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**COMMERCE ACQUISITION MANUAL  
1313.301**

DEPARTMENT OF COMMERCE  
Purchase Card Program

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1313.301**

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## Purchase Card Program

### SECTION 1 – Overview

#### 1.1 Background

Executive Order 12931, “Federal Procurement Reforms” dated October 13, 1994, sets forth requirements for Federal agencies to establish programs for reducing administrative costs and other burdens that the acquisition function may impose on the Federal Government and private sector. In furtherance of this goal, Federal Acquisition Regulation (FAR) 13.201(b), states the Governmentwide commercial purchase card shall be the preferred method to purchase and pay for micro-purchases. Use of the Government purchase card streamlines the acquisition process and reduces administrative cost.

#### 1.2 Purpose

The purpose of the Department of Commerce (DOC, Department) Purchase Card Program is to implement the General Services Administration (GSA) SmartPay® Program for Governmentwide commercial purchase cards within the Department of Commerce. The Purchase Card Program provides policy and guidance regarding the use of purchase cards and convenience checks issued under the purchase card program.

Operating Units are authorized to develop supplemental operational policies and guidance governing use of the purchase card, which may be more, but not less restrictive than the Departmental policy. Supplemental policies and guidance must be reviewed by the Office of Acquisition Management prior to implementation.

#### 1.3 Applicability

The Purchase Card Program applies to Department of Commerce employees participating in the Governmentwide purchase card program, including agency program coordinators, approving officials, cardholders and other associated personnel. Participation in the purchase card program shall be limited to full-time permanent DOC employees whose current appointments have durations exceeding one year.

#### 1.4 Program Objectives

The primary objectives of the Purchase Card Program are to improve mission support, streamline the placement of micro-purchases, reduce administrative costs and paperwork, streamline payment procedures, improve cash management practices, and improve management controls, reporting and decision-making activities while ensuring the adherence to Federal and Departmental acquisition laws, regulations, policies and guidance, and GSA SmartPay® master contract provisions.

**END OF SECTION 1**

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## **SECTION 2 – Roles and Responsibilities**

### **2.1 Senior Procurement Executive (SPE)**

The Senior Procurement Executive is responsible for, but not limited to:

- a. Implementing and overseeing management of the Purchase Card Program department-wide;
- b. Approving deviations from purchase card program policies; and
- c. Reporting suspected fraud, waste, abuse and/or misuse.

### **2.2 Senior Bureau Procurement Official (BPO)**

Senior Bureau Procurement Officials are primarily responsible for, but not limited to:

- a. Implementing the Purchase Card Program within their Operating Unit;
- b. Appointing agency program coordinators;
- c. Developing supplemental guidance;
- d. Requesting deviations from purchase card program policies;  
Providing written certification to the SPE that cardholders, approving officials, and agency program coordinators have met annual refresher training requirements; and
- e. Reporting suspected fraud, waste, abuse and/or misuse.

### **2.3 Purchase Card Program Manager**

The Purchase Card Program Manager is primarily responsible for, but not limited to:

- a. Serving as the contracting officer representative for the Department's SmartPay® task order;
- b. Serving as Level I agency program coordinator for all Department charge card business lines (purchase, travel, and fleet cards);
- c. Developing and updating DOC policies, procedures, and guidance for the Purchase Card Program;
- d. Serving as the primary point of contact for clarification of policy and contractual issues regarding the charge card program;
- e. Serving as chairperson on the purchase card program's risk management team;
- f. Liaising on behalf of the Department with the servicing bank;
- g. Preparing reports to the Office of Management and Budget and General Services Administration;
- h. Maintaining delegations of authority for agency program coordinators;
- i. Creating customized course curricula;
- j. Conducting internal control reviews for the Purchase Card Program;
- k. Establishing and maintaining accounts;
- l. Providing general customer service; and
- m. Reporting suspected fraud, waste, abuse and/or misuse.

### **2.4 Head of Contracting Office (HCO)**

Heads of Contracting Offices are primarily responsible for, but not limited to:

- a. Managing the Purchase Card Program within their respective contracting office;
- b. Delegating authority to an agency program coordinator to manage the day-to-day operation of the purchase card program;
- c. Delegating authority to approving officials and cardholders;
- d. Authorizing the use of convenience checks;
- e. Reviewing and approving agency program coordinators' reports to ensure compliance with internal controls;
- f. Suspending accounts;
- g. Terminating delegations and appointments; and
- h. Reporting suspected fraud, waste, abuse, and/or misuse.

## 2.5 Agency Program Coordinator (APC)

Agency Program Coordinators are primarily responsible for, but not limited to:

- a. Managing the Purchase Card Program for their respective Operating Unit;
- b. Performing oversight functions;
- c. Conducting monthly reviews on convenience checks (100% of transactions) to ensure compliance with internal controls;
- d. Providing guidance to approving officials and cardholders;
- e. Managing purchase card and convenience check accounts;
- f. Reviewing cardholder and approving official transactions;
- g. Maintaining records on completed training;
- h. Assisting the Head of Contracting Office with development of Operating Unit-specific purchase card training;
- i. Recommending terminations of purchase card delegations;
- j. Terminating and suspending accounts for suspected fraud or abuse upon the direction of the Head of Contracting Office;
- k. Resolving billing discrepancies with the servicing bank; and
- l. Reporting suspected fraud, waste, abuse, and/or misuse.

## 2.6 Approving Official (AO)

Approving Officials are primarily responsible for, but not limited to:

- a. Providing pre-approvals of cardholder transactions;
- b. Ensuring charges are accurate;
- c. Ensuring purchases are for official Government business;
- d. Ensuring funds are available;
- e. Ensuring cardholders reconcile transactions and statements within the reconciliation timeframe;
- f. Reviewing transactions for appropriate supporting documentation;
- g. Reviewing, approving, and maintaining cardholder statements within the servicing bank's tool each billing cycle;
- h. Reconciling and certifying monthly statements in the absence of the cardholder;
- i. Ensuring cardholders are current with all program training requirements;
- j. Maintaining copies of cardholder training certificates;
- k. Resolving questionable transactions with the cardholder;
- l. Requesting changes to cardholder accounts;
- m. Reporting changes in cardholder status and administrative changes to cardholder accounts;
- n. Ensuring cardholders report lost, stolen or compromised cards to the agency program coordinator; and
- o. Reporting suspected instances of waste, fraud, abuse and/or misuse.

## 2.7 Alternate Approving Official

An Approving Official serves as an Alternate Approving Official if the appointed Approving Official is unable to perform his/her assigned duties due to an extended absence.

## 2.8 Cardholder

Cardholders are primarily responsible for, but not limited to:

- a. Making authorized purchases for official Government business only;
- b. Obtaining valid purchase requests with certified funds;
- c. Obtaining all required justifications and approvals;
- d. Complying with Federal, Departmental and Operating Unit laws, regulations, policies and guidance as it relates to use of the purchase card;

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- e. Complying with spending limitations;
  - f. Maintaining a purchase card log for all transactions;
  - g. Maintaining supporting transaction files in accordance with records retention requirements;
  - h. Complying with internal control procedures;
  - i. Reconciling accounts and disputing unresolved or invalid transactions within the servicing bank's tool;
  - j. Safeguarding the purchase card and account information;
  - k. Reporting unauthorized use, lost, stolen, or compromised cards;
  - l. Complying with accountable property procedures; and
  - m. Reporting suspected fraud, waste, abuse, and/or misuse.

## **2.9 Convenience Check Writer**

Convenience check writers have the same responsibilities as cardholders in addition to the following responsibilities:

- a. Reviewing transactions against the bank statement and identifying any errors in the dollar amounts;
- b. Reviewing scanned images of canceled checks in servicing bank's electronic access tool;
- c. Tracking outstanding checks that may appear as transactions on future billing statements;
- d. Maintaining supporting convenience check transaction files in accordance with records retention policy;
- e. Maintaining documentation to support use of convenience checks; and
- f. Maintaining 1099 documentation (merchant name, address and TIN #) for any checks written for services.

## **2.10 Funds Certifying Official**

Funds Certifying Official is primarily responsible for, but not limited to:

- a. Providing appropriate funding and accounting data for purchase card and convenience check transactions;
- b. Maintaining accurate financial records;
- c. Fulfilling financial management reporting requirements; and
- d. Reporting suspected fraud, waste, abuse, and/or misuse.

## **2.11 Designated Billing Office/Finance Office**

Designated Billing Offices/Finance Offices are primarily responsible for, but not limited to:

- a. Making payment to the Department's servicing bank; and
- b. Notifying the APC of billing discrepancies.

**END OF SECTION 2**

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## SECTION 3 – Training Requirements

### 3.1 Training Requirements

Cardholders, approving officials, and agency program coordinators shall document satisfactory completion of required training prior to nomination and appointment to the purchase card program. In addition, cardholders, approving officials, and agency program coordinators shall certify in writing that they have read and understand the policies and procedures outlined in Commerce Acquisition Manual 1313.301.

#### a. Single Purchase Limit up to the Micro-Purchase Threshold

Cardholders requesting single purchase limits up to the micro-purchase threshold, their approving official and agency program coordinator shall document satisfactory completion of the following training:

- GSA SmartPay® Online Training  
<https://training.smartpay.gsa.gov/>
- FAC-047: Micro-Purchases and Section 508 Compliance  
<https://faitas.army.mil>
- Servicing Bank Training (signed statement that the individual has completed servicing bank training and/or has received and read through the servicing bank user guides)  
[SP3 Website](#)
- Federal Strategic Sourcing Initiative for Office Supplies (FSSI OS4) Webinar  
[www.GSA.gov/os4](http://www.GSA.gov/os4)
- DOC Customized Purchase Card Training<sup>1</sup>  
<https://doc.csod.com/>

Additional Training for agency program coordinators:

- Servicing Bank Training on data analytics tools, techniques and reports

#### b. Single Purchase Limit above the Micro-Purchase Threshold

In addition to the training outlined in paragraph 3.1 a., cardholders requesting single purchase limits above the micro-purchase threshold shall satisfy all contracting officer warrant requirements (education, experience, training and certification) as outlined in Commerce Acquisition Manual 1301.6, *Contracting Certification and Warrant Program* and obtain a contracting officer's warrant.

Agency program coordinators and approving officials of cardholders requesting single purchase limits above the micro-purchase threshold shall meet all training requirements for a contracting officer's warrant as outlined in CAM 1301.6 but are not required to obtain a contracting officer's warrant.

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<sup>1</sup> Check with your Agency Program Coordinator for information and schedule details on the in-classroom version of this course.



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## 3.2 Training Waivers

Training requirements set forth in section 3.1 a of this policy shall not be waived for cardholders, agency program coordinators or approving officials. However, on a case-by-case basis, the Senior Procurement Executive may waive the training requirements for agency program coordinators and/or approving officials managing cardholder accounts with single purchase limits above the micro-purchase threshold if the Operating Unit can demonstrate that internal controls are established and routine reviews are conducted by individuals with requisite contracting officer training and experience.

The Head of Contracting Office shall submit a written waiver request that includes:

- The name of the individual/organization requesting a training waiver;
- Description of internal controls;
- Scope and frequency of routine reviews;
- Training and credentials of the individual(s) responsible for ensuring purchases made above the micro-purchase threshold are appropriately reviewed; and
- Bureau Procurement Official concurrence.

Waiver requests shall be submitted electronically to: [SmartPay3PMO@doc.gov](mailto:SmartPay3PMO@doc.gov).

## 3.3 Refresher Training

**a. Annual Refresher Training:** Cardholders, approving officials, and agency program coordinators shall complete the following annual purchase card refresher training no later than July 31<sup>st</sup> each fiscal year:

- DOC Customized Purchase Card Refresher Training<sup>2</sup>  
<https://doc.csod.com/>

Failure to complete required refresher training will lead to suspension of cardholder and/or approving official purchase card accounts until training is successfully completed.

**b. Refresher Certification:** Bureau Procurement Officials shall certify in writing the status of refresher training for their purchase card program participants. The certification shall be addressed to the SPE and submitted electronically to: [PurchaseCardOversight@doc.gov](mailto:PurchaseCardOversight@doc.gov) no later than August 31<sup>st</sup> of each fiscal year.

**END OF SECTION 3**

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<sup>2</sup> All modules shall be completed in order to obtain a certificate.

## SECTION 4 – Establishing Accounts

### 4.1 General Requirements for Establishing Accounts

**a. Separation of Duties:** Separation of duties minimizes the risk of fraud and/or loss of property. The responsibilities of cardholder, approving official and agency program coordinator functions shall not overlap to ensure that management controls are not circumvented.

Assignment of duties such as authorizing, approving, and recording transactions; receiving products and services; approving cardholder statements; making payments; certifying funding; and reviewing or auditing shall be assigned to separate individuals. In no instance shall an approving official be subordinate (organizationally) to a cardholder.

**b. Span of Control:** Span of control refers to the extent of review responsibilities placed on a single approving official for the purchase card transactions of one or more cardholders. The number of cardholders assigned to an approving official should be reasonable, considering the volume of cardholder activity and the organizational structure, to enable an approving official to conduct reviews that would identify possible cases of fraud, waste and/or abuse. Approving officials shall have a maximum of seven (7) cardholders unless authorization to exceed that maximum is received in writing from the Head of Contracting Office.

**c. Single Purchase Limits:** The maximum single purchase limit for cardholders who are not warranted contracting officers is the micro-purchase threshold. As defined in the DOC FAR Deviation, a micro-purchase is an acquisition of supplies or services, the aggregate amount of which does not exceed a threshold of \$10,000 **except for acquisition of construction subject to the Wage Rate Requirements (construction), the limit is \$2,000, and for acquisition of services subject to Service Contract Labor Standards, the limit is \$2,500.**

Single Purchase limits above the micro-purchase threshold may be granted to warranted contracting officers to place orders and/or make payments against awarded contractual instruments. The maximum single purchase limit for cardholders who are not in the General Schedule 1102 contracting series or 1105 purchasing series is the Simplified Acquisition Threshold.

**d. Monthly Billing Limits:** The default monthly billing cycle limit for all cardholders is \$10,000. However, higher monthly billing cycle limits may be requested by the Head of Contracting Office and approved by the SmartPay3 Program Management Office on a case-by-case basis.

### 4.2 Appointment and Nomination Procedures

**a. Agency Program Coordinators:** Senior Bureau Procurement Officials shall appoint prospective agency program coordinators that are responsible and possess the required business acumen to be entrusted with management and oversight of the purchase card program. Appointments shall be forwarded to the Head of Contracting Office and shall include applicable training certificates.

**b. Cardholders:** Operating Unit officials shall nominate prospective cardholders that have demonstrated they are responsible and possess the required business acumen to be entrusted with a Government purchase card. Nominations shall be forwarded to the agency program coordinator and shall include a written justification for issuance of a purchase card along with applicable training certificates and proposed single purchase and monthly spending limits. A nomination memorandum template is provided in Appendix C. Disapproved

nomination packages will be returned to the requesting official with an explanation for the disapproval.

**c. Approving Officials:** Operating Unit officials shall nominate prospective approving officials that have demonstrated they are responsible; have direct knowledge of assigned cardholder's role and can verify receipt of goods or services for assigned cardholders. Operating Unit officials are strongly encouraged to nominate approving officials who are in the cardholder's direct supervisory chain.

Nominations shall be forwarded to the agency program coordinator and shall include a written justification for issuance of an approving official account along with applicable training certificates. A nomination memorandum template is provided in Appendix C. Disapproved nomination packages will be returned to the requesting official with an explanation for the disapproval.

#### 4.3 Delegation of Authority

**a. Agency Program Coordinator Delegation:** Heads of Contracting Offices shall delegate authority to agency program coordinators to manage the day-to-day operations for the purchase card program for their Operating Unit by issuance of a Delegation of Authority memorandum. A delegation memorandum template is provided in Appendix D. Copies of delegations shall be submitted electronically to the Purchase Card Program Manager at: [SmartPay3PMO@doc.gov](mailto:SmartPay3PMO@doc.gov).

**b. Cardholder Delegation:** Agency program coordinators shall review cardholder nominations and provide a recommendation for approval or disapproval to their Head of Contracting Office. Upon approval of nomination, Heads of Contracting Offices shall delegate purchase card procurement authority to cardholders by issuance of a Delegation of Procurement Authority memorandum. Delegation memoranda templates are provided in Appendix D. Disapproved nominations shall be returned to the employee's supervisor with an explanation for disapproval.

**c. Approving Official Delegation:** Agency program coordinators shall review approving official nominations and provide recommendation for approval or disapproval to their Head of Contracting Office. The review shall consider the approving official's span of control to ensure the number of cardholders assigned to the approving official is reasonable and does not exceed the maximum allowed; and the reporting relationship between the approving official and his/her assigned cardholders.

Upon approval of nomination, Heads of Contracting Offices shall delegate purchase card authority to approving officials by issuance of Delegations of Authority memoranda. Delegation memoranda templates are provided in Appendix D. Disapproved nominations shall be returned to the employees' supervisor with explanation for disapproval.

