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SECRETARY OF THE AIR FORCE**

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ACQUISITION

**GOVERNMENT PURCHASE CARD
PROGRAM**



COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This publication implements AFPD 64-1, *The Contracting System*. This publication provides guidance and procedures for the management of the Government Purchase Card Program. It implements and supplements sections of the *Department of Defense (DoD) Government Charge Card Guide for Establishing and Managing Purchase, Travel, and Fuel Card Programs* (August 28, 2014, revised.) Refer to the DoD Guide if information is not discussed in this Air Force Instruction (AFI); if this AFI is in conflict with the Guide, the Guide takes precedence. This AFI applies to all AF Government Purchase Card (GPC) purchases utilizing appropriated funds. (Reference AFI 34-275, *Air Force Non-Appropriated Fund (NAF) Government Purchase Card Program for purchases using Non-appropriated Funds*.) This publication applies to all active AF and Air Force Reserve Command (AFRC) units, and Non-AF tenant organizations issued GPCs or convenience checks through an AF contracting activity. Recommended changes and questions must be referred to the Office of Primary Responsibility (OPR) using the AF Form 847, *Recommendation for Change of Publication*. Ensure that all records created as a result of processes prescribed in this publication are maintained IAW Air Force Manual (AFMAN) 33-363, *Management of Records*, and disposed of IAW the Air Force Records Disposition Schedule in the Air Force Records Information Management System (AFRIMS). This Instruction requires the collection and or maintenance of information protected by the Privacy Act of 1974 authorized by Federal Acquisition Regulation (FAR) Part 13.301. The applicable system of record is the Notice Defense Manpower Data Center 02 DoD, Defense Enrollment Eligibility Reporting Systems (DEERS), is available at: <http://dpclo.defense.gov/Privacy/SORNS.aspx>. Useful reference material is available on the GPC section of Air Force (AF) Contracting Central accessible through the AF Portal.

SUMMARY OF CHANGES

This is a substantial, comprehensive revision that replaces AFI 64-117, dated 20 September 2011. This revision incorporates and supersedes changes to policy, updates revised processes, and changes the name from “Air Force Government-Wide Purchase Card (GPC) Program” to “Government Purchase Card (GPC) Program”. Specific changes include: reformatting of chapters and paragraphs that provide for more congruity among topics; break out the following chapters – training, funding and payments, prohibitions, surveillance, disciplinary actions, convenience checks and foreign drafts; added the following chapters – Government Information Technology (IT) Systems, Declared Contingencies, and Expanded Use.

Chapter 1— PROGRAM OVERVIEW	8
1.1. Overview.	8
1.2. Purchase Card	8
1.3. Purchase Card Uses.	8
1.4. Information Process.	8
Chapter 2— Roles and Responsibilities	10
2.1. Program Structure.	10
Figure 2.1. GPC Hierarchy.....	10
2.2. Responsibilities.	10
2.3. The Card Issuing Bank (the Bank).....	20
Chapter 3— GOVERNMENT PURCHASE CARD IT SYSTEMS	21
3.1. AF Contracting Central/GPC Section.	21
3.2. Purchase Card On-line System.	21
3.3. Express Contract Action Reporting System.....	22
3.4. Federal Procurement Data System - Next Generation.	23
3.5. The Card Issuing Bank’s Electronic Access System.	23
3.6. Defense Enterprise Accounting and Management System.	23
3.7. Integrated Accounts Payable System.....	23
Chapter 4— TRAINING	24
4.1. Mandatory Training.	24
4.2. Refresher Training	25
4.3. Optional Training.	25

Chapter 5— FUNDING, PAYMENT AND REBATES	26
5.1. Financial Management Requirements.	26
5.2. AF Form 4009, Government Purchase Card Fund Cite Authorization.....	26
5.3. Funding.	26
5.4. Reallocation.	26
5.5. Reconciliation Issues.	26
5.6. Financial Management Certification of the Bank Statement for Payment.	27
5.7. DFAS Processing.	27
5.8. GPC Rebates/Credits.	27
5.9. 13th Month Billing Cycle.	28
5.10. Fiscal Year End Close-out Procedures	28
Chapter 6— GOVERNMENT PURCHASE CARD PROCESSES	30
6.1. Accounts.	30
6.2. Termination or Closure of Accounts.	31
6.3. Data Access by Non-Program Officials.	31
6.4. Bank Secrecy and Patriot Acts.....	31
6.5. Records Management	31
6.6. Freedom of Information Act (FOIA) Requests.	32
6.7. Base Closure.	32
Chapter 7— GOVERNMENT PURCHASE CARD USAGE	33
7.1. Authorized Use.	33
7.2. CONUS Purchases for Overseas.....	36
7.3. OCONUS Purchases.	36
7.4. Merchant Category Code.	37
7.5. Order Management Log.....	37
7.6. Pick Up (of items), Shipping, Delivery.	37
7.7. Receipt, Accountability and Disposal of Property.....	38
7.8. Tuition Assistance Program.	38
7.9. Third-Party Payment Service (e.g. PayPal, Google Pay, etc).....	39

7.10.	Advance Conference Registration Fee.	40
7.11.	Unauthorized Use of the GPC.	40
7.12.	Purchases Requiring Additional Authorization	40
7.13.	Disputes, Defective Items and Fraudulent Transactions.	44
7.14.	Non-Disputable Charges.	45
CHAPTER 8— PROHIBITIONS FOR GPC AND CONVENIENCE CHECKS		46
8.1.	Personal use.	46
8.2.	Classified Requirements.	46
8.3.	Cash Advances.	46
8.4.	Cash Refunds.	46
8.5.	Purchases Requiring Advance Payments.....	46
8.6.	Checkout Fees.	46
8.7.	Betting, Casino Gaming, and Off-track Betting	46
8.8.	Taxes.....	46
8.9.	Bail and Bond Payments.	46
8.10.	Equal Employment Opportunity Settlement	47
8.11.	Use of the GPC (or convenience checks).....	47
8.12.	Purchases from Government Personnel (civ or mil).	47
8.13.	Purchases for Contractors	47
8.14.	Items and Services That Are Part of an Existing Contract.	47
8.15.	Construction Services Above the Construction MPT	47
8.16.	Services Acquisitions Above the Services MPT.....	47
8.17.	Personal Services Contracts	47
8.18.	Salaries and Wages.	47
8.19.	Short Term Lease/Rental of Banquet Halls or Similar Facilities for Non-Mission Related Events.	47
8.20.	Long-Term Lease of Land and/or Buildings.	47
8.21.	Safety-of-Flight Items Regardless of the Expendability, Reparability, Recoverability Category.	47

8.22.	Major Telecommunication Systems.	47
8.23.	Weapons, Ammunition, and Explosives	48
8.24.	Travel Related Expenses.....	48
8.25.	Vehicle-Related Expenses.	48
8.26.	Appliances.	48
8.27.	Entertainment.....	48
8.28.	Items/Services for the Personal Benefit of Government Employees.....	48
8.29.	Donations to or Payment of Expenses for Private Organizations or Membership Dues in Professional Organizations.	48
8.30.	Splitting of Requirements.	48
8.31.	Recurring or Repeat Purchases	49
8.32.	Use of Merchant Category Code 000.....	49
8.33.	Aircraft Fuel and Oil.....	49
8.34.	Unmanned Aircraft Systems.....	49
8.35.	Preferred Use Memberships.	49
CHAPTER 9— CONVENIENCE CHECK ACCOUNTS AND FOREIGN DRAFTS		50
9.1.	Convenience Check Accounts.	50
9.2.	Unauthorized Use.	51
9.3.	Funding.	51
9.4.	Foreign Drafts.	52
Chapter 10— GOVERNMENT PURCHASE CARD USE FOR EMERGENCY ACQUISITIONS		53
10.1.	Emergency Acquisition Flexibility.	53
10.2.	Emergency Thresholds.	53
10.3.	Responsibilities.....	53
10.4.	Deviations and Risks.	56
10.5.	Reconciling Transactions in an Emergency Environment.....	56

Chapter 11— PURCHASES ABOVE THE MICRO-PURCHASE THRESHOLD, CONTRACT PAYMENTS, and CABLE TELEVISION, UTILITIES, AND TELECOMMUNICATIONS SERVICES	57
11.1. Purchases Above the Micro-purchase Threshold.	57
11.2. Cable, Utilities, and Telecommunications (Internet) Services Contracts.	57
11.3. Contract Payment Method.	57
Chapter 12— SURVEILLANCE	58
12.1. GPC Surveillance Requirements.....	58
12.2. Commander’s Surveillance Responsibilities.	58
12.3. Level 3, MAJCOM Agency/Organization Program Coordinator Surveillance Responsibilities.	58
12.4. Level 4, Agency/Organization Program Coordinator Surveillance Responsibilities.....	58
12.5. Level 5, Approving Official Surveillance Responsibilities.	59
Chapter 13— CORRECTIVE ACTIONS	60
13.1. Corrective Actions of Violations.	60
13.2. Discovery.....	60
13.3. Major Violations.	60
13.4. A/OPCs shall verify that all potentially fraudulent and erroneous transactions that have been identified are disputed and properly resolved.....	61
13.5. Corrective Actions.....	61
13.6. Pecuniary Liability.....	62
13.7. Disciplinary Actions.	62
13.8. Clearance Revocation.	63
13.9. Criminal Prosecution	63
Chapter 14— REPORTS	64
14.1. Reports in General	64
14.2. Purchase Card Online System Reports.	64
14.3. Express Contract Action Reporting System vs Federal Procurement Data System-Next Generation Comparison Report.....	64
14.4. OMB Reports.....	65

14.5. The Bank Reports	65
Attachment 1— GLOSSARY OF REFERENCES, FORMS, ABBREVIATIONS AND ACROYNMS, AND TERMS	66
Attachment 2— SAMPLE DELEGATION LETTERS	70

Chapter 1

PROGRAM OVERVIEW

1.1. Overview. The Government Purchase Card (GPC) Program provides Air Force (AF) and supported organizations a simplified, streamlined method of purchasing and paying for supplies, services, construction projects, and under special circumstances, making contract payments. The program complies with Federal, DoD and AF statutory and regulatory guidance, as well as the terms and conditions specified in the most current General Services Administration (GSA) SmartPay Master Contract. Contracting authority flows from Secretary of the Air Force, Acquisition, Contracting (SAF/AQC) to the Head of Contracting Activity. The Head of Contracting Activity re-delegates contracting authority to local procurement offices. The Chief of Contracting within those procurement offices re-delegates their contracting authority to purchase cardholders and convenience check account holders through the Delegation of Contracting Authority Letter (Attachment 2). Cardholders must countersign to acknowledge this responsibility. **(T-0)**

1.2. Purchase Card Benefits. The primary benefits of the Purchase Card Program are the card-issuing banks provide a commercial purchase and payment service that replaces the paper-based, time-consuming purchase order process, reducing procurement lead time, providing transaction cost savings, reducing procurement office workload, and facilitating payment to include reductions in interest payments. Additionally, the Air Force has received permission from Office of the Secretary of Defense (OSD) to utilize the Pay and Confirm process to capitalize on rebates. This process means payments should be certified within 5 business days of receipt.

1.3. Purchase Card Uses. The purchase card is the preferred method of payment for: a) micro-purchases (as defined in the Federal Acquisition Regulation (FAR) 13.201(b)); b) placing task or delivery orders against pre-priced contract vehicles and agreements if authorized in the basic contract, basic ordering agreement, or blanket purchase agreement, (appropriated fund GPCs cannot purchase against non-appropriated funds contracts); c) contract payments against fully funded contracts that are found to be advantageous to the Government when compared to other methods of payment, and the contractor accepts payment by the GPC (See GPC Expanded Use Guidebook). The contract should include the third party payment clause identified in FAR 32.1108 - Payment by Governmentwide Commercial Purchase Card; however, GPC contract payments may be made if the contractor agrees to accept the GPC as a method of payment. Any organization with requirements, exceeding the micro-purchase threshold (MPT) and not purchased under expanded use authority, should contact their Contracting Office. The organization may be required to complete an Air Force Form 9, Purchase Request, and forward to their Contracting Office for purchase. The Air National Guard is not subject to this instruction except in regards to payment matters. (Reference the Department of the Army Government Purchase Card Operating Procedures for all other Air National Guard GPC related matters.)

1.4. Information Process. Cardholders should direct all questions to their Level 5 approving official. If the Level 5 approving officials cannot resolve the issue, they shall direct the issue to their Level 4, Agency/Organization Program Coordinator (A/OPC). If the Level 4 A/OPC cannot resolve an issue, they should forward to the Level 3, and onto the Level 2 GPC Program Manager for guidance if necessary. Key policy, guidance, and GSA SmartPay contractual

information is accessible via the following links: Defense Procurement Acquisition Policy- AF Contracting Central/GPC Section - GSA SmartPay

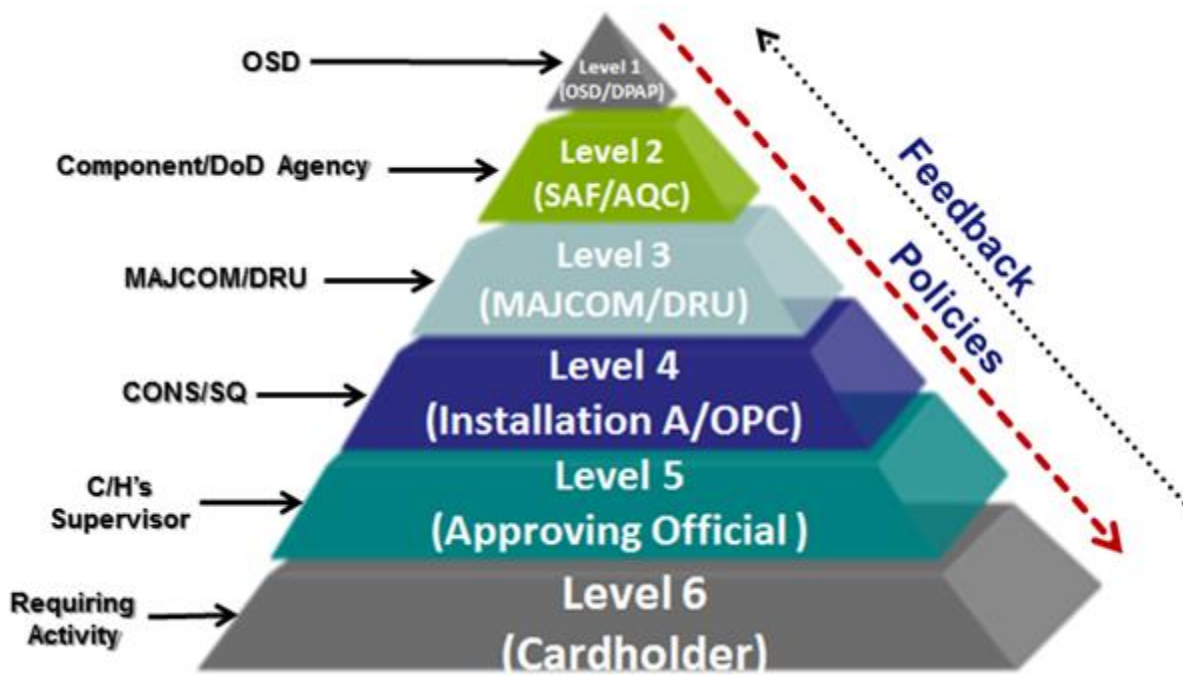
1.4.1. All waivers, exceptions, and deviations shall be in writing and routed to the appropriate level. Requests to waive, take exception to, or deviate from the rules, regulations or processes and procedures will be reviewed on a case-by-case basis. Submit requests for waivers through the GPC chain of command to the appropriate Tier waiver approval authority; See AFI 33-360, *Publications and Forms Management*, for a description of the authorities associated with the Tier numbers. Copies of all approved waivers must be forwarded to the Level 2 within 5 business days of approval. The Level 2 will retain copies of all approved waiver packages. In times of emergencies, a waiver approval may be obtained either through email or telephone call from the Level 2 with a follow up waiver request letter from the requesting commander. The letter must detail the reasons for the request and what harm would happen if the waiver was not granted. **(T-1)**

Chapter 2

ROLES AND RESPONSIBILITIES

2.1. Program Structure. The GPC Program is founded on the six-tiered hierarchal reporting chain of command system identified in **Figure 2.1** below. The formal names associated with specific roles within this hierarchy are often used interchangeably with the corresponding level of authority within the hierarchy. For instance Agency/Organization Program Coordinators are also referred to as Level 4s, and the AF GPC Acquisition Executive Agent is often called the Level 2.

Figure 2.1. GPC Hierarchy.



2.2. Responsibilities. All Program personnel shall complete the GPC specific training prior to being appointed any responsibilities within the GPC Program. **(T-0)** In addition, all GPC personnel shall maintain currency to continue to hold GPC positions. **(T-0)** Government contractor employees shall not be issued GPCs, appointed as Approving Officials, perform independent receipt of goods and services, and shall not be granted access to the card issuing Bank's Electronic Access System or any of the Business IT systems. **(T-0)** All Program personnel must protect the information derived from use of the GPC. **(T-0)**

2.2.1. The Office of the Secretary of Defense, Defense Procurement Acquisition Policy (OSD/DPAP) (Level 1) (known as the Purchase Card Program Office) interprets and tailors federal statutory and regulatory laws and guidance for Department of Defense (DoD) usage; develops business rules common to all DoD corporate card programs (purchase, travel, air, fleet, and fuel), and codifies them in the DoD Government Charge Card Guidebook. Refer to the Purchase Card Program Office website at for policy letters, the DoD Government Charge Card Guidebook, and other pertinent information.

2.2.2. The GPC Acquisition Executive Agent (Level 2) for the Secretary of the Air Force, Acquisition, Contracting (SAF/AQC) is appointed by the Associate Deputy Assistant Secretary (Contracting), Assistant Secretary (Acquisition) and performs oversight of the GPC Program for the Air Force. **(T-0)** The Level 2 will:

2.2.2.1. Serve as the liaison between AF organizations, the Purchase Card Program Office, the card issuing Bank, GSA's Office of Credit Card Management and other federal agencies. Participate in the mandatory meetings and events including attending and representing the Air Force on panel discussions and training events (e.g., GSA SmartPay Training Forum). Communicate DoD and AF policy updates, surveillance or audit findings, procedure changes, and other information to the Level 3 GPC Program Coordinators. **(T-0)**

2.2.2.2. Maintain and update all GPC policy as required, e.g., Policy Memorandums, GPC Expanded Use Guidebook, and Express Contract Action Reporting System (ECARS) user guide. Review and retain AFI 64-117 waivers, exceptions and deviations. **(T-1)** Manage and update the content in the GPC Section of Air Force Contracting Central. Maintain the currency of, and provide the field access to, all GPC related forms, publications, and guidance (as prescribed in AFI 33-360, *Publications and Forms Management*).

2.2.2.3. Review and submit weekly, monthly, quarterly and annual reports as required. **(T-0)** (See Chapter 14, Reports) Seek out trends and best practices to improve the Program. Implement innovative means of increasing rebates and lowering administrative costs and merchant prices.

2.2.2.4. Manage Purchase Card On-line System (PCOLS) data. **(T-0)** Ensure all accounts are provisioned in the PCOLS at the minimum 90% deployment rate. Address PCOLS automated e-mail notifications sent to the AF and DoD levels. Provision and remove Level 3s in the PCOLS as necessary. Address Program deficiencies and discrepancies that affect the overall health indicated on the PCOLS Risk Assessment Dashboard.

2.2.2.5. Manage ECARS data. Export ECARS vs Federal Procurement Data System-Next Generation (FPDS-NG) data, update SAF/AQC briefing and send to the field. **(T-1)** Approve or remove any GPC personnel on the denied list; update contract period of performance as required; provide support for proper and timely reporting of the ECARS transactional data.

2.2.2.6. Maintain Level 3 GPC Program Coordinator and Level 3 Financial Service Officer point of contact rosters; and keep on file each Level 3's training records and appointment letters.

2.2.3. Each Senior Contracting Official/Senior Center Contracting Official shall appoint in writing, one primary and one alternate A/OPC (Level 3). **(T-1)** Additionally, the AFICA/CC and supporting directors will provide sufficient primary and alternate A/OPCs to manage their GPC program. **(T-1)** The Level 3 is responsible for the implementation and administration of the AFICA-OL/MAJCOM/DRU GPC Program. **(T-1)**

2.2.3.1. The Level 3 serves as the liaison between SAF/AQC and the installation Level 4 A/OPCs; and the point of contact for all AFICA-OL/MAJCOM/DRU level inspections,

and participates in the mandatory meetings and events. Communicate DoD, AF and AFICA/MAJCOM/DRU policy updates, findings, procedure changes, and other information to the Level 4 A/OPCs. Process and retain waivers, exceptions and deviations.

2.2.3.2. The Level 3 reviews and submits weekly, monthly, quarterly and annual reports as required. (See Chapter 14, Reports) **(T-0)** Seek out trends and best practices to improve the Program. Assist the Level 2 Program Manager with implementing innovative means of increasing rebates and lowering administrative costs and merchant prices.

