DEPARTMENT OF DEFENSE
GOVERNMENTWIDE COMMERCIAL PURCHASE CARD GUIDEBOOK

Effective March 1, 2025

New Release Dated April 14, 2026

This administrative update includes the following changes:

- Clarified a reference in Section 2.4.2.
- Corrected a link in sections 2.7.1 and 10.7.
- Removed a duplicative entry from Section 3.1.6.
- Removed an inaccurate source reference and clarified a sentence in Section 3.1.8.
- Revised a statement in Section 3.1.9 in accordance with language in September 2025 Financial Management Regulation Volume 10, Chapter 23, Figure 23-2.
- Corrected a typographical error in Section 4.2.2.
- Updated Section 5.5.1 and removed the Unmanned Aircraft Systems purchasing prohibition from Appendix C.
- In accordance with removal of (former) Figure 1 from Section 5.5.1, updated all subsequent figure numbers.
- Given introduction of abbreviations in new material in Section 5.1.1, removed subsequent introduction of the same abbreviations in Section 6.5.1.
- Revised Figure 1 in Section 6.1.1 for clarity.
- Removed an unrealistic best practice from Section 6.3.
- Updated terminology throughout from “e-commerce” to “commercial” and clarified the definition in Appendix F.
- Revised a statement in Section 9.1 for clarity.
- Revised Section 10.7 to clarify that departure checklists are owned by Components; also removed outdated reference.
- Updated Section 10.11 and Appendix F to mention FPDS is now accessed via the System for Award Management.
- Updated Section 10.12 to include new subsections 10.12.1 and 10.12.2 to clarify policy regarding auditor access to data.
- Updated the name of the platform formerly known as “Advana” to “War Data Platform” throughout.
- Added a footnote to Section A.2.1 with a link for further information.
- Corrected the external reference for Internal Control #5 in Appendix D.

This *Department of Defense Governmentwide Commercial Purchase Card Guidebook* cancels and supersedes all versions of the *Department of Defense Government Charge Card Guidebook for Establishing and Managing Purchase, Travel, and Fuel Card Programs*.

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CHAPTER 1: PURPOSE AND ISSUANCE

1.1. PURPOSE

The purposes of this *Department of Defense Governmentwide Commercial Purchase Card Guidebook* are to consolidate and codify Department of Defense (DoD) Governmentwide Commercial Purchase Card[1] (GPC) policy (e.g., statutes, regulations, policies, memorandums, issuances, procedures, and guidance) and provide information to assist GPC Program Participants establish, manage, operate, and provide oversight of DoD GPC programs established under General Services Administration (GSA) SmartPay® (SP) tailored task orders. Where best practices are identified, they are intended to serve as recommendations, not requirements. This *Guidebook* incorporates all Office of the Under Secretary of Defense (OUSD) for Acquisition and Sustainment (A&S) / Assistant Secretary of Defense (Acquisition) (ASD(A)) / Defense Pricing, Contracting, and Acquisition Policy (DPCAP) policy issued through March 1, 2025. This *Guidebook* is incorporated by reference at Defense Federal Acquisition Regulation Supplement (DFARS) 213.301 and is equivalent to DFARS Procedures, Guidance, and Information (PGI).

The chapters that follow identify the DoD policies and electronic program management and control compliance tools that are mandated for use by all Military Departments (referenced hereafter as "Services") and Other Defense Agencies and Activities (ODAs) (the Services and ODAs collectively are referenced hereafter as "DoD Components") executing transactions under the terms of the SP United States (U.S.) Department of the Army (DA), U.S. Department of the Air Force (DAF), and ODAs Tailored Task Order (TTO) and the U.S. Department of the Navy (DON) SP TTO. These policies establish a proactive environment to continuously strengthen the DoD GPC Program. DoD Components may adopt more stringent Internal Control requirements than those specified in this *Guidebook*. However, as the GPC Program is a risk-managed program, a proper balance should be maintained between the control environment and ease of use to ensure GPC Program benefits continue to accrue.

This *Guidebook* covers only the GPC Program. Other card programs, such as the Defense Travel Management Office's Government Travel Charge Card and the Defense Logistics Agency (DLA) Energy's Government Fuel Card Program, have separate policies.

Together, this *Guidebook* and the DoD Financial Management Regulation (FMR) also fulfill the United States Code (U.S.C.) Title 10, Section 4754, "Management of Purchase Cards," requirement for the Secretary of Defense to prescribe regulations governing the use and control of all GPCs and convenience checks that are issued to DoD personnel for official use. This *Guidebook* is consistent with the requirements of Office of Management and Budget (OMB) Circular A-123, Appendix B, "A Risk Management Framework for Government Charge Card Programs"; the DoD FMR; the Federal Acquisition Regulation (FAR); and the DFARS.

1.2. ISSUANCE

OUSD(A&S)/ASD(A)/DPCAP policy memoranda are available on DPCAP's Purchase Cards – Documents and Guides webpage. Once policy from GPC memoranda is incorporated herein, it is

[1] At the first use of each defined term herein, the term is hyperlinked to its definition within Appendix F, Definitions.

moved to the Purchase Cards – Archive webpage. The GPC Archive provides links to aged regulatory/policy resources by year and is retained for historical purposes only.

In the event of a conflict between DoD policy and any less-restrictive Component policy, the policy herein takes precedence. However, this *Guidebook* neither supersedes nor takes precedence over more-restrictive Component policy. An electronic version is available on DPCAP's Purchase Cards – Documents and Guides webpage.

All accounts issued under the DoD GPC SP TTOs are subject to the policies included herein except as stated in Section 2.7, Waivers to DoD GPC Policy and Use of Supporting Systems/Tools.

CHAPTER 2: PROGRAM BASICS

2.1. OUTCOMES

At the Department level, the desired outcomes for the DoD GPC Program include the following:

a. Effective and efficient DoD mission support. The GPC shall be used only for mission-essential purchases.
b. Streamlined business processes that reduce cost and/or increase Department-wide productivity and balance supply chain risk to protect U.S. national security interests.
c. Use of consistent, integrated Acquisition Team-developed guidance, training, and remedies throughout the Department.
d. GPC program management and oversight that is integrated into Department and Component overall strategic and risk management plans.
e. Internal controls that effectively identify, correct, and minimize GPC Improper Use. (See Section 10.4, Disciplinary Requirements and Categories of GPC Violations, for definitions of GPC Violations and other types of improper use.)
f. Application of appropriate authorization controls (e.g., spending limits and Merchant Category Code (MCC) restrictions).
g. Implementation of program metrics at the appropriate management level(s) to provide key Component program participants with an assessment of the risk environment and feedback as to whether the program is satisfying overall strategic goals.

2.2. GOVERNANCE

The Integrated Solutions Team (IST) is DoD's GPC Governance Board. The IST is composed of representatives from the DoD GPC Program Management Office (PMO) and DoD Component Program Managers (CPMs). Support also is provided by the Card-Issuing Bank (currently U.S. Bank); the Data Mining (DM) provider (currently Insights On Demand® (IOD)), the card association (currently Mastercard®); and contractors and subject-matter experts on an ad-hoc basis, as needed.

The IST typically meets semi-annually to:

a. Discuss changes and trends in the DoD GPC Program and industry;
b. Identify necessary adjustments to the bank-provided electronic capabilities, DoD's GPC enterprise tools, and DoD GPC policies;
c. Identify and approve changes to DM rules and parameters; and
d. Establish program priorities.

The DoD GPC Operational Requirements Committee (ORC) advisory board, consisting of representatives from the Defense Components, is an additional governance body established specifically to address matters related to prioritization and implementation of DoD GPC Program supporting systems' functional requirements. The ORC works in parallel with the IST.

2.3. COMPONENT TEAM

The DoD GPC Program is comprised of participants at all levels, representing a range of functions. Ensuring the active participation of all Component Team members in GPC policy

issuance, compliance monitoring, and business process reengineering is critical. The team comprises individuals from the following disciplines.

a. **GPC Program Managers.** GPC Program Managers are individuals identified by their organizations as having responsibility for the day-to-day management and oversight of the GPC program from an operational perspective (i.e., CPMs, Oversight Agency/Organization Program Coordinators (OA/OPCs), and Agency/Organization Program Coordinators (A/OPCs)). The ratios of Cardholders (CHs) to Approving/Billing Officials (A/BOs), and total CHs and Managing Accounts (MAs) to A/OPCs, as well as the total number and complexity of transactions, must be considered when resourcing officials make program staffing decisions. See Section 10.2.1, Span of Control, for additional information.

   GPC Program Managers must be familiar with the statutory requirements, contracting regulations, and policy that govern the Federal, DoD, and Component GPC programs. These include:

   i. 10 U.S.C. 4754 (see Section 2.4.1, 10 U.S.C. 4754);
   ii. OMB Circular A-123, Appendix B (see Section 2.4.2, OMB Circular A-123, Appendix B);
   iii. FAR;
   iv. DFARS; and
   v. Component GPC supplements, appendices, and policy.

b. **Senior Leaders and Supervisors.** The support of senior leaders (e.g., Heads of Activity (HAs), Heads of the Contracting Activity (HCAs), and Commanding Officers), Supervisors, and other cognizant officials is required to ensure effective functioning of the GPC program. As an example, GPC Program Managers often are not part of the CH's or A/BO's chain of command, and GPC operational personnel often are subject to influence by the requiring office. Thus, the support of senior leaders and Supervisors, as appropriate, is essential for Components to comply with acquisition and purchasing policy and conform with mandated program oversight responsibilities, including ensuring appropriate Corrective Actions are taken for GPC violations and other improper use. See Section 10.4, Disciplinary Requirements and Categories of GPC Violations, for additional instructions. Additionally, they play a key role in ensuring issuance of fully coordinated GPC policies, appropriate integration of the GPC Program into Component-wide initiatives (e.g., DoD Enterprise Risk Management and Risk Management Internal Control Program (MICP), Procurement Management Reviews (PMRs), and financial management (FM)), and appropriate resourcing.

c. **Contracting Office.** In addition to providing policy and guidance support, supporting contracting offices are responsible for ensuring their GPC programs comply with applicable GPC policy (e.g., ensuring adequate training and oversight of individuals issued Standard Form (SF) 1402, "Certificate of Appointment," limited-scope warrants with their Procurement Integrated Enterprise Environment (PIEE) / Joint Appointment Module (JAM) appointment (see Section 11.2.2, JAM), Federal Procurement Data System (FPDS) reporting, strategic sourcing / category management planning, supply

chain risks/considerations, and vendor[2] responsibility determinations). This responsibility is of particular importance for Components that authorize GPC use for other than open-market Micro-Purchases. See Section 4.6, GPC Authorized Uses, for more information.

d. **FM Office.** Partnership with Resource Managers (RMs) is required to ensure issuance of Component and local policy that complies with the Treasury Financial Manual (TFM), the DoD FMR, and other applicable FM policies and requirements. The FM team is responsible for policy regarding use of convenience checks, including, but not limited to, Internal Revenue Service (IRS) Form 1099-MISC, "Miscellaneous Information," tax reporting, and annual convenience check account reviews. FM support also is required for refund validation and processing; ensuring use of Electronic Data Interchange (EDI) for GPC Invoice certification and payment; proper use of Enterprise Resource Planning (ERP) systems; ensuring critical GPC internal controls and risk management profiles are included in the Component's overall internal control review process; Department of Defense (DD) Form 577, "Appointment/Termination Record – Authorized Signature," appointment/termination process; processing of manual payments and credits; and identifying and limiting improper payments.

e. **Logistics/Property Office.** Partnership with Logisticians (including, but not limited to, property and supply chain management personnel) is required to ensure issuance of Component and local policy that complies with DoD Instruction (DoDI) 4140.01 and results in accurate property reporting for assets acquired by CHs and risk-based supply chain management decisions with regard to obsolescence, counterfeit parts, foreign ownership of sub-tier vendors, climate-change-related risks, and other such risks.

f. **Security and Chief Information and Technology Officers.** Partnership with Security and Chief Information and Technology Officers (including, but not limited to, Cybersecurity and software assurance) is required to ensure issuance of Component and local policy that complies with DoDI 8500.01 and results in appropriate cybersecurity and mitigation of vendor threats. This is of particular concern when the GPC is used to purchase supplies and services involving electrical components.

2.4. KEY STATUTORY AND FEDERAL REQUIREMENTS

As noted in Section 1.1, Purpose, GPC senior leaders must be familiar with the policies that govern the Federal, DoD, and Component program.

The applicable requirements of 10 U.S.C. 4754 and OMB Circular A-123, Appendix B, are highlighted in the sections that follow.

[2] For the purposes of DoD GPC policy, the terms "vendor," "merchant," and sometimes "contractor" are used interchangeably.

2.4.1. 10 U.S.C. 4754

10 U.S.C. 4754[3] mandates specific safeguards and internal controls that apply to DoD. The Department must meet all requirements of 10 U.S.C. 4754. These statutory requirements mandate the following (this list is not comprehensive):

a. Use of effective systems, techniques, and technologies to prevent or identify potential Fraudulent purchases.
b. Immediate invalidation of cards from each employee who ceases to be employed by the Government or separates from Military Service.
c. DoD take steps to recover the cost of any illegal, improper, or erroneous purchases made with a GPC or convenience check made by an employee or member of the Armed Forces, including, as necessary, Salary Offsets.
d. DoD take appropriate adverse personnel actions or impose other punishments when its employees violate regulations governing the use and control of GPCs and convenience checks or who "are negligent or engage in Misuse, Abuse, or fraud" (i.e., who commit violations) with respect to a GPC, including removal in appropriate cases. A violation of such regulations by a person subject to Chapter 47 of the Uniform Code of Military Justice (UCMJ) is punishable as a violation of UCMJ Article 92.
e. DoD Inspector General (IG) conduct periodic audits or reviews of charge card programs to identify and analyze risks of illegal, improper, or erroneous purchases and payments and report the result to the Director of OMB and Congress.

2.4.2. OMB Circular A-123, Appendix B

OMB Circular A-123 provides guidance to Federal managers on improving the accountability and effectiveness of Federal programs and operations by establishing, assessing, correcting, and reporting on internal controls. Appendix B of the Circular prescribes policy to maintain internal controls that reduce the risk of GPC improper use and delinquency in Government charge card programs.

2.4.2.1. Metrics and Benchmarking

As required in OMB Circular A-123, Appendix B, "all agencies using Government charge cards are required to have a metrics and benchmarking program." The data collection and reporting requirements for the DoD GPC Program are outlined in the subsections below.

2.4.2.1.1. DoD GPC Program Oversight Reporting

DoD leverages the integrated, three-pronged, system-enabled review cycle addressed in Section 10.9, Mandatory Program Oversight Procedures, and its subsections, to comply with the OMB Circular A-123, Appendix B, requirement for DoD to maintain data for the use and management of the DoD GPC Program.

[3] As annotated in OMB Memorandum M-13-21, the provisions of the Government Charge Card Abuse Prevention Act's Section 2, "Management of Purchase Cards," do not apply to the DoD GPC Program. The Charge Card Abuse Prevention Act amended 10 U.S.C. 4754 to provide the requirements for GPC management for DoD.

2.4.2.1.1.1. Semi-Annual Head of Activity Review Reporting

The DoD GPC PMO oversees execution of, and maintains data from, the Semi-Annual Head of Activity Review (SAHAR) process that is conducted using the DM and oversight tracking tool.

As part of the DoD GPC Program's mandatory oversight process, the required statistical reporting data elements, as well as information about DM case Findings, Disciplinary Category Determinations (hereafter referenced as "Determinations") (including violations) and Corrective Actions planned/taken are tracked, reported, and briefed to the GPC HAs semi-annually. See Section 10.9.3, SAHARs, and its subsections, for DoD SAHAR procedures.

2.4.2.1.1.2. Delinquency Reporting

Delinquencies are unlike the other disciplinary categories defined in OMB Circular A-123, Appendix B, in that they typically cannot be tied to a single transaction. Rather, they are realized at the MA level. Therefore, consistent with OMB Circular A-123, Appendix B, Attachment 6, Table 4, DoD does not leverage its transaction-based DM case review process to identify delinquencies. The DoD GPC PMO reviews the delinquency reports provided by the card-issuing bank and highlights issues for CPMs' attention.

Some causes of delinquencies include:

a. When an RM provides an invalid Line of Accounting (LOA);
b. When the CH, A/BO, and Certifying Officer do not timely complete account reconciliation; and
c. When the disbursing office does not timely pay a GPC invoice.

GPC program participants have various responsibilities to ensure appropriate action is taken related to delinquencies. Chapter 3, Organizations and Roles, addresses the specific roles and responsibilities; and Section 8.2, Avoiding Delinquencies, provides further information on this issue.

2.4.2.1.2. Program Metrics

OMB Circular A-123, Appendix B, Chapter 5, requires specific program metrics to be collected and reported on the GSA SP website.

2.4.2.1.2.1. Annual Statistical Reporting

GSA's Center for Charge Card Management (CCCM) is responsible for obtaining statistical information to the extent it is available in an electronic, automated manner from the card-issuing bank.

To ensure consistent data is available for use in analysis across Federal agencies, the DoD GPC PMO relies on the data that the card-issuing bank consolidates for all its Federal Customers when it submits this annual report, with the exception of violations data. The DoD GPC PMO relies on a summary report provided by the card-issuing bank's DM vendor to fulfill the ratio of the number of confirmed violations reported, as compared to the number of valid transactions within the reporting period. Specifically, DoD will report the Number of Cases Closed with a Determination of Misuse, Abuse, or Potential Internal Fraud, divided by the Number of Transactions (Excluding Credits). The DoD GPC PMO completes this reporting on behalf of DoD and follows the submission implementing guidance in GSA Smart Bulletin No. 030 and any subsequent issuances.

2.4.2.1.2.2. DoD GPC Charge Card Management Plan

OMB Circular A-123, Appendix B, Chapters 3 and 12, require Federal agencies to develop and maintain a Charge Card Management Plan. Updates to the plan are required every two years from the date of the last update or more frequently, if needed. The DoD GPC PMO completes this plan on behalf of DoD. It is available on DPCAP's Purchase Cards – Documents and Guides webpage.

2.4.2.1.2.3. DoD Annual Narrative Reporting

OMB Circular A-123, Appendix B, Section 5.3.2, requires Federal agencies to submit a narrative report to the GSA CCCM annually within 90 calendar days after the end of the fiscal year (FY). The DoD GPC PMO prepares and submits this report on behalf of DoD.

2.4.2.1.2.4. DoD Violations Reporting

OMB Circular A-123, Appendix B, Section 5.3.3, violations reporting requirements; and OMB Memorandum M-13-21, "Implementation of the Government Charge Card Abuse Prevention Act of 2012," dated September 6, 2013, do not apply to the DoD GPC Program. No similar reporting requirement is identified in 10 U.S.C. 4754, which specifies requirements applicable to DoD's GPC Program.

Although DoD is not required to report violation information to OMB or GSA, DoD internally monitors violations data to ensure appropriate application of the GPC Program. DoD leverages its three-pronged oversight process (see Figure 2, GPC Program Oversight Cycle) to capture, review, and ensure appropriate corrective or disciplinary action is taken as needed. Additionally, this data is reviewed periodically by the IST to provide reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls and make adjustments as necessary.

2.5. STRATEGIC SOURCING / CATEGORY MANAGEMENT

To ensure DoD is maximizing the benefits of its GPC use, Components shall:

a. Use data analytics (e.g., periodically analyze GPC documentation and spend patterns) to identify opportunities to obtain savings.
b. Periodically determine the feasibility for broader application of these efforts across the Component.
c. Identify recurring, repetitive purchases (e.g., utility service needs) made with the GPC; and, where appropriate, use the GPC as either an ordering device or a method of payment against a contract.
d. Comply with all Federal, DoD, and Component policy designed to optimize their purchasing power.

DoDI 5000.74 includes category management as a "best in class" solution. The Principal Director, DPCAP, recommends DoD Component heads develop implementation guidance to best achieve cost, schedule, and performance objectives.

2.6. JOINT BASING AND JOINT COMMANDS

In a joint basing[4] or joint command environment, surveillance and management responsibilities for GPCs used for anything other than "procurement of weapon systems, items in support of weapons systems, and contingency contracting" must be transferred to the supporting Component. Components may adopt any of the following solutions to encourage savings and efficiencies:

a. Use the supporting Component's GPCs and direct-cite the LOAs for supported units,
b. Use the supporting Component's GPCs and Military Interdepartmental Purchase Request (MIPR) money to cover expenditures,
c. Construct an "on behalf of" arrangement for mission units, or
d. Use a combination of these options.

2.7. WAIVERS TO DOD GPC POLICY AND USE OF SUPPORTING SYSTEMS/TOOLS

DoD's policies promote and measure compliance with 10 U.S.C. 4754; OMB Circular A-123, Appendix B; and other applicable statutory, regulatory, and policy requirements (e.g., FAR, DFARS, DoD FMR, National Archives and Records Administration (NARA), and DPCAP memoranda). Components granted waivers from use of DoD policies and tools are not exempt from the requirements to comply with applicable statutes, regulations, and policies.

Requests for waivers from DoD's policies and systems/tools must be submitted in writing, through the CPM to the DoD GPC PMO, which will coordinate this review with OUSD (Comptroller) (OUSD(C)) as necessary.

Components that have been granted waivers are required to:

a. Independently implement appropriate compensating controls that promote and measure compliance with these statutes, regulations, and policies. At a minimum, these compensating controls must be consistent with Appendix D, Internal Controls.
b. Conduct GPC program oversight commensurate with the integrated, three-pronged, system-enabled review cycle process depicted in Figure 2, GPC Program Oversight Cycle, including compliance with Table 8, GPC IOD Findings and Determinations; and Table 9, GPC IOD Corrective Actions Taken/Planned.
c. Provide evidence of compensating internal controls when requested by the DoD GPC PMO or in support of other management reviews.
d. Stay abreast of changes made to DoD GPC systems and policies, and update Component-level policies and compensating controls accordingly.
e. Comply with any additional waiver terms and conditions.
f. Ensure the fulfillment of IRS Form 1099-MISC reporting requirements as described in Section 4.8.3.2, IRS Form 1099-MISC Tax Reporting.

[4] Operational guidance for the Joint Basing Program is provided in OUSD (Acquisition, Technology, and Logistics) memorandum "Department of Defense Supplemental Guidance for Implementing and Operating a Joint Base," dated April 15, 2008; and Deputy Under Secretary of Defense for Installations and Environment memorandum "Joint Basing Government Purchase Card Policy," dated October 12, 2010.

2.7.1. PIEE/JAM Waivers

If a Component does not use PIEE/JAM to issue appointments and GPC accounts because a waiver has been granted, the Component shall develop policy detailing how its A/OPCs are to manage, document, and control the CH account initiation, review, approval, storage, and termination processes.

Appointments must follow the required compensating controls as outlined in the Component's waiver. The alternative automated system must provide management information that indicates whether initial and refresher training is occurring and supports the upward reporting of requirements.

The Component's policy also shall address necessary controls for making changes to existing CH accounts and ensuring authorized and approved CH parameters are not exceeded. The policy shall include CH account cancellation procedures as described in Section 4.2.4, Authority to Cancel CH Accounts.

Use of JAM to issue GPC delegations of procurement authority and appointments ensures compliance with the following requirements and mandatory internal controls:

a. Individuals may be appointed to perform GPC functions only after their Supervisor has requested they do so. Proof that the Supervisor has requested and approved appointment must be retained in accordance with the record retention requirements in Section 7.7, Record Retention.
b. Delegations of procurement authority shall be clearly documented, beginning with a Component that is a DFARS-designated contracting activity (see DFARS PGI 202.101), down to each CH. Each delegation must clearly identify the acquisition office authorized to sign CH delegation of authority letters.
c. Components must follow applicable DoD and Component acquisition policy when determining who has authority to sign delegation of authority and appointment letters.
d. Components must follow applicable DoD and Component FM policy when determining who has authority to sign DD 577 Certifying Officer appointment letters.
e. Any OA/OPC or A/OPC with authority to delegate procurement authority to CHs shall hold a position in the Acquisition Professional Series, be appointed via a delegation of authority letter, and be issued a warrant that clearly states his/her authority to further delegate procurement authority. It is a best practice for all A/OPCs to be trained as Acquisition Professionals. The A/OPC and Alternate A/OPC should be assigned to a full-time position where warranted, considering the number of accounts and span of control under their range of authority (see Section 10.2.1, Span of Control).
f. Both a primary and alternate CPM, OA/OPC, and/or A/OPC must be appointed at all times.
g. GPC program participants not receiving a delegation of procurement authority letter must receive a GPC program appointment letter. A single letter may be signed to both delegate procurement authority and convey GPC appointment information; in such circumstances the letter will be referred to as a "delegation of authority letter." Appointment letters may be tailored to include Component and local policy.

h. Delegations of authority and appointments shall clearly state the program participant's authority type and related Single Purchase Limit (SPL), cycle limit, and effective date of appointment.
i. Delegations of authority and appointments shall address the pecuniary or personal financial liability levied upon acceptance.
j. The procurement authority in the delegation of authority letter may never exceed what is authorized by the FAR and DFARS. For example, a CH with a delegated authority of $4,000 is nonetheless limited to $2,500 when purchasing services subject to Service Contract Labor Standards.[5]
k. No delegation of authority or appointment may be issued until all required training is successfully completed. (See Section 10.8, Training.)
l. Each program participant shall receive and accept/sign the delegation(s) of authority and appointment(s) required for their role(s) as specified in Table 1, Required Appointments Summary. When accepting/signing, all program participants must certify they are responsible for knowing and complying with their assigned roles, duties, and responsibilities.
m. Original appointment and procurement delegation of authority letters executed by both the appointer and the appointee shall be retained by the Delegating/Appointing Authority (DAA), and copies of these letters shall be retained by the A/OPC, for six years after the delegation has been terminated. All CPMs must have access to copies of all OA/OPC or A/OPC appointments under their span of control. All OA/OPCs must have access to copies of all A/OPC appointments under their span of control. All A/OPCs must have access to copies of all A/BO, Certifying Officer, and CH appointments under their span of control. All A/BOs must have access to all CH appointments under their span of control. See Section 10.2.1, Span of Control, for additional information.

2.7.2. Entitlement System Waivers

If the card-issuing bank's Electronic Access System (EAS) is not being used by a Component for entitlement because a waiver has been granted, the Component must designate the site that will pilot the alternative system and provide a schedule when that site will be audited to ensure all required internal controls are inherent in the system. Note that, within a given Component, the card-issuing bank's EAS and another approved system(s) may be designated; however, at the MA and lower level, only one system may be authorized. Transaction review and invoice certification shall be completed in only one system (i.e., either the card-issuing bank's EAS or another waiver-approved automated system, but never both). Component policy shall designate the automated system in which account reconciliation will be conducted. See Section 8.1, Account Reconciliation.

2.7.3. Account Reconciliation Documentation Waivers

If the card-issuing bank's EAS is not being used by a Component to perform account Reconciliation (see Section 8.1, Account Reconciliation) and fulfill documentation requirements, the Component must ensure GPC documentation is stored in a centrally managed location that has an established backup process. Additionally, electronic record storage requires adequate

[5] See 41 U.S.C. Chapter 67.

controls to ensure the digital images accurately represent the corresponding paper documentation and to detect changes to an original digital image.

2.7.4. Pay and Confirm Waivers

Appropriate policy, training, and compensating controls must be established at any organization that has been approved to use Pay and Confirm processes. Implementation must be coordinated with the card-issuing bank for bank-managed systems.

Component policy that authorizes Pay and Confirm shall include special-interest items such as:

a. Procedures and follow-up processes to confirm and record acceptance of items ordered within the 90 days allowed for disputes, and they shall link acceptance to the transactions.
b. Policy that dictates who is responsible for retaining disbursing office records. See Section 7.7.3, Retention of GPC Documentation.

CHAPTER 3: ORGANIZATIONS AND ROLES

3.1. ROLES AND RESPONSIBILITIES OF GPC PROGRAM PARTICIPANTS

One of the most critical factors for successful GPC operations is the appointment of qualified personnel who are given the time, training, resources, and management support to successfully perform their duties. All program participants must complete DoD and Component-specific initial and refresher training in accordance with DoD and Component policy (see Section 10.8, Training). GPC program participants regularly perform inherently Governmental functions (see Section 3.2.3, Contractor Personnel). All GPC program participants are subject to personal financial liability as addressed in Section 10.6, Liability of Program Participants.

The general roles and responsibilities of the GPC program participants are presented below. These are consistent with the financial responsibilities defined in the DoD FMR. Several of the roles listed in this section also are specifically used in the GPC Program's supporting systems/tools.

As the GPC is used to streamline both contracting and FM processes, both DPCAP and OUSD(C) perform vital DoD GPC program management functions. DPCAP is the policy lead for contracting and GPC matters, while OUSD(C) is the policy lead for financial matters.

3.1.1. DoD GPC PMO

Per OMB Circular A-123, Appendix B, DPCAP and its agent at the Defense Contract Management Agency (DCMA) serve as the "Agency PMO," referenced herein as the "DoD GPC PMO." DPCAP has responsibility for the Program's support, including policy development and programming resources for information technology (IT) modernization. DCMA staff have been designated with primary responsibility and cognizance for performing program management and policy oversight functions. Under this arrangement, DCMA personnel appointed to perform these functions operate with the same authority as DPCAP personnel.

The DoD GPC PMO fulfills the following responsibilities:

a. Oversee and support the DoD GPC Program.
b. Develop, maintain, coordinate, and disseminate DoD GPC acquisition policy and training that comply with 10 U.S.C. 4754, the FAR, and the DFARS. In doing so, the DoD GPC PMO coordinates with Office of the Secretary of Defense (OSD) Principal Staff Assistants[6] as appropriate.
c. Partner with OUSD(C) to implement a comprehensive system of internal controls that provides reasonable assurance that GPC programs are operating as intended in accordance with DoDI 5010.40. See Section 10.2, Internal Controls, and its subsections for more information.
d. Review Component performance metrics to identify any systemic deficiencies that require corrective action(s).
e. Facilitate or perform GPC reporting as stated in Section 2.4.2.1, Metrics and Benchmarking. Complete and submit to GSA the annual Statistical and Narrative Reports and biennial Charge Card Management Plan as stated in OMB Circular A-123, Appendix B, Chapter 5.

[6] Definition is available in DAU Glossary.

f. Partner with OUSD(C) to develop and mandate Department-wide ERP system standards, as well as card-issuing bank to ERP/financial system interface standards, that support both the standard commitment reservation of funds process and the unique miscellaneous obligation (i.e., bulk funds process) of GPC accounts, promote policy compliance (e.g., detailed Purchase Log Information (PLI) to fulfill GPC policy mandates as described in Section 7.2, Purchase Log Information) and maintain disbursing office records, and achieve acquisition and payment processing streamlining objectives.
g. Draft and staff proposals (e.g., legislative and DFARS) to streamline business processes that reduce cost and/or increase Department-wide productivity and balance cybersecurity, supply chain, and counterintelligence risk (see Section 6.5, Cybersecurity, and its subsections) to protect U.S. national security interests.
h. Oversee the award of SP contract task orders and serve as the Contracting Officer's Representative (COR). (The DON maintains its own task order.)
i. Provide for GPC card- and convenience-check-issuing services under the GSA SP3 Master Contract arrangements.
j. Provide for a DM capability (along with the associated rules and procedures) that enables Components to use effective systems, techniques, and technologies to prevent or identify improper use. Section 11.2.5, IOD DM Case Management and Reporting Tool, describes the mandatory DM tool for the DoD GPC Program.
k. Maintain the "DoD SmartPay 3 GPC High Risk and Very High Risk MCC List," available on DPCAP's Purchase Cards – Documents and Guides webpage (see Section 10.2.3, MCCs).
l. Chair and oversee the IST Governance Board and ORC Advisory Board (see Section 2.2, Governance).
m. For the purposes of JAM, serve as the PIEE Hierarchy Level 1.
n. Grant waivers from use of any DoD-mandated system or policy, partnering with OUSD(C) when necessary (see Section 2.7, Waivers to DoD GPC Policy and Use of Supporting Systems/Tools).

3.1.2. OUSD(C) and Representatives at DFAS

OUSD(C) and its representatives at the Defense Finance and Accounting Service (DFAS) have the following responsibilities:

a. Issue policy, oversee, and support the DoD Convenience Check Program. This includes, but is not limited to, developing, maintaining, and disseminating:
    i. DoD convenience check policy, procedures, guidance, and training (see Section 4.8.3, Convenience Checks and its subsections).
    ii. DoD convenience check IRS Form 1099-MISC reporting policy, systems, procedures, guidance, and training. Ensure timely completion of DoD convenience check IRS Form 1099-MISC reporting (see Section 4.8.3.2, IRS Form 1099-MISC Tax Reporting).
b. Develop, maintain, and disseminate DoD GPC FM policy, procedures, guidance, data standards, and training that complies with the TFM, DoD FMR, and other applicable FM policies and requirements. This includes, but is not limited to, matters such as:
    i. Use of EDI tools to support invoice certification/payment to facilitate timely disbursements and promote refund maximization (see Section 11.1.3.1, Use of EDI Tools to Support Invoice Certification/Payment).

ii. Oversight and reporting of GPC improper payments.
iii. Use of the DD Form 577 to appoint and terminate Certifying Officers and Accountable Officials (see Section 4.3, Certifying Officer DD Form 577 Appointments).
iv. Refund validation requirements (see Section 9.5, Application of Refunds).
v. Maintenance of appropriate documentation to support disbursement and disbursing office requirements.
vi. Audit support.
vii. Pay and Confirm policy (where approved) and oversight for compliance with the DoD FMR.[7]
viii. When jointly authorized by DPCAP and OUSD(C), development and dissemination of policy and training for GPC use for the processing of:
    A. Contract payments,
    B. Miscellaneous payments,
    C. Intragovernmental payments, and
    D. Requisitioning.
ix. Ensuring the methodology of funds control for the GPC program (i.e., both the standard commitment of funds process (e.g., individual requirement-level) and the unique miscellaneous obligation (i.e., bulk funding) process, or a combination of both) and the processes for each are identified in detail in DoD financial policy; and providing policy for dealing with violations of the Anti-Deficiency Act.

c. Partner with the DoD GPC PMO to implement a comprehensive system of GPC internal controls that provides reasonable assurance that programs are operating as intended in accordance with DoDI 5010.40 (see Section 10.2, Internal Controls, and its subsections).
d. Partner with the DoD GPC PMO to develop and mandate Department-wide ERP/financial system standards and bank interface standards that support both the standard commitment reservation of funds and unique miscellaneous obligation (i.e., bulk funding of GPC accounts) processes. The objective of these standards is to promote policy compliance (e.g., detailed PLI to fulfill GPC policy mandates and maintain disbursing office records) and achieve acquisition and payment processing streamlining objectives.
e. Coordinate with the CPM to ensure accounting system and ERP system-enabled interfaces used to fund GPC accounts allow for capture of all documentation as required in Chapter 7, Documenting a Purchase.
f. Draft and staff proposals (e.g., legislative and DoD FMR) to streamline business processes that reduce cost and/or increase Department-wide productivity.
g. Run the DFAS eSolutions GPC program to develop and maintain an interface for automated receipt, processing of GPC invoices, and posting of obligations in accordance with EDI American National Standards Institute (ANSI) X12 standards.

3.1.3. HA

At each level of the hierarchy, HAs are the senior-most individuals in organizations that employ A/OPCs. HAs can delegate their GPC oversight functions no lower than the Commanding Officer's deputy, the Chief of Contracts or Head of Procurement, or the Chief of Contracts'

[7] For this and all other specific DoD FMR references herein, see Appendix E, FM References, for volume and chapter citations. The citations are listed in the order in which they appear within this *Guidebook*.

deputy or Head of Procurement's deputy (or FM equivalent). HAs must be individuals in management positions not to exceed one level below the HCA or FM equivalent. Under no circumstances can a CPM serve as the HA. Each Component must determine which of its roles will serve as HAs and document that determination in Component and local policy. As dictated by the Component's position in the GPC hierarchy, the HA has the following responsibilities:

a. Provide overall leadership and management of the Component GPC program and establish an environment that:
    i. Promotes Acquisition Team cross-functional exchange and supports the Component's responsibility to follow acquisition and FM statutes, regulations, policies, and guidance (hereafter referred to as "policy").
    ii. Prevents undue influence from individuals in higher-level positions.
    iii. Supports GPC program officials' efforts to enforce GPC policy (e.g., suspending purchasing privileges and asking Supervisors to take appropriate administrative and disciplinary actions when warranted). The decentralized nature of the GPC program often requires seeking compliance from individuals outside their organization or supervisory chain of command.
    iv. Promotes compliance with policy and internal controls (see Section 10.2, Internal Controls).
    v. Prevents fraud, misuse, abuse, and other noncompliance (see Section 10.3, GPC Violations and Section 10.4, Disciplinary Requirement and Categories of GPC Violations).
b. Ensure issuance of Component policy that complies with DoD issuances, promotes efficiency and economy in purchasing, and streamlines payment procedures. Areas to address include, but are not limited to, those outlined in Section 10.13, Component Policy.
c. Ensure inclusion of the GPC program in the Component's overall internal control and risk management process.
d. Ensure Component policy requires use of electronic systems that adhere to FM controls and record retention requirements.
e. Ensure the GPC program is appropriately staffed to promote effective and efficient program execution, perform appropriate oversight, and enforce policy compliance (see Section 4.4, Staffing).
f. Ensure both a primary and alternate CPM, OA/OPC, and/or A/OPC are appointed at all times (see Section 4.2.2, Internal Controls Applicable to Delegations of Authority and Appointments). Note that CPMs can also serve as O/AOPCs, but not every organization has an OA/OPC (see Section 3.1.5, OA/OPC, for more information on this role).
g. Ensure the number of GPC accounts reflects the Government's minimum needs (see Section 10.2.1, Span of Control). (Unnecessary or inactive accounts can lead to fraud, misuse, abuse, and loss of control over the program.)
h. Ensure Component and local policies require establishment and maintenance of account limits that are consistent with mission requirements, budget, historical usage, and the controls listed in Section 10.2.2, Spending Limits.
i. Ensure appropriate Separation of Duties as discussed in Section 10.2.4, Separation of Duties.
j. Ensure appointments are issued in accordance with Chapter 4, Appointment and Account Management. Ensure Component compliance with Delegation of Procurement Authority

and warrant requirements, including consistency with the Component's Contracting Officer Warranting Program Model (see Section 4.7.6.1, Contract Ordering Official CH Special Requirements). As four JAM-issued appointments result in issuance of SF 1402 Contracting Officer warrants, additional attention to this matter may be necessary.

k. Provide oversight of the Component GPC program, to include actively participating in the SAHAR process (see Section 10.9.3.1, SAHARs: HA Responsibilities). The HA's endorsement of the report is the most important element of the SAHAR process, as it indicates his/her concurrence with the findings, discrepancies, and all administrative actions in the Component's GPC program.
l. Emphasize timely reconciliation in accordance with Section 8.1, Account Reconciliation, and its subsections, to maximize refunds, reduce disputes and delinquencies (see Section 8.2, Avoiding Delinquencies), promote timely identification and resolution of program noncompliance (e.g., fraud, misuse, and abuse), and avoid suspension of accounts.
m. Provide leadership and oversight to ensure compliance with internal controls and policy. Ensure identified weaknesses, risks, conditions, and control deficiencies are documented in the annual Statement of Assurance as necessary and are addressed to closure (see Chapter 10, Program Management).
n. Support CPMs', OA/OPCs', and A/OPCs' efforts to comply with DoD GPC policy that says failure to close all non-deferred cases within 30 days of the end of each billing cycle may result in suspension of the A/BO's MA (see Section 10.9.1.3, Daily DM Case Review Cycle). This policy helps to detect and deter fraud, misuse, and abuse.
o. Validate that any Component-specific tailoring of the DoD-mandated Tier 2 business rule sets is consistent with the requirements of Section 10.9.1.2, Tiered Business Rule Sets, and does not conceal improper use because an inadequate number of cases are being manually created and adjudicated.
p. Validate that the Component's policy regarding any tailoring of MCCs is consistent with the requirements of Section 10.2.3, MCCs, and does not allow purchases that would otherwise be prohibited.
q. Be aware of and proactively manage cybersecurity threats and make effective use of the tools available for GPC program management (see Section 6.5, Cybersecurity).
r. Ensure strategic sourcing / category management initiatives are being utilized throughout the contracting process, including GPC purchasing (see Section 2.5, Strategic Sourcing / Category Management).

3.1.4. CPM

The CPM is at the Service/Agency level and is responsible for managing/overseeing OA/OPCs or A/OPCs one level below the CPM in the hierarchy. For the purposes of JAM, CPMs who will sign appointments must be granted the OA/OPC with Delegating Authority or A/OPC with Delegating Authority appointment.

The CPM has the following responsibilities:

a. Lead the Component's GPC program operations and oversight efforts to ensure compliance with applicable DoD and Component policy, seeking Component HA, HCA, and FM office support as necessary.
    i. Be aware of and proactively manage cybersecurity threats and make effective use of the tools available for GPC program management (see Section 6.5, Cybersecurity).

b. Serve as the Component's functional representative to the DoD GPC PMO.
c. Establish and maintain Component GPC policy. This includes compliance with Section 10.13, Component Policy.
d. Support the HA's responsibility to ensure the GPC program is appropriately staffed in accordance with Section 4.4, Staffing.
e. Ensure Component compliance with requirements for role-based appointments and delegations of procurement authority (see Chapter 4, Appointment and Account Management) and warrants, including consistency with the Component's Contracting Officer Warranting Program Model (see Section 4.7.6.1, Contract Ordering Official CH Special Requirements). Ensure Component policy complies with Section 4.2, System Use and Appointment Requirements; and Section 10.13, Component Policy.
f. Develop and maintain hierarchies and ensure appointment and retention in accordance with Section 4.2, System Use and Appointment Requirements; and Section 7.7.2, Appointments.
g. Ensure any OA/OPCs or A/OPCs one level below the CPM in the hierarchy perform oversight functions/roles and assist as needed (see Section 3.1.5, OA/OPC; and Section 3.1.6, A/OPC).
h. Ensure at least one Alternate CPM is appointed in JAM and appropriately trained (see Section 4.2.2, Internal Controls Applicable to Delegations of Authority and Appointments).
i. Verify A/OPCs and RMs establish and maintain account limits that are consistent with mission requirements, budget, historical usage, and the controls listed in Section 10.2.2, Spending Limits).
j. Ensure compliance with the requirements of Section 11.1.1, Systems Access Validation and Security.
k. Interface with the DoD GPC PMO on performance issues relating to the card-issuing bank and internal DoD applications supporting the program. Performance issues could run the gamut from system availability, timeouts, and/or functional issues, such as the timeliness and completeness of the certification and dispute processes.
l. Ensure timely reconciliation in accordance with Section 8.1, Account Reconciliation, and its subsections, to maximize refunds, reduce disputes and delinquencies (see Section 8.2, Avoiding Delinquencies), promote timely identification and resolution of program noncompliance (e.g., fraud, misuse, and abuse), and avoid suspension of accounts.
m. Regularly review disputed transactions to ensure they have been resolved (see Section 9.1, Disputing a Charge).
n. Ensure DM cases are closed in accordance with Section 10.9.1.3, Daily DM Case Review Cycle.
o. Suspend MAs with open DM in accordance with Section 10.9.2.1, Monthly A/OPC Reviews: CPM Responsibilities; and Section 10.9.3.2, SAHARs: CPM Responsibilities.
p. Participate in mandatory program oversight procedures as described in Section 10.9, Mandatory Program Oversight Procedures, including Monthly A/OPC Review responsibilities as identified in Section 10.9.2.1, Monthly A/OPC Reviews: CPM Responsibilities; and SAHAR responsibilities as identified in Section 10.9.3.2, SAHARs: CPM Responsibilities.
q. Ensure any Component-specific tailoring of the DoD-mandated Tier 2 business rule sets is consistent with the requirements of Section 10.9.1.2, Tiered Business Rule Sets, and

does not conceal improper use because an inadequate number of cases are being manually created and adjudicated.

r. Ensure any tailoring of MCCs is consistent with the requirements of Section 10.2.3, MCCs, and does not allow purchases that would otherwise be prohibited.
s. Ensure all assignments of High Risk and Very High Risk MCCs are in accordance with Section 10.2.3, MCCs.
t. Authorize override of automatic account Suspensions for late payments as necessary (see Section 10.9, Mandatory Program Oversight Procedures). This authority cannot be redelegated.
u. When a Component provides GPC program authority to a DoD Component with a charter that does not authorize establishment of its own GPC program, ensure compliance with Section 5.1, Establishing a GPC Program.
v. Work closely with the Comptroller/RM every quarter to ensure the accuracy of refunds earned is validated and refund receipts are properly recorded (see Section 9.5, Application of Refunds).
w. Support the fulfillment of IRS Form 1099-MISC reporting requirements as described in Section 4.8.3.2, IRS Form 1099-MISC Tax Reporting.
x. Act as the audit/internal review focal point for GPC-related issues.
y. Validate that strategic sourcing / category management initiatives are being utilized throughout the contracting process, including GPC purchasing (see Section 2.5, Strategic Sourcing / Category Management).

3.1.5. OA/OPC

The JAM role of OA/OPC was created to accommodate the needs of both large and small Components ("small" Components may not need this extra level of hierarchy). The roles and responsibilities below apply to OA/OPCs who have been assigned this role to support conduct and oversight of "large" GPC programs (e.g., appropriate span of control). For "small" Components that do not "need" OA/OPCs, the JAM role of OA/OPC often is granted to CPMs, who must perform work within the electronic systems that is not authorized automatically with CPM appointment.

When a separate OA/OPC is used by a Component, he/she generally is at the major command level and is responsible for managing/overseeing A/OPCs. For the purposes of JAM, the OA/OPC may or may not have delegating authority. The OA/OPC also has the following responsibilities:

a. Serve as the command functional representative under the CPM.
b. Support the CPM in managing the Component's GPC program.
c. Foster the integrity of the GPC program.
d. Ensure proper oversight is conducted and internal controls are in place and continue to be used efficiently, economically, and effectively to help manage the program and reduce improper use.
e. Complete timely reconciliation in accordance with Section 8.1, Account Reconciliation, and its subsections to maximize refunds; reduce disputes and delinquencies (see Section 8.2, Avoiding Delinquencies); promote timely identification and resolution of program noncompliance (e.g., fraud, misuse, and abuse); and avoid suspension of accounts.
f. Coordinate GPC program changes, including hierarchy changes, with the CPM.

g. Support the HA's responsibility to ensure the GPC program is appropriately staffed in accordance with Section 4.4, Staffing.
h. Ensure program participants are appointed (see Chapter 4, Appointment and Account Management) and receive appropriate roles-based access (see Section 11.2, Mandatory Electronic Tools), and appointment letters are distributed and retained (see Section 7.7.2, Appointments).
i. Disseminate GPC program information to A/OPCs.
j. Respond to data calls in a timely manner with clear, concise, and relevant data.
k. Ensure DM cases are closed in accordance with Section 10.9.1.3, Daily DM Case Review Cycle.
l. Participate in mandatory program oversight procedures as described in Section 10.9, Mandatory Program Oversight Procedures, including Monthly A/OPC Review responsibilities as identified in Section 10.9.2.2, Monthly A/OPC Reviews: OA/OPC Responsibilities; and SAHAR responsibilities as identified in Section 10.9.3.3, SAHARs: OA/OPC Responsibilities.
m. Regularly review disputed transactions to ensure they have been resolved (see Section 9.1, Disputing a Charge).
n. Act as a liaison with the card-issuing bank, serving as a point of contact to discuss any matters that may arise due to GPC or convenience check usage under the OA/OPC's cognizance.
o. Ensure any Component-specific tailoring of the DoD-mandated Tier 2 business rule sets is consistent with the requirements of Section 10.9.1.2, Tiered Business Rule Sets, and does not conceal improper use because an inadequate number of cases are being manually created and adjudicated.
p. Ensure any tailoring of MCCs is consistent with the requirements of Section 10.2.3, MCCs, and does not allow purchases that otherwise would be prohibited.
q. Be familiar with applicable laws and regulations, such as the FAR, DFARS, DoD FMR, and Component supplements and policy.
r. Support the fulfillment of IRS Form 1099-MISC reporting requirements as described in Section 4.8.3.2, IRS Form 1099-MISC Tax Reporting.
s. If granted authority in accordance with Component policy, participate in procedures to authorize use of High Risk MCCs (see Section 10.2.3, MCCs).

