

ACC Regulation 715-1

Procurement:

Government Purchase Card Program

**Headquarters U.S. Army Contracting Command
4505 Martin Road
Redstone Arsenal, AL 35898-5000
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UNCLASSIFIED

GOVERNMENT PURCHASE CARD PROGRAM

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CHAPTER 1 Purpose and Responsibilities

1-1. References.

- a. Federal Acquisition Regulation (FAR) <http://farsite.hill.af.mil/vffara.htm>.
- b. Office of Management and Budget (OMB) Circular A-123, Appendix B – https://www.whitehouse.gov/sites/default/files/omb/assets/agencyinformation_circulars_pdf/a123_appendix_b.pdf.
- c. Department of Defense Financial Management Regulation Supplement (DoD FMR) – <http://comptroller.defense.gov/fmr.aspx>.
- d. Defense Federal Acquisition Regulation Supplement (DFARS) – <http://farsite.hill.af.mil/vdfara.htm>.
- e. Department of Defense Government Charge Card Guidebook for Establishing and Managing Purchase, Travel, and Fuel Card Programs – <http://www.acq.osd.mil/dpap/pdi/pc/docs/pcardguidebook-20060120.pdf>.
- f. Treasury Financial Manual, Volume I, Part 4, Chapter 4500 – <http://tfm.fiscal.treasury.gov/v1/p4/c450.html>.
- g. Army Federal Acquisition Regulation Supplement (AFARS) – <http://farsite.hill.af.mil/vfafara.htm>.
- h. Army Federal Acquisition Regulation Supplement (AFARS), Appendix EE, Department of the Army Government Purchase Card Operating Procedures – <http://farsite.hill.af.mil/vfafara.htm>.

1-2. **Purpose.** The purpose of this regulation is to establish HQ Army Contracting Command (HQ ACC) policy for management and use of the Government Purchase Card (GPC) and to enhance Army audit readiness and establish internal management controls. This regulation may be supplemented with additional and more restrictive policies or guidance but may not contradict, change or issue directives that are less restrictive than higher level regulations and guidance.

1-3. **Scope and Applicability.** This regulation provides policy and guidance for the planning and execution of the GPC program established under HQ ACC in accordance with Department of the Army (DA) guidance and above references (a) through (h). This regulation applies to all authorized GPC and convenience check accounts and includes all procurements, CONUS and OCONUS, and contingency operations.

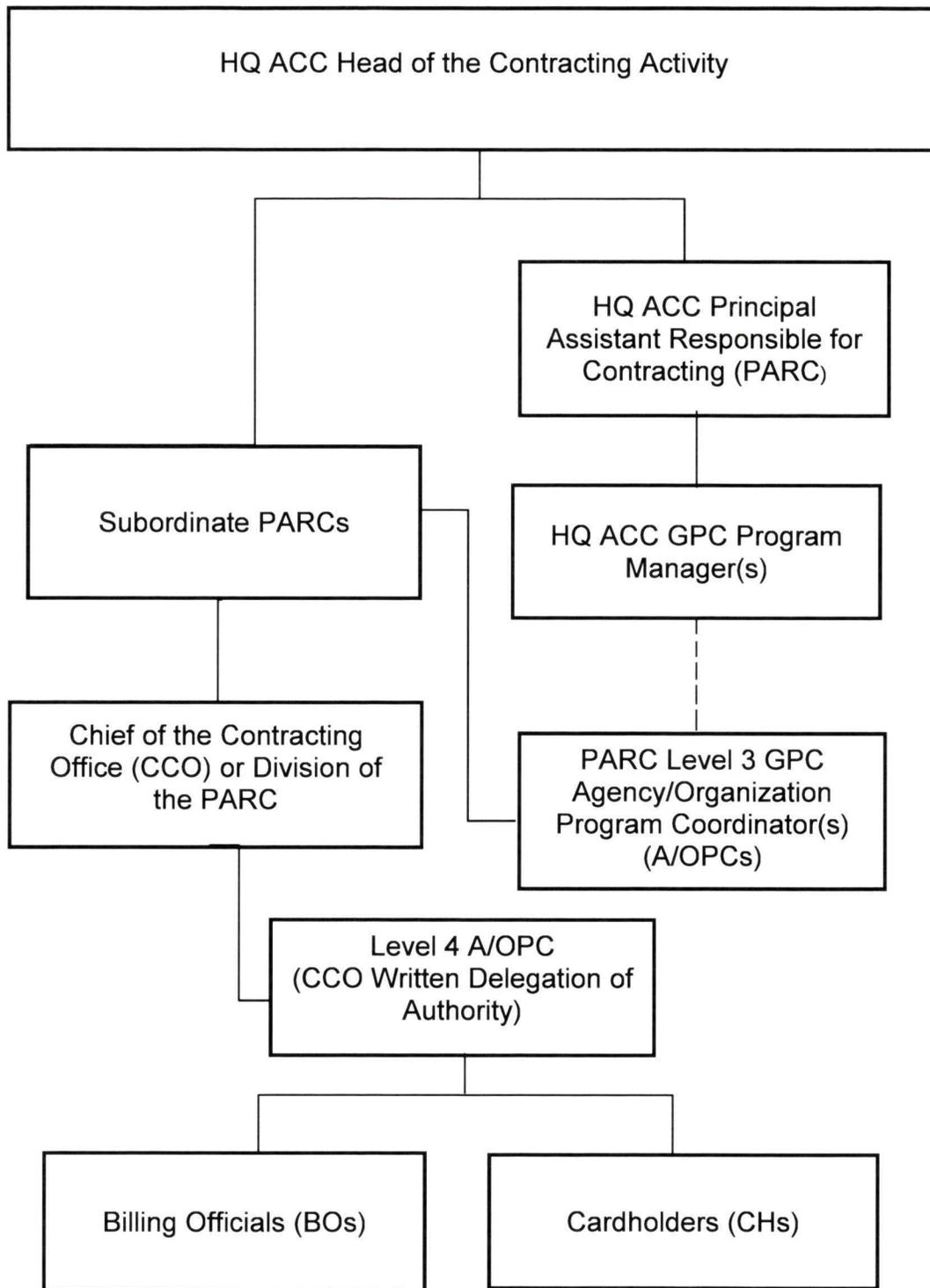


Table 1-1 HQ ACC GPC Hierarchy

1-4. Responsibilities.

a. Head of the Contracting Activity will delegate Principal Assistant Responsible for Contracting (PARC) authority to HQ ACC PARC and subordinate PARCs.

b. HQ ACC PARC will:

(1) Designate and appoint by memorandum one primary HQ ACC Agency Organization Program Coordinator (A/OPC) and Alternate A/OPCs as necessary to support mission requirements, consistent with DoD and Army GPC program guidance. The HQ ACC Level 3 A/OPCs will be known as the HQ ACC GPC Program Managers.

