



USDA Purchase Card Program Policy Training

FY2018

AgLearn Disclaimer: Section 508 Compliance

This Purchase Card Policy Program training course complies with **Section 508 of the Rehabilitation Act**, which requires that federal agencies purchase electronic and information technology that is accessible to people with disabilities.

Visit Section508.gov for more information.



Policy Training Requirements – New Program Participants

- All Agency Program Coordinators (APCs), Local Agency Program Coordinators (LAPCs), Approving Officials (AOs) and cardholders must complete USDA Purchase Card Program Policy Training and other program-required trainings.
- Coordinators and AOs who are also cardholders must take all the required cardholder modules. No module is taken more than once.
- Regulations require specific training for all new program participants.
- A list of all required trainings is available on the [CCSC website](#).

Note: Links to all required training (including the specific AXOL modules required of AOs) are available on the USDA Charge Card Service Center (CCSC) website. For more information, visit https://www.dm.usda.gov/procurement/ccsc/purchase_card.htm



Refresher Training Requirements

- A list of AgLearn-based training is located at www.dm.usda.gov/procurement/ccsc/pc_training.htm.
- Procurement Advisory 125 requires purchase card program participants to complete the mandatory Refresher Training annually instead of every two years.
- Cardholders, Approving Officials (AOs), Local Agency Program Coordinators (LAPCs) and Agency Program Coordinators (APCs) must complete the annual refresher training by **March 31st** of each fiscal year, to maintain participation in the USDA Purchase Card Program.
- **30 business days** after the March 31st deadline, CCSC will suspend cardholders who have not completed Refresher Training.



Refresher Training Requirements (Cont.)

- CCSC will provide the agencies' Head of Contracting Activities Designees (HCADs) and USDA senior leadership with the list of Coordinators, Approving Officials and cardholders who are not in compliance with the Refresher Training policy **45 business days** after March 31st of each fiscal year.
- Purchase card program participants who are still not in compliance by **June 30th** of each fiscal year will be required to successfully retake all of the initial required purchase card training to continue participating in the purchase card program.
- All of the initial training required is listed in the Purchase Card Program Guide.
- All warranted coordinators and cardholders who complete the mandatory refresher training will receive **one** CLP credit towards their training maintenance requirements based upon the duration of time spent receiving official training.



Policy Training Topics

- **Introduction**
- **Part I: USDA Purchase Card Overview**
- **Part II: Responsibilities**
- **Part III: Purchase Card & Convenience Check Use**
- **Resources**



Introduction

Welcome to the **USDA Purchase Card Program Policy Training**.

This training program reinforces participants' knowledge of purchase card policy and responsibilities.



**Interactive quizzes
appear throughout
the training.**

Part I: USDA Purchase Card Overview

- **Program Summary**
- **Program Structure**
- **Policies & Regulations**
- **Liability**



Program Summary

- The USDA Purchase Card is part of a government-wide charge card program initiated by the General Services Administration (GSA) under the SmartPay® Program.
- USDA manages its charge card program through the Charge Card Service Center (CCSC), Procurement Systems Division (PSD), Office of Procurement & Property Management (OPPM), Departmental Management (DM).
- USDA benefits from participating in the purchase card program:
 - Rebates received from U.S. Bank based upon purchase volume
 - Extensive vendor acceptance
 - Reduced individual vendor payments
 - Cost-effective payment processing methods
- Cardholders benefit from using the purchase card program:
 - Reduction in paperwork
 - Timely shipment of products
 - Purchasing flexibility



Program Summary (Cont.)

Use of the purchase card and convenience checks is governed by a number of laws and regulations. These laws and regulations include the following:

Appropriations Laws and Regulations

- OMB Circular A-123, Appendix B, Improving the Management of Government Charge Card Programs
- Departmental Regulation (DR) 5013-6
- Procurement Advisories (PA), as applicable to Purchase Cards
 - PA 52A: Convenience Checks
 - PA 89: Use of the Purchase Card and Related Alternative Payment
 - PA 122: Purchase Authority for Single Purchase Limit
 - PA 123: Acquiring Rental Storage Space short and long term with USDA Purchase Card
 - PA 125: USDA Purchase Card Program – Mandatory, Annual Refresher Training Requirements
- Supplemental individual agency regulations



Program Summary (Cont.)

Appropriations Laws and Regulations (cont.)

