

CHAPTER 33
SUPPLEMENT TO THE DEPARTMENT OF THE ARMY GOVERNMENT
PURCHASE CARD STANDING OPERATING PROCEDURES FOR USFK

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I. General Information

- A. **Purpose:** The purpose of this United States Forces Korea (USFK) Supplement to the Army Purchase Card Standing Operating Procedure is to define the procedures and processes required to establish, maintain, and operate an effective and trustworthy Government Purchase Card (GPC) Program for all U.S. DOD activities using appropriated funds, operating in the Republic of Korea and supported by the United States Army Contracting Command Korea (USACCK). This SOP is intended to establish USFK wide standards and to provide all commands and activities with a foundation upon which to build specific directives governing their programs within their respective organizations. Compliance with this SOP is mandatory for all Billing Officials and Cardholders appointed by USACCK.
- B. **Scope:** This Standard Operating Procedure (SOP) applies to all USFK units and assigned personnel supported by the United States Army Contracting Command Korea (USACCK) who are spending appropriated funds. It specifically does not apply to Non-Appropriated Fund (NAF) funded accounts.
- C. **Background:** Executive Order 12352 on Federal Procurement Reforms set forth requirements for Federal agencies to establish programs for reducing administrative costs and other burdens that the acquisition functions may impose on the Federal Government and the private sector. The Purchase Card was adopted to replace the paper-based, time-consuming purchase order process, thereby eliminating procurement lead-time, providing transaction cost savings, reducing procurement office workload, and facilitating payment. Purchase Cards are used by Cardholders to pay for authorized government purchases, subject to an established transaction amount, billing cycle amount, and merchant code limitations. A Purchase Card charge authorizes the card issuing bank to make immediate payment to the vendor or contractor. An authorized purchase is defined as a purchase that satisfies a bona fide requirement at a fair and reasonable price. Any misuse of the GPC is subject to criminal, civil, Uniform Code of Military Justice, administrative, and

disciplinary actions as appropriate. Since 1989, the General Services Administration (GSA) has been contracting for purchase card services for Federal offices and agencies with U.S Bank (hereafter referred to as “the Bank”). The GPC is an internationally accepted VISA credit card and may be used to –

1. Make micro-purchases (purchase of requirements costing less than \$2,500 or, in the case of constructions services, \$2,000).
2. Place a task or delivery order against an existing contract (if authorized in the basic contract, basic ordering agreement, or blanket purchase agreement) when the Cardholder has been specifically granted such authority by the A/OPC and has obtained competition as required by law (in any case, not to exceed \$25,000).
3. Make payments against an existing contract when the contractor agrees to accept payment by the card, when the Cardholder has been granted such authority by the A/OPC, and has obtained competition as required by law (in any case, not to exceed \$25,000 unless the action is performed by a warranted Contracting Officer).
4. Make purchases of “small-purchase” requirements up to \$25,000 in value subject to the conditions stated in DFARS 213.301.
5. Fund training requirements.
6. Make Inter-Governmental fund transfers.

D. Program Organization: The GPC program is based on a six- level reporting hierarchy.

1. **Level 1.** The first level of the reporting hierarchy is the Department of Defense as a whole. The DoD Purchase Card Joint Program Management Office serves as the Level 1 Program Coordinator and the reporting agency for the DoD
2. **Level 2.** The second level identifies the specific military service. The Army Headquarters Agency/Organization Program Coordinator (A/OPC) is the Level 2 reporting agency for the Army. A staff member is designated as the focal point for the GPC Program and serves as a liaison among Army organizations, the Bank, the DoD Purchase Card Joint Program Management Office, and the General Services Administration.
3. **Level 3.** The third reporting level identifies the MACOM or equivalent organization. A staff member at each MACOM has been designated as the Level 3 A/OPC. This individual’s primary responsibilities include the implementation, administration, and monitoring of the MACOM GPC program subject to DoD and Army policies. The Level 3 A/OPC is a liaison between Army Headquarters, the Bank, MACOM staff, and field organizations, and provides program support to MACOM and installation GPC focal points. The Level 3 A/OPC for USFK is Mr. Lee L. Wright (DSN 723-6311, wrightl@usfk.korea.army.mil), USACCK, GPC Branch, Unit 15289, APO AP 96205-5289, located in Bldg. 1130 on Cp. Coiner.
4. **Level 4.** The fourth reporting level identifies the installation/organization. This position is referred to as the A/OPC. Primary responsibilities are program implementation and administration, training and monitoring GPC use at the installation level, and serving as liaison between the MACOM, the Bank, the Defense

Finance and Accounting Service (DFAS), and installation organizations. There are nine Level 4 A/OPCs in USFK:

- a. **USFK/Eighth Army Accounts in Areas I, II, III, IV Non-KORO, Non-Air Force funded accounts:** USACCK Headquarters, Bldg. 1130, ATTN GPC Branch, Unit 15289, APO AP 96205-5289. Phone Numbers: 724-3300/7549/8618/3329/3115/7080.
 - b. **Air Force funded accounts at Kunsan Air Base:** (784-2520) USACCK, Osan Contract Branch, Bldg. 819, Unit # 2039, APO AP 96278-5230.
 - c. **Air Force funded accounts at Osan Air Base:** (784-2520) USACCK, Osan Contract Branch, Bldg. 819, Unit # 2039, APO AP 96278-5230.
 - d. **CHRA:** USACCK Headquarters, Bldg. 1130, ATTN GPC Branch, Unit 15289, APO AP 96205-5289. Phone Numbers: 724-3300/7549/8618/3329/3115/7080.
 - e. **IMA KORO** USACCK Headquarters, Bldg. 1130, ATTN GPC Branch, Unit 15289, APO AP 96205-5289. Phone Numbers: 724-3300/7549/8618/3329/3115/7080.
 - (1) Area I
 - (2) Area II
 - (3) Area III
 - (4) Area IV
 - (5) Headquarters
5. **Level 5.** The fifth reporting level identifies the Billing Official (also referred to as the Approving Official or the Certifying Official). Primary responsibilities include GPC administration for the organization, including certification of all purchases subsequent to reconciliation and verification by the Cardholder, funds accountability, property accountability, coordination with the A/OPC, and surveillance of all Cardholders attached to that Billing Official account.
 6. **Level 6.** The sixth reporting level identifies the individual Cardholder. Primary responsibilities include making authorized transactions, collecting and maintaining required documentation, logging and reconciliation of transactions, and verification/approval of all valid transactions on the monthly cardholder statement made in support of organizational requirements.

E. Duties and Responsibilities

1. **Head of the Contracting Activity (HCA)** has overall ownership and cognizance of the GPC Program for that activity. The Director, U.S. Army Contracting Agency is the HCA for USACCK.
2. **Principal Assistant Responsible for Contracting (PARC)** is responsible for the establishment and operation of the GPC program. PARCs will:
 - a. Designate a Level 3 A/OPC(s) and alternates as required who shall be dedicated to the GPC program within their agency/organization.
 - b. Ensure that adequate resources are dedicated to the program to ensure successful management.

- c. Ensure that the Level 3 A/OPC and alternates receive training in the GPC program as well as general contracting subjects.
3. **Director of Contracting (DOC)** will:
- a. Appoint Level 4 A/OPC(s) and alternates as required.
 - b. Ensure that adequate resources are dedicated to the program to ensure successful management.
 - c. Ensure that the Level 4 A/OPC and alternates receive training in the GPC program as well as general contracting subjects.
 - d. Appoint Billing Officials in writing upon the nomination of the various requiring organizations in USFK and the recommendation of the Level 4 A/OPC.
 - e. Appoint and delegate procurement authority to Cardholders who have been nominated by their organization commander and recommended by the Level 4 A/OPC.
 - f. Review audits and/or inspections of those organizations found to have serious deficiencies in their GPC programs and recommend or direct appropriate remedial actions to include, if necessary, termination of Billing Official or Cardholder authority.
 - g. Approve/disapprove requests for Cardholder account limits exceeding \$2,500 (Single Purchase) and \$8,000 (Monthly).
4. **Agency/Organization Program Coordinator (A/OPC)**
- a. Level 3 will:
 - (1) Implement, administer, and monitor the GPC program for USFK subject to DoD and Army policies.
 - (2) Establish and implement USFK specific policy and guidelines to insure compliance with DoD and Army policy.
 - (3) Report to the Level 2 A/OPC as required.
 - (4) Act as a liaison between the Level 4 A/OPCs and the Level 2 A/OPC.
 - (5) Act as a liaison between Army Headquarters, the Bank, USFK staff, field organizations, and GPC focal points.
 - b. Level 4 will:
 - (1) Implement, administer, and monitor the GPC program for the accounts assigned to the Level 4 account.
 - (2) Provide training and instruction for individuals nominated to be Billing Officials, alternates, and Cardholders.
 - (3) Act as the liaison between the organizations and activities assigned to the Level 4 account and the Bank.
 - (4) Receive applications and maintenance requests for Billing Officials and Cardholders in the assigned organizations and review them to ensure that

they are complete and accurate and that individuals have received required training. Process purchase card applications and maintenance actions; maintain a current listing of all Cardholders and Billing Officials under their jurisdiction; close accounts upon discovery of abuse or misuse of card privileges, compromise of account information, or Cardholder departure; and annually determine each cardholder's continuing need to maintain an account.

- (5) Ensure that Letters of Appointment are issued to Billing Officials, alternate Billing Officials, and Cardholders.
- (6) Conduct initial and annual refresher training for Cardholders and Billing Officials and maintain training records.
- (7) Manage purchase card account profiles to properly reflect transaction, cycle spending limits, and merchant category code limitations.
- (8) Monitor Billing Official accounts to maintain an appropriate span of control between Billing Officials and Cardholders.
- (9) Assist Cardholders and Billing Officials in efficiently fulfilling their responsibilities.

5. Unit Commanders and Activity Directors will:

- a. Nominate Billing Officials, alternates, and Cardholders to be appointed by the USACCK Director of Contracting. This is accomplished by signature on the GPC Application form.
- b. Ensure that Unit/Activity internal control procedures are established, published, and followed.
- c. Establish a command climate that will reduce the potential of fraud, waste, and abuse of the card program.
- d. Conduct a quarterly internal review of all accounts as required by the USFK Chief of Staff's Policy Memorandum dated 11 March 2004 to ensure compliance with established statutes, regulations, & policies (see the Commander's Quarterly Review Checklist included as Attachment 10 in this SOP) and provide a copy of that review to the Director of Contracting, USACCK. Copies of the review are due no later than the last working day of the month following the reviewed quarter. Electronic format is preferred. When sending review reports via e-mail the subject line of the e-mail message will read "GPC Quarterly Review, FY__ – Q_" followed by the name of the Unit or Activity submitting the report. Hardcopies, when used, will be mailed to: USACCK, ATTN: Director of Contracting, Unit 15289, APO AP 96205-5289.
- e. Investigate suspected or reported fraud, waste, or abuse and take appropriate administrative or disciplinary action when warranted in accordance with the USFK Chief of Staff's Policy Memorandum dated 11 March 2004.
- f. Ensure that the out processing procedures for their organization include a check for GPC Program Cardholders and Billing Officials and not allow an individual to

clear for departure without properly terminating or, in the case of a Billing Official, transferring the GPC account.

- g. Identify a replacement Billing Official no later than 90 days prior to the DEROS of the current Billing Official and ensure that the designee is trained and appointed prior to the departure of the current Billing Official.
- h. Be ultimately responsible for the GPC program and procurement actions of Billing Officials and Cardholders under their command/direction and the timely payment of claims against their command/organization arising from the use of the purchase card by members of their command/organization.

6. Billing Officials (Approving Officials) will:

- a. Neither delegate any of their GPC program responsibilities nor allow others to certify billing statements using their individual C.A.R.E. username and password.
- b. Ensure that there is an Alternate Billing Official properly appointed by the Director of Contracting, USACCK. Alternate Billing may approve new purchases when the primary is temporarily absent. They may also certify statements in CARE using their own username and password – not that of the primary. The authority of the Alternate Billing Official to approve new transactions terminates upon the permanent departure of the Primary Billing Official.
- c. Have no more than a total of seven Cardholder accounts for which they are responsible regardless of the number of Billing Official accounts they hold.
- d. Review the Cardholder accounts at least annually to ensure that all accounts are still needed and that Cardholder single and monthly limits are in line with actual needs. Unneeded Cardholder accounts should be terminated.
- e. Provide direct supervision of all Cardholders' GPC-related activities, as directed in this SOP and other relevant regulations.
- f. Be responsible for ensuring that the billing statement is paid within established time parameters. This is not only the certification action in CARE or the manual payment process but includes a follow-up the next month to ensure that the previous month's payment has been received at the Bank. The payment indication is only available on the hardcopy Billing Statement that the Bank sends to Billing Officials. It cannot be seen in CARE.
- g. Provide guidance to Cardholders concerning the purchase of various requirements.
- h. Ensure that all purchases are approved in advance and in writing by the Billing Official.
- i. Ensure that the transactions meet the legal requirements for authorized purchase card purchases. Determine that the proposed purchase is for an authorized requirement and that the Cardholder is following proper procedures as set forth in the Army GPC SOP (AFI 64-117 for Air Force funded accounts), the local supplement to the Army SOP (USACCK GPC SOP), and any other applicable regulations. Specifically Billing Officials will ensure that:

- (1) Proposed purchases are for legitimate, authorized mission requirements.
 - (2) Adequate documentation is available for each transaction and that the facts presented in these documents are complete and accurate.
 - (3) The purchase card is not being used to bypass the normal supply system, or contracting procedure.
 - (4) Requirements are not being split into multiple transactions in order to avoid limits on the Cardholder's authority or the GPC account.
 - (5) Cardholders are rotating their purchases among qualified merchants and are not overly reliant on a single source for their purchases
 - (6) Cardholders are not exceeding their procurement authority (i.e., purchasing requirements that cost more than their single purchase authority or exceeding their monthly limit).
 - (7) Cardholders are properly entering "Log Detail" and "Log Line Item Detail" data into the CARE system, if available, or that equivalent data is being recorded if the Unit is not yet able to use the CARE system and ensuring that that detail is properly attached to the transactions at the time of transaction approval.
 - (8) Cardholders are not using "third-person vendors" to purchase from merchants who are not able to accept the GPC. This includes the use of services on the Internet such as "Paypal".
 - (9) Proper competition consisting of at least three independent quotes has been obtained in writing for any purchase over \$2,500 (this only applies to Cardholders who have specific authority to exceed the \$2,500 micro-purchase limit).
- j. Report any and all unauthorized purchases to the Unit Commander or Activity Director in writing and provide a copy of that report to the servicing A/OPC.
 - k. Coordinate with the servicing Resource Management office for their organization and ensure that the accounting data associated with their Billing Official and Cardholder accounts is accurate.
 - l. When there are Cardholders who are authorized to purchase at greater than the micro-purchase limit (\$2,500) or with Cardholders whose total annual purchases will exceed the simplified acquisition threshold (as defined in FAR 2.101) in a twelve month period, ensure that the Cardholder receives Annual Ethics Training conducted by their unit's supporting legal office and filed a OGE Form 450, Confidential Financial Disclosure Report, with the unit's supporting legal office. The Billing Official shall not maintain on file a copy of Cardholder's OGE Form 450.
 - m. Ensure that the Cardholder accurately completes and files a DD 350 report, Monthly Contracting Summary of Actions, report with USACCK in a timely manner for all purchases of requirements which cost more than the micro-purchase limit (as defined in FAR 2.101).

- n. Ensure that a unit internal SOP is established and followed. The unit SOP will establish procedures concerning budgeting, procedures for requesting purchases, property accountability procedures, and other internal controls. The Unit SOP does not need to be lengthy. Keep it simple. Unit SOPs should only supplement, not replace or restate guidance provided in the USACCK SOP and Contract Branch Office supplements.
- o. Ensure that all purchases of accountable property are properly accounted for by the unit's property book officer. Property accountability must be established after purchase.
- p. Review supporting documentation for all Cardholder transactions at the end of each Billing Cycle, confirm the accuracy and legitimacy of each purchase, and certify the Billing Statement (in C.A.R.E. for those who are C.A.R.E. enabled – manually for those who are not). This review and certification is to be completed within 5 business days of the close of the billing cycle. Those Billing Officials whose accounts are not EDI enabled (and therefore cannot effect payment by certifying the statement in CARE) are required to download a copy of the Billing Statement from CARE and ensure that it is certified and forwarded to the paying office for payment within 5 business days.
- q. Report to his/her chain of command concerning the need for a replacement 90 days prior to his/her departure from the organization and ensure a smooth transition to the successor Billing Official.
- r. Maintain all purchase records (Billing Statement, Cardholder Statements of Account, supporting authorizations, GPC Request and Receipts, purchase receipts, etc.) for 6 years and 3 months as required by DOD Financial Management Regulation Volume 10, Chapter 10, Paragraph 100208 B.

7. Cardholders will:

- a. Complete all training requirements established by the A/OPC and USACCK. This generally includes initial training and annual refresher training.
- b. Ensure the security of their GPC card and account information. Cardholders shall not allow any other individual to use their card or account to make purchases.
- c. Have no more than one GPC account.
- d. Immediately report lost or stolen cards; **first** to the Bank (call collect to 1-701-461-2232) who will terminate the old account and issue a new card, and **second** to their Billing Official who will report the lost or stolen card to the A/OPC within 5 business days of the discovery of the loss.
- e. Obtain Billing Official approval in advance of all purchases.
- f. Screen mandatory sources of supply as required by FAR Part 8 (see Section III, Paragraph B. 4. a. below) and make purchase from the mandatory source as required.
- g. Maintain records for all purchases made. At a minimum these will include the GPC IMPAC Purchase Request and Receipt document, the receipt from the seller,

and any required authorization documents that may be required for certain goods or services. The original documents will be turned over to the Billing Official after the Cardholder completes his/her reconciliation at the end of the billing cycle. These records are to be maintained for 6 years and three months at the organization level (see DOD FMR Vol. 10 Chap. 10, Para. 100208.B.).

- h. Maintain a log of all purchases in the CARE on-line reporting and payment system.
 - i. Verify receipt/acceptance of goods or services.
 - j. Ensure that all accountable property is properly recorded on the property books.
 - k. Review and verify the legitimacy of all charges applied to his/her account and approve the statement of account provided by the Bank at the close of each billing cycle. In CARE this reconciliation and approval will be completed within three business days of the close of the billing cycle.
 - l. Ensure that the “Log Detail” and “Log Line Item Detail” data for all transactions are transferred to the transactions in CARE at the time of reconciliation.
 - m. Resolve disputes in a timely manner. Before initiating a formal dispute to the Bank the Cardholder will make a good faith attempt to resolve the dispute directly with the merchant. If this fails then a formal dispute to the Bank will be initiated. If the dispute is found prior to approval of the transaction in CARE then the dispute will be initiated in CARE. If a transaction which has already been approved in CARE requires a dispute the dispute will be initiated using a hardcopy Cardholder Statement of Questioned Item (CSQI) form (see Attachment 5 of this SOP). Cardholders who do not have CARE access will initiate all disputes manually using the CSQI.
 - n. Ensure that all purchases are made in accordance with the guidance, procedures, regulations, and statutes contained in this SOP and any other regulations and statutes that may apply to their organization.
 - o. Notify their Billing Official 60 days prior to DEROS or departure from the organization informing them that the account will need to be terminated and a replacement, if needed, should be identified. To terminate the account the Cardholder will cut the card in half and turn it over to his/her Billing Official. The Billing Official will then send a request for termination to the A/OPC who will terminate the account.
8. **Resource Managers:** GPC transactions will be funded by “bulk” funds and not by the creation and citation of unique accounting classifications for each use. Resource Managers are to ensure that the accounts are funded periodically (monthly, quarterly, etc.) in an amount equal to monthly limits of the Cardholders for the designated time period. Resource manager responsibilities include:
- a. Coordinating funding and spending limits with the Billing Official and the A/OPC. All requests from Billing Officials for changes in spending limits for either Billing Official or Cardholder accounts must have the concurrence of the servicing resource manager before being submitted to the A/OPC. The Resource

Manager's concurrence is confirmation to the A/OPC that funds are available and will be committed to purchase card use.

