

**DEPARTMENT OF THE ARMY
HEADQUARTERS, III CORPS AND FORT HOOD
FORT HOOD, TEXAS 76544**

AFZF-DOC

August 1998

**STANDARD OPERATING PROCEDURES
FOR
DIRECTORATE OF CONTRACTING
GOVERNMENTWIDE COMMERCIAL CREDIT CARD PROGRAM**

- 1. PURPOSE.** To establish and prescribe procedures for use of the Governmentwide (GWCC) International Merchant Purchase Authorization Card (I.M.P.A.C.) for local purchase of supplies and services.
- 2. APPLICATION.** This Standard Operating Procedure (SOP) supersedes previous guidance and applies to all purchase card program Approving Certifying Officials (ACO) and credit cardholders (CCH) supported by the Fort Hood Credit Card Section.
- 3. REFERENCES.**
 - a. Army Federal Acquisition Regulation Supplement (AFARS)
 - b. AR 37-1 Army Accounting and Fund Control
 - c. Department of Defense Federal Acquisition Regulation Supplement (DFARS)
 - d. Federal Acquisition Regulation (FAR)
 - e. FORSCOM Regulation 715-1, FORSCOM Acquisition Instructions (FAI)
 - f. FORSCOM Contracting Information Letters
 - g. General Services Administration (GSA), Federal Supply Service, Governmentwide Commercial Credit Card Service Contract Guide GS-23F-94031
 - h. DODD 5500.7-R Joint Ethics Regulation, Standards of Conduct

4. DEFINITIONS.

a. **Agency Organization Program Coordinator (AOPC)** - Individual designated by the DOC to perform contract administration within the limits of delegated authority and serves as the liaison between Fort Hood, the contractor, GSA, and higher headquarters.

b. **Account Processing Code (APC)** - The "color/type" of money you are spending, i.e., OMA, encompasses the fund cite.

c. **Approving Certifying Official (ACO)** – An individual appointed by Command authority who has under his/her purview one or more CCH's. The ACO's are responsible for, at a minimum, reviewing CCH(s) monthly statements and verifying all transactions made were for necessary government purchases and in accordance with the FAR. ACO's also provide certification of CCH transactions to the disbursing office for payment to the purchase card contractor. The Army uses the ACO concept in the purchase card program for internal control purposes. The ACO provides a critical checkpoint by reviewing the CCH's transactions, subsequent to purchase, to ensure requirements are valid, necessary, and for official government purposes only. The ACO may be the cardholder's immediate supervisor or a higher level official, but agencies must minimize conflict of interest when appointing ACO's; i.e., ACO's should not generally be hand receipt holders for items purchased by their CCH's.

d. **Alternate Approving Certifying Official (AACO)** - Substitutes for the ACO when he/she is not available.

e. **Billing Account Statement** – Statement of monthly CCH transactions assigned to an ACO and is the official invoice which is processed for payment to the contractor.

f. **Bulk Funding** - Procedures whereby a procurement official receives authorization from a Comptroller or Resource Manager to obligate funds on a purchase document against a specified dollar amount. The funds are for a certain period of time, and are reserved specifically for this purpose rather than obtaining individual funding for each purchase.

g. **Certification** – The act of attesting to the legality, propriety, and correctness of a document for payment as provided for in 31 USC 3528(a).

h. **Credit Cardholder (CCH)** - The Cardholder is the individual to whom a card is issued. The card bears this individual's name and may only be used by this individual to pay for authorized US Government purchases.

i. **Defense Finance and Accounting Services (DFAS)** - Receives the obligation from paying official and is responsible for disbursing payment to the contractor.

j. **Delegation of Authority (DOA)** - The delegation memorandum issued by the DOC that specifies the CCH and ACO's authority and limitations.

k. **Disbursing** – The act of paying public funds to entities for whom the government is indebted; the collection and deposit of moneys; the safeguarding of public funds; the documenting, recording, and reporting of these transactions.

l. **Disbursing Officer** – A DoD military member or civilian employee of the Department who is appointed, in writing, to disburse and collect moneys and render accounts in accordance with laws and regulations governing the disbursement of public funds.

m. **Directorate of Contracting (DOC)** - The DOC AOPC, or Chief, Support Division will issue the delegation of authority to CCH's and ACO's giving them local purchase authority. The delegation will specify the authority being delegated and any limitations on the authority. The DOC is the official having

overall responsibility for the management of the Headquarters III Corps and Fort Hood Purchase Card Program.

n. **Element of Resource** - a finance code that defines the type of commodities (supply/service) procured.

o. **Expendable** - Is property that is consumed in use, or that loses its identity in use. It includes items not consumed in use, generally with a unit price of less than \$300, that are not classified, sensitive, or pilferable, e.g., CIIC "U or 7" per DA Pamphlet 708-2, Table 3-9, and not otherwise classified as nonexpendable or durable.

p. **IMPAC** - "International Merchant Purchase Authorization Card," is the registered trademark of US Bancorp. The name is synonymous with government purchasing and with the VISA branded cards issued exclusively by US Bank. The initials will also appear on forms and cards provided by the Bank.

q. **Micro-purchase** - The acquisition of supplies or services, the aggregate amount of which does not exceed \$2500. Micro-purchases for construction are limited to \$2000.

r. **Nonexpendable** - Is personal property that is not consumed in use and which retains its original identity during the period of use. These items may or may not have serial numbers. This includes all nonconsumable major end items authorized by DA-recognized authorization documents (See AR 71-13).

s. **Official Invoice** - A document requesting payment be made to the government purchase card contractor. The official invoice covers one ACO's and one or more CCH's per billing period. The official invoice is certified for payment by the ACO.

t. **Oral purchase procedure** - are agreements made in person or by telephone where no written purchase order or contract is issued by the Government

u. **Paying Office** – The disbursing office making payments against an official invoice certified by an approved purchase card certifying officer. The paying office is not the designated billing office.

v. **Prohibited Purchase** - Supply or service not allowable by the GSA contract.

w. **Regulated Purchase** - Supply or service for which an agency, i.e., DPW, DOL, DOIM, etc., on the installation has responsibility to provide or to grant approval for procurement.

x. **Rocky Mountain Bankcard System, Inc. (RMBCS)** - is the current contractor. RMBCS will issue cards to CCHs, send out monthly statements of account to CCHs, issue Billing Official Statement to ACOs, and provide various reports to AOPC. RMBCS will pay merchants timely and will receive reimbursement from the DFAS supporting the Fort Hood Military Installation.

y. **Service Requirement**- Maintenance, repair, rental or lease of equipment.

z. **Statement of Account (SOA)** - is the monthly billing statement of all purchases and credits made by the cardholder and billed by a merchant.

aa. **US Bank** – The new purchase card task order was awarded to US Bank (d.b.a. IMPAC Government Services), Minneapolis, MN. The terms of the award, effective 1 Dec 1998, specify exclusive rights to issue Purchase Cards to authorized Army, Air Force and DoD Agency users for three years with seven one-year renewal options. This program will include systems enabling electronic commerce and related technology for users worldwide. US Bancorp is the largest provider of VISA corporate and purchasing cards in the world.

