DON Purchase Card Program

Cardholder Desk Guide

(WinSALTS)

08/20/2002 Version 1.0

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(WinSALTS)

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Section I: Program Orientation

1. Send Us Your Comments

DON EBOO Head of Activity Purchase Card Desk Guide, Release 1 (1.0)

The Department of Navy eBusiness Operations Office welcomes your comments and suggestions on the quality and usefulness of this document. Your input is an important part of the information used for revision.

- Did you find any errors?
- Is the information clearly presented?
- Do you need more information? If so, where?
- Are the examples correct? Do you need more examples?
- What features did you like most?

If you find any errors or have any other suggestions for improvement, please indicate the document title, chapter, section, and page number (if available). You can send comments to us in the following ways:

- Electronic mail: linda_k_bailey@fmso.navy.mil
- FAX: 717.605.9362 Attn: Purchase Card Training
- Postal service:

  Department of the Navy
  eBusiness Operations Office
  Card Management Group, Purchase Card Training
  5450 Carlisle Pike, P.O. Box 2050
  Mechanicsburg, PA 17055-0791

If you would like a reply, please give your name, address, telephone number and electronic mail address.

2. Overview:

a. Purpose

The Department of Navy (DON) Purchase Card Program expedites the acquisition of mission essential materials and services through simplifying the purchases that are less than or equal to the $2,500 micropurchase threshold.

The Department of Defense (DOD) and DON made the Purchase Card Program available because it is a fast and efficient way to purchase materials and services and it reduces administrative efforts associated with micropurchases.

b. Benefits

1) Cardholders/Activity Benefits:

Cardholders (CHs) and activities directly benefit from the program by receiving required materials and services in the most timely and efficient manner. Administrative overhead is reduced substantially due to a decreased volume of paperwork.

2) DON Benefits:

The DON benefits financially because the program's invoice and certification process is automated creating the fastest payments to the bank creditor. This results in reduced interest payments and increased cash rebates.

3) Vendor and Supplier Benefits:

Merchants and vendors benefit by receiving virtually immediate payment for goods and services while reducing their billing and accounting overhead. This makes doing business with the government easy and attractive and leads to synergistic partnerships.

c. Major Roles:

The Commanding Officer or Head of Activity (CO/HA) decides if the activity needs a purchase card program and initiates the process to create one.

Working with the activity's Financial Manager (FM) and others, the CO/HA selects an Agency Program Coordinator (APC) and delegates to the APC the authority to run the activity's program.

Each CH is assigned to an Approving Official (AO) who often is the CHs supervisor. The AO can have no more than seven (7) CH accounts under his/her purview and is required to review and approve all CH purchases.

CHs are the individuals who have purchasing authority to make mission essential acquisitions for their activity.

3. How the DON Purchase Card Program Works

a. The Processes

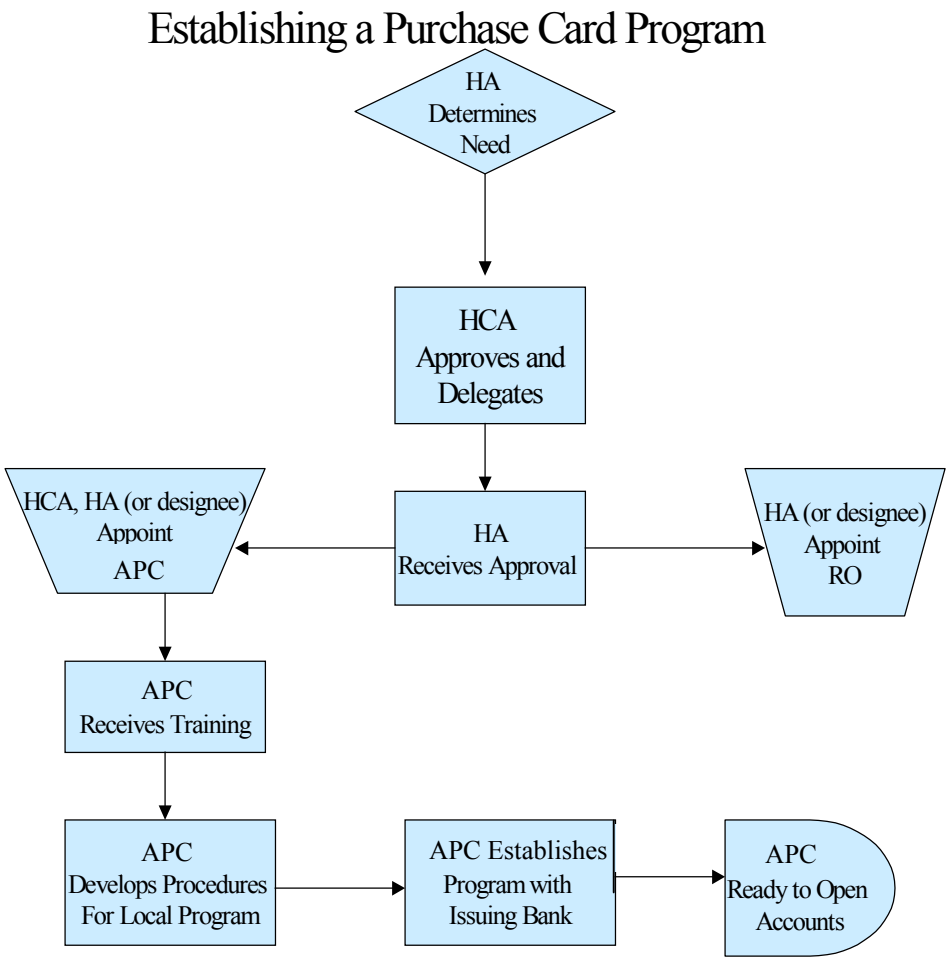
The DON Purchase Card Program can be viewed as several processes that combined allow DON activities to establish, maintain and execute a monthly program cycle. The following ten sections of this guide explain the major program processes in general terms with basic flowcharts.

The details for the execution of these processes are included in the appropriate role guide – APC, AO or CH. The ten major processes are:

- Establishing a Program
- Approving Official (AO) Account Set-Up
- Cardholder (CH) Account Set-Up
- Purchase Workflow
- Cardholder Account Reconciliation
- Pay & Confirm Process
- Disputes Process
- Approving Official (AO) Account Reconciliation and Certification
- EDI External Process
- EDI External Obligation Process
- EDI External Invoice Process
- EDI Internal Process

b. Establishing a Program

The establishment of a government purchase card program begins with the Head of the Activity (HA) making a determination that a program is needed to support the mission of the organization.



When it is decided that a purchase card program is needed, the HA must request authority from the Head of the Contracting Agency (HCA) to establish the program.

After approval is received from the HCA, the HA must assure that a Reviewing Official (RO) is appointed to perform pre and post certification reviews of certified invoices within the purchase card program.

The HA is also required to appoint an Agency Program Coordinator (APC) that will be responsible for the management of the activity's program.

The APC must complete the required training and become familiar with all guidance governing the organization's program. This may include, but is not limited to, Federal Acquisition Regulations (FAR), Defense Federal Acquisition Regulations (DFAR) and the EBUSOPSOFFINST 4200.1. The APC is responsible for developing and promulgating any local policy and procedures (Internal Operating Procedure) mission specific to the activity.

The APC coordinates with Citibank under existing contracts and task orders to create a hierarchy level for their organization. Process details vary depending on the automated system used by the agency to communicate with the bank. The details of this process are explained in section 2.3 of the APC Desk Guide.

After Citibank has established a reporting hierarchy with all necessary information recorded in the bank's database, the APC is operational and can begin the Approving Official (AO) account set-up.

c. Training Requirements

1. Navy/Marine Corps Purchase Card Training and Interactive Customer Assistance CD ROM (web-based).

   a. All prospective Agency Program Coordinators, Approving Officials and Cardholders are required to successfully complete this training prior to appointment.

   b. All program participants are required to successfully repeat this training as a refresher every two years.

   c. Documentation of successful completion of the training must be retained by the individual and the Agency Program Coordinator for the duration of the individual's appointment.

2. Additionally, purchase cardholders who have been delegated contracting/purchase authority via an SF 1402 (Certificate of Appointment) must complete one of the following courses:

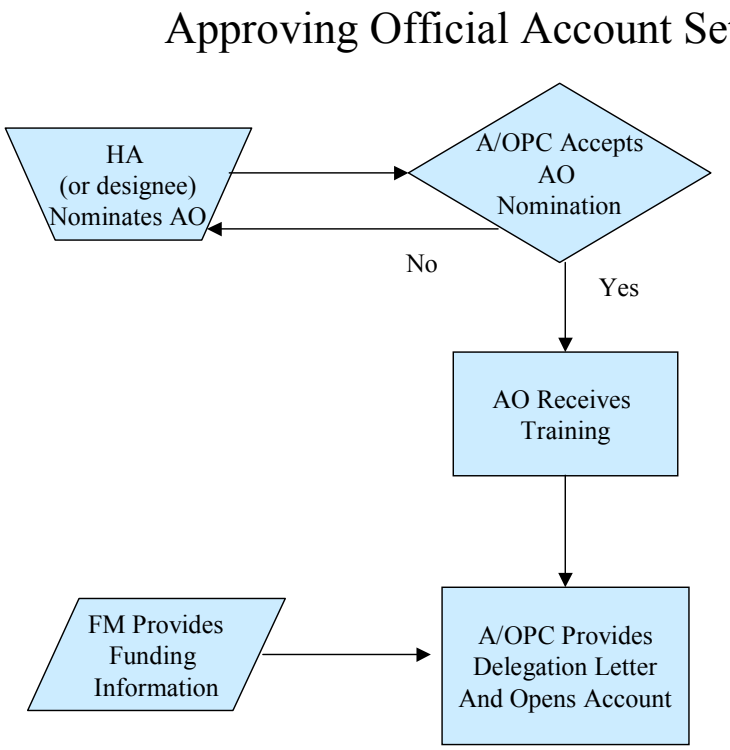
   a. NAVSUP Simplified Acquisition Course;

   b. CON 101, Contracting Fundamentals or CON 202, Intermediate Contracting.

d. Approving Official (AO) Account Set-Up

In order to issue a purchase card, an AO must be designated and an AO account opened before cardholders can be issued purchase cards.

The HA or his/her designee must nominate an individual, either military or civilian, to perform the Approving Official role and functions and forwards it to the HA or his/her designee must nominate an individual, either military or civilian, to perform the AO role and functions and forward it to the APC.



After the APC accepts the individual's nomination as an AO, the APC must schedule training for the AO. A list of training resources is included in Appendix L of this Desk Guide.

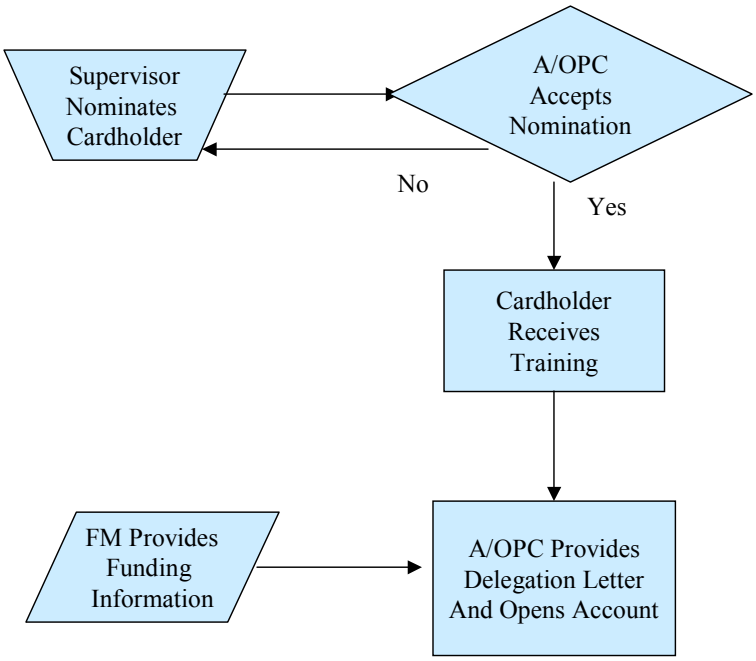
After the AO has received the required training, the APC obtains the necessary information to open an account with Citibank. Demographic and financial information for the individual is necessary to properly establish and affect payment of the account.

The APC then provides the AO with a written Letter of Delegation and opens the account with Citibank.

e. Cardholder (CH) Account Set-Up

To establish a purchase card account, first an individual must be designated as the responsible account holder. (Exceptions to this are made on a case by case basis for accounts issued as unit cards versus individual cards. However, these exceptions must be approved by the DOD Joint Purchase Card Program Office and coordinated with Citibank.)

Cardholder Account Set-Up



A CH must be nominated, in writing by their supervisor, to the APC. A sample of the nomination letter is included in Appendix E of this Desk Guide.

After accepting the nomination, the APC will schedule training for the CH.

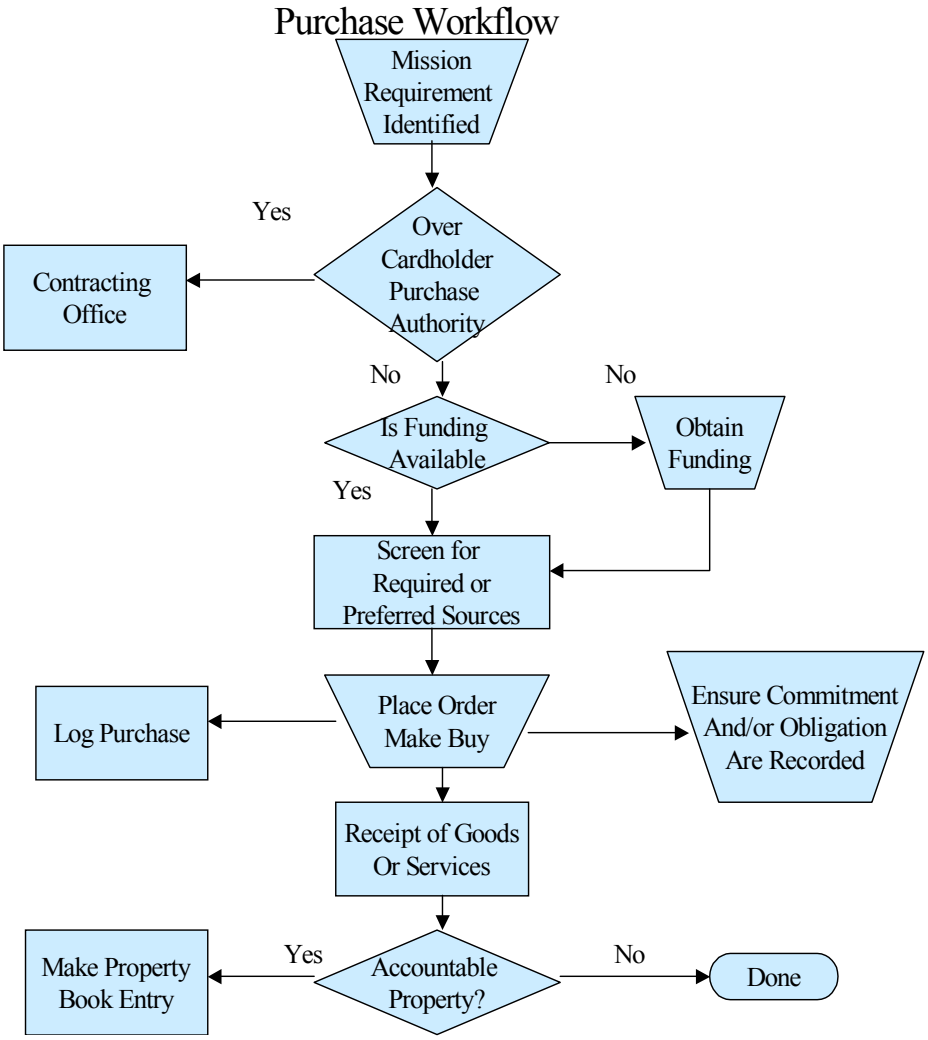
After the CH has completed training, the APC will obtain all necessary information to establish the account including demographics, funding information and the AO responsible for review and oversight. Additionally, an individual responsible for certification and payment of this account is also identified (usually, the AO and the Certifying Official are the same individual).

After all information is complete, the APC provides the CH with a Letter of Delegation and opens a purchase card account with Citibank. This same process is utilized when establishing a convenience check account.

f. Purchase Workflow

The following diagram demonstrates the workflow process when a requirement is made to an activity.

After it has been determined that a mission requirement exists and that the purchase card will be used, the following process should be followed:



After a specific need has been identified, the CH must determine if he/she is authorized to make the requested purchase. The determination is made based on the dollar value of the purchase, in total, compared to the authority granted to the CH in the delegation letter. If the total request exceeds the CHs authority, the CH must refer the requirement to the contracting office for processing.

If it is determined that the total purchase is within the CHs authority, the item(s) must then be reviewed in accordance with mandatory sources of supply, such as National Industries of the Blind (NIB), as specified in the FAR, DFAR and local

governing instructions. Organizations may also designate preferred sources, such as Indefinite Delivery, Indefinite Quantity (IDIQ) type contracts, existing Blanket Purchase Agreements (BPAs), etc that are to be used in purchasing items for that organization. The requested item must not be prohibited by law or regulation or require special approvals. Funding must be available to cover the purchase.

If the item is prohibited or funding is not available, the CH should notify the requestor of the situation. Under no circumstances shall the CH proceed with purchases that are not funded or are unauthorized. If the requestor persists, matters should be reported to the AO, APC and FM.

If special approval is required, it must be obtained before placing an order or making a purchase.

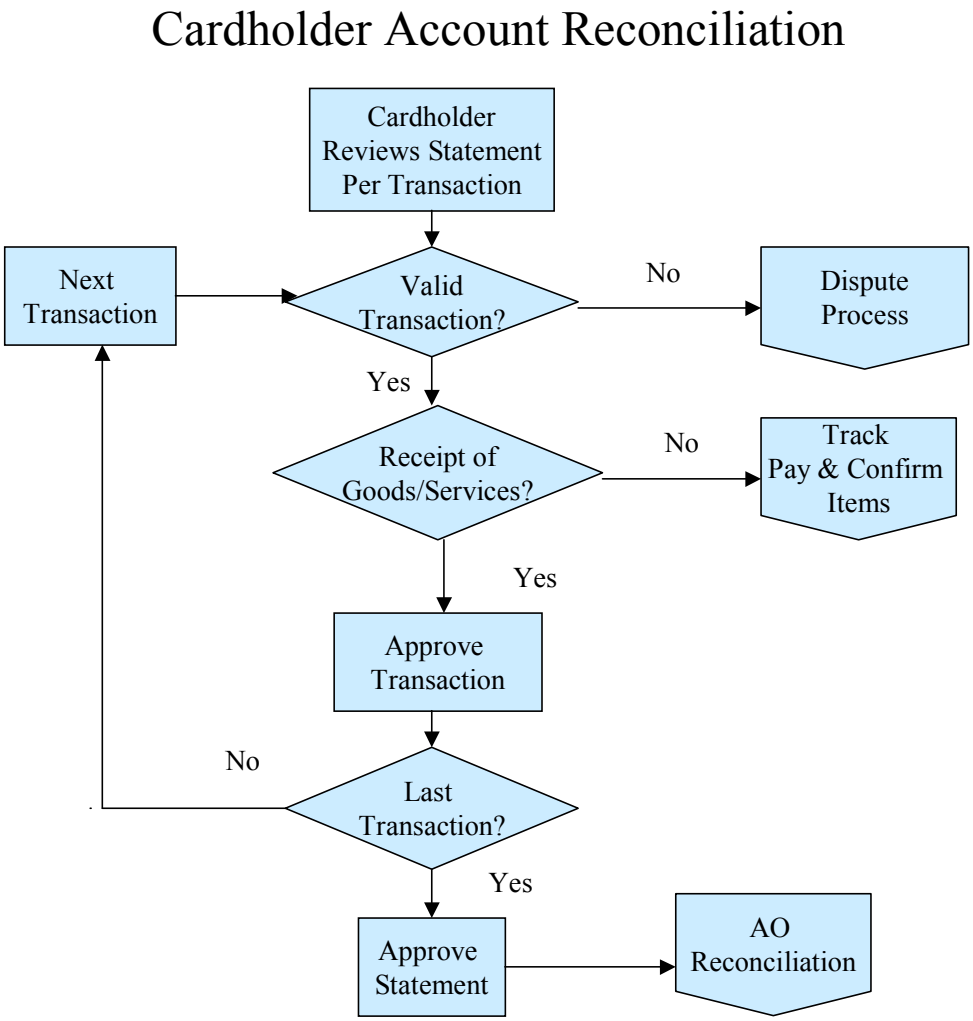
After the CH has placed the order or made the purchase, he/she must make an entry in the purchase log. A list of the data items required to be entered into the log for use in reconciliation of the cardholder statement is included in section 2.8 of this Desk Guide.

Once the CH is in receipt of the goods, the CH will make a record of receipt in accordance with local procedures.

The CH must determine if any item purchased is classified as accountable property in accordance with the Accountable Property instructions for the organization. If the item is classified as Accountable Property it must be reported to the Property Book Officer, logged and processed accordingly.

g. Cardholder (CH) Account Reconciliation

CHs are responsible for reconciling their purchase card statement for accuracy.



The CH must review each transaction and match it to the previously made purchase log entry to determine validity.

If the transaction is invalid, the CH must immediately initiate a dispute with Citibank. The dispute must be filed in accordance with the procedures outlined by Citibank. The details of the dispute process are included in section 2.15 of this Desk Guide.

If the transaction differs, the CH must contact the vendor to resolve the issue. If not resolved within 30 days, the CH must file a dispute. If the transaction is valid it must be approved.

If the transaction is a valid purchase but goods and/or services have not been received, the CH will approve the transaction for payment. Receipt of the goods and/or services should then be closely tracked by the CH to assure receipt by the next billing statement.