(2) Submit HQ ACC GPC Program Manager appointment memoranda for endorsement to: Programs Division – Army Level 2 GPC Program Manager, Programs Directorate, Office of the Deputy Assistant Secretary of the Army (Procurement), 2800 Crystal Drive, Arlington, VA 22202 or to the Army GPC Mailbox: usarmy.pentagon.hqda-asa-alt.mbx.gpc-central@mail.mil.

c. HQ ACC GPC Program Managers will:

(1) Complete GPC mandatory training requirements. See Appendix B. Acknowledge GPC Program Manager Appointment memorandum issued by the HQ ACC PARC upon appointment to the position. See Appendix A.

(2) Implement command-wide GPC policy and guidelines to include internal control requirements, reporting mechanisms, surveillance plans, and management control checklists.

(3) Endorse and maintain PARC Level 3 A/OPC appointment memoranda with endorsements and send a copy of the appointment memoranda with endorsement to the address listed in paragraph 1-4 (b)(2). See Appendix C.

(4) Collect and maintain PARC Level 3 A/OPC Defense Acquisition Workplace Improvement Act (DAWIA) certificates, GPC training records, and annual GPC internal control assessments.

(5) Collect and maintain combined metrics performance data, trends, management concerns, PARC Level 3 A/OPC reassignments, agent number changes, and Cardholder (CH)/Billing Official (BO) ratios waiver requests above 19:1 for all PARCs including ECC, MICC and ACC Contracting Centers and forward the consolidated information to the Army Level 2 GPC Program Manager.

(6) Recommend metrics to the HQ ACC PARC.

(7) Conduct procurement management reviews (PMR) consistent with HQ ACC schedule or staff assistant visits (SAV) of PARC Level 3 A/OPC to assess internal management controls, guidelines and procedures, account review processes and surveillance plans.

(8) Collect and retain GPC audit and surveillance reports from the PARC Level 3 A/OPCs. Identify trends and provide oversight of corrective actions based on audit findings.

(9) Monitor the Purchase Card Online System (PCOLS) and generate Access Online reports to identify GPC program deficiencies. Incorporate risk management controls and practices into GPC policy and guidance to mitigate identified risks.

(10) Analyze PARC Level 3 A/OPC reportable data to identify program issues and concerns. Provide remedial recommendations to approval authorities for concurrence. Validate implemented corrective actions.

(11) Resolve escalated GPC issues and concerns submitted by PARC Level 3 A/OPCs.

(12) Assume lead role and serve as a liaison between Army and the PARC Level 3 A/OPCs in new system implementation and execution.

(13) Disseminate GPC program-related information.

d. Subordinate PARCs will:

(1) Appoint by memorandum one primary PARC Level 3 A/OPC and as many alternate PARC Level 3 A/OPCs as necessary to support the subordinate organization's mission requirements. See Appendix C.

(2) Forward PARC Level 3 A/OPCs appointment memoranda for endorsement to: HQ ACC GPC Program Manager, 4505 Martin Road, Redstone Arsenal, AL 35898, or to the e-mail address identified by the HQ ACC GPC Program Manager.

(3) Designate respective contracting offices to establish and manage installation or organization GPC programs or perform the Chief of the Contracting Office (CCO) duties and responsibilities in the absence of a subordinate contracting office. See section 1-4.f.

(4) Approve CH/BO ratio requests above 10:1 and below 19:1 as warranted.

e. PARC Level 3 A/OPC and alternate PARC Level 3 A/OPC will:

(1) Complete GPC mandatory training requirements. See Appendix B. Acknowledge Level 3 A/OPC appointment memorandum issued by the PARC upon appointment to the position. See Appendix C.

(2) Coordinate actions requiring Army Level 2 GPC Program Manager assistance or approval including agent number and PARC Level 3 A/OPC changes through the HQ ACC GPC Program Manager.

(3) Collect and forward to the HQ ACC GPC Program Manager as appropriate: reportable data, PMR/SAV findings, management concerns, and CH/BO ratio waiver requests above 19:1.

(4) Collect and maintain Level 4 A/OPC DAWIA certificates, GPC training records, and PARC A/OPC appointment memoranda. Address concerns and propose solutions for Level 4 A/OPC account ratios exceeding 300:1. Address any identified deficiencies with the Level 4 A/OPC or CCO.

(5) Conduct internal PMRs or SAVs, as needed, of Level 4 A/OPCs to assess internal management controls, guidelines and procedures, account review processes, and surveillance plans.

(6) Collect and retain GPC audit reports from the Level 4 A/OPCs. Identify and implement corrective actions based on audit findings.

(7) Monitor PCOLS and generate Access Online reports to identify GPC program deficiencies. Implement internal risk management controls and practices to mitigate identified risks.

(8) Coordinate approval and retain a copy of CH/BO ratio waiver requests between 10:1 and 19:1 with the PARC as warranted.

(9) Approve separation of key duty waivers as warranted.

(10) Disseminate GPC program-related information to the leadership or respective Level 4 A/OPCs as warranted.

f. Chief of the Contracting Office designated by the respective PARC, responsible for the organization's GPC program will:

(1) Appoint a minimum of one primary Level 4 A/OPC for up to 300 accounts (number of BO accounts plus number of CH accounts); and appoint a minimum of one alternate Level 4 A/OPC for each additional increment of up to 300 accounts. See Appendix D. Additional alternate Level 4 A/OPCs may be appointed to serve as either full-time or part-time coordinators when the mission requires.