3.1.6. A/OPC

The A/OPC is the primary or alternate individual at the operational level who is responsible for day-to-day management and oversight of CH accounts and MAs. For the purposes of JAM, the A/OPC may or may not have delegating authority. The A/OPC has the following responsibilities:

a. Implement, maintain, monitor, and oversee the GPC program under his/her cognizance in accordance with governing policy.
b. Serve as the primary point of contact for GPC matters, responding to policy questions, providing acquisition support (e.g., review trends to validate that the GPC is not being used when a contract would be more appropriate), and leveraging other members of the acquisition team as appropriate. Serve as the card-issuing bank's point of contact.
c. Support the HA's responsibility to ensure the GPC program is appropriately staffed in accordance with Section 4.4, Staffing.

d. Ensure program participants are appointed (see Chapter 4, Appointment and Account Management) and receive appropriate roles-based access (see Section 11.2, Mandatory Electronic Tools), and appointment letters are distributed and retained (see Section 7.7.2, Appointments). Ensure compliance with Delegation of Procurement Authority (see Section 4.2, System Use and Appointment Requirements) and warrant requirements (see Section 4.7.6.1, Contract Ordering Official CH Special Requirements) per DoD and Component policy. When appointments are issued in JAM, distribution and record retention requirements are fulfilled automatically.
e. Verify that required DD Form 577s have been executed in accordance with Section 4.3, Certifying Officer DD Form 577 Appointments.
f. Ensure an A/BO and Certifying Officer is associated with each MA (see Section 10.2.1, Span of Control).
g. Ensure compliance with span of control requirements in Section 10.2.1, Span of Control.
h. Establish and manage card account profiles to properly reflect the parameters authorized in the CH's delegation of authority letter and in accordance with Section 10.2.2, Spending Limits.
i. Work with the RM to establish and monitor, no less than annually, account limits that are consistent with mission requirements, budget, historical usage, and the controls listed in Section 10.2.2, Spending Limits.
j. Ensure aggressive oversight on spend limits and MCCs in accordance with Section 10.2.2, Spending Limits.
k. Ensure JAM appointments are reissued for all CHs receiving higher authorities based on increased thresholds.
l. Establish appropriate MCC access tailored to each CH account and MA. Ensure any tailoring of MCCs does not allow purchases that otherwise would be prohibited. Administer and record any waiver requests to MCC blocks (see Section 10.2.3, MCCs).
m. Ensure appropriate separation of duties (see Section 10.2.4, Separation of Duties).
n. Ensure any Component-specific tailoring of the DoD-mandated Tier 2 business rule sets is consistent with the requirements of Section 10.9.1.2, Tiered Business Rule Sets, and does not conceal improper use because an inadequate number of cases are being manually created and adjudicated.
o. Ensure that a GPC or convenience check account is not issued or maintained unless the RM, in collaboration with the A/OPC, has assigned a valid LOA (see Section 11.2.4, Access Online). When the ERP provides specific LOAs for each transaction, the EAS requires that a placeholder LOA be established during account setup.
p. Take a proactive approach to monitoring convenience check use. When a potentially inappropriate transaction is identified, take appropriate action to correct the improper use of convenience checks. Implement the appropriate internal controls and oversight of convenience check activity (see Section 4.8.3.1, Unique Requirements for Convenience Checks), ensuring all checks issued are for official Government business only and are both necessary and in compliance with the Component's convenience check policy.
q. Support the fulfillment of IRS Form 1099-MISC reporting requirements as described in Section 4.8.3.2, IRS Form 1099-MISC Tax Reporting.
r. Complete timely reconciliation and track and manage delinquent billing and CH accounts in accordance with Section 8.1, Account Reconciliation, and its subsections, to maximize refunds, reduce disputes and delinquencies (see Section 8.2, Avoiding Delinquencies),

promote timely identification and resolution of program noncompliance (e.g., fraud, misuse, and abuse), and avoid suspension of accounts.

s. Ensure compliance with system use requirements.
t. Ensure the CH is familiar with the card-issuing bank's disputes process and regularly review disputed transactions to ensure they have been resolved (see Section 9.1, Disputing a Charge).
u. Monitor lost, stolen, or otherwise compromised cards for patterns that could indicate potential misuse, abuse, or fraud (see Section 9.3, Handling Fraudulent Transactions).
v. Close accounts in accordance with Section 10.7, Closing/Canceling Accounts (e.g., upon discovery of compromise of account information, card loss, or CH departure).
w. Examine the population of transactions to identify any policy noncompliance or irregularities (e.g., ensure use of mandatory sources and adherence to supply chain and cybersecurity requirements). Take appropriate action to resolve issues identified. See Section 10.9, Mandatory Program Oversight Procedures.
x. Ensure DM cases are closed in accordance with Section 10.9.1.3, Daily DM Case Review Cycle.
y. Participate in mandatory program oversight procedures as described in Section 10.9, Mandatory Program Oversight Procedures, including the Daily DM Case Reviews as identified in Section 10.9.1, Daily DM Case Reviews; Monthly A/OPC Review responsibilities as identified in Section 10.9.2.3, Monthly A/OPC Reviews: A/OPC Responsibilities; and SAHAR responsibilities as identified in Section 10.9.3.4, SAHARs: A/OPC Responsibilities.
z. Support audit/internal reviews for GPC-related issues.
aa. Ensure A/OPC and Alternate A/OPC contact information is kept up to date.
bb. Respond to Freedom of Information Act (FOIA) requests submitted by the public in accordance with Section 10.10, FOIA Requests.
cc. For Emergency-Type Operations (ETOs), comply with the additional responsibilities listed in Section A.3.2, ETOs: A/OPC Responsibilities.
dd. For Official Representation Funds (ORF) accounts, comply with the requirements described in Section 5.3.3.2, ORF Accounts; and ensure supporting documentation is readily available when requested by auditors or investigators.

3.1.7. Supervisor

The Supervisor role refers to Supervisors of GPC program participants at all levels. The supervisory chain has the following responsibilities:

a. Nominate DoD trustworthy individuals to carry out GPC program responsibilities. Only the CH's Supervisor is authorized to request the opening of a new CH account. This request must include identification of appropriate card parameters.
b. Ensure nominees comply with the requirements in Section 3.2, GPC Employment Requirements, and its subsections (e.g., foreign nationals and contractor personnel).
c. Nominate A/BOs and CHs in JAM to ensure assignment of appropriate GPC roles and issuance of required appointments (see Section 11.2.2, JAM, and its subsections).
d. Ensure employees have completed annual and refresher training as required by DoD, Component, and local policies (see Section 10.8, Training).

e. Periodically review and evaluate employees' performance (e.g., during the personnel evaluation appraisal process in accordance with Component policy) to ensure compliance with established policy, including local standard operating procedures.
f. Regularly assess the need for new GPC accounts and personnel to ensure program participants have adequate limits and time/resources to carry out assigned duties.
g. Ensure appropriate separation of duties as discussed in Section 10.2.4, Separation of Duties.
h. When the A/BO is not the CH's Supervisor, ensure A/BOs and A/OPCs get the support they need to ensure compliance with GPC regulations.
i. Notify the A/OPC of the requirement to close accounts as necessary due to personnel turnover, accounts with no or very low use, or accounts no longer required to meet mission needs (see Section 10.7, Closing/Canceling Accounts).
j. Investigate allegations of GPC misuse, abuse, or fraud; and take appropriate disciplinary action against CHs under their management when the facts support such action (see Section 10.3, GPC Violations; Section 10.4, Disciplinary Requirements and Categories of GPC Violations; Section 10.5, Disciplinary Policy for Military and Civilian Personnel; and their subsections).

3.1.8. A/BO

The A/BO is the program participant responsible for reviewing and approving MA billing statements and documentation for compliance with applicable acquisition policies. In accordance with the DoD FMR Purchase Card Certification Statement, the A/BO certifies that the items listed in the MA billing statement are correct and proper for payment from the appropriation(s) or other funds designated thereon or on supporting vouchers, and that the payment is legal, proper, and correct. The A/BO has no delegated authority to make or pay for purchases; thus, the A/BO cannot order, purchase, or pay for any GPC transaction. A/BOs must be provided training that addresses each CH special designation (SD) they will be responsible for overseeing (see Section 4.7, CH SDs, and its subsections). For example, the A/BO must know what documents to review for Contract Ordering Official CHs before he/she can be assigned responsibility for approving purchases made using this SD.

The A/BO plays an essential role in the monthly reconciliation process (see Section 8.1.3, A/BO Review and Approval). Unless a waiver has been granted by the DoD GPC PMO in coordination with OUSD(C), the A/BO shall be appointed as the Certifying Officer and must follow the roles and responsibilities defined in Section 3.1.9, Certifying Officer. The requirements in Section 3.2.2, Foreign Nationals; and 3.2.3, Contractor Personnel, apply to A/BOs.

As an individual who has responsibility for one or more GPC CHs, the A/BO should be the CH's immediate Supervisor. In the case where the A/BO is not the CH's Supervisor, the A/BO has the ability to influence the CH's performance appraisal and/or make recommendations to the CH's Supervisor when disciplinary action is warranted. For DoD, the A/BO often acts as the Certifying Officer.

The A/BO has the following responsibilities:

a. Work with the A/OPC to ensure at least two (a primary and an alternate) A/BOs have been appointed and trained (see Section 4.2.2, Internal Controls Applicable to Delegations of Authority and Appointments). At least one Alternate A/BO must be assigned to every MA to provide approvals and guidance to CHs and to approve MA

billing statements in a timely manner to maximize refunds and prevent interest penalties in the event the Primary A/BO is unavailable.

b. Provide the CH's Supervisor with input on the CH's performance (e.g., during the personnel evaluation appraisal process in accordance with Component policy) to recognize good work, identify areas of concern, and recommend the CH's Supervisor take disciplinary action when warranted.
c. Ensure appointment and retention in accordance with Section 4.2, System Use and Appointment Requirements; and its subsections, and Section 7.7.2, Appointments. When appointments are issued in JAM, distribution and record retention requirements are fulfilled automatically.
d. Ensure CHs fulfill their responsibilities, including purchasing only mission-essential requirements using appropriate and available funds, prompt monthly account reconciliation and retention of associated documentation (e.g., PLI and Electronic Attachments (EA)) (see Section 8.1, Account Reconciliation, and its subsections). Approve the CH statement on the CH's behalf when he/she cannot perform this function (e.g., due to leave or business travel).
e. Follow DoD account reconciliation procedures to ensure Certifying Officer access to Transaction-Supporting Documentation (TSD) (see Section 8.1, Account Reconciliation, and its subsections).
f. Conduct compliance reviews.
g. Comply with Accountable Property (e.g., pilferable items or those with a unit cost of $5,000 or greater) policy in Section 7.5, Accountable Property.
h. Verify that CHs have complied with acceptance requirements (see Section 6.9, Receipt and Acceptance, and its subsections).
i. Participate in mandatory program oversight procedures as described in Section 10.9, Mandatory Program Oversight Procedures, including the Daily DM Case Reviews (see Section 10.9.1, Daily DM Case Reviews).
j. Ensure CHs are familiar with the disputes process of the card-issuing bank and regularly review disputed transactions to ensure they have been resolved (see Section 9.1, Disputing a Charge).
k. If a card is lost, stolen, or otherwise compromised, ensure the card-issuing bank and A/OPC are promptly notified. Additionally, review all transactions and, when necessary, follow the procedures in Section 9.3, Handling Fraudulent Transactions.
l. Recommend the A/OPC suspend or cancel card accounts and MAs that have Internal Fraud or repeated findings of abuse, misuse, and/or delinquencies (see Section 8.1.3, A/BO Review and Approval).
m. Ensure all misuse, abuse, or fraud is reported to the A/OPC and/or appropriate authorities for investigation (see Section 9.3, Handling Fraudulent Transactions).
n. Ensure a DM case has been adjudicated to document each determination in Table 8, GPC IOD Findings and Determinations, (e.g., fraud, misuse). This includes manually creating a DM case to capture determinations against transactions not flagged by the DM tool.
o. Notify the A/OPC of Component or personnel changes that may require CH account or MA closure.
p. Seek guidance as needed from the supporting A/OPC, RM, Component Comptroller, and/or Fiscal Attorney.
q. Ensure continuity of mission support and proper transition of responsibilities and records when transitioning out of A/BO responsibilities.

r. Work with CHs and the local supporting contracting office to identify opportunities to put recurring, repetitive purchases made by the GPC on contract to realize better pricing and satisfy Department sourcing goals (see Section 2.5, Strategic Sourcing / Category Management).
s. For ETOs, comply with the additional responsibilities listed in Section A.3.4, ETOs: A/BO or Certifying Officer Responsibilities.

3.1.9. Certifying Officer

The Certifying Officer is the program participant responsible for reviewing invoices in accordance with DoD FMR requirements and certifying that the items listed are correct and proper for payment from the funds designated and the proposed payment is correct and proper. In accordance with the DoD FMR, heads of DoD Components (or their designees) shall appoint Certifying Officers who meet minimum qualifications and eligibility requirements, for the purpose of certifying payments for GPC invoices. Component policy shall ensure that the Certifying Officer, A/BO, and CH work together to maintain continuity of the overall certification process and to address special-condition processing (e.g., short payment and improper use).

The Certifying Officer plays an essential role in the monthly reconciliation process (see Section 8.1.4, Certifying Officer Review and Certification). Because of his/her fiduciary obligation to ensure proper use of, and expenditures under, the GPC, unless a waiver has been granted by the DoD GPC PMO in coordination with OUSD(C), the Certifying Officer shall also be appointed as the A/BO and must follow the responsibilities defined in Section 3.1.8, A/BO. The requirements in Section 3.2.2, Foreign Nationals; and 3.2.3, Contractor Personnel, apply to A/BOs.

The Certifying Officer must be appointed in JAM in accordance with Section 10.6, Liability of Program Participants; and Section 4.3, Certifying Officer DD Form 577 Appointments, to assign personal financial liability and pecuniary liability. The DoD FMR governs certification, pecuniary liability, and DD Form 577 responsibilities and processes.

The Certifying Officer has the following responsibilities[8]:

a. Work with the A/OPC to ensure at least two (a primary and an alternate) Certifying Officers have been appointed and trained (see Section 4.2.2, Internal Controls Applicable to Delegations of Authority and Appointments). At least one Alternate Certifying Officer must be assigned to every MA to certify invoices in a timely manner to maximize refunds and prevent interest penalties in the event the Primary Certifying Officer is unavailable.
b. Ensure appointment and retention in accordance with Section 4.2, System Use and Appointment Requirements, and its subsections; and Section 7.7.2, Appointments. When appointments are issued in JAM, distribution and record retention requirements are fulfilled automatically.
c. Perform reconciliation functions in accordance with Section 8.1.4, Certifying Officer Review and Certification.
d. Ensure compliance with the requirements for record retention and payment of the applicable invoice in accordance with Section 7.7.3, Retention of GPC Documentation;

[8] Certifying Officer responsibilities also are addressed in the DoD FMR and DAU's "Certifying Officer Legislation Training for Purchase Card Payments" course (currently CLG 006).

and Section 8.1.4, Certifying Officer Review and Certification. See the DoD FMR for an A/BO and Certifying Officer Monthly Review Checklist as a reference tool.

e. For ETOs, comply with the additional responsibilities listed in Section A.3.4, ETOs: A/BO or Certifying Officer Responsibilities.

3.1.10. CH and Convenience Check Account Holder

The CH is an individual who has been issued a carded, cardless, and/or convenience check GPC account. As described in Section 4.7, CH SDs, 10 types of CH SDs are available, two of which are equivalent to issuance of an SF 1402. In order for a GPC or convenience check account to be established, a specific individual must be designated as the account holder responsible for that account, and specific spending limits must be established for each account.

GPCs shall not be issued to contractors. CHs cannot redelegate their authority.

The CH has the following responsibilities:

a. Hold valid delegation of purchase authority. Ensure appointment and retention in accordance with Section 4.2, System Use and Appointment Requirement; and Section 7.7.2, Appointments. When appointments are issued in JAM, distribution and record retention requirements are fulfilled automatically.
b. Follow Section 7.3, Electronic Attachments; and Section 8.1, Account Reconciliation, for requirements and best practices regarding collection and retention of documentation (e.g., purchase request, ERP purchase order, or email) throughout the billing cycle.
c. Follow Chapter 5, Authority, Funding, and Approval, for requirements to verify availability of funds.
d. Ensure all purchases are proper, legal, economical, and satisfy a mission-essential requirement.
e. Follow Component policy for compliance with the FAR 9.103 requirement to purchase from responsible vendors only.
f. Ensure transactions are within the allowable limits (see Section 10.2.2, Spending Limits).
g. Screen and use Required and/or Mandatory Sources of Supplies and Services as required in FAR 8.002.
h. Consider small businesses and socioeconomic programs to the maximum extent practicable when using the GPC for purchases at or below the Micro-Purchase Threshold (MPT).
i. Comply with Federal Government environmental quality policies (e.g., green, sustainable) when acquiring supplies or services with the GPC. See OMB Circular A-123, Appendix B, Chapter 10; and Section 6.6, Sustainable Procurement.
j. Ensure all purchases comply with the provisions of Section 508 of the Rehabilitation Act.
k. Seek vendors that have the required inventory supply (or labor capacity for services) to enable delivery of the purchase within 30 calendar days. Delivery timeframes of more than 30 days cause problems with tracking purchases against monthly Billing Cycle Purchase Limits or shipping items charged to a closed account.
l. Follow Appendix B, Shipments Outside the Continental United States, when using the GPC to purchase items using the Defense Transportation System (DTS).
m. Follow Section 6.9, Receipt and Acceptance, for documenting acceptance.
n. Comply with the Accountable Property (e.g., pilferable items or those with a unit cost of $5,000 or greater) policy in Section 7.5, Accountable Property.

o. Ensure Wide Area Workflow (WAWF) is used to create and accept the receiving report when the GPC is used as a method of payment in accordance with DFARS 232.70 (see Section 6.9.1, Use of WAWF to Create and Accept Receiving Reports).
p. Track any purchases made but not received.
q. Create purchase log entries throughout the billing cycle in accordance with the guidance in Section 7.2, Purchase Log Information.
r. Approve the monthly CH statement for submission to the A/BO and notify the A/BO of any discrepancies. If you cannot review the CH statement upon receipt (e.g., due to leave or business travel), ensure your CH statement, PLI, EA, and Funding Confirmation and Reconciliation Information are available to the A/BO and/or Certifying Officer for timely review during monthly account reconciliation.
s. Become familiar with the card-issuing bank's processes related to disputes and External Fraud. (See Section 9.1, Disputing a Charge; and Section 9.3, Handling Fraudulent Transactions.)
t. When unable to resolve a disputed charge with a vendor, timely initiate a dispute with the card-issuing bank and track the dispute to resolution, as detailed in Section 9.1, Disputing a Charge.
u. Maintain physical security of the card in accordance with Component policy (e.g., keeping the card in an approved locked container and not commingling it with personal credit cards) to prevent fraud or inadvertent use for personal purchases. This includes not keeping the card with the account holder at all times unless operationally required.
v. If the card is lost, stolen, or otherwise compromised, promptly notify the card-issuing bank, A/BO, and A/OPC. Additionally, review all transactions and, when necessary, follow the procedures in Section 9.3, Handling Fraudulent Transactions.
w. Notify the A/OPC, A/BO, and/or Supervisor of departure or when the card is no longer needed. See Section 10.7, Closing/Canceling Accounts; and Section 11.2.1, PIEE.
x. For ETOs, comply with the additional responsibilities listed in Section A.3.5, ETOs: CH Responsibilities.

3.1.10.1. Additional Responsibilities of the Convenience Check Account Holder

In addition to the responsibilities above, the Convenience Check Account Holder is responsible for meeting the requirements in Section 4.8.3.1, Unique Requirements for Convenience Checks, and maintaining convenience check records to fulfill IRS Form 1099-MISC tax reporting requirements (see Section 4.8.3.2, IRS Form 1099-MISC Tax Reporting).

The Convenience Check Account Holder shall ***not***:

a. Write checks to vendors that accept the GPC.
b. Exceed the MPT for convenience checks. (ETOs may have a higher MPT.)
c. Write checks without first ensuring funds are available to cover both the value of the check and the bank fee to process the check.
d. Write checks that are exchanged for cash to establish a cash fund.
e. Write checks to "Cash" or other generic name, or to any check-cashing company.
f. Pre-sign checks to establish a reserve of signed checks for use when the CH is unavailable.
g. Allow checks to be signed by any individual other than the Convenience Check Account Holder.

h. Use convenience checks as a method of payment for recurring payments against existing contract instruments.
i. Write checks to pay for salaries, employee reimbursements, cash advances, cash awards, food, entertainment, admission tickets, transportation, lodging, clothing, or any other supply or service prohibited under the GPC program (see Section 6.2, Prohibited Purchases).
j. Write checks to a family member, friend, CH, Supervisor, or any military/civilian employee.
k. Use checks to Split Purchases or payments.

3.1.11. Financial Management

Given the variations in FM titles, roles, and responsibilities used in Component policies (e.g., Comptrollers, Financial Managers, Budget Office, and Fund Control Managers), DoD GPC policy has adopted use of the standardized terms "Financial Manager" and "Resource Manager." Financial Managers typically oversee or conduct functions such as MICP, Financial Improvement and Audit Readiness (FIAR)[9], budget, and FM policy. Consistent with the DoD FMR, GPC RMs are the individuals who perform day-to-day operational functions as described in Section 3.1.11.2, RM.

FM responsibilities include the following:

a. Disseminate TFM and other GPC-related Federal FM regulations and polices, GPC-related DoD FMR updates, and other OUSD(C) and DFAS policies that affect the GPC Program, to GPC Program Managers.
b. Ensure use of EDI. Develop Component policy that complies with DoD-wide ERP system standards, supports GPC policy, and promotes acquisition streamlining objectives.
c. Fulfill FM reporting requirements.
d. Establish funding internal controls that prevent users from creating commitments or obligations that exceed available funds. Ensure the methodology of funds control for the GPC program (i.e., bulk funding, transaction-level funding, or a combination of both), and the processes for each, are identified in detail in local financial policy. Provide policy for dealing with violations of the Anti-Deficiency Act.
e. In accordance with Component policy, coordinate efforts, seeking support from the identified GPC program personnel, to ensure implementation of a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls in accordance with DoDI 5010.40. This includes:
    i. Validating and promoting compliance with existing purchasing and management internal controls;
    ii. Identifying, reporting on, and resolving systemic material program weaknesses; and
    iii. Measuring the effectiveness of purchasing and management internal controls.
f. Establish appropriate risk management processes and systems to identify challenges early, to bring them to the attention of Component leadership, and to develop solutions.

[9] For more information, see the OUSD(C) Chief Financial Officer's FIAR Guidance.

3.1.11.1. Component RM and Oversight RM

JAM allows Components to identify Component RMs (CRMs) and Oversight RMs for ease in management of their programs. Responsibilities for each role should be specified in Component policy as necessary. Use of these JAM roles is optional and typically aligns with the Component's structure.

3.1.11.2. RM

The RM is an individual responsible for providing appropriate GPC account funding, entering associated LOAs into applicable systems, and working with the A/OPC to establish spending limits tied directly to funding allocated to each MA and CH account. The RM has the following responsibilities in addition to those outlined in the DoD FMR:

a. Work with the A/OPC to establish and monitor, no less than annually, account limits that are consistent with mission requirements, budget, historical usage, and the controls listed in Section 10.2.2, Spending Limits.
b. Ensure adherence to DoD convenience check and IRS Form 1099-MISC tax reporting procedures and systems as described in Section 4.8.3.2, IRS Form 1099-MISC Tax Reporting.
c. Provide reallocation authority to CHs and A/BOs, giving CHs the capability to select different LOAs for a transaction rather than the default line (see Section 5.3.1, Funding Limits and Controls).
d. Record obligations for GPCs in the amounts placed for supplies and services.
e. Maintain accurate financial records.
f. Ensure GPC refunds are properly processed and accounted for in accordance with the DoD FMR.
g. FM hierarchies will be maintained by the FM offices that control the obligation and expenditure of funds used by the GPC.
h. For ETOs, comply with the additional responsibilities listed in Section A.3.3, ETOs: RM Responsibilities.
i. Resolve accounts in a delinquent status and provide payment information when requested.

3.1.11.3. DFAS or Other Entitlement/Disbursing Office

The entitlement office and disbursing office have GPC program responsibilities as outlined in the DoD FMR. In addition, DFAS (and other Components that perform accounting and/or disbursing functions) has the following responsibilities:

a. Establish and maintain electronic interface(s).
b. Post records to accounting and entitlement systems.
c. Act as the Certifying Officer in support of programs when DFAS retains that responsibility.
d. Receive invoices and promptly entitle payments.
e. Fulfill responsibilities for pre-validation of invoices prior to payment.
f. Disburse payments.
g. Control valid appropriation data (e.g., parent rule sets).
h. Ensure the timely processing of disbursements and disbursement rejects.
i. Ensure adherence to the provisions of the Prompt Payment Act.

j. Develop and maintain convenience check IRS Form 1099-MISC tax reporting procedures and systems.

As accounting systems and ERPs are deployed by the Military Departments and ODAs, some of the functions listed above may be absorbed by these applications.

3.1.12. GPC Auditor

For the purposes of JAM, the GPC Auditor is an individual granted access to review the GPC program. Audit access requests must be approved by the DoD GPC PMO or the CPM.

3.1.13. Other JAM Roles

Additional individuals have system-related roles in support of JAM:

a. The DD 577 View-Only User role is held by individuals in disbursing offices (e.g., DFAS) who need to view DD Form 577 appointments.
b. The DD 577 Appointing Authority role is held by individuals authorized by Component FM policy to sign DD Form 577 Certifying Officer appointments in accordance with the DoD FMR and Section 4.3, Certifying Officer DD Form 577 Appointments.
c. The DAA role is held by individuals authorized to sign JAM GPC appointment and delegation of authority letters. For information about this role's qualifications, see Section 4.2.1, Authority to Issue/Sign Appointments.
d. The Help Administrator (HAM) role is held by individuals providing help desk support.
e. The View-Only Access role is granted to individuals requiring view-only access to PIEE data and Single Sign-On (SSO) access to GPC systems (e.g., the bank EAS).
f. The Oversight Data Entry role is granted to individuals from certain organizations to populate reporting data.
g. The Group Administrator (GAM) role is granted in PIEE in accordance with Component policy.

For more information on system-related roles and responsibilities, see Chapter 11, DoD GPC Program Supporting Systems; and the "JAM GPC Role Descriptions" document, available on DPCAP's Purchase Cards – Systems webpage.

3.1.14. Other Parties

Other parties sharing responsibilities for various aspects of GPC programs include:

a. OUSD(A&S)/ASD(A)
b. OUSD (Intelligence and Security)
c. OUSD (Personnel and Readiness) (OUSD(P&R))
d. DFAS/DoD Component Designated Payment Office
e. Defense Manpower Data Center (DMDC)
f. Defense Acquisition University (DAU)
g. DoD Military Departments and ODAs
h. Card-issuing bank.

3.2. GPC Employment Requirements

Employment requirements for GPC program participants are described in the sections that follow. Sections 4.4, Staffing; and 4.5, Knowledge, Skills, and Abilities, provide related information.

3.2.1. Accountable Officials

In accordance with the DoD FMR, within DoD, GPC Accountable Officials are military members or civilian employees who are appointed in writing as CHs, A/BOs, and Certifying Officers. On a case-by-case basis, Components should consult the DoD FMR to determine whether a foreign national is authorized to be appointed as an Accountable Official (see Section 3.2.2, Foreign Nationals). Once that determination has been made, the duly appointed foreign national Certifying Officer may serve as an A/BO.

3.2.2. Foreign Nationals

In accordance with the DoD FMR, foreign national employees cannot serve as GPC Certifying Officers or other Accountable Officials (e.g., CHs and A/BOs) unless they are direct-hire employees of the U.S. Government. However, prior to making such appointments, Commanders (hereafter, the term "Commander" is used to reference Commanders and Directors as appropriate) must consider the potential consequences when the Status of Forces Agreements or other treaties do not subject direct-hire local nationals to the same pecuniary liability or disciplinary actions as other DoD employees. If such appointments are necessary, Commanders must consider implementing other management controls to compensate for the lack of pecuniary liability. Refer to the DoD FMR for policy regarding Accountable Officials and foreign national personnel.

3.2.3. Contractor Personnel

The term "inherently Governmental function" is defined in FAR 2.101, and additional regulations are addressed in FAR subpart 7.5. CH, A/BO, and Certifying Officer duties, as well as delegating procurement authority and signing appointment letters, are inherently Governmental functions (i.e., must be performed by active-duty military or DoD civilian employees). HAs, CPMs, OA/OPCs, A/OPCs, and RMs perform inherently Governmental functions but may use contractor support services to assist with the performance of GPC administrative, analytical, and management tasks. Any access by contractors to Government systems must be in accordance with the contract awarded and limited to the type of access needed to perform the assigned tasks. Components are encouraged to implement more stringent internal policies within their respective Service or ODA, as deemed appropriate.

CHAPTER 4: APPOINTMENT AND ACCOUNT MANAGEMENT

4.1. AUTHORITY TO USE THE GPC

In accordance with FAR 13.301, "the Governmentwide commercial purchase card is authorized for use in making and/or paying for purchases of supplies, services, or Construction. The Governmentwide commercial purchase card may be used by Contracting Officers and other individuals designated in accordance with FAR 1.603-3. The card may be used only for purchases that are otherwise authorized by law or regulation."

This *Guidebook* addresses DoD policy applicable when CHs make Open-Market Micro-Purchases.

Component policy additionally may authorize use of the GPC to:

a. Place a task or delivery order (if authorized in the basic contract, Basic Ordering Agreement (BOA), or Blanket Purchase Agreement (BPA)) (FAR part 16);
b. Place orders and pay for purchases against Federal Supply Schedules (FSS) (FAR part 8); or
c. Make payments, when the contractor agrees to accept payment by the card (but see FAR 32.1108(b)(2)).

4.2. SYSTEM USE AND APPOINTMENT REQUIREMENTS

All DoD GPC delegations of authority and appointment letters and Certifying Officer appointments shall be issued, maintained, terminated, and retained using JAM. JAM operates in concert with the card-issuing bank's capability to link appointments for specified roles (i.e., U.S. Bank's Access® Online PIEE Task Queue (PTQ)) and includes system validations that enforce mandatory internal controls. Additional information about JAM can be found in Chapter 11, DoD GPC Program Supporting Systems; and DPCAP's Purchase Card – Systems webpage. The "JAM GPC Role Descriptions" document, available on DPCAP's Purchase Cards – Systems webpage, identifies who requests each role, whether each role results in a JAM appointment, who initiates the PIEE access request, and whether a warrant is issued. JAM ensures appropriate access to all DoD GPC appointments as specified in the roles and responsibilities in Chapter 3, Organizations and Roles.

Table 1, Required Appointments Summary, summarizes the delegations and appointments required for each GPC program role. As implemented in JAM, GPC program participants not receiving a delegation of procurement authority letter receive a GPC program appointment letter. JAM workflows result in issuance of a single appointment that delegates procurement authority and conveys GPC appointment information; in such circumstances, the JAM appointment is a delegation of authority letter. JAM appointments may be tailored to include Component and local policy.

Table 1. Required Appointments Summary

Role	Delegation of Procurement Authority Letter Required	GPC Appointment Letter Required	DD Form 577 Required	Warrant Required (JAM or SF 1402)
CPM	No	Yes	No	No
OA/OPC ***with*** Authority to Delegate Procurement Authority	Yes	Yes*	No	Yes
OA/OPC ***without*** Authority to Delegate Procurement Authority	No	Yes	No	No
A/OPC ***with*** Authority to Delegate Procurement Authority	Yes	Yes*	No	Yes
A/OPC ***without*** Authority to Delegate Procurement Authority	No	Yes	No	No
RMs (All Levels)	No	No	No	No
A/BO	No	Yes	No	No
Certifying Officer	No	No	Yes	No
CH	Yes	Yes	No	See Table 2, CH SDs

* See Section 10.13, Component Policy.

4.2.1. Authority to Issue/Sign Appointments

Component policy shall clearly identify the program participant roles and requisite qualifications necessary for individuals to be authorized to sign and electronically issue GPC appointments and delegations of procurement authority, several of which result in issuance of limited-scope Contracting Officer Warrants (i.e., SF 1402s).

For acquisition-related appointments, these instructions shall comply with FAR 1.603-3 and DFARS 201.603-3 and the Component's Contracting Officer Warranting Program Model or equivalent program and must meet the applicable internal controls in Section 4.2.2, Internal Controls Applicable to Delegations of Authority and Appointments. In JAM, these appointments are signed by Delegation Authority Signatories,[10] including:

a. DAAs. The DAA is an individual who has retained or been delegated authority to electronically sign delegation of procurement authority and appointment letters (e.g., the Director of Contracts or DA Principal Assistant Responsible for Contracting (PARC)) within JAM.
b. OA/OPCs with Delegating Authority.
c. A/OPCs with Delegating Authority.

4.2.2. Internal Controls Applicable to Delegations of Authority and Appointments

The following internal controls apply to delegations of authority and appointments:

a. Delegations of procurement authority shall be clearly documented, beginning with a Component that is a DFARS-designated contracting activity (see DFARS PGI 202.101)

[10] For further guidance on this role, see the "JAM GPC Role Descriptions" document, available on DPCAP's Purchase Cards – Systems webpage.

down to each CH, A/OPC, or OA/OPC. Each delegation must clearly identify the acquisition office that issued the delegation of authority letter.

i. The procurement authority in the letter of delegation may never exceed what is authorized by the FAR/DFARS (e.g., a CH with delegated authority of $15,000 is still limited to $2,500 when purchasing services subject to Service Contract Labor Standards (41 U.S.C. Chapter 67)).
ii. Use of CH SDs further improves internal control compliance by ensuring CHs have the authority necessary to support various GPC authorized uses and automated enforcement of associated spending limits.

b. CPM appointments must be made by the senior-most person responsible for overall management and oversight of the Component's GPC program, unless further delegated.
c. The HA may retain or delegate authority to sign OA/OPC and A/OPC appointments.
d. Any CPM, OA/OPC, or A/OPC with authority to delegate procurement authority to CHs shall hold a position in the Acquisition Professional Series.
e. Both a Primary and Alternate CPM, OA/OPC (as applicable), and A/OPC must be appointed at all times. Consider factors such as the total number of accounts, span of control, and complexity of transactions authorized (e.g., placing orders against contracts) to determine the need for part- and full-time positions.
f. CPMs can also serve as OA/OPCs, but not every organization has an OA/OPC.
g. Authority to appoint Certifying Officers is an FM authority, not an acquisition authority; therefore, Certifying Officer appointment instructions shall comply with the DoD FMR and related Component policy and should be consistent with the Component's existing procedures for appointing all other Certifying Officers. Follow Component FM policy to determine who has authority to serve as a DD Form 577 Appointing Authority and how that authority is delegated to them. In JAM, Certifying Officer appointments are signed by Appointing Authorities (AAs).

Additional required internal controls that are automated by JAM can be found in Section 2.7, Waivers to DoD GPC Policy and Use of Supporting Systems/Tools.

4.2.3. Authority to Use Certain SDs

The DoD GPC Program has 10 CH SDs, as described in Section 4.7, CH SDs. DoD GPC policy is tailored for the Micro-Purchase CH, Micro-Purchase Convenience Check Writer, and Micro-Purchase ETO CH SD use cases. Any Component authorizing issuance of other CH SD use cases must first:

a. Ensure Component policy adequately addresses such use, including fulfillment of any regulatory reporting requirements (e.g., FPDS—see Section 10.11, FPDS Reporting for Awards where the GPC Is the Method of Both Purchase and Payment);
b. Specify additional mandatory training and appointment requirements for utilizing the SD authority, commensurate with the authority to be delegated; and
c. Mandate additional controls and oversight procedures to mitigate the risks associated with each SD.

See the "JAM GPC Role Descriptions" document, available on DPCAP's Purchase Cards – Systems webpage, for additional examples.

4.2.4. Authority to Cancel CH Accounts

To promote compliance with the 10 U.S.C. 4754 requirement that DoD take appropriate and immediate steps to invalidate the GPC of each CH who ceases to be employed by DoD or transfers to another unit, or in the case of a member of the Armed Forces, is separated or released from active duty, see Section 10.7, Closing/Canceling Accounts, for policy requirements; and sections 11.2.1. PIEE, and 11.2.2. JAM, for system capabilities.

4.3. Certifying Officer DD Form 577 Appointments

Unless a waiver has been granted by the DoD GPC PMO in coordination with OUSD(C), the Certifying Officer also shall be appointed as the A/BO.

The DoD FMR specifies Certifying Officer training and appointment requirements.

As mentioned in Section 3.1.3, Head of Activity, DD 577 Certifying Officer appointments shall comply with the DoD FMR and should be consistent with Components' existing FM procedures for appointing all other Certifying Officers.

The following conditions apply to use of the DD Form 577:

a. As required in the DoD FMR, all Certifying Officers shall be appointed and terminated using the DD Form 577 JAM capability.
b. JAM-issued DD Form 577s fulfill the DoD FMR DD Form 577 appointment and distribution requirements (e.g., obtaining a wet signature and sending a form to DFAS Indianapolis are not required).
c. If an EDI-enabled invoice is rejected and converted to a manual payment, the JAM-issued DD Form 577 is sufficient to validate the Certifying Officer's appointment.
d. An OA/OPC or A/OPC may terminate an appointment on behalf of the DD 577 AA, provided he/she has been granted authority in accordance with Component FM procedures that allow for termination of certifiers within the AA's group(s). The designated AA may appoint certifiers on behalf of other AAs who are unavailable, as long as appropriate JAM access has been granted. AAs may cross groups as needed, provided that the authority has been granted.

4.4. Staffing

CPMs, OA/OPCs, and A/OPCS must support the HA's responsibility to ensure the GPC program is appropriately staffed to promote effective and efficient program execution, perform appropriate oversight, and enforce policy compliance. Each GPC program must prioritize training and issuance of all required appointments, and ensure:

a. Compliance with Section 10.2.1, Span of Control, for DoD-mandated span-of-control ratios and deviation authorities.
b. Compliance with requirements of Section 10.8, Training.
c. ETO readiness in accordance with Appendix A, Using the GPC in Support of ETOs.

4.5. Knowledge, Skills, and Abilities

For a card program to function efficiently and effectively, the program participants must have the following knowledge, skills, and abilities:

a. An understanding of the relevant policies and commercial practices.
b. The ability to communicate, organize, and manage effectively.

c. Basic analytical and computer skills.
d. The ability to analyze, research, and provide concise recommendations to the chain of command on required actions to prevent or correct problems.

4.6. GPC AUTHORIZED USES

FAR part 13 requires Components "to use the GPC and electronic purchasing techniques to the maximum extent practicable in conducting simplified acquisitions" and establishes the GPC as "the preferred method to purchase and to pay for micro-purchases" (i.e., acquisitions of supplies or services using Simplified Acquisition Procedures (SAP), the aggregate amount of which does not exceed the MPT). As authorized in FAR 1.603-3(b) and DFARS 201.603-3(b), most GPC CHs are granted authority "in writing" to make what is referred to herein as "open-market micro-purchases." This authority allows CHs, using SAP, to use their GPC accounts for purchases of only mission-essential supplies and services that:

a. Are priced at or below the MPT as defined in FAR 2.101,
b. Are offered to the general public at a fixed price,
c. Do not include a statement of work, and
d. Do not require the CH to agree to terms and conditions other than the price to be paid and the delivery date and location.

FAR 13.003(c)(2) prohibits breaking down known requirements aggregating more than the Simplified Acquisition Threshold (SAT) (or for commercial products and commercial services, the threshold in FAR 13.5) or the MPT into several purchases that are less than the applicable threshold to permit use of SAP or to avoid any requirement that applies to purchases exceeding the MPT. As a best practice, Components should consider issuing contracts or agreements under which orders could be placed to support recurring requirements. Components must consider cost and efficiencies to be achieved and other factors, including strategic sourcing / category management (see Section 2.5, Strategic Sourcing / Category Management) when making this determination.

When using the GPC as an open-market micro-purchasing vehicle, there is no mechanism to include terms and conditions other than the price to be paid and the delivery date and location. If a purchase requires inclusion of a statement of work or agreement to terms and conditions other than the price to be paid and the delivery date and location, a contract instrument (e.g., purchase order, contract, or task/delivery order) must be signed by an individual who has been issued an SF 1402 Contracting Officer's warrant that specifically delegates him/her the authority to bind the Government to such terms. If the CH determines that terms and conditions other than the price to be paid and the delivery date and location are required, the CH should work with his/her A/OPC or supporting contracting office to identify an appropriate contract vehicle and to determine if the CH has the necessary authority to make the purchase or if the requirement must be processed by someone else (e.g., the contracting office or a CH who has been delegated GPC Ordering Official authority).

In accordance with FAR 13.301(b), GPC programs should "encourage use of the card in greater dollar amounts by Contracting Officers to place orders and to pay for purchases against contracts established under part 8 procedures, when authorized; and to place orders and/or make payment under other contractual instruments, when agreed to by the contractor." Accordingly, DoD has identified various business processes for which the GPC can be used to streamline acquisition processes and payment procedures. DoD has established the CH SDs addressed in Section 4.7,

CH SDs, that correspond to these streamlining initiatives and, when issued using JAM, ensure appropriate delegation of procurement authority.

4.7. CH SDs

The CH SD authority types available in JAM are identified in Table 2, CH SDs. More information about each SD and its associated special requirements is provided in the specific SD subsections that follow, as well as in the "JAM GPC Role Descriptions" document, available on DPCAP's Purchase Cards – Systems webpage. Assigning a separate CH account for each SD enhances risk management through more-precise customization of spending limits and MCC limitations, improves DM results by effective customization of Tier 2 business rules, and simplifies oversight through targeted reporting. (See Section 10.2.3, MCCs, for more information.)

Table 2. CH SDs

	Authority Type	Warrant Issued
1	Micro-Purchase CH	No
2	Micro-Purchase Convenience Check Writer	No
3	Micro-Purchase ETO CH and/or Check Writer	No
4	Higher Education Micro-Purchase CH	No
5	Warranted Overseas ETO CH	No
6	Contract Ordering Official CH	Yes
7	Overseas Simplified Acquisition CH	Yes
8	Contract Payment Official CH	No
9	Miscellaneous Payments Official CH (SF 182 Training Payments)	No
10	Intragovernmental Payment Official CH	No

4.7.1. Micro-Purchase CH

The Micro-Purchase CH SD is used to grant CHs authority to make authorized GPC open-market micro-purchases as defined in Section 4.6, GPC Authorized Uses. This is the designation most CHs will use.

4.7.1.1. Micro-Purchase CH Special Requirements

For CHs to make other than GPC open-market micro-purchases, one of the other nine SDs must be delegated (e.g., CHs placing GSA Advantage! orders priced below the MPT are not making micro-purchases; they are placing orders).

4.7.1.2. Micro-Purchases for Training-Related Expenses

Use of the Micro-Purchase CH SD for training-related expenses is separate and distinct from the authority to pay for one individual to attend a course as authorized on an SF 182, "Authorization, Agreement, and Certification of Training," as addressed in Section 4.7.9, Miscellaneous Payments Official CH (SF 182 Training Payments).

Training-related expenses may be purchased by CHs with this SD when the course is priced below the MPT and does not require the CH to agree to terms and conditions other than price and delivery. Such expenses include:

a. Tuition and matriculation fees;
b. Library and laboratory services;
c. Purchase or rental of books, materials, and supplies; and
d. Other services or facilities directly related to employee training.

4.7.2. Micro-Purchase Convenience Check Writer

The Micro-Purchase Convenience Check Writer SD gives DoD the flexibility to issue low-volume, low-dollar payments for allowable supplies and services at the activity level. The Micro-Purchase Convenience Check Writer SD is used to grant CHs this authority using SAP.

4.7.3. Micro-Purchase ETO CH and/or Check Writer

The Micro-Purchase ETO CH and/or Check Writer SD is used to grant CHs supporting ETOs (as described in the specific ETO responsibilities in Section A.3.5, ETOs: CH Responsibilities) authority to make authorized open-market micro-purchases using the GPC at or below the applicable MPT (for GPC purchases, the MPT is as defined at FAR 2.101; for convenience checks, see Section 4.8.3, Convenience Checks).

4.7.3.1. Micro-Purchase ETO CH and/or Check Writer Special Requirements

Appendix A, Using the GPC in Support of ETOs, identifies unique requirements to ensure proper use of the GPC and convenience checks in ETOs.

4.7.4. Higher Education Micro-Purchase CH

The Higher Education Micro-Purchase CH SD is used to grant authority limited to $10K.

4.7.4.1. Higher Education Micro-Purchase CH Special Requirements

a. The FAR 2.101 MPT definition allows for a higher threshold after appropriate Head of the Agency determination.
b. Due to the nature of this authority, it is anticipated that virtually no DoD CHs will be granted this SD. See Section 4.2.3, Authority to Use Certain SDs, for additional requirements for any Component authorizing use of this SD.

4.7.5. Warranted Overseas ETO CH

The Warranted Overseas ETO CH SD may be granted only to contracting professionals holding an SF 1402 unrelated to GPC JAM appointments, who, in accordance with DFARS 213.301(3), are (1) supporting ETOs, (2) located outside the United States, and (3) purchasing items for use outside the United States valued at or below the SAT. These Contracting Officers shall include required contract clauses. See Section 4.2.3, Authority to Use Certain SDs, for additional requirements for any Component authorizing use of this SD.

4.7.5.1. Warranted Overseas ETO CH Special Requirements

a. Appendix A, Using the GPC in Support of ETOs, identifies the unique requirements that are in place to ensure proper use of the GPC and convenience checks during ETOs.
b. See DFARS 213.301 for additional requirements related to this SD.

4.7.6. Contract Ordering Official CH

Equivalent to appointment on an SF 1402, this designation grants authority to place and pay for authorized GPC purchases against indefinite delivery contracts, BOAs, and BPAs that have firm, fixed prices and prearranged terms and conditions that were awarded by a Warranted Contracting

Officer who authorized the CH to place orders, including GSA FSS and FedMall orders. See Section 4.2.3, Authority to Use Certain SDs, for additional requirements for any Component authorizing use of this SD. The Contract Ordering Official CH authority threshold may not exceed the SAT.

4.7.6.1. Contract Ordering Official CH Special Requirements

a. While the Defense Acquisition Workforce Improvement Act qualification requirements of 10 U.S.C. 1724 and DFARS 201.603-2 do not apply, the Contracting Officer Warranting Program Model should be used as a guide when issuing warrants up to the SAT.
b. To ensure Contract Ordering Official CHs remain in compliance with all regulations as well as specific terms of individual contracts, Component policy must ensure:
    i. Contract Ordering Official CHs have a training curriculum specific to this SD.
    ii. CHs are provided with direction on whom to contact for policy, guidance, and additional information.
c. Heightened attention must be paid to increased risk when the GPC is used at higher dollar values.
d. Component policy shall specify FPDS reporting procedures for all transactions, including those valued below the MPT, made using this SD as described in Section 10.11, FPDS Reporting for Awards where the GPC Is the Method of Both Purchase and Payment.
e. Component policy shall specify procedures for using WAWF as described in Section 6.9.1, Use of WAWF to Create and Accept Receiving Reports.

4.7.6.2. Ordering Training-Related Expenses

Use of the Contract Ordering Official CH SD to order training-related expenses is separate and distinct from the authority to pay for one individual to attend a course as authorized on an SF 182, as addressed in Section 4.7.9, Miscellaneous Payments Official CH (SF 182 Training Payments).

Training-related expenses may be purchased by CHs with this SD when available under established contracts (e.g., FSS, indefinite delivery contracts, BPAs, and BOAs) that do not require the Contract Ordering Official CH to agree to terms and conditions other than price and delivery.

4.7.7. Overseas Simplified Acquisition CH

Equivalent to appointment on an SF 1402, the Overseas Simplified Acquisition CH SD grants CHs authority to make authorized GPC purchases priced above the MPT using SAP when the CH is outside the United States purchasing items/services that are to be used outside the United States and that comply with the definitions and requirements of DFARS 213.301(1) and (2). See Section 4.2.3, Authority to Use Certain SDs, for additional requirements for any Component authorizing use of this SD.

4.7.7.1. Overseas Simplified Acquisition CH Special Requirements

a. Transactions priced above the MPT using this SD are not micro-purchases.
b. This designation ***cannot*** be used by individuals located inside the United States.

4.7.8. Contract Payment Official CH

The Contract Payment Official SD grants authority to make contract payments when authorized by the contract's terms and conditions in accordance with FAR 13.301(c)(3). This designation may be granted to individuals who have been trained to use the GPC as a method of payment. It also may be granted to contracting professionals holding an SF 1402 unrelated to GPC JAM appointments, who will use their warrant to award contract actions and will cite their GPC as the method of payment (e.g., a Warranted Contracting Officer follows FAR part 13 procedures to award a purchase order and cites the GPC as the method of payment). See Section 4.2.3, Authority to Use Certain SDs, for additional requirements for any Component authorizing use of this SD.

4.7.8.1. GPC Contract Payment Official CH Special Requirements

a. FAR 32.1110(d) provides instructions for use of the appropriate clause when payment under a written contract will be made through use of the GPC. It states the GPC also may be used to make payments when the contractor agrees to accept payment by the card absent this clause.
b. Contracts where the GPC is used as the method of payment are required to be fully funded. No progress (finance) payments are authorized.
c. Component policy shall specify procedures for using WAWF as described in Section 6.9.1, Use of WAWF to Create and Accept Receiving Reports.
d. At a minimum, procedures shall be in place to ensure proper separation of duties (see Section 10.2.4, Separation of Duties) to safeguard Government resources and to avoid the posting of double obligations associated with use of the GPC to make payment on existing contract vehicles.
e. Heightened attention must be paid to the increased risk due to the fact that there is no limit on the value of GPC contract payments made against contracts awarded by a Contracting Officer.