2.2.3.3. Manage PCOLS data; the Level 3 shall ensure all accounts are provisioned in the PCOLS. **(T-0)** Shall proactively address automated e-mail notifications that surface to the AFICA-OL/MAJCOM/DRU levels and prevent them from reaching the Level 2 or Level 1. Address program deficiencies and discrepancies that affect the overall health indicated on the PCOLS Risk Assessment Dashboard. **(T-0)**

2.2.3.4. Manage ECARS data. Approve or remove any GPC personnel on the denied list; update contract period of performance as required. Review and address, as necessary, information gleaned from the ECARS vs FPDS-NG report provided by the Level 2; assist the field with operational use of the ECARS to include proper and timely reporting of the ECARS transactional data. **(T-1)**

2.2.3.5. Perform Level 3 A/OPC annual surveillance inspections as prescribed in Chapter 12, Surveillance. **(T-1)**

2.2.3.6. The Level 3 reviews, at least quarterly, the listing of uncashed rebate checks. **(T-1)**

2.2.3.7. Maintain a Level 4 A/OPC point of contact roster; and keep a file containing each A/OPC's appointment letter.

2.2.4. Agency/Organization Program Coordinator (Level 4). The Level 4 is the specific A/OPC under each AFICA-OL, MAJCOM, or DRU. The Contracting Commander, or equivalent, shall appoint a primary and alternate Level 4 in writing. **(T-0)** This authority may only be delegated in the absence of the commander to the deputy. Primary and Alternate A/OPCs must be an 1102 contracting series civil servant, 6C0X1 enlisted contract specialist, 64PX officer contract specialist, or foreign national equivalent (for Outside the Continental United States (OCONUS) installations). **(T-1)** They must also possess, at a minimum, a Level I Certification in Contracting under the AF Acquisition Professional Development Program. **(T-1)** Newly hired Level 4s have one year from their effective date of employment to obtain the necessary certification. **(T-1)** The Level 4 is responsible for program implementation, administration, training and monitoring at the installation/organization level. The Level 4 is also required to comply with base closure procedures and to process Freedom of Information Act (FOIA) requests as it relates to the GPC Program. **(T-0)**

2.2.4.1. The Level 4 serves as the liaison between the Level 3, and the installation/organization GPC personnel. They also serve as the liaison between the financial and contracting communities as it applies to the certification of funds and payment of Bank statements. The Level 4 is also the installation/organization point of

contact for bank related matters. They provide business advice to all cardholders, check writers, approving officials, Small Business Specialist, the Contracting Commander, or equivalent, and the installation/organization commander. They participate in any mandatory meetings, and communicate DoD, AF, and MAJCOM/DRU policy updates, findings, procedure changes, and other information as necessary to installation/organization personnel. They assist the Level 3 to increase rebates and lower administrative/merchant costs.

2.2.4.2. The Level 4 shall ensure GPC Program personnel are properly appointed, trained, maintain currency in training and capable of performing their respective duties; shall establish and maintain a file for each approving official and cardholder and retain in accordance with retention rules. **(T-0)** The Level 4 should temporarily suspend (reduced credit limit to \$1) any managing account or cardholder account that fails to maintain currency. At a minimum, the file shall contain the following: Delegation of Contracting Authority Letter (see Attachment 2) for cardholders, and a Department of Defense (DD) Form 577 for approving officials; all letters of appointment; initial and all refresher training documentation; and surveillance checklists. If electronic versions are available, this negates the Level 4 from maintaining a hard copy but must be able to produce a copy when required. Ensure military and civilian out-processing checklists include a mandatory A/OPC sign-off for approving officials and cardholders. **(T-0)**

2.2.4.3. The Level 4 shall accomplish the following monthly: a) recommend, to the organization commander, suspension of any accounts which have not been used within six months, recommend suspension at 300 days and closure of any accounts which have not been used within 365 days (exception: any accounts that have a documented need to remain active, e.g., contingency accounts, mortuary); b) coordinate with Financial Service Officers to ensure timely certification and payment; c) identify and monitor terminated accounts with outstanding credits until refunded to the Government; d) address program deficiencies and discrepancies identified in the PCOLS Risk Assessment Dashboard; e) ensure the proper disposition of rebate checks in accordance with paragraph 5.8. **(T-1)**

2.2.4.4. The Level 4 should brief the local Contracting Commander, or equivalent, on a monthly basis to ensure the internal controls for the GPC Program continue to be used efficiently, economically, and effectively to help manage and reduce fraud, misuse, and abuse. The briefing should include: a) a summary of violations to include payment delinquencies that exceed 30 calendar days, unauthorized purchases, split purchases, fraud, misuse, abuse, purchases exceeding authorized limits, span of control ratios/functions and violations, non-use of mandatory sources, convenience check violations, and purchases over the MPT that were not properly competed and what corrective action should be taken; b) FPDS-NG & ECARS comparison report; c) PCOLS provisioning trends that result in the organization falling below the mandatory 90% deployment threshold; and d) any tailored items necessary for situational awareness.

2.2.4.5. It is the Level 4's responsibility to process and retain waivers, exceptions and deviations; and ensure lost/stolen cards are immediately reported. **(T-0)**

2.2.4.6. Perform Level 4 A/OPC annual surveillance inspections as prescribed in Chapter 12, Surveillance. **(T-0)**

2.2.4.7. The Level 4 shall temporarily suspend (reduced credit limit to \$1) any account if 30 calendar days past the Bank statement date. **(T-1)** If any account is 120 days delinquent, the A/OPC will suspend the entire organization (i.e. Level 4 Activity). **(T-1)** The Level 4 will also ensure any accounts delinquent 120 calendar days or more will be terminated. **(T-1)** (For each day an account goes unpaid after the Bank statement is issued, the Air Force loses money in rebates). The Contracting Commander, or equivalent, has the authority to waive the 30 day suspension to avoid mission impacts; however, a Corrective Action Plan shall be accomplished to preclude recurrence. **(T-1)**

2.2.4.8. Review and submit reports as required. (See Chapter 14, Reports) Analyze trends to improve the Program; assist approving officials and cardholders with reports as necessary; encourage approving officials and cardholders to register to receive the Bank's Electronic Data Notifications (automated e-mail alerts).

2.2.4.9. Manage PCOLS data. The level 4 shall provision (activate, deactivate/terminate) and maintain (adjust limits, etc) cardholder and managing accounts; provision PCOLS access tokens; monitor redemption of provisioned tokens; maintain personnel changes in the PCOLS; ensure appropriate separation of duties and ratios are maintained; ensure all accounts are provisioned in the PCOLS at the minimum 90% deployment rate; proactively address automated e-mail notifications (i.e., Escalated Flagged Transactions) so they are not elevated to the Level 3 or 2. **(T-0)** Address program deficiencies and discrepancies that affect the overall health indicated on the PCOLS Risk Assessment Dashboard.

2.2.5. The requiring activity commander, or equivalent, shall appoint primary and alternate Approval Officials (Level 5). **(T-0)** The following categories of personnel may be appointed approving officials: a) Government civilian employees; b) members of the Armed Forces; c) foreign nationals (both direct and indirect hires) subject to operational control and day-to-day management and supervision by U.S. civilian and military personnel. The approving official administers the Program for the requiring activity and provides assistance and oversight of cardholder and managing account activities.

2.2.5.1. Approving officials are designated in writing in their appointment document as Departmental Accountable Officials under the Pay and Confirm process. As such, Departmental Accountable Officials provide information, data, or services to Certifying Officers upon which the latter rely to certify vouchers for payment. In accordance with the provisions of DoD FMR Volume 5, Chapter 5, Paragraph 050701(C), Departmental Accountable Officials are not subject to the presumption of negligence, but may be held pecuniary liable under USC Title 10, Subtitle A, Part IV, Chap 165, Sec 2773a DEPARTMENTAL ACCOUNTABLE OFFICIALS for an illegal, improper, or incorrect payment resulting from information, data, or services they negligently provide to a Certifying Officer and upon which that Certifying Officer relies when certifying a payment voucher. **(T-0)** Any pecuniary liability of a Departmental Accountable Official for a loss to the United States resulting from an illegal, improper, or incorrect payment may be joint and several with that of any other officer or employee of the United States or member of the uniformed services who is also pecuniary liable for such loss.

2.2.5.2. Approving officials shall be appointed and terminated using the electronic DD Form 577, Appointment/Termination Record, as prescribed in Financial Management Regulation (FMR), [Vol 5](#). (T-0)

2.2.5.3. Approving officials act as a liaison between the requiring activity's commander and the A/OPC (e.g. reinstatement requests, corrective action plans, etc.). They serve as the point of contact for GPC compliance inspections/audits; support A/OPC surveillance inspections; and complete any corrective actions identified after each inspection/audit.

2.2.5.4. Establish/recommend cardholder and managing account dollar limits to the A/OPC based on historical use. The approving official shall ensure spending limits are held to the minimum amount necessary to meet mission requirements and established limits are not exceeded. (T-0)

2.2.5.5. The approving official shall verify appropriate and sufficient funds are available prior to cardholder purchases. (T-0) Approve/disapprove all purchases by the cardholder, and ensure all transactions are for valid, official Government requirements. (T-0) Ensure sources are rotated when possible. Ensure cardholders are not splitting requirements to avoid exceeding the MPT. (T-0)

2.2.5.6. Maintain a purchase log, to include supporting documentation, to track funds, expenditures. (T-0) This function may be used via the Bank's Electronic Access System, the PCOLS, or locally developed system. Register for electronic data notifications within the Bank Electronic Access System for automated e-mail alerts. Electronic data notifications will notify the A/OPC of time-sensitive tasks and assist with monitoring issues within the GPC Program. Ensure convenience check data is maintained; and IRS Form 1099 MISC, (Miscellaneous Income) for the merchant has been completed (to include identification of the tax ID or SS# of the merchant) and reported. (T-0)

Refer to http://comptroller.defense.gov/Portals/45/documents/fmr/current/10/10_23.pdf

2.2.5.7. If the cardholder is unable, the approving official shall reconcile the card statement on behalf of the cardholder within 3 business days after the billing cycle closes. (T-0) The approving official shall review and approve the managing account statement of accounts within 5 business days after the billing cycle closes. (T-0) Managing accounts not reconciled and approved by the approving official within 30 days after the end of the billing cycle will be suspended by the A/OPC. (T-1) Validate proper receipt, acceptance, and inspection of all items for payment certification (e.g., sign or initial each of the cardholders transaction receipts legibly). (T-0) Flag and track any transactions for items not yet received; ensure sales taxes are not paid (as appropriate), and document the file accordingly. Validate cardholder account documentation upon statement reconciliation is appropriate for certification for payment. (T-0) Upon discovery of suspected unauthorized purchases (e.g., purchases that would indicate non-compliance, fraud, misuse and/or abuse), immediately notify the requiring activity commander, or equivalent, and the A/OPC. (T-0)

2.2.5.8. Notify the approving official of the following: credits applied to terminated accounts (monitor credits until refunded to the Government); when personnel changes occur or there is an extended leave of absence or deployment; immediately notify of lost

or stolen cards. (If a cardholder finds a lost or stolen GPC, the approving official will ensure the card is destroyed.)

2.2.5.9. Maintain data in the PCOLS and ECARS. Ensure all accounts are provisioned in PCOLS. **(T-0)** Assist cardholders with operational use of the ECARS to include monitoring proper and timely reporting of the ECARS transactional data. **(T-0)**

2.2.5.10. Ensure end of fiscal year purchases which do not clear the Bank's Electronic Access System before 30 Sep XX are reported to the Financial Management office.

2.2.6. The Cardholder (Level 6) shall be nominated by the requiring activity commander, or equivalent, and appointed by the Contracting Commander, or equivalent, via a Delegation of Contracting Authority Letter as having procurement authority at a designated threshold (e.g., MPT). **(T-0)** Organizations with an established Command Support Staff must assign the primary cardholder within the Command Support Staff. **(T-1)** If an organization does not have an established Command Support Staff, then the primary cardholder duty will be assigned as the organization commander, or equivalent, directs. Organizations that have a mission of size and scope that exceed a single cardholder and require alternate cardholders, those duties will be treated as an additional duty and may require additional cardholders outside the Command Support Staff. The following categories of personnel may be appointed cardholders: a) Government civilian employees; b) Members of the Armed Forces; c) Foreign Nationals (both direct and indirect hires) subject to operational control and day-to-day management and supervision by U.S. civilian and military personnel. Cardholders are granted authority to purchase utilizing the GPC up to the threshold indicated on their delegation of authority letter. Cardholders must countersign their delegation of authority letters to acknowledge they have reviewed, understand, and concur with their GPC Program responsibilities and provide a signed copy to the A/OPC. **(T-0)** Cardholders shall not sign any agreements with terms and conditions. **(T-0)** The GPC bears the cardholder's name and shall only be used by the named individual to pay for authorized, official U.S. Government purchases. **(T-0)** It is the cardholder's responsibility to safeguard and secure the GPC and account number at all times. If a cardholder is approached suggesting any type of illegal or unethical business arrangement, the cardholder should immediately report this to the A/OPC. A cardholder who makes unauthorized purchases, allows others to use the card or card number, or carelessly uses the GPC may be held liable to the Government for the total dollar amount of the unauthorized purchase. **(T-0)** The cardholder is subject to disciplinary action under AF and DoD directives, regulations, Federal Law and the Uniform Code of Military Justice or civilian disciplinary rules. If the cardholder will be unable to perform their reconciliation duties, they must notify the approving official and provide information necessary for the approving official to act on the cardholder's behalf. **(T-1)** In addition, the cardholder must notify approving officials and outprocess with the A/OPC prior to permanent change of duty station move, separation, retirement, or absence of position. **(T-0)**

2.2.6.1. The cardholder shall ensure the following: a) proper and adequate funding is available prior to any purchase; b) screen all requirements for their availability from the mandatory Government sources of supply as prescribed by FAR Part 8, Required Sources of Supplies and Services (also see Air Force Installation Contracting Agency (AFICA) Strategic Sourcing Launch Pad); c) procure authorized goods or services; d) ensure sources are rotated; e) log and reconcile transactions within three business days; f) review and reconcile the monthly purchase card statement within three business days of each

cycle-end date; g) ensure that all charges are proper and accurate or have documented actions taken to correct the inaccurate charge; h) sales tax is not paid; i) notify their approving official and the card issuing Bank immediately of any lost or stolen cards, or suspected fraudulent activity; h) forward the appropriate supporting documentation, (e.g., sales slips, documentation of receipt and acceptance, purchase log, etc.) to the approving official in a timely manner. **(T-0)** If the cardholder finds the original GPC after reporting it lost or stolen, the cardholder shall relinquish the card to the approving official for destruction. **(T-0)** The cardholder should make every effort to obtain a credit for any tax costs from the merchant. (However, in some states, ordering agencies may be responsible for paying certain state tax fees.) If a credit is not obtained, the cardholder should seek restitution via the guidance provided by the GSA SmartPay Tax Exemption website located at: <https://smartpay.gsa.gov>. The cardholder should document the file accordingly.

2.2.6.2. Protect the integrity of the procurement process by ensuring a proper separation of function. At a minimum, a two-way separation of functions for all purchase card transactions is defined as one person making the purchase with the purchase card, and a separate person receiving, inspecting and accepting the purchase. **(T-0)**

2.2.6.3. Requirements that exceed the MPT (see Chapter 11, para 11.1) must be purchased against a pre-priced contractual agreement such as a Federal Supply Schedules, Indefinite Delivery/Indefinite Quantity (IDIQ), or Blanket Purchase Agreement unless otherwise stated in this AFI. **(T-1)** Cardholders must follow the agreements ordering guide procedures regarding competition or Fair Opportunity. Unless stated otherwise in the ordering guide, cardholders must review prices of at least three contracted sources to select the best value for their requirement. **(T-1)** If fewer than three sources are available, the cardholder must justify the lack of competition in writing to their supporting contracting office for a Contracting Officer's determination prior to purchase and maintain the determination in the purchase file. **(T-1)**

2.2.6.4. Maintain a purchase log in the Bank's Electronic Access System that documents all transactions. At a minimum, the purchase log must include the following fields: a) date the item/service was ordered; b) name of the requestor; c) description of the item(s)/service(s). **(T-0)** (If the purchases are valued less than \$75, they may be entered at the summary level, e.g. office supplies); d) merchant's name; e) number of items purchased; f) unit price; g) total dollar value of the transaction; h) name of the recipient of the item/service; i) date received. **(T-0)**

2.2.6.5. Verify and document receipt/acceptance of goods or services, and properly mark those items which are individually valued at \$5K or more or considered pilferable or sensitive as prescribed by the rules governing purchases requiring Item Unique Identification. **(T-0)** Protect the Government's rights by disputing transactions when receipt and acceptance of goods or services cannot be verified. The cardholder has 90 calendar days from the date the transaction has been processed/posted to the account to dispute it. Ensure fiscal year end purchases that do not clear in the Bank's Electronic Access System before 30 Sep XX get reported to the approving official and are tracked.

2.2.6.6. Ensure Pay and Confirm procedures are followed. The cardholder shall reconcile each transaction and approve their statements at the end of each cycle in

anticipation the supplies will be received, unless there are billing errors or questionable transactions. **(T-0)** Resolve any invalid transactions with the merchant. Confirm with the merchant the items ordered are in transit and track the transactions that have not been received by the current billing statement. If the billing errors or questionable transactions are not resolved, or the supplies are not received by the next billing statement, the cardholder will dispute the item (within 90 calendar days of the transaction posting date). **(T-0)** If there are damaged items, confirm with the merchant they will replace, modify, or repair any damaged item within the next billing cycle. If the merchant fails to replace, modify, or repair the damage by the allotted time, then follow the disputes procedures (see paragraph 2.2.6.6.).

2.2.6.7. Ensure convenience check data is maintained; and Internal Revenue Service (IRS) Form 1099 MISC, (Miscellaneous Income) for the merchant has been completed (to include identification of the tax ID or SS# of the merchant) and reported. (See http://comptroller.defense.gov/Portals/45/documents/fmr/current/10/10_23.pdf) **(T-0)**

2.2.6.8. Cardholders should register for electronic data notifications within the Bank Electronic Access System for automated e-mail alerts to act on time-sensitive cardholder tasks. (e.g., bank payments, unusual purchases reviews, dormant accounts, etc.)

2.2.6.9. Authorized cardholders shall enter all purchases over the MPT up to \$25K into the ECARS for A/OPC approval in accordance with local policy (e.g. prior to purchase), but no later than 30 days after the purchase date. **(T-1)** Cardholders must first be granted authority to make purchases over the MPT up to \$25K (see Ch. 11).

2.2.7. Installation Level Program Management responsibility rests with the installation commander, or equivalent; and they shall have overall responsibility for the GPC Program for their installation. They are ultimately responsible for establishing and complying with mandated internal controls which ensure the appropriate management, operation, and oversight of the local GPC Program. **(T-1)** The commander, or equivalent, is responsible for a command climate that prevents requiring activities and personnel from exercising undue influence over the actions of the cardholders. **(T-1)**

2.2.7.1. The Contracting Commander, or equivalent, shall develop internal management controls to operate, manage, provide oversight and maintain the integrity of the local GPC Program. **(T-1)** At a minimum, ensure adequate checks and balances are in place to manage local programs, ensure cardholders are not subjected to undue influence over their actions by A/OPCs, approving officials, or others within the command/organization.

2.2.7.2. The Contracting Commander, or equivalent, must ensure separation of duties. **(T-0)** Ensure the roles and responsibilities of the individuals within the GPC Program are not in conflict. Individuals designated as A/OPCs shall not be simultaneously designated as approving officials or cardholders. **(T-0)** Individuals designated as approving officials shall not be a cardholder on the same managing account. **(T-0)** No individual shall serve as a cardholder or approving official with the responsibility of certification on the same funds. **(T-0)** Certifying Officers are defined as individuals responsible for certifying payment vouchers are correct and proper for payment.

2.2.7.3. In accordance with DoD guidance, span of control shall be managed appropriately. Primary and alternate A/OPCs shall not be responsible for more than 300 GPC accounts (300:1 cardholder and managing accounts combined). **(T-0)** Additional A/OPCs shall be appointed whenever the combined number of cardholder and managing account accounts exceed the 300:1 ratio. **(T-0)** A/OPCs must have the resources to accomplish program oversight. In addition, the number of cardholder accounts assigned to a primary approving official shall not be more than seven (7:1). **(T-0)** Additional approving officials shall be assigned by the organization whenever the number of cardholder accounts exceed the 7:1 ratio. **(T-0)** The A/OPC should routinely evaluate the effectiveness of each approving official's ability to review, approve and reconcile transactions by considering the number of transactions made by each cardholder under the approving official's purview.

2.2.7.4. The Contracting Commander, or equivalent, in coordination with the Small Business Specialist, or equivalent, shall ensure all small business regulatory and statutory requirements are met, and that policies and procedures (i.e., local set-aside programs) support maximum participation of small business are developed. **(T-0)**

2.2.7.5. The Contracting Commander, or equivalent, may tailor the Delegation of Contracting Authority Letter to appoint cardholders as necessary; however, the letter shall reflect all appropriate limits. **(T-0)** Do not appoint cardholders unnecessarily; only for mission requirements. OCONUS GPC personnel may be granted authority to make single purchases up to \$25,000.00 per transaction in accordance with Defense Federal Acquisition Regulation Supplement (DFARS) 213.301(2). Warranted contracting officers do not require a separate authority letter to use the GPC. The restrictions to personnel designated as cardholders also apply to convenience check writers. The Contracting Commander, or equivalent, should not issue multiple cards to one cardholder without written justification from the cardholder's commander, as multiple lines of accounting can be allocated to one card/account through Financial Management's reallocation process.