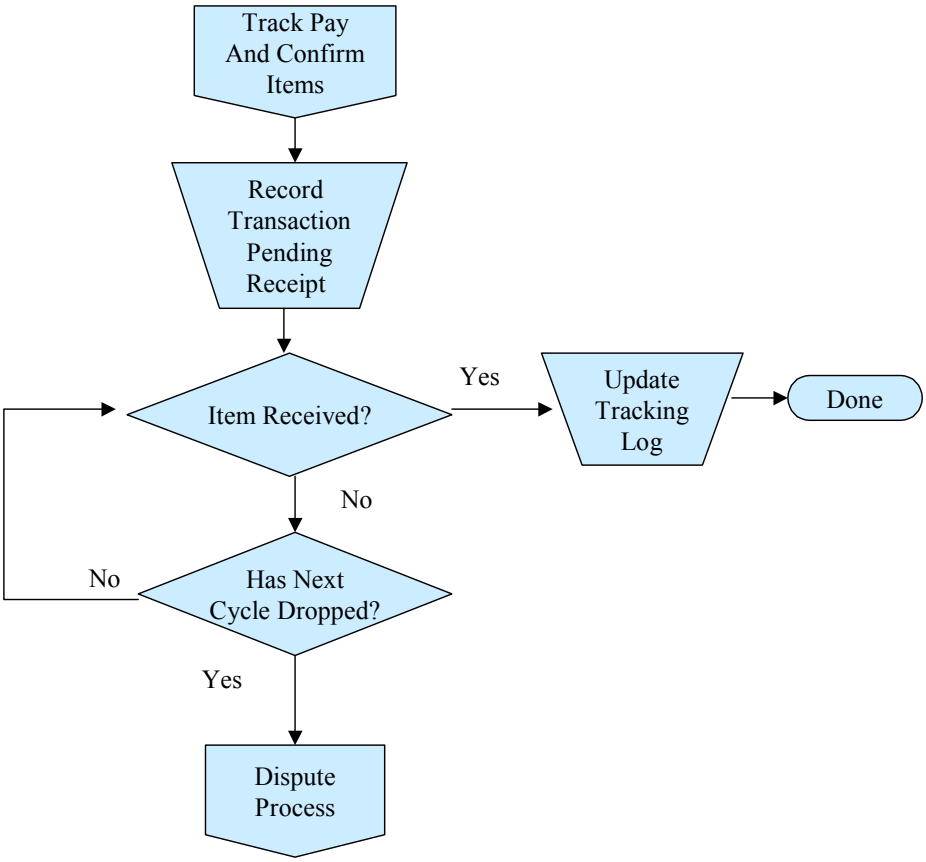
After all transactions are reconciled, i.e. approved or disputed, the CH acknowledges transaction validity, as specified in current DOD guidance, with personal signature or electronic acceptance.

After acceptance, the CH must approve the statement. The AO is then responsible for second level review and approval in accordance with the process detailed in section 2.5 of the AO Desk Guide.

h. Pay & Confirm Process

The pay and confirm process allows Citibank to be paid for items that have been shipped by the vendor but not received by the organization. It is the responsibility of the cardholder to monitor receipt of approved purchases of which goods or services have not been received to assure delivery. (A tracking list should be created for this purpose.) In order to determine delivery status, the CH must communicate with the vendor.

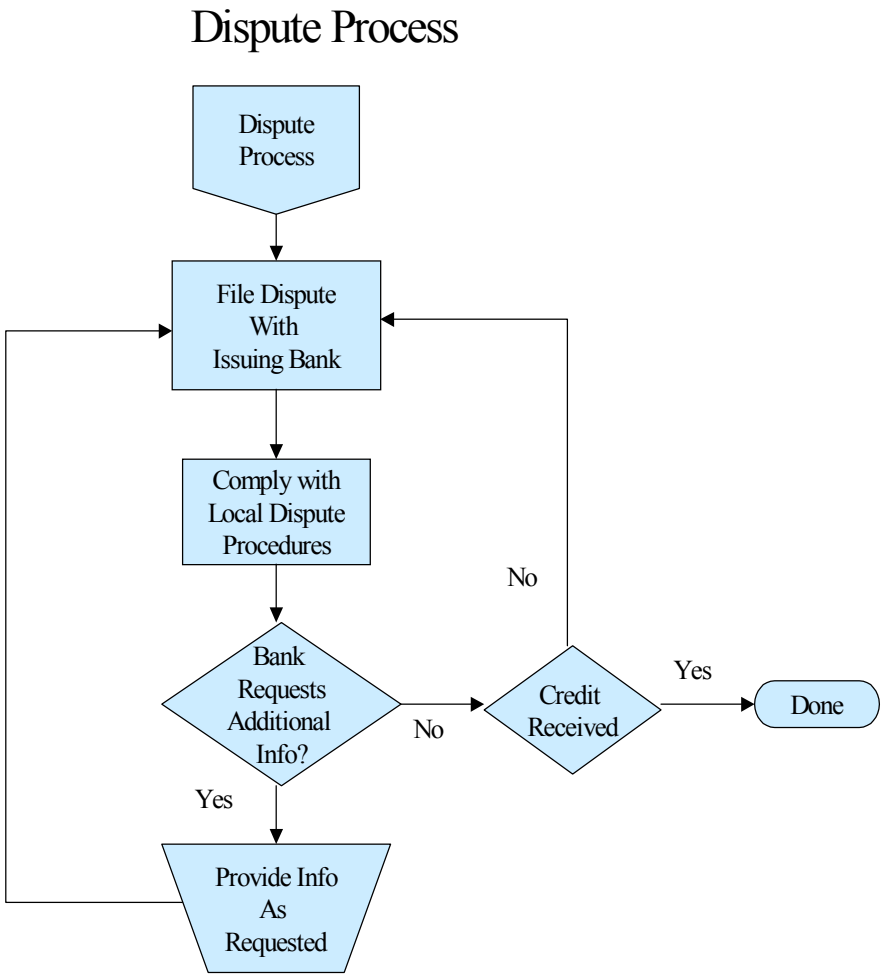
Pay and Confirm Process



If the next statement cycle has occurred and the organization is still not in receipt of the goods and/or services, the CH must file a dispute. Detailed instructions for the dispute process are included in section 2.15 of this Desk Guide.

i. Dispute Process

All CHs have the right and responsibility to process disputes when they have been unable to resolve any issue with the vendor, such as receiving credit for returned items, excessive charges, invalid charges, etc. (*Note: While the federal government is tax exempt in most cases, sales tax is not a disputable item. If sales tax should not have been charged then the CH must obtain a credit from the vendor.)



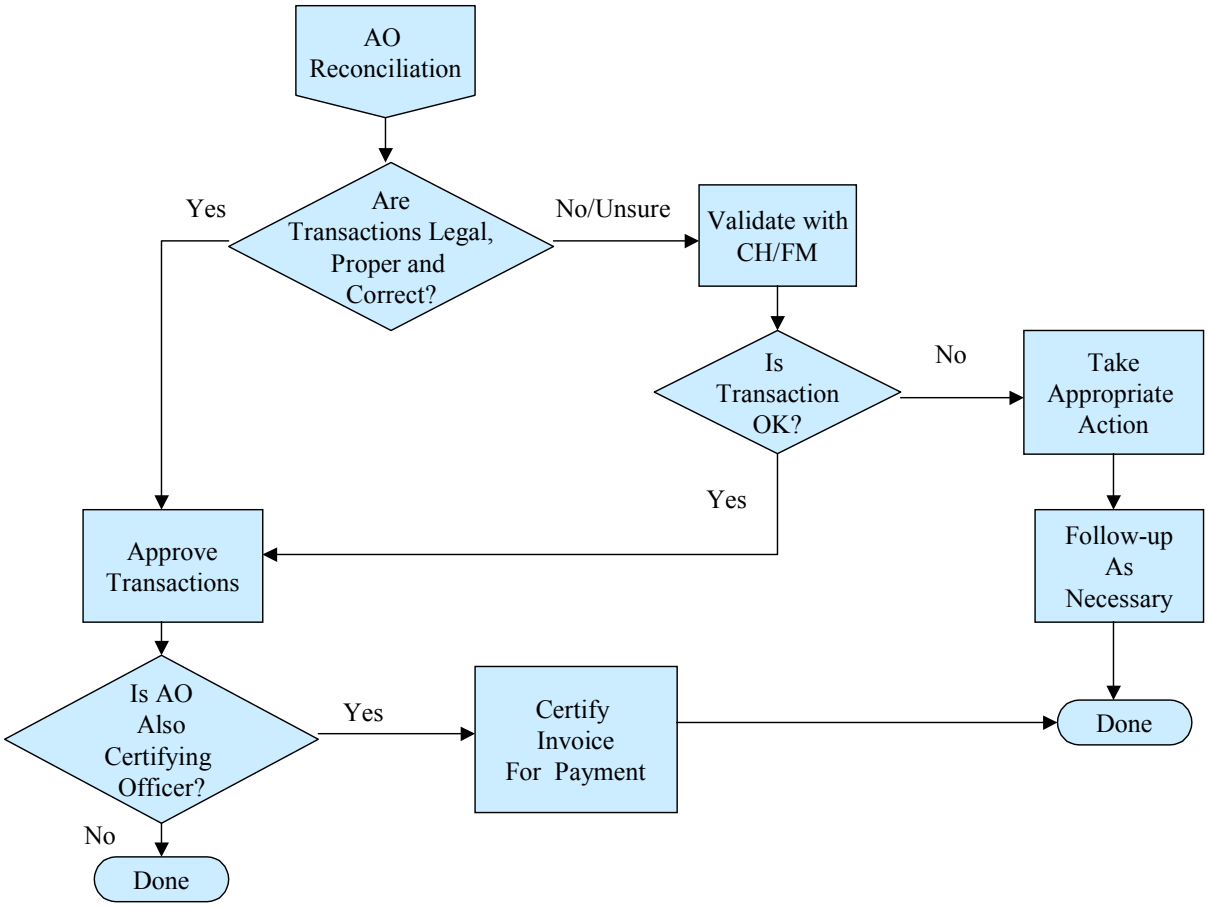
Upon determination that a dispute is required, the CH must initiate a dispute with Citibank in accordance with the bank's procedures.

Should the bank request additional information in order to properly adjudicate the dispute, the CH is obligated to comply with the request. Failure to comply will result in the loss of disputing rights.

Upon acceptance of the dispute, Citibank will provide a provisional credit to the CH account. If the dispute is resolved in favor of the CH no further action is necessary. If the dispute is found in favor of the merchant, the transaction will be re-billed to the CH. The CH must then approve the transaction for payment through the certifying officer (AO).

j. Approving Official (AO) Account Reconciliation And Certification
The AO is responsible for approving all transactions for his/her assigned CHs. It is, therefore, preferable that the AO be the CHs supervisor and/or co-located. This structure is critical for management controls of the purchase card.

Approving Official Reconciliation and Certifying Officer Certification



The AO must assure all transactions for all assigned CHs are legal, proper and correct in accordance with governing rules and regulations. The EBUSOPSOFFINST 4200.1 includes a list of these rules and regulations.

If the AO finds questionable transactions, the AO must contact the CH to review supporting documentation and/or consult with the FM, as appropriate.

If it is determined the transactions are legal, proper and correct, the AO should approve the statement and/or invoice. If transactions are not legal, proper and correct, a decision must be made as to the liability associated with them. If the transactions are for invalid and/or improper purchases, the AO must resolve this

with the CH and/or vendor. Ideally, these items should be returned and a credit (never cash) received. In some cases the CH must file a dispute to receive credit.

If it is determined that the CH was negligent, appropriate administrative or disciplinary action must be taken in accordance with either the DOD disciplinary policies for purchase card misuse and abuse or the organization's governing personnel policies and procedures. In addition, military members are subject to the Uniform Code of Military Justice.

If a transaction was processed in accordance with the controls established by the organization but was found to be inappropriate, Citibank has fulfilled it's responsibilities under the contract and the government is obligated to make payment to the bank. The government must seek restitution from the responsible employee(s) for any losses incurred as a result of their improper purchases.

By definition, the CH and the AO are the accountable and responsible officials. Additionally, when the AO appointed as the Certifying Officer, pecuniary liability for an illegal, improper or incorrect payment is automatically assigned.

When an AO is appointed as a Certifying Officer, he/she must certify the Citibank invoice, acknowledging approval of all transactions as legal, proper and correct, and forward the document to the appropriate payment office for payment.

If the Citibank invoice is electronically certified, the payment will process in accordance with EDI External and Internal Processes explained in the next section of this guide. The details of this process vary depending on whether the activity uses CitiDirect or SALTS as its automated system. The EDI discussion that follows describes the CitiDirect EDI process.

It is the responsibility of the AO to assure the CH accounts are kept current. If at any time a delinquency notice is received from the Citibank, the AO must resolve the delinquency. Assistance may be obtained from the APC and/or payment office.

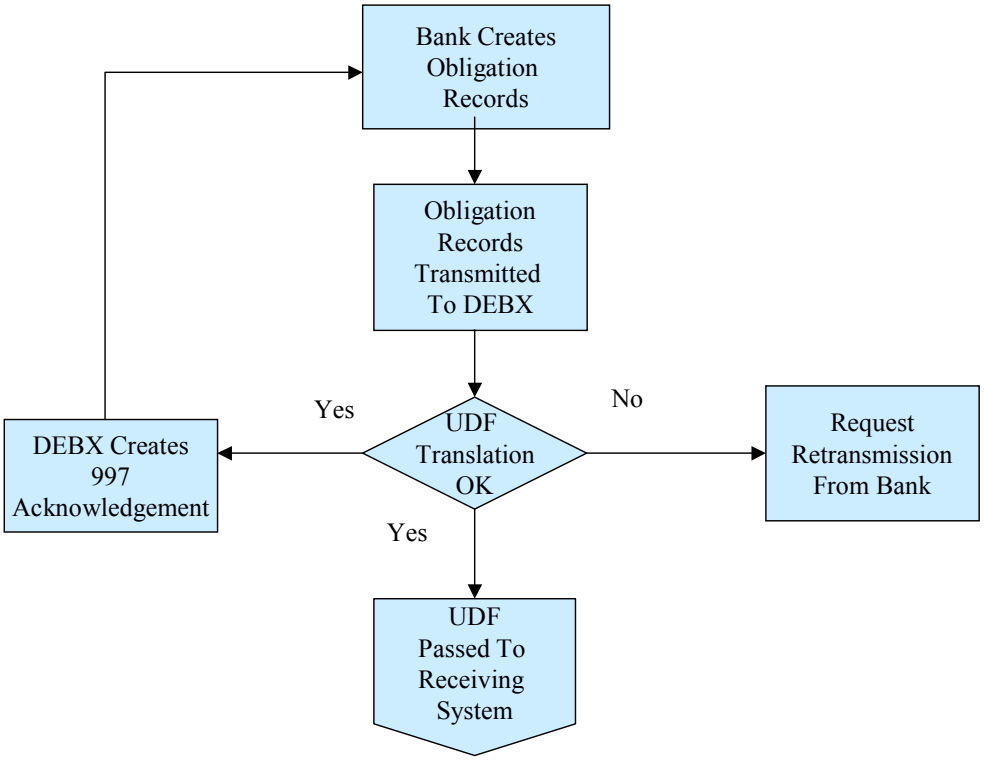
k. EDI External Process

The Government Purchase Card Electronic Data Interchange (EDI) occurs both internally and externally to the government. EDI is the mechanism used to communicate fund obligations and certify invoices between Citibank and the DON. Citibank's key role in this process is described in the next subsections of this guide.

I. EDI External Obligation Process

A DON activity needs to obligate funds within the appropriate DON accounting system before the purchase card can be used. Citibank generates obligation records for transmission to DON activity's official accounting records based on business rules established in the EDI Concept of Operations.

EDI External Obligation Process



The bank generates "821" type records based upon the DON Implementation Convention standards for obligations. The timing of the record generation is dependent upon the two possible funding methods- - -i.e., Bulk or Transactional.

When a file is created by Citibank, it is transmitted to the government via the Defense Electronic Business Exchange (DEBX) network. This network receives the transaction and translates the EDI record into a format that can be processed by the receiving accounting system. The translation results in a User Defined File (UDF) that is transmitted to and processed by the government accounting system of record (i.e. STARS-FL, STARS-HQ, STANFINS, SOMARDS, DBMS,

etc.). The translation is performed based on mapping requirements provided by the receiving systems' managers.

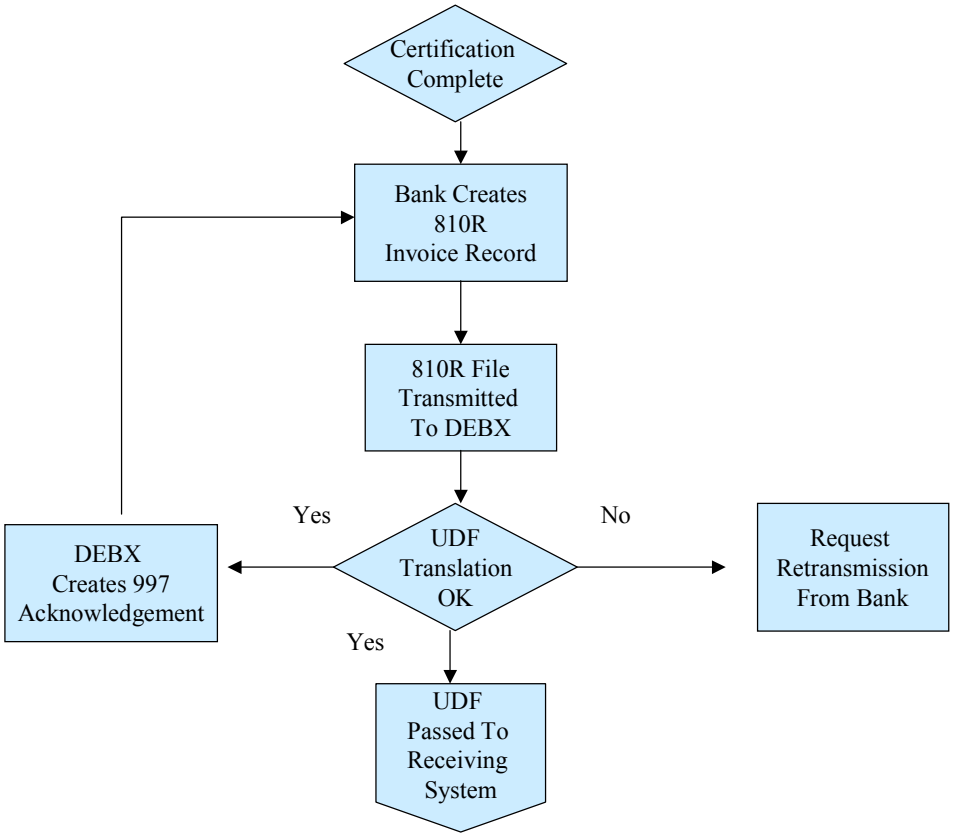
During the translation process, the EDI records are validated. If the file cannot be translated due to invalid data or it does not contain all of the required information, processing requirements are not met and the DEBX will request the bank to retransmit the file. If the file processes according to the specifications, the DEBX generates a "997" type acknowledgement and sends it back to Citibank. This "997" type record indicates to the bank that the file has been accepted by the government for processing.

The UDF is then transmitted to the official accounting system for processing. Each receiving system has provided the DEBX with process procedure documentation.

m. EDI External Invoice Process

Citibank generates invoice records for transmission to the DON activity's accounting system based on business rules established in the EDI Concept of Operations.

EDI External Invoice Process



Citibank generates "810R" type records based upon the DOD Implementation Convention standards for certified invoices. The timing of the generation is based on the business rules selected by the DON from the EDI Concept of Operations (see appendix). Regardless of the business rule selected, however, the trigger for "810R" invoice generation is certification of the official invoice presented by Citibank.

When the "810R" type file is created by Citibank, it is transmitted to the government via the Defense Electronic Business Exchange (DEBX) network. This network receives the EDI transactions and translates the records into a format that can be processed by the receiving accounting system. This translation results in a User Defined File (UDF) that is transmitted to and

processed by the government cash disbursements payment system (i.e. STARS-OP, CAPS-W, CAPS-C, IAPS etc.). The translation is performed based on mapping requirements provided by the receiving systems' managers.

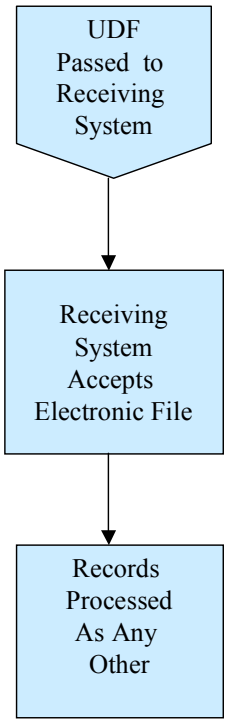
During the translation process, the EDI records are validated. If the file cannot be translated due to invalid data or it does not contain all the required information, processing requirements are not met and the DEBX will request the bank to retransmit the file. If the file processes according to the specifications, the DEBX generates a "997" type record acknowledgement and sends it back to Citibank. This "997" indicates to the bank that the file has been accepted by the government for processing.

The UDF is then transmitted to the official accounting system for processing. Each receiving system has provided the DEBX with documentation as to the procedure to process it's file.

n. EDI Internal Process

Whether it's an obligation file or an invoice file, after a file has been transmitted from Citibank to the DEBX and the 997 has been transmitted to the bank, the government has accepted responsibility for the processing of that file. The creation of the User Defined File (UDF) facilitates the processing of the records by the receiving system.

EDI Internal Process



After the UDF is generated, the DEBX transmits the UDF to the receiving system. This is done through an intermediary source or directly to the system for processing.

The receiving system accepts the UDF for processing. The UDF is taken into the receiving system electronically without modification. After the UDF records are taken into the system they are processed as any other accounting and invoice records.

Section II: WinSALTS Functions and Responsibilities:

1. Complete Required Initial And Refresher Training

EBUSOPSOFFINST 4200.1 requires that a potential cardholder (CH) complete one of several training options **before** becoming an official CH with an active Department of Navy (DON) Purchase Card account. The training's primary focus is on the policies and procedures that govern the DON Purchase Card program. A CH has the responsibility for properly using the funds allocated to the DON by the taxpayers. The required training programs are designed to ensure that each CH has a complete understanding of these governing policies and procedures before being entrusted with this responsibility.

As a CH, you are **required** to have Annual Ethics Training. This training consists of one hour of official duty time and is variable in topics.

If you are a new CH candidate for the Purchase Card Program, you are **required** to successfully complete the Navy/Marine Corps Purchase Card Training and Interactive Customer Assistance CD ROM **prior to your appointment as CH**. All CHs are required to successfully repeat this training as a refresher every two years due to policy changes. Documentation of the CH successful completion of training must be retained by the CH and the APC for the duration of the CHs appointment.

CHs delegated authority to use the purchase card as either a stand-alone method of procurement or for issuing oral orders above the micro-purchase threshold **must complete** one of the following courses:

a. NAVSUP Simplified Acquisition Course;

b. CON 101, Contracting Fundamentals or CON 202, Intermediate Contracting or equivalent predecessor courses (NAVSUP Simplified Acquisition Course).

It is the duty of the AO and the Agency Program Coordinator (APC) to assist the CH in locating a source for this training.

A complete list of Purchase Card Program training resources is included in the Appendix L of this Desk Guide.

2. Hold A Valid Letter Of Delegation Document

The Purchase Card Program has several major benefits that support and justify its existence. A primary benefit is the simplification of the acquisition of mission critical supplies and services needed by the men and women of the DON. This simplification is achieved by entrusting the people needing these supplies and services with the authority to purchase them.

Purchase Card Program CHs are officially granted the authority to make purchases on behalf of the DON when they are in receipt of a Letter of Delegation document. It is the responsibility of the activity's APC to initiate this process and ensure that the CH receives his/her delegation letter. A CH **must** hold a Letter of Delegation **before** making any acquisitions using a government commercial purchase card (GCPC).

Each CHs delegation letter will include a single purchase limit. It will also include a billing cycle purchase limit (30-day limit).

For example, you as a CH have been delegated a $2500 single purchase limit with a $5000 billing cycle purchase limit. This means you can pay no more than $2500 for any single purchase and spend no more than $5000 in total purchases for a monthly billing cycle. (Note – the Citibank billing cycle begins on the 22nd day of each month and ends on the 21st day of the following month.)

