JAN - 4 2010

Defense Human Resources Activity

ADMINISTRATIVE INSTRUCTION

NUMBER 5010.01

PROCUREMENT SUPPORT OFFICE

SUBJECT: Use of the Governmentwide Purchase Card

References: See Enclosure 1.

1. PURPOSE. This Administrative Instruction:

a. Establishes policy and responsibilities regarding the Defense Human Resources Activity (DHRA) use of the Governmentwide Purchase Card (GPC) for commercial purchases valued at or below the micro-purchase threshold of $3,000 ($2,500 for services and $2,000 for construction) for Cardholders located in the United States and at or below $25,000 for materials and services ($2,000 for construction) for Cardholders located overseas.

b. Establishes policy and responsibilities regarding use of the GPC as the method of payment for applicable DHRA commercial contracts.

c. Establishes policy and responsibilities regarding the DHRA use of the GPC as the method of payment for training up to $25,000.

d. Establishes DHRA restrictions on GPC use and disciplinary actions for potential offenses and remedies or penalties for such offenses.

2. APPLICABILITY. This Directive applies to DHRA Headquarters and all DHRA Components.

3. DEFINITIONS. See Glossary.

4. POLICY. It is DHRA policy that:

a. The GPC may be used to purchase authorized supplies, equipment, and nonpersonal services. However, the use of the GPC constitutes expenditure of appropriated funds and is limited to Cardholders who are appointed in writing. All authorized purchases up to the micro-purchase threshold shall be made using the GPC unless the vendor will not accept the purchase card and no other sources are available.

b. Overseas Cardholders may be authorized to use the GPC to make purchases for supplies and services up to $25,000 if the purchase is made outside the United States for use outside the United States. Cardholders must ensure the final price includes all costs associated with the mode of transportation and packaging selected to the destination country, customs import duties, and any other charges that may accrue. According to Part 13, Federal Acquisition Regulation (Reference (a)), competition requirements apply to all purchases exceeding the micro-purchase threshold.

c. The GPC may also be used as a method of payment as prescribed by Part 13 of Reference (a) and Part 232, DoD Federal Acquisition Regulation Supplement (Reference (b)) to pay for purchases against contracts and to place orders and/or make payments under other contractual instruments. Payment Cardholders must be in the 1102, 1105, or 1106 occupational series. If the GPC is used as a method of payment:

(1) all pertinent procurement and financial rules, policies, and laws associated with the dollar value of the purchase apply.

(2) the Cardholders shall be designated as a Payment Cardholder and a separate cardholder account must be established to segregate accounts from purchase cardholder accounts.

d. The GPC for training may be used to pay for government or nongovernment provided training, regularly scheduled, off-the-shelf course, training conference, or instructional service that is available to the general public and priced the same for everyone in the same category. The total price of training authorized by the use of a single SF 182 may not exceed $25,000.

e. Intentional use of the purchase card for other than official Government business is misconduct which will result in the immediate cancellation of an individual's GPC and the possibility of disciplinary action or criminal prosecution. The use of the GPC for personal purchases is strictly prohibited.

5. RESPONSIBILITIES. See Enclosure 2.

6. EFFECTIVE DATE. This Administrative Instruction is effective immediately.

Sharon H. Cooper
Executive Director

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REFERENCES

(a) Parts 2, 8, 13, 32 and 52, Federal Acquisition Regulation, current edition
(b) Parts 208 and 232, DoD Federal Acquisition Regulation Supplement, current edition
(c) DoD "Government Charge Card Guidebook for Establishing and Managing Purchase, Travel, and Fuel Card Programs," April 30, 2009
(d) Office of Management and Budget, "Circular No. A-123, Appendix A," January, 2009
(e) Under Secretary of Defense for Personnel and Readiness Memorandum, "Government Charge Card Disciplinary Guide for Civilian Employees," December 29, 2003
(f) DoD Instruction 5330.03, "Document Automation and Production Service (DAPS)," February 8, 2006
(g) DoD Office of General Counsel, "Use of Appropriated Funds to Purchase Food at Conferences, Meetings, and Events," September 1, 2005
(h) Under Secretary of Defense for Acquisition, Technology and Logistics Memorandum, "Use of Third Party Payments – Policy Change," October 17, 2007

ENCLOSURE 2

RESPONSIBILITIES

1. Executive Director, DHRA. The Executive Director, DHRA, as the Senior Procurement Executive for DHRA, shall exercise authority, direction, and control over the Director, Procurement Support Office, DHRA.

