



# Department of Veterans Affairs

## Financial Policy

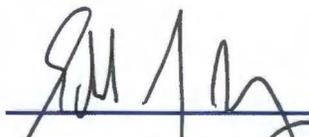
### Volume XVI

### Charge Card Program

### Chapter 1

### Government Purchase Card Program

Approved:

  
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**Date**

VA Financial Policies and Procedures  
Government Purchase Card

CHAPTER 1

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## **0101 OVERVIEW**

This chapter establishes the Department of Veterans Affairs (VA) financial policies and procedures regarding the Government Purchase Card Program. VA's Purchase Card Program is part of the U.S. General Services Administration (GSA) SmartPay Program and conforms to the Federal Acquisition Regulations (FAR). The VA Office of Acquisition, Logistics, and Construction (OALC) has delegated to VA's Office of Management (OM) the responsibility to manage and operate VA's purchase card program.

The objectives of the Purchase Card Program are to:

- A. Reduce paperwork and administrative costs for the acquisition of supplies and services within the existing FAR;
- B. Streamline payment procedures and improve cash management practices, such as consolidating payments and reducing imprest funds; and
- C. Provide procedural checks and feedback to improve management control.

All cardholders will use the purchase card for authorized procurement in accordance with Simplified Acquisition Procedures (FAR Part 13 and Veterans Affairs Acquisition Regulations (VAAR) Part 813).

## **0102 POLICIES**

### **010201 AUTHORITY FOR USE**

A. Delegation of procurement authority to purchase supplies and services using a purchase card or convenience check is based on OALC guidance. The Senior Procurement Executive or Deputy Senior Procurement Executive has the delegation of authority for purchase card accounts above the micro-purchase threshold and requires additional coordination with OALC and a warrant.

Delegation of authority for micro-purchase in conjunction with the Governmentwide Commercial Purchase Card Program has been delegated from the Principal Executive Director and Chief Acquisition Officer (CAO), OALC, to the Assistant Secretary for Management and Chief Financial Officer (CFO) and further delegated to the Under Secretaries, Assistant Secretaries, and other Key Officials. This authority can be further re-delegated to no lower than the GS-15 level, but should only be delegated to a responsible official with appropriate oversight and awareness of purchasing authority. Copies of all re-delegations will be provided to the Financial Services Center (FSC) Charge Card Operations Division, for recordkeeping. This delegation of authority is in full force until rescinded by the CAO (reference [Appendix A, Delegation of Authority](#)).

Approving Officials (AO) will evaluate their current procurement needs to determine the appropriate single purchase and monthly purchase thresholds to be established. The AO will provide justification for review and concurrence by the delegating authority as supporting documentation to the VA Form 0242, Governmentwide Purchase Card Certification, or VA Form 0242c, Convenience Check Certification. AOs will evaluate their procurement needs on an annual basis or as requested by senior management. In some cases, review of purchase cardholder spending patterns may indicate a decrease in the single and monthly purchase card threshold is appropriate. When reviewing the organization's needs, the AO may consider any emergency or disaster spending requirements a given cardholder may have. Any changes in the single and monthly purchase thresholds would require the AO to provide updated justifying documentation to the delegating authority for review and concurrence.

The purchase card is the preferred method to use for purchases under the micro-purchase threshold. As a standard, participants in the purchase card and convenience check program will be permanent VA employees. The use of convenience checks is to be the payment method of last resort, when no reasonable alternative merchant is available that accepts the purchase card (See [010201F](#)).

B. To establish a new purchase card or convenience check account with the servicing bank, a certification form (VA Form 0242, Governmentwide Purchase Card Certification, or VA Form 0242c, Convenience Check Certification) must be completed, copies of required training certificates for the account holder, AO, alternate AO, and a copy of any re-delegation must be on file indicating the proper delegating authority signatory. The following individuals must complete the applicable form:

1. Purchase Cardholder or Convenience Check Account Holder;
2. AO;
3. Alternate AO;
4. Purchase Card Coordinator or Convenience Check Account Coordinator (Level 4 Agency/Organization Program Coordinator (A/OPC) for Purchase Program); and
5. Level 1 A/OPC/National Purchase Card Coordinator (FSC Charge Card Operations Division).

Dual functions by the same individual are prohibited. There must be a separation of duties between each individual signing the form. The certification form must clearly identify the single purchase threshold and monthly purchase threshold established for the new accounts. A convenience check account cannot exceed micro-purchase threshold limitations. OALC determines who receives authorization for the Government purchase card threshold at and above the micro-purchase limits. OALC provides a weekly listing of individuals with warrant authorization to exceed the micro-purchase threshold to the FSC.

New purchase card and convenience check accounts will be created and submitted electronically by the Level 4 A/OPC through the servicing bank's Electronic Access System (EAS). Once submitted, the account will be electronically routed to the Level 1 A/OPC for final approval. Additional routing for mid-level approvals by Level 3 or Level 2 A/OPCs can be established based upon the administration or staff office procedures. VA Form 0242 or

0242c and training certificates for the new purchase card and convenience checking accounts must be electronically submitted to the Level 1 A/OPC at the FSC Charge Card Operations Division, for review prior to final electronic approval with the servicing bank. The FSC will validate any necessary warrant authority with OALC for purchase card accounts exceeding the micro-purchase threshold before final approval with the servicing bank.

The certification form (VA Form 0242 or VA Form 0242c) will be retained for 6 years along with supporting documentation for account transactions. The purchase cardholder and FSC will be responsible for retaining the certification form and have it readily available upon request.

A new purchase card or convenience check certification form (VA Form 0242 or 0242c) will need to be completed and submitted to the Level 1 A/OPC, if any of the following changes are made on the account:

1. Change in AO.
2. Change in A/OPC.
3. Change in single purchase threshold.
4. Change in Delegation of Authority signatory.

VA forms are available on the VA forms Web site (<http://vaww4.va.gov/vaforms/>). Note: The servicing bank may require account maintenance or other forms to be completed.

The purchase cardholder or convenience check account holder shall not process any transactions during his or her final two weeks before leaving VA employment or transferring to a new position within VA. Also, the cardholder account(s) must be reconciled, reviewed by the AO, and closed prior to the purchase cardholder or convenience check account holder leaving VA employment or transferring to a new position within VA. If the employee will be a purchase cardholder or convenience check account holder in his or her new VA position, a new VA Form 0242 or 0242c is required in order for a new account to be established with the servicing bank. (Note: The account holder's previous account(s) must be closed before the issuance of a new account(s)).

C. A micro-purchase is an acquisition of supplies or services using simplified acquisition procedures where the aggregate amount of the total requirement does not exceed the micro-purchase dollar threshold set by the FAR:

1. The standard micro-purchase threshold is currently \$3,500 per transaction unless subject to the Davis-Bacon Act or Service Contract Act.
2. For acquisition of construction subject to the Davis-Bacon Act, the threshold is \$2,000 per transaction.
3. For acquisition of services subject to the Service Contract Act, the threshold is \$2,500 per transaction.

D. Purchase cardholders with procurement authority are required to follow the priorities for use of Government supply sources as referenced in FAR 8 and VAAR 808, *Required Sources of Supplies and Services* as well as FAR 13 and VAAR 813, *Simplified Acquisition Procedures*.

E. The purchase card is issued under GSA SmartPay. The purchase card is imprinted with the statement, "US Government Tax Exempt." Charges for all purchases on centrally billed account (CBA) Government charge cards (purchase, fleet, and CBA travel), that are billed directly to the Federal Government are exempt from sales tax. Documentation required to obtain tax exemption differs from state to state (reference GSA State Tax Information at <https://smartpay.gsa.gov/about-gsa-smartpay/tax-information/state-response-letter>). If sales tax is charged, the cardholder shall request a refund from the vendor. If the vendor does not refund the sales tax, the cardholder must annotate the refusal on the receipt and keep the related documents with the receipt.

For additional details on how to identify tax exemption information on the purchase cards, refer to the GSA SmartPay Web site at: <https://www.smartpay.gsa.gov/businesses-vendors/tax-information/overview> and [GSA Smart Bulletin No. 20 dated May 13, 2013](#).

Effective January 27, 2013, merchants in the U.S. and its Territories are permitted to impose a surcharge on cardholders when a charge or credit card is used. It is important to note that not all merchants will impose a surcharge. In addition, some states have laws which do not allow or limit surcharges. A/OPCs should ensure cardholders and other charge card management personnel are aware of the possibility of surcharges when making purchases using charge cards. If a merchant is imposing a surcharge, the cardholder may choose to consider another merchant that offers the same or similar item(s) to avoid paying the surcharge. Additional information is referenced in GSA Smart Bulletin No. 17 dated January 17, 2013; refer to GSA SmartPay Web site at: <https://www.smartpay.gsa.gov/news/smart-bulletins>.

F. The use of convenience checks is to be the payment method of last resort, when no reasonable alternative merchant is available that accepts the purchase card. Convenience checks cannot be used unless there is no other method of payment. Vendors receiving recurring payments that do not accept the purchase card should be contacted to receive payment via electronic funds transfer (EFT). Documentation must be obtained from the vendor supporting the justification for nonacceptance of the purchase card or EFT payment, or documentation must state no other vendor was available that would accept the purchase card before using the convenience check. The convenience check account holder must retain this documentation. The Department of the Treasury (Treasury) has ruled that checks are not EFT compliant. EFT waiver requirements are promulgated by Treasury. Regulations that apply to the purchase card also apply to the use of the convenience checks (i.e., single purchase limit cannot exceed the micro-purchase threshold, split purchases are prohibited, etc.). Refer to [010207](#), *Restrictions on Purchase Card and Convenience Check Usage*, for additional guidance.

The FSC monitors convenience check usage by running a monthly report of all checks written VA-wide. Reports for the stations writing the most checks each month are reviewed to determine if the check writers are in full compliance with Purchase Card Policy. When questionable transactions are discovered, the FSC contacts the check writer and his or her A/OPC for justification and supporting documentation. When necessary, check writers and A/OPCs are reminded of the restrictions on convenience check use outlined in policy. As of October 2013, all requests for new convenience checks must be routed through the FSC for review. Valid justification is required before the request will be submitted to the servicing bank for processing.