- b. Establishing bulk funding for each account.
 - c. Informing the Billing Officials and/or Cardholders of relevant funding issues to prevent violations of the Anti-Deficiency Act.
 - d. Providing accurate default and alternate lines of accounting to the A/OPC and coordinating with 175th FINCOM to ensure payment can be made properly and charges are assigned to the proper funds.
 - e. Committing funds covering the amount of each Cardholder's monthly limit in advance of the month when those funds may be used.
 - f. Ensuring that obligations are posted prior to the submittal of an invoice in the case of accounts, which cannot be paid through the CARE-EDI system.
 - g. Assisting in the resolution of delinquencies and providing payment information as required.
 - h. Ensuring that Cardholder Monthly Limits and Billing Official Office Limits are within reason and not significantly higher than the actual needs of the units.
 - i. Assisting the A/OPC in account surveillance.
9. **FSO and Resource Advisors** for the Air Force funded accounts will act in accordance with paragraph 4.3.6 of AFI 64-117 and other relevant Air Force rules and regulations for the funding of purchase card accounts.
10. **Paying Office will:**
- a. Maintain Certifying Official appointment letters and DD Forms 577.
 - b. Receive and process 821 files (obligations).
 - c. Receive and process 810 files (invoices).
 - d. Notify Billing Officials of rejected payments.
 - e. Notify Commanders of interest penalties assessed to individual accounts
 - f. Receive and process requests for manual payments for CARE rejects, delinquent bills, and non-EDI accounts.

II. Account Set-up and Maintenance

A. Requirements for Nominees

1. **Billing Officials:** Individuals selected to be Billing Officials are to be nominated by their Organization Commander or Activity Director. This is accomplished by signing the GPC Application Form (see Attachment 1). After determining that the nominee meets the minimum qualifications and has been adequately trained, the Director of Contracting, USACCK appoints the Billing Official via an official appointment letter. Billing Officials shall be in the grade of O-3, or E-7, or higher for military and GS-11 or higher for civilians. Alternate Billing Officials must meet the same requirements as the primary Billing Officials.

2. **Cardholders:** Individuals selected to be Cardholders are to be nominated by their Organization Commander or Activity Director. This is accomplished by signing the GPC Application Form (see Attachment 1). After determining that the nominee meets the minimum qualifications and has been adequately trained, the Director of Contracting, USACCK appoints Cardholder and forwards an official Delegation of Authority to the Cardholder through the Cardholder's Billing Official. Cardholders shall be in the grade of E-5, or higher for military personnel and GS or KGS - 07 or higher for civilians.
3. **Separation of Duties:** Key duties such as making purchases (Cardholders), authorizing purchases and certifying payments (Billing Officials), certification of funding (Resource Managers), inspection and audit functions (A/OPC and Property Book Officers) will be assigned to different individuals to maintain the integrity of the system and minimize the risk to the Government. Cardholders are not to make purchases for themselves (the purchasing Cardholder cannot be the "Requestor" for any requirement). In accordance with the Army GPC SOP, an exception to this policy may be granted when there is a valid situation in which a long-standing separation of duties cannot be achieved. The A/OPC and the Organization Director/Commander of the effected activity/organization should be aware of these situations and recognize that internal controls are weakened. Every effort to compensate for loss of the internal controls inherent with separation of duties must be made. In these cases the Unit Commander or Activity Director will request a waiver through the A/OPC to the Director of Contracting. If approved a copy of this waiver will be forwarded to the applicable Assessable Unit Manager for that organization (AR 11-2). The status of these situations will be reviewed by the A/OPC during their annual inspections.

B. Training and Application

1. **Billing Official:** (See Appendix B for the current application requirements.) Billing Officials are nominated by their various organization commanders and appointed to their position as a Billing Official by the USACCK Director of Contracting. The nomination is accomplished by the commander's signature on the application document (Attachment 1).
2. **Alternate Billing Officials:** Alternate Billing Officials must comply with the same application requirements as the primary Billing Officials. The only difference is that the application must be clearly marked as being for an alternate Billing Official.
3. **Cardholder:** (See Appendix B for the current application requirements.) Cardholders are nominated by their various organization commanders and appointed to their position as Cardholders by the USACCK Director of Contracting. The nomination is accomplished by the commander's signature on the application document (Attachment 1).
4. **Ethics requirements:** The DoD Joint Ethics Regulation (5500.7-R) requires that Cardholders who purchase single requirements costing more than \$2,500 or make total annual purchases exceeding \$100,000 complete annual ethics training for procurement officials and file an OGE Form 450 with their supporting Staff Judge

Advocate office. Questions concerning the annual ethics training and or OGE Form 450 should be directed to the supporting Staff Judge Advocate office.

5. **C.A.R.E. Usernames and Passwords:** CARE usernames and passwords are extremely important. They should be kept confidential and never be disclosed to others. If a password has been compromised the account holder must call the Bank IMPAC Customer Service desk and request that a new password be provided. On some occasions Billing Official have provided their usernames and passwords to alternates or “replacements”. This is extremely dangerous to the individual for whom the username was originally established. Other people may use that to certify charges that are erroneous or illegal. The system records that the certification was done by the person to whom that username was given and that individual is liable for any false or erroneous certifications made.
 - a. Billing Official usernames and passwords are provided by the Bank at the request of the Level 4 A/OPC. They will be requested by the A/OPC whenever a new Billing Official account is created or a new Billing Official is appointed to take over an existing account and provided to the Billing Official as soon as they are received from the Bank. The initial password is a one-time use password and therefore the individual will be required to change it the first time they log in to C.A.R.E.
 - b. Alternate Billing Officials will have their own, unique username and password which will also be provided by the Bank through the A/OPC office (see the information in the preceding paragraph). Alternate Billing Officials **MUST NOT** login in to CARE using the username and password of the primary Billing Official to certify statements.
 - c. Cardholders will establish their own usernames and passwords using the “On-Line Registration” function in C.A.R.E. Step by step instructions are provided in the “CARE Self-Registration for Cardholders” document prepared by the USFK GPC Program Office and available on the program’s website.
 - d. CARE Troubleshooting tips are addressed in Appendix H of this SOP. Problems that cannot be solved by following those directions should be addressed to the Bank’s CARE Tech Services Desk.

C. Account Maintenance

1. **Replacing Billing Officials:** Commanders and Activity Directors will identify a replacement Billing Official 90 days prior to the departure of the current Billing Official. A new Billing Official will take over managing the account prior to departure of the present Billing Official. At no time will Cardholders be left without a primary Billing Official in place. Alternate Billing Officials’ authority terminates with the departure of the primary Billing Official (Exception: The alternate will review, reconcile, and certify Billing Statements that otherwise would be delinquent even though the primary has departed without a replacement being appointed).
 - a. Both the Commander or Activity Director and the current Billing Official are responsible for ensuring that the Billing Official account has been transferred to a replacement Billing Official prior to the departure of the outgoing Billing Official.

To the maximum extent possible this transfer should happen at least 30 days prior to the departure of the outgoing Billing Official to provide for guidance to the incoming Billing Official and a smooth transfer of duties.

The A/OPC will send an e-mail notification to the departing Billing Official approximately 90 days prior to the DEROS listed on the application reminding them of the need to find a replacement and effect the transfer of duties. Billing Official accounts will be suspended at the beginning of the month of the listed DEROS pending the appointment of a replacement Billing Official.

- b. The incoming Billing Official will complete the required training and prepare an application package in accordance with the instructions in Appendix B of this SOP. Upon receipt of a complete application the Level 4 A/OPC will change the name on the account within 2 business days and prepare an appointment letter which will be forwarded to the new Billing Official. The Program Office will also request a new C.A.R.E. username and password from the Bank and forward them to the new Billing Official as soon as they are received (It generally requires 5 to 7 days).
 - c. The USFK GPC Program Office will suspend managing accounts for which the DEROS of the Billing Officials has expired or if the primary Billing Official is found to be no longer working at the organization. This will result in all Cardholder accounts being suspended also. The account will be re-activated when a new Billing Official is assigned to the account or the USFK GPC Program Office has been notified of the new DEROS of the current Billing Official.
 - d. In the event that a Billing Officials departs without the account being transferred Cardholders will cease all purchasing until a new Billing Official is in place (officially appointed by the Director of Contracting, USACCK) to authorize, review, and certify purchases. The USFK GPC Program Office will terminate the accounts of Cardholders who fail to comply with this requirement and notify the Unit Commander or Activity Director. Those individuals will not be reinstated as Cardholders.
- 2. Changes to Billing Official Accounts:** Changes to existing Billing Official accounts must be completed by the A/OPC office. Billing Officials will request such changes in writing (e-mail requests are acceptable) to the applicable Level 4 A/OPC office. A request to change the Office Limit or the line of accounting on the account must have the concurrence of the servicing resource manager. Changes in the line of accounting must accompany the GPC Accounting Codes form (see Attachment 7).
- 3. Changes to Cardholder Accounts:** Changes to Cardholder accounts must be completed by the account's Level 4 A/OPC office. The Billing Official will request these changes in writing to the A/OPC (e-mail requests are acceptable). If the requested changes involve either the Single Purchase Limit, the Cardholder's Monthly Limit, or line of accounting the request must have the concurrence of the servicing resource manager. Changes in the line of accounting must accompany the GPC Accounting Codes form (see Attachment 7).

4. **Lost or stolen cards:** If the card is lost or stolen, it is the Cardholder's responsibility to immediately notify the Bank by calling (collect) 1-701-461-2232. The Bank will terminate the account and issue a new card to the Cardholder.
 - a. The Cardholder will notify the Billing Official within 1 workday of discovering the card missing.
 - b. The Billing Official will submit a written report to the Level 4 A/OPC within 5 workdays. The report will include: the card number (last eight digits only); the Cardholder's complete name; the date and location of the loss; if stolen, the date reported to police; the date and time the Bank was notified; any purchase(s) made on the day the card was lost/stolen; and any other pertinent information.

5. Account Termination:

- a. **Billing Officials:** Usually a Billing Official account will not be terminated upon departure of the current Billing Official but will be transferred to a new individual (see Replacing Billing Officials, above). If an organization decides that a Billing Official account is no longer needed and should be terminated the following steps must be followed:
 - (1) The Billing Official, Unit Commander, or Activity Director will request (in writing) the termination of all Cardholder accounts attached to the Billing Official account.
 - (2) Any outstanding balances must be paid.
 - (3) The Billing Official, Unit Commander, or Activity Director will request (in writing) the termination of the Billing Official account. If there are any outstanding balances or active Cardholder accounts the Billing Official account cannot be terminated.
- b. **Cardholders:** Cardholders will cease purchasing 6 to 8 weeks prior to their departure from the organization (to allow time for outstanding charges to clear the system) and notify their Billing Official. No later than 4 weeks prior to departure the Cardholder will cut the card in half and return it to the Billing Official. The Billing Official will send a written request (e-mail requests are acceptable) for termination of the account to the Level 4 A/OPC (identifying the account by the last eight numbers of the account AND the Cardholder's name). If there is no Billing Official the request must come from the Unit Commander, or Activity Director of the organization. The Level 4 A/OPC will acknowledge receipt of the request via an e-mail to the Billing Official. Cardholders must ensure that any outstanding charges on their accounts are identified to their Billing Official and make sure that any outstanding records of their purchase activities are turned over to the Billing Official. Original copies of Statements of Account, Order Request and Receipt documents, purchase receipts, or other supporting documents will not be discarded but must be given to the Billing Official who will ensure they are maintained as required by regulation.

Cardholder accounts will be suspended by the A/OPC at the beginning of the month of the DEROS listed on their application. Billing Officials will notify the A/OPC if the DEROS is changed. Accounts suspended due to the passing of the

DEROS will be terminated one month later if there has been no notification of an extension of the DEROs from the Billing Official.

III. Purchasing

- A. **What Can Be Purchased?** As a general rule, the purchase card is used by organizations to purchase goods and/or services needed to fulfill immediate mission requirements that are authorized for local procurement. The purchase card should not be used to bypass normal, established sources of supply and contracting procedures, but should supplement those sources. Units and organizations using the GPC are required to determine that they have specific local purchase authority for all procurement actions. Such authority may be found in a table of distribution and allowances, common table of allowances, supply bulletin, technical manual, official messages, or other official documents. In addition they are responsible for ensuring that the proper funds are available and used for all purchases.

The lists of restricted items included in paragraphs 3 and 4, below, are not necessarily all inclusive. They are common requirements that are generally not authorized or require special approval. The fact a certain item or service is not included on the list does not mean that it is authorized. Organizations are responsible for making a positive determination that a proposed purchase is authorized by their governing rules and regulations. Additional information is included in Appendix E of this SOP.

1. **Spending Limits:** Limits on spending by a Cardholder are derived from procurement laws and regulations. Spending limits are placed on the Cardholder or Billing Official account by the Bank at the request of the Government to help prevent violation of the limitations on spending that come from these laws and regulations. Billing Officials and Cardholders are responsible for knowing the limits on their accounts and authority and staying within those limits.

Unless otherwise authorized in writing (see section IV below), Cardholders are authorized to purchase requirements costing less than \$2,500, the micro-purchase limit (\$2,000 in the case of construction services requirements). Requirements costing more than \$2,500 will not be divided into two or more smaller transactions to avoid this limitation (see paragraph 2 below on Splitting Requirements). Also, note that if the unit has repetitive services requirements that exceed \$2,500 a year, the unit shall obtain contractual coverage for such services through USACCK.

- a. **Single Purchase Limit (SPL) (Cardholder):** The SPL is a limit placed on the Cardholder's account that limits the size of each separate transaction. If the total price of single transaction exceeds the SPL, the Bank will decline the authorization request from the merchant.

The SPL is established when the account is established and is indicated on the GPC Application for the Cardholder. Since Cardholders are usually limited to the purchase of "micro-purchase" requirements, the SPL is usually \$2,500. However, it may be less depending on the combined judgment of the Billing Official and Resource Manager. An SPL greater than \$2,500 must be approved by the USACCK Director of Contracting. The Cardholder must also have the associated

purchase authority for requirements above the micro-purchase limit (>\$2,500) (See Section IV of this SOP).

Generally the SPL will be similar to the limit on the procurement authority of that Cardholder but this is not always the case. Cardholder's (and the Billing Officials overseeing their activities) must be aware of the difference between purchase authority and the SPL and not exceed their purchase authority in cases where the SPL exceeds the authority.

For example, Cardholders generally have an SPL of \$2,500 because their purchase authority is for requirements up to \$2,500 in value. However, the Cardholder's authority for the purchase of construction requirements is limited to \$2,000 or less. The SPL would not prevent a purchase of construction services costing \$2,300, but the Cardholder would be exceeding her/his procurement authority and is not authorized to make such a purchase.

- b. **Monthly Limit (Cardholder):** Each Cardholder account is given a monthly limit that limits the total amount of purchasing that may be done during the billing cycle. If a new purchase will cause the total spending by the Cardholder to exceed the monthly limit for the current billing cycle, the Bank will decline the authorization request from the merchant.

The monthly limit is established when the account is established and is indicated on the GPC Application for the Cardholder. The amount of the monthly limit is limited to \$8,000 or less. The RM for the organization must commit the funds to cover the monthly limit of the Cardholder in advance of purchasing. The RM's signature on the GPC application is evidence to the A/OPC that funding is available and will be maintained by the RM. Monthly limits will not be set higher than is required. The A/OPC may adjust downward if they seem unreasonably high. The Billing Official must justify in writing and obtain approval from the USACCK Director of Contracting for Cardholder monthly limits in excess of \$8,000 (see Section IV of this SOP).

Cardholders need to keep track of their spending each month and ensure that they do not exceed their monthly limit. Exceeding the monthly limit may result Cardholders obligating funds that have not been committed. Obligation of uncommitted funds violates the Anti-Deficiency Act and is a serious offense. Cardholders must not rely on the Bank's system to prevent them from exceeding the monthly limit.

The Cardholder's spending total returns to zero at the beginning of each billing cycle. However, charges that took place in a previous billing cycle, but posted in the current billing cycle will be included in the current billing cycle's total spending and count against the current billing cycle's monthly limit.

- c. **Office Limit (Billing Official):** Each Billing Official account has an Office Limit (also known as the Billing Official monthly limit) that limits total combined spending for the billing cycle by all the Cardholders attached to that Billing Official account. If a new purchase by one of the Cardholders would cause the

total combined spending of the Cardholders to exceed the Office Limit for the cycle, the Bank will decline the authorization request from the merchant.

The Office Limit is established when the account is established and is indicated on the GPC Application for the Billing Official. Most new Billing Officials are not setting up a new account but are taking over existing accounts. The records for that account should indicate the Office Limit. If they do not, contact the A/OPC Office to find out what the Office Limit is. It is also used by the Bank's customer service desk to verify the identity of Billing Officials who call.

2. **Splitting Requirements:** Splitting one requirement into multiple transactions in order to avoid various spending limits associated with the program is prohibited. Cardholders who do so are exceeding their procurement authority and violating procurement statutes and regulations.

Generally, with some few exceptions, the GPC is intended as an instrument for the purchase of "micro-purchase requirements". Requirements that can be purchased for less than \$2,500 are classified as "micro-purchases". The regulations and statutes governing micro-purchases are streamlined and simplified. Small purchases (requirements costing between \$2,500 and \$100,000) and large purchases (requirements costing more than \$100,000) are much more complex, have increasing levels of oversight and review, and are subject to many more regulations and statutes. Generally, Cardholders in the GPC Program are not trained or qualified to make such purchases and do not have authority to do so.

Splitting a requirement (costing more than \$2,500) into two or more transactions to stay under the \$2,500 cap is essentially a small purchase (or large in some extreme cases) that is being made using micro-purchase procedures. The Cardholder has not only exceeded his/her authority and technically committed an unauthorized obligation, but also is almost always in violation of one or more federal acquisition laws, regulations, and/or policies.

The A/OPC will identify suspected cases of splitting to the Billing Official and Unit Commander or Activity Director. The Billing Official will have two weeks to provide a written explanation if s/he feels that it is not a case of splitting. If it is a case of splitting or no explanation is provided the cardholder account will be suspended pending an investigation by the Unit Commander, or Activity Director as required by the USFK Chief of Staff's Policy Memorandum dated 11 March 2004.

3. **Prohibited Items:** Certain goods and services are prohibited from purchase using the GPC. Most of these restrictions flow from fiscal law relating to the type of funds being spent by the Cardholder. Other restrictions come from procurement statutes and/or regulations. Other items/services require special pre-approval or coordination (see the following section). Billing Officials and Cardholders must be aware of these restrictions and ensure that prohibited items are not purchased. In most cases, we are assuming that Cardholders will be spending Operations and Maintenance funds and many of the restrictions mentioned are specific to those funds. Some of the restrictions may be true for most organizations but not all. The basic question is whether the requiring activity has local procurement authority for the requirement and is spending funds appropriate to the requirement. When audits or inspections reveal

the purchase of goods or services not authorized for the particular funds being used an investigation will be required (see the USFK Chief of Staff's Policy Memorandum dated 11 March 2004).

Questions concerning the type of funds and the appropriate use of those funds should be directed to the servicing Resource Management Office and/or servicing Staff Judge Advocate office.

Activities should submit a request for authorization to the A/OPC, when they have local procurement authority and the proper funds for a requirement listed here as prohibited. This request must include the source of the authorization (such as an Army Regulation). If the A/OPC can confirm that the authority is valid and other restrictions don't apply, then authorization will be granted.

The following list is by no means exhaustive. This is a list of things that are usually not authorized or have special coordination/approval requirements and so have been specifically prohibited or restricted pending compliance with relevant statutes, regulations, and/or policies. The fact that an item or service is not listed here does not necessarily mean that the item or service is authorized for purchase. Organizations must always have affirmative authority from Congress to expend appropriated funds. It is the responsibility of the organization that has a requirement to determine that it is authorized for purchase with the funds they are intending to use. It is never appropriate to ask, "Where does it say we can't?" Organizations must always answer the question, "Where does it say we can?"

