



DEPARTMENT OF THE NAVY

NAVAL SERVICE TRAINING COMMAND
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NSTCINST 4200.1A
N00
8 Apr 16

NSTC INSTRUCTION 4200.1A

From: Commander, Naval Service Training Command (NSTC)

Subj: GOVERNMENT COMMERCIAL PURCHASE CARD PROGRAM

Ref: (a) NAVSUPINST 4200.99 (series)
(b) NAVSUPINST 4200.85 (series)
(c) Federal Acquisition Regulation (FAR)
(d) Defense Federal Acquisition Regulation Supplement (DFARS)
(e) 10 U.S.C. §2773a
(f) NAVSUPINST 4200.82 (series)

Encl: (1) [NSTC GCPC Program Guidance](#)
(2) [Special Attention and Prohibited Items](#)

1. Purpose. The purpose of this instruction is to establish Naval Service Training Command (NSTC) Government Commercial Purchase Card (GCPC) internal operating procedures.

2. Cancellation. CNSTCINST 4200.1.

3. Background. The General Services Administration (GSA) SmartPay2 Contract, GS-23F-T0003, was awarded to Citibank for GCPC services. This contract expires 29 November 2018. The Department of the Navy (DON) Consolidated Card Program Management Division (CCPMD) has responsibility for GCPC Program policy. All DON activities using the program are governed by the acquisition, financial management, and GCPC policies issued in references (a) through (d). Reference (e) provides policy for pecuniary liability. Reference (f) provides policy for Procurement Performance Management Assessment Program (PPMAP) reviews.

4. Policy. The procedures in this instruction shall be followed by NSTC directorates and special assistants. The intent of this instruction is not to modify, delete, or in any way relieve individuals from the responsibility to comply with all applicable acquisition regulations, directives, procedures, and instructions. Department directors and special assistants will ensure that only requisitions for mission essential items are submitted.

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5. Forms. The following forms are available for download at:
(<https://navalforms.documentservices.dla.mil/web/public/home>):

a. Standard Form 182 (Authorization, Agreement, and Certification of Training).

b. DD Form 282 (DoD Printing Requisition/Order).

A handwritten signature in black ink, appearing to read "SC Evans". The letters "SC" are large and bold, while "Evans" is written in a cursive script.

S. C. EVANS

NSTC

GOVERNMENT COMMERCIAL

PURCHASE CARD

PROGRAM GUIDANCE

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1. Introduction. These internal operating procedures provide guidance on the Government-Wide Commercial Purchase Card (GCPC) Program. The GCPC will be used for purchases not exceeding the micro-purchase limit and on a limited basis as a method of payment for contracts exceeding the micro-purchase threshold up to \$100,000 only when the Wide Area Work Flow (WAWF) business suite cannot be readily used. The GCPC will be used as a method of payment for all commercial training requests valued at or below \$25,000 using Standard Form 182 and printing requests up to \$25,000 using DD Form 282. DD Form 282 will be forwarded to Defense Logistics Agency (DLA) Document Services to obtain printing services.

2. Definitions

a. Billing Cycle. The 30-day billing period when the purchase cardholders may use their purchase card. The billing cycle activity ends on the 19th of each month. If the 19th falls on a Saturday or Sunday, the billing cycle ends on the preceding Friday.

b. Billing Cycle Purchase Limit. The spending limit assigned to each purchase cardholder's cumulative purchase and transactions within a given billing cycle.

c. Purchase Cardholder (CH). A purchase CH is any government employee who is designated by the Head of Activity (HA) or designee to be issued a purchase card or purchase card account. The purchase card bears the name/account number of the purchase CH.

d. Commonly Used Hazardous Material (HAZMAT). For the purpose of this instruction, commonly used HAZMAT means hazardous materials or products that are customarily sold to the general public to be used for non-governmental purposes (commercial products) that are in the same size and packaging found commercially.

e. Contracting Officer. A government employee who has the authority to bind the Government to the extent of the delegated purchasing authority.

f. Credit Limit. The maximum dollar threshold assigned at the AO/billing level limiting the amount an account can have outstanding at any one time.