#### 4.4 Account Setup

**Cardholder and Approving Official Accounts:** Once cardholders and/or approving officials are issued delegations by their Head of Contracting Office, the agency program coordinator shall submit a request along with copies of the individuals' delegation, and training completion certificates to the SmartPay3 Program Management Office in order to establish cardholder account profile data into the servicing bank's tool, provide users with access information and guidance, and request purchase cards (for cardholders only).

#### **4.5 Emergency Use Cards**

Operating Units may request purchase cards for emergency use. Employees eligible to receive emergency use cards are those who have been designated as “emergency employees” or “mission-critical emergency employees” under an emergency response plan or continuity of operations plan. Requests for emergency use cards must contain an appropriate justification, citing the anticipated circumstances under which they would be used. These cards may be issued in advance of an emergency and shall be issued to trained cardholders for use immediately upon declaration of an emergency. Cardholders with non-emergency cards may continue to use their cards during an emergency to purchase products and services in accordance with the limits on their cards upon the approval of their Head of Contracting Office.

**END OF SECTION 4**

## SECTION 5 – Account Maintenance

### 5.1 Changes to Account

**a. Changes in Cardholder Employment Status:** Cardholders shall stop using their card far enough in advance of their separation date (e.g., transfer, retirement, resignation or termination), if possible, to allow outstanding transactions to be processed and reconciled before the separation. Prior to their separation date, cardholders shall:

- Destroy their card (e.g., cut or shred) and provide the destroyed card to their agency program coordinator or approving official, per bureau policy;
- Advise the approving official of any outstanding transactions;
- Provide the approving official with any remaining receipts or other documents related to outstanding transactions; and
- Follow standard Operating Unit checkout procedures.

Failure to comply with these procedures may result in a delay of official checkout. Approving officials shall determine when to close cardholder accounts based on outstanding transactions and shall notify their agency program coordinator. Agency program coordinators shall request closure of a cardholder account when it becomes apparent that a cardholder has separated from the Department or their employment status has changed.

**b. Changes in Approving Official Employment Status:** A new approving official shall be nominated and cardholder accounts shall be transferred prior to an approving official's separation date (e.g., transfer, retirement, resignation or termination), if possible. The agency program coordinator is responsible for ensuring that the new approving official receives and maintains the predecessor approving official's records. If a new approving official cannot be established, cardholder accounts shall be suspended and the agency program coordinator shall retain custody of the records.

#### **c. Changes to Purchase/Billing Limits:**

i. Permanent Changes: Requests to change single purchase limits and/or monthly billing limits shall be submitted by a cardholder's approving official through his/her agency program coordinator to his/her Head of Contracting Office. Upon approval of changes to purchase/billing limits, the Head of Contracting Office shall issue a new Delegation of Procurement Authority. Changes that would raise a cardholder's single purchase limit above the micro-purchase threshold require an approving official to meet training and warrant requirements outlined in section 3.1 b.

ii. Temporary Changes: Requests for temporary changes to a cardholder's monthly purchase limit, not to exceed one month, shall be submitted by his/her approving official through his/her agency program coordinator to his/her Head of Contracting Office. Temporary changes shall be approved in writing by the Head of Contracting Office and time durations for the change shall be documented in the servicing bank's tool as well as the cardholder's file. Changes exceeding one month are considered permanent and require a new Delegation of Procurement Authority to be issued by the Head of Contracting Office.

#### **d. Administrative Changes**

Cardholders and approving officials shall notify their agency program coordinator in writing of any administrative changes such as name, address, or phone number. Upon written notification of administrative changes, agency program coordinators shall submit the written request to the

SmartPay3 Program Management Office to make the appropriate changes in the servicing bank's system.

**e. Merchant Category Code Changes:** Requests for merchant category code changes shall be submitted in writing by approving officials to their agency program coordinator. If approved, the agency program coordinator will process the merchant category code change.

## 5.2 Inactive Accounts

Accounts without any transactions within the preceding 18-month period are considered "inactive". Agency program coordinators shall perform semi-annual reviews of purchase card usage within their organizations and identify purchase card accounts that appear to be inactive, other than cards specifically requested for emergency use. Agency program coordinators shall provide the list of inactive accounts to approving officials and request justification to retain the accounts. Inactive accounts shall be canceled unless there are extenuating circumstances, such as a reasonable expectation of future purchase requirements, or a history of requirements that have irregular buying patterns. Failure to provide the required justification will result in cancellation of inactive accounts. An Inactive Account Memorandum template is provided in Appendix E.

## 5.3 Suspension and Reinstatement

**a. Account Suspension:** Cardholder and approving official accounts shall be suspended for:

- Improper card use;
- Failure to carry out responsibilities;
- Failure to complete required refresher training;
- Cardholders who are expected to be away from the office for more than six consecutive weeks (approving officials may request account suspension, in writing); or
- Upon direction by the approving official, Head of Contracting Office, Purchase Card Program Manager, or Senior Procurement Executive

Before taking this action, the agency program coordinator shall consider the impact of a cardholder's account suspension on the affected organization and take appropriate steps to minimize any adverse impact.

Upon suspension of a cardholder's account, the Head of Contracting Office shall revoke the cardholder's purchase card delegation of procurement authority.

**b. Reinstatement:** Agency program coordinators may request reinstatement of cardholder and approving official accounts that have been suspended or closed, based upon an assessment of the circumstances. Prior to reinstatement of accounts that have been deactivated, suspended, or terminated for more than 12 months, cardholders and approving officials shall retake required training for purchases up to the micro-purchase threshold.

## 5.4 Card and Account Security

Cardholders may be held personally responsible for card and account misuse. Cardholders shall take appropriate precautions to protect the purchase card and account information, including:

- Keeping purchase cards and account information in a secured environment to prevent access by unauthorized personnel (e.g., locked desk drawer, or a locked safe – multiple cards are prohibited from being secured collectively);
- Not carrying purchase cards on their person unless conducting an “over the counter” transaction (the Head of Contracting Office may grant exceptions to cardholders whose positions require them to carry the purchase card on a continuous basis);
- Preventing others from gaining access to their cards or account information;
- Only providing account information to vendors to complete a purchase transaction;
- Exercising discretion in selecting reputable merchants in order to minimize the possibility of fraud;
- Ensuring sites are secure prior to entering the purchase card number onto an internet website;
- Not transmitting purchase card information over a facsimile machine<sup>3</sup>; and
- Not permitting copies of their purchase cards to be maintained by merchants.

### **5.5 Lost or Stolen Cards**

Cardholders shall report lost or stolen cards promptly to the servicing bank’s customer service office, their approving official and their agency program coordinator; cardholders may be held accountable for failure to report loss of cards. Cardholders shall provide a written notice to the servicing bank and their agency program coordinator that includes the following information:

- Card number;
- Cardholder’s complete name;
- Date and location of the loss;
- Date reported to police (if stolen);
- Date and time the loss was reported to the servicing bank;
- List of any transactions made on the date the card was lost or stolen; and
- Any other relevant information describing the loss or theft.

Stolen cards shall be immediately reported to the appropriate Operating Unit Office of Security if the theft occurred at a DOC facility, or to the local police department if the theft occurred off-site.

A replacement card with a new account number will be issued, usually within 24 hours. If a lost card is found after receiving a replacement card, it shall be destroyed by cutting up the card or shredding it.

### **END OF SECTION 5**

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<sup>3</sup> The Department’s Office of Privacy and Open Government (OPOG) permits the transmission of charge card data (i.e., travel, fleet) via facsimile; however, purchase card data is *not* permitted to be transmitted by facsimile.

## SECTION 6 – Purchase Card Use

### 6.1 General Requirements for use of Purchase Card

Cardholders and approving officials shall ensure that purchases made with the purchase card are in accordance with all Federal, Departmental and Operating Unit laws, regulations, policies and guidance. Prior to using the purchase card, cardholders and approving officials shall ensure:

- a. **Bona Fide Need:** the purchase card is only used for bona fide needs of the Government.
- b. **Allowable Purchase:** the purchase card is only used to make purchases that are otherwise authorized by Federal, Departmental and Operating Unit laws, regulations, policies and/or guidance.
- c. **Funds Availability:** funds are available and obtain approval from their funds certifying official prior to making any purchase card transaction.
- d. **Approved Purchase:** cardholders shall obtain approval from their approving official prior to making any purchases card transaction.
- e. **Required Clearances:** all required clearances and approvals are obtained prior to making any purchase card transaction.
- f. **Card and Account Security:** cardholders shall not transfer their cards to or authorize their cards to be used by any other person.

### 6.2 Personal Liabilities

Cardholders and approving officials may be held personally liable for any action deemed to be noncompliant with laws, policies and regulations. In addition, if it is determined the transactions are made with the intent to commit fraud or constitute waste or abuse, the cardholder and approving official may face disciplinary actions under Department Administrative Order (DAO) 202-751, *Discipline*, and applicable Governmentwide administrative procedures, including suspension and termination of employment.

### 6.3 Non-Appropriated Funds

Non-appropriated funds are permitted for activities that support the Department's mission. Prior to purchase, cardholders shall obtain legal review to ensure the purchase is suitable. Cardholders shall ensure that proper documentation is recorded as required under section 9.

### 6.4 Allowable Purchases

The purchase card may be used to purchase commercially available supplies and services, including, but not limited to the items outlined in paragraphs a through g below.

- a. **Subscriptions:** The purchase card may be used for subscriptions such as magazines, journals, and technical data. Cardholders shall ensure that subscriptions do not automatically renew.
- b. **Telecommunications Charges:** The purchase card may be used for monthly cellular airtime, monthly pager service and other recurring telecommunications charges, as long as the fiscal year total for each type of service does not exceed the micro-purchase threshold. If the aggregate amount exceeds the micro-purchase threshold in a fiscal year this service shall be referred to the servicing acquisition office for issuance of a contract.



**c. Construction Services:** The purchase of construction services including but not limited to, construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property, shall not to exceed \$2,000 aggregated within a fiscal year.

**d. Training Courses:** The purchase card may be used to acquire training courses for individual or group training. In accordance with DOC Human Resource Bulletin #076, *How to Request Training and Development via the Commerce Learning Center (CLC)*, all cardholders shall have an approved Standard Form 182 Authorization, Agreement and Certification of Training prior to purchasing training. Customized training programs **shall not** be acquired using the purchase card.

**e. Business Cards:** The purchase card may be used to acquire business cards through the mandatory AbilityOne sources.

**f. Conference Registration Expenses:** The purchase of conference-related expenses such as registration fees (provided meals and/or lodging are *not* included), meeting spaces, audio and video equipment, or rental of booth space are authorized using the purchase card.

Cardholders **shall not** use the purchase card to pay for registration fees if conference registration includes meals and/or lodging; the DOC travel card is the appropriate method of payment for conference registration fees that include travel-related charges. See Travel Management Division, Travel Charge Card Program Handbook for exceptions.

**g. Parking for Government Owned or Government Leased Vehicles:** The purchase card may be used to purchase commercially available parking spaces for Government owned and GSA leased vehicles. Payment for monthly parking spaces is authorized if the aggregate amount does not exceed the micro-purchase threshold. If the aggregate amount exceeds the micro-purchase threshold in a fiscal year, the requirement shall be referred to the servicing acquisition office for issuance of a contract.

## 6.5 Third Party Processors and Transactions

The use of third party processors (e.g., PayPal, Square, Groupon, and Amazon Marketplace) is strongly discouraged and shall only be used when no other merchant can supply the product or service or meet delivery, quantity, or quality requirements, and the merchant in question will accept payment only through the third-party processor.

Third party processors pose a greater risk of purchase card abuse and misuse due to difficulty identifying, reconciling, and disputing transaction (transaction may appear under the name of the third party processor instead of the merchant name). To mitigate this risk, agency program coordinators shall review and monitor a sample – at least 1%, of third party transactions on a monthly basis to ensure cardholders use third party vendors appropriately and accurately document transaction files.

When the use of third party processors are determined appropriate, cardholders shall use the Department's central business account, when one has been established.

## 6.6 Items Requiring Additional Approvals Prior to Purchase

In addition to the normal approving and funds certifying official approvals required for every purchase, the items outlined in Figure 6-1, require additional approvals prior to purchase. Cardholders shall ensure that all required approvals are received and copies of mandatory documentation is maintained in their purchase card transaction files.

**Figure 6-1 Purchases Requiring Additional Approvals Prior to Purchase**

Purchase Requirement	Approval Required from	Reference
Information Technology (IT) products (e.g., hardware, application and system software) and services (e.g., management, operations (including input, processing, transmission, and output), maintenance, programming, and system administration of computer systems, networks, telecommunications, and video surveillance systems and equipment)	Bureau Chief Information Officer <u>Purchases at or below \$3,500</u> : Comply with bureau Chief Information Officer process of review which may include an <i>IT Compliance in Acquisition Checklist</i> .  <u>All purchases that exceed \$3,500</u> : shall include an executed <a href="#">IT Compliance in Acquisition Checklist</a>	Section 514 of the Consolidated and Further Continuing Appropriations Act, 2019  Procurement Memorandum 2019-04: <i>Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment</i>
Atypical purchases – expenses that are unique or unusual, as opposed to an expense that the Department regularly incurs (e.g., treadmill desks, entertainment; “trinkets”, giveaways, promotional items, etc.)	Bureau Chief Financial Officer (for OS – Deputy Chief Financial Officer and Director for Financial Management) Head of Contracting Office	November 22, 2016 Memorandum to Heads of Bureaus and Operating Units from the Chief Financial Officer and Assistant Secretary for Administration, titled: Approval of Atypical Expenses
Paid Advertisements in newspapers (other than for recruitment of personnel)	Head of Contracting Office	Commerce Acquisition Manual 1301.70
Printing and Duplicating ( <u>exceeding the capacity of an office printer or copy machine</u> ) (includes printing, binding, blank work, composition, plate making, presswork, binding and micrographics as well as related supplies that are used and equipment that is usable in printing and binding operations).	Operating Unit (OU) Printing Coordinator (for Census, NIST, NOAA, PTO and NTIS).  All others, contact DOC Office of Facilities and Environmental Quality.  <b>Exception:</b> Operating Units outside of the Washington, D.C. metropolitan area, not serviced by an OU Printing Facility, may utilize their Regional Government Printing Office (GPO) without consulting with their operating unit Printing Coordinator. These OUs must utilize their Regional GPO or request a waiver from their regional GPO office, prior to utilizing an open-market source.	FAR 8.802(b) All Government printing must be procured through established Government channels. Refer to Printing Coordinator for specific information.
GPO Express The Government Printing Office (GPO) has awarded a contract (950-S) to FedEx Office and Print Services that allows all U.S. Federal agencies direct access to services at FedEx Office locations nationwide.	Operating Unit Printing Coordinator (for Census, NIST, NOAA, PTO and NTIS).  All others, contact DOC Office of Facilities and Environmental Quality.	GPO Circular Letter 625, dated September 22, 2006.  This circular letter allows GPO to bill government purchase cards for use in conjunction with the GPOExpress <sup>SM</sup> Program.
Publication of scientific/research articles in professional journals	Operating Unit Printing Coordinator (for Census, NIST, NOAA, PTO and NTIS).  All others, contact DOC Office of Facilities and Environmental Quality	Per the Office of Facilities and Environmental Quality
Kitchen Appliances (e.g. coffee pot, refrigerator, microwaves etc.)	Operating Unit building management official.	GAO Decision B-302993, Use of Appropriated Funds to Purchase Kitchen appliances, June 24, 2004.

## 6.7 Purchases at or Below the Micro-Purchase Threshold

At a minimum, cardholders shall comply with the following when making micro-purchases:

- Ensure purchase is for bona fide need of the Government
- Ensure purchases are allowable;
- Ensure availability of funds;
- Ensure pre-purchase/post-purchase checklists are complete
- Obtain required approvals;
- Use Required Sources of Supplies and Services as set forth in FAR Part 8;
- Distribute purchases equitably among qualified suppliers;
- Determine price reasonableness (e.g., obtain at least two prices from two different vendors);
- Do not split requirements;
- Do not exceed spending limits;
- To the maximum extent practicable, comply with requirements for Energy and Water Efficiency and Renewable Energy, use of Recovered Materials and Bio-based Products, and Contracting for Environmentally Preferable Products and Services as set forth in CAM Chapter 1323.70;
- Comply with Section 508 requirements as set forth in the Section 508 Rehabilitation Act (29 U.S.C.794d);
- Consider small businesses when making micro-purchases;
- Ensure all purchases over \$3,500 include an *IT Compliance in Acquisition Checklist*, and
- Review vendor purchasing terms that may contain unlawful terms and conditions (cardholders should consult with a Contract Law Division attorney as necessary).

## 6.8 Purchases Above the Micro-Purchase Threshold

In accordance with FAR 13.301, the Governmentwide commercial purchase card may be used above the micro-purchase threshold by contracting officers to **place orders and pay for purchases against contracts established under FAR Part 8 procedures, when authorized; and to place orders and/or make payment under other contractual instruments, when agreed to by the contractor.** Cardholders with delegated authority to use the purchase card above the micro-purchase threshold shall comply with all requirements of Federal and Departmental acquisition laws, regulations, policies and/or guidance with respect to any purchase that exceeds the micro-purchase threshold. Cardholders shall adhere to the requirements for competition, public notice, socioeconomic programs, use of appropriate provisions and clauses, and all other applicable requirements.

