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*Mission and Installation
Contracting Command*



Mission & Installation Contracting Command (MICC)

Government Purchase Card Training



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AUDIT READINESS

- ❑ Memo 11 Aug 2009- Office of the Under Secretary of Defense (Controller) outlined DOD priorities for improving financial information and achieving audit readiness. Specifically the focus should be on improving budgetary processes and information to obtain an **unqualified*** audit opinion on the Statement of Budgetary Resources (SBR)

**NEWS
FLASH!**



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THE WAY FORWARD

- June 2010, Secretary of the Army developed the “Army SBR Audit Approach”.
- Focuses on sites that have deployed the General Fund Enterprise Business System (GFEBS) - Ft Knox Wave 2.
- The GFEBS-based SBR approach will include Independent Public Accountant (IPA) examinations.



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PRE-AUDIT (2012-2014)

- These examinations will provide Financial Improvement Plan Tasks to be implemented across all GFEBS sites.
- Government Purchase Card (GPC) part of the Army financial process
- Next 100% Begins FY **2016**



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GOAL OF THE ARMY AUDIT READINESS

- ❑ Army 2014/2017 to receive an “unqualified” audit opinion on the Statement of Budgetary Resources (SBR) by an Independent audit agency (Not DOD IG/AAA)



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What You Must Do....

- Financial documents must be kept for 6 years 3 months
(If not start today - move forward)
- During this process we will have 5 days to provide documentation *(Industry Standard)*
- Insure all documentation is available for GPC transactions



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WHAT DOCUMENTATION???

- Purchase Request with Signatures

- Requestor

- Billing Official

- Funds Available (GFEBs PR)

- Property Book Officer Signature**

New

- Invoices from purchases

- Independent “signature of receipt” if requestor is cardholder

- AXOL statement showing date certified (BO)

**Any additional supporting documentation regarding purchases (i.e. NEC approvals, hand receipts, etc)



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BEST PRACTICES

- DOCUMENT** (saying you completed something is not proof-must have signatures/date)

- Save Everything (organized manner)

- Can be Electronic Files



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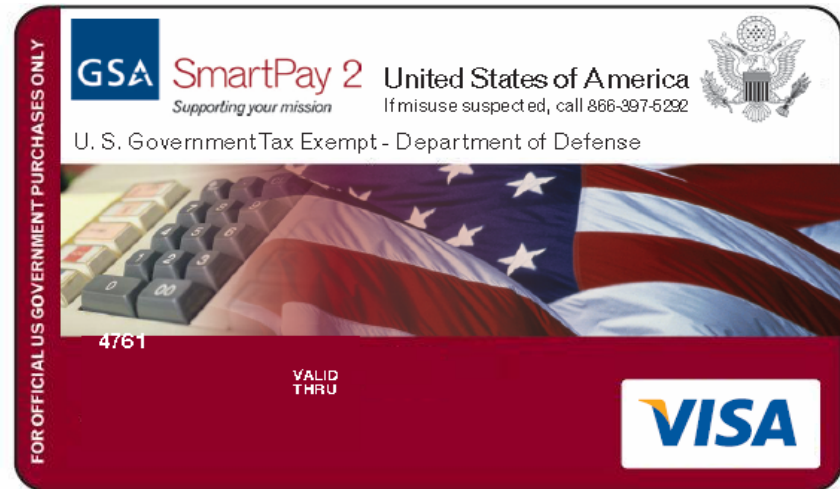


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GOVERNMENT PURCHASE CARD



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GOVERNMENT PURCHASE CARD

- ❑ Similar to Commercial Credit Card
- ❑ Reduces costs to Merchants and Government
- ❑ SAVINGS OF \$67.38 each transaction
- ❑ FY14 - FT KNOX \$350 Million



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SMART PAY 2 (SP2)

Contract

5 Banks

ARMY task order with USBANK



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TYPES OF CARDS

- Supply
- Print (Can only be used at DLA Document Services)
- Training



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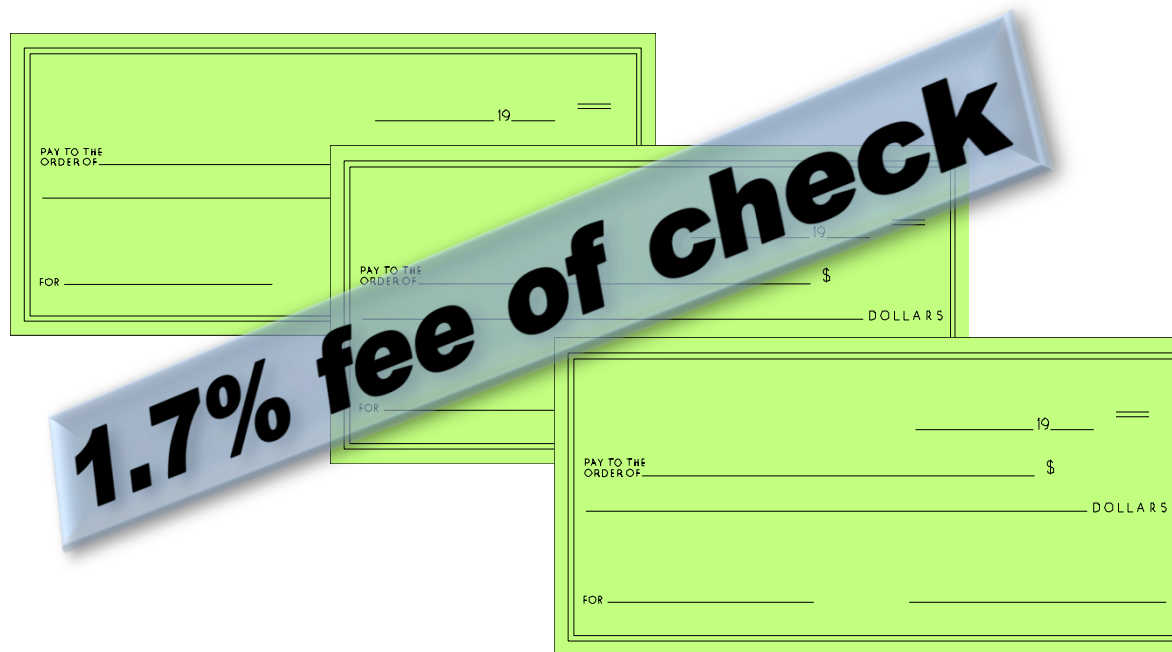