4.7.9. Miscellaneous Payments Official CH (SF 182 Training Payments)

The Miscellaneous Payments Official CH (SF 182 Training Payments) SD grants authority to make payments to send one individual to commercial training authorized on an SF 182. This payment authority is limited to $25,000. It is not authorized to require the conduct of a course, or to send multiple people to a single course.

See Section 4.7.1.2, Micro-Purchases for Training-Related Expenses; and Section 4.7.6.2, Ordering Training-Related Expenses, for policy associated with purchasing training-related expenses using Micro-Purchase or Contract Ordering Official CH procedures.

If a course requires tailored training materials or agreement to terms and conditions other than price and delivery, SF 182 authorities do not apply. These requirements are FAR-based acquisitions that generally must be sent to the supporting contracting office for action.

See Section 4.2.3, Authority to Use Certain SDs, for additional requirements for any Component authorizing use of this SD.

4.7.9.1. Miscellaneous Payments Official CH Special Requirements

a. The GPC shall be the method of payment for all commercial training requests using an SF 182, only when:

i. An SF 182 is granted to an individual employee; and
ii. The individual employee will attend a regularly scheduled, commercial off-the-shelf (COTS) course that is available to the public and priced the same for everyone in the same category (e.g., priced per student, course, program, service, or training space) and requires no tailoring; and
iii. The GPC is being used to pay the training provider directly instead of reimbursing the employee by miscellaneous payment as authorized in the DoD FMR and DoDI 1400.25, Volume 410, Section 5.c; and
iv. The requirement is valued at or below $25,000.

b. Title 5 U.S.C. 4109 authorizes the Head of the Agency, under the regulations prescribed in 5 U.S.C. 4118(a)(8), to reimburse employees for necessary training expenses (e.g., tuition and matriculation fees; library and laboratory services; purchase or rental of books, materials, and supplies; and other services or facilities directly related to employee training). The Government Travel Charge Card Regulations, Paragraph 041006.B; and Joint Travel Regulations (JTR), Paragraph 030201.D, authorize use of the GPC to pay registration fees under specific conditions when supported with a completed SF 182. Component policy and human resources personnel should be consulted regarding registration fee requirements, to determine whether the GPC or another method is appropriate.

See DoDI 1400.25, Volume 410, for additional information regarding the appropriate use of the SF 182, including the definition of "training, education, and professional development."

4.7.10. Intragovernmental Payment Official CH

The Intragovernmental Payment Official CH SD grants authority to make payments to another ***Federal Government*** entity in lieu of using a MIPR or G-Invoicing in accordance with the DoD FMR. This authority includes, but is not limited to, payments to DLA Document Services, U.S. Department of Agriculture (USDA)-offered training, GSA Global Supply, and FedMall GPC requisitioning. (Purchases from State and local governments are considered traditional open-market micro-purchases and not intragovernmental purchases.) See Section 4.2.3, Authority to Use Certain SDs, for additional requirements for any Component authorizing use of this SD.

4.7.10.1. Intragovernmental Payment Official CH Special Requirements

a. The not-to-exceed value for this SD is dictated by TFM Volume 1, Part 5, Chapter 7000, Section 7065.20.
b. Federal Government entities must limit their credit card collections so that individual transactions are no more than $10,000, which is the daily GPC credit limit for third-party purchases. This applies to Federal Government organizations that accept the GPC as the method of payment. The Treasury encourages use of G-Invoicing for payments between Federal agencies, debit cards, Automated Clearing House (ACH) debits/credits, and Fedwire transactions.
c. Intragovernmental transactions exceeding $10,000 shall be made with an alternative payment method (e.g., G-Invoicing for payments between Federal agencies, debit cards, ACH debits/credits, and Fedwire transactions).

4.8. CH Account Types

CH accounts may be carded, cardless, or convenience check accounts, each of which is discussed below.

4.8.1. Carded Accounts

The vast majority of GPC accounts are carded accounts. When carded accounts are issued, the CH must maintain the physical security of the card in accordance with Component policy (e.g., keeping the card in an approved locked container, such as a safe, and not commingling it with personal credit cards, to prevent fraud or inadvertent use for personal purchases). Local policies must be implemented to provide safeguards to prevent physical loss, theft, or fraud.

4.8.2. Cardless Accounts

Although actual plastic cards often are used for GPC accounts, GPC accounts also may be "cardless" (i.e., virtual). Increasingly, use of innovative payment technology is reducing/eliminating the need to use a plastic card. See OMB Circular A-123, Appendix B, Section 1.7 for more information.

As explained in OMB Circular A-123, Appendix B, Section 2.11.1, cardless account payment processes offer a solution to various payment challenges, including payments to vendors that typically do not accept card-based payments, one-time supplier payments, and recurring transactions with a specific vendor. Cardless accounts also help Components increase refunds and achieve sustainability goals, as the virtual card authorization and transaction posting process is completely electronic.

Components must ensure policies adequately address use of cardless accounts, provide proper training on their use, and mandate additional controls and oversight procedures to mitigate the risks associated with use of cardless accounts.

4.8.3. Convenience Checks

Convenience checks provide a purchasing alternative to GPC transactions and formal contracting, to be used only when use of the GPC is not possible, and for not more than one-half the applicable MPT defined in FAR 2.101 (see 41 U.S.C. 1902). DoD convenience check policy is established in the DoD FMR. Section 4.7.2, Micro-Purchase Convenience Check Writer, and Section 4.7.3, Micro-Purchase ETO CH and/or Check Writer, provide supporting information. All GPC acquisition-related regulations and policies must be complied with when convenience checks are used to acquire supplies and services. Fees associated with use of convenience checks are specified in the GSA SP3 Master Contract. Section 3.1.10.1, Additional Responsibilities of the Convenience Check Account Holder, identifies practices to avoid when using convenience checks.

4.8.3.1. Unique Requirements for Convenience Checks

Unique convenience check requirements are in place to ensure proper use of the checks. At a minimum, these requirements include those listed in the DoD FMR and the following:

a. The A/BO's written concurrence shall be obtained prior to using a convenience check.
b. CHs must complete the mandatory purchase log requirements in the card-issuing bank's EAS.
c. It is a best practice to establish convenience check accounts under a separate MA.

d. The following information must be included on all convenience checks written: transaction date, payee, original signature, and an amount within the applicable threshold.
e. A Component may issue only one convenience check account per installation, unless the Commander has made a written determination that additional account(s) are necessary to meet mission requirements.
f. Convenience check stock inventories should be treated like cash, for security purposes.
g. Convenience check stop-payment procedures shall be dictated by card-issuing bank policies. If payment has been made before a stop-payment request is processed, the transaction cannot be disputed.
h. Component and local policies must ensure an annual review of each convenience check account as described in the DoD FMR.

4.8.3.2. IRS Form 1099-MISC Tax Reporting

The DFAS tax office is responsible for DoD compliance with IRS Form 1099-MISC reporting requirements. See the DoD FMR and the DFAS DoD Government Convenience Checks webpage for DoD convenience check policy. CPMs, OA/OPCS, A/OPCs, and CHs support fulfillment of 1099 reporting requirements.

DoD currently is required to file an IRS Form 1099-MISC for payments to vendors or individuals totaling more than $600 in a tax year.[11] Unlike carded accounts, the bank is not responsible for fulfilling tax reporting requirements for convenience checks.

IRS Form 1099-MISC reporting involves the collection of Personally Identifiable Information (i.e., Taxpayer Identification Number and Social Security Number) and must be safeguarded with appropriate oversight controls in accordance with the Privacy Act.[12]

4.8.4. Single-Use Accounts

The GSA SP3 Master Contract offers Components access to alternative payment processing platforms that allow utilization of Single-Use Accounts with an optional ability to pay in any timeframe (e.g., daily, weekly, or monthly). U.S. Bank's offering in this space is referred to as Virtual Pay® (formerly called Payment Plus®).

This *Guidebook* is focused on monthly payment processing, which traditionally is used by most Components. Components using alternatives must issue related policy and ensure establishment of additional management controls as necessary.

[11] See Internal Revenue Code, Title 26, Subtitle F, Chapter 61, Subchapter A, Part III, Subpart B, Section 6041A.
[12] See the Office of Privacy and Civil Liberties Privacy Act of 1974 webpage for more information on the Privacy Act.

CHAPTER 5: AUTHORITY, FUNDING, AND APPROVAL

5.1. ESTABLISHING A GPC PROGRAM

Specific initial considerations, approvals, and requirements are necessary when establishing a GPC program. DoDI 5000.35 grants authority to the Principal Director, DPCAP, acting in capacity as "Head of the Agency" for DoD Components other than the Military Departments, to consider and potentially approve Component requests for acquisition authority to establish a GPC program. Delegations of procurement authority shall be clearly documented, beginning with a Component that is a DFARS-designated contracting activity in accordance with DFARS PGI 202.101. Requests to establish a GPC program for an ODA must be submitted to the DoD GPC PMO. For a list of the key steps involved in establishing a GPC program, contact the DoD GPC PMO.

Components whose charters (i.e., Agency DoD Directive) do not authorize them to establish their own GPC program (i.e., requesting agencies) or that choose not to establish their own program may receive GPC services from a DoD servicing agency. In this instance:

a. The arrangement must be documented as part of a long-term agreement (e.g., memorandum of understanding, memorandum of agreement, or intragovernmental support agreement).
b. The requesting agency is required to follow the servicing agency's policy.
c. The servicing agency must ensure appropriate oversight is conducted.

5.2. IDENTIFYING THE REQUIREMENT

The GPC shall be used only for mission-essential requirements. Component personnel shall provide the CH with a written request (email is acceptable) documenting the requirement. On an exception basis, DoD policy allows for Self-Generated Purchases.

5.2.1. Self-Generated Purchases

For each self-generated purchase, the CH must document the requester's name and email address (if available), item description, quantity, estimated cost, and date of request; and obtain approval before making the purchase. In addition to the requirements of Section 6.9, Receipt and Acceptance, independent receipt and acceptance (i.e., acceptance by an individual other than the CH) is required for self-generated purchases. (See OMB Circular A-123, Appendix B, Section 2.4.2.)

In accordance with Component policy, availability of funds shall be documented prior to each self-generated purchase.

5.3. FUNDING

Access Online requires that a default LOA be entered for each account before any GPC purchase can be made. It allows Components to add alternate LOAs that CHs can assign when reallocating transactions from the default LOA (sometime referred to as the accounting code). LOAs can be entered using one of two methods and must be entered in accordance with Component and local policy:

a. Manual LOA entry is accomplished by directly typing the LOAs into the EAS or by periodic ingestion of an Excel (or similar) file; procedures are as agreed to between the Component and card-issuing bank. This method typically is used with legacy accounting

systems. Manual LOA entry can be used to provide a unique LOA for each and every transaction, or a single LOA to the account for use on multiple transactions (i.e., bulk funding).

b. Electronic LOA entry is accomplished when an ERP sends the "US Bank Input Load File" (containing LOAs and other purchasing information) to Access Online. This method is used with certain ERP systems (e.g., Defense Agencies Initiative and General Fund Enterprise Business System) and generally is accomplished when an ERP sends purchase orders to the EAS to create Access Online "eOrders." Through the monthly reconciliation process, eOrder data becomes part of the CH's purchase log. An eOrder can be sent to provide a unique LOA for each and every transaction, or a single LOA to the account for use on multiple transactions (i.e., bulk funding).

Components are responsible for ensuring ERP/financial system implementations provide for the ability to complete all EAS mandatory purchase log requirements (see Section 7.2, Purchase Log Information) at the transaction level (e.g., for bulk-funded accounts, CH-assigned Functional Entitlement Groups (FEGs) must allow for e-order editability when necessary to capture transaction-level detail).

Under both methods, during account reconciliation (see Section 8.1, Account Reconciliation), LOAs are associated with CH transactions that are approved and certified within Access Online and ultimately returned to the ERP via Defense Automated Addressing System (DAAS) / Global Exchange (GEX) (see Section 11.1.3.1, Use of EDI Tools to Support Invoice Certification/Payment).

FAR 13.101(b)(4) states, "Use bulk funding to the maximum extent practicable. Bulk funding is a system whereby the contracting officer receives authorization from a fiscal and accounting officer to obligate funds on purchase documents against a specified lump sum of funds reserved for the purpose for a specified period of time rather than obtaining individual obligational authority on each purchase document. Bulk funding is particularly appropriate if numerous purchases using the same type of funds are to be made during a given period." For Components whose mission requirements do not allow for bulk funding of GPC accounts, a lower level of funds control shall be established (i.e., at the transaction level). If a Component chooses to control funds at the transaction level, CH purchases cannot be made without a properly funded purchase order.

While Access Online requires an LOA for the purposes of GPC account reconciliation, Access Online does not use the funded amount of the LOA to limit CH purchasing (i.e., support basic funds control). Instead, purchasing is limited by establishment of spending limits as addressed in 5.3.1, Funding Limits and Controls; and Section 10.2.2, Spending Limits.

5.3.1. Funding Limits and Controls

While funding is reserved/committed in the financial system or ERP, funds control is managed in Access Online through A/OPC and RM assignment of authorization controls (e.g., monthly, quarterly, and office limits), which shall be tied directly to funding allocated for each MA and card account and shall be the primary controls to avoid Anti-Deficiency Act violations. See Section 10.2.2, Spending Limits for more on account limits.

FAR 32.702 states the following basic principle of the Anti-Deficiency Act: "No Government employee may create or authorize an obligation in excess of funds available, or in advance of

appropriations." A/OPCs, Certifying Officers, and RMs shall ensure controls are in place to prevent Anti-Deficiency Act violations. Component GPC policies shall address the funds control process; specifically, the commitment and obligation processes and the monthly/FY-end closeout and startup procedures.

Controls related to availability of funds must be in place to prevent users from committing and/or obligating in excess of the funds available for any budgetary limitation. See Section 10.2.2, Spending Limits, for additional controls related to spending limits.

Commitments / advance Reservations of Funds are used in conjunction with purchases made using GPC accounts. Reservations of funds are established by the RM (or equivalent) in coordination with the assigned A/OPC and must be considered when setting office and CH purchase limits in the card-issuing bank's EAS (see Section 10.2.2, Spending Limits). Components may bulk-fund their GPC accounts or require funded purchase requests for all transactions.

The RM establishes and maintains LOAs (e.g., Appropriated Funds, Non-Appropriated Funds (NAF), or Working Capital Funds) in the card-issuing bank's EAS or other approved system (i.e., where entitlement occurs) and certifies fund availability. This includes identifying funding and reporting required in Appendix A, Using the GPC in Support of ETOs.

The RM is responsible for providing reallocation authority to CHs and A/BOs, giving CHs the capability to select different LOAs for a transaction rather than the default line.

Reallocation by the CH or A/BO from a default LOA may occur in the bank's EAS or in an approved alternative system.

Certified LOAs shall be traceable through disbursement. All changes to original (account default) LOAs shall be documented and appropriately certified.

5.3.1.1. Funding Confirmation and Reconciliation Information Integrity

To ensure Funding Confirmation and Reconciliation Information integrity, transaction, original CH statements, and MA billing statements/invoices shall be maintained and cannot be altered. CHs will not be able to alter their CH statements once they approve them, unless their A/BOs return them for correction. Similarly, A/BOs and Certifying Officers will not be able to alter MA billing statements/invoices once they certify them.

CHs, A/BOs, and Certifying Officers do have the ability to append additional information to a transaction or invoice as supporting documentation. This additional documentation ensures that the transaction is charged to the correct LOA instead of posting to an initial default LOA and then having to process another transaction as a cost transfer. Reallocation from the bulk-funding LOA to the correct LOA is considered proper and does not constitute an alteration of the original invoice for the purposes of the DoD GPC Program, since the bulk-funding process was established to maximize efficiencies.

5.3.1.2. Invoice Integrity

An electronic certification process shall be used to ensure that the official (i.e., original, unaltered) electronic invoice is traceable from the card-issuing bank through the certification and entitlement processes and retained as a Government record.

After the Certifying Officer has determined that the information on the original invoice is correct and proper for payment, he/she completes the certification process in the card-issuing bank's EAS (e.g., capturing his/her identity, certification date, and standard DoD FMR certification statement). Where appropriate, the Certifying Officer will ensure any corrections or additions to the original invoice (e.g., reallocations to different funding lines) are proper and that, except in the case of fraudulent (external)/unauthorized transactions (described below), the payment totals have not changed.

If appropriate, the Certifying Officer will annotate any required pen-and-ink additions or corrections or enclose additional information on the original invoice to reallocate the payment to different funding lines from those reflected on the original invoice. The Certifying Officer will determine whether these additions/corrections are proper and affix his/her signature with the standard DoD FMR certification language that the invoice is correct and proper for payment, on the original paper invoice. It is important to note that altering a voucher that is already certified invalidates the original certification.

The CH shall attempt to address/reconcile all transactions during the billing cycle in which they occur (e.g., to minimize the inclusion of external fraudulent transactions in the corresponding billing statement).

a. It is possible for the invoice to contain fraudulent (external) transaction(s) (i.e., use of a lost, stolen, or otherwise compromised card by a third-party individual or vendor) not authorized by the CH. Known or suspected fraudulent (external) transactions not initiated by the authorized CH shall be reported as external fraud directly to the card-issuing bank. Certification or short-pay procedures shall be followed as required by the specific task order for the bank under the GSA SP3 Master Contract. Prior to allowing manual certification of a short-paid invoice, Component policy shall require CHs to identify the reason the transaction(s) is/are deemed fraudulent and the date they were reported to the bank. In all instances, the CH shall attempt to address/reconcile all transactions during the billing cycle within which they occur so that fraudulent transactions are never included in the corresponding billing statement. See Section 9.3, Handling Fraudulent Transactions.
b. For improper purchases (including unauthorized transactions made by a properly appointed CH or GPC transactions that are intended for Government use but not permitted by law, regulation, or Component policy, such as splitting purchases), the Government is liable to pay (i.e., short payment is not authorized); however, action may be taken against the CH. As discussed in Section 10.7, Closing/Canceling Accounts, GPC program participants are subject to pecuniary and/or personal financial liability, particularly relevant during reconciliation.

Supporting documentation regarding improper purchases and documentation supporting certification for payment shall be retained in accordance with the record retention requirements specified in this *Guidebook*. (See Section 7.7, Record Retention.)

5.3.2. Special Funding Use Cases

Components authorizing any of the funding use cases in these subsections must first:

a. Ensure Component policy adequately addresses such use, including fulfillment of any applicable regulatory requirements;

b. Specify additional mandatory training requirements applicable to such use; and
c. Mandate additional controls and oversight procedures to mitigate the risks associated with such use.

5.3.2.1. NAF Accounts

NAF GPC CH accounts must be established under separate MAs to ensure proper oversight. Commingling appropriated and NAF cards under a single MA is strictly prohibited.

5.3.2.2. ORF Accounts

The GPC is the preferred method of payment for ORF expenditures when the infrastructure supports GPC usage. A separate GPC account should be established to ensure accountability and transparency of ORF expenditures. All requirements of DoDI 7250.13 and supplementing Component policy shall be adhered to.

5.3.2.3. Foreign Military Sales-Funded Purchases

Components using Foreign Military Sales (FMS) funding to make GPC transactions must comply with all associated DoD policy and develop comprehensive (e.g., funding, reporting, record retention, legal, security, and oversight) Component policy.

5.4. CH Authority and Limits

The CH must determine whether the requirement can be met within the limits (e.g., SPL and SD) specified in his/her delegation of authority letter. See Section 4.2, System Use and Appointment Requirements, and its subsections for authority details. See Section 10.2.2, Spending Limits, for more information on SPLs and Section 4.7, CH SDs, and its subsections, for more information on CH SDs.

5.5. Special Approvals

For information on obtaining any required special approvals, see Component-specific procedures (e.g., Section 6.5, Cybersecurity) and coordinated acquisition discussion in Section 6.2, Prohibited Purchases.

5.5.1. Use of the GPC to Purchase Unmanned Aircraft Systems

CHs are permitted to use the GPC to fulfill Unmanned Aircraft Systems (UAS) requirements, subject to the following:

a. CHs shall follow Service/Agency policy and guidance for the purchase of—
    i. UAS or UAS-related components that are available on the DCMA "Blue UAS Cleared List," or
    ii. Groups 1–2 UAS or UAS-related components that are not available on the DCMA "Blue UAS Cleared List" for testing and training when approved in writing by O-6 Commanders and equivalents.
b. CHs shall retain approval for purchases at (a)(ii) as EAs in the card-issuing bank's EAS (unclassified/non-Controlled Unclassified Information (CUI)) or other compensating-control approved system (classified/CUI).
c. CHs shall not use the GPC to purchase any UAS, UAS-related components, or UAS-related software that are manufactured, assembled, or developed by a covered foreign

country or a covered foreign entity as defined in the National Defense Authorization Act (NDAA) for FY 2023, Public Law (Pub. L.) 117-263, Section 817, and the NDAA for FY 2024, Pub. L. 118-31, the "American Security Drone Act of 2023," and listed at https://bluelist.appsplatformportals.us/.

d. CHs shall not use the GPC to purchase Federal Acquisition Security Council prohibited UAS, unless an exemption, exception, or waiver applies.

5.6. TAX EXEMPTION

GPC accounts are centrally billed accounts (CBAs), for which the Federal Government is liable; and as such, they should be exempt from State taxes. State tax exemption status and certificates are available on GSA's State Tax Exemption Information for Government Charge Cards webpage. CHs can download a copy of the specific State letter to present to a vendor when the vendor is requesting a tax-exempt certificate.

Additional information about State sales taxes and CH best practices may be found in GSA Smart Bulletin 020. For information related to Government charge card CBAs, see the DoD FMR.

CHAPTER 6: PURCHASE AND ACCEPTANCE

6.1. REQUIRED SOURCES OF SUPPLIES AND SERVICES

CHs must make their purchases in accordance with the mandatory source priorities set forth in FAR part 8. If the Component is unable to satisfy a requirement for supplies and services for mandatory sources listed in FAR 8.002 (priorities for use of mandatory sources) and FAR 8.003 (use of other mandatory sources), the Component is encouraged to satisfy requirements from non-mandatory sources in FAR 8.004(a) (not listed in any order of priority) before considering the non-mandatory sources listed in FAR 8.004(b). CHs shall follow Component policy to document their files.

Unless an exception applies, Components are required to ensure that the assigned commodities under the Coordinated Acquisition Program, listed in DFARS PGI 208.7006, are obtained from the Component responsible to supply the commodity as prescribed in DFARS 208.7002 and DFARS PGI 208.7004; see also DoD Manual 4140.26. Examples of assigned commodities include flags/pennants, badges/insignia, tents, weapons, ammunition, and explosives.

6.1.1. Federal Prison Industries / UNICOR

When following priorities for use of mandatory sources, if Federal Prison Industries (FPI) (also referred to as UNICOR) and AbilityOne participating nonprofit agencies produce identical supplies or services, FPI is the higher priority for supplies and AbilityOne is the higher priority for services (FAR 8.603 and FAR 8.002).

Purchase from FPI is not mandatory, and a waiver is not required, if:

a. Any of the following exceptions from FAR 8.605 apply:
   i. A Contracting Officer makes a unilateral determination (on a case-by-case basis) that the FPI item of supply is not comparable to supplies available from the private sector that best meet the Government's needs in terms of price, quality, and time of delivery (FAR 8.602(a)(1)); and the item is acquired in accordance with FAR 8.602(a)(4);
   ii. Public exigency requires immediate delivery or performance;
   iii. Suitable used or excess supplies are available;
   iv. The supplies are acquired and used outside the United States;
   v. The supplies are priced at or below $3,500;
   vi. The items FPI offers are being purchased exclusively on a competitive (non-mandatory) basis, as identified in the UNICOR Schedule of Products and Services; or
   vii. Services are being purchased.

b. FPI is not a mandatory supplier for the supply being purchased. See the UNICOR Schedule of Products and Services to determine whether a requirement has mandatory source status.
c. FPI's share of the DoD market for a mandatory item in a Federal Supply Class code is greater than 5 percent. See the list in the annual OUSD(A&S)/DPCAP memorandum "Purchases from Federal Prison Industries; Updated List of Federal Supply Classification Codes to be Competed," available on DPCAP's Purchase Cards – Documents and Guides webpage.

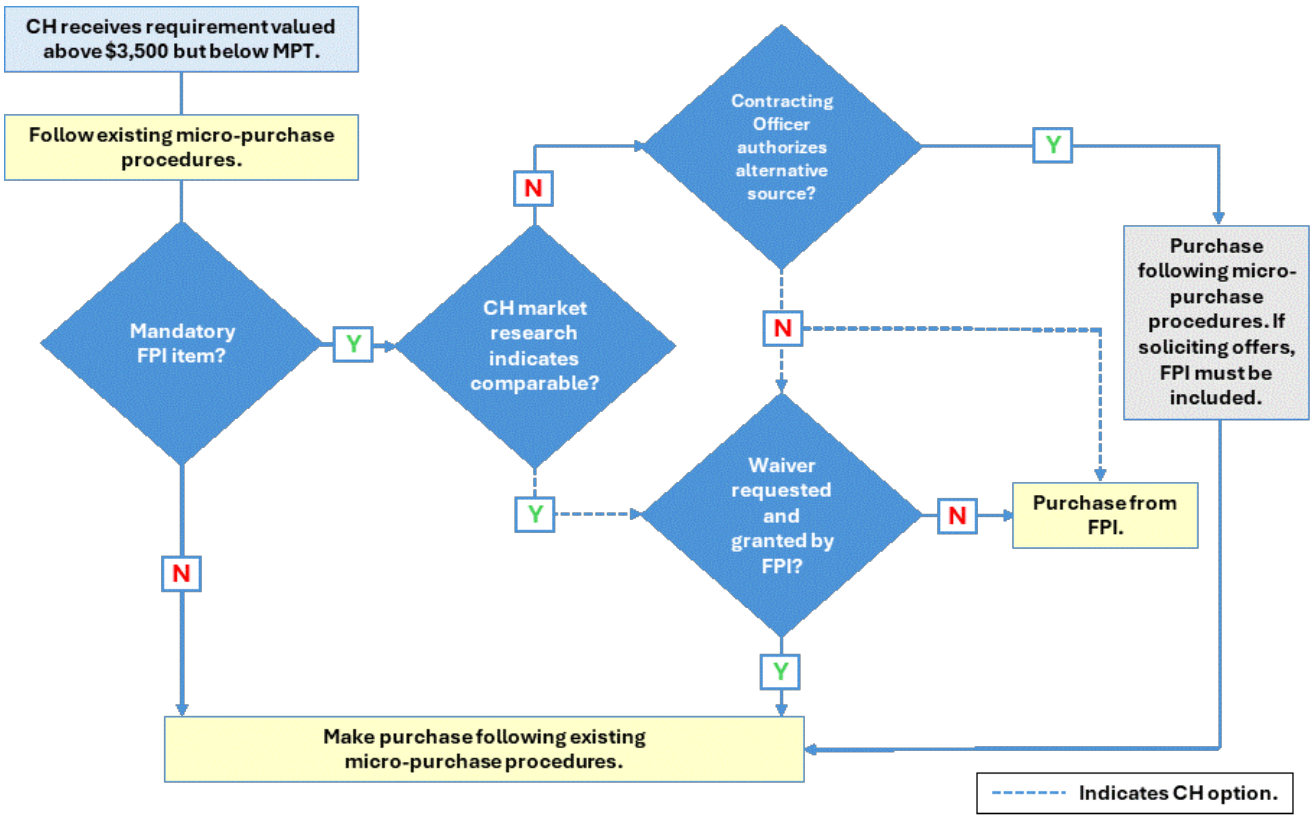
d. A Contracting Officer determines the mandatory supply is not comparable to supplies available from the private sector that best meet the Government's needs in terms of price, quality, and time of delivery (FAR 8.602). CHs should work with their supporting contracting office to make this determination.
e. The CH requests and FPI grants a purchase waiver (FAR 8.604).

Components shall process any waiver requests in accordance with Component policy and follow the UNICOR waiver process.

CHs must comply with FAR part 8 FPI regulatory requirements for items estimated between $3,500.01 and the MPT. CHs with authority to purchase above $3,500 must have proper training concerning the requirements outlined in FAR subpart 8.6 and DFARS 208.6 regarding acquisition from FPI.

For supply purchases priced above $3,500, follow the steps in Figure 1, FPI Purchasing Decision Framework, to determine whether the purchase must be made from FPI. FAR subpart 8.6 details the procedures for acquisition from FPI. Additional information about FPI is available at the UNICOR website.

Figure 1. FPI Purchasing Decision Framework



6.1.2. AbilityOne

As noted in Section 6.1.1, Federal Prison Industries / UNICOR, if FPI and AbilityOne participating nonprofit agencies produce identical supplies or services, FPI is the higher priority for supplies and AbilityOne is the higher priority for services (FAR 8.603 and FAR 8.002). Unlike FPI procedures, AbilityOne purchasing procedures are applicable to all purchases

regardless of dollar value. In other words, if the requirement can be fulfilled with an AbilityOne product[13] on AbilityOne's Procurement List webpage, the CH must purchase from FPI unless he/she receives a waiver from FPI allowing him/her to purchase from AbilityOne.

CHs may request a waiver from AbilityOne following the procedures at AbilityOne's Policy 51.541. Before AbilityOne approves any waiver request, it has the opportunity to (1) review product information to ensure the alternate product is essentially the same as the AbilityOne product, and (2) offer a price match.

CHs may purchase AbilityOne Procurement List supplies directly from AbilityOne or from one of their authorized distributors to satisfy the mandatory requirement. (Note: some Base Supply Centers / stores and AbilityOne distributors sell non-AbilityOne manufactured items along with AbilityOne ("Skilcraft") items.) AbilityOne profits are maximized for purchases made directly from AbilityOne, such as a Base Supply Center or an AbilityOne online catalog. The AbilityOne producing agency sells the supply at a set price (fair market value). Prices of items on the Procurement List are fair market prices as established by the Committee for Purchase from People Who Are Blind or Severely Disabled (FAR 8.707). The distributor can sell the supply at varying prices but is not allowed to sell below the fair market value.

A list of AbilityOne services can be found on the Procurement List webpage; however, it is not an exhaustive list of services that are provided under the AbilityOne Program. The appropriate National Industries for the Blind or SourceAmerica® (formerly NISH) office should be contacted for more information about AbilityOne service capabilities.

6.1.3. Small Businesses

In accordance with FAR 19.203, the requirement to set aside acquisitions for small businesses does not apply to purchases valued at or below the MPT. However, in accordance with FAR 19.201 and as stated in Section 3.1.10, CH and Convenience Check Account Holder, CHs should consider small businesses and socioeconomic programs to the maximum extent practicable when using the GPC for purchases at or below the MPT. Appendix A, Using the GPC in Support of ETOs, provides additional small business requirements that apply to purchases made in direct support of ETOs.

6.1.4. Non-Mandatory Sources of Supply

Next, in accordance with FAR 8.004, for supplies, Components are encouraged to consider use of non-mandatory sources such as FSS contracts/BPAs (e.g., GSA Advantage); Governmentwide acquisition contracts; and multi-Component contracts (e.g., FedMall). For services, Components are encouraged to consider FPI and the sources in the previous sentence. After these, Components are encouraged to consider commercial sources in the open market (including educational and nonprofit institutions).

Contract Ordering Official CHs shall:

a. When purchasing against a BPA issued under FAR part 13 procedures, ensure the requirements of FAR 13.303-5 are met.

[13] AbilityOne uses the term "product" to apply to what is referenced in the FAR as "supply." This *Guidebook* defaults to the FAR term except where discussing AbilityOne.

b. When purchasing against an indefinite-delivery, indefinite-quantity contract, ensure the ordering procedures as specified by the Contracting Officer and FAR part 16 are followed.
c. When placing orders, at or below the MPT, against an FSS contract or a BPA issued under an FSS contract, follow the ordering procedures at FAR 8.405-1(b).
d. When placing orders above the MPT but below the SAT, follow the ordering procedures at FAR 8.405-1(c).

6.2. PROHIBITED PURCHASES

CHs should contact local authorities (e.g., the A/OPC, local Judge Advocate General, and Financial Manager / RM) prior to making any purchase that seems questionable or may have the appearance of being inappropriate. They also should include the results of their consultations and determinations with their EA.

A list of supplies and services for which use of the GPC is prohibited is provided in Appendix C, Prohibited Purchases; these listed supplies and services are collectively referred to as "prohibited purchases."

See Section 5.5, Special Approvals, for authorized limited exceptions to policy that permit use of the GPC for prohibited purchases. In addition to these specifically authorized exceptions to policy, use of the GPC also may occasionally be approved for prohibited purchases; for example, the armed escort of prisoners may be a legitimate use of the GPC despite the fact that "escort services" are listed in Appendix C. All approvals must be on a per-transaction basis after consultation with legal counsel, the HCA, and the Financial Manager / RM. Multiple requests to make the same prohibited purchase must be approved by the Commanding Officer of the Component responsible for issuing the GPC accounts. CHs must document each approval with the transaction's EA. Components shall notify the DoD GPC PMO of each approval on their SAHARs.

Further, if a valid procurement requirement has resulted in the award of a Government contract, the GPC may be used as a method of payment against the contract or to place an order (e.g., if authorized under indefinite delivery contract arrangements), even if the acquisition otherwise would be for a prohibited purchase.

Additionally, some of the supplies and services in Appendix C, Prohibited Purchases (e.g., weapons, ammunition, and explosives) are available under the Coordinated Acquisition Program (see DFARS 208.70, DoD Manual 4140.26, and Section 6.1, Required Sources of Supplies and Services). The Acquiring Department (i.e., the Department/Agency or GSA that has contracting responsibility under the Coordinated Acquisition Program) may issue policies that include use of the GPC for these items (e.g., using the Intragovernmental Payment Official CH SD for stock items or the Contract Ordering Official CH SD for ordering if authorized under indefinite delivery contract arrangements). In such cases, use of the GPC as prescribed is permissible; the CH must document the determination to use the source and retain necessary approvals with the transaction's EA.

6.3. COMPETITION

As per FAR 13.203, to the extent practicable, micro-purchases shall be distributed equitably among qualified suppliers. When the GPC is used for other than micro-purchases, CHs shall follow the procedures at FAR parts 8 and 16, DFARS parts 208 and 216, and Component policy.

Whenever practicable and applicable, the CH should request prices from two sources not included in the previous purchase. FAR 13.104 establishes a competition standard for simplified acquisitions. Maximum practicable competition ordinarily can be obtained by soliciting prices from sources within the local trade area.

6.4. Price Reasonableness and Vendor Responsibility

When purchasing an item for the first time, CHs are responsible for due diligence (as described in Section 6.3, Competition, and in FAR 13.203(a)(3)(i) and (ii)) to ensure the price is reasonable. Since the administrative cost of verifying price reasonableness may be higher than the potential savings, price reasonableness determinations are required only when (1) the CH has reason to suspect that the price may not be reasonable, or (2) the CH is purchasing a supply or service for which comparable pricing information is not readily available.

6.4.1. Vendor Responsibility Determination

As required by FAR 9.103 and stated in Section 3.1.10, CH and Convenience Check Account Holder, Components have a responsibility to purchase from responsible vendors only.

6.5. Cybersecurity

DoD purchases and uses a wide variety of COTS IT items, such as laptops, software, cameras, networking equipment, and other items with electrical components that may carry risks from foreign intelligence collection; hardware, software, and cyber vulnerability; counterfeit items; and supply chain exploitation. Further, increased use of common devices that connect to networks (i.e., the Internet of Things) also poses considerable risk. For example, internet-ready refrigerators, thermostats, and video surveillance cameras have potential vulnerabilities. Commercial services also may carry these same risks.

Components are responsible for evaluating and mitigating these risks when purchasing COTS IT items, regardless of purchase method; this includes issuing policy to mitigate these risks when purchasing COTS IT with the GPC (e.g., obtain required pre-purchase approvals or purchase items under only specified contracts). GPC program participants and requiring offices must be aware of these risks and closely follow DoD and Component policies designed to mitigate them. They also must refrain from purchasing any items listed in Appendix C, Prohibited Purchases, or that otherwise violate any U.S. statute or inadvertently introduce cybersecurity, supply chain, or counter-intelligence risk.

Examples of purchases/practices that carry cybersecurity risks include:

a. Services provided by vendors and other third parties (e.g., heating, ventilation, and air conditioning—"HVAC"; IT software engineering; or services involving physical or virtual network access).
b. Poor information security practices.
c. Purchase and use of compromised/counterfeit software or hardware.
d. Not recording purchases of COTS IT or other items with electrical components in the appropriate accountable property system of record (APSR).

CHs must follow Component and local IT purchasing policies (e.g., obtaining preapproval and/or purchasing from specified indefinite-delivery contracts that have been awarded in accordance with DoD supply chain risk management requirements). Use of the GPC by Contract Ordering Official CHs to place orders and make payments against contracts (e.g., indefinite delivery, FSS,

and BPAs) is not prohibited if Component policy authorizes such use and the clause prescription at FAR 4.2203 has been followed.

In the absence of any conflicting Component policy, as a best practice when buying COTS IT, CHs are encouraged to make the purchase under a contract vehicle. This practice helps to ensure (1) the items are not counterfeit, (2) the items are subject to rigorous supply-chain management, and (3) the threat of cyber risk is reduced.

CHs often are the Department's final line of defense when commercial supplies and services are purchased. CHs must work closely with their requirements, security, and contracting offices to promote the Department's efforts to understand and limit the supply-chain threats presented by increased overlap between commercial (dual-use) applications and Defense applications that can be exploited by adversaries. CHs must follow Component policy related to purchasing any cyber or IT-enabled technology.

6.5.1. Section 889 Prohibitions

Section 889(a)(1)(A) of the NDAA for FY 2019 (Pub. L. 115-232) (see FAR 4.2102 and 13.201(j)(1))[14] prohibits the Government from procuring any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception provided in the statute applies or a waiver is granted.

Section 889(a)(1)(B) of the NDAA for FY 2019 (Pub. L. 115-232) (see FAR 4.2102 and 13.201(j)(2))[15] prohibits the Government from contracting with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception provided in the statute applies or a waiver is granted. Section 889(a)(1)(B) requires offerors, after conducting a reasonable inquiry, to provide a representation regarding use of covered telecommunications equipment or services when submitting an offer.

In summary, unless an exception or waiver exists, when making purchases (including micro-purchases), the Government cannot:

- Purchase prohibited equipment, systems, or services; or
- Purchase from a company that uses prohibited equipment, systems, or services.

6.5.1.1. Section 889 GPC Micro-Purchase Procedures

When making purchases, CHs must comply with the Section 889 requirements. This can be done through:

- Checking SAM.gov for the FAR 52.204-26 representation[16], or
- Obtaining a representation equivalent to FAR 52.204-26 from eligible vendors (i.e., from a person authorized to bind the vendor).

[14] See also FAR 52.204-24, 52.204-25, and 52.204-26.
[15] Ibid.
[16] This process can be streamlined with the use of tools such as the Contracting Assistant for Awards and Micro-Purchases (CAAMP) bot, the Army's Determination of Contractor Responsibility (DORA) bot, and GSA's 889 Representation Search.

This requirement does not apply when using the GPC as a method of payment (Intragovernmental Payment Official CHs, SF 182 Training Payments CHs, and Contract Payment Official CHs). When the GPC is used as a method of payment against a contract, the Contracting Officer is responsible for ensuring compliance prior to award.

CHs are required to properly document Section 889 compliance (see Section 6.5.1.1.2, Compliance Documentation).

6.5.1.1.1. Director of National Intelligence Waivers

FAR 4.2104(b) provides that the Director of National Intelligence has the authority to waive the prohibitions at Section 889 if the Director determines the waiver is in the national security interests of the United States.

6.5.1.1.2. Compliance Documentation

Components must issue policy on how to properly document compliance with Section 889 requirements (see Section 10.13, Component Policy). Documentation of compliance determinations and the process for exceptions and waivers must be recorded in:

- CH purchase logs (see Section 7.2, Purchase Log Information) and
- The card-issuing bank's EAS or other approved system (e,g., Access Online Transaction Management – Attachments).

6.6. SUSTAINABLE PROCUREMENT

CHs are required to comply with Federal Government environmental quality (previously referred to as "green") policies when acquiring supplies or services with the GPC.

6.6.1. Sustainable Procurement Resources

DAU's "DoD Sustainable Procurement Program" course (currently CLC 046) provides training on a comprehensive strategy for implementing environmentally preferred practices while sustaining the overall mission.

OMB Circular A-123, Appendix B, Chapter 10.2, requires Agencies to develop and implement policies and practices that ensure products and services meet sustainability requirements.

Federal law directs all Federal agencies to give preference to the purchase of biobased products, which are products made from plants and other renewable agricultural, marine, and forestry materials. The USDA has identified more than 130 different product categories where this purchasing preference applies. These products span many categories, including construction, cleaning, groundskeeping, and operations and maintenance.

GSA's Green Procurement Compilation webpage provides the current lists of designated products, product sources, and other relevant information. The DoD Sustainable Procurement Program website provides more information on related policy, resources, and points of contact.

DoDI 4105.72, Section 1.2.b, requires DoD to give preference to the procurement of sustainable supplies and services using or supplying sustainable supplies unless certain conditions exist. CHs should follow Component policy if one or more of the following issues prevents purchase of mandatory green supplies and services:

a. The price of the supply/service is unreasonable.
b. The supply/service will not meet reasonable performance standards.

c. Availability does not meet the requirement timeframe.
d. An exception is provided by statute.

The Environmental Protection Agency (EPA) and USDA oversee the designated product programs, which designate products that can be made with recycled or bio-based content and place them on the mandatory list for Federal purchasers. Some examples of mandatory items designated by the USDA BioPreferred Program are paper, folders and filing products, trash cans, trash bags, and writing utensils.

6.7. Purchasing Section 508-Compliant Items

Section 508 of the Rehabilitation Act of 1973 was amended in 1998 to require Federal agencies' electronics and IT to be accessible to people with disabilities. Compliance with Section 508 requirements accomplishes the following:

a. Provides Federal employees with disabilities access to office systems and information equal to their non-disabled colleagues, and
b. Ensures individuals with disabilities in the general public have equal access to Government information.

For more information about Section 508 requirements as they apply to purchasing information and communication technology, which includes software, hardware, electronic content, support documentation and services, see FAR 39.2 and the Section 508 website.

6.8. Third-Party Payments

CHs are never authorized to establish an account when using a Third-Party Payment Processor. Doing so could require acceptance of, or agreement to, terms and conditions; or result in commitment of funds that have not been legally allocated for purchases.

Transactions using third-party payment processors are considered high risk because all available Transaction Information (TI) may not be completely passed to the card-issuing bank (which can adversely affect reporting, reconciliation, and oversight, including DM detection of improper use). Use of third-party payment processors also may adversely affect transaction dispute terms and processes, among other considerations.

6.8.1. Third-Party Payments: CH Responsibilities

When conducting a pre-purchase review to select vendors, CHs shall use the following procedures/criteria:

a. Minimize use of third-party payment processors to the maximum extent practicable.
b. When a vendor offers the choice of using a GPC or a third-party payment processor (e.g., PayPal) at checkout, use the GPC.
c. When considering a vendor that requires use of a third-party payment processor, determine if another vendor exists that does not require use of a third-party payment processor.
d. If it is still determined to be necessary to purchase from a vendor requiring use of a third-party payment processor, ensure this determination is documented as required in Chapter 7, Documenting a Purchase.

6.8.2. Third-Party Payments: CPM Responsibilities

CPMs must ensure CHs are:

a. Appropriately trained on DoD GPC third-party payment policy, DoD GPC policy for non-DoD Electronic Commerce (Commercial) Platforms (see Section 11.3.1, Commercial Platforms), related Component policy, and third-party payment processor requirements and risks in OMB Circular A-123, Appendix B; and GSA Smart Bulletin No. 023.
b. Never authorized to establish an account when using third-party payment services for processing GPC payments.

To validate policy compliance, CPMs may consider requiring that A/OPCs periodically identify transactions using third-party payment services by utilizing the Access Online Transaction Detail Report and including a summary of the review in the "Comments" field of the SAHAR Report.

6.9. Receipt and Acceptance

The DoD FMR establishes requirements for the CH to verify proof of delivery on the sales invoice, itemized packing slip, bill of lading, or other shipping or receiving document by recording the date received, along with the signature (or electronic alternative when supported by internal controls), printed name, telephone number, and office designator or address of the Receiving Official. It also requires the CH to record the name of the independent individual confirming receipt in the purchase log. See Section 7.2, Purchase Log Information, for related requirements.

The CH is responsible for obtaining and retaining proof of delivery and including it in the EA in accordance with Section 7.3.1, EA Requirements.

Special consideration use cases include:

a. Accountable property purchases (see Section 7.5, Accountable Property),
b. Use of the GPC as a method of payment against an existing contract (see Section 4.7.8, Contract Payment Official CH),
c. Self-generated purchases (see Section 5.2.1, Self-Generated Purchases), and
d. Other specific circumstances as defined by Component policy.

See Section 8.4, Paying for Items Not Yet Accepted, for requirements related to payment when acceptance is obtained after account reconciliation.

6.9.1. Use of WAWF to Create and Accept Receiving Reports

In accordance with DFARS 232.7002(a)(5)(b)(1), WAWF must be used to create and accept receiving reports when the GPC is used as a method of payment against a contract. WAWF also may be used to document acceptance for any open-market micro-purchases, and its use is encouraged for purchases of accountable property.

6.9.1.1. Documenting Acceptance for Contracts Paid with the GPC

As specified in DFARS PGI 242.302(a)(13)(B)(3), when the GPC is the method of payment for a contract or order, the payment office must be designated entering "CRCARD" in the payment office code block.

6.9.1.2. Documenting Acceptance for Accountable Property Open-Market Micro-Purchases

Use of WAWF for GPC accountable property micro-purchases (see Section 7.5, Accountable Property) is encouraged for the following reasons:

a. Record of acceptance is electronically captured and stored.
b. Once the accountable property has been delivered, Accountable Property Systems of Record (APSRs) are electronically updated, ensuring proper accounting and tracking of Government assets and increasing transparency and auditability.
c. The Item Unique Identifier Registry is updated (if required).
d. The risk of improper or fraudulent purchases is reduced.
e. Paperless processing is enabled among geographically dispersed program participants.

CHAPTER 7: DOCUMENTING A PURCHASE

7.1. DOCUMENTATION

RMs, A/OPCs, A/BOs, and CHs have primary responsibility for creating/collecting and ensuring retention of necessary information/data/documents (hereafter referred to as "documentation" when addressing GPC documentation requirements). This occurs during the reconciliation process addressed in Section 8.1, Account Reconciliation. TSD is the subset of GPC documentation related to funding, transacting, reconciling, and disbursing GPC purchases/payments. GPC documentation also includes data related to oversight and internal control compliance. GPC documentation is maintained in systems operated by the card-issuing bank and its partners (i.e., Mastercard and Oversight Systems). It also is maintained in the Component system(s) used to commit, obligate, and expend funds (e.g., ERPs and legacy accounting systems). Table 3, GPC Documentation Requirements, provides a high-level overview of GPC documentation requirements.

Table 3. GPC Documentation Requirements

Term	Description	Examples/ Sources
	TSD	
1. **Purchase Log Information**	***CH-entered and ERP-system-provided*** (using U.S. Bank's eOrder capability) data included in the EAS purchase log. For example, this includes data populated in U.S. Bank's Order Management, Transaction Management, and/or Payment Request Management.[17] Purchase log requirements are addressed in Section 7.2, Purchase Log Information.	• Manual Entry / U.S. Bank eOrders (In) • USBC2 (Out) • API (Out) (future)
2. **Transaction Information**	***Card-issuing bank, vendor, and card association*** data related to DoD GPC transactions included in the EAS.	• TSYS (In) • MC (In) • RPM (Out) • USBC2 (Out) • API (Out) (future)
3. **Electronic Attachments**	An electronic record (e.g., Portable Document Format (PDF), JPEG, Screen Snips) of ***CH-collected*** data necessary to support purchases and payments made by CHs. It includes data added to each transaction in U.S. Bank's Transaction Management using the EA capability. EA requirements are addressed in Section 7.3, Electronic Attachments.	• API (Out) (future)
4. **Funding Confirmation and Reconciliation Information**	Data related to the CH, A/BO, and Certifying Officer monthly account reconciliation process, ***regardless of source***. This includes all data present in or added to each transaction (including LOAs) in U.S. Bank's Order Management and Transaction Management. It includes the account billing statements made available in the EAS and the electronic files exchanged between the EAS, ERPs, and accounting systems, and the disbursing office.	• Manual Entry / eOrders (In) • Ingested File (In) • Account Billing Statements (Out) • USBC2 (Out) • 810 (Out) • 821 (Out) • RPM (Out)

[17] For organizations using Virtual Pay accounts, Payment Request Management is used in lieu of Order Management.