## 6.9 Required Sources of Supplies and Services

Cardholders shall follow the required sources of supplies and services of Federal Acquisition Regulation (FAR) Part 8. FAR Part 8 sets forth statutory requirements to acquire supplies and services from priority sources when available. Other sources should be considered for use only after the priority sources have been considered for fulfilling requirements. Cardholders should contact their servicing acquisition office if they need assistance in determining if their requirement can be satisfied by a required source.

Cardholders shall satisfy requirements for supplies and services from the sources outlined in paragraphs 6.9 a through d.

**a. Purchase of Supplies – Mandatory Sources:** In accordance with FAR 8.002, except as required by 6.9 d, or as otherwise provided by law, cardholders shall satisfy requirements for supplies from the following sources, in descending order of priority:

- Inventories of the requiring agency
- Excess from other agencies
- Federal Prison Industries, Inc.
- Supplies which are on the Procurement List maintained by the Committee for Purchase from People Who are Blind or Severely Disabled
- Wholesale supply sources such as stock programs of GSA, the Defense Logistics Agency or the Department of Veterans Affairs, and military inventory controls points.

**b. Purchase of Services – Mandatory Sources:** In accordance with FAR 8.002, cardholders shall satisfy requirements for services from the following sources, in descending order of priority, except as otherwise provided by law:

- Services which are on the Procurement List maintained by the Committee for Purchase from People Who are Blind or Severely Disabled.

**c. Use of Other Mandatory Sources:** In accordance with FAR 8.003, cardholders shall satisfy requirements for the following supplies or services from or through specified sources, as applicable:

- Public utility services (FAR Part 41)
- Printing and related supplies (FAR Subpart 8.8)
- Leased motor vehicles (FAR Subpart 8.11)
- Strategic and critical materials (e.g., metals and ores) from inventories exceeding Defense National Stockpile requirements (detailed information is available from the DLA Strategic Materials)
- Helium (FAR Subpart 8.5 – Acquisition of Helium)

**d. Use of Other Sources:** In accordance with FAR 8.004, if cardholders are unable to satisfy requirements for supplies and services from the mandatory sources listed in 6.9 a, b, or c, cardholders are encouraged to consider satisfying requirements from or through the following sources prior to considering the commercial market.

- Supplies: Federal Supply Schedules, Governmentwide acquisition contracts, multi-agency contracts, and any other procurement instruments intended for use by multiple agencies, including blanket purchase agreements (BPAs) under Federal Supply Schedule contracts (i.e., Federal Strategic Sourcing Initiative (FSSI) agreements).
- Services: Federal Prison Industries, Inc. and sources listed in paragraph 6.9 b.

## 6.10 Strategic Sourcing Vehicles

If cardholders are unable to satisfy requirements for supplies or services from the mandatory sources listed in 6.9 a, b, or c, cardholders shall leverage DOC's strategically sourced contracts when purchasing applicable items that are authorized for purchase card use under the contract vehicle, prior to considering the commercial market or the other sources listed in 6.9 d. A list of strategically sourced vehicles are available on the [Enterprise Services web portal](#).

**a. Personal Computers and Accessories:** Cardholders shall use the Department of Commerce Personal Computer (PC) and Accessories Blanket Purchase Agreement for all personal computer and accessories acquisitions. Heads of Contracting Office shall designate cardholders who are authorized to order from the BPA.

**b. Office Supplies:** Cardholders should use the Federal Strategic Sourcing Initiative Office Supplies vehicle when ordering office supplies. Blanket exceptions are only applicable for AbilityOne Base Supply Center stores located at Commerce Headquarters (Hebert C. Hoover Building) and Census Bureau Headquarters (Suitland, MD). Other Base Supply Center stores (e.g., Department of Defense location) are not automatically exempt.

### 6.11 Green Procurement Program Requirements

Cardholders shall purchase green products and services to the maximum extent practicable, consistent with the requirements of FAR Part 23, Commerce Acquisition Manual 1323.70, *Department of Commerce Green Procurement Program*, and Federal green procurement preference programs. Programs covered under the Green Procurement Program include:

- Recovered materials products
- Bio-based products
- Energy efficient products
- Electronic product environmental assessment tool products
- Water efficient products
- Non-ozone depleting products
- Environmentally-preferable products and services.

### 6.12 Section 508 Rehabilitation Act Requirements

Cardholders shall comply with the Section 508 Rehabilitation Act requirements by ensuring that requesting officials provide the required determinations and adequately documenting purchase card files. An Electronic and Information Technology Procurement Checklist template for Section 508 compliance is provided in Appendix F. Approving officials should ensure cardholder compliance when reviewing and approving cardholder documentation of purchases.

### 6.13 Card Restrictions

**a. GSA Governmentwide Restrictions:** In accordance with the GSA SmartPay® Program, the purchase card shall not be used for the following:

- Long-term rental or lease of land or buildings (long-term is generally defined as one year or more);
- Travel or travel-related expenses;
- Fleet or fleet-related expenses; or
- Cash advances.

**b. Departmental Restrictions:** Department of Commerce regulations and policies prohibit the purchase of supplies or services that should be placed on a travel card<sup>4</sup> or fleet card<sup>5</sup>, including the purchase of gas or repairs for Department-owned or leased vehicles.

**c. Federal Appropriations Law Restrictions:** In accordance with principles of Federal Appropriations Law, the following items are generally prohibited from purchase with appropriated funds. As there may be authorized exceptions for certain items, cardholders shall obtain approval from their Head of Contracting Office, after legal review, and document the exception prior to the purchase of any of the following items.

- **Entertainment:** Entertainment includes, but is not limited to, food and drink, receptions, banquets, music and artistic performances.

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<sup>4</sup> Use of the purchase card to acquire subway access (farecards, SmarTrip card reloads, etc.), taxi fares (including ride sharing services), rental shuttles, cars, vans, and buses for use by employees to accomplish local travel on official business is permitted. Use of the purchase card for other than official business is prohibited and could result in the cardholder facing disciplinary and criminal penalties.

<sup>5</sup> Purchases of gas or oil for *other than* Department owned or leased vehicles are permitted (i.e. generators and/or small engines).

- **Food and Water:** The Government Accountability Office (GAO) has held in a variety of cases that under the “necessary expense rule,” appropriated funds should not be used to pay for subsistence or to provide “free food” to government employees while at their duty stations. As such, bottled water and food items are considered personal expenses.
  - **Fines and Penalties:** Fines and penalties include but are not limited to parking tickets and personal fines.
  - **Gifts and Awards:** Gifts and awards or any type of item provided to honor employees (e.g., plaques, certificates, awards).
  - **Personal Expenses and Furnishings.** Personal expenses and furnishings include, but are not limited to convenience items, decorative items, clothing apparel, commuting expenses, personal membership fees, and personal qualification expenses.
- d. **Other Restrictions: Telecommunications and Video Surveillance Equipment:**  
The following restrictions apply to the purchase of telecommunications and video surveillance equipment.
- **Video surveillance equipment** (e.g., cameras, multiplexers, monitors, video recording equipment, routers, etc.) may not be purchased using a purchase card and must be referred to the cognizant acquisition servicing office for purchase by a warranted contracting officer.
  - **Telecommunications equipment** and items which include telecommunications equipment (e.g., multiplexers, base transceiver stations, telephones, radios, computers, routers, etc.) may only be purchased using a purchase card through the Department’s strategically sourced network equipment contracts.

#### 6.14 Card Decline

If the purchase card is declined, cardholders shall contact the servicing bank’s customer service office or the agency program coordinator for assistance. The servicing bank’s customer service phone number is located on the back of the card. Agency program coordinators shall monitor card decline reports for questionable, suspicious, or fraudulent activity.

**END OF SECTION 6**

## Section 7 – Reconciliation

### 7.1 Reconciliation

Cardholders and approving officials shall ensure that purchases are properly reconciled in accordance with all Federal, Departmental, and Operating Unit laws, regulations, policies and guidance to ensure transactions made with the purchase card are accurately recorded. In order to facilitate the reconciliation process, cardholders shall record and track all transactions on the purchase card log located within the servicing bank's tool.

### 7.2 Receipt and Acceptance of Supplies and Services

**a. Independent Receipt and Acceptance:** Cardholders shall:

- Document independent receipt and acceptance or subsequent review of items obtained with a purchase card.
- Arrange for immediate inspection of supplies to ensure orders are complete and items are in acceptable condition.
- Maintain delivery receipts and other paperwork regarding the transaction.

**b. Partial Deliveries:** If partial deliveries are received, cardholders shall contact the merchant to determine the status of the remainder of the shipment. If delivery of remaining supplies will take more than 30 days, cardholders shall request a credit to their account. If the partial delivery becomes a dispute, the cardholder shall follow the servicing bank's dispute procedures.

**c. Damaged or Unacceptable Supplies:** Cardholders shall promptly return any damaged or unacceptable supplies. If the merchant agrees to replace the item and the new item is acceptable, the cardholder should authorize payment in accordance with normal procedures. If the merchant refuses to replace the item, the cardholder should follow dispute procedures.

**d. Returning Supplies to Merchant:** Cardholders shall return damaged or unacceptable merchandise to the merchant for issuance of a credit to the purchase card. Cash refunds **shall not** be accepted. If the merchant is unwilling to issue a credit, cardholders shall follow the servicing bank's dispute procedures.

### 7.3 Reporting Accountable Property

When purchasing accountable or personal property with a unit cost of \$5,000 or more (e.g., lab equipment, scientific equipment, etc.), or "sensitive" items regardless of cost (e.g., computer equipment, DVDs, televisions, etc.) as referred to in the Department of Commerce Personal Property Management Manual, section 3.201, *Accountable Personal Property* and section 3.401, *Sensitive Items*, cardholders shall forward the appropriate transaction documentation to their Property Official. A copy of all transaction documentation must be included in the cardholder's transaction file.

### 7.4 Reconciliation of Account

**a. Cardholder Responsibilities:** Cardholders shall:

- Compare each transaction listed on the purchase card log with the itemized statement.
- Research transactions that are recorded on the purchase card log but fail to appear on the purchase card statement of account.
- Reallocate transactions to ensure that appropriate accounting codes are assigned to each transaction.

- Certify the statement of account by reviewing and approving within the servicing bank's electronic access system.
- Forward the reconciliation files to their approving officials immediately upon completion. The reconciliation files shall include, in addition to the items outlined in section 9:
  - Purchase card log; and
  - Statement of account approved by cardholder.

If a cardholder knows in advance that he/she will be absent for the entire reconciliation period and not able to reconcile the statement of account, the cardholder shall forward the transaction files to the approving official.

**b. Approving Official Responsibilities:** Approving officials shall:

- Ensure cardholders reconcile all transactions on the purchase card log with the statement of account.
- Review cardholder statements and verify that all items are for official Government use and comply with all applicable laws, regulations, policies and guidance.
- Ensure cardholders have completed and submitted required property documentation to the appropriate property office.
- Resolve any outstanding questions, verify, and approve cardholder statements of account within the servicing bank's tool.
- Retain cardholder files for a minimum of 6 years from final payment for transactions.

If a cardholder will be absent for the entire reconciliation period and not able to reconcile the statement of account, the approving official shall reconcile transactions and approve the statement within the servicing bank's tool in order to complete reconciliation. Failure of the approving official to reconcile an absent cardholder's account may cause all cardholder accounts under the approving official's purview to be suspended. In the event the cardholder's approving official cannot reconcile the cardholder's transactions due to a lengthy absence, an alternate approving official shall be nominated and delegated authority in the interim.

**c. Disputed Transactions:** Cardholders shall process disputes or questioned transactions using the servicing bank's online disputes process. Cardholders shall not call the servicing bank's customer service to dispute a transaction. If, after receipt of requested copies of the sales slip, the cardholder still does not recognize the charge, the cardholder shall contact the agency program coordinator for assistance. The cardholder shall follow up on incorrectly billed items immediately with the merchant, as there is a 60-day time limit to dispute transactions. Disputed transactions and any associated credit transactions must be reconciled.

**END OF SECTION 7**



## SECTION 8 – Convenience Checks

### 8.1 Policy

Convenience checks are not electronic funds transfer compliant, are subject to a cash advance fee, and have a greater potential for fraud and abuse. Therefore, the use of convenience checks shall be minimized and should only be issued on a case-by-case basis. Heads of Contracting Offices shall encourage the use of alternatives to convenience checks as well as other services provided by the servicing bank.

**Convenience checks shall not be issued to merchants that accept the Government Purchase Card.** Convenience checks shall only be used when no other merchant can supply the product or service or meet delivery, quantity, or quality requirements, and the merchant does not accept purchase cards, for emergency incident response, and for other Department approved purposes that comply with Public Law 104-134, the Debt Collection Improvement Act of 1996.

Convenience checks issued under the Purchase Card Program are subject to all regulations and restrictions of the purchase card. The training, nomination, account setup, delegation procedures, and documentation for the purchase card apply to convenience checks. Convenience check writers shall use the servicing bank's electronic access system on-line purchase card log, statements and reports.

### 8.2 Convenience Check Restrictions

Convenience checks **shall not** be used by individuals to write checks to themselves, or to any other individual or vendor for any of the following:

- Vendors who accept the purchase card;
- Cash advance or reimbursement purposes;
- Salary payment or cash awards, or any transaction required to be processed through the payroll system;
- Employee reimbursements;
- Travel-related expenditures including tickets, meals, lodging and rental or lease of vehicles;
- Advance payments to vendors;
- Hazardous materials;
- Honorarium fee to a non-U.S. citizen or permanent resident alien not authorized to receive this payment in accordance with the terms and conditions of their visa;
- On-the-spot awards; or
- Incentive awards to contractors or contract employees.

### 8.3 Convenience Checks for Foreign Invitational Travel

Convenience checks may be issued for travel-related tickets (Contiguous United States (CONUS) and Outside the Contiguous United States (OCONUS)) and expenditures including meals, lodging, and rental or lease of vehicles for foreign invitational travelers and foreign guest speakers.

In addition to the transaction documentation for convenience checks set forth section 9 of this policy, a copy of the invitational travel order, the request for the advance, a copy of the travel voucher, and method of repayment (if any) shall be included in the transaction file.

#### **8.4 Utilizing Convenience Checks**

Convenience checks shall be written legibly and may only be written for the exact amount of the purchase. Convenience check writers must use the purchase card log located within the servicing bank's tool and maintain a manual log (Appendix P). At a minimum, the manual log shall include:

- Check number,
- Merchant name,
- Merchant's Tax Identification Number,
- Merchant address,
- Items purchased,
- Total dollar amount, and
- Reason why a convenience check was used.

Cardholders shall maintain a log of the checks issued to them and perform an inventory monthly to ensure that no checks are missing. Missing checks shall be reported immediately to the servicing bank.

#### **8.5 Oversight Review of Convenience Checks**

Agency program coordinators shall conduct a 100% review of all convenience check transactions utilizing the servicing bank's electronic access system. The servicing bank's automated rules-based data mining system provides electronic monitoring, email notification, and online review and documentation of questionable convenience check transaction details on a daily basis. Approving officials and agency program coordinators shall monitor and review online reports and match questionable transactions to authorization documentation.

Approving officials and agency program coordinators shall monitor the number of checks issued to merchants on a fiscal year basis to identify merchants with five or more convenience check transactions and make referrals to the servicing bank for possible charge card acceptance. Agency program coordinators shall continuously monitor convenience checks using the following automated online statistical reports and dashboard metrics:

- Total number of individuals authorized to write convenience checks
- Total number of convenience checks written
- Number of checks written over the micro-purchase threshold
- Number of checks written under the micro-purchase threshold
- Number of checks written to the same merchant
- Ratio of check writers to approving officials
- Number of cash advances or convenience checks written to "Cash"
- Number of checks written for foreign invitational travel and guest speakers

**END OF SECTION 8**

## Section 9 - Recordkeeping and Documentation

### 9.1 Recordkeeping and Documentation

Cardholders and approving officials shall ensure that appropriate recordkeeping and documentation is maintained for all purchase card transactions. Transaction files can be maintained physically or electronically and shall be made available for oversight review and audit. Failure to maintain proper recordkeeping and documentation is grounds for suspension of cardholder and approving official accounts.

**a. Purchase Card Log:** Cardholders shall track all transactions on the purchase card log located within the servicing bank's tool.

**b. Transaction File Documentation:** The cardholder shall maintain a file for each purchase card and/or convenience check transaction. Transaction files shall be retained for a minimum of six years from final payment for all transactions regardless of transaction amount; shall be accessible for review purposes; and shall include, at a minimum:

- Request for purchase with available funds, signed and dated by the requestor;
- Required pre-approvals (checklist template located in Appendix N);
- Documentation of all **post-purchase activities** (checklist template located in Appendix O):
  - Copy of online transaction, itemized receipts, and/or faxed verification of order;
  - Delivery receipt or packing slip, signed and dated;
  - Copy of appropriate Departmental property forms, if accountable personal property; and
  - Memorandum to the file to explain any unique circumstances for the transaction, as applicable.
- Documentation required for transactions with **third party processors** (e.g., PayPal, Square, Groupon, Amazon Marketplace):
  - Name of the merchant
  - Name of the third party processor
  - Amount of the transaction
  - Statement explaining why it was necessary to purchase the product or service from the merchant

**c. Reconciliation files shall include:**

- Purchase card log;
- Statement of account, approved within the servicing bank's tool by cardholder; and
- Monthly transaction files.

