



**UNITED STATES ARMY MEDICAL
RESEARCH ACQUISITION ACTIVITY
(USAMRAA)**

**Procedures
For Use Of The
Government PURCHASE CARD (GPC)**

***Revised Copy Fiscal Year (FY)2007**



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DEPARTMENT OF THE ARMY
USAMRAA
820 CHANDLER STREET
FORT DETRICK, MD 21702-5014

MCMR-AAA

6 June 2007

MEMORANDUM FOR Government Purchase Card Participants

SUBJECT: FY 2007 Government Purchase Card Procedural
Guidebook

1. The Fiscal Year 2007 USAMRAA Purchase Card Procedural Guidebook is designed to provide our many cardholders and billing officials current information regarding the Purchase Card program. We hope the information contained herein will further enhance your mission support requirements. This information, as well as updates/revisions, will also be available on USAMRAA'S homepage - <http://www.usamraa.army.mil>.
2. This Procedural Guidebook supersedes the U.S. Army Medical Research Acquisition Activity's SOP dated November 2001. For more information, comments and recommendations, please contact Ms. Jennifer Jackson Level 3 AOPC, Ms. Rachel Moye and Mr. Darrin Flake Level 4 AOPC's. Their telephone numbers and email addresses are located on page 4 of this guidebook.

A handwritten signature in black ink, appearing to read "Paul G. Michaels".

PAUL G. MICHAELS
Director

SECTION I
ADMINISTRATION/PROCEDURES
ADMINISTRATIVE OFFICE

ADMINISTRATIVE OFFICE

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Responsibility:

Administration Office: USAMRAA is the overall administrative office within USAMRMC, and has direct overall responsibility for the command Purchase Card program and cards issued pursuant to its authority. USAMRAA will determine and officially appoint Billing Officials and Cardholders, and will serve as the liaison between the Billing Official, Cardholders, GSA and US Bank on Purchase Card matters. **USAMRAA RESERVES THE AUTHORITY TO REVOKE OR SUSPEND ANY CARDHOLDER'S OR BILLING OFFICIAL'S GOVERNMENT PURCHASE CARD ACCOUNT ISSUED BY USAMRAA.**

1. INTRODUCTION.

a. PURPOSE. To establish and prescribe procedures and delineate responsibilities for the use of the Government Purchase Card (GPC) within organizations receiving contracting support from the United States Army Medical Research Acquisition Activity (USAMRAA).

b. REFERENCES.

- (1) AR 690-751,
- (2) AR 710-2, Supply Policy Below the Wholesale Level
- (3) AR 735-5, Policies and Procedures for Property Accountability
- (4) AR 715-xx Government Purchase Card Program
- (5) Army Standing Operating Procedure (SOP) for the Government Purchase Card Program
- (6) AFARS Subpart 5113.2 Actions at or Below the Micro-Purchase Threshold
- (7) DA PM 710-2-1 g
- (8) DoD Concepts of Operations July 2002
- (9) DFARS Subpart 213.2 Actions at or Below the Micro-Purchase Threshold
- (10) Defense Finance Accounting Service 4200.2-R
- (11) Executive Order 13101 and the Federal Government's Mandatory Buy Recycled Program
- (12) Federal Acquisition Regulation, Part 8 Required Sources of Supply
- (13) Federal Acquisition Regulation, Subpart 13 Simplified Acquisition Procedures.
- (14) General Services Administration (GSA) contract with US BANK
- (15) Procurement Advisory Notice (PAN) 05-02 Use of Appropriated Funds for Advertising
- (16) Purchase Card Billing Official Instructions for the Use of the U.S. Government Credit Card
- (17) Purchase Card Cardholder Instructions for the Use of the U.S. Government Credit Card

c. GUIDELINES. The guidelines provided by this Procedure supplement the Working Draft AR 715-xx Government Purchase Card Program and the Army SOP as listed above (reference (4)).

d. RESPONSIBILITY. The United States Army Medical Research Acquisition Activity (USAMRAA) has oversight for the Purchase Card Program and as such, has the responsibility to maintain and ensure compliance with this Procedure.

2. DEFINITIONS.

- a. **USAMRAA** United States Army Medical Research Acquisition Activity
- b. **USAMRMC** United States Army Medical Research and Materiel Command
- c. **Billing Address** The official organization mailing address of the cardholder and billing official that all purchase card documents are mailed.
- d. **Billing Official** The government employee or military person that has been delegated the authority to approve cardholder statements, review billing statement and certify billing statements for payment. The Billing Official is the cardholder's supervisor or next higher-level official who has input into the cardholders Performance Appraisal/OER/NCOER. The Billing Official will be appointed the Certifying Officer for the **Purchase Card only**. As a Certifying Officer, the Billing Official is responsible for the monthly reconciliation of each of his/her Cardholder's statements and certification that the transactions were made in accordance with the Federal Acquisition Regulation (FAR). A Cardholder cannot be his or her own Billing official nor can the Cardholder be a Billing Official for his or her immediate supervisor. An alternate Billing Official shall be designated to avoid statement processing delays and late payment penalties.
- e. **Billing Cycle Date** The billing cycle date is the **20th of the previous month to 19th** the of the current month for purchase card transactions made by the cardholder. If the closing cycle date of the **19th** falls on a weekend the cycle close date falls back to the previous Friday.
- f. **Cardholder** The government employee or military person that has been delegated the authority to use the purchase card. The purchase card bears the authorized individual's name and can be used only by this individual to pay for purchases made in accordance with this Procedure.
- g. **Merchant Activity Type (MAT)** Vendors are assigned a Merchant Category Code (MCC) or Standard Industrial Classification (SIC) code that corresponds to their industry this code is assigned by the merchants processing bank when they become VISA capable
- h. **Merchant Category Code (MCC)** Merchants are assigned a code that identifies their principal trade profession or line of business, which is also known as the Standard Industrial Classification Code (SIC).
- i. **Office Limit** The total accumulated 30-day limit of all cardholders within a billing officials authority.
- j. **Single Purchase Limit** The maximum dollar-spending limit on a given requirement.