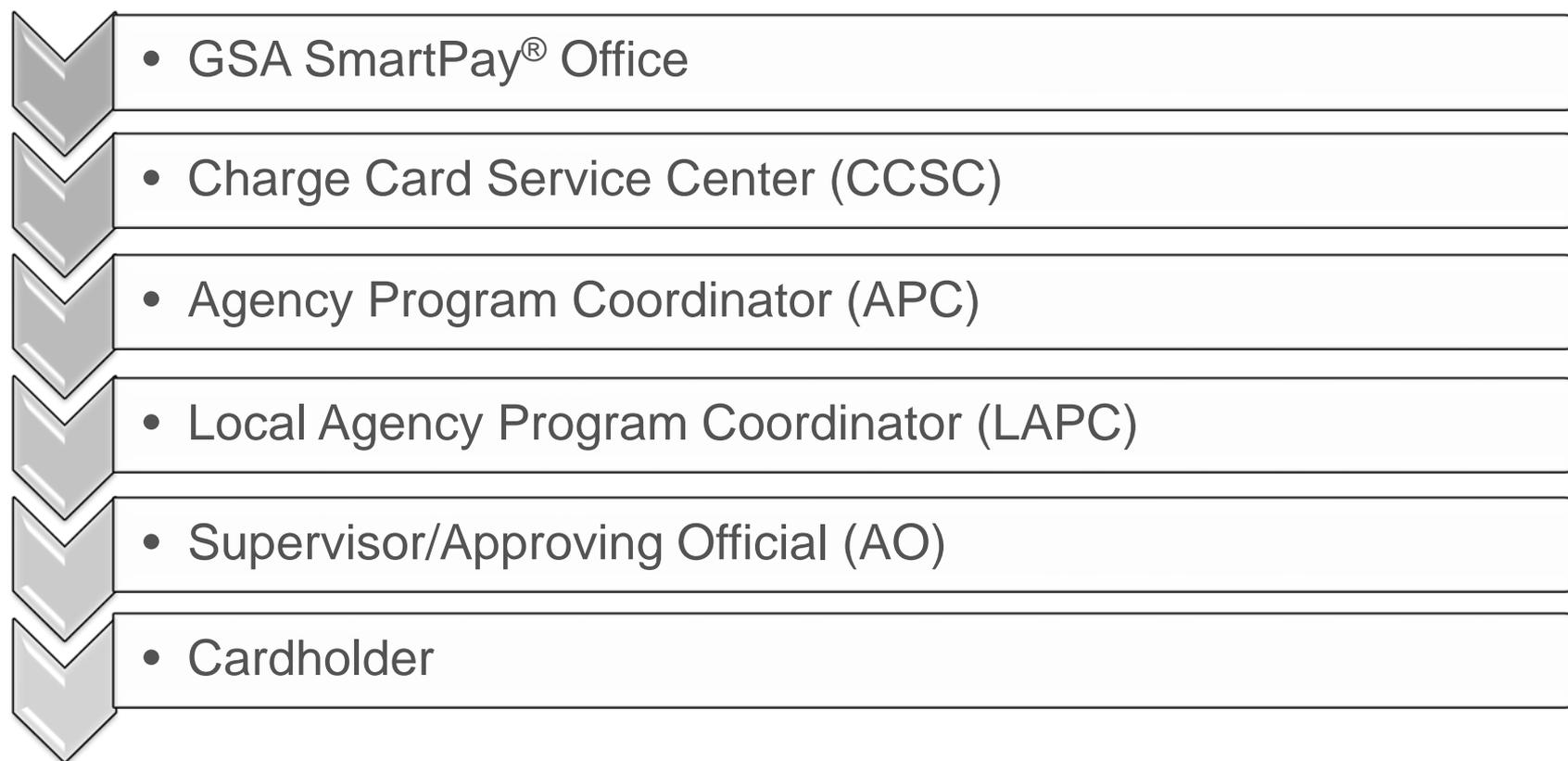
- The established rule is that the expenditure of public funds is proper only when authorized by Congress, not that public funds may be expended unless prohibited by Congress. (*U.S. v. MacCollom*, 426 U.S. 317, 321 (1976))
- Federal funds are made available for obligation and expenditure by means of appropriate acts.
- Appropriations may be used only for their intended purposes.



Program Structure

The overall structure of USDA's Charge Card Program is depicted below.

Note: Your agency may have additional coordinators between the local and agency levels.



Program Structure (Cont.)

USDA Purchase Card Roles

- **Charge Card Service Center (CCSC) – Purchase Cards**

The CCSC is responsible for the management, monitoring, and oversight of the purchase card program, including providing APCs with training and guidance; and developing procedures, literature and materials for USDA's purchase card program.

- **Agency Program Coordinator (APC)**

The APC coordinates the agency's support, operations and oversight, and is also responsible for the overall management of the purchase card program within the respective agency.

