



Purchase Card Suspension Process

Training Topics

- Training Objectives
- Suspension Policy for Cardholders
- Suspension Policy for Approving Officials
- Card Suspension Process and Reports:
 - CCSC Purchase Card Suspension Process
 - Purchase Card Suspension Notification Report
 - Purchase Card Suspension Report
 - Purchase Card Suspension Lifts Report
 - Termination of Purchase Cards with Unapproved Transactions > 120 Days Report
- Frequently Asked Questions
- 2014 Suspension Process Dates
- Training Summary



Training Objectives

- What you will learn from the Purchase Card Suspension Process training:
 - Knowledge of the policy for timely approval of transactions for the cardholder and the approving official.
 - Knowledge of the card suspension process—what causes a card to become suspended, how a card is removed from suspension, and what occurs if a card is not removed from suspension.
 - Notification of the dates associated to the card suspension process—when reports are run, when cards are suspended, and when cards are lifted from suspension.



Suspension Policy for Cardholders

The Departmental Regulations (DR), *Use of the Purchase Card and Related Alternative Payment Methods*, section 9, Special Instructions, paragraph n. for the cardholders states:

Requirement to Timely and Accurately Approve Transactions by Cardholders. It is USDA policy that cardholders shall approve their transactions no later than 30 days after a transaction appears in the EAS, absent extenuating circumstances. Failure to timely and accurately approve transactions shall constitute grounds for management to revoke the purchase card and/or alternative payment method privileges and may subject the cardholder to possible disciplinary action. The account of any cardholder who fails to approve transactions within 60 days after each transaction appears in the EAS will be temporarily suspended. No account suspended can be re-activated until all transactions in the account are approved. For additional information on cardholder responsibilities, refer to the *Cardholder's Purchase Card Program Guide*. For additional information on LAPC responsibilities, refer to the *Coordinator's Purchase Card Program Guide*. It is also USDA's policy that only the cardholder shall approve their individual cardholder account. LAPCs shall monitor cardholder transactions on a monthly basis to ensure cardholders approve their transactions in a timely manner. Cardholders shall provide AO's copies of transaction documentation for final approval purposes.



Suspension Policy for Approving Officials

The Departmental Regulations (DR), *Use of the Purchase Card and Related Alternative Payment Methods*, section 9, Special Instructions, paragraph o. for the approving officials (AOs) states:

Requirement to Timely and Accurately Grant Final Approve Transactions by Approving Officials (AOs). It is USDA policy that AOs are to grant final approval of cardholder transactions within 30 days, of the date the transactions appear in the AO's Manager Approval Queue. All card accounts assigned to an AO who fails to approve transactions within a total of 60 days will be suspended, absent extenuating circumstances. Suspended accounts can be reactivated after all transactions are approved and the AO submits a request for reinstatement to the LAPC. **Persistent failure to conduct timely and accurate final approval of 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 administrative action. For additional information on AO responsibilities, refer to the *Approving Official's Purchase Card Program Guide*. For additional information on LAPC responsibilities, refer to the *Coordinator's Purchase Card Program Guide*. It is also USDA's policy that only the AO shall have final approval of their cardholder(s) account. LAPCs shall monitor AOs' transactions on a monthly basis to ensure AOs final approve transactions in a timely manner. In the absence of the AO, this responsibility lies with the LAPC.



