



DEPARTMENT OF THE NAVY
COMMANDER
NAVAL EDUCATION AND TRAINING COMMAND
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PENSACOLA, FLORIDA 32508-5220

NETCINST 4200.4A
N4

13 JAN 2017

NETC INSTRUCTION 4200.4A

From: Commander, Naval Education and Training Command

Subj: GOVERNMENT-WIDE COMMERCIAL PURCHASE CARD PROGRAM INTERNAL OPERATING PROCEDURES

Ref: (a) NAVSUPINST 4200.99C
(b) NAVSUPINST 4200.85D
(c) Federal Acquisition Regulation (FAR)
(d) Defense Federal Acquisition Regulation Supplement (DFARS)
(e) NETCSTAFFINST 4400.1B
(f) DoD 7000.14-R, Volume 1, Chapter 9
(g) DASN (FM&C (FMO)) memo, Revised Document Retention Requirements to Support Department of the Navy Financial Statement Audits
(h) 10 U.S.C. §2773a
(i) NAVSUPINST 4200.82F

Encl: (1) Government-Wide Commercial Purchase Card Program Naval Education and Training Command Hierarchy Level 5 Internal Operating Procedures

1. Purpose. Reference (a) establishes policy, procedures, and responsibilities regarding the Government-Wide Commercial Purchase Card (GCPC) as a procurement method for all requirements at or below the micro-purchase threshold and a method of payment for contracts issued by a Contracting Officer.

2. Cancellation. NETCINST 4200.4.

3. Background. The General Services Administration 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 has responsibility for GCPC program policy. All DON activities using the program are governed by acquisition, financial management, and GCPC policies issued in references (a) through (d). Reference (e) provides procedures for obtaining materials, equipment, furniture, and services. Reference (f) provides policy for financial records retention. Reference (g) provides policy for original documentation retention. Reference (h) provides policy for pecuniary liability. Reference (i) provides policy for Procurement Performance Management Assessment Program reviews.

13 JAN 2017

4. Policy. The procedures in this instruction shall be followed by Naval Education and Training Command (NETC) (00076), Bureau of Naval Personnel (00022), Naval Acquisition Career Center (39721), Naval Service Training Command Great Lakes (00076 Official Representation Funds). Appendix A of enclosure (1) contains an Organizational Chart depicting the GCPC Program Hierarchy that pertains to this Internal Operating Procedure. 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. Division Directors and Special Assistants will ensure that only requisitions for mission essential items are submitted. Any requests failing to include adequate justification will not be approved.

5. Records Management. Records created as a result of this instruction, regardless of media and format, must be managed per SECNAV Manual 5210.1 of January 2012.

6. Review and Effective Date. Per OPNAVINST 5215.17A, NETC will review this instruction annually on the anniversary of its effective date to ensure applicability, currency, and consistency with Federal, DoD, SECNAV, and Navy policy and statutory authority using OPNAV 5215/40. The instruction will automatically expire 5 years after effective date unless reissued or canceled prior to the 5-year anniversary date or an extension has been granted.

7. Forms

a. The following forms are available for download from the GSA Forms Library website (<http://www.gsa.gov/portal/forms/type/SF>):

(1) SF 182 (Authorization, Agreement, and Certification of Training)

(2) SF 1402 (Certificate of Appointment)

b. The following form is available for download from the DoD Forms Management Program website (<http://www.dtic.mil/whs/directives/forms/dd/ddforms0001-0499.htm>): DD Form 282 (DoD Printing Requisition/Order)

c. The following form is available for download from the Naval Forms Online website (<https://navalforms.documentservices.dla.mil/web/public/forms>): NETC 4430/1 (Purchase Card Log)

d. The following forms are available for download from Total Records and Information Management (TRIM):

(1) NETC 4235/4 (Material Request)

(2) NETC 4400/1 (SERVMART Shopping List)

13 JAN 2017

(3) NETC 5600/4 (Request for Printing)



M. A. WHITT
Chief of Staff

Releasability and distribution:

This instruction is cleared for public release and is available electronically via the NETC public web site, <https://www.netc.navy.mil/directives.htm>, or via Total Records Information Management (TRIM).