5. RESPONSIBILITIES.

a. **AGENCY ORGANIZATION PROGRAM COORDINATOR (AOPC).** Individual designated by the DOC to perform contract administration within the limits of delegated authority and will serve as the liaison between Fort Hood, RMBCS, GSA, and higher headquarters. This person shall have overall responsibility for the GWCC Service Program to include training of CCHs, ACOs, and Alternate ACO's. The AOPC will supervise/oversee the purchase card program, establish policies, procedures, and guidelines. Changes to account information at the bank will be accomplished by the AOPC.

Office Symbol: AFZF-DOC-SD-CC

Location: Directorate of Contracting, Support Division
1001 761st Tank Bn Ave, Room W103
Fort Hood, Texas 76544-5025

Telephone: Commercial (817) 287-5340/5067 FAX: (817) 287-5354
DSN 737-5340/5067

b. **DISPUTE OFFICE CONTACT.**

Individual designated by the DOC who shall assist the agency organization, DFAS, and the bank in tracking and resolving disputed purchases and transactions. This individual will coordinate, process and monitor all disputed purchases, credits or billing errors.

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c. **DEFENSE FINANCE and ACCOUNTING Service (DFAS) CONTACT.**

The DFAS for the Fort Hood Military Installation receives the obligation from the disbursing officer and is responsible for processing the payment to the contractor.

Office Symbol: DFAS-LW-F

Location: DFAS Lawton-Fort Sill OPLOC
ATTN: DFAS-LW-FPT (Vendor Pay)
4700 Mow Way Road Dept 1791
Fort Sill, OK 73503-1791

Telephone: 405-442-0184

d. **COMMANDER / DIRECTOR.** A Commander/Director, or designee, is responsible for:

(1) Ensuring that a legal and appropriate appropriation or fund citation is assigned to every CCH account;

(2) Ensuring that an adequate system of control is in place for each CCH who will make purchases against more than one appropriation or fund citation;

(3) Establishing procedures and internal controls that ensure sufficient funds have been reserved or committed to cover anticipated expenditures for each CCH during a designated period, such period not to be less than one month or greater than six months;

(4) Establishing procedures and internal controls for the reservation or commitment of additional funds should a CCH breach the established reservation or commitment limit at any time during the designed period;

(5) In conjunction with the Defense Finance and Accounting Service, establishing procedures to ensure computation and payment in accordance with the Prompt Payment Act, to include the acknowledgment of authorization to pay interest penalty payments;

(6) Appointing the applicable ACO's within their organization;

(7) Ensuring that adequate training is given to prospective CCH's and ACO's prior to card distribution and use;

(8) Commanders and managers are responsible for ensuring that adequate management controls are in-place and working to provide reasonable assurance that resources are protected from fraud, waste and misuse. They are also responsible for periodically evaluating key management controls and correcting any weaknesses found as a result of these evaluations. To assist in this effort a Management Control Evaluation Checklist for the purchase card program is at Appendix I. Commanders and managers may use this checklist to evaluate the effectiveness of their program. If Commanders and managers elect to evaluate these controls, the evaluation should be included in their Management Control Plan. Results of these evaluations will be documented on DA Form 11-2-R (Management Control Evaluation Certification Statement). The DA Form 11-2-R s will be certified by the Assessable Unit Manager.

e. Cardholder Responsibilities.

(1) Ensure the item or service is authorized for credit card purchase. If assistance is needed, contact your supporting PBO or SSA. CCH shall have a valid, written requirement, authorized funding, and obtain local purchase authority before credit card purchase procedures are executed as established by the activity.

(2) Ensure priority sources of supply and service are followed IAW FAR Part 8.

(3) Obtain pre-approvals as required by unit internal procedures, SOP, etc., prior to procurement.

(4) Complete FHT Form 715-X5 as you participate in the transaction procurement process to acquire supplies, equipment or services Appendix K.

(5) Rotate sources of supply.

(6) Obtain customer copy of credit card receipt for over-the-counter purchases. Ensure carbon copies of credit card receipts are destroyed. Avoid payment of taxes. Ensure FOB Destination pricing is obtained.

(7) Pick up item(s) or arrange for direct delivery by the vendor. Conduct visual inspection of supplies and services and obtain billing invoices or shipping documents.

(8) Ensure SHIP TO/SOLD TO address on telephonic orders reads the CCH's unit/activity address.

(9) Report lost, stolen, or compromised card immediately to the bank, your ACO and AOPC.

(10) Furnish appropriate information pertaining to transactions when required to budget analyst/clerk/Comptroller/Financial Management Officer.

(11) Credit cardholders may, after ACO determination, bypass the stock record account when purchasing items that fall into the following categories. CCH's should be provided screening tools such as FEDLOG or the AMDEF to determine appropriate sources of supply. In cases where these tools cannot be provided or otherwise made accessible to CCH's, screening performed by other organizations should be responsive to the CCH's (within 24 hours).

- Are not on the Army inventory.
- Have been assigned a NSN but have been coded in the Army Management Data File for local purchase with an acquisition code of "K" or "L".
- Needed in emergency situations.
- That have been previously requisitioned through the supply system but have been returned to the customer for local purchase procurement with rejection codes of "CK", "CP", and "CW."

(12) If for some reason the CCH does not have a receipt and/or invoice of a transaction for reconciliation and inspection purposes, he/she must attach a written explanation which includes the vendor's name, description of the item(s), date of purchase, and an explanation as to why there is no supporting documentation. The written statement will be signed by both the CCH and the ACO and maintained in the appropriate ACO file for inspection/audit purposes and to track expenditure of funds.

(13) When the FHT Form 715-X5 is used for purchases of expendable supplies and services, assign a single document reference number to the form. The document reference number for expendable supplies and services will consist of the DODAAC, Julian Date (which will always be the 23rd day of the current billing cycle), and the first four (4) letters of the CCH's last name (if you don't have four letters in your last name, zero fill). A copy of the 715-X5 should be retained with the appropriate SOA.