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g. Disputes. Instances where the transactions on the purchase CH's statement do not agree with retained receipts or entries in the purchase card log.

h. Monthly Billing Statement. An official invoice identifying all of the transactions of the purchase cardholder during a billing cycle that is used for the purposes of payment. This invoice is provided to the AO.

i. Monthly Purchase Cardholder's Statement. The statement of charges at the end of the billing cycle detailing all of the charges during that period.

j. Purchase Card. A credit-card-like purchase account established with the bank that enables properly authorized government personnel to buy and pay for mission requirements.

k. Purchase Cardholder. Any government employee who is designated by the Head of Activity (HA) or designee to be issued a purchase card or purchase card account. The purchase card bears the name/account number of the purchase cardholder.

l. Purchase Card Log. Manual or automated log on which the purchase cardholder documents screening for mandatory government sources and individual transactions using the purchase card. Entries in the purchase card log should be supported by internal command documentation.

m. Reconciliation. The process by which the purchase cardholder and AO review their monthly statements and reconcile against available vendor receipts and purchase card logs.

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

o. Single Purchase Limit. The dollar limit established for each cardholder account for a single transaction.

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

3. Delegation of Authority

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a. Head of Activity (HA). In accordance with reference (a), the HA is accountable for the performance and management of the GCPC Program. HA responsibilities at NSTC have been delegated to the Deputy Commander. The HA must complete the DON HA training prior to signing the semiannual review.

b. Agency/Organization Program Coordinator (A/OPC). The A/OPC is designated by the HA (or their designee) and is responsible for day-to-day oversight. The A/OPC serves as the liaison between NSTC, CITIBANK, the General Service Administration (GSA), Contracting Officer and Defense Finance Accounting System (DFAS). The A/OPC submits changes to dollar limitations or authorized merchant codes to CITIBANK. The A/OPC also coordinates card applications, issuance and destruction of cards, reports, and administrative training. The GCPC Program Manager (N412), 847-688-4141x187, performs the A/OPC function.

c. Approving Official (AO). The Department of Defense (DoD) military member or civilian employee designated in writing who is responsible for ensuring proper use of the purchase card through approval of purchases for the cardholders within their scope. The AO reviews the cardholder's monthly billing statement to ensure purchases are made per regulations. The AO performs monthly review using the DON Program Audit Tool (PAT). The same person performs the roles of AO and CO.

d. Certifying Official (CO). The CO certifies the monthly billing statement and forwards it to the appropriate office for payment. The CO is responsible for repaying a payment that: (1) is determined to be illegal, improper, or incorrect because of an inaccurate or misleading certificate; (2) is prohibited by law; or (3) does not represent a legal obligation under the appropriation or fund involved. The same person performs the roles of AO and CO.

e. Cardholder (CH). The cardholder is a DoD military member or civilian employee designated in writing who is issued a purchase card to buy supplies and services. The card bears the cardholder's name and will only be used by this individual to pay for authorized U.S. Government purchases.

f. Departmental Accountable Official (D/AO). Individuals who are responsible in the performance of their duties for providing a Certifying Officer information, data, or service that the Certifying Officer directly relies upon in the certification of a voucher for payment. They are pecuniarily liable for erroneous payments resulting from their negligent actions per reference (e). NSTC D/AOs include AOs and CH.

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g. Resource/Financial Manager (R/FM). The R/FM authorizes funding and provides financial management support and expertise to A/OPCs, AOs/Cos, and CHs. The R/FM is the NSTC Comptroller.

(1) Provides accurate accounting information.

(2) Coordinates funding and spending limits.

(3) Provides advice on legal or regulatory constraints for the use of funds.

(4) Ensures formal obligations are recorded in the accounting system.

(5) Assists with resolution of account payment/disbursing problems (overpayment or underpayment).

4. Nomination, Appointment, and Replacement of GCPC Participants

a. The A/OPC will nominate all program participants to the HA using the letter of delegation. Prior to performing duties of the position program participants will complete initial training and be appointed delegation of authority via letter.

b. Appointments will remain in effect until revoked in writing or until the employee is transferred, separated, or retired from service.

c. Replacements for program participants will follow the procedures in paragraphs 4.a. and 4.b., above.

5. Training

a. Initial Training. All GCPC Program participants will complete initial training before assuming program responsibility. All training, with the exception of activity Internal Operating Procedures (IOP) training, is available at: <https://navalforms.documentservices.dla.mil/web/public/home>.

(1) DAU DoD Government Purchase Card, CLG0001.

(2) Online DON GCPC Training for their role.

(3) DoN Ethics training.