2. Director, Procurement Support Office, DHRA. The Director, Procurement Support Office, DHRA, under the authority, direction and control of the Executive Director, DHRA, shall:

a. Develop the overall GPC Program Policy.

b. Appoint an Agency Program Coordinator (APC) and Alternate.

c. Appoint trained Billing Officials (BOs) and Cardholders and issue letters of appointment. These letters describe the types of purchases to be made, card limits and use (purchase or method of payment). Only procurement personnel in the 1102, 1105, or 1106 occupational series may be appointed as a Payment Cardholder.

d. Ensure that the number of cardholder accounts assigned to each BO does not exceed a ratio of seven to one. Written justification must be maintained on file for BOs who have more than seven assigned cardholder accounts.

e. Rescind appointments of APCs, BOs and Cardholders.

f. Ensure effective management controls are in place.

3. Acquisition Business Manager, Procurement Support Office. The Acquisition Business Manager shall serve as the advisor to the Director, Procurement Support Office, DHRA, on all matters relating to the GPC Program.

4. DHRA Agency Program Coordinator (APC). The APC shall:

a. Maintain oversight and management of the DHRA GPC Program to include working as a liaison between the purchase card provider, DoD Purchase Card Program Office, DHRA Headquarters Resource Management, and the DHRA Headquarters and component BOs and Cardholders to ensure program consistency.

b. Prepare, maintain, and distribute the DHRA GPC Guidelines . The Guidelines explain the policy and procedures for the GPC Program as prescribed in DoD Guidebook (Reference (c)), Office of Management and Budget Circular A-123 Appendix B (Reference (d)), and Under Secretary of Defense for Personnel and Readiness Memorandum (reference (e)). This includes addressing purchase log use, prohibited purchases (see Enclosure 3), records retention, and purchase card limits.

c. Ensure all BOs and Cardholders are provided initial training, to include on-line Defense Acquisition University GPC training, Section 508 training, face-to-face GPC training, DoD Purchase Card Online System (PCOLS) training, appropriations law training and certifying officer training (BOs only).

d. Ensure all BOs and Cardholders are provided online and/or face-to-face refresher GPC training annually.

e. Maintain files on BOs and Cardholders with copies of appointment letters, training certificates and audits.

f. Utilize the DoD-mandated Purchase Card Online System (PCOLS) to provision BO supervisors, provide coordination between PCOLS and the bank, approve all account requests prior to bank submittal, and monitor risk management and GPC transactions.

g. Ensure separation of duties to include making purchases, authorizing payments, certifying funding, and reviewing and auditing functions. These duties will be assigned to different individuals to minimize the risk of loss to the government to the greatest extent possible.

h. Provide business advice to BOs and Cardholders.

i. Ensure that accounts are updated or closed when BOs and Cardholders separate from DHRA.

j. Serve as the Bank's primary point of contact.

k. Implement the Bank's electronic access system (EAS) for GPC transactions.

l. Manage and ensure the integrity of the card program.

m. Ensure the proper oversight/management controls are in place and working.

n. Review performance metrics, including but not limited to, unusual spending activity, declined authorizations, delinquent accounts, account suspensions, account transaction summaries, and underutilized credit limits.

o. Complete independent review of high risk transactions flagged through the PCOLS data mining application.

p. Monitor delinquent managing and cardholder accounts on a monthly basis.

q. Conduct audits of each management account at a minimum annually, which includes statistically significant random sampling of associated card transactions, to ensure conformance to established GPC policy, guidance, and procedures. A report of the audit findings shall be

submitted to the Director, Procurement Support Office, DHRA, within ten working days of the completion of the audit.

r. Maintain a master list of all training and audits performed.

s. Review and analyze purchase card spending patterns and levels to identify opportunities for strategic sourcing.

t. Identify, correct, minimize and report GPC fraud, waste, and abuse.

u. Prepare reports on the program, including but not limited to, quarterly Office of Management and Budget (OMB) reports, monthly performance metrics reports, and an annual review of the GPC program.