- **Local Agency Program Coordinator (LAPC)**

The LAPC is responsible for the day-to-day operation of the purchase card program at the LAPC's respective site. The LAPC works directly with cardholders and AOs, as well as with the bank representative and the APC. All documentation related to the establishment of cardholders and AOs will be processed through the LAPC.

- **Approving Official (AO)**

The AO is the cardholder's supervisor-of-record (or approved designated alternate AO) or someone of at least equal grade/level as the cardholder in a position to determine the viability of the cardholder's purchase. AO's responsibilities include preventing cardholder's account suspension by Final Approving cardholders' transactions within 30 days of appearing in the AO's "Manager's Approval Queue" in Access Online.



Program Structure (Cont.)

USDA Purchase Card Roles (cont.)

- **Cardholder**

The cardholder is the person responsible for all purchases made with the purchase card or convenience checks issued to him or her. The cardholder must ensure all purchases comply with the Federal Acquisition Regulation (FAR), department and agency regulations. The cardholder must approve his or her transactions at least once a month using documentation retained from each purchase and ensure the AO has the necessary documentation to final approve all transactions.

- **U.S. Bank**

U.S. Bank is USDA's purchase card provider. U.S. Bank's Access Online is a web-based electronic access tool designed to be the system source for purchase card program management and related data.



Policies & Regulation

- Refer to the policies and regulations below:
 - [DR 5013-6](#): Use of the Purchase Card and Related Alternative Payment Methods (November 2012)
 - [Procurement Advisory \(PA\)](#)
 - PA 52A: Convenience Checks
 - PA 89: Use of the Purchase Card and Related Alternative Payment
 - PA 122: Purchase Authority for Single Purchase Limit
 - PA 123: Acquiring Rental Storage Space short and long term with USDA Purchase Card
 - PA 125: USDA Purchase Card Program – Mandatory, Annual Refresher Training Requirements
 - Office of Management and Budget (OMB) Circular A-123, Management’s Responsibility for Internal Controls, Appendix B Improving the Management of Government Charge Cards (January 2009)
 - Federal Acquisition Regulation (FAR) [<https://www.acquisition.gov/browsefar>]



Policies & Regulation (Cont.)

- The purchase card program requires initial training for new Purchase Cardholders, Approving Officials, and Coordinators.
 - Coordinators must ensure the completion of the initial training by new cardholders and Approval Officials.
 - APCs must ensure the completion of the initial training by new coordinators.
 - Upon CCSC's request, coordinators must provide proof of training for agency's program participants.
- Purchase cards used to reduce procurement and related payment paperwork by eliminating the number and dollar amounts of imprest funds; reducing purchase order transactions for supplies and services, including construction; and reducing administrative processing costs and lead times.
- **Under no circumstances is the purchase card to be used for personal purchases.**
- The purchase card is the primary method for making phone, internet and over-the-counter purchases of \$150,000 or less (simplified acquisition threshold).



Policies & Regulation (Cont.)

- Use of the purchase card by a cardholder is subject to a single purchase limit and a monthly purchase limit.
 - The single purchase limit is a dollar amount on the procurement authority delegated to the cardholder.
 - A “single purchase” is the total of those items purchased at one time from a particular vendor.
 - The monthly purchase limit is the maximum total dollar amount a cardholder is authorized to procure each month.
 - The monthly purchase limit applies to the monthly total of all purchase card and convenience check transactions.



Policies & Regulation (Cont.)

Micro-Purchases

- FAR 2.101 and the DR 5013-6 stipulate the purchasing authority for micro-purchases and the purchase card for non-warranted cardholders.
 - The maximum amount for purchase card micro-purchases is \$3,500 for supplies, \$2,500 for services (and for convenience checks) and \$2,000 for construction.
- Splitting purchases merely to stay within the single purchase limit is a violation of the law.
- Micro-purchases are exempt from some requirements that apply to larger government purchases (see FAR 13.2 and 13.3).
 - Micro-purchases are not subject to small business set-aside rules; although cardholders are encouraged to use small businesses where practical.
 - Micro-purchases are exempt from the Buy American Act.
 - Micro-purchases do not require competitive quotes if the contracting officer (CO) considers the price to be reasonable, but cardholders must compare prices enough to know that the cardholder's price is reasonable.
 - To the most practical extent, the purchases must be distributed equitably among qualified suppliers.
 - Purchases above the micro-purchase threshold require cardholders to follow the requirements prescribed for Simplified Acquisitions (see FAR 13.3), as well as USDA-specific guidance including DR 5013-6.