13 JAN 2017

GOVERNMENT-WIDE COMMERCIAL PURCHASE CARD PROGRAM
NAVAL EDUCATION AND TRAINING COMMAND HEIARCHY LEVEL 5
INTERNAL OPERATING PROCEDURES

TABLE OF CONTENTS

	<u>PAGE</u>
Introduction	1
Definitions	1
Delegation of Authority	2
Head of Activity	2
Agency/Organization Program Coordinator	2
Approving Official	2
Certifying Officer	3
Cardholder	3
Departmental Accountable Official	3
Resource/Financial Manager	3
Nomination, Appointment, and Replacement of GCPC Participants	3
Training	4
Initial Training	4
Refresher Training	4
Ethics Training	4
Certifying Officer Legislation Training	5
Purchase Authorization (Obtaining Funding and Approvals)	5
Micro-Purchase Procedures When Using the Card	6

13 JAN 2017

Dollar Limits Associated with the Card	7
Receipt, Inspect, Accept Supplies and Services	7
Invoice Reconciliation, Verification, and Certification	8
Cardholder	8
Approving Official/Certifying Official	8
Missing Documentation	9
Dispute and Fraudulent Transaction Reporting Procedures	9
Restrictions on the Use of the Purchase Card	10
Disciplinary/Administrative Actions	11
Standards of Conduct	11
Improper, Abusive, Negligent, Unauthorized Use	11
Accountable and Pilferable Property Management	11
Conferences	12
Training Requests (SF 182)	12
Lost or Stolen Cards	12
Telephone Notification	12
Written Notification	12
Card Replacement	13
Client Account Managers	13
Card Security	13
Vendor Authorization	13
Transfer, Retirement, or Termination of Employment	13

13 JAN 2017

Record Keeping	13
Internal Review of the Local Program	14
Monthly Reviews	14
Semi-Annual Reviews	14
External Review of the Local Program	14
Procurement Performance Management Assessment Program Reviews	14
Failed Review	14
Point of Contact	14
Appendices	
A GCPC Program Hierarchy as of October 2016	A-1
B CITIBANK Government Cardholder Dispute Form	B-1
C Declaration of Unauthorized Use	C-1
D DON Semi-Annual Review Auxiliary Worksheet	D-1

13 JAN 2017

1. Introduction. These Internal Operating Procedures (IOPs) provide guidance on the Government-Wide Commercial Purchase Card Program (GCPC) program. The GCPC will be used for purchases not exceeding the micro-purchase limit and as a method of payment for contracts exceeding the micro-purchase limit up to warranted ordering officer delegated authority. 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 below \$25,000 using NETC 5600/4. DD Form 282 will be forwarded to Defense Logistics Agency (DLA) Document Services to procure printing services. The Bureau of Naval Personnel (BUPERS) (00022), Naval Acquisition Career Center (39721), and Naval Service Training Command Great Lakes (00076 Official Representation Funds) will use their own internal forms. Naval Education and Training Command (NETC) is designated as the Agency/Organization Program Coordinator (A/OPC).

2. Definitions

a. Billing Cycle. The 30-day billing period when the purchase cardholders (CHs) 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 CH's cumulative purchase and transactions within a given billing cycle.

c. Billing Cycle Office Limit. The monthly office limit is a budgetary limit established by the A/OPC for each Approving Official (AO). The limit established by the A/OPC will not exceed the sum of the CH's monthly purchase limits and should reflect spending history as well as budgetary trends.

d. Commonly Used Hazardous Material (HAZMAT). For the purpose of this instruction, commonly used HAZMAT means HAZMAT 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. Government employee who has the authority to bind the government to the extent of their 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.

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

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

13 JAN 2017

- i. Monthly Purchase CH'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 CH. 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 purchase CH.
- l. Purchase Card Log. Manual or automated log on which the purchase CH 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 CH and AO review their monthly statements and reconcile against available vendor receipts and purchase card log.
- 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 we directly engage the time and effort of the contractor to perform a task (e.g., repairs, maintenance, annual maintenance agreements, etc.).
- o. Single Purchase Limit. The dollar limit established for each CH 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 made over the counter, over the phone, or via the internet.