5. DHRA Contracting Officers. The DHRA Contracting Officers shall:

a. Specify the GPC as a method of payment and comply with the provisions of the Prompt Payment Act.

b. Ensure sufficient funds have been reserved, committed, and obligated to support the contract action.

6. DHRA Billing Official Supervisors. The DHRA BO supervisors shall:

a. Nominate the primary and alternate BOs in writing to the DHRA APC and utilize PCOLS to provision the members of the BO Pool.

b. Utilize the Authorization, Issuance and Maintenance (AIM) application to initiate requests to establish managing accounts, approve the nomination of resource managers (RM), maintain managing accounts, and approve cardholder nomination requests.

c. Ensure that the BO includes GPC duties in a performance objective and fulfills his/her responsibilities.

7. DHRA Billing Officials. (This includes the Approving Official, Accountable Official, and Certifying Officer.) The DHRA Billing Officials shall:

a. Complete required initial GPC training and annual refresher training.

b. Maintain a copy of the GPC appointment letter specifying purchase limitations and copies of training certificates.

c. Nominate the Cardholder in writing by submitting an application to the DHRA APC and utilize PCOLS to provision Cardholder Supervisors.

d. Utilize AIM to accept managing account nominations, initiate cardholder account requests, and maintain managing accounts.

e. Ensure the Cardholders fulfill their responsibilities.

f. Review and approve all cardholder purchases prior to purchase.

g. Ensure all cardholder transactions are legal, proper, mission essential, and correct in accordance with government rules and regulations.

h. Ensure that Cardholders follow the prescribed steps when accountable and/or sensitive items are purchased to make sure that accountable property records are updated.

i. Ensure the accuracy and completeness of the reconciled monthly statement of account, monthly purchase card log, and purchase documentation of their assigned Cardholders. Billing Officials may be financially liable for erroneous payments resulting from negligence in the performance of their duties.

j. Verify payments to be legal, proper, and correct. Approve and certify for payment bank invoices within 5 days of availability in the Bank's EAS, maximizing rebates, avoiding late-payment interest according to the Prompt Payment Act, and avoiding suspension of the GPC card.

k. Review and approve cardholder statements, reconciling where the Cardholder fails to do so in a timely manner.

l. Maintain a signed copy of monthly statements of accounts for six years and three months.

m. Review transactions flagged through the PCOLS data mining application.

n. Ensure the GPC Cardholders with check-writing privileges safeguard the convenience checks.

o. Identify and report fraud, waste, and abuse of the GPC to the APC and/or appropriate authorities for investigation.

p. Reimburse the government for any unauthorized or erroneous purchase card transactions that were not disputed.

q. Include GPC duties in a performance objective. (It is recommended that the BO is the Cardholder's supervisor.)

8. DHRA Cardholder Supervisors. The DHRA Cardholder Supervisors shall:

a. Utilize PCOLS to provision Cardholders.

b. Utilize AIM to approve cardholder account requests, maintain cardholder accounts, and ensure Cardholder has completed training.

c. Ensure the Cardholder includes GPC duties in a performance objective and fulfills his/her responsibilities.

9. DHRA Cardholders. The DHRA Cardholders shall:

a. Complete required initial GPC training and annual refresher training.

b. Maintain a copy of the GPC appointment letter specifying purchase limitations and copies of training certificates.

c. Accept their role in PCOLS.

d. Maintain the physical security of the card and account number and if the card or account number is lost or stolen, notify the issuing bank, BO and APC in a timely manner.

e. Ensure that required or mandatory sources of supply as per Part 8 of Reference (a) are considered before an open-market purchase is made.

f. Utilize the Bank's EAS for entering transactions in the purchase log, reconciling transactions and approving cardholder statements.

g. Use, if authorized, the GPC as a payment instrument for payments/orders made against Blanket Purchase Agreements or contracts that contain a provision authorizing payment by purchase card. (Payment Cardholders only)

h. Ensure all transactions are legal, proper, mission essential, and correct in accordance with government rules and regulations.