Policies & Regulation (Cont.)

Authorization

- Cardholder must obtain proper authorization or a requisition from their AO or another authorized person within cardholder's program area **prior** to making any and all purchases with the purchase card or convenience check. This requirement is mandatory for all purchases.
 - The requisition and authorization may be in the form of a written request, email or Integrated Acquisition System (IAS) procurement requisition from an authorized official. Authorized officials will be determined according to individual agency procedures.
 - An authorized person may give a blanket authorization for routine purchases as long as authorization is in writing, which includes an email.

Important Notes About Convenience Checks

- Not all agencies have convenience checks; not all transactions require convenience checks.
- Agencies authorized to use convenience checks should use the checks only as a last resort, per GSA's mandate for the reduction of convenience check usage.
- Contact the agency APC for further information regarding convenience check authorization.
- USDA continues to look for ways to reduce the total number of convenience checks.



Policies & Regulation (Cont.)

Merchants

- Cardholders must purchase only from merchants who accept the purchase card. If a merchant does not accept the purchase card, other purchasing alternatives should be investigated. If no other options exist, convenience checks may be used only when a waiver applies.
- Cardholders should follow their agency's policy regarding convenience checks.

Required Sources of Supply

- Even though some restrictions do not apply to micro-purchases, cardholders are required to follow the required sources of supply set forth in Part 8 of the Federal Acquisition Regulation (FAR).
- Other sources should be considered for use only **after** the priority sources, as defined on the next pages, have been considered for fulfilling requirements.



Policies & Regulation (Cont.)

Priority Sources for Supplies

- Active Inventory (On-Hand Stock/Cupboard Stock)
- Excess Personal Property
- Federal Prison Industries (FPI)
- Procurement List of Products Available Through the Committee for Purchase From People Who Are Blind or Severely Disabled (AbilityOne)
- Wholesale Supply Sources (GSA, Defense Logistics Agency, VA)
- Mandatory Federal Supply Schedules (FSS)
- Federal Strategic Sourcing Initiatives (FSSI) Blanket Purchase Agreements (BPAs)
- Optional Use FSS
- Commercial Sources



Policies & Regulation (Cont.)

Priority Sources for Services

- Procurement List of Services Available from the Committee for Purchase From People Who Are Blind or Severely Disabled (AbilityOne®)
- Mandatory FSS
- Optional Use FSS
- Federal Prison Industries (FPI)
- Open-Market Commercial Sources

Note: The Government Printing Office (GPO) is the mandatory source for commercial printing.



Liability

Cardholder Liability

- Intentional use of the purchase card or convenience checks by a cardholder for other than official government business will be considered an attempt to commit fraud against the U.S. government and will result in immediate cancellation of the employee's purchase card and/or convenience checks.
- The cardholder may be subject to administrative and/or disciplinary action under applicable U.S. Department of Agriculture Personnel Manual and government-wide administrative procedures, up to and including suspension and/or removal.
- An employee (cardholder and/or AO) will be personally liable to the government for the amount of any unauthorized transaction and may be subject to a fine of not more than \$10,000 or imprisonment for not more than 5 years, or both, under 18 U.S.C. 287.
- Where a cardholder fails to resolve and/or dispute (if necessary) an erroneous charge in a timely manner, the cardholder, consistent with agency policy, shall reimburse the government for the cost of that transaction.
- When a cardholder makes an improper purchase, the cardholder, in accordance with agency policy, shall (a) reimburse the government for the cost of the purchase and (b) be subject to disciplinary action.



Liability (Cont.)

AO Liability

- In accordance with agency policy, if an official directs a cardholder to make an erroneous purchase of items or services that are determined to be improper, the official must...
 - Reimburse the government
 - Be subject to disciplinary action



Part II: Responsibilities

▪ **Cardholder's Responsibilities**

- Program Management
- Reporting & Communications
- Policy

▪ **Approving Official's Responsibilities**

- Program Management
- Card Issuance & Maintenance
- Communications

▪ **Coordinator's Responsibilities**

- Local Agency Program Coordinator
 - Program Management
 - Oversight & Maintenance
 - Communications & Reporting/Data Calls
- Agency Program Coordinator
 - Program Management
 - Oversight & Monitoring
 - Communications
 - Reporting/Data Calls & Policy
- Program Support

▪ **Resources**



Cardholder's Responsibilities: Program Management

- Program Management
 - Purchasing commercial goods and services using the card only if the necessary goods and services are not required from the federal list of mandatory sources.
 - Maintaining purchase cards and convenience checks in a secure matter and preventing unauthorized charges against the account.
 - Prohibiting anyone from using your purchase card or convenience checks.
 - Maintaining adequate documentation of all purchase cards and convenience check transactions including the following:
 - Includes documentation of funds availability, receipts, packing lists and invoices
 - Maintain the supporting documentation for six years from the Access Online posting date
 - Ensuring entry of proper accounting codes and budget object classification codes; for convenience checks, Taxpayer identification Numbers (TINs) or Employer Identification Numbers (EINs) and applicable waiver code, as appropriate.
 - Includes ensuring the correct entry and proper formatting of appropriate merchant addresses in Access Online.