(2) Sign and issue BO appointment letters. See Appendix F. This authority may be delegated to the Level 4 A/OPC and/or alternate A/OPC(s). See Appendix E.

(3) Delegation of Authority.

(a) Sign and issue written delegation of authority memoranda to appropriately nominated and trained individuals to serve as GPC CHs. See Appendix G. Amend letters for CHs or other individuals who are granted authority to use government convenience checks. This authority may be delegated to the Level 4 A/OPC and/or alternate A/OPC(s). See Appendix E.

(b) Signature authority for individuals additionally appointed as ordering officers may be delegated only to a warranted contracting officer. Note: The Level 4 A/OPC may serve simultaneously as a warranted contracting officer.

(c) Approve designated contracting officers to serve as CHs with a single purchase limit up to their respective warrant. Delegation of authority memorandums for contracting officers are not required.

(4) Approve and retain a copy of CH/BO ratio waiver requests above 7:1 and below 10:1 as warranted.

(5) Address and document concerns regarding program oversight and surveillance with the PARC when the total number of CH and BO accounts per A/OPC ratio exceeds 300:1. Forward a synopsis of concerns and proposed solutions to the PARC Level 3 A/OPC.

g. Level 4 A/OPC / alternate Level 4 A/OPC will:

(1) Complete GPC mandatory training requirements. See Appendix B. Acknowledge A/OPC appointment memorandum issued by the CCO upon appointment to the position. See Appendix D.

(2) Develop internal GPC operating procedures. Operating procedures should include:

(a) Content of local procedures training.

(b) Prescribed training relevant to the supported organizations.

(c) BO, alternate BO, and CH/check-writer appointment processes, duties and responsibilities.

(d) Regulatory guidance including simplified acquisition procedures, mandatory sources of supplies, required sources of supplies, small business programs, and environmentally preferred products.

(e) Local contracting office guidance on Blanket Purchase Agreement (BPA) and Contract Action Reporting (CAR)/Federal Procurement Data System – Next Generation (FPDS) requirements and instructions for purchases greater than the micro-purchase threshold, if applicable. See Memorandum, Office of the Undersecretary of Defense, Subject: Reporting Government-wide Purchase Card Actions to the Federal Procurement Data System, 26 Oct 10.

(f) Prohibited purchases and legal approval chain for questionable and restricted purchases.

(g) Resource management funding approval, certification, and rebate processes.

(h) Access Online and General Fund Enterprise Business System (GFEBS) familiarization.

(i) Property accountability, management and property book office guidelines.

(j) Actions required for disputing transactions, reporting lost or stolen cards, and temporarily suspend cards prior to deployment.

(k) Management control program and internal control program guidance.

(l) Transaction records retention and administration for terminated accounts.

(m) Clearance process for BO and CH reassignments, retirements, etc.

(3) Conduct initial GPC local procedures training for all BOs and CHs.

(4) Conduct additional training on simplified acquisition procedures for BOs and respective CHs issued a GPC with a single purchase limit greater than the micro-purchase threshold.

(5) Manage BO and CH training and administrative records:

(a) Ensure BOs and CHs complete mandatory GPC related training requirements prior to appointment. See Appendix B.

(b) Collect and maintain copies of BO letters of instruction and contracting office letters, CH delegation of authority memoranda, all training records, and audit reports including: external audits, annual A/OPC audits, and quarterly convenience checking account audits.

(6) Establish BO and CH accounts in PCOLS, or in the absence of PCOLS, in Access Online.

(7) Conduct annual BO account audits to ensure compliance with established policy and guidelines.

(8) Ensure a disinterested third-party conducts quarterly convenience checking account audits.

(9) Monitor PCOLS flagged transactions and case reviews to verify BO and supervisor compliance with reporting requirements. Assist account holders and supervisors in completing these requests when necessary.

(10) Review payment processes and other reports to maximize rebates and minimize Prompt Payment penalties.

(11) Generate Access Online reports to identify GPC program deficiencies. Publish and distribute internal guidance to mitigate identified risks.

(12) Forward reportable data, PMR/SAV findings and management concerns to the PARC Level 3 A/OPC.

(13) Coordinate approval of CH/BO ratio waiver requests between 7:1 and 10:1 with the CCO. Forward separation of key duties waiver requests and CH/BO ratio waiver requests above 10:1 to the respective PARC Level 3 A/OPC for approval.

(14) Disseminate GPC Program-related information.

(15) Forward a copy of the DD577 certifying officer appointment to Defense Finance and Accounting Service (DFAS).

Defense Finance and Accounting Service (DFAS)
Indianapolis Disbursing Operations Directorate (JFD)
8899 East 56th Street
Indianapolis, IN 46249

or

via secure e-mail: dfas.indianapolis-in.jfd.mbx.dfas-incddd577@mail.mil

Note: Always follow current Army procedures to process DD577s for the GPC program.

h. BO supervisor will:

(1) Nominate respective individuals to serve as a BO for up to seven GPC/checking accounts. When or if the position requires oversight of more than seven cards/accounts, request and obtain a waiver from the supporting contracting office. Waiver request must be prepared IAW AFARS Appendix EE, 3-7 Span of Control.

(2) Nominate a minimum of one alternate BO for each BO account.

(3) Ensure subordinate BOs (certifying officers) complete all mandatory GPC training requirements for their respective roles.

(4) Periodically review performance to ensure compliance with established regulations, policies, and procedures.

(5) Respond to PCOLS e-mails regarding GPC role acceptance and transaction reviews.

i. CH supervisor will:

(1) Nominate individuals within their supervisory chain to serve as GPC CHs. The following individuals may be nominated as a GPC CH:

(a) Service member.

(b) Government employee.

(c) Direct hire foreign national.

(d) Junior Reserve Officer Training Corps instructor.

(e) Contractor working on cost-reimbursable contract with an approved eligibility determination through the GSA Smart Pay contracting officer.