## 010202 COMPETITIONS AND SOURCES

A. VA purchase cardholders shall ensure only authorized purchases are made. An authorized purchase is defined as a purchase that satisfies a bona fide need at a fair and reasonable price that meets all legal and regulatory requirements in accordance with the Competition Requirements (FAR Part 6 and VAAR Part 806) and Acquisition Planning (FAR Part 7 and VAAR Part 807).

B. Section 508 of the Rehabilitation Act: All micro purchases, including open market buys and those made through Government contract vehicles (e.g., GSA Advantage), will be subject to the provisions set forth in Section 508 of the Rehabilitation Act, unless an exception applies (see [FAR Subpart 39.2, Electronic and Information Technology](#)). The Buy Accessible Wizard, a Web-based application ([www.buyaccessible.gov](http://www.buyaccessible.gov)) makes it easier to buy products and services that comply with Section 508 of the Rehabilitation Act.

C. VA shall purchase green products and services to the maximum extent practicable and advance sustainable acquisition for the supply of products and for the acquisition of services (including construction) to meet the requirements of the Green Purchase Program in accordance with [FAR Section 23, Environment, Energy and Water Efficiency, and Renewable Energy Technologies, Occupational Safety, and Drug-Free Workplace](#).

## 010203 TRAINING

A. **VA Purchase Card Initial Training.** All A/OPC levels (see [010409](#)), AOs, cardholders, and convenience check account holders are required to complete the online VA Purchase Card Training (*Course# VA 5863*) prior to the issuance of a purchase card or convenience check with purchasing authority. A copy of the training certificate will be provided as supporting documentation to the Level 4 A/OPC prior to the purchase card application being submitted to the FSC. The Level 4 A/OPC will also provide their initial training certificate to the next higher A/OPC level.

1. The VA Purchase Card Training course (#VA 5863) is accessed through VA's Talent Management System (TMS) (<https://www.tms.va.gov/plateau/user/login.jsp>) and will be assigned as mandatory training by the supervisor or system administrator.

2. The A/OPC shall certify on the Governmentwide Purchase Card Certification Form (VA 0242) or Convenience Check Certification Form (VA 0242c) that the A/OPC, AO, or purchase cardholder or convenience check account holder have completed the VA Purchase Card training and understands the policies and regulations associated with purchase cards and convenience checks.

3. The employee shall retain the training certificates and ensure they are readily available. The employee shall provide a copy of the certificate to the next level A/OPC. For example, Level 2 A/OPCs will provide a copy of their certificate to the Level 1 A/OPC.

**B. VA Purchase Card Refresher Training.** Purchase cardholders, convenience check account holders, AOs, and A/OPCs are required to take the *VA Online Purchase Card Training* as refresher training every two years. The Level 4 A/OPCs will monitor the training dates of the purchase cardholders and AOs under their hierarchy to ensure compliance. The Level 2 A/OPCs will monitor the training dates of the Level 4 A/OPCs under their hierarchy.

If a lack of training has been identified, the individual associated with the purchase card account (cardholder, AO, or A/OPC) will be notified to complete the training within 30 days. If the training has not been completed, the Level 4 A/OPC or the Level 2 A/OPC will contact the Level 1 A/OPC to reduce the single purchase limit to one dollar. The employee will have an additional 30 days in which to complete the appropriate training. If the training has not been completed within this 30-day timeframe, the individual's direct-line supervisor will be notified by the Level 4 A/OPC to take appropriate administrative actions. If the training has not been completed within 60 days, the AO or A/OPC will terminate the cardholder's account.

**C. GSA Purchase Card Initial/Refresher Training.** In addition to the above training requirements, A/OPCs will complete the General Services Administration (GSA) SmartPay2 Purchase Card A/OPC On-Line Training at <https://smartpay.gsa.gov/program-coordinators/training>. Purchase cardholders and convenience check account holders will complete the GSA Purchase Cardholder training (<https://training.smartpay.gsa.gov/>). Refresher training for these courses is required every two years. A copy of the certificate will also be provided to the appropriate A/OPC. The FSC monitors A/OPCs and follows up to ensure A/OPCs are current on the required training.

**D. Unauthorized Commitment Training.** In an effort to preclude unauthorized commitments and the need for ratification actions, all purchase cardholders, AOs, and A/OPCs are required to complete the online Unauthorized Commitment (UAC) offered in TMS (Course #1701572). Refresher training for this course is required every two years.

**E. Federal Acquisition Training.** Additional training is required for purchase cardholders and AOs where the account has a single purchase threshold exceeding the micro-purchase threshold. Purchase cardholders with authority above the micro-purchase threshold shall have the necessary acquisition training to meet statutory requirements for Federal Acquisition Certification-Contracting (FAC-C) and be issued a

warrant. The warrant will be issued based on the appropriate FAC-C Level (I, II, or III) training as well as acquisition criteria; FAC-C training alone does not automatically entitle an employee to be issued a warrant. In addition, while AOs do not need to be warranted Contracting Officers, the AO must possess at least the same FAC-C Level or higher, than the purchase cardholder. Information on training can be found on [VA OALC Acquisition Academy](#) Web site.

## 010204 PURCHASE ACCOUNT THRESHOLDS

Purchase cardholders and convenience check account holders are subject to a single purchase threshold and a monthly purchase threshold. AOs will evaluate their current procurement needs to determine the appropriate single purchase and monthly purchase thresholds to be established. AOs will evaluate their procurement needs on an annual basis or as requested by senior management. In some cases, review of purchase cardholder spending patterns may indicate that a decrease in the single and monthly purchase card thresholds is appropriate.

The single and monthly purchase thresholds are established on the VA Form 0242, Purchase Card Certification Form or VA Form 0242c, Convenience Check Certification Form when an account is set up with the servicing bank. Only a purchase card account can be established with the single purchase limit exceeding the micro-purchase limit. A convenience check account is limited to the micro-purchase limit or below. All new accounts must be coordinated with the Level 1 A/OPC. New purchase card accounts with a single purchase threshold above the micro-purchase limit will require authorization and warrant validation from OALC.

Adjustments to the single purchase threshold after the initial setup require a new certification form and must be coordinated with the Level 1 A/OPC. If the account is initially established at the micro-purchase level, an adjustment in excess of the single purchase threshold requires a new completed VA Form 0242. A convenience check account cannot exceed the micro-purchase limit. The purpose of each dollar threshold is as follows:

### A. Single Purchase Threshold

The single purchase threshold is established based on mission needs. A “single purchase” is the total of those items purchased at one time from a particular vendor. Multiple items may be purchased at one time using the card; however, no single purchase may exceed the authorized single purchase threshold. In the event of a warrant authorizing a purchase card account holder multiple spending limits, the single purchase limit will be set at the lowest warranted authorization by the Level 1 A/OPC. Splitting up a purchase to remain under the single purchase threshold is a violation of FAR 13.003(c)(2)(ii).

A split purchase is separating a requirement that exceeds a micro-purchase account single purchase threshold into two or more buys as a means of circumventing the purchase limit. Some examples of split purchases include the following:

1. A single cardholder makes multiple purchases from the same merchant on the same day. The total purchase amount exceeds the single purchase limit, and the total requirement was known at the time of the first purchase.
2. A single cardholder purchases the same or similar item(s) from multiple merchants on the same day. The total purchase amount exceeds the single purchase limit, and the total requirement was known at the time of the first purchase.
3. A single cardholder makes multiple purchases of similar items from the same or multiple merchants over a period of time. The total purchase amount exceeds the single purchase limit, and the total was known at the time of the first purchase. (Note: If a prescription for prosthetics for a Veteran includes multiple items where the known total requirement is \$5,000, but the items are purchased separately to stay below the \$3,500 single purchase threshold, this situation would be considered a “split purchase.” If there is a prescription for Veteran A for a walker costing \$2,500, and the next day there is a prescription for Veteran B for a walker costing \$2,500, this situation is not considered “split purchase” as there are two different requirements for two different Veterans.)
4. Multiple cardholders under the same AOs purchase the same or similar item(s) on the same day or in a compressed timeframe. The total purchase amount exceeds the single purchase limit, and the total requirement was known at the time of the first purchase.

## **B. Monthly Purchase Threshold**

The monthly purchase threshold is the maximum total dollar amount a cardholder is authorized to procure each month. This amount is established in the servicing bank EAS when a cardholder’s account is first established. The monthly purchase threshold applies to the monthly total of all purchase card and convenience check transactions. This amount is similar to a “credit limit.”

## **010205 INTERNAL CONTROLS**

All VA responsible offices/officials (see [0104](#)) will establish procedures to implement and review internal controls for purchase card use. Per Public Law (P.L.) 112-194, “Government Charge Card Abuse Prevention Act of 2012,” the agency will have specific policies regarding the number of purchase cards issued by various component organizations. To that end, VA Administrations and Staff Offices will be responsible for assessing the number of cardholders necessary to fulfill their mission, and to limit as much as possible the financial risk to VA. Each responsible office/official is required to reassess, on an annual basis, their internal controls on purchase cards and the number of purchase cards their office has been issued.

A. All responsible VA officials will ensure that adequate internal controls are established and followed and include at a minimum the following:

1. An A/OPC cannot be an account holder or AO.
2. Account holders and A/OPCs will be VA Federal employees and meet locally established criteria to be eligible to obtain the purchase cards or convenience checks. Contractors are not eligible to become purchase cardholders, convenience check account holders or A/OPCs. Special consideration may be given to non-VA personnel employed at integrated Federal Health Care Centers.
3. Each AO's responsibility is limited to no more than 25 purchase card accounts to ensure he or she can adequately review and verify or approve every cardholder's purchases, at least monthly. Prosthetics will have a ratio of 40 purchase card accounts to AO until an information technology change is made allowing costing information to be updated in the Prosthetics VistA Suite Graphical User Interface program.
4. The total number of convenience check accounts will be limited to no more than five accounts per station or facility. Convenience check account holder names must be printed on the face of the convenience checks.
5. VA officials will create an environment that precludes attempts at fraud, misuse, and abuse of purchase cards and convenience checks. Key duties in the purchase card program must be segregated among different roles to the greatest extent possible to minimize the risk of loss to the Government. This should include separating the responsibilities for making purchases, authorizing purchases and payments (as part of the reconciliation process), certifying funding, and reviewing or auditing. No one individual can control all key aspects of a transaction. If a cardholder also receives the goods and services, he or she must get an independent third party verification that the item ordered was received and document the third party verification.
6. For remote locations or during emergency or urgent conditions, the receipt of goods ordered and/or the services rendered must be substantiated with the proper documentation. In general, this can be accomplished by acknowledgement of receipt of the goods or services sent in writing to the cardholder. The cardholder must submit the written confirmation to the approving official along with all other documents supporting the purchase. VHA medical center dialysis departments and Vocational Rehabilitation and Employment (VR&E) may receive verbal patient verification and affix a legible signature and date to the invoice for these conditions.
7. The purchase or convenience check account holder will secure the purchase card(s) and convenience checks in a locked cabinet, drawer, or safe. The authorized account holder will not release purchase card numbers or convenience checks to anyone. When the purchase cards and convenience checks are not in use, the account holder may not remove them from his or her official duty location.
8. The purchase or convenience check account holder will identify the need for the

purchase, will ensure that funds are available for the purchase, and will determine whether the funding type and purchase are appropriate.