Cardholder's Responsibilities: Program Management (Cont.)

- Approving purchase card and convenience check transactions using Access Online (AXOL) on a monthly basis.
- Changing Access Online password as required.
- Calling the bank's customer service representative and the LAPC immediately to report lost or stolen card and checks.
- Notifying the bank of any billing discrepancies (e.g., disputes) posted on the account by disputing the transaction in Access Online and following the bank's guidelines for transaction disputes.
- Completing the Card/Checks Destruction Form and forwarding to AO for signature.



Cardholder's Responsibilities: Reporting & Communications

- Reporting
 - Responding promptly to requests—including data, documentation and transaction approvals—from AO, LAPC or APC.
 - Ensuring the entry of procurement property into USDA's accountable property system.
- Communications
 - Notifying the LAPC of any name, telephone, address, email or other account changes, (i.e., change in supervisor or division/agency/department changes).



Cardholder's Responsibilities: Policy

■ Policy

- Completing required purchase card training, including mandatory annual refresher training.
- Ensuring that all purchases comply with the Federal Acquisition Regulation (FAR), as well as with USDA and agency regulations.
- Obtaining proper authorization *prior* to purchasing goods/services.
- Completing purchases where funds are available and within authorized spending limits.
- Ensuring the disposal of at any dangerously radioactive and other acquired hazardous materials in accordance with applicable regulations.
 - Refer to the Agriculture Property Management Regulations, Chapter 102, Federal Management Regulation, Subchapter B, Personal Property PART 102-34, Motor Vehicle Management.



Approving Official's Responsibilities

AO is the individual with oversight and approval responsibility for Purchase Card activity of cardholders under his or her purview, per USDA policy.

- The AO is typically the cardholder's supervisor-of-record (Sor).
- Other individuals may be appointed as a cardholder's Alternate AO, providing the person meets the criteria.
 - Must be the same or higher grade than assigned purchase cardholder.
 - Must be in the same program or location—regional, area or office—as the cardholder.
 - Must satisfy mandatory AO training requirements.
 - Is the preference of USDA policy for the Sor to serve as cardholder's AO.
- Two AOs cannot have oversight of and approval for the same cardholder, per USDA policy.
- The Sor requests the appointment of an Alternate AO by sending the LAPC the following:
 - Completed Appointment Nomination Request Form
 - Written justification explaining the change
- The appointment is granted or not granted based on the LAPC's review and the APC's decision.

Note: The appointment of an Alternate AO does not absolve the supervisor-of-record of the responsibility over the cardholder's job performance and purchase card transaction activity.



Approving Official's Responsibilities: Program Management

- Program Management
 - Ensuring the purchase card/convenience checks are destroyed before the AO's cardholder leaves the department, transfers to another agency or is on extended leave; this includes completing and submitting the completed [Card/Check Destruction Form](#) to the AO's LAPC.
 - Ensuring the AO's cardholder(s) approve their transactions on a monthly basis and prior to a cardholder's departure from the department, transfer to another agency or extended leave.
 - Ensuring the AO's cardholders maintain adequate documents—requisition, receipts or supporting documentation—for each purchase for the retention period of six years from the purchase date.
 - Ensuring the AO and AO's cardholders complete all required training, including refresher training.
 - Ensuring the AO's cardholder completes the fraud and dispute process.



Approving Official's Responsibilities: Card Issuance and Maintenance

- Card Issuance and Maintenance
 - Determining the necessity and appropriateness of each issued purchase card and who under AO's authority should receive convenience checks with an issued purchase card.
 - Ensuring the purchase card authority and, if appropriate, convenience check authority is not conferred upon employees whose position may give rise to a conflict of interest.
 - Ensuring cardholder's completion of the initial complement of purchase card training before submitting the purchase card application to the AO's LAPC.
 - Preventing the suspension of a cardholder's account.
 - Confirming the entry and the approval of adequate comments for all approved transactions.



Approving Official's Responsibilities: Card Issuance and Maintenance (Cont.)