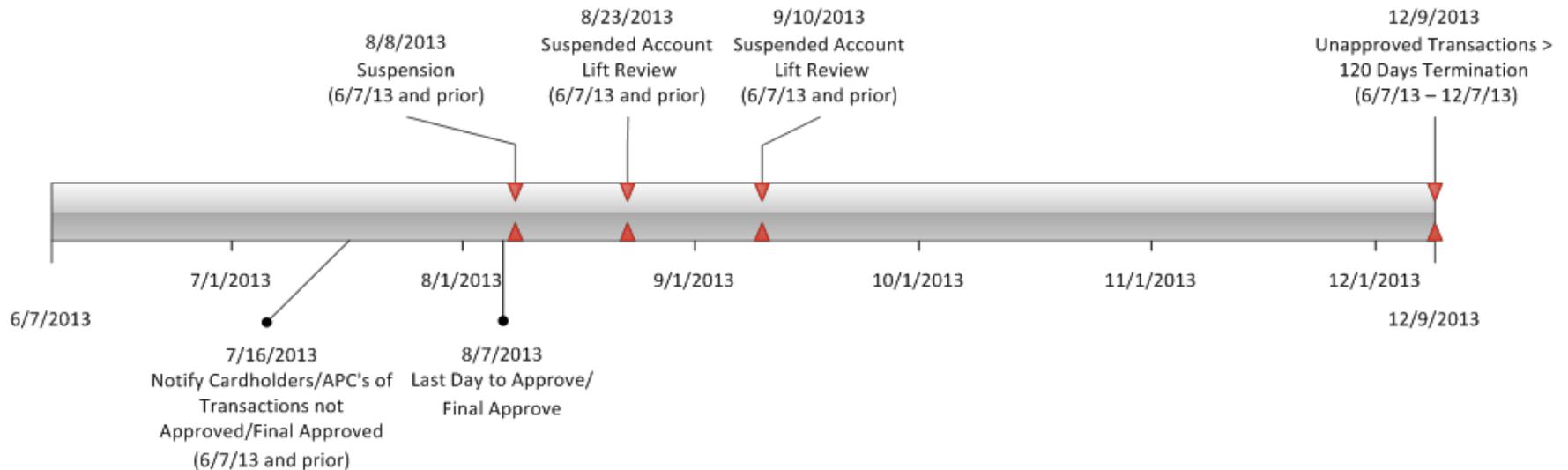
Card Suspensions Process and Reports

The Card Suspension process and reports training topic covers the following items:

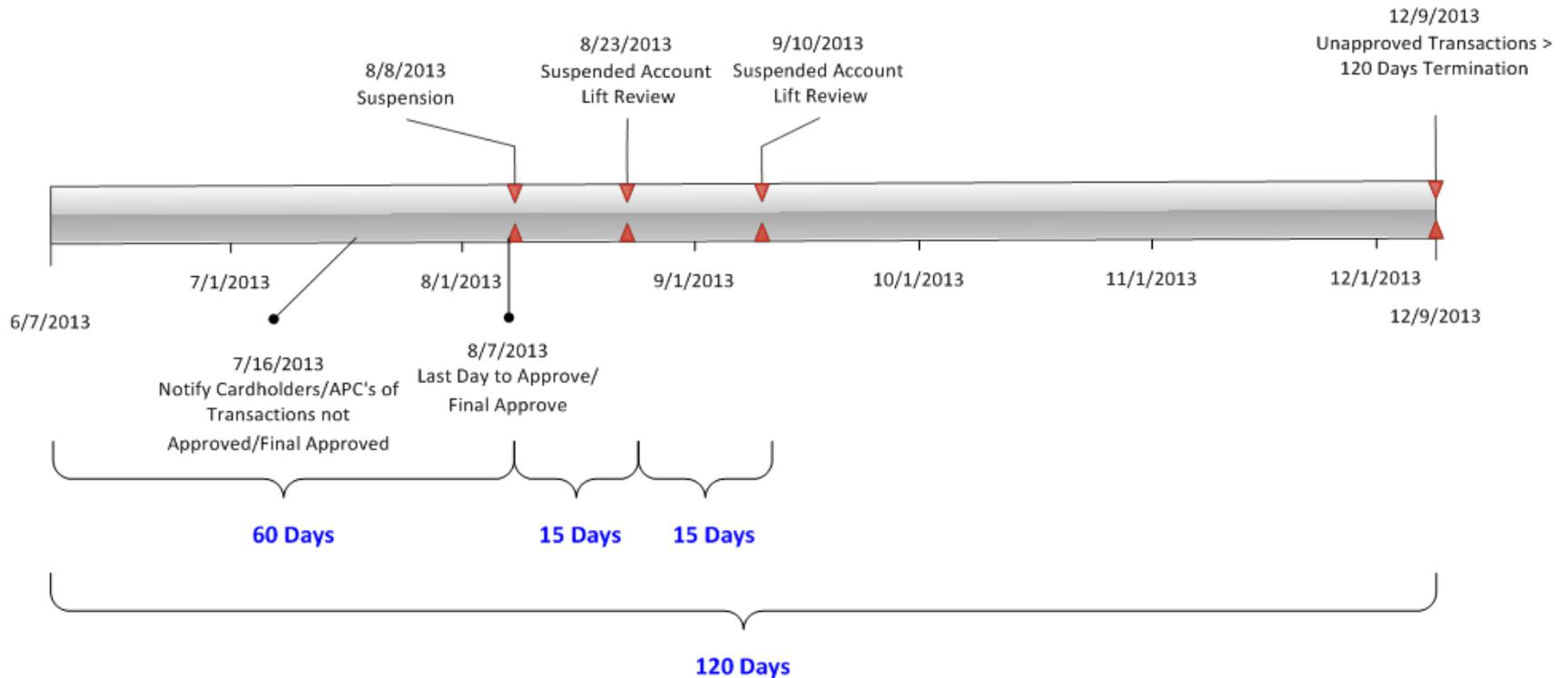
- CCSC Card Suspension Process
- Card Suspension Process Reports:
 - Purchase Card Potential Suspension Notification Report
 - Purchase Card Suspension Report
 - Purchase Card Suspension Lifts Report
 - Termination of Purchase Cards with Unapproved Transactions > 120 Days Report