3. PROCEDURES.

a. TRAINING FOR THE PURCHASE CARD. All prospective cardholders and billing officials must complete appropriate training on the use of the Purchase Card, which includes mandatory **DAU online DoD Purchase Card Tutorial** training. Local training will be developed by USAMRAA and will include but not be limited to information about the FAR, DFARS and AFARS policies and procedures pertaining to micro purchases and simplified acquisitions. **All cardholders, billing officials, certifying officials and A/OPCs must take refresher purchase card training every two years after completing basic card training.**

b. REQUESTING THE PURCHASE CARD. Organizations supported by USAMRAA shall submit a written request to the Agency/Organization Program Coordinator for issuance of the credit card. Only the supervisor of an individual can request the opening of a new cardholder account. **See sample in Appendix B** As a minimum, the request shall include:

(1) Name, title, official mailing addresses, and phones number of the proposed Cardholder(s), the respective Billing /Billing official and a justification for the use of the card. Billing will be at least one grade higher than the cardholder and will have direct input into the cardholder's Performance Appraisal/OER/NCOER.

(2) Justification identifying the use of purchases/services that will be acquired by the proposed Cardholder.

(3) Description of procedures to be used to finance the individual purchases, the recommended monthly purchase limit and the single purchase limit for the proposed Cardholder.

(4) The requesting organization must coordinate with the resource management purchase limits, lines of accounting (LOA) and any alternate lines of accounting. Lines of accounting will be identified on the memorandum in accordance with the CARE system.

c. PURCHASE CARD AUTHORIZED PURCHASES. The Purchase Card may be used to purchase supply items and non-personal services from commercial and Federal Supply sources. All such purchases shall be made in accordance with FAR Part 13 and Part 8, using oral solicitation procedures. Without exception, the Purchase Card shall be used to pay for authorized U.S. Government purchases only. The Cardholder is responsible for ensuring that all transactions are authorized to be made using local purchase procedures. USAMRAA reserves the right to return any purchase request **\$3,000.00** and under to the end user for purchase using the Purchase Card.

d. PURCHASE CARD UNAUTHORIZED PURCHASES.

(1) The Purchase Card **will not** be used for the following purchases (An inclusive listing can be found in the AR 715-xx Government Purchase Card Program Appendix C):

(a) cash advances

(b) land, building or motor vehicle rental or lease

(c) airline, bus, train or other travel tickets

(d) meals, drinks, lodging or other travel and subsistence

(e) repair, gasoline or oil for Interagency Fleet Management vehicles in lieu of the SF 149 for agencies with SF 149 access (fuel for motor air crafts may be purchased with card).

(f) printing, copying and visual arts services unless locally approved.

(g) telephone calls (except: purchase/rental of cellular phones/pagers and the airtime)

(h) purchases of consultant or personal services

(i) advertisements (preapproval from legal PAN 05-02)

(j) meals for reserve training

(k) non-expendable property or accountable, unless authorized by the accountable officer of the cardholder's organization (Check with local Property Book Officer for policies and procedures)

(m) services on-going and repetitive – annual service requirements that exceed \$3000/year shall be submitted to USAMRAA for a contract to be established. Cardholders are prohibited from signing any service agreements from merchants.

(2) Telephonically ordered supplies should be received within 30 days. Over-the-counter purchases must be received immediately. **Back orders and partial shipments are not authorized with any Purchase Card purchase.** Partial shipments made by any merchant that has billed for the full amount cannot be accepted.

e. ASSIGNED CARD. The unique VISA Card issued by US Bank is embossed with the Cardholder's name. No other person may use it. It is designed to not be confused with personal credit cards. Even so, it must be carefully protected and kept secure at all times. From a merchant's perspective, this is considered a regular VISA Card. **THIS CARD MUST NOT BE USED FOR PERSONAL PURCHASES.**

f. AUTHORIZATION PROCESS. In issuing this card to Federal employees only, the US Bank has established a number of steps which are taken during the authorization process for each use of the card. The merchant may use an electronic or telecommunication method for obtaining authorization on all purchases. Such authorization ensures that the Cardholder is within his/her single and monthly purchase limits and also verifies that the merchant is of the type permitted for that particular Cardholder.

