases during a single billing cycle may not exceed the established monthly limit, which is identified in the cardholder's delegation of authority.

(b) The ABCO must notify, in writing, the installation APC at the DOC if a higher monthly limit becomes necessary.

3-2.3 **Monthly ABCO Limit**.

This is the total of all monthly spending limits of cardholders under an individual ABCO. If at some point the monthly cardholder limit is raised, then the ABCO's monthly limit must also be raised before US Bank will accept the increased expenditures in any given month.

3-3 **DISPUTED ITEMS**

The cardholder works directly with the vendor to correct any problems in purchase card transactions. If the vendor does not correct the problem in a reasonable manner, preferably by the next billing cycle, the cardholder should initiate a formal dispute. If an item has been billed on the SOA, but not yet received by the activity, the cardholder will follow the delayed dispute procedures.

3-3.1 **Basis for Disputes**

Most common causes of Disputes are:

Defective Items – If items purchased with the purchase card are found to be defective (e.g., price, quantity, or quality), the Cardholder will obtain replacement or correction from the merchant as soon as possible. If the merchant refuses to replace or correct the faulty item or charge, the charge for the item should be formally disputed.

Unauthorized Charges – If a Cardholder receives an SOA that lists an unauthorized or incorrect charge, the Cardholder must try to resolve the charge with the vendor. After the Cardholder makes a reasonable attempt to resolve the situation with the vendor and vendor refuses the correct, the transaction must be formally disputed.

Items Billed But Not Received – The most common reason for Cardholders disputes involves transactions for items billed but not yet received. Cardholders shall annotate on their SOA that the item has been ordered but not received. A formal dispute must be filed if an

item does not arrive by the time the next SOA is received. See Delayed Dispute Procedures.

3-3.2 **Dispute Procedures**

3-3.2.1 **Initiating a Formal Dispute**

a. Problem transactions must first be addressed to the vendor for resolution (i.e., credit, repair or replacement). If the vendor does not remedy the situation, Cardholders must complete a *Cardholder Statement of Questioned Item (CSQI)* and mail **original** (or fax) (email is not authorized due to VISA requirements) directly to the Bank. A copy of the CSQI is attached to the original SOA with supporting documentation and forward to the ABCO as part of the reconciliation process. Cardholders should submit a CSQI once a reasonable attempt has been made to resolve the issue directly with the merchant. ABCOs will continue to monitor the status of the dispute and inform the APC of any formal dispute.

b. The SOA will be paid in full regardless of whether a CSQI is issued. Additionally, ABCOs will certify the bill for payment in full. Any credits for the disputed items will be offset against future billings. If there is a reasonable expectation that the vendor will correct the situation, the Cardholder will follow delayed dispute procedures. Cardholders have 60 days from receipt of the SOA to dispute a transaction.

3-3.2.2 **Delayed Dispute Procedures**

If an item has been billed on the SOA, but not yet received, the Cardholder should wait until the following billing cycle to submit the CSQI. Cardholders will be required to assist the Bank as necessary and should follow-up with the Bank until the dispute is resolved. A reconciled SOA should not be withheld for disputed items; rather the ABCO will certify the Billing Statement for payment in full. Any credits for the disputed items should be offset against future billings.

3-3.2.3 **Bank Actions**

The disputed items are summarized on the SOA until resolved. The Bank will normally resolve a dispute within 120 days. If the Bank determines that a refund is due to

the Cardholder, a credit will appear on the SOA. A breakdown of the disputed transaction will be available from the Bank upon request.

Note: Taxes and shipping charges are not disputable items.

3-4 **RECONCILIATION PROCEDURES**

3-4.1 **General**

The Bank will send a monthly Statement of Account (SOA) to the individual Cardholder for review and endorsement. Additionally, the Bank will send a Billing Statement to the ABCO that reflects the account status of all the Cardholders assigned to him/her. The ABCO forwards the certified Billing Statement directly to there supporting OPLOC (DFAS-Rome). The Billing Statement will be certified for full payment. Disputed transactions will be captured and addressed through parallel means (See Disputes). Incases where a dispute is resolved in favor of the Cardholder, appropriate credit will appear in subsequent statements.