If you have any questions regarding your delegation letter, contact your APC and/or your AO.

3. Make Legitimate, Fair And Reasonable Priced Purchases

After the CH is trained and has a Letter of Delegation, the CHs purchase card account is activated and the CH can begin making purchases. The following guidelines are provided to ensure that purchases are legitimate, fair, reasonably priced and that all Purchase Card Program procedures are followed.

Department of Defense (DOD) mandates that government commercial purchases valued at $2500, the micro-purchase threshold, or less be paid using the GCPC. Supplies and services may not exceed this value and construction may not exceed $2000. (OCONUS CHs having authenticated delegations of authority may procure items with the purchase card up to $25,000.)

For purchases above $2500, DOD highly encourages the use of the purchase card as a method of payment. If payments for these purchases are made via an electronic commerce/electronic data interface (EC/EDI), the CH shall ensure that encryption mechanisms are in place to protect the purchase card account number.

Before making any purchase card purchase, the CH shall ensure that:

a. An **approved and properly funded** purchase request is presented prior to making the purchase. **Each** acquisition **must** be screened to ensure sufficient funds are committed, available and appropriate for the specific requirement to be purchased;

b. The **appropriate purchase instrument** is used for the requirement [e.g., Blanket Purchase Agreement (BPA), purchase order (PO), contract, delivery order (DO), etc.];

c. The **appropriate provisions and clauses** are included [Federal Acquisition Regulation (FAR) 52.232-36 shall be included in all purchase orders, BPAs and contracts where the purchase card will be used as the payment method]; and,

d. **All contract reporting is accomplished** (i.e., DD Form 1057 or DD Form 350).

4. Types Of Transactions

Training.

For amounts not in excess of $25,000, the purchase card may be used as a payment method for commercial training requests (individual and group), using Department of Defense (DD) Form 1556. The following conditions apply:

a. Training is an off-the-shelf event, conference or instructional service available to the general public, and if group, priced the same for everyone;

b. Training or financial officer shall ensure block 27 of a properly issued DD Form 1556 cites "payment will be made by the purchase card";

c. Local activity procedures shall be followed for funds obligation;

d. Prior to forwarding DD Form 1556 to Human Resources (HR), command activities must ensure block 27 also includes detailed CH information (name, card number, card expiration date and telephone number); and,

e. Training is not in excess of $2500, not associated with the use of DD Form 1556 and is developed for and attended by DON personnel only.

Printing and Duplication.

The DON must use the Defense Automated Printing Service (DAPS) for all printing and duplication purchases. It is **mandatory** that all DAPS purchases be made using the purchase card and DD Form 282 for CONUS and Hawaii. The CH must ensure that the appropriation block of DD Form 282 shows that the payment will be made with the purchase card. Also, the CHs name and telephone number should be stated in the special instruction/remarks block. **DO NOT INCLUDE YOUR PURCHASE CARD NUMBER ON THIS FORM**. After completing the printing request, DAPS will contact the CH to obtain the purchase card account number for billing purposes.

CHs and activities may obtain a publication from DAPS entitled "How to Complete and Submit the Department of Defense Printing Requisition (DD Form 282)".

Information Technology Capabilities.

Requirements for Information Technology capabilities, hardware or software, will be procured under the Navy-Marine Corps Intranet (NMCI) contract unless a waiver is granted. The waiver must by approved and signed at the General, Flag or Senior Executive Service (SES) level. Approval and signature authority cannot be delegated below General, Flag or SES level.

Questions related to NMCI must be directed to the activity's local contracting office.

Simplified Acquisition Methods.

Micro-purchases. All micro-purchase requirements (BPA calls or POs) shall be made with the purchase card unless written determination by a member of the SES, Flag Officer or General Officer is provided in the purchase file. (Pertains to any award/order **valued at or below** the micro-purchase threshold and does not use the purchase card on a stand-alone basis or as the method of payment). Exceptions to the written determination are shown in Enclosure (3) of the EBUSOPSOFFINST 4200.1.

Purchase Orders. Every PO for supplies and services should contain authorization for payment via purchase card, including unpriced orders having established ceiling prices.

Whether below, at or above the micro-purchase threshold, the following procedures apply for purchase card purchases:

a. The CH must have a delegation letter or SF 1402, Certificate of Appointment. The delegation document shall specify use of the purchase card as a payment method. CHs single purchase and billing cycle dollar limitations should reflect authorization to use the purchase card as a method of payment;

b. Requisitions for purchases to be made should include the CHs name, code and telephone number;

c. The CH shall include in all solicitations and awards the FAR 52.232-26 "Payment by Third Party". (The vendor's contract payment clause allows request of payment for the amount due, per contract terms, at the time the payment request is submitted.) The CH must indicate in block 15 of the DD Form 1155, Order for Supplies or Services, that payment will be with the purchase card and also include CHs name and telephone number;

d. The CH must provide the vendor with the valid PO number and state that the purchase card will be used for payment at the time of the PO award;

e. The CH shall give the vendor his/her purchase card number, verbally, by FAX or eMail. The CH shall inform the vendor not to charge the account until **after**

performance/shipment occur and to not reveal the purchase card number on any shipping/packing document;

f. If the vendor cannot perform within the established ceiling price for an unpriced order, the vendor must withhold performance and notify the CH. The CH may authorize the additional work/cost but shall issue a modification to the unpriced PO to definitize the order. The CH must inform the vendor not to charge his/her card account until completion of work; and,

g. The CH may use the purchase card as a method of payment for properly issued POs up to the Simplified Acquisition Threshold (SAT). Presently, this value is $100,000 or up to $5 million if using procedures under FAR 13.5 for acquiring commercial items.

Blanket Purchase Agreements (BPAs). The purchase card may be used to pay for firm fixed price or unpriced BPA calls issued against BPAs setup using SAP provided that:

a. The CH shall include in all solicitations and awards the FAR 52.232-26 "Payment by Third Party". (The vendor's contract payment clause allows request of payment for the amount due, per contract terms, at the time the payment request is submitted.) The CH must indicate in block 15 of the DD Form 1155, Order for Supplies or Services, (or in block 18a if using Standard Form (SF) 1449, Solicitation/Contract/Order for Commercial Items) that payment will be with the purchase card and also include CHs name and telephone number;

b. The $100,000 SAT shall not be exceeded for individual calls payable unless the BPA is setup using FAR 13.5 procedures. Under FAR 13.5, individual calls may be made up to $5 million. Subsistence and calls against the Federal Supply Schedules (FSS) may be up to $100,000;

c. CHs authorized to place BPA calls must have a Certificate of Appointment (SF 1401) stating the appropriate procurement method and individual call limitation;

d. The CH must receive a valid purchase requisition (written or electronic) indicating that the purchase card will be used for payment and including CH name, code and telephone number;

e. The CH must provide the vendor his/her name, telephone and purchase card numbers at the time the BPA call is made. The CH shall inform the vendor to not charge the card account until after service is rendered and to not include the purchase card number on shipping/packing documents. This information can be relayed verbally, by FAX or eMAIL; and,

f. Unpriced calls may be authorized for purchase card payment if made in accordance with NAVSUPINST 4200.85 (series). However, the CH must establish a firm fixed price ceiling with the vendor before placing the BPA call.

Non-Simplified Acquisition Methods.

Delivery Orders (FSS Contracts). The FSS contract must authorize purchase card payments for oral orders placed against the schedule for up to $9,999,900. CHs acting within their delegated contracting/purchase authority may use their cards but all written DOs issued require a completed SF 1402.

Should an ordering officer issue a DO on behalf of the CH, the CHs name and telephone number must be provided to the vendor. The CH must subsequently provide the vendor with his/her card account information verbally, by FAX or eMAIL.

CHs must review FSS contracts to determine if the schedules can meet the requirements. For amounts not more than $2500, the CH needs only to check one schedule, providing that vendor can meet the requirements. For those costing over $2500, the CH must compare products/services of at least three schedules to ensure the most fair and reasonable price is secured for the Government. (See NAVSUPINST 4200.85 for additional guidance on using GSA FSS contracts.)

Basic Ordering Agreements (BOAs) and Orders Under Indefinite Delivery Type Contracts (IDTC). The purchase card should be the payment method for firm fixed price orders issued against BOAs and for fixed price task/DOs issued against IDTCs provided that:

a. The CH shall include in all solicitations and awards the FAR 52.232-26 “Payment by Third Party”. (The payment clause of the vendor’s contract allows the vendor to request payment for the amount due, per contract terms, at the time the payment request is submitted.)

b. The CH should specify in the IDTC/BOA the point at which each order becomes binding (e.g., issuance of the order, acceptance of the order in a specified manner or failure to reject the order within a specified number of days).

c. Each DO should state the purchase card is the payment method for individual orders.

d. The CH will provide his/her name and telephone number to the vendor and request to be contacted upon receipt of order.

NOTE: If the CH is unable to provide this information to the vendor the ordering officer should do so. In this case, the ordering officer must notify the CH, either in writing or electronically, that the order has been placed. A copy of the written order should be given to the CH.

e. After the vendor receives the order, the CH should provide his/her purchase card account number and inform the vendor to not bill the account until shipment of supplies is made or services are rendered.

f. The CH must not change any terms and conditions of the order and should notify the ordering officer immediately if there are problems with delivery or performance.

g. The CH must verify receipt and acceptance of all items/services ordered.

h. The ordering officer is responsible and must complete all contract reporting related to the procurement (e.g., DD 1057/DD 350).

i. Individual orders may be paid for no more than $9,999,900.

j. It is the ordering officer's responsibility to confirm all authorized oral orders under the IDTC in writing as prescribed in FAR 16.5.

Finally, oral orders against Letters of Agreement (LOAs) valued above $2500 but for no more than $25,000 may be issued using the purchase card.

Document Preparation. **NONE of the following clauses are permitted in orders or POs for purchase card purchases:**

FAR 52.213-1 Fast Payment Procedures
FAR 52.232-8 Discounts for Prompt Payment
FAR 52.232-23 Assignment of Claims
FAR 52.232-25 Prompt Payment

Document Distribution. IDTC/BOAs/POs copies shall not be distributed to the payment office, Defense Finance and Accounting Service (DFAS).

Transportation Terms.

Free-on-Board (FOB) Destination: vendor pays the cost of transportation and includes it in cost of item(s). CHs should **always** attempt to obtain FOB terms.

FOB Port of Embarkation (POE): vendor pays cost of transportation to the Defense Transportation Regulation (DTR) Aerial/Water POE, or Defense Distribution Depot San Joaquin, CA (DDJC) for outside continental United States (OCONUS). (Transportation charges from the Aerial/Water POE or DDJC to overseas are paid using TAC N820).

FOB Origin: means prepay and add, the vendor bills for shipping and adds the cost as a separate line item. CHs **should not** accept FOB Origin terms. [In cases where CHs must accept FOB Origin, transportation charges will be paid from the procurement Line of Accounting (LOA)].

5. Screen For Required Sources

A CH must screen all acquisitions against several legal requirements before making a purchase. Some of the screening requirements are financial in nature and others are statutory requirements established by acts of congress. **All screenings must be completed before making the purchase**.

Funding.

Each acquisition must be screened to ensure **sufficient funds are committed and available** to cover the cost of the item. The type of funding must also be checked to ensure it is appropriate for the specific requirement to be purchased.

After the CH establishes that proper funding is available, the CH is required by law to screen all purchases for availability from several statutory sources. These sources include Federal Prision Industries (FPI), the Javits-Wagner-O'Day (JWOD) program, and the Government Printing Office.

CHs must document the manual or automated purchase card log with evidence that the screening was completed.

Screening for JWOD.

CHs **shall** screen all requirements for their availability from JWOD sources. CHs should screen requirements from www.JWOD.com, local servmarts and other JWOD distributors. JWOD organizations manage many base servmarts. However, **not all** products sold in servmarts are JWOD or UNICOR products.

CHs may fill emergent needs through servmarts within the following purchase thresholds: If the purchase/order is solely for JWOD/UNICOR products, CHs may use their cards **up to $100,000**; **however**, if the purchase or order is not UNICOR or JWOD or if order is mixed between commercial items and UNICOR and JWOD items, the **threshold for purchases is $2,500**.

Purchasing Environmentally Preferable Products.

CHs **shall** purchase environmentally preferable products and services. The Environmental Protection Agency (EPA) has issued a guide to assist purchasing personnel who are responsible for procuring activity requirements. The guide is entitled "Guidance on the Acquisition of Environmentally Preferable Products" and identifies EPA preferable items. The guide can be accessed on the Internet at http://www.epa.gov/cpg.

GSA has also provided assistance to CHs through a listing of products and services qualifiying as "green" (environmentally friendly). This list contains over 5000 items and is located at http://pub.fss.gsa.gov/environ.

(Commercial sources have labeled their products with icons that identify listings of their green products.)

After the appropriate approvals for the specific item have been obtained (i.e. items requiring Special attention, information technology, etc), assurance that the item is mission essential and meets the Government's minimum need must be determined.

Rehabilitation Act of 1973.

The CH must support the intent of Section 508 of the Rehabilitation Act of 1973 to the maximum extent possible. This act requires Federal Departments or agencies to develop, procure, maintain or use Electronic and Information Technology (EIT).

The EIT allows Federal employees with disabilities to have access to and use of information and data that is comparable to the access and use afforded other Federal employees who are not disabled. Similarly, members of the public with disabilities seeking information or services from an agency must also have access to and use of information and data that is comparable to that provided to members of the public who do not have disabilities.

This requirement becomes effective for micro-purchases on 1 January 2003. However, CHs are strongly encouraged to comply with the applicable accessibility standards. EIT standards are available at 36 Code of Federal Regulations (CFR), Part 1194, which is available on the Internet at http://www.access.gpo.gov/nara/cfr.

Ordering from Non-Appropriated Fund Instrumentality (NAFI) and Exchanges.

CHs are authorized to procure from NAFI/Morale, Welfare and Recreation (MWR) organizations. **Prior to ordering from NAFI/MWR organizations, cardholders must screen the requirements from the mandatory government sources of supply.** Supplies and services from the exchanges or NAFIs are not considered agency inventories for the purpose of this procedure.

Contracting with NAFIs/exchanges **does not** automatically establish price reasonableness. CHs should independently determine that the prices found at the NAFI/exchange are fair and reasonable.

The rules for using NAFI/exchanges Outside Continental United States (OCONUS) are governed by the following limitations:

a. The supplies provided shall be from stock of the exchange on hand as of the date of the order; and

b. The order may not provide for the procurement of services not regularly provided by the exchange.

Hazardous Materials (HAZMAT).

ONLY properly established Hazardous Material Centers are permitted to procure hazardous materials. Such facilities must require that **ONLY** personnel **trained** in the receipt, inspection, acceptance and disposal of such materials are those permitted to use purchase cards to procure hazardous materials.

The end user/CH must comply with established local command or activity procedures for the procurement and use of HAZMAT. Such procedures **shall**, at a minimum, require screening the requested material against the activity's Authorized Use List (AUL) and approval by the designated HAZMAT official of a contractor-provided Material Safety Data Sheet (MSDS). **(The CH shall not procure materials not listed on the activity AUL).**

In summary, the CH needs to complete all the appropriate screenings, document that the screenings have been completed, and then, proceed with the purchase.

6. Rotate Vendors

It is reasonable to expect that the required sources screening processes can produce several qualified vendors from whom to choose. CHs **must rotate** their micro-purchases among these qualified suppliers. The CHs purchase log or similar records can be used to manage this rotation of acquisitions.

The DON has issued a list of certain types of products and/or services from vendors for which the CHs are prohibited from buying. These categories are automatically configured into the CHs bank card before it is issued. The categories are referred to as Merchant Category Codes (MCC).

See Appendix D of this Desk Guide for a complete list of blocked MCCs.

7. How To Transact The Purchase

After the CH solicits price/delivery quotes from vendors, has documented the information on telecon record, a buyer's abstract or in the CHs purchase log (see paragraph 8 "Maintain A Purchase Log"), has evaluated the prices and has determined the best fair and reasonable price, he/she can proceed with transacting the purchase.

The means by which to transact purchases with the purchase card is known as "transaction types". The three methods, or transaction types, available for purchase card purchases are:

a. Over-the-counter - The CH makes the purchase at the vendor's location or place of business

b. Over-the-phone - The CH calls the vendor to order the supplies and the vendor then delivers the supplies or prepares the order for authorized government pickup

c. Over-the-Internet - The CH, **if authorized by the Command**, places an order via the Internet. (This transaction type requires a CH to ensure that appropriate account safeguarding measures are taken.)

User identification, authentication and data encryption are important factors in safeguarding CH information. CHs **shall only** place online orders with organizations providing SSL-encrypted protection. [CHs must use a browser providing at least 128-bit capability (e.g. MS IE 5.5 or NETSCAPE 4.76 and above)]. Use of online ordering systems that do not provide encryption **is prohibited**. The CH **shall** comply with the authentication and identification requirements (passwords, identification, PIN #, etc.) required by the commercial vendor from whom the cardholder is acquiring supplies.

Whether the purchase is made over-the-counter, over-the-phone or over-the- Internet, the following applies:

a. Vendors are instructed **not** to charge sales tax, unless the location of the merchant's business is in a state that does not afford the federal government a tax-exempt status under its state and local laws (e.g., Arizona, Hawaii);

b. The CH ensures that any fee paid by the vendor is **not added** to the price of the items (except in overseas locations);

c. The CH reminds the vendor that his/her purchase card account may **not** be billed until after the material has been shipped or service provided;

d. Avoid back ordering or delivering partial quantities - If an item must be back ordered or a partial quantity accepted, the merchant **must agree** to only bill for the **actual** quantity shipped; and,

e. For easier statement reconciliation, the CH ensures that all items are delivered or picked up within the same billing cycle.

CHs **must request** copies of **itemized sales receipts**, or other sales documents supporting their purchase card transactions. This includes charge slips, cash register receipts, packing lists, etc. CHs **must** retain any documentation received from vendors to support proof of sales, as this will later be used to verify the transactions shown on the CH statements.

If a CH does not have transaction documentation, an explanation **must** be attached to his/her statement during the reconciliation process (see paragraph 9 "Review And Reconcile All Transactions"). In addition, APCs, AOs and CHs **must maintain purchase-related records** (e.g. purchase card logs, requisitions, etc) **for a minimum of 3 years** and **financial records** (e.g. invoices, statements, etc) **for 6 years and 3 months**.

SPLITTING PURCHASES.

UNDER NO CIRCUMSTANCES IS IT PERMISSABLE FOR THE CH TO SPLIT PURCHASES IN ORDER TO EXCEED THE MICROPURCHASE THRESHOLD OR HIS/HER SINGLE PURCHASE LIMIT.

For example, an item you have been requested to purchase costs $3000 and your CH single purchase limit is $2500. The CH **SHALL NOT** purchase the $3000 item by making two individual purchase card transactions (e.g. making one purchase for $2000 and another purchase for $1000).

8. Maintain A Purchase Log

The CH is required to maintain accurate records of all purchase card transactions. The primary purpose of the purchase card log is to provide documentation to support the monthly invoice certification process. The log gives the CH the necessary backup data to confirm the accuracy of his/her monthly statement from Citibank.

The purchase card log can be either manual or automated. The CH uses the log to document individual card transactions and the screening process(es) used. Entries **must** be made for card purchases and/or convenience checks.

Purchase Card Log				
Date	Vendor	Desc	Amount	Rcvd

Sample

Entries in the purchase log may be supported by internal agency documentation such as a request for procurement document or an email request. The purchase card documentation should provide an audit trail supporting the decision to use the card and any required special approvals that were obtained.

At a minimum, the purchase card log **will contain** the date that the item or service was ordered, the merchant name, the dollar amount of the transaction, a description of the item or service, and, an indication of whether the item was received. It is suggested that a column be included to indicate whether the item was returned by entering the date of return.

NOTE: THE CARDHOLDER SHALL ACCEPT CREDIT ONLY, NOT CASH, FOR RETURNED ITEMS INITIALLY PURCHASED USING A GOVERNMENT PURCHASE CARD.

9. Review And Reconcile All Transactions

At the end of each monthly billing cycle, it is the CHs responsibility to reconcile all transactions appearing on his/her monthly statement. The reconciliation process consists of comparing the CHs records/documentation against the electronic statement (eStatement) provided by Citibank. **Immediately** upon receipt of the monthly eStatement, the CH **must review all information**, verifying charges, credits, outstanding disputes and refunds, annotation of discrepancies, etc.

If the CH is unable to review the monthly eStatement (due to illness, leave, temporary duty assignment, etc.), the CHs AO or designated alternate AO is responsible for the review and certification. However, the CH **is still responsible** for reviewing the monthly statement, even **after** the AO has performed the review.

The following step-by-step procedure demonstrates the eStatement reconciliation process using the WinSALTS system. The local activity IOP will explain the process used by the CHs to do the actual reconciliation. Each activity establishes internal procedures for this operation. For example, one activity may have the CH review and reconcile the WinSALTS eStatement using an electronic copy of the file.

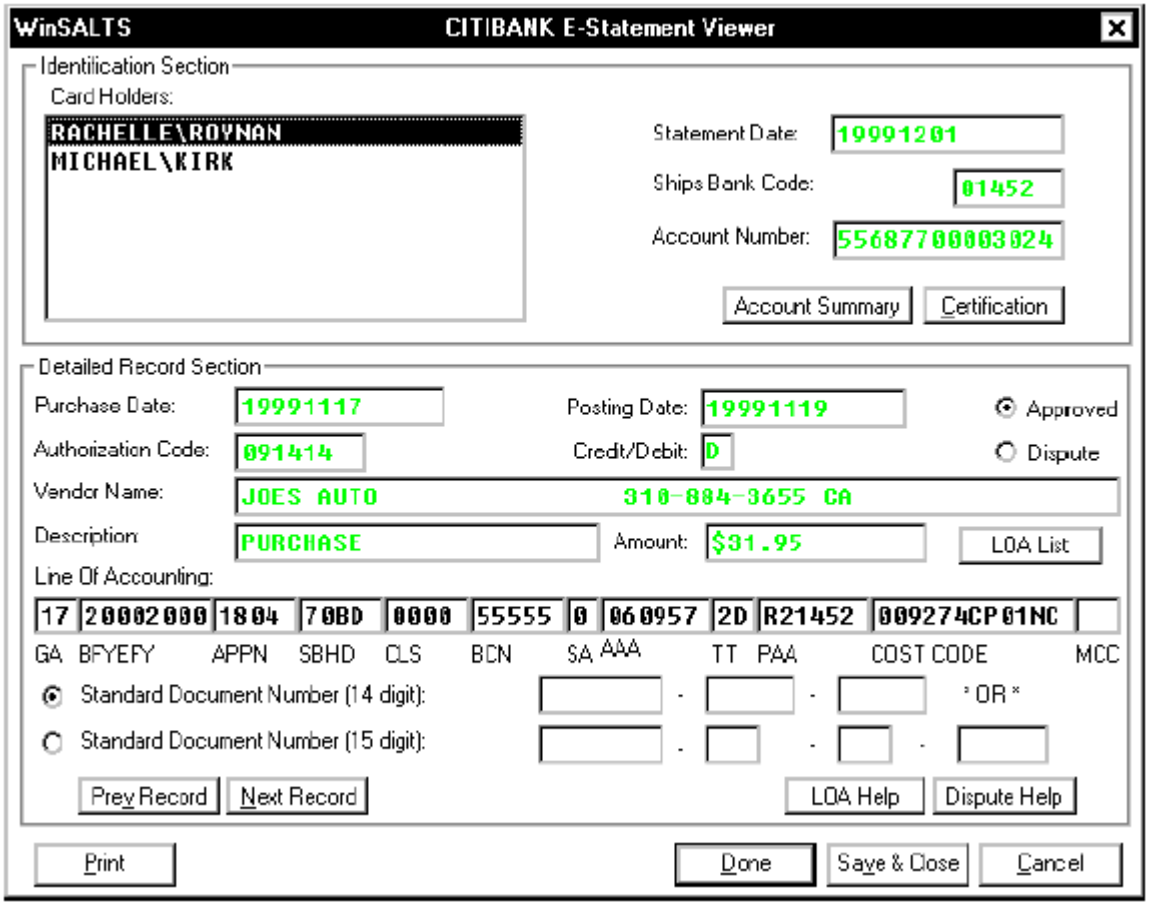
Another activity may not have sufficient computer resources for all cardholders to reconcile electronically and will make hard copies of the eStatements for the CHs. The AO will then do the electronic reconciliation using WinSALTS and the “marked up” hard copy from the CH.