2.2.7.6. The Contracting Commander, or equivalent, shall provide program management reviews with the installation commander, or equivalent, on a quarterly summarizing the monthly A/OPC briefings. **(T-3)**

2.2.8. The Financial Management Office will nominate and appoint Financial Management personnel on a DD Form 577, Appointment/Termination Record, to serve as certifying officers under the AF Pay and Confirm process. **(T-0)** Financial Management is responsible for training and advising cardholders and approving officials on financial issues and the appropriate use of funds. They provide certified funding documents for each account and certify Bank statements for payment within 5 calendar days of receipt. They serve as the liaison between the installation and Defense Financial and Accounting Service (DFAS) (the paying office). These Certifying Officers have pecuniary liability for payments they certify. **(T-0)**

2.2.8.1. The Financial Management Level 2 should maintain and provide a current list of MAJCOM level Financial Service Officers to the GPC Level 2 for funding/payment issues.

2.2.8.2. The Financial Management Level 2 should monitor reports and collaborate with finance personnel to ensure payment delinquencies are not caused by the untimely certification of statements.

2.2.8.3. Financial Management should alert A/OPCs within 3 business days of notification or discovery of any potential or pending issues that can affect timely payment.

2.2.8.4. Financial Management will assist the A/OPC in developing/providing initial cardholder and approving official training. (T-3)

2.3. The Card Issuing Bank (the Bank) . The Bank establishes cardholder and managing account accounts for use with the GPC Program. The Bank will provide dedicated customer service support to both domestic and international cardholders. These services will be identified in the current overarching contract and task order. The Bank, at a minimum, will issue cards, billing statements, payment services, training in the utilization of the Bank electronic access tools, assist with declined authorization inquires, lost or stolen cards and transaction disputes. The Bank may also coordinate requests for cardholder account inquiries, reconciliation assistance services, provide account information when required.

2.3.1. The Bank will mail the GPC to the cardholder or designated distribution point within 24 hours of receipt of the electronic request, or notification of a lost or stolen card. For international card replacement, the Bank will send the card within 24 to 48 hours, depending on the country/region; delivery times will vary. In addition, the Bank can provide foreign draft service in some countries to account holders at locations where charge cards are not accepted; the A/OPC must work with the Bank. (See Foreign Draft) Accounts) The Bank will also manage convenience check reorders if unavailable through the Bank's Electronic Access System. The A/OPC must inform the Bank if the cardholder needs an expedited card delivered.

2.3.2. The Bank will monitor mutual account performance goals/objectives and provide standard and ad hoc reports either through queries of its Electronic Access System or actual report submissions.

Chapter 3

GOVERNMENT PURCHASE CARD IT SYSTEMS

3.1. AF Contracting Central/GPC Section. This AF GPC Level 2 maintained website serves as the central repository for all Purchase Card DoD and AF policy guidance; Bank reports; information, calendar events and important web-links related to the GPC Program. (AF Contracting Central/GPC Section)

3.2. Purchase Card On-line System. The PCOLS is a DoD mandated system that improves the management and accountability of the GPC Program. It is comprised of five web-enabled automated tools: Enterprise Monitoring & Management of Accounts; Authorization, Issuance & Maintenance; Data Mining; Risk Assessment Dashboard; and PCOLS Reporting. The PCOLS allows both auditors and commanders to assess the relative health of an agency's/organization's program through use of an interactive risk assessment dashboard and reporting application. The system also scans 100% of all GPC transactions and prompts approving officials, A/OPCs and higher level GPC officials to complete independent reviews of high-risk transactions via automatic e-mail notifications. Access, by non-GPC personnel, to the PCOLS shall be limited to official use only. **(T-1)**

3.2.1. Enterprise Monitoring & Management of Accounts (EMMA) is a Defense Manpower Data Center web application used to capture and define organizational purchase card hierarchies, document authority chains, and identify relationships among GPC roles. Because CAC data is used, EMMA can provide more robust information for use in data mining. As part of the provisioning process, users can: create and manage organizations and roles; assign permissions to roles; assign users to roles, and remove users from roles. Cardholder and managing accounts shall be established in the PCOLS, not the card issuing bank's Electronic Access System. **(T-0)**

3.2.2. Authorization, Issuance & Maintenance (AIM) is an electronic application used to initiate, approve, and transmit requests for GPC issuance and maintenance actions. AIM draws from hierarchies (e.g., role responsibilities and permissions) established in EMMA. It directly engages GPC supervisors, helps ensure business rules comply with internal organizational management controls, and is a workflow tool performing various GPC Program account authorization and maintenance functions.

3.2.3. The Data Mining application programmatically reviews 100% of the DoD GPC transactions using sophisticated intelligent/learning software to identify correlations, patterns, and trends in GPC buying actions. This transaction review allows daily, near-real-time mining of the data. The Case Manager interprets the referred transactions and creates specific cases that are assigned to the approving officials and A/OPCs for review. The appropriate program official shall conduct due diligence in reviewing referred transactions and adjudicate any open cases. **(T-0)**

3.2.4. The Risk Assessment Dashboard application uses internal controls and measures, coupled with results from the Data Mining application, to assess and report on the overall "health" and monitor risks of the GPC Program. Risk Assessment Dashboard reports assist GPC Program officials and auditors in determining the appropriate level of targeted oversight. Each user's dashboard provides the risk level for system identified risks.

Commanders, directors, or equivalent, and GPC officials should make maximum use of the PCOLS Risk Assessment Dashboard to identify and correct program deficiencies and discrepancies.

3.2.5. The Reporting Application utilizes data from the Defense Eligibility and Enrollment Reporting System, the Defense Acquisition University, the Defense Manpower Data Center, and the card issuing bank's Electronic Access System. The user's role in EMMA defines which purchase card account reports can be generated. Auditors, inspectors, and A/OPCs conducting annual surveillance inspections should maximize use of this application.

3.2.6. The PCOLS uses two basic automated e-mail notifications, high-risk and escalated flagged transaction, to task approving officials, A/OPCs, and other GPC officials to conduct independent reviews of questionable transactions.

3.2.6.1. High-risk notifications task GPC officials to perform independent reviews of specific transactions. GPC officials shall ensure each high-risk case is properly adjudicated and closed, as practically as possible. **(T-0)**

3.2.6.2. Escalated Flagged Transaction notices are sent in succession to each level in the GPC hierarchy's chain until elevated to the Level 1, DoD GPC Program Manager (OSD/DPAP) if a high risk case is not closed. GPC officials shall make every effort to close cases prior to elevation to the Level 2, AF Acquisition Executive Agent. **(T-0)**

3.2.7. The PCOLS enhancement request forms (Contracting Central/GPC/forms) are staffed by the field through the GPC hierarchy chain to the AF Level 2, to request PCOLS capability changes. The PCOLS Operational Requirements Committee reviews and votes to approve or reject change requests on a bi-annual basis. The AF Level 2 GPC Acquisition Executive Agent is a member of the Operational Requirements Committee, along with the other Service Components and DoD Agencies.

3.3. Express Contract Action Reporting System. The ECARS is a secure web-based application that shall be used (with the exception of contract payments) to document all GPC purchases above the MPT and below \$25K. This system consolidates purchase data by contract number for each location for the Federal Procurement Data System - Next Generation reporting. If authorized to purchase above the MPT, the cardholder is responsible for ensuring all cardholder ECARS requests are reviewed and approved by the approving official prior to submission to the A/OPC. The cardholder will create and submit the ECARS Approval/Data Form in accordance with local procedures (e.g. prior to purchase), but no later than the last day of the month in which the purchase was made. **(T-1)** The ECARS User's Guide is available through the ECARS website Help tab and in the AF Contracting Central/GPC website.

3.3.1. Federal Procurement Data System - Next Generation & ECARS Comparison Reports assist in ascertaining if any data has not been reported correctly (e.g. mismatched records). These are sent the first and third week of the month from the Level 2; housed on the AF Contracting Central/GPC website; and can be accessed by GPC personnel through the ECARS website by clicking on "View;" then "ECARS & FPDS Report" and selecting their organization. A/OPCs and Level 3 Program Coordinators will correct mismatched records within 5 business days of report issuance, but no later than 30 days after the purchase date. **(T-1)**

3.3.2. The ECARS Enhancement/Capability Change Requests are accessed via the ECARS Capability Request Form through the requestor's GPC hierarchy chain, to the AF Level 2. The request form can be found on AF Contracting Central/Contracting Ops/ GPC Section/Business IT Systems/ECARs section.

3.4. Federal Procurement Data System - Next Generation. FPDS-NG is a web based Government central repository for collecting, developing and disseminating procurement data to Congress, the Executive Branch and private sector. The Federal Government uses the reported data to measure and assess the impact of federal procurement on the nation's economy, the extent to which awards are made to businesses in the various socio-economic categories, the impact of full and open competition on the acquisition process and other procurement policy purposes. FPDS-NG contains data that the Federal Government uses to create recurring and special reports to the President, Congress, the Government Accountability Office, Federal executive agencies and the general public (FAR 4.606, *Reporting Data*). Contracting office personnel shall manually enter the ECARS data into FPDS-NG on a monthly basis. **(T-0)** After the creation of the initial FPDS-NG Contract Action Report per contract per FY, CAR updates are required monthly if additional purchases are made. FPDS-NG access, training, and instruction manuals are available on the fpds.gov website.

3.5. The Card Issuing Bank's Electronic Access System. The Electronic Access System is a web-based data management and reporting tool. GPC personnel have access to account and transactional data, and execute banking activities related to GPC usage (e.g., initiate disputes, reallocate funds, and approve and reconcile transactions). The order management log and all data generated or processed in the Bank's Electronic Access System is maintained by the Bank for six years and three months. The Electronic Access System provides Electronic Data Notifications (automated e-mail alerts) that remind program personnel to act on time-sensitive cardholder and managing account tasks days before the deadlines (e.g., bank payments, unusual purchases reviews, dormant accounts, etc.) Local contracting activities can determine which electronic data notifications will be optional or mandatory for cardholders, approving officials, A/OPCs, and Financial Service Officer responsible for GPC funds certification and payments.

3.6. Defense Enterprise Accounting and Management System. Defense Enterprise Accounting and Management System (DEAMS) is a Major Automated Information System that uses commercial off-the-shelf Enterprise Resource Planning software to provide accounting and management services. DEAMS interfaces with approximately 40 other systems that provide travel, payroll, disbursing, transportation, logistics, acquisition, and accounting support. Financial Management utilizes DEAMS for processing GPC funding and reconciliation to improve financial management visibility.

3.7. Integrated Accounts Payable System. Integrated Accounts Payable System is a DFAS automated system. It supports the payment of commercial vendors and provides support for standard Electronic Data Interchange transactions, thus allowing full support for DoD and electronic commerce initiatives. Integrated Accounts Payable System is applicable to units still operating in legacy accounting systems until Defense Enterprise Accounting and Management System is completely fielded.

Chapter 4

TRAINING

4.1. Mandatory Training. Mandatory training is divided into initial online training and formal training. Prior to assuming their duties, program personnel shall complete the GPC training appropriate to their position. The training requirements for cardholders and approving officials trained at a previous duty station may be abbreviated or waived, in writing, as determined by the A/OPC. A/OPCs will retain copies of initial and refresher training certificates in the cardholder/approving official personnel files. **(T-0)**

4.1.1. All prospective GPC personnel shall take the online training for their respective positions located on the DPAP website prior to attending formal classroom training. **(T-0)**

4.1.2. Formal training shall be provided by the Level 4 A/OPC in coordination with the appropriate subject matter experts for all new cardholders/approving officials prior to using the purchase card. The A/OPC shall establish the length and content of formal training, but at a minimum include: **(T-0)**

4.1.2.1. Prohibition against splitting requirements. **(T-0)**

4.1.2.2. Mandatory Sources. (e.g. FAR Part 8, Small Business Administration, Mandatory Use Policies, etc.) **(T-0)**

4.1.2.3. Use of warranties and extended service agreements. The purchase of warranties are allowed; however, extended service agreements require the agreement to terms and conditions and are prohibited. **(T-0)**

4.1.2.4. Use of existing contracts and agreements. **(T-0)**

4.1.2.5. Competition, best value and price reasonableness; and equitable distribution of purchases among suppliers. **(T-0)**

4.1.2.6. Account reconciliation and approval; and an overview of the program IT systems. **(T-0)**

4.1.2.7. Declared contingency procedures for GPC. **(T-1)**

4.1.2.8. Financial Management should assist the A/OPC to develop training and/or train on funding document maintenance, Anti-Deficiency Act and the certification and payment process.

4.1.2.9. Small Business Specialist should assist the A/OPC to develop training and/or train FAR Part 19, *Small Business* procedures and achieving small business goals.

4.1.2.10. Hazardous Materials Management Process Team should assist the A/OPC to develop training and/or train the procurement, maintenance and disposal of hazardous materials.

4.1.2.11. Civil Engineering (CE) Operations flight should assist the A/OPC to develop training and/or train construction purchase requirements.

4.1.2.12. Logistics Readiness Squadron (LRS) should assist the A/OPC to develop training and/or train on the purchase of non-medical equipment items, Item Unique

Identification markings, government furnished property, allowances standards, and placing equipment/accountable items on an organizational account after receipt. In addition, they will provide training on transportation requirements (e.g., GPC vs GSA Fleet Card, GSA vehicle leases, and all other transportation requirements).

4.1.2.13. GSA SmartPay Training. <https://training.smartpay.gsa.gov/>. May be tailored to topics pertinent to the installations' needs.

4.1.3. A/OPC's shall provide Expanded Use training on the following topics to approving officials and non-warranted GPC cardholders that request authority to make purchases above the MPT. **(T-1)**

4.1.3.1. A/OPC's will provide training on the relevant GPC topics from Defense Acquisition University (DAU) *Simplified Acquisition Procedures (SAP)*, CON 237. **(T-0)** ,It is not required for approving officials or cardholders to take CON 237 online.

4.1.3.2. ECARS . A/OPC's will provide training on the ECARS web tool for small business and other than small business GPC transactions above the MPT and below \$25K **(T-1)**

4.1.3.3. Item Unique Identification Requirements – Items valued at \$5K or above, or items considered highly pilferable. **(T-0)**

4.1.3.4. Processing contract payments, to include Cable, Utilities, and Telecommunication Services Contracts. **(T-1)**

4.2. Refresher Training . GPC personnel shall take online refresher training for their respective positions located on the DPAP website at the frequency listed. **(T-0)** A/OPCs will retain copies of initial and refresher training certificates in the cardholder/approving official personnel files. **(T-0)** An OGE Form 450 shall be completed annually to meet financial disclosure requirements. **(T-0)** Financial Disclosure Management website: <https://www.fdm.army.mil>.

4.3. Optional Training.

4.3.1. DAU's Web-based "Contracting for the Rest of Us," CLC 011. This training is recommended for non-warranted cardholders who hold contingency GPC accounts as described in Chapter 10.

4.3.2. GSA "Guidance for Government Charge Card Usage in Emergency Situations" on GSA's SmartPay website.

Chapter 5

FUNDING, PAYMENT AND REBATES

5.1. Financial Management Requirements. The Department of Defense (DoD) Financial Management Regulation (FMR) provides overall Financial Management policy governing all financial transactions within the Air Force including purchase card transactions. (<http://comptroller.defense.gov/FMR.aspx>) The regulation requires certifying officers be designated via DD Form 577, *Appointment/Termination Record*; OSD requires the DD Form 577 be completed in the PCOLS. (T-0)

5.2. AF Form 4009, Government Purchase Card Fund Cite Authorization. The AF Form 4009 is used to designate the accounting classification (also known as the line of accounting) for GPC funding. Financial Management, through the organization Resource Advisor, should bulk fund, to the maximum extent practical, all purchase card accounts. AF Form 4009s are usually issued for a full fiscal year; however, additional funding may be needed to cover expenditures. Contingency Contracting accounts may be established in support of contingencies or emergencies with a minimum of \$1.

5.2.1. Limit fund cites to the funds supporting the operation of the organization to which the funding document is issued. Funding documents may not be issued that would result in “cross disbursements” or “for others”. (T-0)

5.3. Funding. In coordination with the approving official, the organization resource advisor establishes the funding limit on the AF Form 4009, which is then certified by Financial Management. Sufficient funds, an amount equal to or greater than the amount of the purchase, must be certified prior to making a purchase. (T-0) In all instances, the approving official shall obtain a certified funding document before the card can be used by the cardholder. Use of the purchase card without sufficient funds is a violation of the Anti-deficiency Act (Public Law 97-258, 96 Stat. 923); the purchase must be referred to the contracting squadron for ratification. (T-0) Financial Management must notify the Level 4 A/OPC of any account that lacks sufficient funds to cover purchases; the organization’s commander, or equivalent, will be notified, and the A/OPC must suspend the account, at a minimum, for 30 calendar days. (T-0)

5.4. Reallocation. Financial Management must provide reallocation capability to cardholders per the DoD FMR, Volume 10, Chapter 23. (T-0) Reallocation allows the cardholder to choose which Line of Accounting is appropriate for a particular purchase and precludes the cardholder from having multiple cards as multiple cards increase Bank fees. Each Line of Accounting may be titled for the purpose (i.e., training, printing, IT, etc). (See *Reallocation Guide* in the GPC section of AF Contracting Central).

5.5. Reconciliation Issues. In the event there are issues with any products or services, cardholders should try resolving problems directly with the merchant. If problems cannot be resolved with the merchant, the cardholder must dispute the item on their statement of accounts via the Bank’s Electronic Access System. (T-1) Disputes must be filed within 90 calendar days of the posting date of the transaction; however, payment certification must be accomplished immediately under the Pay and Confirm process. (T-1)

5.6. Financial Management Certification of the Bank Statement for Payment. Upon receipt of the Bank statement, Financial Management will process the statement for payment within 5 calendar days of receipt, even prior to receipt of goods or services, regardless if there is a dispute concerning said items. **(T-1)**

5.6.1. If the managing account number is not shown in the accounting code line on the bank statement, Financial Management will annotate the appropriate funding document numbers for each account on the Bank statement and certify the statement for payment. **(T-1)** Financial Management will contact the A/OPC to update the approving officials account setup information if managing account numbers are missing.

5.6.2. Cardholders and approving officials will verify the statements and resolve any irregularities with the merchant to the maximum extent possible. If the dispute cannot be resolved with the merchant, the cardholder will submit a dispute to the Bank. (See paragraph 7.13., Disputes) **(T-0)**

5.6.3. The Financial Management Level 2 shall monitor reports and collaborate with Finance personnel to ensure payment delinquencies are not caused by the untimely certification of statements. **(T-0)**

5.7. DFAS Processing. The DFAS site supporting the activity for accounting and merchant payments is responsible for receipt and processing of all certified Bank statements. The statements are generated by the Bank on the first business day following the close of the monthly cycle. The AF active and reserve component cycle close dates is the 19th of each month or the last business day prior to the 19th if the 19th falls on a holiday or weekend. The cycle close date for the Air National Guard (Army) is the 23rd or the last business day prior to the 23rd if the 23rd falls on a holiday or weekend.

5.8. GPC Rebates/Credits.

5.8.1. The Bank provides quarterly rebates in the form of credits to the managing accounts, based on volume of sales and prompt payments. Although installation commanders have the authority to determine where rebates will be deposited, in most cases, they are electronically returned to the managing accounts and appear in the form of a credit on the billing statement and automatically deducted from the outstanding balance. The rebate check will be mailed the following quarter after the rebate was posted to the managing account. If a credit is not possible, then a rebate check made out to the U.S. Treasury will be issued to the A/OPC.

5.8.2. Each A/OPC shall deliver all reimbursement checks to their Financial Management within five calendar days of receipt; and is responsible for maintaining written documentation of the reimbursement process to include the DD Form 1131, *Cash Collection Voucher*. **(T-0)** The A/OPC and Financial Management personnel must ensure appropriate redistribution per the itemized breakout listing of amounts associated with each Line of Accounting. **(T-0)** Rebates/credits may be credited to the organization's bottom line and does not necessarily warrant adjusting the AF 4009. The cardholder, approving official, and Resource Advisor should have a process to ensure adequate controls are in place to track credits and rebates. Questions related to reimbursements in the form of a rebate or credit should be directed to Financial Management.

5.8.3. Cardholders should take advantage of any manufacturer/retailer rebates offered. If manufacturer/retailer rebates are not a credit on the billing, then they should be made payable

or endorsed to the United States Treasury. All rebates should be in the form of checks, and not cash, and forwarded to Financial Management within 5 calendar days of receipt. Rebates in the form of cash/gifts/prepaid cards are prohibited. Rebates will be processed as an appropriation refund to the applicable funding document. **(T-0)**

5.8.4. Reimbursements, such as rebates or credits attributable to accounts terminated during the quarter, or accounts not having enough purchases to offset the credit, require the Bank to issue checks to the applicable A/OPC. Credits must be applied to the funding appropriation. **(T-0)** “Rebates however, have no appropriation attached to them. Per the DoD Financial Management Regulation, Volume 10, Chapter 2, 020302.F, DoD rebates attributable to the use of the GPC may be credited to operation and maintenance, and research, development, test and evaluation accounts which are current when the rebates are received. For example, if a rebate is received in the new fiscal year against a bill that was paid in September of the previous fiscal year, the rebate may be credited to the operations and maintenance and/or research, development, test and evaluation account(s) current after October 1 of the new fiscal year. This includes the operational portion of a nonappropriated or working capital account. When applied to an account that does not have enough purchases or debits, to offset the credit; a reimbursement check will be sent to the appropriate A/OPC.