3. Delegation of Authority

- a. HA. Per reference (a), the HA is accountable for the performance and management of the GCPC program. The HA responsibilities have been delegated to N4.
- b. A/OPC. The A/OPC is designated by the HA (or their designee) and is responsible for day-to-day program oversight. The A/OPC serves as the liaison between BUPERS A/OPC, CITIBANK, the General Services Administration (GSA) Contracting Officer and Defense Finance Accounting System. 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 (N4), 850-452-3996, performs the A/OPC function.
- c. AO. A 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

Enclosure (1)

purchases for the CHs within their scope. The AO reviews the CH's monthly billing statement to ensure purchases are made per regulations. The AO performs monthly review using the Department of the Navy (DON) Program Audit Tool (PAT). The same person performs the roles of AO and Certifying Official (CO).

d. 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. CH. The CH 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 CH'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 CO information, data, or service that the CO 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 (h).

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

(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 be notified of all new GCPC program participants. The CH will be nominated by the requesting department by email or memo. Prior to making purchases, the CH will complete initial training and be appointed delegation of authority. The CH will acknowledge the responsibility and understanding of reference (a), and the policy specified within this instruction.

13 JAN 2017

b. The CH will be appointed using SF 1402 (Certificate of Appointment) if their procurement authority exceeds the micro-purchase threshold. This delegation will specify spending limits and authorized transaction types (over the counter, over the telephone, and/or via the Internet).

c. The appointment will remain in effect until revoked in writing or until the employee is transferred, separated for any reason, or retired from service.

5. Training

a. Initial Training. All GCPC program participants will complete initial training before assuming program responsibility. All training, with the exception of activity IOP training, is available at: https://www.navsup.navy.mil/ccpmd/purchase_card/training.

(1) Defense Acquisition University (DAU) CLG0001

(2) Online DON GCPC Training for their role

(3) DoD Ethics training

(4) DAU Certifying Officer Legislation Training for Purchase Card Payments, CLG 006 (COs and D/AOs)

(5) Activity IOP training

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 Consolidated Card Program Management Division (CCPMD) sponsored regional training

(2) DAU CLG0004

(3) Online DON GCPC training

c. Ethics Training. All GCPC program participants are required to complete DoD annual ethics training. Ethics training is available at <http://ethics.navy.mil/>.

Enclosure (1)

13 JAN 2017

(1) All personnel shall review and retain the DON Purchase Card Program Desk Guide applicable to the function they have been designated to perform. Desk guides are available at https://www.navy.mil/ccpmd/purchase_card/desk_guides/Desk%20Guide%205.02.pdf.

(2) A copy of all training certificates will be provided to the A/OPC.

d. Certifying Officer Legislation Training. All COs and D/AOs are required to complete Certifying Officer Legislation Training annually.

6. Purchase Authorization (Obtaining Funding and Approvals)

a. The CH must have sufficient funds committed by the R/FM prior to making purchases. Funding for supplies, equipment, communication, services, and printing is managed by N8 and executed by N4 via the GCPC. N4 serves as AO. Lines of Accounting (LOAs) are issued for each type of purchase and provided to N4 prior to starting a new fiscal year. Specific dollar amounts are not assigned, but expenditures are routinely monitored by N8.

b. Funding for staff training is managed by N8 who also serves as AO. LOAs are issued to departments prior to the start of the fiscal year. Departments desiring training must complete SF 182 and obtain appropriate signatures for approval. Signed copies are provided to N8 and the purchase card holder so the purchase can be made.

c. Funding for Centrally Managed requirements for supplies, services, and training are managed by N8 who also serves as AO. Requirements are discussed with department heads or program managers prior to starting a new fiscal year. Requests are emailed to N8. Unusual or questionable requests are forwarded to the Deputy Comptroller, Comptroller, and possibly Legal (N00D) for review prior to taking action. If funding is available, routine requests are processed by assigning the appropriate LOA. The LOA and document number are provided to the requestor, and to the purchase card holder with a request to make the purchase.

d. If additional documentation is required, such as a SF 182 or NETC 4235/4 (Material Request Form), then the requestor completes the required documentation, obtains the appropriate signatures for approval, and provides signed copies to N8 and the purchase card holder so the purchase can be made.

e. N8 Centrally Managed Funds manager provides updates from the Corporate Master Execution File Funds Status System occasionally or upon request. If funding is exhausted, requirements are forwarded to the Comptroller for review.

f. If funding is available at the end of the fiscal year, N8 notifies the Division Directors/Special Assistants asking for remaining unfunded requirements. Once funding is identified, departments are notified. Cardholders will only make end-of-fiscal-year purchases

Enclosure (1)

13 JAN 2017

that have been approved by N8. BUPERS (00022) manages their own funds and approves their own requests.