	Oversight and Internal Control Compliance Data[18]	
5. **DM Information**	Data related to the creation, scoring, and disposition of DM cases. This includes data present in, or added to, IOD ***regardless of source***.	• RPM (In) • API (In) (future) • Account File (In) • User File (In) • Case File (Out) • Scored File (Out)
6. **Monthly A/OPC Review and SAHAR Information**	Data related to the conduct of DoD's Monthly A/OPC Review and SAHAR processes, ***regardless of source***. This includes data present in, or added to, associated reports in the Purchase Card Oversight Module (PCOM) and IOD.	• Extract (Out)

Collection and retention of GPC documentation in centralized, electronic records is mandated to support Federal-Government-wide paperless initiatives and ensure information is available to:

- Support conduct of program operations and oversight functions. For example:
  - CHs', A/BOs', Certifying Officers', and Financial and Program Managers' performance of operational and oversight roles and responsibilities.
  - Auditors' and other reviewers' conduct of program compliance reviews.
  - Financial and Program Managers' and Contracting Officers' performance of data analytics.
- Fulfill record retention requirements, even when personnel changes occur. Record retention requirements are addressed in Section 7.6, Record Retention.

7.2. PURCHASE LOG INFORMATION

CHs are required to collect and retain electronic PLI for ***each and every*** purchase in the EAS purchase log (i.e., using U.S. Bank's Order Management and Transaction Management capabilities).

Details about Enterprise-wide implementation of the EAS purchase log capability are available in the "Purchase Log Requirements and Standard Operating Procedures" spreadsheet, available on DPCAP's Purchase Cards – Documents and Guides webpage, which specifies which fields are minimally required and other important information, including (but not limited to) the valid values for each field. For purchases that are $75 or less, a description of the item/service (e.g., office supplies) or Product Service Code is sufficient for the required line-item description.

Use of the EAS, which serves as the purchase log system of record, eliminates the need for a paper-based or other electronic purchase log. Deployment and adherence to the standard promotes compliance with DoD PLI requirements.

7.3. ELECTRONIC ATTACHMENTS

CHs are required to collect and retain EA for ***each and every*** purchase and its associated transaction, using the EAS EA capability (i.e., U.S. Bank's Transaction Management).

Use of the EAS, which serves as the EA system of record, eliminates the need for retention of duplicate hard copies. Record retention requirements are addressed in the DoD FMR. As noted in

[18] Various other sources of oversight information are not addressed in this chart (e.g., PMRs, MICP, IST data, bank-provided OMB Circular A-123, Appendix B reporting, and system (e.g., PIEE, PCOM, Access Online, and IOD) reporting).

Section 7.6, Record Retention, the DoD FMR requires that the CH include acceptance documentation for every purchase, with the EA uploaded to the card-issuing bank's EAS.

7.3.1. EA Requirements

At a minimum, CH-added EA shall include:

a. Documents specified in the DoD FMR. The DoD FMR requires retention of supporting documentation, including:
   i. Request to purchase or request for payment.
   ii. Verification of availability of funds as defined by the DoD Component's policy.
   iii. Proof of acceptance.
   iv. Vendor invoice, receipts, or order confirmations.
   v. Approval documentation.
   vi. Supporting documentation for any credit received (e.g., items returned).
   vii. The following requirements are otherwise accounted for by the card-issuing bank's EAS as discussed in previous sections of this chapter and therefore do not need to be retained as EA:
      A. Copies of account billing statements
      B. CH purchase log
      C. Cross-references to any related contract, delivery or task order, or purchase order.

b. Documents required by DoD:
   i. Additional documentation that must be retained when a self-generated purchase is made (see Section 5.2.1, Self-Generated Purchases).
   ii. Applicable 889/cybersecurity and ETO documentation.
   iii. Any approvals/waivers/exemptions/exceptions, as applicable.
   iv. Third-party payment prepurchase review, as applicable.
   v. Competition and/or determining price reasonableness, as applicable.
   vi. Other documentation required by Component and local GPC policy.

7.4. Funding Confirmation and Reconciliation Information

The DoD FMR addresses requirements for funding and reconciling GPC accounts. Use of the EAS, which serves as the system of record, eliminates the need for retention of duplicate hard copies. Section 5.3.1.1, Funding Confirmation and Reconciliation Information Integrity, provides more information on this topic.

7.5. Accountable Property

All accountable property acquired with the GPC shall be properly recorded in the appropriate accountable property system of record in accordance with Component policy. DoDI 5000.64, which addresses additional accountable property requirements, requires Component property leads to "Ensure adequate policies and procedures are in place to implement this issuance for their DoD Component." Accountable property questions should be directed to the Accountable Property Officer, the Receiving Official, or the A/OPC.

Use of WAWF to create and accept the receiving report for GPC micro-purchases that result in delivery of accountable property is encouraged but not mandatory. See Section 6.9.1, Use of WAWF to Create and Accept Receiving Reports, for more information on using WAWF.

When accountable property is purchased with the GPC:

a. In addition to the requirements of Section 6.9, Receipt and Acceptance, independent receipt and acceptance (i.e., acceptance by an individual other than the CH) is required for purchases of accountable property.
    i. When WAWF is used to create and accept the receiving report, no hard copy is required in the GPC EA.
b. The CH must ensure the appropriate Accountable Property Officer or organization Hand Receipt Holder has been notified.
c. The A/BO is responsible for verifying that all accountable property acquired with the GPC has been received and included in the appropriate APSR following Component procedures.

Accountable property includes (1) Government property purchased or otherwise obtained, having a unit acquisition cost of $5,000 or more; (2) property of any value that is controlled or managed at the item level; (3) leased items of any value; (4) assets that are sensitive or classified[19]; and (5) other items as specified by Component property policy. Examples include pilferable property subject to theft, property hazardous to public health, small arms, property designated as heritage assets, IT property, and Government-furnished property (GFP).

7.6. GFP

Accounting and reporting of assets held by non-Government entities is a significant FIAR priority; this includes when GFP is provided to a vendor as part of an open-market micro-purchase (e.g., repair of a Government-owned generator):

a. CHs serve as a final checkpoint to ensure compliance with Component policy and should validate the necessary coordination with the property office has occurred prior to making the purchase and upon completion of the requirement.
b. Requiring offices are responsible for: (1) identifying all GFP to be provided, (2) identifying the individual who will perform acceptance, and (3) ensuring the property office has been notified before the GFP is provided to a vendor and once the GFP is returned.
c. Property Managers are responsible for ensuring all GFP provided to vendors is properly accounted for throughout its lifecycle. The fact that the GFP clauses prescribed in FAR 45.107 are not required to be included in micro-purchases does not relieve property offices from this responsibility.
d. Complete the GFP attachment in the GFP module of PIEE. For additional information about this requirement, see DFARS PGI 245.103-72.
e. When GFP is provided to a vendor on a frequent, recurring basis, CHs should consult with their A/OPC and supporting contracting office to determine if a contract should be awarded to protect the Government's interests.

[19] See DoD Manual 4100.39.

7.7. RECORD RETENTION

Record retention requirements shall be in accordance with FAR 4.805, DFARS 204.805, the DoD FMR, and, as applicable, the NARA General Records Schedules.[20]

7.7.1. Account Requests

Any paper-based or e-mail requests relating to new account issuance and maintenance shall be retained by the A/OPC for six years after the date of account issuance or update.

7.7.2. Appointments

Distribution/access and record retention requirements are fulfilled for all appointments made using JAM. Table 4, GPC Appointment Retention Requirements, provides a summary of appointment retention requirements, which are fulfilled automatically for appointments issued in JAM.

Table 4. GPC Appointment Retention Requirements

Role	Retain Copies of:	Also:
CPM	• His/her own appointment • OA/OPC and A/OPC appointments under CPM's cognizance	Ensure DoD GPC PMO has access to CPM appointment.
OA/OPC	• His/her own appointment • A/OPC appointments under OA/OPC's cognizance	Ensure CPM has access to OA/OPCs (or A/OPCs directly under the CPM) appointment.
A/OPC	• His/her own appointment • Appointments under A/OPC's cognizance	Ensure OA/OPC (or CPM if no OA/OPC is included in the hierarchy) has access to A/OPC appointment.
A/BO	• His/her own appointment • CH delegation of authority	Ensure A/OPC has access to CH delegation of authority letters.
Certifying Officer	• His/her own appointment	Ensure disbursing office has access to Certifying Officer appointment.
CH	• His/her own appointment	Ensure A/BO has access to CH delegation of authority.

7.7.3. Retention of GPC Documentation

The Certifying Officer is required to retain documentation for disbursing office records.

Use of the policies and tools mandated herein fulfills record retention requirements when EDI payments are made, and there is no need to retain duplicate hard copies.

Components funding GPC purchases with FMS funding must follow the retention guidance in the DoD FMR and ensure the FMS documents are retained for 10 years from the date of final case closure.

[20] As an acquisition program, the DoD GPC Program follows the record retention requirements of the FAR. However, some organizations may follow the DoD FMR and Component-specific requirements.

CHAPTER 8: PAYING FOR A PURCHASE

8.1. ACCOUNT RECONCILIATION

Documenting purchases throughout the billing cycle, as described in Chapter 7, is a critical step leading toward timely completion of account reconciliation. Account reconciliation shall be accomplished monthly in the card-issuing bank's EAS.

Various system controls for the reconciliation process are resident in the card-issuing bank's EAS. These are discussed in Section 11.2.4.3, Account Reconciliation Controls.

8.1.1. Reconciliation Best Practices

The following practices maximize refunds; ensure timely disbursement; help to eliminate disputes at the end of the cycle by allowing vendors time to apply credits as appropriate (Section 9.1, Disputing a Charge); allow timely identification of internal or external fraud (see Section 9.3, Handling Fraudulent Transactions) and other improper purchases; and avoid delinquent payments, suspension of accounts, and Prompt Payment interest. Table 5, Overview of Reconciliation Timeframes, provides best practices.

Table 5. Overview of Reconciliation Timeframes

Role	Action	Best Practice
CH	Review and approve CH statement.	Within 1–3 days of billing cycle end date.
A/BO	Review and "final approve" MA billing statement.	Within 1–5 days of billing cycle end date.
Certifying Officer	Review and certify invoice for payment.	Within 1–5 days of billing cycle end date.

a. The CH should create the purchase log entry prior to, or on, the same day he/she makes the purchase.
b. The CH should review and match transactions and add TSD throughout the cycle rather than waiting until the cycle closes.
c. The A/BO should conduct transaction reviews, including purchase log entries and other TSD, throughout the cycle rather than waiting until after cycle closure.
d. CPMs, OA/OPCs, and A/OPCs should monitor delinquencies. U.S. Bank reports (e.g., MA Approval Status Report and Past Due Report) should be run regularly to identify MAs that have not been certified, and appropriate action should be taken to ensure the account is timely certified.
e. The A/OPC should monitor monthly account reconciliation and take necessary steps to ensure all accounts are certified in a timely manner
f. The A/OPC should ensure there are at least two (a primary and an alternate) A/BOs and Certifying Officers who are authorized at all times to complete the monthly reconciliation process.
g. The A/OPC should coordinate with the RM office to ensure there is a designated RM to promptly review accounting system error reports, identify any EDI obligation/invoice files that have failed to result in payment, and address any LOA errors that may be preventing successful payment.

h. The CH's statement approval and/or A/BO's MA approval should not be delayed due to missing Government acceptance documentation. The CH and the A/BO shall follow the policy at Section 8.4, Paying for Items Not Yet Accepted, when invoices have been certified for payment prior to verification that all items submitted for payment have been accepted.

8.1.2. CH Reconciliation and Approval

CH reconciliation involves the following key actions:

a. Review 100 percent of transactions on the CH statement from the card-issuing bank and match each one to the purchase log (i.e., using U.S. Bank's Order Management and Transaction Management capabilities). (See Section 7.2, Purchase Log Information.) Complete transaction comments and custom fields if applicable.
b. Reallocate, if appropriate, from the default to an alternate LOA.
c. Fulfill the documentation requirements described in the DoD FMR and Section 7.3, Electronic Attachments, to ensure supporting documentation for each transaction is available to the A/BO and/or Certifying Officer, thereby fulfilling record retention requirements in Section 7.7, Record Retention.
d. Ensure receipt and acceptance requirements have been met (see Section 6.9, Receipt and Acceptance and Section 8.4, Paying for Items Not Yet Accepted), and the appropriate Accountable Property Officer or organization Hand Receipt Holder has been notified of any accountable property purchased, including sensitive/pilferable property (see Section 7.5, Accountable Property).
e. Dispute transactions as appropriate.
f. Approve the monthly CH statement.

8.1.3. A/BO Review and Approval

A/BO reconciliation involves the following key actions (see the DoD FMR for an A/BO and Certifying Officer Monthly Review Checklist as a reference tool):

a. Review 100 percent of transactions to ensure they are legal, proper, correct, mission-essential, and from the appropriation(s) or other funds designated.
b. Verify the CH was authorized to purchase the items.
c. Ensure compliance with documentation requirements described in Section 7.3, Electronic Attachments. Review EA, transaction comments and custom fields, funding/LOA information, and purchase log entries.
d. Ensure CH reconciliation has been completed properly.
e. Ensure receipt and acceptance has been performed for all items (see Section 6.9, Receipt and Acceptance, and Section 8.4, Paying for Items Not Yet Accepted) and all accountable property (including sensitive/pilferable items) has been properly recorded in Government APSRs in accordance with Component policy (see Section 7.5, Accountable Property).
f. Ensure resolution of any issues associated with internal fraud, external fraud, or other improper purchases. If applicable, follow the policy detailed in Section 9.3, Handling Fraudulent Transactions.
g. Ensure disputes are tracked to completion, seeking guidance from the A/OPC as necessary.

h. Perform any other administrative functions required by the GPC program, to include DoD FMR requirements for post-payment reviews and seeking advance determination on questionable transactions.
i. Approve the monthly MA billing statement.

8.1.4. Certifying Officer Review and Certification

Certifying Officer reconciliation involves the following key actions (see the DoD FMR for an A/BO and Certifying Officer Monthly Review Checklist as a reference tool). Additionally, see Section 10.1, Oversight, for more information on these oversight practices.

a. Review 100 percent of transactions and certify the invoice. Invoices must be certified only by the authorized, duly appointed Certifying Officer.
b. Ensure existence, accuracy, and legality of invoices. As required in the DoD FMR, the facts presented in documents for payment must be complete and accurate, including designation of the proper appropriation(s) or other funds.
c. Ensure transactions are reallocated, if necessary, from the default to an alternate LOA prior to certifying an invoice.
d. Take action to prevent submission of duplicate invoices for the same transaction.
e. Verify that the line-item detail on the card-issuing bank's invoices matches the amount certified for payment. Certify the invoices and submit through DFAS (or other disbursing office) for payment. See Section 8.1.1, Reconciliation Best Practices.
f. See Section 9.3, Handling Fraudulent Transactions, for information concerning Certifying Officer responsibilities when fraud has been verified.
g. See Section 8.1.4.1, Handling Rejected EDI-Enabled Invoices.

8.1.4.1. Handling Rejected EDI-Enabled Invoices

When an invoice is processed electronically (i.e., using EDI), system controls ensure the authenticity of electronically transmitted data (including electronic signatures and supporting documentation) that is not available when processed manually. When an EDI-enabled invoice is rejected, this indicates something is incorrect, omitted, or otherwise failed the system edits, and it must be reprocessed. Components should follow their established policies, if any, for electronically resubmitting rejected payments.

When converted to a manual payment process, Component policy and manual controls/oversight processes must be established and include the requirement that documentation be provided and maintained to ensure the payment is proper, complete, accurate, and available upon request as required in the DoD FMR.

This policy may, but is not required to, include use of SF 1034, "Public Voucher for Purchases to Validate the LOA." Other Component RM-identified methods (e.g., resubmitting the invoices, which include the electronic signature of the appointed certifier identified on the DD Form 577 and a statement that identifies the LOA and certifies that all information is correct and authorized for payment) also may be sufficient.[21]

[21] See OUSD(C) Memorandum for Director, Contracting eBusiness, "DoD Government Purchase Card Financial Management Issues," June 11, 2021 (not available online).

8.2. AVOIDING DELINQUENCIES

CPMs and A/OPCs must monitor delinquencies to minimize any Prompt Payment interest penalties and increase Component volume-based refunds earned. Delinquent accounts should be subject to increased scrutiny, as they can be a potential indicator of misuse, abuse, or fraud.

A zero tolerance is maintained for any percentage of payables more than 180 days past due. See Section 11.2.4.3, Account Reconciliation Controls, for more information on delinquency-related system controls.

Components are encouraged to implement more stringent metrics within their respective Component as deemed appropriate. As a best practice, Components should maintain less than 0.75 percent of total payables over 60 days past due.

Establishment of new MAs or CH accounts to circumvent non-payment to the bank is prohibited.

See Section 8.1.1, Reconciliation Best Practices; for reconciliation best practices.

8.3. PAYMENT TO THE BANK

The disbursing office (typically DFAS) disburses payments upon receipt of certified invoices. The disbursing office ensures that only the amount certified for payment by the Certifying Officer is processed for payment to the card-issuing bank. As noted in the DoD FMR, attention must be paid to the Prompt Payment period, which begins when the invoice is made available to DoD on the bank's EAS (one business day after the close of the statement cycle), rather than when the invoice is transmitted to the disbursing office.

Also, in accordance with Prompt Payment Act procedures, in the absence of a date annotated by the A/BO on the invoice, the disbursing office shall use the statement date (paper or EAS version) to determine the applicability of Prompt Payment interest penalties.

8.4. PAYING FOR ITEMS NOT YET ACCEPTED

The DoD FMR allows for certification of invoices for payment of micro-purchases prior to verification that all items submitted for payment have been accepted. It also specifies policy related to "payment without acceptance" when acceptance is obtained after account reconciliation. Requirements such as the following are addressed:

a. Establishment of a system and related procedures for CHs and A/BOs to flag and track these transactions,
b. Ensuring these transactions have been reconciled and approved no later than 45 days after the invoice date, and
c. Appropriately filing a dispute when necessary (see Section 9.1, Disputing a Charge).

CHAPTER 9: UNDERSTANDING DISPUTES, DECLINES, CREDITS, AND REFUNDS

9.1. DISPUTING A CHARGE

Title 10 U.S.C. 4754(b)(4) requires safeguards and internal controls to ensure "that any disputed purchase card charge, and any discrepancies between a receipt and other supporting documentation and the purchase card statement of account, is resolved in the manner prescribed in the applicable Governmentwide purchase card contract entered into by the Administrator of General Services."

Before formally disputing a transaction with the card-issuing bank, the CH must attempt to resolve any charge discrepancies with the vendor. If the CH's attempt to resolve the charge with the vendor is unsuccessful, the key steps in the formal dispute process are as follows:

a. Initiate the dispute with the card-issuing bank in accordance with bank procedures.
b. Notify the A/BO and provide him/her with a copy of the dispute.
c. Notify the purchase requestor for tracking purposes.
d. Respond to the bank's requests for additional information in a timely manner.

The CH is responsible for notifying the card-issuing bank of any item in dispute and shall have 90 calendar days from the date of the transaction, as reflected in the bank's EAS, to initiate a dispute.[22] Component policy shall ensure compliance with this timeframe and process.

A/OPCs and A/BOs must ensure CHs are familiar with the disputes process of the card-issuing bank. A CH's failure to protect the Government's interest by promptly initiating disputes can result in administrative or disciplinary action.

While the Federal Government is tax exempt in most cases, sales tax is not a disputable item. Shipping and taxes are not disputable through the card-issuing bank process, so the CH shall resolve these disputes with the vendor. If sales tax or shipping charges should not have been charged, the CH should obtain a credit from the vendor.

CPMs, OA/OPCs, A/OPCs, and A/BOs should regularly review disputed transactions to ensure they have been resolved. Repeated use of the dispute process, as well as frequent resolution of disputes in favor of the vendor, may be indicators of potential misuse, abuse, and fraud.

9.2. DECLINED TRANSACTIONS

Declined transactions occur when authorization has been refused by the card-issuing bank's transaction authorization system. The bank's authorization system may decline a transaction for a variety of reasons, including, but not limited to, the transaction exceeding the CH's SPL or an incorrect expiration date in the authorization request. When the bank declines a transaction, the CH should contact the bank or his/her A/OPC.

9.3. HANDLING FRAUDULENT TRANSACTIONS

CHs are responsible for promptly identifying and reporting any *external* fraud to the card-issuing bank and following the bank's fraud reporting and resolution procedures. CHs also must immediately notify their A/BOs and A/OPCs. External fraud, as described in Section 10.4, Disciplinary Requirements and Categories of GPC Violations, shall be processed promptly in accordance with the GSA SP3 Master Contract and the GSA SP3 contract task orders. When

[22] The GSA SP3 Master Contract states that a dispute must be initiated within 90 days from date of processing.

fraudulent activity is first verified, the bank immediately closes the account where the fraud occurred and opens a new account. The bank is liable for all external fraud.

A/BOs and A/OPCs are responsible for conducting oversight to identify suspected *internal* fraud. In the event of suspected internal fraud as described in Section 10.4, Disciplinary Requirements and Categories of GPC Violations, when a Defense criminal investigative organization or Component element responsible for investigating potential misconduct involving the GPC initiates an investigation, GPC oversight officials shall notify the CH's Commander or second-line Supervisor, as appropriate, and the Security Manager. Whenever possible, this notification shall take place within 72 hours of the initiation.

GPC program participants are required to manually create and adjudicate a case for each transaction for which they suspect internal or external fraud, or any other determination they independently identify, if a DM case has not already been flagged by the DM tool (see Section 10.9.1.2, Tiered Business Rule Sets).

See Section 5.3.1.2, Invoice Integrity, for additional disbursement-related information.

9.4. Processing Vendor Credits

The DoD FMR is the authoritative source of guidance related to application of credits. As stated in the FMR, transaction credits are "funds sent back to DoD from the contracted bank resulting from returned items, billing errors, overpayments, duplicate payments, or erroneous payments." The GSA SP3 Master Contract, Section C.1, defines "credit" as "any transaction that reduces the amount due to the agency/organization or account holder." Transaction credits must be credited to the original appropriation from which they were disbursed.

Transaction credits will be posted as credits against CH statements, using the default LOA at the CH statement level, and should be reallocated as appropriate if the default LOA did not incur the original expenditure. In the case where a closed account carries a credit balance, the credit balance shall be sent from the card-issuing bank via check to the A/OPC. Checks will be made out to "U.S. Treasury." The A/OPC shall work with his/her RM / Financial Manager to determine how the credit will be deposited to resupply the appropriate funding. The A/OPC will send the check and LOA(s) to the supporting accounting office with a request to deposit.

In accordance with the DoD FMR, transaction credits must be credited to the original appropriation from which they were disbursed.

9.5. Application of Refunds

Refunds are based on satisfying certain payment conditions and related criteria identified in the GSA SP3 Master Contract and Component-specific task orders for purchases made using the GPC. The DoD FMR is the authoritative source of guidance related to application of refunds.

As stated in the DoD FMR, refunds attributable to use of the GPC may be credited to operation and maintenance, and/or research, development, test, and evaluation accounts that are current when the refunds are received (see 10 U.S.C. 4754). In accordance with OMB Circular A-123, Appendix B, Chapter 7, refunds can be used for any legitimate purchase by the appropriation or account to which they were returned, or as otherwise authorized by statute. Refunds shall be calculated at the MA and paid as an electronic credit or ACH payment at the level required by the Component.

The GSA SP3 Master Contract requires the card-issuing bank to electronically remit quarterly refunds to each Component. Every quarter, the CPM or his/her designee is responsible for working closely with the Comptroller to validate the accuracy of refunds earned and ensure refund receipts are properly recorded. CPMs and Comptrollers can use the quarterly refund reports available from U.S. Bank to validate refunds earned.

CHAPTER 10: PROGRAM MANAGEMENT

10.1. OVERSIGHT

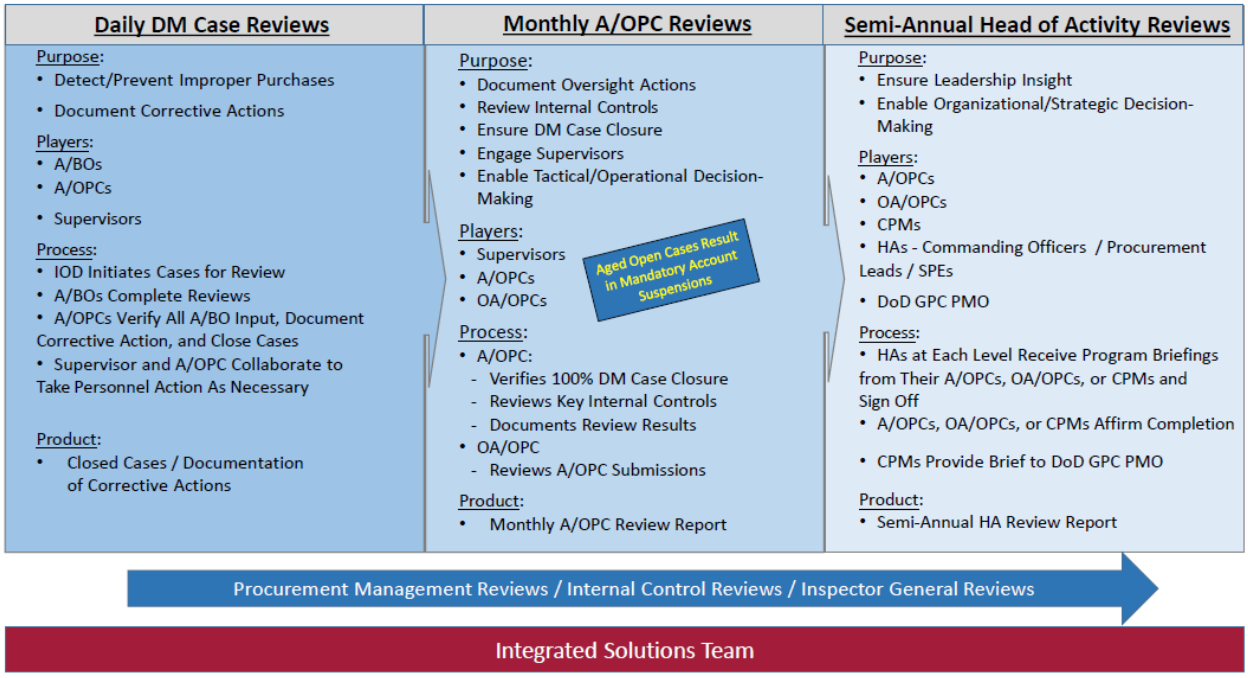
Surveillance and oversight of the GPC program are shared responsibilities. All stakeholders in the program, including requiring offices, RMs, logistics, contracting, and local audit and oversight organizations, are responsible for ensuring that the GPC is used in the proper manner and only authorized and necessary official purchases are made. Components should develop and follow a surveillance plan that establishes frequencies, methods, participation, etc., on how their oversight/surveillance programs will operate.

Oversight is conducted to:

a. Validate and promote compliance with existing internal controls;
b. Identify, report on, and resolve systemic material program weaknesses; and
c. Measure the effectiveness of internal controls.

To improve auditability of GPC program oversight and to realize the cost and other benefits of using the commercially available SP3 technology, DoD uses the integrated, three-pronged, system-enabled review cycle depicted in Figure 2, GPC Program Oversight Cycle.

Figure 2. GPC Program Oversight Cycle



The GPC Daily, Monthly, and Semi-Annual review cycle (GPC Review Cycle) supplements existing GPC monthly operational management of transactions and account reconciliation processes, including:

a. CH-obtained approvals (e.g., Pre-Purchase Approval, special item approval, and availability of appropriate and sufficient funds);

b. CH-created purchase log and CH account statement approval[23] (includes 100 percent of transactions);
c. A/BO MA monthly review and MA billing statement approval[24] (includes 100 percent of transactions);
d. Certifying Officer[25] monthly review and invoice certification[26] (includes 100 percent of transactions);
e. RM funds certification;
f. A/OPC ongoing purchasing and policy compliance efforts; and
g. Disbursing office funds validation and disbursement processing.

The GPC Review Cycle also will supplement and inform both the periodic reviews of Component procurement offices (e.g., Service or DCMA-led PMRs) that are conducted to assess the effectiveness of the contracting function, and the GPC governance processes that are conducted to evaluate and improve the effectiveness of GPC internal controls.

10.2. INTERNAL CONTROLS

Effective internal controls are essential to reducing the risk inherent in the DoD GPC Program, maintaining its integrity and accountability, and contributing substantially to the issuance of required annual Statements of Assurance. Internal controls also are necessary to ensure the achievement of organizational objectives; operational effectiveness and efficiency; reliable financial reporting, including FIAR; and compliance with laws, regulations, and policies, such as the following:

a. 10 U.S.C. 4754 requires DoD to prescribe regulations governing the use and control of all GPCs and convenience checks.
b. Both 10 U.S.C. 4754(b) and OMB Circular A-123, Appendix B, Chapter 2, establish required minimum safeguards and internal controls and provide internal control guidance and best practices.
c. DoDI 5010.40 requires Components to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended, and to evaluate the effectiveness of those controls.
d. DoD-specified GPC internal controls are listed in Appendix D, Internal Controls.

This *Guidebook* implements the Department's robust response to these requirements by establishing a series of automated and manual internal controls and oversight procedures designed specifically to identify and mitigate risk, document the effectiveness of controls, and provide data to effectively target Corrective Actions where and when needed.

The three-pronged DoD oversight process used to conduct oversight and measure and document internal control compliance and effectiveness is addressed in Section 10.9, Mandatory Program Oversight Procedures. A key portion of this automated oversight process, the SAHAR, provides program managers at each level with a summary of their program's scope, internal control effectiveness, level of risk, and Corrective Actions implemented or required. One of the major strengths of these controls and procedures is the aggressive inclusion of automation to promote

[23] Includes attesting to Purchase Card Certification Statements in the DoD FMR.
[24] Ibid.
[25] When Confirm and Pay procedures are used, the same individual serves as both the A/BO and the Certifying Officer.
[26] Includes attesting to Purchase Card Certification Statements in the DoD FMR.

enforcement of laws, regulation, and policy, reducing the administrative cost of effective oversight.

Automation is incorporated through use of several integrated applications sharing data through the entire process, from automated identity verification and Supervisor approval in PIEE, to training records from DAU to PIEE, to JAM appointments with purchase limitations communicated to the card-issuing bank for account establishment, to transaction information data-mined in IOD, and automated reporting across the entire scope of the process. This extensive automation increases the efficiency, accuracy, auditability, and reliability of the oversight process and the integrity and safety of the DoD GPC Program.

Components are responsible for establishing a process of internal controls that is (1) designed to provide reasonable assurance that the GPC program is used efficiently, effectively, and legally to help manage the program and reduce improper use; and (2) in compliance with applicable laws and regulations. Benefits of internal control activities not only are monetary but also should show that Components have established appropriate systemic oversight. For example, Monthly A/OPC Review and SAHAR reports, along with any other reports, must be reviewed periodically to ensure the internal controls covered in specified reports are being followed and GPC program participants are performing responsibly.

Use of JAM, the card-issuing bank's EAS, and the DM tool's Case Reviews is mandatory to both maintain the integrity of these controls and validate their effectiveness in safeguarding Government resources (see Section 4.2, System Use and Appointment Requirements; and Section 10.9, Mandatory Program Oversight Procedures).

To minimize losses, GPC program management and internal controls have:

a. An integrated, three-pronged, system-enabled review cycle, as depicted in Figure 2, GPC Program Oversight Cycle, of all MAs and associated cards, to identify sources of GPC improper use and assess compliance with governing policy.
b. Specific controls in place to minimize losses due to GPC improper use. The adequacy of the control environment shall be assessed continuously to ensure that controls are working as intended.
c. Proper training (initial and refresher) and supporting resources to ensure program participants have the knowledge and tools to be effective in their card responsibilities.
d. Support from higher levels.
e. An expectation of integrity and ethical behavior from all participants.
f. Adequate management oversight.

10.2.1. Span of Control

OMB Circular A-123, Appendix B, Chapter 2, discusses requirements to have controls in place to ensure compliance with Federal laws and Federal and Agency regulations, and for monitoring program effectiveness.

To ensure GPC program participants have sufficient time to complete required reviews, GPC programs shall abide by established span-of-control limits. The following span-of-control internal controls have been established for the DoD GPC Program:

a. Ensure the number of accounts reflects the Government's minimum needs. A Component should have sufficient cards to make necessary purchases in a timely manner to support the mission. However, care must be exercised to limit card accounts to the minimum

number needed. Cards that have never been used or have had long periods of inactivity can lead to fraud, misuse, abuse, and loss of control over the program.

b. The number of CH accounts assigned to an MA (assigned to an A/BO) shall not be more than seven. This control is intended to ensure the A/BO has adequate time to provide appropriate oversight of his/her CH accounts and ensure timely account reconciliation. Note that the limit is on the number of accounts, not the number of individual CHs. For example, if one individual has two separate accounts under a single MA, they count as two of the seven allowable accounts. Waivers to the seven-to-one MA ratio are required to be submitted up the A/OPC chain of command to the CPM for approval.
c. An individual CH shall not be assigned more than three CH accounts.
d. An A/OPC shall not be responsible for more than 250 GPC accounts (card accounts and MAs combined).
e. The CPM has the authority to approve deviations from the ratios in items a through c above on a case-by-case basis for specific Agency locations, provided the organization can establish that sufficient local oversight and compensating controls are in place. Deviation approval is a CPM responsibility and cannot be delegated.
    i. For the ratios in (b) through (d) above, compensating controls include, at a minimum, briefing the cognizant HA(s) on the deviation(s), and any related ramifications, during all subsequent SAHAR briefing(s) in which the deviation(s) remain in place.
    ii. For the ratio in item c above, as the SAHAR does not report on the number of CH accounts assigned to an individual, other compensating controls would need to be in place for any deviation(s) the CPM approves.
    iii. Any deviation(s) must be documented on the SAHAR (i.e., annotated in the Notes field of the SAHAR Report or on an attached Memorandum for the Record (MFR) as required in Section 10.9.3, SAHARs).
f. When Component policy authorizes use of the GPC for more complex CH SD use cases (e.g., by Contract Ordering Official CHs), the Component should institute more stringent span-of-control ratios as appropriate.

10.2.2. Spending Limits

FAR 32.702 states the following basic principle of the Anti-Deficiency Act: "No Government employee may create or authorize an obligation in excess of funds available, or in advance of appropriations." A/OPCs, Certifying Officers, and RMs shall ensure controls are in place to prevent Anti-Deficiency Act violations. Component GPC policies shall address the funds control process; specifically, the commitment and obligation processes and the monthly/FY-end closeout and startup procedures (see Section 5.3.1, Funding Limits and Controls).

The OMB Circular A-123, Appendix B, Chapter 2, list of charge card officials' general responsibilities for implementing risk management controls, policies, and practices includes establishing criteria for determining account establishment and application of correct spending limits (e.g., SPLs and cycle, quarterly, yearly, and credit limits). Accordingly, the following internal controls apply (see Section 5.3, Funding, for more information on funding controls):

a. HAs must validate that Component and local policies require establishment and maintenance of account limits in the card-issuing bank's EAS that prevent Anti-Deficiency Act violations and are consistent with mission requirements, budget, historical usage, and the controls herein.

b. CPMs must annually verify that account limits are consistent with internal control requirements.
c. A/OPCs and RMs must establish and maintain account limits in the card-issuing bank's EAS that shall be directly tied and limited to the funding allocated to each CH account and MA to avoid Anti-Deficiency Act violations. This process provides basic funds control while supporting bulk funding of GPC accounts, resulting in the greatest level of efficiency.
d. The A/OPC and RM must jointly establish and monitor, no less than annually, account limits based on estimates of anticipated mission requirements for the period and/or budgetary limits. Account limits should reflect historical usage rather than defaulting to the maximum available.
    i. U.S. Bank Access Online reports (e.g., listing card accounts and associated transactions for a particular time period) are available to support account reviews.
e. A/OPCs have the authority to reduce spending limits at any time.
f. A/OPCs and RMs must ensure account limits are raised only if:
    i. The CH's appointment has been reviewed and an updated appointment has been issued, as appropriate; and
    ii. The CH has been appropriately trained to follow applicable procedures for purchasing, including requesting waivers from FPI.
g. A/OPCs and RMs are responsible for establishing and maintaining account limits in the card-issuing bank's EAS to enable automated purchasing control enforcement.
    i. Billing cycle purchase limits (in conjunction with other velocity limits as appropriate) shall be used to ensure accounts do not exceed reserved funding (positive funds control). They may be adjusted as appropriate and shall be established for each MA.
    ii. The bank's EAS allows for limits to be assigned in increments of $0.01 up to $9,999,999.99.
    iii. CPM approval is required for assignment of limits greater than $9,999,999.99. Upon receiving written approval (email acceptable), the A/OPC must provide this approval to the bank Relationship Management Team, who will then manually enable the enhanced limit.
h. A/OPCs and RMs must jointly conduct aggressive oversight on account limits to mitigate risk associated with fraud and lost, stolen, or otherwise compromised cards.
i. A/OPCs and RMs must reduce spending limits at any time that is appropriate (e.g., when funding is not available at the end of a FY, when DoD is operating under Continuing Resolution Authority, due to a CH's prolonged absence, or due to a CH's policy noncompliance).
j. Any adjustments to account limits must be coordinated with the CH's Supervisor, A/BO, and RM.
k. Spending limits for all accounts shall not be increased automatically when a higher MPT and/or SAT (applicable only to certain GPC CH SDs) is authorized in regulation, or acquisition flexibilities are authorized in response to an ETO. They shall be adjusted only upon consideration of mission requirements, budget, and historical usage. The controls in (d), above, apply.
l. A/OPCs must ensure SPLs in the card-issuing bank's EAS do not exceed the limits included in the CH's delegation of authority. Use of JAM fulfills this requirement when JAM appointments have been linked to Access Online accounts using the PTQ.

10.2.3. MCCs

In accordance with Component policy, the A/OPC and RM must jointly establish, and monitor no less than annually, the MCCs assigned to accounts to ensure only MCCs necessary for the CH to perform his/her duties are assigned to each account. Increased attention must be paid to High-Risk and Very-High-Risk MCCs. Access Online uses Mastercard's MCCs to categorize vendors based on the types of supplies or services they provide. When an A/OPC (or CPM) adds an MCC to a CH or MA profile in Access Online, it enables that specific account to make purchases from vendors categorized under that MCC. When an MCC is not included on a CH or MA profile, purchases are blocked from vendors under that merchant category (e.g., escort services).

In order to mitigate DoD GPC Program risk, the following controls are required for authorization to include any Very-High-Risk or High-Risk MCCs on an account's profile:

a. The DoD GPC PMO maintains the "DoD SmartPay 3 GPC High Risk and Very High Risk MCC List," available on DPCAP's Purchase Cards – Documents and Guides webpage, which is reviewed and updated if necessary through the IST governance process (see Section 2.2, Governance).
b. DoD CPMs will ensure Component policy addresses procedures for both approving assignment of any MCC on the "DoD SmartPay 3 GPC High-Risk and Very-High-Risk MCC List" to a DoD GPC CH account or MA and measuring compliance with these procedures.
    i. Level 1 Very-High-Risk (Hard-Block) MCCs may be unblocked only by CPMs, and only on a case-by-case basis for a limited period specifically designated by the CPM. This cannot be done in the card-issuing bank's EAS; the CPM must request a manual authorization from the bank to add a Level 1 MCC for a specified period.
    ii. Level 2 High-Risk (Custom-Block) MCCs may be unblocked by CPMs or at a level not below the OA/OPC or A/OPC if granted by the CPM as authorized in Component policy. Authorized parties can add these Level 2 MCCs to, or remove them from, an account on a case-by-case basis in the card-issuing bank's EAS.
    iii. HAs and CPMs must ensure any assignment of High-Risk and Very-High-Risk MCCs to accounts is warranted. As a best practice, periodic review for compliance should be accomplished during the SAHAR process.
c. Every purchase from a vendor associated with Very-High-Risk or High-Risk MCCs will generate a DM case for review. Cases for High-Risk MCCs may be subject to Tier 2 tailoring (see Section 10.9.1.2, Tiered Business Rule Sets).

Merchant Category Code Groups (MCCGs) are groups of MCCs that may be added to a CH account or MA to efficiently enable purchasing for multiple MCCs. MCCGs should not contain Very High-Risk or High-Risk MCCs. A complete list of Mastercard MCC information is available in the "Mastercard Quick Reference Booklet—Merchant Edition."

10.2.4. Separation of Duties

Except in situations where such separation is not practical, key GPC duties must be assigned to different individuals to preclude errors or attempts at fraud or embezzlement from going undetected.

OMB Circular A-123, Appendix B requires that "Controls exist to … ensure the assignment of duties is appropriately separated by Individual, except in situations where such separation is not practical. This separation may include the following duties: authorizing, approving, and recording transactions; receiving[/accepting] assets; approving cardholder statements; making payments; certifying funds; and reviewing or auditing situations where separation of duties is impractical shall be minimized, and tractions under these circumstances shall be documented in accordance with agency procedures."

The DoD FMR states, "separation of duties precludes errors or attempts at fraud or embezzlement from going undetected. Internal controls generally require a four-way separation of the contracting, receiving[/accepting], voucher certification, and disbursing functions." Key separations include identifying the requirement (requiring office); making purchases and/or payments (CHs); verifying purchases and/or payments are proper (A/BOs and Certifying Officers); certifying bank invoices for payment (Certifying Officers); certifying availability of funds (RMs); accepting supplies and services (acceptors); disbursing funds (disbursing office); and conducting policy, review, and audit functions and oversight.

At a minimum:

a. Under no circumstances can the HA and CPM positions be filled by the same individual.
b. A/BOs shall not be CHs under their own MAs.
c. RMs shall not be CHs or A/BOs with responsibility for executing their own funds.
d. Accountable Property Officers or their equivalents shall not be CHs with authority to purchase accountable items (this does not apply to Property Hand Receipt Holders).
e. CHs shall not perform acceptance when they have made the purchase (exceptions may apply for ETOs).
f. Acceptance for purchases of accountable (e.g., pilferable) property and self-generated purchases shall be performed by someone other than the CH, A/BO, and Certifying Officer.
g. Authorization roles shall be assigned to a user's profile, with each profile allowing only that individual the ability to perform specific tasks in the system.
h. When the A/BO performs CH account reconciliation responsibilities, the Certifying Officer account reconciliation responsibilities must be performed by a different individual.

10.2.5. Appointment Internal Controls

Section 2.7.1, PIEE/JAM Waivers, addresses use of JAM to issue GPC delegations of procurement authority and appointments to ensure compliance with additional listed requirements and mandatory internal controls in that section.

10.3. GPC VIOLATIONS

The Department will not tolerate GPC improper use. All card program participants have a shared responsibility to take appropriate action and report to higher authority any potential program-related violations. Examples of improper use include the following:

a. Purchases by non-trained individuals;
b. Purchases by individuals other than the authorized CH;
c. Purchases by contractor personnel;
d. Cash withdrawals or advances;

e. Returns for cash or credit vouchers;
f. Rental or lease of land or buildings for more than 12 months;
g. Purchases for personal, family, or household purposes;
h. Failing to follow policies requiring purchases from mandatory sources; and
i. Splitting requirements to avoid card and/or regulatory thresholds.

Additional policy and examples are available in Table 6, Disciplinary Category Definitions Policy.

10.3.1. Investigation of Suspicious Activity

Program participants who encounter suspicious activity are responsible for notifying the appropriate authorities (e.g., their A/OPC or Supervisor, or the DoD Hotline). See Section 9.3, Handling Fraudulent Transactions, for information on Corrective Actions for improper use.

In instances where an official directs an improper purchase to be made by a CH, the official who directed the purchase must, in accordance with DoD and Component policy, (a) reimburse the Government; and (b) be subject to disciplinary action. See OMB Circular A-123, Appendix B, Section 2.10; and the DoD FMR.

Investigative agencies must ensure Security Managers and Supervisors are notified when a GPC official comes under investigation for improper use. In turn, DoD security officials must notify the subject's Commander or Supervisor of the ongoing investigation.[27] The Commander shall review and adjust the subject's access to classified information accordingly (not as a disciplinary action, but as a prudent safeguard of sensitive information).[28] Prompt action is required in response to such allegations of Department military or civilian personnel. The Commander or head of the organization has the authority (per DoD Manual 5200.02, Section 9.4, Paragraph 7A.2) to suspend the individual's classified access. The Commander shall take immediate action upon receipt of information that raises serious questions as to the individual's ability or intent to protect classified information or execute sensitive duties. The Commander shall make an immediate determination to either continue the individual's security status unchanged or suspend the individual's access to classified information or assignment to sensitive duties until the appropriate authority designated in DoD Manual 5200.02, Section 9.4, Appendix 5A, makes a final determination regarding the individual's eligibility to retain a security clearance.

Financial responsibility and trustworthiness are key components for determining whether a military member or civilian employee is eligible for the issuance of, or continuance of, a security clearance. These same factors should be carefully considered should instances of violations be alleged.

10.4. Disciplinary Requirements and Categories of GPC Violations

The definitions in Table 6, Disciplinary Category Definitions Policy, have been established to foster consistency across the Department. They are required by, and defined in, OMB Circular A-123, Appendix B, to ensure accurate and complete reporting. The table provides the Circular's definitions, examples (developed by DoD), and intentionality for each category. All the disciplinary categories are reportable to the DoD GPC PMO. The first four (abuse, internal fraud,

[27] See the DoD Inspector General memorandum "Guidance for the Investigation of Fraud, Waste, and Abuse Involving the Use of Purchase Cards and Travel Cards," dated September 25, 2002.
[28] See the OSD memorandum "Suspension of Access to Classified Information Due to Abuse or Misuse of Government Charge Cards," dated November 4, 2002, available on DPCAP's Purchase Cards – Archive webpage.

misuse, and delinquency) are violations. The latter two (Administrative Discrepancy and external fraud), while disciplinary categories, are not violations. Section 10.9.1, Daily DM Case Reviews, addresses how IOD DM case reviews are used to make disciplinary category determinations and ensure corrective actions are taken/planned.

Of the categories of defined DoD GPC violations, abuse and internal fraud are considered more serious than the other categories, as they are intentional in nature. Misuse is considered unintentional. Intent is not applicable to infrequent delinquencies, as the determination of such violations is strictly quantitative (i.e., all undisputed account balances that are unpaid for more than 61 days past the statement date).

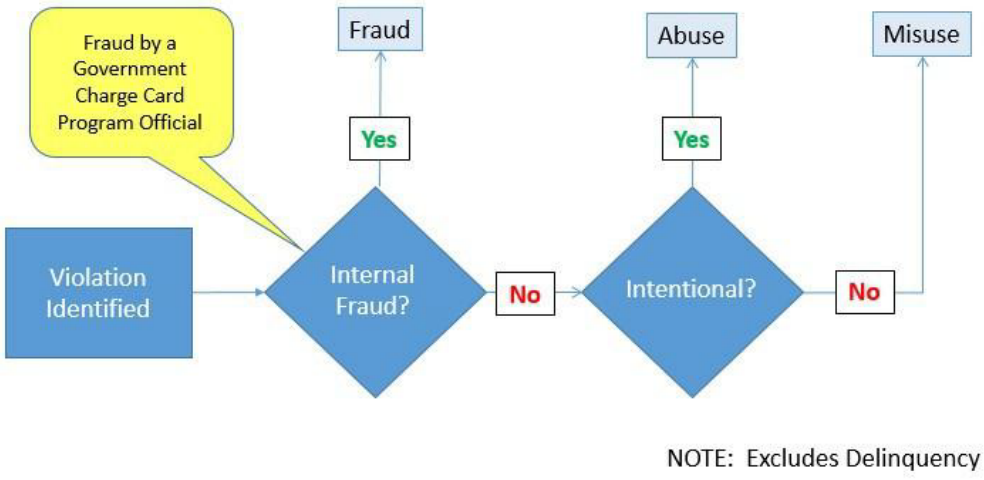
Table 6. Disciplinary Category Definitions Policy

Category	Abuse	Internal Fraud	Misuse	Delinquency	Administrative Discrepancy	External Fraud
Classification	Intentional	Malicious Intent	Unintentional	N/A	Unintentional	Malicious Intent
Definition	Intentional use of the purchase charge card in violation of the FAR, DFARS, Agency Supplements, or activity Government Charge Card Program policies/procedures. Evidence of intentionality shall be inferred from repeat offenses of the same violation, following administrative and/or disciplinary action taken for this violation.	Any felonious act of corruption or attempt to cheat the Government or corrupt the Government's agents by Government Charge Card officials. Use of the Government purchase, travel, fleet, and/or integrated charge card(s) to transact business that is not sanctioned, not authorized, not in one's official Government capacity, not for the purpose for which the card was issued, or not as part of official Government business.	Unintentional use of the purchase, travel, fleet, and/or integrated charge card in violation of the FAR, DFARS, Federal Travel Regulation, Agency Supplements, or Agency Policies/Procedures. These actions are the result of ignorance and/or carelessness, lacking intent, to include honest mistakes.	An undisputed charge card account balance that is unpaid for more than 61 days past the statement date.	Actions that violate operational policies/ procedures but do not violate Federal law or regulation.	Any felonious act of corruption or attempt to cheat the Government or corrupt the Government's agents by someone other than the Government-wide Commercial Purchase Card Program participants. Otherwise known as third-party fraud.
Examples	Examples include, but are not limited to,	Examples include, but are not limited to, a CH	Examples include, but are not limited to,	N/A	Examples include, but are not limited to, incomplete	Examples include, but are not limited to, a

Category	Abuse	Internal Fraud	Misuse	Delinquency	Administrative Discrepancy	External Fraud
Classifica-tion	Intentional	Malicious Intent	Unintentional	N/A	Unintentional	Malicious Intent
	intentionally: failing to purchase from mandatory sources, exceeding the applicable MPT, purchasing items such as a day planner costing $300 rather than one costing $45, and splitting requirements to avoid card thresholds.	intentionally: purchasing power tools for personal use, paying for repairs of privately owned equipment, and purchasing items or extra quantity of items for resale or to give away to relatives.	unintentional-ly: purchasing excessive quantities of an item with limited shelf life, violating a specific-use policy such as an agency that requires headquarters to buy all furniture, and failing to certify "Purchase Card Certification Statements" on time, costing the Government maximum rebates and incurrence of prompt payment interest.		forms and documentation, and failure to maintain required documents for the required time period. Administrative discrepancies require agency/internal corrective action and are not reportable to OMB unless they are persistent, pervasive, or willful in nature, in which case they are reportable as abuse, fraud, or misuse.	vendor's intentional charges for services not provided, and unauthorized use by a third party of a CH's compromised or stolen account.