The following procedure shows the WinSALTS reconciliation process. This is an extract from the WinSALTS Navy Purchase Card Desk Guide which is available as a download from www.salts.navy.mil. (See Appendix M.)

E-Statement Viewer

The E-Statement Viewer screen appears. All authorized CHs should appear in the Card Holders box. The information in the grayed-out boxes cannot be changed. The AO **must** verify the contents of each detailed record for accuracy. The AO **must** view all detailed records for each CH. Use the Prev Record and Next Record buttons to page through the detailed records.

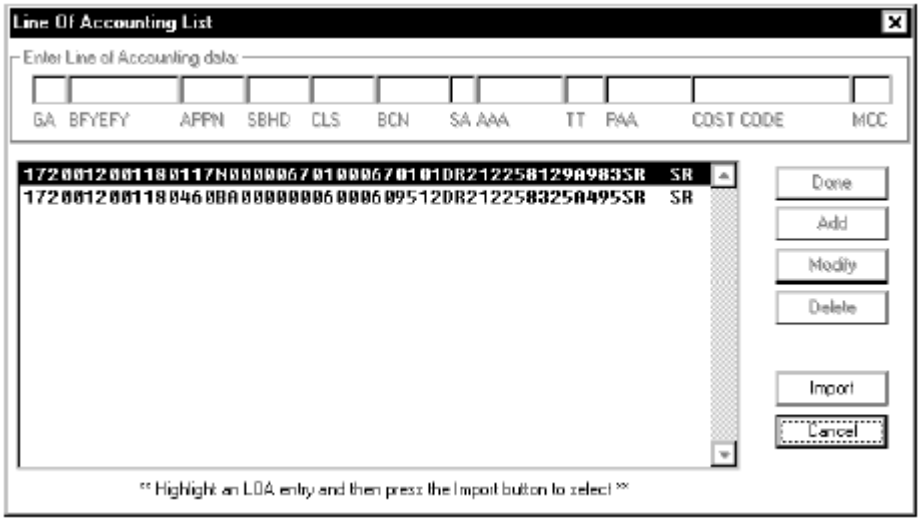
Note: If the Next Record button is selected, but the information doesn't change, the last record for that cardholder has been reached.



Line of Accounting (LOA)

This field, broken into its individual parts, can be modified if necessary, but ensure you have the correct data! Use the following procedure to select a different LOA from the LOA Table:

Click the LOA List button.
Highlight the LOA you want to use.
Click the Import button.

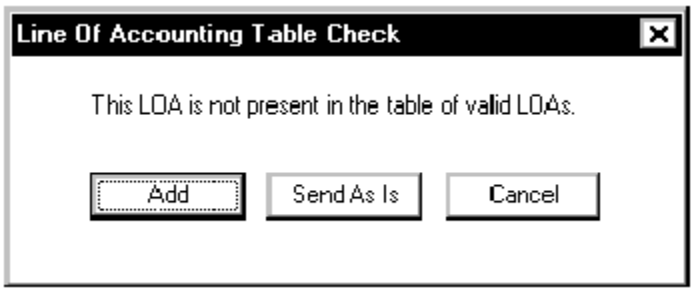


Note: This LOA will now be visible in the detailed record section.

Note: If your desired LOA is not found in the Line of Accounting List, you can add it by manually editing the LOA field on the detailed record, or by using the procedure found in paragraph 6 of this document.

If you choose to manually edit the LOA field on the detailed record, when you click the Next Record button, you will be asked if you want the LOA saved to the LOA List (if this edited LOA is not currently in the LOA List).

Click the Add button to save the LOA to the LOA List.
Click the Send As Is button keep the LOA in the detailed record, but not add it to the LOA List.
Click the Cancel button to return to the detailed record.



Standard Document Number (SDN)

Select the appropriate radio button next to the type of SDN your command uses (14-digit vs. 15-digit).

Fill-in the SDN in accordance with your command/TYCOM procedures.

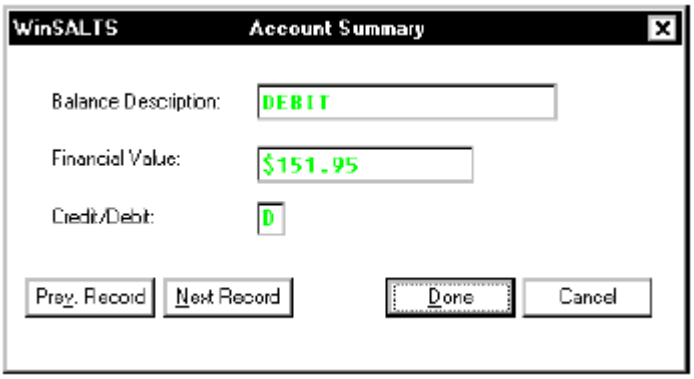
Note: The SDN number will automatically duplicate for subsequent purchases for the selected CH.

Note: The 14-digit SDN has three parts - 6 characters in the first part, 4 characters in the second part, and 4 characters in the third part. The 15-digit SDN has four parts - 6 characters in the first part, 2 characters in the second part, 2 characters in the third part, and 5 characters in the fourth part. If more characters are inserted in these fields, an error message will be displayed.

Account Summary

After the last record from the detailed record section is viewed, click the Account Summary button.

Verify the Financial Value field.
Click the Done button.



Note: No changes are allowed on this screen. This screen may have several records such as Statement Amount, Amount Previously Billed, etc.

10. Verify Independent Receipt Of Goods Or Services

In order to protect the integrity of the procurement process there **must be**, at a minimum, a **two-way separation** of functions for all purchase card transactions. The two-way separation of functions is defined as one person making the purchase with the purchase card and another person receiving, inspecting and accepting the purchase item.

a. In cases where the CH is picking up the material at the vendor's location, the end user or other designated receiving personnel **shall** sign for final receipt.

b. In the event the CH **is** the end user, the CH may sign the contractor/store receipt. However, the CH **must** obtain the co-signature of another Government employee within the command.

It is the CHs responsibility to ensure that independent receipt of goods and services takes place on all purchase card acquisitions.

11. Approve Monthly Statement For Input To Approving Official (AO)

The CH is responsible for the certification of the monthly bank eStatement. It is advised that the CH review account transactions periodically throughout the month.

After the eStatement has been reconciled and all transactions reviewed and compared to documentation, the CH forwards the eStatement to the AO for certification.

As stated earlier, the local activity IOP will explain the process used by the AO and the CHs to do the actual reconciliation. Each activity establishes internal procedures for this operation. For example, one activity may have the CH review and reconcile the WinSALTS eStatement using an electronic copy of the file.

Another activity may not have sufficient computer resources for all cardholders to reconcile electronically and will make hard copies of the eStatements for the CHs. The AO will then do the electronic reconciliation using WinSALTS and the "marked up" hard copy from the CH.

The following procedure shows the WinSALTS certification process. This is an extract from the WinSALTS Navy Purchase Card Desk Guide that is available as a download from www.salts.navy.mil. (See Appendix M.)

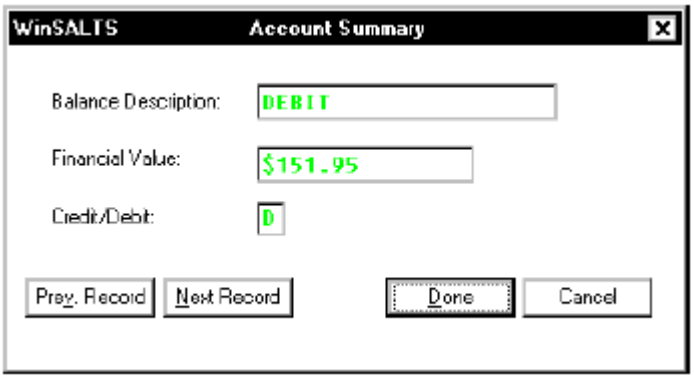
The following portion of the certification process can only be performed by the AO. It includes review of the eStatement Amount Summary, actual certification of the invoice and "packaging" the certified statement for transmission back to the bank via SALTS.

The CHs function in this part of the process is at the beginning. The CH provides the AO with the reviewed eStatement per the local IOP. The CH confirms to the AO that all charges are proper. The AO then proceeds with the final steps of the monthly certification procedure as described below.

Account Summary

After the last record from the detailed record section is viewed, click the Account Summary button.

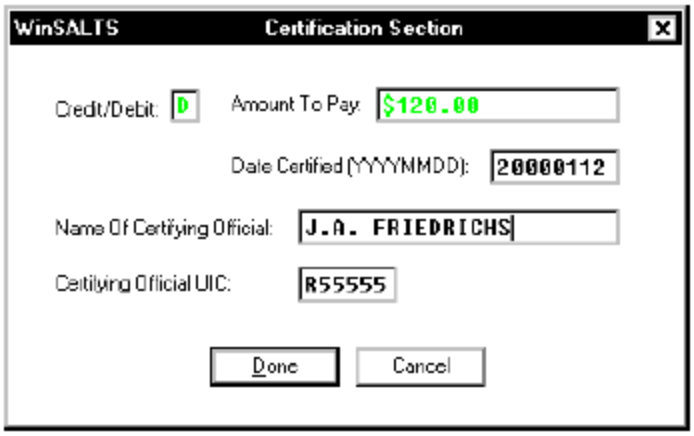
Verify the Financial Value field.
Click the Done button.



Note: No changes are allowed on this screen. This screen may have several records such as Statement Amount, Amount Previously Billed, etc.

Certification Button

The AO must enter his/her Name and Rank, and verify/change the Unit Identification Code (UIC).



Note: If the UIC is not present, it must be added. If the UIC is incorrect, it can be changed. If the file has the UIC N99999, and is not changed by the certifying official, a warning message will be displayed to ensure it is changed.

Save & Close Button

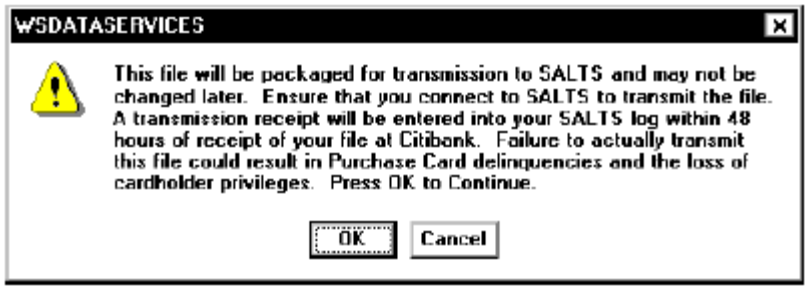
The Save & Close button should be used when the AO cannot finish certifying the entire eStatement.

Clicking this button will save all work done up to the point of stopping. The AO can return to the eStatement later and continue the certification process exactly where he/she left off.

Done Button

The Done button should **only** be used when the eStatement has been **completely and accurately certified**. The following warning box will appear when the Done button is clicked.

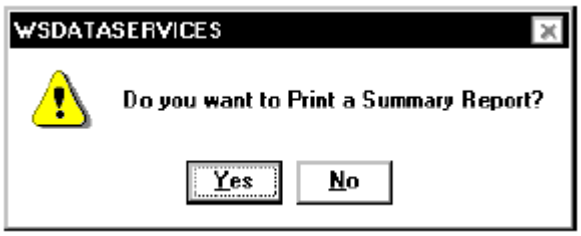
Click OK to continue.
Click Cancel to abort.



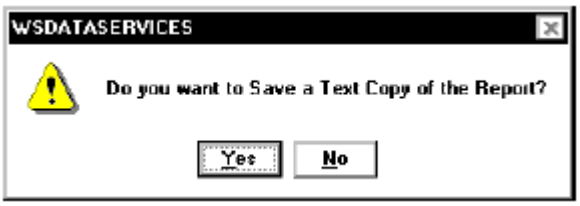
IMPORTANT NOTE: The source file is automatically deleted to prevent the possibility that a certified eStatement is transmitted more than once!

DON'T USE THE OK BUTTON UNTIL YOU ARE CERTAIN THE FILE IS READY FOR TRANSMISSION TO CITIBANK!

Click Yes for a Summary Report printout (recommended).
Click No to continue.



Click Yes to save the Summary Report as a Text file.
Click No to continue.



12. Notify AO Of Any Discrepancies Included On The Statement

The CH is ultimately responsible for purchase card transactions being proper and for notifying the AO of any information that impacts the propriety of certifying the monthly invoice for payment**. Notification to the AO must be done in writing and upon receipt of the monthly statement**. If transactions or credits are not included on the current statement, the CH must retain the applicable documentation until the transaction or credit appears and the purchase can be reconciled. The CH must then sign the statement containing those transactions, attach all supporting documentation and forward the package to his/her AO or designated alternate AO.

The AO is responsible for ensuring that all purchases made by the CH were appropriate and that the charges are accurate. The AO must resolve all questionable purchases with the CH. If an unauthorized purchase is detected, the AO must notify the APC and other appropriate personnel within the command in accordance with the Internal Operating Procedure (IOP).

After review, the AO will sign the CHs monthly statement of account and maintain the documentation in accordance with agency procedures.

13. Resolve Questionable Transactions With Vendors

In general, the quickest way to resolve questionable transactions that appear on a CH statement is to contact the vendors because they have the ability to fix many erroneous charges that can appear on a statement.

Vendors can resolve data entry errors, such as being charged $250 instead of $25. They can reverse accidental duplicate charges.

Contacting the vendor is also a quick way to determine whether a transaction needs to be disputed. When the vendor and CH disagree about a transaction, **immediate** actions need to be taken by the CH. In most situations, this will involve disputing the transaction and contacting the Citibank's Customer Help Desk.

Should you require assistance with cards and/or statements, contact the Citibank Help Desk toll-free at, 1.800.790.7206; for assistance with CitiDirect, contact the Citibank Help Desk toll free, 1.800.790.7206, option 2 or outside of North America, collect at 904.954.7850.

14. Track Any Purchases Billed But Not Received

The DON Purchase Card Program includes a policy called “Pay and Confirm”. This policy applies to situations where a CHs monthly statement includes a legitimate transaction for a purchase for which the goods and/or services have not been received. The “Pay and Confirm” policy directs the CH to approve payment of the transaction if there is a reasonable expectation that the goods and/or services will be received before the next statement. That’s the “Pay” portion of the policy.

The “Confirm” part of the policy places the responsibility on the CH to track the transaction to completion. The CH **must confirm** the ultimate receipt of the purchase **before** the next billing cycle. If the goods and/or services are not received before the next billing cycle, the CH **must initiate** the dispute process with the bank.

The “Pay and Confirm” policy has two primary benefits. First, the policy greatly reduces the number of unnecessary disputes. Disputes against late delivery transactions can create a significant administrative workload, both to file the dispute and then to undue the dispute when the goods are delivered. If there is a reasonable expectation that the goods and services will be delivered, it’s best to pay the statement.

The second benefit of the “Pay and Confirm” policy is that it simplifies the financial process and helps to manage delinquencies. Delinquencies, which are bank billed transactions that are over 60 days due for payment, often are caused by financial glitches that result from statements with disputed transactions. The “Pay and Confirm” policy helps to avoid these situations.

15. Dispute Unresolved Questionable Transactions

If a CH determines that a transaction on the monthly statement is erroneous and has already addressed the issue with the vendor, but to no satisfaction, then the CH needs to **formally dispute** the transaction. All charges must be disputed within 60 days of the receipt of the statement on which the charge first appeared.

Disputable transactions include such items as duplicate billings, non-receipt of merchandise, returned merchandise, canceled merchandise or services, invoice amount discrepancies and/or transaction paid by other means. Convenience Check transactions and any form of taxes **cannot** be disputed through the bank, but **must** be resolved **directly with the merchant**. Prior to submitting a formal dispute form, the CH must initiate communication with the bank and notify the APC of the dispute.

Transactions that are determined to be fraudulent or unauthorized will not be certified for payment. **Prior to submitting a formal dispute form**, **the CH must initiate communication with the bank and notify the APC of the dispute**. The invoice **shall** be "short paid" by the amount of the transaction(s) in question **using the manual certification process**.

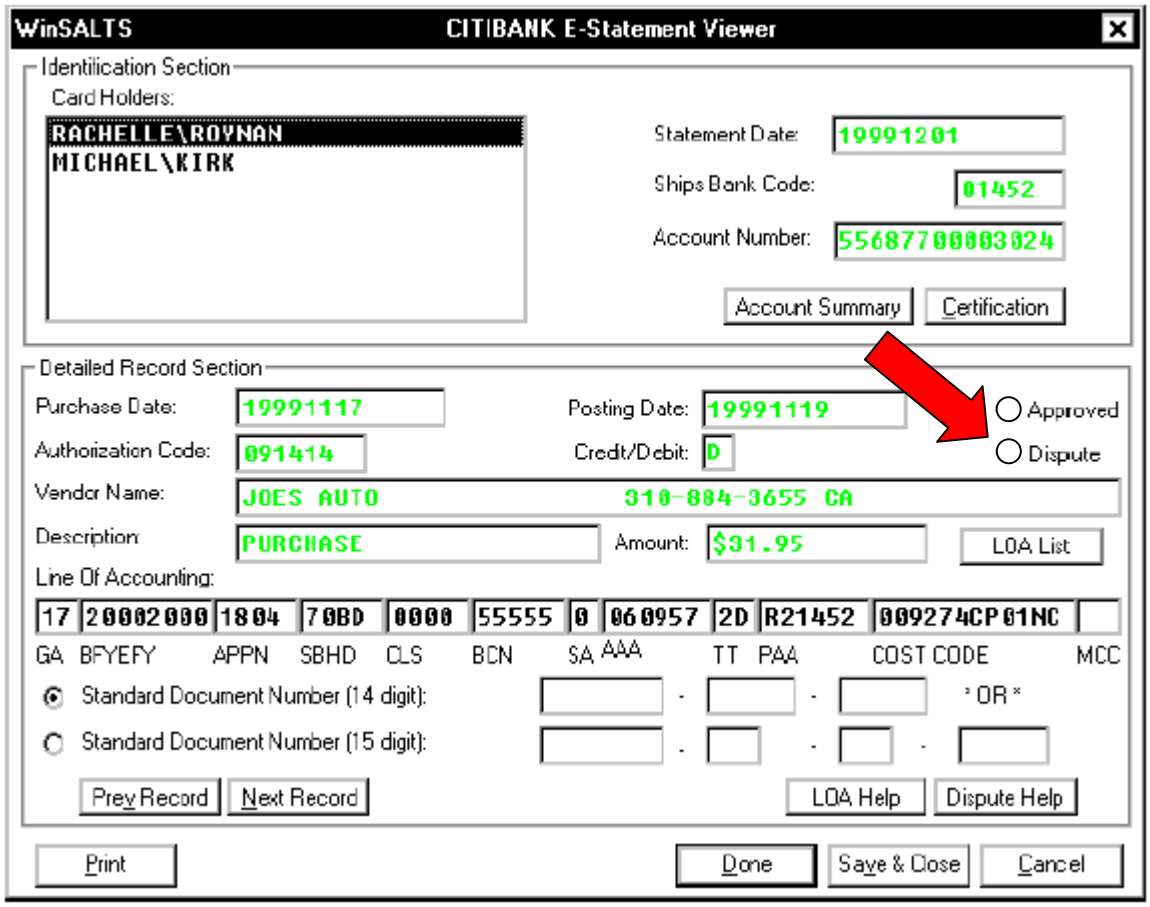
After a dispute has been filed, the bank will suspend the disputed charge from the outstanding balance due, issue a provisional credit and acknowledge initiation of the dispute to the CH. Based on the outcome of the dispute process, the charge will either be resolved in favor of the CH or the merchant. If the dispute is resolved in favor of the CH, the charge is removed from the account. If the dispute is resolved in favor of the merchant, a letter will be sent to the CH explaining the decision and the charge will appear in the balance due on the next invoice.

Charges on the CH statement that involve misuse or abuse by the CH are not disputable with the bank. The Government is contractually obligated to make payment to the bank and follow the appropriate process to recover the funds from the employee involved.

The following process explains how to dispute a transaction using WinSALTS.

WinSALTS Dispute Process:

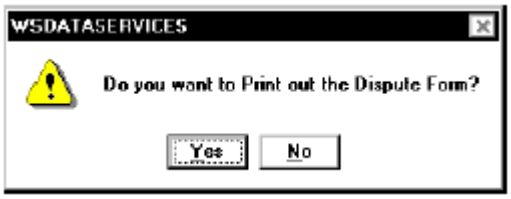
If a purchase must be disputed, click the Dispute radio button.



The following then occurs:

You will be asked if you want to print a dispute form. When printed, the form **must** be filled-out by hand and either faxed or mailed to Citibank. Fax and mailing address information appear on the form.

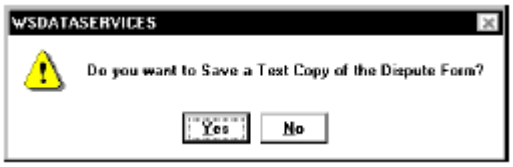
Click Yes to print the form.
Click No if you don't have a printer available.



Note: The Certifying Official's Name must be entered on top of the printed form.

You will be asked if you want to save a copy of the dispute form as a Text file. This is helpful if you don't have a printer attached to your WinSALTS computer. You can save the file to a disk and print from another computer.

Click Yes or No accordingly.
Provide a file name and path to save the file.



The amount of that purchase will be deducted from the amount in the certification record (the summary records will not change). The amount field will reflect the deduction on the Summary Print.

16. Dispute "Pay And Confirm" Transactions When Appropriate

As discussed previously, the Purchase Card Program includes the "Pay and Confirm" policy. The most common "Pay and Confirm" situation is the late delivery of goods purchased. "Pay and Confirm" says pay the invoice even though the goods have not yet been delivered and track the situation to be sure the goods arrive before the next billing cycle.

If the supplies are not received within the next billing cycle, **the CH must then dispute the item using established dispute procedures.**

17. Track Disputes To Completion

When disputing a transaction, it is the CHs responsibility to track the discrepancy to its **complete** conclusion.