9. Billing statement reconciliations and certifications are performed within timeframes specified in [010212C](#).

10. Items purchased are verified as received. Supporting documentation is maintained (including but not limited to receipts, invoices, packing slips, and any other information supporting valid Government need).

11. Charges are verified as for official purposes.

12. Purchases are reasonably priced.

B. Convenience checks must be used in sequential order. Each convenience check issued or voided must be entered in a check register or log for tracking purposes. Convenience checks should be written only for the exact amount of the purchase. The check fee must also be deducted in the register or log, if applicable. At a minimum, the following information must be entered on each check:

1. DATE: Enter the date on which the check is being issued. Spell out the date (e.g., October 30, 2008). Do not predate or postdate a convenience check;
2. PAY TO THE ORDER OF: Enter the name of the payee. Under no circumstances may convenience checks be issued to “cash” or the payee line left blank. Checks may not be issued to “self;”
3. AMOUNT: Write the amount of the convenience check in the spaces provided in numbers and words; e.g., one hundred twenty-six dollars and 39/100 in the applicable space; and
4. SIGNATURE: Sign with an original signature.

Regarding voiding checks or processing a stop payment on convenience checks, the person whose name is on the account, or the A/OPC, can contact the servicing bank’s customer service department to have a stop pay request submitted. He or she needs to provide the check number, dollar amount, who the check was payable to, and the date of the check. Customer service should advise that the stop pay process is subject to a 24-hour period, during which the servicing bank cannot guarantee the check will be stopped if the check is already in the current days processing.

C. The Level 4 A/OPC will record each account holder of a purchase card or convenience check under his or her program hierarchy, and annotate the limitations on single transactions and total monthly transactions that are applicable to the use of each card or check by that purchase cardholder. On a monthly basis, the A/OPC will review the account record for the purchase cardholder for any violations of the thresholds. Any threshold violations will be reported to the AO and next level A/OPC for follow-up action.

D. Internal controls include conducting periodic reviews of the VA purchase card and convenience check program to ensure that all participants follow VA policies and procedures. Results of internal reviews will be documented and corrective actions will be monitored to ensure they are effectively implemented.

VA's Financial Services Center and Office of Internal Control (OIC) will systematically select sample purchases for auditing by facility/field stations on a regular basis.

E. Under the Government Charge Card Abuse Prevention Act of 2012, the Office of Inspector General (OIG) will conduct periodic risk assessments of VA's purchase cards (including convenience checks) to analyze the risks of illegal, improper, or erroneous purchases. OIG will use these risk assessments to determine the scope, frequency, and number of OIG audits or reviews of these programs. At a minimum, these risk assessments will be conducted on an annual basis. OIG will report to the Director of the Office of Management and Budget (OMB) 120 days after the end of each fiscal year on VA's progress in implementing audit recommendations, beginning with fiscal year 2013, with submission due by January 31, 2014.

#### **010206 SEPARATION OF DUTIES AND SUPERVISION**

There must be a clear separation of duties to minimize the risk of fraud and/or loss of property. Key duties and responsibilities include the following areas ([OMB A123 Appendix B](#)):

- Making purchases (Cardholder);
- Authorizing purchases and payments (AO's role completed as part of monthly reconciliation process);
- Certifying funding (Level 1 A/OPC who approves schedule of payment transmitted to Treasury for disbursements); and
- Reviewing and auditing (Levels 2, 3, and 4 A/OPC).

Managers will ensure that these responsibilities are assigned to separate individuals and exercise appropriate oversight to ensure these individuals do not exceed or abuse their assigned authorities.

The participant roles in the purchase card and convenience check program are restricted as follows:

A. The A/OPC may not be an account holder, nor may he or she perform the AO functions.

B. A purchase cardholder cannot be an AO. However, where staffing levels necessitate, the AO may be a cardholder, but cannot be the AO for his or her own card. No individual

may be the AO for his or her supervisor. Dual functions by the same individual cannot occur under the same account. Verification of separation of duties will be accomplished based on the completed VA Form 0242 and VA Form 0242c.

C. All expenditures made in association with a conference must have prior written approval by the Responsible Conference Executive (RCE) assigned to the conference to ensure costs remain within the limitations specified in the approval proposal. Documentation of the expenditures must be provided to the RCE by the purchase cardholder or convenience check account holder.

### **010207 RESTRICTIONS ON PURCHASE CARD AND CONVENIENCE CHECK USAGE**

A. The purchase card and convenience check will not be used for the procurement of:

1. Long-term rental or lease of land or buildings of any type per FAR;
2. Employee travel (airline, bus, boat, or train tickets) or travel-related expenses, excluding local transportation for employees or Veterans, e.g., Metro fare cards, subway tokens, toll passes;
3. Personal goods of any kind;
4. Items to be given away, presented as a gift, or disposed of where the Government loses title, without legislative authority (excludes items authorized by VA Financial Policy [Volume II, Chapter 4, Awards, Ceremonies, Food or Refreshments, Gifts or Mementos](#));
5. Gift cards except for “patient only” purchases from the General Post Fund, which directly benefits the Veteran;
6. Items where the payment method is through a third party payment mechanisms (PayPal, E-Money, E-Account, Amazon MKT, Google Checkout, etc.). When a third party vendor is used to process purchase card payments, the vendor shows up as the merchant name, masking what is bought and circumventing the Merchant Category Code (MCC) blocks. Additionally, in most instances, disputes involving third party merchants are not resolved with the bank because billing discrepancies must be addressed directly with the merchant or supplier.

The use of third party payment mechanisms like PayPal are discouraged because it is extremely difficult to determine the merchant from which the product or service was obtained for reconciliation and 1099 filing (when necessary). However, if a third party payment process is used, documentation with justification that will identify the vendor and specific items purchased are required and maintained by the cardholder (the AO will need this information to complete his or her required reconciliation).

7. Promotional items or Stuff We All Get (SWAG) in conjunction with a conference, such

as mementos, gifts, keepsakes, prize items, and other VA “logo” or “message” items, for distribution to VA and other Federal employees is prohibited.

B. In addition to the above restrictions, convenience checks cannot be used for:

1. Vendors who accept the purchase charge card or EFT payment;
2. Vendor transactions already under another method of payment (e.g. EFT or purchase charge card) as established under a purchase order;
3. Employee reimbursements;
4. Cash advances;
5. Salary payments, cash awards, or any transaction processed through the payroll system;
6. Employee travel-related transportation tickets;
7. Meals or lodging related to employee travel except in relation to emergency incident response;
8. Veteran benefit payments including but not limited to Personal Funds of Patient (PFOP) reimbursements and Compensated Work Therapy (CWT) salary payments; or
9. Purchases above the micro-purchase thresholds.

#### **010208 STANDARDS OF CONDUCT**

VA will only use the Government purchase card and convenience checks to purchase authorized items within the guidelines of the Government purchase card program. Under no circumstances will the purchase card or convenience check be used for personal purchases. Government employees hold a public trust and their conduct must meet the highest ethical standards. Each employee has a duty to protect and conserve Government property and will not use a Government purchase card or convenience check or allow its use, for other than purposes authorized under this policy.<sup>1</sup> The Standards of Conduct, which apply to Government purchase cardholders and convenience check account holders, further state that employees may not solicit or accept any gratuity, gift, favor, entertainment, loan, or anything of monetary value from any party doing business with or seeking to obtain business with VA ([5 C.F.R. §2635.202](#)). Employees may seek ethics advice from their regional counsel or an ethics official at the Office of General Counsel.

#### **010209 UNAUTHORIZED USE**

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<sup>1</sup> Refer to Office of Government Ethics, Standards of Conduct for Executive Branch Employees, Use of Government Property, 5 C.F.R. §2635.704.

Violations of VA's approval requirements, spending limitations, internal controls, or prohibitions are considered misuse of the purchase card or convenience check. Intentional use of the purchase card or convenience check by a cardholder or convenience check account holder for other than official Government business will result in immediate cancellation of the employee's purchase card or convenience check account by the A/OPC.

A. An account holder who uses the purchase card or convenience check for other than official Government business may be held liable for an attempt to commit fraud against the U.S. Government. The AO may also be held pecuniary liable as an accountable official. The employee will be personally liable to the Government for the amount of any unauthorized transaction and may be subject to criminal prosecution.

A purchase identified as a personal expense is considered an Anti-Deficiency Act (ADA) violation per 31 U.S.C. §1301(a), which states public funds may be used only for the purpose(s) for which they were appropriated. It prohibits charging authorized items to the wrong appropriation and unauthorized items to any appropriation. When a determination has been made that an ADA violation has occurred, the agency head must report all relevant facts, including a statement of actions taken, to the President and Congress. Additional policy guidance is in VA Financial Policies, Volume II, Chapter 5, Obligations [Policy](#).

Misuse of the Government purchase card or convenience check or failure to adhere to the policies and regulations governing procurement, is cause for revocation of AO or cardholder authority and may result in disciplinary action against the individuals responsible for the purchases, approvals, and oversight (cardholders, AOs, or A/OPCs) under applicable VA and Governmentwide administrative procedures, up to and including removal from employment. Refer to [VA Handbook 5021, Part I, Appendix A, Employee-Management Relations](#), for disciplinary actions.