(4) Activity IOP training.

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(5) DAU Certifying Officer Legislation Training for Purchase Card Payments, CLG 006 (Approving Officials and CHs only).

b. Refresher Training. All GCPC Program participants will complete activity IOP and DoN purchase card refresher training within two years of completing initial training and within two years of last refresher training. Failure to complete training will result in suspension of account until training is completed. Purchase card refresher training may be completed from one of the following training methods:

(1) DON CCPMD sponsored regional training.

(2) DAU DoD Government Purchase Card Refresher training, CLG0004.

(3) Online DON CCPMD GCPC training.

c. Annual Training

(1) All A/OPCs, AOs/COs, and CHs are required to complete annual ethics training. Annual ethics training may be completed by taking the DON ethics training or by taking ethics training provided by a local ethics office.

(2) All AOs/COs and CHs are required to complete Certifying Officer Legislation Training annually.

d. A copy of all training certificates will be provided to the A/OPC.

6. Purchase Authorization (Obtaining Funding and Approvals)

a. Department directors and special assistants will initiate all requirements utilizing an NSTC Requirements Form, DoD eMall Cart, Service Mart (SERVMART) Cart, or Standard Form 182 and obtain appropriate signatures for approval. If additional documentation is required, such as an Information Technology Procurement Request (ITPR), the requestor will complete the required documentation, obtain the appropriate signatures for approval and provide signed forms to the cardholder.

b. The AO shall review and consider for approval all transactions. Unapproved transactions will be returned to the requiring Department or Special Assistant.

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c. The cardholder will work with the R/FM to ensure sufficient funds are available and committed prior to making purchases.

7. Requirement Processing

a. The cardholder must:

(1) Comply with their delegated authority.

(2) Ensure sufficient funds are available and committed by the R/FM.

(3) Screen the requirement against mandatory supply sources (e.g., Ability One, UNICOR, DoD eMall). Procure office supplies from DoD eMall or SERVMART, furniture from UNICOR or the FLC Furniture BPAs, printing requirements from DLA Document Services, wireless services from the FLC Wireless Contracts and HAZMAT from Regional Consolidated Hazardous Material Reutilization and Inventory Management Program (CHRIMP) Centers (RCC).

(4) Obtain AO approval prior to purchasing.

(5) Rotate orders among qualified contractors to the maximum extent practicable.

(6) Notify the Personal Property Manager of accountable property procurements, especially pilferable items.

b. If the merchant's price is fair and reasonable, the cardholder may proceed to purchase the supplies. This may be accomplished:

(1) Over-the-Counter. The cardholder goes to the merchant's place of business to make the purchase and the supplies are immediately available.

(2) Over-the-Phone. Orders are placed by phone and the contractor delivers the supplies to the command, or a government employee is authorized to pick up.

(3) Via the Internet. When purchasing/ordering via the Internet, CH's will ensure appropriate account safeguard measures are taken.

c. The CH must confirm that the merchant agrees:

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(1) Not to charge the purchase card account until all items are shipped, or if partial quantities are shipped, to bill only for the quantity shipped.

(2) Not to back order items.

(3) To deliver, or have available for pickup, all item(s) no later than 30 days from the date of the order.

(4) To include the following information on the shipping document or packing list:

(a) Merchant's name and address.

(b) Annotation to forward document to the cardholder by name and code (but no credit card account number should appear on shipping document).

(c) Date and price of order.

(d) Requisition number.

(e) Date of delivery or shipment.

(f) Itemized list of supplies furnished, including quantity and price.

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

(1) Merchants should be reminded not to charge sales tax unless the location of the merchant's business is in a state that does not afford the Federal Government a tax-exempt status under its state and local laws (e.g., Arizona, Hawaii).

(2) Certify that the quality and quantity of the items furnished are per this agreement (verbal or written) with the vendor.

e. Record Keeping

(1) A purchase card log is required to record all purchase card transactions. The individual transaction file shall provide an audit trail including any supporting documentation and required special approvals that were obtained. The documentation shall be attached to the statement when it is submitted to the AO.

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(2) Electronic forms and logs are used to generate purchase card documentation, but are maintained and retained in paper copy.

8. Dollar Limits Associated with the Card. Use of the purchase card is subject to a single purchase limit, a monthly cardholder limit, and a monthly office limit. These limits are established in each cardholder delegation of authority letter.