3-4.2 **Cardholder Responsibilities**

a. The Cardholder will receive their individual Statement of Account (SOA) from the Bank monthly. When the SOA is received, the Cardholder verifies the information on the statement. A description of items purchased on each transaction will be entered on the SOA unless, for example, there is an itemized receipt available. Disputed charges will be addressed separately (See Disputes).

b. The Cardholder signs the original SOA, attaches all original receipts or other supporting documentation (e.g., phone record, packing slip, cash register receipt) annotates that hand receipts have been issued as required (e.g., an item designated a sensitive), and forwards the packet to the ABCO. If a charge is not considered valid, the Cardholder implements dispute procedures. The Cardholder still signs the SOA but annotates discrepancies that are expected to be resolved. Disputes will not impede the timely reconciliation of the SOA to the ABCO.

c. In cases where the Cardholder will not be available to perform the reconciliation (i.e., vacation, TDY, or sick leave), it is the Cardholder's responsibility

to notify the ABCO and arrange for the reconciliation to be performed by the ABCO or a designated alternate. If satisfactory arrangements cannot be made, the ABCO must still certify the Billing Account Statement but may direct a specific reconciliation after the Cardholder returns.

d. The **Cardholder** sends the original SOA with receipts or other documentation to the ABCO for review, approval, and certification. **The time limit for Cardholder reconciliation is three (3) calendar days of receipt of the Statement of Account.** (**Note:** In cases, where the Cardholder does not have the SOA available (e.g., the SOA did not arrive or is lost), the same information is available on the ABCO's Billing Statement). Reprints of lost Statements are also available from the Bank.

e. Cardholders who consistently fail to perform reconciliation or who fail to maintain adequate documentation may have their accounts cancelled and purchasing privileges revoked, subject to review by the installation or activity commander.

3-4.3 **ABCO Responsibility**

a. The Bank will send a Billing Statement to the ABCO that displays a record of all transactions within the billing cycle for the Cardholders under his/her control. Under the Corporate Payment System (CPS) the ABCO is referred to as **"the company"**, meaning that this is the activity that receives the bill.

b. **The ABCO must date-stamp the Billing statement with the date received.** The Bank will transmit the Billing Statement at the close of the billing cycle – the 23rd of the month. **The ABCO's certified Billing Statement must be received by their supporting OPLOC not later than the 15th of the month.**

c. If the ABCO does not clearly identify the date of receipt on the Billing Statement, the prompt Payment Act requires the payment office to use the statement date as the assumed date of receipt. In many cases this will result in the payment not being made in a timely manner and interest penalties will be assessed.

d. The ABCO reconciles the Billing Statement against the Cardholder SOAs and supporting documentation **and**

forwards the original Billing Statement with one copy to their supporting OPLOC (DFAS-Rome). If the ABCO determines a particular purchase was illegal, improper, or incorrect, he/she should not certify without including in the file a memorandum (see Attachment 9) from the director/commander of the organization.

3-5 **PURCHASING PROCESS**

3.5.1 Once a need is determined to be valid for purchase with the purchase card, the screening has been accomplished, and any required approvals have been granted, the Cardholder obtains a quote from a vendor. If the Cardholder determines that the quoted price is fair and reasonable based on his/her knowledge of market prices, an order is placed with the vendor. If the purchase price is not considered reasonable, the Cardholder locates another source with a fair and reasonable price. Purchases from the NIB/NISH at higher-than-commercial market prices are acceptable. Records of competitive bids and quotes are not required. Micropurchases are exempt from set-asides for small businesses and the Buy American Act. **Screening of mandatory supply sources is required (i.e., UNICOR, JWOD, NIB/NISH AND THE INSTITUTE OF HERALDRY).**

3-5.2 Cardholders should routinely inquire as to whether there are discounts/Government discounts available. Also, Cardholders should inform merchants that the purchase is for official U.S. Government purposes and, therefore, not subject to state and local taxes (if applicable to that state).