i. Follow the prescribed steps when accountable and/or sensitive items are purchased to make sure that accountable property records are updated.

j. Maintain receipts, copies of the EAS purchase logs, billing statements and other purchase documentation for three years.

k. Review, reconcile, and approve all valid transactions in a timely manner and forward to the BO within three working days of receipt, maximizing rebates, avoiding late-payment interest according to the Prompt Payment Act, and avoiding suspension of the GPC card. Notify the BO of any discrepancies.

l. Initiate disputes of questionable transactions in a timely manner.

m. Identify and report fraud, waste, and abuse of the purchase card.

n. May be required to reimburse the government for any unauthorized or erroneous payment card transactions that were not disputed.

o. Include GPC duties in a performance objective.

10. DHRA Purchase Cardholders with Convenience Check-Writing Privileges. The DHRA Purchase Cardholders with convenience check-writing privileges shall:

a. Be responsible for safeguarding convenience checks.

b. Submit information electronically and maintain information on the checks issued for services to meet the statutory reporting requirements for the Internal Revenue Service Form 1099, Miscellaneous, and Statement for Recipients of Miscellaneous Income.

c. Conform to all regulations that govern Purchase Cardholders.

11. DHRA Purchase Cardholders for Training. The DHRA Purchase Cardholder for training shall:

a. Purchase government and commercial training and materials up to $25,000 per single SF 182.

b. Ensure that all training requests are submitted on a SF 182 and appropriately signed.

c. Conform to all regulations that govern Purchase Cardholders.

12. DHRA Resource Manager Supervisors. The DHRA Resource Manager Supervisors shall utilize PCOLS to provision the members of the RM pool.

13. DHRA Resource Managers . The DHRA Resource Managers (RM) shall use AIM to accept RM nominations in managing account issuance processes, assist in assigning and reducing funding limits and default/alternate lines of accounting (LOAs), establish electronic data interchange capabilities and determine correct payment office, and authorize Cardholders to reallocate LOAs.

14. DHRA Personnel. DHRA personnel shall ensure that a mission requirement exists for all requests for GPC purchases and are approved by a GPC BO prior to purchase.

ENCLOSURE 3

LIST OF PROHIBITED PURCHASES

Billing Officials and Cardholders should contact the DHRA APC prior to purchasing any items that seem questionable or may have the appearance of being inappropriate. The following list, which is **not all-inclusive**, identifies some services and supplies that are prohibited from purchase with the GPC:

1. ADVANCE PAYMENTS. Purchases requiring payments in advance of acceptance of supply or services, except for subscriptions and training purchased on a SF182, Authorization, Agreement and Certification of Training.

2. CASH ADVANCES. Money orders, traveler checks, gift cards, and gift certificates are considered to be cash advances and are not authorized for purchase even to obtain items from merchants who do not accept the GPC.

3. ENTERTAINMENT. Purchase of party supplies, serving material, food and drink are considered entertainment and are prohibited except under certain limited circumstances (Reference (g)). It is recommended that the DHRA APC be consulted prior to the purchase of food or drink for official functions, training and conferences.

4. FUEL. Fuel and oil for aircraft and vehicles are prohibited. Vehicle related expenses are to be paid with the travel or fleet cards (as appropriate). Exception: If fuel is unavailable through Fleet Services (e.g., overseas), fuel or fuel coupons may be purchased with the GPC.

5. GIFTS/MEMENTOS. These include food/beverages for office functions (e.g., picnics, parties, awards programs, retirements, and conferences), promotional items for conferences, meetings, symposia (e.g., coins, mugs, coasters), and cash awards. This does not preclude the purchase of awards purchased in accordance with an established awards program.

6. GOVERNMENT EMPLOYEES. Purchases made from government employees.

7. HAZARDOUS/DANGEROUS MATERIALS. Purchase of items such as explosives, munitions, toxins, and firearms. This specifically includes weapons, small arms, and ammunition.