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CONVENIENCE CHECKS



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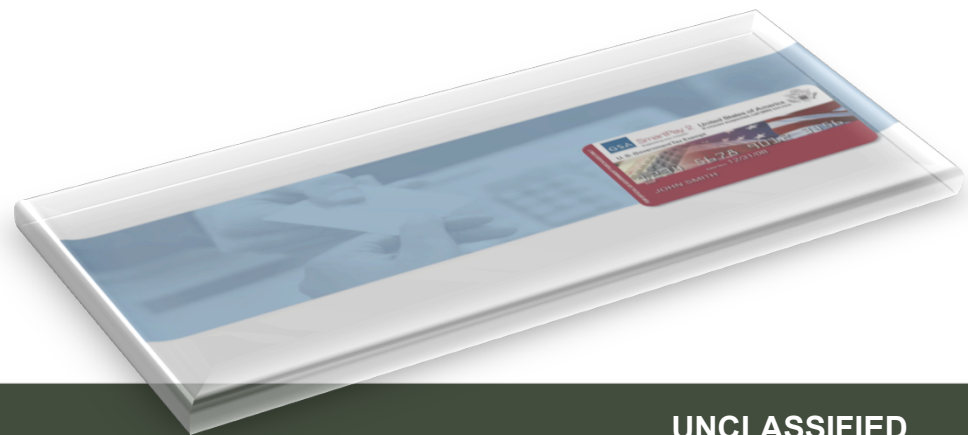
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PERSONNEL REQUIRED

- Primary Billing Official
- Alternate Billing Official (30 days grace period)
- Cardholder (Max - 7 Cardholders per Billing Official)



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HOW TO BECOME A BILLING OFFICIAL OR CARDHOLDER

- Complete the registration form
- Complete the online mandatory training courses
 - DAU: <https://learn.dau.mil> (every two years)
 - GSA: <https://training.smartpay.gsa.gov>
 - GREEN: http://www.energyworkshops.org/Green_Purchasing_Training/
 - PCOLS: <https://www.atrrs.army.mil/channels/aitas/> **NOT required for JROTC**
- Billing Officials/Alternates
 - Certifying Officer Legislation Training: <https://learn.dau.mil> GLG 006
- Follow the offsite training instructions
- Familiarize yourself with Department of the Army Government Purchase Card Operating Procedures



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HOW TO BECOME BO/CH CON'T...

- After submitting Pre-registration form and Online certificates for account set-up (Need to go through your RM Office/Bde/ S4)
- A/OPC will send “Delegation of Authority” letters
- Send back a signed copy of “Delegation of Authority” letter with DD 577 (prepared by organization)
- BO will receive a USBank user ID/PW email
- CH’s card will be ordered, once card is received “Self register” in Access Online for a USBank user ID/ PW



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Purchase Card Online System (PCOLS)

- Department of Army directed
- Automated system for GPC process **includes Billing Official and Cardholder Supervisors**
- Training (DAU CLG 005 PCOLS)
- 4 Modules

Not JROTC

EMMA-Provisioning system (User Id/Access)

AIM- Automated, Issuance & Maintenance

DM- Data Mining

RA- Risk Assessment



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PCOLS

- Supervisors, Billing Officials and Alternate Billing Officials must be provisioned in PCOLS (EMMA-Register your CAC card) – Terminology “accept token”
- Cardholders will “accept card account” (register CAC card) when account is created in PCOLS
- Address on CAC must be the correct mailing address. Can update address at CAC office or DEERS site



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PCOLS Process

- Account creation or account changes will go through the workflow process for approval (Billing Official Supervisor, Billing Official, Resource Manager A/OPC for final approval and then to USBANK)
- Always remind Supervisors about their role in this process to prevent delays in the process



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PCOLS Data Mining

- System data mines 4% of transactions “Flagged Transactions”
- “High Risk” transactions are determined by set system parameters
- Email sent to Billing Official
- Billing Official Validates transaction in PCOLS by answering several questions regarding the transaction
- Billing Official has 16 days to complete validation or information is escalated up the “chain of command”



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PCOLS Data Mining

- “High Risk” transactions must also be validated by MICC Ft Knox A/OPC
- Email will be sent requesting copies of all documents for the transaction (pre-approval and invoice)



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Single Charge Card Solution (SCCS)

- GFEBs and SCCS is a Resource Management driven function
- GFEBs – Must have obligation document before purchase
- Brigades submit PR information to USACC HQs each month for PR creation for OMA/MPA

**SROTC &
JROTC**



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Single Charge Card Process

- A Purchase Request is created in GFEBBS by the PR Processor may be cardholder (RM/Command will determine roles and provide GFEBBS training information)
- PR is approved by L1 Approver (Billing Official or other authority provisioned by role RM/Command selects)
- PR is then approved by L4 Approver which is Resource Manager and funding is added (obligated in GFEBBS)
- PR then creates an E-Order in AXOL (sent every 30 mins)



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SCCS Process Continued

- If PR only has one line of accounting one E-Order is created. If PR has multiple lines of accounting a E-Order is created for each LOA
- Cardholder matches transactions to E-Order
- Tolerance on PR/E-Order is 10% or \$100 If not within this range an adjustment must be made by PR Processor in GFEBS
- Cardholder and Billing Official approve statement for payment



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SCCS Process Continued

- GPC Rebates – A PR must be completed by PR Processor for rebates and an E-Order created (rebates paid quarterly)
- Vendor Credits-Credit is matched to original E-Order (find E-Order in “Order Management”) This may not occur in the same billing cycle



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LIABILITY

- GPC BOs are personally and pecuniarily liable for the full amount of any improper payments resulting from misuse, abuse, or unauthorized purchases of the GPC, in accordance with Title 31 U.S.C. § 3528.

- GPC CHs are pecuniarily liable for erroneous payments that result from the negligent performance of duties in the amount of erroneous payment, up to one month's pay.

Failure to act in accordance with such regulations, policies, and procedures is generally considered evidence of negligence. Following orders from superiors that are contrary to regulations, policies, and procedures, is no defense to negligence or bad faith. A heavy workload or a lack of experience, supervision, or training, is not a factor in determining relief from liability.



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When in Doubt...ASK!!

- ASK FOR CLARIFICATION

- CAN I PURCHASE

- I PURCHASED AND.....