9. Receipt, Inspect, and Accept Supplies and Services

a. There must be a clear separation of function at all times. The cardholder shall not initiate the requirement, award the purchase action, and receive, inspect, and accept the supplies or services. A three-way separation of function will include one person to perform each action. The same person shall not initiate the requirement, award the purchase action and receive, inspect and accept the supply or service. The record of receipt/delivery shall include:

(1) Date received.

(2) Items received at the time of delivery (may annotate on the sales invoice, packing slip, bill of lading, or other document available).

(3) Signature of the person verifying delivery.

(4) Printed name of the person recording delivery.

(5) Telephone number of the person recording delivery.

(6) Office designator or address of the receiving official.

b. In emergent situations, a minimum, two-way separation of function will occur to protect the integrity of the procurement process. The individual responsible for the award of a contract or placement of an order will not perform the receipt, inspection, and acceptance function.

10. Invoice Reconciliation, Verification and Certification.

The cardholder and AO/CO shall complete the reconciliation process within five business days when the statement status changes from "INTERIM" to "NEW". The cardholder will certify the bank statement and forward all documentation to the AO/CO.

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a. Cardholder. The cardholder will verify the accuracy of each transaction at the end of the monthly billing cycle. Cardholders will ensure all purchases have been documented on the purchase log and charged or reallocated to the proper LOA. Cardholders will:

(1) Use pay-and-confirm procedures in instances where Cardholders have been billed but have not received the items ordered. The cardholder will confirm with the vendor that the items ordered are in transit and reconcile the monthly statement in full anticipation that the material will be received within the next billing cycle. The cardholder will track the transactions that have not been received and pay the invoice in full. If the material is not received within the next billing cycle, the cardholder will dispute the item using established dispute procedures.

(2) Use pay-and-confirm procedures for damaged items received that are still under warranty and the contractor confirms they will replace, modify, or repair within the next billing cycle. The cardholder will retain the transaction documentation in a suspense file until the transaction or credit appears on the statement. If transactions and credits do not post on the next billing statement, the cardholder or AO will notify the A/OPC to resolve and reconcile the statement.

(3) Notify the AO if the cardholder is not available to review the statement for certification. The AO will review the cardholder's statement and documentation and certify the account for payment. The AO will meet with the cardholder upon their return to review the cardholder's statement.

b. AO/CO. The AO/CO is responsible for reviewing and certifying the cardholder's monthly statement and will accomplish the following:

(1) Reconcile the cardholder's monthly statement in CITIBANK.

(2) Ensure all purchases were appropriate and the charges accurate.

(3) Verify supporting documentation on all card accounts prior to certifying the monthly statement.

(4) Notify the A/OPC in the event of any suspected unauthorized purchase (purchases that would indicate noncompliance, fraud, misuse, and/or abuse).

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(5) Ensure proper receipt, acceptance, and inspection is accomplished on all items being certified for payment. This may be accomplished by placing initials in a corner of each of the cardholder's transaction receipts.

(6) Certify the monthly invoice within five business days of when the statement status changes from "INTERIM" to "NEW".

(7) Complete the monthly PAT Review within 15 calendar days or less of the end of the billing cycle.

c. Missing Documentation. If the cardholder does not have documentation of a transaction to send with the statement, they must attach an explanation that includes a description of the item, cost, date of transaction, merchant's name, price, quantity, and why there is no supporting documentation.

11. Dispute and Fraudulent Transaction Reporting Procedures. Prior to initiating either Dispute Procedures or Fraudulent Transaction Procedures, the cardholder must have a clear understanding of the difference in definition and procedures between the two. The cardholder or AO must contact the A/OPC to determine which procedure is appropriate and initiate only one procedure for a suspect transaction. Invalid transactions must not be reported as both a Dispute and a Fraudulent Transaction. Using both procedures may cause payments to be incorrectly short-paid and the account will become delinquent.

a. Disputes. If a cardholder statement shows an unrecognized transaction, the cardholder or AO must notify the A/OPC. Disputable transactions include duplicate billings, non-receipt of merchandise, cancelled merchandise, returned merchandise, credit not received, difference in amount, services not received, paid for by another means, or merchandise not as described. Charges that involve misuse or abuse by the cardholder are not disputable.

(1) Do not call CITIBANK to dispute the transactions. Transactions must be disputed through the invoice certification process within CitiDirect.