- a. **Cash:** The GPC is not to be used to purchase other financial instruments. All such purchases are prohibited. This includes, but is not limited to, cash advances, money orders, traveler's checks, and gift certificates. Payments processed through "third-party merchants" (to include "Paypal" or other on-line services) are likewise prohibited. Additionally all refunds from merchants will be processed using a chargeback to the GPC and are not to be accomplished by a cash refund (see Paragraph C.1.b.(2) below).
- b. **Rental or Lease of Land and/or Buildings:** The GSA SmartPay master contract provides, in section CC. 8., Authorization Controls for the Purchase Card Program, that the Purchase card "shall not be used for the long-term rental or lease of land or buildings." While the term "long-term rental or lease" is not defined in the contract, GSA has historically interpreted this language to permit use of the purchase card as a payment mechanism in the case of space acquired for a month or several weeks, for example where a unit is deployed and requires space for such a time period. Additionally, GSA considers appropriate use of the purchase card to include payment in renting a facility for a conference or meeting on a short-term basis (where a centrally billed travel card/account would not be appropriate) and as the payment mechanism in agency acquisition of space for several weeks in case of emergency, such as responding to natural disaster or act of terrorism.
- c. **Telecommunication Services:** This specifically refers to the purchase of major systems such as FTS or DSN. Telecommunications Services are to be provided by the Signal organizations so the general restriction against procuring goods or

services that are already provided through an established system applies to this category of services. **Exception:** Units which have been granted authorization to have cell-phones in USFK are authorized to purchase cell-phone services with the GPC.

Be aware that accounts established for monthly billing of cell-phone services are established with a “recurring charge” authorization. That means the service provider does not have to get authorization on a monthly basis. One authorization is all they need. When the Cardholder departs they must arrange with the service provider to transfer the charges to another Cardholder account. Otherwise those charges will continue to accrue against the original Cardholder account even though the account is terminated.

Those who use pre-paid phone cards to pay for their cell-phone services must keep a log of all phone calls made. That log will need to be in the permanent GPC files and made available for inspectors and auditors.

- d. **Vehicle Repair Parts and/or services:** Government TMP vehicles should be returned to TMP for repair and maintenance. Obviously, since this is the mission of the TMP, Cardholders in such organizations will be using their GPC accounts to make such purchases. Other organizations do not have authority and are not authorized to make such purchases. If a vehicle has been damaged in an accident, the unit should return the vehicle to the TMP. If the TMP authorizes repair by another source that repair may be paid for using the GPC (coordinate with your servicing RMO before making such a payment).
- e. **Travel Related Purchases:** The GPC is not to be used to pay for expenses related to official travel (PCS or TDY) that is supported by travel orders and will be reimbursed on a travel voucher. Purchase of rental vehicles, airline, train, or bus tickets, lodging, meals, drinks, or refreshments associated with such travel is not authorized.
- f. **Souvenirs, gifts, mementos:** Operation and Maintenance funds are not authorized for these types of purchases, including but not limited to, plaques, flowers, gifts for retirement parties or hail and farewell functions. Some organizations have funds that are authorized for this use (Organization Representation Funds for example) but this is quite rare. The Cardholder must ensure that s/he has such funds assigned to the GPC account before making any such purchases and document the purchase file with a Memorandum for Record detailing how it was determined that the proper funds were used. The servicing Resource Manager (Resource Advisor for the Air Force) is the point of contact for determining if the Cardholder account is assigned the proper funds for any such purchases.
- g. **Morale, Welfare, Recreation (MWR) and Non-Appropriated Funds** purchases are not authorized. Examples of these categories of items are: barbecue grills or picnic tables. In addition, any costs associated with staging an organization day picnic or Christmas party items, such as Santa suits, paper plates, plastic forks and knives, etc. are not authorized.

- h. **Personal Expense Items:** Items that are primarily of a personal nature and primarily for the convenience of an individual . These include clothing, fines (i.e. traffic violation ticket), food and drink, and items such as appliances and/or handheld/portable electronic devices. These items should be purchased through employee collections and/or personal funds.
- i. **Food:** In general food and beverages are NOT to be procured using the GPC. In most instances, there is already an established supply system in place for any authorized food supplies and the O&M money that units are using for such requirements. There are some exceptions which apply assuming sufficient documentation is available to verify the special situation
 - (1) Organizations may purchase and serve meals at Formal Meetings and Conferences they are sponsoring and which are attended by some percentage of non-government employees.
 - (2) Organizations may purchase and serve light refreshments at Award Ceremonies honoring individuals recognized under the Civilian Employee's Incentive Award Program.
 - (3) Food may be purchased for "food samples" in support of a formal Ethnic Awareness Program (see AR 600-20, Chapter 6-18.c.). Note that this specifically states that it is not for the purchase of meals or refreshments.
 - (4) Food and/or refreshments purchased by Cardholders spending Official Representational Funds (ORF).
 - (5) Food supplies for meals served in child development and youth programs in accordance with the authorizations in AR 215-1.
- j. **Clothing:** While use of the GPC for purchasing clothing is usually prohibited, articles of clothing that would normally be obtained from the Central Issue Facility (CIF) and which are temporarily unavailable from the CIF may be purchased using the GPC assuming the total requirement is within the Cardholder's procurement authority and there is an urgent need for the items. A statement of non-availability from the CIF is required and must be in the purchase records.
- k. **Earplugs:** One-time-use earplugs are centrally purchased items from a Sheltered Workshop. Cardholders are not authorized to purchase such earplugs. They must be ordered from DLA.

4. Items Needing Special Pre-Approval or Having Limited Sources

- a. **Awards and Award Type Items:** Items that are purchased to be given out as awards (coins, trophies, and similar items) are authorized for purchase using the GPC so long as the awards are a part of a legitimate awards program as identified by the organization's governing regulations (AR 600-8-22 for the Army). Generally, the purchase of award items in support of sporting events or other recreational activities with appropriated funds is not authorized. In order to ensure that purchases for such items are indeed in support of a legitimate awards program, each purchase must be accompanied by a memorandum signed by the

first Lieutenant Colonel (or equivalent) in the Unit chain of command, certifying that the items are to be used for such a purpose and that the proposed purchase conforms to the relevant regulations.

- b. **Class One Ozone Depleting Substances:** Purchases must be approved by: Commander, USFK, ATTN: FKEN-ESD, Unit # 15237, APO AP 96205-0010. Voice: 723-5943, Fax: 723-6088.
- c. **Flags, Guidons, Streamers, Tabards, Military Uniforms and Heraldry Items:** For those spending Army funds, and therefore subject to Army regulations. Army Regulation 840-10 lists the rules and mandatory source for these types of items. Chapter 10 of the regulation requires “*all flags, guidons, and accessories in [AR 840-10] be furnished by U.S. Army Soldiers System Command, ATTN: AMSSC-I-SSA-SH, P.O. Box 60539, Philadelphia PA 19145-0539, unless otherwise indicated.*” Those having requirements for such items may visit the following web-site provided by the Defense Supply Center Philadelphia for additional information: <http://ct.dscp.dla.mil/ctinfo/flagsstreamers.html>

Other services or DoD activities may have different rules/regulations and should follow them when making such purchases. If a non-Army service or organization has no such restriction or special rules for such items, they should seek approval from the A/OPC before making such purchases. Specific exceptions: (1) Flags that are not supplied by the mandatory source (those with no NSN) may be purchased if they are legitimate mission requirements. (2) AFI 64-117, paragraph 2.4.12 authorizes Air Force organizations to purchase U.S. Flags for retirees.

- d. **Hazardous Materials:** While no authority for approval of hazardous material purchase is specified, approving officers must confirm that all DoD Hazard Communication (i.e. "Worker Right to Know") and Pollution Prevention Program requirements have been met prior to using the GPC card to purchase hazardous materials. Cardholders and Billing Officials in Army organizations should coordinate first with their unit HAZMAT NCOIC. Purchases of hazardous materials, transportation services, disposal, and/or cleanup of such materials must be coordinated with your installation/area HAZMAT Supervisor. Contact them at the following numbers:

- Area I: 730-4178
- Area II: 736-7300
- Area III: 753-7710
- Area IV: 765-8891
- MSC-K: 765-8891

Air Force units must obtain written approval from the base environmental engineer and hazardous material pharmacy.

- e. **Computers, Communication Equipment, and other Automatic Data Processing Equipment (ADPE):** ADPE purchases must be approved through information officer (IMO) channels prior to purchase and documented when required with a Capabilities Request approval (CAPR). Written approval must be

obtained prior to purchase of items from the appropriate Army or Air Force command authority. Army authority for areas I and II is Commander, 41st Signal Battalion, Unit #15258, ATTN: ASQK-E-DOIM, APO AP 96205-0613. Army authority for Areas III and IV is Commander, 36th Signal Battalion, ATTN: ASQK-DOIM, APO 96218-0183. Overall point of contact can be reached at telephone: 724-3959, Fax: 724-7005. Air Force units will obtain written approval from installation Communications Squadron. Consumable items such as diskettes, ribbons, toner cartridges, etc. are authorized for purchase using GPC without IMO approval. Consult EUSA Pam 25-50 for requirements and guidance.

- f. **Mail:** The use of appropriated funds for official mail has a number of controls and restrictions. Questions should be directed to the local installation Official Mail Manager (OMM). All uses of certified or registered mail **MUST** be approved by the installation OMM. Express mail services **MUST** be approved in advance by the EUSA/USFK OMM. The Eighth Army OMM can be contacted at 724-3527/3719. Additionally, authorized use of official mail is discussed in AR 25-51 and EUSA Pam 25-1 (Chapter 9).
- g. **Printing or Copying Services:** All requirements for printing or copying services **MUST** be purchased from the Defense Automated Printing Services (DAPS). This is a mandatory source by DoD Regulation. Price is **NOT** a consideration. USACCK does not have authority to grant exceptions or waivers. Only DAPS can grant waivers or exceptions. This applies to all printing and copying requirements.
- h. **Bottled Water:** Purchase of drinking water is not normally authorized. The exception would be for those locations that have no reasonable access to clean drinking water supplied by USFK. Those organizations with a justifiable requirement must request authorization from their Area/Installation Commander. The authorization document must be maintained in the unit GPC files and be available for review if requested by auditors/inspectors.
- i. **Korean Manufactured Furniture and Carpet:** While not prohibited, the USFK Principal Assistant Responsible for Contracting (PARC) has established a policy that whenever Korean manufactured furniture or carpet is purchased, the seller must also provide a written, 5-year warranty. (Cardholders should confirm with their servicing RMO that they have the proper funds required for the purchase of furniture.) Prior approval of the cognizant Directorate of Public Works (DPW) is also required.
- j. **Facilities and Ground Maintenance:** Before making any purchases of facilities and ground maintenance requirements, the Cardholder will coordinate with their servicing RMO and ensure that the funds they have assigned to their account are authorized for such purchases. Many are not and there are serious penalties for violations of the Anti-Deficiency Act that can occur. If the proper funds are available, the Cardholder will obtain a work order from their servicing DPW before making the purchase.

- k. **Construction Services:** Limited by the FAR to requirements costing \$2,000 or less. As defined by the FAR, these requirements include all construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property. New walls, doors, windows, and installation of locks also fall into this category. Construction materials are not included in this restriction. Local authorities have no power to grant waivers or exceptions to this limitation.

As with facilities and ground maintenance requirements (see above) Cardholders will coordinate any construction requirement purchases with their servicing RMO to ensure they have the proper funds for such requirements and will obtain a work order from their servicing DPW in advance of the purchase.

- l. **Solid Wood Packing Material (SWPM):** All purchase of SWPM must be in compliance with the EUSA ACofS, G-4 Policy Memorandum dated 17 May 2005, Subject: Eighth U.S. Army Self-Certification Solid Wood Packing Material Program Policy Guidance. POC for this is HQs 8th Army G4, Supply Policy & Procedures Branch (723-4417).
- m. **Business Cards:** The purchase of business cards for government employees with appropriated funds is generally not authorized. However, an article in The Army Lawyer of January 1999 includes the following, “In a memorandum dated 28 August 1998 the DOD modified its policy [concerning business cards]. The DOD now permits the printing of business cards using existing software and agency-purchased card stock. It authorized the use of agency- printed business cards for an employee’s official activities when ‘the exchange of cards would facilitate mission-related business communications’. The memorandum distinguished mission-related business communications from those of a social or business courtesy.” Specific questions concerning procurement or production of Business Cards with appropriated funds should be directed to the Chief, Publications and Records Management, Assistant Chief of Staff, Information Management, Eighth Army, 724-6499.

Those organizations spending Army funds are required to comply with AR 25-30 (see Chap 7-11 of the regulation). The regulation mentions several restrictions on the purchase of business cards using appropriated funds. It also mentions specifically that the purchase of commercially prepared business cards must be approved by a Brigadier General or SES equivalent. The authorization document will be included in the purchase files.

5. **Blocked Sources:** Certain types of businesses may not be used as sources for purchased card purchases. See the information under “MCC Codes” in paragraph B.4.e., below.
6. **Exceptions:** The restrictions listed in this section may not apply to all organizations. Requests for waivers or exceptions will be considered. Such requests will be submitted to the relevant Level 4 A/OPC and will include a reference to the specific restriction in this section and a copy of the document that authorizes the local purchase of such items with appropriated funds. It is the responsibility of the

requesting organization to demonstrate that legal authority for the acquisition in question exists.

B. Purchase Process

1. **Identification of the Requirement:** The first step in any procurement action is, obviously, the identification of what is needed. This is accomplished using the GPC Order Request and Receipt form (See Attachment 4). The GPC Order Request and Receipt form is required for all purchases. The requirement will be identified and described on this form and then signed and dated by the “requestor”. The requestor **MUST NOT BE** the Cardholder who will be making the purchase. There are three fundamental steps in the procurement process; identification, purchase, receipt. The only one of those three roles that can be fulfilled by the Cardholder is purchase. The “requestor” and “receiver” must be someone other than the Cardholder who makes the purchase.
2. **Determination of Authority to Use the GPC:** Upon receipt of a GPC Order Request and Receipt, the Cardholder will determine if the requirement can be purchased using the GPC (see Section III Paragraph A, above). The Billing Official is the primary point of contact for Cardholders who need assistance in making the determination. The unit is responsible for determining that it has appropriate authorization for any proposed purchases. The important question is NOT, “Where does it say we can’t?” It is rather, “Where does it say we can?”
3. **Billing Official Approval:** Cardholders shall obtain approval for all purchases in advance of the transaction. This will be in writing and will be accomplished with the Billing Official’s signature on the GPC Order Request and Receipt form. At this point, Billing Officials should review the requirement and proposed purchase to determine that it is legitimate and authorized. The Cardholder will be expected to provide a thorough description of the requirement, the proposed source, expected price, and information concerning any required special authorizations.

One exception to this is the purchase of office supplies from the SSSC. In many cases it is difficult to know in advance precisely what will be purchased and what will be available. In these cases the Billing Official may determine whether s/he will require Cardholders to obtain approval prior to making purchases from the SSSC (or Base Supply store in the case of the Air Force). If the Billing Official decides that an alternate approval process will be used, that process will be put in writing and be clearly communicated to the Cardholders. In all other cases the Cardholder is required to obtain authorization from the Billing Official prior to making a purchase.

4. Source Selection:

- a. **Priority of sources:** The FAR requires that supply requirements be satisfied from the following sources in a descending order of priority. When determining where supply requirements will be obtained, Cardholders should start at the top of the list and obtain the requirement from the first source on the list that can fulfill the requirement. Failure to follow this priority of sources is a violation of the federal acquisition regulation and may result in the suspension of a Cardholder’s purchase authority.

- (1) Activity or Installation Inventories: These may be office supplies maintained in a local Self Service Supply Center or excess items maintained by the local supply community.
 - (2) Federal Prison Industries (FPI or UNICOR): FAR Part 8.606(d) states that purchase from Federal Prison Industries is **not** mandatory when the supplies are acquired and used outside of the United States. Even though it is not a mandatory source for most USFK organizations FPI may be a good source for some types of requirements – especially furniture. The FPI website is found at <http://www.unicor.gov>
 - (3) Javits-Wagner-O’Day Act (JWOD) sources (National Industries for the Blind/Severely Handicapped (NIB/NISH)): The JWOD requires that the federal government purchase from the NIB/NISH whenever possible. If the NIB/NISH cannot deliver the requirement within the required timeframe and a local source can, then the buyer may purchase from an alternate source. In USFK Cardholders comply with the JWOD by first attempting to find the required supplies at the SSSC (or Base Supply Store for the Air Force) and must buy “Skillcraft” brand items whenever those items fulfill the need. Items in the SSSC or Base Supply Store which are not from the NIB/NISH (non-Skillcraft items) have no such preference. When purchasing from source in the United States, preference must be given to JWOD sources since there is likely no advantage in delivery times. Requirements purchased from the DOD EMALL (<https://email.prod.dodonline.net/scripts/EMlogon.asp>) will be from JWOD sources whenever such sources exist for the required items.
 - (4) Mandatory Federal Supply Schedules (FSS)
 - (5) Wholesale Supply Sources
 - (6) Commercial Sources
- b. **VISA:** Cardholders may only purchase from businesses, organizations, or individuals who have established accounts with VISA (merchant accounts) and are able to accept VISA cards for payment. If the proposed seller cannot or will not accept payment by VISA then another source will need to be found. The use of third-party merchants (such as “Paypal”) or the purchase of money-orders, travelers’ checks, or other similar financial instruments with the GPC to pay for a transaction with a seller who cannot be paid by VISA card is prohibited.
- c. **Fair and Reasonable Prices:** Purchases of requirements costing less than the micro-purchase threshold (\$2,500) are exempted from the competition requirements of the Competition in Contracting Act (CICA) by the Federal Acquisition Streamlining Act. However, Cardholders are required to ensure that prices paid are “fair and reasonable” and will be held responsible for unreasonable prices. Generally, no verification is required, however the Cardholder must verify and document price reasonableness when (1) the Cardholder feels, suspects, or has information indicating that the price may not be reasonable, (2) purchasing an item for which there is no comparable pricing information, or (3) competitive quotes were obtained and the purchase will be made from other than the lowest

quote (Cardholder must describe how price reasonableness was determined and explain precisely why the low quote offer was not accepted).

In other words, when purchasing commercial, “off-the-shelf” items on the open market the Cardholder can usually be confident that, while the price may not be the lowest available, market forces will ensure that it is fair and reasonable and additional effort expended to find the lowest possible price may not be efficient or economical. Obviously some judgment will be required.

In most instances fixed prices in retail stores or from published catalogues can be considered as meeting the requirement for price reasonableness. Items or services that are not commercial, “off-the-shelf” items will require additional documentation of price reasonableness. This will be accomplished by means of a memorandum for record completed by the Cardholder and placed in the procurement record that briefly describes how price reasonableness was determined.

There are various ways to demonstrate price reasonableness. Competition can be achieved by documenting prices from three or more vendors. Cardholders may also document price reasonableness by a comparison of current prices with catalog prices or historical pricing information from previous purchases of the same requirement.