(2) Ensure subordinate CHs complete all GPC mandatory training requirements including initial and refresher training.

(3) Ensure timely response is taken on PCOLS correspondence e-mails regarding GPC role acceptance and transaction reviews.

j. BO /alternate BO will:

(1) Complete GPC mandatory training requirements. See Appendix B. Acknowledge appointment issued by the command and BO letter issued by the respective contracting office upon assuming the role. See Appendix F.

(2) Provide input concerning CH performance for inclusion into CH's annual performance appraisal.

(3) Provide written approval to the CH for each request prior to purchase. See Appendix I, Sample Purchase Request.

(4) Verify transaction data is factually accurate, either (a) authorized by statute or (b) necessary and incident to the mission of the organization, and in accordance with government rules and regulations.

(a) Ensure payee/merchant has fulfilled the prerequisites to payment, e.g., invoice, receiving report.

(b) Verify the payment is legal under the appropriation, i.e., current appropriation and fiscal year.

(c) Report suspected fraudulent, improper, abusive, or questionable purchases to the supporting contracting office.

(d) Ensure accountable property is reported to the appropriate property book office.

(e) Identify two or more payments for the same transaction and take appropriate action.

(5) Maintain separation of key duties, i.e., BO, CH, resource manager (RM), and property book officer, or obtain a waiver through the Level 4 A/OPC and the CCO to the Level 3 A/OPC for approval. If the waiver is approved, additional surveillance is required.

(6) Coordinate funding and dollar limits with the RM or budget office.

(a) Justify and request adjusted dollar limits when the situation warrants.

(b) Verify lines of accounting are adequately funded.

(7) Assess the continuing need for a CH to retain the GPC on an annual basis.

(8) Coordinate purchase limit adjustments, account terminations, personnel reassignments and other account modifications with the Level 4 A/OPC and the supporting contracting office.

(9) Ensure the account is paid in a timely manner.

(a) Resolve/dispute questionable or erroneous transactions as warranted.

(b) For accounts paid through Access Online:

(i) Match CH orders to transactions and approve CH statements in Access Online within three business days from the close of the billing cycle when the CH is unavailable.

(ii) Certify managing account monthly statements in Access Online within five business days from the close of the billing cycle. The days for approval and certification run concurrently.

(c) For manual pay accounts, verify, sign, and forward the statement to the Paying Office for payment within 15 calendar days of the close of the billing cycle. Note: Follow local procedures for processing manual pay accounts.

(d) Follow-up any delinquent accounts or other accounting errors with the RM, budget office or U.S. Bank as appropriate. Failure to pay the full statement within 60 days (90 days after the billing date) will suspend all CH accounts under the BO. Failure to pay the full statement within 180 days (210 days after the billing date) will suspend all the CH accounts under the respective Level 4 A/OPC.

(10) Ensure GPC participants take timely action on all PCOLS correspondence e-mails regarding GPC role acceptance and transaction reviews.

(11) Conduct CH annual account reviews.

(12) Complete mandatory biennial training.

(13) File a Confidential Financial Disclosure Report (OGE 450) when GPC purchases exceed \$150,000 within a fiscal year.

(14) Retain complete and accurate transaction records for a period of six years and three months. See Section 3-7.

(a) Transfer transaction records from an incumbent BO to a replacement BO for continuity.

(b) Follow internal guidance when terminating a BO account without replacement.

k. CH (Ordering Officer for purchases above the micro-purchase threshold) will:

(1) Complete GPC mandatory training requirements. See Appendix B. Acknowledge delegation of authority memorandum issued by the contracting office upon assuming the role. See Appendix G.

(2) Maintain physical security of the GPC, card number, and convenience checks if issued to prevent compromise and unauthorized use.

(3) Follow procurement guidelines outlined in Chapter 2 and AFARS subpart 5113.2.

(4) Maintain purchase requests and purchase logs of GPC orders and transactions.

(a) Utilize a purchase request form for approvals, justification of purchases and accountability. See Appendix I, Sample Purchase Request.

(b) Track items purchased until received.

(c) Obtain independent receipt and acceptance of goods and services.

(d) Contact merchant on orders not received and request status. If the merchant does not cooperate or provide ordered goods and services, the CH timely disputes the incorrect transaction. Disputes must be filed within 60 days of the cycle end date in which the transaction appeared in order to retain the Government's dispute rights.

(5) Process merchant refunds by matching it to the original purchase request. Refunds will be processed in accordance with current Army policy.

(6) For electronic payments in Access Online, match orders to transactions and approve the monthly statement in Access Online at the close of the billing cycle within three business days.

(a) Resolve unauthorized and erroneous payments with merchants.

(b) Dispute unauthorized transactions in Access Online prior to approving statement.

(7) For manual pay accounts, download the CH statement through Access Online, verify, sign and forward the statement and supporting documentation to the BO at the close of the billing cycle within three days of cycle close.

(8) File a Confidential Financial Disclosure Report (OGE 450) when GPC purchases exceed \$150,000 within a fiscal year. Local Nationals may follow internal guidance.

(9) Complete mandatory biennial training.

CHAPTER 2

Government Purchase Card Uses

2-1. Supplies, Services and Construction below the Micro-Purchase Threshold. The primary use of the GPC is to purchase supplies, services, and construction for official government business valued at or below the micro-purchase threshold. The purchase card may also be used as a method of payment in conjunction with other

contracting methods above the micro-purchase threshold depending on the type of contracting vehicle utilized, with the appropriate delegation of authority.

2-2. Using the GPC. Requiring activities must perform acquisition planning to: consider strategic sourcing vehicles; identify procurement needs; and initiate procurement actions with sufficient lead time to buy appropriate products at the right price from the right suppliers in a timely manner.

a. Authorized User. The GPC may only be used by the person to whom the card was issued, within the limits of their delegated authority. Use by anyone other than the issued CH is considered unauthorized use.

b. Proper Use. A proper purchase is any authorized purchase that was made in a correct amount under statutory, procurement, financial management, administrative, or other legally applicable requirements.