### 9.2 Record Retention of Purchase Card Files

For all purchase card transactions, cardholders shall retain transaction file documentation for a minimum of **six years** from final payment of transactions. Records retention is the responsibility of the approving official but may be delegated to the cardholder. However, the approving official must have access to the cardholder's file at all times. Should the cardholder terminate employment or transfer to a new position the transaction files transfer to the approving official for retention.

Files may be retained electronically that meet the requirements of the FAR. FAR 4.805 allows the medium of storage to be changed (i.e. convert paper file to electronic file) to facilitate storage. The process used to create and store records must record and reproduce the original

document, including signatures and other written and graphic images completely, accurately, and clearly. Data transfer, storage, and retrieval procedures must protect the original data from alteration. Unless law or other regulations require signed originals to be kept, they may be destroyed (i.e., shredded ) after the approving official verifies that record copies on alternate media and copies reproduced from the record copy are accurate, complete, and clear representations of the originals.

**END OF SECTION 9**

## **SECTION 10 – Program Oversight and Surveillance**

### **10.1 Management Controls**

The Purchase Card Program includes a variety of management controls designed to minimize purchase card misuse. Agency program coordinators shall ensure that management controls under their purview are followed and appropriately used to reduce potential card misuse and abuse.

### **10.2 Risk Management**

The Office of Acquisition Management has established the Purchase Card Risk Management Team to provide program expertise and support to help minimize risk to the Purchase Card Program. The team shall be comprised of an agency program coordinator representative from each contracting office and the DOC Purchase Card Program Manager shall serve as chairperson. The purchase card risk management team shall meet at least quarterly to discuss recommended improvements to the program.

Agency program coordinators shall take actions to reduce the risk of card fraud, waste, abuse, and misuse. Approving officials and agency program coordinators can minimize risk by ensuring that Federal, Departmental and Operating Unit purchase card policies, laws, regulations, and procedures are followed, and that program effectiveness is monitored on a regular basis. Appendix G identifies typical purchase card factors that may result in elevated risk, along with recommended risk reduction methods. Approving officials and agency program coordinators should regularly assess their card programs to identify additional areas of risk and develop adequate risk mitigation strategies.

### **10.3 Refund Management**

In accordance with Office of Management and Budget (OMB) Circular A-123 Appendix B, proper management of refunds is critical to ensuring that agencies maintain cost-effective charge card programs. In order to ensure that the Department is in the best position to maximize sales and productivity refunds it is important to ensure timely payments and initiate internal controls to ensure that appropriate purchase card use is maximized.

Unless specific statutory authority exists allowing refunds to be used for other purposes, refunds must be returned to the appropriation or account from which they were expended, and can be used for any legitimate purchase by the appropriation or account to which they were returned, or as otherwise authorized by statute.

### **10.4 Reviews, Surveillance and Reporting**

Purchase card data and statistics are important tools for managing the program and monitoring performance. The servicing bank's automated rules-based data mining system provides the capability to electronically monitor and review cardholder transaction details on a daily basis. Agency program coordinators shall use the data mining tool to ensure and maintain the highest level of oversight and visibility over the Department's purchase card program. The servicing bank provides a variety of reports to assist agency program coordinators with managing their program. Agency program coordinators shall continuously monitor their programs using the following metrics:

#### **a. Purchase Card Statistical Reporting Metrics:**

- Number of cards
- Number of cards that are for emergency use only
- Number of active accounts
- Number of accounts with convenience checks

- Percentage of employees that are cardholders
- Net number of new accounts (new less cancelled)
- Charge card dollars spent; total refunds earned; percentage of potential refunds earned
- Number of cases reported to the agency Office of Inspector General for possible card misuse and/or abuse
- Number of administrative and/or disciplinary actions taken for card misuse
- Number of approving officials
- Ratio of approving officials to purchase cardholders (span of control)
- Average number of monthly purchase card transactions reviewed per approving official
- Number of cardholders with authority up to the micro-purchase threshold
- Number of cardholders with authority over the micro-purchase threshold
- Number and dollar amount of purchases up to the micro-purchase threshold
- Number and dollar amount of purchases over the micro-purchase threshold
- Number of inactive accounts
- Number of inactive accounts cancelled
- Number of inactive accounts requiring a justification to maintain in an active status

**b. Convenience Checks Statistical Reporting Metrics:**

- Total number of individuals authorized to write convenience checks
- Total number of convenience checks written
- Number of checks written over the micro-purchase threshold
- Number of checks written under the micro-purchase threshold
- Number of checks written to the same merchant
- Ratio of check writers to approving official
- Number of cash advances or convenience checks written to “Cash”

## 10.5 Data Mining

Generally, data mining (sometimes called data or knowledge discovery) is the process of analyzing data from different perspectives, and categorizing, and summarizing the relationships into useful management informational reports and graphical displays. Agency program coordinators shall use the servicing bank’s automated data mining tool to analyze and electronically monitor daily transactional data to present potentially relevant results to decision makers. The automated data mining tool serves an essential internal control program function and improves surveillance by highlighting selected transactions for review.

**a. Merchant Category Code Surveillance:** The data mining tool monitors, on a real-time basis, questionable or unauthorized merchant category codes for potential fraud, waste, abuse and misuse; split purchases; and purchase card policy compliance. Figure 10-1 is a list of merchant category codes that are typically unauthorized for purchase card use:

Figure 10-1 Unauthorized Merchant Category Codes

<b>Questionable or Unauthorized Merchant Category Codes (MCC)</b>			
<b>MCC</b>	<b>Description</b>	<b>MCC</b>	<b>Description</b>
3000-3299	Airlines	5964	Direct Marketing - Catalog Merchants (Includes Victoria Secret/Chadwick's of Boston/Lilian Vernon)
3351-3441	Car Rentals	5967	Direct Marketing - On Line Dating Services
3501-3780	Hotels	5972	Stamp and Coin Stores
4411	Steamship and Cruise Lines	5977	Cosmetic Stores
4722	Travel Agencies/Tour Operations	6211	Security Brokers/Dealers
4829	Wire Transfer/Money Orders	7011	Hotels/Motels/Resorts (Not Elsewhere Classified)
5541	Service Stations	7210-7299	Personal Services
5611	Men's and Boy's Clothing & Accessory Stores	7338	Quick Copy, Repro, Blueprint
5621	Women's Ready to Wear Stores	7829-7929	Video Tape Rental Stores/Theatrical Ticket Agencies/Bands/Orchestras
5631	Women's Accessory and Specialty Stores	7932-7999	Recreational Establishments
5641	Children's and Infant's Wear Stores	8011-8099	Doctors/Dentists/Hospitals/Nursing/Chiropractors
5651	Family Clothing Store	8111	Legal Services/Attorneys
5681	Furriers and Fur Shops	8351	Child Care Services
5719	Miscellaneous Home Furnishings	8398	Charitable Organizations
5811-5814	Restaurants/Bars/Caterers/Fast Food	8651	Political Organizations
5921	Package Liquor Stores	8661	Religious Organizations
5931	Used Merchandise/Secondhand Stores	8699	Membership Organizations
5932	Antique Shops	8999	Professional Services
5933	Pawn Shops	9211	Court Costs (Includes Alimony & Child Support)
5944	Jewelry Stores	9222	Fines
		9223	Bail and Bond Payments

### 10.6 Fraud, Waste, Abuse and Misuse

Employees are required to report all instances of suspected fraud, waste, abuse, and misuse. Intentional or unintentional violations of the regulations, policies and procedures for purchase card or convenience check usage is considered misuse. Fraud is a criminal form of misuse involving willful deceit, misrepresentation of facts, or other practices designed to harm or deprive another of his or her rights, usually involving deception for personal gain. The distinction between fraud, waste, abuse and misuse is dependent upon the facts of each case.

All participants in the purchase card program are responsible for preventing fraud and the conditions that lead to fraud. However, approving officials are the first line of defense. Fraud often occurs when two or more individuals collude to circumvent the management controls in place to prevent fraudulent practices. Collusion may occur between merchants and cardholders, cardholders and approving officials, or between purchase card program participants and other employees.

**a. Indicators of Fraud, Waste, Abuse and Misuse:** Suspected purchase card fraud, waste, abuse and misuse often have the same or similar indicators. A determination of whether the misuse is fraudulent may only be possible after a thorough investigation. Therefore, all suspected cases must be reported. Agency program coordinators shall review bank purchase card data and reports on a regular basis to identify and investigate possible instances of fraud,

waste, abuse and misuse. The following are examples of potential indicators of fraud, waste, abuse and misuse:

- Repetitive purchases from the same merchant in situations where the cardholder should be rotating purchases among more than one merchant.
- Missing purchase documentation.
- Cardholders or approving officials who allow others to use their card.
- Failure to safeguard purchase cards, convenience checks, or account information.
- Lack of oversight and surveillance.
- Unauthorized purchases.
- Payments made for items that were never received.
- Split purchases made to avoid spending limits.
- Failure to account for nonexpendable or sensitive.
- Approval of cardholder purchases by someone other than the approving official.
- Cardholders returning items to a merchant for a store credit instead of a credit to their purchase card account.
- Attempted purchases that exceed the cardholder's limits.
- Purchases that have been declined by the card system.
- Cash advances or convenience checks written to "Cash".

**b. Reporting Suspected Fraud Waste Abuse and Misuse:** Employees are responsible for reporting cases of suspected fraud, waste, abuse and misuse of the purchase card or convenience checks. Employees who suspect a cardholder of fraud, waste, abuse and misuse must immediately notify the approving official, the agency program coordinator, and/or the Office of Inspector General. Approving officials and agency program coordinators, upon learning of suspected fraud, waste, abuse and misuse shall notify the Office of Inspector General, the Head of Contracting Office, the servicing bank, and their supervisory chain. Immediate actions shall be taken to ensure that all instances of suspected fraud, waste, abuse and misuse are promptly reported and investigated.

Agency program coordinators should use the case management tool in the servicing bank's electronic access system to report and track suspected fraud, waste, abuse and misuse cases to ensure accurate Office of Management and Budget quarterly reporting. The OIG may use the case management tool when conducting purchase card audits and fraud investigations.

**c. Potential Consequences for Purchase Card Fraud Waste Abuse or Misuse:** Violations of purchase card laws, regulations, policies and/or guidance may result in immediate suspension of the card and disciplinary action against the cardholder and/or approving official. The range of disciplinary actions, which may vary with the severity of the infraction, will be applied in accordance with the Department's employee relations, legal, and management guidelines.

Intentional misuse of the card will be considered an attempt to commit fraud against the U.S. Government, and in addition to the disciplinary actions, the individual may be subject to a fine of not more than \$10,000, and/or imprisonment for not more than 5 years under 18 U.S.C. 287.

Cardholders who intentionally misuse their cards may be held personally liable to the Government for the amount of any unauthorized transactions, plus interest and debt collection fees. Approving officials or others who collude with cardholders to misuse the card or to commit fraud, or who use their position or authority to cause misuse of the card, may also be subject to the disciplinary and criminal actions above.



Figure 10-2 lists potential consequences and penalties for fraud, waste, abuse and misuse of the purchase card. Agency program coordinators shall use the table as a guide for recommending appropriate disciplinary measures, coordinating with the Office of Inspector General, Office of General Counsel, Office of Human Resources Management, and the employee's supervisory chain, as appropriate.

**Figure 10-2 Consequences for Purchase Card Misuse and Abuse**

<b>Consequences for Purchase Card Fraud Waste Abuse and Misuse</b>	
<b>Infraction</b>	<b>Potential Consequences for Infraction</b>
<p><b>Fraud, Waste, and Abuse</b> Intentional use of the purchase card for unauthorized purchases or the approval of unauthorized transactions</p>	<ul style="list-style-type: none"> <li>▪ Card cancellation</li> <li>▪ Termination of employment</li> <li>▪ Fines and/or imprisonment</li> <li>▪ Salary offset to collect full cost of unauthorized purchases including administrative expenses</li> </ul>
<p><b>False Statements</b> False statements on purchase card records by cardholders and AO's</p>	<ul style="list-style-type: none"> <li>▪ Card cancellation</li> <li>▪ Reprimand</li> </ul>
<p><b>Personal Misuse</b> Unintentional use of the purchase card for unauthorized purchases</p>	<ul style="list-style-type: none"> <li>▪ Counseling</li> <li>▪ Cardholder payment to DOC required to cover full cost of unauthorized purchases and possible administrative expenses</li> </ul>
<p><b>Card Transfers</b> Transfer of purchase card to any person other than the cardholder</p>	<ul style="list-style-type: none"> <li>▪ Counseling</li> <li>▪ Card suspension</li> <li>▪ Card cancellation</li> </ul>
<p><b>Failure to Maintain Card Security</b> Failure to safeguard physical location of the card and card account information</p>	<ul style="list-style-type: none"> <li>▪ Counseling</li> <li>▪ Card suspension</li> <li>▪ Card cancellation</li> </ul>

**END OF SECTION 10**

## SECTION 11 –Program Review and Reporting

### 11.1 Program Reviews and Reports

Heads of Contracting Offices shall follow procedures outlined in this policy to conduct their reviews. Reviews shall be conducted monthly and quarterly to ensure that cardholders and approving officials adhere to applicable requirements. The primary objectives of the reviews are to assess:

- Compliance with laws, regulations and the Department's purchase card policy;
- Efficiency of operations; and
- Adequacy of internal and management controls to help prevent fraud, waste and abuse.

**a. Monthly Reports:** At the end of each billing cycle for the previous month, Heads of Contracting Office shall report on the status of the following purchase card elements:

- Cardholder single purchase limits;
- Convenience check transactions (100% review);
- Third party vendor transactions (a minimum of 1% review);
- Transactions where sales tax appears to be applied; and
- Transactions that are identified as suspicious or unusual.

All monthly reports are due on the 20<sup>th</sup> of each month (the prior month's report is due the 20<sup>th</sup> of the following month – e.g. October report due November 20<sup>th</sup>). If the 20<sup>th</sup> falls on a weekend, the report is due the following Monday. Monthly reports shall be completed using the reporting template found in Appendix I-1 and emailed to [PurchaseCardOversight@doc.gov](mailto:PurchaseCardOversight@doc.gov).

**b. Quarterly Reports:** At the end of each fiscal year quarter, Heads of Contracting Office shall report on the status of the following purchase card elements:

- Infrequent purchasing by cardholders,
- Approving official to cardholder ratio;
- Agency program coordinator to cardholder ratio;
- Reallocation of transactions;
- Monthly spending limits; and
- OMB quarterly violations.

All quarterly reports are due on the 20<sup>th</sup> of month following the quarter end. If the 20<sup>th</sup> falls on a weekend, the report is due the following Monday (e.g., first quarter report due January 20<sup>th</sup>). Quarterly reports shall be completed using the reporting template found in Appendix I-2 and emailed to [PurchaseCardOversight@doc.gov](mailto:PurchaseCardOversight@doc.gov).

**c. Quarterly Management Reviews:** Heads of Contracting Offices shall review the purchase card program quarterly. The following steps shall be adhered to when conducting quarterly program reviews:

- The Office of Acquisition Management will use the servicing bank's electronic tool to generate a random sample of transactions. This sample will be provided to agency program coordinators for quarterly review.

- Agency program coordinators shall notify the program office of upcoming reviews and discuss the review objectives and methods to be used.
- The *Purchase Card Management Review Checklist* (Appendix K) shall be completed by the agency program coordinator and approved by the Head of Contracting Office. The checklist documents the initial review of transactions and records to determine compliance with procurement buying policies, regulations and procedures.
- Interviews shall be held with approving officials and cardholders to discuss how the purchase card program is working.
- Agency program coordinators should notify program offices of review findings and address strengths, weaknesses and recommendations for improvement.
- Summary of findings shall be completed by the agency program coordinator and approved by the Head of Contracting Office. Upon completion of all review checklists and interviews, the agency program coordinator shall complete the *Purchase Card Management Review Summary and Report* (Appendix L and Appendix M) for the Head of Contracting Office's review and approval. The report documents strengths, weaknesses and areas of non-compliance identified in the checklists. The report must summarize any areas of concern or problems found during any aspect of the review and discuss steps to be taken to correct them. Specific examples should be cited whenever possible.
- The Head of Contracting Office may use the *Purchase Card Management Review Summary and Report* to discuss issues not addressed on the checklists, interviews or review of records, such as whether the card provider and the merchants are providing acceptable customer service.

## 11.2 Office of Acquisition Management Reviews

The Office of Acquisition Management may perform additional reviews (including on-site reviews), as necessary.