- d. **Debarred Contractors:** Businesses or individuals who have been convicted of illegal activities in connection with their business dealing with the U.S. Government are usually debarred or prohibited from further business with the government for a period of time. Cardholders shall not purchase from such contractors. The USACCK GPC website has a link to the most current list of debarred contractors. Cardholders shall ensure that they are not doing business with the companies or individuals listed there (look for the “USFK Debarment List” link at <http://cckweb.korea.army.mil/GPC/Repository/Debar/USFKDebar.pdf>).
- e. **Source Rotation:** The FAR (Part 13.202(a)(1)) requires that purchases be distributed equitably among qualified suppliers. Accordingly Cardholders will, as much as is practicable, rotate their purchases among various qualified businesses and not overly rely on a single or limited number of sources of supply. Failure to do so may result in the suspension of Cardholder privileges or termination of purchase authority. Middle-man contractors should be avoided. Cardholders and Billing Officials should actively seek regular dealers of the supplies and services they require.
- f. **MCC Codes:** When businesses establish their accounts with the VISA network they are classified by a Merchant Category Code based on the main type of business they are engaged in and the type of goods or service they provide. Several of these codes have been listed as prohibited sources. Purchases from such sources are not authorized and an approval for the purchase transaction will be declined by the Bank. Merchant categories that are not authorized include:
 - (1) 4829 – Wire Transfer or Money Orders
 - (2) 5932 – Antique Shops

- (3) 5933 – Pawn Shops
- (4) 5937 – Antique Reproductions
- (5) 5944 – Jewelry Stores
- (6) 5960 – Direct Marketing insurance
- (7) 6010 – Financial Institutions Manual Cash Advance
- (8) 6011 – Financial Institutions Automatic Cash Advance
- (9) 6012 – Financial Institutions Merchandise and Services
- (10) 6051 – Non-Financial Institutions
- (11) 6211 – Security Brokers/Dealers
- (12) 6760 – Savings Bonds
- (13) 7012 – Timeshares
- (14) 7995 – Betting, Casino Gaming Chips, Off-track Betting
- (15) 7273 – Dating and Escort Services
- (16) 8651 – Political Organizations
- (17) 9211 – Court Costs, Alimony, Child Support
- (18) 9222 – Fines
- (19) 9223 – Bail and Bond Payments
- (20) 9311 – Tax Payments
- (21) 9700 – Automated Referral Service

5. Purchase

- a. **Bank Authorization:** VISA rules require that merchants that accept Visa credit cards obtain approval (authorization) from the issuing bank (the Bank in this case) for each purchase at the point of sale either by telephone or electronically. Data concerning the account number and the total amount of the sale is forwarded to the Bank. A reply will be returned to the merchant which will either (1) authorize the transaction, (2) direct the merchant to get a verbal authorization (a “referral”, usually used to verify the identity of the person making the purchase), or (3) decline authorization. If a request for authorization is declined, the Cardholder shall contact the Bank IMPAC Customer Service Desk (call collect, 1-701-461-2232) to determine the cause of the decline and take appropriate action as required to correct the problem.
- b. **Order Confirmation:** While not required by law or regulation, it is recommended that the Cardholder request an order confirmation whenever the purchase is made on an other than face-to-face basis. Orders placed on the Internet usually provide an e-mail confirmation. Orders placed by phone or mail should include a request for an e-mail or fax confirmation. This confirmation will enable the Cardholder to determine that the merchant has clearly understood the

order and that there is agreement on price and other terms. If there are errors on the confirmation, the Cardholder will be able to quickly contact the merchant and correct the problem(s). As time goes on, error correction becomes more and more difficult. Timely action is crucial.

Failure to obtain order confirmation may lead to serious problems. Cardholders who encounter such problems due to their failure to get a confirmation or their failure to review the confirmation will have primary responsibility for the timely resolution of those problems.

- c. **Foreign Currency:** When purchasing from local Korean sources, Cardholders will complete the transaction in local currency (be aware that many merchants may quote dollar denominated prices, they are not using official exchange rates, request that they quote the price in Korean won). This will enable more efficient reconciliation and reduce the problems associated with exchange rate variation. At the time of the purchase, the Cardholder should estimate the exchange rate and use the estimated rate to prepare a dollar amount for the log (see the instructions below for making log entries in CARE).

The exchange rate can be estimated by either calling the local community bank and asking about the “basic rate” of exchange for that day (the mid-point between the dollar-to-won rate and the won-to-dollar rate) or using an exchange rate calculator available on the internet (<http://www.xe.net/ucc/> or <http://www.oanda.com/convert/classic> are two examples). Whatever exchange rate is used, it will most likely not be the actual exchange rate that is used by the Bank on the statement. The Bank will use the exchange rate that exists on the day the transaction moves into the banking system, not the date of transaction. It is impossible to predict what day that will take place or the exchange rate of that day. The best that a Cardholder can do is estimate the dollar amount using the current rate of exchange on the day of the transaction.

If the purchase price is near but not over the single purchase limit (procurement authority) of the Cardholder, then verification of the exchange rate used will be placed in the purchase record. When the transaction posts at the Bank, it could actually be for a dollar amount more than purchase authority of the Cardholder. The verification in the purchase file will show the time of purchase and the purchase price, to the best knowledge of the Cardholder, within the limits of his/her authority.

For foreign exchange rate information obtained from the community bank, a Memorandum for Record from the Cardholder will serve as verification. If the Cardholder uses an Internet based exchange rate calculator, then a print out of the page showing the exchange rate information will be the verification (set the browser to print the date and time of printing on the document).

- d. **Delivery Dates:** Backordering is not allowed. The GPC will be used only to purchase goods which can be delivered within 30 days of the order or services which can be performed within 30 days of the order.

- e. **Shipping:** Cardholders will determine whether or not shipping and handling charges are included in the purchase price or will be a separate line item on the purchase. If shipping and handling charges are charged separately, the Cardholder will confirm that the combined price for the items and the shipping does not exceed his/her purchase authority.

For example, if there were a requirement for widgets that cost \$2,400 and there were an additional \$300 shipping and handling charge, the total price of the requirement would be \$2,700 and exceed the purchase authority for most Cardholders. In this case, the purchase process should stop. The shipping and handling charges cannot be considered a separate requirement and splitting those charges into a separate transaction is prohibited.

- f. **Taxes:**

- (1) **United States sources:** Cardholders will ensure that state and local sales taxes are not added to the purchase price for transactions made with sources in the United States. Purchases by the Federal Government are exempt from such taxes. When placing orders, Cardholders will identify themselves to the seller and clearly inform the seller that this is a Federal Government transaction. The “Tax Exempt Number” for IMPAC GPC purchases is 4716. This is the first four numbers of each IMPAC account issued by the Bank. The Bank has coordinated with the comptrollers of the various states and informed them that this is an identifier for Federal Government purchases. If merchants insist on charging state and local sales taxes, the Cardholder will cancel the order and find another source.

- (2) **Korean sources:** USFK purchases are exempt from Korea’s Value Added Tax (VAT). Cardholders will ensure that receipts from Korean sources include an indication that VAT was not included in the purchase price. Cardholders will prepare a USACCK Certificate of USFK Purchase document (see Attachment 8) and provide it to the merchant who will need to seek reimbursement for the tax from their local tax office.

- g. **Receipts/Proof of purchase:** Cardholders will ensure that receipts are obtained and retained for each transaction. Any packing slips or invoices received from the seller will also be retained in the record and be available for inspection and/or audit. If a receipt is lost, the Cardholder will prepare a statement for the record explaining the reason that a receipt is not available. This statement will also be signed by the Billing Official and placed in the permanent record. This should be a rare occurrence. Cardholders who frequently lose receipts may be referred to the Criminal Investigation Division (or equivalent in other services) for investigation.

- 6. **Acceptance and Receipt:** After fulfilling the requirement as requested on the GPC Order Request and Receipt form, the Cardholder will obtain a signature at the bottom of the document verifying the completion of the requirement. The Cardholder is not to sign as the receiver. The person who signed as the requestor may sign as the receiver. This signature verifies that the requested goods or services have been received by those having the requirement.

7. **Property Accountability:** Non-expendable property items must be recorded in the property books as required by existing regulations governing property accountability. Billing Officials are required to ensure that all property book accountability requirements have been fulfilled.

For those organizations spending Army funds, property book accountability is usually required for nonexpendable items having a unit price of \$300 or more. Items with a unit price less than \$300 may require property book accountability, if they are classified as highly pilferable or of a sensitive nature (Palm Pilots or other PDA devices, for example). In addition, tools having a unit price exceeding \$50 are also considered nonexpendable and require property book accountability. Specific questions should be directed to the servicing Property Book Officer (PBO) or Installation PBO.

Army Pamphlet 710-2-1 (Para. 2-33.f.) requires that the primary hand receipt holder (HRH) prepare four copies of a DD 250 upon receipt of nonexpendable items purchased with the GPC. One copy is to be kept by the HRH and three copies sent to the PBO. An additional copy of the DD 250 will be provided to the Cardholder and placed in the purchase records. Cardholders will ensure that they obtain this SOP. Billing Officials will monitor compliance as they review the Cardholder records during reconciliation. Specific questions should be directed to the servicing Property Book Officer (PBO) or Installation PBO.

Those using Air Force funds will comply with the property accountability requirements in Air Force Instruction 64-117 Para. 2.13.

Organizations spending other funds will comply with the property accountability requirements of their branch of service or governing organization and have a copy of the requirement available for inspectors and auditors.

The A/OPC will suspend Cardholder accounts when abuse or repeated non-compliance with property accountability requirements is discovered. If the Billing Official desires to restore the Cardholder account, s/he will submit a written request to the A/OPC describing actions taken to educate the Cardholder on property accountability requirements and actions taken to ensure future compliance.

8. **Log Entry:** Cardholders must keep an accurate log of all purchases entering log data at the time of the transaction. All Cardholders are required to capture log data in the CARE system. At a minimum, logs will record (1) the transaction date, (2) the name of the merchant, (3) the transaction price, (4) what was purchased, and (5) the name of the requestor.

Log entries in CARE will require that the Cardholder fill in data on both the "Log Detail" screen and the "Log Line Item Detail" screen. When multiple items are purchased in one action, each item will be listed as a separate line item on the "Log Line Item Detail" screen. The only exception to this requirement is purchases of multiple items having a small unit price at the "SSSC store" (or "Base Supply Store" in the case of Air Force organizations). In this case, enter only one line item. The "Item Description" field will record "Miscellaneous Office Supplies" and include a statement in the "Item Comment" field that states that a detailed listing is available in

the purchase record file. Notwithstanding, this exception items which have a unit price greater than \$50 must be listed as separate line items.

The accounts of Cardholders who fail to enter the required “Log Detail” and “Log Line Item Detail” will be suspended by the A/OPC and referred to the Billing Official for retraining. After retraining the Cardholder account will be restored when requested by the Billing Official. A second incidence will result in the termination of the Cardholder account.

C. Reconciliation / Certification / Payment

1. Cardholders

a. Approval of Posted Transactions: Transaction data for GPC purchases appears under the Cardholder’s CARE account as soon as it posts at the Bank.

Cardholders may approve or dispute transactions at any time up to 15 days after the close of the billing cycle in which the charge is recorded. Cardholders governed by this SOP will approve or dispute all transactions within 3 business days of the close of the billing cycle. Cardholders will ensure that the “Log Detail” and “Log Line Item Detail” information is complete. Specific instructions for using CARE can be found in the “C.A.R.E. Cardholder User’s Manual”. This guidance can be downloaded from the USACCK GPC website (<http://cckweb.korea.army.mil/GPC/main.cfm>). Billing Officials will confirm that the “Log Detail” and “Log Line Item Detail” information is complete prior to certifying the bill. If it is not complete the Billing Official will reject the approval and notify the cardholder that it must be corrected. Failure of cardholders to properly enter this data will be grounds for suspension or termination of the cardholder’s account by the A/OPC.

b. Disputes: There are a number of problems that may arise with the purchase card program that will need to be resolved through either the informal or the formal dispute process. These problems may include, but are not limited to; unauthorized charges against the account, double billing for the same purchase, charges against the account for items that have not been received (“billed but not received”), defective goods or goods that do not perform as promised, substandard performance of services, failure to perform services, incomplete shipments, charges reflecting other than the agreed upon price, etc.

Fraudulent or improper use of the GPC account by the Cardholder is not a disputable action. Such charges must be approved in CARE. In such cases Billing Officials will ensure that the Government is properly reimbursed and follow up with disciplinary action as needed. In addition, a brief explanation will be included in the Comment field in the Log Detail section for the transaction in CARE. Each case of fraudulent or improper use of the GPC account by the Cardholder will be reported to the A/OPC by the Billing Official within 2 weeks of detection along with a report on what, if any, disciplinary action has been taken and what has been done to reimburse the Government for any financial loss incurred.

In every case, formal disputes must be received by the Bank within 60 days of the closing date of the billing cycle in which the charge appeared. After that time, the right to dispute is waived and direct resolution with the vendor is the only option.

Payment for disputed transactions will not be withheld. The statement is to be paid in full each month. The purchase price for disputes which are decided in the Government's favor will be credited to the account in the billing cycle in which the dispute is decided.

- (1) Primary responsibility for resolution of disputes rests with the Cardholder. Billing Officials are responsible for ensuring that Cardholders take care of disputes properly and within established time limits.
- (2) In every instance, the Cardholder should make every effort to resolve any problems directly with the merchant or vendor. This is the informal dispute process and will generally be sufficient to resolve most problems that will arise. If the problem can be resolved with the merchant to the Cardholder's satisfaction, then no further action is required. In most cases the vendor will repair or replace defective merchandise or process a credit to the account to return the purchase price. The Cardholder will never accept a cash settlement for returned merchandise but insist that the merchant credit the purchase card. If the merchant does not know how to do this or refuses, the Cardholder will file a formal dispute with the Bank.
- (3) In those cases where a satisfactory resolution cannot be accomplished by direct action between the Cardholder and the merchant, a formal dispute must be initiated. This will usually be done in Transaction Management function of CARE or may be done manually using the Cardholder's Statement of Questioned Item (CSQI) form (see Attachment 4). The CSQI must be received at the Bank within 60 days of the close of the billing cycle in which the disputed charge appears.
 - i. **Electronic Disputes Process in CARE:** Instructions for disputing transactions in CARE are included in the "C.A.R.E. Cardholder User's Manual". Cardholders will follow those directions to accomplish the dispute. Once a transaction has been approved in CARE, it cannot be disputed in CARE. If later events require a dispute after the transaction has been approved, the Cardholder will follow the manual dispute procedures (see below).
 - ii. **Manual Dispute Process:** When using a hardcopy CSQI, the Cardholder fills out the top of the form and then selects one of the types of disputes listed. The Transaction Date, Reference Number, Merchant, Amount, and Statement Date information is all found on the SOA or in CARE. The Cardholder then submits the CSQI directly to the Bank. A mailing address and a fax number are both listed at the bottom of the form. The CSQI should be either faxed or mailed the CSQI, NOT BOTH. The Cardholder should keep a copy of the CSQI for his or her records and a copy should go to the Billing Official with the rest of the documents submitted in the monthly reconciliation.

- c. **Statement Approval:** After the close of the Billing Cycle and after all charges for the cycle have been either approved or disputed, the Cardholder must approve the statement. Refer to the “C.A.R.E. Cardholder User’s Manual” for instruction on how to approve the statement. As with approval or dispute of transactions in CARE, the Cardholder will complete her/his approval of the statement within 3 working days of the close of the billing cycle.
- d. **Records Transfer:** When the Cardholder has completed reconciliation and approval in CARE, the original copies of all related documents will be submitted to the Billing Official. The Cardholder should make copies for her/his own files but the originals are to be maintained at the Billing Official level. These records will include, but are not necessarily limited to, the Cardholder Statement of Account (SOA), the Cardholder’s manual log of purchases for the cycle (if used – as far as USACCK is concerned Cardholders who are properly recording purchases in CARE do not need to keep a separate, manual log), the GPC Purchase Request and Receipt form for each transaction, the sellers receipt for each transaction, and any other supporting documents or required approvals.

2. Billing Officials

- a. **Review of Cardholder Transactions/Supporting Documents:** Within 3 business days of the close of the billing cycle, Cardholders are required to complete reconciliation of their statements in C.A.R.E. and provide the related supporting documents to the Billing Official. The Billing Official will review every transaction for each Cardholder account assigned to her/his Billing Official account and compare the charges there with the supporting documentation (those who are not CARE enabled will compare the documentation with the hardcopy Statement of Account provided by the Bank through the mail).

A Billing Official’s Monthly Review Checklist is provided as Attachment 9 to this SOP.

Through the review, the Billing Official is expected to:

- (1) Ensure that all transactions meet the legal requirements for GPC purchases. For example the Billing Official will certify that:
 - The listed purchases are correct and were required to fulfill immediate mission requirements of the organization.
 - The listed purchases were not for personal use.
 - Cardholders have not exceeded their purchase authority or monthly spending limit.
 - Requirements have not been split into multiple transactions to avoid established limits.
 - The listed purchases are not for specifically prohibited items.
- (2) Ensure adequate documentation is available for each transaction.
- (3) Ensure that the facts presented in the documents are complete and accurate.

- (4) Ensure that proper dispute procedures have been followed when required.
- b. **Certification:** The Billing Official is responsible for ensuring payment is accomplished in a timely manner. The Bank rebates the government a percentage of the purchase price for fast payment. The faster the payment, the larger the percentage. Payments not received within thirty days are charged interest in accordance with the Prompt Payments Act. The Paying Office is required to calculate and pay interest and charge the interest to the budget of the Billing Official's organization.
- (1) **Payment through C.A.R.E.:** Billing Officials will complete the certification of the Billing Statement in CARE within 5 business days of the close of the billing cycle.
- (2) **Manual Payment:** Only those who are not CARE-EDI enabled ("Transaction for Others" accounts at 175th TFC) or who are paying outstanding (late) bills that are no longer available in CARE may make manual payments. Billing Officials paying manually will download the Billing Statement from the CARE website. It is available immediately after the close of the Billing Cycle. Billing Officials' manual reconciliation and certification procedures are as follows:
- i. Date stamp the Billing Statement immediately upon receipt. This is very important in determining the beginning date of the 30 days allowed for payment under the Prompt Payments Act. If there is no date stamp on the Billing Statement, it is assumed that the date of receipt was eight days after mailing.
 - ii. Review and verify the listed transactions (as discussed in paragraph 2.a. above).
 - iii. Certify the Billing Statement by signing in the space provided on the back of the Billing Statement.
 - iv. Forward the certified Billing Statement (original signature document and 4 copies) to the paying office (coordinate with the servicing Resource Manager concerning the proper method for getting the documents to the paying office). The Billing Statement must be received at the paying office within 10 business days of the date stamp on the statement.

Late Payments: The Prompt Payments Act requires the Government to pay all liabilities within 30 days of receipt of an invoice. For those accounts that are CARE enabled, the invoice is received on the day after the close of the billing cycle. If payment has not been received at the Bank within 30 days, the account is delinquent and the unit will be charged interest in accordance with the terms of the act. Those Billing Official accounts which are not able to certify in CARE are able to download the statement directly from the CARE website on the first day of the new billing cycle. They should download the statement, certify it and forward it to their paying office within 5 working days of the close of the billing cycle.

DoD policy requires the Bank to suspend Billing Official accounts which have not been paid within 90 days of the close of the billing cycle. The local A/OPC

cannot override this suspension and payment of the delinquent bills is the only method of re-opening the account. Billing Statements which have not been paid within 180 days (6 months) of the closing date will result in the suspension of the entire Level 4 account (virtually all of USFK)!

In order to reduce losses to interest and late fees in USFK, the A/OPC will review the certification record within 5 business days of the close of each billing cycle and notify those Billing Officials who have not yet certified the Billing Statement. At 10 business days after the close of the cycle, the A/OPC will again review the certification record and Billing Official accounts and will suspend those that still have not yet certified the billing statement. This will prevent any further purchases by the Cardholders attached to the Billing Official account. Billing Officials for these suspended accounts will notify the A/OPC upon completion of the certification. Then the suspension will be lifted within 2 business days. A list of Billing Official accounts that have not certified 30 days after the close of the cycle will be provided to the USFK Chief of Staff. See Appendix I of this SOP for the time line.

In making this certification, the Billing Official is acting in the role of a Certifying Officer. The Certifying Officer is responsible for the accuracy of payments, including the designation of the proper appropriation(s). The Certifying Officer has pecuniary (financial) liability for any illegal, improper, or incorrect payments made as a result of his/her certification.

