



DEPARTMENT OF THE NAVY

NAVAL SERVICE TRAINING COMMAND
2601A PAUL JONES STREET
GREAT LAKES, ILLINOIS 60088-2845

NSTCINST 4200.1D CH-3
N00
18 Nov 2021

NSTC INSTRUCTION 4200.1D CHANGE TRANSMITTAL 3

From: Commander, Naval Service Training Command

Subj: GOVERNMENT COMMERCIAL PURCHASE CARD PROGRAM

1. Purpose. To revise enclosure (1), pages 6, 7, and 8 to reflect changes made on the issuance of the PCAN FY21 15 by DON Consolidated Card Program Management Division, released on 6 August 2021.

2. Action. Update the following from enclosure (1):

a. Remove: Paragraph 4.a. Nomination, Appointment, and Replacement of GCPC Participants. 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. Add: Paragraph 4.a. Nomination, Appointment, and Replacement of GCPC Participants. The A/OPC will nominate all program participants 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 a letter.

c. Add: Paragraph 5.a.(6). All A/OPCs and AOs/COs must complete Insight On Demand (IOD) initial training.

d. Remove: Paragraph 7.a.(3). Requirement Processing. Screen the requirement against mandatory supply sources (e.g., Ability One, UNICOR, FedMall). Procure office supplies from FedMall 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). Ensure compliance with FY2019 NDAA Section 889(a)(1)(B) by ensuring merchants provide/or have provided a written representation of compliance before the transaction is made.

e. Add: Paragraph 7.a.(3). Requirement Processing. Screen all requirements in accordance with PCAN FY21 Number 15 which notes the priorities for use of the GCPC and requires screening for and use of mandatory Government sources as well as ensuring micro-purchases are distributed equitably among qualified suppliers, to the extent practicable. Ensure compliance with FY2019 NDAA Section 889(a)(1) by ensuring merchants provide/or have provided a written representation of compliance before the transaction is made.

3. Records Management. Records created as a result of this instruction, regardless of media and format, must be managed per Secretary of the Navy Manual 5210.1 of September 2019.


JENNIFER S. COUTURE

Releasability and distribution:

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DEPARTMENT OF THE NAVY

NAVAL SERVICE TRAINING COMMAND

2601A PAUL JONES STREET

GREAT LAKES, ILLINOIS 60088-2845

NSTCINST 4200.1D CH-2

N00
23 Sep 2021

NSTC INSTRUCTION 4200.1D CHANGE TRANSMITTAL 2

From: Commander, Naval Service Training Command

Subj: GOVERNMENT COMMERCIAL PURCHASE CARD PROGRAM

1. Purpose. To revise enclosure (2), page 2, to reflect changes made on the issuance of the PCAN FY21 13 by DON Consolidated Card Program Management Division, released on 25 June 2021.
2. Action. Update the following from enclosure (2):
 - (a) Remove: paragraph INFORMATION TECHNOLOGY (IT). Information Technology (IT) includes hardware, software, maintenance, contract support, telecommunication services network and network devices, off the shelf software, enterprise licenses, telecommunication, handheld wireless communication devices, and non-tactical radios). Procurement actions for IT may not be initiated without an approved Information Technology Procurement Request (ITPR) from NSTC N6.
 - (b) Add: INFORMATION TECHNOLOGY (IT). All requests for procurement of IT supplies and services (i.e. hardware, software, maintenance, contract support, telecommunications services network and network devices, off the shelf software, enterprise licenses, telecommunication, and handheld wireless communication devices, etc.) must be forwarded to NSTC N6 for review, approval, and tracking.
3. Records Management. Records created as a result of this instruction, regardless of media and format, must be managed per Secretary of the Navy Manual 5210.1 of September 2019.