Figure 3, Violation Category Decision Framework, depicts the decision framework to be used when determining which violation category is applicable.

Figure 3. Violation Category Decision Framework



10.5. Disciplinary Policy for Military and Civilian Personnel

Government employees and members of the Armed Services who commit charge card violations may be subject to administrative or disciplinary action, including removal as appropriate. In addition, they may be subject to personal financial liability as addressed in Section 10.6, Liability of Program Participants.

DoD charge card disciplinary policies are applicable to all DoD personnel (military or civilian). It is DoD policy that GPC improper use is prohibited. Additionally, cases involving alleged violations must be reported to the applicable Commander or Supervisor and be investigated.

Commanders and Supervisors at all levels will ensure DoD-issued GPCs are used only for mission-essential requirements and ensure compliance with other DoD GPC regulations and policy. This requires taking corrective action when appropriate; reporting violations of DoD-issued GPCs under investigation or management review to the appropriate adjudicative facility in a timely manner using the appropriate personnel security system; and updating the security system with the final disciplinary action taken. For additional information, see Section 10.3, GPC Violations; and Section 10.4, Disciplinary Requirements and Categories of GPC Violations.

Commanders and Supervisors are responsible for ensuring A/OPCs follow SAHAR requirements. Particular attention should be focused on those CHs with a history of previously reported violations. A/OPCs may use the DM tool to identify additional transactions for review and open new DM cases, as described in Section 10.9.1, Daily DM Case Reviews. The DM tool allows global profile (i.e., a profile available for all users of a workbench) ability to help with this. A/OPCs should immediately report any additional violations to the Commander or Supervisor.

Components must ensure the accurate employment status of individuals who have been identified or referred to DoD management for DoD-issued GPC violations.

Willful violations of a DoD-issued GPC by DoD personnel (military or civilian) may constitute a crime punishable under Federal (Title 18 U.S.C.) or State law.

10.5.1. Military Personnel

Military personnel who commit violations can be prosecuted under Article 92 of the UCMJ for failure to obey a lawful order or regulation, as well as any other applicable article of the UCMJ, based on the nature of the misconduct involved. For each GPC violation by military personnel, including any use at establishments or for purposes that are inconsistent with the official business of DoD or with applicable standards of conduct, the Commander or Supervisor of the responsible individual or parties will be informed in a timely manner in order that appropriate corrective or disciplinary action may be taken.

The intent of this policy is to ensure management emphasis is given to the importance of Commanders and Supervisors carefully considering all the facts and circumstances in reaching a disposition that is warranted, appropriate, and fair. Actions available when military personnel commit DoD-issued GPC violations include counseling, admonishment, reprimand, non-judicial punishment (Article 15 of the UCMJ), court martial, and administrative separation. In taking corrective or disciplinary action against military personnel in these circumstances, Commanders and Supervisors must use the procedures established for each action by the appropriate Military Department and consult with their legal advisors as necessary.

Military personnel also may have their access to classified information modified or revoked if warranted in the interests of national security. Commanders and Supervisors must ensure security clearance reviews are conducted when the CH comes under investigation for violation(s). DoD Components must incorporate these guidelines into their own policies.

Additionally, each Military Department must have a regulation providing that a violation of any of the rules governing the use of DoD-issued GPCs by a person subject to the UCMJ is punishable as a violation of UCMJ, Article 92, Section 892, at a minimum.

10.5.2. Civilian Personnel

Civilian personnel who commit improper use of a DoD-issued GPC may be subject to appropriate administrative or disciplinary action up to, and including, removal from Federal service. It is DoD policy that committing improper use is prohibited. This includes any use of a DoD-issued GPC at establishments or for purposes that are inconsistent with conducting the official business of the DoD or with applicable regulations.

DoD Components must take action to implement disciplinary guidance for civilian employees as necessary. Components must advise the appropriate Agency/PMO of any additional administrative action, or any recommended legislation the Component considers necessary to effectively take disciplinary action against DoD civilian employees for improper use.

DoD policy requires Supervisors who receive information indicating that a civilian employee has engaged in any DoD-issued GPC violation take appropriate action as soon as practicable, including an investigation if warranted. The Supervisor of the responsible individual(s) must be informed as soon as possible so that appropriate corrective or disciplinary/adverse action may be taken.

The intent is to ensure management emphasis on personal accountability for DoD-issued GPC improper use. The circumstances of each individual case will determine the appropriate type of corrective or disciplinary/adverse action(s), if any, that may be imposed. The supporting human resources office must assist the appropriate Supervisor who is considering corrective or disciplinary/adverse action on the selection of the transaction and appropriate penalty based on Component past practice, regulatory guidance, applicable case law, and good judgment. Coordination with the appropriate legal office must occur early in the process, as required by Component policy.

The review of the security clearance (or the modification or revocation of the security clearance in light of this review) of the individual involved in DoD-issued card violation cases is not a disciplinary action and must not be treated as such. However, this does not preclude a separate and independent review of such a violation by the appropriate Security Managers. Modification or revocation of a security clearance will result in appropriate action, which could include reassignment or removal for failure to meet or maintain a condition of employment.

10.6. Liability of Program Participants

All GPC program participants are subject to personal financial liability (including reimbursing the Government for unauthorized or erroneous purchases through salary offsets) or appropriate adverse personnel action (including removal or other punishment) if they violate applicable GPC use and control regulations, are negligent, or engage in GPC misuse, abuse, or fraud. They additionally are subject to disciplinary policy as discussed in Section 10.5, Disciplinary Policy for Military and Civilian Personnel.

As required by the DoD FMR and OMB Circular A-123, Appendix B, Section 2.10, in instances where an official directs an improper purchase to be made by a CH, the official who directed the purchase must (1) reimburse the Government; and (2) be subject to disciplinary action.

For individuals subject to Chapter 47 of the UCMJ, violation of such regulations is punishable as a violation of UCMJ, Article 92, Section 892. Title 10 U.S.C. 4754 requires that DoD take appropriate adverse personnel actions or impose other punishments, including removal in appropriate cases, when DoD employees violate regulations governing the use and control of GPCs and convenience checks or are negligent or engage in misuse, abuse, or fraud with respect to a GPC or convenience check.

In accordance with the DoD FMR, Certifying Officers under 31 U.S.C. 3325 must be officers or employees of the Component concerned and are "accountable" because, unless granted relief, they are pecuniarily liable under 31 U.S.C. 3528(a) for any payments they erroneously certified. Appointment as a Certifying Officer is a precondition to enforcement of pecuniary liability under 31 U.S.C. 3528(a). Certifying Officers automatically are pecuniarily liable when there is a fiscal irregularity based on the presumption of negligence (28 U.S.C. 2512 and 31 U.S.C. 3527). A fiscal irregularity is a physical loss of vouchers or supporting documentation or an erroneous (i.e., illegal, improper, or incorrect) payment. To gain relief of liability, Certifying Officers must prove that they were neither negligent nor the proximate cause of the irregularity.

10.6.1. Unauthorized Commitments

An unauthorized commitment is an agreement that is not binding solely because the Government representative who made it lacked the authority to enter it on behalf of the Government. In the event of an unauthorized commitment, Components must follow ratification procedures (see FAR 1.602-3 and 10 U.S.C. 4754(b)(2) for more information).

10.7. Closing/Canceling Accounts

When a CH separates from his/her Component, retires, or otherwise is no longer in need of a GPC, his/her account must be closed. In addition, when military or civilian members depart a duty station, their GPCs shall be collected and destroyed prior to their departure.[29] Each Component shall include within their departure checklists the requirement to deactivate and turn in all GPCs and convenience checks when CHs depart the base, installation, or activity.[30] See Section 4.2.4, Authority to Cancel CH Accounts.

Management also should suspend/cancel CH accounts and MAs that have internal fraud; repeated instances of abuse, misuse, and/or delinquencies; compromised account information; or card loss.

For information about automated capabilities that support these requirements, see sections 11.2.1, PIEE; and 11.2.2, JAM.

10.8. Training

Ensuring that all program participants are properly trained is vital to the DoD GPC Program's success. Proper training of program participants is important to prevent improper use. As stated in OMB Circular A-123, Appendix B, Chapter 4, "Proper training is integral to the integrity of

[29] See 10 U.S.C. 4754.
[30] Ibid.[31] Components that have been granted a Joint DPCAP/OUSD(C) waiver to use an alternative electronic solution must ensure their system provides proof of training for program participants upon demand.

charge card programs. Training is required so that charge card managers and cardholders understand their roles and responsibilities for charge card programs to be effectively implemented." DoD GPC training must be completed in accordance with DoD, Component, and local policy. GPC program participants are required to complete the GPC training appropriate for their intended position prior to appointment.

DoD requires that all program participants take initial and refresher training in accordance with Component policy, but at a minimum, every two years. When accepting/signing their delegations of authority and appointment letters, all program participants must certify that they have completed training; understand the roles and responsibilities associated with their appointment; know and will comply with their CH roles, duties, and responsibilities; and understand that their appointment remains in effect until revoked or expressly terminated.

The DoD GPC Program's training requirements, including those related to program systems such as PIEE/JAM, are listed on DPCAP's Purchase Cards – Training webpage. OMB Circular A-123, Appendix B, also specifies the GPC training requirements shown in Table 7, Specific Training Requirements for GPC Program Participants. For information about DoD system capabilities for tracking mandatory training completion, see Section 11.2.2.1, Tracking Training in JAM.

Table 7. Specific Training Requirements for GPC Program Participants

CH Training	A/BO and Certifying Officer Training	A/OPC Training
1. Provide general information on card use. 2. Familiarize CHs with: • Federal procurement and property laws and regulations. • Agency procurement and property, and other card-related policies. • Convenience check usage. • Other applicable proper card-use guidelines.	1. A/BOs must receive the same training as CHs and other relevant training as required by Component policy. 2. Certifying Officers must receive appropriate training as defined by Component policy in accordance with their role in certifying official invoice payments. 3. A/BOs must be trained in the procedures for identifying and reporting suspected fraud, misuse, and delinquency. 4. Agencies may include other specific training requirements within their card management policies. 5. In accordance with Component policy, A/BOs may receive training on the EAS.	1. At a minimum, include the following: • CH and A/BO responsibilities. • Procedures for identifying and reporting improper use. • Proper card management (account setup, authorization controls, account closeout, available bank reports, etc.). • Control and oversight tools and techniques. 2. Receive training on using the EAS (or applicable systems, to include data analytics tools) to manage the program. 3. Data analytics tools, techniques, and reports.

GPC training is not limited to proper use and oversight of accounts; it also should address the automated systems and tools used in the processing of transactions and oversight of the program. Although not required Department-wide before card issuance, all GPC personnel shall follow Component policy regarding annual ethics training.

A/OPCs are required to track the training (including refresher training) of all program participants in JAM[31] and ensure that the required training has been completed. Successful initial completion of DAU's "DoD Governmentwide Commercial Purchase Card Overview" course (currently CLG 0010) and any required Component training is required before issuing GPCs. At a minimum, successful completion of refresher training must be satisfied once every two years by program participants in order to continue in their roles.

Components may develop their own refresher training course or use the DAU online course. If a tailored refresher course is used, it must include the key elements of the DAU online course. The "DoD Governmentwide Commercial Purchase Card Overview" course for initial and refresher training is on the DAU iCatalog, with links available on DPCAP's Purchase Cards – Training webpage.

It is important to note that current DoD GPC policy and training are tailored to the Micro-Purchase CH, Micro-Purchase Convenience Check Holder, and Micro-Purchase ETO CH SDs. Components may authorize issuance of the remaining SDs only after Component policy has been issued as described in Section 4.2.3, Authority to Use Certain SDs.

10.9. Mandatory Program Oversight Procedures

As addressed in Section 10.1, Oversight, DoD uses an integrated, three-pronged, system-enabled review cycle.

10.9.1. Daily DM Case Reviews

Under SP3, Components use IOD DM Case Reviews to prevent and identify improper use. This process requires both the A/BO and the A/OPC to complete a DM case questionnaire to close 100 percent of the DM cases referred to them for review. Once the A/BO's case review is complete, IOD notifies the A/OPC that his/her action is required. The A/OPC reviews and approves/disapproves all A/BO-completed DM case reviews and documents any A/BO-identified Findings/Determinations and Corrective Actions taken/planned by completing the A/OPC DM case questionnaire in the DM tool.[32] Complete records of Findings/Determinations identified and Corrective Actions taken are necessary to automate GPC reporting requirements and ensure accurate information is available for GPC program management and oversight. Table 8, GPC IOD Findings and Determinations; and Table 9, GPC IOD Corrective Actions Taken/Planned, summarize Findings/Determinations and Corrective Actions.

The Findings/Determinations in Table 8, GPC IOD Findings and Determinations, are listed in descending order of significance, with the most significant at the top of the list. This order is used in the Monthly A/OPC Review and SAHAR Reports, where only the most significant finding is reported.

[31] Components that have been granted a Joint DPCAP/OUSD(C) waiver to use an alternative electronic solution must ensure their system provides proof of training for program participants upon demand.
[32] As part of the A/OPC's actions to close the case, he/she can reject it back to the A/BO with a request for additional information or for the A/BO to reconsider the Finding(s) and/or Determination(s).

Table 8. GPC IOD Findings and Determinations

Findings	Determinations
• Not for Government Use (Personal Use) • Unauthorized Use • Prohibited Item • Split Purchase to Circumvent Authorized Limit • Exceeds Authorized Limits • Exceeds Minimum Mission Need • Failure to Screen/Use Required Sources when Applicable • Separation of Duties **Not** Performed • Sustainable (Green) Procurement Procedures **Not** Followed • Incomplete Purchase Records	Disciplinary Categories Involving Violations: • Potential Internal Fraud (Malicious Intent) • Abuse (Intentional) • Misuse (Unintentional) Disciplinary Category Involving No Violation: • Administrative Discrepancy (Unintentional) • External Fraud
• No Findings Identified (Case Closed)	• No Disciplinary Category Determination Necessary (Case Closed)

Note: As delinquencies are identified at the MA—not transaction—level, they are not associated with DM cases.

The Corrective Actions taken/planned in Table 9, GPC IOD Corrective Actions Taken/Planned, are listed in a descending ranking, with the most significant at the top of the list. This ranking is used in the Monthly A/OPC Review, SAHAR, and other reports, where only the most significant corrective action is reported.

Table 9. GPC IOD Corrective Actions Taken/Planned

Corrective Actions Taken/Planned
• Elevate to investigative agency • Elevate through chain of command • Suspend or remove employee from program • Reimbursement to program • Formal supervisory counseling (repeat finding, personnel action) • Card suspended or canceled • Refresher training • Informal counseling • Resolve administrative discrepancy • Report as external fraud • Request vendor credit/dispute the transaction

10.9.1.1. Identifying High-Risk Transactions

On a more detailed level, the DM case management capabilities automatically analyze DoD's GPC data to identify high-risk transactions (i.e., transactions at risk of being noncompliant with

existing policy), referenced from here forward as "noncompliant transactions."

Any noncompliant transaction is assigned for review to determine if it is to be classified under one of the five disciplinary categories (see Table 6, Disciplinary Category Definitions Policy) standardized across the Department.[33] The DM tool enables DoD to fulfill the 10 U.S.C. 4754(b)(11) requirement to "use effective systems, techniques, and technologies to prevent or identify potential fraudulent purchases." It also facilitates transaction reviews and enables documentation of any Findings/Determinations identified and Corrective Actions taken/planned.

10.9.1.2. Tiered Business Rule Sets

The DM tool initiates cases for review using tiered business rule sets. Tier 1 business rules are mandatory DM rules applicable to all DoD GPCs. Tier 2 consists of mandatory DM business rules that can be modified as necessary down to the CH level, so long as such tailoring is consistent with DoD and Component-level policy. Appropriate controls have been put in place to allow enhanced risk management through effective tailoring of Tier 2 business rules.

In addition to system-generated cases based on Tier 1 and 2 business rules, GPC program participants are required to manually create cases for each finding and determination they independently identify (i.e., not flagged by the DM tool) during their review process. As part of the SAHAR process, HAs are required to semi-annually review and validate that any Tier 2 tailoring of DM business rules is consistent with DoD policy and results in manual review and closure of an adequate sample size of cases to minimize improper use.

Using IOD to identify and manage noncompliant transactions requires calibrated, iterative oversight. Hence, business rules are modified/added/deleted as necessary through the IST governance process. The IST reviews Tier 1 and 2 data sets, observations, and trends and considers rule updates and other methodology changes based on its findings.

10.9.1.3. Daily DM Case Review Cycle

To promote the most timely operational management of transactions and account reconciliation process, rather than waiting until the end of the month, A/BOs should complete Daily DM case reviews throughout the billing cycle to promote timely resolution (e.g., transaction dispute, CH retraining). However, mandatory DM case completion dates (see Table 10, Daily DM Case Review Cycle) are tied to the billing cycle end date to allow adequate time for validation of delivery and acceptance of the supplies/services purchased. Failure to timely complete required reviews will result in account suspensions.

In the event the Primary A/BO or A/OPC cannot complete a DM case review, his or her Alternate must complete it. MAs should be suspended temporarily from further purchasing if they do not have an active A/BO or Alternate A/BO. The A/OPC may "defer" an A/BO from the requirement to timely complete a DM case review only when both the Primary and Alternate A/BOs are unable to conduct a review under two conditions: (1) due to deployment, or (2) due to exemption (a prolonged illness or other absence, an ongoing investigation, an ongoing dispute in Access Online, etc.). The deferment may not exceed 30 days without prior OA/OPC approval (for small Components that do not have an OA/OPC, the CPM must grant

[33] OMB Circular A-123, Appendix B also defines a sixth disciplinary category—delinquencies. Because delinquencies occur at the MA, and the DM tool's case management functionality occurs at the transaction level, the DM tool is unable to capture them. The Circular does not require delinquency reporting. Section 2.4.2.1.1.2, Delinquency Reporting, describes how DoD manages and oversees delinquencies.

approval). The OA/OPC must ensure all deferred reviews are completed prior to submission of their SAHAR.

Table 10, Daily DM Case Review Cycle, provides a summary.

Table 10. Daily DM Case Review Cycle

Action	DM Case Review Cycle Milestones	Compliance Mechanism
DM cases initiated daily for review.	Throughout the billing cycle.	Not applicable (N/A)
A/BO DM reviews complete.	**Should** complete reviews throughout the billing cycle (rather than waiting until the end of the month) to promote timely resolution (e.g., transaction dispute, CH retraining); **should** complete reviews within 5 days of the billing cycle end date; **must** complete reviews ***within 30 calendar days*** of the billing cycle end date. **Note:** Any case the A/OPC refers back to the A/BO for additional review may require action through Day 55.	N/A
A/OPC cases closed.	**Should** complete reviews ***within 30 calendar days*** of the billing cycle end date. **Note:** Any case the OA/OPC refers back to the A/BO for additional review may require action through Day 55. **Must** complete reviews within 55 calendar days of the billing cycle end date.	A/OPCs **may** suspend MAs with open DM cases* 30 days after the billing cycle end date. OA/OPCs **must** suspend MAs with open cases* 55 days after the billing cycle end date.

* Excludes deferred cases.

GPC accounts that are suspended because they have remaining open cases may be reactivated only after written approval (can be email) from an individual who is at least one level above the person who initiated the suspension (e.g., if the A/OPC suspends the account, an OA/OPC or CPM must approve account Reactivation). The A/OPC may reactivate accounts without additional approval if all cases are closed.

10.9.2. Monthly A/OPC Reviews

Monthly A/OPC reviews are conducted to promote and measure compliance with internal controls and provide reasonable assurance of the effectiveness of these controls to mitigate program risk. This review may be considered complete only if 100 percent of all DM cases open during the billing cycle under review have been closed in the DM tool or granted deferred (i.e., deployment or exemption) status.

In the event errors are identified, A/OPCs, OA/OPCs, and CPMs should annotate corrections to the report. CPMs must ensure a consolidated list of such errors is captured in the Notes field of the applicable report and explain what appears to be driving these differences in sufficient detail so appropriate corrective action can be taken. Additionally, the Notes field shall be used

to address issues and explain any exceptional circumstances (positive and negative), so they are retained and available for subsequent reference. An electronic copy of the signed report shall be attached in the Messages tab of the Monthly Checklist in IOD. See "Monthly A/OPC and Semi-Annual HA Review Reporting: Recording and Retaining Review Comments, and Retaining and Sharing Signed Reports," available on DPCAP's Purchase Cards – Training webpage, for more information.

A/OPCs must complete their monthly review within 30 calendar days of the end of the billing cycle. OA/OPCs have 10 calendar days to complete their monthly review. Table 11, Monthly A/OPC Review Cycle Dates, provides a summary.

Table 11. Monthly A/OPC Review Cycle Dates

Action	Review Cycle Milestones	Compliance Mechanism
A/OPC completes monthly review and A/OPC Monthly Checklist in IOD.	Cycle End Date + 30 days	N/A
OA/OPC completes monthly review and certifies completion in IOD.	Cycle End Date + 40 days	OA/OPC may suspend appropriate account(s) at 30 days if DM cases and A/OPC Monthly Reviews are not complete.
Higher-tier OA/OPC completes monthly review and certifies completion in IOD (if more than one level).	Cycle End Date + 50 days	Higher-Tier OA/OPC may suspend the appropriate account(s) at 40 days if DM cases and A/OPC Monthly Reviews are not complete.
CPM completes review and certifies completion in IOD.	Cycle End Date + 55 days	CPM suspends appropriate account(s) at 55 days if DM cases and A/OPC Monthly Reviews are not complete.

Component or local GPC policy may establish tighter Monthly A/OPC Review completion dates, but under no circumstance shall the final A/OPC due date exceed 30 days past the cycle end date. Compliance with the due date is critical for timely workflow/submission of all DM reviews and related GPC reporting requirements.

If the monthly review cannot be completed (i.e., is deferred) using the DM tool because the A/BO and/or A/OPC and their alternates are deployed or exempt and have insufficient access to the application, the OA/OPC may then mark the case "Closed – Not Reviewed" in the DM tool and approve completion of the monthly review cycle. The A/BO and/or A/OPC will complete the monthly review manually and then update the audit tool upon completion of the deployment.

10.9.2.1. Monthly A/OPC Reviews: CPM Responsibilities

Within 55 days of the cycle end date, CPMs are required to:

a. Proactively manage the Monthly A/OPC Review process to ensure timely completion.
b. Spot-check the Monthly A/OPC Reviews conducted by individuals below them in the

hierarchy.

c. Validate that all DM cases made during the billing cycle under review, except those in deployed or exempt status, are closed.
d. Validate and assess the key internal controls summarized in the Monthly A/OPC Review Report. Key GPC Program controls are calculated and displayed in the Monthly A/OPC Review Report generated by the DM tool. The "Monthly A/OPC Review Report Guide," available on DPCAP's Purchase Cards – Training webpage, addresses data sources and calculation methodologies in addition to report format.
e. Electronically certify in the DM tool that they have completed their Monthly A/OPC Review responsibilities.
f. Enforce mandatory purchasing suspension for accounts with open DM cases or incomplete Monthly A/OPC Reviews at 55 days after cycle end date, or sooner if authorized by Component policy. On a case-by-case exception basis, CPMs are authorized to lift purchasing suspensions for mission-essential purchases with open DM cases or incomplete reviews; this authority may not be delegated below the CPM.

CPMs should include regular reviews of disputed transactions as part of their monthly reviews (see Section 9.1, Disputing a Charge).

10.9.2.2. Monthly A/OPC Reviews: OA/OPC Responsibilities

The DM tool ensures A/OPC Monthly Checklists are submitted automatically to the OA/OPC (up to two OA/OPC tiers). Within 50 days of the cycle end date, OA/OPCs are required to:

a. Validate that all DM cases (except those in a deployed or exempt status) are closed.
b. Log into the DM tool each cycle to spot-check the monthly reviews conducted by the A/OPCs and/or O/AOPCs directly below them in the hierarchy.
c. Assess the key internal controls summarized on the Monthly A/OPC Review Report. Key GPC Program controls are calculated and displayed in the Monthly A/OPC Review Report generated by the DM tool. The "Monthly A/OPC Review Report Guide," available on DPCAP's Purchase Cards – Training webpage, addresses data sources and calculation methodologies in addition to report format.
d. Ensure a DM case is created for each Finding and Determination they independently identify (i.e., not flagged by the DM tool).
e. Electronically certify their completion of O/AOPC responsibilities for the Monthly A/OPC Review in the DM tool.

OA/OPCs should include regular reviews of disputed transactions as part of their monthly reviews (see Section 9.1, Disputing a Charge).

OA/OPCs are authorized to suspend (e.g., reduce the purchasing limit to $1) any account with open DM cases or incomplete subordinate A/OPC Monthly Reviews at 40 to 50 days after cycle end date, or sooner if authorized by Component and local policy.

10.9.2.3. Monthly A/OPC Reviews: A/OPC Responsibilities

A/OPCs are required to initiate and conduct a Monthly A/OPC Review at the end of each billing cycle. Within 30 days of the cycle end date, A/OPCs must:

a. Validate that all DM cases (except those in a deployed or exempt status) are closed.
b. Assess the key internal controls included on the report. Key GPC program controls are calculated and displayed in the Monthly A/OPC Review Report generated by the DM

tool. See the "Monthly A/OPC Review Report Guide," available on DPCAP's Purchase Cards – Training webpage, which addresses data sources and calculation methodologies in addition to report format.

c. Perform a summary assessment that includes 100 percent of transactions not flagged by the DM tool to: (1) ensure awareness of purchasing activity within their hierarchy; and (2) identify purchasing and behavior patterns not otherwise identified by the DM tool (e.g., patterns that span multiple card accounts and/or MAs) or that may otherwise require A/OPC action. Access Online transaction detail reports are available for use in performing these reviews.
d. Ensure a DM case is created for each Finding and Determination they independently identify (i.e., not flagged by the DM tool).
e. Document completion of their review in the DM tool by completing the A/OPC Monthly Checklist and electronically certify their completion of the Monthly A/OPC Review in the DM tool.

A/OPCs should include regular reviews of disputed transactions as part of their monthly reviews (see Section 9.1, Disputing a Charge).

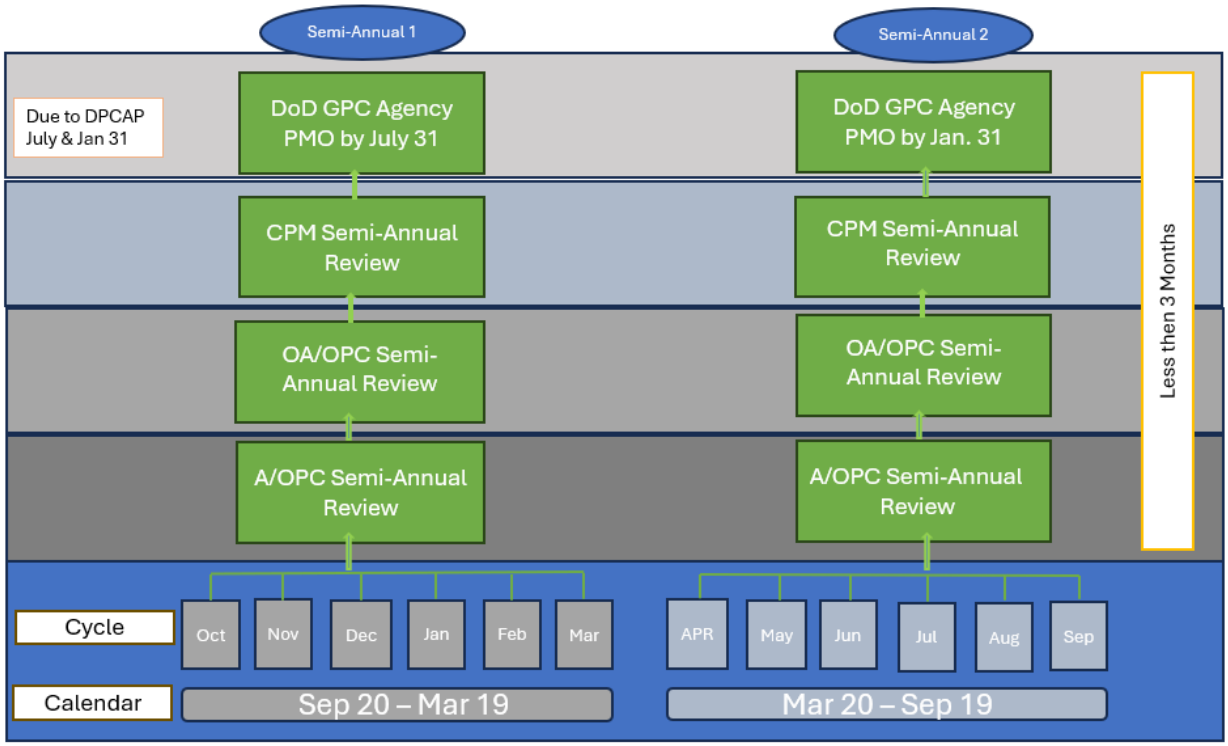
A/OPCs are authorized to suspend (e.g., reduce the purchasing limit to $1) any account with open DM cases at 30 days after the cycle end date, or sooner if authorized by Component and local policy.

10.9.3. SAHARs

SAHARs are conducted to ensure adherence to internal controls, facilitate senior management's awareness of their GPC program's health (e.g., strengths and areas requiring improvement), and help promote the interdisciplinary communication necessary for successful GPC program operations (e.g., is the program appropriately resourced? Do Supervisors engage to resolve performance issues and take disciplinary action when warranted? Are RMs vested in supporting timely resolution of payment issues to maximize refunds?).

As depicted in Figure 4, SAHAR Reporting Cycles, SAHARs shall be conducted and performed in the DM tool at the end of the March and September billing cycles and are a consolidation of the previous six monthly reviews (i.e., March 20 through September 19, and September 20 through March 19). Component HAs must validate that the SAHAR process is completed using the DM tool. A/OPCs, OA/OPCs, and CPMs at each level are required to brief their HA and obtain their HA's signature on the SAHAR Report. The HA signature indicates that the HA has reviewed the internal control information identified in the report; concurs with the Findings, Determinations, and any Corrective Actions Taken/Planned; and appropriate action will be taken for any issues identified.

Figure 4. SAHAR Reporting Cycles



Additional training resources are available on DPCAP's Purchase Cards – Training webpage to support the oversight process, such as the "Semi-Annual HA Review Report Guide" (addresses data sources and calculation methodologies in addition to report format), "Insights On Demand A/OPC Monthly/SAHAR Report Line Item Validation Using Access Online" (describes how to validate A/OPC Monthly and SAHAR Access Online data elements), and "Semi-Annual Head of Activity Review Template" (available for use as a best practice to develop a comprehensive HA briefing to supplement the SAHAR Report and address additional items of concern).

The SAHAR Notes field (or attached MFR):

a. Shall include any CPM-granted span of control deviations (see Section 10.2.1, Span of Control);
b. Shall include the required ETO follow-up review attestations (see Section A.2.1, ETO Follow-Up Reviews and Associated Compliance Review Process);
c. Shall include any other required attestations (e.g., Army Lodging in Kind (LIK)); and
d. Should include any corrections with explanations of SAHAR error(s) encountered, so a determination can be made as to whether a system issue requires resolution.

Additionally, the Notes field or attached MFR shall be used to address issues and explain any exceptional circumstances (positive and negative), so they are retained and available for subsequent reference. An electronic copy of the signed report, including all notes and associated documentation, shall be attached in the Messages tab of the Semi-Annual Checklists in IOD. See "Monthly A/OPC and Semi-Annual HA Review Reporting: Recording and Retaining Review Comments, and Retaining and Sharing Signed Reports," available on DPCAP's Purchase Cards – Training webpage, for more information.

10.9.3.1. SAHARs: HA Responsibilities

HAs are required to:

a. Actively participate in the SAHAR process as directed in Section 3.1.3, Head of Activity. Rely on the CPM, A/OPC, and/or OA/OPC to keep the HA informed about key internal management control information and manage day-to-day operations as identified in Component and local policy. Use the opportunity to sign off on the SAHAR Report twice a year to meet with the CPM, OA/OPC, and/or A/OPC to review program metrics, ensure appropriate staffing, and validate that appropriate oversight is being conducted to identify and track issues to closure.
b. Verify SAHAR Reports are complete and accurate and are submitted to the DoD GPC PMO, and any control noncompliance issues are addressed to closure.

10.9.3.2. SAHARs: CPM Responsibilities

All SAHARs must be completed and provided to the CPM. CPMs are required to:

a. Proactively manage the SAHAR process to ensure completion of all required reviews.
b. Ensure all DM cases for transactions made during the six billing cycles under review are closed, including any in Deployed or Exempt status during the six monthly cycles included in the review.
c. Brief their Component's HA. The briefing should include any deviations from the DoD mandated span-of-control ratios described in Section 10.2.1, Span of Control and their related ramifications, as annotated in the Notes field of the SAHAR Report.
d. Obtain the HA's signature on the signed report and certify they have completed their SAHAR in the DM tool.
e. Attach an electronic copy of the signed report as addressed in Section 10.9.3, SAHARs.
f. Provide their review results (i.e., signed Component SAHAR Report) to the DoD GPC PMO for use in the DoD GPC reporting required by OMB and the IST governance process, no later than January 31 and July 31 of each year.
g. Confirm timely execution of A/OPC actions to correct any internal control violations identified as a result of the Monthly A/OPC Reviews and SAHARs.
h. Suspend the purchasing privileges (e.g., reduce limit to $1) for any account with open DM cases or incomplete subordinate reviews within 55 days, or sooner, to ensure timely completion of the review cycle.
i. Provide the signed report (digitally signed or scanned) and other review documents, if any and as required, to the GPC lead at the next higher tier in the hierarchy; and certify the CPM has completed his/her SAHAR in IOD. When the signed version is loaded to the IOD Messages tab, it fulfills this requirement to provide the report and supports auditability.

10.9.3.3. SAHARs: OA/OPC Responsibilities

OA/OPCs (up to two tiers), if assigned, are required to:

a. Summarize the reports provided by the A/OPCs or O/AOPCs at the tier directly below them in the hierarchy.
b. Validate that all DM cases for transactions made during the six billing cycles under review are closed.

c. Review the results with their HA.
d. Obtain their HA's signature on their SAHAR Report.
e. Attach an electronic copy of the signed report as addressed in Section 10.9.3, SAHARs. Provide other review documents (if any and as required) to the next higher tier above them in the hierarchy.
f. Develop and implement a plan to timely correct any internal control violations identified as a result of the Monthly A/OPC Reviews and SAHARs.
g. Ensure any deferred DM cases and Monthly A/OPC Reviews are completed prior to submission of the SAHAR.
h. Provide the signed report (digitally signed or scanned) and other review documents, if any and as required, to the GPC lead at the next higher tier in the hierarchy; and certify the OA/OPC has completed his/her SAHAR in IOD. When the signed version is loaded to the IOD Messages tab, it fulfills this requirement to provide the report and supports auditability.

As with the Monthly A/OPC Reviews, OA/OPCs are authorized to suspend (e.g., reduce the purchasing limit to $1) any account with open DM cases or incomplete subordinate A/OPC Monthly Reviews at 40 to 50 days after cycle end date, or sooner if authorized by Component and local policy.

10.9.3.4. SAHARs: A/OPC Responsibilities

A/OPCs are required to:

a. Initiate the SAHAR upon completion of the Monthly A/OPC Review Process for billing cycles ending March 19 (i.e., on approximately May 14) and September 19 (i.e., on approximately November 14).
b. Ensure all DM cases for transactions made during the six billing cycles under review are closed, including any in Deployed or Exempt status during the six monthly cycles included in the review.
c. Brief their review results to their HA (apprising the HA of program strengths and any concerns within their Component). As a best practice, the "Semi-Annual Head of Activity Review Template" is available on DPCAP's Purchase Cards – Training webpage for use to develop a comprehensive HA briefing to supplement the SAHAR Report and address additional items of concern.
d. Obtain the HA's signature on the SAHAR Report.
e. Attach an electronic copy of the signed report as addressed in Section 10.9.3, SAHARs. Provide other review documents (if any and as required) to the OA/OPC at the next higher tier above them in the hierarchy.
g. Provide the signed report (digitally signed or scanned) and other review documents, if any and as required, to the GPC lead at the next higher tier in the hierarchy; and certify the A/OPC has completed his/her SAHAR in IOD. When the signed version is loaded to the IOD Messages tab, it fulfills this requirement to provide the report and supports auditability.
h. Develop and implement a plan to timely correct any internal control violations identified as a result of the Monthly A/OPC Reviews and SAHARs.

As with the Monthly A/OPC Reviews, A/OPCs are authorized to suspend (e.g., reduce the purchasing limit to $1) any account with open DM cases at 30 days after the cycle end date, or

sooner if authorized by Component and local policy.

10.9.4. Data Validation

In order to ensure accuracy of card-issuing-bank-provided reporting tools, the bank will perform the validations specified in "Reduction to Component Validation Requirements for A/OPC Monthly and SAHAR Reports," available on DPCAP's Purchase Cards – Documents and Guides webpage. Component action may be required in some instances, based on these validation results. See "Revised Component Reporting Validation Requirements" within the linked document for details.

In the event a Component identifies issues or errors, an explanation should be included in the Notes field of the report (or associated attachments) so a determination can be made as to whether a system issue requires resolution. An electronic copy of the signed report, including all notes and associated documentation, shall be attached in the Messages tab of the IOD checklists.

10.10. FOIA REQUESTS

GPC A/OPCs are to respond to FOIA requests for non-transactional data made at the installation, base, or activity level, from the appropriate FOIA offices, for the organizational addresses and telephone numbers of CHs.[34] DoD GPC documentation cannot be released prior to 90 days after the date of the GPC transaction(s), and any release must be accomplished in accordance with established Component policy.

In response to FOIA requests submitted by the public for transaction-related GPC data, only the following specific data are authorized for release:

a. MCC;
b. Transaction amount;
c. Vendor name;
d. Vendor city, state, ZIP Code, and phone number; and
e. Transaction date (releasable 90 days after date).

No data other than those specified above may be released.

10.11. FPDS REPORTING FOR AWARDS WHERE THE GPC IS THE METHOD OF BOTH PURCHASE AND PAYMENT

Components must ensure compliance with the FPDS reporting requirements of FAR 4.6, DFARS 204.6, and DFARS PGI 204.606.

FPDS is accessed via the System for Award Management (SAM) Contracting webpage by clicking "Manage Contract Awards." In accordance with DFARS PGI 204.606(5)(i), do not report to FPDS open-market purchases (i.e., not under a FSS, agreement, or contract) made with the GPC valued less than the micro-purchase threshold. In accordance with DFARS PGI 204.606(5)(ii), purchases made with the GPC as the method of both purchase and payment under Federal schedules, agreements, or contracts are required to be reported to FPDS regardless of value. See DFARS PGI 204.606(5)(iii) for guidance regarding orders placed on FedMall.

In accordance with DFARS PGI 204.606, all reportable purchases, regardless of value, must be reported to FPDS no less frequently than monthly. For purchases valued less than $25,000, there

[34] See the Office of the Secretary of Defense (Administration and Management) memorandum "FOIA Policy on Release of Credit Card Data," dated June 29, 2006, available on DPCAP's Purchase Cards – Archive webpage.

are three acceptable methods for reporting to FPDS. They are listed in preferred order of use and address requirements and considerations for individual reporting and alternatives for consolidated reporting. See GPC FAQ 39, "Am I required to report GPC transactions to the Federal Procurement Data System (FPDS) even though FAR 4.606(a)(2) indicates the GSA Office of Charge Card Management (OCCM) provides GPC data to FPDS on an annual basis?" for more information on FPDS reporting.

These requirements are not fulfilled by the GSA CCCM annual GPC data reporting addressed in FAR 4.606(a)(2). These requirements do not result in duplicative FPDS reporting of GPC transactions, as GSA has confirmed it reports only high-level data (i.e., total numbers of transactions and dollars) outside the FPDS database.

10.12. Data Access by Non-Program Participants

GPC data will be provided to DoD Component audit and investigative organizations on a timely basis to assist them in the performance of their duties. Online program access for non-program participants is strictly prohibited except as otherwise noted below.

10.12.1. Data Access for DoD-Level Audits

For all DoD-level audits, the DoD GPC PMO will authorize GPC data access to DoD audit and investigative organizations (e.g., DoDIG and GAO). If required, the DoD GPC PMO may grant temporary GPC Auditor access to an authorized official, which should be revoked at the end of the audit. If a Component is contacted by a DoD-level audit or investigative organization, the Component must ensure DoD GPC PMO awareness prior to engagement with the organization.

10.12.2. Data Access for Component-Level Audits

For Component-level audits involving all other stakeholders (e.g., IG, FIAR, internal reviews, etc.), DoD GPC PMO approval is not required and CPMs and/or local A/OPCs should provide the requested data if deemed appropriate under the circumstances, in accordance with Component policy. If required, CPMs or A/OPCs may grant temporary GPC Auditor access to an authorized official for their Component or hierarchy, which should be revoked at the end of the audit.

10.13. Component Policy

Components are responsible for issuing policy that complies with DoD issuances, promotes efficiency and economy in purchasing, and streamlines payment procedures. Component policy may be more stringent—but never more lenient—than DoD policy. Policy areas to address include, but are not limited to:

a. Conducting oversight to ensure all lower-level policy complies with DoD and Component issuances, promotes efficiency and economy in purchasing, and streamlines payment procedures.
b. Inclusion of compensating controls to mitigate risks to the Component and its mission, and inclusion of the GPC program in the Component's overall internal control and risk management process (e.g., MICP (DoDI 5010.40), Risk Management Framework (RMF) (DoDI 8510.01), PMR, and other internal review processes). (See Section 10.1, Oversight.)

c. Requirements that promote Component team cross-functional exchange as described in Section 2.3, Component Team, to limit risks such as cybersecurity (see Section 6.5, Cybersecurity) and supply chain risks.
d. Delineation of the specific roles and responsibilities of both the supporting contracting and FM offices, including identification of any requisite qualifications and additional training necessary for individuals to be authorized to electronically issue/sign GPC delegations of procurement authority (see Section 4.2.1, Authority to Issue/Sign Appointments and Section 4.2.2, Internal Controls Applicable to Delegations of Authority and Appointments) and other required appointments, including DD Form 577 Certifying Officer appointments (see Section 4.3, Certifying Officer DD Form 577 Appointments), and the CH SDs in Section 4.7, CH SDs. These policies shall comply with the FAR, DFARS, DoD GPC policy, and DoD FMR, and must be consistent with Section 4.2.1, Authority to Issue/Sign Appointments.
e. Use of any CH SD other than Micro-Purchase CH, Micro-Purchase Convenience Check Writer, and Micro-Purchase ETO CH and/or Check Writer, in which case Component policy must comply with the requirements of Section 4.2.3, Authority to Use Certain SDs, and Section 10.2.1, Span of Control.
f. When Component policy authorizes use of the GPC for more complex transactions (e.g., by Contract Ordering Official CHs), establishment of mandatory additional training and appointment requirements that comply with the requirements of Section 4.2.2, Internal Controls Applicable to Delegations of Authority and Appointments. When items are to be shipped utilizing DTS, training must include the importance of providing correct shipping information and transportation requirements to suppliers in accordance with Appendix B, Shipments Outside the Continental United States).
g. Compliance with FAR 8.002(a)(1)(v) and DFARS 208.70 coordinated acquisition requirements.
h. Guidance for CHs on how to properly document Section 889 compliance determinations and the process for exceptions and waivers (see Section 6.5.1, Section 889 Prohibitions, and its subsections).
i. Compliance with FPDS reporting procedures for all transactions, including those valued below the MPT, made using the Contract Ordering Official CH SD, as described in Section 10.11, FPDS Reporting for Awards where the GPC Is the Method of Both Purchase and Payment.
j. Compliance with the requirement to utilize WAWF. in accordance with Section 6.9.1, Use of WAWF to Create and Accept Receiving Reports.
k. Compliance with DoDI 5000.64, which requires Components to ensure adequate policies and procedures are in place to implement the issuance's accounting requirements for tangible DoD equipment and other accountable property.
l. Use of cardless accounts, for which Component policy must comply with the requirements of Section 4.8.2, Cardless Accounts.
m. Use of convenience checks in accordance with the DoD FMR, including implementation of safeguards to prevent physical loss, theft, or potential forgery.
n. Requirements for the use of electronic systems that adhere to FM controls and record retention requirements.
o. Compliance with GPC EDI requirements, to include implementation of DoD-wide ERP system standards, GPC policy, and acquisition streamlining objectives.

   i. ERP/financial system implementations must provide for the ability to complete all EAS mandatory purchase log requirements (see Section 7.2, Purchase Log Information) at the transaction level (e.g., for bulk-funded accounts, CH-assigned FEGs must allow for e-order editability when necessary to capture transaction-level detail).

p. Funds control (including documentation of availability of funds), commitment, obligation, and FY-end and start-up processes (see OMB Circular A-123, Appendix B, Section 4.8).
q. Use of an alternative payment processing method (e.g., Pay and Confirm) when approved (see Section 2.7.4, Pay and Confirm Waivers).
r. Inclusion of special-interest items in Component policy that authorizes Pay and Confirm.
s. Establishment and maintenance of account limits that are consistent with mission requirements, budget, historical usage, and controls in accordance with Section 10.2.2, Spending Limits.
t. Compliance with MCC requirements in Section 10.2.3, MCCs.
u. Emphasis on the importance of timely billing statement review and approval; retention of complete documentation, including purchase supporting record; and proper invoice certification, to include ensuring that the Certifying Officer, A/BO, and CH work together to maintain continuity of the overall certification process and to address special-condition processing (e.g., short payment (see Section 5.3.1.2, Invoice Integrity) and improper use).
v. Compliance with the disputes timeframe and process in Section 9.1, Disputing a Charge.

CHAPTER 11: SUPPORTING SYSTEMS

11.1. SUPPORTING SYSTEM REQUIREMENTS

All bank and Government systems, at the DoD or Component level, used in support of GPC accounts will include the following internal controls:

a. Systems access security,
b. Systems administration integrity,
c. Data exchange security, and
d. Functional responsibility controls.

11.1.1. Systems Access Validation and Security

Appropriate safeguards shall be in place to control access to systems. DoD has established a policy that all DoD systems shall utilize CAC login for user authentication. Use of the CAC login, coupled with role-based permissions, provides auditable event records within the GPC processing cycle, including approvals and certifications. Electronic systems used to support the DoD GPC Program must limit access to various functions to only individuals with appropriate authority. The systems must be able to identify who made any data/file content changes in the end-to-end GPC process.

DoD GPC personnel are required to use the PIEE SSO capability to log into the card-issuing bank's EAS. Use of SSO to access the bank EAS via PIEE improves internal controls by reducing the risk of any accounts being accessed by individuals who have not been subjected to the rigorous review necessary to obtain a CAC, and reduces the risk that individuals other than the CAC holder associated with the card account or MA will be able to take action in the bank system.

A/OPCs are required to use PTQ in the card-issuing bank's EAS to link JAM appointments to the bank EAS user identification (ID) profiles, card accounts, and MAs.[35] Use of PTQ improves internal controls by ensuring CH account purchasing limits in the bank EAS cannot exceed the purchasing authority delegated to them in the JAM appointment.

11.1.1.1. Authorization Roles

Systems access security authorization roles shall be defined to include specific transactions required to support unique business functions (e.g., A/BOs should be precluded from making purchases with a GPC issued under their own MA, and A/OPCs should be precluded from certifying transactions for payment). These authorization roles also should be used to manage special classifications of items, such as hazardous material, IT, audiovisual, etc.