CCSC Purchase Card Suspension Process

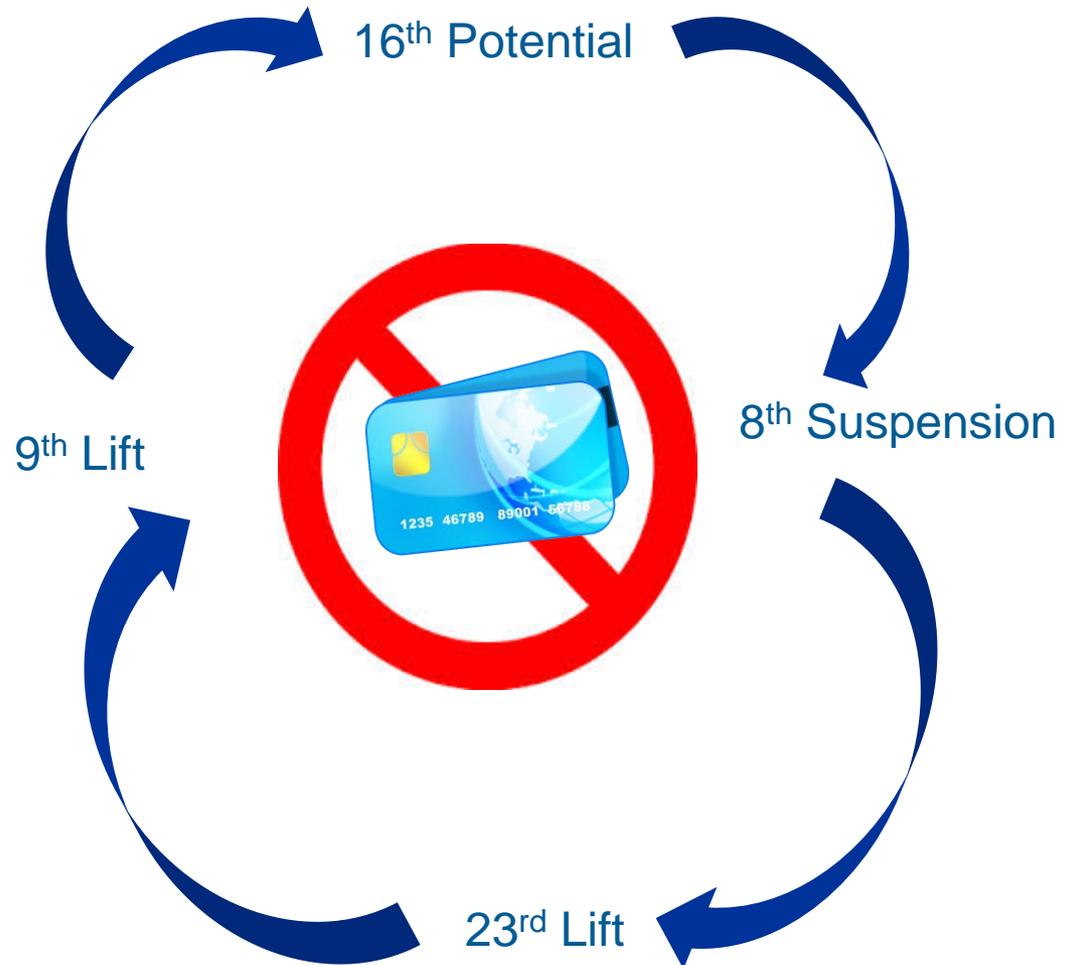


CCSC Purchase Card Suspension Process, cont'd.



Card Suspensions Process Reports

- Potential Suspension (16th)
- Suspension (8th)
- Suspension Lifts (9th & 23rd)



Note: Dates are approximate.
Please reference the 2014
Suspension Process Dates
(slide 20) for the specific
schedule.

Purchase Card Potential Suspension Notification Report

The Potential Suspension Notification report is run on approximately the 16th of each month prior to the upcoming Suspension Review (8th of the following month). To create the report, the CCSC:

- Runs the following reports:
 - Transaction Detail Report:
 - Posting date range of upcoming Suspension Review
 - Includes transactions that are:
 - Pending Cardholder Approval
 - Pending Manager Approval
 - Account List Report:
 - Open Cardholders
- Compares the Transaction Detail Report information against the Account List Report (excluding any exempt transactions previously communicated to CCSC)
- Produces the Potential Suspension Notification report and distributes to the APC's with e-mail instructions



Purchase Card Potential Suspension Notification Communication

This information is being sent on behalf of Felando (Phil) Johnson, Program Manager, the Charge Card Service Center Program Office.

Attention Agency Program Coordinators (APCs),

In compliance with the A-123, cardholders who have transactions that have not been approved or final approved within 60 days of the posting date will be suspended (S1 status). If cardholders are in an S1 status for more than 120 days, their accounts will be terminated. In order to streamline the suspension process, the CCSC will send the file indicating potential suspensions once a month (around the 16th of every month) versus the current process of sending this file twice a month (around the 16th and the 23rd of each month).

The attached "Cardholders Potential for Suspension" file contains a listing of all cardholders within your agency that currently have transactions that meet one or both of the following conditions:

- AO has **NOT Final Approved** transactions posted in their Manager Approval Queue up through the cycle date of **June 7, 2013**
- Cardholder has **NOT Approved** transactions posted in their Transaction Management List up through the cycle date of **June 7, 2013**.

In order to prevent suspension of these accounts on **July 8, 2013**, the cardholders and AO's have until **August 8, 2013**, to reallocate and/or Approve/Final Approve those transactions.

Failure to ensure that these transactions are both **Approved AND Final Approved** will result in the card account being suspended. Should the card account be suspended, the CCSC will send you a notification of such action on **August 8, 2013**.