(1) Statutory Requirements. The GPC is a Government purchase and payment vehicle. The GPC will not be used for personal use. Use of the GPC must comply with the following statutory requirements:

(a) An approved bona-fide Government need. Requirements should be defined as a minimum to meet the Government bona-fide need,

(b) Prior to the purchase, a legal appropriation must be available for what is being purchased,

(c) Requirements cannot be intentionally split to circumvent the micro-purchase threshold or other single purchase limits.

(2) Purchasing Requirements. Use of the GPC must comply with the CH delegation of authority and the following Federal and DoD procurement requirements. All purchases must be supported by a Purchase Request (PR) or equivalent documentation. See Appendix I.

(a) Review PR for required information in accordance with local/internal guidance including appropriate pre-approval authority for purchase.

(4) Is sufficiently funded with available and authorized funds.

(2) Are not:

(a) Available through an existing contract.

(b) Prohibited, restricted or items requiring pre-purchase approval without authorization. See Appendix J.

c. Identify responsive merchants.

(1) Unless an express exception applies, purchase specified supplies and services only from their respective mandatory source:

(a) Office supplies - local Ability One Base Supply Store (primary source for all U.S. based CHs where available; including Alaska and Hawaii) or the Federal Strategic Sourcing Initiative (FSSI) Blanket Purchase Agreements (BPAs) on the DoD E-Mail website: <https://dod.emall.dla.mil/> (mandatory source for the contiguous United States (CONUS)).

(b) Printing - Defense Logistics Agency (DLA) - Document Services. Available on most installations or on the DLA website: <http://www.documentservices.dla.mil/>. See section 2-6.

(c) Information technology including desktops, notebook computers, software, video teleconferencing equipment, routers, servers, and printers from the Computer Hardware, Enterprise Software Solutions (CHESS) website: <https://chess.army.mil/>.

(d) Cellular services: Call orders established against Army Contracting Command blanket purchase agreements (Next Generation Wireless (NexGen)) available through supporting contracting offices and payable with the GPC. Organizations are cautioned to ensure adequate annual funding is available to avoid a potential Anti-deficiency Act violation.

(2) Purchase other supplies from the sources listed below (in descending order of priority).

(a) Agency inventories.

(b) Excess from other agencies.

(c) Federal Prison Industries, Inc.

(d) Supplies which are on the Procurement List maintained by the Committee for Purchase from People Who Are Blind or Severely Disabled website: <http://www.abilityone.gov/>

(e) Wholesale supply sources such as stock programs of the General Services Administration (GSA), DLA, the Department of Veterans Affairs, and military inventory control points.

(f) Consider purchasing from the General Services Administration Federal Supply Schedule: www.gsaadvantage.gov prior to searching for commercial merchants.

(g) Commercial sources.

(3) Purchase services from the sources listed below (in descending order of priority).

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

(b) Consider purchasing from the General Services Administration Federal Supply Schedule: www.gsaadvantage.gov prior to searching for commercial merchants.

(c) Commercial sources.

(4) Purchase construction subject to the following conditions.

(a) Obtain verification with the Level 4 A/OPC that construction is an allowable expense.

(b) If allowable, obtain local Department of Public Works (or similar agency) approval prior to purchase when considering construction projects on a military installation or other location with local DPW support.

(c) Construction purchases paid for with the GPC should not require a Statement of Work or other express conditions which are unenforceable without a formal written contract.

(5) Follow purchasing guidelines and additional considerations.

(a) Determine price reasonableness by personal knowledge, comparison of pricing on previous similar purchases, comparison of similar items in a related industry, or other reasonable basis.

(b) Purchase supplies and services that provide the best value to the Government. Consider past performance, special features, trade-in considerations, probable life of the item selected, warranty maintenance availability, environmental/energy impacts including the ENERGY-STAR® compliance and percentage of post-consumer/recovered content, and delivery terms.

(c) Avoid obtaining competitive quotes below the micro-purchase threshold unless available information suggests the price may not be reasonable or other means of determining price reasonableness is unobtainable. When competitive quotes are obtained to determine best value and the purchase is made from a merchant other than the low quote, maintain documentation showing the merchants contacted and an explanation for the purchase decision.

(d) Purchase subsequent requirements from competitive merchants to the extent practicable when more than one merchant can meet the same requirement.

(e) Always request government discounts.

(f) Confirm purchase does not include state sales tax. State tax information and forms required for certain states to receive the tax exemption are available at: <https://smartpay.gsa.gov/about-gsa-smartpay/tax-information/state-response-letter>.

(6) Ensure merchants located in states that allow surcharges do not charge more than a 4% surcharge for credit card orders. Information on surcharge allowance is available at: <http://usa.visa.com/personal/get-help/checkout-fees.jsp>.

(7) Obtain independent receipt of purchase from the requestor or other government official.

(8) Track and follow-up on past due deliveries. Dispute any intended deliveries not received within the next billing cycle during the next account approval cycle time-frame in Access Online.

2-2. Paying using a Convenience Check or Foreign Draft (Supplemental Instructions).

1. Supplemental instructions are in addition to the instructions listed in section 2-1.

2. Subject to supporting contracting office guidance, convenience check and foreign draft accounts may be established when a reasonable level of need is identified. Convenience checks/foreign drafts may be used as a method of payment only when all the following conditions are met:

a. Total purchase price (excluding the U.S. Bank imposed administrative processing fee) does not exceed the micro-purchase threshold,

b. Merchant does not accept any other government method of payment, and

c. Sufficient market research fails to locate any merchants who accept the GPC or any other government method of payment.

3. Maintain a separate check-numbered control log independent of other GPC transactions.

4. Resolve erroneous and fraudulent usage and charges with the merchant.

5. Input merchant data for reportable services into the 1099 Tax Reporting Program.

a. Designated BO or CH must register to input all reportable services paid with a convenience check at <https://dfas4dod.dfas.mil/systems/1099/>, complete the three required forms: DD Form 2875, DD Form 2869, and Rules of Behavior; and mail the completed forms to dfas.dscc.jjf.mbx.checks-cco@mail.mil. Additional instructions are available on the 1099 website.

b. Reportable services are identified under the 'What is and is not Reportable 1099-MISC' hyperlink.