Billing Officials for units, which are spending Air Force funds and paid through the Air Force finance offices in Osan or Kunsan are NOT certifying officers. Certification is performed by the finance office and will usually happen for all accounts within a few days of the close of the cycle. However, the Billing Official is required to validate (“certify”) the statement in CARE within 10 calendar days of the close of the cycle. The Air Force Program Office tracks this very closely. The Bank cancels uncertified accounts within 60 days at the direction of the Air Force Program Coordinator (Level 2). Cancelled accounts cannot be “un-cancelled”. The only option at this point is to establish a new Billing Official and Cardholder accounts. In order to establish new accounts to replace those terminated, the Organization Commander will send a written request along with the completed application data to the Level 4 A/OPC. This request will address the reasons for the past failure and measures taken to ensure that such failure will not occur in the future. The Level 4 A/OPC will forward the request to the Level 3 A/OPC with his/her recommendation for approval to establish new accounts.

- c. **Acting On Behalf of the Cardholder:** The Billing Official cannot certify the Billing Statement in C.A.R.E. and initiate the payment process until each of the Cardholders attached to the Billing Official account have completed their validation and approved their Cardholder statements. If the Cardholder cannot complete the validation of the transactions and/or the approval of the statement, the Billing Official may do so in his/her place. The Billing Official will perform the approval function (transaction approval or statement approval) in place of the Cardholder only when the cardholder is not able to do it. In CARE’s Transaction

Management function for Billing Officials, there is a switch that Billing Officials may need to turn on or off in order to perform this function. In the upper-right-hand corner of the “Cardholder Accts” screen, there is a switch marked “Acting on behalf of Cardholder?” Up until the 15th day after the close of the billing cycle, the Billing Official will need to have that switch turned to “Yes” in order to complete the Cardholder’s validation and approval. After 15 days the Cardholder is locked out of the system for that billing cycle and the Billing Official (or alternate) will be the only person able to approve transactions or statements. The Billing Official will have to turn the “Acting on Behalf of the Cardholder” switch to “No” in order to complete the approvals at that point.

- d. **Records Retention:** Each month’s Billing Statement along with all records submitted to the Billing Official by the Cardholder are to be retained in the organization and available for inspection or audit for 6 years and 3 months as required by the DoD Financial Management Regulation Volume 1 and Volume 10, Chapter 10.

IV. Expanded Purchase Authority

- A. **Authorizations:** There are three specific areas of authority that grants the use of the GPC for expanded purchase authority (\$2,500 - \$25,000). They are:
 - 1. **Existing Government Contracts (Federal Supply Schedule):** Cardholders may be given authority to place supply orders against existing government contracts for requirements up to \$25,000 in value as authorized by the FAR (Part 13.301) and (for the Army) AFARS 5113.202.(c)
 - 2. **Blanket Purchase Agreements (BPA) and Indefinite Delivery/Indefinite Quantity (IDIQ) Contracts:** Cardholders who have been appointed by a contracting officer as call officers for specific BPAs may purchase line items from those BPAs up to \$25,000 in value per requirement.
 - 3. **Overseas Authority:** The DFARS (Part 213.301) authorizes Cardholders who meet locally established requirements to purchase requirements above \$2,500 but not more than \$25,000 if –
 - a. The purchase –
 - (1) Is made outside the United States (from a non-US source) for items to be used outside of the United States;
 - (2) Is for a commercial item;
 - (3) Is not for work to be performed by employees recruited in the United States;
 - (4) Is not for supplies originating from, or transported from or through Cuba, Iran, Iraq, Libya, North Korea, Sudan, or other nations identified in FAR Part 25.7;
 - (5) Is not for ball or roller bearings as end items;
 - (6) Does not require access to classified or Privacy Act information; and
 - (7) Does not require transportation of supplies by sea; and
 - b. The Cardholder making the purchase –

- (1) Is authorized and trained in accordance with local agency (USACCK) procedures;
- (2) Complies with the priority of sources requirements of FAR 8.001 (see Section III, Paragraph B.4.(a). of this SOP for details) in making the purchase; and
- (3) Obtains competition (quotes from at least 3 independent sources) in accordance with FAR 13.104(b).

B. Obtaining Expanded Authority: Expanded purchase authority will not be granted unless there is no other viable means of fulfilling the requirements. It is the responsibility of the organization requesting the increased authority to justify it and show in the request for exception to policy that no other means of fulfilling the requirement exist.

Increases in the Single Purchase Limit are extremely rare. They will only be granted when a contracting officer confirms that the requirement cannot be fulfilled by means of a Purchase Order or other contract vehicle.

Requests for temporary increases in Monthly Purchase Limits will be accompanied by a detailed listing of what is intended for purchase with the additional funds and the number of months required. Permanent Monthly Limits in excess of \$8,000 will not be considered.

Exceptions to policy allowing increased Single Purchase Limits or Monthly Purchase Limits will not be considered for Cardholders who fail to properly record “Log Detail” and “Log Line Item Detail” in the CARE system. Billing Officials should check the CARE system to ensure that this will not be a problem prior to submitting the request for exception.

1. **Permanent:** Expanded purchase authority requires a written request from the Organization Commander or Activity Director to the USACCK Director of Contracting through the Level 4 A/OPC. This request must include a specific explanation of the reasons why this authority is essential to the organization. In addition, the Cardholder is required to obtain additional training and submit a certified (signed) Statement of Advanced Training document to the A/OPC.

In the case of those who are seeking to have their authority raised in order to place orders against BPA and/or IDIQ contracts, the organization shall send a request to the Contracting Officer managing the BPA(s) or IDIQ contracts, requesting the Cardholder be appointed as a Call Officer under BPA and/or Ordering Officer, appointed by the USACCK Director of Contracting, for ID/IQ contracts. The Contracting Officer will provide a Letter of Appointment which will accompany the request for expanded purchase authority.

2. **One-Time:** In order to obtain permission to make a “one-time” purchase, the Billing Official will submit a written request to the Level 4 A/OPC. The request may be via e-mail with digital copies of any required documents. This request will include:
 - a. Precise details of what is to be purchased (what is the requirement?)
 - b. Detailed information concerning the proposed source; name, address, phone number.

- c. Whether or not this item is being ordered from an existing Government contract (e.g., GSA). If so, what is the contract number and expiration date? (This is only required if the item is to be purchased from a source in the United States – if the proposed source is a Korean firm, there needs to be a statement indicating that fact.)
 - d. Copies of the written quotes from at least three independent sources (competition is required by the Competition in Contracting Act for all requirements exceeding the micro-purchase threshold)
 - e. Detailed reason(s) why it is in the best interest of the Government to use the GPC to make this purchase as opposed to a normal procurement action processed through the Contracting Command
 - f. Name and masked account number of the proposed Cardholder (a masked account number looks like this: XXXX-XXXX-1234-5678 and is used to preserve security)
 - g. An indication that the Cardholder understands that a DD 350 report must be prepared and submitted to the Compliance and Policy Branch, USACCK no later than the last day of the month in which the purchase is completed.
3. The A/OPC will use this information to assess the need/justification for an exception to policy and make a recommendation to the USACCK Director of Contracting.
 4. The USACCK Director of Contracting will make a final determination on whether or not to authorize the exception. The A/OPC will inform the Billing Official of the DOC's final determination. If the authorization is granted, the Single Purchase Limit (SPL) on the account will be raised sufficiently to accomplish the proposed transaction. Unless otherwise notified by the Billing Official, the A/OPC will return the SPL to its original amount after 5 business days.
 5. A copy of the request, supporting competition documents, and notification of authorization will be kept in the permanent purchase records.

C. Special Requirements and Restrictions When Purchasing Above the Micro-purchase Threshold: Authority to exceed the micro-purchase limit (\$2,500) for qualifying requirements must be approved by the USACCK Director of Contracting. Organization Commanders or Activity Directors must request, in writing, that specific cardholders be given \$25,000 Single Purchase Limit authority. In order to use the GPC to purchase requirements up to \$25,000 for overseas use cardholders must have obtained additional training as directed by the Level 4 A/OPC in addition to having completed the local GPC initial training.

1. **Competition:** Cardholders purchasing requirements above \$2,500 under the specific authority must comply with the competition requirements of FAR Part 13. Specifically, they must document price quotations from at least three independent sources and purchase from the source offering the lowest price. Even though a purchase is made from a GSA Contract or the GSA Federal Supply Schedule (FSS), price comparison/competition is required by regulation and statute. The quotation documentation will be placed in the purchase files and be maintained with the other documentation at the Billing Official level for six years and three months from the

time of purchase (see Section III, Paragraph C.2.d. above for records retention requirements).

2. **Services:** Requirements for services exceeding \$2,500 must be purchased using a GPC BPA awarded by USACCK.
3. **Reporting:** All purchases of requirements costing more than \$2,500 must be reported on a DD Form 350 to USACCK, Compliance and Policy Branch (this includes purchases from GSA FSS Contracts, and BPA calls). Cardholders must prepare a DD Form 350 report for each purchase of requirements costing more than \$2,500 and submit it to USACCK within 30 days of the transaction.
4. **Single Purchase Limit vs. Procurement Authority:** Cardholders who have been granted authority to purchase requirements in excess of the micro-purchase limit will often have Single Purchase Limits (SPL) on the card accounts well above \$2,500. The SPL is not necessarily the same as the Cardholder's authority. Billing Official and Cardholders need to be aware of this and avoid purchasing requirements that exceed the Cardholder's purchase authority.

For example, even though a Cardholder has an SPL of \$2,500, the Cardholder's authority is limited to \$2,000 when purchasing construction supplies. Or if a Cardholder were granted authority to place orders against FSS contracts up to \$25,000, the \$25,000 SPL only applies to FSS supply items. In other words, the Cardholder's SPL remains at \$2,500 for non-FSS contract requirements.

Proponent
Chief, Contract Support Division

//ORIGINAL SIGNED//

JEFFREY D. WILLEY
COL, OD
Commanding

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- A. Definitions
- B. Account Set-up Requirements/Procedures
- C. References
- D. USACCK Government Purchase Card Surveillance Checklist
- E. Government Purchase Card Inspection/Audit Standards
- F. Procurement Integrity
- G. Sample Unit SOP for the GPC Program
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ATTACHMENTS

1. U.S. Army Contracting Command Korea IMPAC GPC Program Application for USFK
2. Statement of Training
3. Statement of Procurement Integrity
4. GPC IMPAC Order Request and Receipt
5. Cardholder Statement of Questioned Item (CSQI) Form
6. Sample Appointment Letter for Certifying Officers
7. GPC Accounting Codes Form
8. USACCK Certificate of USFK Purchase (for Value Added Tax Exemption)
9. GPC Program Billing Official's Monthly Review Checklist
10. Commander's Quarterly Review Checklist for USFK Government Purchase Card Program

APPENDIX A

DEFINITIONS

Account Set-up Information: Specific information required by the contractor (the Bank) and the A/OPC for each Cardholder so that an active account can be established for that Cardholder. Specifics for USFK are covered in Appendix B.

Agency/Organization Program Coordinator (A/OPC): An individual designated by the ordering agency to perform contract administration within the limits of delegated authority. This individual shall have overall responsibility for the GPC Program within the agency or region and may determine who the Billing Officials and Cardholders shall be.

Alternate Billing Official (ABO): An individual designated by a GPC using activity to act in the place of the primary Billing Official during the primary's TEMPORARY absence. The ABO must meet the same criteria as the primary and have knowledge of the various issues involved in procurement for the activity. ABOs are authorized to approve new purchases when the primary is temporarily absent. If necessary the alternate may also certify the Billing Statement in CARE (or sign the billing statement and certify the charges to the finance office in the case of those under a manual process) so that the bill is paid on time. The requirements for the appointment of an alternate Billing Official are outlined in Appendix B (they are the same as for the primary Billing Official). The alternate's authority terminates on the permanent departure of the primary from the organization. If the primary Billing Official duties have not been transferred to another individual at the time of the permanent departure of the primary Billing Official all purchasing activity must stop. At that point the alternate has no authority to approve new purchase actions. The alternate must not be one of the Cardholders assigned to the Billing Official account for which s/he is the alternate.

Approving Official (AO): See Billing Official.

Authorization: The process by which the vendor verifies with the Bank that a purchase being made is within the established Cardholder limits. Authorization is done by the merchant at the point of sale and is usually done by swiping the card's magnetic strip through a reader or calling on the telephone. Whenever the Banking system declines to grant authorization the transaction process must stop until the precise reason has been determined and whatever problems are preventing the transaction have been properly resolved. Merchant's should not be encouraged or allowed to force transactions that have not received authorization. Cardholders should ensure that the merchant obtains authorization at the time of the order even though the charge to the account will take place after delivery or performance.

Billing Official (BO): The Billing Official is an individual within an organization who has oversight responsibility for purchase activities of one or more Cardholders. Billing Officials are nominated by their Organization Commander or Activity Director and appointed by USACCK to their position. The Billing Official is responsible for ensuring that all charges against any Cardholder account attached to her/his Billing Official account are legitimate and accurate. This is the person to whom the "bill" for those charges is presented. Cardholders are presented with a Statement of Account which they are to verify but the Billing Official is presented with the bill and is responsible for certification and payment. Since all purchases made by Cardholders are to

be approved in advance by the Billing Official, s/he is also known as the Approving Official. In addition, the Billing Official is to certify the Billing Statement each month and is also assigned as a Certifying Official (except for Billing Officials who are assigned accounts funded by Air Force funds). The Billing Official is the key person in the program as far as preventing fraud and misuse. The Billing Official may not further delegate her/his responsibilities.

Cardholder: An individual designated by an organization to be issued a GPC Account and card and given specific authority to make purchases on behalf of the U.S. Government. Cardholders are given purchase authority by the USACCK Director of Contracting and are thereby authorized to obligate the government to an expenditure of funds in exchange for goods or services. Cardholders are the only people within the organization who have authority to place orders. Use of the card or the account number by anyone other than the individual assigned to that account is expressly prohibited and could lead to criminal charges. The card bears the individual's name and can be used by the Cardholder to pay for official purchases in compliance with organization internal procedures and applicable government procurement rules, regulations, and statutes.

Credit Limit: The maximum amount of accrued charges to a Billing Official's account. It is equal to three times the Billing Official's Office Limit.

Commercial Payment Platform (CPP): The credit card system of the Bank that was adopted by the Department of the Army in 1997 to increase the efficiency of the GPC Program. The previous system is referred to as the "Rocky Platform" or the Government Payment Platform (GPP).

Declined Transactions: Those transactions where authorization has been refused by the Bank/VISA transaction authorization system. Whenever a Cardholder experiences a declined transaction s/he should first contact the Bank customer service department (call collect, 1-701-461-2232) and determine the precise reason for the decline of authorization. Transactions must not be completed unless proper authorization has been received (see "Authorization" above).

Delegation of Authority: A document, issued by authorized agency personnel, that establishes the individual as an authorized Cardholder and bestows authority to the Cardholder to obligate (spend) appropriated funds. The delegation of authority specifies spending and usage limitations unique to the Cardholders. The USACCK Director of Contracting delegates authority to Cardholders in writing before the Cardholders may make purchases. Cardholders are generally the only individuals in non-contracting organizations who are authorized to place orders for delivery of goods or performance of services. Orders placed by anyone other than the Cardholder are UNAUTHORIZED COMMITMENTS (see below) and must not be paid by the GPC. The process for paying for unauthorized commitments is known as "ratification" and must be done by the contracting office. Contact the A/OPC for information concerning ratification actions.

Designated Paying Office: The office designated by the ordering agency to receive the Billing Statement (official invoice) from the Billing Official and make payments to the Bank. For most non-Air Force organizations in USFK the Paying Office is 175th FINCOM.

Dispute: A disagreement between the Cardholder and either a merchant or the Bank regarding items purchased or charges appearing on the Cardholder's monthly Statement of Account.

Dispute Office: The office designated by the ordering agency that shall assist the agency and the Bank in tracking and resolving disputed purchases or transactions. For USACCK, the A/OPC is the dispute officer. See the section on disputes and follow the guidance there before contacting the Dispute Office concerning any disputes that may arise.

Master Accounting Code: The Master Accounting Code is the fund citation for the purchases that a Cardholder is making. It indicates the source of funds that will be used to pay for the purchases a Cardholder makes. This code, unique to each account, consists of alpha/numeric entries. This is generated by your servicing RMO in cooperation with the paying office (resource advisor or FSO for Air Force accounts). Guidance on establishing the code for non-Air Force accounts is provided in 175th Finance Command memorandum, Subject: Updating Accounting Classification Requirements for International Merchant Purchase Authorization Card (IMPAC), dated 15 October 1996. MAC codes for Air Force accounts must be established through the unit Resource Advisor.

Monthly Cardholder Spending Limit: The monthly Cardholder spending limit is the maximum amount that the Cardholder may spend in one billing cycle and is established individually for each Cardholder account. The billing cycle begins on the 24th of each month and ends on the 23rd of the following month. The balance is set at zero at the beginning of each billing cycle. Monthly Cardholder spending limits are established by USACCK. Cardholders must stay within their established monthly limits. Failure to do so could result in a violation of the Anti-Deficiency Act and is subject to disciplinary action. See the section below if there is a need to change the Cardholder's monthly limit.

Office Limit: The office limit (also called the Billing Official's monthly or 30-day limit) is a limit that is applied to the Billing Official's account and therefore affects all Cardholders assigned to that Billing Official account. It is a cap on the total combined spending of the Cardholders. Usually the Office Limit should be set at the combined total of the monthly Cardholder spending limits of all the Cardholders assigned to a particular Billing Official account. For example: if a Billing Official has 10 Cardholders each with monthly Cardholder spending limits of \$2,500, the Billing Official's monthly office spending limit would be \$25,000. The Office Limit is not automatically generated and is established by the Billing Official. Once the combined total of Cardholder spending reaches the Office Limit in a billing cycle no further charges may be made by any Cardholder under that Billing Official until the new billing cycle begins. Cardholders and Billing Officials must closely monitor card usage to ensure limits are not exceeded.

Ratification: The act of approving an unauthorized commitment by an official who has the authority to do so. This is the process that may be used to pay for goods or services that have been ordered by someone who is not a Cardholder. Contact your A/OPC for instructions if you have a problem with someone other than the GPC Cardholder ordering goods or services (see "Unauthorized Commitment" below).

Reactivation Fee: A per-card fee of \$25 assessed to an Ordering Office if reactivation after suspension is requested, not to exceed the number of cards assigned to that ordering office at the same time of suspension.

Single Purchase Limit (SPL): The SPL is a limitation that is attached to the Cardholder account that limits the total price of any single transaction. When a purchase is made and a merchant requests authorization from the Banking system, the system checks the purchase price against the

Cardholder's SPL and will decline authorization for transactions in excess of the SPL. It is not a "daily limit". It is usually closely related to the Cardholder's procurement authority but it is NOT the same thing as procurement authority. It is assigned to the account to help prevent purchases of requirements that exceed the Cardholder's procurement authority. Most Cardholders are given authority to purchase requirements that cost less than the micro-purchase threshold (\$2,500) and, therefore, have an SPL of \$2,500. Some Cardholders may have an SPL greater than \$2,500 because they have been granted specific authority to purchase certain requirements in excess of the micro-purchase threshold. Those Cardholders (and their Billing Officials) must be aware of the strict limitations on the Cardholder's authority to purchase requirements above \$2,500 in value. Even though a Cardholder account has a \$25,000 SPL the Cardholder's procurement authority will still be limited to \$2,500 or less for requirements that do not meet the criteria for the expanded purchase authority. For example, a certain Cardholder may have authority to purchase requirements for widgets up to \$25,000 in value because s/he has been appointed as a call-officer on a Blanket Purchase Agreement (BPA) for widgets. In order to be able to purchase those large requirements for widgets her/his account has been given an SPL of \$25,000. Even so, purchase by that Cardholder of anything other than widgets under the terms of the BPA in excess of \$2,500 is not authorized. Cardholders (and their Billing Officials) who have SPLs greater than \$2,500 must know the limitations on their authority and are directly responsible for ensuring that their purchases stay within the authority that has been granted. If Cardholders are found to be purchasing in excess of their authority, ignorance of their authority is not an acceptable excuse. The SPL must not be confused with procurement authority and Cardholders and Billing Officials must know the difference. If they do not they must contact their AOPC and seek clarification. Also, splitting requirements into smaller transactions in order to stay within the Cardholder's procurement authority or the SPL is not authorized and may result in unauthorized and/or illegal procurement actions. Any request for a Cardholder SPL in excess of \$2,500 must cite the procurement authority that authorizes the Cardholder to exceed the micro-purchase threshold.