## 11.3 Annual Charge Card Program Report

The Purchase Card Program Manager will review the Purchase Card Program annually following the close of each fiscal year and prepare a report. The report should include:

- Review, analysis, and recommendations for implementing innovative charge card management solutions and processes to:
  - Improve internal controls;
  - Strengthen oversight;
  - Streamline processes; and
  - Address program trends.

**END OF SECTION 11**

**END OF CAM 1313.301**

## APPENDICES

## APPENDIX A – DEFINITIONS

**Abuse** – Use of a Government charge card or convenience check to buy authorized items, but at terms (e.g. price, quantity) that are excessive, or are for a questionable Government need or both.

**Accountable Personal Property** – Accountable personal property includes a property purchased, leased (capital leases), or otherwise obtained having a unit acquisition cost of \$5,000 or more; land, regardless of cost; and items that are sensitive, including but not limited to pilfer-able items.

**Agency Program Coordinator** – An individual who serves as the focal point for purchase card administration including establishing and maintaining accounts, and issuance and destruction of cards.

**Approving Official** – An individual responsible for oversight and monitoring of one or more designated cardholder's compliance with established regulations and procedures.

**Bank (or Cardholder) Statement** – The official monthly statement provided by the servicing bank to cardholders. The bank statement identifies all of the cardholder's purchase card transactions during the billing cycle.

**Business Line** – A group of charge card activities with common functional characteristics (i.e., Purchase, Travel, and Fleet).

**Cardholder** – An individual to whom a card is issued to buy goods and services in support of official Government business.

**Cardholder Account** – An account established for an authorized employee against which official Government charges can be made.

**Cardholder Reconciliation** – The process by which the cardholder and the approving official reviews the monthly bank statements and reconcile each transaction against available supplier receipts, purchase card logs, and operating unit accounting codes.

**Charge Card** – A plastic card, issued to an individual or an entity, with an underlying account that is used for making purchases or payments. A charge card is similar to a credit card, except that generally the balance must be paid in full upon receipt of the statement.

**Convenience Check** – A check that may be written on an approved cardholder's purchase card account, within established single purchase limits.

**Convenience Check Log** – A listing which includes, at a minimum, the convenience check number, the merchant's name, the merchant's Tax Identification Number (TIN) or Employer Identification Number (EIN), merchant address, items purchased, total dollar amount and the reason why a convenience check was used.

**Cycle Limit** – The spending limit imposed on a cardholder's cumulative purchases in a given cycle.

**Delegation of Procurement Authority Memorandum** – A memorandum that recognizes the purchase card holder as a procurement official, grants authorization to spend Government funds, and establishes the level of purchase authority.

**Declined Transaction** – A transaction for which authorization has been refused by the purchase card issuing bank's transaction authorization system.

**Designated Billing Office** – The payment office within a Federal agency that receives the "official invoice," which is a consolidated report listing all cardholder charges for the area the office serves. Treasury Financial Manual, Sect. 4520 Definition of Terms.

**Electronic Access System (EAS)** – The servicing bank's Internet-based system which provides a variety of reports which assist in the effective management of the Purchase Card Program.

**Fraud** – Any act of corruption or attempt to cheat the Government or corrupt the Government's agents, including but not limited to, the use of Government charge cards to transact business that is not sanctioned, not authorized, not in one's official Government capacity, not for the purpose for which the card was issued, or not as part of official Government business.

**GSA SmartPay®** – The Federal Government's charge card program that provides Federal Government cardholders a means to pay for commercial goods and services, travel and travel-related expenses, and vehicle fleet expenses.

**Improper Purchase** – Purchase card transactions that are intended for Government use but are not permitted by law, regulation, or organizational policy.

**Internal Controls for the Purchase Card Program** – Measures taken to ensure program integrity, safeguarding of account information, and program effectiveness. Internal controls consist of the policies, procedures, training, organization, and surveillance governing the purchase card program.

**Merchant Category Code (MCC)** – A four-digit code used to identify the type of business a merchant conducts (e.g., gas stations, restaurants, airlines).

**Misuse** – Use of a federal charge card or convenience check by an authorized user for other than the official Government purpose(s) for which it is intended. Purchase card misuse can invoke DOC disciplinary action.

**Purchase Card Log** – A manual or automated log in which the cardholder documents the individual transactions and screening for mandatory sources of supply, consideration regarding "green" purchasing, and any required Section 508 documentation when using the purchase card or associated convenience checks.

**Retention of Documents** – The storing of supporting documentation for purchase card transactions at all dollar thresholds for a period of 6 years in accordance with FAR 4.805 and NARA GRS 1.1.

**Servicing Bank** – The financial institution and its associations, responsible for issuing DOC purchase cards as the result of a task order against the active GSA SmartPay®3 Master Contract is Citibank and Visa association.

**Separation of Duties** – A mandatory management control to prevent key functions from being done by the same person. Important duties, such as making purchases, authorizing payments, certifying funding and reviewing/auditing will be assigned to different individuals to minimize the risk of loss to the Government to the greatest possible extent.

**Single Purchase Limit (Dollars per Transaction Limit)** – The dollar limit imposed on a cardholder's single purchase or payment transaction.

**Split Purchase** – Separating a requirement that exceeds a cardholder's single purchase limit or threshold into two or more buys as a means of circumventing the cardholder's purchase limit.

**Statement of Account** – Official document of all transactions (debits and credits) at the cardholder level posted during the billing cycle. The statement of account is not the official invoice.

**Third Party Processor** – A third party processor is a company that can accept credit card payments over the internet on behalf of an individual or another merchant (e.g., PayPal).

**Waste** – Any activity taken with respect to a Government charge card that fosters, or results in, unnecessary costs or other program inefficiencies.

## APPENDIX B –CERTIFICATION OF TRAINING MEMORANDUM TEMPLATE

Date:

MEMORANDUM FOR:

\_\_\_\_\_  
Agency Program Coordinator

THROUGH:

\_\_\_\_\_  
[Approving Official, if Cardholder Nominee]

FROM:

\_\_\_\_\_  
[Supervisor of Nominee]

SUBJECT:

Certification of Training for the Purchase Card Program  
[Cardholder or Approving Official]

I, [Name of Nominee], certify that I have completed the below training:

Initial below to indicate completion:

- \_\_\_\_\_ Read Commerce Acquisition Manual 1313.301 – Purchase Card Program
- \_\_\_\_\_ GSA SmartPay Online Training
- \_\_\_\_\_ FAC-047: Micro-Purchases and Section 508 Requirements
- \_\_\_\_\_ Servicing Bank Cardholder Training
- \_\_\_\_\_ Federal Strategic Sourcing Initiative for Offices Supplies
- \_\_\_\_\_ DOC Customized Purchase Card Training
- \_\_\_\_\_ Bureau Specific Training (if applicable):\_\_\_\_\_.

By signing this document, I attest that I have completed the aforementioned training requirements and understand that I will serve as a Government purchasing agent for the Department of Commerce. All purchases made using my Government-issued purchase card are my responsibility. I am legally responsible and shall be held accountable for each approved transaction. I will comply with all applicable regulations and procedures set forth in the Federal Acquisition Regulation (FAR), Commerce Acquisition Manual (CAM) 1313.301, and any Operating Unit polices and or guidance.

\_\_\_\_\_  
[Signature of Nominee]



## APPENDIX C –NOMINATION MEMORANDUM TEMPLATE

Date:

MEMORANDUM FOR:

\_\_\_\_\_  
Agency Program Coordinator

THROUGH:

\_\_\_\_\_  
[Approving Official, if Cardholder Nominee]

FROM:

\_\_\_\_\_  
[Supervisor of Nominee]

SUBJECT:

Nomination of Governmentwide Purchase Card  
[Cardholder or Approving Official]

[Name of Nominee] is hereby nominated for a [Governmentwide purchase card or Approving Official authority] in accordance with Commerce Acquisition Manual (CAM) 1313.301. [Name of Nominee] is a current, permanent full-time Department of Commerce employee and has demonstrated that he/she is responsible and possesses the required business acumen to be entrusted with the responsibilities of a Governmentwide purchase card.

[Provide justification explaining the need for the cardholder or AO including whether the new cardholder or AO will have emergency response or COOP responsibilities.]

[Name of Nominee] has completed all required training as outlined in CAM 1313.301 and copies of training certificates are attached. Relevant information for this nomination is as follows:

Name of Nominee: \_\_\_\_\_

Office Telephone Number: \_\_\_\_\_

Office Fax Number: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Single Limit: \_\_\_\_\_ (for cardholder nominee only)

30-Day/Cycle Limit: \_\_\_\_\_

Default Line of Accounting (ACCS Codes) \_\_\_\_\_

Number of cardholders, including this nominee, under Approving Official's authority: \_\_\_\_\_

## APPENDIX D –DELEGATIONS OF AUTHORITY MEMORANDA TEMPLATES

### Agency Program Coordinator (APC) Delegation of Authority Memorandum

MEMORANDUM FOR: \_\_\_\_\_  
Agency Program Coordinator

FROM: \_\_\_\_\_,  
Head of Contracting Office

SUBJECT: \_\_\_\_\_ Delegation of Authority for Agency Program Coordinator

In accordance with Commerce Acquisition Manual (CAM) 1313.301, you are hereby appointed as Agency Program Coordinator under the Department of Commerce's Purchase Card Program for \_\_\_\_\_ (*insert Operating Unit.*). Under this appointment, you are hereby delegated authority to manage the day-to-day operations for the Purchase Card Program under the GSA SmartPay® Program.

As an Agency Program Coordinator (APC), you shall not perform the duties and responsibilities of a cardholder, convenience check writer, or approving official.

As APC, your responsibilities include, but are not limited to, the following:

- Analyze, research, resolve and provide responses to incoming questions and issues.
- Establish, manage, suspend, and/or terminate accounts.
- Manage Merchant Category Codes (MCC). Perform oversight functions, including review of MCCs notifying the Head of Contracting Office of questionable transactions identified.
- Provide training and guidance to all Operating Unit Approving Officials and cardholders, as well as maintaining records on completed training.
- Assist with developing Operating Unit-specific purchase card training. The training shall be unique to specific programs and not conflict with the GSA SmartPay®2 Master Contract or CAM 1313.301.
- Perform oversight activity of the Government purchase card. Conduct periodic review/audit of Approving Official and cardholder records for adherence to the policies and guidance set forth in the FAR, CAR, CAM and Operating Unit-specific policy.
- Report suspected fraud, waste and abuse to the Head of Contracting Office and OIG. Procedures for submitting reports to the OIG shall be in accordance with DOC DAO 207-10 "Inspector General Investigation."
- Request deviations to the purchase card policies in the CAM, as necessary.
- Terminate or suspend accounts at the request of the Head of Contracting Office

when suspected fraud and/or abuse are apparent. Recommend the termination of the Delegation of Authority for approving officials.

- Upon the approval of the Head of Contracting Office, authorize increases to 30-day spending limit. The Head of Contracting Office shall issue an amended Delegation of Authority memorandum and provide a copy to the APC and the AO.

The delegation may be terminated at any time by written notice by the Head of Contracting Office or Senior Bureau Procurement Official.

APC SIGNATURE/DATE \_\_\_\_\_

*[Your signature indicates that you have read, understand and agree to comply with your APC role and responsibilities. Please sign, date and return the original to your Head of Contracting Office. Retain one copy for your file and provide one copy to the Level 1 APC.]*

## Purchase Cardholder Delegation of Authority Memorandum

MEMORANDUM FOR: \_\_\_\_\_

Cardholder

FROM: \_\_\_\_\_

Head of Contracting Office

SUBJECT: Delegation of Procurement Authority for use of the  
Governmentwide Purchase Card

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In accordance with Federal Acquisition Regulation (FAR) Subpart 1.6 and Commerce Acquisition Manual 1313.301, you are hereby appointed as a cardholder under the Department of Commerce's Purchase Card Program. Under this appointment, you are hereby delegated authority to make official purchases for your organization using the Governmentwide Purchase Card under the GSA SmartPay® Program at the limitations established below:

Single Purchase Limit:

- \$ \_\_\_\_\_ (**except for acquisition of construction subject to the Wage Rate Requirements (construction), the limit is \$2,000, and for acquisition of services subject to Service Contract Labor Standards, the limit is \$2,500**)
- \$ \_\_\_\_\_ for purchase of all products, and for services not subject to the **Service Contract Labor Standards** [Amount not to exceed the micro-purchase threshold]
- \$ \_\_\_\_\_ for purchase of construction [Amount not to exceed \$2,000]
- Delegated authority to issue Convenience Checks for official purchases

Monthly (Billing Cycle) Purchase Limit: \$ \_\_\_\_\_

- Additional restrictions, limits, or conditions on card use as specified below:  
[List any additional restrictions on card use here]

### Emergency Use Cards:

- Employee has been designated as "emergency employees" or "mission-critical emergency employees" under an emergency response plan or continuity of operations plan and requires an emergency use card.

Your Delegation of Purchase Card authority is governed by the FAR, CAR, Commerce Acquisition Manual (CAM) 1313.301, *Department of Commerce Purchase Card Program and any Operating Unit Policies and or Guidance*. Your Statement of Account with

supporting documentation shall be reviewed by your Approving Official on a monthly basis.

The Approving Official who will review and approve all purchases made under this delegation is:

- Approving Official [Name, Address, Phone, E-mail]

Your Agency/Organization Program Coordinator (APC) is:

- Agency Program Coordinator [Name, Address, Phone, E-mail]

With this Delegation you assume a unique role as the Government's authorized agent to obligate Government funds. Your role as the cardholder is to use the purchase card to buy goods and services for Government use. You hold the primary responsibility for the proper use of the purchase card. This is a substantial responsibility that must be exercised with fairness, reasonableness and good business judgment. The fact that your office has requested this authority for you is a clear statement of the trust that the Department of Commerce has placed in you. Your responsibilities as a cardholder are to:

Read and follow the Commerce Acquisition Manual (CAM) 1313.301, *Department of Commerce Purchase Card Procedures and any Operating Unit Polices and or Guidance*.

- Secure the card.
- Maintain a purchase card log.
- Use the card only to make informed buys of approved goods and services.
- Ensure availability of funds before purchase.
- Ensure that the total amount of the transaction, including packaging, shipping, etc., does not exceed the single purchase limit or the amount of funds available for the transaction.
- Reconcile and document transactions.
- Maintain transaction documentation for the required retention period and transfer documentation to Approving Official when separating from service.
- Use the card ethically.

You are the Government's legal agent for each purchase made with the purchase card. You are legally responsible and accountable for each transaction. You must comply with all applicable regulations and procedures set forth in CAM 1313.301 *and any Operating Unit Polices and or Guidance*.

This delegation of purchasing authority is limited and is not subject to re-delegation by you. The delegation may be terminated at any time by written notice from the Agency Program Coordinator, Approving Official, Head of Contracting Office, Purchase Card Program Manager, or Senior Procurement Executive.

I further certify that I:

- will only use the card and/or convenience checks for official purchases, within the dollar limitations designated for my card, and only when sufficient funds are available.
- will only purchase authorized products or services and will seek guidance from the APC before making a purchase in any case where doubt exists as to the legitimacy of a purchase.
- will protect the card and/or convenience checks from unauthorized use and will immediately report the loss or theft of the card/checks in accordance with DOC procedures.
- will surrender the card and/or convenience checks upon termination of employment and or elimination of purchasing responsibilities at any time upon the request of the APC.
- will maintain transaction documentation for the required retention period and transfer documentation to Approving Official when transferring or separating from service.
- will comply with all audit requests in a timely manner.
- understand that willful misuse of the card and/or convenience checks may result in immediate suspension of the card/checks and disciplinary action, fines, and/or imprisonment against me.
- will not transfer or authorize my purchase card to be used by any person.

RECEIPT ACKNOWLEDGED (Signature): \_\_\_\_\_ DATE: \_\_\_\_\_

**Approving Official's Certification**

I certify that I:

- will examine all cardholder documentation related to card and/or convenience check transactions to ensure that purchases are based on a bona fide need
- will resolve any questionable purchases with the cardholder and document records showing questioned transaction, investigation conducted and resolution of that investigation including disciplinary action taken or referral to the OIG
- will ensure that the cardholder's purchase transactions are properly reconciled with the servicing bank's statement of account
- will ensure I am not subordinate (organizationally) to the cardholder and report changes to my APC and supervisors.
- will immediately notify my APC of any suspected cases of misuse or fraud
- understand misuse of the card may result in disciplinary action, fines, and/or imprisonment

Approving Official Signature: \_\_\_\_\_ DATE: \_\_\_\_\_

## Approving Official (AO) Delegation of Authority Memorandum

MEMORANDUM FOR: \_\_\_\_\_

Approving Official

FROM: \_\_\_\_\_,

Head of Contracting Office

SUBJECT: \_\_\_\_\_ Delegation of Authority for Approving Official

In accordance with Commerce Acquisition Manual (CAM) 1313.301, you are hereby appointed as an Approving Official (AO) under the Department of Commerce's Purchase Card Program for \_\_\_\_\_ (*insert Operating Unit*). Under this appointment, you are hereby delegated authority to ensure that cardholder transactions are appropriate and authorized under the GSA SmartPay® Program for official Government business.