3-5.3 Cardholders are required to rotate sources of supplies/services. For example, if there are two parts stores in a local area, purchases should be rotated between them.

3-5.4 All purchases, whether over the counter, by fax, or by telephone require documentation as proof of purchase (e.g., register tape, packing slip, etc.). That documentation will be used to reconcile the purchase shown on the Cardholder’s Statement of Account (SOA) issued at each end-of-the-month billing period and will provide documentation required to establish and audit trail. If purchase is made over the phone, the Cardholder records the vendor’s name, price quote, item identification, and date of purchase for reconciliation with the monthly SOA. The

Cardholder must request the vendor to send a receipt. **Prior to placing order, assure that the merchant will accept the Government purchase card.**

3-5.5 Cardholders will acquire a firm-fixed, FOB destination, price. This includes all charges, including delivery, associated with the purchase. Item should be available for delivery within 30 days.

3-6 **REQUIRED PRIORITY OF SOURCES**

a. Once a requirement has been identified by the Cardholder, several decisions need to be made regarding the sources for supplies and services.

b. The Cardholder will screen four sources in order of priority, to satisfy the purchase requirement. The priority of sources is dictated by the Federal Acquisition Regulation (FAR) Part 8, Required Sources of Supply, Subpart 8.001 – Priorities for Use of Government Supply Sources has priorities listed in descending order.

(1) **Activity/Installation Inventories**

The Activity/Installation inventories can be office supplies maintained in a Self Service Supply Center (AWC, Log & Maintenance) or excess items maintained by the local supply community (DPW, Supply). Installation and activity level supply organizations will make a listing of locally stocked material available to ABCOs and Cardholders.

(2) **Federal Prison Industries**

Federal agencies are required by law to consider purchase of items manufactured or produced by the Federal prison Industries (FPI) prior to acquiring those items from commercial sources (e.g., furniture). In cases where FPI is unable to supply the items as needed, waivers are granted. FPI recently created a Quick Ship Catalog for Government agencies and it accepts the purchase card for all Quick Ship Catalog buys and guarantees that the products will be shipped within 30 days. In addition to the standard catalog, the UNICOR catalog (FPI’s trade name) is

available on the INTERNET at http://www.unicor.gov. customer Service phone number is 1-800-827-3168 or fax (606) 254-9692.

Cardholders are encouraged to use the INTERNET or toll free numbers to check and determine whether their needs can be met through FPI. Waivers from mandatory use at FPI must be obtained with assistance from the Contracting Office.

UNICOR encourages use of the purchase card.

(3) **Industries for the Blind and Severely Handicapped (NIB/NISH)**

The Javits-Wagner-O'Day (JWOD) program was established by Congress in 1971 to increase employment and training opportunities for people who are blind or have other severe disabilities. Under the JWOD program, Federal agencies are required to buy commodities and services furnished by not-for-profit agencies employing individuals trained under JWOD.

JWOD items are available to Government activities through GSA, the Defense Logistics Agency (DLA), or specific contractors authorized to order from GSA. Items include office supplies, medical supplies, plastics, textiles, and industrial products such as paints and cleaners. Cardholders must use catalogs or another credible resource to determine which items are produced by NIB/NISH.

In accordance with statue, you must use NIB/NISH if the items requested are reasonably available – even if items are available at a local source for less.

NIB/NISH and GSA encourage use of purchase cards.

Cardholders can use the purchase card to obtain goods and services through GSA. The GSA has recently automated their catalog into their automated INTERNET website – GSA Advantage (www.gsa.gov). This INTERNET service gives authorized Federal Government users access to

thousands of commercial items available from GSA at the lowest possible prices and has incorporated items from NIB/NISH and JWOD.