5.9. 13th Month Billing Cycle.

5.9.1. On or about October 3, the Bank will generate a special fiscal year end bill referred to as the “13th Month” cycle. The 13th Month cycle close date will be October 2 and will include charges for all purchases received and posted by the Bank between the September cycle close date and the 13th Month cycle close date. The Bank system is designed to generate bills based on the Post Date of the transaction. For that reason, and to allow for a normal processing time of two calendar days between Purchase Date and Post Date at the Bank, all transactions with a Post Date of 30 Sep, or earlier will be included in the 13th Month billing cycle. Financial Management will certify 13th Month cycles the same as all other monthly cycles. The Bank will automatically update all appropriations to reflect new fiscal year values.

5.9.2. If an expense is erroneously charged to the incorrect fiscal year, the approving official may provide receipts or other dated evidence that supports processing of a SF 1081, *Voucher and Schedule of Withdrawal and Credits* to transfer the charge to the correct fiscal year. Screen prints of the merchant bank’s electronic order log (transaction log) are also considered acceptable evidence to support the transfer if it shows the purchase date was in a different fiscal year than was charged.

5.10. Fiscal Year End Close-out Procedures . At the end of September, Financial Management will employ their financial system for fiscal year end processing to close out the commitment balance on all GPC accounts. The exact date will be determined by the Defense Enterprise Accounting and Management System/Integrated Accounts Payable System (DEAMS/IAPS) Office in conjunction with SAF/FMP. For any residual commitment balances of \$1 dollar or more, unless they are in status or expired, the financial system will generate an AF Form 406, *Miscellaneous Obligation Reimbursement Document (MORD)* to maintain funds for that FY’s transactions for those accounts. The system will also create a one-time contract record for each obligation document generated. The MORD /Contract Number will be the same as the AF 4009 number used to fund the account. To ensure an obligation document is generated

and is available to pay subsequent bills, every approving official and Financial Management must ensure that a commitment amount is recorded in the financial system for their AF Form 4009 and it is sufficient enough to cover unbilled charges. (A MORD will not be created for Medical Dental working capital fund (WCF) (Fund Code 6B) accounts and any unbilled charges will be charged against the Master Contract Record for the account at the time of billing.) The system will generate a 3-part report: a) Part 1 is a Reconciliation Error List that shows all account numbers and reasons why a MORD was not generated; b) Part 2 is the Converted Purchase Request to MORD List that provides the account numbers for those commitments that transferred to a MORD; and c) Part 3 is a list of existing current year GPC MORDs. All balances transferred to the MORD are de-committed and the MORD balance is recorded as an Accrued Expenditures Unpaid balance. Financial Management and approving officials will de-commit all remaining balances in all prior year AF 4009 records. **(T-1)**

Chapter 6

GOVERNMENT PURCHASE CARD PROCESSES

6.1. Accounts. Cardholder and Managing Accounts shall be established in the PCOLS, which will migrate to the Bank's Electronic Access System. (If the account is established in the Bank's Electronic Access System, it will not migrate to the PCOLS and will have to then be established in the PCOLS.) Accounts will only be established when a need exists for the GPC. The approving official must request funding on an AF Form 4009, *Government Purchase Card Fund Cite Authorization Form* to fund the account. If the A/OPC, approving official, or cardholder suspect a GPC account number has been compromised, the cardholder's account shall immediately be cancelled and a new account established. All pending transactions will be transferred to the new account. The A/OPC must work with the Bank to resolve any issues that may arise from this action. **(T-0)**

6.1.1. Depending on the Host Tenant Agreement, a hosting installation A/OPC may be required to initiate GPC accounts, provide training and surveillance audits for all tenants when the tenant's funds are maintained by the hosting installation's Financial Management. In cases where the tenant's funds are maintained by the cardholder's home station, the home station A/OPC will be responsible, but may request courtesy service by the hosting installation A/OPC. Copies of all documentation will be maintained by the issuing installation. **(T-1)** In cases of GPC disciplinary action, the issuing installation is responsible for supervision over GPC personnel transactions and shall coordinate with the GPC personnel's supervisor for any disciplinary actions. **(T-0)**

6.1.2. Spending limits shall be established: single purchase; cardholder billing cycle; and approving official's billing cycle. **(T-0)** The single purchase limit is normally set to the MPT unless otherwise authorized (see the GPC Expanded Use Guidebook). The monthly cardholder limit is the total dollar value of the cardholder's GPC purchases allowed for any given monthly billing cycle. The approving official's billing limit encompasses all of the cardholders' limits within the managing account. All limits must be realistic, based on actual spending patterns and available funding. **(T-0)**

6.1.3. Delinquency Policy and Procedures. The OSD delinquency goal is activities may not have more than 0.75 percent of their total receivables with the Bank be over 60 days past due. **(T-0)**

6.1.3.1. Approving Officials shall make every effort to approve billing statements within 5 business days to maximize rebates. **(T-0)** Accounts which have not been reconciled and approved 15 days after the billing cycle are considered delinquent. A/OPCs shall temporarily suspend (reduce credit limit to \$1) unreconciled accounts 30 days after the end of the billing cycle. **(T-1)** The Bank will suspend the managing account if the undisputed principle is not received by the 60 calendar day past due date. The suspension will automatically be lifted once the principle is paid. **(T-0)**

6.1.3.2. The Bank will notify the A/OPC and designated billing office, electronically or in writing, that on the 55th past due day that suspension will take place by the 5th calendar day after notification if the payment is not received. The Bank has a point of contact from the Bank to assist in resolving the issue.

6.1.3.3. Requests for suspension exemptions for managing accounts with operational emergencies may be granted on a case-by-case basis. Exemption requests must be submitted in writing from the Level 4 A/OPC, through the Level 3, to the Level 2 point of contact. (T-1)

6.1.3.4. Managing Accounts which exceed 120 days past the statement due date will result in the entire activity (Level 4) being suspended. (T-1) The Bank will suspend the entire activity (Level 4) if the undisputed principle is not received by the 180 calendar day past due date. (T-0)

6.2. Termination or Closure of Accounts. At least 60 calendar days prior to reassignment, separation, retirement, etc., a cardholder or approving official shall notify the A/OPC of their change in status and begin to transition their duties over to another appointed organization representative. (T-0)

6.2.1. When a cardholder account is terminated or closed, the cardholder shall surrender the GPC and submit the account documentation to the approving official. (T-0) The approving official will perform an in-depth surveillance of the cardholder's records within 30 calendar days of termination or closure. (T-0) The approving official will ensure all outstanding transactions (charges and/or credits) have cleared the Bank and the card has been destroyed. (T-0) The A/OPC will conduct an audit on the account during the next scheduled managing account surveillance. (T-0)

6.2.2. When an approving official vacates their assignment, and a new approving official is assigned, all cardholder accounts remain active under the existing managing account. The departing approving official must reconcile their account with Financial Management prior to vacating the position. (T-0)

6.2.3. When an approving official requests termination of their managing account, all cardholders shall surrender their GPC and submit the account documentation to the approving official. (T-0) The approving official will perform an in-depth surveillance of the cardholder's records within 15 calendar days of termination. (T-0) When all transactions (charges and/or credits) have cleared the Bank and the card(s) has been destroyed, the approving official shall process removal of the remaining funds and submit a request for account termination to the A/OPC. (T-0) The A/OPC will conduct a surveillance audit prior to terminating the account. (T-0)

6.3. Data Access by Non-Program Officials. Provide GPC data to assist DoD and AF audit/investigative organizations in the performance of their duties; however, they should not have online access to any GPC system. (T-1)

6.4. Bank Secrecy and Patriot Acts . In order to comply, the Bank may conduct Office of Foreign Asset Control screening. Office of Foreign Asset Control screening is a review of account holder names against the Specially Designated Nationals and Blocked Persons list. A/OPC's shall provide requested information to the Bank for Office of Foreign Asset Control screening and notify the Level 3 of all requests. (T-0) Failure to provide the information to the Bank will prevent the individual from participating in the GPC Program.

6.5. Records Management . Ensure that all records created as a result of GPC Program management are maintained in accordance with AFMAN 33-363, *Management of Records* and

disposed of in accordance with the Air Force Records Disposition Schedule T64-04 R26.00 through R26.04 located in Air Force Records Information Management System . (T-1)

6.5.1. A/OPC documents shall include such records as cardholder and approving official appointments and training, cardholder delegations of authority, DD Form 577s (approving official appointments) and surveillance checklists. (T-1)

6.5.2. Approving official and cardholder documents shall include all transaction details (such as order log, receipts, etc.) and account information. (T-1)

6.6. Freedom of Information Act (FOIA) Requests. A/OPCs should respond to FOIA requests, made from FOIA offices. FOIA requests will only be released as required by the Freedom of Information Act, 5 U.S.C. section 552, or other appropriate authority. DoD authorizes the immediate release of specific transactional data: a) Merchant Category Code; b) Transaction amount; c) Merchant name; d) Merchant city, state, ZIP Code, and phone number; e) Transaction date. Non-transactional data such as addresses and phone numbers of cardholders is also releasable. See 29 Jun 2006 DoD Memorandum “FOIA Policy on Release of Credit Card Data.” (T-0)

6.7. Base Closure. Most GPC accounts should be reconciled, paid in full, and closed before the base is closed. However, in the event accounts cannot be reconciled timely for whatever reason, the A/OPC shall coordinate transfer of the paying function to the gaining finance office and the Program management to a Contracting Office for remaining open accounts. (T-3)

Chapter 7

GOVERNMENT PURCHASE CARD USAGE

7.1. Authorized Use. Any waivers, deviations, or exceptions to GPC policy require authorization in writing from the appropriate tier level authority as stated in paragraph 2.2.10 and shall be for that instance only unless specified otherwise in the authorization. Purchases below the MPT are exempt from the Competition in Contracting Act, Buy American Act, Economy Act, Service Contract Labor Standards Act, Wage Rates Requirements Act, and the Small Business Set-Aside Program. Nothing in this chapter exempts a cardholder from using the proper contracting channels when making purchases exceeding the MPT. **(T-0)**

7.1.1. The GPC shall be used for micro-purchases as prescribed in FAR 13.2, *Actions at or Below the Micro-Purchase Threshold*. **(T-0)**

7.1.2. The GPC shall only be used for authorized Government purchases that are valid mission requirements using appropriated funds. **(T-0)** For those organizations that have non-appropriated funds, see AFI 34-275, *Air Force Non-Appropriated Fund (NAF) Government Purchase Card Program*. For Chapel Tithes and Offerings Fund GPC usage, see AFI 52-105, *Chaplain Corp Resourcing*. Contact local comptroller and/or legal office if any doubt exists regarding the proper use of appropriated funds.

7.1.3. Ensure that a reasonable price is obtained through price comparisons and other market research methods as prescribed by FAR Part 10.001, *Market Research, Policy* and discussed in paragraph 2.2.6.3. **(T-0)** Cardholders should request discounts. When overseas, price comparisons may be made using available prices from existing schedules, other overseas merchants or commercial sources.

7.1.4. Purchases exceeding the MPT and below the simplified acquisition threshold (SAT) are reserved exclusively for small business. If the cardholder cannot identify a small business to meet their requirement, the cardholder will refer the purchase to their servicing contracting office. **(T-0)** Dependent upon dollar value and local policy, the contracting office may: 1) dissolve the small business set-aside and refer the purchase back to the cardholder who will make the purchase and retain the contracting officer's determination in the purchase file; or 2) make the purchase at the contracting office. Prior to any purchase over MPT, the cardholder will confirm the vendor's size status through System for Award Management and maintain verification in the purchase file. **(T-0)**

7.1.5. The GPC may be used for non-personal recurring services performed at regular intervals; however, recurring services requirements estimated to exceed the MPT for Services per FY shall be acquired through the Contracting Office. **(T-0)**

7.1.6. The GPC may be used for non-personal non-recurring services involving one-time, unpredictable, or occasional requirements.

7.1.7. The *Bureau of Fiscal Service, U.S. Department of Treasury* currently limits Government-to-Government card transactions to a daily maximum of \$24,999.99 per card. This includes inter-governmental (i.e., from another DoD agency) and intra-governmental (i.e., from another AF entity). This rule does not apply to purchases from commercial merchants, either via open market or through GSA Advantage, GSA Global Supply or GSA's

retail stores, as well as from Personal Property or GSA Fleet and Defense Logistics Agency (DLA) Printing Services. Consult Financial Management for inter-governmental and intra-governmental purchases in excess of \$24,999.99 using other mechanisms (e.g. the Intra-Governmental Payment and Collection, or the Invoicing Payment Platform). **(T-0)**

7.1.8. For purchasing of office supplies, all CONUS cardholders shall use the Federal Strategic Sourcing Initiative Program. **(T-0)** All office supply purchases shall be made through either an AbilityOne retailer (in-store or on-line), AF Advantage, or the AFWay contract (for toner only). **(T-0)** If using AF Advantage, cardholders should seek additional price reductions for office supplies. Requests for deviation from the AF Office Supply Program must be submitted in the form of a waiver request to the Office Supply Commodity Council via email at Office.supply.cc@us.af.mil. **(T-1)** Visit the Office Supply EIM page for more information on waiver requests, or to see the complete program Ordering Guide.

7.1.9. When placing GPC charged telephone orders, the cardholder should confirm with the merchant to charge the GPC only when items are shipped.

7.1.10. Internet purchases must be limited to those web sites that provide secure transaction safeguards.

7.1.11. Cardholders are responsible for procuring green products and services under the Green Procurement Program as prescribed by Federal laws and regulations: *Executive Orders 13423*, DoD and AF Policies. **(T-0)** Green procurement applies to the purchase of recovered materials, energy and water efficient products, alternative fuels and fuel efficiency, bio-based products, non-ozone depleting substances, environmentally preferable products and services, and toxic and hazardous chemicals. The following are mandatory Green Procurement purchases: paper, toner, office products, office recycle containers, and office trash cans. **(T-0)** The only exceptions to purchasing green are: if the pricing is considered unreasonable; does not meet reasonable standards; will not meet the time frame needed, and must be documented. Sources for green products are: Ability One; DoD E-mall; and GSA Advantage.

7.1.12. Education & Training Section personnel shall use the GPC to pay for Government or Commercial Off-The-Shelf training and education up to \$25,000 for an individual event or planned series of the same training event, activity, or course material. AF/A1DI approval is required, if course curriculum includes more than 50% of leadership content. For AF/A1DI approval, submit request via the Civilian Automated Training Input Program ([CATNIP](#)). **(T-1)** Additional information regarding civilian education and training may be found in AFI 36-401, *Employee Training and Development*.

7.1.13. Organizations may pay for Government or commercial off the shelf training and education with their organization funds up to \$25,000; however, if the Government has a need for tailored training or tailored training materials, the requirement shall be placed on Government contract by a warranted contracting officer. **(T-0)** In accordance with DoD Financial Management Regulation, Volume 10, DoD Administrative Instruction Number 40, and AFI 36-401, *Employee Training and Development*, an SF 182, *Authorization, Agreement, Certification of Training* must be submitted to the Education & Training Section, and approval obtained, before an individual may attend training. **(T-0)** The approval process requires coordination/concurrence from an individual's supervisor, second-level supervisor, and the organization's training coordinator before submitting to the Education & Training

Section for review and approval, prior to the training start date. The Employee Development Manager/Specialist (EDM/S) will ensure requested training is in compliance with all statutory, legal, and administrative requirements. The cardholder must have an approved SF 182 prior to obligating payment to a vendor. **(T-0)**

7.1.14. Cardholders may only purchase Individual Equipment/Organizational Clothing items that are organization funded and from priority sources identified in FAR 8.002, *Priorities for Use of Mandatory Sources*. **(T-0)** Purchases from GSA schedules may be processed through the GSA Advantage website unless the cardholder does not have access to the Internet. **(T-0)** Cardholders should be aware that when using any commercial merchant catalog with mixed GSA schedule and non-schedule (open market) items, only the specific GSA approved items may be purchased with the GPC for Individual Equipment/Organizational Clothing items. Large purchases of individual gear/equipment that can be forecasted in advance (and exceed the GPC threshold) cannot be viewed as separate requirements, even for individual personnel, and must be purchased on a contract; however, the GPC may be used as a payment against an existing contract up to \$25,000. Cardholders should consult their A/OPCs for clarification. Replacement Individual Equipment/Organizational Clothing must be processed as specified in AFI 23-101, *Air Force Materiel Management*. **(T-1)**

7.1.15. Metro and Toll Tokens/Transponder Credits may be bulk purchased with the GPC for individual/group local travel performing official business. Bulk purchases include identiplates, toll script, tokens, metro cards (and card credits), vehicle transponders (and transponders credits), bridge tickets, and similar negotiable media. Approving officials must provide proof of the requiring activity's need for use of the card for such local travel purposes to A/OPCs prior to purchase. **(T-0)** Tickets and tokens may be purchased in bulk quantities when all of the following conditions exist: a) There is a continuing requirement for travel between the same points; b) The same mode and class of transportation is used; c) A minimum of five tickets/tokens is required for use within a 60-day period; d) The per capita net cost to the government does not exceed \$250 for each one-way or round-trip single fare exclusive of federal transportation tax. Furthermore, the quantity purchased will not exceed a 6-month requirement unless further constrained by service/local regulations. **(T-0)** A record must be maintained for tickets or tokens purchased in bulk quantities and for individual tickets or tokens. Receipt of tickets or tokens may be certified by the traveler's signature in a declining balance sheet ledger maintained for recording distribution by an approving official (however, names should be typed or printed for legibility). At a minimum, the following essential data elements will be included in the ledger: a) Date of Travel; b) Name of individual to whom issued; c) Travel Destination; d) Value of item; e) Metro/Toll/Transponder Card Serial number. Refer to Defense Transportation Regulation, Part 1, Chapter 108 for further guidance. **(T-0)**

7.1.16. The policy for Cost Per Flying Hour expenses and use of the GPC is primarily focused on the consumable items (Element of Expense/Investment Code 605, 609, and 61952) associated with the Cost per Flying Hour program. All items directly related to aircraft, aircraft maintenance, and the production of sorties and/or flying operations which falls within these cost categories are Cost per Flying Hour expenses. Cost per Flying Hour funding will not be used to pay for any labor/service charges tied to aircraft maintenance procedure, such as aircraft washes, PMEL calibration of support equipment, or de-icing. **(T-1)** MAJCOMs may submit waiver requests with written coordination through the respective

MAJCOM fund holder to HAF/A4PY. Waivers should be submitted via email to usaf.pentagon.af-a4.mbx.a4py-workflow@mail.mil for review/approval. Any item covered by the categories in the following list are a Cost per Flying Hour expense:

7.1.16.1. Tools (only those used for maintenance of aircraft/engines, of aircraft equipment, and of test/support equipment, and those left on the aircraft). **(T-1)**

7.1.16.2. Aircrew Flight Equipment (formerly Aircrew Life Support and Survival Equipment) whether on or off the aircraft, as long as its use is solely for flying operations, and as long as it meets the above criteria for Element of Expense/Investment Code 605, 609, and 61952. **(T-1)**

7.1.16.3. Consumable items associated with aircrew safety/mandatory for flight (including harnesses, G-suits, helmets, masks, cold water coveralls, and gloves) as long as they meet the above criteria for Element of Expense/Investment Code 605, 609, and 61952. **(T-1)**

7.1.16.4. Consumable items associated with aircrew survival (life vest, life rafts, batteries for such, parachutes, etc.) as long as they meet the above criteria for Element of Expense/Investment Code 605, 609, and 61952. **(T-1)**

7.1.16.5. Components of equipment on the aircraft (food preparation, probes, testers, etc.) Consumable items used to repair Aerospace Test Equipment and Support Equipment Consumable items used for aircraft washes. **(T-1)**

7.1.16.6. All other expense categories (e.g. 602, 627, 628, 637, 639, etc., and identified with Expendability, Repairability, Recoverability Category ND or NF) are not Cost per Flying Hour expenses and are not allowable GPC expenses. **(T-1)**

7.1.17. Reservists participating in drill status may use the host unit's GPC for lodging only when the following circumstances are met: per diem IS NOT reimbursed directly to the government traveler by travel voucher; a centrally billed account government travel card is unavailable; and the GPC is used as a payment against an order placed under a contract or Blanket Purchase Agreement.

7.2. CONUS Purchases for Overseas. If purchases are made from the Continental United States (CONUS), as defined in DFARS 213.301(1), merchants for use overseas, the MPT remains the same as stateside. For stateside purchases being shipped OCONUS, the cardholder must contact their local Logistics Readiness Squadron for assistance regarding transportation and packaging requirements prior to contacting the merchant. Cardholders must ensure the final price includes all costs associated with the mode of packaging, transportation, customs import duties, and any other charges that may accrue. **(T-0)** Consult DoD 4500.54-G, *Foreign Clearance Guide* at <https://www.fcg.pentagon.mil/>, prior to the purchase to ensure compliance with host nation requirements.

7.3. OCONUS Purchases. Purchases made OCONUS, as defined in DFARS 213.301(1), from merchants located OCONUS for use OCONUS are authorized to use the GPC to make commodity and services purchases up to \$25,000.00 in accordance with DFARS 213.301(2). Further, non-competitive purchases (e.g. construction purchases) may use the GPC up to the MPT as defined in FAR 2.101. Unless dictated otherwise by a Host Country Agreement, these

purchases are subject to the requirements prescribed in FAR 8.002(a)(1), *Priorities for Use of Mandatory Sources*.