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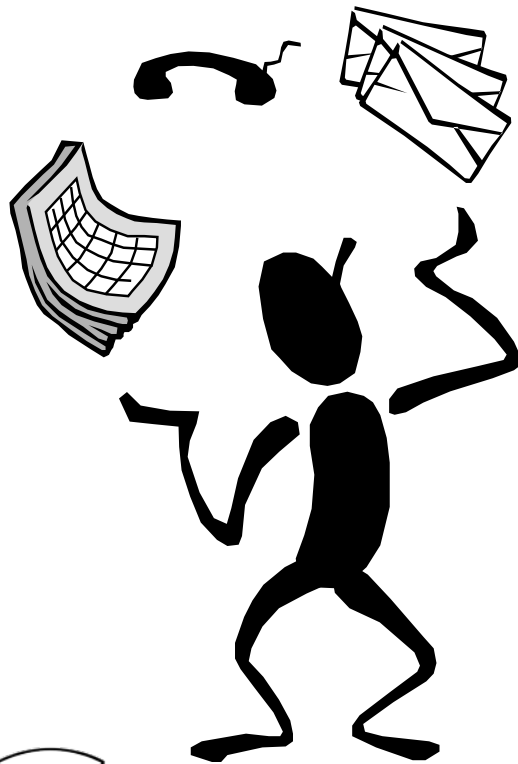


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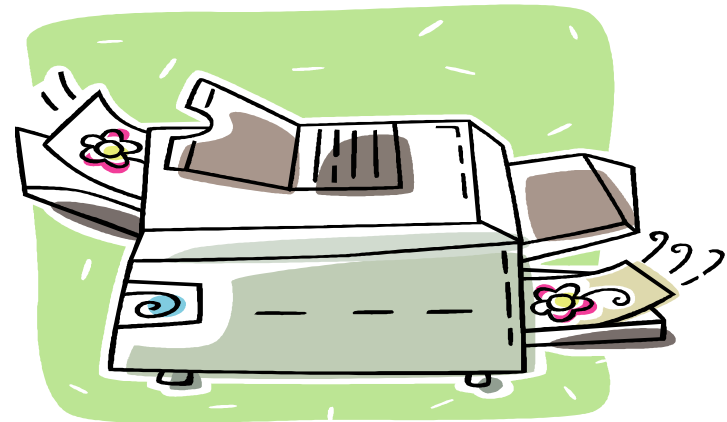


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DEFENSE LOGISTICS AGENCY (DLA) PRINTING SERVICES



- MANDATORY PRE-APPROVAL
- EXCEPTIONS WITH WRITTEN WAIVER



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PRINTING & COPYING SERVICES

- ❑ **STOP! DO NOT GO!**
- ❑ GO DIRECTLY TO DLA
- ❑ Building 2001, 202 21st Street, Fort Knox
 - ❑ POC: 502-626-4002/ 6648
 - ❑ **Mr. Timothy P. Davis:** timothy.davis@dla.mil
 - ❑ **Mr. Joseph P. King:** joseph.p.king@dla.mil
- ❑ Can use supply or print card at DLA
- ❑ Print cards can only be used at DLA



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PURCHASE CARD UNDER SCRUTINY

- Pentagon
- Congress



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FREEDOM OF INFORMATION ACT

- Public Records
- Just Ask in Writing

FOIA



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PURPOSE

- Saves Time, Money and Resources
- Provides Control Over Low Dollar – High Volume Procurements
- Pays One Payment



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AUTHORITY

- ❑ Army Federal Acquisition Regulation (AFAR) Appendix EE, Department of the Army Government Purchase Card Operating Procedures

MICC Operating Procedures

- ❑ Army Federal Acquisition Regulation Supplement (AFARS), Part 5113.2 "Simplified Acquisition Procedures"
- ❑ Defense Federal Acquisition Regulation Supplement (DFARS) Part 213.301 "Government-wide Commercial Purchase Card"
- ❑ Federal Acquisition Regulation (FAR), Part 13 "Simplified Acquisition Procedures"
- ❑ Department of Defense (DOD) Financial Management Regulation (FMR) Vol. 10, Ch. 23, "Purchase Card Payments"
- ❑ Section 3325 and 3528 of Title 31, United States Code
- ❑ DoD Directive 7000.14R, DoD Departmental Accountable Officials and Certifying Officers
- ❑ DoD FMR, Volume 5, Chapter 33, Certifying Officers, Departmental Accountable Officials, and Review Officials



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LIMITS

1
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15

- \$3,500 Supplies
- \$2,500 Services Service Contract Act
- \$2,000 Construction Davis Bacon Act
- Single Purchase Limit
- 30 day Purchase Limit
- Office Limit



Appendix H - GPC Thresholds



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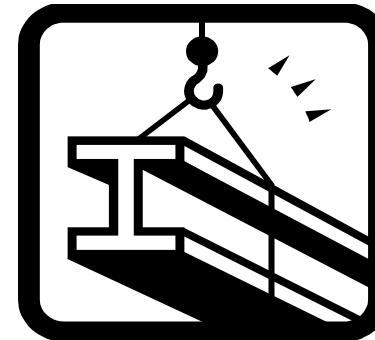
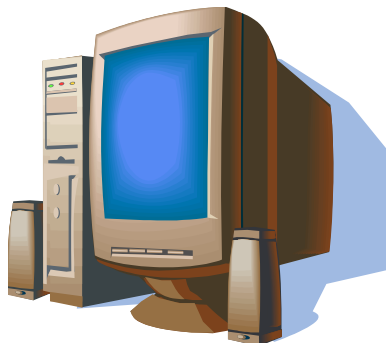
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CLARIFICATION

- ❑ To help you identify whether your purchase is a supply, service, or construction requirement, review the definitions provided on the following slides.



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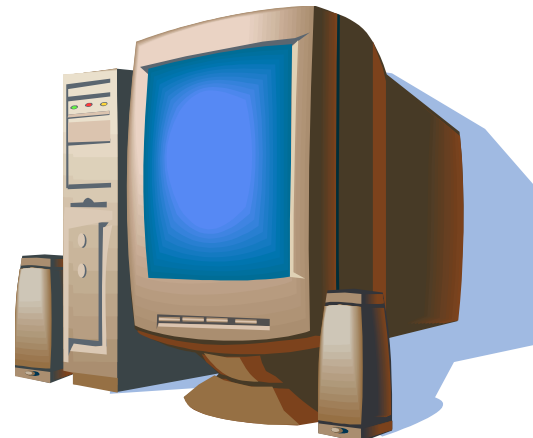
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SUPPLY DEFINITION

- ❑ **Supply**: All property except land or interest in land. Tangible, i.e., desks, chairs, paper, pencils, etc. (majority of your GPC purchases)



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SERVICE DEFINITION

- ❑ **Service:** Directly engages the time and effort of a contractor whose primary purpose is to perform an identifiable task rather than to furnish an end item of supply. A service may be either a non-personal or personal. It can also cover services performed by either professional or non-professional personnel whether on an individual or organizational basis. Some of the areas in which service contracts are found include: maintenance, overhaul, repair, servicing, rehabilitation, salvage, modernization, or modification of supplies, systems, or equipment. Purchases shall not be processed to pay for performance of an inherently governmental function.



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SERVICE DEFINITION (continued)

- Non-personal service:** The personnel rendering the services are not subject to the supervision and control usually prevailing in relationships between the Government and its employees.