(14) For purchases of Accountable Property (nonexpendable), after completing the procurement process, the cardholder will provide a copy of the completed FHT Form 715-X5 to their Comptroller or Resource Manager the same date as purchased or the first working day thereafter. Ensure document register number is acquired from the appropriate PBO and that it is annotated on the FHT Form 715-X5 prior to procurement. Copies of hand receipts will be attached to the cash register receipts and retained for future audit. CCH's who consistently fail to perform this reconciliation or who fail to maintain adequate documentation will have their accounts canceled and purchasing privileges revoked subject to review by the installation or activity commander.

(15) At the end of each billing cycle, the CCH shall:

- Reconcile the FHT Form(s) 715-X5, receipts, and all other supporting documentation to his/her SOA.
- The CCH should then sign the SOA, attach all original supporting documentation (retaining only a copy) and forward to the ACO or designated alternate.
- When it is known the CCH will not be available to reconcile the account, ensure the ACO or alternate ACO has all documentation prior to departure and upon return to home station proceed to the ACO and sign the original SOA. Plan accordingly if TDY, NTC, or leave is scheduled during reconciliation/turn-in timeframe. The late penalty fee clock does not stop because of these activities.
- It is important for the CCH to check each purchase on the SOA to verify the accuracy.

(16) CCH's are responsible for tracking and resolving disputes, and for notifying ACO when a dispute is resolved.

- CCH will maintain a suspense file of disputed transactions.

- Disputed transactions should first be addressed to the vendor for credit. If the vendor does not remedy the situation, CCH's should complete and fax to the bank a cardholder questioned item form (CSQI), and forward this to the ACO along with the SOA, retaining a copy for his/her file.
- If an item has been returned and the credit voucher received, the CCH will verify whether the credit is reflected on the SOA.
- If an item has been billed on the SOA, but not yet received by the activity, the CCH should wait until the following billing cycle to submit the questioned item form.
- CCH's should continue to follow-up with the bank until the dispute is resolved.
- Payment should not be withheld for disputed items, rather the ACO should certify the invoice (billing account statement) for payment in full and any credits for the disputed items should be offset against future billings.

(17) The CCH is required to maintain a file of credit card documentation for each transaction which should include as a minimum a copy of FHT Forms 715-X5, charge card receipts, delivery tickets, questioned item forms, waivers, CAPR's, etc., and the monthly SOAs, signed, for a period of three years IAW Marks 715j.

f. Approving Official Responsibilities

- (1) Key person to program's success.
- (2) Approving credit card transactions prior to purchase or IAW established pre-approvals, ensuring they are valid, authorized, and within bulk funding limitations.
- (3) Ensure nonexpendables are processed through the appropriate PBO prior to purchase and subsequently picked up/signed for on the appropriate hand receipt.
- (4) Maintain internal controls and clear audit trail.
- (5) Reconciling CCH's monthly statement with the ACO's monthly billing account statement. Verifying all transactions made were in the best interest of the government and that purchases were made in accordance with appropriate regulations, unit/activity procedures, and IAW III Corps SOP.
- (6) Ensure that the appropriate fiscal year is annotated on the accounting classification code line on the billing account statement and that said code is complete and legible.
- (7) Reconciling ACO billing account statement (official invoice), certifying for payment and processing to paying office by COB on the 10th calendar day of the month. In the CCH's absence, the ACO must review the CCH's activity, sign the original of the monthly SOA, retaining for their files and ensure the CCH signs the original upon return to home station. ACO's who knowingly make a false certification could be asked to repay the government for the items purchased. At a minimum, the ACO will be certifying that purchases made by the CCH's:

- Are Correct and were needed to fulfill immediate mission requirements.
- Do not exceed spending limits approved by the Resource Manager.
- Are not for personal use.
- Are not items that have been specifically prohibited by the organization or by statute.
- Are not part of a system or larger purchase
- Have not been split into smaller segments to stay under the micro purchase limit.

After review the ACO will sign and date the SOA and billing account statement, ensuring the BAS is submitted to the appropriate paying official NLT COB on the 10th day of the month for processing account payment. The ACO will retain the SOA's and transaction documentation for a period of three years IAW Marks 715j.

(8) All ACO's shall designate an alternate ACO to act in his/her absence. The ACO shall process nomination memo through the appropriate Comptroller/Resource Manager to DOC credit card office of designated alternate. Designated alternate must attend the Credit Card Training Program and sign their delegation of authority letter prior to assumption of duties.

(9) In the event a credit card is lost or stolen, the ACO will submit a written report to the program coordinator within 5 workdays. See paragraph 21 for further instructions.

g. Resource Manager/Comptroller or Finance Management Officer Responsibilities.

(1) Requests to establish or maintain CCH accounts will be coordinated with the activity Resource Manager before processing to credit card office. The Resource Manager will assign a single line of accounting to each purchase card account. A total of 50 characters is available in the card data base to accommodate fund citations. All fund cites must include the treasury symbol, operating agency (OA), allotment serial (ASN), account processing code (APC) (or similar information), standard document number(SDN), element of resource (EOR), and fiscal station number (FSN). Fund purchase cards using the "bulk" method, which requires a periodic (monthly, bimonthly, quarterly) fund reservation (obligation or formal commitment) equal to the anticipated purchases for that period. Commitments will be posted prior to the beginning of the billing cycle. Obligations will be posted not later than the invoice payment date.

(2) The Comptroller and or Resource Manager will, in conjunction with the command program coordinator, determine the spending limits applied to each CCH and ACO account. The Comptroller and or Resource Manager will use the CCH's 30-day spending limit as the basis for creating and posting "bulk" funding reservations for each CCH account. Tenant organizations should be provided with purchase cards citing the tenant's direct funds where ever feasible, to reduce the administrative workload associated with reimbursing the host for these purchases.

(3) Resource Managers will also provide a fund cite against which prompt payment interest can be charged. This account will be established at the ACO level and should be loaded in the Master Account Code field for each ACO's Account Number.

(4) One and only one treasury symbol will be cited on each card to provide an adequate audit trail for discounts and rebates. Exceptions to this general rule may be required when the CCH buys for several appropriations and / or project orders. Approval for exceptions must be explicitly granted by the Resource Manager to the program coordinator and the activity must provide an automated method for charging each purchase to the correct appropriation and / or project order.

(5) Appropriations without formal commitment accounting will post estimated obligations for each CCH equal to that CCH's monthly spending limit multiplied by the number of months being obligated.