(2) After the transaction has been disputed in CitiDirect, submit/fax the CITIBANK Government Cardholder Dispute Form, available at CitiDirect.com, to CITIBANK at 605-357-2019. CITIBANK requires the cardholder signature; therefore, the electronic submission must be backed up by faxing or mailing the form to CITIBANK.

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(3) CitiDirect will automatically "short-pay" the invoice by the amount of the dispute when the cardholder disputes the transaction within the system. Track the dispute to resolution either by calling CITIBANK or reviewing the CITIBANK dispute log within CitiDirect.

(4) Based on the outcome of the dispute process, the charge will either be resolved in favor of the cardholder or the merchant. If the dispute is resolved in favor of the cardholder, the charge is offset by either a vendor credit or bank initiated credit. If the dispute is resolved in favor of the merchant, a letter will be sent to the cardholder explaining the decision and the charge will appear in the balance due on the next invoice and must be certified for payment.

(5) If the dispute is found in favor of the cardholder, the cardholder should see either a chargeback from the bank or a vendor credit and a debit (rebill) transaction to offset the short pay. This allows for the normal overpayment of the invoice to balance the account since the bank's system assumes the invoice was short-paid. If the dispute is found in favor of the merchant, the cardholder should see a debit (rebill) transaction. The cardholder has 60 days from the date of the billing statement to formally dispute transactions.

b. Fraud. Fraudulent transactions include use of the GCPC to acquire supplies or services that are not authorized Government business, intended for personal use or gain, or the unauthorized use by a third party of a cardholder's compromised or stolen account for personal gain.

(1) The cardholder must notify the A/OPC immediately of any suspected fraudulent activity on the account. The A/OPC will contact CITIBANK.

(2) Accounts reported with fraudulent activity will be closed immediately. Replacement accounts are opened and new cards issued. The bank will confirm with the cardholder which transactions are valid and which are fraudulent, close the account and move the valid transactions to the new card account.

(3) Fraudulent Transactions shall not be certified for payment. The invoice must be "short paid" by the amount of the transaction(s) in question and certified using the manual certification process, not the dispute process. CITIBANK must be notified and the cardholder will complete a Declaration of

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Unauthorized Use, available from CitiDirect.com, form to be submitted to the bank. The CH will follow further guidance provided by the A/OPC.

12. Restricted/Prohibited Purchases. Purchases prohibited by DON purchase card policy are listed below.

a. Items or services not for government use or of a personal nature such as fines, court costs, bail and bond payments, alimony, child support, dating and escort services, casino gaming chips, off-track betting, travel advances, payment of travel claims, tax payments, payment of salaries and wages, gifts and mementos.

b. Monetary items or services such as wire transfers, savings bonds, gift card, money orders, travelers' checks, and foreign currency.

c. Rental or lease of land or buildings on a long term basis. Long term is defined as one month.

d. Commercial vehicles. Sales, rental and lease of vehicles to include boats, vessels, and helicopters are prohibited.

e. Repair of GSA-leased vehicles.

f. Transportation of household goods, freight and logistics shipments.

g. Aircraft fuel and oil.

h. Purchases from contractors or contractor agents who are military personnel or civilian employees of the federal government.

i. Enclosure (2) provides further prohibited and special attention items.

13. Disciplinary/Administrative Actions

a. Standards of Conduct. All personnel hold a public trust and conduct must meet the highest ethical standards. Authorized personnel will use the GCPC only to purchase supplies and services within the guidance of this program. CHs and AOs should be aware that making false statements on purchase card records may subject them to disciplinary action, up to and

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including removal, as well as to criminal prosecution under Title 18, United States Code (U.S.C.), or the Uniform Code of Military Justice (UCMJ) for military personnel.

b. Improper, abusive, negligent, or unauthorized use
Prohibited uses include use of a purchase card by any person other than the CH whose name appears on the purchase card, use of the card for unofficial purposes, use in violation of regulation or law, and use of a purchase card by a contracting officer in excess of his/her delegation of authority. Supervisors who receive information indicating that a subordinate has engaged in any misuse of a government purchase card shall take appropriate action, including an investigation. The circumstances of each individual case will determine the appropriate type of corrective or disciplinary/adverse action that may be imposed. The AO and/or CH shall be subject to administrative disciplinary action, prosecution under the UCMJ, and/or criminal prosecution under Title 18 of the U.S.C. for improper, fraudulent, abusive, negligent, or unauthorized use.