Contractor



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CONSTRUCTION DEFINITION

- ❑ **Construction:** Construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property. For purposes of this definition, the terms “buildings, structures, or other real property” include, but are not limited to, improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, cemeteries, pumping stations, railways, airport facilities, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, canals, and channels. Construction does not include the manufacture, production, furnishing, construction, alteration, repair, processing, or assembling of vessels, aircraft, or other kinds of personal property.



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CONSTRUCTION DEFINITION (continued)

- ❑ **NOTE:** All construction requirements must be processed through your DPW for approval. That approval must be in the GPC file. If the requirement exceeds \$2,000, it must be submitted through GFEBs to the MCO. **Do not split it into small segments in order to use the GPC!**



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WARNING

- The spending limits for supplies (\$3,500), services (\$2,500) checking (\$3,500) and construction (\$2,000) are set by statutes and **will not be exceeded!**
- If a cardholder with the \$3,500 supply limit uses their credit card for services over \$2,500 or construction over \$2,000, their **card will be suspended and re-training required.**



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Services

- Services such as laundry that exceed \$2,500 per year must be placed on a formal contract.
- Contract your Brigade or organization procurement section



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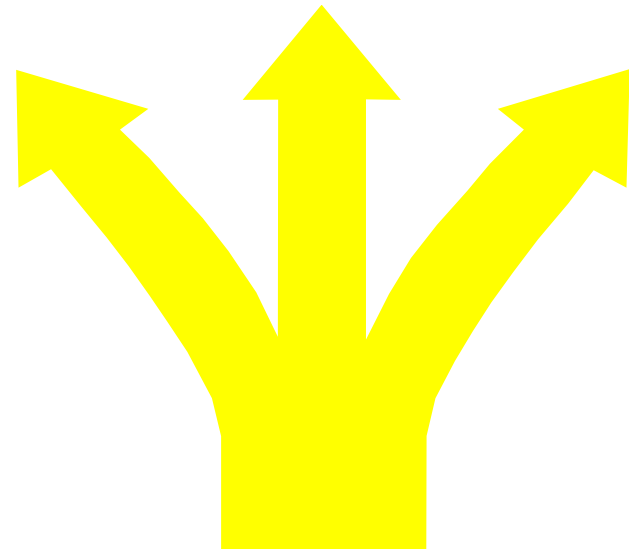
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SPLIT PURCHASE

INTENTIONAL BREAKDOWN OF A KNOWN REQUIREMENT TO STAY WITHIN THE SINGLE PURCHASE LIMIT IN ORDER TO:

- Avoid competitive bids for purchases over the micro-purchase threshold
- Avoid other established credit limits



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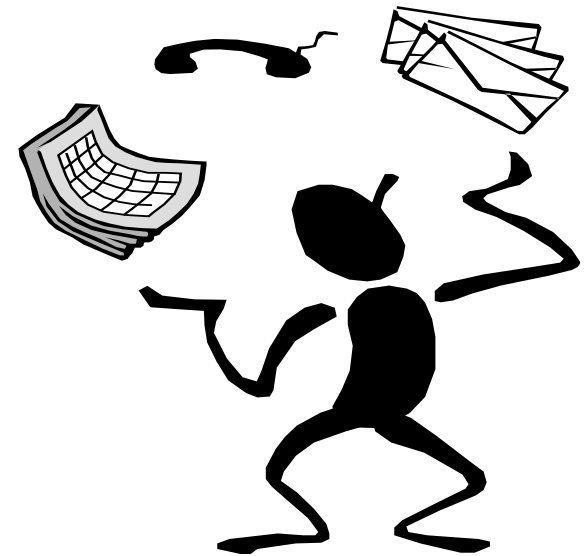
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MICC Ft Knox-A/OPC RESPONSIBILITIES

- MICC Ft Knox Director delegates purchase authority
- Liaison With the Contractor (USBANK)
 - Manage day-to-day operation of program at the installation/ organization
 - Local Subject Matter Experts
 - Conduct Training and Surveillance
 - Maintain Statistics



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DELEGATION OF AUTHORITY

Letters from MICCC Ft Knox Director

Billing Official

- Cardholders
- Office Limits

Cardholders

- Single Purchase Limit
- 30 Day Limit



**RETAIN COPIES
FOR RECORD**



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Unauthorized Commitment

- An "unauthorized commitment" is defined at the Federal Acquisition Regulation FAR 1.602-3(a) as "an agreement or purchase that is not solely because the Government representative who made it lacked the authority to enter into that agreement on behalf of the Government.
- "Ratification" as defined in FAR 1.602-3(a) "means the act of approving an unauthorized commitment by an official who has the authority to do so."



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UACs are a growing problem within the Army

- Time consuming/considerable documentation
- Often damages the Government's ability to conduct future business with the firms involved.
- Embarrassment to the government
- Personnel who do not have authority to commit the Government must not make any statements that could be interpreted by a vendor as a commitment to either commence work or to provide services/supplies.
- The Government can only avoid UACs through attention to detail and strict adherence to official guidance by personnel throughout the chain of command. When a UAC has taken place, the "committer" and the chain of command must understand the ratification process, the UAC investigation process, and the actions required for final disposition of the transaction.



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BILLING/ CERTIFYING OFFICIAL

- Ensures adequate funding exists prior to approving the purchase
- Provides written approval/disapproval of purchases to the CH
- Reconcile invoices/timely certification of the billing statement for payment, verifying payments to be legal, proper, necessary, in accordance with government rules and regulations
- Review and reconcile CH statements against receipts and documentation
- Retain a copy of each billing statement, and maintain all original supporting documentation, receipts, logs, invoices, delivery tickets, approvals, etc. for six years and three months after final payment
- Ensure property accountability procedures are in place
- Cardholders Limit



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BILLING/ CERTIFYING OFFICIAL

- Performs an annual review of CH files using the checklist in Appendix D, Section 2 (separate review from the mandatory annual A/OPC review of BOs) PART OF UNITS INTERNAL CONTROL PROGRAM
- Notify the Level 4 A/OPC to close any CH accounts for individuals who have transferred, terminated, are in “absent without leave” status, retired or have otherwise no further need for use of the GPC



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CARDHOLDER

- ONLY** Person Authorized to make Purchases
 - Issued in Cardholders Name
 - Physical Security of Card
 - Holds Public Trust



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CARDHOLDERS

- Receive request, Determine if its an Authorized Government Requirement (TDA/CTA)
- Ensure Funding is Available
- Collect/Maintain Required Documentation
 - Obtain All Approvals (**Don't forget pre-approval request**)
 - Invoices
- Comply with Mandatory Sources
- Match Transactions to E-Order (s)
- Property Accountability Property Book Officer must sign pre-approval document (if property book item)
- Independent receipt if cardholder is the "Requestor"
- Resolving Disputes