7. Micro-Purchase Procedures When Using the Card

a. The cardholder must

(1) Comply with their delegated contract authority.

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

(3) Screen the purchase request from mandatory supply sources (i.e., Ability One) and procure office supplies from DoD EMALL or SERVMART using NETC 4400/1. Procure printing requirements from DLA Document Services. Obtain AO approval prior to purchasing.

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

b. If the merchant's price is fair and reasonable, CH 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 government employee is authorized to pick up.

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

c. The CH must confirm that the merchant agrees

(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

Enclosure (1)

13 JAN 2017

(b) Annotation to forward document to the CH by name and code (but no 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 (i.e., Arizona, Hawaii).

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

(3) CHs should attempt to obtain Free-on-Board (FOB) destination shipment terms. FOB destination means the merchant arranges transportation and is responsible for the material until it reaches its destination. The cost of transportation is not shown as a separate item but is included in the total cost of the order. CHs should not accept FOB origin, or prepay and add, unless the merchant states that is the only way they will ship. FOB origin, or prepay and add, means the merchant bills for shipping and adds the cost as a separate line item.

e. A purchase card log, NETC 4430/1, is required to record all purchase card transactions. The purchase card documentation should provide an audit trail supporting the decision to use the card and any required special approvals that were obtained. The documentation should be attached to the statement when it is submitted to the AO.

8. Dollar Limits Associated with the Card. Use of the purchase card is subject to a single purchase limit, a monthly CH limit, and a monthly office limit. These limits are established in each cardholder delegation of authority letter. The single purchase limit cannot be exceeded unless approved by N4.

9. Receipt, Inspect, and Accept Supplies and Services

a. There must be a clear separation of function at all times. The CH 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. One will

Enclosure (1)

13 JAN 2017

award purchase action, one will perform receipt/inspection, and one will accept. These actions must be accomplished by legible signature and date.

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

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

(1) Use pay-and-confirm procedures in instances where CHs have been billed but have not received the items ordered. The CH 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 CH 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 CH 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 CH 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 CH or AO will notify the A/OPC to resolve and reconcile the statement.

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

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

(1) Reconcile the CH'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.

Enclosure (1)

(4) Notify the A/OPC or NETC N4 in the event of any suspected unauthorized purchase (purchases that would indicate noncompliance, fraud, misuse, and/or abuse).

(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 CH's transaction receipts.

(6) Certify the monthly invoice within 10 business days of when the statement status changes from "INTERIM" to "NEW".

(7) Complete the monthly PAT Review within 15 calendar days of the end of the billing cycle and return all supporting documentation to the CH.

c. Missing Documentation. If the CH 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 CH must have a clear understanding of the difference in definition and procedures between the two. The CH 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 CH statement shows an unrecognized transaction, the CH 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 CH 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 (Appendix B) to CITIBANK at 605-357-2019. CITIBANK requires the CH signature; therefore, the electronic submission must be backed up by faxing or mailing the form to CITIBANK.

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

Enclosure (1)

(4) Based on the outcome of the dispute process, the charge will either be resolved in favor of the CH or the merchant. If the dispute is resolved in favor of the CH, the charge is 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 CH 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 CH, the CH 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 CH should see a debit (rebill) transaction. The CH 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 CH's compromised or stolen account for personal gain.

(1) The CH 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, and replacement accounts are opened and new cards issued. The bank will confirm with the CH 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 CH will complete a Declaration of Unauthorized Use form (Appendix C) to be submitted to the bank. The CH will follow further guidance provided by the A/OPC.

12. Restrictions on the Use of the Purchase Card. The list includes but is not limited to the following:

- a. Cash advances (not permitted under any circumstances).
- b. Rental or lease of land or buildings.
- c. Telecommunications (telephone) services.
- d. Fuel or oil for DON-owned aircraft, vessels, and vehicles, unless specifically authorized by the Head of Contracting Activity/Fleet Acquisition Office.
- e. Rental or lease of motor vehicles, whether or not on official travel.