Ultimately, a formal dispute filed with the bank will either be decided in favor of merchant or CH. However, errors can also happen in the settlement of the dispute. For example, the finding could be in the CHs favor but the credit could be applied to the wrong account.

For this and other reasons, the CH **must track all disputes to their completion**. It is the CHs responsibility to ensure that the government's interest is protected and that the dispute is properly credited and resolved efficiently. The CH must work closely with the AO to track disputes to completion.

18. Notify Property Book Officer If Accountable Property

The CH is responsible for notifying the property book officer when any item classified as accountable property is acquired via the purchase card.

Accountable property is property recorded in a formal property management or accounting system. It includes all property purchased, leased (capital leases), or otherwise obtained, having a unit acquisition cost of more than $4,999.99. It also includes items that are sensitive or those that require a high degree of protection and control due to statutory requirements or regulations. Examples of sensitive items are: narcotics and drug abuse items; precious metals; items which are of a high value, highly technical, or hazardous in nature; and, small arms, ammunition, explosives, and demolition material. (Land is an accountable item regardless of cost.)

Additional and/or separate records or other record keeping instruments **shall** be established for management purposes, or when otherwise required by law, policy, regulation, or Agency direction. This includes, **but is not limited to**, items subject to pilferage. These items are those having a ready resale value or application to a personal need and which are, therefore, especially subject to theft.

The CH is responsible for ensuring that all accountable property acquired with the purchase card is reported to the property book officer.

19. Use CitiDirect To Monitor Activity

CHs who use WinSALTS to certify the monthly bank statement, may or may not also have access to CitiDirect. If CitiDirect access is unavailable, WinSALTS does not provide the ability to monitor Purchase Card transactions on a daily basis. However, if CitiDirect access is periodically available, i.e. when in port, it can be used to screen transaction activity daily.

The CitiDirect system is a tool the CH can use throughout the month to review transactions and pre-screen them before the monthly billing cycle ends. This daily review approach will greatly reduce the CHs month end workload and will get the certified statement to the AO sooner.

Frequent monitoring of the CH account activity using CitiDirect can uncover fraudulent use of a CHs card **before** it becomes a major problem.

20. Maintain Audit Trail Of Purchases

The CH is responsible for maintaining a log of all card transactions. It can be a manual or automated log in which the CH documents individual transactions and screening for mandatory sources using the purchase card and/or convenience checks. Entries in the purchase log should be supported by internal agency documentation (i.e. request for procurement document, email request, etc.) and the activity's purchase card program IOP.

The purchase card documentation will provide an audit trail that supports the CHs decision to use the card, as well as any required special approvals that were obtained. **At a minimum, the log will contain the date the item or service was ordered, the merchant name, the dollar amount of the transaction, a description of the item or service ordered and an indication of whether the item was received.** It is also suggested that the log contain a column to indicate, by entering the date of return, whether an item was returned.

The audit trail of log entries, along with supporting documentation, will allow the CH to reconstruct the decision process that led to each purchase card acquisition.

21. Retain Records In Accordance With Government Standards

The CH is responsible for maintaining an accurate purchase log, either manually or automated, of all purchase card transactions. The exact format and content of the log is subject to the requirements of the activity's IOP.

CHs **must request copies of itemized sales receipts**, or other sales documents supporting the purchase card transaction. This may include a charge slip, cash register receipt, packing list, etc. The CH must retain documentation received from the vendor to support the proof of sale, as this will later be used to verify the transactions shown on the CHs statement. If the CH does not have transaction documentation, he/she **must include an explanation** that will need to be attached to the statement during the reconciliation process.

Purchase card transaction records must also be retained in accordance with government standards. APCs, AOs and CHs **must maintain purchase-related records** (e.g. purchase card logs, requisitions, etc) **for a minimum of 3 years** and **financial records** (e.g. invoices, statements, etc) **for 6 years and 3 months**.

22. Maintain Physical Security Of The Purchase Card

The CH is responsible for safeguarding the physical security of the purchase card and its account information. The card bears the CHs name and **may only be used by the CH** to purchase authorized supplies or services in accordance with EBUSOPSOFFINST 4200.1, the General Services Administration (GSA) SMARTPAY Contract GS-23F-98006, the activity's IOP and the CHs Letter of Delegation of contracting authority.

The CH **must** take care to protect not only the physical card but also to protect the vital card information. The CH needs to secure all documents that contain card numbers, expiration dates, etc.

ONLY THE CH IS AUTHORIZED TO MAKE PURCHASES WITH HIS/HER PURCHASE CARD. UNDER NO CIRCUMSTANCES IS IT ACCEPTABLE FOR THE CH TO LOAN HIS/HER CARD TO ANYONE TO MAKE PURCHASES.

23. Notify Citibank Help Desk If Card Is Lost Or Stolen

It is the CHs responsibility to secure the purchase card. If the card is stolen or lost, the CH **shall immediately contact the Citibank System Support Help Desk, the AO and APC** to report the situation. Citibank will take appropriate action to prevent the missing card from being used to defraud the United States Government.

If your card is lost or stolen, call the **Citibank System Support Help Desk** toll free at **1.800.790.7206, option 2**, or **for international calls, dial collect at 904.954.7850**.

24. Notify APC Of Departure/Termination Of Need Of Card Account

The ongoing integrity of the DON Purchase Card Program requires constant vigilance and maintenance. New accounts need to be created for new personnel and the accounts of personnel leaving an activity need to be canceled.

It is the responsibility of the cardholder to notify his/her AO and APC of pending departure from the activity or cardholder duties and the date from which they will no longer need the government purchase card.

THIS INFORMATION SHOULD BE COMMUNICATED AS SOON AS IT IS KNOWN.

Appendix A: Definitions

Accountable Official: DOD military members and civilian personnel, who are designated in writing and are not otherwise accountable under applicable law, who provided source information, data or service (such as a receiving official, a cardholder, and an automated information system administrator) to a certifying or disbursing officer in support of the payment process. They have pecuniary liability for erroneous payments resulting from their negligent actions.

Accountable Property: A term used to identify property recorded in a formal property management or accounting system. Accountable Property includes all 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, or classified. Additional and/or separate records or other record keeping instruments shall be established for management purposes, or when otherwise required by law, policy, regulation, or Agency direction, including, but not limited to pilferable items (Items that have a ready resale value or application to personal possession and which are, therefore, especially subject to theft).

Agency Program Coordinator (APC): An individual designated by the ordering agency/organization to perform task order contract administration within the limits of delegated authority and to manage the card program for the agency/organization. This individual shall have overall responsibility for the card program(s) within their agency/organization, and may determine who participates in the card program(s). Multiple levels of program coordinators exist within different hierarchies or at different hierarchical levels within the program for each agency/organization.

Approving Official (AO): The individual responsible for reviewing and verifying the monthly purchase card statements of the card accounts under his/her purview. The AO must verify that all purchases were necessary and for official government purposes in accordance with applicable directives. Unless otherwise specified, the AO must also be the Certifying Officer for his/her cardholder(s) and in that capacity must certify the monthly billing statement and forward it to the appropriate office for payment. The certifying officer is responsible for: a) the accuracy of information stated in a voucher, supporting documents and records; b) computation of a certified voucher under sections 3528 and 3325 of title 31, United States Code; c) legality of proposed payment under the appropriation or fund involved; d) providing advice to accountable officials; e) seeking advance fiscal decisions from legal counsel; and f) repaying a payment that is determined 1) illegal, improper, or incorrect because of an inaccurate or misleading certificate; 2) to be prohibited by law; 3) does not represent a legal obligation under the appropriation or fund involved.

Billing Cycle: The billing cycle consists of approximately a 30-day billing period. Each monthly bill will be comprised of transactions (debits and credits) that post to the banks' system during this period. For DON the billing cycle begins on the 22nd of the month and ends on the 21st of the subsequent month. Cycle ends only occur on a business day

(i.e. Monday through Friday) and as a result may adjust accordingly. The cycle end date will occur on the last business day of the normal cycle.

Billing Cycle Office (Credit) Limit: An authorization control assigned to each approving official, as determined by the ordering DON activity, which limits the cumulative spending amount of all card accounts assigned to that Approving Official during a given billing cycle. Any office limit may be assigned in increments of $100 up to $9,999,900. The office limit primarily is used for budgetary control purposes and may be adjusted up or down at any time. It encompasses all outstanding charges within a billing period.

Billing Cycle Purchase Limit: An authorization control that limits an account's cumulative spending for purchases in a given billing cycle. This limit or the billing office limit shall be used to ensure cardholders do not exceed reserved funding (positive funds control). Any purchase limit may be assigned in increments of $100 up to $9,999,900. This limit may be adjusted as ordering DON activities deem appropriate and shall be established for each cardholder account. It should reflect normal usage by that cardholder and must not default to the maximum available limit.

Bulk Funding: An advance reservation of funds where a commitment or obligation is recorded in the aggregate rather than by individual transactions.

Cardholder (CH): An individual designated by an agency to be issued a card. The card bears the individual's name and can be used by that individual to pay for official purchases in compliance with agency internal procedures. Also applies to convenience check account holders.

Cardholder Statement: The statement of charges provided to a cardholder detailing all of the transactions posted to their account during a billing cycle.

Commercial Items (Supplies): Any item, other than real property, that is of a type customarily used for nongovernmental purposes and that:

a. Has been sold, leased or licensed to the general public; or

b. Has been offered for sale, lease or license to the general public. (A full definition can be found at FAR 2.101)

Contracting Officer: Government employees who have the authority to bind the Government to the extent of their delegated purchasing authority. Purchase cardholders are provided that authority by their commanding officer or APC in writing by the issuance of a Letter of Delegation or SF 1402 Contracting Officer's Warrant.

Convenience Checks: Third party drafts issued using government purchase card account. Third party drafts may be used to acquire and to pay for supplies or services. Policies and regulations concerning the establishment of and accounting third party drafts, including the responsibilities of designated cashiers and alternates, are contained in Part IV of the Treasury Financial Manual for Guidance of Departments and Agencies, Title 7 of the General Accounting Office Policy and Procedures Manual for Guidance of

Federal Agencies, and the agency implementing regulations. FAR 13.305 applies and the Department of Defense guidance is contained in the DOD Financial Management Regulation, Volume 5, Chapter 2, paragraph 0210.

Delegation of Contracting Authority: A document, issued by authorized agency personnel, that establishes the individual as an authorized cardholder. This delegation of contracting authority shall specify spending and usage limitations unique to the cardholder. Each activity, in its internal procedures, must designate who shall be responsible for issuance of these delegations. This delegation must come down from the Head of the Contracting Activity.

Disputes: Instances where transactions on the cardholder's statement do not agree with entries in the log or retained receipts that are presented to the bank for resolution. This may include circumstances where the cardholder did not make the transaction, the amount of the transaction is incorrect or the quality or service is an issue.

Government Purchase Card: The purchase card is the charge card account established with the issuing bank that enables properly authorized government personnel to buy and pay for supplies and services in support of official government business.

Hazardous Materials (HAZMAT): Hazardous materials or products that are customarily sold to the general public to be used for non-governmental purposes (commercial products) which are in the same size and packaging found commercially and subject to procedures found later is this instruction. Examples of those materials or products include those required on a routine basis to meet daily operational needs, such as, lubricants, batteries, toner cartridges, detergents, etc.

Head of Activity (HA): For the purposes of this instruction, the HA is the military officer in command or the civilian executive in charge of the mission of a DON command or activity which has been granted contracting authority by the cognizant HCA. The HA has overall responsibility for managing the delegation and use of this authority by personnel under his/her command.

Head of Contracting Authority (HCA): The official at one of the 23 DON components listed at DFARS 202.101 and NAPS 5202.101 (e.g. COMNAVSUPSYSCOM, COMNAVAIRSYSCOM, etc.) who has overall responsibility for managing contracting authority within his/her contracting chain of command. They are responsible for the delegation, re-delegation and use of contracting authority including use of the purchase card by DON commands, DON activities and DON personnel under his/her contracting cognizance.

Invoice: The monthly invoice is the official billing invoice for payment purposes, which is provided to the Certifying Officer by the issuing bank. The invoice identifies all of the purchase card transactions of his/her cardholders during a billing cycle. The invoice can be paper based or presented through the Electronic Access System of the issuing bank.

Letters of Agreement (LOAs): A streamlined procedure for procuring commercial supplies between $2,500 and $25,000, based on using oral solicitations, placing oral

orders and paying for the oral orders using the purchase card. LOAs shall not be established for the procurement of services.

Merchant Category Code (MCC): A code used by the issuing bank to categorize each merchant according to the type of business the merchant is engaged in and the kinds of goods and services provided. These codes are used as an authorized transaction type code on a card/account to identify those types of businesses who provide goods and/or services that are authorized for use by the cardholder.

Micro-Purchase: An acquisition of supplies or services, the aggregate amount of which does not exceed $2,500, (except construction which is limited to $2,000). FAR Part 2.101.

Pecuniary Liability: Personal financial liability for fiscal irregularities of disbursing and certifying officers and accountable officials as an incentive to guard against errors and theft by others, and also to protect the government against errors and dishonesty by the officers themselves.

Pilferable Property: Portable items that could easily be converted to personal use and are (1) critical to fulfilling the activity's mission/business objective and (2) hard to repair or replace.

Purchase Card Log: A manual or automated log in which the cardholder documents individual transactions and screening for mandatory sources using the purchase card and/or convenience checks. Entries in the purchase log may be supported by internal agency documentation (i.e. request for procurement document, email request, etc.). The purchase card documentation should provide an audit trail supporting the decision to use the card and any required special approvals that were obtained. At a minimum, the log will contain the date the item or service was ordered, the merchant name, the dollar amount of the transaction, a description of the item or service ordered and an indication on whether or not the item was received.

Reconciliation: The process by which the cardholder and AO review the monthly statements, reconcile against available vendor receipts and purchase card log and authorize payment of those charges provided on the monthly billing/cardholder statements.

Reviewing Official: An individual, appointed by the head of the activity (or their designees), which is responsible for pre and post payment reviews of payments certified by the certifying officer. The reviewing official shall not concurrently serve as an accountable, certifying or disbursing official.

Services: For the purposes of this instruction, services are firm-fixed priced (including unpriced orders with an established ceiling), non-personal, commercially available requirements in which the Government directly engages the time and effort of a contractor to perform a task (e.g. repairs, maintenance, annual maintenance agreements, etc.).

Simplified Acquisition Threshold: The upper level at which an acquisition may use simplified acquisition rules, currently $100,000, except that in the case of any contract to be awarded and performed, or purchase to be made, outside the United States in support of a contingency operation (as defined in 10 U.S.C.101 (a)(13)) or a humanitarian or peacekeeping operation (as defined in 10 U.S.C.2302 (8) and 41 U.S.C. 259(d)), the term means $200,000. FAR 2.101.

Single Purchase Limit: A dollar limit on each purchase assigned to each cardholder for a single transaction.

Split Purchase: The "requirement" is the quantity known at the time of the buy. If an individual purchases as [s] he becomes aware of a requirement, the requirement is each. If the requirements are consolidated and purchases are made once a day, the requirement becomes what was received during the day.

If an individual has historically purchased as things became known to them, even if they have the same thing ordered twice in one day from the same vendor, that does not have to be splitting. Splitting is the "intentional" breaking down of a known requirement to stay within a threshold (i.e. the $2,500 micro-purchase threshold) or to avoid having to send the requirement to the contracting officer.

Tax Exempt: The elimination of state and local taxes from federal purchases in accordance with state and federal law. The phrase “U.S. Government Tax Exempt” is printed on the front of each purchase card.

Transaction Type: The transaction type is the method by which an order is placed when using the purchase card. Purchase card buys may be made over-the-counter, over-the-phone or via the Internet.

Appendix B: Review Sample Size for APC/AO

# of PC Transactions	Sample Size
2-15	2
16-25	3
26-90	5
91-150	8
151-280	13
281-500	20
501-1,200	32
1,201-3,200	50
3,201-10,000	80
10,001-35,000	125
35,001-150,000	200
150,001-500,000	315

90.0% Confidence Level

* APCs should use aggregate monthly total of all purchase card transactions, find range of PC Transactions in column #1 and then chose corresponding sample size to review in column #2.
**AO should use either the monthly total of each purchase card account or combined totals of all purchase card accounts, find range of PC Transactions in column #1, and then chose the corresponding sample size to review in column #2.

Appendix C: Exceptions To Use Of The Purchase Card (DFARS 213.270)

1. The following requirements are exempt from the mandatory use of the purchase card for micro-purchases for procurements or payments.

   a. The place of performance is entirely outside any of the State, territory or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

   b. The purchase is a Standard Form (SF) 44 purchase for aviation fuel and oil.

   c. The purchase is an overseas transaction by a contracting officer in support of a contingency operation as defined in 10 U.S.C. 101(a)(13) or humanitarian or peacekeeping operation as defined in 10 U.S.C. 2302(8)

   d. The purchase is for training exercises in preparation for overseas contingency, humanitarian or peacekeeping operations.

   e. The payment is made with an convenience check

   f. The payment is for a transportation bill

   g. The purchase is under a Federal Supply Schedule contract that does not permit the use of the purchase card

   h. The purchase is for medical services and:

      1) It involves a controlled substance or narcotic

      2) It requires the submission of a Health Care Summary Record

      3) The ultimate price of the medical care is subject to an independent determination that changes the price based on application of a mandatory CHAMPUS Maximum Allowable Charge determination that reduces the Government liability below the billed charges.

      4) The Government already has entered into a contract to pay for the services without the use of the purchase card.

      5) The purchases is a beneficiary seeking medical care; or

      6) The senior local commander or director of a hospital or laboratory determines that use of the purchase card is not appropriate or cost-effective.

   The Medical Prime Vendor Program and the DOD Medical Catalog Program are two examples where the use of the purchase card may not be cost-effective.

Appendix D: DOD/DON Standard MCC Code Blocks

The following are the "standard" DOD/DON MCC Code Blocks

MCC Code	Name
4011	Railroads - Freight Home Supply
4121	Taxicabs/Limousines
4761	Telemarketing of Travel Related Services
4829	Wire Transfer-Money orders
5441	Candy, Nut Confectionery Stores
5681	Furriers and fur shops
5813	Drinking Places (Alcoholic Beverages) Bars, Taverns, Nightclubs
5921	Package Stores, Beer, Liquor
5932	Antique shops
5933	Pawn shops
5937	Antique reproductions
5944	Jewelry stores
5960	Direct Marketing Insurance
5993	Cigar Stores and Stands
6010	Financial Institutions Manual Cash Advances
6011	Financial Institutions Automatic Cash Advances
6051	Non-financial Institution-Foreign currency, money orders, traveler's checks
6211	Security brokers/Dealers
6381	Insurance-Premiums
6399	Insurance - Not Elsewhere Classified
6529	Remote Stored Value Load – Member Financial Inst. - MC
6531	Payment Service Provider
6532	Payment Transaction - Member Financial Inst
6533	Payment Transaction Merchant
6611	Overpayments
6760	Savings bonds
7012	Time shares
7273	Dating and escort services
7321	Consumer Credit Reporting Agencies
7332	Blueprint and Photocopying Services
7341	Window Cleaning Services
7511	Truck Stop Transactions
7524	Express Payment Service Merchants - Parking Lot
7833	Express Payment Service Merchants - Motion Pict
7994	Video Game Arcades/Establishments
7995	Betting, casinos, gaming chips, off – track betting
8651	Political organizations
9211	Court costs, alimony, and child support
9222	Fines
9223	Bail and bond payments
9311	Tax payments

9280	Automated referral services
9411	Government Loan Payments
4829	Wire Transfer-Money orders
5681	Furriers and fur shops
5932	Antique shops
5933	Pawn shops
5937	Antique reproductions
5944	Jewelry stores
6010	Financial Institutions Manual Cash Advances
6011	Financial Institutions Automatic Cash Advances
6051	Non-financial institution-foreign currency, money orders, traveler's checks
6211	Security brokers/Dealers
6760	Savings bonds
7012	Time shares
7273	Dating and escort services
7995	Betting, casinos, gaming chips, off-track betting
8651	Political organizations
9211	Court costs, alimony, and child support
9222	Fines
9223	Bail and bond payments
9311	Tax payments
9280	Automated referral services

Appendix E: Sample Letter of Delegation

(Commanding Officers and/or APCs should use this letter to delegate contracting or purchase card authority to purchase cardholder.)

From: Commanding Officer/APC
To: John Doe

Subj: DELEGATION OF AUTHORITY TO USE PURCHASE CARD

Ref: (a) Federal Acquisition Regulation (FAR) 1.6
(b) Defense Federal Acquisition Regulation (DFAR) 201.6
(c) EBUSOPSOFFINST 4200.1

1. In accordance with references (a) through (c), you are hereby appointed a contracting officer for the United States of America, limited to the use of the Government Purchase Card. The specific limits of your authority are established below. You may use your card as a procurement method or as a method of payment in accordance with reference (c), up to your single purchase limit. You are reminded that you are personally accountable for strict adherence to DON Purchase Card policies and procedures when using the card.

   a. Dollar Thresholds:
      - $2,500 single purchase limit
      - $XXX monthly purchase limit

   b. Authorized purchases are (include appropriate categories):

      - Stand-alone procurement method.
      - Method of payment against contract documents issued by a contracting officer.
      - Oral orders against Government contracts, such as IDIQs, GSA, Schedules/GSA Advantage, JWOD, etc.
      - DAPS
      - Blanket Purchase Agreements / LOA
      - Purchase of Training (DD1556)

   c. Purchase restrictions (if any): (i.e., purchase cardholder cannot use purchase card over the Internet or over the counter)

   d. Merchant Category Code Blocks (if any).

2. The purchase card shall only be used for authorized U.S. Government purchases. Intentional use of the purchase card for other than official government business will be considered an attempt to commit fraud against the US Government and may result in immediate cancellation of an individuals purchase card and further disciplinary action. The cardholder will be held personally liable to the Government for the amount of any non-government transactions. Under 18 U.S.C. 287, misuse of the purchase card could result in a fine of not more than $10,000 or imprisonment for not more than five years or both. Military members that misuse the purchase card may be subject to court martial under 10 U.S.C. 932, UCMJ Article 132.

3. Questions concerning your delegation of authority or purchase card account should be directed to the Command Agency Program Coordinator, Mr/Mrs/Ms John/Jane Smith, who can be reached at 888.555.1212.

Signed by Commanding Officer

Appendix F: Criteria For Selecting APCs, AOs And CHs

1. Agency Program Coordinator (APC).

   a. Properly trained.

   b. Appropriate business acumen. Necessary skills required include:

      1) Knowledge of contracting policy and procedures, including the Federal Acquisition Regulation (FAR) and its supplements.

      2) Knowledge of financial policy and procedures, including the DOD Financial Management Regulation (FMR).

      3) Strong verbal & written communication skills with ability to resolve conflict.

      4) Ability to provide classroom training for initial and refresher training of account holders.

      5) Strong analytical skills, strong computer skills and the ability to organize work and work independently.

   c. Commensurate level of authority and responsibility within the command to execute duties.