(6) Appropriations with formal commitment accounting will record the spending limits as commitments and will post purchases as obligations prior to payment of the invoice.

(7) Where conditions require that items be purchased locally, then held for stock in the local retail Defense Business Operations Fund, Supply Management Army (DBOF SMA), cards may be issued to a purchasing officer in the supply support activity citing DBOF SMA funds. Purchases made using cards citing DBOF funds are not provided Stock Record Account (SRA) or DBOF SMA by-pass authority. Eventual billing of the item to the end consumer's funds will be accomplished through traditional methods.

(8) Activities will establish local procedures to update the accounting code for the new fiscal year as part of the year end close out procedures.

(9) Standard Document Numbers (SDN) will be assigned to each CCH account

(10) Element of Resource (detailed object class or EOR) assignment will depend on the availability of automated processes. Activities with access to automated programs that assign a specific EOR to each purchase will use those programs to assign EOR. Activities without such automation will apply a single EOR to each purchase card. The Resource Manager will determine the EOR that best fits the types of purchases envisioned with that particular card. Cards generally used to purchase supply items should cite 26RB.

(11) Fund reservation and fund certification will not be performed for each purchase transaction.

(12) Comptrollers, FMO's, shall coordinate any deviations from requirements, etc., through ACofS RM and DOC.

(13) Furnish copies of internal SOP's to DOC program coordinator.

(14) Finance Management Officers (FMO)/Comptrollers shall ensure procedures are in place to forward SOA's to CCH's/ACO's for reconciliation, who are deployed (NTC etc.) away from Fort Hood and that billing account statements are subsequently processed for payment NLT 10th of each month.

h. Disbursing Officer.

A disbursing officer is responsible and accountable for:

(1) disbursing money only as provided by documents duly certified by an authorized purchase card ACO.

(2) examining documents to decide if they are in proper form, computed correctly on the facts certified, and certified and approved by an authorized ACO.

(3) returning to the purchase card ACO any billing account statement which is not in the proper form, is incomplete, or is not properly certified.

(4) IAW Standard Army Business Practices, the certified billing statement must be received by the designated paying office as soon as possible, but not later than 15 days (in paper mode) or 20 days (electronically) after the official date of the invoice, and may be paid immediately, or within 5 workdays if a payment backlog exists. Fort Hood policy directs submission of statements NLT COB on the 10th day of each month. This will allow the payment to be made timely and will maximize, to the extent prudent, the refund offered by the purchase card contractor.

i. Defense Finance and Accounting Service Responsibilities.

(1) Provide ACO's with payment certification authority.

(2) Processing payment in the amount certified by the ACO. ACO shall pay the current billing activity amount due, allowing credits for disputed items to adjust on ensuing statements, in accordance with the Prompt Payment Act. Late documents that delay payment will cost the ACO responsible the late interest penalty charges. Payment will be processed electronically when possible and in a timely manner.

(3) Will disburse funds for credit card purchases using the 50-digit accounting code annotated on the billing account statement.

(4) Implement "delayed dispute" procedures for items charged but not yet received
Use automated files to receive, reconcile and pay credit card invoices

6. ESTABLISHING THE PURCHASE CARD ACCOUNT.

a. The credit card transaction form requesting a purchase card, must be received in the DOC credit card office seven (7) working days prior to actual training date. Once the individual has attended the required training the DOC credit card office will process the account set-up and/or maintenance information to the bank. Nominee transaction forms received after the suspense date will be scheduled for the next class date. Upon completion of training the individuals will sign their DOA memorandum and a certification of procurement integrity.

b. Cards will be mailed to either a Comptroller, Resource Manager, or as otherwise designated by the resource manager within 6-10 working days after the bank receives the account set-up data. The bank does not maintain any personal cardholder information such as credit records, social security numbers, etc.

c. CCHs are required to follow-up on processing of account set-up 15 days following completion of training with Comptroller, Resource Manager, etc. Card will be signed for only by the individual whose name is on the account. He or she will activate the card immediately upon receipt and provide the form the card is attached to, to the DOC credit card office for file retention. Additionally, the Installation Property Book Office (IPBO) will be notified when approval is granted to activities authorized to procure nonexpendable/accountable item(s) with credit cards.

7. DELEGATION OF AUTHORITY.

The DOC has delegated local purchase authority to the AOPC who in turn delegates to the ACO's for micro-purchases for expendable supplies and services using the purchase card. Local purchase authority for nonexpendable supplies remains with the appropriate property book officer (PBO). Local purchase authority for services does not bypass the proponent or agency on Fort Hood for that service. Approval must be acquired from the proponent

8. TRAINING.

a. Perspective CCHs, ACOs, and Alternate ACO's shall complete training covering the credit card program prior to DOC ordering cards. The credit card training program is the overall responsibility of the agency program coordinator and covers Federal, Defense, and Departmental regulations, policies, and procedures pertaining to simplified acquisitions.

b. The program consists of 6-hours of training time. Training will be provided by personnel designated by the DOC. One segment of the training covers procurement ethics. Upon completion of training CCH's, ACO's and AACO's will become procurement officials, as defined under Section 27 of the Office of Federal Procurement Policy Act. A Confidential Financial Disclosure Report (SF 450) shall be completed at the end of each fiscal year. The SF 450 is required for forecasted expenditures of \$20,000 or more in a 12 month period. These forms are available at and submitted to the designated SJA office.

9. DOLLAR LIMITS ASSOCIATED WITH THE CARD.

Use of the credit card by a cardholder is subject to a single purchase limit, a 30-day limit, and the monthly office (ACO) limit. The limits are defined as follows:

a. CCH Single Purchase Limit.

The single purchase limit is the maximum amount allowed, IAW the contract, for a single purchase transaction not to exceed \$2500, whether it is one item or multiple items. This limit is assigned for the activity involved by the appropriate Comptroller or Resource Manager.

b. **CCH 30-Day Limit.**

The CCH 30-day limit is a budgetary limit assigned by the appropriate Comptroller or Resource Manager. The total dollar value of purchases when using the card for any single month shall not exceed the established 30-day purchase limit.

c. **ACO Monthly Office Limit.**

The monthly office limit is the maximum dollar amount an ACO has the authority to approve transactions for, regardless of the number of CCH's assigned. This limit is based on the activities historical purchasing data and is established by the appropriate Comptroller or Resource Manager in conjunction with the Commander and or ACO.