Enclosure (1)

- f. Repair of GSA-leased vehicles.
- g. Expenses associated with official travel including transportation, lodging, or meals.
- h. HAZMAT, except for commonly used HAZMAT. Examples of those materials or products include those required on a routine basis to meet daily operational needs such as lubricants, batteries, toner cartridges, detergents, etc.
- i. Purchases that require federal or military specifications.
- j. When a bilateral purchase order is required (e.g., foreign military sales, classified requirements, etc.). Reference (b) provides a comprehensive listing of prohibited and special attention items related to purchase card buys.

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 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. Accountable and Pilferable Property Management

a. AOs and CHs identify whether materials need to be recorded in a formal property management or accounting system. Accountable property includes all property purchased, leased (capital leases), or otherwise obtained, having a unit acquisition cost of \$5,000 or more, and items that are sensitive, pilferable (items that have a ready resale value or application to personal possession and which are, therefore, especially subject to theft), or classified.

13 JAN 2017

b. All materials classified as accountable property will be recorded in the Defense Property Accounting System (DPAS). DPAS is maintained by N4.

15. Conferences

a. Departments desiring to sponsor a conference will provide a copy of the approval request to N4 ensuring that a line of accounting is specified.

b. Provide a copy of the final bill to N4 upon completion of the conference.

16. Training Requests (SF 182)

a. SF 182 (Authorization, Agreement, and Certification of Training) is authorized for all training costs associated with an individual or group when the training is an off-the-shelf event, conference, or instructional service available to the general public and priced the same for everyone valued at or below \$25,000.

b. The GCPC may not be used to pay for training in excess of \$25,000 when using SF 182.

c. Each division prepares the SF 182 for their employees. This includes assignment of a LOA. Section C will state that "Payment will be made with the GCPC". Also, annotate CH's name and telephone number. Contact N4 for CH information.

d. Provide a copy of SF 182 to N4 prior to forwarding to Human Resources Office.

17. Lost or Stolen Cards. CHs 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) CH's complete name
- (3) Date and location of the loss
- (4) If stolen, date reported to police

Enclosure (1)

13 JAN 2017

- (5) Date and time CITIBANK was notified
- (6) Any purchase(s) made on the day the card was lost/stolen
- (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 CH, 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 1-855-241-0728. Select option 2, then option 1, and extension 9541120, 9541124, or 9541138.

18. Card Security

a. It is the CH'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.

19. Vendor Authorization. When the GCPC is issued to an employee, authorization codes are incorporated in the card by CCPMD and 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.

20. 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 days (one billing cycle) prior to departure. 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.

Enclosure (1)

13 JAN 2017

21. Record Keeping. All files documenting GCPC transactions shall be turned in to the AO/CO for retention when a CH leaves the command. This allows the ability to locate documents for audit purposes after the CH has departed. AOs/COs shall retain financial documents per reference (f), Volume 1, Chapter 9, to support financial audits. Additionally, reference (g) requires all financial transaction records in support of the DON's financial statement audit, such as records related to procuring goods and services, paying bills, collecting debts, and accounting, be retained for a period of 10 years.

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 PAT 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 semi-annual review using the approved DON Data Mining System PAT and the Semi-Annual Review Auxiliary Worksheet (Appendix D). 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 (N4) for review and approval. Upon approval, the report will be forwarded to the Hierarchy Level 3 A/OPC for compilation and submission to CCPMD.

23. External Review of the Local Program

a. Procurement Performance Management Assessment Program Reviews. A procurement analyst with the Naval Supply Systems Command 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 N4 of the review by formal letter. The A/OPC will compile the required documents for review and approval by the HA. Upon HA approval, the review will be forwarded by traceable means to the PMR 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 CH 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 stand-down training and subsequent 180-day review (if conducted on-site) will be funded at NETC's expense per reference (i).