14. Lost or Stolen Cards. Cardholders and AOs will contact CITIBANK for technical support and to report a lost or stolen card.

a. Telephone Notification. If a card is lost or stolen, the CH must immediately notify CITIBANK by calling 1-800-790-7206. Technical assistance can be reached at the same number.

b. Written Notification. The CH must also notify the AO and the A/OPC of a lost or stolen card within one business day after discovering the card missing. The AO will submit a written report to the A/OPC within one business day. The report will include:

- (1) Last six digits of the card number;
- (2) Cardholder's complete name;
- (3) Date and location of the loss;
- (4) If stolen, date reported to police;
- (5) Date and time CITIBANK was notified;
- (6) Any purchase(s) made on the day the card was lost/stolen; and

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(7) Any other pertinent information.

c. Card Replacement. CITIBANK will mail a replacement card within one business day of the reported loss or theft. A card that is subsequently found by the cardholder, after being reported lost or stolen, will be cut in half and given to their AO or the A/OPC.

d. Client Account Managers. CITIBANK has three dedicated Client Account Managers for A/OPC use only. They can be reached by calling 1-888-836-5011. Select option 3, then extension 9541103, 9541105, or 9541109.

15. Card Security

a. It is the cardholder's responsibility to safeguard the purchase card and account number at all times. The card is specifically designed to show the seal of the United States and the words "United States of America - GSA SmartPay 2" imprinted on it to avoid being mistaken for a personal credit card. The cardholder shall not allow anyone to use their card or account number. A cardholder who permits their GCPC or GCPC account number to be used by another person shall have their card withdrawn and shall be subject to disciplinary action.

b. Purchase cards will be kept under lock and key when not in use. This action will assist in ensuring the GCPC is not accidentally used for personal transactions.

16. Vendor Authorization. When the GCPC is issued to an employee, authorization codes are incorporated in the card by Consolidated Card Program Management Division (CCPMD). These authorizations are referred to as Merchant Category Codes. When a merchant seeks authorization for a purchase, the CITIBANK authorization system checks the CH's single purchase limit, the billing cycle purchase limit, the AO's billing cycle office limit, the transaction method, and the type of merchant where the CH is making a purchase before authorization for that transaction is granted. CHs must contact the A/OPC for denied transactions or to obtain forced authorization. The Level IV A/OPC will validate the need for a forced authorization and will forward only valid requirements to the Level III A/OPC for action.

17. Transfer, Retirement, or Termination of Employment. If a CH leaves the command, the A/OPC shall ensure, to the maximum extent possible, that the CH account is inactive at least 30

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days (one billing cycle) prior to departure. The plastic card shall be turned into the A/OPC and destroyed by shredding or cutting with scissors. The A/OPC will close the account once all transactions and payments have cleared. CH accounts shall not remain active past their official departure. If outstanding transactions remain, the A/OPC shall reduce the CH credit limits, as soon as practical, to \$1.00 (single and monthly limits) and cut up the GCPC to avoid any more charges.

18. Separation of Duties. To avoid conflicts of interest NSTC ensures there is a distinct separation of duties for GCPC program personnel. The AO/CO shall not be assigned as CHs or as APCs within the same Hierarchy. The APC will not be a CH within the same hierarchy.

19. Span of Control. Span of control ratios are required to ensure appropriate oversight within the GCPC Program. NSTC will ensure a single AO account will not encompass more than seven cardholders and check accounts. The Level V APC will not oversee more than 300 cardholders, AO accounts and convenience check accounts. Any one individual providing oversight shall comply with span of control ratios across multiple hierarchies.

20. Retention of financial documents. OASN (FM&C) has directed that all financial transaction records in support of the DON's financial audit, such as records related to procuring goods and services, paying bills, collecting debts, and accounting be retained for ten years. At a minimum, these records include: contracts, requisitions (to include printing by the Government Printing Office or DLA Document Services), purchase orders, Military Interdepartmental Purchase Requests (MIPRs) involved with the procurement of goods and services, Memoranda of Agreement specifying a financial obligation for the procurement of goods and services, solicitations/requests for bids, quotations or proposals for the procurement of goods and services, data submitted to the Federal Procurement Data System (FPDS), purchase card bank statements, receipts and supporting Documentation, invoices and supporting documentation associated with certification of bank invoices, recurring financial transactions such as utility and communications invoices, correspondence and papers pertaining to the award, administration, receipt, inspection of and payment of goods and services, etc.