10. AUTHORIZED USE OF THE CARD.

a. Purchase cards authorized for use by Fort Hood activities shall be limited to the purchases of commercially available supplies and services valued up to \$2,500 in a single transaction made IAW simplified acquisition procedures (FAR Part 13) and FAR Part 8. The purchase card may only be used to pay for authorized US Government purchases. The card was specially designed showing the Great Seal of the US and the words "United States of America" "For Official Use Only" imprinted on it to avoid being mistaken for a personal credit card. Generally, local purchases made using the purchase card will:

- (1) Have a purchase price less than \$2500 per purchase or service (\$2000 for construction).
- (2) Be non-catalogued, non-stocked, non-standard items of supply of equipment.
- (3) Include any item on the AMDF with an Acquisition Advice Code of K or L.
- (4) Be a cataloged item that the supply system has rejected with Advice Code CP, CK, or CW.
- (5) Include any automation item already approved and resourced in the activity's information management plan.
- (6) Include any non-personal service for which there is not an already existing contract.

b. The CCH has his/her name embossed on the card and it may only be used by that individual. **No other person is authorized to use the card or card number. This card is NOT to be used for personal purchases. NO EXCEPTIONS.**

c. When an authorization is sought for a purchase by the merchant, the bank authorization system will check each individual CCH's single purchase limit, the CCH's 30 day limit, the ACO's office limit, and the type merchant, before authorization will be granted for that transaction.

11. CONTRACT PROHIBITIONS ON USAGE OF THE PURCHASE CARD.

The card shall not be used for the following:

- a. Cash advances (not permitted under any circumstances).
- b. Rental, lease, or purchases of real property (land or buildings).
- c. Telecommunications (telephone) services, i.e., major systems such as FTS 2000 or DSN.

12. ARMY STANDARDS.

Standard procurement rules as described in the FAR and supplements thereof, and fiscal law requirements of the Anti-Deficiency Act described in AR 37-1, apply to GWCC purchases. Purchases are not to be "split" to stay under the \$2500 (\$2000 for construction) micro-purchase threshold. Appropriations used to fund purchase cards must be available and must be appropriate for that purchase. CCH's and ACO's must be made specifically aware of dollar limitations placed on Operations and

Maintenance (OMA) Funds for uses associated with purchases of systems and equipment and for limitations on construction activities.

13. CONTROLLED PURCHASES.

GWCC cards will not be used to purchase the following items without the specific approval from the supply system Integrated Material Manager (IMM). The installation Director of Logistics will obtain these approvals for the customer regardless of the method of payment:

- a. Weapons system related items
- b. Handguns, firearms, and other sensitive items
- c. Hazardous materials such as chemicals, ammunition, and explosives

14. PROHIBITION BY REGULATION.

a. Commercial procurement of unit guidons, flags, and battle streamers is prohibited per AR 840-10 paragraphs' 1-7 and 6-3. Point of contact for information on these items is the US Army Support Activity, Philadelphia, PA, DSN: 444-2519.

b. Subsistence type item (Class I supplement rations) purchases are not authorized. The only exceptions are TISA, the Child Care Centers, Equal Opportunity Office, and some Chaplain requirements.

15. LOCAL PROHIBITIONS ON USAGE OF THE PURCHASE CARD

a. Purchases of telecommunications (telephone) services, i.e., major systems such as FTS2000 or DSN are not allowable. However, telephone equipment may be purchased unless restricted by DOIM. Purchase of air time is not authorized.

b. HAZARDOUS MATERIALS – All HAZMAT items will be processed and procured from one of three HazMarts located on the installation;

- (1) DPW, building 4406, which will primarily support garrison activities;
- (2) Located in building 4919 and will be operated by the 62nd Quartermaster Company, primarily for tactical customers. The 62nd QM HazMart is anticipated to open on 25 Sep 98;
- (3) will be operated by DynCorps and will service Hood Army Airfield aviation maintenance activities.

The HazMarts will operate HSMS as well as the STAMIS IFS-M and SARSS which provides the inventory and stock control functions required of a stock record account. All Fort Hood activities will be required to participate in the HazMart program. In addition, all activities on the installation will be required to turn-in their excess HM currently being held at their work sites. The HazMart at the DPW, 62nd QM Co, DynCorps (AVIM support only), 27th MSB (Class IIIIP only) and 704th MSB (Class IIIIP only) will be the primary source for all HM needs. The HazMart will respond to customer request by requisitioning or purchasing, packaging, and issuing the quantity of HM required to meet the customers' needs.

DPW Environmental is developing and will issue a comprehensive HSMS SOP, along with a Hazardous Material Management Plan (HMMP) of which the Authorized Use List (AUL) is critical to the implementation of the HMMP. The authorization to locally procure HM is to be restricted to personnel located within the HazMarts, or authorized by the HazMarts to purchase HM locally. All Fort Hood purchase card accounts are subject to monitoring and inspection by such agencies as the purchase card Agency Program Coordinator, Internal Audit, IG, G4 Command Supply Discipline Program (CSDP), CID, etc., for violations of purchase card procedures.

16. REGULATED PURCHASES.

General. Some points of contact for regulated items are provided at Appendix C.

a. Purchases from the following sources are permitted only when pre-approved by the DOC or AOPC: Airlines, restaurants, bars, hotels, and travel agencies. (All Fort Hood cards are coded with Merchant Category Codes to preclude their use at these type facilities.)

b. Purchases of fuel, oil, services, maintenance and repair of GSA Fleet Management Program Vehicles are not allowed when SF 149's (fleet cards) are available. The purchase card is not a replacement of or substitute for the SF 149, US Government National Credit Card, used by the Interagency Fleet Management System (IFMS). K-1 kerosene, propane/butane fuels for heating purposes only can be purchased on the credit card. Commercial diesel is available from DOL TMP and gas for lawn mowers is available through use of fleet (fuel) card issued by 13th COSCOM POL Management Office.

c. Purchase of maintenance services normally provided by the DOL shall not be made unless a waiver has been obtained.

d. Purchase of transportation/shipping services normally provided by the DOL shall not be made without subsequent approval (i.e., Federal Express, UPS). However, when located at a remote site and DOL services are not available the purchase card can be used for this purpose, provided the file is adequately documented.

e. Purchase of printing services from the Defense Printing Service (DPS), Bldg 1001, Fort Hood, Texas. All printing and reproduction requirements shall be submitted to the DPS. This is mandated by law.

f. Purchase of janitorial, yard, landscaping, and building maintenance services are to be coordinated and authorized by DPW prior to procurement. DPW will check for existing maintenance contracts. Maintenance services are not to be confused with repair services. The installation has standardized specifications, which are issued by DPW, for landscaping project requirements and portable buildings.