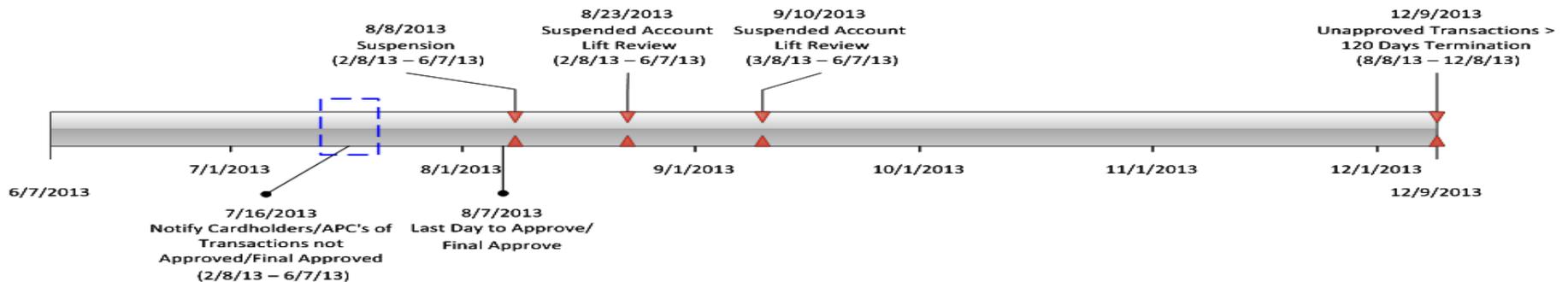
Suspended accounts will not be re-activated until all transactions through the **June 7, 2013**, cycle date are Approved AND Final Approved. Your APC/LAPC is not to contact the US Bank Customer Service to request that the suspense status be removed from your cardholder account. US Bank will only accept suspense removal request on cardholder accounts from the CCSC.

The CCSC will make every attempt to reactivate all cards that have been suspended, within 15 days of determining that those transactions are in Approved status.

In light of the technology issues USDA has been experiencing in the past few weeks, please encourage cardholders to notify the CCSC of any transactions which cannot be Approved or Final Approved due to a NOT Validated or Invalid Accounting icon. The CCSC will make every attempt to exclude reporting transactions in the upcoming suspension process on August 8th.

If you have any questions on this process, please email the CCSC at CCSC@DM.USDA.GOV.

Thank you!



Purchase Card Suspensions Report

The Suspension Report is run on approximately the 8th of each month. To create the report, the CCSC:

- Runs the following reports:
 - Transaction Detail Report:
 - Posting date range of Suspension Review
 - Includes transactions that are:
 - Pending Cardholder Approval
 - Pending Manager Approval
 - Account List Report:
 - Open Cardholders
- Compares the Transaction Detail Report information against the Account List Report (excluding any exempt transactions previously communicated to CCSC)
- Produces the Suspension Report and distributes to the APCs with e-mail instructions
- Submits cardholder suspensions to the US Bank to update cardholder status



Purchase Card Suspensions Communication

APCs,

Attached is the revised spreadsheet with the list of cardholders whose card accounts were suspended. Below is the communication that should be sent to them to notify them of the suspension.

This information is being sent on behalf of Felando (Phil) Johnson, Program Manager, Charge Card Service Center (CCSC) Program Office.

July 8, 2013

Attention Cardholder,

On **June 17, 2013**, the CCSC sent a communication informing you that you were identified as a cardholder whose transaction had not yet been Approved or that your Approving Official (AO) had not yet Final Approved your transaction(s) through the cycle date of **May 7, 2013**. The CCSC also informed you that you/your AO had until **July 7, 2013**, to Approve and/or Final Approve your transactions, or to reach out to your Agency Coordinator to advise of any problems encountered.