2-3. Paying for Supplies above \$3,500 up to \$25,000.

1. Supplemental instructions are CONUS in addition to the instructions for supplies listed in section 2-1. The maximum single purchase limit for services and construction may not exceed the micro-purchase threshold. CHs permanently stationed OCONUS with delegated purchase authority as defined in DFARS 201.603-3 may use the card up to the limits identified in DFARS 213.301. CHs deployed from CONUS to OCONUS locations on temporary duty must verify the single purchase limit for the area of operation with their supporting contracting office.

2. Subject to supporting contracting office guidelines, an individual appointed as an ordering officer may use the GPC to pay for supplies and services not requiring a statement of work up to a single purchase price of \$25,000 to:

(a) Place a task or delivery order (if authorized in the basic contract, basic ordering agreement, or blanket purchase agreement) and

(b) Make payments when the contractor agrees to accept payment by the card (subject to System for Award Management verification).

3. When purchasing items above \$10,000 (or for lower amounts when the aggregate cost exceeds \$10,000) labeled by either the Environmental Protection Agency or United States Department of Agriculture as 'designated items' in 40 CFR 247, ensure items meet the recommended minimum contents standards or provide written justification for non-compliance. Justification may consist of:

(a) Only non-competitive items are available within a reasonable time frame,

(b) Items do not meet reasonable performance standards, or

(c) Items are unavailable at a reasonable price.

4. Report purchases above the micro-purchase threshold to the supporting contracting office according to local procedures. Maintain all source selection and justification documents in the procurement records.

5. For orders placed against Federal Supply Schedule (FSS) contracts and Blanket Purchase Agreements (BPA) follow local contracting policy and guidelines and all applicable regulations.

2-4. Paying for Commercial-Off -the-Shelf (COTS) Training

a. The GPC shall be used by Training and Education Office personnel, and may be used by CHs, to pay for commercial off-the-shelf training up to \$25,000 for an individual or planned series of the same training event, activity, or course material. For additional information, see AFARS 5113.270-90(g) and AFARS Appendix EE.

b. GPC training cards are established with a single purchase limit of \$25,000. Use of the GPC above the training micro-purchase level of \$25,000 constitutes a payment mechanism, not a contracting method. Any use of the GPC above \$25,000 as a payment method for commercial services must have a valid underlying contract in which payment can be made using the GPC.

c. The Standard Form Standard Form (SF) 182, Request, Authorization, Agreement and Certification of Training and Reimbursement remains the authorized and required training source document. GPC payment for commercial off-the-shelf training must be accompanied by an approved SF-182 prior to CH contacting the vendor.

d. Upon completion of the training event, CH must obtain and retain a copy of the certified SF 182.

2-5. Payments by Contracting Officers using the GPC.

a. To facilitate the Strategic Sourcing Initiative, Contracting offices shall use the GPC and electronic purchasing techniques to the maximum extent practicable in conducting simplified acquisitions and awarding contracts that authorize the use of the GPC as a method of payment.

(1) Contracting Officers awarding contracts authorizing use of the GPC as a method of payment must ensure contractor compliance with the requirement for vendors to use "Invoicing, Receipt, Acceptance and Property Transfer (iRAPT) (formerly Wide Area Work Flow)" to create and submit the receiving report to ensure compliance with the Prompt Payment Act requirement for written acceptance. See DFARS Subparts 232.7002 (a) (2) and 232.7003(a), and DFARS PGI Subpart 253.213-70.

(2) Use of iRAPT to create and accept receiving reports is mandatory when the GPC is used as a method of payment against a contract. In order to ensure proper routing of contract transactions paid with the GPC, use the code "CRCARD" in the Pay Official/DoDAAC field. The contractor is required to generate the receiving report in iRAPT, and the Government acceptor is required to accept the receiving report in iRAPT. The CH is required to verify acceptance has occurred in iRAPT prior to submitting the invoice to the Certifying Officer (usually the BO) for certification.

b. Contracting Officers may use the GPC for payment of the following up to the limit of their warrant, when authorized:

(1) Orders or BPAs established under FAR Part 8.

(2) Orders or payments under other contractual instruments when agreed to by the contractor.

c. Insert clause 52.232-36 – Payment by Third Party into solicitations and contracts. Payment by the GPC is authorized under a contract that does not contain this clause, to the extent the contractor agrees to accept that method of payment. When the clause is included in a solicitation or contract, the contracting officer shall also insert the clause at 52.232-33, Payment by Electronic Funds Transfer—System for Award Management, or 52.232-34, Payment by Electronic Funds Transfer—Other Than System for Award Management, as appropriate.

2-6. Paying for Printing.

a. Obtain printing and high-speed, high-volume duplicating requirements through the DLA – Document Services. Obtain a waiver from DLA – Document Services to procure these services from a commercial merchant.

b. Give preference to DLA – Document Services for document conversion and/or automation services.

c. Subject to supporting contracting office guidance, the GPC single purchase limit may be raised above the micro-purchase threshold for payments to DLA - Document Services; however, CHs shall not exceed the monetary limits as noted in the CH's delegation of authority.

2-7. Paying for Supplies, Services and Construction while Deployed.

a. The micro-purchase threshold is not raised for CHs stationed outside the deployment area who purchase and ship supplies to deployed regions.

b. Subject to supporting contracting office guidance, CHs may use their GPC to pay for supplies, services and construction while deployed unless otherwise prohibited.

c. Prior to deployment, the BO will:

(1) Confirm the appropriate line of accounting with the supporting resource management office.

(2) Provide the Level 4 A/OPC with full dates of deployment, contact information for the deploying CH, BO, alternate BO, and rear detachment point of contact.

(3) Verify the micro-purchase threshold in the area of responsibility (AOR) and, where authorized, raise the GPC single purchase limit to the increased micro-purchase threshold prior to departure. Increased thresholds may be applicable for purchases within the deployed area of responsibility (AOR) dependent on whether the head of the agency determines supplies or services are in support of a designated contingency operation.

d. Upon arrival into the AOR, coordinate with the local contracting office for additional instructions and verify authorization of GPC usage.

e. Comply with all GPC regulations, policies and procedures including statement approvals and certifications within the required timeframes while deployed.