JENNIFER S. COUTURE

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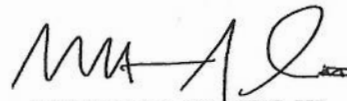
NSTCINST 4200.1D CH-1
N00
18 May 2021

NSTC INSTRUCTION 4200.1D CHANGE TRANSMITTAL 1

From: Commander, Naval Service Training Command

Subj: GOVERNMENT COMMERCIAL PURCHASE CARD PROGRAM

1. Purpose. To revise enclosure (1) page 7 of the instruction to reflect changes in training requirements that were released on October 2020.
2. Action. Update the following from enclosure (1):
 - (a) Paragraph 5.a.(5) remove CH add APC
 - (b) Paragraph 5.b.remove CLG001 or DAU CLG0010 add CLG 0010; add role based to "The HA completes initial role based training"
 - (c) Paragraph 5.c.(1) add HAs
 - (d) Paragraph 5.c.(2) remove and CHs of the basic instruction.
3. Records Management. Records created as a result of this instruction, regardless of media and format, must be managed per Secretary of the Navy Manuel 5210.1 of September 2019.


MILTON J. SANDS III

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DEPARTMENT OF THE NAVY
NAVAL SERVICE TRAINING COMMAND
2601A PAUL JONES STREET
GREAT LAKES, ILLINOIS 60088-2845

NSTCINST 4200.1D
N00
18 Sep 2020

NSTC INSTRUCTION 4200.1D

From: Commander, Naval Service Training Command (NSTC)

Subj: GOVERNMENT COMMERCIAL PURCHASE CARD PROGRAM

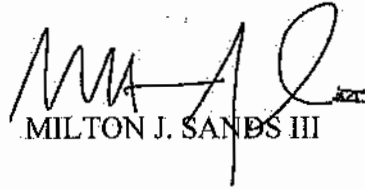
Ref: (a) NAVSUPINST 4200.99
(b) DON Simplified Acquisition Procedures Guide
(c) Federal Acquisition Regulation (FAR)
(d) Defense Federal Acquisition Regulation Supplement (DFARS)
(e) 10 U.S.C.
(f) NAVSUPINST 4200.82

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. NSTCINST 4200.1C.
3. Background. The General Services Administration (GSA) SmartPay3 Contract was awarded to U.S. Bank for GCPC services. 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.
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).

6. Records Management. Records created as a result of this instruction, regardless of media and format, must be managed per Secretary of the Navy Manual 5210.1 of January 2012.

7. Review and Effective Date. Per OPNAVINST 5215.17A, NSTC 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 Review of Instruction. This instruction will automatically expire five years after effective date unless reissued or canceled prior to the 5-year anniversary date, or an extension has been granted.



MILTON J. SANDS III

Releasability and distribution:

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http://www.netc.navy.mil/nstc/NSTC_Directives/instructions.html.

NSTC
GOVERNMENT COMMERCIAL
PURCHASE CARD
PROGRAM GUIDANCE

Table of Contents

[Introduction](#).....4

[Definitions](#).....4

[Delegation of Authority](#).....5

[Head of Activity](#).....5

[Agency Program Coordinator](#).....5

[Approving Official](#).....5

[Certifying Official](#).....6

[Cardholder](#).....6

[Departmental Accountable Official](#).....6

[Resource/Financial Manager](#).....6

[Nomination, Appointment, and Replacement of GCPC Participants](#).....6

[Initial Training](#).....7

[Refresher Training](#).....7

[Annual Training](#).....7

[Purchase Authorization \(Obtaining Funding and Approvals\)](#).....7

[Requirement Processing](#).....8

[Dollar Limits Associated with the Card](#).....10

[Receipt, Inspect, Accept Supplies and Services](#).....10

[Invoice Reconciliation, Verification, and Certification](#).....10

[Dispute and Fraudulent Transaction Repository Procedures](#).....11

[Restricted/Prohibited Purchases](#).....12

[Disciplinary/Administrative Actions](#).....13

[Lost or Stolen Cards](#).....13

[Card Security](#).....14

[Vendor Authorization](#).....14

[Transfer, Retirement, or Termination of Employment](#).....14

[Separation of Duties](#).....14

[Span of Control](#).....14

[Retention of Financial Documents](#).....14

[Inactive Accounts](#).....15

[Internal Review of the Local Program](#).....15

[External Review of the Local Program](#).....15

[Point of Contact](#)16

1. Introduction. These internal operating procedures provide guidance on the 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 the Simplified Acquisition Threshold (SAT) 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 (CH) may use their purchase card. The billing cycle activity ends on or around the 19th of each month.