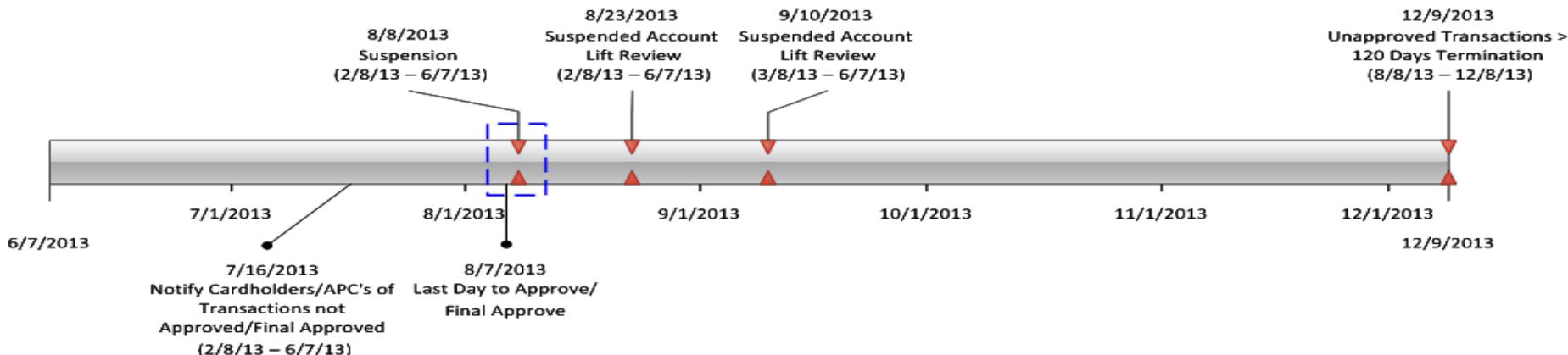
Because you have failed to Approve your transactions, or your AO failed to Final Approve your transactions, your card account has been placed in "Suspense – S1" status.

Please note that accounts in suspense status will not be re-activated until all transactions posted in your Transaction Management List up through the cycle date of **May 7, 2013**, are Approved and/or Final Approved. The CCSC will review the list of accounts in suspense status, every 15 days (i.e., on the 23rd and on the 9th of every month), and will make every attempt to reactivate the account upon determining that all transactions are in Approved status through the above referenced cycle date.

Please note that APCs/LAPCs are not to contact the US Bank Customer Service to request that the suspense status be removed from the cardholder account. US Bank will only accept suspense removal requests on cardholder accounts from the CCSC. The first reactivation will occur on July 23, 2013.

If you have any questions on this process, please email the CCSC at CCSC@DM.USDA.GOV.

Thank you!



Purchase Card Suspension Lifts Report

The Suspension Lifts Report is run on approximately the 9th and 23rd of each month. To create the report, the CCSC:

- Runs the following reports:
 - Transaction Detail Report:
 - Posting date range of Suspension Lift Review
 - Includes transactions that are:
 - Pending Cardholder Approval
 - Pending Manager Approval
 - Account List Report:
 - Suspended Cardholders
- Compares the Transaction Detail Report information against the Account List Report (excluding any exempt transactions previously communicated to CCSC)
- Produces the Suspension Report and distributes to the APCs with e-mail instructions
- Submits cardholder suspensions lifts to the US Bank to update cardholder status



Purchase Card Suspension Lifts Communication

This information is being sent on behalf of Felando (Phil) Johnson, Program Manager, Charge Card Service Center (CCSC) Program Office.