11.1.1.2. Bank EAS Safeguards

Appropriate safeguards shall be in place to control issuance of user IDs and other access credentials to the card-issuing bank's EAS. The bank EAS allows A/OPCs to perform CH account setup online and perform maintenance and reporting on all accounts. Access to this

[35] See GPC One-Pagers 3OP030, " PIEE Single Sign On for Access Online"; 3OP036, "Introduction to the PIEE Task Queue (PTQ Part 1); and 3OP041, "Using the PIEE Task Queue (PTQ Part 2); available on DPCAP's Purchase Cards – Training webpage."

system is controlled by the bank's defined procedures. Components shall include in their policy a description of how A/OPCs are to control CH account setup.

11.1.2. Systems Administration Integrity

To ensure system integrity and an appropriate return on investment, the RMF is used to govern system administration for all DoD systems supporting the GPC Program.[36] All changes to the operating system environment shall be documented in accordance with the RMF. Changes to existing interfaces, or creation of new interfaces, must be approved by the DoD GPC PMO in advance of planning and implementation. DFARS 204.73 provides information on basic requirements that all DoD system contractors must meet.

All DoD systems that support the GPC shall be documented in accordance with the requirements of DoDI 5000.75, for internal DoD systems; and DFARS 204.73, for contractor systems. This will ensure system security and integrity and an appropriate return on investment. The card association and the card-issuing bank's EAS will comply with the Payment Card Industry data security standard, along with those in the DFARS.

11.1.3. Data Transmission Security

Transmission of all electronic account data will be processed through secure lines of communication. Any interface used to send files via file transfer must utilize DAAS/GEX. This includes files sent by ERP systems through GEX to the card-issuing bank's EAS, EDI files delivered across systems, and any other file delivery across systems that may be developed (e.g., delivery of EDI files from/to WAWF to support recording acceptance). DoD GPC PMO-approved interfaces that leverage an application program interface to make system-to-system calls are exempt from utilizing DAAS/GEX as an intermediary.

11.1.3.1. Use of EDI Tools to Support Invoice Certification/Payment

Use of the card-issuing bank's EAS for EDI to support invoice certification and processing is mandatory unless a waiver has been granted and an alternative electronic solution has been approved. Direct EDI translation should be compliant with the ANSI X-12 format to enable electronic data exchanges with designated trading partners such as the card-issuing bank, a major supplier, or a customer.

EDI obligation and invoicing occur in two phases. In the first, the card-issuing bank transmits EDI transaction sets (e.g., 821s, 810s) to the DAAS/GEX. All EDI transaction sets will conform to the FA2 accounting data format.[37] In the second phase, the processed files are transmitted by DAAS/GEX to DoD Components' financial/ERP/entitlement systems or DFAS. Information about technical specifications and descriptions is available from the DoD GPC PMO.

If entitlement occurs inside a DoD system, the ERP/financial system will receive EDI 821 and 810 data files from the card-issuing bank via DAAS/GEX.

[36] For more information on the RMF for DoD IT, see DoDI 8510.01.
[37] The FA2 accounting data format is a universal accounting code structure used by the DoD GPC Program to ensure LOAs are recognized within and across systems and in electronic files (EDI transaction sets, card-issuing bank custom files, etc.)

11.1.4. Functional Responsibility Controls

Systems must be able to segregate role-based capabilities and limit access to these functions to individuals with appropriate authority. The systems must be able to identify who made any data/file content changes in the end-to-end GPC process. To ensure compliance, management oversight reports shall be available to report on individual personnel roles and responsibilities.

11.2. MANDATORY DOD ELECTRONIC SYSTEMS/TOOLS

In order to facilitate appropriate user access to accurate and complete data for managing the DoD GPC Program, use of the enterprise electronic systems and tools described in the subsections below is mandated. Requests for waivers from the requirement to use any of these systems must be submitted to the DoD GPC PMO through the Component's acquisition chain of command.

11.2.1. PIEE

PIEE is DoD's centralized environment supporting capabilities and functions across the Department's Procure-to-Pay processes. PIEE uses a CAC-enabled SSO capability to grant role-based access to system modules (including the card-issuing bank's EAS and JAM) hosted both internally and externally to that environment. PIEE reduces DoD operating costs (e.g., by facilitating rapid development and deployment of modules and providing common services such as testing, archive retention, and security) and improves the quality of, and access to, enterprise-wide data (e.g., by leveraging cloud technology and drawing data from multiple modules into a single data set for use across the platform). PIEE utilizes the cross-functional (i.e., financial, procurement, and logistics) DoD Activity Address Code (DoDAAC)-based organizational chain of command and office structure hierarchies established by the Components to facilitate PIEE account management and access routing, and to aggregate data at each node (e.g., Army Contracting Command – Redstone Arsenal, Alabama) and/or group path (e.g., DON) for the hierarchy.

DoD GPC program participants, as specified in the "JAM GPC Role Descriptions" document available on DPCAP's Purchase Cards – Systems webpage, are required to register for a PIEE account and request the role(s) appropriate for their program function(s).

PIEE interfaces with the Defense Enrollment Eligibility Reporting System (DEERS) to automatically archive PIEE accounts immediately upon notification from DEERS that a user left Government service or changed organizations.

Additional information about PIEE is available in the Procure to Pay Capability Summary "Procurement Integrated Enterprise Environment (PIEE)," available on DPCAP's Procure to Pay (P2P) – Capability Summaries webpage.

11.2.2. JAM

Well-defined roles and responsibilities are a key internal control requirement for successful execution of the DoD GPC Program. To ensure all program participants are consistently held accountable to execute standard, enterprise-wide roles and responsibilities, JAM is the enterprise tool for appointing and delegating authority to GPC personnel.

JAM is the PIEE module used to initiate, review, approve, store, and terminate required delegations of procurement authority and/or appointments. As appropriate, JAM GPC appointments result in issuance of not only delegation of authority and/or appointment letters, but also limited-scope SF 1402 (commonly referred to as a warrant); and DD Form 577.

Additional JAM information is available in the "GPC JAM Overview" and "JAM GPC Role Descriptions" documents, available on DPCAP's Purchase Cards – Systems webpage, which identifies CH delegation limits associated with each SD. Program participant nomination, registration, and appointment processes are described in the GPC Program One-Pagers, available on DPCAP's Purchase Cards – Training webpage. Appointment in JAM also determines users' role-based access to various enterprise systems.

JAM automatically terminates appointments issued to individuals who have not accessed PIEE to perform GPC functions within a specified time period; this capability leverages the DEERS interface referenced in Section 11.2.1, PIEE.

11.2.2.1. Tracking Training in JAM

PIEE includes capabilities to track and report training course completion, issue automatic training reminders for recurring requirements, and systemically promote compliance with requirements to complete training prior to appointment issuance. To promote compliance with training requirements, JAM system validations prohibit appointment of individuals who, if required for their roles, have not completed DAU's "DoD Governmentwide Commercial Purchase Card Overview" course (currently CLG 0010) and "Certifying Officer Legislation Training for Purchase Card Payments" course (currently CLG 006). A system interface has been deployed to automatically record completion of all required and recommended DAU courses.

When tracking training in JAM, DoD GPC Program PIEE users are not required to manually load electronic copies (e.g., PDF files of training certificates for courses that automatically were recorded via the DAU/PIEE system interface (i.e., DAU is listed as the "Source"). Data is displayed in the JAM application and available through EDA Advance Reporting with DAU listed as "DAU," as the source is directly from the system of record.

Because DAU is the primary source for validating course completion, when training completion is recorded via the DAU interface, the trainee is not required to provide a copy (electronic or paper) to GPC program management, thereby reducing paperwork, improving auditability, and ensuring proper record retention. PIEE additionally includes the capability for GPC program participants to manually record completion of non-DAU training and provide/maintain an electronic copy of training certificates, which are then available to program managers and auditors as necessary. DoD GPC One-Pagers 3OP010, "Uploading Training Certificates to PIEE/JAM"; and 3OP038, "Tracking Training in PIEE," available on DPCAP's Purchase Cards – Training webpage, provide details on these training capabilities.

11.2.2.2. Combo Appointment

JAM offers the ability to make "combo appointments," nominating and initiating the appointment of an individual's A/BO and Certifying Officer roles concurrently. This applies to organizations where A/BOs serve as both the A/BO and the Certifying Officer (e.g., Confirm and Pay). This process provides efficiencies in operations as well as improvements in internal controls. For more information about the benefits of this JAM feature and instructions on using it, see GPC One-Pager 3OP028, "A/BO-CO Combo Appointments," available on DPCAP's Purchase Cards – Training webpage.

11.2.3. PCOM

The PIEE PCOM application supports GPC program oversight and management by improving visibility into Department-wide oversight reporting. This application enables certain Components

to electronically submit required program data and internal control documentation and includes capabilities that automatically validate specific data elements. PCOM supports the preparation of reports required by OMB and GSA (see Section 2.4.2.1, Metrics and Benchmarking, and its subsections).

11.2.4. Access Online

Access Online is U.S. Bank's EAS that provides the Department with capabilities including, but not limited to, account access, purchase log creation, capture and storage of GPC documentation (e.g., EA), account reconciliation (i.e., electronic bill presentation/certification), and a variety of reports to facilitate program management and oversight. Use of Access Online is required for:

a. A/OPCs to issue and maintain GPC accounts and manage their programs. JAM appointment data is provided to Access Online via a system interface. A/OPCs can access Access Online and link completed JAM appointments to the appropriate CH or A/BO. Purchasing limits authorized in JAM appointments serve as the ceiling for Access Online authorizations. A/OPCs annotate other purchasing parameters, such as MCCs, directly in Access Online. A/OPCs' assignment of correct Access Online FEGs to users is critical because it determines what actions they can perform in the EAS (i.e., roles-based access). A/OPCs' assignment of correct hierarchies (both reporting and processing) to users is critical because it determines the level of access and the accounts for which they can perform actions appropriate for their entitlement.
b. RMs, in collaboration with A/OPCs, to assign default and alternate LOAs and provide reallocation authority to CHs and A/BOs when necessary.
c. A/OPCs and RMs to establish and monitor spending limits tied directly to the funding allocated to each MA, and other transaction limits. See Section 10.2.2, Spending Limits.
d. CHs to create their purchase log in Access Online, ensuring all mandatory purchase log requirements are fulfilled (e.g., all mandatory fields are populated with valid values as described in Section 7.2, Purchase Log Information), document supply and service acceptance, upload all EA, and approve statements of account.
    i. CHs shall not load any documents with a marking of "Controlled Unclassified Information" or higher to Access Online. Supporting documentation with these markings shall be handled in accordance with applicable Component requirements and be available offline for purposes of account inspections and audits.
e. A/BOs to support the monthly reconciliation process (e.g., review GPC documentation for each transaction as defined in Section 7.1, Documentation) and approve statements of account (Transaction Management).
f. Certifying Officers to perform reviews and electronically certify invoices for payment (Transaction Management) (see Section 11.1.3.1, Use of EDI Tools to Support Invoice Certification/Payment).

More information about Access Online capabilities is available in U.S. Bank's Web-Based Training. For example, Web-based training addresses Order Management[38] and Transaction Management, which are integral capabilities used for the purpose of creating the purchase log,

[38] For organizations using Virtual Pay accounts, Payment Request Management is used in lieu of Order Management.

capturing EA, and performing account reconciliation functions. It also addresses how users can schedule automatic delivery of Standard or Flex Data (ad-hoc) reports to their Data Exchange mailbox.

11.2.4.1. Enterprise Purchase Log Requirements

Use of the card-issuing bank's EAS to create the purchase log is mandated. Additional information about PLI is provided in Section 7.2, Purchase Log Information.

11.2.4.2. Maintaining EA and Documenting Acceptance

CHs are required to collect and retain EA to document their purchases (see Section 7.3, Electronic Attachments).

CHs are required to retain receipt and acceptance documentation (see Section 6.9, Receipt and Acceptance). Collection in this centralized system improves property accountability and supports auditability.

11.2.4.3. Account Reconciliation Controls

To enforce DoD GPC policy, the internal controls in Table 12, Account Reconciliation Controls, are accounted for by the card-issuing bank.

Table 12. Account Reconciliation Controls

Billing Cycle	The cycle runs from 12:01 a.m. on the 20th through midnight on the 19th of each month. If the 19th falls during a weekend, then the cycle automatically closes the Friday before. If the 19th falls on a holiday, the cycle end date remains unchanged (i.e., for purposes of calculating "business days," holidays are considered business days).
Billing Cycle End	The billing cycle ends on the 19th of each month. Reconciliation and payment should occur during the 30 days immediately after the cycle end/statement date.
CH Lockout (15 Days After Cycle End)	If the CH does not reconcile and approve his/her CH account statement within a 15-calendar-day period following the close of the billing cycle, the CH is locked out of the file and the A/BO is required to step in and perform the CH reconciliation/approval role.
Statement/Invoice Lock at Certification	After the Certifying Officer certifies the invoice, the transaction file is locked and no further changes to the MA billing statement / invoice are permitted.
Required Certification Statements	In accordance with the DoD FMR, certification statements are hard-coded into the EAS.
EDI File Delivery	Upon statement certification, EDI obligation and invoice files automatically are sent to the ERP/financial system and/or DFAS.
Billing Cycle Past Due (31 Days After Cycle End)	If the card-issuing bank has not received payment within 30 days of the Cycle End Date, the account becomes past due and interest penalties begin accruing per the Prompt Payment Act.
Delinquency Date (61 Days After Cycle End)	If the card-issuing bank has not received payment within 60 days of the Cycle End Date, the account is designated delinquent per DoD policy. (For Pay and Confirm accounts, which have an additional measure for suspension, failure to approve CH statements and MA billing statements within 60 days of the Cycle End Date (30 days past due) will result in suspension of the MA and all CHs underneath that MA, regardless of past-due or delinquency status of the account.)
Automatic Suspension	Failure to certify in time for payment to be processed by DFAS and received by the card-issuing bank within 90 days of the Billing Cycle End Date (60 days past due) will result in the automatic suspension of all CH accounts under the

(91 Days After Cycle End)	MA until the bank is paid. A Component may not have more than 0.75 percent of its total payables at the bank more than 60 days past due.
Shutdown of Unit (210 Days After Cycle End)	At 180 days past due (i.e., 210 days after the billing cycle end date), all MAs and CH accounts associated with the Level 4 hierarchy will be suspended until all delinquencies associated with that Level 4 hierarchy are reduced to fewer than 180 days past due. The card-issuing bank will lift the suspension after payment has been made. Establishment of new MAs or CH accounts to circumvent non-payment to the bank is prohibited. Zero tolerance is maintained for any percentage of payables more than 180 days past due. Components are encouraged to implement more-stringent metrics as deemed appropriate.

11.2.5. IOD DM Case Management and Reporting Tool

Under SP3, DoD Components use Mastercard as the selected card association; and its subcontractor, Oversight Systems, IOD as the enterprise DM case management and reporting tool to document all DM cases, Monthly A/OPC reviews, and SAHARs. See Section 10.1, Oversight and Section 10.9, Mandatory Program Oversight Procedures, for additional details. Use of the IOD DM tool also may assist with Components' sourcing decisions, such as strategic sourcing / category management efforts.

11.3. OTHER SUPPORTING SYSTEMS/TOOLS

11.3.1. Commercial Platforms

Third-party payment policy (see Section 6.8, Third-Party Payments) does not apply to commercial platforms or brick-and-mortar vendors that either do not accept payment through, or block DoD use of, third-party payment processors. This means third-party payment policy is not applicable when CHs are purchasing through one of these platforms. In the commercial space, this currently includes those in GSA's Commercial Platforms Program (CPP)[39] and AmazonBusiness.com (separate and distinct from AmazonBusiness.com participating in GSA's CPP). In the event additional commercial platforms meet this criterion by not accepting payment through, or blocking DoD use of, third-party payment processors, the policy in Section 6.8, Third-Party Payments, would not apply to them either. However, as such commercial platforms could change their payment practices at any time, CPMs are responsible for issuing Component-level policy that:

a. Establishes and implements procedures for validating that GSA's CP program, AmazonBusiness.com, and any additional commercial platforms that meet the above criterion continue to either not accept payment through, or block DoD use of, third-party payment processors. This revalidation for each applicable commercial platform shall occur at least annually.[40]
b. Ensures that, following completion of each revalidation, GPC oversight personnel and CHs are notified in the event the applicable commercial platform changes its procedures and no longer disallows or blocks payment using third-party payment processors (i.e., the

[39] GSA's CP Program provides a managed channel for commercial-item micro-purchases through select commercial online platforms (a full list is available at GSA's Commercial Platforms webpage). To learn more, or for Components interested in participating, contact commercialplatforms@gsa.gov, and copy the DoD GPC Shared Mailbox at DoDPCPO@.sterlingheritage.com.

[40] As a courtesy, DPCAP conducts this required revalidation and alerts CPMs as to the results.

platform no longer meets the criterion for non-applicability of third-party payment policy).

c. Mandates that, upon notification that a commercial platform has either begun accepting payment through, or unblocked DoD's use of, third-party payment processors, CHs begin complying with DoD and Component third-party payment policy for the applicable platform.

11.3.1.1. Purchase Log Requirements for DoD Commercial Platforms

To enhance the validation of PLI against what was ordered and delivered, any Component hosting a system performing a mall-type function where DoD funds are expended shall require all vendors with contracts hosted on that system to provide Level 3 data (i.e., line-item detail) to the card-issuing bank. This data passes to the Department's DM capability.

11.3.2. War Data Platform

Data is a strategic asset for DoD to inform decision-making and improve performance, and the War Data Platform is the Department's enterprise-wide solution for data management and analytics.[41] The platform receives and archives GPC documentation and certain GPC oversight and internal control compliance files (see Section 7.1, Documentation). It also will ultimately be used to develop GPC dashboard and reporting use cases.

[41] See Deputy Secretary of Defense memorandum "Creating Data Advantage," dated May 5, 2021.

APPENDIX A: USING THE GPC IN SUPPORT OF ETOS

Because emergency acquisitions normally are executed on short notice, certain Emergency Acquisition Flexibilities (EAFs) are prescribed in FAR part 13, FAR part 18, DFARS part 218, and DFARS 213.301 to streamline the acquisition process. These authorities have been granted under various statutes, and close attention must be paid to ensure compliance. EAFs are specific techniques or procedures that may be used to streamline the standard acquisition process. They include generally available flexibilities, as well as flexibilities that are available only under prescribed circumstances. EAFs shall be used only for the duration of the operation by CHs who have been granted the appropriate JAM CH SDs.

EAFs established in FAR subpart 18.2 and DFARS subpart 218.2 can be used for the operations identified in 41 U.S.C. 1903, which include:

a. Contingency Operations;
b. Operations to facilitate the defense against or recovery from cyber, nuclear, biological, chemical, or radiological attack against the United States;
c. Operations in support of a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate the provision of international disaster assistance; and
d. Operations to support response to an emergency or major disaster.

As authorized in CD 2024-O0011, effective until September 30, 2028, unless otherwise rescinded, other operations for which acquisition flexibilities have been identified include:

e. Humanitarian or Peacekeeping Operations as defined in 10 U.S.C. 3015 and FAR 2.101 (the humanitarian or peacekeeping threshold is established in 41 U.S.C. 153); and
f. "Directed operations below the threshold of traditional armed conflict for the purposes of protecting the national security interests of the United States."

For the purposes of contingency contracting and GPC policy, the DoD GPC PMO has adopted use of the group term "Emergency-Type Operations" to collectively refer to the operations listed in (a) through (f) above.

Additionally, DFARS 213.301(3) authorizes Contracting Officers supporting contingency or humanitarian or peacekeeping operations to use the GPC to make a purchase that exceeds the MPT but does not exceed the SAT when the conditions stated therein are met.

Components must take affirmative steps to ensure EAFs are used solely for transactions that have a clear and direct relationship to the ETO, appropriate internal controls are established and maintained to support and track EAF use, and any determinations and approvals required to authorize their use have been followed. During GPC reconciliation, the CH must ensure all ETO purchases are clearly identified (with record of how they support the ETO), regardless of the funding used. CHs should follow local FM procedures when supplemental funding is used.

A.1. EMERGENCY ACQUISITION FLEXIBILITIES

The most common EAFs used by CHs are the increased MPTs authorized in FAR 2.101 and FAR 13.201(g)(1). The HCA must determine that the acquisition of the supply or service is to be used in support of the ETO before the authority can be used; DFARS 218.270 replaces the term "Head of the Agency" with the term "Head of the Contracting Activity" for purposes of FAR

subpart 18.2. See the DPCAP memorandum "Emergency Acquisition Flexibilities – Special Emergency Procurement Authority and Head of the Contracting Activity Delegating Authority," dated October 2, 2020, available on DPCAP's Purchase Cards – Documents and Guides webpage; the Defense Contingency Contracting Handbook; and CD 2024-O0011 for additional guidance and requirements relevant to these determinations.

See DFARS PGI 213.201 for the increased MPTs in support of ETOs. Prior to making any purchases using these increased MPTs, CHs must verify that the necessary determination has been made and ensure appropriate documentation is maintained.

In addition to these higher-MPT EAFs, a Contracting Officer supporting 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. 3015(2) and DFARS 213.301(3) also may use the GPC to make a purchase that exceeds the MPT but does not exceed the SAT, as long as the criteria at DFARS 213.301(3) are met. Simplified forms and procedures are authorized due to the urgency of the mission. FAR part 18 and DFARS part 218 describe additional acquisition flexibilities permitted.

A.2. Required Internal Controls for ETOs

Components should increase internal controls to mitigate risk under any new GPC authority related to ETOs. This section provides specific required internal controls that affect use of the GPC for ETOs.

a. In anticipation of ETOs, Components shall identify, train, and appoint individuals in JAM with the SD of Micro-Purchase ETO CH and/or Check Writer, or Warranted Overseas ETO CH, and associate this authority with a CH account in the card-issuing bank's EAS. A/OPCs should actively manage the card account SPL (e.g., set to $1 until needed) to reduce risk to the DoD. Monthly and single transaction limits should be raised accordingly only when ETOs are being supported. There shall be no blanket increase of these CH authorities.
b. Components must establish and communicate policies for the HCA to determine whether a transaction is in support of a particular ETO and therefore allowable under the related regulation. The determination should be included in the transaction documentation.
c. All open-market transactions (i.e., those not placed under existing contracts) that exceed the increased MPTs outlined in Section A.1, Emergency Acquisition Flexibilities, must be performed by a Contracting Officer. All ETOs conducted in accordance with DFARS 213.201(g) can be undertaken only by a Contracting Officer.
d. ETO follow-up reviews and the associated compliance review process must be conducted as described in Section A.2.1, ETO Follow-Up Reviews and Associated Compliance Review Process.

A.2.1. ETO Follow-Up Reviews and Associated Compliance Review Process

HCAs are to ensure issuance of, and compliance with, Component policy that:

a. Designates officials to conduct follow-up reviews of transactions made in support of ETOs priced above the MPT, excluding exceptions, as defined in FAR 2.101.
b. Ensures these reviews take place as soon as practicable but are completed no later than 60 days after the transaction posting date. When conducting reviews, officials must:

i. Evaluate and document (using a Component-generated checklist or other designated electronic tool) whether:
   A. The transaction, at a minimum, was consistent with DoD's policies in Section A.2, Required Internal Controls for ETOs, (a) through (c), and was otherwise reasonable and appropriate;
   B. The purchase log SD selected by the CH in the "Delegated Procurement Authority Used" field is accurate (i.e., the transaction supported an ETO and the CH selected the applicable "Micro-Purchase ETO CH and/or Check Writer" or the "Warranted Overseas ETO CH" SD)[42];
   C. The necessary TSD was retained; and
   D. Maximum practicable opportunity for small business participation was sought given the circumstances.[43]

ii. Ensure ETO follow-up review results are retained in the IOD Messages tab as part of a system or manually created IOD (DM) case. Note: IOD capabilities necessitate conducting the follow-up review and documenting compliance with requirements outside of IOD, using a Component-generated checklist or other designated electronic tool, and retaining these review results in the IOD Messages tab as part of the DM case adjudication process.

c. Ensures that, based on these reviews, designated officials are required to make recommendations to the HCA on changes to the policies identified above and any administrative or disciplinary actions required.

d. Specifies the full range of potential corrective actions (e.g., refresher training) for non-compliances by the CH (e.g., inaccurate purchase log entries, failure to retain complete TSD in Access Online, failure to seek maximum practicable opportunity for small business participation given the circumstances) and the ETO follow-up reviewer (i.e., failure to conduct a timely review, adhere to the other above ETO follow-up review conduct and documentation/retention requirements, and adhere to Component ETO follow-up review requirements). Requires cognizant GPC personnel to identify non-compliances and take, or inform proper authorities to take, appropriate corrective action(s).

To validate that Components' ETO follow-up reviews are conducted and effective, a compliance review process, depicted with applicable roles designated in Figure 5, ETO Compliance Review Process, is established and implemented requiring that:

e. During every SAHAR period, Components must determine if any ETO transaction(s) require a follow-up review. For each such transaction, Components must determine if:
   i. A follow-up review was completed,
   ii. Any non-compliances were identified,
   iii. The review was effective, and

[42] The purchase log drop-down picklist capability in Access Online is being deployed in phases. Phase 2 deployment (use of mandatory fields in Access Online Order Management, including a CH SD drop-down menu) completion is anticipated in FY 2025. Prior to adoption, Components must continue to use the Access Online purchase log ETO drop-down menu to identify if the transaction is in support of an ETO.
[43] The Disaster Response Registry provides a list of registered contractors, including small businesses.

iv. Appropriate corrective action(s) are planned or took place for each noncompliance.

A follow-up review is considered to be effective if it complied with all requirements in this Section A.2.1, ETO Follow-Up Reviews and Associated Compliance Review Process, items (a) and (b), and Component ETO follow-up review policy (i.e., a "yes" response to the (e)(i) determination and a "no" response to the (e)(ii) determination).

Note: Components can use Access Online's Flex Data reporting (see GPC One-Pager 3OP046, "Running Flex Data Reports during Compliance Review Process for ETO Follow-up Reviews," available on DPCAP's Purchase Cards – Training webpage) to assist in making these determinations. This document identifies procedures that Components can follow to run the report to identify transactions CHs indicated were in support of an ETO, and for those requiring ETO reviews, to determine and document review compliance/noncompliance, review effectiveness, and whether appropriate corrective actions have been/will be taken. Otherwise, Component policy must specify how these determinations will be made and documented.

f. CPMs shall select and apply the relevant ETO follow-up review attestation on each Component-level SAHAR submission, relying on the determinations in (e) above. CPMs shall select from the attestations in Table 13, Component ETO Follow-up Review SAHAR Attestations. The attestation may be included directly in the SAHAR Notes field or by indicating in the Notes field which attestation has been recorded on a MFR attached to the IOD Messages tab (see Section 10.9.3, SAHARs).

g. The IST GPC Governance Board annually will review Component ETO follow-up review compliance data. Additionally, select CPMs will brief attendees on their recommendations for changes to ETO follow-up review policy, and any administrative or disciplinary actions planned/taken.

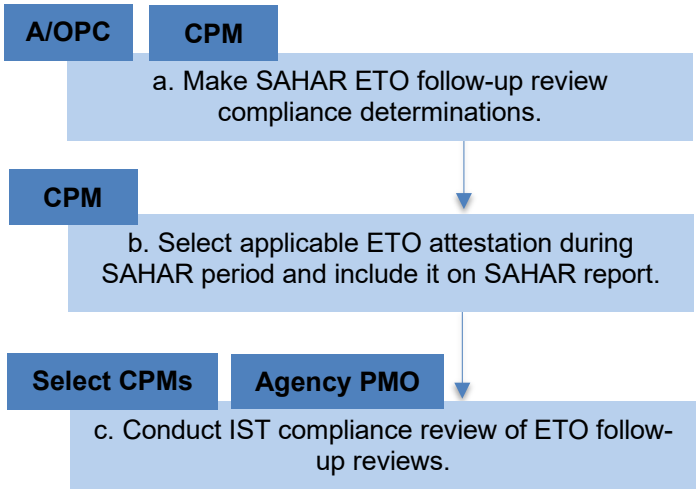
Table 13. Component ETO Follow-up Review SAHAR Attestations

Attestation Summary	Attestation
Attestation 1: *No ETO follow-up reviews required this period.*	For the period covered by this report, I attest that [*Fill in Component name*] made no Governmentwide Commercial Purchase Card purchases in support of an Emergency-Type Operation (ETO) priced above the micro-purchase threshold, excluding exceptions, as defined in FAR 2.101, and therefore was not required to conduct any ETO follow-up reviews.
Attestation 2: *All ETO follow-up review(s) required this period were completed and complied with policy (i.e., all reviews were completed and were effective).*	For the period covered by this report, I attest that (a) [*Fill in Component name*] made [*Fill in number*] Governmentwide Commercial Purchase Card Emergency-Type Operation (ETO) purchases priced above the micro-purchase threshold, excluding exceptions, as defined in FAR 2.101 requiring follow-up reviews, (b) completed a follow-up review for each, and (c) identified no non-compliances.
Attestation 3: *All ETO follow-up review(s) required this period either were not completed and/or did not fully comply with policy (i.e., reviews were either not completed and/or*	For the period covered by this report, I attest that (a) [*Fill in Component name*] made [*Fill in number*] Governmentwide Commercial Purchase Card Emergency-Type Operation (ETO) purchases priced above the micro-purchase threshold, excluding

Attestation Summary	Attestation
not effective); all non-compliances being/to be tracked to closure.	exceptions, as defined in FAR 2.101 requiring ETO follow-up reviews, (b) [*Insert number*] of these required reviews either were not completed or were completed but other non-compliances were identified, and (c) all non-compliances will be or have been tracked to closure.

Figure 5, ETO Compliance Review Process, summarizes the roles and responsibilities in this process.

Figure 5. ETO Compliance Review Process



A.2.2. Additional ETO Acquisition Considerations

a. **Competition:** In accordance with FAR 13.104, competitive procedures should be used to the maximum extent practicable.
b. **Compliance with Section 307 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act:** Section 307 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93-288) establishes a preference, to the extent feasible and practicable, for contracting with local organizations, firms, or individuals for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities. In accordance with FAR 26.205, Contracting Officers shall utilize the Disaster Response Registry to determine the availability of contractors for disaster or emergency relief activities inside the United States and outlying areas. Contracting activities are expected to make every attempt, where practicable, to establish such preferences. See FAR 26.2, which implements the Stafford Act, for additional information on disaster or emergency assistance activities.
c. **Price Reasonableness:** CHs and Ordering Officials are responsible for ensuring that prices are reasonable. The common-sense determinations may take into consideration the extraordinary nature of the circumstances. Also see Section 6.4, Price Reasonableness and Vendor Responsibility.
d. **Purchasing on Behalf of Another Component:** If making a purchase on behalf of another Component, the Component making the purchase will ensure the requesting Component has the authority to make the purchase and fully document the GPC

transaction, including the date and time of the request, the name and contact information of the requesting official, and the funding authorization. See Section 5.1, Establishing a GPC Program, for information about Components that receive services from a servicing agency.

A.3. PERSONNEL RESPONSIBILITIES FOR ETOS

In addition to the responsibilities listed in Chapter 3, Organizations and Roles, the responsibilities for GPC officials supporting ETOs include the following.

A.3.1. ETOs: HCA Responsibilities

a. HCAs have the delegated authority to authorize most EAFs. Item (k) in Section A.6, ETO Questions and Answers, provides additional information. No notification from the DoD GPC PMO is necessary for HCAs to implement these flexibilities.[44]
b. To meet the requirements of the FAR 2.101 micro-purchase definition, ensure Component guidance directs CHs to retain "ETO determinations to use elevated acquisition thresholds" as part of their EA (see Section 7.3.1, EA Requirements).
c. Ensure compliance with the required ETO internal controls addressed in Section A.2, Required Internal Controls for ETOs.
d. Ensure Component guidance requires supplemental oversight for all accounts with elevated spending limits, including specifying CPM and OA/OPC specific responsibilities.

A.3.2. ETOs: A/OPC Responsibilities

a. Distribute policy and guidance regarding use of the GPC for each ETO to all GPC officials under the A/OPC's purview.
b. Manage delegations of procurement authority for designated Micro-Purchase ETO CHs and/or Check Writers in accordance with the provisions of Section 4.2, System Use and Appointment Requirements.
c. Ensure account limits are raised only when ETOs are being supported. There shall be no blanket increase of these CH authorities. Note: this may require adjustment of both CH account and MA limits. Velocity limits also may need to be adjusted.
d. Ensure the A/BO has coordinated GPC account fund availability for ETOs with the RM.
e. Work with RMs as required to add alternate LOAs earmarked for each ETO as appropriate managing and CH accounts.
f. Comply with DoD PLI policy to ensure the identification and capture of all ETO GPC purchases (transactions and dollars), regardless of whether the cost is reimbursable.
g. Ensure conduct of "ETO Follow-Up Reviews and associated Compliance Reviews" in accordance with Section A.2.1, ETO Follow-Up Reviews and Associated Compliance Review Process, and implement any other appropriate supplemental oversight for accounts with elevated spending limits.
h. Coordinate with the CPM and card-issuing bank as required to ensure CHs can quickly fulfill ETO mission requirements (e.g., contact the bank Customer Relationship Manager to facilitate expedient bulk account changes; seek management approval for required policy deviations).

[44] See DFARS 218.2 for EAFs. While FAR 18.2 grants EAF-related determination authorities to the "Head of the Agency," DFARS 218.270 further delegates this and other authorities to HCAs.

A.3.3. ETOs: RM Responsibilities

a. Develop unique LOAs (alternate or default) as required, to be used only when GPC purchases are made in support of each ETO. Make appropriate modifications when detailed budgetary guidance is provided by OUSD(C). Establish separate alternate and default LOAs for purchases made using the GPC that constitute reimbursable support funded by and/or provided to other Federal agencies (e.g., the Federal Emergency Management Agency).
b. Assist in the identification and tracking of all GPC dollars associated with transactions spent in support of each ETO.
c. Notify the A/OPC of fund availability.

A.3.4. ETOs: A/BO or Certifying Officer Responsibilities

a. Ensure proper documentation is recorded and maintained for GPC transactions in support of each ETO.
b. Ensure CH compliance with all governing statute and regulatory guidance regarding use of the GPC for ETOs.
c. Ensure CHs properly identify and record purchases made using the GPC in support of each ETO.
d. Coordinate GPC account fund availability with RMs. Ensure CHs use the correct LOA, as required, for purchases made in support of each ETO.
e. Ensure convenience checks written in support of each ETO do not exceed either the MPT authorized for convenience checks or the CH's authorized SPL and other account spending limits. Verify that the vendor was unable to accept the GPC.
f. Ensure all open-market transactions (i.e., those not placed under existing contracts) that exceed the increased MPTs outlined in Section A.1, Emergency Acquisition Flexibilities, are performed by a Contracting Officer (e.g., Warranted Overseas ETO CH). All ETO transactions conducted in accordance with FAR 13.201(g) can be undertaken only by a Contracting Officer.

A.3.5. ETOs: CH Responsibilities

a. When obtaining appropriate requirements documentation to support purchases, pay particular attention to guidance on self-generated purchases.
b. Comply with DoD PLI policy to ensure the identification and capture of all ETO GPC purchases (transactions and dollars), regardless of whether the cost is reimbursable. Follow Component policy for identifying ETOs.
c. Include details on how each transaction will specifically support the ETO with the PLI. (See Section 7.2, Purchase Log Information, for more information.)
d. When coordinating with the RM and following Component accounting procedures, pay particular attention to the regulatory information on ETO accounting provided at FAR 13.301 and TFM 4-4500.
e. Either initially or by reallocation, ensure each GPC transaction is charged to the ETO LOA specifically established for that ETO, if applicable.
f. Ensure convenience checks remain a purchase instrument of last resort (i.e., confirm that the supplier does not accept the GPC or a formal contract). For information about the MPT applicable to ETO convenience checks (i.e., one-half the applicable open-market MPT), see 41 U.S.C. 1902.

g. Do not make any open-market transactions (i.e., those not placed under existing contracts) that exceed the authorized MPT unless granted the appropriate authority (e.g., Warranted Overseas ETO CH SD, or SF 1402 issued outside of JAM that may be used in concert with the Contract Payment Official CH SD).

A.3.6. ETOs: Separation of Duties

The DoD Deputy Chief Financial Officer (CFO) has determined that separation of duties as described in Section 10.2.4, Separation of Duties, may be waived because it is not always practical or possible during ETOs. In executing any separation-of-duties deviation, Commanders/HAs should be aware of the increased risk of errors, theft, and other violations, including fraud, that may result from the merging of functions. Because this may compromise internal controls, every effort should be made to implement compensating controls to mitigate these risks, such as post-payment reviews, rotation of duties, and management review of financial data and reports.[45]

A.4. ETO-Specific Training

It is strongly recommended that CHs who are not in the contracting career field and will be making ETO purchases over an extended period complete DAU's "Joint Contingency Contracting" course (currently CON 8300V) and "Contingency Contracting Officer Refresher" course (currently CLC 114).

A.5. Laws and Requirements for ETOs

In circumstances where EAFs are authorized, statutory flexibilities for purchases made with the GPC may be implemented. However, there are certain laws and regulations with which the contractor must comply, even in the case of GPC purchases for ETOs. Tables 14 through 17 list these requirements.

Table 14. Laws and Requirements Applicable to ETO Purchases

Statute	Requirement	For More Information See:	Applicability
31 U.S.C. 1352	Anti-lobbying. Do not use appropriated funds to lobby for award of Federal contracts.	FAR 3.8	FAR 3.808, FAR 52.203-11, and FAR 52.203-12.
18 U.S.C. 431	Officials not to benefit		
41 U.S.C. 51–58	Anti-Kickback Act of 1986. Requires the incorporation of contractor procedures for the prevention and detection of violations, and the contract requirement for contractor cooperation in investigations are not applicable.	FAR 3.502	FAR 3.502 and FAR 52.203-7. Applicable above $150K.
41 U.S.C. 265 and 10 U.S.C. 2409	Whistle-blower protection	FAR 3.9	FAR 3.908-9 and FAR 52.203-17. Applicable above the SAT.

[45] See the OUSD(C) memorandum "Appointment of Certifying Officers in Overseas Contingency Operations for Micro-purchases," dated June 23, 2010.

Statute	Requirement	For More Information See:	Applicability
49 U.S.C. 40118	Fly American	FAR 47.4	FAR 47.405 and FAR 52.247-63. Applicable when shipping via air freight is contemplated.
41 U.S.C. 423	Procurement Integrity	FAR 3.104	FAR 3.104, FAR 52.203-8, and FAR 52.203-10. Applicable above the SAT.
Code of Federal Regulations (CFR) Title 31, Chapter V	The contractor shall not provide products from Cuba, Iran, Libya, Sudan, or North Korea, or any entity or individual listed by the Office of Foreign Assets Control as Specially Designated Nationals or Blocked Persons.	FAR 25.7	Always applicable, except in direct support of U.S. or allied forces deployed in military contingency or humanitarian or peacekeeping operations per DFARS 225.701-70.
10 U.S.C. 2631	Applies to ocean transportation of cargo owned, or destined for use, by DoD.	FAR part 47 and DFARS 247.5	Applicable when shipping via ocean freight is contemplated.
41 U.S.C. 351 et seq.	The contractor agrees to comply with the Service Contract Labor Standards, 41 U.S.C. Chapter 67. If this is a service contract, each service employee shall be paid not less than the minimum monetary wages and shall be furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor or authorized representative, as specified in any wage determination attached to the contract.	FAR 22.1006	FAR 22.1003-1. FAR 22.10 applies to all Government contracts of which the principal purpose is to furnish services in the United States through the use of service employees, except as exempted in FAR 22.1003-3 and FAR 22.1003-4.
41 U.S.C. 1903	Special Emergency Procurement Authority		Applicable (1) in support of a contingency operation (as defined in section 101(a) of title 10); (2) to facilitate the defense against or recovery from cyber, nuclear, biological, chemical, or radiological attack against the United States; (3) in support of a request from the Secretary of State or the Administrator of the United States Agency for International

Statute	Requirement	For More Information See:	Applicability
			Development to facilitate the provision of international disaster assistance pursuant to chapter 9 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2292 et seq.); or (4) in support of an emergency or major disaster (as those terms are defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)).

Table 15. Laws and Requirements Applicable to Purchases Greater Than the MPT

Statute or Executive Order (EO)	Requirement	For More Information See:	Applicability
EO 11246	The contractor represents that the contractor complies with Equal Employment Opportunity and does not maintain or provide segregated facilities for its employees. There may be limited exemptions and waivers from some of the requirements under the authorizations issued related to particular ETOs.	FAR 22.8	FAR 22.807(b)(2), work outside the United States. Contracts are exempt from the requirements of EO 11246 for work performed outside the United States by employees who were not recruited within the United States.
29 U.S.C. 793	The contractor agrees to comply with Affirmative Action for Workers with Disabilities. There may be limited exemptions and waivers from some of the requirements under the authorizations issued related to particular ETOs.	FAR 22.14	FAR 22.1408(a). Insert the clause at 52.222-36, Equal Opportunity for Workers with Disabilities, in solicitations and contracts that exceed or are expected to exceed $15,000, except when … (1) Both the performance of the work and the recruitment of workers will occur outside the United States, Puerto Rico, the Northern Mariana Islands, American

			Samoa, Guam, the U.S. Virgin Islands, and ”Wake Island…."
42 U.S.C. 6962	Use of recovered material. If the contract is for an EPA-designated product, the contractor certifies that the percentage of recovered materials used in the performance of the contract will be at least the amount required by the applicable contract specifications.	FAR 11.3	FAR 11.302. Insert the clause at 52.211-5, Material Requirements, in solicitations and contracts for supplies that are not commercial items.

Table 16. Laws and Requirements Applicable to Purchases Greater Than $100,000

Statute	Requirement	For More Information See:	Applicability
31 U.S.C. 1352	The offeror certifies that no Federal appropriated funds have been paid to any person to influence or attempt to influence an officer or employee of any Component, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, on his or her behalf in connection with the award of this contract. Disclosure using SF LLL, “Disclosure of Lobbying Activities,” is required if the contractor makes payments with NAF that would be prohibited if paid with appropriated funds.	FAR 3.8	FAR 3.804. The Contracting Officer shall obtain certifications and disclosures as required by the provision at 52.203-11 prior to the award of any contract exceeding $150,000.
38 U.S.C. 4212	Application of labor laws. The contractor agrees to comply with Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans. There may be limited exemptions and waivers from some of the requirements under the authorizations issued related to particular ETOs.	FAR 22.13	Applicable to $150K, but not applicable to work outside the United States.
40 U.S.C. 3701 et seq.	Contract Work Hours and Safety Standards Act	FAR 22.3	$150K per FAR 22.305. Insert the clause at 52.222-4 in solicitations and contracts (including, for this purpose, BOAs) when the contract may require or involve the employment of laborers or mechanics. However, do not include the clause in solicitations and contracts “(a) Valued at or below $150,000; (b)

			For commercial items."

Table 17. Laws and Requirements Applicable to Purchases of $174,000 or More

Statute or EO	Requirement	For more information, see:	Applicability
19 U.S.C. 2501 et seq.	World Trade Organization, Agreement on Government Procurement. If buying items listed at DFARS 225.401-70, obtain oral certification that the supplies are U.S. made, or the products of a designated or qualifying country, unless domestic end products are not available.	FAR 25.4, DFARS 225.4, and DFARS 252.225-7020	Applicable at $174,000 per DFARS 225.1101(5) and (6)

The DoD Deputy CFO has determined that separation of duties as described in Section 10.2.4, Separation of Duties, are not always practical or possible in cases involving contingency operation micro-purchases. Accordingly, to balance mission accomplishment with acceptable risk, some deviation from the normal separation of functions—contracting, receiving, voucher certification, and disbursing—may be necessary; however, deviations should be authorized only when necessary. In executing any separation-of-duties deviation, Commanders/HAs should be aware of the increased risk of errors, theft, and other violations, including fraud, that may result from the merging of functions. Because this may compromise internal controls, every effort should be made to implement compensating controls to mitigate these risks, such as post-payment reviews, rotation of duties, and management review of financial data and reports.[46]

A.6. ETO Questions and Answers

The following questions and answers relate to using the GPC to support ETOs.

a. **Who can be granted an increased GPC limit, and how can it be implemented?** After careful consideration of a Supervisor's request to increase a CH's GPC limit using EAF, the A/OPC must ensure the CH has the JAM ETO CH SD and increase the CH's SPL accordingly; this increase may not exceed the applicable MPT. When authorized in Component policy, A/OPCs may approve and implement Supervisor written requests for an increased GPC limit of at or below the authorized SAT to support these operations for CHs who are also Warranted Contracting Officers. The JAM Warranted Overseas ETO CH SD is required for this use.
b. **How much can a CH spend on ETOs?** A CH can spend up to his/her delegated amount on a single purchase. As always, the bank will not approve any transaction with a dollar value that exceeds the SPL on the individual CH's account or aggregate transactions that exceed the CH's 30-day limit or billing office limit.
c. **Must the CH be a Warranted Contracting Officer to spend over the MPT and at or below the authorized SAT?** Yes, only CHs who are Warranted Contracting Officers, are supporting ETOs, and receive the Micro-Purchase ETO CH and/or Check Writer SD are authorized to have their GPC limit raised to the authorized SAT.

[46] See the OUSD(C) memorandum "Appointment of Certifying Officers in Overseas Contingency Operations for Micro-purchases," dated June 23, 2010.

d. **Are special funds to be used?** They may be. A related law may provide funds to support particular ETOs. However, you must communicate with your RM / budget office to ensure funds are available for your GPC and the necessary alternate LOAs are established in the card-issuing bank's EAS so that GPC transactions attributable to a particular ETO can be reallocated (instead of default line) to the appropriate special funding. If transactions occur prior to availability of special funding, CHs must work with their RM / budget office to properly identify those transactions so they can be reclassified to ensure all costs associated with each ETO are appropriately captured.
e. **Should I keep track of what I buy?** Yes, this is very important. The requirement to use mandatory electronic systems is not waived for ETO purchase; however, circumstances may cause a delay. When necessary, the CH should maintain thorough logs and records offline for each individual purchase made in support of ETOs and enter them into the system once circumstances allow. CH identification that a purchase was made in support of an ETO is critical for compliance with Section A.2.1, ETO Follow-Up Reviews and Associated Compliance Review Process. Component policy also may require additional purchase log entries for certain ETOs.
f. **Are there additional laws and regulations to comply with?** Yes, tables A-2, Laws and Requirements Applicable to ETO Purchases, A-3, Laws and Requirements Applicable to Purchases Greater Than the MPT, A-4, Laws and Requirements Applicable to Purchase Greater Than $100,000, and A-5, Laws and Requirements Applicable to Purchases of $174,000 or More list the laws and requirements for compliance. See the *Defense Contingency Contracting Handbook* for further information.
g. **Are there additional items I need to include in my EA?** All CHs supporting ETOs must include, with their EA, the HCA determination that the supplies or services are to be used in support of the ETO as defined by Component policy. Additionally, Contracting Officers using the GPC up to the SAT must include a note in the file explaining that the urgency of need for the item or service required GPC use (versus other, more time-consuming contracting methods) and that the purchase had a clear and direct relationship to the ETO. Prices always must be reasonable.
h. **Are there any special requirements for CHs making ETO purchases at or below the MPT, exclusive of** FAR 2.101**-defined exceptions?** Regular operating rules apply to purchases at or below the MPT, exclusive of exceptions. However, during GPC reconciliation, the CH must ensure that all ETO purchases are clearly identified (with record of how they support the ETO), regardless of the funding used. CHs should follow local FM procedures when supplemental funding is used.
i. **Is there a preference for small businesses and local firms?** Preference will be given to local organizations, firms, and individuals when contracting for major disaster or emergency assistance activities where the President has made a declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act as implemented in FAR 26.2. Preference may take the form of local area set-asides or an evaluation preference for activities such as debris removal, distribution of supplies, reconstruction services, etc. (See FAR 6.208 and FAR 26.2.) Although there is no absolute requirement to purchase from small businesses, when supporting ETOs, Contracting Officers must, to the extent practicable, encourage maximum participation by small business concerns. (See FAR 19.2.)
j. **Is there a new dollar limitation for convenience checks?** When the HCA determines that EAF is authorized in accordance with FAR 18.2 and the purchase is in direct support

of the acquisition, the authorized convenience check threshold is limited to one-half the authorized MPT. (See 41 U.S.C. 1902 and the MPT definition at FAR 2.101.) Check Writers supporting ETOs should be granted the Micro-Purchase ETO Check Writer SD and their SPL increased accordingly. When authorized in Component policy, A/OPCs may approve and implement Supervisor written requests for increased GPC limits of at or below the authorized SAT to support these operations for CHs who are also Warranted Contracting Officers.

k. **Who authorizes the use of EAF?** Once either (1) the President of the United States issues an emergency or major disaster declaration or (2) certain requirements have been met in accordance with FAR 13.201(g)(1) and (2) and DFARS PGI 213.201(g), no additional authorization or announcement is required for HCAs to apply their delegated authority to authorize use of EAF. HCAs should refer to the DPCAP memorandum "Emergency Acquisition Flexibilities – Special Emergency Procurement Authority and Head of the Contracting Activity Delegated Authority," available on DPCAP's Purchase Cards – Documents and Guides webpage for more information. In order for the EAFs outlined in FAR part 18 and DFARS part 218 to apply, the ETOs require either (1) formal designation or declaration or (2) certain requirements to have been met.

l. **Are there other DoD-mandated ETO micro-purchasing tools?** The 3in1 Tool (see the Joint Contingency and Expeditionary Services 3in1 webpage) is a Web-based application mandated for use with the SF 44 where the GPC is appropriate but not feasible. Information and policy about the 3in1 Tool is available at DFARS 218.271 and DFARS PGI 218.271.