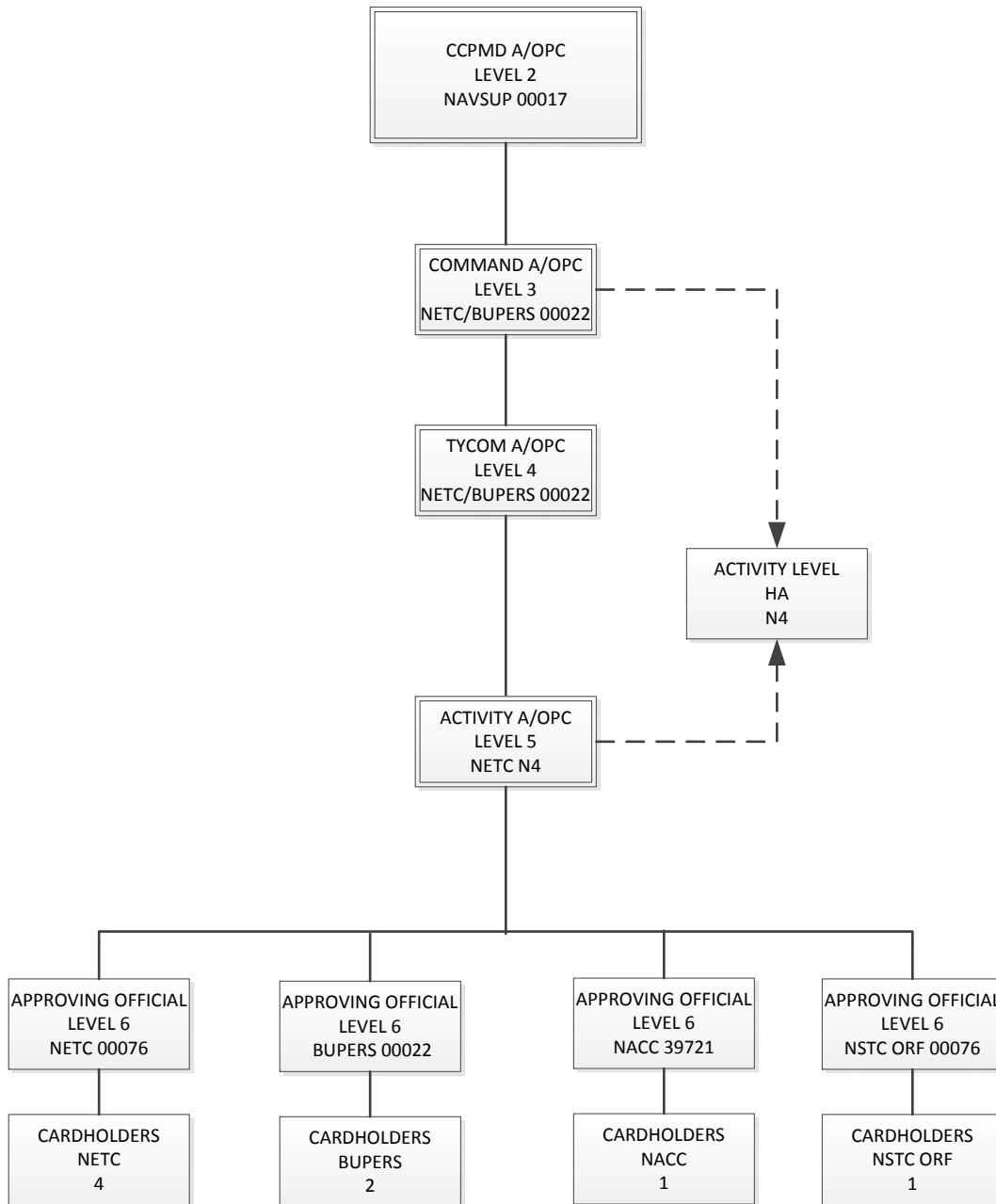
Enclosure (1)

NETCINST 4200.4A

13 JAN 2017

c. **Point of Contact.** Questions may be addressed to N41 at 850-452-8957 or 850-452-3996.