2. Approving/Certifying Official (AO).

   a. Properly trained.

   b. Knowledge of contracting policy and procedures, including the Federal Acquisition Regulation (FAR) and its supplements.

   c. Knowledge of financial policy and procedures, including the DOD Financial Management Regulation (FMR).

   d. Ratio of card accounts to AO is within 'span of control' (7 card accounts to 1 AO).

3. Purchase Card Cardholder.

   a. Properly trained.

   b. Requires the purchase card for mission essential requirements.

   c. Appointment does not cause AO to exceed 'span of control'.

   d. Cardholder's AO will be in his/her direct chain of command.

   e. Command anticipates that cardholder will require regular card usage.

Appendix G: Training Requirements

1. Navy/Marine Corps Purchase Card Training and Interactive Customer Assistance CD ROM (web-based).

   a. **All** prospective Agency Program Coordinators, Approving Officials and Cardholders are required to successfully complete this training prior to appointment.

   b. **All** program participants are required to successfully repeat this training as a refresher every two years.

   c. Documentation of successful completion of the training must be retained by the individual and the Agency Program Coordinator for the duration of the individual's appointment.

2. Additionally, purchase cardholders who have been delegated contracting/purchase authority via an SF 1402 (Certificate of Appointment) must complete one of the following courses:

   a. NAVSUP Simplified Acquisition Course;

   b. CON 101, Contracting Fundamentals or CON 202, Intermediate Contracting.

Appendix H: List of Prohibited And Special Attention Items

Prohibited Items:

Advance Payments
Advertising
Asbestos and Asbestos-Containing Materials
Black Oxide Coated Brass Threaded Fasteners
Buildings or Land, Long-Term Rental or Lease of
Business Cards
Cash Advances
Christmas and Other Seasonal Decorations
Coffee Pots, Coffee, Refreshments
Commercial Vehicles, Purchase of
Commercial or GSA Vehicles, Rental/Lease of (Without Drivers)
Employee Identification Tags
Federal Information Processing Resources/Y2K
Fireworks Display
Fuel, Oil, Services, Maintenance, Repairs
Hazardous material and Hazardous Waste Disposal
Incentive Music and Equipment
Lodging and Meals
Luggage
Medical and Dental Care at Civilian Non-Federal Sources
Membership Dues
Ozone Depleting Substances
Personal Services
Pesticides
Plaques, Ashtrays, Paperweights, and Other Mementos As Give-away Items
Printing and Duplication

- Purchase from Government Employees or Business Owned or Controlled by Government Employees
- Reprographic Equipment
- Sensitive Compartmented Information in Contracts
- Shipboard Habitability Equipment, Including Furniture, Laundry/Dry Cleaning and Food Service Equipment
- Transportation, Purchase of Travel or Travel Related Expenses
- Uniform Items
- Visual Information (VI) Equipment
  - Shipboard Digital Photo Lab (DPL)
  - Visual Information-Audiovisual (VI-AV) Production Including Interactive Video Acquisition
  - Commercial Off-the-Shelf Visual Information-Audiovisual (VI-AV) Production Acquisition
  - Commercial VI Production
- Withdrawal of Tax-Free Ethyl and Specially Denatured Alcohol

See enclosure 2 of the EBUSOPSOFFINST 4200.1 for prohibited items definitions.

LIST OF PROHIBITED AND SPECIAL ATTENTION ITEMS RELATED TO PURCHASE CARD BUYS

This information applies to Department of the Navy Agency Program coordinators, approving officials and purchase cardholders with established purchase card programs. For a full explanation, and/or background information on prohibitions referenced in this enclosure, refer to the NAVSUPINST 4200.85 (series), enclosure (1). Not all of the prohibitions found in this enclosure require special approvals. Some may be procured using traditional purchase methods (e.g. purchase orders, BPA calls, etc) and paid for using the purchase card. Detailed procedures for using the purchase card as a method of payment may be found in Chapter 4 of this instruction.

Advance Payments
General rule: Except for requirements such as subscriptions for publications (i.e. Navy Times, Federal Contracts Reporter, Commercial Clearing House Inc, etc.) and post office box rentals advance payments are prohibited.

Advertising
General rule: Unless specific approvals have been obtained advertising contract actions are not authorized in accordance with the Navy Acquisition Procedures Supplement (NAPS).

Exception: The Chief of Naval Personnel has authorized an increase from $1,000 to $2,500 for the specific media advertising purchase limit for Commanding Officers of Navy Recruiting Districts to commensurate with the current micro-purchase threshold. This authority cannot be redelegated and each advertisement is conditioned upon the use of a properly executed DD Form 1535.

Asbestos and Asbestos-Containing Materials
General rule: Purchase cardholders are not authorized to purchase asbestos or asbestos-containing materials.

Black Oxide Coated Brass Threaded Fasteners
General rule: Purchase cardholders are not authorized to procure brass or copper alloy fasteners coated with black oxide.

For information regarding this prohibition contact
Mr. Scott Stanko, Naval Inventory Control Point, Code 0541, at 717.605.1361, DSN 430.1361 or via Internet: scott_a_stanko@icpmech.navy.mil.

Buildings and/or Land, Long-Term Rental or Lease of
General rule: Purchase cardholders are prohibited from entering into long-term rentals or leases for buildings and/or land.

Business Cards
General rule: Flag Officers, member of the SES and general officers may authorize the printing of business cards limited to using existing software and agency-purchased stock for those positions that require business cards in the performance of official duties.

Cash Advances/Cash Refunds
General rule: Purchase cardholders are prohibited from using their purchase cards to obtain cash advances or cash refunds.

Christmas and Other Seasonal Decorations
General rule: Seasonal decorations may be acquired using the purchase card provided local customs and traditions are observed. Purchase cardholders are not authorized to buy Christmas cards.

Coffee Pots, Coffee, Refreshments
General rule: Unless the purchase of coffee pots, coffee, or refreshments is for an authorized mess, as discussed in NAVSUP Publication 486 Vol-1, Ch1 to Rev 3, and BUPERINST 1710.13 the purchase of these items are prohibited. Purchase cardholders are also prohibited from buying refreshments for other government employees.

Exceptions: The use of Official Representation Funds for official entertainment and Center of Influence events involving Navy recruiters are exceptions to this rule. In addition, Navy recruiters are authorized to use the purchase card to buy meals for recruiting applicants as an out of pocket expense.

Agencies sponsoring a conference are allowed to provide light refreshments during morning, afternoon or evening breaks for conference attendees when a majority of the attendees are in a travel status. Travel within an employee's local commuting area does NOT satisfy the requirement to be in a 'travel status'. Light refreshments may be approved by the command sponsoring the conference if they decide it is appropriate use of their funds. The Government Purchase Card can be used to pay for the refreshments. Use of the card and funding for this purpose is subject to local Command approval. Card officials should inquire as to acceptability within their own command prior to using the card for this purpose.

Commercial Vehicles, Purchase of
General rule: Purchase cardholders shall not use their cards to purchase commercial vehicles.

Commercial or GSA Vehicles, RENTAL/LEASE of (Without Drivers)
General rule: Purchase cardholders are not authorized to use their purchase cards to rent/lease commercial or GSA vehicles.

Employee Identification Tags
General rule: Unless the requiring activity/command determines that use of the identification tags are necessary and in support of mission requirements, activities may not use appropriated funds to purchase employee identification tags.

Federal Information Processing Resources/Year 2000 (Y2K) Project
General rule: Purchase cardholders should ensure all procurements of IT are Y2K compliant.

Fireworks Display
General rule: Purchase cardholders may not use appropriated funds to buy fireworks for on ground displays.

Fuel, Oil, Services, Maintenance and Repairs
General rule: Purchase cardholders are not authorized to purchase fuel, oil, services, maintenance and repairs of Interagency Fleet Management System and GSA Fleet Management Programs (i.e. repair of GSA leased vehicles).

HAZMAT and Hazardous Waste Disposal
General rule: Except for commonly used hazardous material, the purchase of HAZMAT by cardholders is prohibited. (See Chapter 5.5 of EBUSOPSOFFINST 4200.1)

Incentive Music and Equipment
General rule: Except for specifically programmed music, the purchase of music and equipment for broadcasting (inc. radios, automatic record players or phonographic records) for entertainment purposes is generally not authorized.

Exception: Specifically programmed music may be purchased based on a written determination by the commanding officer describing how the acquisition would improve morale, benefit the command, etc., and thereby qualify as a necessary expense under the necessary expense rules. This prohibition also does not preclude the expenditure of appropriated funds for the purchase of a public address system required for intra-station communication.

Lodging and Meals
General rule: Purchase cardholders are prohibited from using their purchase cards for the payment of lodging and meals for employees on temporary duty.

Exception: Certain reserve activities are authorized to buy meals for Naval reservists during drill activities.

Luggage
General rule: The purchase of luggage for employees/service members to carry personal belongings while on travel orders is generally not authorized.

Exception: Sea bags issued to service members and briefcases, etc., furnished for the express purpose of carrying official documents associated with the duties of the service member or employee.

Medical and Dental Care From Civilian Non-Federal Sources
General rule: Purchase cardholders shall not use their cards for payment of medical and dental services.

Membership Dues
General rule: Except for membership dues, which solely benefit the agency or activity the purchase of club, association, organization and other related memberships, are prohibited.

Exception: The use of appropriated funds for membership dues of an activity or agency is permissible if the membership contributes to the fulfillment of the mission of the activity or agency.

Ozone Depleting Substances (ODS)
General rule: Purchase cardholders are not authorized to purchase ODS materials.

Exception: Contracting officers may use their purchase card as a method of payment provided guidance in the NAPS is strictly adhered to.

Personal Services
General rule: Unless you have statutory authority, purchase cardholders should not contract for personal services using the purchase card.

Pesticides
General rule: Unless prior approvals are obtained from cognizant Pest Management Consultant at the appropriate NAVFAC division, purchase cardholders are not authorized to contract for purchase of pesticides.

Plaques, Ashtrays, Paperweights and other Mementos As Give-Away Items
General rule: The use of appropriated funds to buy give-away items such as plaques, cuff links, hats, T-shirts, license plate covers, bracelets, ashtrays, Christmas cards, paper-weights, cigarette lighters, novelty trash cans, key chains and similar items are generally prohibited.

Exception: The purchase of give-away items in support of employee recognition programs may be authorized if accomplished in accordance with agency policy.

Printing and Duplication
General rule: Purchase cardholders are prohibited from buying printing or duplication services from agencies other than DAPS.

Purchase from Government Employees or Businesses Owned or Controlled By Government Employees
General rule: Purchases from government employees (military or civilian) or from business organizations substantially owned or controlled by government employees are generally prohibited.

Reprographic Equipment
General rule: The purchase/lease/rental/trial/replacement or change in rental or lease plan of reprographic equipment is not authorized unless the requestor has complied with the requirements of the Navy Reprographic Equipment Program. The requestor must obtain written approval from the cognizant DAPS for all shore copying equipment with speeds of 71 or more copies per minute. (Examples of reprographic equipment are; copiers and high-speed copiers, Diazo process equipment, laser printers, and duplicating equipment).

Sensitive Compartmented Information In Contracts
General rule: Purchase cardholders are not authorized to enter into negotiations that will include requirements for contractor access to Sensitive Compartmented Information unless the customer has staffed the requirement through Commander, Office of Naval Intelligence, Code ONI-532.

Shipboard Habitability Equipment, Including Furniture, Laundry/Dry Cleaning and Food Service Equipment
General rule: Except for furniture, laundry, dry cleaning, and food service equipment listed in the following catalogs purchase cardholders are prohibited from purchasing of these items.

Furniture equipment – S9600-AD-GTP-010, U.S. Navy Shipboard Furniture Catalog with applicable changes.

Laundry/dry cleaning equipment – S6152-B1-CAT-010, Navy Laundry and Dry Cleaning Catalog with applicable changes.

Food service equipment – S6161-Q5-CAT-010, The Shipboard Food Service Equipment Catalog with applicable changes.

Transportation, Purchase of
General rule: The purchase card cannot be used to pay for transportation charges.

Travel, or Travel Related Expenses
General rule: The purchase card cannot be used to pay for travel or travel related expenses (i.e. expenses associated with official travel including transportation, lodging, or meals).

Uniform Items
General rule: Cardholders are not authorized to use appropriated funds to purchase uniform items.

Visual Information (VI) Equipment

General rule: VI production equipment may not be provided to, acquired for, or used by, non-VI activities or personnel (See Definitions). Requests for VI equipment that exceed the dollar thresholds listed below, must be forwarded to the appropriate Major Claimant Visual Information Management Office (MCVIMO) for approval. The MCVIMO must certify that acquisitions are in accordance with activity authorizations prescribed by OPNAVINST 3104.1 and 3104.2. Requests for VI equipment that support VI functions that are not authorized for the activity can not be approved at MCVIMO or local levels and must be held pending N09C1 approval of the new function.

Non-VI activities or personnel may acquire non-production VI equipment, unless otherwise specified by local VI instructions or when restricted by local credit card dollar call limitations, non-professional consumer type VI equipment such as 35mm film based photographic camera systems costing less than $1,000; overhead, slide, filmstrip, and motion picture projection equipment costing less then $5,000; audio and video recorder players costing less then $5,000; video cameras and camera-recorders costing less then $5,000; digital photographic cameras costing less than $5,000; digital photographic printers costing less then $10,000; and, video, LCD, LED, and CRT projectors costing less then $10,000.

For VI equipment policy and MCVIMO information, contact: CNO (N09C1) VI Equipment and Activities Policy Officer at 202.433.3790; DSN 288.

Exceptions: The following types of equipment are exempt.

1. VI equipment:

    a. Acquired and distributed by the Navy Exchange;

    b. Embedded in non-VI systems, which cannot be separated or operated to perform a VI function outside the system;

    c. Purchased with non-appropriated or morale welfare recreational funds including entertainment systems;

    d. Used solely to support research, development, test and evaluation (RDT&E) programmed mission requirements;

    e. Procured by the Naval Media Center in support of Armed Forces Radio and Television activities and "Navy and Marine Corps News This Week;"

    f. Used by administrative and security offices only for identification (ID) purposes;

    g. Dedicated to Pilot Landing Training (PLAT) System, secure flight crew briefing systems and meteorological information systems;

    h. Acquired under the Ship Building and Conversion, Navy (SCN) program; or,

    i. VI equipment acquired for Video Teleconferencing (VTC) activities managed per OPNAVINST 2015.1

2. Timing and synchronization apparatus related to instrumentation recording.

3. Radiographic equipment (industrial, medical and dental (x-rays)).

4. Office-related support equipment including: word processing equipment; transcribing and intercom equipment; telephone answering devices; xerographic equipment; and microform production and using (viewing and printing) equipment.

Definitions:

VI Equipment

a. Production. Items used for the recording, producing, reproducing, processing, broadcasting, editing, distribution, exhibiting, and storing of VI. Includes professional still, motion picture and video cameras; editing equipment, telecine equipment, audiotape and cassette duplicators; computer generated graphics systems; film and paper processing equipment photographic printers.

b. Non-production. Items used to maintain, repair, store, retrieve, exhibit or otherwise provide for the use of VI products. Includes videotape/disc players and television monitors; interactive video equipment; and, slide, film strip, motion picture, overhead, opaque and video projectors.

VI Activity. An organizational element or a function within an organization in which one or more individuals are classified as VI, or whose principal responsibility is to provide VI services. Navy VI activities are further identified by a Defense Visual Information Activity Numbers (DVIAN).

Shipboard Digital Photo Lab (DPL)

General rule: Per OPNAVINST 3104.1, the Program Executive Officer, Tactical Aircraft Program(PEOT(PMA-241)) in conjunction with Chief of Naval Operations (CNO (N09C1)), provides centralized VI equipment acquisition management for centrally procured aircraft carrier (CV/CVN) DPL equipment and systems. Local Acquisition of equipment for, or reconfiguration of, shipboard DPL is prohibited without CNO (N09C1) and PEOT (PMA-241) approval.

For questions regarding this policy, contact: CNO (N09C1) VI Equipment and Activities Policy Officer at 202.433.3790; DSN 288.

Visual Information-Audiovisual (VI-AV) production including interactive video acquisition

General rule: Per OPNAVINST 3104.1 and its implementing instructions, the Naval Media Center (NMC) is the single contracting activity within the DON authorized to procure VI-AV productions. All requests for contracting for VI-AV productions, except as excluded below, must be forwarded to the Chief of Naval Operations (N09C1) via the appropriate Major Claimant Visual Information Management Office (MCVIMO) for approval and or assignment.
For questions regarding this policy, contact: CNO (N09C1) VI/AV Production Policy Officer at 202.433.3714; DSN 288.

Exceptions: The following are exempt from the DoD VI production reporting requirements (Visual Information Production Request and Report, DD 1995 and the search of the Defense Automated Visual Information System (DAVIS) products.

a. Mixed media packages with a predominance of text;

b. Television spot announcements, public service announcements, news clips, and information programs funded by Armed Forces Radio and Television Service (AFRTS);

c. The Navy Broadcasting Department of the Naval Media Center;

d. Activities engaged in or supporting research, development, test and evaluation;

e. The Navy Exchange;

f. Productions acquired from commercial sources by or for;

(1) DoD dependent schools.

(2) Morale, welfare, and recreation (MWR) activities.

(3) Education centers.

(4) Non-VI libraries controlled by SECNAVINST 5401.2 (NOTAL).

g. Productions funded and reported as an integral part of a recruiting advertising contract; or,

h. Interactive courseware acquired under OPNAVINST 1500.73.

Commercial Off-The-Shelf Visual Information-Audiovisual (VI-AV) production acquisition

General rule: Commercial off-the-shelf VI productions that support local, major claimant or Navy-wide requirements do not require a completed DD 1995 and may be purchased without MCVIMO or CNO (N09C1) validation. However, a DAVIS search is required to ensure that completed Navy or other DoD VI productions that may satisfy the requirements do not already exist. The DAVIS can be accessed via the Internet at http://dodimagery.afis.osd.mil.

Definitions (OPNAVINST 3104.1):

Commercial VI Production. A completed VI production that is purchased off-the-shelf, i.e., from the stocks of a vendor.

VI Production. The process of combining or arranging any separate audio or visual product(s) in continuity in a self- contained, complete presentation that is developed according to a plan or script for conveying information to, or communicating with, an audience. A VI product is also the end item of the production process. The special kind of VI production that combines motion media with sound is further defined as "AV production." Used collectively, VI production refers to the functions of procurement, production, or adoption from all sources; i.e., in-house or contract production, off-the-shelf purchase, or adoption from another Federal agency.

Withdrawal of Tax-free Ethyl and Specifically Denatured Alcohol

General rule: The purchase of tax-free ethyl and specifically denatured alcohol is not authorized unless a permit from the Bureau of Alcohol, Tobacco and Firearms has been issued.

Appendix I: Acronyms

AO	Approving Official
APC	Agency Program Coordinator
ASN(RD&A)	Assistant Secretary of the Navy (Research, Development and Acquisition)
AUL	Authorized Use List (HAZMAT)
BCA	Business Case Analysis
BOA	Basic Ordering Agreement
BPA	Blanket Purchase Agreement
BUMED	Bureau of Naval Medicine
CH	Cardholder
CNO	Chief of Naval Operations
CO	Commanding Officer
CONUS	Continental United States
DAPS	Defense Automated Printing Service
DFAR	Defense Federal Acquisition Regulation
DFAS	Defense Finance and Accounting Service
DOD	Department of Defense
DON	Department of Navy
EBUSOPSOFF	Electronic Business Operations Office
EC/EDI	Electronic Commerce/Electronic Data Interchange
EFT	Electronic Funds Transfer
EIT	Electronic and Information Technology
EPA	Environmental Protection Agency
FAR	Federal Acquisition Regulation
FMR	Financial Management Regulation
FMS	Foreign Military Sales
FOB	Free-on-Board
FPI	Federal Prison Industries
FSS	Federal Supply Schedule
GAO	General Accounting Office
GSA	General Services Administration
HA	Head of the Activity
HAZMAT	Hazardous Material
HCA	Head of Contracting Authority
HRSC	Human Resources Service Center
IDTC	Indefinite Delivery Type Contract
IMM	Integrated Material Manager
IOP	Internal Operating Procedure
JWOD	Javit's-Wagner-O'Day Act
LCM	Life Cycle Management
LOA	Letter of Agreement
MCC	Merchant Category Code
MOU	Memorandum of Understanding
MSDS	Material Safety Data Sheet

MWR	Morale, Welfare and Recreation
NAF	Non-appropriated Fund
NAPS	Navy Acquisition Procedure Supplement
NMCI	Navy-Marine Corps Intranet
OCONUS	Outside Continental United States
OEM	Original Equipment Manufacturer
PMP	Pest Management Plan
PPMAP	Procurement Management Assessment Program
PSICP	Program Support Inventory Control Point
RO	Reviewing Official
SAT	Simplified Acquisition Threshold
SES	Senior Executive Service
USD(C)	Under Secretary of Defense (Comptroller)
VIXS	Video Info Exchange System
VTC	Video Teleconferencing

Appendix J: Business Case Analysis (BCA) Requirements

1. Department of Navy (DON) activities using Electronic Commerce/Electronic Data Interchange (EC/EDI) systems that result in a more cost-effective payment process than the purchase card are required to develop and submit a BCA for each system. The BCA shall compare the benefits and costs of the current system versus the use of the purchase card as a payment method. The following elements must be addressed.

   a. Description. A description of the current process and how the process could work using the purchase card;

   b. Evaluation and Analysis. An evaluation and analysis of current versus potential processes, including:

      1) Assumptions

      2) Methodology

      3) Results

      The analysis should look at not only the direct costs of the process but also indirect costs/savings as it relates to the Defense Finance Accounting Service (DFAS), contracting and other departments, etc. Non-monetary costs/benefits such as security concerns, data capture, etc. should be included in the analysis.

   c. Conclusion and Recommendation. The conclusion and recommendation must include an executive level summary.

2. BCA Submittal/Approval Process. DON activities using an EC/EDI system that result in a more cost-effective process must forward their BCA to the following address:

   DON eBusiness Operations Office, Code 00e
   P.O. Box 2050
   5450 Carlisle Pike
   Mechanicsburg, PA 17055-0891

   NAVSUP reviews and will forward with an endorsement via the Director of DFAS to the Deputy Secretary of Defense.

3. Waiver Requirements. DON activities must request a waiver for any operational requirement that precludes full implementation of the purchase card. Submittals must include a point of contact, telephone number, description of operational requirement(s) and a complete assessment of the inability to use the purchase card. **ALL** waiver requests must be forwarded to the address above.