g. Purchase of Nonexpendable/Accountable property is not authorized until a LOI is concurred in by DOC AOPC.

h. Civilian training must be coordinated with and approved by DCP, Training Division prior to procurement, unless DCP has designated approval for off post training to the organization, then obtain approval from that authority. This is a service and is not paid until service is completed.

i. Automatic Data Processing (ADP) purchases shall be approved through the CAPR process by the DOIM, unless items fall into the exemption category as defined in the Information Management Handbook (IMO) dated 8 Nov 95. ADP repairs shall be coordinated with the DOIM to ensure equipment is not on an existing maintenance contract prior to procurement. Also, prior to use of the purchase card for tactical ADP repairs, CCH's will ensure the Tobyhanna Army Depot Repair Facility cannot execute the needed repairs. Funding must be coordinated with DOIM RM for non tactical and III Corps DRM-B for tactical. Computer upgrades will be performed by 190th Maintenance Company, 13th COSCOM, unless a waiver has been requested and received, IAW Command Policy memorandum #35, 5 May 1998.

j. Lumber - Memorandum, AFZF-PW-SS, subject: Lumber Purchases, 4 Sep 96, delegates blanket purchase authority to all military units to procure lumber using the purchase card within specific guidelines. Memorandum is available from DPW, S&S, Mr. Ken Bernhard, Bldg 4209.

k. Lease of Vehicles - Requests for leasing of vehicles are to be processed through the DOL TMP IAW FH Regulation 56-6, Management and Use of Non tactical Vehicles. Final approval authority for leasing of sedans, vans, carry-alls, is retained by the III Corps Garrison Commander. Approval authority

for leasing of reefers remains with the DOL TMP office. The purchase card is not to be used to fuel leased vehicles, SF 149 cards are to be acquired from TMP for this purpose.

17. ACQUISITION PROCEDURES FOR USE WITH THE PURCHASE CARD.

a. **General.** Use of the credit card is to be consistent with regulations established for mandatory sources of supply and purchase procedures (FAR Part 8 and AR 710-2). All purchases are subject to the FAR, including the requirement to obtain fair and reasonable price determination, and to provide accompanying supporting documentation. FAR Part 13.106-1, AFARS 13.9, and DFARS 13.9, pertain specifically to micro-purchases.

(1) Many activities continue to require formal documentation (ie., DA Form 3953, DD Form 1348-6 etc.) or other formats and approvals prior to purchasing items with the card. While technical screening/authority is required on certain items like hazardous material or critical weapons parts, the majority of current card purchases do not require pre-purchase approvals or formal documentation for proposed purchases. As we move away from pre-approvals, the importance of the ACO's review increases.

(2) Ensure sufficient funds are available prior to procurement.

(3) Purchases at post exchanges using the credit card are permitted.

(4) The purchase card may be used for purchases of supplies or services from NAFIs unless otherwise prohibited by Law, Executive Order or other regulation. However, note these purchases shall be rotated among merchants and a fair and reasonable price determination is still required.

(5) Commercial procurement of unit coins, crest, and insignia can be done using the purchase card, if a certified source can supply the required quantity within 30 days from date of order. If master die must be made and lead-time for shipment is over 30 days the requirement shall be processed to DOC for procurement.

(6) We encourage the use of small businesses whenever possible. The requirement to make purchases from required sources of supply such as Federal Prison Industries, Inc., (UNICOR) is not waived for micro-purchases. Cost is not a consideration factor IAW FAR Part 8. Priorities for use of Government supply sources are in descending order of priority as follows:

(a) Supplies:

- (1) Agency Inventories;
- (2) Excess from other agencies;
- (3) Federal Prison Industries;
- (4) Products available from the Committee for Purchase From People Who Are Blind or Severely Disabled;
- (5) Wholesale supply sources, such as stock programs of the General Service Administration (GSA)(Depot Centers), the Defense Logistics Agency (DLA), the Department of Veterans Affairs, and military inventory control points;
- (6) Mandatory Federal Supply Schedules;
- (7) Optional use Federal Supply Schedules;
- (8) Commercial sources.

(7) **Price reasonableness** – FAR 13.202 (a)(3) states the administrative cost of verifying the reasonableness of the price for purchases may more than offset potential savings from detecting instances of overpricing. Therefore, action to verify price reasonableness need only be taken if—

- The contracting officer or individual appointed (CCH) in accordance with FAR 1.603-3(b) suspects or has information to indicate that the price may not be reasonable; Or

- Purchasing a supply or service for which no comparable pricing information is readily available; Or
- CCH's may document price reasonableness by comparison of current prices with various catalog prices or historical pricing information (current within last 90 days); or as a last resort obtain pricing data from two or more sources.

(8) Verify that the quantity and quality of the item(s) or service(s) received is in accordance with the agreement (verbal or written) with the merchant.

(9) The credit card may be used to buy centrally managed national stock number (NSN) items commercially available when the designated ACO determines the purchase to be in the best interest of the government. Best interest equates to a combination of quality, timeliness, cost and improved readiness, i.e., a repair part purchased from a DLA issued corporate contract or blanket ordering agreement..

(10) Demands must be recorded for credit card purchases of Class IX repair parts. Post-Post procedures are required to record these purchases. ULLS customers will process a demand transaction, DIC DHA to SARSS-1. Demand data is required for Material Management Center at the National Level and for input to the TRM model.

b. Purchase Procedures.

(1) The total of a single purchase using the card may be composed of multiple items -- but may not exceed the authorized limit established. Purchases will be denied if either the CCH's or ACO's limit is exceeded.

(2) Purchases shall not be split in order to stay under the micro purchase threshold of \$2500. An improper split is the "intent" to keep a purchase within credit cardholder single purchase limitation for the purpose of maintaining control of the buy.

(3) Supplies and services purchased via the credit card shall be "delivered within 30 days" of placing the order. All items should be delivered in a single delivery and received within 30 days from date ordered. Orders shall not be placed without this assurance. BACK-ORDERING IS NOT PERMITTED. All back-ordered items shall be canceled and ordered from a source where the item(s) are immediately available.

(4) Internal guidance verifying that procedures are in place for property book accountability shall be established before nonexpendable authority will be considered. Approval of procedures to procure accountable property shall be received from the DOC AOPC prior to procurement.

(a) Once nonexpendable authority is granted, the IPBO will be notified by the AOPC.