7.4. Merchant Category Code. A merchant category code is a four-digit number assigned by the credit card associations to a business that defines what products or services that business offers. When establishing GPC accounts, the A/OPC should incorporate the Merchant Category Codes that are necessary for the requiring organization's mission. Subsequent changes to codes may be requested from the A/OPC by the approving official. DoD has blocked purchase card transactions for certain categories of merchants, such as casinos, jewelry stores, drinking establishments, etc. These Merchant Category Codes are automatically blocked from cardholder account profiles at the time of set-up. A/OPCs can further limit transactions by blocking additional codes for use by a particular cardholder, or by all activity cardholders. When a card is declined for an erroneously identified code, the A/OPC can request a manual override for such instances or extenuating circumstances on regular blocks. The request should contain the following information: exact dollar amount of the transaction, last four digits of cardholder account number, name of cardholder, managing account number, merchant name, and justification for the purchase. The request must be submitted up the GPC chain to the Level 2; if approved, the Level 2 will contact the Bank to have the restriction temporarily lifted. **(T-1)** Once approval is given, the cardholder has 5 business days to complete the transaction; have the merchant call the Bank and identify the transaction is complete.

7.5. Order Management Log. Cardholders must document all GPC transactions in the electronic order management log provided by the Bank at the time of purchase. **(T-0)** Itemized receipts for each purchase and other supporting documentation such as special approvals shall be maintained and be available for end of cycle review by the approving official and the A/OPC upon request. **(T-0)** These include cash register receipts or tickets, invoices, shipping/packing documents or receiving reports, or electronic purchase confirmations. All management log documentation shall be retained as prescribed by the *AF Records Disposition Schedule*, Table 64-04, Rule 26 (R26). **(T-1)**

7.6. Pick Up (of items), Shipping, Delivery.

7.6.1. In cases where the cardholder is picking up the material at the merchant's location, the end user or other designated receiving personnel shall legibly print their name and title, then sign and date the receipt confirming independent receipt and acceptance of the material or services. **(T-0)** In the event the cardholder is the end user, they may sign the merchant receipt; however, the cardholder shall ensure another Government employee within the organization co-signs, along with their printed name and title, and dates the receipt. **(T-0)**

7.6.2. Approving officials have the discretion to authorize partial shipments; however, cardholders must track the remaining items to ensure they are received in a timely manner. If the item will not be received in the billing cycle, the merchant should not invoice for the item until shipped. **(T-0)**

7.6.3. Cardholders should instruct the merchant to include the following information on the shipping document or packing slip to alert the receiving/requisitioning offices (i.e. not LRS): a) cardholder name, organization and office symbol; b) building number, room number, street address, city and state; c) cardholder telephone number; and d) identify the purchase is a GPC purchase. Cardholders should ship packages through use of GSA's Domestic Delivery Services (DDS) (Blanket Purchase Agreement with UPS and FedEx - costs less), or

AMC's Total Delivery Services (TDS) Program (combined Worldwide Express and Domestic Express Programs) or their follow-on contracts <http://www.amc.af.mil/Home/AMC-Commercial-Services/>.

7.6.4. Ensure shipping costs are borne by the merchant if possible. The merchant should provide free delivery to the location the cardholder identifies when ordering, referred to as Free on Board, Destination. If the merchant charges shipping costs on an invoice, these costs will be included against the single transaction threshold for the GPC. All items purchased/ordered should, in most cases, be available by the end of the next billing cycle. The item should be received or the service completed before the item appears on the Bank statement.

7.7. Receipt, Accountability and Disposal of Property.

7.7.1. The cardholder shall obtain independent verification of receipt of all items purchased using the GPC. **(T-0)** Upon receipt, the cardholder shall notify the property custodian of all accountable or sensitive property, including pilferable items, regardless of their dollar value. **(T-0)** Items deemed highly pilferable, and items individually valued at \$5K or more, shall follow Item Unique Identification procedures as identified in the [DoD Procurement Toolbox](#). **(T-0)** Examples of such items include cell phones, digital cameras, smart devices, copiers and printers. The person verifying receipt of those items must print, sign, date and write "received" on the merchant receipt, sales receipt, shipping document, credit card receipt, or equivalent document. The individual verifying receipt may be the cardholder's approving official, supervisor or other designated individual, as appropriate. For accountability requirements of equipment items valued in excess of the MPT see AFI 23-101, *Air Force Materiel Management*. **(T-1)**

7.7.2. The organization commander, or equivalent, is responsible for the accountability of equipment items equal to or under the MPT. Organization commanders, or equivalent, should establish a locally devised program that provides visibility and audit trail capability. This may include use of hand receipts and spreadsheets. These records shall include all items considered pilferable or easily resalable on the open market. The organization commander, or equivalent, must also have adequate controls in place to ensure items are accounted for in the appropriate property book such as the Air Force Equipment Management System, or Standard Base Supply System, and/or Information Technology Asset Management. **(T-0)** Reference DoD Manual 5000.64, *Accountability and Management of DoD Equipment and Other Accountable Property* and AFI 23-111, *Management of Government Property in Possession of the AF*. Cardholders managing contracts containing Government Furnished Property must have documented notification to the Contracting Officer's Representative to notify the appropriate Property Book Office, and the contractor to capture the GFP in Wide Area Work Flow (WAWF) (<https://wawf.eb.mil/>). **(T-0)**

7.8. Tuition Assistance Program.

7.8.1. Civilian Tuition Assistance Program. The GPC shall be used for the payment of civilian tuition assistance invoices that do not exceed a consolidated total of \$5,000,000 per invoice from a single institution. **(T-0)**

7.8.1.1. The AFPC Financial Management Office will establish fund controls and initiate an AF Form 4009 for each account required. **(T-0)** Civilian tuition assistance funds are

requested by the student using the Air Force Virtual Education Center; which generates an AF Form 4306, *Air Force Civilian Employee Tuition Assistance*. Once approved, the AF Form 4306 must be used as an approval document, which equates to a commitment, but not as an obligation document. **(T-1)**

7.8.1.1.1. The Career Field Teams will receive school invoices after each add/drop period for the applicable school term. The team will reconcile each invoice to ensure it is accurate and complete prior to payment. **(T-0)** A record of each transaction will be maintained with each invoice. Once reconciled, the AFPC Financial Management Office will provide the GPC account number to the school along with a copy of the reconciled invoice. Each cardholder will reconcile, and the approving official will validate and approve, all cardholder transactions in the Bank's electronic access system.

7.8.2. The GPC shall be used for the payment of Voluntary Military Tuition Assistance invoices that do not exceed a consolidated total of \$5,000,000 per invoice from a single institution. **(T-0)**

7.8.2.1. The military tuition assistance chief, or designee, will establish fund controls and initiate an AF Form 4009 for each account required. **(T-1)** Military tuition assistance funds are requested by the student using an AF Form 1227, *Authority for Tuition Assistance - Education Services Program*. The AF Form 1227 must be used as an approval document, which equates to a commitment, but not as an obligation document. Only AF Form 1227s generated in the Air Force Virtual Education Center (AFVEC) will be utilized for the payment of Tuition Assistance.

7.8.2.2. The Military Tuition Assistance Central Office (AFPC/DP1SSB) will receive school invoices after each add/drop period for the applicable school term. The military tuition assistance chief, or designee, will reconcile each invoice to ensure it is accurate and complete prior to payment. A record of each transaction will be maintained with each invoice in the Air Force Automated Education Management System. Each record of transaction must include a statement certifying the accuracy and receipt of services. Once reconciled, the military tuition assistance chief, or designee, will provide the GPC account number to the school along with a copy of the reconciled invoice via the Academic Institution Portal within Air Force Automated Education Management System. Each AFPC/DP1SSB cardholder will reconcile, and the approving official will validate and approve, all cardholder transactions in the Bank's electronic access system. **(T-0)**

7.9. Third-Party Payment Service (e.g. PayPal, Google Pay, etc). Third party payments are categorized as those payments where it is identified that the purchase will be processed via a third party and no goods or other services received (other than payment). The cardholder should make every attempt to choose another merchant with whom to procure the goods and/or services. When a third-party payment service is used, the cardholder automatically forfeits all dispute rights guaranteed under the GPC purchase by the Bank. While certain dispute rights may accrue by using the third-party payment service, these rights are not as favorable to the cardholder/Government as those provided pursuant to the GSA SmartPay® contract because the cardholder has to resolve the dispute instead of the Bank. If it is necessary to procure using a third party payment service, the approving official must ensure there is adequate supporting documentation showing that there was a detailed review of the purchase and that the use of the

third party payment service was unavoidable. Supporting documentation shall be kept in the cardholder's files. **(T-1)**

7.10. Advance Conference Registration Fee. Use of the GPC for Advanced Conference Registration Fees are authorized; follow the directions as prescribed by the *Joint Travel Regulation (JTR, Appendix R Part I: Conference Planning Policy (FTR §301-74)*. **(T-0)**

7.11. Unauthorized Use of the GPC. Intentional use of the purchase card for other than official Government business will be considered fraud against the U.S. Government and will result in immediate cancellation of an individual's purchase card and disciplinary action. **(T-0)** This includes use by personnel not trained or not authorized (as not having their name on the card/account). Cardholders should contact local authorities (e.g., the A/OPC, local Judge Advocate General, Financial Management, etc.) prior to purchasing any items that seem questionable or may have the appearance of being inappropriate. (See Chap 8, *Prohibitions*)

7.12. Purchases Requiring Additional Authorization . All purchases requiring additional authorizations must be documented. **(T-1)** Coordination via electronic mail is the most practical method for document approval. If verbal approval is obtained from the controlling/servicing organization, a memorandum for record shall be completed to document the date and identity of the authorizing official. Requests for the following supplies, equipment, or non-personal services require the cardholder to contact the specified controlling/servicing organization before making the purchase. If any of the following purchases require additional terms and conditions, contact your servicing contracting office; unless the purchase is against an existing contract or blanket purchase agreement. **(T-0)**

7.12.1. In accordance with DFARS 219.201 (c)(10)(A), Small Business Specialists / Procurement Center Representatives are required to review all requirements expected to exceed \$10,000 (to include awards against GSA instruments) except for those under the SAT that are totally set aside for small businesses. Cardholders shall contact the A/OPC for coordination with the contracting officer and small business specialist. **(T-1)** Purchases for large businesses over \$10,000 and below the SAT shall be documented using the Department of Defense (DD) Form 2579, *Small Business Coordination Record*, and maintained in the cardholder's file. **(T-0)**

7.12.2. Construction requirements must be processed through the Base Civil Engineer work order approval process. **(T-3)** The Base Civil Engineer is the authorizing official for all real property (installed equipment).

7.12.3. Written approval of the Civil Engineering Real Property Officer is required for rental of temporary storage to facilitate office reconfiguration not to exceed 90 calendar days, provided the total price of rental does not exceed the MPT, and the rental period does not cross the fiscal year. Otherwise, the General Services Administration prohibits the long-term rental or lease of land or buildings exceeding 30 calendar days. (Contact the GSA Office of the Public Buildings Service Commissioner for more information.) **(T-0)**

7.12.4. Hazardous and Potentially Hazardous Material is authorized by the Base Hazardous Materials Management Program Team. No hazardous or potentially hazardous material may be purchased by any means or brought onto an installation without full compliance with all authorizations, approvals, and reporting requirements specified in AFI 32-7086, *Hazardous Materials Management*, and any supplements. **(T-3)**

7.12.5. Communication and computer equipment and software including telephone instruments, cell phones, and expansion plug-in cards must be approved through the local Communications Squadron. **(T-1)** This is required to ensure configuration control, compatibility with AF and joint systems, and compliance with *Section 508 of the Rehabilitation Act*, as amended in 1998 (PL 105-220). Technical solution documentation provided by the Communications and Information Officer should be maintained in the cardholder files. Secure telephones may not be purchased directly from merchants using the GPC. **(T-0)** All secure phones must be requisitioned through the standard Base Supply System. All Air Force IT hardware will be acquired using the applicable enterprise buying programs through AFWay (e.g. Quantum Enterprise Buy (QEB), Digital Printing & Imaging (DPI), Cellular Services and Devices Blanket Purchase Agreements) unless waived by the MAJCOM CIO/A6 through the AFWay process. **(T-2)**

7.12.6. The Base Medical Supply Officer is the authorizing official for all medical related purchases.

7.12.7. Paid advertisements in newspapers will be approved as prescribed by AFFARS 5305.502(a), *Paid Advertisements*. **(T-1)** Advanced written authorization is not required to place advertisements in media other than newspapers as prescribed by FAR 5.502(b), *Paid Advertisements Authority*, unless the agency head determines otherwise.

7.12.8. The following applies to organizational purchases of Morale, Welfare, and Recreation items: for fitness center equipment (Federal Supply Class 7830) and authorized food purchases, written approval must be obtained prior to purchase, at the appropriate level and in compliance with AFI 34-204, *Property Management*, AFI 34-266, *Air Force Fitness and Sports Program*, AFI 65-106, *Appropriated Fund Support of Morale, Welfare and Recreation (MWR) and Nonappropriated Fund Instrumentalities* and AFI 65-601V1, *Budget Guidance and Procedures*. **(T-1)** Contact your local Force Support Squadron (FSS) or Contracting Office for specific determinations.

7.12.9. Use the subsistence GPC to make food service purchases from the commissary or other approved source at locations that can accept the card (CONUS and some overseas locations). HQ AFSVA/SVOHF must approve any other local sources for food related services as prescribed in AFMAN 34-240, *Food Service Program Management*. **(T-1)** Purchases on this card are only for emergency purposes; HQ AFSVA/SVOHF will approve all emergency purchases when Defense Commissary Agency (DeCA) or the DSCP Prime Vendor cannot satisfy the requirement. **(T-1)**

7.12.10. Purchase of items for Chaplain Corps using the Chaplain Tithes and Offerings Fund are not authorized for any credit card except the official Chapel Tithes and Offerings Fund Government Purchase Card (CTOF GPC). The CTOF GPC may not be used in support of the direct mission; expendable communion item supplies, such as communion trays, host, grape juice or wine are authorized using appropriated funds. Refer to AFI 52-105, *Chaplain Corps Resourcing* for more information. **(T-1)**

7.12.11. Visual Information, Electronic Digital Imaging and Video Equipment and Services. The Public Affairs (PA) Office will review and approve all procurement requests for film/digital photographic cameras, video cameras, and photographic printers to ensure compatibility with existing imagery infrastructure and to verify there is no duplication of

imagery services available in the PA Office as prescribed in AFI 35-109, *Visual Information*. **(T-3)**

7.12.12. DLA Document Services are considered an inter-governmental transaction and as such, the MPT does not apply; however, a \$24,999 daily limit does apply. AF activities will use the GPC as a payment method to procure printing and high speed-high volume duplicating products and services from DLA Document Services. **(T-0)** If transactions do not meet the DLA Document Services criteria, as stated above (i.e., over the single purchase daily limit) then activities will use other funding vehicles (DD Form 448, *Military Interdepartmental Purchase Request*, DD Form 282, *DoD Printing Requisition/Order*). **(T-0)** In cases where DLA Document Services cannot meet the AF printing and high speed-high volume duplicating services requirements, AF activities will submit waiver requests as prescribed by DODD 5330.03_AFI33-395, *Defense Logistics Agency Document Services*. **(T-0)** The Intelligence and Tactical agencies or activities are exempt from using DLA document services. Cardholders within these activities are subject to DODI 3300.2, *Combined Intelligence Publishing Service (CIPS)*, and are to obtain printing from their intelligence printing facility or agency printing officer.

7.12.13. Purchase of commercially printed business cards. As prescribed in AFI 65-601V1, *Budget Guidance and Procedures*, only authorized agencies listed are authorized to purchase commercially printed business cards. **(T-1)** Reference this instruction for additional guidance on printing business cards using personal computers and the purchase of business cards from the Lighthouse for the Blind, Inc.

7.12.14. Books, Periodicals, and Manuals purchases must be coordinated with the Library to determine if central library funds are authorized and available to purchase authorized mission essential information publications. **(T-3)** If central appropriated funds are not available, offices may use organization funds to purchase mission essential commercial publications provided the request is coordinated with the local base Library. (See AFI 34-150, *Air Force Libraries*) Use of appropriated funds for non-mission essential publications is not an authorized expenditure.

7.12.15. Professional services are those services rendered by persons who are members of a particular profession or possess a special skill (e.g., accountants, lawyers, architects, engineers, physicians, dentists, etc.). State law may require that services rendered by these individuals be performed or approved by a person who is licensed, registered or certified to provide the service. Organizations must consult the Contracting Office to ensure that there is not an existing contract providing the same services requested and to verify that such services are not of a personal services nature. **(T-0)**

7.12.16. Repair services for general equipment must be coordinated and documented with the Contracting Office and the requiring organization's equipment custodian, to verify the repair is not already covered by an existing preventative maintenance agreement. **(T-0)**

7.12.17. General Equipment, Vehicles, and Other Government Motor Vehicle Conveyance/Low Speed Vehicles require an approved authorization for the organization to possess the asset prior to obligation and expenditure of appropriated funds. **(T-3)** For General Equipment assets, contact the Logistics Readiness Squadron, or equivalent, (Equipment Accountability Element); and for Vehicles and Other Government Motor Vehicle Conveyance/Low Speed Vehicles, contact the LRS Vehicle Management & Analysis

Element, the Logistics Readiness Squadron's Customer Service Element and installation Occupational Safety. Equipment custodians must contact the Base Supply Equipment Management Element immediately upon receipt of the asset to ensure the asset is recorded in an approved Accountable Property System of Record. **(T-3)**

7.12.18. Rental/Lease of Material Handling Equipment or Aircraft Support Equipment (e.g., aircraft staircases; baggage handling equipment) rental purchases must be routed through the Logistics Readiness Squadron and the Contracting Office. **(T-3)** When required to sustain operations at deployed locations, consult the local servicing Contracting Office.

7.12.19. For Test, Measuring, & Diagnostic Equipment, the Precision Measurement Equipment Laboratory must approve, in writing, all purchases of Test Measurement and Diagnostics Equipment as prescribed by *AF Metrology and Calibration Program, TO 00-20-14* procedures, as well as all purchases of Test Measurement and Diagnostics Equipment repair services from non-organic repair sources. Additionally any purchase of Test Measurement and Diagnostics Equipment must be accompanied by the purchase of supporting technical data (calibration, troubleshooting, maintenance, etc). **(T-1)**

7.12.20. Modifications of equipment listed in Air Force Master Nuclear Certification List, must be coordinated with the Base/Center Weapons Safety Office and Chief Vehicle Maintenance (for motor vehicles/powered aerospace ground equipment). **(T-1)** See AFI 91-103, *Air Force Nuclear Safety Design Certification Program*, for guidance on minor/major modifications and review procedures.

7.12.21. Non-Stock Listed/Part Number Requisition Budget Code 8 items, regardless of dollar value, require approval by the designated depot maintenance product directorate chief. **(T-1)**

7.12.22. Non-expendable (Budget Code 9) Equipment Assets over \$5,000 must have accountability records established through the Logistics Readiness Squadron or supply activity. **(T-1)** Coordinate with LRS Equipment Accountability Element to determine if an authorization is required and if so, that a valid authorization exists for the purchase of the equipment item. If an authorization does not exist and is required, the individual requiring the item must submit AF Form 601, Equipment Action Request, and have it approved, prior to obligation and expenditure of appropriated funds. **(T-1)**

7.12.23. When purchasing centrally managed consumable XB/XF items directly related to weapon systems, the Weapon Systems Program Director (or delegated official) is the authorizing official. For items that are not related to a weapons system, the Item Manager or Equipment Specialist (or equivalent) is the authorizing official. Submit a request (include a qualified source) to the applicable approving authority for local purchase authorization if a part is back ordered, the estimated delivery date is unacceptable, the requirement is equal to or below the MPT, and the cardholder has received the applicable Certification of Conformance. Approved purchases will use only flying hour funds (AF Element of Expense/Investment Code (AFEE/IC) 619XX, or other funds identified by MAJCOMs); or funds allocated to the using activities are authorized to be used. Items will not be purchased for resale to other end-users. **(T-1)** Depot maintenance product directorate personnel are authorized to procure weapon system and commodity consumable parts under emergency surge conditions or when such actions achieve best value for the Government considering cost, schedule, performance, and supportability factors. These actions will require approval

by the designated depot maintenance product directorate chief. **(T-1)** When purchasing items not directly related to a weapons system that are sourced through GSA, no longer centrally managed, or no longer available through a supply system, these items are considered available from local sources and may be approved for purchase at the lowest level, i.e., supervisor or equivalent.

7.12.24. Only small arms and light weapon (SA/LW) parts and accessories (e.g., grips, slings, butt stocks, aiming lasers, optics, lights, etc.) approved by the Air Force Security Forces Center, Combat Arms Branch (AFSFC/FGWL) may be purchased. Authorized Small Arms/Lightweight Weapons parts and accessories listing and details may be accessed on HQ/AF Combat Arms. Other than parts and accessories already identified on this list for local or commercial-off-the-shelf purchase, organizations/personnel are not authorized to obtain any Small Arms/Lightweight Weapons parts or accessories via local or commercial purchase without prior approval from HQ AFSFC/SFXW and the AF Small Arms Program Office. **(T-0)**

7.12.25. Bird Aircraft Strike Hazard Program purchases require coordination with the installation Munitions Accountable Systems Officer and OO-ALC/WM, Commercial Off-the-Shelf (COTS) Munitions Program Manager, or Integrated Materiel Manager prior to using the GPC for Bird Aircraft Strike Hazard-related munitions. The requestor will have final written approval from OO-ALC/WM and follow the written COTS approval procedures in AFI 21-201, *Munitions Management*, before the purchase of the munitions item using GPC. **(T-1)**

7.12.26. For leadership education and training, AF/A1DI approval is required if course curriculum includes more than 50% of leadership content. For AF/A1DI approval, please submit request via the Civilian Automated Training Input Program ([CATNIP](#)). **(T-1)** Additional information regarding civilian education and training may be found in AFI 36-401.