g. SALES TAX. At the time of purchase, the Cardholder must advise the merchant that the purchase is for official U.S. Government purposes and as such, is not subject to state or local sales taxes. The card itself is embossed to clearly confirm that the card purchases are "U.S. GOVERNMENT TAX EXEMPT." However, if a sales tax is charged on the Cardholder's statement of account, the Cardholder must contact the merchant and request the sales tax be credited to his/her account. The USAMRMC "Sales and Use Tax Exemption" Certificate number, issued by the state of Maryland, is **30005004**. This exemption is applicable to all purchases, regardless of the state in which the merchant is located.

h. CARDHOLDER RESTRICTIONS. Use of the Purchase Card requires the Cardholder to adhere to all aspects of the FAR Part 13, FAR Part 8, AR 715-XX Government Purchase Card Program, Army SOP and this Procedure.

i. CARDHOLDER LIABILITY. Intentional misuse of the Purchase Card will be considered an attempt to commit fraud against the U.S. Government and will result in immediate cancellation of the card and possible disciplinary action against the Cardholder.

j. CARDHOLDER SEPARATION. Upon Cardholder separation (including reassignment, retirement, etc.) the Cardholder must surrender the Purchase Card to his/her Billing /Billing official who will complete the Purchase Card Destruct Notice (Exhibit 4) and forward the notice to the Agency Program Coordinator. Cardholders located at Ft. Detrick will also be required to have Agency/Organization Program Coordinator sign off Ft. Detrick's (SD Form 251) personnel out-processing form.

i. Military personnel shall surrender their cards 30-days prior to PCS.

- ii. Military personnel that are Billing officials shall notify the AOPC 30-days prior to PCS. An Alternate Billing official shall be appointed. If no alternate is in place, all accounts under the Billing official shall be temporarily suspended until a new Billing official is in place.
- iii. Civilian employees who separate or retire shall surrender their card prior to departure.
- iv. Civilian employees who are Billing officials who separate or retire must notify AOP immediately. A temporary Alternate Billing official shall be appointed until a new replacement has arrived. If no Alternate Billing official is in place, all Cardholder accounts shall be temporarily suspended.

k. **INTERNAL TRANSFER OF CARDHOLDER.** If a Cardholder is transferred to another office with a different Billing official, the new supervisor must determine if the employee will be a Cardholder within his/her office. In such cases, it is only necessary for the new supervisor to request, in writing, that the Agency/Organization Program Coordinator to establish a new account for the cardholder..

1. **PURCHASING PROCESS.** Each transaction should involve a single delivery and payment. Receipt of the item should be within the billing cycle or by the time the monthly report is received to simplify monthly reconciliation. The following locally developed procedures have been established by the administrative office, and must be followed in order to procure items using the Purchase Card:

(1) The cardholder will verify with the Billing official and Resource Management on the amount of funds available for purchases.

(2) The certified billing statements and all supporting documentation shall be maintained for six years and three months in accordance with DoD FMR Volume 1. Cardholder statements can be disposed of three years after final payment.

(3) Internal procedures must be established to provide an accurate audit trail of the purchases. Cardholders are required to log all purchases in to C.A.R.E upon the completion of the purchases. **SUPPLIES FURNISHED TO THE GOVERNMENT ON A NO-CHARGE BASIS ARE NOT ALLOWED WITH THE PURCHASE CARD, CONTACT THE AGENCY/ORGANIZATION PROGRAM COORDINATOR.**

(a) **TELEPHONE ORDERS.**

(i) Verify that the merchant accepts the VISA card.

(ii) Obtain price and delivery information, verifying that the items are readily available for shipment/delivery.

(iii) Determine the price to be fair and reasonable.

(iv) Give the merchant the following information:

(1) The name as it appears on the card.

(2) The credit card number.

(3) Identify the items purchased, the quantity, unit price, and extended price of each item, less any discount.

(4) Delivery address and date of required delivery.

(5) Advise the merchant that all information identified above must be indicated on the delivery ticket accompanying the shipment of material. Further advise the merchant that the purchase is being made on behalf of the U.S. Government and is therefore exempt from any local or state sales taxes.

(v) Record the transaction in an "Order Log"

***Note: It is mandatory to create a manual order form in Access Online.**

(b) OVER-THE-COUNTER PURCHASES.

(i) Verify that the merchant accepts the VISA card.

(ii) Verify that the items to be purchased are immediately available, and that the price(s) is reasonable. Advise the merchant that the purchase is being made on behalf of the U.S. Government and is therefore exempt from any state or local sales taxes.

(iii) Require that the cardholder's name, credit card number, and the merchant's name be imprinted or otherwise written on the credit card receipt.

(iv) Attach the itemized sales receipt and credit card receipt to the log or documentation. Retain these documents for files/inspection purposes.

(vi) Create a manual order form in US Bank system Access Online.

***Note: It is mandatory to create a manual order form in Access Online.**

m. MONTHLY RECONCILIATION PROCEDURES.

(1) Cardholders and Billing officials will reconcile their monthly statements in ACCESS ONLINE is accessed through US Bank's secure web page address <https://www.access.usbank.com> with a user id and password.

(2) Transactions are reconciled with the manual order form created in ACCESS ONLINE Transaction Management or Order Management sections. Cardholders can match (approve) transactions on a daily basis or at the close of the billing cycle. Statements must be approved by the cardholder no later than 3 business days after the close of the cycle. The billing official shall certify billing statements no later than 5 business days after the close of the cycle.