The GSA has established contracts with five major office supply firm (Staples, Office Depot, Boise Cascade, etc.) where the military can buy at greatly reduced rates. A complete listing of these contracts can be obtained by calling the Federal Supply Schedule Information Center at (703) 305-6477 or DSN 327-1022. The GSA National Customer Service Center is available at (800) 488-3111.

(4) **The Federal Supply Schedule for office supplies is an important resource for further GSA assistance with office supplies.** Some of the features of this service are shown below:

*Delivery of a wide range of office supplies to a customer's desktop by the next business day is provided.
*Contractors accept orders 24 hours a day, 7 days a week.
*Payment by Government Purchase Card is acceptable
*Contractors' catalogs include NIB/NISH and UNICOR items where appropriate. Contractors are prohibited from selling to the Government any non-JWOD item that is essentially the same as an item provided to the Government under the JWOD program.
*GSA schedule includes (800) numbers for ordering catalogs from the suppliers.

(5) **Retail Supply:**

Military standard, type classified equipment must be requested through normal supply channels due to approved authorizations and DA funding. Additionally, the following items, in all instances, will be requested through the supporting Property Book Office:

(a). Weapon system related items.

(b). Firearms, ammunition and other sensitive equipment or items.

©. Stock-numbered items available only through military supply channels, i.e. mask filters etc.

3-7 **SPECIAL REQUIREMENTS**

3-7.1 **Property Accountability**

1. The purchase of property book items by credit cardholders is allowed **ONLY IF PRIOR APPROVAL** IS RECEIVED from your respective Property Book Officer (PBO). Submit a request to your PBO via memo or email. After approval is granted, transaction is complete and item(s) received, report the item(s) to your PBO within three (3) work days of receipt, to include copies of all receipts and any other receiving documentation. You may contact the Garrison PBO, at X3605, Army War College PBO, at X4175. Requests by email are acceptable. The following is a generalization of what items fall into the category of property book items:

(a) Anything categorized as equipment (versus supplies), cost $300.00 and above.

(b) External computer Equipment (regardless of dollar value)

© Office furniture, unit cost exceeding $2,500.00

(d) Family quarters furniture (procured by Family Housing personnel only)

(e) Books, unit cost exceeding $300.00 (procured by AWC, Library personnel only)

(f) Clothing and personal equipment

(g) Hand tools, unit cost exceeding $50.00

(h) Highway toll tickets, bridge tickers and similar media

2. The procurement of all property book items must be approved by the PBO. If questions or doubt exist as to

whether an item qualifies as a property book item; call your supporting PBO.

3-7.2 **Review of Automated Data Processing Equipment (ADPE)**

Prior approval of ADPE/Telecommunication Equipment is required. A CIO Authentication is required for "purchase of all ADPE/Telecommunication equipment.

All Units, agencies, and departments are required to obtain CIO authentication **PRIOR** to procurement of all Information Mission Area (IMA) equipment, services or contracts.

***This authentication allows CIO to manage what is purchased to verify that it fits into the Carlisle Barracks and USAWC Technical Architecture. This will maintain supportability and standardization.

IMA item is any end item (i.e. computer, printer, phone, VCR, etc.) that falls within 1 of the 5 disciplines of IMA according to AR 25-1.

-Automation
-Telecommunications
-Visual Information
-Records Management
-Printing and Publications

Submit an IMA Authentication memorandum, (An example can be found at P:/cio/irr/authentil.doc), along with a credit card worksheet, (CBKS Form 742-R-E), describing what you want to purchase and the cost to Mr. Larry Knuckles, Systems Analyst, Chief Information Office. If appropriate, you may use a DA 3953, Purchase Request and Commitment document, with a continuation sheet attached, (L&Mcont.frp in the formflow directory on the S: drive). It would be helpful if you could enclose a xerox copy of the item from an ad or from a web page.

***A signed copy of an authentication will be returned to the requestor within 2-3 days so items may be purchased.

***Complete the CIO block on your credit card data sheet to reflect a yes or N/A (for not

applicable). Retain the authentication in your credit card files for auditing purposes.