APPENDIX B: SHIPMENTS OUTSIDE THE CONTINENTAL UNITED STATES

When using a GPC to purchase items with delivery to a destination outside the United States,[47] two methods of transportation generally are available: commercial door to door and the DTS. Where feasible, direct (door-to-door) commercial shipment from the vendor to the customer in-country is always preferable, because it reduces Frustrated Freight. A supplier shipment that becomes "frustrated" is, at a minimum, delayed along the transportation chain and will not move until all problems are resolved. Many times, the shipment never reaches the intended recipient. See the "Purchase Log Requirements and Standard Operating Procedures" spreadsheet, available on DPCAP's Purchase Cards – Documents and Guides webpage, for specific direction related to entry of data to help reduce the occurrence of frustrated freight.

When the CH receives a requirement for a GPC purchase that specifies overseas delivery, he/she must determine whether supplier-arranged commercial transportation will be used to ship the item to the final destination. The supplier usually will be able to tell the CH whether they can commercially ship the item to the destination outside the United States. If commercial transportation will be used, the CH will execute the purchase to final destination.

Although most overseas shipments are delivered by supplier-arranged commercial carriers, an increasing number of overseas GPC shipments, especially when being processed to ETO environments, must move through military aerial ports, ocean terminals, or container consolidation points (these are components of DTS) for onward movement. If commercial shipping is not used, a purchaser must coordinate with his/her transportation service support office (e.g., Installation Transportation Office (ITO), Transportation Management Office (TMO), or Supply Support Activity (SSA)) before ordering the item, to ensure the item is properly entered into the DTS and the supplier receives all necessary data to complete the Military Shipping Label (MSL).

Shipments entering the DTS require additional funding and shipping, marking, and packaging instructions. For example, prior to shipment of hazardous material, the shipper is required to certify shipment to the final destination by attaching a certification on the package in accordance with the International Air Transport Association or International Maritime Dangerous Goods code, etc. As another example, the final in-country address must be included on all DTS shipments. Using only the stateside DTS military transit port or intermediate point without including the final-destination DoDAAC in-country will cause a shipment to become frustrated. The Component ordering the item with a GPC is responsible for ensuring the shipper (i.e., vendor) is provided the completed MSL to place on the cargo before it arrives at a DoD facility for movement in DTS.

Components will ensure that GPC training provided by A/OPCs at the base/installation level includes the importance of providing correct shipping information and transportation requirements to suppliers when items are to be shipped utilizing DTS.

[47] FAR 2.101 defines the term "United States." For purposes of DTS, the Defense Transportation Regulation defines "Continental United States (CONUS)" as "United States territory, including the adjacent territorial waters, located within North America between Canada and Mexico"; and "OCONUS" as "Outside the continental limits of the United States."

B.1. Shipping Information for Destinations Outside the United States

Table 18, GPC Shipping Information for Destinations Outside the United States, is a worksheet for the CH to complete prior to visiting the supporting transportation office. Although not all information requested on the worksheet may be applicable to the purchase, having the required information will facilitate the movement process and ensure that the item reaches its intended destination.

Table 18. GPC Shipping Information for Destinations Outside the United States

GPC CH Information	
Name	
Unit	
Building Number	
Base, Country, ZIP Code	
Defense Switched Network (DSN) Phone	
Commercial Phone	
DSN Fax	
Commercial Fax	
E-Mail Address	
Transportation Delivery Information	
In-the-Clear Delivery Address*	
DoDAAC*	
Nomenclature	
Stock Number(s) or Part Number(s) (if assigned)	
Special Handling Characteristics	
Estimated Number of Pieces	
Estimated Weight	
Estimated Dimensions (if any are over 6 feet)	
Required Delivery Date	
Transportation Accounting Code (TAC)*	
Transportation Control Number (TCN) or Document Number*	
Project Code (if known)	
Supplier Information	
Supplier's Name	
Supplier's Street and Building Address	
Supplier's City, State, and ZIP Code	
Supplier's Phone Number	

Supplier's Fax Number	
Supplier's E-Mail Address (if known)	

* Indicates a mandatory field. Failure to include these fields may result in the end user not receiving the product or service.

B.2. TRANSPORTATION INFORMATION (BAR-CODE-READABLE MSL)

For a shipment to be accepted into DTS, the supplier will be required to prepare and apply an MSL. The CH is responsible for:

a. Providing the needed information to the supplier,
b. Ensuring official files are documented with this information, and
c. Using this information to support possible disputed payments.

A barcode-readable label is preferred, but some suppliers may not have that capability—in which case a manual label should be prepared. Figure 6, Sample MSL with Bar Codes, is an example showing the data elements that must be completed. The commercial supplier will not know many of these, so the CH will have to seek assistance from the supporting transportation office. (The CH also should consult with the supplier and the supporting ITO/TMO/SSA to determine if there are any special handling requirements for the item being purchased.) Each element of the label is described following the figure.

Figure 6. Sample MSL with Bar Codes



This 2D symbol contains data for the MSL, TCMD, and 10 supply line items.

B.2.1. MSL Label Required Data

DD Form 1387, "Military Shipment Label," requires the following data.

a. **TCN:** Identifies the shipment within the DTS and is the most important data element. Without it, the DTS cannot recognize the shipment. The TCN is a 17-character alphanumeric with a distinct structure. For supplier shipments, the CH will need to work with the ITO/TMO/SSA to create a unique TCN(s) for the purchase shipment.
b. **From:** This is the return shipping address of the supplier, suitable for return mail or return of the shipment if it cannot be delivered. This information is provided by the supplier.
c. **TAC/Type Service/Postage:** If the CH is using the DTS to move the shipment overseas, this data element is required to pay the transportation costs. This is a four-digit alphanumeric code that indicates the account to be charged for the DTS transportation (airlift or sealift). The ITO/TMO/SSA will help identify the TAC to be used.

d. **Piece _ of _:** The shipment may have multiple boxes. The label will state "1 of 3," "2 of 3," etc., so the DTS will know when the shipment is complete. This information is provided by the supplier.
e. **Weight:** This is the weight of the package to which the label is affixed. This information is provided by the supplier.
f. **Date Shipped:** This may be left blank or provided by the supplier.
g. **Required Delivery Date (RDD):** This is the date (using the standard, 365-day calendar) on which the user needs the item.
h. **Cube:** This is the actual size (volume) of the package. It is calculated using the length, width, and height or girth of the package. This information is provided by the supplier.
i. **Project:** Project codes are used to identify special programs and for tracking associated costs. The CH's organization or the TMO/ITO will determine whether a project code applies to the requirement.
j. **Ship-to Point of Embarkation (POE) / In-the-Clear Address:** This is the address of the point where the item will enter the DTS—or aerial port—from which cargo will depart. The ITO/TMO/SSA will provide the applicable POE information and codes to be used to initiate the shipment in the DTS. The code for the POE (Dover) and its physical address where the shipment should be delivered for processing are entered here.
k. **Priority:** Transportation priority (TP) determines whether routine or expedited transportation service is authorized and is defined by several factors. TP is reflected in the choice of mode—air or surface.
l. **Port of Debarkation (POD):** This is the water or aerial node outside the United States at which cargo will be discharged. It may or may not coincide with the destination. Onward movement from the POD to the consignee may be required, making address and delivery information critical.
m. **FMS Case:** The shipment should not be associated with an FMS case. Leave this blank.
n. **DLA Data:** Because this is a supplier purchase, this block will not apply and should be left blank.
o. **Ultimate Consignee:** This is the organization to receive the shipment. It is identified by a DoDAAC (the large bold print with barcode to the left) and a clear text name and shipping address. DoDAACs can be found in DLA's DoD Activity Address Directory webpage. There are hundreds of thousands of DoDAACs, and they frequently change for units on the move or deployed during an ETO.

B.2.2. Advanced Transportation Control Movement Document Required Data

DTS needs to know that the shipment is coming. The Advanced Transportation Control Movement Document (ATCMD) is the method of transmitting this information. The ATCMD is an electronic record that is passed to the aerial port or seaport by the ITO/TMO/SSA so the shipment can be processed without delay During the process of creating the label, the information from the CH, the ITO/TMO/SSA, and the supplier combine to create the ATCMD—no further information is needed. The supporting transportation service office will complete the ATCMD and transmit it accordingly.

Individual shipments are to arrive at their Consolidation and Containerization Point (CCP) accompanied by the ATCMD information and within a waterproof envelope on the Number 1 box of each Shipment Unit. (See Defense Transportation Regulation (DTR) Chapter 203, Paragraph C.4a(1).)

Prior to sending an air-eligible cargo shipment to the CCP for consolidation and shipping to a location outside the United States, the shipment shall be air-cleared through the sponsoring organization's Air Clearance Service. (See DTR Chapter 203, Paragraph 13.c for more information.)

The list below describes the elements of the ATCMD.

a. **Mode:** The various modes used for movement are inland surface transportation, sea transport, and air transportation. Mode selection is driven by the RDD and the transportation priority. The ITO/TMO/SSA, in coordination with the CH, will select the mode.
b. **National Stock Number (NSN):** The NSN uniquely identifies thousands of items bought and used by DoD. GPC purchases from suppliers most likely will not have a NSN. However, for GPC purchases, the part number and/or nomenclature can be annotated instead. The ITO/TMO/SSA will assist the CH in determining what to use, based on information from the supplier.
c. **Commodity Codes:** These codes are used in military transportation circles to identify contents of shipments by category. There are numerous codes, depending on the mode, method, and whether the shipment is hazardous or requires special handling, etc. The ITO/TMO/SSA will assist the CH in determining which codes apply to the purchase.
d. **Special Handling Requirements:** The CH should consult with the ITO/TMO/SSA to identify any special handling requirements, including any foreign country entry requirements. If the item is hazardous material, the CH must ensure the supplier is instructed to include material safety data sheets (MSDS) documentation with the shipment.
e. **Dimensions:** Dimensions are required to be identified only if any one dimension is more than 60 inches.

B.3. TRANSPORTATION INFORMATION (MANUAL MSL)

The data elements listed below are required to create a manual MSL and ATCMD documentation. Obtaining all this information requires close coordination between the CH, supplier, and supporting transportation office. This is the means of successfully integrating the GPC shipment with the DTS. The CH should consult with the supplier and the supporting ITO/TMO/SSA to determine whether there are any special handling requirements.

Except as otherwise indicated, the elements below are the same as those described above as required data for bar-code-readable MSLs.

a. Block 1, TCN
b. Block 2, Postage Data/TAC
c. Block 3, From
d. Block 4, Type Service: For shipments entering DTS, leave blank.
e. Block 5, Ship-to Address / POE
f. Block 6, TP
g. Block 7, POD
h. Block 8, Project Code
i. Block 9, Consignee
j. Block 10, Weight: The supplier will provide this information. Weight (whole pounds) and volume (whole cubic feet) of the shipment are important for load-planning purposes.

k. Block 11, RDD Cargo
l. Block 12, Cube
m. Block 13, Charges: Not applicable.
n. Block 14, Date Shipped: The supplier will provide this information.
o. Block 15, FMS Case Number: The shipment should not be associated with an FMS case. Leave this blank.
p. Block 16, Pieces: The supplier will provide this information. A single shipment (TCN) can have multiple pieces. The piece number field on the labels for each should show "1 of 3," "2 of 3," etc.
q. Block 17, Total Pieces: See above. The piece number field on the labels for each should show "1 of 3," "2 of 3," etc.

B.3.1. Manual ATCMD Required Data

Except as otherwise indicated, the ATCMD required data (i.e., mode, NSN, commodity codes, special handling requirements, and dimensions) for manual labels are the same as those described above for barcode-readable MSLs.

B.4. Questions and Answers on Shipments Outside the United States

a. **Who pays for DTS shipments?** The supplier will charge the CH's GPC account for moving the shipment to the first DTS interface point, but a separate source of funds is required to move it beyond that point to the final destination. The CH must have a funding source for the overseas movement of the shipment. This is accomplished through use of a funded TAC.
b. **Will the shipment go by air?** The DTS moves only highest-priority shipments via air. This is due to the higher cost and limited availability of air, especially in ETO theaters. "Wanting it fast" does not mean it is authorized to go by air. The organization's priority determines whether the shipment will go by air or surface.
c. **Where should the supplier ship the purchase?** The ITO/TMO/SSA will tell the CH where the supplier should send the purchase for entry into the DTS. This may be to a consolidation point, where many shipments are combined into ocean containers or airlift pallets, or directly to an Air Mobility U.S. Transportation Command designated aerial port. The ITO/TMO/SSA will determine the proper entry point for the supplier shipment, based on DTS service to the destination.
d. **When is advanced notification required for a shipment to enter the DTS?** Advance notification is required when the shipment is coming from the supplier into an aerial or water port for entry into the DTS. The ATCMD is the tool that supports this process.
e. **Are there special labeling and documentation requirements for a shipment to enter the DTS?** Yes. The shipment must be labeled and documented to military standards. These are far different than those of the business world, particularly for military air shipments. The ITO/TMO/SSA will provide the CH with labeling and documentation guidance to pass to the supplier.
f. **What are the primary causes of GPC cargo becoming frustrated or delayed?**
    i. Lack of a standard MSL,
    ii. An incomplete MSL,
    iii. Lack of MSDS,
    iv. Improper packaging and marking for hazardous material,

v. Lack of a TAC, and
vi. Lack of advance notification.

B.5. TRANSPORTATION LINKS FOR MORE INFORMATION

a. The DTR addresses GPC shipments in Chapter 101, Chapter 108, Chapter 202, Chapter 210, and Chapter 512.
b. U.S. Transportation Command
c. Army Military Surface Deployment and Distribution Command
d. Air Force Materiel Command, Logistics Management Office
e. Defense Supply Center Columbus provides packing specifications, standards, and manuals.

APPENDIX C: PROHIBITED PURCHASES

In accordance with Section 6.2, Prohibited Purchases, the following list, which is not all inclusive, identifies supplies and services that are prohibited from purchase with the GPC (this list also applies to convenience checks):

a. **Aircraft Fuel and Oil.** The AIR Card®—rather than the GPC—is to be used for aircraft-related expenses.

b. **Appliances Acquired for Personal Use in a Work Environment.** Government Accountability Office (GAO) Decision B-302993, dated June 25, 2004, recommends that, when making personal-use determinations, consideration be given to operational benefits such as employee health and productivity, and the responsibility to provide a safe work environment.

c. **Bail and Bond Payments.** Use of the GPC for bail and bond payments is prohibited because personal expenses cannot be charged to the GPC. The card is to be used only for official, mission-related purposes.

d. **Betting, Casino Gaming Chips, and Off-Track Betting.** Use of the GPC for betting, casino gaming chips, and off-track betting is prohibited because personal expenses cannot be charged to the GPC. The card is to be used only for official, mission-related purposes.

e. **Cash Advances.** Use of the GPC to purchase cash advances, including money orders, travelers' checks, and writing convenience checks to check-cashing companies, is prohibited because cash and near-cash is easily misappropriated.

f. **Construction Services over $2,000.** FAR 22.403-1 addresses the application of Wage Rate Requirements (Construction), formerly known as the Davis-Bacon Act, to the acquisition of construction services. It states that contracts in excess of $2,000 to which the United States or the District of Columbia is a party for construction, alteration, or repair (including painting and decorating) of public buildings or public works within the United States, shall contain a clause (see FAR 52.222-6) that no laborer or mechanic employed directly upon the site of the work shall receive less than the prevailing wage rates as determined by the Secretary of Labor. Use of the GPC to purchase construction services shall comply with this provision.

    i. GPC accounts used to pay for construction less than $2,000 usually are issued to CHs in the public works office (or other office responsible for the facility/building). If a CH is not a public works office employee, the CH should obtain written (e-mail is acceptable) approval from the public works office to ensure the anticipated construction work does not duplicate, interfere, or directly relate to other ongoing efforts at the same facility.

g. **Contractor Purchases.** Use of the GPC to make purchases from contractors or contractor agents who are military personnel or civilian employees of the Government is prohibited.

h. **Court Costs, Alimony, and Child Support.** Use of the GPC for court costs, alimony, and child support is prohibited because personal expenses cannot be charged to the GPC. The card is to be used only for official, mission-related purposes.

i. **Covered Applications ("TikTok").** In accordance with FAR 4.22, the presence or use of a covered application on IT, including certain equipment used by Federal contractors, is prohibited unless an exception is granted in accordance with OMB M-23-13. FAR 4.2201 defines the term "covered application" as the social networking service TikTok or any successor application or service developed or provided by ByteDance Limited, or an entity owned by ByteDance Limited. As stated in FAR 13.201(k), this prohibition applies to purchases at or below the MPT where performance of the contract may require the presence or use of a covered application (e.g., where social media advertising services might be part of the procurement), unless an exception is granted in accordance with OMB M-23-13 (see FAR 4.2202). Examples of the types of GPC micro-purchases that merit additional attention include IT devices where TikTok may be pre-loaded and/or services that include the use of TikTok (e.g., social media advertising services).

j. **Covered Articles (Federal Acquisition Supply Chain Security Act (FASCSA)).** In accordance with FAR 4.23 and FAR 13.201(l), Federal agencies may not procure or obtain, or extend or renew a contract to procure or obtain, any covered article, or any products or services produced or provided by a source, including contractor use of covered articles or sources, if prohibited from doing so by an applicable FASCSA order issued by the Director of National Intelligence, Secretary of Defense, or Secretary of Homeland Security. FAR 4.2303(c)(1) states, "FASCSA orders regarding sources or covered articles will be found in the System for Award Management (SAM), by searching for the phrase 'FASCSA order.' SAM may be updated as new FASCSA orders are issued." The full definition of "covered article" is at FAR 4.2301; it includes but is not limited to: IT, including cloud computing services of all types; telecommunications equipment or services; and hardware, systems, devices, software, or services that include embedded or incidental IT.

k. **Covered Items (Perfluorooctane Sulfonate (PFOS) and Perfluorooctanoic Acid (PFOA).** In accordance with CD 2022-O0010, covered items identified in DFARS 252.223-7997 currently include all:

   i. Nonstick cookware or cooking utensils for use in galleys or dining facilities.

   ii. Upholstered furniture, carpets, and rugs that have been treated with stain-resistant coatings.

   Use of the GPC to purchase covered items that contain PFOS or PFOA is prohibited.

l. **Covered Semiconductor Products and Services from Companies Providing Covered Semiconductor Products and Services to Huawei.** In accordance with Class Deviation 2025-O0007, Contracting Officers shall (1) not enter into or renew a contract for the procurement of any covered semiconductor products and services (including semiconductors, manufacturing equipment, and design tools), for DoD with any entity that knowingly provides covered semiconductor products and services to Huawei Technologies Company, its subsidiaries, affiliates, and entities it directly or indirectly controls; and (2) use the solicitation provision at DFARS 252.240-7998, Prohibition on the Procurement of Covered Semiconductor Products and Services from Companies Providing Covered Semiconductor Products and Services to Huawei—Representation and the contract clause at DFARS 252.240-7999, Prohibition on the Procurement of Covered Semiconductor Products and Services from Companies Providing Covered

Semiconductor Products and Services to Huawei, in solicitations and contracts for the procurement of any covered semiconductor products and services, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services, unless waived.

m. **Dating and Escort Services.** Use of the GPC to purchase dating and escort services is prohibited because personal expenses cannot be charged to the GPC. The card is to be used only for official, mission-related purposes.

n. **Equal Employment Opportunity (EEO) Settlements.** Use of the GPC for payment of EEO settlements is prohibited.

o. **Equipment, Systems, and Services Using Covered Telecommunications Equipment or Services as a Substantial Component or Critical Technology.** In accordance with Section 889(a)(1)(A) of the NDAA for FY 2019 (Pub. L. 115-232), FAR 13.201(j)(1) prohibits use of the GPC to "procure or obtain, or extend or renew a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system, unless an exception applies or a waiver is granted." In accordance with Section 889(a)(1)(B) of the NDAA for FY 2019 (Pub. L. 115-232), FAR 13.201(j)(2) prohibits agencies from "entering into a contract, or extending or renewing a contract, with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception applies or a waiver is granted. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract." See FAR 4.21 for related definitions and Section 6.5.1, Section 889 Requirements, for further information.

p. **Fines.** Use of the GPC to settle commercial and Government fines is prohibited.

q. **Firearms, Ammunition, Toxins, and Explosives.** Use of the GPC for purchases of these DoD controlled commodities is prohibited (DFARS 208.70). They are to be obtained through the Government Supply System. The DA has been assigned contracting responsibility to supply all DoD Components with these items as listed in DFARS PGI 208.7006. DoD Components are to submit their commodity requirements via MIPR to the DA in accordance with DFARS 208.7002 and DFARS PGI 208.7002-1.

   This prohibition specifically includes weapons (and parts), small arms, and ammunition. See Component policy for additional guidance. Contact the Army supply manager of ammunition or explosives for additional information.

r. **Food and Meals.** Generally, use of the GPC to purchase food and meals is prohibited. However, if a Component determines that a reception with "light" refreshments (i.e., no meals)[48] would materially enhance the effectiveness of an awards ceremony conducted under authority of the Government Employees' Incentive Awards Act (see 5 U.S.C. 4501-4506), the cost of those refreshments may be considered a necessary expense for the purposes of the Act. Written coordination with the local legal counsel and RM is required prior to purchase of any such refreshments. Additional information regarding

[48] See Office of Personnel Management's Federal Personnel Manual.

acceptable food purchases is available in the GAO publication "Can Your Agency Use Appropriated Funds for Meals and Light Refreshments?"

i. **Water.** While not specifically a GPC prohibited purchase, there are many restrictions on use of Federal funds to purchase water. Special drinking water is addressed in the DoD FMR.

s. **Foreign Currency.** Use of the GPC to purchase foreign currency is prohibited because cash is easily misappropriated.

t. **Gift Certificates and Gift Cards.** Gift certificates and gift cards are considered to be cash advances and shall not be purchased with the GPC, even to obtain items from vendors that do not accept the GPC. As with cash and near-cash, gift certificates and gift cards are prohibited because they are easily misappropriated and the award of gift certificates or gift cards requires the submission of IRS Form 1099-MISC reports in accordance with IRS regulations.

u. **Hardware, Software, or Services Developed or Provided by Kaspersky Lab.** FAR 13.201 prohibits use of the GPC to purchase any hardware, software, or services developed or provided by Kaspersky Lab that the Government will use on or after October 1, 2018. (See FAR 4.2002 for more information.)

v. **Long-Term Lease of Land and Buildings.** DoD prohibits use of the GPC to lease real property (i.e., land or buildings) for a term longer than one month. A Warranted Contracting Officer is required to use an appropriate contracting vehicle (e.g., a purchase order) for terms longer than one month and if terms and conditions are required. The Contracting Officer may use a GPC as a payment mechanism after consideration of Component policy. Components are cautioned to determine whether the provider requires agreement to terms and conditions and to confer with their General Counsel.

w. **Paper Straws.** Use of the GPC to purchase paper straws is prohibited, consistent with Class Deviation (CD) 2025-O0005, which implements paragraph 2(a) of EO 14208, "Ending Procurement and Forced Use of Paper Straws," of February 10, 2025 (90 Federal Register 9585).

x. **Personal Expenses.** The GPC shall be used only for mission-essential purchases. If the primary beneficiary of an expenditure of public funds is the individual, not the Component or Government, the well-established rule is that such expenditures are personal in nature and hence not an authorized use of appropriated funds.

y. **Salaries and Wages.** Salaries and wages of Government employees cannot be paid with the GPC. However, use of the card as a method of payment for labor contracts with doctors, dentists, and other service providers is authorized if a Government contract has been negotiated for these services.

z. **Savings Bonds.** Use of the GPC to purchase savings bonds is prohibited because savings bonds, as near-cash, are easily misappropriated.

aa. **Services Acquisitions Subject to Service Contract Labor Standards.** In accordance with FAR 22.1002-1, service contracts over $2,500 must contain mandatory provisions regarding minimum wages and fringe benefits, safe and sanitary working conditions, notification to employees of the minimum allowable compensation, and equivalent Federal employee classifications and wage rates. FAR 22.10 addresses application of

Service Contract Labor Standards, 41 U.S.C. Chapter 67, which applies to every contract entered into by the United States or the District of Columbia, the principal purpose of which is to furnish services to the United States through the use of service employees. The Service Contract Labor Standards require contractors and subcontractors performing services on covered Federal or District of Columbia contracts in excess of $2,500 to pay service employees in various classes no less than the monetary wage rates and to furnish fringe benefits found prevailing in the locality, or the rates (including prospective increases) contained in a predecessor contractor's collective bargaining agreement. Safety and health standards also apply to such contracts.

bb. **Split Purchases.** Making split purchases with the GPC to circumvent purchase limits is prohibited by FAR 13.003(c)(2). A split purchase occurs when a CH splits a known requirement at the time of the purchase into several transactions in order to circumvent his/her authorized dollar thresholds in order to use the GPC, or to avoid sending the requirement to contracting for appropriate contract award. When a known requirement exceeds the MPT, it must be procured on a Government contract.

cc. **Tax on Certain Foreign Procurements.** CHs shall not use the GPC as a method of purchase or payment when a contract instrument contains FAR Clause 52.229.12, unless DFARS Clause 252.229-7014 is also present. (In the event that the contract instrument contains both FAR 52.229.12 and DFARS 252.229-7014, only CHs with the Contract Ordering Official or Contract Payment Official SD can make these purchases.) In certain circumstances, the Government must withhold a 2 percent excise tax on foreign payments to vendors to comply with the FAR and IRS regulations. The GPC does not provide a method to accomplish this withholding. As a result, the GPC is prohibited from being used:

   i. As the method of purchase and payment to place a task order or delivery order under any Federal contract or BPA issued under FAR part 8 procedures when the contract or BPA includes FAR 52.229-12 but does not include DFARS 252.229-7014;
   ii. As the method of purchase and payment when a task order, delivery order, or call order under any Federal basic ordering agreement or BPA issued under FAR part 13 procedures, when the resulting order would include FAR 52.229-12 but not DFARS 252.229-7014; or
   iii. As a method of payment when a contractor or order includes FAR 52.229-12 but not DFARS 252.229-7014.

dd. **Taxes.** Use of the GPC for personal tax payments is prohibited because personal expenses cannot be charged to the GPC. The card is to be used only for official, mission-related purposes. In addition, as a Federal Government entity, DoD is exempt from paying most taxes to any other Federal, State, or local authority. (Some States, like New Mexico, levy taxes the Federal Government must pay.) For more information, see the GSA State Tax Exemption Information for Government Charge Cards.

ee. **Telecommunication Systems.** Use of the GPC to purchase major telecommunication systems, such as Federal Telecommunications System or DSN systems, is prohibited. A contract vehicle is required because such purchases include special terms and conditions. DFARS 239.74 governs DoD's acquisition of telecommunications.

ff. **Travel Advances, Claims, or Expenses.** Only the Government Travel Charge Card is to be used for individual official travel-related expenses. All travel-related expenses (e.g., metro fares, taxi, bus fares, automated toll tools, and parking fees) are processed in accordance with the JTR. This prohibition includes travel-related expenses for LIK, Subsistence in Kind, and Junior Reserve Officers' Training Corps. For travel-related expenses, the GPC may be used only to place orders and/or make payments against contracts awarded by Warranted Contracting Officers.

gg. **Vehicle-Related Expenses.** Vehicle-related expenses are to be paid with the Government Travel Charge Card or DoD Fleet Card. Use of the GPC to purchase repairs on GSA fleet-operated vehicles is prohibited.

hh. **Video Surveillance Cameras.** Use of the GPC to purchase video surveillance cameras is prohibited.

ii. **Wire Transfers.** Use of the GPC to purchase wire transfers is prohibited because wire transfers, as near-cash, are easily misappropriated.

APPENDIX D: INTERNAL CONTROLS

As referenced in Section 10.2, Internal Controls, the following are mandatory GPC internal controls unless indicated as a best practice to further minimize risk. Table 19, Internal Controls, matches each internal control with the corresponding sections of this *Guidebook* and related external references.

Table 19. Internal Controls

#	Internal Control	*DoD GPC Guidebook* Sections	External References
1	**Training:** All GPC program participants shall receive role-based training.	• 2.1, Outcomes • 2.3, Component Team • 2.7.1, PIEE/JAM Waivers • 2.7.4, Pay and Confirm Waivers • 3.1, Roles and Responsibilities of GPC Program Participants • 3.1.1, DoD GPC PMO • 3.1.2, OUSD(C) and Representatives at DFAS • 3.1.7, Supervisor • 3.1.8, A/BO • 3.1.9, Certifying Officer • 4.2.3, Authority to Use Certain SDs • 4.3, Certifying Officer DD Form 577 Appointments • 4.4, Staffing • 4.7, CH SDs • 4.7.1.2, Micro-Purchases for Training-Related Expenses • 4.7.6.1, Contract Ordering Official CH Special Requirements • 4.7.6.2, Ordering Training-Related Expenses • 4.7.9, Miscellaneous Payments Official CH (SF 182 Training Payments) • 4.7.10, Intragovernmental Payment Official CH • 4.8.2, Cardless Accounts • 5.3.2, Special Funding Use Cases • 6.1.1, Federal Prison Industries / UNICOR • 6.5.1, Section 889 Requirements • 6.6.1, Sustainable Procurement Resources • 10.2, Internal Controls • 10.8, Training • 10.9.1, Daily DM Case Reviews • 10.9.1.3, Daily DM Case Review Cycle • 10.9.3, SAHARs	• 10 U.S.C. 4754 (b)(9) • OMB Circular A-123, Appendix B, Section 2.4 • SAHAR Section III, Monthly Review Questions, 22, 24, 26, and 28 • TFM Section 4535.20 • GAO Standards for Internal Controls in the Federal Government (Green Book) • DoD FMR

#	Internal Control	*DoD GPC Guidebook* Sections	External References
		• 10.13, Component Policy • 11.2.2.1, Tracking Training in JAM • 11.2.4.2, Maintaining EA and Documenting Acceptance • A.2.1, ETO Follow-Up Reviews and Associated Compliance Review Process • A.4, ETO-Specific Training • Appendix B, Shipments Outside the Continental United States • Appendix C, Prohibited Purchases	
2	**Delegation of Authority:** GPC programs shall clearly document delegations of procurement authority, beginning with a DFARS-designated Contracting Activity (DFARS PGI 202.101) down to each CH. Each program participant shall receive and sign the delegation and appointment document(s) required for their role.	• 2.7.1, PIEE/JAM Waivers • 3.1.3, Head of Activity • 3.1.4, CPM • 3.1.5, OA/OPC • 3.1.6, A/OPC • 3.1.7, Supervisor • 3.1.8, A/BO • 3.1.9, Certifying Officer • 3.1.10, CH and Convenience Check Account Holder • 3.1.13, Other JAM Roles • 3.2.3, Contractor Personnel • 4.2, System Use and Appointment Requirements • 4.2.1, Authority to Issue/Sign Appointments • 4.2.2, Internal Controls Applicable to Delegations of Authority and Appointments • 4.2.3, Authority to Use Certain SDs • 4.3, Certifying Officer DD Form 577 Appointments • 4.6, GPC Authorized Uses • 5.1, Establishing a GPC Program • 5.4, CH Authority and Limits • 7.7.2, Appointments • 10.2.2, Spending Limits • 10.2.5, Appointment Internal Controls • 10.8, Training • 10.13, Component Policy • 11.2.2, JAM • A.3.2, ETOs: A/OPC Responsibilities	• TFM Section 4535.20 • FAR 1.603(b) • DFARS 201.603-3(b)
3	**System Functional Responsibility:** Electronic systems used to support the DoD GPC Program shall segregate role-based capabilities and limit access to	• 2.7.1, PIEE/JAM Waivers • 2.7.2, Entitlement System Waivers • 3.1.5, OA/OPC • 3.1.13, Other JAM Roles • 4.2, System Use and Appointment Requirements • 10.13, Component Policy	• DoD FMR • GAO Standards for Internal Controls in the Federal Government (Green Book)

#	Internal Control	*DoD GPC Guidebook* Sections	External References
	functions to only individuals with appropriate authority. The system shall be able to identify who made any data/file content changes in the end-to-end GPC process.	• 10.2.4, Separation of Duties • 11.1, Supporting System Requirements • 11.1.1, Systems Access Validation and Security • 11.1.1.1, Authorization Roles • 11.1.2, Systems Administration Integrity • 11.1.4, Functional Responsibility Controls • 11.2.1, PIEE • 11.2.2, JAM • 11.2.2.2, Combo Appointment • 11.2.4, Access Online	
4	**Systems Access Security:** Appropriate safeguards shall be in place to control issuance of user IDs / access credentials for the EAS.	• 4.2, System Use and Appointment Requirements • 11.1, Supporting System Requirements • 11.1.1, Systems Access Validation and Security • 11.1.1.2, Bank EAS Safeguards	• GAO Standards for Internal Controls in the Federal Government (Green Book)
5	**CH Account Initiation:** Only the CH's Supervisor is authorized to request the opening of a new CH account. This request must identify appropriate card parameters.	• 3.1.6, A/OPC • 3.1.7, Supervisor • 3.1.10, CH and Convenience Check Account Holder	• OMB Circular A-123, Appendix B, Section 2.4
6	**Authorization Controls:** Appropriate spending limits, budget (i.e., credit) limits, and MCC access shall be established and tailored to each CH account and should reflect historical buying patterns/trends.	• 3.1.3, Head of Activity • 3.1.6, A/OPC • 3.1.11.2, RM • 10.2.2, Spending Limits • 10.13, Component Policy	• TFM Section 4535.20 • GAO Policy and Procedures Manual for Guidance of Federal Agencies, Title 7, Fiscal Guidance • GSA SP3 Master Contract
7	**Positive Funds Control:** Spending limits shall be tied directly to funding allocated for each MA and CH account and shall be the primary controls to avoid Anti-Deficiency Act violations. They shall be established by the RM in consultation with the A/OPC, and they shall be reviewed annually to determine if adjustments are necessary based on	• 3.1.3, Head of Activity • 3.1.6, A/OPC • 3.1.11.2, RM • 4.7, CH SDs • 5.3, Funding • 10.2.2, Spending Limits • A.3.1, ETOs: HCA Responsibilities • A.3.2, ETOs: A/OPC Responsibilities • A.3.4, ETOs: A/BO or Certifying Officer Responsibilities	• TFM Section 4535.20 • GAO Policy and Procedures Manual for Guidance of Federal Agencies, Title 7, Fiscal Guidance

#	Internal Control	*DoD GPC Guidebook* Sections	External References
	historical buying patterns.		
8	**Span of Control:** To ensure GPC program participants have sufficient time to complete required reviews, GPC programs shall abide by established span-of-control limits.	• 3.1.3, Head of Activity • 7.7.2, Appointments • 10.2.1, Span of Control • 10.13, Component Policy	• TFM Section 4535.20 • GAO Standards for Internal Controls in the Federal Government (Green Book)
9	**Separation of Duties:** Key duties, such as making purchases (CHs); verifying purchases are proper (A/BOs); certifying invoices for payment (A/BOs, Certifying Officers, and FSOs); certifying availability of funds (RMs); independent receipt and acceptance for accountable property and self-initiated purchases by the CH (Acceptor); and policy, reviewing, and auditing functions (A/OPCs and Property Officers) shall be assigned to different individuals within the GPC hierarchal structure to minimize the risk of charge card violations to the greatest extent possible.	• 3.1.6, A/OPC • 3.1.7, Supervisor • 4.7.8.1, GPC Contract Payment Official CH Special Requirements • 10.2.4, Separation of Duties • 10.9.1, Daily DM Case Reviews (Table 8, GPC IOD Findings and Determinations) • A.5, Laws and Requirements for ETOs	• GAO Standards for Internal Controls in the Federal Government (Green Book) • DoD FMR
10	**Purchase Log:** CHs shall document purchase information for each GPC transaction in an electronic log (or a manual log if a waiver from use of an electronic log is approved by OSD).	• 3.1.10, CH and Convenience Check Account Holder • 5.3, Funding • 6.5.1, Section 889 Requirements • 7.2, Purchase Log Information • 7.7.3, Retention of GPC Documentation • 8.2, CH Reconciliation and Approval • 10.1, Oversight • 11.2.4, Access Online • 11.2.4.1, Enterprise Purchase Log Requirements • A.6, ETO Questions and Answers	• OMB Circular A-123, Appendix B, Section 2.4.2 • DoD FMR
11	**Management Controls:** Considering the expected benefits and related costs of internal control	• 2.1, Outcomes • 2.3, Component Team • 2.4.1, 10 U.S.C. 4754	• 10 U.S.C. 4754 • GAO Government Auditing Standards (Yellow Book)

#	Internal Control	*DoD GPC Guidebook* Sections	External References
	activities, management officials are responsible for establishing a process of internal controls designed to provide reasonable assurance (a) that the GPC Program is used efficiently, economically, effectively, and legally to achieve the purposes for which the Program was established, and (b) of compliance with applicable laws and regulations.	• 2.4.2, OMB Circular A-123, Appendix B • 2.7, Waivers to DoD GPC Policy and Use of Supporting Systems/Tools • 3.1.1, DoD GPC PMO • 3.1.2, OUSD(C) and Representatives at DFAS • 3.1.3, Head of Activity • 3.1.5, OA/OPC • 3.1.6, A/OPC • 3.1.7, Supervisor • 3.1.11, Financial Management • 4.2, System Use and Appointment Requirements • 8.3, Payment to the Bank • 9.1, Disputing a Charge • 10.1, Oversight • 10.2, Internal Controls • 10.2.1, Span of Control • 10.9.2, Monthly A/OPC Reviews • 10.13, Component Policy • 11.1, Supporting System Requirements • 11.1.1, Systems Access Validation and Security • 10.9.2.1, Monthly A/OPC Reviews: CPM Responsibilities • 10.9.2.2, Monthly A/OPC Reviews: OA/OPC Responsibilities • 10.9.2.3, Monthly A/OPC Reviews: A/OPC Responsibilities • 10.9.3, SAHARs • Appendix A, Using the GPC in Support of ETOs • A.2, Required Internal Controls for ETOs • A.3.1, ETOs: HCA Responsibilities • A.5, Laws and Requirements for ETOs	• OMB Circular A-123, Appendix B, Chapter 2
12	**Transaction Review by CH:** During each billing cycle, CHs are required to review their account statement against the purchase log and other supporting documentation they are required to maintain for each card purchase. This electronic review requires the CH to reconcile, reallocate to an	• 2.4.2.1.1.2, Delinquency Reporting • 3.1.10, CH and Convenience Check Account Holder • 7.2, Purchase Log Information • 6.8.1, Use of WAWF to Create and Accept Receiving Reports • 8.1.2, CH Reconciliation and Approval • 8.2, Avoiding Delinquencies • 8.5.1, Paying for Items Not Yet Accepted • 9.1, Disputing a Charge	• TFM Section 4535.20 • GAO Standards for Internal Controls in the Federal Government (Green Book)

#	Internal Control	*DoD GPC Guidebook* Sections	External References
	alternate LOA, approve, or dispute as appropriate, each GPC transaction posted to his/her account statement. In all instances, the CH shall attempt to address/reconcile all transactions during the billing cycle within which they occur so that fraudulent transactions are never included in the corresponding billing statement. The CH should follow procedures for statement certification similar to those in "Invoice Integrity," Internal Control #20.	• 9.4, Processing Vendor Credits • 9.5, Application of Refunds • 10.1, Oversight • 10.4, Disciplinary Requirements and Categories of GPC Violations (Table 6, Disciplinary Category Definitions Policy) • 5.3.1.2, Invoice Integrity • A.6, ETO Questions and Answers	
13	**Review by A/BO:** The A/BO will review each transaction made by CHs under his/her Managing Account to ensure all supporting documentation is obtained and correct, ensure CH reviews have been completed properly, ensure acceptance of all accountable property has been properly documented, verify all transactions were necessary Government purchases, and perform any other administrative functions required by the GPC Program.	• 2.4.2.1.1.2, Delinquency Reporting • 3.1.3, Head of Activity • 3.1.6, A/OPC • 3.1.8, A/BO • 3.1.9, Certifying Officer • 7.2, Purchase Log Information • 6.9, Receipt and Acceptance • 8.1.2, CH Reconciliation and Approval • 8.1.3, A/BO Review and Approval • 8.2, Avoiding Delinquencies • 8.4, Paying for Items Not Yet Accepted • 9.5, Application of Refunds • 10.1, Oversight • 5.3.1.1, Funding Confirmation and Reconciliation Information Integrity • 5.3.1.2, Invoice Integrity • 11.2.4, Access Online • A.3.4, ETOs: A/BO or Certifying Officer Responsibilities	• TFM Section 4535.20 • GAO Standards for Internal Controls in the Federal Government (Green Book)
14	**Review by Certifying Officer:** The individual formally appointed as Certifying Officer will certify that the items listed are correct and proper for payment from the funds designated and the proposed payment is legal, proper, and correct.	• 2.4.2.1.1.2, Delinquency Reporting • 3.1.3, Head of Activity • 3.1.6, A/OPC • 3.1.9, Certifying Officer • 3.1.11.3, DFAS or Other Entitlement/Disbursing Office • 4.3, Certifying Officer DD Form 577 Appointments • 5.3, Funding • 5.3.1.1, Funding Confirmation and Reconciliation Information Integrity	• TFM Section 4535.20 • GAO Standards for Internal Controls in the Federal Government (Green Book)

#	Internal Control	*DoD GPC Guidebook* Sections	External References
		• 5.3.1.2, Invoice Integrity • 7.2, Purchase Log Information • 8.1.2, CH Reconciliation and Approval • 8.1.3, A/BO Review and Approval • 8.1.4, Certifying Officer Review and Certification • 8.2, Avoiding Delinquencies • 8.4, Paying for Items Not Yet Accepted • 9.5, Application of Refunds • 10.1, Oversight • 11.2.4, Access Online • A.3.4, ETOs: A/BO or Certifying Officer Responsibilities	
15	**Available Funding Integrity:** Certified LOAs will be traceable through disbursement. All changes to original (account defaults) LOAs will be documented and appropriately certified.	• 2.4.2.1.1.2, Delinquency Reporting • 2.6, Joint Basing and Joint Commands • 3.1.6, A/OPC • 3.1.11, Financial Management • 5.3, Funding • 5.3.1.1, Funding Confirmation and Reconciliation Information Integrity • 8.1.2, CH Reconciliation and Approval • 8.1.4.1, Handling Rejected EDI-Enabled Invoices • 8.3.1, Handling Rejected EDI-Enabled Invoices • 9.4, Processing Vendor Credits • 11.2.4, Access Online • A.3.2, ETOs: A/OPC Responsibilities • A.3.3, ETOs: RM Responsibilities • A.3.4, ETOs: A/BO or Certifying Officer Responsibilities • A.3.5, ETOs: CH Responsibilities • A.6, ETO Questions and Answers	• DoD FMR
16	**Dispute Authority:** The CH will have 90 calendar days from the date of the billing statement to formally dispute transactions with the card-issuing bank.	• 3.1.4, CPM • 3.1.6, A/OPC • 3.1.8, A/BO • 3.1.9, Certifying Officer • 3.1.10, CH and Convenience Check Account Holder • 4.8.3.1, Unique Requirements for Convenience Checks • 8.2, CH Reconciliation and Approval • 8.4, Paying for Items Not Yet Accepted • 9.1, Disputing a Charge • 9.3, Handling Fraudulent Transactions	• TFM Section 4535.20 • Credit Card Association Business Rules • GSA SP3 Master Contract

#	Internal Control	*DoD GPC Guidebook* Sections	External References
		• 5.3.1.1, Funding Confirmation and Reconciliation Information Integrity • 10.9.1, Daily DM Case Reviews (Table 9, GPC IOD Corrective Actions Taken/Planned) • 10.9.1.3, Daily DM Case Review Cycle • Appendix B, Shipments Outside the Continental United States	
17	**System Administration Integrity:** Changes to the operating system environment must be documented.	• 11.1, Supporting System Requirements • 11.1.2, Systems Administration Integrity	• DFARS 204.73 • DoDI 5000.75 • DoDI 8510.01
18	**Transaction Data Integrity:** The CH will not be able to alter transaction reviews after approving his/her account statement unless the A/BO returns the statement to the CH for corrections. Certifying Officers will not be able to alter invoice data after electronic certification.	• 5.3.1.1, Funding Confirmation and Reconciliation Information Integrity • 5.3.1.2, Invoice Integrity	• GAO Standards for Internal Controls in the Federal Government (Green Book)
19	**Data Exchange Security:** Transmission of all electronic account data will be processed through secure lines of communication.	• 11.2.3 Exchange of Data – Security	• FAR 4.502(c) • DoDI 5200.40 • GAO Standards for Internal Controls in the Federal Government (Green Book)
20	**Invoice Integrity:** An electronic certification process will ensure that the official (i.e., unaltered) electronic invoice is traceable from the vendor (e.g., card-issuing bank) through the certification and entitlement processes and retained in a Government record. Once the Certifying Officer has determined that the information on the original electronic invoice is proper for payment, he/she will affix his/her electronic signature with the standard certification	• 3.1.9, Certifying Officer • 3.1.10, CH and Convenience Check Account Holder • 9.3, Handling Fraudulent Transactions • 5.3.1.2, Invoice Integrity	• DoD FMR • GSA SP3 Master Contract

#	Internal Control	*DoD GPC Guidebook* Sections	External References
	statement. Where appropriate, he/she will also ensure that corrections or additions to the original invoice (i.e., reallocations to different funding lines) are proper and that, except in the case of fraudulent/unauthorized transactions (described below), the payment totals have not changed. Should the original invoice submitted by the contractor be in paper form, as with an electronic process, the Certifying Officer shall determine if the invoice is proper for payment and affix his/her signature (including the standard certification statement). If appropriate, the Certifying Officer will make any required "pen and ink" corrections or enclose additional information on the original invoice to reallocate the payment to different funding lines from those reflected on the original invoice. He/she will determine whether these corrections are proper and affix his/her signature with the standard certification language on the original paper invoice. It is possible for the electronic or paper invoice to contain fraudulent (i.e., use of a lost or stolen card) transaction(s) not authorized by the CH. Known or suspected fraudulent transaction(s) not initiated by the authorized CH shall not be certified for payment and the electronic invoice shall		

#	Internal Control	*DoD GPC Guidebook* Sections	External References
	be "short paid" by the amount of the transaction(s) in question and electronically certified for payment. The bank and A/BO or A/OPC must be notified immediately and the CH shall comply with the bank's fraud reporting procedures. Prior to allowing certification of a short-paid invoice, the system shall require CHs to identify the reason the transaction(s) is/are deemed fraudulent and the date they were reported to the bank. In all instances, the CH shall attempt to address/reconcile all transactions during the billing cycle within which they occur so that fraudulent transactions are never included in the corresponding billing statement. Supporting documentation regarding improper transactions shall be retained for six years.		

APPENDIX E: FM REFERENCES

Table 20, DoD FMR Refence Summaries, summarizes the DoD FMR volumes and chapters referenced herein. The specific individual citations throughout this *Guidebook* are consolidated in Table 21, DoD FMR Citations. Both tables reflect the latest update from the DoD Comptroller at the time of publication.

Table 20. DoD FMR Reference Summaries

Vol	Chap	Title	Summary
1	1	Chief Financial Officer of the Department of Defense	Describes the establishment, roles, responsibilities, and authority of the DoD CFO as established by the "Chief Financial Officers Act" of 1990. The DoD CFO is also the OUSD(C).
1	4	Standard Financial Information Structure	Prescribes the requirements for Standard Financial Information Structure and Standard Line of Accounting / Accounting Classification compliance for DoD business systems.
1	9	Financial Records Retention	Provides guidance on the proper retention period for financial records.
1	10	Advana – Common Enterprise Data Repository for the Department of Defense	Establishes Advana [now War Data Platform] as an official DoD repository of common enterprise data and the roles and responsibilities of OUSD(C) and DoD Components in the development, maintenance, and use of the Platform within the supported business domain areas.
3	8	Standards for Recording and Reviewing Commitments and Obligations	Prescribes the requirements for determining the amount and accounting period in which commitments and obligations must be recorded under various circumstances.
5	1	Purpose, Organization, and Duties	Establishes disbursing requirements, principles, standards, responsibilities, and pecuniary liability standards for Disbursing Officers, Certifying Officers, and other Accountable Officials throughout DoD.
5	5	Certifying Officers, Departmental Accountable Officials, and Review Officials	Addresses the selection, appointment, responsibilities, and qualifications for Certifying Officers; certification of vouchers for payment; Departmental Accountable Officials; random review of disbursement vouchers; and pecuniary liability.
5	15	Disbursing Officer Accountability Reports	Provides the policy, guidelines, and forms to record daily and monthly accountability for cash items (and receivables) in the Disbursing Officer's possession. In addition, it provides requirements for submission and distribution of financial reports and retention of disbursing office records and defines the accounting period.
10	2	Discount Offers and Rebates/Refunds	Prescribes the policy for payment discounts and GPC rebates/refunds. It also provides information on determining if discounts should be taken and provides information on rebates/refunds offered by the GPC issuer to encourage early payment.