7.13. Disputes, Defective Items and Fraudulent Transactions.

7.13.1. If items or services purchased are faulty or defective, the cardholder shall obtain a replacement or repair of the item or re-performance of the service as soon as possible. If the merchant refuses to replace, repair the faulty item or re-perform the service to satisfaction, the cardholder will consider the transaction in dispute. **(T-0)**

7.13.2. If the cardholder discovers fraudulent transactions (i.e., use of a lost or stolen card) on the statement, the cardholder shall immediately contact the Bank's Customer Service Department, who will, in turn, transfer the cardholder to the Fraud Department to investigate. **(T-0)** The cardholder should also notify his A/OPC and approving official of any fraudulent activity. If fraudulent activity is confirmed (which means a third party has gained access to the account), the account will be terminated and replaced with a new account number. All account information will transfer to the new account and the cardholder will continue to work with the Fraud Department to resolve the fraudulent transactions. If the cardholder fails to work with the Bank, the transaction will be billed to the account. **(T-0)**

7.13.3. Disputes, such as duplicate billing, non-receipt or cancellation of supplies or services, returned supplies, invoice amount discrepancies, transaction was paid by other means (e.g., split payments w/another organization), must be handled initially between the

cardholder and the merchant. If the merchant is unwilling to accommodate a resolution, then, the cardholder will file a dispute with the Bank. **(T-0)** If a dispute is resolved in favor of the cardholder, a credit will be placed on the cardholder's statement. If the dispute is resolved in favor of the merchant, a letter will be sent to the cardholder explaining the decision and, since the charge was already paid, no further action will be taken.

7.14. Non-Disputable Charges.

7.14.1. Charges that involve misuse or abuse by the cardholder are not disputable with the Bank. If the transaction was processed IAW established controls (e.g., within the purchase limits, not from a merchant with a blocked Merchant Category Code, see Attachment 3), then the bank has fulfilled its responsibilities under the contract and the Government is obligated to make payment for the transaction. The Government will seek recourse, as prescribed in Chapter 13, *Disciplinary actions*, and seek restitution from the employee as a result of their improper misuse or abuse. **(T-3)**

7.14.2. If a charge involves sales tax erroneously invoiced by the merchant, the amount of the tax cannot be disputed. The cardholder should make an effort to obtain a credit from the merchant. If a credit is not obtained, the cardholder should advise, and request assistance from, the A/OPC. The cardholder should seek restitution via the guidance provided by the *GSA SmartPay Tax Exemption* website located at: <https://smartpay.gsa.gov>. The cardholder should document the file accordingly.

7.14.3. If a charge involves shipping costs erroneously invoiced by the merchant, the amount of the erroneous shipping costs cannot be disputed. The cardholder should try to obtain a credit for the amount of the transportation costs from the merchant. If a credit is not obtained, the cardholder should advise, and request assistance from, the A/OPC. The cardholder should document the file accordingly.

7.14.4. There is no convenience check dispute process with the Bank. Any concerns with a purchase made by check must be resolved directly with the merchant. The check writer is responsible for securing restitution and/or credit for disputed purchases. The check writer will notify the A/OPC and request assistance to resolve disputes if necessary. Each organization is responsible for checks written on the account, unless it is determined fraudulent activity is involved.

7.14.5. If a dispute with a merchant involves a third party payer (e.g. Google Pay, PayPal, etc), the dispute is not with the third party payer, but with the merchant, the Bank has no privity to the transaction and the cardholder must discuss the dispute with the merchant and/or the credit card company.

CHAPTER 8

PROHIBITIONS FOR GPC AND CONVENIENCE CHECKS

- 8.1. Personal use.** The use of the GPC (or convenience checks) for personal purchases for any reason is prohibited. **(T-0)**
- 8.2. Classified Requirements.** The use of the GPC (or convenience checks) to fulfill classified requirements for matters of national security is prohibited. **(T-0)**
- 8.3. Cash Advances.** Cash is easily misappropriated, and shall not be used to obtain items from merchants who do not accept the GPC. **(T-0)** Money orders, traveler checks, gift certificates, foreign currency, savings bonds and wire transfers are considered to be cash advances.
- 8.4. Cash Refunds.** For non-receipt of items, returned merchandise, or damaged items that were initially purchased using a GPC, the cardholder shall only accept credit to the account, or a refund check made payable to the U.S. Treasury. **(T-0)**
- 8.5. Purchases Requiring Advance Payments.** Except for subscriptions or training based on an SF 182, *Authorization, Agreement, Certification of Training*, advance payments are prohibited. **(T-0)**
- 8.6. Checkout Fees.** The cardholder should not pay merchant checkout fees; however, certain governing CONUS and OCONUS locations permit merchants to impose surcharge/checkout fees for charge/credit card purchases and therefore cannot be avoided. Merchants are required to notify cardholders in advance of these charges and include the fee on the receipt. Cardholders must ensure the total amount of the purchase, to include the checkout fee, does not exceed the cardholder's single purchase limit. Furthermore, the cardholder must ensure the price with the fee is considered fair and reasonable. **(T-0)**
- 8.7. Betting, Casino Gaming, and Off-track Betting .** Betting, Casino Gaming, Off-track Betting, Lotteries, or any other form of gambling or games of chance are prohibited. **(T-0)**
- 8.8. Taxes.** DoD is exempt from paying taxes to any Federal, State, or local authority. (The card is embossed with U.S. GOVT TAX EXEMPT for additional clarification.) However, some states charge fees and identify them as taxes; these are not prohibited. For state specific guidance, access the GSASmartPay2 website at <https://smartpay.gsa.gov/about-gsa-smartpay/tax-information/state-response-letter>. The cardholder will inform the merchant that the purchase is for official U.S. Government purposes and not subject to state or local sales tax; however, some states require completion of a tax exemption form prior to or after purchase. Each cardholder is responsible for providing the tax-exempt number to the merchant if requested. **(T-0)** Overseas cardholders are not exempt from paying foreign taxes unless foreign tax agreements specify.
- 8.9. Bail and Bond Payments.** Use of the GPC (or convenience checks) for bail and bond payments is prohibited. **(T-0)** Personal expenses cannot be charged to the GPC. **(T-0)** The card is to be used only for official, mission-related purposes. **(T-0)**

8.10. Equal Employment Opportunity Settlement . The use of GPC (or convenience check) for Equal Employment Opportunity settlements and all costs leading to resolution regardless of how the settlement is reached is prohibited. **(T-0)**

8.11. Use of the GPC (or convenience checks) to Settle Commercial and Government Fines. The use of GPC (or convenience check) for commercial and government fines is prohibited. **(T-0)**

8.12. Purchases from Government Personnel (civ or mil). Use of the GPC (or convenience checks) to make purchases from contractors or contractor agents who are military personnel or civilian employees of the Government is prohibited. **(T-0)**

8.13. Purchases for Contractors . The use of GPC (or convenience check) for purchases for Contractors is prohibited, unless provided for by contract. **(T-0)**

8.14. Items and Services That Are Part of an Existing Contract. The use of GPC (or convenience check) to purchase items and services that are required to be supplied or performed under an existing contract is prohibited. **(T-0)**

8.15. Construction Services Above the Construction MPT . The use of GPC (or convenience check) to acquire construction subject to 40 U.S.C. chapter 31, subchapter IV, Wage Rate Requirements (Construction) is prohibited. **(T-0)** (See FAR 2.101, Definitions) For construction OCONUS, reference paragraph 9.3 for further information and authorities.

8.16. Services Acquisitions Above the Services MPT. The use of the GPC (or convenience check) to acquire services subject to 41 U.S.C. chapter 67, Service Contract Labor Standards. (See FAR 2.101, Definitions) is prohibited. **(T-0)**

8.17. Personal Services Contracts. As prescribed by FAR Part 37, *Service Contracting*, contracts that make the contractor personnel appear, in effect, to be Government employees (e.g., consultants directly under Government supervision, contracted medical staff) is prohibited. **(T-0)**

8.18. Salaries and Wages. Salaries and wages of government employees cannot be paid with the GPC (or convenience checks). **(T-0)** However, use of the card as a method of payment for labor contracts is authorized if a Government contract has been negotiated for these services.

8.19. Short Term Lease/Rental of Banquet Halls or Similar Facilities for Non-Mission Related Events. The use of GPC (or convenience check) to for non-mission related events, such as retirement, promotion or farewell functions, is prohibited. **(T-0)**

8.20. Long-Term Lease of Land and/or Buildings. The General Services Administration prohibits the long-term rental or lease of land or buildings exceeding 30 calendar days. **(T-0)** See paragraph 7.12.3. for allowable rental for temporary storage.

8.21. Safety-of-Flight Items Regardless of the Expendability, Reparability, Recoverability Category. The use of GPC (or convenience check) for Safety-of-Flight Items is prohibited. **(T-0)** If you are unsure if an item is a Safety-of-Flight Item, contact your local aircraft maintenance or Contracting Office for a determination.

8.22. Major Telecommunication Systems. A contract through a contracting office is required for such systems as the Federal Telecommunications System, Defense Switched Network

systems, etc. must include special terms and conditions and are prohibited from purchase with the GPC. (T-0)

8.23. Weapons, Ammunition, and Explosives . These are DoD controlled commodities and assigned to the Army for purchasing. (see DFARS 208.70 and DFARS Procedures, Guidance and Initiative (PGI) 208.7006). (T-0)

8.24. Travel Related Expenses. Any expenses associated with official Government travel, or temporary duty, supported by travel orders and reimbursed on a travel voucher which includes rental/lease of motor vehicles, purchase of airline, bus, train tickets, fuel, meals, drinks, lodging, or other travel or subsistence costs are prohibited. (T-0) Individual employees should use their issued Government Travel Card (GTC) for such reimbursable expenses.

8.25. Vehicle-Related Expenses. Any expenses which should be paid with the Travel or Fleet card are prohibited for purchase with the GPC. (T-0)

8.26. Appliances. Appliances and related furnishings must be acquired subject to the conditions in accordance with AFI 65-601V1 paragraph 4.48. (T-1)

8.27. Entertainment Items. Party supplies, serving material, food, meals and drinks are considered entertainment items and prohibited unless specifically authorized by law. (T-1) Case by case exceptions are outlined in AFI 65-601 V1, *Budget Guidance and Procedures*. Official Representation Funds are used to bestow official courtesies on specified foreign and U.S. civilian dignitaries are allowed as provided for in AFI 65-603, *Official Representation Funds* (ORF) para 4, *Authorized Categories of Official Courtesies*. Written coordination with Legal and Financial Management is required prior to any purchase. (T-1)

8.28. Items/Services for the Personal Benefit of Government Employees. In the absence of specific statutory authority, purchase of items for the personal benefit of Government employees, such as gifts (e.g., retirements, farewells), and promotional items for conferences, meetings, symposia (e.g. coins, mugs, coasters), gift certificates, gift cards and cash incentive awards are not permitted. (T-0) This does not apply to Health Promotion Programs funded with the Defense Health Program appropriation (97X/X0130.1883 - FC 2X). See AFI 65-601, V1 Section 4.L, Awards, Award Ceremonies and Gifts and AFI 34-201, *Use of Nonappropriated Funds* for further information. In addition, a cardholder is not permitted to retain gift checks, rebates or other incentives for personal use. Incentives/rebates should be used to immediately reduce the amount of the transaction, at the point of sale, if possible. Otherwise, they should be submitted to the unit comptroller for evaluation.

8.29. Donations to or Payment of Expenses for Private Organizations or Membership Dues in Professional Organizations. The use of GPC (or convenience check) for charitable and social organizations memberships is prohibited. (T-0)

8.30. Splitting of Requirements. Splitting a requirement for the sole purpose to circumvent applicable thresholds, including but not limited to MPT, delegation of authority, contract limitation or any other established limitation of the GPC (or convenience checks), is prohibited by FAR Subpart 13.003(c)(2). (T-0) A split purchase occurs when a cardholder splits a known, or reasonably should have been known, requirement at the time of the purchase into several transactions in order to circumvent their authorized dollar thresholds to use the GPC (or convenience checks); or to avoid sending the requirement to their supporting Air Force contracting office for appropriate contract award. Cardholders are prohibited from splitting

requirements and may violate several statutory requirements including the Small Business Act, Service Contract Labor Standards, Wage Rate Requirements (Construction), and the Competition in Contracting Act. Failing to plan, urgency or expenditure of end-of-year funds does not relieve the cardholder or approving official of this prohibited practice. When known, or reasonably should have been known, requirements exceed the cardholder's delegated threshold, it must be forwarded through the proper channels to the contracting office for procurement. Cardholders shall document the reason for any purchases that appear to be a split requirement. **(T-0)** For example, if a second requirement came in shortly after the first requirement was ordered, the cardholder shall document the circumstances for each requirement to be purchased separately. In analyzing requirements to avoid splitting requirements, requiring activities should project reasonably predictable and known requirements for that FY. If the estimated value exceeds the cardholder's single purchase limit, the requiring activity should contact their servicing Contracting Office for guidance to assist with the acquisition strategy, which may or may not include GPC as an execution method.

8.31. Recurring or Repeat Purchases . Categories of purchases that are logically associated or purchased together should be identified and aggregated together to obtain lower prices, standardize requirements, and standardize procurement processes whenever possible. **(T-0)** Units should not establish "charge accounts" with contractors whereas make multiple orders over time and reconcile at regular intervals (i.e. monthly) or at certain dollar thresholds (i.e. MPT or \$25,000). If you have recurring requirements, cardholder's should work with their Supporting Contracting Office to establish the appropriate support contract for this requirement. This does not prohibit the Contracting Office establishing contract vehicles to support and then ordering from that or other established contract vehicles such as Blanket Purchase Agreements or Indefinite Delivery/Indefinite Quantity contract which cardholder's can order from subject to their purchasing limits and that of the contract vehicle.

8.32. Use of Merchant Category Code 000 . This is prohibited by the DoD Purchase Card Program Office. **(T-0)**

8.33. Aircraft Fuel and Oil. The AIR Card®, rather than the GPC, should be used for aircraft-related expenses. (Refer to the Defense Logistics Agency (DLA) web site.) **(T-0)**

8.34. Unmanned Aircraft Systems. Cardholders are prohibited from the purchase, lease, or contract of any unmanned systems, to include but not limited to, Commercial Off the Shelf Drones, Unmanned Aircraft Systems, Unmanned Aircraft, Ground Control Station, Remote Video Terminal, Electro-Optical/Infrared sensors or any other payload, unmanned ground vehicle/system, or unmanned boat/submersible drone/system. **(T-2)** GPC purchases of spares/replenishment parts for AF approved unmanned systems are not restricted by this AFI. Exception: The GPC may be used to purchase the above if purchase is for Research Development Test & Evaluation purposes. The GPC holder making Small Unmanned Aircraft Systems purchase under this exception shall notify AFMC/A3V, afmc.a3v@us.af.mil , within 30 days of such purchase. The purchase notification shall include the make, model, and quantity of items purchased. Purchases made under this exemption are not exempted from applicable Air Force Instructions that govern acquisition, cybersecurity, operation and employment of the purchased items. **(T-2)**

8.35. Preferred Use Memberships. Preferred use memberships (e.g. Amazon Prime, Wholesale Clubs, etc.) are prohibited for purchase with the GPC (or convenience checks). **(T-1)**

CHAPTER 9

CONVENIENCE CHECK ACCOUNTS AND FOREIGN DRAFTS

9.1. Convenience Check Accounts. The management controls, procedures, and restrictions included in this AFI for the purchase card also apply to the use of convenience checking accounts. Convenience checks are an alternative only when the GPC is not feasible; and the activity has evaluated all alternatives and determined the checks as the most advantageous. Before a check is issued, the requiring organization must document their effort to find a merchant that accepts the GPC. **(T-0)** Convenience checks may be used for non-contingency transactions within the Continental United States/Outside the Continental United States (CONUS/OCONUS) environments up to the CONUS MPT and may only be written in U. S. dollars. **(T-0)**

9.1.1. The organization's commander, or equivalent, shall justify yearly the necessity to maintain a convenience checking account. The organizational commander, or equivalent, must control and monitor the convenience checking account. Organizations must have an active (in good standing) GPC managing account before approval of a convenience checking account. **(T-0)** The number of convenience checking accounts per installation must be kept to a minimum and be limited to no more than one convenience checking account per organization. The Contracting Commander, or equivalent, is the approval authority for additional convenience checking accounts. **(T-3)**

9.1.2. The organization's commander, or equivalent, shall provide written justification and the convenience check writer's nomination letter (see Atch 2) to the A/OPC. **(T-0)** The Contracting Commander, or equivalent, will appoint the convenience check writer via a Delegation of Contracting Authority Letter as having procurement authority at a designated threshold (i.e., MPT). The following categories of personnel may be appointed Check Writers: a) Government civilian employees; b) members of the armed forces; and c) foreign nationals (both direct and indirect hires) subject to operational control and day-to-day management and supervision by U.S. civilian and military personnel. All check writers are considered legal agents; and must countersign their delegation letters to acknowledge they have reviewed, understand, and concur with their GPC Convenience Check Program responsibilities. **(T-0)** A discrete account must be set up in order to issue convenience checks. Convenience check and GPC card accounts may be issued under a single managing account but must remain separate accounts. The convenience checking account number must be unique and cannot be used jointly with an existing GPC cardholder account number; however, a GPC cardholder may also be a Convenience Check Writer. The requirement owner shall not be the same individual who holds the convenience checking account. **(T-0)**

9.1.3. The convenience checks bear the check writer's name and shall only be used by the named individual to pay for authorized, official Government purchases. **(T-0)** It is the check writer's responsibility to safeguard and secure the convenience checking account number at all times. The Convenience Checks will be pre-numbered and maintained by the check writer. **(T-0)** Checks are negotiable instruments and must be stored in a locked container, such as a safe or metal filing cabinet. Checks must be accounted for appropriately to prevent loss, theft, or potential forgery. Lost checks are the responsibility of the check writer (see DoD 7000.14-R, Volume 5, Chapter 7). **(T-0)**

9.1.4. Check writers must reconcile convenience checking accounts in the same manner as GPC transactions. Checks should be printed on duplicate paper to facilitate tracking and reconciliation. Duplicate copies of checks must be retained as a part of the account holders' original documentation files. Check writers must maintain a check register of all expenditures, fees and deposits. (T-0)

9.1.5. Approving official responsibilities for convenience checking accounts are the same as those for the GPC. The approving official is responsible for the implementation of appropriate internal controls. Approving officials shall complete the convenience check section of the surveillance checklists every quarter for each convenience check account. The A/OPC will review each convenience checking account as part of the organization's annual surveillance of accounts. (T-0)

9.1.6. Copies of posted checks are retained on file at the Bank. Contact the Bank Customer Service if a check copy is needed. If a fee is charged, it must be accounted for in the purchase log/funding document balance associated with the account. (T-0)

9.1.7. If a check has not yet posted to an account, in some cases, payment can be stopped on a convenience check. Call the Bank Customer Service for assistance to stop payment on a check, which may only be temporary. If the check has already posted to the account, a request to stop payment cannot be honored.

9.1.8. Authorized convenience checking account writers and A/OPCs must register and comply with the instructions in the 1099 Tax Reporting website: <https://dfas4dod.dfas.mil/systems/1099>. (T-0) Check writers are responsible for completing IRS Form 1099 MISC, (*Miscellaneous Income*) for merchants that are paid by convenience check. The approving official and the A/OPC must validate that all check payments, no matter the dollar amount, are captured in the IRS 1099 reporting tool as part of their surveillance report unless an exemption applies. (T-0)

9.2. Unauthorized Use. The A/OPC shall suspend the account immediately for any assigned check writer who issues a check(s) for any unauthorized use or violation. (T-0) The A/OPC will notify the approving official to remove all remaining checks from the check writer. (T-0) Surveillance will be conducted on the account by the A/OPC. Check writing privileges shall be permanently canceled for any organization in violation of policy more than twice in a 24 month period. (T-0) The Contracting Commander, or equivalent, may authorize an account if there is a compelling need for the account and a different check writer can be appointed. Justification, including disciplinary actions, procedures implemented to prevent recurrence, and the results of the account surveillance by the A/OPC, shall be submitted to the Contracting Commander, or equivalent, and forwarded to the Level 3. (T-0)

9.2.1. Convenience checks shall not be issued for more than the MPT. (T-0)

9.2.2. The same unauthorized uses associated with the Government purchase card apply to the convenience checks; however, the following also applies: a) convenience checking accounts cannot be used for recurring services; b) convenience checks cannot be used to reimburse students for tuition assistance; c) checks shall not be used as a method of contract payment. (T-0)

9.3. Funding. AF Form 4009s will be used to fund convenience checking accounts. (T-1) The organization is responsible for all administrative costs associated with the use of checks

including any costs for checks and Bank surcharges. The total purchase amount, plus the Bank checking account fee, must be entered in the check writers check registers and deducted from the funding document balance. Likewise, all checks must be entered into the Bank's Electronic Access System in the same manner as a GPC transaction. **(T-0)** Checks may not immediately post when written, and therefore, may not reflect in the current month's convenience checking account statement of account. When a check is presented to the Bank for payment, there must be enough funds to cover the check. In addition, a check cannot exceed the single purchase limit assigned to the account or a Non-Sufficient Funds notification may be returned to the merchant. A Non-Sufficient Funds fee will be charged against the check writer's account (and must be accounted for on the purchase log/funding document balance). **(T-0)**

9.4. Foreign Drafts. Foreign Draft Accounts provide an alternative for OCONUS when the use of the GPC or convenience checking account is not feasible, and the activity has evaluated all alternatives and determined Foreign Drafts as the most advantageous. Foreign Draft accounts are setup as a "normal" cardholder account with no card or convenience checks. Since not all countries accept Foreign Drafts, an organization must coordinate approval through the A/OPC and the Bank. Before a Foreign Draft is issued, the requiring organization must document their effort to find a merchant that accepts the GPC first, then convenience checking account. The management controls, procedures, and restrictions included in this AFI for the Government Purchase Card and convenience checks also apply to the use of Foreign Drafts. Foreign Drafts provide organizations the flexibility to issue low volume, low foreign currency payments for supplies and services. All Foreign Drafts issued will post against a specific cardholder/check writer account. **(T-0)** Only approved Foreign Draft check writers with a valid Foreign Draft Product User ID and Password have the authority to create, print and issue a draft.