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

c. CH. A 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 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 Approving Official (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 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 CH during a billing cycle that is used for the purposes of payment. This invoice is provided to the AO.

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 HA or designee to be issued a purchase card or purchase card account. The purchase card bears the name/account number of the CH.

l. Purchase Card Log. Manual or automated log on which the 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 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 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 over-the-counter, over-the-phone, or via the internet.

3. Delegation of Authority

a. HA. In accordance with reference (a), the HA is accountable for the performance and management of the GCPC Program. HA responsibilities at NSTC will be delegated to the Executive Director or Chief of Staff at CNSTC's discretion. 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, the GSA SmartPay 3 U.S Bank, Contracting Officers and Defense Finance Accounting Services (DFAS). The A/OPC has delegating authority to appoint program participant and changes dollar limitations and merchant codes within the US Bank site. The A/OPC also coordinates card applications, issuance and destruction of cards, reports, and administrative training. The GCPC Program Manager (N412), performs the A/OPC function.

c. 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 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 DOD's data mining tool, Insights on Demand (IOD). The same person performs the roles of AO and Certifying Official (CO).

d. CO. The CO certifies the monthly billing statement which is automatically forwarded 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 (DAO). 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 (e). NSTC DAOs include AOs and CH.

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. 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; and
- (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 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 a 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://www.navsup.navy.mil/public/navsup/ccpmd/> Initial training includes:

- (1) Defense Acquisition University (DAU) DoD Government Purchase Card, CLG0010;
- (2) Online DON GCPC Training for their role;
- (3) DoN Ethics training;
- (4) Activity IOP training, and
- (5) DAU Certifying Officer Legislation Training for Purchase Card Payments, CLG 006 (AO and APC).
- (6) All A/OPCs and AOs/COs must complete Insight on Demand (IOD) training.

b. Refresher Training. All GCPC Program participants will complete activity IOP, DAU CLG0010 and DoN purchase card refresher training for their role within two years of completing initial training and within two years of last refresher training. The HA completes initial role based training only. 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, CLG0010; or
- (3) Online DON CCPMD GCPC training.

c. Annual Training

(1) All A/OPCs, AOs/COs, CHs, and HAs 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 are required to complete DAU CLG006, Certifying Officer Legislation Training for Purchase Card Payments 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, FedMall, 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 CH.

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

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

7. Requirement Processing

a. The CH must:

(1) Comply with their delegated authority;

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

(3) Screen all requirements in accordance with PCAN FY21 Number 15 which notes the priorities for use of the GCPC and requires screening for and use of mandatory Government sources as well as ensuring micro-purchases are distributed equitably among qualified suppliers, to the extent practicable. Ensure compliance with FY2019 NDAA Section 889(a)(1) by ensuring merchants provide/or have provided a written representation of compliance before the transaction is made.

(4) Obtain AO approval prior to purchasing;

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

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

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

(1) Over-the-Counter. The CH 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; or

(3) Via the Internet. When purchasing/ordering via the internet, CHs will ensure appropriate account safeguard 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; and

(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 CH 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; and

(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); and

(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.

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

(3) Retention of program administrative documentation for each A/OPC, AO/CO and CH, to include the HA training, shall be retained by the A/OPC for the duration the employee serves in this capacity and for three years beyond.

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 CH 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 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. 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; and

(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 CH and AO/CO shall complete the reconciliation process within five business days when the statement becomes available. The CH will approve the transactions then certify the bank statement and forward all documentation to the AO/CO.

a. CH. 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 the 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. AO/CO. 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 U.S. Bank Access Online;

(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);

(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) Final approve the transactions on the statement then certify the monthly invoice within five business days of receipt from 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. Disputes are instances where transactions on the CH statement do not agree with entries in the log or retained receipts that are presented to the bank for resolution. They may include circumstances where the CH did not make the transaction, the amount of the transaction is incorrect or the quality or service is an issue.