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BEFORE INITIAL PURCHASE

- Check for Accuracy
- Sign Card
- Activate Card (1-888-994-6722)
- Secure Card
- On-Line Registration in Access Online
- Review Cardholder Guide



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PURCHASE METHODS

Online



Telephone/Fax



Storefront



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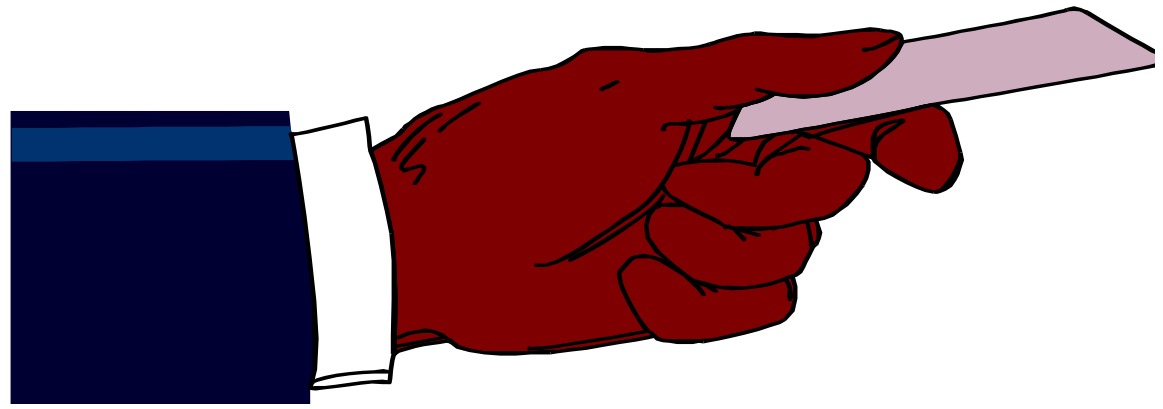
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MUST ASK and REMIND.....

- Delivered in 30 Days

- NO State or Local Tax
 - State letters can be found on
<http://apps.fas.gsa.gov/services/letters/letter08.cfm>



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IS THIS OKAY???

- IF YOU REQUIRED TO PURCHASE 3 SHEDS AND THE SHEDS ARE \$3,000 EACH. YOU ASK THE VENDOR TO CHARGE YOU \$3,000 OVER 3 DAYS TO MEET THE SINGLE PURCHASE REQUIREMENT.

- YOU ARE REQUIRED TO PURCHASE \$3,500 IN CHAIRS AND YOU HAVE ONE CARDHOLDER TO PURCHASE \$2,500 IN CHAIRS AND THE ANOTHER CARDHOLDER TO PURCHASE THE REMAINING \$1,000 IN CHAIRS.



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AFTER THE PURCHASE

- Keep Records
- Acceptance Procedure (“Acceptance” is verifying that the supply or service “meets the minimum requirements of the Government”).
- Order Cancellation
- Returning a Purchase/Unapproved Purchases



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UNIQUE CONTROLS

- Issued to Individuals
- Specific Purchase/Dollar Limit
- Merchant obtains Electronic Authorization
- Certification by Cardholder
- Verification by Billing Official



Final Approve Each Transaction



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PROHIBITED PURCHASES– App C

Page 42 Army GPC Operating Procedures

This section identifies the most common categories of requirements that are prohibited. It is not all-inclusive. Cardholders should contact local authorities prior to purchasing any items that seem questionable or may have the appearance of being inappropriate.



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ABSOLUTE RESTRICTIONS

- Cash Advance
- Building Lease (Over 1 Month)
- Aircraft Fuel
- Repair of Leased GSA Vehicles
- Acquisition of Telecommunication Systems (FTS OR DSN)
- Wire Transfers
- Savings Bonds



Appendix C



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ABSOLUTE RESTRICTIONS

- Foreign Currency
- Dating and Escort Services
- Betting, Casino Gaming Chips, Off Track Betting
- Transactions with Political Organizations
- Court Costs, Child Support and Alimony
- Fines, Bail or Bond payments
- Tax Payments

Appendix C



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CONDITIONAL RESTRICTIONS PRE-APPROVALS

- DPW** - Construction/Alteration of Real Property
 - Minor repairs
 - Short Term Lease of Facilities
 - Janitorial/Yard Maintenance
- TASC** - Audiovisual Aids and Equipment
 - Digital Camera, DVD Player
- NEC** - ADP/Telecommunications Equipment
 - Computer Equipment
- DLA** - Printing Services
- HAZMAT** - Hazardous material



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SOURCE PRIORITY



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SOURCE PRIORITY

- ACTIVITY/INSTALLATION INVENTORIES
- UNICOR (Furniture)
- ABILITY ONE
- GSA FEDERAL SUPPLY SCHEDULE
 - CHES (Commercial IT Equipment)
 - MANDATORY FSSI's (Office supplies only)
- OPEN MARKET



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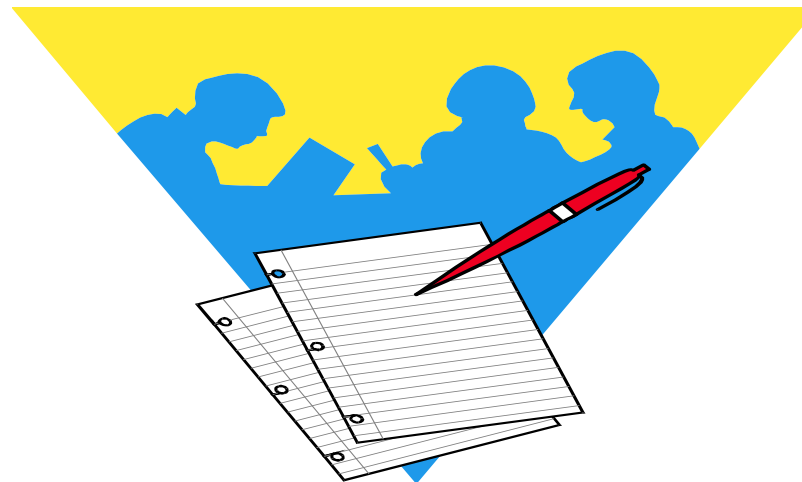
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INSTALLATION INVENTORY

CHECK THE SUPPLY SYSTEM



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UNICOR

FEDERAL PRISON SYSTEMS

FURNITURE

WWW.UNICOR.GOV

(Print off info from web page)



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ABILITY ONE

❑ JAVITTS WAGNER O'DAY ACT (JWOD)

NOW "ABILITY ONE"

❑ NATIONAL INDUSTRIES FOR BLIND (NIB)

❑ NATIONAL INDUSTRIES FOR SEVERELY
HANDICAPPED (NISH)

<http://www.jwod.gov/jwod/index.html>



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GSA ADVANTAGE

- ONLINE SHOPPING SYSTEM FOR SUPPLIES AND SERVICES THROUGH GSA SCHEDULES (pricing has already been negotiated)

- REGISTER ONLINE @ https://www.gsaadvantage.gov/advantage/main/start_page.do



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CHES

- Computer Hardware Enterprise Software and Solutions (CHES) is the Army's designated "primary source" for commercial IT.
- CHES provides a no-fee flexible procurement strategy through which an Army user may procure commercial off the shelf (COTS) IT hardware, software and services via an e-commerce based process.
- CHES offers simple, straightforward contract vehicles through its online Army e-commerce ordering system, the IT e-mart. These contracts provide continuous vendor competition for best value and consolidation of requirements to maximize cost avoidance and leverage the Army's buying power.