(3) Once all cardholder accounts within the cycle are approved, an invoice is available for certification by the billing official.

(4) Training for Access Online can be done via the web at <https://wbt.access.usbank.com>. Please contact AOPC or US Bank customer service (1-888-994-6722) for user id and password for training module.

4. BILLING ERRORS/DISPUTES AND CREDITS.

a. BILLING ERRORS/DISPUTES. A billing error or dispute is a questionable transaction that is posted to the Statement of Account of the cardholder. If a cardholder has an error or dispute on their statement they first should attempt to resolve the charge with the vendor. If resolution between the vendor and the cardholder fails the cardholder must prepare a Cardholder Statement of Questioned Item (CSQI) or file an electronic Dispute through ACCESS ONLINE *Note: Electronic disputes through ACCESS ONLINE can only be done after the billing official has certified the statement for payment. All disputes must be declared within 60-days of receipt of the Statement of Account.

b. Reasons for a Dispute:

(1) UNAUTHORIZED MAIL/PHONE ORDER AN unauthorized transaction on the account.

(2) **DUPLICATE POSTING** Two or more transactions for a similar amount and/or same goods that is posted to the account more than once.

(3) **MERCHANDISE / SERVICE NOT RECEIVED.** An approved purchase or service that is billed to an account, but the item(s) is not received. In the event a Cardholder receives a statement listing a transaction for merchandise that has not yet been received, the Cardholder shall contact the merchant to verify that shipment has occurred. In the event the item has not been shipped, the merchant must immediately initiate a credit voucher or make shipment. If the item has been shipped, the merchant should be requested to initiate a tracer.

(4) **MERCHANDISE RETURNED.** Merchandise that is returned to the vendor other than through a counter transaction. The merchandise is then returned to the merchant (e.g., Certified U.S. Mail)

(5) **CREDIT NOT RECEIVED.** Cardholder has a credit voucher for a charge but does not appear on the statement.

(6) **ALTERATION OF AMOUNT.** The transaction amount posted is greater (or less than) the original purchase amount.

(7) **INADEQUATE DESCRIPTION/UNRECOGNIZED CHARGE.** Cardholder does not recognize charge and is requesting a copy of the sales draft for review.

(8) **COPY REQUEST.** Cardholder recognizes the charge, but needs a copy of the sales draft for the record.

(9) **SERVICE NOT RECEIVED.** Cardholder is billed for the service, however the merchant was unable to provide the service.

c. Invalid Disputes

(1) **SHIPPING CHARGES.** Shipping charges are not a disputable charge and must be approved for payment.

(2) **SALES TAX.** If the Cardholder receives a statement listing a purchase for which sales tax was added, the Cardholder should immediately notify the merchant and request the sales tax amount be credited. Sales tax is not a discrepancy which may be disputed by the Cardholder Statement of Questioned Item Form. Therefore, charges that have had sales tax added must be approved for payment. It is incumbent upon the Cardholder to ensure sales tax is not charged at the time of purchase. If the merchant will not issue a credit, call the Disputes Officer. (See page 8(g) of this SOP for tax-exempt number) Tax exemption letters are available through GSA at the following website:
http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=13558&contentType=GSA_BASIC.

5. **UNRESOLVED DISPUTES.** If, after all procedures to resolve a dispute have been tried, cardholders will contact the Disputes Officer.

6. **CREDITS.** Credits will be issued as a result of a dispute resolution, billing error or item returned.

7. **COMMUNICATIONS.** US BANK should be contacted only to report a lost or stolen card, charge declines and for error messages in ACCESS ONLINE All other questions should be directed to the Agency/Organization Program Coordinator. US BANK telephone numbers are listed in Paragraph 8. (below).

8. **LOST OR STOLEN CARDS.** If the Cardholder's Purchase Card is lost or stolen, the Cardholder must notify the US Bank immediately at the following numbers:

24 hr US Bank Customer Service Purchase Card
In the continental U.S. 1-888-994-6722
Outside the U.S. 701-461-2020

The Cardholder must also notify the Billing official of the lost or stolen card within one working day after discovering the card missing. The Billing official will immediately notify the Agency/Organization Program Coordinator and submit a written report within five business days. This report will include the card number, Cardholder's name, date and location of the loss, date reported to the police if card was stolen, date and time US Bank was notified, list of purchases made on the day of loss, and any other pertinent information. A new Purchase Card should be mailed by US BANK within two business days of the reported loss or theft. If the Cardholder finds the original Purchase Card, it shall be cut in half and given to the Billing official who will complete the destruction notice (Appendix A) and forward it to the Agency/Organization Program Coordinator. USAMRAA will not be liable for any unauthorized use of the Purchase Card. "Unauthorized Use" means use of a Purchase Card by a person other than the Cardholder, or use of the Purchase Card in a manner inconsistent with this Procedure.

9. **CARD SECURITY.** It is the Cardholder's responsibility to safeguard the credit card and account number at all times. The Cardholder must not allow anyone to use his/her card or account number. A violation of this trust shall result in withdrawal of the Purchase Card from the Cardholder with the potential for subsequent disciplinary action.