8. PERSONAL MEMBERSHIPS. Appropriated funds should not be used to pay for individual membership fees in non-Federal entities. Appropriated funds may, however, be used to purchase agency memberships in such groups (memberships purchased in the name of the agency), if the head of the agency or his/her designee makes an administrative determination that expenditure would further the authorized activities of the agency and is not being procured for the benefits accruing to individual employees.

9. PERSONAL SERVICES. Those services in which the contractor personnel appear, in effect, to be Government employees (e.g., consultants directly under Government supervision, temporary office help).

10. PERSONAL USE ITEMS. Purchase of any item which may be questionable as to the proper use of taxpayer's dollars, such as business cards, clothing, microwaves, and refrigerators. Certain of these items may be purchased under special circumstances; however, consult the APC or the DHRA Office of General Counsel prior to making such purchases.

11. PESTICIDES. Pesticides may not be purchased unless prior approvals are obtained from cognizant pest management local authorities.

12. PRINTING. When services are requested outside the Defense Automated Printing Service (DAPS) at any dollar level, a waiver must be obtained from DAPS as prescribed in DoD Instruction 5330.03 (Reference (f)).

13. RECURRING SERVICES OVER $2,500 PER YEAR. The GPC may not be used for regularly scheduled payments if the amount exceeds $2,500 per year. Examples are custodial services and copier maintenance.

14. REPAIR OF LEASED VEHICLES. Repairs on leased vehicles.

15. RENTAL OR LEASE OF LAND AND BUILDINGS. Long-term rental or lease of land or buildings (more than 30 days).

16. SPLIT PURCHASE. Separating a requirement that exceeds a Cardholder's single purchase limit or threshold into two or more buys as a means of getting around the Cardholder's purchase limit.

17. TELECOMMUNICATION SYSTEMS. Purchase of major communication systems using the GPC. However, the GPC may be used for telephone equipment if the required official approvals are obtained and the annual amount does not exceed the single purchase limit ($3,000 in the U.S. and $25,000 overseas).

18. THIRD PARTY PAYMENTS. Use of any third party payment merchants is discouraged as is prescribed in Under Secretary of Defense for Acquisition, Technology and Logistics Memorandum dated October 17, 2007 (reference (h)). Where it is identified that the purchase will be processed via a third party merchant, the Cardholder should make every attempt to choose another merchant with whom to procure the goods and/or services. If it is still found necessary to procure using a third party payment merchant, the BO must ensure that there is adequate supporting documentation showing that there was a detailed review of the purchase and that the use of the third party payment merchant was unavoidable.

19. TRAVEL-RELATED PURCHASES. This includes rental/lease of motor vehicles; purchase of airline, bus, and train tickets, purchase of meals, drinks, lodging, or other travel; or subsistence costs associated with official Government travel that will be reimbursed on a travel

voucher. Exception: The GPC may be used to purchase subway tokens (fare cards, SmartTrip card reloads, etc.), taxi fares, rental shuttles, and buses for use by employees to accomplish local travel on official business.

20. UTILITIES. Utilities include electric, gas, water, waste removal, and cable/dish TV. These expenses are typically consolidated and purchased through contracts that generally exceed $3,000 per year. In locations where there is no consolidated contract, agencies may pay their cell phone bills using the GPC if the annual bill does not exceed $3,000. Cardholders shall not enter into agreements with cell phone companies that obligate the government to pay cancellation fees if the service is discontinued.

21. WATER. Appropriated funds may not be used to pay for bottled water unless the local drinking water has been determined by local authorities to be unhealthy or not potable.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

APC	Agency Program Coordinator
AIM	Authorization, Issuance and Maintenance
BO	Billing Official
DoD	Department of Defense
DHRA	Defense Human Resources Activity
EAS	electronic access system
FAR	Federal Acquisition Regulation
GPC	Governmentwide Purchase Card
LOA	line of accounting
OMB	Office of Management and Budget
PCOLS	Purchase Card Online System
RM	Resource Manager
PSO	Procurement Support Office

PART II. DEFINITIONS

abusive/excessive purchases. Purchases of authorized supplies or services at terms (e.g., price, quantity) that are excessive, are for a questionable government need, or both. Examples of such transactions include purchases of items such as a day planner costing $300 rather than one costing $45; allowable refreshments at excessive cost; and year-end and other bulk purchases of computer and electronic equipment for a questionable government need.

accountable property. Property recorded in a formal property management or accounting system. Accountable property is defined by a dollar threshold and/or the type of item (e.g., sensitive or pilferable). Accountable property includes all property purchased, leased (capital leases), or otherwise obtained, having a unit acquisition cost of $5,000 or more (land, regardless of cost).