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CHESS CON'T

- ❑ All of the Department of the Army must use the Army Computer Hardware, Enterprise Software and Solutions (CHESS) program for purchases of commercial off-the-shelf (COTS) software, desktops, notebook computers and video teleconferencing equipment, routers, servers and printers *regardless of dollar value*.
- ❑ CHESS facilitates the purchase and use of standardized software and equipment, which improves the Army's security posture, enables interoperability and ensures the Army can take advantage of volume discounts offered under the program.



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CHES CON'T

- To purchase commercial off-the-shelf (COTS) software, desktops, notebook computers and video teleconferencing equipment, routers, servers and printers, then, simply log onto the CHES website
- (<https://chess.army.mil/ascp/commerce/index.jsp>) and prepare a Request for Quote (RPQ) for the desired equipment.



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CHES CON'T

- Before any IT Equipment may be purchased NEC approval must be obtained.

- See unit IMO (Information Management Officer)

- Ft Knox NEC Building 1227



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MANDATORY OFFICE FSSI's **Federal Strategic Sourcing Initiative**

- DOD Email
 - <https://emall6.prod.dodonline.net/main/>
- 13 vendors with Army FSSI's (**Small Business**)
- No storefronts
- Volume Discount -
Negotiated pricing



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FSSI'S

- Office FSSI's are located on GSA Advantage and is the preferred source if you do not have AbilityOne Base Supply Center
- Office supplies are Category 75



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OFFICE FSSI EXCEPTIONS

- If you have a GSA global supply center, local alternative self-service supply store known as base support store, or a local AbilityOne base supply store, where installation agreements exist.
- Urgent need for an unplanned requirement needed for the same day. Poor acquisition planning and inadequate market research would not apply to this exception. Use of this exception requires valid documentation in the cardholder file.
- In the event the DoD EMALL is unavailable for more than 24 hours, cardholders may place orders with a BPA vendor through another form of communication.
- OCONUS and deployed activities.



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NOTE....

- YOU ALWAYS *MUST* PURCHASE THE *ABILITYONE* SUPPLY/SERVICE FIRST IF THEY ARE AVAILABLE.

- EVEN IF LOCAL VENDORS HAVE IT FOR LESS



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OPEN MARKET

WHY DID YOU GO OPEN MARKET?

Walmart Office Depot

DOCUMENT FOR REVIEW PROCESS

DID YOU CHECK MANDATORY SOURCES?



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ARE MY PURCHASES.....DID I

- Pre-approval request
- Price is fair and reasonable
- Split purchase
- Property accountability
- Independent receipt if “requestor” is the cardholder

FAIR and Reasonable



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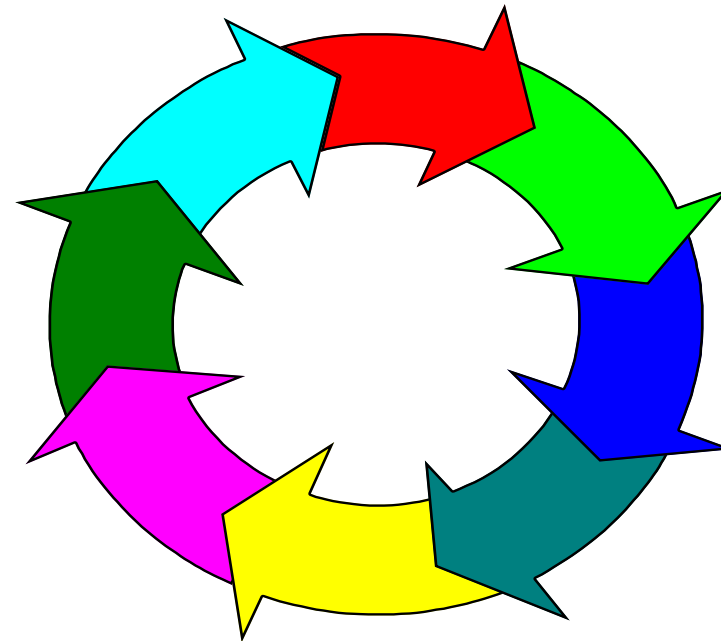
ROTATE...ROTATE...ROTATE

EXCEPT FOR MANDATORY SOURCES....

ABILITYONE/GSA

MANDATORY FSSI's

**Don't forget
Small Businesses**



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PERSONAL REWARDS



- ❑ It is unauthorized for cardholders to use a personal membership, discount card, reward card or any other method of connecting a cardholder's government purchase card transactions to a personal gain for the cardholder or any other individual.



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VENDOR REBATES

- Never Accept Cash
- Make it out to US TREASURY
- Use Unit Address
- Give to Budget Officer When Received

US Treasury



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DISPUTES

PAY AND CONFIRM

- Resolve Dispute Directly With the Merchant
- Dispute Formally
- Contract (90 days after posted)

MUST PAY!



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CANNOT DISPUTE

- Sales Tax
- Shipping/Handling Charges



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DECLINES

- Card Not Activated

- Merchant Activity Type Code Blocked

- Exceeded Limit



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FILE REQUIREMENTS



- BILLING OFFICIALS -6 YRS 3 MOS (mandatory)
- 37z Government Credit Card Certifying/Billing Office Account Files

Files belong to the unit/school!!!

(Fort Knox Circular 25-0401, dated 1 Oct 2004)



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Fraud/Misuse

- Government Employees
- Merchant
- Splitting Requirements
- False Statements
- Prohibited Purchases
- REPORT IMMEDIATELY**

Call A/OPC or USBANK



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Misuse

- **Intentional use** of a government charge card for other than official government business constitutes misuse, and depending on the situation, may constitute fraud.
- Each agency develops and implements policies related to employee misuse of charge cards.
 - Purchases that exceed the cardholder's limit;
 - Purchases that are not authorized by the agency;
 - Purchases for which there is no funding;
 - Purchases for personal consumption, and
 - Purchases that do not comply with the policies that govern each particular card type.