GCPC PROGRAM HIERARCHY AS OF OCTOBER 2016



NAVAL EDUCATION AND TRAINING COMMAND (NETC) PENSACOLA, FL	00076
BUREAU OF NAVAL PERSONNEL (BUPERS) WASHINGTON, DC	00022
NAVAL ACQUISITION CAREER CENTER (NACC) MECHANICSBURG, PA	39721
NAVAL SERVICE TRAINING COMMAND (NSTC) GREAT LAKES, IL (OFFICIAL REPRESENTATION FUNDS)	00076



CITIBANK® GOVERNMENT CARDHOLDER DISPUTE FORM

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

CARDHOLDER'S NAME: (3) _____

ACCOUNT NUMBER: (4) - - - - -

CARDHOLDER: PLEASE PROVIDE A COPY OF ANY INFORMATION/FORMS REQUESTED BELOW
ALONG WITH THE STATEMENT THE DISPUTED CHARGE APPEARS ON.
PLEASE FAX TO 605-357-2019 or MAIL TO Citibank® Government Services, P.O. Box 6125, Sioux Falls, SD 57117-6125.
This form must be filled out completely and forwarded to Citibank and the appropriate Agency officials (as determined by your internal procedures)
within 60 calendar days of receipt of your invoice.

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

CARDHOLDER SIGNATURE: (8) _____

Please read carefully each of the following descriptions and check the one most appropriate to your particular dispute. Card program regulations require that you provide additional statements to document specific items, where indicated below. If you have any questions, please contact us at 1-800-790-7206 (overseas call collect at 904-954-7850). We will be more than happy to advise you in this matter.

(9)

- **UNAUTHORIZED TRANSACTION**
 I have not authorized this charge to my account.
- **MULTIPLE PROCESSING - THE DATE OF THE FIRST TRANSACTION WAS .**
 The transaction listed above represents a multiple billing to my account. I only authorized one charge from this merchant for this amount. My card was in my possession at all times.
- **MERCHANDISE NOT RECEIVED IN THE AMOUNT OF \$.**
Please enclose a separate statement detailing the merchant contact, and the expected date to receive merchandise.
 My account has been charged for the above transaction, but I have not received the merchandise. I have contacted the merchant, but the matter was not resolved.
- **CANCELED TRANSACTION**
 My account has been charged for the above listed transaction. I have contacted this merchant on (date) and canceled the order. I will refuse delivery should the merchandise still be received.
- **MERCHANDISE RETURNED IN THE AMOUNT OF \$.**
Please enclose a separate statement detailing the merchant contact, date of the contact and the merchant response.
 My account has been charged for the above listed transaction, but the merchandise has since been returned. A copy of the postal or UPS receipt is enclosed.
- **CREDIT NOT RECEIVED**
 I have received a credit voucher for the above listed charge, but it has not yet appeared on my account. A copy of the credit voucher is enclosed.
- **DIFFERENCE IN AMOUNT**
 The amount of this charge has been altered since the time of purchase. Enclosed is a copy of my sales draft showing the amount for which I signed. The difference of amount is \$.
- **COPY REQUEST**
 I recognize this charge, but need a copy of the sales draft for my records.
- **SERVICES NOT RECEIVED**
Please enclose a separate statement with the date of the merchant contact and response.
 I have been billed for this transaction; however, the merchant was unable to provide the services.
- **PAID FOR BY ANOTHER MEANS**
Please enclose a separate statement with the date of the merchant contact and response.
 My card number was used to secure this purchase; however, the final payment was made by check, cash, or another credit card. Enclosed is my receipt, canceled check (front and back), copy of credit card statement, or applicable documentation demonstrating that payment was made by other means.
- **NOT AS DESCRIBED**
 The item(s) specified do not conform to what was agreed upon with the merchant. (The Cardholder must specify what goods, services, or things of value were received. The Cardholder must have attempted to return the merchandise and state so in his/her complaint.)

• **IF NONE OF THE ABOVE REASONS APPLY:**
Provide a complete description of the problem, attempted resolution and outstanding issues. Use a separate sheet of paper and sign and date your description statement. **Numbers in parentheses correspond to numbers on guide sheet on next page.**

**GUIDE TO
CITIBANK® GOVERNMENT CARDHOLDER DISPUTE FORM**

Form required when disputing a charge or charges.

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

DECLARATION OF UNAUTHORIZED USE



NETCINST 4200.4A
13 Jan 2017

I _____ the undersigned, do hereby state and declare as follows:

1. This declaration concerns the following account number: _____

2. I HAVE INDICATED BELOW AND/OR ON THE ATTACHED THOSE TRANSACTIONS THAT ARE FRAUDULENT. **I as the Customer, only need to complete and return this form if fraud charges post to my account.**

Disputed Transactions: **Add Transaction** Press X box at the end of row to delete transaction.