21. Inactive Accounts. NSTC shall limit the number of CH accounts that have not been used in the previous six months or were used less than three times during the preceding six month

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period. When required as a contingency account, the CH account will be lowered to \$1 until the account is needed.

22. Internal Review of the Local Program

a. Monthly Reviews. The A/OPC shall conduct a review of transactions using the DON Data Mining System Program Audit Tool to ensure effectiveness of program management controls. The review will target internal controls, training, span of control, and delinquencies. The A/OPC must complete the monthly review within 30 calendar days of the end of the billing cycle. The review is automatically submitted to the next higher level A/OPC.

b. Semi-Annual Reviews. The A/OPC shall conduct the semiannual review using the approved DON Data Mining System, Program Audit Tool (PAT), the Semi-Annual Review Auxiliary Worksheet and the SA Level 5 Submittal Form. The semi-annual review is an aggregate of the previous six month reviews. This review covers billing cycles of 20 March through 19 September and 20 September through 19 March. The report shall be provided to the HA for review and approval. Upon approval, the report will be forwarded to the Level 4 A/OPC for compilation and submission to the Level 3 APC and CCPMD.

23. External Review of the Local Program

a. Procurement Performance Management Assessment Program (PPMAP) Reviews. A procurement analyst with the NAVSUP Fleet Logistics Center Norfolk Procurement Management Review (PMR) Team will perform this 18 month desk audit. The review will consist of three elements: Transactional, internal management, and other specific purchase card program elements. The analyst will inform the A/OPC of the review by formal letter. The A/OPC will compile the required documents for review. The review will be forwarded by traceable means to the PPMAP team by the required date.

b. Failed Review. Failure to pass this review will result in a three-day suspension of all card accounts with the exception of one cardholder and one AO account to be used only for mission essential requirements. During the suspension period, mandatory stand-down training will be provided to all GCPC participants to review and develop corrective actions for all discrepant areas and to prepare a Plan of Action and Milestones delineating the manner in which the corrective actions will be implemented. Travel costs associated with the

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stand-down training and subsequent 180-day review (if conducted on-site) will be funded at NSTC's expense per reference (f).

24. Point of Contact. Questions may be addressed to N412 at 847-688-4509 x187.

NSTC

GOVERNMENT COMMERCIAL

PURCHASE CARD

Special Attention

and

Prohibited Items

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1. Ammunition. Not allowed. Naval Reserve Officer Training Command units should refer to ammunition requisitioning procedures in the Regulation for Officer Development (ROD).
2. Appliances In The Work Place. Coffee pots, microwaves, refrigerators and other related items are allowed for common areas where they are available for use by all personnel and not used to provide any equipment for the sole use of an individual. Purchase card file documentation should specify, "For use in common area."
3. Flowers. Not allowed.
4. Food and/or Water/Beverages. The purchase of refreshment items for government employees is NOT authorized. The term "refreshments" extends to all concession related items, beverages, snack/finger foods, plastic ware, forks, knives, spoons, dishes) and paper products (napkins, paper plates, paper cups). Further examples of prohibited items include but are not limited to bottle or spring water, milk, coffee, tea, juices, soda, pastries, donuts, pretzels, bagels, and other party or concession type items. This prohibition also extends to refreshments served at official ceremonies (e.g., retirement, change of command, commissioning, VIP receptions).
5. Invitations. Allowed in support of change of command and retirement ceremonies coincident to change of command. Retirement ceremonies not coincident to change of command may be deemed official by the commanding officer. Defense Logistics Agency Document Services is mandatory source for printing. Announcements of official retirement and change of command ceremonies may be mailed using appropriated fund postage. Postage will not be pre-paid on R.S.V.P. cards. An invitation to a related reception immediately following such ceremonies may be included in the official mailing of the announcement if it does not result in any increase in cost to the government and does not include an advertisement for or endorsement of any enterprise.
6. Periodicals. The purchase card may be used as method of payment for agency authorized publications (e.g., Navy Times) provided the total cost of the subscription is a valid

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charge to the appropriation for the Fiscal Year and invoice must be received prior to the close of the subscription period.