B. Upon notification of any unauthorized commitment or misuse of the purchase card or convenience check account, the Level 4 or Level 2 A/OPC will notify the Level 1 A/OPC to suspend the account by immediately reducing the single purchase threshold of the account holder to one dollar. The single purchase threshold will remain at one dollar during the investigation. Upon completion of the investigation, details to include action taken will be provided to the FSC within 30 days.

## 010210 PENALTIES

A. [VA Handbook 5021/15, Part I, Appendix A \(I-A-9, Nature of Offense 41\), Employee-Management Relations \(July 19, 2013\)](#), has guidance on disciplinary actions related to the Purchase Card Program. Purchase card and convenience check account holders, AOs, and A/OPCs are responsible for following VA purchase card and convenience check account policies, VA Acquisition Regulation and FAR, and can receive disciplinary action for failure to follow VA or Federal policy. Failure to adhere to the rules governing the use of Government charge cards or convenience checks will result in the following:

1. First offense range: admonishment to removal
2. Second offense range: 7 days suspension to removal
3. Third offense: 14 days suspension to removal

B. In accordance with the P.L. 104-134, “Debt Collection Improvement Act of 1996” and P.L. 112-194, “Government Charge Card Abuse Prevention Act of 2012,” VA may recover from an employee the full cost of unauthorized purchases plus interest and administrative debt collection fees. VA will take all actions necessary to collect the debt, including salary offset, if necessary, in accordance with VA and Governmentwide administrative procedures. Refer to [Volume XII, Debt Management](#), for financial policies and procedures relating to various debt collection issues.

### **010211 REPORTS OF PURCHASE CARD VIOLATIONS**

Per OMB Memorandum M-13-21, “Implementation of the Government Charge Card Abuse Prevention Act of 2012,” dated September 6, 2013, beginning with fiscal year 2013, VA is required to submit semi-annual reports of employee purchase card violations and the disposition of these violations, including disciplinary actions taken. Violations reported include significant misuse of the card, which the agency considered to be willful by the cardholder, as confirmed by a completed Inspector General report or other agency reviews (i.e., internal audits, AO reconciliations, or A/OPC oversight).

At a minimum, the report will contain the following:

- A. A summary description of confirmed violations involving misuse of a purchase card following completion of a review by the agency or by the Inspector General of the agency.
- B. A summary description of all adverse personnel action, punishment, or other action taken based on each violation.

All completed internal audits which have identified inappropriate use or misuse of the purchase card or convenience check accounts will be forwarded to the FSC Charge Card Operations Division within 30 days. If the disciplinary actions are not identified in the audit report, the senior management of the location of the audit will forward any actions taken against the account holders within 30 days of audit completion.

Violations identified through AO reconciliations or A/OPC oversight at any level as well as corresponding disciplinary actions will be reported on a monthly basis to the Level 1 A/OPC and the FSC Charge Card Operations Division.

Reportable violations do not include administrative process inconsistencies, which do not result in a loss to the Government. Violations of internal controls are generally not reportable, unless such violation(s) was/were egregious in nature, resulted in fraud, any misappropriation of funds or assets whether or not recouped, or if the internal control violation contributed to a reportable card misuse violation.

The semi-annual Joint Purchase and Integrated<sup>2</sup> Card Violation Report is to be prepared by the FSC Charge Card Operations Division and the VA OIG for submission to the Director of the OMB 120 days after the end of the reporting periods (i.e., April 1<sup>st</sup> to September 30<sup>th</sup> and October 1<sup>st</sup> to March 30<sup>th</sup>), beginning with a January 31, 2014, submission.

## **010212 PAYMENT, RECONCILIATION, AND DISPUTE PROCEDURES**

**A. Prompt Payment Compliance.** Timely payments are essential to avoid the imposition of an interest penalty on VA and to limit the financial burden borne by the purchase card servicing bank. In accordance with the Prompt Payment Regulation, 5 C.F.R. §1315.8, the FSC will determine the purchase card payment dates based on an analysis of the total costs and benefits to the Federal Government as a whole, unless integrated cards are two or more business lines (card types) whose processes are integrated into one card. VA currently does not have any integrated cards specified in a contract. When calculating costs and benefits, VA is expected to include the cost to the Government of paying early. Payment due dates may be calculated using the refund formula provided in the regulation, unless the payment due date has been determined in the contract.

**B. Documentation.** When micro-purchases are made (in person, by e-mail, Internet, fax, or telephone) appropriate supporting documentation will be retained (electronic or hard copy). The following identifies valid documentation to verify and reconcile the purchases:

1. When a purchase is made in person, the cardholder will obtain a customer copy of the detailed charge slip.
2. When making purchases by e-mail, fax, or telephone, the cardholder will obtain written confirmation (in the form of a detailed listing) of the order from the vendor and retain a hard copy or electronic copy of the order.
3. When making a purchase via the Internet, the cardholder will print the electronic confirmation associated with the order. The print out shall include the detailed listing of the order.

In accordance with National Archives and Records Administration (NARA), General Schedule 6 and FAR 4.805, Accountable Officers' Accounts Records, records retention regulations, charge card documents, records, and receipts are required to be maintained for 6 years.

**C. Requirement for Timely and Accurate Reconciliation.** To ensure compliance with the P.L. 112-194, "Government Charge Card Abuse Prevention Act of 2012," both the cardholder and AO must perform reconciling activity. VA personnel responsible for

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<sup>2</sup> Integrated cards are two or more business lines (card types) whose processes are integrated into one card. VA currently does not have any integrated cards.

critical duties, such as reconciliation and certification of purchase card transactions are listed below.

1. Cardholders and AOs must reconcile the charges appearing on each statement of account for the purchase cards with receipts and other supporting documentation using the U.S. Bank or other FSC approved automated system reconciliation process. The reconciliation should verify the accuracy of charges, convenience check issued, vendor names, records of orders, and received items. Cardholders will report any improper, incorrect, fraudulent, or duplicate payments to their AO and A/OPC promptly to ensure that the Federal Government ultimately pays only for valid charges that are consistent with the terms of the applicable Governmentwide purchase card contract entered into by the Administrator of the GSA and proper recovery from the vendor. If the vendor is unresponsive, the charge will be disputed with the card servicing bank within 90 calendar days from the date the transaction was processed. The cardholder is ultimately responsible for ensuring that all purchase card transactions are proper and for taking immediate action on any improper purchase.

a. Cardholders and AOs must complete a monthly reconciliation process through U.S. Bank or other FSC approved automated system no later than 10 and 14 working days respectively after the billing cycle. Any improper billing will be disputed within 90 calendar days from the date the transaction was processed. Per the GSA SmartPay 2 Master Contract, cardholders are responsible for reporting billing discrepancies to the bank within 90 calendar days from the date the transaction was processed to initiate a dispute.

b. Purchase transactions are posted within 24 hours of being received by the servicing bank. The cardholder will follow up first with the merchant on any delayed postings and then with the servicing bank, if necessary. Cardholders who frequently use their purchase cards should increase the frequency of reconciliation in order to keep reconciliation sessions brief and to assist VA management and finance officials in monitoring status of funds.

2. The AO will review and document approval that the cardholder's purchases are legitimate expenditures.

3. The Level 4 A/OPC will monitor the reconciliation to ensure compliance. If a cardholder or AO has not completed reconciliation of his or her purchase account after 45 working days from the billing cycle, the Level 4 or Level 2 A/OPC will notify the Level 1 A/OPC to temporarily lower the single purchase threshold to one dollar until reconciliation procedures are completed.

#### D. Disputes

1. **Purchase Card Transactions.** The cardholder is responsible for contacting the vendor and attempting to resolve the dispute. If the dispute with the vendor cannot be resolved, the cardholder will contact the servicing bank for assistance. The cardholder has 90 days to file a dispute.

2. **Convenience Check Transactions.** Convenience checks CANNOT be disputed through the servicing bank's EAS. If the check has not cleared the servicing bank, the

check writer's Level 4 A/OPC must contact the servicing bank to stop payment. The servicing bank will stop payment on the convenience check within 24 hours. The check writer will then work with the vendor to resolve the dispute. There is no cost for stopping payment on a convenience check. If the check has appeared in an account holder statement to be reconciled, it has already been paid. In this case, a stop payment cannot be issued. At this point, the check writer must work directly with the card servicing bank and the vendor to resolve the dispute. If, after working with the card servicing bank and the vendor, resolution of the dispute involves a refund or credit to VA, the cardholder will contact their Level 4 A/OPC. The Level 4 A/OPC will contact the servicing bank to work out the proper refund process.

### **010213 INACTIVE ACCOUNTS**

Purchase accounts will be monitored on a monthly basis by the Level 4 A/OPC. The Level 4 A/OPC will notify the Level 1 A/OPC of purchase card accounts with no transaction activity in a consecutive 6-month period and will be reduced by the Level 1 A/OPC to a \$1 single purchase threshold.

Accounts with no transaction activity in a consecutive 12-month period will be closed. Closure of an account can be processed by all level A/OPCs with access to the account. Exceptions to closure are defined in the bank's EAS with the following text:

- Disaster Emergency Medical Personnel System (DEMPS): Accounts used specifically for personnel assigned in DEMPS selected for a disaster or emergency response.
- Emergency Response: Accounts used only at times of natural disasters (not back-up cards).

All purchase cards used for the above exceptions must have the activity name embossed on the card and listed on the servicing bank account for easy identification.

### **010214 VETERAN (BENEFICIARY) TRAVEL EXPENSES**

Although not mandatory, CBA travel cards, as opposed to purchase cards, should be used for Veteran travel expenses. When a VA facility chooses to use a purchase card to pay for Veteran travel expenses, the facility will comply with the following:

- Cardholders must obtain appropriate written authorization from the AO prior to making purchases;
- Cardholders must document and maintain transaction details (traveler name, travel dates, location, purpose of trip, amount, merchant name, date and description of purchase) in a log; and
- All documentation must be available upon request.

## 010215 MERCHANT CATEGORY CODE GROUP (MCCG) RESTRICTIONS

To reduce unnecessary risk to the VA purchase card program, VA has established standard MCCG templates to match VA spending.