Chapter 10

GOVERNMENT PURCHASE CARD USE FOR EMERGENCY ACQUISITIONS

10.1. Emergency Acquisition Flexibility. There will not be a blanket increase of cardholder authority. Emergency Acquisition Flexibilities are defined in DFARS 218.2—*Emergency Acquisition Flexibilities*, and include: Contingency Operations; Defense or Recovery from Certain Attacks; Incidents of National Significance, Emergency Declaration, or Major Disaster Declaration; Humanitarian or Peacekeeping Operation; and Head of Contracting Activity Determinations. Emergency Acquisition Flexibilities increase the MPT and SAT with respect to the emergency identified in DFARS 213.201(a). Increased thresholds shall be authorized in writing by the head of the contracting activity as defined in FAR 2.101. **(T-0)**

10.2. Emergency Thresholds. Reference tables B-1 and B-2 in the DoD Government Purchase Card Guidebook for applicable micro-purchase and SAT.

10.3. Responsibilities

10.3.1. Level 2 and Level 3 Agency/Organization Program Coordinators. Level 2 program coordinators will establish reporting categories in the ECARS for transactions associated with declared events if required. Level 2 and 3 program coordinators will disseminate declarations to the effected installations. Level 3 Agency heads must designate officials to conduct follow-up reviews of transactions in support of each event pursuant to the related law.

10.3.2. Installation Contracting Squadron. The Contracting Commander, or equivalent, should identify contingency contracting officers with pre-positioned GPC accounts in advance of need. These cardholders shall have a card with an initial spending limit of \$1 until an emergency acquisition flexibility is declared and purchase limits are increased. **(T-0)**

10.3.2.1. Upon declaration of an emergency as defined in DFARS 213.201(a), the contracting squadron commander shall ensure contracting officer warrants and/or delegations of authority are modified to reflect applicable procurement limits. **(T-0)**

10.3.2.2. All deployable contracting personnel will receive GPC training and maintain copies in the individual's deployment folder. **(T-1)** In some cases, the Contingency Contracting Officer may be issued a GPC specific to the operation or exercise. Designated deployment Contingency Contracting Officers will be notified of unique GPC requirements, if any, through their Personnel Readiness Unit for the operation they are tasked to support.

10.3.2.3. Contingency Contracting Officers should be issued a GPC by their home station for use during the deployment or operation unless exempted by the supported command. When functional control of the deployed Contingency Contracting Officer shifts to another Head of Contracting Activity, home station-issued GPCs may continue to be used unless prohibited by either the home station or the gaining command. GPCs may be issued to the Contingency Contracting Officer under the authority and direction of the supported command's Head of Contracting Activity. In all cases the Contingency Contracting Officer will follow the guidance provided by the GPC-issuing office. **(T-1)** When the Contingency Contracting Officer deploys, the limits can be raised by the

A/OPC via the Bank's Electronic Access System. The limits should be raised to a realistic level based on the expected purchase volume for that operation. Upon return of the Contingency Contracting Officer to home base, the spending limits should be lowered to the previous level unless the organization requires that Contingency Contracting Officer to continue purchasing for that organization's purpose in a non-contingency environment.

10.3.3. Installation Agency/Organization Program Coordinator. The Level 4 program coordinator shall distribute governing policy and guidance with respect to use of the GPC for each event to all effected GPC officials. **(T-0)**

10.3.3.1. Ensure letters for delegation of procurement authority are distributed to cardholders with increased authority. **(T-0)**

10.3.3.2. Increase GPC spending limits to approving officials and cardholders only where appropriate. **(T-0)**

10.3.3.3. Maintain a discrete record of all approving official and cardholder accounts with increased purchase and monthly limits, including convenience check accounts. **(T-0)**

10.3.3.4. Coordinate GPC account fund availability for contingency contracting operations with Financial/Resource Managers. Work with Financial/Resource Managers to add alternate LOAs earmarked for each event to appropriate managing accounts.

10.3.3.5. Contact the card-issuing bank to remove spending limits from appropriate accounts.

10.3.3.6. Develop and issue instructions to enable the identification and capture of all contingency contracting GPC purchases (transactions and dollars), regardless of whether the cost is reimbursable. ECARS should be used to identify transactions associated with an event; however, the system may not be available and an alternate method may be used. **(T-1)**

10.3.3.7. Develop and implement a supplemental oversight program for all accounts with elevated spending limits. **(T-0)**

10.3.4. Approving Officials. Approving officials shall conduct follow-up reviews of all transactions made in support of each event. **(T-0)** These reviews should take place as soon as practicable, but no later than 30 calendar days after any transaction. This review shall include:

10.3.4.1. Ensure CH compliance with all governing statute and regulatory guidance regarding the use of the GPC. **(T-0)**

10.3.4.2. Ensure cardholders maintain a discrete record of purchases made using the GPC in support of each event to include: merchant name, item being purchased, cost of each item, date of purchase, and any other relevant information. **(T-0)**

10.3.4.3. Ensure cardholders use the correct Line of Accounting for purchases made in support of each event. **(T-0)**

10.3.4.4. Ensure convenience checks written in support of the event do not exceed authorized spending limits and the sources of supply for the items or services purchased with the convenience check do not accept the GPC. **(T-0)**

10.3.4.5. Ensure purchases are entered into the ECARS where required and correctly identify the event supported. **(T-1)**

10.3.5. Cardholder and Convenience Check Account Holder. Cardholders and convenience check writers must ensure they receive the proper delegation of authority prior to making purchases in support of a declared event. **(T-0)**

10.3.5.1. Competitive procedures should be used to the maximum extent practicable. Consideration should be given the practicability of competitive procedures given the supported event.

10.3.5.2. Cardholders are responsible for ensuring that prices are reasonable. **(T-0)** The cardholder should make common-sense determinations and may take into consideration the extraordinary nature of the emergency environment.

10.3.5.3. Cardholders using CONUS emergency procurement authority are expected to provide small businesses maximum practicable opportunity under the circumstances.

10.3.5.4. Section 307 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288) establishes a preference, to the extent feasible and practicable, for contracting with local organizations, firms, or individuals for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities.

10.3.5.5. If making a purchase on behalf of another agency, the agency making the purchase will ensure the requesting agency has the authority to make the purchase and fully document the GPC transaction, including the date and time of the request, the name and contact information of the requesting official, and the funding authorization. **(T-0)**

10.3.5.6. Cardholders and check writers shall:

10.3.5.6.1. Establish and maintain a discrete record (i.e. separate from non-emergency transaction records) of the number of transactions and dollars spent in support of each event, regardless of whether the cost is reimbursable. **(T-0)** The banks system and/or ECARS may be required for use. Coordinate with the Installation Level 4 to determine reporting and tracking requirements. At a minimum, record: merchant name, item being purchased, cost of each item, date of purchase, and any other relevant information.

10.3.5.6.2. Coordinate with the approving official and financial management and follow agency accounting procedures. **(T-0)** If finance has no guidance for accounting, provide notation in the CH purchase log that the purchase is associated with a declared event.

10.3.5.6.3. Ensure each GPC transaction is charged to the line of accounting specifically established for that event. **(T-0)**

10.3.5.6.4. Write convenience checks only when necessary and within authorized MPTs; i.e., confirm that the supplier source does not accept the GPC or a formal contract. **(T-0)**

10.3.5.6.5. For contingency contracting construction contracts, ensure the GPC is used only as a method of payment. An existing contract vehicle must be in place prior to the use of this authority. **(T-0)** Otherwise, the cardholder is limited to the construction MPT defined in FAR 2.101.

10.3.5.6.6. Establish and maintain a discrete record (i.e. separate from non-emergency transaction records) of the number of transactions and dollars spent in support of each event, regardless of whether the cost is reimbursable. **(T-0)**

10.4. Deviations and Risks. Deviation from normal separation of functions controls is authorized when mission accomplishment requires such deviation and potential conflicts of interest are mitigated. Internal control principles generally require a four-way separation of the contracting, receiving, voucher certification, and disbursing functions. Commanders, or equivalents, should be aware of the increased possibility of the risk of errors, theft, and fraud that may result from the merging of functions. Every effort to mitigate these risks should be made, such as post-payment reviews, rotation of duties, and management review of financial data and reports.

10.5. Reconciling Transactions in an Emergency Environment. If Internet capability is available at the deployed location, the cardholder will reconcile all transactions via the Bank's Electronic Access System using normal procedures. If not, the cardholder will coordinate with the approving official so the approving official will reconcile all transactions on behalf of the cardholder. **(T-0)**

Chapter 11

PURCHASES ABOVE THE MICRO-PURCHASE THRESHOLD, CONTRACT PAYMENTS, AND CABLE TELEVISION, UTILITIES, AND TELECOMMUNICATIONS SERVICES

11.1. Purchases Above the Micro-purchase Threshold. Cardholders authorized to make purchases above the MPT must comply with the procedures outlined in the most current *GPC Expanded Use Guidebook* located on AF Contracting Central/GPC section. **(T-1)** Authorized non-warranted personnel may make purchases up to and including \$25,000.00 per transaction for GPC payments for cable television, utilities and telecommunication (to include internet) services, and supplies purchased through pre-priced contractual vehicles, mandatory AF sources and all others identified in FAR Part 8, *Required Sources of Supplies and Services*, as stipulated in their Delegation of Authority Letter. This limit is not authorized for any other services or construction purchases by non-warranted individuals. Warranted Contracting Officers may also make GPC purchases using the Expanded Use Program up to the limits of their warrants, but not in excess of the SAT as prescribed by FAR 13.301(b), *Government Commercial Purchase Card*. **(T-0)**

11.2. Cable, Utilities, and Telecommunications (Internet) Services Contracts. Services under this authorization are defined as water, steam, sewage, electricity, natural and propane gas, heating oil, cable television, internet, cell and landline telecommunications expenses. **(T-1)**

11.3. Contract Payment Method. Formal contract payments are not limited to the SAT. Contracting Officers may make contract payment on formal contract vehicles (i.e., purchase orders) up to the limit of their warrants when proven to be more advantageous to the Government. Contracting Officers are required to ensure contractor invoices are accurate (e.g., charge against line items, totals, etc.) Authorized Contracting Officers must comply with the procedures outlined in the most current *GPC Expanded Use Guidebook* located on AF Contracting Central/GPC section. **(T-1)**

Chapter 12

SURVEILLANCE

12.1. GPC Surveillance Requirements . In order to standardize the evaluation of the Purchase Card Program results, at a minimum the GPC Surveillance Checklist on the GPC Sharepoint, shall be used by the Level 4 A/OPC to conduct annual and ad hoc inspections and audits. **(T-1)** This checklist may be supplemented at the command and/or local levels. Surveillance checklist results shall be maintained on file by the A/OPC. To mitigate risks of fraud/misuse/abuse/delinquency, GPC personnel should (at least annually): a) implement strict internal controls that mitigate charge card risks to the greatest extent possible; b) perform periodic reviews of spending and transaction limits to ensure appropriateness; c) conduct internal charge card program reviews on a regular basis to ensure internal control mechanisms are adequate; d) monitor reports to identify potential split purchases; e) perform periodic reviews of the number of charge card accounts in use for appropriateness of number as well as evaluating the span of control for approving officials; and f) keep current on new and innovative solutions to detect and prevent misuse and fraud, such as, data mining, blocking card use for high risk merchant category codes, more restrictive spending limits during expected periods of inactivity, periodic review of cardholder accounts for continued necessity, establishing a control to ensure that card accounts are canceled when the employee retires or leaves the agency. Copies of surveillance results should be provided to the approving official's/cardholder's organizational commander, or equivalent, the approving official, and the cardholder.

12.2. Commander's Surveillance Responsibilities. The Contracting Commander, or equivalent, shall report evidence of fraud or other criminal activity to the Air Force Office of Special Investigations. **(T-1)** Evidence of deliberate abuse shall be referred to the cardholder's and/or approving official's organization commander for appropriate action. Punitive actions may be taken as prescribed in Chapter 13, *Corrective Actions*.

12.3. Level 3, MAJCOM Agency/Organization Program Coordinator Surveillance Responsibilities. Level 3s will periodically, but at least quarterly, review their managing account for span of control, separation of functions, uncashed rebate checks, and delinquencies. **(T-0)** They will also review and analyze the data for the quarterly and semi-annual OMB and AF GPC Violations Report. **(T-0)** The MAJCOM A/OPC will make recommendations to the Contracting Commander or equivalent based on the analysis and trends discovered. **(T-1)**

12.4. Level 4, Agency/Organization Program Coordinator Surveillance Responsibilities. The A/OPC, will use PCOLS automatic Data Mining/Risk Assessment (Data Mining/Risk Assessment) tools in addition to transactional reports from the Bank's Electronic Access System (or other electronic oversight process) to perform reviews. **(T-0)** At least once every 12 months (not per FY), the A/OPC shall use the GPC surveillance checklist to perform physical surveillance on each managing account (to include convenience checks), and document and retain results of each review (to include if a corrective/disciplinary action was taken). **(T-0)** During the annual inspections, the A/OPC will review not less than a 10 percent random sample of the total transactions, inclusive of all card holder and convenience check accounts. They shall ensure no cardholder is acting as the approving official for their own account. **(T-0)** The installation Contracting Commander, or equivalent, shall notify the surveilled organization's commander, or equivalent, in writing with copies sent to the approving official's supervisor.

This notification shall include the outcome of the surveillance (include surveillance checklist as an attachment) and recommendations for improvement where the approving official/cardholder failed to comply with policies and procedures. (T-0) The A/OPC, when necessary, shall meet with the approving official to discuss each finding of noncompliance. (T-0) The A/OPC shall track and monitor corrective actions identified on the annual surveillance reports and provide status during their monthly briefing to the Contracting Commander, or equivalent. (T-3) Pending the corrective actions (training, account suspension, etc.) the A/OPC shall ensure spending limits are set to \$1. (T-0)

12.5. Level 5, Approving Official Surveillance Responsibilities. The approving official is the Program's first line of defense against misuse, abuse and fraud. They are responsible for ensuring all purchases made by cardholders within their purview are appropriate, bona-fide, and that the charges are accurate. Approving officials shall complete surveillance checklists for 100% of their cardholder accounts annually (within 90 calendar days for new accounts) to ensure procedures are followed, documentation is maintained, and reconciliation is performed properly and follow-up on corrective actions. (T-0) Approving officials shall complete the convenience check section of the surveillance checklists every quarter for each convenience check account. (T-0) Approving officials are also responsible for reviewing all cardholder the ECARS before submission to the A/OPC. For contingencies, approving officials shall also perform the surveillance checklist of GPC purchases made during all contingency operations within 30 calendar days following the conclusion of the contingency/exercise, deployment of the cardholder, or the receipt of the final statement, whichever is later. (T-0) Copies of all surveillance checklist results shall be maintained and made available to the A/OPC for their review. Upon discovery of any improprieties, the approving official must notify the A/OPC. (T-0)

Chapter 13

CORRECTIVE ACTIONS

13.1. Corrective Actions of Violations. Improper, fraudulent, abusive, or negligent use of any Government charge card is prohibited. The agency may take corrective action, impose disciplinary action (including removal for serious or repeated infractions) and take other administrative actions for charge card infractions. The GPC bears the cardholder's name and shall only be used by the named individual to pay for authorized purchases. The GPC was specially imprinted with the United States Seal and the words, "United States of America" to avoid being mistaken for a personal credit card. All GPC officials have a shared responsibility to take appropriate action and report to higher authority any potential program-related fraud, waste, abuse, and misuse.

13.1.1. Each Command and/or organization shall formalize policies and procedures and identify corrective measures that will be levied as a result of non-compliance. **(T-2)**

13.2. Discovery. If a potential GPC violation is discovered, GPC personnel shall ensure suspected fraud, misuse, and/or abuse of the purchase card is appropriately investigated. **(T-0)** In cases of suspected fraud, charge card managers must refer these instances to independent investigatory agencies (e.g., AFOSI) for investigation. **(T-0)**

13.3. Major Violations.

13.3.1. Exceeding purchase authority limit. If a cardholder has exceeded their limit, they exceeded their authority and a ratification (where possible) by Contracting must be processed. (If a report was already processed, a purchase order will not be accomplished; however, ratification paperwork authorizing the purchase must be accomplished.) **(T-0)**

13.3.2. Exceeding available funding. **(T-0)**

13.3.3. Purchases by individuals other than the authorized cardholder. **(T-0)**

13.3.4. Cash advances. **(T-0)**

13.3.5. Returns for cash or credit vouchers. **(T-0)**

13.3.6. Betting, Casino Gaming, Off-track Betting, Lotteries, or any other form of gambling or games of chance. **(T-0)**

13.3.7. Items/Services for the personal benefit of government employees, to include the cardholder keeping points, discount coupons, rebates, or other bonus and incentive refunds for personal use. **(T-0)**

13.3.8. Internal Fraud. Internal fraud is any felonious act of corruption or attempt to cheat the Government or corrupt the Government's agents by charge card program officials. For example, cardholder purchasing items for personal use or to receive a personal benefit. **(T-0)**

13.3.9. Card Abuse. Card abuse is the intentional use of the GPC in violation of applicable guidance and regulations. Intentionality may be determined from repeat offenses of the same violation after corrective action/retraining has occurred. For example, repeatedly exceeding the MPT or splitting requirements to avoid the MPT. **(T-0)**

13.4. A/OPCs shall verify that all potentially fraudulent and erroneous transactions that have been identified are disputed and properly resolved. The Level 4, A/OPC shall document a substantiated violation as well as any action taken to resolve the noncompliance. **(T-0)** For major violations, the Level 4 A/OPC shall reduce the cardholders purchase limit for a period of not less than 30 days. For mission essential requirements, the CONS/CC may waive the 30 day suspension after completion of corrective action. Evidence of deliberate misuse, abuse, or fraud shall be referred to the cardholder's and/or approving official's commander, or equivalent, by the Contracting Commander, or equivalent, for appropriate action.

13.5. Corrective Actions. Level 4 A/OPCs shall ensure the suspension and revocation of GPC account privileges for individuals (cardholders and approving officials) who consistently violate GPC procedures. Any determinations to cancel or permanently suspend a cardholder or approving official account shall be made by the Contracting Commander, or equivalent, in writing, and their findings forwarded to the cardholder's and/or approving official's organizational commander, or equivalent. Continual violation of GPC procedures by an individual cardholder or approving officials shall result in termination of GPC privileges. The violating organization commander, or equivalent, shall be responsible for completing, signing and providing a Corrective Action Plan and submitting to the Contracting Commander, or equivalent, within 14 calendar days. The Contracting Commander, or equivalent, has the authority to waive suspension limits, if required, to avoid mission impacts; however, a corrective action plan shall be accomplished to preclude recurrence.

13.5.1. The GPC Program Office personnel shall conduct the necessary audit oversight to identify possible improper purchases, document and retain findings in the account file. **(T-0)** The Level 4 A/OPC will be responsible, as deemed necessary, to accomplish refresher training, make changes to account limits, terminate accounts, and document GPC files. At a minimum, retraining is required.