Appendix K: Transportation Considerations

1. General.

   a. When purchasing material from commercial vendors using the Purchase Card, cardholders must ensure that external labeling requirements are clearly conveyed to the vendor. In some instances, cardholders may request that material be shipped to either CONUS or OCONUS locations. Additionally, items that are purchased from non-local vendors or via the Internet may require shipping to the cardholder or other ultimate destination. In order to ensure that items and material purchased using the purchase card are properly routed through the Defense Transportation System or through the local receiving activity, the external shipping information must be sufficiently detailed and in accordance with standard DoD shipping guidelines.

   b. This section provides the purchase cardholder with:

      1) Shipping services available from GSA using the purchase card
      2) general labeling guidance
      3) other standard shipping references for more detailed information.

   c. In all cases the purchase cardholder should contact their local Transportation Officer (TO) for detailed assistance.

   d. Transportation Terms

      1) Free-on-Board (FOB) Destination. FOB destination means the vendor pays the cost of transportation and includes it in the cost of the item. Cardholders should attempt to obtain FOB destination shipment terms.
      2) FOB Port of Embarkation. FOB Port of Embarkation (POE) means the vendor pays the cost of transportation to the Defense Transportation Regulation (DTR) Aerial/Water POE, or Defense Distribution Depot San Joaquin, CA (DDJC) for shipments destined OCONUS. Transportation charges from the Aerial/Water POE or DDJC to the overseas destination are paid using TAC N820.
      3) FOB Origin. FOB origin or pre-pay and add means the vendor bills for shipping and adds the cost as a separate line item. Cardholders should not accept FOB origin terms. In cases where the cardholders must accept FOB origin terms, any transportation charges will be paid from the procurement line of accounting.

2. CONUS Shipments.

   a. General Services Administration (GSA) Small Package Express Contract. The GSA Contract authorizes DON purchase cardholders to use their purchase card to ship items INCONUS when using the established contract carriers (Airborne, DHL Worldwide Express, Federal Express (FedEx), United Parcel Services) and to obtain the GSA negotiated contract rates when shipping administrative small packages under 150 pounds under FOB Origin terms. Administrative shipments are generally defined as shipments consisting of:

      1) general correspondence

2) personnel/payroll records
3) laboratory samples (except for samples paid for by the Service-wide transportation (SWT) fund)
4) electronic storage media (computer tapes, floppy discs, videos, etc.)
5) blueprints
6) legal, financial and contracting documents.

b. Activities wishing to establish new accounts or convert existing accounts to allow use of the purchase card must contact the contract carriers. The following is a list of the most common contract carriers:

Airborne 1.800.247.2676 http://www.airborne.com/home/home.asp
DHL Worldwide Express 1.800.225.5345 http://www.dhl.com/main_index.html
FedEx Government Customer Account Services 1.800.645.9424
http://www.fedex.com/us/government/?adobj=weekendshipping&pgsrc=services
United Parcel Services 1.800.742.5877 http://www.ups.com/

c. DON purchase cardholders are not authorized to use their purchase card to ship logistics items using a bill of lading or airway bill, or pay for cargo shipments, except for emergency shipments when the activity or base Transportation Officer is not available. In those instances, the purchase card may be used to pay for logistics shipments and these purchases shall be funded with activity or command operating funds.

3. Labeling of material.

a. Shipping Labels. When a contractor within CONUS is shipping material, the contractor should be advised to include the following information on the shipping label:

1) Complete MARK FOR (M/F) address including the cardholder's Unit Identification Code (UIC), address, and departmental name or code for which the material is being procured.
2) Requisition/order number.
3) Merchant's name, address, and telephone number.

b. Packing Slip. Additionally, a shipping document or packing slip should be included both on the outside and inside of each package with the following information:

1) Merchant's name, address, and telephone number.
2) Date of order.
3) Requisition number/job order number.
4) Date of shipment.
5) Required delivery date.
6) Itemized list of supplies furnished, including quantity.
7) Cardholder's name, code, and telephone number.
8) Complete MARK FOR (M/F) address including UIC and address of end user.

4. OCONUS Shipments to U.S. Navy Ships, Navy Mobile Units or Overseas Activities. The preferred method for the shipping of purchase card procured material overseas is the U.S. Postal Service (USPS) using the destination Fleet

Post Office (FPO) address. If shipment is not made via USPS, cardholders are strongly encouraged to use the Defense Transportation System (DTS). The following information should be provided for the applicable transportation method/customer:

a. U.S. Postal Service (USPS). When material is being shipped via USPS, the following information should be included:

1) Shipping Label:
   a) Complete MARK FOR (M/F) address including the cardholder's UIC, FPO address, departmental name or code, and telephone number (if available) for which the material is being procured.
   b) Requisition/order number.
   c) Merchant's name, address, and telephone number.

2) Packing Slip. Additionally, a shipping document or packing slip should be included both on the outside and inside of each each package with the following information:

   a) Merchant's name, address, and telephone number.
   b) Date of order.
   c) Requisition number/job order number.
   d) Date of shipment.
   e) Required delivery date.
   f) Itemized list of supplies furnished, including quantity.
   g) Cardholder's name, code, and telephone number.
   h) Complete MARK FOR (M/F) address including UIC and address of end user.

b. Defense Transportation System (DTS) to OCONUS. Purchase cardholders shipping items OCONUS should follow guidance on packaging and labeling of OCONUS cargo moving in the Defense Transportation System (DTS) as defined by the Defense Transportation Regulation (DTR), Part II, Cargo Movement (DOD 4500.9-R), which is available electronically at http://www.transcom.mil/J4/j4lt/dtr.html. In addition, country specific customs clearance requirements are contained in the Foreign Clearance Guide (FCG) and the DTR, Part V, Customs. Contracting officers and purchase cardholders shall ensure that OCONUS shipments are prepared in accordance with the DTR guidance.

   Purchase cardholders shall ensure that shipping instructions to the vendor, whether oral or written, contain the proper labeling, packaging, documentation and air/water clearance instructions. The contractor/supplier must be made aware of the packaging and documentation requirements for that specific item and country of final destination.

   Due to the oral nature of purchase card orders, purchase cardholders should positively establish that the vendor understands and will comply with the labeling, packaging, documentation and air/water clearance requirements prior to placing the order.

   All hazardous and special handling materials must be properly packaged/prepared and certified in a manner authorized for military air shipment before arrival at the military aerial port. If this is not possible, then

another mode of transportation should be selected. Detailed shipping requirements for shipment of hazardous or special handling materials must be obtained from the local Transportation Officer.

c. U.S. Navy Ships and Navy Mobile Units. If the procured item is shipped via the DTS (i.e. using the Air Mobility Command (AMC) Channel missions or scheduled sealift container services to overseas destinations) to U.S. Navy Ships and Navy Mobile Units the purchaser must:

Address the shipment using the Cargo Routing Information File (CRIF) on the web system. Purchasers must provide vendors the appropriate shipping address using the information in the CRIF on the web, which is located at: http://www.navtrans.navy.mil.

This web site will provide GCPC holders with the information required to gain access to the CRIF. If GCPC holders have further questions regarding access, contact the FACTS help desk at DSN 646-5524 or commercial 757-443-5524. If you have problems, questions, or need assistance, contact the Naval Transportation Support Center (NAVTRANS) Air Clearance Authority at 757-443-5434.

d. Overseas Shore Activities. If the procured item is shipped via the DTS (i.e. using the Air Mobility Command (AMC) Channel missions or scheduled sealift container services to overseas destinations) to Overseas Shore Activities the purchaser must provide the following information for the merchant to place on the shipping label:

1) Mark FOR (M/F) Address. Complete MARK FOR (M/F) address (an in-the-clear address when possible), including the cardholder's UIC, FPO address and departmental name or code of the activity for which the material is being procured.
2) Transportation Control Number. Transportation Control Number (TCN) (which normally consists of the procuring activity's requisition number, and three character Defense Transportation Regulation (DTR) suffix), requisition number (if not provided in TCN), and order number.
3) Transportation Account Code (TAC). The TAC utilized for purchase card procured material through DTS is N820, a Navy Service-Wide Transportation First Destination TAC. The use of TAC N820 is strictly limited to the movement of purchase card procured material items, from a DTR-designated Aerial or Water Port of Embarkation (APO/WPOE) or the Container Consolidation Point (CCP) at San Joaquin, CA (DDJC), to a cardholder activity when the activity is overseas, including deployed ships or mobile units. This TAC shall not be used for payment of transportation charges for domestic (including Alaska, Hawaii or Puerto Rico) shipments. The funding account paying for the purchase will pay for any associated transportation charge that has been added by the vendor. Its use is strictly limited to the movement of a purchase card procured item, from a DTR-designated APOE/WPOE or DDJC, to a cardholder activity when the activity is overseas including deployed ships and mobile units. It shall NOT be used for payment of transportation charges for domestic (including Alaska, Hawaii and Puerto Rico) shipments.
4) Transportation Priority (TP) and Required Delivery Date (RDD). TP1 or TP2 are for air shipments via AMC and TP3 is for surface (water)

shipments. If the RDD is not cited in a TP1 or TP2 shipment, the material will be diverted to surface (water) carrier in accordance with DTR policy. An appropriate three digit Julian date or DTR RDD for the coinciding TP is to be used (i.e. TP1/999, TP1/NO5, TP2/777, etc.).

5) Shipping Labels. The shipping label should also include:

a) Consignee and SHIP TO address (DTS transshipment point).
b) Merchant's name, address, and telephone number.

6) East Coast DTS Port of Embarkation. For material entering a DTS Port of Embarkation (POE) on the east coast (i.e. Norfolk Naval Air Terminal or Norfolk Water Freight Terminal), consign and label as follows:

SHIP TO: N45750
VREP Contractor
TCN/TAC/TP/RDD/ M/F UIC*
8449 Air Cargo Road, Bldg LP-117
Naval Air Station
Norfolk, Virginia 23511-4496

*Example: N60514-8330-0100XXX/N820/TP2/777/N60514

7) West Coast DTS Port of Embarkation. For material entering a DTS POE on the west coast, consign and label as follows:

SHIP TO: W62N2A
DDJC San Joaquin Site
TCN/TAC/TP/RDD/ M/F UIC**
Building B1
Lathrope, CA 95330-0130

**Example: N68047-8330-0100XXX/N820/TP2/777/N68047

For all TP1/TP2 material and any items that may require special handling, (e.g. temperature controlled or signature service), contact NAVTRANS at 757-443-5434 or DSN 646-5434 for shipping, air clearance, and routing information.

Advance notification of the information contained in paragraph 6.c. above should be forwarded via Naval message, fax, or email by the cardholder to the appropriate transshipment point to ensure proper routing upon material receipt and to preclude frustration of material.

e. Packing Slip. Regardless of which method of shipping is utilized (USPS or DTS), the vendor must include a packing slip inside each OCONUS shipment with the following information:

1) Merchant's name, address, and telephone number.
2) Date of order.
3) Requisition number/order number.
4) Date of shipment.
5) Required delivery date.
6) Itemized list of supplies furnished, including quantities.
7) Cardholder's name, code, and telephone number.

8) MARK FOR (M/F) address, including UIC, FPO address (USPS shipment) or SHIP TO address (DTS shipment) of the activity for which the material is being procured.

Appendix L: Training Resources

1. DON Purchase Card CD-Based Tutorial L-2
2. DON Purchase Card Online Tutorial L-2
3. CitiDirect Interactive Tutorial L-2
4. WinSALTS Navy Purchase Card Guide L-3
5. SALTS Training Classes, Lecture/Demo Format L-3
6. SALTS Users Manuals – Volumes 1 – 6 ..... L-4
7. STARS/FL Users' Course L-4
8. Naval Supply Corps Schools – Athens, GA L-5
9. Procurement Management Review (PMR) Classes L-5
10. AK/SK Supply Corps School, A-School, Meridian, MS L-5

1. DON Purchase Card CD-Based Tutorial:
The Government Purchase Card Training/Certification Course is the primary training resource for the on-going support of this program. Successful completion of this training certifies the student to participate in the Purchase Card Program.

Distribution Method: Initial distribution from NAVSUP and EBUSOPSOFF to all APCs. Additional copies can be ordered through EBUSOPSOFF.

Status: Over 30,000 copies have been distributed.

Contact: Linda Bailey, EBUSOPSOFF, linda_k_bailey@fmso.navy.mil, DSN 430.3114, (717.605.3114)

Adequacy: This tutorial's strength is high availability and in depth coverage of Navy/Marines Purchase Card policy. While the training discusses CitiDirect and WinSALTS aspects, its main weakness is lack of hands-on practice with the invoice certification tools – WinSALTS and CitiDirect.

2. DON Purchase Card On-Line Tutorial:
The Government Purchase Card Training/Certification Course is the primary training resource for the on-going support of this program. Successful completion of this training certifies the student to participate in the Purchase Card Program.

This on-line tutorial includes the same content as the CD-ROM tutorial discussed in paragraph 1 above.

Distribution Method: Internet: http://www.don-ebusiness.navsup.navy.mil and access the Purchase Card Policy section of the web site

Status: Currently available

Contact: Linda Bailey, EBUSOPSOFF, linda_k_bailey@fmso.navy.mil, DSN 430.3114, (717.605.3114)

Adequacy: This on-line tutorial provides in depth coverage of the Navy/Marines Purchase Card policy. While the training discusses CitiDirect and WinSALTS aspects, its main weakness is lack of hands-on practice with the invoice certification tools – WinSALTS and CitiDirect. It's availability can be limited for deployed Fleet members. The CD-ROM is highly recommended as the training tool of choice in this situation.

3. CitiDirect Interactive Tutorial:
This tutorial is available on the CitiDirect website after the user successfully logs in. The tutorial uses state of the art software techniques to present its topics. It is designed to meet the needs of first-time and seasoned CitiDirect users. For first-time users, the CitiDirect Interactive Tutorial walks through, step by step, each segment of the CitiDirect

system. After completing the tutorial, you will be able to utilize CitiDirect to reduce administrative time associated with managing your card program.

Seasoned CitiDirect users can access the CitiDirect Interactive Tutorial while in an active CitiDirect session. Simply click on the CitiDirect Interactive Tutorial option within Assistance to utilize the tutorial as a "quick help" resource.

Distribution Method: Internet

Status: Currently available to logged in users.

Contact: http://www.citidirect-gcs.com

Adequacy: The CitiDirect tutorial is a good training tool for all levels of Purchase Card participants as an introduction to the CitiDirect-PC interface. However, the tutorial needs to be updated to include new topics such as, Dynamic Reporting.

4. WinSALTS Navy Purchase Card Guide:
This guide is a self-paced learning tool which guides the user through the steps of viewing, certifying and submitting e-statements for payment using the WinSALTS software. This guide is a Microsoft Word document which is downloadable from the SALTS web site at http://www.salts.navy.mil and available through SALTS.

Distribution Method: Internet: http://www.salts.navy.mil and through SALTS.

Status: Currently downloadable

Contact:	SALTS Central,	help@salts.icpphil.navy.mil	215.697.1112
	SALTS Norfolk,	norfolk@salts.navy.mil	757.836.3091
	SALTS San Diego,	sandiego@salts.navy.mil	619.532.4036
	SALTS Pearl Harbor,	pearl@salts.navy.mil	808.473.7526

Adequacy: This is a well written guide that includes screen captures of the software. It is highly available but lacks the hands-on experience.

5. SALTS Training Classes, Lecture/Demo Format:
The SALTS Central Operations team at NAVICP in Philadelphia coordinates and conducts monthly lecture/demo training sessions on the use of the WinSALTS software package. This training is based on the content of the six (6) volume set, User Manual for WinSALTS. Classes are ½ day in length.

These classes are conducted at the three SALTS sites - Norfolk, San Diego, and Pearl Harbor – and availability is announced via ALL SALTS messages. Classes are also available as on-site training and as pre-comm training. Contact SALTS Central for availability and scheduling.

Distribution Method: Scheduled lecture/demo class at SALTS sites.

Status: Currently available

Contact: SALTS Central, help@salts.icpphil.navy.mil 215.697.1112
SALTS Norfolk, norfolk@salts.navy.mil 757.836.3091
SALTS San Diego, sandiego@salts.navy.mil 619.532.4036
SALTS Pearl Harbor, pearl@salts.navy.mil 808.473.7526

Adequacy: These classes are taught by the SALTS experts and provide excellent hands-on training. The classes are however more comprehensive than required for Purchase Card usage.

6. SALTS Users Manuals – Volumes 1 – 6:
There is a six (6) volume set of WinSALTS User Manuals available via the internet or through SALTS. These manuals are the basis of the ½ day lecture/demo class offered by the SALTS Operation team. (See above for class details.)

Distribution Methods: SALTS and Internet: http://www.salts.navy.mil.

Status: Currently available

Contact: SALTS Central, help@salts.icpphil.navy.mil 215.697.1112
SALTS Norfolk, norfolk@salts.navy.mil 757.836.3091
SALTS San Diego, sandiego@salts.navy.mil 619.532.4036
SALTS Pearl Harbor, pearl@salts.navy.mil 808.473.7526

Adequacy: These manuals cover all the topic required for a Purchase Card Authoring Official (AO) to use WinSALTS to certify invoices. They do however require the AO to self-teach by reading the manuals.

7. STARS/FL Users' Course:
This 4-day lecture, hands-on class, presented by Diverse Technologies Corporation (DTC), is for new ***STARS/FL*** users or as a refresher for trained users. The format of the class consists of formal presentation, hands-on activities, team exercises, informal question and answers, and job aids as well as a comprehensive up-to-date student manual.

Distribution Method: Classes are scheduled on request and can be conducted as on-sites. Eight attendees is the recommended class size.

Status: Must be schedule for a group; not public offerings

Contact: Marie Lesher, DTC lesherm@diversetech.com 717.691.9450

Adequacy: This class is designed for financial personnel who require an extensive understanding of the STARS/FL system. Not recommended for board usage in the PC Program – suitable for financial management to track invoices through the system. Availability is a problem.

8. Naval Supply Corps Schools – Athens, GA:
The Naval Supply Corps School in Athens, GA, has integrated Purchase Card topics into the Supply Officer Department Head Course (SODHC). The content includes policy information and practical hands-on experience with both WinSALTS and CitiDirect.

Distribution Method: Content included in the standard NSCS curriculum.

Status**:** Currently available

Contact: http://www.nscs.com/training/courses/desc_sodhc.asp This website includes schedules and sample presentations.

Adequacy: Hands on is covered in optional labs; all students complete the tutorial.

9. Procurement Management Review (PMR) Classes:
The Fleet and Industrial Supply Center, FISC, conducts regularly scheduled, one day Purchase Card classes. These class schedules are published on an annual basis.

The content of the classes includes appropriate topics on both CitiDirect and WinSALTS based versions of the Purchase Card Automation System. Hands on exercises are also included.

Distribution Method: Class schedules are published by FISC PMR groups on an annual basis. The San Diego FISC schedule is available at:

http://www.sd.fisc.navy.mil/contracts/proc_train.htm#cpc

The Norfolk FISC schedule is available at:

http://www.nor.fisc.navy.mil/Contracts/PMRStuff/PC%20FYO2%20TRAINING%20SCHEDULE.ppt

Status**:** FY02 Schedules currently available

Contact: Karen Davis, FISC, San Diego, Karen_L_Davis@sd.fisc.navy.mil
Liz Lewis, FISC, Norfolk, Elizabeth_V._Lewis@nor.fisc.navy.mil

Adequacy: These PMR FISC classes are excellent and provide a comprehensive coverage of the topics both policy and hands-on certification. Only major drawback would be individual scheduling issues – i.e. deployed.

10. AK/SK Supply Corps School, A-School, Meridian, MS:
The Supply Corps School, A-School, in Meridian, MS is merging the AK and SK curricula which will include a brief introduction to the Purchase Card Program. This introduction will be at a very elementary level and will be an appropriate introduction for the A-School students.

Distribution Method: Regularly scheduled classes at the Supply Corps school in Meridian, MS.

Status: Planned for inclusion in the modified AK/SK curriculum.

Contact: The Supply School's website includes information about the plan to merger the AK and SK curricula. Check here for details
http://www.cnet.navy.mil/meridian/nttc/schoolhouses/supply/sk-akmerg.htm

Adequacy: The current Storekeeper curriculum has minimal content related to the Purchase Card. The combined curricula will include a basic introduction suitable for the level of student.

Appendix M: WinSALTS NPC Desk Guide

The WinSALTS Navy Purchase Card Guide can be accessed through WinSALTS by (1) accessing WinSalts, Data Services, Request files from Salts, Salts standard files, Navy Purchase Card, and selecting Desk Guide; or (2) accessing WinSALTS, Data Services, Navy Purchase Card, Get latest Purchase Card information. It may also be viewed or downloaded from the web at: http://www.salts.navy.mil/main/files/pdf/npc_desk_guide.pdf. For problems accessing the Guide contact SALTS as indicated below.

WinSALTS/32 Navy Purchase Card Guide

SALTS CENTRAL
Naval Inventory Control Point
Code P-04E (SALTS)
700 Robbins Avenue
Philadelphia, PA 19111
215.697.1112
DSN 442.1112
Email: help@salts.navy.mil

SALTS Detachment Offices
Norfolk
757.836.3091
DSN 836.3091
Email: norfolk@salts.navy.mil

San Diego
215.697.1112
DSN 442.1112
Email: help@salts.navy.mil

Pearl Harbor
808.473.7526
DSN 473.7526
Email: pearl@salts.navy.mil

AUGUST 6, 2001

Appendix N: Citibank Forms

1. Government Agency/Organization Program Coordinator (APC) Setup/Maintenance Form N-2

2. Guide to Government Agency/Organization Program Coordinator (APC) Setup/Maintenance Form N-3

3. Government Cardholder Dispute Form N-4

4. Guide to Government Cardholder Dispute Form N-5

5. Navy Approving Official Account Set-up/Maintenance Form N-6

6. Guide to Navy Approving Official Account Set-up/Maintenance Form N-7

7. Navy Purchase Card Maintenance Form N-8

8. Guide to Navy Purchase Card Maintenance Form N-9

9. Navy Purchase Card Setup Form N-10

10. Guide to Navy Purchase Card Setup Form N-11

These forms can be used if unable to access the DON eBusiness website http://www.don-ebusiness.navsup.navy.mil. The CitiDirect forms are in the Card Management section under Financial Cards, Purchase Card, Citibank Forms.

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GOVERNMENT AGENCY/ORGANIZATION PROGRAM COORDINATOR SETUP/MAINTENANCE FORM

SECTION I **INSTRUCTIONS**

1. To add, delete or change Program Coordinator (PC) information, the Approving Official completes Sections I through III and signs in Section IV. Signatures are required only if submitted by fax or mail.
2. Indicate the **type** of request: ☐ PC Setup and CitiDirect® ID Request ☐ PC Setup but **DO NOT** issue a CitiDirect ID ☐ PC Setup and CitiDirect® ID Request for view only
3. Indicate the **action** you are requesting: ☐ Add to PC info **(Complete entire form)** ☐ Change PC information **(Complete Reporting Hierarchy and only the items requiring a change)** ☐ Delete PC info ☐ Add as Alternate PC
4. Maintain a copy in the Approving Official and Agency/Organization Program Coordinator's files.
5. Fax completed form to your CAS Manager at **(904) 954-7700**.

SECTION II **AGENCY/ORGANIZATION PROGRAM COORDINATOR INFORMATION**

The Agency/Organization shall identify below an Agency/Organization Program Coordinator (A/OPC). The Agency/Organization may also identify additional A/OPCs to handle account matters. A detailed description of the A/OPC's responsibilities may be found in the Agency/Organization Master Contract.

(1)
Last Name of A/OPC **First** Name **Middle** Initial

(2)
Business Mailing Street Address E-mail Address

City State Zip Code Country

(3) Business Phone (4) Fax Number (5) Verification Information

SECTION III **REPORTING PARAMETERS**

Agency/Organization Name: (6)

Reporting Hierarchy: (7)

SECTION IV (8) **TERMS AND CONDITIONS** (Signature required for paper submission only.)