2-8. Contingency and Humanitarian Aid Operations. In the event of an emergency need for contingency or humanitarian aid operations, the Executive Office of the President may sign into law an emergency procurement authority allowing increased GPC and convenience check limits and revised procedures in support of contingency and humanitarian aid operations. In such circumstances, the Director of Defense Procurement and Acquisition Policy also may authorize class deviations to allow organizations to deviate from the FAR and DFARS. Such deviations may include raising GPC spending limits. These contingency/emergency purchases require separate training and Delegation of Authority by the A/OPC on contingency/emergency procedures and authority must be issued/granted by the Chief of Contracting or other authorized person.

Chapter 3 Administrative Matters.

3-1. Rebates/Credits

a. Bank rebates are calculated based on the amount of dollars invoiced and the timeliness of invoice payment. Bank Rebates issued to Army will be processed separately from billing statements. U.S. Bank will distribute rebates through ACH (electronic fund transfer) approximately 21 days after the quarter ends. Rebates will be processed in accordance with current Army policy.

b. Credit transactions are posted as credits against billing statements, applied at the billing statement level. When a closed account carries a credit balance the amount shall be sent via check to the Level 4 A/OPC. The check will be addressed to US Government or US Treasury. The Level 4 A/OPC shall work with his/her RM in identifying an account and in determining how the credit is distributed within the installation.

3-2. Unauthorized Commitments.

a. Unauthorized commitments are agreements that are not binding solely because the Government representative who made it lacked the authority to enter into that agreement on behalf of the Government.

b. If an unauthorized commitment occurs, your chain of command needs to contact the local contracting office to begin the process of ratification and determine if ratification is possible. Regardless of dollar amounts involved, unauthorized commitments may result in disciplinary or administrative action against the individual making the unauthorized commitment, especially if the violations are flagrant or repetitive.

3-3. Reporting a Lost or Stolen Card.

Immediately report a lost, stolen, or compromised government purchase card to U.S. Bank (1-888-994-6722) and the A/BO. In addition to notifying the Bank and the A/BO, submit a report to the Level 4 A/OPC within five business days that details the circumstances of the lost, stolen, or compromised card.

3-4. Cardholder Reconciliation and Approval.

a. Generally, a billing cycle close date is the 19th of each month or a preceding weekday if the 19th falls on a weekday or holiday.

b. For electronically paid accounts, the CH shall complete the following actions in Access Online within three business days after the cycle close date:

1. Review and verify transactions in Transaction Management.
2. Dispute fraudulent or erroneous transactions.
3. Approve statement.

4. Forward receipts and supporting documents to the BO for review, approval and certification.

c. For manual pay accounts, download the CH statement through Access Online, verify, sign and forward the statement and supporting documentation to the BO within three business days after the cycle close date.

3-5. Billing Official Certification.

a. For electronically paid accounts, the BO shall, within five business days after the cycle close date, complete the following actions in Access Online:

1. Review all individual transactions to verify transactions are legal, proper, and necessary to fulfill immediate mission requirements; documentation is complete and accurate; hand-receipts are obtained for all accountable property, and dispute procedures are implemented for questionable transactions.

2. Approve each individual transaction independently.

3. Collectively certify all CH accounts for payment by pressing the 'Certify MA/DA Statement' button.

- b. For manual pay accounts, the BO shall:

1. Download the Managing Account statement through Access Online at the close of the billing cycle.

2. Verify, sign, and forward the statement, together with a copy of each CH Account Statement to the supporting budget office within five days of cycle close date. Include the following remark on the statement above the BO's signature and printed name: "Pursuant to authority vested in me, I certify that this billing statement is correct and proper for payment, except as may be noted herein or on supporting documents."

- c. In the anticipated absence of the CH at the close of the billing cycle, the CH may forward all supporting documentation to the BO prior to departing and, based on the records, the BO may approve the CH statement within the proper timeframe.

3-6. Cardholders Records Management and Retention

- a. Personnel records. CH retains personnel records throughout appointment and forward records to the BO upon termination of appointment. Personnel records may be maintained either hard-copy or electronically. Personnel records include:

1. Delegation of authority memoranda and any follow-on modification documentation.

2. Training certificates (initial and refresher).

- b. Transaction records. CH retains transaction records throughout CH appointment and forwards records to the BO upon termination of appointment. Transaction records include:

1. Transaction log with funding documentation, orders, transactions, and unresolved disputes.

2. Purchase order or itemized sales receipt that includes the merchant name, address and telephone number, date of purchase, itemized list of items purchased including unit price, quantity, and total order price, and shipping charges.

3. Independent receipt of purchase from the requestor or other government official.

4. Supporting documentation as applicable:

(a) Evidence of mandatory source screening and approved waivers.

(b) Special approvals, e.g., hazmat, construction.

(c) Supporting contracting office approvals and legal opinions.

(d) Supporting notes for unusual circumstances such as transactions that have the appearance/perception of split purchases or personal items.

(e) Competition verification and source selection process for purchases above the micro-purchase threshold.

5. Copies of voided and cashed convenience checks.

6. Additional requirements for accountable items:

(a) Obtain any pre-purchase approval required by your organization's policy.

(b) Ensure that all accountable property is reported to the Property Book Officer.

3-7. Billing Official Records Management and Retention.

a. BO retains personnel records throughout appointment. Personnel records may be maintained either hard-copy or electronically. Personnel records include:

1. BO individual records:

(a) Certifying officer appointment.

(b) BO letter and any follow-on modification documentation.

(c) Training certificates (initial and refresher).

(d) Account inspections and reviews.

2. Terminated individual CH records.

b. File retention.

1. Upon notice of termination, BO will transfer copies of all individual and transaction records to the incoming BO.

(a) For accounts wherein the BO terminates the position without a replacement, BO will coordinate with the Level 4 A/OPC for guidance.

(b) For deactivated units, coordinate with the Level 4 A/OPC for guidance.