A. Only VA MCCG templates will be added to purchase card accounts. Individual MCCGs will not be placed on cardholder accounts. A/OPCs may contact the Charge Card Operations office at the FSC to have existing VA MCCG templates added to or removed from purchase card accounts.

B. Requests to add or remove individual MCCs from existing VA MCCG templates will be submitted to the Level 1 A/OPC Purchase Card Manager. Requests will include justification as well as risk factors associated with updating the MCC for all accounts. Final approval will be received from the Director of Accounting, Payroll and Travel Policy, Office of Financial Policy.

## 010216 ACCOUNT MAINTENANCE

**A. Changes in Cardholder Status.** Cardholders anticipating retirement, resignation, transfer, etc. must stop using the card at least two weeks in advance of their separation or transfer date to allow all outstanding transactions to be processed before their separation or transfer. The cardholder must also give the AO any remaining receipts or other documents related to outstanding transactions prior to their departure. The current purchase card or convenience check account must be canceled, and a new purchase card account must be established.

The AO is responsible for ensuring and verifying that all outstanding transactions are processed and reconciliation on the account is completed when a cardholder departs the purchase card program. The AO will notify the A/OPC to cancel the cardholder's account. The account will be closed as soon as the employee is no longer a VA employee or has transferred into a different VA organization.

**B. Changes in AO Status.** AOs who anticipate retirement, resignation, transfer, or other separation from the organization will notify the A/OPC and direct line supervisor to identify a replacement. The exiting AO will process any outstanding approvals in the bank system prior to departure. After the new AO has completed all required training, the A/OPC will create a profile in the bank system and reassign the cardholder accounts to the new profile.

**C. Changes in A/OPC Status.** A/OPCs who are no longer in their position will have their bank access immediately terminated by the next higher A/OPC. A [Point of Contact Maintenance Form Purchase 3059](#) must be submitted to the Level 1 A/OPC for processing with U.S. Bank. The purpose of the form is to update the managing account information associated with the station. This form is required for all purchase and convenience checks the A/OPC will manage.

**D. Exit Clearance Process.** As part of the exit clearance process, the Level 4 A/OPC

will confirm in the servicing bank system the purchase card or convenience check account(s) has been closed. In addition, the Level 4 A/OPC will confirm the AO has certified in the bank system or validated to the Level 4 A/OPC the cardholder has completed all order and payment reconciliations or has provided sufficient documentation so that the AO may complete the reconciliations.

### **0103 AUTHORITIES AND REFERENCES**

010301 29 U.S.C. §794, Nondiscrimination under Federal grants and programs

010302 P.L. 104-134, "Debt Collection Improvement Act of 1996"

010303 38 U.S.C. §8127, Small Business Concerns Owned and Controlled by Veterans: Contracting Goals and Preferences

010304 5 C.F.R. Part 1315, Prompt Payment, August 25, 2008

010305 5 C.F.R. Part 2635, Standards of Ethical Conduct for Employees of the Executive Branch

010306 5 C.F.R. Section 2635.202, Standards of Ethical Conduct for Employees of the Executive Branch, Gifts from Outside Sources, General Standards

010307 5 C.F.R. Section 2635.704, Standards of Ethical Conduct for Employees of the Executive Branch, Misuse of Position, Use of Government Property

010308 48 C.F.R., Federal Acquisition Regulation (FAR); Part 13, Simplified Acquisition Procedures; Part 32.11, Electronic Funds Transfer

010309 48 C.F.R. Volume 5, Chapter 8, Federal Acquisition Regulation System, Department of Veterans Affairs Acquisition Regulation (Veterans Affairs Acquisition Regulations [VAAR])

010310 Executive Order 13360, "Contracting with Service-Disabled Veteran Businesses," dated October 26, 2004

010311 Executive Order 13423, "Strengthening Federal Environmental, Energy and Transportation Management," dated January 24, 2007

010312 Executive Order 13514, "Federal Leadership in Environmental, Energy and Economic Performance," dated October 5, 2009

010313 OMB Circular A-123, Appendix B, Improving the Management of Government Charge Card Programs

010314 Treasury Financial Manual Volume 1, Part 4, Chapter 4500, Government Purchase Cards

010315 U.S. Government Accountability Office (GAO), Principles of Federal Appropriations Law Volume I, Chapter 4, Section C, Part 5 – Entertainment, Recreation, Morale and Welfare

010316 VA Directive 6221, Accessible Electronic and Information Technology

010317 VA Directive 7002, Logistics Management Policy

010318 VA Directive 7401.6, Limited Authority to Pay by Purchase Card

010319 VA Directive 7401.7, Unauthorized Commitments and Ratification

010320 VA Handbook 5021, Part I, Employee-Management Relations, Appendix A Paragraph 2

010321 VA Handbook 7002, Logistics Management Procedures

010322 VA Implementation Plan under Executive Order 13360, Contracting with Service-Disabled Veterans' Businesses

010323 Office of Financial Policy (internet)

010324 P.L. 112-194, "Government Charge Card Abuse Prevention Act of 2012," dated October 5, 2012

010325 GSA SmartPay Bulletins

010326 31 U.S.C. §3528, Responsibilities and relief from liability of certifying officials

010327 31 U.S.C. §3529, Requests for decisions of the Comptroller General

010328 Supplement to the Treasury Financial Manual, Volume I, Part 4A, Chapter 3000, Now That You're a Certifying Officer

010329 OMB Memorandum M-13-21, Implementation of the Government Charge Card Abuse Prevention Act of 2012, dated September 6, 2013

010330 Treasury Final Rule, 31 CFR Part 208, Management of Federal Agency Disbursements

010331 GSA Smart Bulletin No. 021, OMB Memorandum M-13-21 and Charge Card Compliance Summary, dated September 6, 2013

010332 Veterans Affairs Memoranda as follow:

- Deputy Assistant Secretary for Acquisition and Logistics memo, "Non-1102 Warrants," dated March 29, 2011

- Deputy Assistant Secretary for Finance (047), Deputy Assistant Secretary for Acquisition and Logistics and VA Senior Procurement Executive (003A) memo, “Validation of Warrants for Purchase Cardholders” dated November 13, 2012.
- Deputy Assistant Secretary for Acquisition and Logistics (003A) and VA Senior Procurement Executive memo, “Non-compliant Government Purchase Card Transactions ;” dated December 4, 2012

## 0104 ROLES AND RESPONSIBILITIES

010401 The Assistant Secretary for Management and CFO oversees all financial management activities relating to the Department’s programs and operations, as required by the [Chief Financial Officers Act of 1990](#) and [38 U.S.C. §309](#). Responsibilities include the direction, management, and provision of policy guidance and oversight of VA’s financial management personnel, activities and operations. The CFO establishes financial policy, systems and operating procedures for all VA financial entities and provides guidance on all aspects of financial management.

010402 Under Secretaries, Assistant Secretaries, CFOs, Finance Officers, Chiefs of Finance Activities, Fiscal Officials, Chief Accountants, and other Key Officials have a managerial oversight responsibility for ensuring compliance with the policies and procedures set forth in this chapter.

010403 The Office of Finance, Office of Financial Policy (OFP) is responsible for developing, coordinating, reviewing, evaluating, and issuing VA financial policies, including those that impact financial systems and procedures for compliance with all financial laws and regulations. The Management and Financial Reports Service (047GB) within OFP is responsible for preparing various VA comprehensive financial reports, such as those required by the President and the Executive Branch, including OMB/Treasury reports from the Hyperion (MinX) software. OFP is also responsible for working with the Office of Inspector General’s independent contract auditors on VA’s annual Consolidated Financial Statements audit and preparing and reviewing Consolidated Financial Statements, Notes and Required Supplementary Information, etc.

010404 OALC is responsible for acquisition policy and for:

- A. Providing the FSC, on a weekly basis, a list of individuals that have authority to purchase above the micro-purchase threshold.
- B. Notifying the FSC of the thresholds for those on the listing with authorization above the micro-purchase threshold.
- C. Serving as the approving authority for unauthorized commitments made by staff assigned to a field facility for supplies, services (except leases of real property) and construction. For VA Central Office (VACO) organizations, for supplies, services (except leases of real property), and construction, the approving authorities for unauthorized commitments made by staff assigned to the Administrations are the respective CFOs.

The approving authority for unauthorized commitments made by staff assigned to any other organization within VACO is the Deputy Assistant Secretary for Acquisition and Logistics.

D. Requiring Heads of Contracting Activities (HCA) to complete ratifications actions within a specified number of days (as stipulated by VA Directive and Handbook 7401.7, Unauthorized Commitments and Ratification, Reporting Procedures) after the identification of unauthorized commitments.

E. Per P.L. 112-194, "Government Charge Card Abuse Prevention Act of 2012," OALC will annually conduct spend analyses of the cardholder's purchases to optimize purchasing power. The spend analyses will identify strategic sourcing areas, which could be centralized to obtain appropriate discounts.

010405 The FSC Charge Card Operations Division is responsible for:

A. Roles and responsibilities as the Level 1 A/OPC for purchase card operations and responsible for all procedural and oversight duties as outlined under Paragraph [010409](#) A/OPC.

B. Developing and maintaining a charge card management plan. The charge card management plan will include elements consistent with the requirements of OMB Circular A-123, Appendix B. The plan will also include disciplinary actions for misuse of the purchase card or convenience check accounts. The plan must be updated annually, or more frequently if necessary, to remain current. The FSC will submit a copy of the VA's charge card management plan to OMB, Office of Federal Financial Management, on an annual basis, not later than January 31 of each calendar year.

C. Verifying the accuracy and timeliness of payments for all purchase card and convenience check accounts to the Treasury. Payment rejects will be identified to the cardholder, AO, or CFO at the facility for assistance in clearing the rejects from the financial system.

D. Ensuring purchase card refunds are properly processed and accounted for in the financial system on a quarterly basis. The FSC will provide notification to the CFOs regarding any additional actions required.

E. Performing periodic reviews to ensure that purchase cardholders or convenience check account holders are current VA employees. These reviews will be done on a monthly basis. Additional reviews may be conducted as requested by senior management.