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Fraud

- A deception deliberately practiced with the motive of securing unfair or unlawful gain. Fraud can be an attempt to cheat the Government and corrupt its agents by using GSA SmartPay cards for transactions not part of official Government business.
- Intentional misuse of a GSA SmartPay card by the cardholder can result in fraud.
- Non-cardholder fraud involves the use of the charge card or cardholder information by an unauthorized person.



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Types of Fraud

- **Counterfeit Credit Cards** - To make fake cards, criminals use the newest technology to "skim" information contained on magnetic stripes of cards, and also to pass security features (such as holograms).
- **Lost or Stolen Cards** - Often cards are stolen from a workplace, gym or unattended vehicle.
- **Card Not Present (CNP) Fraud** - Internet fraud occurs whenever charge card information is stolen and used to make online purchases. Usually, a merchant will ask for the CVC code (located on the back of the card itself) to help prevent this type of fraud.
- **Non-Receipt Fraud** - This occurs whenever new or replacement cards are mailed and then stolen while in transit.



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EMAIL FRAUD



Tips for spotting bogus e-mails are:

- Urgent appeals.** These e-mails may claim your account will be closed if you fail to verify your personal information right away. The "Proceed Now!" line in the phony e-mail below is an example.
- Requests for security information.** Fraudulent e-mails may claim that a bank has lost important security information that must be updated. They may ask you to update this information online.
- Typos and other errors.** Typos and grammatical errors may be found in phony e-mails. The writing may also be stilted and awkward



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PHISHING FOR INFORMATION



Dear U.S. Bank valued member,

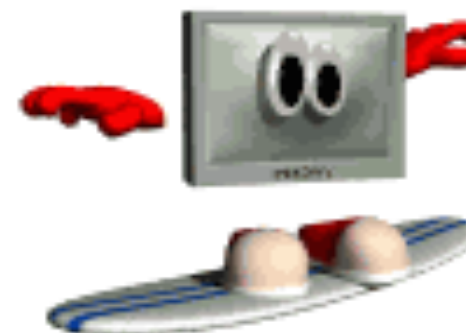
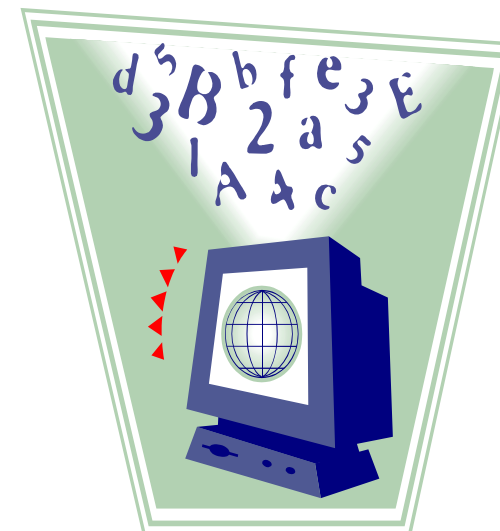
Due to concerns, for the safety and integrity of the online banking community we have issued this warning message.

It has come to our attention that your account information needs to be updated due to inactive members, frauds and spoof reports. If you could please take 5-10 minutes out of your online experience and renew your records you will not run into any future problems with the online service. However, failure to update your records will result in account suspension. This notification expires on April 29, 2004.

Once you have updated your account records your internet banking service will not be interrupted and will continue as normal.

Please follow the link below and renew your account information.

[U.S. Bank Internet Banking](#)



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CHAIN OF COMMUNICATION

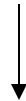


(Will Never Contact You)

*Fraud Department



GPC Office



Billing Official



Cardholder



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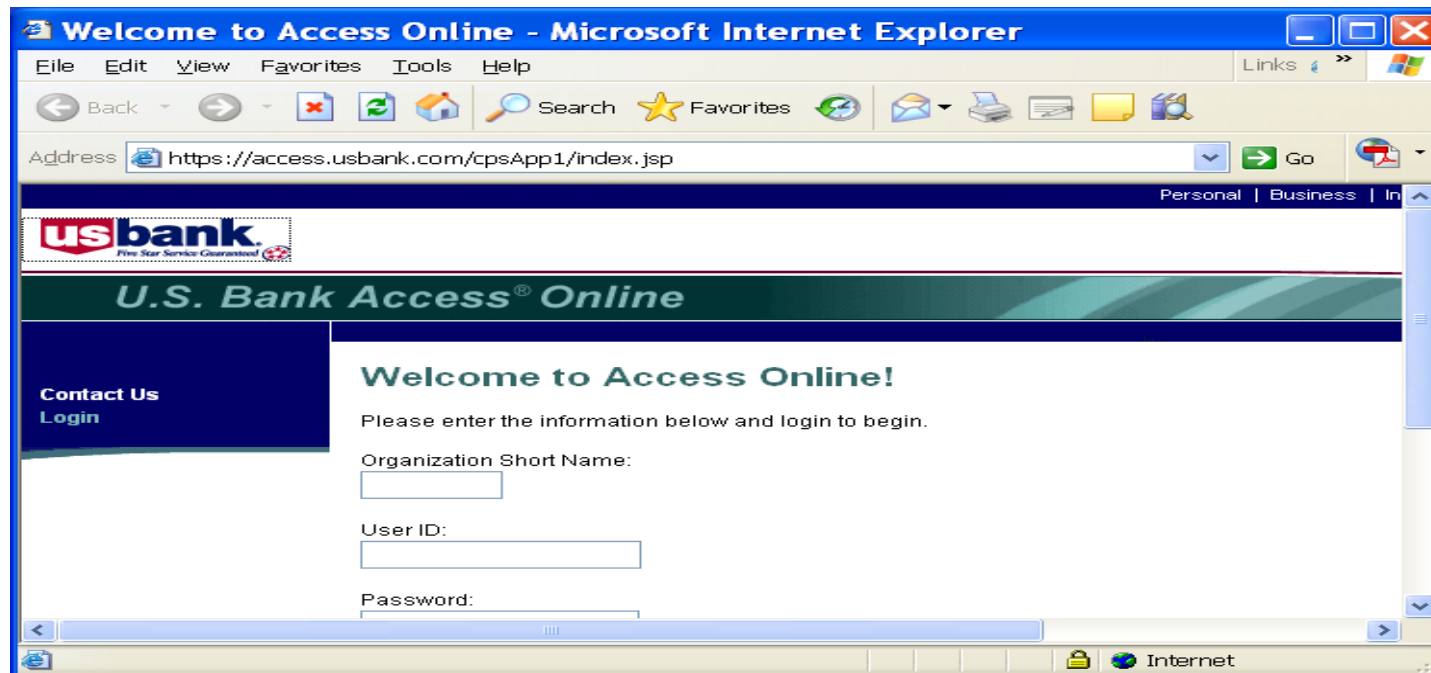