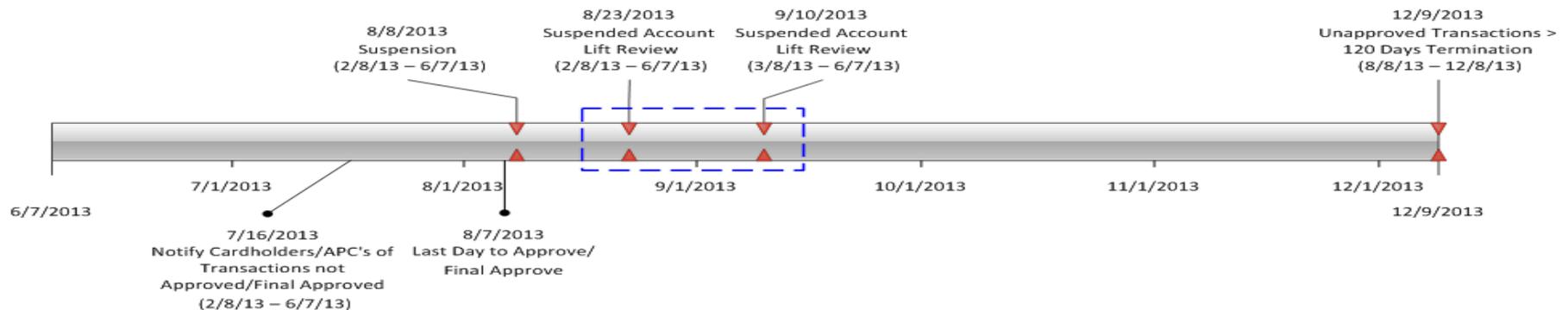
Attention Agency Program Coordinators (APCs),

The CCSC has identified the cardholders listed in the attach spreadsheet that have Approved and Final Approved the transaction(s) posted in their Transaction Management List up through the cycle date of **April 7, 2013** and therefore, has submitted their name to US Bank to lift the suspension on their card account.

This process requires a batch update tonight and your card will be available for use beginning **Wednesday, July 10 2013**.

If you have any questions on this process, please email the CCSC at CCSC@DM.USDA.GOV.

Thank you!



Termination of Purchase Cards for Unapproved Transactions > 120 Days Report

Purchase Cards that have been suspended for > 120 days are subject to termination. This report is run during each Suspension Lift review. To create the report, the CCSC:

- Reviews cards that are remaining on suspension:
 - Identify cards that have a last maintenance day greater than 120 days
- Contacts the APC(s) to perform one of the following:
 - Final Approve card transactions *before* the next card suspension lift
 - Terminate the card
- Terminates the card at the next Suspension Lift cycle if criteria is not met



Termination of Purchase Cards for Unapproved Transactions > 120 Days Communication

This information is being sent on behalf of Felando (Phil) Johnson, Program Manager, Charge Card Service Center Program Office.

Subject: Termination of Cardholder Accounts due to Timeliness of Transactions Approval

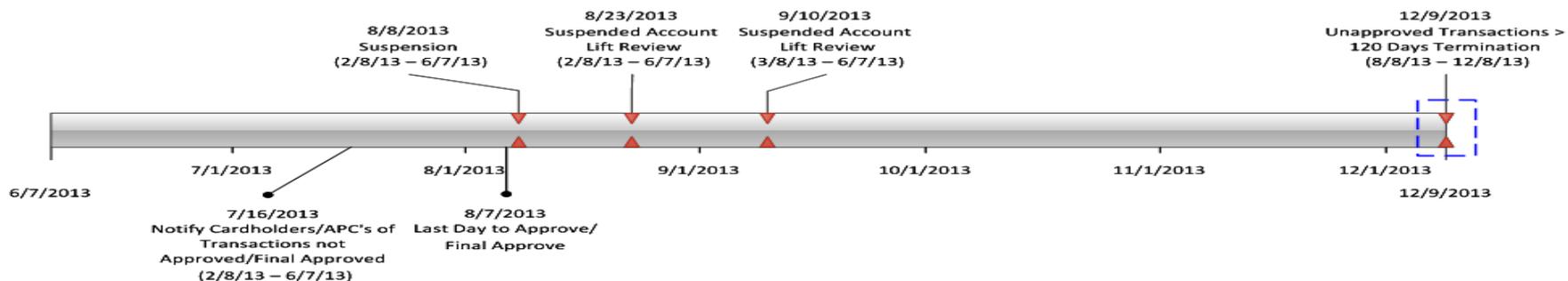
Agency Program Coordinators (APCs),

A significant part of each cardholder's responsibility is to review, approve, and/or reallocate their transactions on a timely basis. This is spelled out in DR 5013-6, Coordinator's Purchase Card Guide, and the Purchase Cardholder Guide. Refer to section 9, letters 'n' and 'o' of DR 5013-6 for further information regarding consequences for failure to approve transactions in a timely manner.