- Remembering the following potentially problematic areas when Final Approving transactions:
 - Commercial Printing
 - Construction
 - Meetings & Conferences
 - Refreshments

Note: All card accounts assigned to an AO who fails to final approve the selected transactions within a total of 60 days will be deactivated, absent extenuating circumstances. These deactivated accounts may be reactivated after all transactions are final approved. Persistent failure to timely and accurately final approve transactions shall constitute grounds for management to revoke purchase card and/or alternative payment method privileges of all cardholders assigned to the AO and may subject the AO to possible disciplinary action.



Approving Official's Responsibilities: Communications

Communications

- Informing cardholders of program updates, including refresher training deadlines and card suspensions.
- Notifying the AO's LAPC when changes in the AO's organization affects purchase card management.



Coordinator's Responsibilities

- An **Agency Program Coordinator (APC)** is designated in each USDA agency, departmental office or mission area to provide program support, operations and oversight within the organization through the CCSC leadership.
- A **Local Agency Program Coordinator (LAPC)** may be designated in each USDA agency, departmental office or mission area to assist the APC in coordinating the program support, operations and oversight within the specific agency, departmental office or mission area.



LAPC's Responsibilities: Program Management

- Program Management
 - Responsible for the day-to-day operations of the purchase card program at the LAPCs' respective sites.
 - Work directly with the cardholder, APC and the U.S. Bank contact person.
 - Ensure the **accurate** processing of **all documentation** for establishing a cardholder.
 - Establish and maintain the purchase card program within the LAPC's designated location.
 - Provide additional guidance to Approving Officials and cardholders when needed.
 - Establish and update cardholder information.
 - Instruct cardholders to immediately notify the U.S. Bank's customer service representative of a lost or stolen purchase card, or convenience check.
 - Instruct cardholders to immediately notify the U.S. Bank of any discrepancies or unauthorized charges within 90 days of the transaction date.
 - Ensure and track AOs' and cardholders' completion of mandatory training, including annual refresher training and new cardholder training.



LAPC's Responsibilities: Oversight & Maintenance

- Oversight & Maintenance

- Monitor cardholder transactions—purchase card and, if applicable, convenience checks—using electronic management applications and tools.
- Conduct statistical sampling reviews.
- Ensure proper use of required sources of supply.
- Query quarterly final approval transaction reports by completing the LAPC Quarterly Review Checklist.



LAPC's Responsibilities: Oversight & Maintenance (Cont.)

- Ensure timely maintenance of cardholder accounts.
 - Approve cardholder's transactions on an emergency basis or if the cardholder has separated from the agency.
 - Approve trailing transactions after a cardholder's account is closed.
 - Final approve transactions when the Approving Official (AO) has separated from the agency.
 - Perform card cancellations, including the collection of a completed Card/Check Destruction Form, due to employee terminations, transfers or extended leaves.
- Where applicable, serves as the Coordinator in Access Online for Purchase Card Account requests.
 - Completes CCSC-provided training on card request process.
 - Reviews card requests for accuracy; before entering, rejects card requests with errors.
 - Using AXOL, enters error-free card requests; submits to Final Approver for approval.
 - Corrects rejected requests via AXOL.
 - Checks card status in AXOL.
 - Emails Final Approver with Purchase Card Request Package (e.g., request form, warrants).



LAPC's Responsibilities: Communications & Reporting/Data Calls

- Communications
 - Provide training (e.g., in-person, webinar, materials) to both AOs and cardholders on the proper use and maintenance of the purchase card.
 - Inform AOs and cardholders regarding issues, such as outstanding training and suspended cards.
 - Distribute program literature and materials to cardholders.
 - Attend CCSC-offered meetings and trainings to learn new program changes and to update knowledge of program policies, processes and procedures.
- Reporting/Data Calls
 - Report fraud, waste and abuse in accordance with agency procedures.



APC's Responsibilities: Program Management

- Program Management
 - Appoint Assistant, Deputy or Regional APC.
 - Appoint LAPC.
 - Provide guidance to LAPCs or additional training when needed.
 - Ensure and track completion of all mandatory training, including Annual Refresher Training, for agency's purchase card community.
 - Determine and recommend appropriate Merchant Category Classification (MCC) code ranges for card use.
 - Depending upon agency, serve as either Coordinator or Final Approver in Access Online for purchase card account requests.
 - Maintain documentation and retention procedures.