As Approving Official your responsibilities include, but are not limited to, the following:

- Ensure cardholder is organizationally subordinate
- Review and approve cardholder transactions for appropriate documentation to ensure purchases made by cardholders under your purview are accurate and for official Government business;
- Review and approve cardholder purchase card transactions;
- Report changes in cardholder status and administrative changes to cardholder accounts;
- Reconcile and certify monthly statements in the absence of the cardholder;
- Ensure cardholders are current with all program training requirements and maintain copies of cardholder training certificates;
- Resolve questionable transactions with the cardholder;
- Ensure cardholders reconcile transactions and statements within the reconciliation timeframe and maintain reconciliation files;
- Report suspected waste, fraud or abuse of purchase cards to the APCs and/or the Office of the Inspector General;
- Ensure I am not subordinate (organizationally) to the cardholder.

The delegation may be terminated at any time by written notice by the Head of Contracting Office or Senior Bureau Procurement Official.

Approving Official Signature \_\_\_\_\_ Date \_\_\_\_\_

*[Your signature indicates that you have read, understand and agree to comply with your Approving Official role and responsibilities. Please sign, date and return the original to your Head of Contracting Office. Retain one copy for your file.]*

**APPENDIX E – STATUS OF INACTIVE ACCOUNT MEMORANDUM**  
**Status of Inactive Purchase Card**

Date:

MEMORANDUM FOR: \_\_\_\_\_  
Approving Official

FROM: \_\_\_\_\_  
Agency Program Coordinator

SUBJECT: Purchase Card ending in \_\_\_\_\_. Cardholder: \_\_\_\_\_

A recent review of purchase card activity indicates that the subject card may be inactive based on the following:

- Card had no activity during the past 18 months
- Card had transactions totaling \$\_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_.

Please review the subject card and complete, date, and sign this form and return it to your APC by \_\_\_\_\_. Failure to complete this form will result in cancellation of the card.

**Approving Official Determination**

I have reviewed this purchase card and have determined the following:

- Card is no longer needed and should be canceled for the following reason:
  - Cardholder has transferred to another office or has left the organization
  - Cardholder no longer wants to retain the card
  - There are no requirements to justify need for a card
  - Requirements are being satisfied by another cardholder or through other means
  - Other (explain)
- Card is still required for the following reason:
  - Card is to be used for emergencies. The cardholder has been designated as an “emergency employee” or a “mission-critical emergency employee” under an emergency response plan or continuity of operations plan (COOP).
  - Office requirements exist but demand patterns are highly variable. Estimated use is \$\_\_\_\_\_ during the next 6 months. Indicate the major types of products or services that are anticipated to be ordered during the next 6 months.
  - Other (explain)

Approving Official: \_\_\_\_\_

Signature: \_\_\_\_\_

Date : \_\_\_\_\_



## APPENDIX F – SECTION 508 COMPLIANCE CHECKLIST

Requisitioner \_\_\_\_\_ Requisition Number \_\_\_\_\_

Program Office \_\_\_\_\_ Sec 508 Coordinator Review \_\_\_\_\_

Product Description \_\_\_\_\_

### Pre-Award Action for EIT Procurements

Check all appropriate boxes.

#### Exemptions to Section 508

- Back-Office (e.g., comm. Closets type-equipment)
- Acquired Incidental to the Contract (e.g. is not part of the deliverables of the contract)
- Commercial Non-Availability
- Fundamental Alteration (e.g. adding a large display on a pager or palm pilot)

#### Subparts and Categories for Section 508 Compliance

- Subpart B* – Technical categories of standards (may include more than one)
- Software applications and operating systems (36 CFR Part 1194.23)
  - Web-based internet and intranet information and application (36 CFR Part 1194.22)
  - Telecommunication products (36 CFR Part 1194.23)
  - Video and multi-media products (36 CFR Part 1194.24)
  - Self-contained, closed products (36CFR Part 1194.25)
  - Desktop and portable computers (36 CFR Part 1194.26)

*Subpart C* – Functional performance criteria (only when Subpart B does not apply)

*Subpart D* – Information, Documentation, and support Documentation requirements

#### Market Analysis for Section 508 Compliance

- Products available, but they do not meet any of the appropriate standards
- Product(s) compliant
- Limited product availability (one product meets more 508 standards than others)  
(Attach analysis)
- Only one product meets functional specifications (attach justification)

Requisitioner \_\_\_\_\_ Date \_\_\_\_\_

Approving Official \_\_\_\_\_ Date \_\_\_\_\_

## APPENDIX G – PURCHASE CARD RISK FACTORS

<i>Purchase Card Risk Factors</i>		
<b>Risk Factor</b>	<b>Description</b>	<b>Recommended Risk Reduction Methods</b>
General risk of fraud, waste, abuse and misuse	Ensure that the environment is not conducive to purchase card fraud, waste, abuse, and misuse.	<ul style="list-style-type: none"> <li>▪ Conduct regular surveillance and annual reviews of all AOs and cardholders. Ensure that all violations are promptly identified, and that corrective and/or disciplinary actions are taken.</li> <li>▪ Publicize serious violations and the actions taken in response.</li> <li>▪ Ensure that separation of duties exist so that an individual is not performing two or more purchase card functions for a transaction (cardholder and AO, AO and billing official, independent receipt and acceptance, etc.)</li> <li>▪ Ensure that cardholders and AOs receive all necessary training and refresher training commensurate with their purchase limits.</li> <li>▪ APCs and AOs shall ensure that appropriate authorities are requested and that no transactions using emergency authorities are utilized until specific delegation of that authority granted and communicated to the Operating Unit(s) by OAM.</li> </ul>

<b>Purchase Card Risk Factors</b>		
<b>Risk Factor</b>	<b>Description</b>	<b>Recommended Risk Reduction Methods</b>
Newly appointed AOs and cardholders	Newly appointed AOs and cardholders have less experience with the purchase card program's policies and procedures and may therefore have a higher risk of errors or misuse.	<ul style="list-style-type: none"> <li>Perform a limited review of all new AOs and cardholders within 90 days of their appointment to identify procedural errors or misuse.</li> </ul>
Purchase card accounts that have few or no merchant category restrictions	Card accounts with few merchant category restrictions provide more flexibility for cardholders but may increase the risk of unauthorized purchases.	<ul style="list-style-type: none"> <li>Based on the types of products and services the card is being used to purchase, consider adding merchant category code restrictions to the account.</li> <li>Review cardholder transactions for suspicious purchases and follow up as necessary.</li> <li>Conduct periodic spot checks to ensure compliance.</li> </ul>
Purchase card accounts with many transactions at or near the cardholder's single purchase limit	This could be an indicator that purchases are being split in order to bring them under the cardholder's limit.	<ul style="list-style-type: none"> <li>Review cardholder transactions for suspicious purchases and follow up as necessary.</li> </ul>
Purchase card accounts where the individual transaction amounts are significantly below the cardholder's single purchase limit	This could indicate that the cardholder has greater purchase authority than they require for their typical purchases.	<ul style="list-style-type: none"> <li>Consider reducing the cardholder's purchase limit consistent with their purchase needs.</li> <li>When establishing new card accounts, ensure that single purchase limits reflect actual needs rather than automatically defaulting to the micro-purchase limit.</li> </ul>
Inactive cards (except for emergency cards issued under COOP)	Cards with little or no activity over an 18-month period are considered inactive. Cards that are issued solely as a backup card for another cardholder are prohibited.	<ul style="list-style-type: none"> <li>Conduct review of inactive cards semi-annually and cancel cards that are no longer required.</li> <li>Cardholders cannot have an AO who is organizationally subordinate to them (e.g., AO cannot oversee a cardholder who is the AO's supervisor).</li> </ul>

<b>Purchase Card Risk Factors</b>		
<b>Risk Factor</b>	<b>Description</b>	<b>Recommended Risk Reduction Methods</b>
Purchase card transactions during emergencies or other contingencies	Purchase card transactions occurring during emergencies (natural disasters, biological, radiological, chemical, health-related, etc.) pose a higher risk.	<ul style="list-style-type: none"> <li>▪ Use servicing bank’s data mining tool to separate, track, and identify all card purchases in support of emergency operations for anticipated reporting requirements to Congress, GAO, OIG, etc.</li> <li>▪ Ensure AOs and cardholders are advised of any changes to purchase card procedures or changes to authority levels as a result of the emergency.</li> <li>▪ Conduct spot checks during the emergency for compliance, and post-event reviews of transactions.</li> <li>▪ Ensure AOs and cardholders are promptly alerted when the emergency is over and any special emergency procedures or authorities revert to normal.</li> </ul>
AOs with a span of control of more than seven cardholders	As an AO's span of control and monthly transaction review increases, the risk of failure to identify improper purchase transactions increases.	<ul style="list-style-type: none"> <li>▪ If problems due to workload are identified during the annual review, consider reducing the span of control by training and appointing additional AOs as necessary.</li> <li>▪ Conduct more frequent spot checks or surveillance of AOs with spans of control of seven or more.</li> </ul>
APCs with a span of control greater than 350 AOs and cardholders	APCs with more than 350 AOs and cardholders assigned to them may find it difficult to adequately carry out their program oversight role effectively, thereby increasing risk.	<ul style="list-style-type: none"> <li>▪ Heads of Contracting Offices should monitor APC spans of control and establish additional APCs as warranted.</li> <li>▪ APCs should review the agency oversight and surveillance process and risk reduction approach for adequacy and recommend any needed improvements.</li> </ul>
AOs or cardholders that have had previous instances of misuse	AOs and cardholders that have violated procedures in the past may have a higher risk of future violations	<ul style="list-style-type: none"> <li>▪ Increase surveillance and spot checks to ensure compliance.</li> <li>▪ Cancel cards for cardholder repeat offenders, or train and assign new AOs for repeat AO violations.</li> </ul>

<b>Purchase Card Risk Factors</b>		
<b>Risk Factor</b>	<b>Description</b>	<b>Recommended Risk Reduction Methods</b>
Convenience check users	Convenience checks pose a greater risk of misuse because they have fewer controls over their use.	<ul style="list-style-type: none"> <li>▪ Conduct more frequent spot checks for convenience check users.</li> <li>▪ Ensure that convenience checks are adequately safeguarded and transactions are properly logged and identified.</li> <li>▪ Review convenience check usage and cancel checks for users that no longer require them.</li> </ul>
Cardholders who are higher grade than their AO	This situation is discouraged, and AOs should be at an equivalent or higher grade level. However, when organizational circumstances prevent this, there is a higher risk that the cardholder may exert undue influence over the AO's actions due to the disparity in grade or position.	<ul style="list-style-type: none"> <li>▪ Increased surveillance of cardholder transactions.</li> <li>▪ Conduct spot checks of AOs and cardholders to ensure compliance with policies and procedures.</li> <li>▪ Immediately suspend card if abuse or misuse is observed. Report abuse or misuse to the IG.</li> </ul>
Cardholders who are physically or geographically removed from an office environment or their AO	Cardholders whose duties require them to be "on the road" or to operate outside of a typical work environment may pose a higher risk of card abuse or misuse.	<ul style="list-style-type: none"> <li>▪ Increased surveillance of cardholder's transactions with follow-up of questionable purchases.</li> </ul>
AO absence	The cardholder's AO is absent due to leave, illness, temporary assignment, etc. This situation may lead to improper purchases if cardholder believes transactions will not be reviewed by a trained AO.	<ul style="list-style-type: none"> <li>▪ APCs should temporarily assign cardholders to another AO to review transactions.</li> <li>▪ AOs should notify the APC when an absence of more than 30 days is expected.</li> </ul>

## APPENDIX H– STANDARD PURCHASE CARD REPORTS

Report Name	Type	Report Description
45-Day	Accounts	The 45-Day report can be used to monitor delinquencies as it identifies accounts that are between 1-30 days past due or 31-60 days past statement. The report lists: Hierarchy, Account Number, Account First Name, Account Last Name, Account Status, Status Reason, 1-30 Days Past Due*/31-60 Days Past Statement Date, Number of Days Past Due, Bill Date and Current Balance.
Account and Employee Hierarchy	Accounts	The Account and Employee Hierarchy report shows the card and account hierarchies for all individuals. The report displays all employees – both cardholders and non-cardholders. It groups by User ID and displays the individuals' names and roles, as well as card account numbers where appropriate. Please note that if the report is run using Hierarchy ID as a criterion, that criterion will apply to the employee and not the accounts that belong to the employee. However, the user should not be allowed to enter a criteria or view employees/accounts outside his/her scope of view.
Account Audit	Accounts	The report will provide all changes made to an account over a selected date range. This report contains the following columns: Hierarchy ID, Hierarchy Description, Account Number, Cardholder Last Name, Cardholder First Name, Change Date, Change Time, Field Name, Previous Value, New Value, and Modified By. If the user does not specify any criteria, the report will default to the last 7 calendar days of activity.
Account Cycle Activity with High Balance	Accounts	The Account Cycle Activity with High Balance report displays the last 12 completed cycles of account activity and identifies the highest balance for an account during the last 12 cycles. The report includes: Lowest Level Hierarchy ID, Lowest Level Hierarchy Description, Account First Name, Account Last Name, Second Row of Embossing, Account Number, Account Status, Card Open Date, Employee ID, User ID, Credit Limit, Segment Description, Segment Value, Highest Activity Over 12 Cycles, 12 individual columns with last 12 completed cycles from most recent to oldest for each account of account activity. The report is optimized for excel.

Report Name	Type	Report Description
Accounts Renewing Within Three Months	Accounts	The Accounts Renewing within 3 Months report is used to help monitor card renewals by identifying accounts that will expire within 3 months of the report date with a status of "Active", "New", or "Suspended", including temporary suspension, and can be used to help monitor card renewals. Grand Totals provided for the report. The report lists: Hierarchy, Account Name, Account #, Account Status, Date Last Used, Last Used Amount, Current Balance, Expiration Date, and Status Reason.
Accounts Used with Single Amount Limit Greater Than \$2500	Accounts	This report displays a count of transactions and total transaction amount summary by account where the accounts single amount limit is greater than \$2,500. The report displays Hierarchy, Account Number, First Name, Last Name, Account Status, Credit Limit, Single Amount Limit, Count of Transactions, and Total Amount. This report is optimized for excel.
Available Limit by Low Available Balance	Accounts	The Available Limit by Low Available Balance report can be used to help monitor cardholders who are nearing their available limit and determine if their credit lines are sufficient. The report includes Account Name, Acct #, Current Balance, Date Balance was Effective, Credit Limit, Cash Limit, and Available Balance.
Cardholder Information	Accounts	The Cardholder Information report provides a listing of card accounts as well as the total number of cardholders. The report lists: Account Name, Account Number, Employee ID, Cardholder Address, Card Delivery, and Business Phone.
Cardholder Listing by Hierarchy	Accounts	The Cardholder Listing by Hierarchy report can be used to monitor the number and status of accounts in each Cost Center. The report lists: Hierarchy ID, Account Name, Account Number, Credit Limit, Cycle Amount Limit, Monthly Amount Limit, Other Amount Limit, Cash Advance Limit, Single Amount Limit, and Status.
Enhanced Merchant Data	Merchant	Enhanced Merchant Data. Contents of the report are best viewed in Excel format
Socio Economic	Merchant	The Vendor Socio-Economic report provides the actual and percentage spend in dollars, transactions and number of vendors segmented by the various socio-economic statuses collected
MCC with Default Account Codes	Merchant	The Merchant Category Code with Default Account Codes report shows all default Merchant Category Codes and description. It includes individual Merchant Category Codes and shows default account codes where appropriate.

Report Name	Type	Report Description
Merchant Profile with Custom Fields	Merchant	This report displays all merchants by Name, City, Street, ZIP, Merchant Category Code, Minority Code, Incorporated Status, Taxpayer ID, 1099 Indicator along with their classification labels, types, and values. These labels and types are values provided by the merchant in the transaction detail. Program Administrators can also designate custom fields according to the requirement of their procurement program.
Merchant Ranking	Merchant	This report ranks merchants in T&E categories in descending order of level of spend. The Merchant Ranking report identifies the Merchants where the accounts are used; the dollar amount spent per merchant and can be used for negotiations. Subtotals are provided for each of the following Industries: Airlines, Car Rental, Lodging, Restaurants, and Transportation. The report is sorted by largest net dollar amount within each Industry, and lists the following information: Industry, Merchant Name, Net Dollar Amount, Number of Transactions, and Average Transaction Dollar Amount.
Parent Merchant Ranking	Merchant	The Parent Merchant Ranking report identifies the Parent Merchant where the accounts are being used, the dollar amount spent per parent merchant, and can be used for negotiations. Subtotals are provided for each of the following industries: Airlines, Car Rental, Lodging, Restaurants, and Transportation. The report is sorted by largest net dollar amount within each industry, and lists the following information: Industry, Parent Merchant, Net Dollar Amount, Number of Transactions, and Average Transaction Dollar Amount.
Summary Quarterly MCC	Merchant	The Summary Quarterly MCC report summarizes the total number of transactions, total dollar amounts, and average dollar amounts spent per quarter for each Merchant Category Code. The report lists: Quarter, MCC, MCC Description, Number of Transactions, Total Amount, and Average Amount.
Summary Quarterly Vendor Analysis	Merchant	The Summary Quarterly Vendor Analysis summarizes the total number of transactions and dollar amounts spent per Quarter with each Merchant. Subtotals are provided for each Merchant Category. The report lists: Quarter, MCC, MCC Description, Merchant Name and Address, # of Transactions, and Amount.
Summary Quarterly Vendor Analysis by Parent Merchant	Merchant	The Summary Quarterly Vendor Analysis summarizes the total number of transactions and dollar amounts spent per Quarter with each Parent Merchant. Subtotals are provided for each Merchant Category. The report lists: Quarter, MCC, MCC Description, Parent Merchant, # of Transactions, and Dollar Amount.