F. Providing monthly performance reports on purchase card and convenience check usage to Office of Finance management. These performance reports may include, but are not limited to, the following metrics:

1. Number of open purchase card accounts (purchase and convenience checks)

2. Number of transactions
  3. Amount of refunds (actual or anticipated)
  4. Comparison of spend between months and years
  5. Purchases by budget object codes (BOCs)
  6. Comparison of BOC amounts
  7. Number and reason of purchase declined transactions
  8. Number and cost of reported inappropriate or misuse
- G. Preparing and submitting the semi-annual Joint Purchase and Integrated<sup>3</sup> Card Violation Report in coordination with the OIG to OMB.

010406 All VA officials are responsible for the implementation and management of the Government purchase card program within their respective organization. Authority is delegated to them to issue operational procedures, establish procedures to implement.

Direct-line supervisors are responsible for appointing the employees responsible for the Government purchase card program. The supervisors will provide the necessary justification for appointments of any part-time, term or temporary VA employees. When informed of any adverse activity associated with their employee, the supervisor will determine whether or not the employee's purchase card responsibilities will be revoked and if any disciplinary action is warranted.

010407 Office of Finance, Office of Internal Control (OIC) is responsible for:

A. Performing reviews on a routine basis. Annual summaries of these reviews are provided to VA senior management. Results of the quarterly reviews will be shared with facility level managers having compliance issues. OIC will also forward reviews to the FSC to be included in the semi-annual report to OMB.

- Random Audits. OIC randomly selects transactions each month to review. Responses and supporting documentation must be returned by said deadlines or the Level 1 A/OPC will be notified to suspend the account.
- Data Mining. OIC identifies questionable transactions each month for review. Responses and supporting documentation must be returned by said deadlines or the Level 1 A/OPC will be notified to suspend the account.

These reviews may include, but are not limited, to the following areas:

- Timely reconciliation by cardholder and AO;
- Proper costing of purchases;
- Proper billing by the vendor;
- Sufficient supporting documentation and proper retention;
- Review of certification forms to determine separation of duties and account thresholds;
- Review of purchases to determine if intentional split purchases were made to avoid

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<sup>3</sup> Integrated cards are two or more business lines (card types) whose processes are integrated into one card. VA currently does not have any integrated cards.

- exceeding established single purchase threshold; and
- Training certificates to ensure initial training occurred and refresher training is current.

Conducting recurring reviews of purchase card transactions above the micro- purchase threshold to identify transactions made by cardholders without appropriate warrant authority. All unauthorized commitments will be reported to senior leadership of the responsible facility or Staff Office for ratification action. OIC will track all unauthorized commitments until ratifications are completed.

010408 The OIG in coordination with the FSC Charge Card Operations Division, will submit to the Director, OMB, on a semi-annual basis, a joint report on violations by VA employees.

010409 A/OPCs must be fully trained to perform their tasks, to include proficiency in the EAS and its various reports to manage the program and monitor purchase card and convenience check usage. The A/OPC is responsible for:

- A. Ensuring completion and retention of mandatory training of cardholders, convenience check account holders, AOs, and alternate AOs, as well as VA Form 0242 or 0242c prior to issuance of purchase cards and convenience checks. The delegating authority will certify completion by signing the Governmentwide Purchase Card and Convenience Check Certification Form, VA Form 0242 and 0242c;
- B. Ensuring refresher training is completed every two years for all AOs and cardholders and convenience check account holders;
- C. Ensuring AOs' profiles and A/OPCs' point of contact information are registered in Access On-Line at servicing bank;
- D. Retrieving and canceling all cards and convenience checks of any employee who terminates employment, violates Government Purchase Card Program procedures, transfers to a different position, his or her duties have changed in his or her current position, or he or she no longer has purchasing responsibilities;
- E. Being the designated point of contact for VA receipt of all purchase cards and convenience checks after initial setup and following up on non-receipt of cards or checks;
- F. Coordinating the joint review of cardholders and AOs to ensure compliance with applicable policy and procedures, in conjunction with the finance or fiscal officer;
- G. Distributing cards to cardholders with activation instructions as provided with the card;
- H. Performing daily maintenance online in the purchase card and convenience check servicing bank's EAS including setting up cardholder and convenience check accounts and deleting accounts;
- I. Ensuring thresholds are set at appropriate levels based on the VA Form 0242 or

0242c. No convenience check account threshold may exceed the micro-purchase threshold, currently \$3,500. No purchase card single purchase threshold may exceed the micro-purchase threshold unless proper warranting documentation is presented and annotated on the certification form;

J. Monitoring the U.S. Bank or other FSC approved automated system reconciliation to ensure that all cardholders and AOs have completed their reconciliations. On the 45<sup>th</sup> working day after the billing cycle, the A/OPC must take action to temporarily lower the single purchase threshold to one dollar until reconciliation procedures are completed.

K. Ensuring proper receipt retention for 6 years for current, reassigned, transferred, departed, and separated cardholders;

L. Reviewing cardholder and convenience check account transaction reports for anomalies and questionable transactions on a monthly basis and taking action when appropriate;

M. Performing annual assessments to determine the appropriateness of cardholder purchasing thresholds; and

N. Performing annual assessment of the need for a purchase card account to remain open.

010410 Levels of A/OPC consist of the following:

A. Level 1 A/OPC: The FSC Charge Card Operations Office provides VA-wide oversight for all purchase card A/OPCs. They are responsible for:

1. Implementing risk management controls, policies, and practices.
2. Staying abreast on Government purchase card issues, including pending legislation related to purchase cards;
3. Serving as liaison to the servicing bank to provide training and guidance to all A/OPCs, AOs, and cardholders;
4. Reviewing and acting on reports to prevent or identify fraud, waste, and abuse;
5. Ensuring A/OPCs complete initial training requirements and refresher training;
6. Reviewing and monitoring reports to ensure compliance with Governmentwide and VA policy; and
7. Assisting cardholders and all A/OPCs with questions and issues concerning use of the purchase card or convenience check.

B. Level 2 A/OPC: This A/OPC level is at the Administrations (Veterans Health

Administration [VHA], Veterans Benefits Administration [VBA], and National Cemetery Administration [NCA]), the Office of Information and Technology (OIT), and the FSC. This level provides oversight for Level 3 and Level 4 A/OPCs. They are responsible for:

1. Developing and implementing Administration-specific purchase card policy and internal controls in accordance with VA-wide purchase card policy;
2. Ensuring A/OPCs complete initial training requirements and refresher training;
3. Reviewing and monitoring reports to ensure compliance with Governmentwide and VA policy;
4. Approving or denying requests to add or remove MCCs from VA MCC templates. Requests approved by the Level 2 A/OPC will be forwarded to the Level 1 A/OPC for final approval in coordination with OFP; and
5. Assisting A/OPCs with questions and issues concerning use of the purchase card or convenience check within the Administration.

C. Level 3 A/OPC: This A/OPC level is an intermediate level between Level 2 and Level 4 A/OPCs. For example, this level for VHA would be established at the VISN level. This level will provide oversight for Level 4 A/OPCs.

D. Level 4 A/OPC: This A/OPC level is directly responsible for oversight of card usage in accordance with VA policy and all day-to-day functions between the servicing bank, the cardholders, and the AOs under his or her hierarchy.

010411 Purchase Cardholder. The cardholder is the individual to whom a purchase card is issued. The purchase card bears the individual's name and may only be used by that individual. No other person is authorized to use the card. The cardholder is responsible for:

- A. Completing training on proper use of the purchase card;
- B. Being knowledgeable of limitations on spending;
- C. Complying with all acquisition regulations;
- D. Verifying funds availability prior to making purchases;
- E. Complying with single purchase and monthly thresholds (single purchase threshold, FAR 13.003 Policy (c) (2) – Do not break down requirements aggregating more than the acquisition threshold into several purchases that are less than the applicable threshold merely to—(i) permit use of simplified acquisition procedures; or (ii) avoid any requirement that applies to purchases exceeding the micro-purchase threshold);

Example 1: A purchase cardholder has multiple purchases from the same vendor on the

same day where the known requirement exceeds the micro-purchase threshold. This is only a split if the cardholder intentionally separated the purchase into multiple transactions to avoid exceeding the threshold. Using the purchase of a training class to demonstrate the difference, a transaction would be considered split if a single class costing \$4,000 was broken into two payments of \$2,000. It would not be a split if the purchase cardholder paid for employee training where multiple employees went to the same vendor for training and the individual charges, when totaled, exceeded the single purchase threshold. The cardholder is not splitting the requirement of paying to register the employee for the class.

Example 2: A convenience check account holder has to pay for supplies from a company that does not accept the Government purchase card. The total cost of the supply order is \$4,160. If two separate convenience checks are issued (e.g., \$3,000 and \$1,160 or two payments of \$2,080), this would constitute a split as the two transactions would represent circumventing the single purchase threshold, \$3,500.

- F. Providing the necessary documentation in accordance with FAR and VAAR requirements, when an unauthorized commitment occurs;
- G. Reconciling payment charges within 10 working days after the billing cycle;
- H. Ensuring independent receipt of goods ordered and services rendered and retaining the necessary supporting documentation of independent receipt and acceptance. Independent receipt means someone other than the cardholder must verify that goods or services were received;
- I. Complying with OIT requirements when purchasing non-expendable IT equipment in accordance with [VA Handbook 7002, Logistics Management Procedures](#); and
  - 1. Purchase cardholders will not purchase general non-expendable items without prior approval from the appropriate source within their organization (i.e., VHA - local Equipment Committee; NCA – Cemetery Director; VBA – Regional Office Director). Once the cardholder receives the appropriate approval and upon receipt of the purchased non-IT non-expendable item, the cardholder will contact the facility's accountable officer to ensure that the piece of equipment is properly accounted for in the VA's property record system. Purchase cardholders will not purchase non-expendable IT equipment (such as Smartphone charger or computer cable connections) with a Government purchase card unless they are authorized to make such procurements. Purchase cardholders will inform both the accountable officer and IT Custodial Officer of all non-expendable IT equipment procured with purchase cards to ensure the equipment is added to the inventory management system correctly upon receipt.
  - 2. Purchase cardholders will inform the IT Custodial Officer of all expendable sensitive IT items (i.e., items capable of storing data electronically) procured with purchase cards to ensure the items are entered into the appropriate inventory management system.
  - 3. The OIG information technology funding is included in OIG's general operating

expenses appropriation and; therefore, is not subject to OIT requirements for purchasing IT equipment.