If you have any questions, or concerns, please contact your Systems Analyst, at X4236 or Ms. Kathy Christman, Agency Program Coordinator, at 5-3958.

3-8 **Library Requirements**

Library requirements or information resources, regardless of cost, to include: electronic databases, books, subscriptions, workbooks, microforms, maps, video cassettes, archival materials, photographs and CDs will be procured by Library personnel only. For additional information, contact Library Acquisitions at X4254.

3-9 **AUDIT REQUIRMENTS**

Commanders/Directors are responsible for ensuring that adequate management controls are in place and working to provide reasonable assurance that resources are protected from fraud, waste, and misuse.

In addition to the normal oversight function performed by the Directorate of Contracting on an annual basis, appropriate internal reviews are required.

3-10 **MOBILIZATION**

Cardholders will be allowed to use the same account number when transferring from one activity to another. Coordination **must** be made with the Agency Program Coordinator for maintenance procedures (i.e., address change, ABCO change) prior to transfer.

All Cardholders will turn in the IMPAC purchase card, receipts and transaction logs to his/her ABCO prior to departure. It is the ABCO’s responsibility to collect and turn in the credit card to Agency Program Coordinator. A written memo is required from the ABCO requesting cancellation of the Cardholders account. (See Appendix C)

When a Cardholder transfers to a different department, a written memo from the receiving department, coordinated through the appropriate budget official, must be sent to the APC with a copy to the previous ABCO. The memorandum

must state the address, and the Cardholder's new account classification. The Agency Program Coordinator will notify US Bank to make the changes necessary.

3-11 USE OF THE PURCHASE CARD

3-11.1 PROHIBITED PURCHASES

Cash Advances

Telecommunication (Telephone) services (e.g., major network services like FTS2000, DSN, DISN, or dedicated voice and data circuits)

Purchase, rent or lease of office space or other real property (including parking spaces)

Airline, bus, boat, or train tickets, motor vehicle rental, hotel lodging or subsistence cost, the purchase of meals, or any other services for which the Government travel card would be appropriate.

Personal use or items for personal benefit

Office Decorations – (e.g., Christmas or holiday type decorations) items for office parties except for Protocol functions

Telephone, Pagers, Cellular Telephones, Copiers, Telephone Calls, Internet Services (e.g., AOL) (Process owner CIO, Systems Analyst, X4236)

Printing or Copying Services (Process owner – Defense Automated Printing Service (DAPS) unless exception is granted in writing by DAPS –(POC Print Plant, X4905 CIO)

Personal Clothing or Footwear (except when required for safety or when specifically authorized by the agency)

Any service for which an established contract exists (e.g., janitorial services; yearly/monthly maintenance; copiers; painting, call the DOC office for clarification)

Personal Services

Purchases over $2,500 (unless specifically authorized as a “Super-User”

Split Purchases

3-11.2 **CONTROLLED PURCHASES**

The purchase card cannot be used to obtain the following items without the specific approval from the supply system. The installation DOL will obtain these approvals for the customer regardless of method of payment.

Weapons system related items;

Handguns, firearms and other sensitive items; and

Hazardous materials such as chemicals, ammunition and explosives

3-11.3 **PURCHASES REQUIRING PRIOR APPROVAL**

Software Support Agreements (Process owner – CIO, X4236)

Training (the purchase card may be used to obtain training under up to $25,000 – prior approval and a fully funded 1556 must be obtained before the purchase card can be used)

ADPE Items (PCs, Printers, Fax Machines, Software (off-the-shelf), CD-Roms, Modems) (Process owner for both Garrison and AWC – CIO, X4236)

Telecommunications equipment (Process owner – CIO, X4236)

Audio Visual Equipment (must be authorized by the VID coordinator, X4236)

3-12 **LOST OR STOLEN PURCHASE CARDS**

Procedures for lost and stolen cards will be implemented as soon as the loss is discovered. The phone number to call in case of lost/stolen cards is listed on the 888-994-6722. Contact your ABCO and APC (Kathy Christman X3958) immediately.