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USBANK ON-LINE SYSTEM



- ❑ 24/7 ACCESS TO ACCOUNT
- ❑ SYSTEM ACCESS ON-LINE “AXOL”



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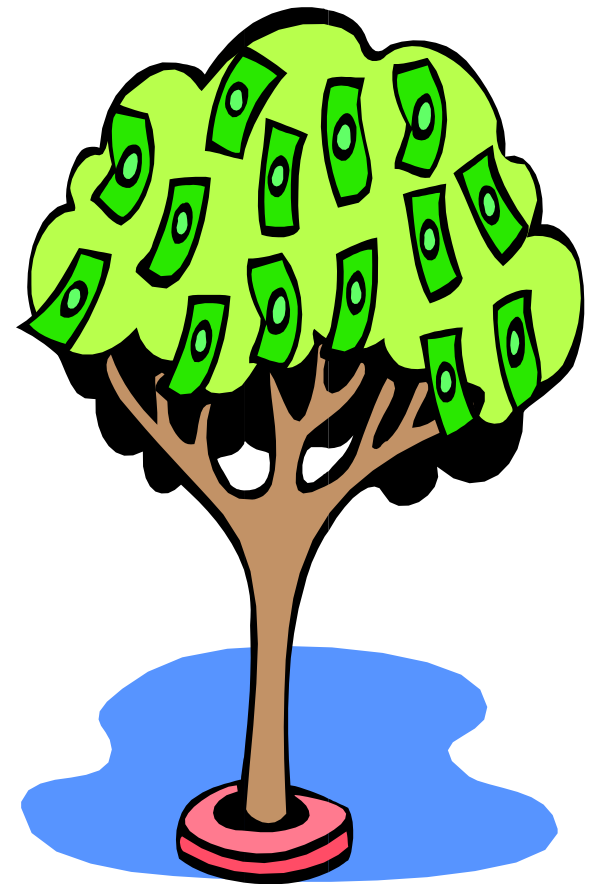
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WHY ACCESS???

- Faster Payment (Electronic)
- Increased Rebates
- Current Technology 24/7 Access
- SP2 Increased Rebate Potential



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GPC REBATES PAID QUARTERLY

- SMARTPAY2 Increased Rebate Potential
- Rebates Based on Total Purchase Amount and Bill Payment Speed
- Must create PR in GFEBS and match to E-Order
- Paid Quarterly on Jan-April-July-Oct Statement



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STATEMENT CERTIFICATION

- Army GPC Program Operating Procedures, States Billing Official has 5 Business Days for Certification/
Cardholders 3 Business Days
- Statement Cycles thru 19th of Each Month
- Available on 20th / If a Weekend Cycles on Friday
- Email Notification of Statement Cycle
- Account set to \$1.00 if not completed



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USER ID's

- Billing Official Issued By A/OPC
- Email to Billing Official When Approved
- Password is Temporary
- Log In / Change

- Cardholders Register Online



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CARDHOLDER

- Transactions Can be Matched to E-Order or Disputed Anytime During the month
- Statements Can Only be Approved After Statement Cycles 19th
- Locked Out 15 Days After Statement Cycles
- Billing Official Must Complete



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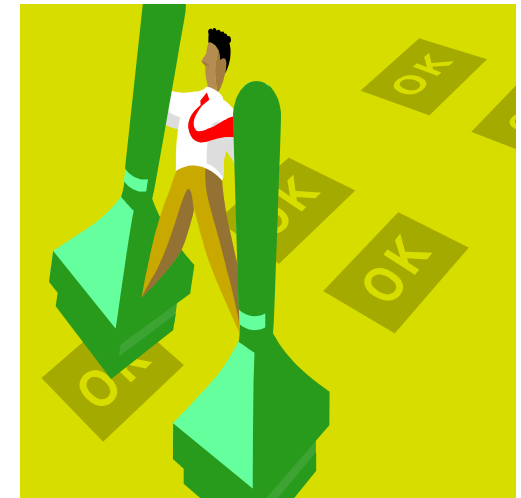
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CARDHOLDER RECONCILIATION

- Reconcile receipts to Transactions
- Match Transactions to E-Order
- Identify Disputes
- Approve Cardholder Statement
- Give Original Receipts to Billing Official



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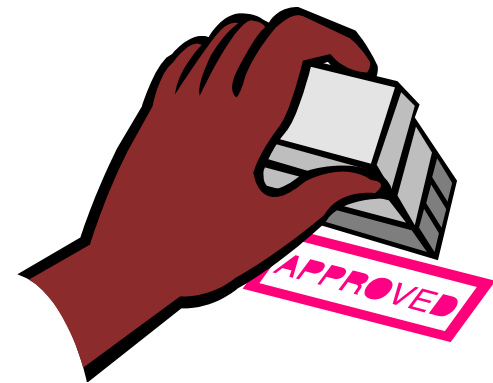
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BILLING OFFICIAL

- Must Final Approve Each Transaction for Each Cardholder
- All Cardholder Statements Must be Approved
- Has Option to Switch Roles
- Certify BO Account for Payment



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ACCESS ASSISTANCE

- Email or Call A/OPC
- Customer Assistance
1-888-994-6722 **
(Log in or Password Issues)



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ACCOUNT TERMINATIONS

- Billing Official is Responsible for Notifying GPC Office of Cardholder Termination

- Billing Official Account Must Have an Alternate Billing Official when Billing Official Departs or Account Will be Set at \$1.00 Unless a Replacement has Already Been Trained



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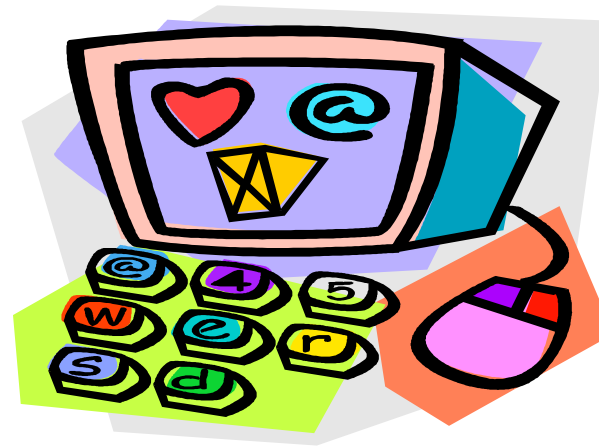
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ACCOUNT CHANGES

- Cycle Limits – 30 day limits (Resource Manager)
- Must be in writing (Email)
 - Name Change
 - Address Change
 - Card Cancellation
 - Account Termination



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