10. **UNAUTHORIZED PURCHASES OR CARELESS USE OF THE Purchase Card.** A Cardholder who makes unauthorized purchases or carelessly uses the card may be liable for the total dollar amount of unauthorized purchases made in connection with the misuse or negligence. Also, the Cardholder may be subject to disciplinary action for such misuse or carelessness and the Purchase Card account will be canceled.

11. **RESPONSIBILITIES.**

a. **SPAN OF CONTROL -** DoD has established a policy that limits the number of cardholders assigned to a billing official to insure the billing official will have sufficient time to complete their review. The billing official and cardholder span of control ratio is 1:7 however this number may be lower. The number of cardholders will be reduced if the AOPC during a review finds that the volume of transactions generated by 7 cardholders does not provide sufficient oversight and timely execution by the billing official to complete their review.

b. **CERTIFYING OFFICIALS.** Certifying officials will ensure that funds are available prior to cardholder conducting any purchase transaction responsible for assigning Bulk Fund Cite to each individual Purchase Card.

c. **REQUESTING ACTIVITIES.** Requesting Activities will provide justification for Cardholders' appointments; nominate qualified personnel; assure that all Cardholders and Billing Officials are familiar with the procurement integrity provisions of the Office of Federal Procurement Policy Act, and that each Cardholder and Billing Official executes the "Procurement Integrity Certification for Procurement Officials" as required by the Act.

d. **LIABILITY:** GPC Billing Officials are personally and peculiarly liable for the full amount of any improper payments resulting from misuse, abuse, or unauthorized purchases of the GPC, in accordance with Title 31 U/S/ Code 3528. Strict pecuniary liability attaches automatically when there is an erroneous payment. GPC Cardholders are peculiarly liable for erroneous payments that result from the negligent performance of duties in the amount of erroneous payment, up to one month's pay. All accountable officials are required to comply with DoD regulations, policies, and procedures, including standard operating procedures. Failure to act in accordance with such regulations, policies, and procedures is generally considered evidence of negligence. Following orders from superiors that are contrary to regulations, policies, and procedures, is no defense to negligence or bad faith. A heavy workload or a lack of experience, supervision, or training, is not a factor in determining relief from liability.

e. BILLING OFFICIALS.

(1) Ensure that Cardholders perform contracting functions in accordance with instructions issued by USAMRAA, without re-delegation of that authority or responsibility.

(2) Ensure that funds are available and certified prior to cardholder conducting any purchase transaction.

(3) Ensure that the supplies and services being purchased are in direct support of the mission.

(4) Ensure that Cardholders personally conduct all transactions, ensuring that all purchasing functions are performed in accordance with regulatory guidance and this Procedure.

(5) Ensure that the aggregate amount of each purchase is within the monetary limits of his/her authority.

(6) Personally review Cardholders reconciled monthly Purchase Card A.R.E and certifies invoice for payment and maintain all original receipts.

(7) Ensure that a complete and accurate accounting and audit trail of purchase actions is being maintained by Cardholders.

(8) Ensure that cardholder and billing official ratio is maintained in accordance with Department of the Army's Standard of 1:7.

(9) Notify Agency Program Coordinator immediately of any changes necessary to cardholders account (address/phone number changes, dollar limit changes, etc.)

(10) Approving/Billing Officials can be held pecuniary liable for any unauthorized purchases or misuse of the Purchase Card.

f. CARDHOLDERS.

(1) Perform contracting functions in accordance with instructions issued by USAMRAA, without re-delegation of that authority or responsibility.

(2) Ensure that funds are available and certified prior to conducting any purchase transaction.

(3) Ensure that the supplies and services being purchased are in direct support of the mission.

(4) Personally conduct all transactions, ensuring that all purchasing functions are performed in accordance with regulatory guidance and this Procedure.

(5) Ensure that the aggregate amount of each purchase is within the monetary limits of his/her authority.

(6) Personally reconcile monthly Purchase Card statements in ACCESS ONLINE

(7) Maintain a complete and accurate accounting and audit trail of purchase actions.

(8) Cardholders can be held pecuniary liable for any unauthorized purchases or misuse of the Purchase Card.

**SECTION II
SPECIAL PURCHASE
REQUIREMENTS**

1. **Hazardous Materials** – Cardholders who purchase hazardous materials shall consult their local Hazardous Materials Officer **prior** to the purchase of such items.
2. **Automated Data Processing/Information Management (ADP/IT)** – All ADP/IT type purchases must be coordinated with the Cardholders Information Management Office **prior** to purchase. Cardholders should obtain the proper approvals (i.e. CAPRS/IMMPS). **Cardholders must comply with the Army Small Computer Program (ASCP) (<https://ascp.monmouth.army.mil/>).**
3. **Property Book** – Cardholders shall contact their Organizational Chief of Logistics for policies and procedures for purchasing non-expendable property **prior** to the purchase. **DA PAM 710-2-1 g** states that the receipt document for items recorded on the nonexpendable document register is to be placed in the supporting document file. (i.e. transaction document register received from the PBO)
4. **AR 735-5, Section III - Accountable Officer 2-10 (b)**, “Persons will not perform the dual functions of stock record accountable officer, PBO, transportation officer (TO), PURCHASE CARD credit card ordering officer, or blanket purchase agreement ordering officer duties simultaneously.”