Agency Program Coordinator. The APC for DHRA is located in the PSO at the DHRA Headquarters. Primary responsibilities include administration, implementation, and monitoring of the DHRA-wide GPC Purchase Card Program and serving as a liaison between the DoD Purchase Card Program Office, other defense agencies, and the issuing bank.

Alternate Billing Official. The individual who is authorized to assume the responsibilities of a BO when the BO is not available to approve purchases, review Cardholders' monthly statements, and verify all transactions. An alternate BO is strongly encouraged for each managing account.

Billing Official. (This includes the Billing Official, Accountable Official, and Certifying Officer.) The individual responsible for approving and reviewing cardholder transactions to assure proper use of the purchase charge card. The BO has under his/her purview a number of Cardholders, and is responsible for reviewing his/her Cardholders' monthly statements and verifying that all transactions made were necessary government purchases and in accordance with Federal Acquisition Regulation (FAR), and all other governing agency policy and procedures. It is recommended that the BO is the Cardholder's supervisor. The BO is also known as a Certifying Officer and is responsible for certifying the monthly invoice resulting from the purchase/transactions of the Cardholders. An alternate BO is strongly encouraged for each managing account.

Authorization, Issuance and Maintenance. A DoD-mandated workflow tool used to perform various GPC account issuance and maintenance functions.

cardholder statement. The statement of charges provided to a Cardholder by the bank detailing all of the transactions posted to their account during a billing cycle.

convenience checks. Third-party drafts issued using the GPC account. Third-party drafts may be used to acquire and pay for supplies or services when the merchant does not accept the purchase card and is the only available merchant.

electronic access system. The Bank's online system for entering and reviewing transaction data and electronic payment.

foreign drafts. Checks written in foreign currencies payable on a bank in the country where the vendor is located. Foreign drafts can only be issued when the vendor does not accept the GPC. The amount of a foreign draft cannot exceed the equivalent of $3,000 U.S. Dollars at the daily rate.

fraudulent purchases. The use of the GPC to acquire supplies or services that are unauthorized and intended for personal use or gain constitutes a fraud against the government. Examples

include, but are not limited to, Cardholder's unauthorized purchase of power tools for his home, a supplier's intentional charges for services not provided, and the unauthorized use by a third party of a Cardholder's comprised or stolen account for personal gain.

government purchase card. The charge card account established with the issuing bank that enables properly authorized government personnel to buy and pay for supplies and services in support of official government business.

government purchase card for training. This purchase card is the authorized method of payment for all government and commercial training using the SF 182 (Authorization, Agreement and Certification of Training). The total price of the training and materials may not exceed $25,000. It does not include training specifically developed, designed, and produced to meet requirements unique to an organization and/or program.

improper purchase. An improper purchase is any purchase that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements. Incorrect amounts include overcharges and undercharges. An improper purchase can be one of two types: (1) unauthorized or (2) incorrect.

Unauthorized purchases consist of items that are intentionally purchased and are outside of the Cardholder's purchasing authority. For instance, using a government charge card to purchase a tennis racket is an unauthorized purchase.

Incorrect purchases are mistakes that are the result of an unintentional error during the purchase process. For example, when a Cardholder is asked to buy one filing cabinet but purchases three cabinets, this is an incorrect purchase. A series of seemingly incorrect purchases may require investigation to determine whether these purchases are actually unauthorized purchases.

micro-purchase. An acquisition of supplies or services using simplified acquisition procedures, the aggregate amount which does not exceed the micro-purchase threshold. The micro-purchase threshold is defined in subpart 2.101 of Reference (a). A micro-purchase is not governed by small business participation or requirements of the Buy American Act and does not require full and open competition (it requires adequate distribution of purchases among qualified vendors). Price must be considered to be reasonable in accordance with FAR requirements.

misuse. Use of a government charge card for other than the official government purpose(s) for which it is intended.

nonpersonal services. Services in which the personnel rendering the services are not subject to the supervision and control usually prevailing in relationships between the Government and its employees.

offenses. Improper use, fraud, waste, and abuse; negligent use or misuse; or unauthorized use or failure to appropriately control use of the GPC by a Cardholder or BO that is responsible for use or oversight of the GPC.