Report Name	Type	Report Description
Account Activity With Hierarchies Report	Transaction	The Account Activity with Hierarchies Report shows transactional information for all transaction types with the information such as: Post Date, Transaction Date, Hierarchy ID, Hierarchy Description, Merchant Name, Merchant TIN Number, MCC, Transaction ID, and Transaction Type. The report shall be optimized for Excel.
Cash Advance Detail by Hierarchy	Transaction	Cash Advance Detail by Hierarchy report is used to analyze cash advance transactions from the cardholders. The report shows the hierarchy, account name, account number, transaction date, post date, parent merchant, merchant, merchant address, MCC/description, and amount of the cash withdrawal. If post date criterion is not selected, the report will report on the last 30 days of activity. The default sort order for the report is by hierarchy. This report is optimized for Excel.
Central Bill Reallocation	Transaction	The Central Bill Reallocation report can be used to analyze the transactions and accounts that have been charged to Central Bill accounts. Sub-totals are provided for each Central Bill account, as well as Grand Totals for the entire report. The report lists: Central Bill Account Number, Transaction Date, Post Date, Transaction ID, Merchant Name, MCC, Merchant City and Merchant State, Micro-reference, and Amount. Please note: Activity diverted to a diversion account is not listed on this report.
Central Bill Reallocation Summary	Transaction	The Central Bill Reallocation Summary report can be used to analyze the account activity for cardholders that are attached to a central bill account. Sub-totals are provided for each individual and/or central bill account that the transactions are billed to, as well as Grand Totals for the entire report. The report lists: Billed To Account, Diverted From Account Number & Name, Central Bill Account, Number of Transactions and Total Amount. Please note: Activity diverted to a diversion account is not listed on this report.
Credit and Debit	Transaction	The Credit and Debit report provides credits and debits correlated by account number, merchant name or MCC, exact dollar amount, and traveler name and ticket number, if available. The report includes Hierarchy ID (for all 10 levels), Lowest Level Hierarchy Description, Central Bill Account Number, Account Number, Account First Name, Account Last Name, Merchant Name, MCC, Ticket Number, Traveler Name, and debit and credit values for the following: Transaction ID, Transaction Date, Post Date, and Amount. The report is optimized for excel.

Report Name	Type	Report Description
Declines	Transaction	The Declines report can be used to monitor the occurrences and reasons why cardholders have been declined. The report lists: Decline Code and Reason, Account Name, Account Number, Amount, MCC, MCC Description, Merchant Name, Merchant City, Merchant State/Province, Merchant Country, Date and Time of Decline.
Diversion Detail by Cardholder	Transaction	Diversion Details by Cardholder report can be used to analyze the charges to Diversion Accounts. Sub-totals are provided for each Diversion Account, as well as Grand Totals for the entire report. The report lists: Diversion Account #, Transaction Date, Post Date, Reference #, Merchant Name, MCC, Merchant City and State, Transaction Amount, Unit of Measure, Quantity, and Unit Price.
Foreign Currency	Transaction	The Foreign Currency report can be used to review transactions that occurred outside of the U.S. as well as the currency and exchange rate information. Subtotals are provided for each account, as well as Grand Totals for the entire report. The report lists: Account Name, Account #, Transaction Date, Post Date, MCC, Merchant Name and Country, U.S. Dollar Amount, Foreign Amount, Exchange Rate, and Currency Country.
Level III Temp Services Data	Transaction	This report can be used to analyze information from temporary services. Total transactions are provided for each supervisor as well as grand totals for the entire report. The report lists: Transaction ID, Transaction Date, Post Date, Merchant Name, City/State, and Amount. It also includes Source ID, Job Description, Temp Employee Name, Social Security Number, Requester, Job Code, Supervisor, Time Sheet Information such as Start Date, Week Ending, Hours, Overtime, Rate, Subtotal, Message ID, and Customer Code. Contents of the report are best viewed in Excel format.
Multiple Transactions-Single Merchant	Transaction	This report will display multiple transactions occurring at a single merchant on the same account. Multiple Transactions are defined as groups of transactions (at least 2) in which Transaction Dates are within a user defined time period and where the Transaction Merchant Name matches. The report displays information for hierarchy, account, transaction, merchant, and MCC.

Report Name	Type	Report Description
OMB Purchase	Transaction	<p>The Office of Management and Budget (OMB) Purchase Report is a quarterly report that provides transactional data for OMB reporting. This report contains all columns required for OMB reporting. Based on information in CitiManager, the following columns will contain information: Hierarchy, Number of Cards, Number of Active Accounts, Number of Net New Accounts, Charge Card Dollars Spent, Ratio of Approving Officials to Cardholders (Span of Control), and Average Number of Monthly Purchase Card Transactions Reviewed per Approving Official, Total Number of Convenience Checks Written, Number of Checks Written Over \$10,000, Number of Checks Written Equal To Or Under \$10,000, and Total Number of Individuals Authorized To Write Convenience Checks. Other columns required for OMB will be displayed on the report; however, these will need to be populated manually before sending to OMB. This report shall be defaulted to provide reporting on the root hierarchy level and the last quarter. This report is optimized for Excel.</p>
Pending Review/Approve Report	Transaction	<p>The Pending Review/Approval report details transactions and their review/approval status. The report displays hierarchy information, account information, merchant information, transaction detail information, approvers to which the transaction is assigned, and the dates assigned, reviewed, and approved by the approver. The report will display all types of transactions by default, but the report criteria can be set to display any combination of the following: new transactions, reviewed transactions, in-process transactions, stalled transactions, or approved transactions. The report is optimized for PDF format. Please note that the report defaults to 30 days of activity and the dates on the report may have a 24-hour lag in being available. The Date Assigned is not available for approved transactions.</p>
Potential Forced Transactions	Transaction	<p>The report displays potential forced transactions and the associated account and merchant information. The report displays Hierarchy, Transaction ID, Transaction Amount, Transaction Date, Post Date, Account Number, First Name, Last Name, Account Status, MCC, MCC Description, Merchant ID, Merchant Name, Merchant Address, Merchant City, Merchant State/ Province, Merchant ZIP. This report is optimized for Excel.</p>

Report Name	Type	Report Description
Potential Split Purchases	Transaction	The report will display transactions where the combined individual transaction amounts of split purchases with the same merchant potentially exceed either the single amount limit or the MCCG single amount limit. This report will also provide the account's MCC group and the associated MCCG single amount limit associated with the MCC of the transaction if it exceeds the single amount limit of the MCCG. Changes to the account or MCCG single amount limits and MCCs within MCCGs between the transaction date and the report run date will impact the data produced in the report. The report displays information for Hierarchy, Account, Transaction, Merchant, MCC, MCCG, Single Amount Limit, and Total Amount on Split Purchase.
Purchase card log	Transaction	The Purchase card log report shows a list of purchase card log entries. The report lists Purchase card log Status, Account Number, Merchant, Purchase card log ID, Hierarchy ID, Purchase Date, Receipt Date, Requestor, Confirmed By, Total Cost, Estimated Freight, and Notes. Line item details and any matched transactions are also included.
Purchase card log Audit	Transaction	The report will provide all purchase card log entry changes made over a selected date range. This report contains the purchase card log ID, account number, change date and time, a description of the field changed, original data, new data and CitiManager User ID that made the change.
Review and Approve Summary Statistics	Transaction	This report provides review and approve summary statistics by hierarchy and is configurable so that an A/OPC can view summaries at different hierarchy levels.
Statement of Account	Transaction	The Statement of Account provides a listing of previous 30 days of transaction information such as postdate, merchant, transaction amount, MCC, original amount and tax. The statement also contains, when available, accounting code allocations, transaction notes, custom fields (when applicable) and transaction addendum detail. Cardholder and Supervisor signature lines are also included at the bottom of the statement to assist in the review and reconciliation process. This statement is not an official bank billing statement and cannot be used for remittance. This report provides the default of the last 30 days unless overwritten by the user.
Statistical Summary Report	Transaction	The Statistical Summary Report lists account and transaction summary information with scope of view based on hierarchy. Hierarchies are displayed up to 10 levels deep, down to the level selected in the criteria. Account status information will be current up to 48 hours prior to the running of the report. The report can be run for a selectable date range and hierarchy level. By default, the report is sorted ascending by hierarchy. This report is optimized for excel.

Report Name	Type	Report Description
Transaction Audit	Transaction	The report will provide all transaction changes made over a selected date range. This report contains the transaction ID, change date, a description of the field changed, original data, new data and CitiManager User ID that made the change.
Transaction Detail	Transaction	The Transaction Detail report can be used to monitor the purchases for each account. Transactions as well as line items are included and payments are excluded from this report. Subtotals are provided for each account, as well as Grand Totals for the entire report. The report lists: Account Name, Account Number, Transaction ID, Transaction Date, Post Date, Purchase Method, Merchant Name, Merchant City and State, MCC, Debit Amount, Credit Amount, Tax and Transaction Type.
Transaction Detail by Central Bill Account	Transaction	The Transaction Detail by Central Bill Account can be used to analyze the transactions and accounts that have been charged to Central Bill accounts. Sub-totals are provided for each Central Bill account, as well as Grand Totals for the entire report. The report lists: Tran Date, Post Date, Reference Number, Tran ID, Merchant Name, MCC, City, State, Amount, and Transaction Type.
Transaction Detail By Hierarchy	Transaction	The Transaction Detail by Hierarchy report summarizes the number of transactions and total dollar amount for each account and Hierarchy level. Transactions as well as line items are included, and payments are excluded from this report. Subtotals are provided for each Hierarchy, as well as Grand Totals for the entire report. The report lists: Transaction ID, Tran Date, Post Date, Purchase Method, Merchant, City, State, MCC, Debit Amount, Credit Amount, Tax and Transaction Type.
Transaction Detail by Merchant	Transaction	The Transaction Detail by Merchant lists the transactions and dollar amounts spent with each Merchant. The report lists: Merchant Name, Merchant City, State, Zip, MCC, Transaction
Transaction Detail by Parent Merchant	Transaction	The Transaction Detail by Parent Merchant report lists the transactions and dollar amounts spent with each Parent Merchant. The report lists: Parent Merchant Name, Merchant City, State, Zip, MCC, Transaction Amount, Reference #, Account Name, Transaction Date, and Post Date.

Report Name	Type	Report Description
Transaction Detail with Accounting Codes and Notes	Transaction	The Transaction Detail with Accounting Codes and Notes report shows a list of transactions with their account codes, notes and custom fields. Transactions as well as line items are included and payments are excluded from this report. The report lists Transaction ID, Cardholder Name, Account Number, Purchase Method, Merchant Name, Merchant City, State, MCC, Transaction and Post Dates, Transaction Amount, Transaction Type, Tax, Transaction Notes, an unlimited number of Account Codes, and Transaction Custom Fields. Contents of this report are best viewed in PDF format.
Transaction Detail with Level 3 Addendum	Transaction	The Transaction Detail with Level 3 Addendum Report lists transactions with enhanced addendum. Only Airline, Rental Car, Hotel, Travel, Fleet, Purchasing, and Shipping Addendum data is provided. If postdate criterion is not selected, the report will default to activity within the last 30 calendar days. This report is optimized for Excel.
Transaction Detail with Payments	Transaction	The Transaction Detail with Payments report can be used to monitor the purchases for each account. Transactions as well as line items and payments are included on this report. Subtotals are provided for each account, as well as Grand Totals for the entire report. The report lists: Account Name, Account Number, Transaction ID, Transaction Date, Purchase Method, Post Date, Merchant Name, Merchant City and State, MCC, Debit Amount, Credit Amount, Tax, and Transaction Type.
Transaction Detail with Purchase Addendum	Transaction	The Detail with Purchase Addendum report is used to analyze only transactions with purchasing addendum. The report groups the transactions by cardholder. It displays transaction date, postdate, merchant name, merchant city, merchant state, MCC, debit amount, credit amount, merchant sales tax and, if applicable, the level 3 data sent by the merchant such as item quantity, item description, unit cost, line item total, product code and unit of measure.
Transaction Disputes by Hierarchy	Transaction	The Transaction Disputes by Hierarchy report can be used to monitor the status of disputed transactions. The report lists: Account Name, Account #, Merchant Name, Transaction Date, Transaction Amount, Date Disputed, and Date Resolved.
Transaction Disputes by Status	Transaction	The Transaction Disputes by Status report lists the status of disputed transactions. The report lists: Account Name, Transaction ID, Account Number, Merchant Name, Transaction Date, Transaction Amount, Date Disputed, and Date Resolved.

Report Name	Type	Report Description
Transaction Summary by Hierarchy	Transaction	The Transaction Summary by Hierarchy report summarizes the number of transactions and total dollar amount for each account by Hierarchy. The report lists: Account Name, Account Number, Number of Debit Transactions and Dollar Amount, Number of Credit Transactions and Dollar Amount, Total Number of Transactions and Dollar Amount. Contents of the report are best viewed in Excel and PDF format.
Transaction Summary by Merchant	Transaction	The Transaction Summary by Merchant summarizes the number of credit transactions and amount, the number of debit transactions and amount, total number of transactions, total amount per merchant. Contents of the report are best viewed in Excel and PDF format.
Transaction Summary by Parent Merchant	Transaction	The Transaction Summary by Parent Merchant summarizes the number of credit transactions and amount, the number of debit transactions and amount, total number of transactions, total amount per parent merchant. Contents of the report are best viewed in Excel and PDF format.
Transaction Summary by Post Date	Transaction	The report provides a summary of transaction amounts and number of transactions for each specified postdate, along with the total number, and associated percentage, of transactions that potentially exceed either the account single amount limit or MCCG single amount limit of an account for the specified postdate. The report displays Post Date, Amount, # of Trans, Potential # of Trans Over Single Amount Limit, and Potential % of Trans Over Single Amount Limit.
Transaction Summary by Transaction Date	Transaction	The report provides a summary of transaction amounts and number of transactions for each specified trans date, along with the total number, and associated percentage, of transactions that potentially exceed either the account single amount limit or MCCG single amount limit of an account for the specified trans date. The report displays Tran Date, Amount, # of Trans, Potential # of Trans Over Single Amount Limit, and Potential % of Trans Over Single Amount Limit.