SECTION III
REQUIRED SOURCES OF SUPPLY
and
MANDATORY ARMY CONTRACT
VEHICLES

1. FAR PART 8: Cardholders shall comply with FAR Part 8 with required sources of supply for purchasing items with the Purchase Card.

Priorities for use of Government supply sources.

- Agency Inventories
- Excess from other agencies
- Federal Prison Industries, Inc. (UNICOR)
- Committee for the Purchase from People Who Are Blind or Severely Disabled (NIB/NISH & ABILITYONE)
- General Services Administration - GSA
- Mandatory Federal Supply Schedules (see Subpart 8.4);
- Optional use Federal Supply Schedules (see Subpart 8.4); and
- Commercial sources (including educational and nonprofit institutions).

Exceptions for FPI/UNICOR

FPI clearances are not required when-

- (a) Public exigency requires immediate delivery or performance;
- (b) Suitable used or excess supplies are available;
- (c) Purchases are made from GSA of less-than-carload lots of common-use items stocked by GSA (see Schedule A of the Schedule);
- (d) The supplies are acquired and used outside the United States; or
- (e) Orders are for listed items totaling \$2,500 or less.

2. Printing: Acquisition of Printing and Related Supplies requirements shall be accomplished in accordance with FAR subpart 8.8. The Defense Automated Printing Office (DAPS) is the mandatory source for all printing/reproductions services. Cardholders may request a waiver from DAPS to allow buying of commercial printing services.

Regional Defense Automated Printing Office:
Website Information: <http://www.daps.dla.mil>
Fort Belvoir DAPS phone 703-325-9920.

3. ADP: Army Small Computer Program (ASCP). When buying desktop or notebook computers with monitors, the cardholder must go the ASCP route. If what appears on the ASCP awards can not meet the cardholder's requirement, a written exception must be obtained through USAMRAA (Contact Level 4 AOPC's). When buying standard commercial software and related software services, the cardholder must use ASCP. If the ASCP contract vehicle can not meet the cardholder's requirement for standard commercial software and related services they must seek a waiver (Contact Level 4 AOPC's). For further information and guidance on the Army Small Computer Program please contact Level 4 AOPC's.

4. Office Supply Products & AbilityOne (formerly known as JWOD NIB/NISH) Army BPA: Reference DA memos dated September 26, 2002, December 23, 2002 and September 13, 2004 subject Mandatory Blanket Purchase Agreements (BPAs) for Office Products. These memorandums make it mandatory for cardholders to acquire office products through the multiple vendors awarded under the BPAs through the DOD Email.

Office Products – Office products include but are not limited to items such as pens, pencils, coping paper and printer paper, fax paper, binders, tape, envelopes, helical scan, longitudinally oriented video tapes, video cassettes, reel to reel audio tapes, blank endless loop audio cartridges tapes, magnetic tape audio recording cassette, computer tape, reel, cartridge, cassette, diskettes, disk packs, disk cartridges, anti-glare/anti-radiation screens (VDT), ergonomic products (wrist and foot rests), cleaning equipment and supplies (head cleaners, disk drive cleaners, monitor cleaners, toner wipes, minivacuums, etc.) optical

disks, CD ROMS, physical storage, security, protective and related ADP supplies, and remanufactured toner cartridges.

“Where there are existing agreements with local Self Service Supply Centers or their equivalent, many of which are operated by ABILITYONE-participating nonprofit agencies, cardholders shall use these stores for ABILITYONE products unless prices are higher than other ABILITYONE sources. Where similar pricing exists among BPA holders, vendors other than large business should be considered first.”

The limited exceptions for use are:

1. Purchase is made from local ABILITYONE Self-Service Stores
2. The mandatory BPA vendors cannot satisfy the ordering office’s urgent delivery requirement
3. Purchase is made of a ABILITYONE product from sources other than BPA holders when mandatory ABILITYONE products from BPA holders are determined to be priced above fair market value of the product. A comparison with other ABILITYONE sources is required, and the least expensive ABILITYONE source shall be used.

Base Supply.COM: The Milwaukee Institutes for the Blind also know as IB Online was added to the DOD Procurement List effective on 27 Nov 06. To facilitate our Government Purchase Card users in accessing the mandated sources, USAMRAA established a “Base Supply” electronic storefront account with the Industries for the Blind (IB). The IB/Base Supply storefront link will be operation from the USAMRAA web site and also can be contacted at <http://www.basesupply.com>. Cardholders will have easy, fast access with this on-line purchasing system and the purchases will be in accordance with Executive Order 13101. Cardholders are issued an account number, user id and password to access the “Base Supply” electronic storefront.

Section IV
Special Use of the Purchase Card

USE OF THE PURCHASE CARD TO PAY FOR TRAINING

1. Reference DOD Memorandum, dated 30 Sep 98, Use of Government-Wide Purchase Card and DFARS 5113.270 g(i) . This Memorandum and the DFARS site gives the authorization to pay for training up to \$25,000.