(b) Internal procedures for nonexpendable authority should include as a minimum the following steps:

- Complete the FHT Form 715-X5;
- process to ACO for approval of purchase IAW internal procedures;
- process through the appropriate PBO (whether installation, organizational, or TSC) for local purchase approval and receipt of document register number; if approved by all parties, proceed to the next step;
- procure item using proper procedures ensuring priority sources of supplies are adhered to and sources are rotated;
- process item and/or paperwork back through appropriate PBO to ensure item(s) are picked up on property book;
- provide information to ACO and/or HRH to ensure property is accounted for with PBO;
- The acquisition cycle is not complete until step 6 is accomplished.

(5) Whether purchasing items by telephone or over-the-counter, the CCH should inform the merchant the purchase is for official US Government use and is not subject to state or local sales tax. Some merchants may require a "Tax Exemption Certificate". Merchants should submit a written request to the DOC for a Tax Exempt Certificate and cite the reason for the request. Letters from all State Comptroller's Offices' citing micro-purchases for the Federal Government are tax exempt are available from the credit card office in lieu of Tax Exemption Certificate. Allowing tax to be charged is a waste of unit/activity funds. CCH's are responsible for negotiating and receiving a credit from any merchant who charges them tax. Taxes are not a disputable item with the bank. Tax ID number issued by the Fort Sill OPLOC is **35-1996956**.

(6) Use of the card to purchase services requires additional steps, i.e., prior approval from the appropriate regulating activity before the service is procured. The Government does not pay for services until the service is completed.

(7) Oral procedures may be used to acquire supplies or services which can be described in sufficient detail so the CCH and vendor both have a clear understanding of what is required, and a purchase order or written contract is not required by either the supplier or the Government.

(8) ORAL PURCHASE PROCEDURES CHECKLIST:

- Identify yourself (This is _____, from _____ calling for pricing and availability on _____)
- Determine if vendor accepts the Visa Credit Card (Yes or No).
- Get merchant/vendor information (Name of vendor, address, POC, telephone & extension, (fax number). Note date of contact/conversation
- Obtain pricing and availability on items being sought. Is price quoted an open market price or GSA price from a Federal Supply Schedule?
- Is there a discount to the Government or quantity discount?
- Explain to vendor that neither partial shipments nor back ordering is allowed. Both will be denied and the merchant will not be paid. Backordered items will be canceled. **(Partial shipments are defined as shipping and receiving part of quantity ordered on separate days. Backordering is defined as items not available from sources at time of contact but could be at a later date).** Item(s) is/are to be received within 30-days from date of order.
- Confirm with the vendor the credit card will not be charged until shipment is made. Credit card charge slip and or itemized billing invoice are required for CCH's files, certification, and reconciliation of SOA.
- Notify vendor that purchase is "tax exempt".
- Freight-on-board (**FOB destination is required**). Freight should not be prepaid and added to the invoice as this is considered to be FOB Origin. If the vendor must keep a record of his freight cost have them so state and document the file that the total stated on the invoice was the total price quoted. FOB destination pricing is a matter of liability. The contractor is responsible for the merchandise until it is received by the CCH, if lost or damaged then the contractor is responsible for replacing or tracing, not the CCH (cost of shipping and risk of loss are borne by the contractor).
- Terminate call and determine price reasonableness. Conduct price comparison. Upon determining source of supply, document file, obtain ACO's approval, and follow up with appropriate vendor(s) confirming procurement.
- Shipping information. Instruct the vendor to include the following information on the shipping document or packing slip as special instructions **SHIP TO SOLD TO BLOCKS SHALL READ CCH'S UNIT ADDRESS.**
- CCH name, unit and office symbol. (Safeguard card number) -No credit card number on package exterior; only on credit card charge slip).
- Building number, room number, street address, city and state, and CCH telephone number.
- The term "Credit Card Order" for expedited processing.

- For credit card orders, use a log to document/record credit card purchases. Conversation record form is useful to use in documenting the file. Obtain confirmation of order whenever possible. (Fax copy of order adequate). Verify items, quantity, unit of issue, price, method of shipment, tax exemption, etc.

c. Merchant Authorization

All transactions above the merchant's floor limit (\$50.00 for standard retail operations, higher for others), shall go through the authorization process at the time of the sale, whether over-the-counter or by telephone.

At the point of sale the authorization process will alert the merchant to any problems which would cause the sale to be disallowed. Examples of declined charges are as follows;

- (1) The CCH has exceeded his/her Single Purchase Limit.
- (2) The CCH has exceeded his/her 30-day Purchase Limit.
- (3) The ACO has exceeded his/her Monthly Office Limit.
- (4) The CCH is not authorized to purchase from this merchant with his/her assigned activity type code restrictions

d. File Retention.

FAR Part 4.805 states signed originals of small purchases will be retained for three years after final payment. A copy of the SOA plus supporting documentation will be retained in individual CCH's file for three years. As a minimum, the ACO files shall contain original documentation such as CCH's SOA, transaction documentation (i.e., waivers, approvals etc.), original receipts and or invoices, FHT 715-X5's and a copy of the ACO's Billing Account Statement. Files shall be maintained IAW guidelines set forth in the MARKS regulation, 715j. Files shall be closed at the end of each fiscal year.

e. Inspection Program.

DOC AOPC will conduct random inspections of CCH SOA's on a monthly basis. Command inspection program will be accomplished in conjunction with III Corps ACofS G4 and MSC Command Supply Discipline Program (CSDP) inspections. Command Inspection checklist is provided at Appendix K.

18. DOCUMENTATION, RECONCILIATION AND PAYMENT PROCEDURES

a. **Documentation.** Any time a purchase is made, whether it is an over the counter or telephone purchase, a receipt or invoice should be retained as proof of purchase. These documents will later be used to verify the purchases on the CCH monthly SOA. A CCH transaction file should consist of copies of the written requirement, FHT Form 715-X5, SOA's, any approvals, waivers, CAPRs, invoices, receipts, local purchase authority, etc., as needed for verification of authorized purchases to maintain clear audit trail for inspections.

b. **Contractor Reports.** The bank will provide and distribute three monthly reporting documents within 5 working days after the end of the 30-day billing cycle (23d day of the month).

(1) CCH Statement of Account (SOA) - all purchases, credits and other transaction data occurring in a 30-day billing cycle.

(2) ACO Billing Account Statement- a record of all CCH transactions for which he/she is the ACO for the current cycle.