## APPENDIX I-1– PURCHASE CARD MONTHLY REPORT TEMPLATES

The following elements shall be reported in the purchase card monthly reports

*\*Items in red are example reports*

### Single Purchase Limit Report:

Bureau	Cardholder Name	Single Purchase Limit	Card Status	FAC-C Certified	Warrant Issued (Yes/No)	Warrant Level	Reason	Corrective Action
<i>NIST</i>	<i>Jane Doe</i>	<i>\$12,000</i>	<i>Active</i>	<i>No</i>	<i>No</i>	<i>N/A</i>	<i>FAC-C application pending review and approval</i>	<i>Reduce limit to \$10,000 until Head of Contracting Office issues warrant.</i>

### Convenience Check Report (a):

Bureau	Total Convenience Check Writers	Total Convenience Check Transactions	100% Monthly Convenience Check Review Complete? If "No" Indicate Anticipated Date for Completion	Total Number of Checks Written Over the Micro-Purchase Threshold	Number of Checks Written to Vendors That Accept the Purchase Card	Total Number of Checks Writers to DOC Check Writers, DOC Employees, or Other Individuals	Total Number of Checks Written to the Same Merchant the Same Day/Week Timeframe	Notes
<i>ITA</i>	<i>5</i>	<i>10</i>	<i>Yes</i>	<i>3</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>Reviewed check writer transaction files. Checks over the micro-purchase limit were made by warranted check writers. Purchase is authorized.</i>



**Convenience Check Report (b):**

Bureau	Check Writer Name	Check Number	Check Date	Check Amount	Transaction Detail	Issue	Corrective Action
<i>Census</i>	<i>John Doe</i>	<i>0030</i>	<i>10/1/2014</i>	<i>\$3,500</i>	<i>Purchase from Costco</i>	<i>Purchased from a merchant who accepts credit cards.</i>	<i>Reviewed cardholder transaction files. Documentation includes merchant policy that it only accepts American express credit cards. Transaction "ok".</i>

**Sales Tax Report:**

Bureau	Cardholder Name	Vendor	Transaction Amount	Total Amount Sales Tax Paid	Reason Sales Tax Paid	Amount of Tax Recovered	Notes
<i>NOAA</i>	<i>Jane Doe</i>	<i>John Smith Training Center</i>	<i>\$2,000</i>	<i>\$120</i>	<i>Vendor mistakenly added sales tax</i>	<i>\$120</i>	<i>Sales tax recovered. Cardholder retained documentation in transaction files.</i>

**Third-Party Vendor Transaction Report:**

Bureau	Cardholder Name	Vendor	Transaction Date	Transaction Amount	Did the Cardholder include documentation in their transaction file? for the reason used	Reason Third-Party Vendor Was Used
<i>OS</i>	<i>John Doe</i>	<i>PayPal</i>	<i>10/1/2014</i>	<i>\$500</i>	<i>Yes</i>	<i>Merchant was the only vendor that carries the widget.</i>

**Suspicious/Unusual Activity Report:**

Bureau	Cardholder Name	Vendor	Transaction Date	Transaction Amount	Suspicious/Unusual Transaction Description	Notes
<i>PTO</i>	<i>Jane Doe</i>	<i>Walmart</i>	<i>10/1/2014</i>	<i>\$500</i>	<i>MCC code indicates this transaction was made at a grocery location.</i>	<i>Vendor MCC code misleading. Cardholder documentation indicates transaction was made for office supplies.</i>

## APPENDIX I-2– PURCHASE CARD QUARTERLY REPORT TEMPLATES

The following elements shall be reported in the purchase card monthly reports

*\*Items in red are example reports*

### Infrequent Purchases:

Bureau	Cardholder Name	Single Purchase Limit	Monthly Spend Limit	Actual Monthly Spend	Months of Inactivity	Corrective Action
<i>PTO</i>	<i>Jane Doe</i>	<i>\$3,000</i>	<i>\$10,000</i>	<i>0</i>	<i>18</i>	<i>Contacted cardholder - card is required for COOP purposes</i>

### Approving Official to Cardholder Ratio:

Bureau	Approving Official	Number of Cardholders	HEAD OF CONTRACTING OFFICE Approval to manage over 7 Cardholders (Yes/No)	Notes	Corrective Action
<i>NOAA</i>	<i>Jane Doe</i>	<i>11</i>	<i>Yes</i>	<i>Head of Contracting Office signed delegated authority. Supporting documentation in AO file</i>	<i>N/A</i>

### Agency Program Coordinator to Cardholder Ratio:

Bureau	Agency Program Coordinator	Number of Cardholders	Number of Approving Officials	Notes
<i>NTIS</i>	<i>Jane Doe</i>	<i>840</i>	<i>120</i>	<i>Use this area to note any significant challenges/successes in managing cardholders/approving officials for this quarter.</i>

**Reconciliation:**

Bureau	Cardholder Name	Approving Official Name	Number of Un-Reconciled Transactions	Reason Un-Reconciled	Corrective Action
<i>EDA</i>	<i>Jane Doe</i>	<i>John Smith</i>	<i>5</i>	<i>Pending Approving Official's review and approval</i>	<i>Contacted Approving Official - has 5 days to review transactions and approve otherwise has been notified that account will be suspended.</i>

**Monthly Spend Limits:**

Bureau	Cardholder Name	Monthly Purchase Limit	Actual Spend (Per Quarter)	Notes	Corrective Action
<i>MBDA</i>	<i>Jane Doe</i>	<i>\$10,000</i>	<i>\$2,000</i>	<i>Contacted cardholder and determined need does not exceed \$5000.</i>	<i>Lowered monthly spending limit to \$5000</i>

**OMB Quarterly Report:**

Bureau	Number of Cases Reported by Agency to the IG	Number of Administrative and/or Disciplinary Actions Taken for Card Misuse (Including Delinquency)	Comments:
<i>MBDA</i>	<i>0</i>	<i>\$0</i>	<i>N/A</i>

## APPENDIX J – ENTRANCE AND EXIT CONFERENCE PURCHASE CARD MANAGEMENT REVIEWS

[INSERT LETTER HEAD]

MEMORANDUM FOR: \_\_\_\_\_  
Program Manager

FROM: \_\_\_\_\_  
Head of Contracting Office

SUBJECT: Entrance and Exit Conference for Quarterly Purchase Card  
Reviews

---

The *[insert program office]* will be conducting a management review of purchase cardholders and convenience check writers in the various components of the *[insert program office name]*. Routine departmental reviews are conducted to minimize risk in exposing the agency to instances of fraud, waste, and abuse. These reviews will be conducted beginning on *[insert date]* and continue through *[insert date]*.

Your office will be provided advance notice of the scheduled review. We will offer an entrance conference to discuss the review, a briefing of the conclusion and a copy of the final report of findings and recommendations. As appropriate, offices will be requested to develop a corrective action plan for any significant findings which will be implemented in *[insert FY]*.

We recognize the value of efficiencies realized through the use of the purchase card. We believe that this review, in addition to identifying any areas of concern, will also enable the Department to identify common problems that can be rectified through additional information being made available to cardholders and will help to identify opportunities for strategic sourcing that will be available to all DOC offices.

It is requested that this memorandum be shared with the individuals within your organization who are either purchase cardholders or approving officials for cardholders. A list for your organization is attached.

## APPENDIX K – PURCHASE CARD MANAGEMENT REVIEW CHECKLIST

### Purchase Card Quarterly Review Checklist

Cardholder Name: \_\_\_\_\_

Date of Review: \_\_\_\_\_

Period Covered: \_\_\_\_\_

[Insert Onsite or Electronic] \_\_\_\_\_

Reviewer Name: \_\_\_\_\_

No.	TRANSACTION REQUIREMENTS	Yes	No	N/A
1.	Purchase is for official government business?			
2.	Availability of funds is documented in the transaction file?			
3.	Required pre-approvals (approving official, budget officer, Head of Contracting Office, Office of General Counsel, where applicable) are obtained and documented in the transaction file?			
4.	Mandatory sources of supplies and services are documented in the transaction file?			
5.	Department strategic source initiatives have been utilized?			
5a.	Where departmental strategic source initiatives were not utilized, was there sufficient documentation that the mandatory sources of supplies and services were followed?			
6.	Price reasonableness is documented?			
7.	Purchase exceeds cardholder single purchase limit?			
8.	Purchase complies with requirements for Energy, Water Efficiency, and Renewable Energy?			
9.	Purchase complies with requirements for use of Recovered Materials and Bio-based Products?			
10.	Purchase complies with requirements for Contracting for Environmentally Preferable Products and Services?			
11.	Purchase complies with Section 508 requirements?			
12.	If purchase was made utilizing a third party vendor, is justification provided?			
13.	Purchase complies with established financial reallocation schedule (10 <sup>th</sup> of each month)?			
14.	Purchase transaction file documentation complies with requirements set forth in CAM 1313.301, section 9?			
15.	Purchase complies with personal property reporting requirements (purchase was reported to the property custodian and bar-coded)?			
No.	TRANSACTION REQUIREMENTS	Yes	No	N/A

17.	If a convenience check was used to make the purchase, documentation is included in the transaction file to determine that the vendor does not accept purchase cards?			
18.	Is the purchase placed against an established contract?			
19.	The purchase is over the micro-purchase threshold and meets all of the requirements outlined in CAM 1313.301 and the FAR?			
20.	Does the Contracting Officer (cardholder) have a FAC-C Certification?			
21.	Does the cardholder possess an active Contracting Officer's Warrant?			
22.	If the cardholder has a single purchase limit above the micro-purchase threshold, does his/her Approving Official meet all of the Contracting Officer Warrant training requirements?			

**NOTES/COMMENTS:**

## APPENDIX L – PURCHASE CARD MANAGEMENT REVIEW SUMMARY

Purchase Card Elements		No. of Records Reviewed	No. of Records Applicable to Element	No. of Compliant Records	Accuracy Rate (No. compliant/No. Records Reviewed)	Account Name	Notes
<b>TRANSACTION</b>							
1.	Purchases were for official Government business						
2.	Availability of funds was documented in the transaction file						
3.	Required pre-approvals (approving official, budget officer, Head of Contracting Office, Office of General Counsel, where applicable) were obtained and documented in the transaction file						
4.	Mandatory sources of supplies and services were documented in the transaction file						
5.	Department strategic source initiatives were utilized						
5a.	Where departmental strategic sources initiatives were not utilized, sufficient documentation was included in the transaction file that the mandatory sources of supplies and services were followed						
6.	Price reasonableness was documented						
7.	Purchases exceeded the cardholders single purchase limit.						
8.	Purchases complied with requirements for Energy, Water Efficiency, and Renewable Energy						
9.	Purchases complied with requirements for use of Recovered Materials and Bio-based Products						
10.	Purchases complied with requirements for Contracting for Environmentally Preferable Products						
11.	Purchases complied with Section 508 requirements.						
12.	Purchases made utilizing a third party vendor, documentation was provided to support why the vendor was used						

13.	Purchases complied with established financial reallocation schedule						
14.	Transaction was appropriately reconciled (e.g., appropriate documentation obtained to support the purchase – receipts/invoices; cardholder and approving official certified within established financial reallocation process/schedule)						
15.	Purchases complied with personal property reporting requirements (purchase was reported to the property custodian and bar-coded)						
16.	If a convenience check was used to make purchases, documentation is included in the transaction file to determine that the vendor does not accept purchase cards						
17.	Purchases placed against an established contract.						
18.	Purchases over the micro-purchase threshold meet all of the requirements outlined in CAM 1313.301 and FAR part 13						
19.	Contracting officer (cardholders) have a FAC-C certification						
20.	Contracting Officer (cardholder) possesses an active Contracting Officers' warrant						
21.	Approving officials (managing cardholders with a single purchase limit above the micro-purchase threshold) meet all of the Contracting Officer Warrant training requirements						
	<b>TOTAL RECORDS SAMPLED</b>						



## APPENDIX M – PURCHASE CARD MANAGEMENT REVIEW REPORT

### PURCHASE CARD MANAGEMENT REVIEW REPORT FOR

[Insert program office]  
Fiscal Year 20\_\_ Quarter \_\_\_\_\_

#### Introduction:

A Purchase Card Management Review was conducted at [insert field office] on [insert date(s)], by [insert name(s) of those performing review and the acquisition office]. The Purchase Card Program at this location consists of [insert number of approving officials and number of cardholders]. [Insert the number of files reviewed] purchase cardholder files were reviewed. The purpose of this review was to evaluate the effectiveness and efficiency of the Purchase Card Program and provide suggestions to improve any noted weaknesses or deficiencies. The review offers a baseline assessment of current strengths and weaknesses within the office.

#### Certification Statement:

The Purchase Card Management Review Summary, located in Appendix L (CAM 1313.301, [Date], was used as a guide and I [insert name], the Head of Contracting Office for the aforementioned program office certify that information contained in the summary and corresponding report is accurate and complete.

#### Review Findings:

- Attached is the completed Purchase Card Management Review Summary for [insert program office];
- The following areas were identified as strengths that enhanced internal controls and program oversight: [Insert items. Use additional pages as necessary to discuss strengths and best practices identified within the program review].
- The following areas were identified as weaknesses to internal controls governing the Purchase Card Program: [Insert items. Use additional pages as necessary to discuss any weaknesses identified during the program review; and challenges/barriers faced in establishing effective controls in managing the program].
- Attached is the [insert field office] plan of action to address identified weaknesses and comply with these recommendations no later than [insert date].

#### Required Signatures:

\_\_\_\_\_  
Head of Contracting Office Name (Printed)

\_\_\_\_\_  
Head of Contracting Office Name (Signature)

\_\_\_\_\_  
Date

## APPENDIX N – PURCHASE CARD PRE-PURCHASE CHECKLIST

Cardholder Name: \_\_\_\_\_

Office Name: \_\_\_\_\_

Date of Request: \_\_\_\_\_

Requestor's Name: \_\_\_\_\_

Requestor's Phone Number: \_\_\_\_\_

---

### CHECKLIST

1. \_\_\_\_\_ This is a purchase for official Government business only
2. \_\_\_\_\_ This purchase is approved and authorized, in accordance with my organizational procedures and office budget coordinator, to ensure that funds are available for this purchase.
3. \_\_\_\_\_ The amount of this purchase is within my single purchase limit and is not a split or divided purchase.
4. \_\_\_\_\_ Price is determined reasonable in accordance with FAR 13.203.
5. \_\_\_\_\_ Purchases over the micro-purchase threshold: I have promoted competition to the maximum extent practicable in accordance with FAR 13.104.
6. \_\_\_\_\_ This purchase will not cause my 30-day limit to be exceeded.
7. \_\_\_\_\_ I have checked the mandatory sources of supplies and services as required by FAR Part 8, and Commerce Acquisition Manual (CAM) 1313.301, Section 6.9, if not, explain:  
\_\_\_\_\_
8. \_\_\_\_\_ I have checked strategic sourcing vehicles as required by Commerce Acquisition Manual (CAM) 1313.301, Section 6.10, if not, explain:  
\_\_\_\_\_
9. \_\_\_\_\_ This purchase complies with Green Procurement Program Requirements, if applicable, per Commerce Acquisition Manual (CAM) 1313.301, Section 6.11.
10. \_\_\_\_\_ If the purchase is for an accountable asset or a sensitive item, it has received all the required approvals from the property custodian (if applicable).
11. \_\_\_\_\_ If the purchase is for electronic or information technology (EIT) products, the items are compliant with appropriate Section 508 standards.

**PURCHASE INFORMATION**

Item(s) to be Purchased:

Description of Supplies or Services	Quantity (No of Units)	Cost (Units X Price)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**ADDITIONAL INFORMATION RELATIVE TO THIS PURCHASE:**

\_\_\_\_\_  
\_\_\_\_\_

Total Cost: \$ \_\_\_\_\_.

**FUNDING CLASSIFICATION**

Organization Code: \_\_\_\_\_

Task Number: \_\_\_\_\_

Object Class: \_\_\_\_\_

**VENDOR INFORMATION**

Expected Vendor Name: \_\_\_\_\_

Expected Vendor's Address: \_\_\_\_\_

Expected Vendor's Phone#: \_\_\_\_\_

**APPROVALS**

Requestor's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Cardholder Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Approving Official Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Budget Officer Signature \_\_\_\_\_ Date: \_\_\_\_\_

HEAD OF CONTRACTING OFFICE Signature (if applicable): \_\_\_\_\_ Date:  
\_\_\_\_\_

## APPENDIX O – PURCHASE CARD POST-PURCHASE CHECKLIST

Cardholder Name: \_\_\_\_\_

Approving Official Name: \_\_\_\_\_

Office Name: \_\_\_\_\_

Date of Request: \_\_\_\_\_

Requestor's Name: \_\_\_\_\_

Requestor's Phone Number: \_\_\_\_\_

---

### PURCHASE INFORMATION

Item(s) to be Purchased: Description of Supplies or Services	Quantity (No of Units)	Cost (Units X Price)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

### ADDITIONAL INFORMATION RELATIVE TO THIS PURCHASE:

\_\_\_\_\_  
\_\_\_\_\_

Total Cost: \$ \_\_\_\_\_.

---

### FUNDING CLASSIFICATION

Organization Code: \_\_\_\_\_

Task Number: \_\_\_\_\_

Object Class: \_\_\_\_\_

---

### VENDOR INFORMATION

Vendor Name: \_\_\_\_\_

Vendor's Address: \_\_\_\_\_

Vendor's Phone#: \_\_\_\_\_

**CHECKLIST**

1. \_\_\_\_\_ This purchase was for *official Government business only*.
2. \_\_\_\_\_ This purchase was approved and authorized, in accordance with my organizational procedures and office budget coordinator, to ensure that funds were available for this purchase.
3. \_\_\_\_\_ In Reallocating this purchase, appropriate measures have been taken to ensure charges are applied to the correct accounting codes.
4. \_\_\_\_\_ I have received a receipt/invoice associated with this purchase.
5. \_\_\_\_\_ The amount of this purchase is within my single purchase limit and is not a split or divided purchase.
6. \_\_\_\_\_ This purchase will not cause my 30-day limit to be exceeded.
7. \_\_\_\_\_ If the purchase was incorrectly charged sales tax, appropriate measures have been taken to recover sales tax associated with this purchase.
8. \_\_\_\_\_ If the purchase is for an accountable asset or a sensitive item, it has been bar-coded and all purchasing information has been provided to the appropriate property custodian.
9. \_\_\_\_\_ An independent individual (not the cardholder) received and accepted the goods/services associated with this purchase.

a. If yes, please indicate name and email address of individual:

\_\_\_\_\_  
\_\_\_\_\_

b. If no, please explain why an independent individual did not accept/receive the goods/services associated with this purchase:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

---

**APPROVALS**

Cardholder Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Approving Official Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**END OF DOCUMENT**

**APPENDIX P – CONVENIENCE CHECK LOG**

Bureau	Last Name	First Name	CH Account	Transaction Date	Transaction Amount	Merchant Name	Merchant Address	Merchant City	Merchant State	Merchant Zip	Merchant Country	Tax ID Number	Services (Y/N)
OS	Doe	John	***-1234	03/09/2020	\$446.00	Don Hughes	123 Address	Washington	DC	20200	US	92-12341234	Y

**END OF DOCUMENT**

**END OF CAM 1313.301**