APC's Responsibilities: Oversight & Monitoring

■ Oversight & Monitoring

- Conduct agency-wide oversight of the purchase card program, including proper use of required sources of supplies and services, and when applicable, using U.S. Bank's Access Online.
- Ensure timely maintenance of managing accounts.
 - In the absence of a LAPC, cancel purchase cards immediately upon employee's termination
 - Confirm the immediate cancellation of purchase card accounts and completion of Card/Check Destruction Form upon employee's termination or extended leave.
- Audit program compliance and file retention. Notify the LAPCs of non-compliance issues. Assist LAPCs in enforcing non-compliance measures.
- Ensure timely maintenance of User IDs.
 - Confirm the timely cancellation of removal of User IDs when closing a cardholder's account.
 - Confirm the access assigning only to those individuals needing access to purchase card data.
 - Confirm the assigning of individuals with the appropriate level of access. The level of access should not exceed the required level for individuals to perform their duties.



APC's Responsibilities: Oversight & Monitoring (Cont.)

- Where applicable, serves as Coordinator in Access Online for Purchase Card Account requests.
 - Completes CCSC-provided training on card request process.
 - Reviews card requests for accuracy; before entering, rejects card requests with errors.
 - Using AXOL, enters error-free card requests; submits to Final Approver for approval.
 - Corrects rejected requests via AXOL.
 - Checks card status in AXOL.
 - Emails Final Approver with Purchase Card Request Package (e.g., request form, warrants).
- Where applicable, serves as Final Approver in Access Online for Purchase Card Account requests.
 - Completes CCSC-provided training on card request process and final approving requests.
 - Reviews LAPC-entered card request and approves or rejects requests as needed.
 - Provides Coordinator with rejection explanation.
 - Answers APCs and LAPCs questions.
 - Checks card status in AXOL.
 - Retains emailed Purchase Card Request Package (e.g., request form, warrants).



APC's Responsibilities: Communications

- Communications
 - Establish and maintain agency-wide communication.
 - Participate in meetings with the CCSC leadership to address purchase card programmatic issues.
 - Serve as primary contact for LAPCs and as the liaison with the CCSC leadership and U.S. Bank.
 - Provide training to LAPCs.
 - Identify future program applications and enhancements. Submits future applications and enhancements to the CCSC leadership for final assessment.



APC's Responsibilities: Reporting/Data Calls & Policy

- Reporting/Data Calls
 - Provide senior agency management with purchase card transaction and convenience check data.
 - Respond to CCSC-issued user alerts (e.g., Questionable Transaction Reports, Purchase Card Exception Report) within 30 days of notification and by other CCSC-provided deadlines.
- Policy
 - Establish agency-unique purchase card policies and procedures when needed.



Coordinator's Responsibilities: Program Support

Three points of contact for Purchase Card Program support.

- **Charge Card Service Center (CCSC):** ccsc@dm.usda.gov

<ul style="list-style-type: none"> • AgLearn, Agency-specific & New APC Training 	<ul style="list-style-type: none"> • New Hierarchy Setups 	<ul style="list-style-type: none"> • Process & Operations Questions
<ul style="list-style-type: none"> • Suspension Lifts 	<ul style="list-style-type: none"> • Merchant Category Code Blocking 	

- **U.S. Bank:** <http://access.usbank.com> or 1-800-254-9885

Online (AXOL)	<ul style="list-style-type: none"> • APC & LAPC User ID Setup & Maintenance 	<ul style="list-style-type: none"> • AO User ID Setup & Maintenance for Pre-existing Hierarchies 	<ul style="list-style-type: none"> • AXOL Training Modules
Phone or Fax	<ul style="list-style-type: none"> • Fraudulent Transaction Reporting • Reporting lost or stolen card or convenience checks 	<ul style="list-style-type: none"> • Convenience Checks Stop Payment & Reordering • Card Status Information: Undelivered card or Convenience checks 	<ul style="list-style-type: none"> • POC Maintenance & Cardholder Maintenance Forms (Fax)

- **Procurement Policy Division (PPD):** ProcurementPolicy@dm.usda.gov
 - Send all purchase card related questions to PPD



Part III: Purchase Card & Convenience Check Use

- **Prohibited Uses**
- **Improper Uses**
- **Fraudulent Uses**



Purchase Card & Convenience Check Use: Prohibited Uses

The purchase card and convenience checks can *never* be used for the below items:

- Cash advances (money orders, cashier's checks) or travel advances.
- Cash awards, spot awards, or salary payments.
- Purchase of hazardous items such as firearms, ammunition, explosives, or hazardous biological and radioactive substances, except by warranted contracting officers, with a proper requisition and agency approval.
- Purchase of repairs and maintenance to government-owned and leased vehicles, except in an emergency situation.
- Purchase of airline, bus, train, or other travel-related tickets or purchase of meals, lodging, or subsistence costs (the Government Travel Card should be used for these items).