Splitting Requirements: Because there are limits on the size of requirements that can be procured by Cardholders using the GPC and procurement through the contracting office is more time-consuming and complicated, some organizations are tempted to "split" requirements that exceed the SPL or purchase authority of the Cardholder into a number of smaller transactions. Splitting occurs when a requirement is split into multiple transactions that are done by the same Cardholder with the same supplier at different times, by the same Cardholder with different suppliers, or by different Cardholders. Splitting requirements that exceed the SPL or procurement authority of the Cardholder in order to avoid those limits is prohibited.

Suspension: The process by which an Ordering Office is disallowed from making purchases with the commercial credit card program due to delinquency or multiple pre-suspension actions or due to actual or suspected violations of policy, regulations, or statutes. Suspension can be easily reversed if and when the problem that initiated the suspension is resolved. Billing Official accounts are suspended if there is an unpaid balance that is more than 30 days late.

Tax Exemption: Federal Government purchase within the United States are exempt from State and Local sales taxes. Therefore when Cardholders purchase from businesses located in the U.S., they need to make sure the seller knows that the purchase is a Federal Government purchase and that state and local sales taxes are not added to the purchase price. Occasionally a merchant may be reluctant to waive the taxes and may ask for the "tax exempt number" which is simply the first four numbers of the Cardholder account (4716). Usually that will be sufficient to

take care of any problems. If there is still a problem and further assistance is required, check the GSA website where tax exemption letters from various state governments are available on the internet at <http://pub.fss.gsa.gov/services/gsa-smartpay/taxletter/>. In Korea there is a Value Added Tax (VAT) of 10% that is applied to purchases. USFK is exempt from the VAT. Cardholders need to confirm with the suppliers that the VAT is not included in the sales price. The merchants have already paid this VAT to the tax office and will want to be reimbursed for those taxes that they cannot pass on to USFK. They will have to go to their local tax office with some evidence that their sale was to USFK. The Cardholder should be prepared to provide a signed Value Added Tax Exemption Form - Billing Official Certification (see Attachment 8) to the merchant in exchange for the VAT exemption.

Tax Exempt Code Number: An identification code number for Federal Government purchase that is exempt from State and local sales taxes. The Tax Exempt Code Number for the GPC Program is the first four numbers of the account, 4716. This is only applicable and valid in the United States. It does not apply to purchases made in other countries (See “Tax Exemption”, above).

Unauthorized Commitment: The Federal Acquisition Regulation (FAR) defines this as an agreement that is not binding on the Government because the Government representative who made it lacked the authority to enter into that agreement on behalf of the Government. An order placed with a merchant or supplier by anyone other than a GPC Cardholder who has been duly appointed and granted authority by the delegation of authority memorandum is an unauthorized commitment. Payment for such an order is the sole responsibility of individual who placed the order. Ratification, if deemed appropriate by the Contracting Officer, may be employed to allow the Government to assume and pay the private debt incurred by that individual. Cardholders who are presented with requests to pay for goods or services that have already been ordered, delivered, or performed must not do so and should refer the requestor to the USACCK for guidance on initiating a ratification action in order to pay for the goods or services. Cardholders may also commit unauthorized commitments if the purchase requirements exceed their purchase authority, or required approvals are not obtained.

APPENDIX B

ACCOUNT SET-UP REQUIREMENT

Billing Officials (and Alternate Billing Officials):

1. Read and have familiarity with the USACCK Supplement to the DA GPC SOP (this document).
2. Read the Billing Official Guidebook prepared by the Bank (find the link at <http://cckweb.korea.army.mil/GPC/main.cfm>)
3. Complete the DOD Gov't Purchase Card Tutorial course offered on-line by the Defense Acquisition University. (<https://atrrs.army.mil/channels/aitas/>)
4. Attend a local live training class (contact the supporting Level 4 A/OPC for latest schedule).
5. Submit application package to the level 4 A/OPC (it usually needs to go through the servicing Resource Management Office) the address is USACCK, ATTN: GPC Program, Unit 15289, APO AP 96205-5289. The package includes:
 - a. USACCK IMPAC GPC Application (see Attachment 1 of this SOP, a digital copy is available for download at <http://cckweb.korea.army.mil/GPC/main.cfm>)
 - b. Statement of Training (see Attachment 2 of this SOP, a digital copy is available for download at <http://cckweb.korea.army.mil/GPC/main.cfm>)
 - c. Statement of Procurement Integrity (see Attachment 3 of this SOP, a digital copy is available for download at <http://cckweb.korea.army.mil/GPC/main.cfm>)
6. Submit a copy of the Appointment as Certifying Officer (see Attachment 6 of this SOP, a digital copy is available for download at <http://cckweb.korea.army.mil/GPC/main.cfm>) and DD Form 577 Signature Card to 175th Theater Finance Command, Unit #15300, ATTN: EAFC-CPA-AOA, APO AP 96205-5300 or to your paying office if it is not 175th TFC.

Air Force funded accounts must also be funded by an AF Form 4009 which has been submitted to the supporting Financial Services Officer (FSO) in the base comptroller flight.

Once the A/OPC receives the application package, the A/OPC will transfer the old Billing Official account to the new applicant and request a new CARE Username and Password from the Bank. The new Username and Password usually take 5 to 7 business days. The A/OPC will forward that to the new Billing Official when it is received.

Cardholders:

1. Read and have familiarity with the USACCK Supplement to the DA GPC SOP (this document).
2. Read the Cardholder Guidebook prepared by the Bank (find the link at <http://cckweb.korea.army.mil/GPC/main.cfm>)

3. Complete the DOD Gov't Purchase Card Tutorial course offered on-line by the Defense Acquisition University. (<https://atrrs.army.mil/channels/aitas/>)
4. Attend a local live training class (contact the supporting Level 4 A/OPC for latest schedule).
5. Submit the application package to level 4 A/OPC (it usually needs to go through the servicing Resource Management Office) the address is USACCK, ATTN: GPC Program, Unit 15289, APO AP 96205-5289. The package includes:
 - a. USACCK IMPAC GPC Application (see Attachment 1 of this SOP, a digital copy is available for download at <http://cckweb.korea.army.mil/GPC/main.cfm>)
 - b. Statement of Training (see Attachment 2 of this SOP, a digital copy is available for download at <http://cckweb.korea.army.mil/GPC/main.cfm>)
 - c. Statement of Procurement Integrity (see Attachment 3 of this SOP, a digital copy is available for download at <http://cckweb.korea.army.mil/GPC/main.cfm>)

Digitized application packages sent via e-mail or faxed application packages will be acceptable to begin the process. However, the original signature documents are required for the A/OPC records at USACCK. After e-mailing or faxing the application package applicants should make a copy of the package for their own files and send the original documents to their servicing A/OPC.

APPENDIX C

REFERENCES

Federal Acquisition Regulation (FAR) especially Parts 8 and 13

Department of Defense FAR Supplement (DFARS) especially Parts 208 and 213

Army Federal Acquisition Regulation Supplement (AFARS) especially Part 5113.270

Treasury Financial Manual, VOL 1, Part 4, Ch 4500 – Government Purchase Cards

DoD FMR, VOL 5, Disbursing Policy and Procedures, Chapter 33 (Accountable Officials and Certifying Officers)

DoD FMR, VOL 10 (Contract Payment Policy and Procedures), Chapter 9 (Credit Cards), (currently in draft)

DoD 5500.7-R, Joint Ethics Regulation (JER)

DoD Directive 7000.15 DOD Accountable Officials and Certifying Officers

Department of the Army Government Purchase Card Standing Operating Procedure (31 July 2003)

Air Force Instruction 64-117 (06 December 2002)

AR 11-2, Management Controls

AR 25-30, The Army Publishing and Printing Program

AR 25-51, Official Mail and Distribution Management

AR 37-47, Representation Funds of the Secretary of the Army

AR 215-1, Morale, Welfare, and Recreation Activities and NonAppropriated Fund Instrumentalities

AR 600-8-22, Military Awards

AR 710-2, Inventory Management Below the Wholesale Level

AR 725-50, Requisition, Receipt, and Issue System

AR 735-5, Policies and Procedures for Property Accountability

AR 840-10, Flags, Guidons, Streamers, Tabards, and Automobile and Aircraft Plates

EUSA Pam 25-1, Publications and Records Management Procedures Guide

EUSA Pam 25-50, Information Management Officer's Handbook

Memorandum, Secretary of the Army, Subject: Determination Concerning Exclusions from Filing the Confidential Financial Disclosure Report - SF 450, 29 September 1994

Government-wide Commercial Credit Card Service, Contract Guide GS-23F-94031, undated

Purchase Card Reengineering Implementation Memoranda from the Under Secretary of Defense (Comptroller):

(1) Certifying officer responsibilities (17 October, 1996)

- (2) Conversion to customer offered platforms (12 November 1996)
- (3) Streamlined Financial Management Procedures (27 March 1997)

Memorandum, Assistant Secretary of the Army Research and Development, Subject: Streamlined Purchase Card Procedures, 28 October 1996

Memorandum, Assistant Secretary of the Army Financial Management, Subject: Streamlined Accounting for Micro Purchases Under the Government Purchase Card Program (GPC), 24 January 1997

Memorandum, Assistant Secretary of the Army Research and Development, Subject: Implementation of Significant Changes to the Army Government-wide Commercial Purchase Card Program, 29 January 1997

Memorandum, FKEN-E, Subject: Drinking Water Decision Guide for Commanders, 20 May 1997

Memorandum, Headquarters, United States Forces Korea, Subject: Government Purchase Card (GPC) Program - Management Controls and Investigations, 11 March 2004

Memorandum, Assistant Secretary of the Army Acquisition Logistics and Technology, Subject: Eliminating Multiple Government Purchase Cards, 22 June 2004

Memorandum, Assistant Secretary of the Army Acquisition Logistics and Technology, Subject: Use of Third Party Payments, 07 March 2005

APPENDIX D

This is a sample of the surveillance checklist that USACCK uses in it's inspection of Billing Official and Cardholder purchase card activity as of January 2003. It is subject to frequent change. The most current version is available on the USACCK GPC Program website.

USACCK GOVERNMENT PURCHASE CARD (GPC) SURVEILLANCE CHECKLIST

Company No.: Send Report To: MACOM:	Date of Inspection:
AO Name: Phone No.: E-Mail Address: DEROS:	Unit/Org Address:
Cardholder(s):	Periods Inspected:
Inspected by:	Date AO's Application Received by USACCK:

	Checklist Items:	Total \$	Total #	Y	N	Pts
1	Did the unit have an internal GPC SOP IAW USACCK GPC Guidance for USFK? <i>USACCK GPC SOP, 10 Aug 2005, Section I, Para.E.6.m. and Appendix G. 1 pt.</i>					
2	Did the Cardholder make any purchases outside his/her purchase limits? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. A.1.a. & b. 3 pts.</i>					
3	Did the Cardholder purchase any item without BO's/AO's prior approval? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. B.1. 5 pts.</i>					
4	Did the Cardholder purchase any items without a written request from the requestor (someone other than the Cardholder)? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. B.3. 3 pts.</i>					
5	Did anyone other than the Cardholder make a purchase with the Cardholder's IMPAC or IMPAC account number? <i>USACCK GPC SOP, 10 Aug 2005, Section I, Para. E.7.b.</i>					
6	Was there an indication that the Cardholder intentionally broke down (split) one requirement into two or more smaller purchases? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. A.2. 15 pts.</i>					
7	Was any purchased item received without a written receipt signed by the requestor (someone other than Cardholder)? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. B.6. 5 pts.</i>					
8	Did all nonexpendable items have a DD250 at the Property Book or DA Form 2062 at the unit level? <i>USACCK GPC SOP, 10 Aug 2005, Section I, Para. E.6.n. & DA Pam 710-2-1 Using Unit Supply System (Manual Procedures), 2-33.f. and 5-3.a. & b. 5 pts.</i>					
9	Did the Cardholder obtain and file CAPRs for all audiovisual equipment prior to purchase? <i>EUSA Pamphlet 25-50, Appendix I, I-1. f. 5 pts.</i>					
10	Did the Cardholder obtain and file CAPRs for all Computer or Communications items prior to purchase? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. A.4.e. and EUSA Pamphlet 25-50, Para. 3-4. e. & f. and Appendix F. 5 pts.</i>					
11	Did the Cardholder obtain authorization to purchase all potential hazardous materials, i.e., paint from the specified controlling agency? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. 4. b. & d. 5 pts.</i>					
12	Did the Cardholder purchase any items identified as "unauthorized" in the GPC procedures? <i>USACCK GPC SOP, 10 Aug 2005, Section III Para. A.3.a.-k. 8 pts.</i>					
13	Did the Cardholder obtain proper coordination with the specified controlling agency for all centralized purchases such as printing services (DAPS), facility maintenance type services (DPW), etc? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. A.4.a-l. 3 pts.</i>					
14	Did the AO/BO maintain all original purchase files; i.e., requests, receipts, etc? <i>USACCK GPC SOP, 10 Aug 2005, Section I, Para. E.6.q. 3 pts.</i>					
15	Did the unit maintain at least twelve months' worth of purchase files? <i>USACCK GPC SOP, 10 Aug 2005, Section I, Para. E.6.q. 4 pts.</i>					
16	Did the Cardholder make repetitive buys during the previous 12-month period which should have been procured on a formal contract or BPA by USACCK? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. A.1. 5 pts.</i>					
17	Did the Cardholders continue to purchase after the AO PCSed and before the new AO was appointed? <i>USACCK GPC SOP, 10 Aug 2005, Section II, C.1.a.-d.</i>					

18	Did the Cardholder distribute purchases equitably among qualified vendors (rotate vendors)? <i>USACCK GPC SOP, 25 April 2001, Section III, Para. B.4.d. 8 pts.</i>			
19	If requirements costing more than \$2,500 were purchased, did the Cardholder complete the following? 1) Received additional training (CON 237); 2) Received three independent quotes from 3 different vendors; 3) Submitted DD 350 report to USACCK; 4) Have the proper authorizing single purchase limit. <i>USACCK GPC SOP, 10 Aug 2005, Section IV, A.B. & C. 15 pts.</i>			
20	Did the Cardholder reconcile information on the monthly statement of account and enter purchase data in C.A.R.E. Log Detail and Log Line Item Detail? <i>USACCK GPC SOP, 10 Aug 2005, Section III, Para. B.8. 2 pts.</i>			

COMMENTS: _____

Item
No:

OVERALL GRADE:

Grading Methodology: Total number of non-compliance based on 20 checklist items (Objective) and +/- subjective point based on efforts noted to improve the GPC program, such as corrective actions taken, innovative approach, etc.

Grade Range: 97 – 100 = A+; 93 – 96 = A; 90 – 92 = A-; 87 – 90 = B+; 83 – 86 = B; 80 – 82 = B-; 77 – 79 = C+; 73 – 76 = C; 70 – 72 = C-; 67 – 69 = D+; 63 – 66 = D; 60 – 62 = D-; 59 and below = F

NOTE: Documentation to correct deficiencies must be received by USACCK within three business days after the audit and/or inspection date. These documents can be faxed to USACCK at 724-7022/7067. Submitting the necessary documents should improve the overall grade.

AO Signature: _____

Date: _____

Inspector Signature: _____

Date: _____

APPENDIX E

This information is subject to frequent change. The most current version is available on the USACCK GPC Program website.

Government Purchase Card Inspection/Audit Standards

1. GPC Order Request Receipt Form. Each purchase must be documented with a correctly completed GPC Order Request and Receipt Form (Attachment 4 in the USACCK GPC SOP for USFK). Purchases must be requested by someone other than the Cardholder who will be making the purchase, approved by the Billing Official prior to purchase, and received in writing by the person requesting the item or another person in the requestor's work area who can confirm receipt or performance. The Cardholder cannot request, approve, or receive the items purchased. This means the *Cardholder cannot sign the Request Receipt Form*. If your unit's policy has allowed the Cardholder to request or receive items, you should prepare a memorandum stating you have corrected this deficiency. Also, correct the unit's GPC SOP in this regard. *NOTE: Each unit is required to have its own GPC SOP.*
2. Proof of purchase. Attach receipts, packing slips, and invoices to the GPC Order Request and Receipt Form.
3. The Billing Official is responsible for maintaining the original purchase files. We recommend Cardholders also keep copies for their own records.
4. Documentation to establish property accountability. Per Army Pamphlet 710-2-1, Para. 2-33.f. "Upon receipt of nonexpendable items purchased with the IMPAC credit card, the primary hand receipt holder (HRH) will prepare DD250 in four copies." One copy is kept by the primary HRH and the remaining three copies are submitted to the PBO. *Note: USACCK requires the Cardholder keep a copy of the DD250 with his purchase files. If you have problems in this area, you can correct them before the inspection. Contact your PBO to find out which items should be entered on both the Organization and Installation Property Books.*
5. Property Accountability: USACCK inspectors recognize \$300 as the minimum unit price for property accountability. In addition, highly pilferable items with a value lower than \$300 should be accounted for either on a durable hand receipt or on the appropriate property book. Any tool priced at \$50 or more is also considered a nonexpendable. Contact your PBO for additional guidance.
6. Proof of authorization to purchase automation equipment. If you purchase cellular phones; computer hardware (including monitors, printers, scanners, fax machines, laptop computers or PCs, and shredders); software valued at more than \$300; or internal components and upgrades to computer systems (regardless of price) you must have approval from Directorate of Information Management (DOIM)/G6. Your Cardholders' purchase documents must contain this written authorization. This can be in the form of Capability Requirements (CAPR), Requirements Statements, or approval memorandum signed by your DOIM/G6. A signature from your unit's IMO on the Request Receipt Form or verbal authorization from DOIM are NOT sufficient authority to purchase. *If you do not have the required documents, contact DOIM now to find out whether the items you have purchased require their approval, and whether you can document them after the fact. For assistance contact Area II's Help Desk at 723-4357/7062 or Configuration Branch, 723-3347/9241.*

7. Automation and Communication Equipment purchased as replacement for unserviceable equipment must be documented with a DA 1348-1 from DRMO.
8. Audiovisual equipment such as cameras, television sets, VCRs or DVD players require an approved CAPR before purchase. The CAPR request can be submitted to DOIM or Training Support Activity Korea (TSAK). Please contact TSAK if you have undocumented audiovisual equipment. You may be able to correct this deficiency before the inspection. POC at TSAK is at 724-3284.
9. Bottled water cannot be purchased using the Government Purchase Card unless the unit has first obtained written authorization from the Installation Commander. If you do not have authorization to purchase bottled water, you cannot purchase a water dispenser.
10. Unit coins and unit awards. Purchase of these items must be approved in writing by an O-5 in the Cardholder's chain of command. There should be one memo for each purchase of unit coins or any other items purchased as award items. The memo will state the purpose of these awards and certify that they will only be used as awards and not as gifts, souvenirs, or mementos.
11. Paint and other hazardous materials must be approved by your installation DPW.
12. DPW approval is required for the following items:
 - a. Air Conditioners are considered real property and must be requested through DPW.
 - b. Real Property; facilities and ground maintenance
 - c. Installation or replacement of carpeting
 - d. Replacement of ceiling and piping
 - e. Partitions, windows and doors
 - f. Replacement of light fixtures
 - g. Landscaping
 - h. Latrine repair
 - i. Painting
 - j. Locksets (digital)
 - k. Duplication of keys
 - l. Replacement of floor tiles
 - m. Purchase or movement of connex containers
 - n. External cabling for network systems

This list is not exhaustive.

All building maintenance, repair and alterations must be approved by DPW prior to contacting a vendor to do the work. DPW is responsible for tracking costs associated with real property maintenance, including material and labor costs. Units can submit a DA Form 4283, Facility Engineer Work Request accompanied by a proposed plan or sketch to Ms. Yim, Ok Su, 724-3500 or Mr. Yi, Sam-Yong, 724-8951.