Attached is a document which identifies cardholder accounts which have transactions which remain Unapproved/Final Approved for 120 + days. We requested that you, as APCs, work with your LAPCs to review those accounts and determine whether or not they should remain open. Please determine which accounts should be terminated and send the CCSC the name of those cardholders so that we could have the bank change the account status from suspense (S1) to terminate (T9). However, if you decided to keep the account open, then the account should be brought current by **August 23, 2013**, as well as an email should be sent to the CCSC with a justification of why the account should remain open.

Please email any questions to CCSC@dm.usda.gov.

Thanks for your support.



Frequently Asked Questions

- I am notified of potential purchase card suspension, what are my next steps?
 - Ensure that all of the cardholder transactions within the suspension review date range have been Final Approved *by the close of business on the 7th of each month*, so that your card is not included in the Suspension Report generated on the 8th of each month. Once this is complete, no further action is required on the part of the cardholder or AO.
- My purchase card has been suspended and it is needed to support mission critical purchases?
 - Ensure that all cardholder transactions within the suspension review date range have been Final Approved. Contact the APC and request the card be lifted from suspension. If the lift is appropriate, the APC can request the CCSC Program Manager to approve the lift request and the CCSC sends to the US Bank for processing.
 - Remember the US Bank does *not* lift suspensions requested directly by the APC.



Frequently Asked Questions, cont'd.

- The AO has left the agency without approving cardholder transactions?
 - The APC/LAPC can approve the transactions.
 - The APC can assign a new AO to the cardholder hierarchy to complete approvals.
- My transaction is locked with invalid accounting and cannot be Approved or Final Approved?
 - Please provide the cardholder name and a screen shot of the transaction to the CCSC Inbox. If appropriate, the transaction is exempted from future suspensions.
- Will you terminate my card if I am repeatedly on the Suspension Report?
 - When appropriate, the CCSC can request the APC/LAPC to review the cardholder's card suspension history and recommend termination of the card due to habitual card suspensions, as this is in violation of the DR, section 9.



2014 Suspension Process Dates

Notification of Suspension	Cardholder Suspension	1 st Suspension Lift	2 nd Suspension Lift
September 16, 2013	October 8, 2013	October 23, 2013	November 11, 2013
October 15, 2013	November 8, 2013	November 22, 2013	December 10, 2013
November 15, 2013	December 9, 2013	December 23, 2013	January 9, 2014
December 15, 2013	January 8, 2014	January 23, 2014	February 11, 2014
January 15, 2014	February 10, 2014	February 24, 2014	March 11, 2014
February 14, 2014	March 10, 2014	March 24, 2014	April 9, 2014
March 14, 2014	April 8, 2014	April 23, 2014	May 9, 2014
April 15, 2014	May 8, 2014	May 23, 2014	June 10, 2014
May 15, 2014	June 9, 2014	June 23, 2014	July 9, 2014
June 16, 2014	July 8, 2014	July 23, 2014	August 11, 2014
July 15, 2014	August 8, 2014	August, 22, 2014	September 9, 2014
August 15, 2014	September 8, 2014	September 23, 2014	October 9, 2014



Training Summary

- After this training, you should:
 - Have knowledge of the policy for timely approval of transactions for the cardholder and the approving official.
 - Understand the card suspension process—what causes a card to become suspended, how a card is removed from suspension, and what occurs if a card is not removed from suspension.
 - Understand when reports are run, when cards are suspended, and when cards are lifted from suspension.



Questions