Purchase Card & Convenience Check Use: Prohibited Uses (Cont.)

The purchase card and convenience checks can *never* be used for the below items (cont.):

- Related supplies and services for government-owned and leased vehicles, aircraft, or other motorized equipment.
- Splitting transactions into multiple purchases merely to avoid your delegated single purchase limit.
- Personal purchases or identification.
- Writing checks to self or for cash.
- Advance payment to a merchant prior to receipt of goods and services, unless authorized by law (e.g., subscriptions, registration fees, training).



Purchase Card & Convenience Check Use: Prohibited Uses (Cont.)

The purchase card and convenience checks can *never* be used for the below items (cont.):

- Personal services unless authorized by statute.
- Other unauthorized purchases include, but are not limited to below:
 - Greeting cards
 - Membership in an individual's name, as opposed to organization's name
 - Parking tickets against a government vehicle
 - Insurance of items being shipped to the government or for the government (Government is self-insuring.)
 - Meals for federal employees at office or agency functions, unless authorized by law (Purchasing food for government employees for a bona fide awards ceremony is permitted by law.)
 - Shipment of household goods
- Acquisition from commercial sources of products when services are available from a required source in time to meet the agency need.



Purchase Card & Convenience Check Use: Improper Uses

Improper Purchases include any purchase that should not have been made or any purchase that was made in an incorrect amount.

- Incorrect amounts include overcharges and undercharges.
- There are two types of Improper Purchases:
 - **Unauthorized Purchase:** purchases falling outside of a cardholder's authority.
 - For example, purchases may lack prior approval; may be more than the single purchase limit; or may be prohibited by a law, regulation, or agency procedure. Each of these could have varying administrative consequences.
 - **Incorrect Purchase:** authorized purchases made in error (e.g., the wrong quantity, the wrong item).
 - For example, an official directs a cardholder to make an erroneous purchase or directs a cardholder to purchase items or services that are subsequently determined to be improper.
 - The official who directed the purchase shall, in accordance with agency policy, do the following:
 - Reimburse the government
 - Be subject to disciplinary action



Purchase Card & Convenience Check Use: Improper Uses (Cont.)

Examples of unauthorized and incorrect purchases may include the following:

- A purchase made for an ineligible recipient or for an ineligible service.
- A fraudulent purchase.
- A duplicate purchase.
- A purchase for services not received.
- A purchase for the incorrect amount.
- A purchase made in the absence of available funding.
- A purchase made on separate transactions from the same vendor to circumvent the cardholder's single purchase limit.
 - This is also referred to as a split transaction.

Note: This list is not an all-inclusive list.



Purchase Card & Convenience Check Use: Fraudulent Purchases

Fraudulent Purchases are unauthorized purchases and include the following:

- Cardholder purchases intended for personal use.
- Purchases made using government charge cards or account numbers that are stolen or compromised.
- Purchases charged to the card that involve undetected fraudulent activity.

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Remember: Contact U.S. Bank immediately
about fraudulent purchases.



Purchase Card & Convenience Check Use: Fraudulent Purchases (Cont.)

The following are potential problems and indicators of possible fraud, as well as misuse or abuse.

Repetitive buys to the same commercial vendor	Payments made for items not received
Lack of documentation to make the purchase	Split purchases to avoid single purchase limits
Purchase Cards and account numbers that are not safeguarded	Lack of accounting of nonexpendable or sensitive items
Cardholders authorizing someone else to use the card	Cardholder transactions approved by someone other than the AO
Unauthorized purchases	Cardholders returning merchandise to vendors for store credit vouchers instead of having credits issued back to the government purchase card account



Purchase Card & Convenience Check Use: Fraudulent Purchases (Cont.)

Disputes

A dispute is a questionable purchase card transaction posted to a cardholder's account.

- Common reasons for disputes include not receiving merchandise or service within 30 days of the Access Online posting date.
- Cardholders must **dispute the transaction as soon as possible in Access Online** and **no later than 90 days** after the transaction has been posted to in U.S. Bank's Access Online if the following occurs:
 - The merchant fails to resolve the issue satisfactorily.
 - The purchase card has already been used for payment.

Fraud

It is considered fraud when an unauthorized third-party uses the purchase card.

- Common reasons for reporting fraudulent activity include active transactions occurring after reporting a lost or stolen card.
- Cardholders must report **fraudulent activity** to **U.S. Bank** Government Services.



Resources



Visit www.dm.usda.gov/procurement/ccsc/purchase_card.htm
for the consolidated USDA Purchase Card Program Guide
and many other resources.