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 account for personal gain. The DON classifies fraud as internal fraud and external fraud. Internal fraud is identified as purchases made by a CH for personal use or gain and external fraud as unauthorized purchases not made by a CH as a result of a compromised card number or lost/stolen card.

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; and

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

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 of a GCPC 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. CHs and AOs will contact U.S. Bank 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 U.S. Bank by calling 1-888-994-6722. 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;
- (5) Date and time U.S. Bank was notified;
- (6) Any purchase(s) made on the day the card was lost/stolen; and
- (7) Any other pertinent information.

c. Card Replacement. U.S. Bank 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. U.S. Bank has dedicated Client Account Managers for A/OPC use only. They can be reached by calling 1-800-254-9885, extension 156-6272.

15. 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 3" imprinted on it to avoid being mistaken for a personal credit card. The CH shall not allow anyone to use their card or account number. A CH 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 U.S. Bank 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 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 CHs and check accounts. The Level V APC will not oversee more than 300 CHs, 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 (MIPR) 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 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 DOD Data Mining Tool, Insights on Demand (IOD) 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 in IOD within 30 calendar days of the end of the billing cycle, then run the A/OPC Monthly Review Report, maintaining a hard copy of that report. 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 DOD Data Mining Tool, IOD, running the Semi-Annual HA Review Report and the Findings and Determination Report. 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 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 NSTC's expense per reference (f).

24. Point of Contact. Questions may be addressed to N412 at (847) 688-5855 Ext. 187.

NSTC

GOVERNMENT COMMERCIAL

PURCHASE CARD

Special Attention

and

Prohibited Items

AMMUNITION. Not allowed. Refer to ammunition requisitioning procedures in the Regulation for Officer Development (ROD).

APPLIANCES IN THE WORK PLACE. Coffee pots, microwaves, refrigerators and other related Items are allowed if 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."

CLOTHING. Not allowed. The purchase of clothing such as plain, embroidered or logo polo shirts; customized or plain t-shirts, shorts, sweats, or jackets for physical training; ball caps and other non-uniform items for staff or students is not authorized. Specific guidance and restrictions for ball caps as presentation items can found in NAVADMIN 184/14. Specific guidance for uniform ball caps can be found in NAVADMIN 200/14. This guidance does not apply to purchase of uniforms with Military Personnel Navy (MPN) funds.

FLOWERS. Not allowed.

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, (e.g., beverages, snack/finger foods, plastic ware, forks, knives, spoons, dishes) and paper products (e.g., 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).

HAZMAT. All HAZMAT product requests shall go through the Regional Consolidated Hazardous Material Reutilization and Inventory Management Program (CHRIMP) Regional CHRIMP Center (RCC) for approval prior to purchase. If the RCC does not have sufficient inventory to satisfy mission requirements in a timely manner the servicing RCC will provide approval for activities to commercially acquire the HAZMAT. The RCC approval must be retained with the purchasing documentation. Examples of items requiring HAZMAT Tech review within your purchasing documentation include: lubricants, batteries, toner cartridges, detergents, and air dusters. This list is not all inclusive. When reviewing the items for purchase within a supply catalog if the item notes "MSDS" it requires a HAZMAT Tech review.

INFORMATION TECHNOLOGY (IT). Information Technology (IT) includes hardware, software, maintenance, contract support, telecommunication services network and network devices, off the shelf software, enterprise licenses, telecommunication, handheld wireless communication devices, non-tactical radios). Procurement actions for IT may not be initiated without an approved Information Technology Procurement Request (ITPR) from NSTC N6.

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.

PERIODICALS. The purchase card may be used as method of payment for agency authorized publications (i.e., Navy Times, etc.) provided the total cost of the subscription is a valid charge to the appropriation for the Fiscal Year and invoice must be received prior to the close of the subscription period.

WATER. See FOOD