2. The DD 1556 training form document must be processed and have the appropriate signature authorities for all training being requested.
3. Each organization will be allowed to use the Purchase Card for payment of training services up to \$25,000. A specific card will be issued to Organizational Training POC's.
4. The post training coordinator shall pay all on-site training for the Ft. Detrick Center for Training and Education Excellence. The post training coordinator can be reached at 301-619-3360. Fort Detrick units will coordinate with the post training coordinator for reimbursements. However, if activities desire not to have a reimbursement establish for on-site training, they will be responsible for contacting the post coordinator to make appropriate arrangements for payment. Cardholders not physically at Fort Detrick shall coordinate with their local training official.

Single Purchase Limit Over \$2500 on Federal Supply Schedule Contracts, BPAs and IDIQs

1. It will be at the discretion of the AOPC and Deputy Director/Chief of Business Operations Division USAMRAA, to issue GPC accounts with a single purchase limit over \$3000 outside of contracting for the use of the Purchase Card on Federal Supply Schedule Contracts, IDIQ's contracts, and BPA's as a form of payment. The designated cardholder will be appointed an ordering officer for the use of the card for this purpose.
2. The training requirements for an individual to have an GPC account with the single purchase limit over \$3000 are:
 - Additional Purchase Card training for the use of the card for over \$3000
 - Twelve Months of Purchase Card Experience
 - DAU Course focusing on Simplified Purchases CON 237 or CLC 005 Simplified Acquisition Procedures
 - Federal Supply Schedule (FSS) Training
 - Ethics Training
3. Purchases shall be made in accordance with Federal Acquisition Regulation (FAR) 8.404 and documented in cardholder records
4. Competition: Cardholders shall review the GSA on-line electronic ordering system GSA Advantage, review 3 schedule contractors' pricelists and select the Best Value. Cardholder records must reflect the competition and Best Value determination.
5. Monthly Reporting: Cardholders will be required to provide a monthly purchase report for all transactions over \$2500 acquired under this authority. Reporting information shall include contractors name, contract number, business size, and dollar amount of each transaction.
6. Request for purchase authority over \$3000 shall be submitted in writing and signed by the cardholders Branch Chief and Commander/Director.

SECTION V
Affirmative Procurement

Affirmative Procurement (AP)

1. Affirmative Procurement – The policy and practice of purchasing goods made with recycled materials. The Recovered Materials Advisory Notice lists difference percentages of post consumer fiber content and percentages of recovered fibers required for different products. For example, the EPA recommends purchasing paper products that contain a minimum of 30% post consumer content and certain plastic clipboards are required to have 90% post-consumer content and 90% recovered fiber. A training presentation on Affirmative Procurement is available online at USAMRAA’s website: www.usamraa.army.mil under products, USAMRMC Government Purchase Card Program.
2. In accordance with Executive Order 13101 cardholders shall purchase goods made with recycled materials. Cardholders shall review the training material on AP from USAMRAA’s website: <http://www-usamraa.army.mil> under products, USAMRMC Government Purchase Card Program.
3. Compliance. The Resource Conservation and Recovery Act (RCRA) directed Federal agencies to develop AP programs. Since then, Executive Order 12873, Executive Order 13101, and the FAR all require AP programs to be instituted at Federal facilities.
4. EPA provides lists of designated items in its Comprehensive Procurement Guidelines (CPGs). The CPG items fall into 8 product categories: construction, landscaping, non-paper office products, paper and paper products, park and recreation, transportation, vehicular, and miscellaneous. The CPGs are published in the Federal register, and can be viewed on the EPA web site at <http://www.epa.gov/cpg>.
5. FAR Part 23.4 Use of Recovered Materials provides definition, authority and policy.

SECTION VI
Monitoring and Security Controls

Monitoring and Security Controls

The A/OPC shall monitor Purchase Card purchases and timely payments of statements through automated reports generated through the US Bank online system. Purchases that are found to be of a questionable nature will be scrutinized by the A/OPC. Cardholders will be requested to provide all documentation supporting the questionable purchase(s). A follow up letter will be provided through the **Commander or Director** of the cardholder's organization for the cardholder of the findings. If questionable purchase(s) are found not to be authorized, disciplinary actions may be taken against the cardholder. Disciplinary actions can be the following: 30 to 90 day suspension of the cardholder purchasing privileges or cardholder account cancelled in its entirety. If a cardholder inadvertently used the Purchase Card for purchases other than what is authorized, they must immediately notify the A/OPC. At the time of notification, the appropriate action and documentation will be made at the discretion of the A/OPC.

1. Fraud and Split Purchases:

Fraud is defined as – A deliberate deception practiced so as to secure unfair or unlawful gain.

Split Purchase – Cardholders shall not break down (split) requirements aggregating more than the micro-purchase threshold into several purchases merely to avoid any requirement that applies to purchases exceeding the micro-purchase threshold. Reference DA Memorandum dated 3 Oct 97 Purchase Card Program – Split Purchases. “An improper “split” in the Purchase Card program generally involves the willful reduction of a requirement which could be purchased from the same merchant or vendor in an effort to keep the total price of the purchase at or below the cardholder's single purchase threshold.” The attempt of a split purchase by a cardholder is to maintain **control** of the buy (the cardholder doesn't have to submit a purchase request for purchases over their single purchase threshold).

Disciplinary actions:

- Split purchases can result in suspension of purchase card privileges or termination.