Vol	Chap	Title	Summary
10	7	Prompt Payment Act	Prescribes the FM policy for payments to vendors and contractors and primarily focuses on timely payment, determination of appropriate due dates, penalty for late payment, required documentation, receipt dates, acceptance dates, and payment discounts.
10	10	Payment Vouchers – Special Applications	Prescribes policy for handling payment vouchers with special requirements in accordance with the laws and regulations cited herein.
10	12	Miscellaneous Payments	Prescribes policy for certain miscellaneous payments, which occur as a result of a claim for payment or reimbursement of a valid, non-recurring, non-contractual expense of the DoD, that is not payroll-related for a military or civilian member, and when use of the GPC is not feasible or appropriate.
10	23	Purchase Card Payments	Provides policy for FM-related activities within the GPC program, including convenience check writing.
11A	1	Reimbursable Operations Policy	Provides guidance on the amounts that must be recouped when Components perform work or sell property within the Department, to other Federal agencies and to private parties that do not involve the Defense Working Capital Fund or other DoD revolving funds.
14	1	Administrative Control of Funds	Establishes policy for the administrative control of funds and includes specific instruction for controlling available funds.
15	6	Case Files	Establishes guidance on maintaining documents for case files.

Table 21. DoD FMR Citations

***DoD GPC Guidebook* Section**	**DoD FMR Citation** *(Listed in order of appearance within each section.)*
3.1.2, OUSD(C) and Representatives at DFAS	Volume 1, Chapter 1
3.1.3, Head of Activity	Volume 10, Chapter 23
3.1.8, A/BO	Volume 10, Chapter 23
3.1.9, Certifying Officer	Volume 10, Chapter 23 Volume 5, Chapter 1 Volume 5, Chapter 5 Volume 10, Chapter 23
3.1.11, Financial Management	Volume 5, Chapter 5
3.1.11.2, RM	Volume 10, Chapter 2
3.1.11.3, DFAS or Other Entitlement/Disbursement Office	Volume 10, Chapter 23
3.1.13, Other JAM Roles	Volume 5, Chapter 5
3.2.1, Accountable Officials	Volume 10, Chapter 23
3.2.2, Foreign Nationals	Volume 10, Chapter 23 Volume 5, Chapter 1
4.2.2, Internal Controls Applicable to Delegations of Authority and Appointments	Volume 5, Chapter 5
4.3, Certifying Officer DD Form 577 Appointments	Volume 5, Chapter 1 Volume 5, Chapter 5 Volume 10, Chapter 23

***DoD GPC Guidebook* Section**	**DoD FMR Citation** *(Listed in order of appearance within each section.)*
4.7.9.1, Miscellaneous Payments Official CH Special Requirements	Volume 10, Chapter 12
4.7.10, Intragovernmental Payment Official CH	Volume 11A, Chapter 1
4.8.3, Convenience Checks	Volume 10, Chapter 23
4.8.3.1, Unique Requirements for Convenience Checks	Volume 10, Chapter 23 Volume 10, Chapter 23
4.8.3.2, IRS Form 1099-MISC Tax Reporting	Volume 10, Chapter 23
5.3.1.2, Invoice Integrity	Volume 10, Chapter 23
6.9, Receipt and Acceptance	Volume 10, Chapter 23
7.3, Electronic Attachments	Volume 10, Chapter 23
7.3.1, EA Requirements	Volume 10, Chapter 23
7.4, Funding Confirmation and Reconciliation Information	Volume 10, Chapter 23
7.7, Record Retention	Volume 5, Chapter 15 Volume 15, Chapter 6
7.7.3, Retention of GPC Documentation	Volume 1, Chapter 9
8.1.2, CH Reconciliation and Approval	Volume 5, Chapter 5
8.1.3, A/BO Review and Approval	Volume 10, Chapter 23
8.1.4, Certifying Officer Review and Certification	Volume 10, Chapter 23
8.1.4.1, Handling Rejected EDI-Enabled Invoices	Volume 10, Chapter 23
8.2, CH Reconciliation and Approval	Volume 10, Chapter 23 Volume 5, Chapter 5
8.3, Payment to the Bank	Volume 10, Chapter 7 Volume 10, Chapter 23
8.4, Paying for Items Not Yet Accepted	Volume 10, Chapter 23
9.4, Processing Vendor Credits	Volume 10, Chapter 23
9.5, Application of Refunds	Volume 10, Chapter 2 Volume 10, Chapter 23
10.2.4, Separation of Duties	Volume 5, Chapter 1
10.3.1, Investigation of Suspicious Activity	Volume 10, Chapter 23
10.6, Liability of Program Participants	Volume 5, Chapter 5
10.13, Component Policy	Volume 10, Chapter 23
11.2.4.3, Account Reconciliation Controls	Volume 10, Chapter 23
Appendix C, Prohibited Purchases	Volume 10, Chapter 23
Appendix D, Internal Control #1	Volume 10, Chapter 23
Appendix D, Internal Control #3	Volume 10, Chapter 23
Appendix D, Internal Control #9	Volume 10, Chapter 23
Appendix D, Internal Control #10	Volume 10, Chapter 23
Appendix D, Internal Control #15	Volume 5, Chapter 5
Appendix D, Internal Control #20	Volume 5, Chapter 5 Volume 10, Chapter 10 Volume 10, Chapter 23
Appendix F, Availability of Funds	Volume 14, Chapter 1
Appendix F, Certifying Officer	Volume 5, Chapter 5
Appendix F, DD Form 577 Appointing Authority	Volume 5, Chapter 5
Appendix F, Line of Accounting	Volume 1, Chapter 4
Appendix F, Positive Funds Control	Volume 10, Chapter 23
Appendix F, Refund	Volume 10, Chapter 2
Appendix F, Reservation of Funds	Volume 3, Chapter 8
Appendix F, Resource Manager	Volume 10, Chapter 2

Additional FM resources:

- The DoD Guidebook for Miscellaneous Payments is hosted by DFAS.
- The DFAS Electronic Data Interchange Implementation Convention (EDIIC) webpage provides 810 and 821 file formats.
- DFAS has a DoD Government Convenience Checks webpage and offers SharePoint training on IRS Form 1099-MISC reporting. For access to the training, contact the DFAS ESS Tax Office.
- The Treasury Bureau of the Fiscal Service's Card Acquiring Service provides information regarding use of the GPC for intragovernmental transactions.

APPENDIX F: DEFINITIONS

Abuse: See Table 6, Disciplinary Category Definitions Policy.

Accountable Property: Property that meets the accountability requirements of DoDI 5000.64 and therefore must be recorded in a formal APSR. Also consider the OMB Circular A-123, Appendix B definition, "All personal property considered nonexpendable whose expected useful life is two years or longer and whose acquisition value, as determined by the agency policy, warrants tracking in the agency's property records, including capitalized and sensitive property." For more information, see Section 7.5, Accountable Property.

Acquisition: As defined in FAR 2.101, "The acquiring by contract with appropriated funds of supplies or services (including construction) by and for the use of the Federal Government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. Acquisition begins at the point when agency needs are established and includes the description of requirements to satisfy agency needs, solicitation and selection of sources, award of contracts, contract financing, contract performance, contract administration, and those technical and management functions directly related to the process of fulfilling agency needs by contract."

Administrative Discrepancy: See Table 6, Disciplinary Category Definitions Policy.

Agency/Organization Program Coordinator (A/OPC): The program participant responsible for day-to-day management and oversight of card accounts and MAs. The A/OPC is an individual who has responsibility for implementing, maintaining, monitoring, and overseeing GPC programs under their cognizance in accordance with governing policy. For detailed responsibilities of the A/OPC role, see Section 3.1.6, A/OPC.

Anti-Deficiency Act: See 31 U.S.C. 1341.

Appropriated Funds: Moneys allocated by legislation passed by Congress and signed by the President. Appropriated funds usually are specified in Congress's yearly budget or continuing resolution; however, funds can be allocated in any bill passed by Congress.

Approving/Billing Official (A/BO): The program participant responsible for reviewing GPC documentation for compliance with applicable policies and approving MA billing statements. For detailed responsibilities of the A/BO role, see Section 3.1.8, A/BO.

Auditor: For the purposes of JAM, the role granted to individuals whose job function requires access to PIEE GPC functionality for GPC program reviews. For detailed responsibilities of the GPC Auditor role, see Section 3.1.12, GPC Auditor.

Availability of Funds: See the DoD FMR.

Billing Cycle Purchase Limit: An authorization control that limits an account's cumulative spending for purchases during a given billing cycle.

Blanket Purchase Agreement (BPA): As defined in FAR 13.303, "A simplified method of filling anticipated repetitive needs for supplies or services by establishing "charge accounts" with qualified sources of supply." BPAs can be used if there is a wide variety of items in a broad class of supplies or services (e.g., hardware) that generally are purchased but the exact items, quantities, and delivery requirements are not known in advance and may vary considerably.

BPAs are designed to accomplish simplified acquisitions by eliminating the need for numerous individual purchase orders.

Cardholder (CH): The program participant who has been issued a GPC CH account, including carded, cardless, and convenience check accounts, with one of 10 SDs. The CH is the legal agent using the GPC to buy supplies and services in support of official Government business. The CH holds the primary responsibility for the card's proper use. For detailed responsibilities of the CH role, see Section 3.1.10, CH and Convenience Check Account Holder.

Cardholder Statement: The card-issuing-bank's statement of charges provided to a CH detailing all the transactions posted to his/her account during a billing cycle.

Card-Issuing Bank: A financial institution responsible for issuing DoD's GPCs as a result of a task order against the GSA SmartPay Master Contract. Sometimes also referenced as "contractor bank."

Certifying Officer: The program participant responsible for reviewing invoices in accordance with DoD FMR requirements and certifying them for payment. The SP U.S. DA, DAF, and ODAs TTO defines this term as "the individual responsible for the accuracy of payments, including designation of the proper appropriation(s) or other funds, certified to the disbursing office and Disbursing Officer. The Certifying Officer is liable for any illegal, improper, or incorrect payment processed by DoD as a result of an inaccurate or misleading certification, unless granted relief." For detailed responsibilities and legal requirements of the Certifying Officer role, see Section 3.1.9, Certifying Officer.

Commercial Platform: A Web-based offering that provides a managed channel for purchases. Examples of non-DoD commercial platforms include GSA's Commercial Platforms Program (CPP) (participating platforms include Amazon Business, eProcurement Services, Fisher Scientific, G-Commerce, Grainger, NOBLE, Pacific Ink, and Staples) and AmazonBusiness.com (separate and distinct from Amazon Business participating in GSA's CPP).

Component Program Manager (CPM): The Component's GPC lead, serving as the functional representative to the DoD GPC PMO. For detailed responsibilities of the CPM role, see Section 3.1.4, CPM.

Component Resource Manager (CRM): The Comptroller/RM for the Component. For detailed responsibilities of the CRM role, see Section 3.1.11.1, Component RM and Oversight RM.

Confirm and Pay: The invoice certification process that requires the A/BO, who is also the Certifying Officer, to review GPC supporting data for each transaction prior to reconciling and certifying the invoice, thereby authorizing the designated disbursing office to make payment to the card-issuing bank. This process, used by the DA, DON, and most ODAs, is separate and distinct from Pay and Confirm procedures.

Construction: Applies to contractors/subcontractors performing construction work on Federally funded contracts greater than $2,000 for alteration or repair, replacement, remodeling, or installation (including painting and decorating) of public buildings or public works subject to 40 U.S.C. 31, Subchapter IV, Wage Rate Requirements (Construction), (formerly known as the Davis-Bacon Act). For more information, see FAR 22.4.

Contingency Operation: See FAR 2.101.

Customer: An individual or organization that requires supplies or services.

Cybersecurity: Prevention of damage to, protection of, and restoration of computers, electronic communications systems, electronic communication services, wire communication, and electronic communication, including information contained therein, to ensure its availability, integrity, authentication, confidentiality, and nonrepudiation (see DoDI 8500.01). Cybersecurity requirements include specific actions taken during the purchase process to ensure cybersecurity is maintained. For more information, see Section 6.5, Cybersecurity.

Data Mining (DM): An automated process used to scan databases to detect patterns, trends, and/or anomalies for use in risk management, spend patterns, and other areas of analysis.

Davis-Bacon Act: See the "Construction" definition above.

Declined Transactions: Transactions where authorization has been refused by the card-issuing bank's transaction authorization system. The bank's authorization system may decline a transaction for a variety of reasons including, but not limited to, instances where the transaction exceeds the CH's SPL or an incorrect expiration date in the authorization request. For more information, see Section 9.2, Declined Transactions.

Defense Finance and Accounting Service (DFAS): The DoD Component designed as the payment office responsible for payment of GPC invoices.

Defense Transportation System (DTS): That portion of the United States' transportation infrastructure that supports DoD common-user transportation needs across the range of military operations.

Delegating/Appointing Authority (DAA): An individual(s) (other than the A/OPC or OA/OPC with delegating authority) who has retained or been delegated authority to electronically sign DoD GPC PMO delegation of procurement authority and GPC appointment letters within JAM (e.g., the Director of Contracts or DA Senior Contracting Official (SCO)).

Delegation of Procurement Authority: A document, issued by authorized Component personnel, that establishes an individual as an authorized CH. The delegation of procurement authority shall specify spending and usage limitations unique to the CH. Each Component, in its internal procedures, must designate who shall be responsible for the issuance of these delegations. This delegation must come from the HA or as further delegated in accordance with Component policy. See Section 11.2.2, JAM.

Delinquency: See Table 6, Disciplinary Category Definitions Policy.

Department of Defense Activity Address Code (DoDAAC): A six-position code that uniquely identifies a unit, activity, or organization that has the authority to requisition, contract for, receive/accept, have custody of, issue, or ship government-owned assets; or fund/pay bills for materials and/or services. A DoDAAC is the business standard code used to identify an activity within DoD and Component business systems that span all functional domains of procurement/acquisition, FM and accounting, supply, property, maintenance, transportation, readiness, human resources, etc.

Department of Defense Component: A U.S. Military Service or ODA. Includes the OSD; Chairman, Joint Chiefs of Staff and the Joint Staff; DoD Inspector General; Military Departments, including the Coast Guard when assigned to the DON; ODAs; combatant commands; Uniformed Services University of the Health Sciences; and all NAF instrumentalities.

Department of Defense Form 577 Appointing Authority: A PIEE role held by individuals authorized by Component FM procedures to sign DD Form 577 Certifying Officer appointments in accordance with the DoD FMR.

Department of Defense Form 577 View-Only User: A PIEE role held by individuals in disbursing offices (e.g., DFAS) who need to view DD Form 577 appointments.

Department of Defense Governmentwide Commercial Purchase Card Program Management Office (DoD GPC PMO): OUSD(A&S)/ASD(A)/DPCAP/Contracting eBusiness and its representatives at DCMA. The DoD GPC PMO is Level 1 in the PIEE Hierarchy. As the GPC is used to streamline both contracting and FM processes, both DPCAP and OUSD(C) perform vital DoD GPC program management functions. DPCAP is the policy lead for acquisition matters, while OUSD(C) is the policy lead for financial matters. For detailed responsibilities of the PMO role, see Section 3.1.1, DoD GPC PMO.

Designated Payment Office: The office that is responsible to effect payment of GPC invoices to the issuing bank.

Dispute: A disagreement between a CH and a vendor regarding items appearing on the CH's monthly statement of account, which is presented to the card-issuing bank for resolution. For more information, see Section 9.1, Disputing a Charge.

Electronic Access System (EAS): A Web-based computer system required by the TTOs with the card-issuing bank for account set-up, maintenance, reporting, and electronic bill presentation and certification. The EAS of the SP3 card-issuing bank, U.S. Bank, is Access Online.

Electronic Commerce: As defined in FAR 2.101, "Electronic techniques for accomplishing business transactions, including electronic mail or messaging, World Wide Web technology, electronic bulletin boards, purchase cards, electronic funds transfer, and EDI."

Electronic Data Interchange (EDI): The automated process for receiving electronic transactions, obligations, invoice, acceptance, and other records from a card-issuing bank via GEX to the DoD accounting, ERP, DFAS, or other system.

Electronic Funds Transfer (EFT): In accordance with FAR 2.101, any transfer of funds, other than a transaction originated by cash, check, or similar paper instrument, that is initiated through an electronic terminal, telephone, computer, or magnetic tape, for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. The term includes ACH transfers, Fedwire transfers, and transfers made at automated teller machines and point-of-sale terminals. For purposes of compliance with 31 U.S.C. 3332 and implementing regulations at 31 CFR Part 208, EFT includes a GPC transaction.

Emergency Acquisition Flexibilities (EAFs): As defined in FAR 18.001, "flexibilities provided with respect to any acquisition of supplies or services by or for an executive agency that, as determined by the head of an executive agency, may be used

a. In support of a contingency operation as defined in FAR 2.101;
b. To facilitate the defense against or recovery from cyber, nuclear, biological, chemical, or radiological attack against the United States;
c. In support of a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate the provision of international disaster assistance; or

d. When the President issues an emergency declaration, or a major disaster declaration."

DFARS 218.270 delegates certain determinations to the HCA, to include FAR 18.2.

Emergency-Type Operations (ETOs): The term used to describe events for which Emergency Acquisition Flexibilities are authorized. The operations included in 41 U.S.C. 1903 are:

a. Contingency operations as defined in FAR 2.101;
b. Operations to facilitate the defense against or recovery from cyber, nuclear, biological, chemical, or radiological attack against the United States;
c. Operations in support of a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate the provision of international disaster assistance; and
d. Operations to support response to an emergency or major disaster (as those terms are defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121.)).

The group term "ETO" also includes humanitarian or peacekeeping operations (as defined at 10 U.S.C. 3015 and FAR 2.101) and covered operations as addressed in CD 2024-O0011. Information about necessary ETO determinations is available in Section A.1, Emergency Acquisition Flexibilities.

Enterprise Resource Planning (ERP): A broad set of activities that integrates all of an organization's data into a unified system. These activities are supported by multiple-module software that helps the Component manage the important parts of its business, including weapon systems, procurement, inventories, interacting with suppliers, providing customer service, and tracking orders. ERP also includes application modules for the finance and human resources aspects. For the purposes of GPC EDI payments, these systems are also referred to as "accounting systems."

External Fraud: See Table 6, Disciplinary Category Definitions Policy.

Federal Prison Industries (FPI): FPI, also known by its trade name UNICOR, is a wholly owned Government corporation established by Congress on June 23, 1934. Its mission is to protect society and reduce crime by preparing inmates for successful reentry through job training. Under the circumstances defined in FAR subpart 8.6, FPI is a mandatory source of supply for Federal purchasers. Supplies manufactured and services performed by FPI are listed in the FPI Schedule. For more information, see Section 6.1.1, Federal Prison Industries / UNICOR.

Federal Procurement Data System (FPDS): The real-time, relational database that serves the Government acquisition community as the authoritative source of contract information. It contains summary-level data that is used for policy and trend analysis. FPDS is accessed via the SAM Contracting webpage by clicking "Manage Contract Awards."

Financial Services Officer (FSO): DAF Certifying Officer for Pay and Confirm accounts.

Fraud: See Table 6, Disciplinary Category Definitions Policy.

Frustrated Freight: A supplier shipment that is, at a minimum, delayed along the transportation chain and will not move until all problems are resolved. Many times, the shipment never reaches the intended recipient. For more information, see Appendix B, Shipments Outside the Continental United States.

Global Exchange (GEX): A DLA-operated system that provides secure messaging, mediation, and routing services along with system monitoring, data and audit trails, and performance scalability, ensuring the system reliably performs for each of the communities of interest. The system is designed so that messaging, mediation, and routing services are independently applied as needed to support individual business process data flows.

Governmentwide Commercial Purchase Card (GPC): The account established with the card-issuing bank that enables properly authorized Government personnel to buy and pay for supplies and services in support of official Government business.

Group Administrator (GAM): A system role in PIEE for an individual appointed by the Component with the primary responsibility to manage access to PIEE applications. For more information about GAMs, see Step 4 of PIEE's Getting Started Help Page.

Head of Activity (HA): The senior-most person in organizations that employ A/OPCs. The HA can delegate his/her GPC oversight functions no lower than the Commanding Officer's deputy, the SCO / Chief of the Contracting Office (CCO), or the SCO/CCO's deputy. Each Component must determine which of its roles will serve as the HA and document that determination in Component and local policy. The HA must be an individual in a management position not to exceed one level below the HCA. For detailed responsibilities of the HA role, see Section 3.1.3, Head of Activity.

Head of the Agency: As defined in FAR 2.101, **"**the Secretary, Attorney General, Administrator, Governor, Chairperson, or other chief official of an executive agency, unless otherwise indicated, including any deputy or assistant chief official of an executive agency." Also called "Agency Head."

Head of the Contracting Activity (HCA): As defined in FAR 2.101, **"**the official who has overall responsibility for managing the contracting activity."

Help Administrator (HAM): A PIEE role held by individuals providing help desk support.

Humanitarian or Peacekeeping Operation: See FAR 2.101. For more information, also see Appendix A, Using the GPC in Support of ETOs.

Improper Use: GPC abuse, delinquencies, internal fraud, misuse, administrative discrepancies, and external fraud.

Improper Purchase: Any purchase that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements. Incorrect amounts include overcharges and undercharges. An improper purchase can be one of two types: (1) unauthorized or (2) incorrect.

a. Unauthorized purchases consist of items that are intentionally purchased and are outside of the CH's purchasing authority.
b. Incorrect purchases are mistakes that are the result of an unintentional error during the purchase process. For example, when a CH is asked to buy one filing cabinet but purchases three cabinets, this is an incorrect purchase. A series of seemingly incorrect purchases may require investigation to determine whether these purchases actually are unauthorized purchases.

Integrated Solutions Team (IST): DoD's GPC Governance Board comprised of representatives from the DoD GPC PMO and DoD CPMs, with non-voting support provided by the card-issuing

bank, DM provider, card association, and other professional service contractors. The IST typically meets semi-annually to discuss changes and trends in the DoD GPC Program and industry; identify necessary adjustments to the bank-provided electronic capabilities, DoD's GPC enterprise tools, and DoD GPC policies; identify and approve changes to DM rules; and establish priorities.

Internal Control: As defined in DoDI 5010.40, "a process effected by an entity's oversight body, management, and other personnel that provides reasonable assurance that an entity's objectives will be achieved." Internal controls are tools to help program and financial managers achieve results, mitigate risk, and safeguard the integrity of their programs. A system of internal controls includes measures such as policies, checks and balances, monitoring, and reviews to prevent or identify potential GPC improper use. The term "internal control" is synonymous with "internal management control." For more information, see Section 10.2, Internal Controls.

Internal Fraud: See Table 6, Disciplinary Category Definitions Policy.

Invoice: The official monthly invoice for payment purposes that is provided by the card-issuing bank. The invoice identifies all the transactions of the A/BO's CHs during a billing cycle. See Section 5.3, Funding; and Section 11.1, Supporting System Requirements, for more information.

Joint Appointment Module (JAM): The enterprise-wide module for executing the nomination and appointment functions in a Web-based application designed to improve management of official appointments impacting enterprise-wide procurement systems and procurement-related appointments. For more information, see Section 11.2.2, JAM.

Level 1 Data: Defined in the GSA SP3 Master Contract as "standard commercial transaction data that includes, but is not limited to, the total purchase amount, date of purchase, MCC, vendor's name, city/state, date charge/credit was processed by the contractor, contractor processing/transaction reference number for each charge/credit, and other data elements as defined by the associations, brands, or similar entities."

Level 2 Data: Defined in the GSA SP3 Master Contract as follows: "In addition to Level 1 data, Level 2 data includes, but is not limited to, sales tax amount, company information, and other data elements as defined by the associations, brands, or similar entities."

Level 3 Data: Defined in the GSA SP3 Master Contract as follows: "In addition to the transaction data in Levels 1 and 2, Level 3 data includes, but is not limited to, unit cost, quantities, unit of measure, product codes, product descriptions, ship to/from ZIP Codes, freight amount, duty amount, order date, discount amount, order number, and other data elements as defined by the associations, brands, or similar entities."

Line of Accounting (LOA): The data used to identify specific funding information. For more information, see the DoD FMR.

Managing Account (MA): The higher-level account under which CH accounts may be established in accordance with Section 10.2.1, Span of Control. The MA cannot be used to make purchases but instead is used to roll up CH accounts under the A/BO. The term "billing account" is synonymous with "managing account."

Managing Account Billing Statement: The card-issuing bank-provided document (also referred to as the invoice) that the A/BO approves during the reconciliation process.

Manual Bank Invoice: A FAR 52.213-2-compliant invoice presented in paper format.

Merchant Category Code (MCC): A code used to categorize each vendor according to the type of business in which the vendor is engaged and the kinds of supplies or services provided. MCC codes are used as authorized transaction codes on a card/account to identify the types of businesses that provide authorized supplies or services. The DoD GPC PMO maintains the list of DoD-wide blocked MCC codes. For more information, see Section 10.2.3, MCCs.

Merchant Category Code Group (MCCG): A group of MCCs that may be added to a CH account or MA to efficiently enable purchasing for multiple MCCs.

Micro-Purchase: Per FAR 2.101, "an acquisition of supplies or services using SAP, the aggregate amount of which does not exceed the Micro-Purchase Threshold."

Micro-Purchase Threshold (MPT): Per FAR 2.101, "Micro-purchase threshold means $15,000, except it means—

(1) For acquisitions of construction subject to 40 U.S.C. 31, subchapter IV, Wage Rate Requirements (Construction), $2,000;

(2) For acquisitions of services subject to 41 U.S.C. 67, Service Contract Labor Standards, $2,500; and

(3) For acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation; to facilitate defense against or recovery from cyber, nuclear, biological, chemical or radiological attack; to support a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate provision of international disaster assistance pursuant to 22 U.S.C. 2292 et seq.; or to support a response to an emergency or major disaster (42 U.S.C. 5122), as described in 13.201(g)(1), except for construction subject to 40 U.S.C. 31, subchapter IV, Wage Rate Requirements (Construction) (41 U.S.C. 1903)—

(i) $25,000 in the case of any contract to be awarded and performed, or purchase to be made, inside the United States; and

(ii) $40,000 in the case of any contract to be awarded and performed, or purchase to be made, outside the United States.

(4) For acquisitions of supplies or services from institutions of higher education (20 U.S.C. 1001(a)) or related or affiliated nonprofit entities, or from nonprofit research organizations or independent research institutes—

(i) $15,000; or

(ii) A higher threshold, as determined appropriate by the head of the agency and consistent with clean audit findings under 31 U.S.C. 75, Requirements for Single Audits; an internal institutional risk assessment; or State law."

Table 22, GPC MPTs, lists the current MPTs applicable to DoD.

Table 22. DoD MPTs

	Function	Threshold	Authority
1	Federal-Wide Open Market	$15,000	FAR 2.101, FAR 13.2
2	Construction subject to 40 U.S.C. 31, subchapter IV, Wage Rate Requirements (Construction)	$2,000	FAR 2.101, FAR 13.2
3	Services subject to 41 U.S.C. 67, Service Contract Labor Standards	$2,500	FAR 2.101, FAR 13.2
4	GPC ETO (Inside U.S.)	$25,000	FAR 2.101, DFARS 213.270(c)(3), and DFARS PGI 213.201
5	GPC ETO (Outside U.S.)	$40,000	FAR 2.101, DFARS 213.270(c)(3), and DFARS PGI 213.201
6	Federal-Wide Higher Education Open Market	$15,000 or greater	FAR 2.101
7	GPC Convenience Checks (General – *Unrelated* to Contingency and Other Emergency Uses)	$7,500	Sec. 806(b) of the NDAA for FY 2018 (41 U.S.C. 1902)
8	GPC Convenience Checks for ETO and Other Emergency Uses (Inside U.S.)	$12,500	Sec. 806(b) of the NDAA for FY 2018 (41 U.S.C. 1902)
9	GPC Convenience Checks for ETO and Other Emergency Uses (outside U.S.)	$20,000	Sec. 806(b) of the NDAA for FY 2018 (41 U.S.C. 1902)

Misuse: See Table 6, Disciplinary Category Definitions Policy.

Non-Appropriated Funds (NAF): Revenue earned by Government departments, organizations, or agencies by means other than taxation. For instance, the State Department charges for passports and then uses the earnings for other purposes. For more information, see Section 5.3.2.1, NAF Accounts.

Official Representation Funds (ORF): A budget allocation used to facilitate official reception and representation activities that further the interests of the United States. Such activities are intended to increase cooperation with foreign governments and with public or private organizations outside the Federal Government. DPCAP's Purchase Cards – GPC Frequently Asked Questions webpage provides answers to ORF FAQs.

Open-Market Micro-Purchase: A fixed-price GPC purchase from the commercial marketplace for supplies and services that does not include a statement of work; including purchases from mandatory sources listed under FAR 8.002 and 8.003. Open-market micro-purchases are limited to the applicable MPT.

Ordering Official: A CH granted the authority to place orders against existing Government contracts or an open-market local purchase.

Oversight Agency/Organization Program Coordinator (OA/OPC): The Primary and Alternate A/OPC with responsibility for managing/overseeing other A/OPCs. For detailed responsibilities of the OA/OPC role, see Section 3.1.5, OA/OPC.

Oversight Data Entry A role granted to individuals from certain organizations to populate oversight reporting data.

Oversight Resource Manager (Oversight RM): The program participant responsible for approving RM access to PIEE. The Oversight RM also can perform all RM functions. For detailed responsibilities of the Oversight RM role, see Section 3.1.11.1, Component RM and Oversight RM.

Pay and Confirm: The invoice certification process that allows the FSO to certify the invoice, thereby authorizing the designated disbursing office to make payment to the bank prior to A/BO review and reconciliation of GPC supporting data for each transaction. This process, used by the DAF and Air National Guard, is separate and distinct from Confirm and Pay procedures, and associated Component policy must be followed.

Positive Funds Control: A method to preclude CHs from exceeding reserved funds. Typically, maintaining positive funds control is accomplished by setting managing and CH account limits at the reserved amount. (DoD FMR)

Pre-Purchase Approval: Approval by an individual other than the CH (e.g., the A/BO or other individual delegated by the Component) issued in advance of the purchase being made.

Procurement Integrated Enterprise Environment (PIEE): The mandatory enterprise DoD Procure-to-Pay application for appointing and delegating authority to GPC personnel. For more information, see Section 11.2.1, PIEE.

Procurement Integrated Enterprise Environment Hierarchy: The PIEE Hierarchy is a DoDAAC-based DoD organizational structure. The Home Organization / Location Code (i.e., DoDAAC) entered by each user during their PIEE account registration process is used to identify his/her place on the PIEE Hierarchy. The DoD GPC PMO is Level 1 in the PIEE Hierarchy. Each Component has formally instituted its Hierarchy Level 2 (Services/Agencies) and Level 3 (major command or equivalent) structures and provided them to OSD; any changes to the Level 2 or 3 structures must be formally coordinated with OSD. Each DoD Component is solely responsible for management of its Hierarchy Levels 4 through 7 (Operational levels); this process is managed by the Level 2 GAM. Lower-level GAMs support the Level 2 GAM; they are responsible for PIEE user account management (i.e., activation and deactivation). Each Component must work with its existing PIEE GAMs to determine how its GPC community will participate in the PIEE account management process.

Profile: A record containing all information relative to a particular account. It includes demographic information, accounting information, authorization controls, billing information, etc.

Program Participant: A participant in the DoD GPC Program who has one of the official roles described in Chapter 3, Organizations and Roles.

Prompt Payment Act: Pub. L. 97-177 (31 U.S.C. 1801) requires prompt payment of invoices within 30 days of receipt (FAR 52.232-25). An automatic interest penalty is required if payment is not timely.

Purchase Log: A record in which the CH documents information on individual purchases made with the GPC or convenience check in the card-issuing bank's EAS in accordance with the requirements specified in the "Purchase Log Requirements and Standard Operating Procedures"

spreadsheet, available on DPCAP's Purchase Cards – Documents and Guides webpage, and any Component purchase log requirements. The purposes of the purchase log include, but are not limited to tracking, reporting on, complying with, and/or supporting acquisition, disbursement, spend, strategic sourcing / category management, demand forecasting, property accountability, logistics allocations, entitlement, ETOs, and cybersecurity.

Reactivation: The activation of GPC privileges after suspension.

Reconciliation: The process by which the CH, A/BO, and Certifying Officer capture and review each transaction and its associated documentation (e.g., PLI and EA) throughout the billing cycle. Reconciliation includes the process of the CH matching transactions and approving his/her CH statement, the A/BO reviewing all transactions and associated documentation and "final approving" the MA billing statement, and the Certifying Officer reviewing and certifying the invoice is correct and proper for payment.

Refund: As defined in the GSA SP3 Master Contract, "a monetary payment provided by the Contractor to agencies, based on the dollar or 'spend' volume during a specified time period. This also may include additional payments from the Contractor to the agency/organization to correct improper or erroneous refund payments or make an invoice adjustment." As stated in the DoD FMR, the terms "rebate" and "refund" are used interchangeably throughout the CFR, OMB guidance, and current legislation. Except where quoting another publication, this *Guidebook* uses the term "refund" for consistency with the Master Contract.

Required and/or Mandatory Sources of Supplies and Services: Sources for specific categories of supply/service that are mandated by Federal law and regulation. The priority of sources is dictated by FAR part 8. Mandatory sources must be considered before an open-market purchase can be made. For more information, see Section 6.1, Required Sources of Supplies and Services.

Requirement: The description of the Government's needs that leads to an acquisition.

Reservation of Funds: A commitment of funds within the appropriate financial system based on the CH's or A/BO's projected needs during a specified time period (usually monthly or quarterly). (DoD FMR)

Resource Manager (RM): Consistent with the DoD FMR, GPC RMs are the individuals who perform day-to-day operational functions as described in Section 3.1.11.2, RM.

Salary Offset: The collection of a debt from the current salary of a debtor under the authority of 5 U.S.C. 5514.

Self-Generated Purchase: A GPC requirement for which there is an absence of documentation that the acquisition was requested by someone other than the CH. This is allowable only when it is not possible for the requestor to make the request in writing.

Separation of Duties: A mandatory internal control to prevent key functions from being done by the same person to minimize risk to the greatest possible extent. For more information, see Section 10.2.4, Separation of Duties.

Services Subject to 41 U.S.C. 67, Service Contract Labor Standards: Provisions of: (1) 41 U.S.C. 67, Service Contract Labor Standards; (2) the applicable provisions of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 201, et seq.); and (3) related Secretary of Labor regulations and instructions (29 CFR Subtitle A, Parts 4, 6, and 8; and 29 CFR Part 1925) require

contractors and subcontractors performing services subject to the labor standards under Federal contracts/purchases exceeding $2,500 to pay service employees in various classes no less than the monetary wage rates and to furnish fringe benefits found prevailing in the locality, or the rates (including prospective increases) contained in a predecessor contractor's collective bargaining agreement. Safety and health standards also apply to such contracts.

For more information about which types of services are subject to labor standards, see FAR 22.10 and 29 CFR Part 4. When purchasing services not listed in 29 CFR Part 541, the applicable MPT applies.

Simplified Acquisition Procedures (SAP): The methods prescribed in FAR part 13 for making purchases of supplies or services.

Simplified Acquisition Threshold (SAT): Per FAR 2.101, "Simplified acquisition threshold means $350,000, except for—

(1) Acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation; to facilitate defense against or recovery from cyber, nuclear, biological, chemical, or radiological attack; to support a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate provision of international disaster assistance pursuant to 22 U.S.C. 2292 et seq.); or to support a response to an emergency or major disaster (42 U.S.C. 5122), (41 U.S.C. 1903), the term means–

(i) $1 million for any contract to be awarded and performed, or purchase to be made, inside the United States; and

(ii) $2 million for any contract to be awarded and performed, or purchase to be made, outside the United States; and

(2) Acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a humanitarian or peacekeeping operation (10 U.S.C. 3015), the term means $650,000 for any contract to be awarded and performed, or purchase to be made, outside the United States."

Single Purchase Limit (SPL): The dollar limit imposed on each purchase assigned to each CH account by the issuing DoD activity. A CH's account limitations should reflect the normal usage by that CH and must not default to the maximum available. For more information, see Section 10.2.2, Spending Limits.

Single-Use Account: An electronic, charge card-based payment solution that leverages a single, unique 16-digit virtual account number for each payment. The limit on each account is set to the specific payment amount.

SmartPay® (SP): A GSA program that provides users with card-based tools to simplify procuring needs in three operational areas. The GPC enables users to make day-to-day purchases of supplies and services to satisfy official business needs.

Special Designation (SD): One of 10 types of "special use" CH delegations. For more information, see Section 4.7, CH SDs.

Special Item Approval: Approval by an individual other than the CH to purchase special items that otherwise would be prohibited by 6.2. Prohibited Purchases, in accordance with Component policy as identified in Section 5.5, Special Approvals.

Split Purchase: Separating a requirement that exceeds a CH's SPL or threshold into two or more buys as a means of circumventing the CH's purchase limit. No CH may break down / split purchases that exceed the CH's limit or threshold as means to use the GPC. To do so is a violation of Federal procurement law. When a known requirement exceeds the MPT, it must be procured on a Government contract. The following are examples of split purchases:

a. A CH processing multiple purchases from the same vendor on the same day, the total of which exceeds the SPL, when the total requirement was known at the time of the first purchase.
b. A CH purchasing the same or similar item(s) from multiple vendors on the same day, the total of which exceeds the SPL, when the total was known at the time of the first purchase.
c. A CH holding known requirements exceeding the MPT to purchase the items from the same or multiple vendors over a period of time when the total requirement was known at time of the first purchase and the value exceeds the CH's SPL.
d. More than one CH under the same A/BO purchasing the same or similar item(s) the same day or during a timeframe when the total known requirement(s) exceeds the micro-purchase limit.

Suspension: Temporarily disabling an account to prevent purchases from being made with the account.

Tax Exemption: 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 GPC.

Third-Party Electronic Commerce Vendors: Third-party vendors are entities that fulfill orders on commercial platforms for which they are *not* the platform providers. These individual vendors might offer products for sale on various online marketplaces, such as GSA's CP Program and AmazonBusiness.com. For more information, see Section 6.8, Third-Party Payments.

Third-Party Payment Processors: Commercial financial service providers offering online payment solutions for commercial transactions. These processors own vendor accounts that allow them to accept and process GPC payments on behalf of vendors who provide supplies and services. Many vendors choose to utilize third-party payment processors to accept payments without having to establish a vendor account through a vendor bank. Examples include PayPal, Venmo, Square, Stripe, and Zelle. For more information, see Section 6.8, Third-Party Payments.

Transaction-Supporting Documentation (TSD): Transaction-supporting documentation is the subset of GPC documentation related to funding, transacting, reconciling, and disbursing GPC purchases/payments. It includes PLI, TI, EA, and Funding Confirmation and Reconciliation Information. See Chapter 7, Documenting a Purchase, for more detailed information.

United States (U.S.): As defined in FAR 2.101, "the 50 States and the District of Columbia."

View-Only Access: A role granted to individuals requiring view-only access to GPC PIEE data and SSO access to GPC systems (e.g., the card-issuing bank's EAS).

Violations: The four categories of improper use—abuse, delinquency, internal fraud, and misuse—that require violations of the FAR, DFARS, or Component supplements. See examples in Section 10.3, GPC Violations.

APPENDIX G: GPC PURCHASING STEPS

The list below depicts the key steps in making an open-market micro-purchase using the GPC. Follow DoD and Component policy as appropriate.

1. Identify the requirement and ensure it fulfills a mission-essential need. (See Section 2.1, Outcomes.)
2. Determine whether the requirement can be met within the limits specified in the CH's delegation of authority letter. (See Sections 3.1.6, A/OPC; and 3.1.10, CH and Convenience Check Account Holder.)
3. Ensure the GPC is not used to make a purchase or issue a task or delivery order that exceeds the CH's SPL. (See Section 3.1.6, A/OPC.)
4. Validate availability of funds (funding amount and type). FAR 32.702 states the basic principle of the Anti-Deficiency Act: "No officer or employee of the Government may create or authorize an obligation in excess of the funds available or in advance of appropriations unless otherwise authorized by law." (See Section 5.3, Funding.)
5. Obtain any required pre-purchase approvals (see Component-specific policy). (See Section 5.5, Special Approvals.)
6. In accordance with FAR 13.203, to the extent practicable, micro-purchases shall be distributed equitably among qualified suppliers. (See Section 6.3, Competition.)
7. In accordance with FAR part 8, screen for and use required sources of supply. (See Section 6.1, Required Sources of Supplies and Services.)
8. Then, in accordance with FAR 8.004, consider use of non-mandatory sources such as FSS contracts/BPAs (e.g., GSA Advantage); Governmentwide acquisition contracts; multi-agency contracts, and commercial sources (including educational and nonprofit institutions). (See Section 6.1.4, Non-Mandatory Sources of Supply.)
9. Determine whether commercial shipment is available for purchases outside the United States. If not, ensure the vendor is provided with the necessary information to allow the purchase to enter the DTS. (See Appendix B, Shipments Outside the Continental United States.)
10. Identify state tax-exempt status. (See Section 5.6, Tax Exemption.)
11. Create the purchase log entry. (See Section 7.2, Purchase Log Information and Section 8.1, Account Reconciliation.)
12. Make the purchase. Only the CH is authorized to make the purchase—no exceptions. CHs cannot redelegate their authority. (See Section 3.1.10, CH and Convenience Check Account Holder.)
13. Document the purchase file. Include all EA in the card-issuing bank's EAS. (See Sections 7.1, Documentation; and 7.3, Electronic Attachments.)
14. Ensure that applicable Accountable Property Officers have been notified when accountable property (including pilferable property as defined in DoDI 5000.64) has been acquired with the GPC. (See Section 7.5, Accountable Property.)
15. The Certifying Officer is required to retain GPC supporting documents / disbursing office records. (See Section 7.3, Electronic Attachments; and Section 7.7.3, Retention of GPC Program Documentation.)

APPENDIX H: ACRONYMS, ABBREVIATIONS, AND FORM TITLES

A	
AA	Appointing Authority
A/BO	Approving/Billing Official
ACH	Automated Clearing House
ANSI	American National Standards Institute
A/OPC	Agency/Organization Program Coordinator
APSR	Accountable Property System of Record
ASD(A)	Assistant Secretary of Defense (Acquisition)
ATCMD	Advanced Transportation Control Movement Document

B	
BOA	Basic Ordering Agreement
BPA	Blanket Purchase Agreement

C	
CAAMP	Contracting Assistant for Awards and Micro-Purchases (bot)
CAC	Common Access Card
CBA	Centrally Billed Account
CCCM	Center for Charge Card Management
CCO	Chief of the Contracting Office
CCP	Consolidation and Containerization Point
CD	Class Deviation
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CH	Cardholder
COR	Contracting Officer's Representative
COTS	Commercial Off-the-Shelf
CPP	Commercial Platforms Program
CPM	Component Program Manager
CRM	Component Resource Manager

D	
DA	U.S. Department of the Army
DAA	Delegating/Appointing Authority
DAAS	Defense Automated Addressing System
DAF	U.S. Department of the Air Force
DAU	Defense Acquisition University
DCMA	Defense Contract Management Agency
DD	Department of Defense
DD Form 577	Appointment/Termination Record – Authorized Signature
DD Form 1387	Military Shipment Label
DEERS	Defense Enrollment Eligibility Reporting System
DFARS	Defense Federal Acquisition Regulation Supplement
DFAS	Defense Finance and Accounting Service
DLA	Defense Logistics Agency
DM	Data Mining
DMDC	Defense Manpower Data Center
DoD	Department of Defense
DoDAAC	Department of Defense Activity Address Code
DoDI	Department of Defense Instruction
DON	U.S. Department of the Navy
DORA	Determination of Contractor Responsibility (bot)

DPCAP	Defense Pricing, Contracting, and Acquisition Policy
DSN	Defense Switched Network
DTR	Defense Transportation Regulation
DTS	Defense Transportation System

E

EA	Electronic Attachments
EAF	Emergency Acquisition Flexibility
EAS	Electronic Access System
EDI	Electronic Data Interchange
EEO	Equal Employment Opportunity
EFT	Electronic Funds Transfer
EO	Executive Order
EPA	Environmental Protection Agency
ERP	Enterprise Resource Planning
ETO	Emergency-Type Operation

F

FAQ	Frequently Asked Question
FAR	Federal Acquisition Regulation
FASCSA	Federal Acquisition Supply Chain Security Act
FEG	Functional Entitlement Group
FIAR	Financial Improvement and Audit Readiness
FM	Financial Management
FMR	Financial Management Regulation
FMS	Foreign Military Sales
FOIA	Freedom of Information Act
FPDS	Federal Procurement Data System
FPI	Federal Prison Industries
FR	Federal Register
FSO	Financial Services Officer
FSS	Federal Supply Schedule
FY	Fiscal Year

G

GAM	Group Administrator
GAO	Government Accountability Office
GEX	Global Exchange
GFP	Government-Furnished Property
GPC	Governmentwide Commercial Purchase Card
GSA	General Services Administration

H

HA	Head of Activity
HAM	Help Administrator
HCA	Head of the Contracting Activity

I

ID	Identification
IG	Inspector General
IOD	Insights On Demand®
IRS	Internal Revenue Service

IRS Form 1099-MISC	Miscellaneous Information
IST	Integrated Solutions Team
IT	Information Technology
ITO	Installation Transportation Office

J

JAM	Joint Appointment Module
JTR	Joint Travel Regulations

L

LIK	Lodging in Kind
LOA	Line of Accounting

M

MA	Managing Account
MCC	Merchant Category Code
MCCG	Merchant Category Code Group
MFR	Memorandum for the Record
MICP	DoD Enterprise Risk Management and Risk Management Internal Control Program
MIPR	Military Interdepartmental Purchase Request
MPT	Micro-Purchase Threshold
MSDS	Material Safety Data Sheets
MSL	Military Shipping Label

N

NAF	Non-Appropriated Funds
NARA	National Archives and Records Administration
NDAA	National Defense Authorization Act
NSN	National Stock Number

O

OA/OPC	Oversight Agency/Organization Program Coordinator
ODA	Other Defense Agency or Activity
OMB	Office of Management and Budget
ORC	Operational Requirements Committee
ORF	Official Representation Funds
OSD	Office of the Secretary of Defense
OUSD	Office of the Under Secretary of Defense
OUSD(A&S)	Office of the Under Secretary of Defense for Acquisition and Sustainment
OUSD(C)	Office of the Under Secretary of Defense (Comptroller)
OUSD(P&R)	Office of the Under Secretary of Defense for Personnel and Readiness

P

PARC	Principal Assistant Responsible for Contracting
PCOM	Purchase Card Oversight Module
PDF	Portable Document Format
PFOA	Perfluorooctanoic Acid
PFOS	Perfluorooctane Sulfonate
PGI	Procedures, Guidance, and Information
PIEE	Procurement Integrated Enterprise Environment
Pub. L.	Public Law

PLI	Purchase Log Information
PMO	Program Management Office
PMR	Procurement Management Review
POD	Port of Debarkation
POE	Point of Embarkation
PTQ	Procurement Integrated Enterprise Environment Task Queue

R

RDD	Required Delivery Date
RM	Resource Manager
RMF	Risk Management Framework

S

SAHAR	Semi-Annual Head of Activity Review
SAM	System for Award Management
SAT	Simplified Acquisition Threshold
SAP	Simplified Acquisition Procedures
SD	Special Designation
SF	Standard Form
SF 182	Authorization, Agreement, and Certification of Training
SF 1034	Public Voucher for Purchases to Validate the LOA
SF 1402	Certificate of Appointment
SF LLL	Disclosure of Lobbying Activities
SP	SmartPay®
SPL	Single Purchase Limit
SSA	Supply Support Activity
SSO	Single Sign-On

T

TAC	Transportation Accounting Code
TCN	Transportation Control Number
TFM	Treasury Financial Manual
TI	Transaction Information
TMO	Transportation Management Office
TP	Transportation Priority
TSD	Transaction-Supporting Documentation
TTO	Tailored Task Order

U

UAS	Unmanned Aircraft Systems
UCMJ	Uniform Code of Military Justice
U.S.	United States
U.S.C.	United States Code
USDA	United States Department of Agriculture

W

WAWF	Wide Area Workflow