<u>Sale Date</u>	<u>Amount</u>	<u>Reference Number</u>	<u>Merchant Name</u>

3. Please check the statement that applies to your situation:

My Card was:

Lost Stolen:

Date card was lost or stolen:

Place:

If stolen, was police report filed? Yes No

If yes, Case#:

City:

Station:

Phone Number:

Police Officer & Badge #:

I have unauthorized transactions, but my card is in my possession.

I never received this card in the mail.

4. Listed below is the name on the card that was lost/stolen/never received:

5. I have reason to believe the following individual(s) utilized the credit card(s) described above or had access to my account number without my authorization:

Add name

<u>Name</u>	<u>Address</u>	<u>Province/Postal Code</u>	<u>Reason</u>

6. I have confirmed that **ALL AUTHORIZED USERS ON THIS ACCOUNT** did not make these charges.

7. Neither, I, nor anyone authorized by me, nor anyone with my knowledge or consent received or expect to receive any benefit or value as a result of this transaction(s).

8. If you have additional information about the merchant(s) or misuse of the card, please provide the detail here.

9. I understand that Security Services investigates alleged fraudulent or unauthorized credit card usage and may refer the same to the appropriate law enforcement agency. I agree to cooperate in any prosecution of individuals charged with fraudulent or unauthorized credit card usage.

Please sign below:



Cardholder/APC Signature:

Please Note: You must first sign the PDF before you can submit. Once you press the "Sign" button to the left, the "Submit" button will appear below. Press the "Submit" button to send the form back to Citi.

THIS ELECTRONIC SIGNATURE CONSTITUTES OUR CARDHOLDER'S UNIQUE IDENTITY CAPTURED THROUGH OUR SECURE ONLINE BANKING ENVIRONMENT.

Global Transaction Services
www.transactionservices.citi.com

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Semi-Annual Review: (DATES OF REVIEW PERIOD)	<u>Your Data</u>
Date	
Command	
POC	
Phone	
Hierarchy Number	
1. SES/CO WHO REVIEWED AND SIGNED STATEMENT OF CONCURRENCE	
1A. SES/CO PHONE NUMBER	
1B. SES/CO EMAIL ADDRESS	
2. NUMBER OF CONVENIENCE CHECK ACCOUNTS	
2A. NUMBER OF CONVENIENCE CHECK ACCOUNTS AUDITED WITHIN THE PAST YEAR	
2B. EXPLANATION FOR NOT HAVING 100% OF CONVENIENCE CHECKS AUDITED	
3. LIST ALL TRANSACTIONS USING SPECIAL EMERGENCY PROCUREMENT AUTHORITY (details on additional worksheet)	
4. LIST NUMBER OF WEAKNESSES IN INTERNAL MANAGEMENT CONTROLS IDENTIFIED FROM EXTERNAL AUDIT [PPMAP, NAVAL AUDIT SERVICE] (details on additional worksheet)	
5. ADDRESS REPEAT FINDINGS AND WEAKNESSES NOT CORRECTED FROM PRIOR SEMI-ANNUAL REVIEW	
6. DOES THE CURRENT IOP IN PLACE AT EACH ACTIVITY REFLECT THE UPDATED INSTRUCTION AND POLICY ANNOUNCEMENTS?	
7. LIST NAME AND HIERARCHY NUMBER OF ACTIVITIES THAT DO NOT HAVE A CURRENT IOP IN PLACE	
8. EXPLAIN THE ALTERNATE REVIEW PROCESS/PROCEDURES USED FOR DEPLOYED ACTIVITIES	

Semi-Annual Review Auxiliary Worksheet - Special Emergency Procurement - SEP 11 - MAR 12

NETCINST 4200.4A
13 Jan 2017

Cardholder's Name	Date of Transaction	Amount of Transaction	Merchant Name	Type of Authorization	Supply or Service Purchased	Activity Name/Hierarchy Number
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Semi Annual Review Worksheet - Weaknesses in Internal Controls - 20SEP-MAR12

NETCINST 4200.4A
13 Jan 2017

<u>Weakness Identified</u>	<u>Details</u>	<u>Activity Name</u>	<u>Hierarchy Number</u>	<u>Action Taken</u>	<u>Date Resolved</u>	<u>New/Previous Weakness</u>	<u>How Identified</u>
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