3-13 **RECORD KEEPING PROCEDURES**

All records covering IMPAC credit cards (i.e., SOA’s, receipts, packing slips, credit card data sheets,) will be retained by the ABCO (or Cardholder) for three years after final payment.

The existing file numbers reference in AR 25-400-2, dates 26 Feb 93, The Modern Army Record keeping System (MARKS) will be used for records created by the use of the purchase cards.

The approving officials shall establish a file system using the following file numbers:

FN 715

Title: General Procurement correspondence files.

Description: Information relating to procurement which cannot logically be filed with the detailed record numbers below. ACTION document.

FN 715h

Title: Contracting Officer designations

Description: Records pertaining to appointment of approval authority and delegations of authority to cardholders by the approval authority.

FN: 715j

Title: Small purchase categories

Description: Records pertaining to credit card transactions.

APPENDIX A

STANDARD OF CONDUCT THAT APPLY TO PURCHASE CARD TRANSACTIONS

REFERENCES:

Title 18 United States Code Section 201 & FAR 3.101, 3.101-2, (no gratuities, gifts, favors, entertainment, loans, or other things of monetary value from vendors), 3.101-3 (Standards of Conduct), 3.301 (reports of suspected antitrust violations), 18 U.S.C. 286 (do not conspire to defraud the Government), 18 U.S.C. 1001 (no false statements or cover-ups).

Definition

“FRAUD” Any felonious act of corruption or attempt to cheat the Government or corrupt the Government’s agents.

Some indicators of Potential Fraud on the Part of Government Employees:

-Splitting requirements to stay under the micropurchase threshold.

-A false statement about what was purchased or how the card was used.

-Using the card for prohibited purchases.

-Using the card for personal use.

Some indicators of Potential Fraud on the Part of Vendors:

-False invoices and mis-charging the Government.

-Bribes and gratuities.

-Kickbacks.

APPENDIX B

PHONE NUMBERS

Kathy Z. Mulholland
Director of Contracting
245-3953

Kathy Christman
Agency Program Coordinator
245-3958

Michael Katchur
Garrison, Property Book Officer
245-3119

Robert Heisner
AWC, Property Book Officer
245-4175

Thomas Kelly
DPW, Safety Officer
245-3799

Larry Knuckles
Chief Information Office
245-4236

Cynthia Rutledge
AWC, Library, Acquisitions
245-4254

APPENDIX C
(SAMPLE CARDHOLDER CLEARING DOCUMENT)

(OFFICE SYMBOL)
(DATE)

MEMORANDUM FOR Directorate of Contracting

SUBJECT: IMPAC Purchase Cardholder Clearing Document

I certify that the following IMPAC purchase cardholder (NAME AND PURCHASE CARD ACCOUNT NUMBER) has:

a. Completed the credit card data sheet.

b. Turned in ANY outstanding receipts.

c. Turned in all credit card files.

ABCO OFFICIAL NAME AND SIGNATURE

APPROVING OFFICIAL ACCOUNT NUMBER

APPENDIX D
(SAMPLE ABCO CLEARING DOCUMENT)

(OFFICE SYMBOL)
(DATE)

MEMORANDUM FOR Directorate of Contracting

SUBJECT: IMPAC Purchase Card Approving/Billing/Certifying Officer (ABCO) Clearing Document

I certify, that as the departing IMPAC purchase card ABCO, I have:

a. Turned in ANY outstanding Statements of Account to the Agency Program Coordinator (APC).

b. Turned over to the incoming ABCO ALL purchase card records.

c. In the absence of an incoming ABCO, turned over ALL purchase card records to my Commander.

DEPARTING ABCO'S NAME AND SIGNATURE

ACCOUNT NUMBER

INCOMING ABCO'S NAME AND SIGNATURE