- Any suspected fraud cases will be turned over for investigation by Internal Review and CID. Immediate and decisive action will be taken against the cardholder. The cardholder may be held liable AR 690-751.

- Debt collection: if liability has been determined by the investigation, the efforts to recover the funds must be undertaken in accordance with the debt collection procedures prescribed in Chapters 29 and 30 of the DoD FMR. Statutory authority for debt collection by involuntary salary and administrative offset are found at: 5 U.S. CODE 5705 for Civilian employees; and 37 U.S Code 1007 for military members.

2. Security:

Cardholders must keep their Purchase Card secure at all times when not in use. This card must not be used for personal purchases. Intentional misuse of the Purchase Card will be considered an attempt to commit fraud against the U.S. Government and will result in immediate cancellation.

The Purchase Card is not be used by another individual other than the person's name that is imprinted on the Purchase Card. This card is not transferable for use by any other individual. Cards found to be in use by other than the name that appears on the card will be cause for immediate cancellation.

3. Periodic Reviews:

The A/OPC shall conduct annual inspections/audits of Purchase Card Cardholders files. The Inspections/audits will be done in accordance with the guidance provided in this procedure and Purchase Card Inspection Checklist. Cardholder's accounts are also subject to review by CID, IG, Internal Review, and the commands Staff Assistance Visit Team (SAV).

4. Funding

Resource Managers will develop all lines of accounting and alternate lines of accounting in ACCESS ONLINE Lines of Accounting shall be done in accordance with the Parent Rule set and Child Rule set of the FA2 Accounting Data.

SECTION VII

CONVENIENCE CHECKS

Purchase Card Convenience Checks

1. Introduction:
 - a. Convenience Checks are accomplished to maintain procedures in accordance with DOD Memorandum, dated 17 Aug 99, Purchase Card Reengineering Implementation Memorandum #5: Accommodations Checks, Change #1 and DFAS 4200.2 –R1. USAMRAA has overall responsibility for the Convenience Checks and the authority to approve or disapprove the use of the checks.
2. Convenience Checks are designed for small purchases when the supply or service cannot be obtained through the Government Purchase Card. Cardholders must make every attempt to use the purchase card before requesting the use of a convenience check.
 - a. Requesting activity shall submit a purchase request to USAMRAA for the use of the convenience check. The purchase request must include a 1.7% processing fee for the use of the check.
 - b. Supplies and services must be available for delivery and completion within 30 days whether at the contractor's place of business or at the destination.
 - c. The checks are prohibited from the following purchases:
 - (1) Payment of salaries and wages
 - (2) Travel advances or any other advances
 - (3) Payment of travel claims
 - (4) Purchases from contractors or contractor's agents who are military personnel or civilian employees of the Government.
 - (5) Repetitive purchases from the same contractor when another method of purchase, such as a purchase card or blanket purchase agreement, would be appropriate.
 - (6) Payment of on-the-spot cash awards.

**SECTION VIII
MISCELLANEOUS**

Web Page Addresses for helpful information:

USAMRAA - <http://www-usamraa.army.mil/>

Defense Automated Printing – [**http://www.daps.dla.mil**](http://www.daps.dla.mil)

Defense Purchase Card Program -
<http://purchasecard.saalt.army.mil/>

DOD Email – <https://emall6.prod.dodonline.net/main/>

UNICOR – <http://www.unicor.gov>

GSA - <http://www.gsa.gov/>

US Bank Access Online- <https://access.usbank.com/>

US Bank Access Online Training -
<https://wbt.access.usbank.com>

SECTION IX
Appendix

Appendix A

I.M.P.A.C Card Destruct Notice

(Print or type)

CARD NO. _____ EXP. DATE _____

NAME OF CARDHOLDER _____

REASON (S) FOR DESTRUCTION:

Employee transferred

Found reported lost/stolen card

Expired card

Employee terminated/resigned

Other _____

COMMENTS: _____

BILLING OFFICIAL'S NAME _____

(Print or type)

BILLING OFFICIAL'S SIGNATURE _____

CURRENT DATE _____

Notice: Cut card in half and destroy. Do not return to US Bank.

APPENDIX B

Cardholder GPC Nomination Request Sample

Office Symbol

Date

MEMORANDUM FOR US Army Medical Research Acquisition Activity (USAMRAA), Attn: MCMR-AAA-W/AOPC, 820 Chandler St., Fort Detrick, MD 21702

SUBJECT: Cardholder Nomination Letter

_____ is hereby nominated to obtain a

Government Purchase Card. This individual is under my supervision and, to the best of my knowledge; all of the following are true statements:

- the nominated individual has a continuing need to purchase items to perform the mission
- adequate funding is available and will be reserved in accordance with the organizational procedures for financial management
- the individual is trustworthy and responsible
- the issuance of a card to this individual will not create a conflict of interest nor establish more than 7 cardholders for the billing official.

I will advise you when the card is no longer needed to fulfill mission requirements on a continuing basis or if the cardholder leaves his/her current position.

Supervisors Name
Department

Single Purchase Limit: \$ _____

30-Day Limit: \$ _____

Fund Cite in Accordance with Access Online: _____

Resource Manager Signature: _____