Payment Cardholder. The individual designated by an agency to make payments against a contract that contains a provision authorizing payment in accordance with subpart 52.232-36 of Reference (a). The account must bear the individual's name and can be used by that individual to make payments on invoices submitted by vendors in compliance with agency procedures. Payment Cardholders must be in the 1102, 1105, or 1106 occupational series.

personal services: Services in which the personnel rendering the services are subject to the supervision and control usually prevailing in relationships between the Government and its employees.

purchase card log. An automated log created in the Bank's EAS in which the Cardholder must document his/her individual transactions and screening for mandatory sources when using the purchase card and/or convenience checks. Entries in the purchase log must be supported by internal agency documentation (e.g., request for procurement document or e-mail request). The purchase card documentation must provide an audit trail supporting the decision to use the card and any required special approvals that were obtained. The log will contain the date on which the item or service was ordered, the merchant's name, the dollar amount of the transaction, a description of the item or service ordered, and an indication of whether the item was received.

Purchase Card Online System. A DoD-wide, DoD-operated electronic system that GPC users utilize to improve the management and accountability of the GPC program. It is comprised of four web-enabled automated tools: Enterprise Monitoring and Management of Accounts (EMMA), Authorization, Issuance and Maintenance (AIM), Data Mining (DM), and Risk Assessment (RA).

Purchase Cardholder. The individual designated by an agency to be issued a purchase card. The GPC bears the individual's name and can only be used by that individual to pay for authorized U.S. Government purchases. The Cardholder must be trustworthy and have a bona fide need to make purchases on behalf of the government. This also applies to Convenience Check Account Holders.

reconciliation. The process in the Bank's EAS by which the designated Cardholder and the BO review the monthly statements, reconcile against available vendor receipts and purchase card logs, and authorize payment of those charges provided on the monthly invoice.

required or mandatory sources of supply. The priority of sources is dictated by FAR Part 8, Required Sources of Supplies and Services (Reference (a)), and Subpart 8.002, Priorities for Use of Government Supply Sources (Reference (a)); and Defense Federal Acquisition Regulation Supplement Part 208 (Reference (b)). Mandatory sources must be considered before an open-market purchase can be made.

sensitive property. All property, regardless of value, that requires special control and accountability due to unusual rates of loss, theft or misuses, or due to national security or export control considerations. Such property includes: weapons, ammunition, explosives, information technology equipment with memory capability, cameras, and communications equipment.

services. An identifiable task performed by a merchant that directly engages the time and effort of the merchant rather than the furnishing of an end item of supply. A service may be either a nonpersonal or personal service. It can also cover services performed by either professional or nonprofessional personnel whether on an individual or organizational basis. Examples of services are: (1) maintenance, overhaul, repair, servicing, rehabilitation, salvage, modernization, or modification of supplies, systems, or equipment; (2) routine recurring maintenance of real property; (3) housekeeping and base services; (4) advisory and assistance services; (5) operation of Government-owned equipment, real property, and systems; (6) communications services; (7) architect-engineering; (8) transportation and related services; and (9) research and development.

Services can be either recurring or nonrecurring. Recurring services are those services performed at regular intervals and that have a demand that can be accurately predicted on an annual basis. Recurring services requirements estimated to exceed $2,500 per fiscal year shall be acquired through the DHRA Procurement Support Office. Nonrecurring services involve one-time, unpredictable, or occasional requirements.

strategic sourcing. The collaborative and structured process of critically analyzing an organization's spending, and using this information to make business decisions about acquiring commodities and services, more effectively and efficiently.

waste. Any activity taken with respect to a government charge card that fosters, or results in, unnecessary costs or other program inefficiencies.