13. Duplication of keys and replacement of locks must be done by DPW, Carpenter Shop, 724-3360/3362.

14. Gifts and mementos are unauthorized. Plaques, flowers, or gifts for retirement parties or hail and farewell functions are unauthorized.
15. Morale, Welfare, Recreation (MWR) and Non-Appropriated Funds purchases are not authorized. Examples of these categories of items are: barbecue grills or picnic tables. In addition, any costs associated with staging an organization day picnic or Christmas parties, such as Santa suit, paper plates, etc. are not authorized. Units are authorized to purchase from MWR facilities for authorized items such as conference rooms, rental of chairs, or the purchase of mission-related trophies and awards.
16. Cut flowers are not authorized.
17. Personal use items such as shaving cream, hand lotion, business cards or other personal care items are unauthorized.
18. Food and subsistence. Food is not authorized for purchase with the GPC except as noted in Section III, Paragraph A.3. of this SOP.
19. Equipment rentals and services cannot exceed 30 days. Any service requirement longer than 30 days must be forwarded to USACCK to be procured on a purchase order or contract.
20. Construction cannot exceed \$2,000 and must be documented with a work order approved by DPW. Units cannot make changes to real property without DPW's approval.
21. Cash advances and cash refunds are unauthorized. If the Cardholder must return merchandise, the refund will be in the form of a credit to the GPC account.
22. Rental of copiers for a period less than 30 days must be approved by DAPS. Rental of copiers for periods longer than 30 days will be accomplished by forwarding a DD3953 Purchase Request and Commitment Document to USACCK to be purchased on a formal contract. This policy also covers the rental of diazo machines. Repair of copiers will also be coordinated through DAPS.
23. For Cardholders with single purchase authority up to \$25,000, the Cardholder's purchase files must contain at least three competitive bids from three independent vendors for any purchase over \$2,500. Additionally, these Cardholders must complete and submit a DD 350 Report to USACCK for each purchase of requirements costing more than \$2,500. Please fax to 724-7022, ATTN: Compliance and Policy Branch. Copies of the DD 350 reports will be maintained with the purchase files.
24. Blanket Purchase Agreements: If you are an appointed call officer with purchase authority up to \$25,000 on IMPAC blanket purchase agreements (BPAs), you also must obtain three quotations from the available BPAs.
25. Printing services must be obtained from DAPS. Rental of field copiers for a period less than 30 days must be approved by DAPS. Requirements for rental of copiers longer than 30 days will be forwarded to USACCK to be purchased on a formal contract.
26. Official flags, guidons, and streamers cannot be purchased with the IMPAC Card. They must be purchased from the Institute of Heraldry as specified in AR 840-10. As stated in this regulation, "Distinguishing flags are accountable property and their retention by individuals is prohibited." If your unit has purchased any of these items, you must prepare a DD250 as specified in Para. 2.c. (above). Contact G4 to determine disposition of these items. Take

action to order the approved items through proper channels, in accordance with AR 840-10. The following website offers additional information on the purchase of flags, guidons and streamers. <http://ct.dscp.dla.mil/ctinfo/flagsstreamers.html>

27. Software can be downloaded from the Army Small Computer Program (ASCP). Cardholders must check this site before purchasing from another source
28. Automation issues: GPC personnel should be aware of a mandatory source for purchasing information technology (IT). Software has become an important issue recently. Units should be aware of the Army BPA as a mandatory source of supply for their information technology purchases. Software packages and updates are available from this website for download at a significant savings over other sources. Cardholder must check this site for software before purchasing. Note: Remember, you'll need a CAPR if the price of your software package is higher than \$300.
29. Vehicle rentals must be authorized by Transportation Motor Pool (TMP). Submit EA Form 571 Request For Mission Vehicle Support to TMP for approval. This form must be attached to the GPC Order Request Receipt Form to document authorization for the rental.
30. Rental of buses for exercises will not be charged on the GPC. This service is obtained through 25th Transportation. Units need to provide a fund cite and request the buses in writing. Contact 25th Transportation, 736-6006 to obtain the necessary forms and other requirements.
31. Cardholders are responsible for rotating vendors. Even if you have a favorite vendor who almost always gives you a lower price, you must search for additional sources. You are required to use multiple sources.
32. Kerosene heaters: If a heater is not authorized by either MTOE or CTA 50-909, it is not authorized for the field. Kerosene heaters are not authorized for units in 2nd Infantry Division.
33. Information Management Hardware items are also available through the Army BPA. Delivery is usually within 45 days, although you may be able to shorten that on emergency purchases by working with the company representative. Note: Remember your CAPR.
34. Common Access Cards (CAC). Units are advised that the 8th Army has recently ordered 19,000 CAC units to install on all its computers on the peninsula. Therefore, do not purchase CAC units unless you are purchasing for a system above and beyond the existing system. If you send a DA Form 3953 to USACCK for the procurement of these items, it will be returned to the originator without action. Do not purchase them with the GPC card unless you have an approved CAPR.
35. Solvent Removal Services -- During inspections conducted in October and November 2002, we came across quite a few units purchasing solvent removal and replacement service and paying for it with the GPC. This is an unauthorized purchase. According to DPW, Environmental Branch, each unit should have a HAZMAT NCOIC who should be contacted to coordinate all HAZMAT issues. Cardholders should determine who the HAZMAT NCOIC is for their unit and refer these purchases to that individual. If they cannot locate the HAZMAT NCOIC, they should contact

DPW Environmental Branch in their respective Area to accomplish HAZMAT service. Cardholders CANNOT pay for ANY HAZMAT service with the GPC.

DPW ENVIRONMENTAL DIVISION POCs

Area I POC: Mr. Yi, Tong-Pom, 732-8333 & Mr. Yi, Kwang-Yun, 732-8094;

Area II POC: Mr. Kim, Sil, 724-6150;

Area III: Mr. Kim, Chin-Song, 753-7052

37. Paint and Paint Thinner: Cardholders are advised that paint cannot be purchased from Korean vendors if the Material Safety Data Sheet (MSDS) has not been submitted and approved by DPW Environmental Branch. Units can obtain paint and paint thinner from their local Supply Support Activity (SSA) or Self Help Store. The SSA in Area II can usually provide paint and thinner within 72 hours.
38. Recruiting/Reenlistment Incentives – According to guidance in AR 602-208, Recruiting/Reenlistment Advertising Program, Paragraph 6.e.: “Gifts, mementos, or souvenirs of more than slight monetary value, from whatever source, will not be used to recruit or enlist.” Leather jackets, watches, and other high-value personal items are not in line with this guidance.
37. Time Frame for Additional Info: After an audit or inspection with the A/OPC, Billing Officials will be given **3-working days** to submit missing documents in order to improve the results of the audit/inspection.

APPENDIX F

Procurement Integrity

“Procurement Integrity” may seem to be a vague, intangible term which applies only to contracting officers. Actually procurement integrity applies to a great number of individuals who participate in the procurement process. See below for the legal definition of a “Procurement Official” and you’ll probably be surprised. Additionally, there are several laws specifically addressing procurement integrity, and violations of those laws are punishable by very clear, tangible fines and punishments. In 1989 Congress passed one such law, 41 U.S.C. 423, “Procurement Integrity.” It was amended and became effective 1 Dec. 90.

Besides being the law, procurement integrity is mandated by our positions of public service. Breaches of procurement integrity cost the Armed Forces (and hence, taxpayers) millions of dollars each year in both direct losses and defective products. After all, financial gain is the prime motive whenever procurement integrity is broken. Another serious consequence of violated integrity is the serious damage to the Armed Force’s credibility before the public and Congress. Unlike lost money which can be replaced, our damaged credibility lives with us and affects nearly everything we do.

The following summarizes the pertinent provisions of 41 U.S.C. 423 which apply to those of you serving the Government as procurement officials. The term “procurement official” refers to any federal government officer or employee who has participated personally and substantially in any of the following with respect to a particular procurement:

- Drafting, reviewing, or approving a specification or statement of work.
- Preparing or developing a procurement or purchase request.
- Preparing or issuing a procurement solicitation.
- Evaluating bids or proposals, or selecting sources.
- Negotiating to establish the price or terms and conditions of a contract or contract modification.
- Reviewing and approving the award or modification of a contract.

Section 423 (b) prohibits procurement officials, while conducting government procurement, from:

- Soliciting, discussing, or accepting future employment or business opportunity with a competing contractor.
- Soliciting or accepting money, a gratuity, or any other thing of value from a competing contractor.
- Disclosing proprietary or source selection information to any person not authorized to receive the information.

Section 423 (b) extends the above prohibitions to anyone with access to proprietary or source selection information. Section 423 (a) similarly restricts competing contractors from discussing future employment with procurement officials; giving gratuities to procurement officials; or soliciting/obtaining proprietary or source selection information.

Section 423 (c) allows some procurement officials to obtain permission to withdraw from further participation in a procurement in order to discuss future employment with a competing contractor.

Section 423 (f) imposes two basic restrictions on employees who leave Federal service. A Procurement official with respect to a particular procurement may not:

- Participate on behalf of a competing contractor in any negotiations leading to the award or modification of a contract.
- Participate on behalf of the competing contractor in the performance of such contract.

Section 423 (e) imposes a number of certification requirements in connection with contracts and modifications in excess of \$100,000. Among them is a requirement for contracting officers to certify they have no information concerning a violation or possible violation of Section 423 (a), (b), (d), or (f). Also, 423 (e) requires procurement officials to certify they understand the continuing obligation not to disclose proprietary or source selection information.

Integrity is the cornerstone for successful government procurement. Violated integrity results in defective products, lost money, and damaged credibility. If you question whether specific conduct violates the law or expected standards of procurement integrity, seek advice from your supervisor or Staff Judge Advocate. If you know of a breach of procurement integrity, tell your supervisor, commander, CID, Legal Officer, or call a Fraud, Waste and Abuse Hot line.

APPENDIX G

SAMPLE UNIT STANDARD OPERATING PROCEDURES FOR GOVERNMENT PURCHASE CARD (GPC) PROGRAM

1. Reference USACCK Korea-wide GPC SOP.
2. The following internal unit procedures will be followed by assigned personnel in association with use of the GPC card.

3. Billing Official for _____ is
_____.

4. Funding of the GPC card:

The Billing Official will establish funds availability with the resource manager of the organization and delegate funded amounts to Cardholders. No purchases may be made without the Billing Official's signature on the GPC Order Request and Receipt Form. When the Billing Official is on leave, his alternate will validate charges or have another Billing Official approve all charges. Purchasing will be suspended when funds are not available.

4. Unit Cardholders are listed below with their purchase authority limitations and items to be purchased.

A CO:
B CO:
C CO:

5. Requests for Supplies: All purchases shall be initiated by a properly completed GPC Order Request and Receipt Form. Cardholders will check for availability of items in supply system prior to ordering. Cardholders will purchase only supplies and/or services for their unit of assignment and which fall within the mission responsibility of their job description. Cardholders will verify funds are available by checking with the Billing Official or the budget section prior to card use at the start of each month.

6. Monthly Reconciliation: Cardholders will hand-carry the SOA, monthly log, Questioned Item Forms, and all other supporting documentation to the Billing Official for certification, within 3 days after receipt of SOA or the 5th of the month, whichever is earlier.

7. Hand receipt and property accountability: Cardholders will maintain all documentation in accordance with the USACCK SOP. Cardholders will instruct vendors to ship to Cardholder address only. Supplies are not to be shipped to other individuals within this unit. Cardholders will maintain positive control of all items until released to requester. Once property is signed for by the requester, a copy of the GPC Order Request and Receipt Form will be forwarded to the PBO without fail. The PBO will determine which items require establishment of formal property book accountability.

8. Transfer of Cardholders: Cardholders will surrender their GPC card to the Billing Official after cutting the card into two pieces. This will be done 60 days prior to departure from the unit. Cardholders will coordinate with Billing Official and Commander prior to rendering GPC unusable.

Signature of Unit Commander

APPENDIX H

CARE Troubleshooting Tips

1. Cardholder Username and Password:

Cardholders are able to establish their own usernames and passwords in CARE. Download the instruction document, “*CARE ID and Password Self Registration for Cardholders*” from the website, <http://cckweb.korea.army.mil/GPC/main.cfm>

2. Billing Official Username and Password:

The A/OPC will request usernames and passwords at the time the new Billing Official is assigned and provide them to the Billing Official as soon as it is available.

3. Forgotten Password:

Cardholders should enter their username and click on the “*Forgot your password?*” link on the CARE site BEFORE locking themselves out. If they guess and enter the wrong password 3 times, they will be locked out and will have to call the Bank and request that the password be re-set.

Billing Officials will simply have to call the Bank and request that their password be reset.

4. When I put in my Username and Password I get an error message that says, “*ERROR: The user status is considered inactive please contact a USBAdmin to reactivate*”:

If this happens it means that, for whatever reason, your account has been locked out. Call the Bank Customer service number collect and request them to reset the password for your username (1-701-461-2232, available 24/7).

5. I am logged in fine but when I click on “Transaction Management” I wait and wait but nothing happens:

This usually occurs when your computer is running Windows 2000 or Windows XP. Transaction Management needs to download some java script files onto your hard drive but, because your login ID on your computer doesn't have permission to do so, it cannot. In order to fix this, you will need to ask your system administrator to log on to your computer with administrator permissions and then log on to CARE and click on Transaction Management. After the files have downloaded once, it will likely need to be done again whenever the Bank upgrades the Transaction Management program. As soon as the files have been stored on your computer, you can log on using your normal permissions and Transaction Management should work without a problem.

If you are not using Windows 2000 or Windows XP or have already downloaded the necessary files but Transaction Management isn't working properly, try clearing your Internet cache. There is a file on our local website, “*Clearing Your Cache*” which will provide step-by-step instructions. Many problems are cured by simply clearing the cache.

Other problems with CARE should be directed to the CARE Tech Services desk at the Bank. They are available Monday through Friday from 8:00 AM to 8:00 PM Central Time USA (when the US is on Standard Time they are available until 11:00 AM Tuesday through Saturday Korea Time and until 10:00 AM when the US is on Daylight Savings Time). Call collect 1-701-461-2232 and ask to be transferred to CARE Tech Services.

APPENDIX I

CARE Payment Timeline for USFK GPC Program

Billing Cycle Closing Date: This is usually 2400 hours on the 23rd of the month (Central Time USA). If the 23rd is a weekend or holiday it will generally move to the last business day before the 23rd but may move to the next business day after the 23rd. Check Transaction Management in CARE to see the actual closing date for the cycle.

- + 3 Business Days:** Cardholders will have completed their reconciliation and approval/dispute of all transactions for the cycle, approved the statement, and forwarded supporting documents to the Billing Official.
- +5 Business Days:** Billing Officials will have reviewed the supporting documentation from the Cardholders and the charges against their accounts and certified the billing statement.
- +5 Business Days:** The A/OPC will review the certification status and notify all CARE enabled Billing Officials who have not yet certified the statement.
The delinquency report for the month is forwarded to the USACCK Commander.
- +10 Business Days:** The A/OPC will again review the certification status. All Billing Official accounts that are not yet certified will be suspended and the Billing Officials notified. The suspension will be lifted when the certification is completed. Billing Officials whose accounts have been suspended for late certification will notify the A/OPC upon completion of the certification.
- +30 Calendar Days:** Interest begins to accrue to any statements with a positive balance for which payment has not yet been received. This will be automatically calculated by the paying office and charged to the Billing Official's organization.
- +90 Calendar Days:** DOD GPC Joint Program Management Office will direct the Bank to suspend the Billing Official account whenever there is an outstanding balance over 60 days late (90 days past the close of the billing cycle).
- +180 Calendar Days:** If any Billing Official account has an outstanding balance over 180 days late the DOD GPC Joint Program Management Office will direct the Bank to suspend the entire Level 4 account. This will effectively shut down the entire USFK program until the Bank receives the delinquent payment.

APPENDIX J

ACRONYMS

ACA	U.S. Army Contracting Agency
A/OPC	Agency/Organization Program Coordinator
ADPE	Automated Data Processing Equipment
AFARS	Army Federal Acquisition Regulations
ABO	Alternate Billing Official
AO	Approving Official
BO	Billing Official
BPA	Blanket Purchase Agreement
C.A.R.E./CARE	Customer Automation and Reporting Environment
CAPR	Capability Request
CH	Cardholder
CICA	Competition in Contracting Act
CIF	Central Issue Facility
CPP	Commercial Payment Platform
CSQI	Cardholder Statement of Questioned Item
DAPS	Defense Automated Printing Services
DFARS	Defense Federal Acquisition Regulations
DOC	Director of Contracting
EDI	Electronic Data Interchange
FARS	Federal Acquisition Regulations
FPI	Federal Prison Industries
FSS	Federal Supply Schedules
GPC	Government Purchase Card
GSA	General Service Administration
HA	Head of Activity
HCA	Head of the Contracting Activity
IMO	Information Management Officer
IMPAC	International Merchant Purchase Authorization Card
JWOD	Javits-Wagner-O'Day Act
MCC	Merchant Category Code
MPL	Monthly Purchase Limit
NAF	Non-Appropriated Fund
NIB/NISH	National Industries for the Blind/Severely Handicapped.
OMM	Official Mail Manager
ORF	Official Representational Funds
PARC	Principal Assistant Responsible for Contracting.
RA	Requiring Activity
RM	Resource Manager
SOA	Statement of Account
SOP	Standard Operating Procedure
SPL	Single Purchase Limit
SSSC	Self Service Supply Center
USACCK	United States Army Contracting Command Korea
USFK	United States Forces Korea
VAT	Value Added Tax

Attachment 1

U. S. Army Contracting Command Korea IMPAC GPC PROGRAM APPLICATION FOR USFK

(CHECK ONE BOX ONLY) Establishment of a Cardholder account Establishment of a new Approving/Billing Official account
 Replacing Primary Approving/Billing Official (AO/BO) Alternate AO/BO Application

Please Type or Print Clearly. Illegible application documents cause errors or delays. Applications that have not been properly prepared will be returned.

Cardholder: *(This section is not required if this is for the set-up or maintenance of a Billing Official account)*

Cardholder Name & Rank *(First, M.I., Last)* (24 characters) _____

Address: Local Organization Name _____ (19 Chars)

Address line one _____ (30 Chars)

Address line two _____ (35 chars)

City APO State AP Zip -

Single Purchase Limit: \$ _____ Monthly Limit: \$ _____

Master Accounting Code: *(Provided by the Resource Manager, the Budget Officer, or the Resource Advisor)* _____

DEROS: _____ DSN Phone Number: _____ Comm. Phone: _____

DSN FAX _____ e-mail: _____

Billing Official: *(Must be filled out for **both** Billing Official **and** Cardholder account applications)*

Billing Official Name & Rank *(First, M.I., Last)* (24 characters) _____

Billing Official Account Number: 4716-3045- _____ - _____ Office Limit: \$ _____

Address: Local Organization Name _____ (19 Chars)

Address line one _____ (30 Chars)

Address line two _____ (35 chars)

City APO State AP Zip -

DEROS: _____ DSN Phone Number: _____ Comm. Phone: _____

DSN FAX _____ e-mail: _____

Master Accounting Code _____

*To be signed by the **Organization Commander:***

Request that an IMPAC Government Purchase Card Program account be established or maintained for the individual indicated above.

Signature Block *Date*

*To be signed by the supporting **Resource Manager/Advisor:***

This office is aware of this account and will fund it in accordance with existing procedures, regulations, and statutes.