(3) TBR Reports – All CCH and ACO transaction data and account information for the program coordinator's use.

c. Reconciliation Processing Cycle. The standard is as follows:

23d day of month is end of billing cycle

24th day of month begins new billing cycle; start new FHT 715-X5; and turn-in FHT 715-X5 for cycle just ended for expendables and services to applicable Resource Manager/Comptroller (tactical units) or Resource Manager (all others).

1-10th – CCH pick up, reconcile SOA, turn SOA with documentation in to ACO. ACO receives their Billing Account statement. Reconciles with CCH SOA's, certifies for payment, processes to paying office NLT COB on the 10th day of the month. If the billing account statement is turned in and paid late, then a late penalty fee is assessed to the ACO account and will be paid from unit budget.

ACO's whose files are identified for random inspection will be notified via email.

19. BILLING ERRORS AND DISPUTES.

a. **Cardholder Statement of Questioned Item (CSQI).** If a CCH receives a statement that lists a transaction for merchandise not ordered or not received, or a transaction which includes a sales tax, the CCH shall contact the merchant and negotiate a credit for the improper charge. The CCH will not process a CSQI until they have attempted to resolve the issue themselves or with the assistance of the dispute's officer. If the problem is not resolved by receipt of the next SOA, they are to immediately complete a CSQI and forward the original to the bank and one copy to the DOC AOPC. Submission must be timely, NLT 60 days after the discrepancy appears on the SOA. A copy of the CSQI shall be attached to the SOA upon submission to ACO. The bank will credit the transaction amount to the CCH's account and then deduct the amount from the merchant until the dispute is resolved. **Sales tax and freight are not disputable items.** The only manner in which to collect, for sales tax and freight charges, is for the CCH to negotiate a credit from the merchant.

b. **Defective Items.** For items purchased and found to be defective or faulty, the CCH can return the item to the merchant, who will initiate a credit to appear on a subsequent month's SOA. If the CCH does not obtain a credit voucher from the merchant or if the merchant issues a credit voucher and the credit does not appear on a subsequent SOA, the CCH will initiate a CSQI form indicating the problem and forward to the bank. The CSQI form should be forwarded to the bank when the discrepancy occurs, but no later than 60 days after the appearance of the item on the SOA. CCH's only have 60 days to dispute and process CSQI's to the bank

c. **Merchant Billing.** Visa's Merchant Regulations (the regulations of the clearing house for this contract) mandate that merchants delay the processing of a transaction until the purchased merchandise has been shipped. If a CCH receives a statement that lists a transaction for merchandise that has not been received, the CCH should attempt to resolve the issue and if not possible then process a CSQI form IAW established procedures.

20. CONTACT WITH CONTRACTOR (BANK).

The bank should be contacted only to report a LOST OR STOLEN card. All other questions should be directed to the contacts listed in these procedures and or the AOPC. The bank telephone numbers are listed in paragraph 21.

21. LOST OR STOLEN CARDS.

If the card is lost, stolen or compromised, it is important for the cardholder to immediately notify the bank Customer Service Department at the following numbers:

Inside the Continental United States: 1-888-994-6722

Outside the Continental United States: (701) 461-2020 Call Collect.

The CCH shall also notify the AOPC and ACO of the lost or stolen card within 1 workday after discovering the card is missing. The ACO will submit a written report to the AOPC within 5 workdays. The report will include at a minimum:

1. Card number
2. Cardholder's complete name
3. Date and location of the loss
4. If stolen, date reported to police / military police
5. Date and time RMBCS was notified
6. Location and dollar amount of last purchase made using the card.
7. Any other pertinent information

A new card will be mailed within 2 business days of the reported loss or theft to the DOC AOPC. A card that is subsequently found by the CCH after being reported lost or stolen will be cut in half and given to his/her ACO. The ACO will complete a memorandum of destruction notice and forward it to the AOPC along with the card. The Government will not be liable for any unauthorized use of the I.M.P.A.C. "Unauthorized use" means the use of the credit card by a person other than the CCH, who does not have actual, implied, or apparent authority for such use, and from which the CCH receives no benefit.

22 CARD SECURITY.

It is the CCH's responsibility to safeguard the credit card and account number at all times. The CCH shall not allow anyone to use his/her card or account number. A violation of this trust will require the card to be withdrawn with the possibility of disciplinary action.

23. SEPARATION OF CARDHOLDER.

At a minimum of sixty (60) days prior to the separation of a CCH, he/she shall surrender the card to the ACO. This is to ensure all CCH transactions clear prior to departure from Fort Hood. The ACO will process a cancellation notification and forward both the card and notice to the AOPC who will destroy the card and cancel the account with the bank.

24. TRANSFER OF CARDHOLDER TO ANOTHER APPROVING OFFICIAL.

If a CCH is transferred to another office in the same level/Major Subordinate Command with a different ACO, the new ACO must determine if the employee will be a CCH within his/her organization / activity. If it is determined the card should be retained by the CCH, the receiving ACO may request in writing for a transfer to the new ACO retaining the same account number. CCH transferring to a different level/MSO shall follow separation procedures and the gaining ACO shall submit a credit card transaction form for a new credit card for this individual.

25. UNAUTHORIZED PURCHASES OR CARELESS USE OF THE PURCHASE CARD.

A CCH who makes unauthorized purchases or carelessly uses the card will be liable to the Department of the Army for the total dollar amount of unauthorized purchases made in connection with the misuse or negligence. The CCH may also be subjected to disciplinary or administrative action UCMJ and or civilian actions as it may apply. Violations of procedures or improper use of the card shall result in the following actions:

Violation of procedures and regulations are a critical issue and the ACO is subject to an automatic 30-day suspension of his/her CCH's. Examples are late turn-in of billing account statement to paying officer, failure to follow proper procedures for acquiring accountable property, lack of local purchase authority, lack of funding, etc.

Notification of a second violation will result in a 60 day suspense.

A third violation will constitute removal of the ACO and any disciplinary action as deemed necessary.

When accounts are suspended and if the ACO feels the suspension was not justifiable they can submit, in writing to the AOPC, an explanation of the circumstances or their justification for the actions taken and procedures implemented to preclude a reoccurrence. A determination will be made and a decision as to whether the suspension will be lifted or whether it will continue will be sent to the ACO via email. Absence of ACO, forgetfulness, field exercises, failure to request an extension subsequent to deadline are not acceptable excuses.

26. END OF YEAR CLOSE OUT PROCEDURES.

Activities will establish local procedures to update the accounting code for the new fiscal year as part of the year end close out procedures.

Activities will comply with procedures/guidance issued by the appropriate comptroller and or resource management office.