13.5.2. The A/OPC will reduce accounts to \$1 for 30 calendar days if the managing account exceeds their available funding, or if payment is delinquent after 30 calendar days past the Bank statement date; and the entire organization is suspended at 120 calendar days past the Bank statement date. **(T-0)** The Level 4 will also ensure any accounts delinquent 120 calendar days or more will be terminated. **(T-0)** An A/OPC shall permanently suspend or terminate a managing account that exceeds their funding twice in a FY until a new approving official is appointed and trained. **(T-0)**

13.5.3. At a minimum, organization commanders, or equivalents, shall notify each violator that repeated violations may result in termination of GPC privileges. The cardholder account will remain suspended until the cardholder's organizational Commander, or equivalent provides a corrective action plan to the Contracting Commander, or equivalent, and shall include written assurance steps have been put in place to ensure the violation will not occur again. Organizational commanders, or equivalents, must sign all corrective action plans for accounts to be restored. **(T-3)**

13.5.4. Financial Management will review purchase(s) and regulatory guidance necessary to make final determinations regarding any abuse or misuse of fiscal policies and law. **(T-0)** When the review is complete, the Financial Management point of contact will notify the Level 4 A/OPC of the determination. If Financial Management confirms the purchase was improper, they will apply the appropriate remedy to recoup the funds, ensure the funds were

returned to the correct billing account, and in turn provide the GPC Program Office with all pertinent information. (T-0)

13.6. Pecuniary Liability. The Government is liable for unauthorized purchases that cannot be ratified.

13.6.1. A cardholder who makes unauthorized purchases, allows others to use the card, or carelessly uses the GPC shall be liable to the Government for the total dollar amount of unauthorized purchases made in connection with the misuse or negligence. The cardholder will also be held pecuniary liable, as an Accountable Official to the Government for the amount of any payment certified and paid based on false or negligent information provided to the Certifying Officer. (T-0)

13.6.2. As a Departmental Accountable Official, the approving official may be held pecuniary liable to the Government for the amount of any payment certified and paid based on false or negligent information provided to the Certifying Officer. Approving officials are considered Departmental Accountable Officials under the Pay and Confirm process. As such, approving officials provide information, data, or services to Certifying Officers upon which the latter rely to certify vouchers for payment. In accordance with the provisions of DoD FMR Volume 5, Chapter 5, Paragraph 050701(C), approving officials are not subject to the presumption of negligence, but may be held pecuniary liable under USC Title 10, Subtitle A, Part IV, Chap 165, Sec 2773a for an illegal, improper, or incorrect payment resulting from information, data, or services they negligently provide to a Certifying Officer and upon which that Certifying Officer relies when certifying a payment voucher. Any pecuniary liability of an approving official for a loss to the United States resulting from an illegal, improper, or incorrect payment may be joint and several with that of any other officer or employee of the United States or member of the uniformed services who is also pecuniary liable for that loss.

13.7. Disciplinary Actions. At a minimum, organization commanders, supervisors, or equivalents, shall notify each violator that repeated violations may be result in consideration of appropriate disciplinary action using the UCMJ disciplinary processes or civilian disciplinary rules. (T-1) The Contracting Commander, supervisors, or equivalent, will retain responsibility of addressing with the organizational commander, or equivalent, the need for any disciplinary action against the cardholder and/or approving official.

13.7.1. Supervisory Responsibility. The supervisor of the individual(s) or parties responsible for violating applicable GPC regulations be informed in a timely manner. Supervisors, who receive information indicating personnel have engaged in any fraud, misuse or abuse of a purchase card, have a duty under AFI 36-704, *Discipline and Adverse Actions* to gather (including further investigation if needed), analyze and carefully consider available facts and circumstances before taking or recommending disciplinary action. Supervisors shall consider appropriate disciplinary/adverse action for individuals who have violated applicable GPC regulations.

13.7.2. The circumstances of each individual case will determine the appropriate type of disciplinary/adverse action, if any, that may be imposed. There is no single response appropriate for all cases. A progression of increasingly severe penalties is often appropriate in the case of minor instances of misuse, but more serious cases may warrant a more severe penalty for the first offense if abuse or fraudulent activity is evident. For civilians (except

senior executives), the supervisor considering disciplinary action should contact the servicing Human Resources Office for assistance in taking any disciplinary/adverse action. [For senior executives, AF/DPS serves as the servicing Human Resources Office and must be contacted before any disciplinary action is considered.] Coordination with the appropriate legal office should occur early in the process, where possible. References: For civilians, full consideration must be given to the Douglas Factors as provided in *Douglas v. Veteran's Administration*, 5 M.S.P.R 280 (1981) and supervisors should use AFI 36-704, *Discipline And Adverse Actions*, for guidance. Military may be subject to non-judicial punishment and potentially to judicial punishment, if warranted.

13.8. Clearance Revocation. In addition to corrective or disciplinary action, personnel who misuse their Government purchase card may have their access to classified information modified or revoked in the interest of national security, if warranted. Commanders, or equivalent, and supervisors shall follow previously issued guidance to ensure that security clearance reviews are conducted when the holder of a Government Purchase Card comes under investigation for card misuse. Prompt action is required in response to allegations of charge card misuse or abuse by AF military or civilian personnel. Accordingly the commander, or equivalent, shall review and adjust the suspect's access to classified information accordingly (not as a disciplinary action, but as a prudent safeguard of sensitive information). The commander, or equivalent, has the authority (per DoD 5200.2-R, Personnel Security Program) to suspend the individual's classified access.

13.9. Criminal Prosecution . In appropriate cases, referral for criminal prosecution in civilian courts should be considered as a way to hold civilian and military personnel personally accountable for charge card misuse. Under 18 USC 287, misuse of the purchase card could result in a fine of not more than \$10,000 or imprisonment for not more than five years or both. Military members who misuse the purchase card are subject to court martial under 10 USC 932, UCMJ Art. 132.

Chapter 14

REPORTS

14.1. Reports in General . In addition to the reports listed, maximize utilization of other reports available on the GPC Business IT systems web sites such as the PCOLS Reporting Application and the Bank's Electronic Access System. The reports can assist with conducting periodic and annual surveillance inspections along with overall GPC Program management. Commanders, or equivalents, and GPC personnel should make maximum use of the PCOLS Risk Assessment Dashboard to identify and correct program deficiencies and discrepancies. The Level 2 will utilize the following reports as prescribed and will refer through the GPC chain to the appropriate level to manage the GPC Program. The Level 2 will file reports on the AF Contracting Central, GPC web site. Level 4s should, at a minimum, review reports semi-annually to identify accounts that have not been used within 6 months and recommend suspension at 300 days (exceptions: any accounts that have written approval from the Level 3 or above to remain active, e.g., contingency accounts, mortuary). If these accounts have been inactive for 6 months, the A/OPC should recommend the account be terminated. A/OPC will exercise discretion when recommending termination of accounts; e.g. contingency and mortuary accounts are seldom used, but should not be terminated.

14.2. Purchase Card Online System Reports.

14.2.1. The Provisioning Status Report identifies all accounts that have not been established in PCOLS. The DoD minimum standard is 90% deployment. The Level 1 sends this report to the Agencies/Services Level 2, which is then referred through the GPC chain for the Level 4 to ensure the approving officials/cardholders establish their accounts in the PCOLS.

14.2.2. Escalated Flagged Transactions notices are an automated PCOLS report. The PCOLS high-risk notifications task GPC personnel to perform independent reviews of specific transactions (due to their high-risk nature) within a certain number of business days. GPC personnel are tasked to ensure each high-risk case is properly adjudicated and closed, as soon as possible within the prescribed timelines. Escalated Flagged Transaction notices are sent in succession to each level in the GPC hierarchy's chain until elevated to the Level 1, DoD GPC Program Manager (OSD/DPAP) if a high risk case is not closed timely. GPC personnel should make every effort to close cases prior to escalation.

14.2.3. Case Disposition Detail and Case Disposition Summary reports. Level 4s and 3s should routinely generate the Case Disposition Detail and Case Disposition Summary reports to ensure timely closure of independent review cases such as high-risk notifications. If closure is not timely, the Level 4 will provide a Corrective Action Plans to the Level 2 through the Level 3.

14.3. Express Contract Action Reporting System vs Federal Procurement Data System-Next Generation Comparison Report. The Level 2 generates this report found in the ECARS and send to the Level 3s the first and third week of the month and weekly during fiscal year end Level 3s can also generate this report for their organization. GPC personnel will review FPDS-NG & ECARS Comparison Reports to ensure those GPC transactions above the MPT are recorded in the ECARS within 5 business days of purchase; and transferred into FPDS-NG within 30 business days of purchase. The report lists all transactions and dollar values in both systems

and records any transactions/values not listed in both as “mismatched.” The report also identifies all ECARS transactions that are less than 30 calendar days old and more than 30 calendar days old by MAJCOM for reconciliation purposes.

14.4. OMB Reports . The Level 2 will consolidate and submit to the Level 1, Purchase Card Program Office, the OMB Quarterly Statistics Report and the Semi-Annual Report on purchase charge card violations received from the field through the Level 3s, in accordance with established reporting schedules. This section also discusses the Violations Report as part of the OMB submission not forwarded to OSD. For consistency of reporting, the OMB Circular definitions for abuse, delinquency, fraud, and misuse will be provided by the Level 2.

14.4.1. The Quarterly Statistics Report is a spreadsheet segregated into multiple sections, collected quarterly, which outlines specific categories of data collection for both the Air Force and OMB Reporting Requirements. The Level 2 will provide a template for each Level 3 to complete and return by the required suspense date for the respective quarter. The entire year’s suspense dates are included in the template. Some of the information for the report may be gleaned from other reports and/or may change based on OSD requirements, therefore, the Level 2 will identify which data elements to fill out.

14.4.2. The Quarterly Violations and Corrective Actions report should always accompany the Quarterly Statistics Report. The Level 2 will identify what information is required in case of changes to the report.

14.4.3. The Semi-Annual Report is a report consolidating the Quarterly Violations report. (This summary is for adverse personnel actions, not for administrative errors.) The Level 2 will identify what information is required in case of changes to the report.

14.5. The Bank Reports . The Level 2 will review and ensure the reports provided by the Bank are sent to the Level 3s to facilitate appropriate management of accounts. (The Bank may send them directly to the Level 3s.)

WILLIAM B. ROPER, JR.
Assistant Secretary of the Air Force (Acquisition,
Technology & Logistics)

Attachment 1**GLOSSARY OF REFERENCES, FORMS, ABBREVIATIONS AND ACRONYMS, AND TERMS*****References***

- AFI 34-275, *Air Force Non-Appropriated Fund (NAF) Government Purchase Card Program*, 23 Jun 2011
- AFMAN 33-363, *Management of Records*, 1 March 2008
- AFI 33-360, *Publications and Forms Management*, 1 December, 2015
- Air Force Federal Acquisition Regulation Supplement
- Defense Federal Acquisition Regulation Supplement
- Defense Transportation Regulation, Part 1, Chapter 108, 1 May 2016
- Department of Defense Purchase Card Guidebook, 1 October 2017
- Federal Acquisition Regulation
- AFI 52-105, *Chaplain Corp Resourcing*, 23 Jun 2015
- AFI 36-401, *Employee Training and Development*, 31 May 2018
- AFI 23-101, *Air Force Materiel Management*, 25 January 2017
- AFI 23-111, *Management of Government Property in Possession of the Air Force*, 29 October 2013
- AFI 32-7086, *Hazardous Materials Management*, 4 February 2015
- AFI 34-204, *Property Management*, 27 August 2004
- AFI 34-266, *Air Force Fitness and Sports Programs*, 8 December 2014
- AFI 65-601V1, *Budget Guidance and Procedures*, 16 August 2012
- AFMAN 34-240, *Food Service Program Management*, 2 May 2005
- AFI 35-109, *Visual Information*, 1 June 2017
- DoD Manual 5000.64, *Accountability and Management of DoD Equipment and Other Accountable Property*
- DoDD 5330.03_AFI33-395, *Defense Logistics Agency Document Services*, 27 April 2017
- DoDI 3300.2, *Combined Intelligence Publishing Service (CIPS)*, 7 February 1994
- AFI 34-150, *Air Force Libraries*, 24 September 2014
- DoD 4500.54-G, *Foreign Clearance Guide*, 1 May 1991
- AFI 91-103, *Air Force Nuclear Safety Design Certification Program*, 24 March 2016
- AFI 21-201, *Munitions Management*, 3 June 2015
- AFI 65-603, *Official Representation Funds (ORF)*, 24 August 2011

AFI 34-201, *Use of Nonappropriated Funds*, 17 June 2002

Cable, Utilities, and Telecommunications (Internet) Service Contracts

GPC Expanded Use Guidebook, issued by SAF/AQC, found on AF Contracting Central, GPC

AFI 36-704, *Discipline and Adverse Actions*, 22 July 1994

Prescribed Forms

AF Form 4009, *Government Purchase Card Fund Cite Authorization*

Adopted Forms

AF Form 9, *Request for Purchase*

AF Form 332, *Base Civil Engineer Work Request*

AF Form 406, *Miscellaneous Obligation Reimbursement Document*

AF Form 847, *Recommendation for Change of Publication*

AF Form 1227, *Authority for Tuition Assistance – Education Services Program*

AF Form 4306, *Air Force Civilian Employee Tuition Assistance*

DD Form 282, *DoD Printing Requisition/Order*

DD Form 448, *Military Interdepartmental Purchase Request*

DD Form 577, *Appointment/Termination Record – Authorized Signature*

DD Form 2579, *Small Business Coordination Record*

SF Form 44, *Purchase Order-Invoice-Voucher*

SF Form 182, *Authorization, Agreement, Certification of Training*

SF Form 1081, *Voucher and Schedule of Withdrawal and Credits* IRS Form 1099 MISC, *Miscellaneous Income*

Abbreviations and Acronyms

AF—Air Force

AFFARS—Air Force Federal Acquisition Regulation Supplement

AFI—Air Force Instruction

AFOSI—Air Force Office of Special Investigations

AFMAN—Air Force Manual

ANG—Air National Guard

AFICA- OL—Air Force Installation Contracting Agency - Operating Location

AFRC—Air Force Reserve Command

CONUS—Continental United States

DAU—Defense Acquisition University

DEAMS—Defense Enterprise Accounting and Management System
DEERS—Defense Eligibility and Enrollment Reporting System
DFARS—Defense Federal Acquisition Regulation Supplement
DFAS—Defense Finance and Accounting Service
DLA—Defense Logistics Agency
DoD—Department of Defense
DODI—Department of Defense Instruction
DPAP—Defense Procurement and Acquisition Policy
DRU—Direct Reporting Unit
EFT—Electronic Funds Transfer
FAR—Federal Acquisition Regulation
FMR—Financial Management Regulation
FOIA—Freedom of Information Act
FSS—Force Support Squadron
FY—Fiscal Year
GPC—Government Purchase Card
GSA—General Services Administration
HAZMAT—Hazardous Materials
IT—Information Technology
MAJCOM—Major Command
OCONUS—Outside Continental United States
OMB—Office of Management and Budget
OSD/DPAP—Office of the Secretary of Defense/Defense Procurement and Acquisition Policy
SAF/AQC—Secretary of the Air Force/Acquisition, Contracting
UCMJ—Uniform Code of Military Justice
USC—United States Code

Terms

Agency/Organization Program Coordinator—Designated servicing contracting office employee responsible for managing the installation's/organization's GPC Program including establishment, training, and surveillance.

Air Force Working Capital Fund Medical Dental Division—Non-apportioned division of the AF Working Capital Fund used to manage medical supply and equipment and purchases.

Approving Official—The official appointed in writing by the organizational commander, or equivalent who is responsible for the oversight of one or more cardholders. Must review and approve each cardholder's monthly reconciliation of the Statement of Account (SOA).

Billing Cycle—The period of time, usually 30 calendar days, in which all accumulated merchant charges or any credits are posted by the Bank to the cardholders' accounts. The billing cycle period for the Air Force is usually from the 20th of each month to the 19th of the following month.

Communications and Information Officer—The individual in the Communications Squadron who works with the user to devise, implement and approve the technical solution to meet their communications and information requirements.

Electronic Funds Transfer (EFT)—A process used to transfer payments of funds electronically. EFT is faster, more secure method of transferring funds versus using checks.

Head of the Contracting Activity—The person designated in the Air Force FAR Supplement 5301.601 (or authorized designee).

Managing Account—An account consisting of a single or multiple cardholder accounts managed by the Approving Official.

Micro-Purchase Threshold (MPT)—means an acquisition of supplies or services, the aggregate amount of which does not exceed the micro-purchase threshold.

Merchant Category Code—The Bank categorizes each merchant according to the type of business in which the merchant is engaged, and the kinds of goods and services provided. The Bank then assigns each merchant a corresponding 4 digit merchant code.

Pecuniary Liability—A personal, joint, or corporate monetary obligation to make good any lost, damaged, or destroyed property resulting from fault or neglect. It may also result under conditions stipulated in a contract or bond.

Pilferable Items—Items that are easily stolen in small amounts and often.

Purchase Card On-line System—Electronic system that aids in the management and accountability of GPC Program. PCOLS is comprised of four web-enabled automated tools; Enterprise Monitoring and Management of Accounts, Authorizations, Issuance and Maintenance applications, Data Mining, and Risk Assessment (RA).

Single Purchase Limit—The maximum amount authorized for a single purchase on a GPC. This limit cannot be exceeded. A single purchase, however, may include multiple items.

XB/XF—centrally managed consumable items directly related to weapon systems.

Attachment 2

SAMPLE DELEGATION LETTERS

Figure A2.1. Sample Delegation of Contracting Authority Letter for GPC.

<p>MEMORANDUM FOR (<i>cardholder's Name and Title</i>)</p> <p>FROM: (<i>Name and Title of Head of Contracting Activity designee</i>)</p> <p>SUBJECT: Delegation of Contracting Authority for Government Purchase Card (GPC) Use</p> <p>1. You have successfully completed the mandatory training for the Government Purchase Card Program and are authorized to obtain supplies and non-personal services using the GPC. The supplies and non-personal services you obtain with the GPC must be for official Government requirements only and be consistent with your assigned responsibilities and your card purchase limits, including restrictions set by your Approving Official (approving official).</p> <p>2. You shall not exceed the authorized limit(s), such as the MPT for services, construction and/or commodities; the Expanded Use Program limits; and the limits assigned by your approving official to your account. Spending cannot exceed the available balance on the AF Form 4009, <i>Government Purchase Card Fund Cite Authorization</i>, to include available credits on the management account/cardholder (cardholder) account. You are required to obtain certain supplies from required sources of supply listed in Federal Acquisition Regulation (FAR) Part 8, and from other organizations which have exclusive contracting authority for that commodity or service.</p> <p>3. You shall comply with all applicable laws and regulations using the purchase card, including but not limited to the FAR, the Department of Defense Government Charge Card Guidebook, and AFI 64-117. Your approving official will provide oversight of your account. If you commit fraud, misuse or abuse the purchase card, your authority shall be revoked and be subject to fines and adverse disciplinary action. In less severe cases, they will reduce your monthly purchase limit to \$1.00 for a minimum of 30 calendar days or until satisfactory remedial training has been accomplished, whichever is longer. The types of violations which may result in cancellation or suspension of the account include but are not limited to: allowing someone else to use your card; failing to perform timely reconciliation; failing to resolve disputed charges; splitting requirements or repeated buys of the same item over a short period of time.</p> <p>4. The spending limits for your account are as follows:</p> <p>Commodities Amount: _____</p> <p>Expanded Use Authorized: ___ Y or ___ N Amount: _____</p> <p>Services Amount: _____</p> <p>Construction Amount: _____</p>

5. When you separate from your organization, either through dismissal, retirement, transfer, or for any other reason, this delegation is automatically terminated and the purchase card must be returned to your approving official for destruction, and the account reconciled 30 calendar days prior to separation.

Head of Contracting Activity Designee Signature Block

_____ I acknowledge the responsibilities of this position.
Cardholder Signature Block

Figure A2.2. Sample Delegation of Contracting Authority Letter for GPC Convenience Checks.

<p>MEMORANDUM FOR (<i>cardholder's Name and Title</i>)</p> <p>FROM: (<i>Name and Title of Head of Contracting Activity designee</i>)</p> <p>SUBJECT: Delegation of Contracting Authority for Government Purchase Card (GPC) Convenience Check Use</p> <p>1. You have successfully completed the mandatory training for the Government Purchase Card Program convenience checks and are authorized to obtain supplies and non-personal services using the GPC checks. The supplies and non-personal services you obtain with the checks must be for official Government requirements only and be consistent with your assigned responsibilities and your Convenience Check Account limits, including restrictions set by your Approving Official (approving official).</p> <p>2. Convenience checks may be used for non-contingency CONUS/OCONUS environments transactions up to CONUS MPT and may only be written in U. S. dollars. Checks are negotiable instruments and must be stored in a locked container, such as a safe or metal filing cabinet and are the responsibility of the check writer. Convenience checks shall not be issued for more than the MPT; cannot be used for recurring services; cannot be used to reimburse students for tuition assistance; and checks shall not be used as a method of contract payment.</p> <p>3. Spending cannot exceed the available balance on the AF Form 4009, <i>Government Purchase Card Fund Cite Authorization</i>, to include available credits on the management account/check writer account.</p> <p>4. You shall comply with all applicable laws and regulations using the purchase card, including but not limited to the FAR, the Department of Defense Government Charge Card Guidebook, and AFI 64-117. Your approving official will provide oversight of your account. If you commit fraud, misuse or abuse the purchase card, your authority shall be revoked and be subject to fines and adverse disciplinary action. In less severe cases, they will reduce your monthly purchase limit to \$1.00 for a minimum of 30 calendar days or until satisfactory remedial training has been accomplished, whichever is longer. The types of violations which may result in cancellation or suspension of the account include but are not limited to: allowing someone else to use your checks; failing to perform timely reconciliation; failing to resolve disputed charges; splitting requirements or repeated buys of the same item over a short period of time.</p> <p>5. The limits for your account are as follows: Convenience Check Amount: ____ Convenience Check Services Amount: _ Convenience Check Construction Amount: ____</p>

6. When you separate from your organization, either through dismissal, retirement, transfer, or for any other reason, this delegation is automatically terminated and the checks must be returned to your approving official for destruction, and the account reconciled 30 calendar days prior to separation.

Head of Contracting Activity Designee Signature Block

_____ I acknowledge the responsibilities of this
position.
Cardholder Signature Block