To the best of my knowledge, the information provided on this form is true and correct and I have the authority to sign this application.

1. Signature of Approving Agency/Organization Program Coordinator Date

2. Signature of Agency/Organization Approving Official Date

SECTION V **INTERNAL USE ONLY** (This is to be completed by Citibank.)

1. Signature of processor Date Form processed at Jacksonville's CS Center.

2. Signature of Services Administrator (Initial check) Date This setup form has all the needed information to process at CitiDirect®.

3. Signature of authorized CitiDirect® representative (ID creator) Date The requested Login ID has been created.

ALL fields must be completed prior to submission or the form will be returned to you. Numbers in parentheses correspond to numbers on guide sheet on next page.

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GUIDE TO
GOVERNMENT AGENCY/ORGANIZATION PROGRAM COORDINATOR
SETUP/MAINTENANCE FORM

Form used to add approved A/OPCs.

Section I – Instructions

Section II – A/OPC Information

1. **Name of Agency/Organization Program Coordinator:** Program Coordinator's full name – Last, First and Middle Initial.
2. **Street Address:** Physical mailing address for the Program Coordinator.
3. **Business Phone:** Area code and business phone number.
4. **Fax Number:** Area code and fax number.
5. **Verification:** A/OPC to provide identification password (i.e., a control number). This will be requested when the A/OPC contacts Citibank Customer Service for assistance.

Section III – Reporting Parameters

6. **Agency/Organization Name:** Please provide complete name of agency/organization of A/OPC.
7. **Reporting Hierarchy:** The five-digit reporting code assigned to each level within the organizational hierarchy that defines the Cardholder's relationship within your Agency's reporting structure. Up to seven five-digit codes may be assigned to your Agency. Contact your Client Account Specialist for your Agency's specific codes.

Section IV – Terms and Conditions

8. **Terms and Conditions:** Each Agency/Organization Program Coordinator listed must sign

Section V – Internal Use Only

This section is for bank use only.

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GOVERNMENT CARDHOLDER DISPUTE FORM

INQUIRER'S NAME: (1) _____ DATE: (2) _____

CARDHOLDER'S NAME: (3) _____

ACCOUNT NUMBER: (4) ___ - ___ - ___ - ___ - ___ - ___ - ___ - ___ - ___ - ___ - ___ - ___ - ___ - ___ - ___ - ___

CARDHOLDER: PLEASE PROVIDE A COPY OF ANY INFORMATION/FORMS REQUESTED BELOW ALONG WITH THE STATEMENT THE DISPUTED CHARGE APPEARS ON.
PLEASE **FAX TO 605-335-1417** or **MAIL TO** Citibank Government Card Services, P.O. Box 6125, Sioux Falls, SD 57117-6125.
This form must be filled out completely and forwarded to Citibank and the appropriate Agency officials (as determined by your internal procedures) within 60 calendar days of receipt of your invoice.

DATE: (5) _____ DOLLAR AMOUNT OF CHARGE: $ (6) _____ MERCHANT: (7) _____

CARDHOLDER SIGNATURE:

Please read carefully each of the following descriptions and check the one most appropriate to your particular dispute. If you have any questions, please contact us at 1-800-790-7206 (overseas call collect at 904-954-7850). We will be more than happy to advise you in this matter.

(9)

- **UNAUTHORIZED MAIL OR TELEPHONE ORDER**
  [ ] I have not authorized this charge to my account. I have not ordered merchandise by phone or mail, or received any goods or services.

- **DUPLICATE PROCESSING - THE DATE OF THE FIRST TRANSACTION WAS _____.**
  [ ] The transaction listed above represents a multiple billing to my account. I only authorized one charge from this merchant for this amount. My card was in my possession at all times.

- **MERCHANDISE NOT RECEIVED IN THE AMOUNT OF $_____.**
  (Please provide a separate statement detailing the merchant contact, and the expected date to receive merchandise.)
  [ ] My account has been charged for the above transaction, but I have not received the merchandise. I have contacted the merchant, but the matter was not resolved.
  [ ] My account has been charged for the above listed transaction. I have contacted this merchant on _____ (date) and canceled the order. I will refuse delivery should the merchandise still be received.

- **MERCHANDISE RETURNED IN THE AMOUNT OF $_____.**
  [ ] My account has been charged for the above listed transaction, but the merchandise has since been returned. A copy of the postal or UPS receipt is enclosed.

- **CREDIT NOT RECEIVED**
  [ ] I have received a credit voucher for the above listed charge, but it has not yet appeared on my account. A copy of the credit voucher is enclosed.

- **DIFFERENCE IN AMOUNT**
  [ ] The amount of this charge has been altered since the time of purchase. Enclosed is a copy of my sales draft showing the amount for which I signed. The difference of amount is $_____.

COPY REQUEST
[ ] I recognize this charge, but need a copy of the sales draft for my records.

SERVICES NOT RECEIVED - Please enclose a separate statement with the date of the merchant contact and response.
[ ] I have been billed for this transaction; however, the merchant was unable to provide the services.

PAID FOR BY ANOTHER MEANS
[ ] My card number was used to secure this purchase; however, the final payment was made by check, cash, or another credit card. Enclosed is my receipt, canceled check (front and back), copy of credit card statement, or applicable documentation demonstrating that payment was made by other means.

NOT AS DESCRIBED
[ ] The item(s) specified do not conform to what was agreed upon with the merchant. (The Cardholder must specify what goods, services, or things of value were received. The Cardholder must have attempted to return the merchandise and state so in his/her complaint.)

IF NONE OF THE ABOVE REASONS APPLY:
Provide a complete description of the problem, attempted resolution and outstanding issues. Use a separate sheet of paper and sign and date your description statement.

Numbers in parentheses correspond to numbers on guide sheet on next page.

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GUIDE TO
GOVERNMENT CARDHOLDER DISPUTE FORM

Form required when disputing a charge(s).

1. **Inquirer's Name:** Name of individual submitting dispute, i.e., Dispute Officer or Cardholder.
2. **Date:** Day, month and year for the day the dispute is being filed (i.e., today's date).
3. **Cardholder's Name:** List the name that appears on the account where the charge in dispute resides.
4. **Account Number:** 16-digit account number.
5. **Date:** Indicate the date the transaction in dispute was made.
6. **Dollar Amount of Charge:** Indicate the dollar amount of the transaction in dispute.
7. **Merchant:** Name of the merchant for the transaction in dispute.
8. **Cardholder Signature:** Cardholder must sign.
9. **Error Description:** Check the box that most appropriately relates to your type of dispute.

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NAVY APPROVING OFFICIAL ACCOUNT SETUP/MAINTENANCE FORM

SECTION I **INSTRUCTIONS**

1. To add or change an Approving Official, the A/OPC must complete all sections and sign in Section V. Signatures are required only if submitted by fax or mail.
2. Type of request: ☐ New (Complete entire form) ☐ Change Approving Official Information (Complete Reporting Hierarchy and only the items requiring a change) ☐ Close Approving Official Account (Provide Approving Official's Corporate Account Number)
3. Maintain a copy in the Approving Official and Agency/Organization Program Coordinator's files.
4. Fax completed form to your Client Account Manager at **(904) 954-7700**.

SECTION II **APPROVING OFFICIAL INFORMATION** (Please Print)

***Last** Name of Approving Official (maximum 24 characters) ***First** Name ***Middle** Initial

*Approving Official Corporate Account Number (mandatory 16 characters for changes only)

*Agency/Organization Name (maximum 24 characters) *Verification Information

*Business Mailing Street Address Line 1 (maximum 36 characters) *Business Phone

Business Mailing Street Address Line 2 (maximum 36 characters)

*City *State *Zip Code Country

E-mail Address

Fax Number *Navy Unit Identification Code and Obligation Indicator (e.g., N12345B or N34567T or N12345S))

*Master Accounting Code (LOA) Is this account **NAFI**: Yes ☐ **No** ☐ *Number next to field description is **required** length of field.

{ GA: 2 BFYEFY: 8 APPN: 4 SBHD: 4 OBJCLS: 4 BCN: 5 SA: 1 AAA: 6 TT: 2

PAA: 6 CC: 12 } **{ } = Required for all activities.**

(MCC: 2) **( ) = STARS HCM only** [FA: 2 BESA: 2 CAC: 4 BRC: 2 RON: 3 RBC: 1 FC: 2] **[ ] = USMC only**

SECTION III **REPORTING PARAMETERS**

*Reporting Hierarchy:

SECTION IV **AUTHORIZATION PARAMETERS**

*Dollars per Cycle Limit $ Number of Transactions: Cycle Day

SECTION V **AGENCY/ORGANIZATION PROGRAM COORDINATOR SIGNATURE** **(Required for paper submission only.)**

*Approving Agency/Organization Program Coordinator's Signature_____ Date_____

Full Name (Please print) ( ) Business Phone ( ) Fax Number

CB022 1/2 F9 6/17/02 ***Fields marked with asterisk must be completed prior to submission of the form or it will be returned. Instructions are provided on back of form. LOA instructions are on LOA GUIDE Form.**

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GUIDE TO
NAVY APPROVING OFFICIAL
ACCOUNT SETUP/MAINTENANCE FORM

Form used to add approved A/O's.

Section I – Instructions

1. **Instructions**
2. **Type of Request, NEW or CHANGE or CLOSE:** Mark box "New" if requesting a completely new Approving Official (Invoice). Mark box "Change" if new A/O is replacing old A/O with an existing account number (Corporate Account Number-Invoice). Mark box "Close" if the Approving Official's account is to be closed. **Remember:** If you close the Approving Official's account, all Cardholder accounts connected to the Approving Official's account will be closed as well.

Section II – Approving Official Information

3. **Approving Official Name:** Approving Official's full name. Last, First and Middle Initial. Write all information ABOVE the lines in this section.
4. **Approving Official Corporate Account Number:** Must supply 16-digit account number if requesting change to existing profile. Leave blank if new request.
5. **Agency Organization Name:** Name of Agency or Department.
6. **Business Street Address:** Physical mailing address for the Approving Official.
7. **Business Phone:** Area code and business phone number.
8. **Fax Number:** Area code and fax phone number.
9. **Verification Information:** A/OPC to provide identification password (i.e., a control number). This will be requested when the A/O contacts Citibank Customer Service for assistance.
10. **Navy Unit Identification Code and Obligation Indicator:** Seven characters only: supply full Unit Identification Code (six characters) with bulk obligation indicator at end: **B** for Bulk, **T** for Transactional or **S** for SALTS obligation (one character).
11. **LOA:** Check YES if NAFI (Non-Appropriated Fund Instrumentality) account, NO if appropriated funds. Must supply Line of Accounting for Approving Official. See LOA guide for further definition.

Section III – Reporting Parameters

12. **Reporting Hierarchy:** Must supply Reporting Hierarchy level one through level 5.

Section IV – Authorization Parameters

13. **Dollars per Cycle Limit $:** Must supply 30-day cycle limit.
14. **Number of Transactions per Cycle:** Number of transactions per cycle is optional.

Section V – A/OPC Signature

15. **Approving Agency/Organization Program Coordinator's Signature:** Provide signature and printed name of A/OPC.

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NAVY PURCHASE CARD MAINTENANCE FORM

NOTE: This form should be completed by the Agency/Organization Program Coordinator with the required information input from the Cardholder.

SECTION I **INSTRUCTIONS**

1. To change information for existing accounts:
   a. Complete Section II with the type of request. ********Fill in only the applicable fields to be updated.********
   b. Fill in the individual Government Account number:
   c. Fill in the Cardholder's name as it appears on his/her Government Card:

Approved copy to be maintained in Agency/Organization Program Coordinator's files.

2. Fax completed form to **605 357-2092** or mail to Citibank® Government Services, P.O. Box 6125, Sioux Falls, SD 57117-6125.
3. All changes will be completed within 3 business days unless requesting to move a particular Cardholder from one billing site to another. These changes will be made the next business day after the Agency/Organization's cycle date.

SECTION II **TYPE OF CARDHOLDER MAINTENANCE REQUEST** ("X" all applicable)

- ☐ A. Cardholder Information Change (Section III)
- ☐ B. Hierarchy Change (Section IV)
- ☐ C. MCC/Blocking Change (Section V)
- ☐ D. Monthly Limit Change (Section V)
- ☐ E. Single Purchase Limit Change (Section V)
- ☐ F. Cash Advance Limit Change (Section V)
- ☐ G. Transaction Limit Change (Section V)
- ☐ H. Account Closure (Section VI)
- ☐ I. Other Changes: _____

SECTION III **CARDHOLDER INFORMATION** (Please Print)

Last Name of Cardholder | ***First** Name | ***Middle** Initial (maximum 20 characters)

Agency/Organization Name (maximum 24 characters) | Verification Information, Benefit Start Date (MMYY)

*4th Line Embossing | Activation Information (Last 4 digits of SSN)

Business Mailing Street Address Line 1 (maximum 36 characters) | Business Phone

Business Mailing Street Address Line 2 (maximum 36 characters)

City | State | Zip Code

E-mail Address | Y ☐ or N ☐ City Pair Program (circle one)

Fax Number | Navy Unit Identification Code and Obligation Indicator (e.g., N12345B or N34567T or N12345S)

Master Accounting Code (maximum 75 characters) *Valid LOA append from Navy table

SECTION IV **REPORTING PARAMETERS**

Current Reporting Hierarchy:

New Reporting Hierarchy:

SECTION V **AUTHORIZATION PARAMETERS**

New Monthly Limit $ | Convenience Checks Y ☐ N ☐ 2 Bks ☐ 6 Bks ☐

New Single Dollar Transaction Limit $ | (If you have Convenience checks complete new Cash limit)

New Cycle Number of Transaction(s) | New Cash Advance %

New Daily Number of Transaction(s) | New MCC Template Name

SECTION VI **ACCOUNT CLOSURE INSTRUCTIONS**

1. You need to destroy your Card(s).
2. If you have convenience checks, please destroy any unused checks.

SECTION VII

Approving Agency/Organization Program Coordinator's Signature_____ Date_____

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***If these fields are filled out for corrections/changes, a new card will automatically be sent. Instructions are provided on back of form. LOA instructions are on LOA GUIDE Form.**

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GUIDE TO
NAVY PURCHASE CARD MAINTENANCE FORM

Form used for changes on existing accounts.

Note: only those data elements requiring changes need to be completed.

Section I – Instructions
Indicate account number and Cardholder's full name.

Section II – Type of Cardholder Maintenance Request
Mark the appropriate type of maintenance requested.

Section III – Cardholder Information

1. **Name of Cardholder**: Full name of Cardholder – Last, First and Middle Initial.
2. **Agency /Organization Name:** Name of Cardholder's Agency.
3. **4th Line Embossing**: Agency, Bureau or Operating Administration name (maximum 20 characters including spaces, i.e., GSA). This appears on the card under the Cardholder's name.
4. **Social Security Number (Travel Card Only):** Cardholder's Social Security Number.
5. **Home Mailing Street Address:** Address where the card and statements will be mailed (Travel Card Only).

OR

6. **Business Mailing Street Address**: Address where the card and statements will be mailed.
7. **City Pair Program**: Indicate whether Cardholder is a participant of the City Pair Program for government rates on airline tickets.
8. **Navy Unit Identification Code and Obligation Indicator:** Seven characters only: supply full Unit Identification Code (six characters) with bulk obligation indicator at end: **B** for Bulk, **T** for Transactional or **S** for SALTS obligation (one character).

Section IV – Reporting Parameters

9. **Current Reporting Hierarchy**: The five-digit reporting code assigned to each level within the organizational hierarchy that defines the Cardholder's relationship within your Agency's reporting structure. Up to seven five-digit codes may be assigned to your Agency. Contact your Client Account Specialist for your Agency's specific codes.
10. **New Reporting Hierarchy**: When a Cardholder moves from one area to another within the Agency, new five-digit reporting codes are assigned. Contact your Client Account Specialist for your Agency's specific codes.

Section V – Authorization Parameters

11. **New Dollars per Cycle Limit $:** Monthly spending limit.
12. **New Dollars per Transaction Limit $:** Single transaction limit, i.e., $500; this would restrict a Cardholder from purchasing more than $500 for a single purchase.
13. **New Number of Transactions per:** Number of transactions a Cardholder can perform per monthly cycle or per day.
14. **New MCC Template Name:** Merchant blocking schemes. For example, Agency/Organization Program Coordinator may want to block certain types of merchants from being accessed by the Cardholder. Contact your Client Account Specialist for your Agency's MCC template names.
15. **Convenience Checks (Purchase):** Indicate access to convenience checks. Indicate number of checkbooks to be issued. **Note:** Each checkbook contains twenty-five checks.
16. **If eligible for convenience checks, maximum payment amount:** Indicate "not to exceed" dollar amount to be printed on the check. This serves as notification for the merchant.
17. **ATM Access:** Indicate access to cash advances at Automated Teller Machines.
18. **ATM Access Limit:** Indicate dollar limit per day, week or monthly cycle.
19. **Travellers Cheques (Travel):** Indicate access to purchase Travellers Cheques.

Section VI – Account Closure Instructions

Section VII – A/OPC Signature

20. **Approving Agency/Organization Program Coordinator's Signature:** Program Coordinator must sign for approval.

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NAVY PURCHASE CARD SETUP FORM

SECTION I **INSTRUCTIONS**

1. To add a new account, the A/OPC must complete all sections and sign in Section VI.
2. Maintain a copy in the Cardholder and Agency/Organization Program Coordinator's files.
3. Fax completed form to **605 357-2092** or mail to Citibank® Government Services, P.O. Box 6125, Sioux Falls, SD, 57117-6125.
4. If A/OPCs have access to the CitiDirect® Card Management System, please fill out online application and submit electronically.

SECTION II **CARDHOLDER INFORMATION** (Please Print)

*__Last__ Name of Cardholder | *__First__ Name | *__Middle__ Initial (maximum 20 characters total)

*__Name__ of Approving Official | *__Approving Official Account Number__

*Agency/Organization Name (maximum 24 characters) | *Verification Information, Benefit Start Date (MMYY)

4th Line Embossing | *Activation Information (Last 4 digits of SSN)

*Business Mailing Street Address Line 1 (maximum 36 characters) | *Business Phone

Business Mailing Street Address Line 2 (maximum 36 characters)

*City | *State | *Zip Code

E-mail Address | Fax Number

*ID Verification Code 1 - Unit Ident. Code (UIC) e.g., N12345 | *Master Accounting Code (LOA) Is this account **NAFI**: **Yes** ☐ **No** ☐

Number next to field description is **required** length of field.

{ GA: 2 BFYEFY: 8 APPN: 4 SBHD: 4 OBJCLS: 4 BCN: 5 SA: 1 AAA: 6 TT: 2

PAA: 6 CC: 12 } **{ } = Required for all activities.**

(MCC: 2) **( ) = STARS HCM only** [FA: 2 BESA: 2 CAC: 4 BRC: 2 RON: 3 RBC: 1 FC: 2] **[ ] = USMC only**

SECTION III **REPORTING PARAMETERS**

*Reporting Hierarchy

Corp. ID # (maximum 5 characters)

SECTION IV **AUTHORIZATION PARAMETERS**

*Cycle Limit $ | Convenience Checks Y ☐ N ☐ 2 Bks ☐ 6 Bks ☐

*Single Dollar Transaction Limit $ | (If you checked Y for Convenience Checks fill in cash percentage below)

Cycle Number of Transaction | Cash Advance (for convenience checks only) %

Daily Number of Transaction(s) | *MCC Template Name

SECTION V ***PLASTIC TYPE** (Please check one of the following)

Government Standard

SECTION VI

The agency agrees to abide by the procedures established in the Citibank Government Card guidelines. We understand that it is our responsibility to notify Citibank at 1-800-790-7206 (overseas call collect 011-904-954-7580) immediately if a card is lost or stolen.

*Approving Agency/Organization Program Coordinator's Signature_____Date_____

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***Fields marked with asterisk must be completed prior to submission of the form or it will be returned. Instructions are provided on back of form. LOA instructions are on LOA GUIDE Form.**

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GUIDE TO
NAVY PURCHASE CARD SETUP FORM

Form used for a new Purchase Card Applicant.

Section I - Instructions

Section II – Cardholder Information

1. **Name of Cardholder**: Full name of Cardholder – Last, First and Middle Initial.
2. **Agency /Organization Name:** Name of Cardholder's Agency or Department.
3. **Verification Information:** Benefit Start Date (SF50 Form). This information will be requested of the Cardholder when he/she contacts Citibank Customer Service for assistance.
4. **4th Line Embossing**: Agency, Bureau or Operating Administration name (maximum 20 characters including spaces, i.e., GSA). This appears on the card under the Cardholder's name.
5. **Activation Information (Last Four Digits of Social Security Number):** Used for card activation. Cardholder provides the last four digits of his/her Social Security number.
6. **Business Mailing Street Address**: Address where the card and statements will be mailed.
7. **ID Verification Code:** Information required is the full six-character UIC (Unit Identification Code).
8. **Master Accounting Code:** Must mark YES if NAFI (Non-Appropriated Fund Instrumentality) account. If appropriated funds, must mark NO. Must fill in Default LOA (Line of Accounting) for this Cardholder's transactions. See LOA guide for more definition.

Section III – Reporting Parameters

9. **Reporting Hierarchy**: The five-digit reporting code assigned to each level within the organizational hierarchy that defines the Cardholder's relationship within your Agency's reporting structure. Up to seven five-digit codes may be assigned to your Agency. Contact your Client Account Specialist for your Agency's specific codes.
10. **Corp. ID#:** Five-digit ID code used if card(s) will be shipped to central address(es). Bulk Shipment. Contact your Client Account Specialist for your Agency's specific codes.

Section IV – Authorization Parameters

11. **Cycle Limit $:** Monthly spending limit.
12. **Dollars per Transaction Limit $:** Single transaction limit, i.e., $500; this would restrict a Cardholder from purchasing more than $500 for a single purchase.
13. **Number of Transactions per Cycle:** Number of transactions a Cardholder can perform per monthly cycle.
14. **Number of Transactions per Day:** Number of transactions a Cardholder can perform per day.
15. **Convenience Checks:** Indicate access to convenience checks. Indicate number of checkbooks to be issued.
    Note: Each checkbook contains twenty-five checks.
16. **If eligible for convenience checks, maximum payment amount:** Indicate "not to exceed" dollar amount to be printed on the check. This serves as notification for the merchant.
17. **MCC Template Name:** Merchant blocking schemes. For example, Agency/Organization Program Coordinator may want to block certain types of merchants from being accessed by the Cardholder. Contact your Client Account Specialist for your Agency's MCC template names.

Section V – Plastic Type

18. **Plastic Type:** Card type selection: 1) Government Standard: GSA-designed standard card. US Government is printed on the card; 2) Quasi-Generic: Plain silver plastic embossed with Government-assigned account number; 3) Non-POS (White): Issued for centrally billed accounts, CANNOT be used at the Point-of-Sale.

Section VI – A/OPC Signature

19. **Approving Agency/Organization Program Coordinator's Signature:** Program Coordinator must sign for approval.

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