- J. Advising vendors to submit sales drafts only after an order is shipped;
- K. Providing applicable receipts to the AO to enable certification of payment;
- L. Safeguarding Government purchase cards and convenience checks;
- M. Resolving disputes with vendors; if not resolved, filing an official dispute with the purchase card and convenience check servicing bank and notifying the dispute officer;
- N. Contacting the AO or A/OPC with any questions or issues concerning use of the purchase card;
- O. Retaining purchase documentation for 6 years in accordance with NARA, General Schedule 6, in the absence of the cardholder;
- P. Inquiring about prompt payment discounts at time of purchase, if applicable. Vendors often offer discounts for purchases made on behalf of the Federal Government and when using the Government purchase card as payment;
- Q. Obtaining merchant-offered refunds or coupons or additional items offered as a result of purchase, such as a free printer with purchase of a computer, and returning these to VA. Questions about permission to receive a free item should be directed to the AO and A/OPC. The cardholder should supply VA's address when needed to obtain these offers. The refunds/coupons should be returned to the agent cashier, AO or appropriate VA representative;
- R. Complying with appropriations law, including, but not limited to, Comptroller General decisions associated with the purchase of food and or beverages. In general, an agency may not use appropriated funds to purchase items considered personal expenses, such as food and beverages, without specific authority (e.g., the legal exceptions described in GAO-04-261SP, *Principles of Federal Appropriations Law*, 3d. edition – Volume I, Chapter 4, section C, part 5). Refer to VA Office of [Financial Policy Volume II Chapter 4, Incentives Awards Ceremonies Expenses/Mementos](#), for additional information on the general rules and exceptions for VA to purchase food and beverages for patients, employees and other VA stakeholders;
- S. When procuring gift cards from the General Post Fund, developing and maintaining standard operating procedures (SOP) for the accountability of all gift card purchases, distribution and end use for audit purposes. The procurement of gift cards without an approved organizational SOP and auditable accountability procedures is prohibited; and
- T. Ensuring adherence to property management policies and procedures. This includes

notifying VA property management activity of the receipt of goods to properly track and classify inventory.

010412 AO. The AO is responsible for reviewing and approving cardholders' transactions under their purview, to ensure the transaction is legal, proper, mission essential, and in accordance with purchase card policy. An AO shall be at a higher or equivalent grade level with respect to the purchase cardholders under their purview. No individual may be the AO for his or her supervisor. An AO cannot be a cardholder for his or her own card. The AO is responsible for requesting the establishment of new purchase card accounts and cardholders' single purchase and monthly purchase thresholds. Other duties include the following:

A. Recommending individuals as purchase cardholders and recommending single purchase and monthly purchase thresholds in conjunction with the program coordinator, the billing officer, and the delegating authority. Thresholds may not exceed the micro-purchase threshold without acquisition authority;

B. Monitoring the use of the purchase card by the cardholder to ensure purchases are legitimate expenditures and within guidelines. Resolving any questionable purchase with the cardholder;

C. Signing authorization for purchase of food or beverages prior to the purchase, to include prior approval from the applicable GS-15 or Title 38 equivalent, in the chain of command is required. The justification will identify the legal exception used, but not limited to, authorities cited in GAO-04-261SP, *Principles of Federal Appropriations Law*, Volume I, Chapter 4, Section C, part 5. Refer to VA Office of Financial Policy [Volume II Chapter 4, Awards, Ceremonies, Food or Refreshments, Gifts or Mementos](#), for additional information on the general rules and exceptions for VA to purchase food and beverages for patients, employees and other VA stakeholders;

D. Verifying all transactions made by cardholders and supporting documentation is maintained for 6 years in accordance with NARA, General Schedule 6 and FAR 4.805, records retention regulations;

E. Ensuring Federal, VA and local acquisition regulations are followed;

F. Documenting approval that all procurements are legal and proper, ensuring all items are received and inventoried and services rendered;

G. Ensuring purchase cardholders inform the accountable officer of all equipment, including sensitive items regardless of cost, procured with purchase cards to ensure the items are entered into the appropriate inventory management system (see [VA Directive and Handbook 7002, Logistics Management Procedures](#));

H. Verifying and documenting that charges are reconciled within 14 working days after the billing cycle;

I. Monitoring purchase cardholder compliance with single purchase and monthly thresholds (single purchase threshold, [FAR 13.003 Policy](#) (c) (2) – Do not break down requirements aggregating more than the acquisition threshold into several purchases that are less than the applicable threshold merely to—(i) Permit use of simplified acquisition procedures; or (ii) Avoid any requirement that applies to purchases exceeding the micro-purchase threshold);

J. Notifying HCA within 30 days of the identification of an unauthorized commitment by providing all documentation regarding the transaction and information on whether the VA received a benefit from the performance of the unauthorized commitment;

K. Ensuring policy and procedures established by [VA Directive and Handbook 7401.7, \*Unauthorized Commitments and Ratification\*](#), for ratifying unauthorized commitments are followed;

L. Recommending disciplinary action according to [VA Handbook 5021, Part I, \*Appendix A, Employee-Management Relations\*](#), or forward the case to OIG;

M. Verifying that the cardholder has completed his or her U.S. Bank or other FSC approved automated system reconciliations prior to exiting or extended leave, or has provided sufficient documentation so that the AO may complete the U.S. Bank or other FSC approved automated system reconciliations;

N. Providing guidance to cardholders in response to issues they raise related to use of the purchase card;

O. Having final certifying authority on the legitimacy of any procured item;

P. Completing training on proper use of the purchase card; (Note: If the purchase cardholder is a warranted contracting officer, the AO must possess the same Federal Acquisition Certification Level or above as the purchase cardholder; however, the AO does not need to be warranted.)

Q. Reporting to the A/OPC the following:

1. Any suspected cases of fraud and abuse;
2. Any lost, stolen, or compromised purchase cards; or
3. Any cardholders that have transferred, retired, or terminated their employment; are absent without leave; are on extended leave (with or without pay); or have no further need of a purchase card; and

R. Responsible for retaining purchase documentation for 6 years in accordance with NARA, General Schedule 6 and FAR 4.805, in the absence of the cardholder.

010413 Billing/Finance Officer. In most cases, the billing officer is part of the finance activity. A billing officer cannot be a cardholder or an AO. The billing officer is responsible for:

- A. Ensuring that single purchase and monthly purchase thresholds are within budget limits;
- B. Establishing default accounting code string and merchant codes for all purchase cards and submitting them to the program coordinator;
- C. Ensuring refunds are reviewed for accuracy and credited to the correct appropriation;
- D. Collecting amounts from the cardholder for inappropriate procurements (if the goods cannot be returned for full credit) by using all applicable collection procedures, including salary offset; and
- E. Ensuring that purchase card transactions are charged to the appropriate fund, cost center and budget object code based on items purchased.

010414 Dispute Officer. A dispute officer may also serve as a program coordinator, but cannot be a cardholder or an AO. The dispute officer is responsible for:

- A. Coordinating and monitoring disputed procurements, credits, and billing errors that cannot be resolved within 90 calendar days from the date the transaction was processed; and
- B. Assisting or interceding when a dispute cannot be handled in the normal method using the Government cardholder dispute form.

## **0105 PROCEDURES**

Detailed procedures in appendices will be added as needed.

## **0106 DEFINITIONS**

010601 Abuse. Use of a Government charge card or convenience checks to buy authorized items at terms (e.g., price, quantity) that are excessive or for a questionable Government need or both. Examples of such transaction would include purchase of a day planner costing \$300 rather than one costing \$45, allowable refreshments at an excessive cost, or year-end or other bulk purchases of computer or electronic equipment for a Government need in the current year (questionable).

010602 Acquisition. Acquiring supplies or services (including construction) by contract with appropriated funds by and for the use of the Federal Government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated and evaluated. Acquisition begins at the point when Agency needs are established and includes the description of requirements to satisfy Agency needs, solicitation and selection of sources, award of contracts, contract financing, contract performance, contract administration, and those technical and management functions directly related to the process of fulfilling Agency needs by contract.

010603 Agency/Organization Program Coordinator (A/OPC). The A/OPC oversees the card program(s) for his or her agency/organization and establishes guidelines. The A/OPC helps set up accounts; serves as liaison between the purchase cardholder or convenience check account holder and the purchase card servicing bank; provides on-going advice; audits purchase card accounts as required; and keeps necessary account information current. This individual serves as the focal point for answering management, task order administration, establishing and maintaining accounts, and issuing and destroying purchase cards or convenience checks.

010604 Approving Official (AO). The AO, typically a supervisor, ensures that the purchase card is used properly; authorizes cardholder purchases (for official use only); and ensures that the statements are reconciled and submitted to the designated billing office in a timely manner. The AO serves as the initial internal control to prevent or identify fraud, abuse, or misuse of the purchase card.

010605 Authorization. The process of verifying at the point of sale that a purchase being made using a purchase card is allowable given the requirements, prohibitions, and controls established by the A/OPC for the purchase card.

010606 Billing Cycle Date. The cut-off date for when purchase card transactions are processed for the billing cycle. This is also known as the “closing date.”

010607 Cardholder. See [Purchase Cardholder](#).

010608 Contract. A mutually binding legal instrument that obligates the seller to furnish property, supplies, or services (including construction) and the buyer to pay for them. The principal purpose of the instrument is the acquisition (by purchase, lease, or barter) of property, supplies, or services for the direct benefit or use of the Federal Government, or in the case of a host country contract, the host Government agency that is a principal signatory party to the instrument. The term does not include grants and cooperative agreements covered by [31 U.S.C. 6301, et seq.](#)

010609 Convenience Check. Convenience checks are written against a purchase card account. Convenience checks are a payment or procurement tool intended only for use with merchants that do not accept purchase cards and have received an EFT waiver in accordance with Treasury rule. Convenience checks should be used as a payment method of last resort, only when no reasonable alternative merchant is available who accepts the purchase card.

010610 Convenience Check Account Holder. The legal agent using the convenience checks to buy goods and services in support of official Government business. The convenience check account holder signs the checks and has the primary responsibility for their proper use.