Signature Block *Date*

Telephone Number: _____

Attachment 2

STATEMENT OF TRAINING

1. I have received, read, and understand the Cardholder Instruction Guidebook (in the case of a Cardholder account) or the Billing Official Guidebook (in the case of a Billing Official account).
2. I have received, read, and understand USACCK Government Purchase Card SOP for United States Forces Korea.
3. I have successfully completed the required internet based training (attach a copy of the training certificate) and have attended a live training class provided by the USACCK A/OPC.
4. I am aware that the GPC may only be used to purchase requirements that are needed to fulfill immediate mission requirements of my organization and that cost less than the micro-purchase threshold (\$2,500 for supplies and \$2,000 for construction items) unless special authority is granted from the contracting office. I will not split requirements into separate transactions in order to avoid this limit, purchase unauthorized items, or (Billing Officials) authorize Cardholders to purchase requirements that exceed this limit unless special authority has been granted.
5. I am aware of and will comply with the standards of conduct requirements prescribed by DoD Regulation 5500.7-R, Joint Ethics Regulation in the performance of my duties with regard to IMPAC GPC program purchases. This regulation requires that Cardholders who make purchases totaling more \$100,000 per year or purchase single requirements costing more than the micro-purchase threshold (\$2,500) and Billing Officials who approve/certify purchases totaling more than \$100,000 per year must contact their supporting Staff Judge Advocate Office and arrange for ethics training and submit an OGE form 450 to that office. If I qualify under these criteria I will be responsible for obtaining the training and submitting the form.
6. By signing below, I (a) ask the Bank to open a Cardholder Account or Billing Official Account in my name and issue (in the case of Cardholders) a VISA Card (including renewal and replacement cards) to me; (b) agree to be bound by the terms and conditions of the VISA Government Credit Card Program Account Agreement accompanying the card; (c) agree to be liable for all unauthorized charges to the Card Account in accordance with said Agreement; and (d) acknowledge that the card is to be used only for official Government business.
7. I acknowledge receipt of the responsibilities listed.

(PRINTED FULL NAME)

(SIGNATURE)

(DATE)

(ORGANIZATION)

(TELEPHONE)

Attachment 3

**PROCUREMENT INTEGRITY ACKNOWLEDGEMENT
FOR IMPAC GPC CARD HOLDERS AND
BILLING OFFICIALS**

As a condition of serving as an IMPAC Government Purchase Cardholder or Billing Official, I,
_____, hereby acknowledge that I am aware that I may
not:

1. Solicit or accept, directly or indirectly, any promise of future employment or business opportunity or engage, directly or indirectly, in any discussion of future employment or business opportunity with any officer, employee, representative, agent, or consultant of a competing contractor.
2. Ask for, demand, exact, solicit, seek, accept, receive, or agree to receive, directly or indirectly, any money, gratuity, or other thing of value from any officer, employee, representative, agent, or consultant of a competing contractor; or
3. Disclose any information regarding any procurement being made or contemplated by my organization or the Government other than that information which is needed to complete the procurement action at hand and that only to those having a need to know.
4. Make purchases from a business owned wholly or in part by myself or a member of my immediate or close family (to include spouse, children, parents, brothers, sisters, parents-in-law, siblings-in-law, uncles, aunts, 1st cousins)
5. Use (or allow the use of, in the case of a Billing Official) the GPC card to purchase any single requirement costing more than \$2,500 or to purchase requirements with a cumulative value exceeding \$100,000 in a twelve month period, unless I first attend annual ethics training IAW DoD 5500.7-R and file OGE FORM 450 (Confidential Financial Disclosure Report) with my supporting Staff Judge Advocate Office.

I understand that any person who engages in prohibited conduct involving US Government procurement is subject to military disciplinary action and/or civil and/or criminal action brought by the United States in an appropriate district court of the United States.

(SIGNATURE)

(DATE)

(ORGANIZATION)

(TELEPHONE)

Attachment 4

GPC IMPAC ORDER REQUEST AND RECEIPT

<i>GOVERNMENT VISA CARD REQUEST/RECEIPT INFORMATION</i>			UNIT	Supplies ____ Services ____	Requisition No.
1. REQUEST THE FOLLOWING ITEM(S) BE PURCHASED WITH THE GOVERNMENT CREDIT CARD:					
ITEM	DESCRIPTION	QTY	UNIT PRICE	TOTAL PRICE	
TOTAL					
2. SOURCE OF SUPPLY/SERVICE:					
COMPANY NAME, ADDRESS, & TELEPHONE NUMBER:			POINT OF CONTACT:		
AUTHORIZED ESCORT (FOR KGS CARDHOLDERS USING AAFES FACILITIES):					
REQUESTOR SIGNATURE AND DATE:			PROPERTY BOOK OFFICER SIGNATURE & DATE:		
BILLING OFFICIAL SIGNATURE & DATE:			ADP MANAGER SIGNATURE & DATE:		
3. RECEIVING INFORMATION					
SIGNATURE BELOW CERTIFIES THAT THE REQUESTED ITEMS HAVE BEEN RECEIVED FROM THE CARDHOLDER:					
PRINTED NAME	POSITION	SIGNATURE	DATE		

Attachment 5

I.M.P.A.C.® CARD SERVICES

I.M.P.A.C.® CARDHOLDER STATEMENT OF QUESTIONED ITEM

(Please print or type in black ink.)

CARDHOLDER NAME (please print or type)

ACCOUNT NUMBER

CARDHOLDER SIGNATURE

The transaction in question as shown on Statement of Account:

Transaction Date	Reference Number	Merchant	Amount	Statement Date
------------------	------------------	----------	--------	----------------

Please read carefully each of the following situations and check the one most appropriate to your particular dispute.

If you have any questions, please call us toll-free at 1-888-994-6722. We will be more than happy to advise you on this matter.

1. UNAUTHORIZED MAIL OR PHONE ORDER

I have not authorized this charge to my account. I have not ordered merchandise by phone or mail or received any goods or services.

2. DUPLICATE PROCESSING – THE DATE OF THE FIRST TRANSACTION WAS _____

The transaction listed above represents a multiple billing to my account. I only authorized one charge from this merchant for this amount. My card was in my possession at all times.

3. MERCHANDISE OR SERVICE NOT RECEIVED IN THE AMOUNT OF \$ _____

My account has been charged for the above transaction, but I have not received the merchandise or service. I have contacted the merchant but the matter was not resolved. **(Please provide a separate statement detailing the merchant contact, and the expected date to receive merchandise.)**

My account has been charged for the above listed transaction. I have contacted the merchant on _____ (date) and cancelled the order. **I will refuse delivery should the merchandise still be received.**

4. MERCHANDISE RETURNED IN THE AMOUNT OF \$ _____

My account has been charged for the above listed transaction, but the merchandise has since been returned. **Enclosed is a copy of my postal or UPS receipt.**

5. CREDIT NOT RECEIVED

I have received a credit voucher for the above listed charge, but it has not yet appeared on my account. **A copy of the credit voucher is enclosed.** (Please provide a copy of this voucher with this correspondence.)

6. ALTERATION OF AMOUNT

The amount of this charge has been altered since the time of purchase. Enclosed is a copy of my sales draft showing the amount for which I signed. The difference of amount is \$ _____.

7. INADEQUATE DESCRIPTION/UNRECOGNIZED CHARGE

I do not recognize this charge. Please supply a copy of the sales draft for my review. I understand that when a valid copy is sent to me, a Statement of Questioned Item Form must be provided and will include the copy of the sales draft if a further dispute exists. If a copy of the sales draft cannot be obtained, a credit will appear in my account.

8. COPY REQUEST

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

9. SERVICE NOT RECEIVED

I have been billed for this transaction, however, the merchant was unable to provide the services.

Paid for by another means. My card number was used to secure this purchase, however final payment was made by check, cash, or another credit card. **(Enclosed is my receipt, canceled check (front & back), copy of credit card statement, or applicable documentation demonstrating that payment was made by another means.)**

10. NOT AS DESCRIBED

(Cardholder must specify what goods, services, or other things of value were received.) The item(s) specified do not conform to what was agreed upon with the merchant. (The Cardholder must have attempted to return the merchandise and state so in their complaint.)

11. If none of the above reasons apply – please describe the situation: _____

(Note: Provide a complete description of the problem, attempted resolution and outstanding issues. Use a separate sheet of paper, if necessary, and sign your description statement.)

MAIL TO: I.M.P.A.C. Card Services, P.O. Box 6347, Fargo, ND 58125-6347

FAX TO: (701) 461-3466

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Revised 6/97

Attachment 6

(USE APPROPRIATE LETTERHEAD)

Sample Appointment Letter for Certifying Officers

MEMORANDUM FOR *(Insert Name and Unit of Billing Official/Certifying Officer)*

SUBJECT: Appointment as Certifying Officer

You occupy a position where your duties include the functions of a payment Certifying Officer for the Government Purchase Card Program. This memorandum is formal notification that you are hereby appointed as a Certifying Officer to: Director, Centralized Pay & Accounting, 175th Theater Finance Command, Unit #15300, ATTN: EAFC-CPA-AOA, APO AP 96205-0073.

As a Certifying Officer you will be responsible for certifying Billing Statements, vouchers, and documents for payment. Certifying Officers have pecuniary liability for any illegal, improper, or incorrect payment processed by the Department as a result of any inaccurate or misleading certification. This means that you may have to repay the total amount of any payment that is found to be illegal, improper, or incorrect. You must become thoroughly familiar with your responsibilities and accountability. By your signature below, you acknowledge this appointment and affirm that you have read and understand your responsibilities as described in the following references:

Title 31, US Code, Sec. 3325	http://www4.law.cornell.edu/uscode/31/3325.html
Title 31, US Code, Sec. 3328	http://www4.law.cornell.edu/uscode/31/3328.html
DoD Directive 7000.15	http://web7.whs.osd.mil/pdf/d700015p.pdf
DoDFMR Vol 5, Ch 33	http://www.dtic.mil/comptroller/fmr/05/05_33.pdf

In addition you must complete a DD Form 577, Signature Card. After completion of the acknowledgement below and the Signature Card, keep a copy and forward the originals to the paying office for your account.

Appointing Official's (Organization Commander) Signature Block and Signature

ACKNOWLEDGMENT

By signature hereon, I acknowledge my appointment as a Certifying Officer. I have read and understand my responsibilities and accountability. I understand my right to request relief of liability for any payment I certify that is determined to be illegal, improper, or incorrect. I further understand that this appointment will remain in effect until revoked in writing by the Appointing Official or successor.

Attached is the completed DD Form 577 (Signature Card).

Certifying Official's Signature Block and Signature

This document is to be prepared and signed by both the Organization Commander and the Billing Official. The original will be kept by the BILLING OFFICIAL and a copy, along with the original DD 577, will be sent to the paying office. For most all USFK organizations, the Paying Office will be: Director, Centralized Pay & Accounting, 175th Theater Finance Command, Unit #15300, ATTN: EAFC-CPA-AOA, APO AP 96205-0073. Another Paying Office may be designated by non-army organizations.

This document is not required for Billing Officials who are spending Air Force funds.

**USACCK Government Purchase Card Application Accounting Codes
To Be Completed by Unit's Resource Manager**

Part A: Complete if FSN = "S92127."

Fill out the default line of accounting (LOA) and, if required, alternate lines of accounting (ALOA). This account will be using the C.A.R.E. Web-based system to approve and certify billing statements.

Type of Accounting Code:	Dept	*FY beg	*FY end	BSN	Limit	(2spaces)	OA	"GPC000"	**CCC	EOR	APC/ACRN	FSN
	A1	[A3	A3]	A4	A5	A6	OAC	UIC	WCR	OC	DBSH	AI
Sample Only - FSN = S92127 ----->	21	2002	2002	2020	0000		78	GPC000	00APCX	26RB	APCX00	092127
C.A.R.E. Default LOA								GPC000				092127
Note: if ALOAs are required, keep to a minimum												
C.A.R.E. ALOA #1								GPC000				092127
C.A.R.E. ALOA #2								GPC000				092127
C.A.R.E. ALOA #3								GPC000				092127

* if FY = "X" (no year) then enter 8 "X's" (e.g., XXXX XXXX) if FY is multiyear, then enter beginning and ending FY (e.g., 2002 2006 for a five-year appropriation)

** Cost Center Code (CCC) is mirror image of Account Processing Code (APC) / Accounting Classification Reference Number (ACRN)

Part B: Complete if FSN not = "S92127" (also includes AMCI/LO, CEBNEA, DSAFE).

Fill out the Master Accounting Code. This account will NOT be using the C.A.R.E. Web-based system and will continue to forward hardcopy billing statements to 175th FINCOM or another paying office as applicable.

Type of Accounting Code	Dept	FY (*or X)	BSN	Limit	OA	ASN	EOR	"IMPAC****"	First 5 of Last Name	APC	FSN
Sample Only - FSN not S92127 ----->	21	*	2020	0000	78	1000	26RB	IMPAC****	DUBAC	APCX	055555
Master Accounting Code (MAC)								IMPAC****			

Part C: All accounts complete this part.

FOR CARDHOLDER (CH)?
(Check Box)

FOR BILLING OFFICIAL (BO)?
(Check Box)

Date Form Completed

Cardholder's Name (if applicable)

Cardholder's Card No. (if applicable and if assigned)

*Billing Official's Name

*Billing Official's No. (if assigned)

***Provide billing official info regardless if adding / modifying CH's or BO's account**

RESOURCE MANAGER:

Resource Manager's Name

E-mail Address

Phone Number

The actual spreadsheet is available for download at the USACCK GPC Program Website

USACCK
주한미군계약사령부

CERTIFICATE OF USFK PURCHASE
SUBSTITUTE FOR USFK 72K
주한미군 구매확인서

Date:

TO: Taxation Department, Local Tax Office, Republic of Korea
대한민국 지역관련 세무서 세무과

Name/Address/Shop of Vendor:
판매자의 주소 및 성명 날인

Vendor's Control Number:
판매자의 납세 고유 번호

Dear Sir:

I certify that following items were directly purchased with Government Purchase Card (GPC) from above vendor at the value added tax exempted prices for USFK mission accomplishment (본인은 하기 물품을 상기 판매자로부터 부가가치세 면세 가격으로 주한미군 업무 수행을 위하여 주한 미군 VISA Card로 구입하였음을 확인합니다.)

DATE(구매일) ITEM(물품 명) UNIT(단위) QTY(수량) U/P w/o TAX(세금제외단가)

Name/Grade/Organization/Telephone
of GPC Billing Officer
(증발자금 취급자의 소속기관 및 성명)

Attachment 9

GPC Program Billing Official's Monthly Review Checklist

Billing Officials may use this checklist to assist them in the review, verification, certification, and payment process for their Government Purchase Card Program.

Billing Cycle Date _____

Cardholder Name: _____ Acct No _____

<u>Review Steps</u>	<u>Date Completed</u>
1. Obtain the Cardholder Statement of Account (if available, if not request copy from the Bank customer service, those who are C.A.R.E. enabled can proceed using the C.A.R.E. data), supporting documentation (hardcopy originals), and certification from the Cardholder.	_____
2. Review the itemized purchases for each Cardholder to determine whether all transactions were necessary and authorized government purchases in accordance with USACCK Guidance, which is in compliance with Federal Acquisition Regulation (FAR), Defense Federal Acquisition Regulation Supplement (DFARS), and other agency policies and regulations. Particular attention must be paid in the indications of splitting requirements, non-competition, and using the same vendor repeatedly (FAR requires equal business distribution in economy).	_____
3. Reconcile supporting documents with the details on the Billing Statement and/or in C.A.R.E.	_____
4. Ensure that adequate purchase details have been entered into C.A.R.E. by the Cardholder or on the Statement of Account (for those not C.A.R.E. enabled).	_____
5. Resolve any questionable transactions with the Cardholder and, if necessary, advise the Cardholder to dispute the transaction with the merchant or with the Bank. Annotate disputed transactions on the Billing Statement (in C.A.R.E. place information in the comment box).	_____
6. Review past purchases that were certified for payment without proof of receipt and acceptance to confirm that they have since been received and accepted. If receipt cannot be confirmed, direct the Cardholder to file a formal dispute to the Bank.	_____
7. Prepare the records (Billing Statements, Statements of Account, Order Request & Receipt documents, receipts, logs, invoices, delivery orders, special authorizations, etc.) for storage. Records must be maintained at least 6 years and 3 months (required by DOD Financial Management Regulation Volume 1 Chapter 9).	_____
8. Certify the statement in C.A.R.E. (due 5 business days after the close of the cycle) or sign and date the Billing Statement and forward the original and 3 copies to the paying office for payment (for those not C.A.R.E. enabled, due within 10 days of receipt of the statement).	_____

Billing Official Name: _____

Signature: _____

Date: _____

Attachment 10

**COMMANDER'S QUARTERLY REVIEW CHECKLIST FOR USFK
GOVERNMENT PURCHASE CARD PROGRAM**

	Yes	No	Not Applicable	Comments*/Supporting Documents Reviewed
1. Training and Supervision				
a. Did Cardholders and Billing Officials complete required training within the last two years? Is training documented?				
b. Do Cardholders' and Billing Officials' performance standards address their GPC responsibilities?				
c. Are Billing Officials the regular supervisors of their cardholders?				
(1) If not, do Billing Officials provide input to their cardholders' performance evaluations?				
(2) Is it true that Billing Officials do not hold higher military or civilian pay grades than their assigned Cardholders?				
2. Transactions and Records				
a. General Requirements				
(1) Is the Resource Manager committing funds in advance for the full amount of Cardholder monthly limits? (A funding violation may result if funds aren't committed in advance.)				
(2) Are Billing Officials ensuring that Cardholders complete log entries, including Log Detail and Log Line Item Detail, for each purchase in U.S. Bank's tracking system, CARE, and that the data is being attached to the appropriate transactions?				
b. Split Requirements. Was there any indication that Cardholders intentionally split requirements costing more than \$2,500 into two or more smaller transactions? (Indicators include multiple purchases on the same day or within a few days adding up to more than \$2,500, or one purchase close to the \$2,500 threshold and a second smaller purchase from the same vendor.)				

	Yes	No	Not Applicable	Comments*/Supporting Documents Reviewed
c. Advance Authorization. Did the Billing Official give written authorization, in advance, for each purchase? (USFK SOP requires written authorization in advance except for Self Service Supply Center purchases)				
d. Common Unauthorized Items. Did any Cardholder use the GPC for purchases of personal expense type items such as clothing, food, or supplies/decorations for unit holiday parties or organization days? (Personal items, including organization/holiday party items, are generally not authorized. Purchase documentation should describe the government purpose served and include a legal opinion or reference to a USFK or higher regulation authorizing the purchase.) Explain in remarks.				
e. Construction. Did any Cardholder make purchases for a construction services requirement?				
(1) If yes, was the total requirement (job cost) \$2,000 or less?				
(2) Did the area/installation Director of Public Works authorize the job (is there a DPW work order)?				
f. Vendor Rotation. Did Cardholders rotate purchases of commonly used items among multiple vendors? (Repeat purchases must be distributed equitably among qualified vendors. This rule does not apply to purchases from Self Service Supply Center or other government activities.)				
g. Purchases Above \$2,500. Was any Cardholder authorized to make purchases of requirements costing more than \$2,500?				
(1) If so, did any cardholder purchase a requirement costing more than \$2,500?				

	Yes	No	Not Applicable	Comments*/Supporting Documents Reviewed
(2) Did cardholder solicit competition from unrelated vendors for each requirement above \$2,500? (Examine all quotes carefully. Quotes from different vendors that appear similar (common format, same spelling errors, same fax machine stamp at the top, etc.) may be from related parties or have been prepared to give the appearance of competition.) (Exception: tuition assistance payments by education centers.)				
(3) Was each purchase made from the vendor giving the lowest quote? Purchase documentation must contain an explanation of the determination of “best value” if the lowest quote isn’t used. Explain in comments. (Exception: payments for tuition assistance.)				
(4) Have Cardholders making purchases of any single requirement costing more than \$2,500 completed ethics training for procurement officials and submitted an OGE Form 450 to their supporting legal office?				
3. Corrective Action				
a. Describe actions taken in response to any card misuse you found. Possible actions include counseling by supervisor, disciplinary action against civilian employees, non-judicial punishment, or referral to investigative agencies.				
b. Was formal disciplinary action reported to the Agency/Organization Program Coordinator (at USFK Assistant Chief of Staff, Acquisition Management)				

* Additional comments or explanation may be attached on separate pages.