2. Retain terminated individual CH and individual BO records for three years after the last statement was approved/certified.

3. Retain transaction records for ten years after the final payment date IAW DoD 7000.14-R, Financial Management Regulation, Volume 1, Chapter 9, February 2016.

Chapter 4. Management Controls.

4-1. Internal Control Review.

a. The HQ ACC GPC Program Manager, PARC Level 3 and Level 4 A/OPC's will complete independent Internal Control Evaluation Checklists for the previous fiscal year no later than 31 Oct of the following fiscal year. See Appendix L.

b. Retain an internal file of all the reviews for a period of 3 years.

4-2. Surveillance Plan.

a. The HQ ACC GPC Program Manager will collect and consolidate all PARC Level 3 A/OPC's Semi Annual Surveillance Reports and forward to the Army Level 2 AOPC, brief the results to Director, HQ ACC Contracting Operations and the Deputy to the Commanding General. See Appendix M.

b. PARC Level 3 A/OPC must conduct semi-annual reviews of all Level 4 Programs in accordance with AFARS Appendix EE. See Appendix M.

1. Give a copy of the report to each inspected A/OPC.

2. Retain an internal file of all the reviews for a period of 3 years.

3. Consolidate each individual surveillance report into the Semi Annual Consolidated Roll-Up – Government Purchase Card Program – A/OPC form and send a copy, along with any additional significant findings, systemic trends and weaknesses to the HQ ACC GPC Program Manager by April 21st and October 21st.

c. Level 4 A/OPC will conduct BO account reviews on each BO within their respective subordinate program at 12 month intervals on the Annual Surveillance Report – Government Purchase Card Program – Billing Official. See Appendix M.

1. Give a copy of the report to each inspected BO.
2. Retain an internal file of all the reviews for a period of 3 years.

3. Consolidate the data of each individual surveillance report into the Semi Annual Consolidated Roll-Up – Government Purchase Card Program – A/OPC form and send a copy of the form, along with any additional significant findings, systemic trends and weaknesses to the Level 3 A/OPC by April 10th and October 10th.

d. BOs will conduct CH account reviews on each CH and convenience check writers within the subordinate program at 12 month intervals on the 'Annual Surveillance Report – Government Purchase Card Program – CH' checklist.

1. Retain a copy of the report in the CH/Check writer's individual records.
2. Send a copy of each report to the Level 4 A/OPC.

e. BOs will coordinate with the Level 4 A/OPC to ensure a third-party individual in the business, procurement, accounting, or legal occupational series conducts quarterly convenience checking account and Foreign Draft audits on the 'Quarterly Surveillance Report – Government Purchase Card Program – Checking Account' checklist. See Appendix L.

f. BO supervisors are also responsible for conducting annual reviews on their respective BOs and may use the 'Annual Surveillance Report – Government Purchase Card Program – BO' checklist to complete this task.

4-3. Management Controls.

a. PARC Level 3 A/OPCs will consolidate all Quarterly Management Control Report – Government Purchase Card – A/OPC reports and send the consolidated report to the HQ ACC GPC Program Manager no later than ten business days after the reporting quarter is over. See Appendix N.

b. The Level 4 A/OPC will complete the Quarterly Management Control Report – Government Purchase Card – A/OPC and send a copy to their respective PARC Level 3 A/OPC for consolidation no later than five business days after the reporting quarter is over. See Appendix N. The transaction review portion of the checklist is perpetual and will contain historical transaction data for the previous quarter in the subsequent quarter.

HQ ACC GPC Program Manager			
Report	Required	Completed	Disposition
Internal Control Evaluation Checklist	End of the fiscal year	1 Nov	Internal file
Semi Annual Surveillance Report – A/OPC	One for every PARC Level 3 A/OPC	April 21 st and Oct 21 st	Internal file and copy to reviewed A/OPC
PARC Level 3 GPC Agency/Organization Program Coordinator			
Report	Required	Completed	Disposition
Internal Control Evaluation Checklist	End of the fiscal year	1 Nov	Internal file
Semi Annual Surveillance Report – A/OPC	One for every Level 4 A/OPC	Designated intervals as defined in local operating procedures	Internal file and copy to reviewed A/OPC
		April 10 th and Oct 10 th	Internal file and consolidated report to HQ ACC GPC Program Manager
Quarterly Management Control Report	End of each quarter	Ten business days after the quarter is over.	Internal file and consolidated report to HQ ACC GPC Program Manager
Level 4 GPC Agency/Organization Program Coordinator			
Report	Required	Completed	Disposition
Internal Control Evaluation Checklist	End of the fiscal year	1 Nov	Internal file
Annual Surveillance Report – GPC – BO	One for every billing official	Every 12 months	Internal file and copy to reviewed BO
Quarterly Management Control Report	End of each quarter	Five business days after the quarter is over	Submit to the PARC Level 3 A/OPC for consolidation
Billing Official Supervisor			
Report	Required	Completed	Disposition
Annual Surveillance Report – GPC – BO (or internal checklist)	One for every billing official	Every 12 months	Internal file and copy to reviewed BO
Billing Official			
Report	Required	Completed	Disposition
Annual Surveillance Report – GPC – CH	One for every CH	Every 12 months	Internal file and copy to Level 4 A/OPC
Third Party Reviewer			
Report	Required	Completed	Disposition
Quarterly Surveillance Report – GPC – Checking Account	One for every checking account	Every quarter	Internal file and copy to Level 4 A/OPC

Table 4-1 – Reporting Matrix and Disposition

4-4. Point of Contact.

The point of contacts are the HQ ACC GPC Program Managers. These individuals can be reached at the following numbers; 256-955-5420 or 256-955-7515.

The proponent of this regulation is the Chief, Management Assessment Division, HQ, Army Contracting Command. Users are invited to send comments and suggested improvements on a DA Form 2028 (Recommended Changes to Publications and Blank Forms) to the Commander, HQ ACC, ATTN: AMSCC-CO, 4505 Martin Road, Redstone Arsenal, AL 35898-5000.

FOR THE COMMANDER:



RANDLE K. JACKSON
Chief of Staff

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