010611 Davis-Bacon Act. The Davis-Bacon Act ([40 U.S.C. 3141, et seq.](#)) provides that contracts in excess of \$2,000 to which the United States or the District of Columbia is a

party for construction, alteration, or repair (including painting and decorating) of public buildings or public works within the United States, shall contain a clause (see [FAR 52.222-6](#)) that no laborer or mechanic employed directly upon the site of the work shall receive less than the prevailing wage rates as determined by the Secretary of Labor.

010612 Delegation of Authority. The authority granted for a specific function to a subordinate. The Authority must be well- defined. The top level management has greatest authority. The delegation does NOT relieve the granting authority of the accountability for the end result.

010613 Delegation of Authority Form. Certification form that recognizes the purchase card (VA Form 0242) and convenience check holder (VA Form 0242c) as a procurement official, grants authorization to spend Government funds, and establishes the level of purchase authority.

010614 Designated Billing Office (DBO). The Agency office responsible for paying bills. The Office of the CFO, Cash Management and Payment Division, Chief Business Office is the DBO for VA accounts.

010615 Dispute. A disagreement between a purchase cardholder and a vendor with respect to a specific transaction.

010616 Electronic Access System (EAS). The charge card servicing bank's internet-based system which provides a variety of reports that assist in the effective management of the Government purchase card program. The EAS allows AOs to review a cardholder's transactions online. Purchase cardholders can maintain electronic purchase logs through the EAS as well. There are many other functions of the EAS that are beneficial for AOs, including electronic reconciliation and certification, editing account allocation, multi-account allocation and assignment of account codes.

010617 Electronic Funds Transfer (EFT). Any transfer of funds, other than a transaction originated by cash, check or similar paper instrument, that is initiated through an electronic terminal, telephone, computer or magnetic tape for the purpose of ordering, instructing or authorizing a financial institution to debit or credit an account. The term includes, but is not limited to, automated clearinghouse transfers, Fedwire transfers, and transfers made at automated teller machines and Point-of-Sale terminals.

010618 Fraud. Any felonious act of corruption or attempt to cheat the Government or corrupt the Government's agents. For the purposes of this guidance, fraud is the use of Government charge cards to transact business that is not sanctioned, not authorized, not in one's official Government capacity, not for the purpose for which the card was issued or not as a part of official Government business. This list is not intended to be all inclusive.

010619 GSA ADVANTAGE. An online system offering a streamlined approach to ordering from General Services Administration (GSA) catalogs and Federal Supply

Schedules, available at <https://www.gsaadvantage.gov>.

010620 GSA SmartPay 2 Program. The Federal Government's charge card program that provides cardholders a means to pay for commercial goods and services, travel and travel-related expenses and vehicle fleet expenses. Charge cards are issued through contracts with those charge card vendors who are a part of this program. These contracts, collectively referred to as the Master Contract, are administered by the General Services Administration.

010621 Improper Purchase. Any purchase that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative or other legally applicable requirements. Incorrect amounts include overcharges and undercharges.

010622 Merchant. The source for the agency's supplies or services. The merchant may be a required source inside or outside of the Government, another Government agency or a private sector merchant of supplies or services.

010623 Merchant Category Code (MCC). A four-digit number assigned to a business by MasterCard or VISA when the business first starts accepting one of the cards as a form of payment. The MCC is used to classify the business by the type of goods or services it provides.

010624 Micro-Purchase. An acquisition of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold.

010625 Micro-Purchase Card. A centrally billed, Government purchase card limited by the micro-purchase threshold used to pay for goods and services in support of official Government business.

010626 Misuse. Use of the Government charge card for other than the official Government purpose(s) for which it is intended.

010627 Pecuniary Liability. The [Supplement to the Treasury Financial Manual, Volume I, Now That You're a Certifying Officer](#), defines it as (1) being *individually responsible* for reimbursing the Government for any payment that you certified which is found to be illegal, improper, or incorrect; (2) being *responsible for reporting malfeasance* to your supervisor; and (3) being *responsible for individually supervising* the work of field officers.

010628 Ratification. The act of approving an unauthorized commitment by an official who has the authority to do so.

010629 Required Source. A Government-established source of supplies and services that the purchase cardholder must consider before going to the commercial sector to make acquisitions.

010630 Sensitive Property. Durable assets that are readily portable and have significant resale value or significant potential for diversion to personal use. Examples include, but are not limited to, cell phones, digital cameras, iPods, MP3 players, GPS devices, special purpose flashlights, computer equipment, digital storage devices, televisions, DVD players and protective clothing. Accordingly, such assets require inventory controls regardless of dollar value.

010631 Service Contract Act. As it applies to the micro-purchase threshold, service contracts over \$2,500 shall contain mandatory provisions regarding minimum wages and fringe benefits, safe and sanitary working conditions, and notification to employees of the minimum allowable compensation and equivalent Federal employee classifications and wage rates. Under [41 U.S.C. §353\(d\)](#), service contracts may not exceed 5 years.

010632 Splitting. A prohibited tactic used to avoid the single purchase threshold for micro-purchase cards.

010633 Tax exempt. Not subject to Federal, state, or local taxes.

010634 Threshold. An established spending limit.

- Single purchase threshold. The maximum dollar amount allowed on each individual (single) purchase.
- Monthly spending limit of a purchase cardholder in a billing cycle. An A/OPC or AO determines this threshold based on the organization's anticipated purchasing requirements.

010635 Unauthorized Commitment. An agreement that is not binding solely because the Government representative who made it lacked the authority to enter into that agreement on behalf of the Government.

010636 Vendor. An entity that sells products and services. It may be a Government agency or organization, a contractor, or a retail merchant.

010637 Waste. Any activity taken with respect to a Government charge card that fosters or results in unnecessary costs or other program inefficiencies.

## **0107 RESCISSIONS**

010701 OFP Policy Volume XIV Chapter 1, Government Purchase Card, December 2014

## **0108 QUESTIONS**

Questions concerning these financial policies and procedures should be directed as follows:

VHA VHA CFO Accounting Policy (10A3A) (Outlook)  
 VBAVAVBAWAS/CO/FINREP (Outlook)  
 NCA NCA CAATS Finance Approvers (Outlook)  
 FSC Purchase Card Operations (Outlook)  
 OFP ChargeCardPolicy (Outlook)

**0109 REVISIONS**

Section	Revision	Office	Reason for Change	Date
010205A6	Added requirement for purchase order for emergency or urgent condition.	OFP (047G)	GAO -17-276 report	January 2017
010411H	Added emphasis on maintaining supporting documentation.	OFP (047G)	GAO -17-276 report	January 2017
010201	Replaced the approval authority for forms VA Form 0242 and VA Form 0242c from SES to a GS-	OFP (047GA)	Requested by VHA management and OALC	July 2016
010201	Updated Micro-Purchase threshold from \$3,000 to \$3,500, to align with	OFP (047GA)	To reflect Federal Acquisition Regulation change October 2015	July 2016
Overall	Changed MQAS to Office of Finance, Office of Internal	OFP (047GA)	To reflect the name change of the organization	July 2016
010411	Changed approving authority for purchases of food and beverages from SES to a GS-15 or	OFP (047GA)	Requested by Administrations	July 2016
Appendix A	Added new OALC delegation memo and removed VA CFO	OFP (047G)	Update Appendix with newest delegation memo	July 2016

010205A3	Changed prosthetics ratio with 1 AO to 40 purchase card	APS (047GA)	General policy update	May 2014
010205A5	Clarified internal control with segregation of	APS (047GA)	General policy update	May 2014
010206	Added personnel responsible for	APS (047GA)	General policy update	May 2014
010207A6	Revised the use of third party payment mechanisms.	APS (047GA)	General policy update	May 2014
010212C1 and a	Added FSC approved	APS (047GA)	General policy update	May 2014
010213	Replaced 3-month and 6- month period to 6-month and 12-month period for reduction to \$1 single purchase threshold and account closure respectively. Removed VETPRO	APS (047GA)	General policy update	May 2014
010332	Removed VHA Prosthetics Procurements	APS (047GA)	General policy update	May 2014
010404D	Added reference to VA Directive and Handbook 7401.7, Unauthorized Commitments and Ratification,	APS (047GA)	General policy update	May 2014
010405C	Replaced “servicing bank”	APS (047GA)	General policy update	May 2014

010407B	Added MQAS' recurring reviews of purchase card transactions above the micro-purchase threshold to identify transactions made by cardholders without appropriate warrant authority, reporting unauthorized commitments to senior leadership for ratification action, and track all	APS (047GA)	General policy update	May 2014
010409J	Added FSC approved	APS (047GA)	General policy update	May 2014
010412J	Added AO's responsibility to notify HCA within 30 days of the identification of an unauthorized	APS (047GA)	General policy update	May 2014
010412L	Added AO's responsibility to recommend disciplinary action or forward the case	APS (047GA)	General policy update	May 2014
010412M	Added FSC approved	APS (047GA)	General policy update	May 2014
0108	Added VHA, VBA, NCA, and FSC contacts for questions. Replaced OFP contact from Office of Financial Policy to ChargeCardPolicy	APS (047GA)	General policy update	May 2014
010205A3	Removed conflicting ratios. Provides Prosthetics until September 2014 to get in compliance with 1 AO to 25 purchase card	APS (047GA)	General policy update	May 2014

APPENDIX A: DELEGATION OF AUTHORITY

Department of  
Veterans Affairs

Memorandum

Date: MAY 23 2016

From: Principal Executive Director, Office of Acquisition, Logistics, and Construction (003)

Subj: Micro-Purchase Delegation of Authority (VAIQ 7668032)

To: Interim Assistant Secretary for Management and Interim Chief Financial Officer (004)

1. On September 30, 2013, the Chief Acquisition Officer (CAO) issued the "Micro-Purchase Delegation Authority Memorandum" which further delegated to the Chief Financial Officer (CFO) micro-purchase authority for the Government Purchase Card Program. At that time, the micro-purchase threshold was \$3,000. More recently, Federal Acquisition Regulation (FAR) Case 2014-022, Inflation Adjustment of Acquisition-Related Thresholds, implemented an inflation adjustment of acquisition-related dollar thresholds, which raised the micro-purchase authority to \$3,500.
2. As a result of the inflation adjustment of acquisition-related dollar thresholds, the attached delegation was drafted so that the thresholds are consistent with the recent adjustment and current regulations.
3. As the Department of Veterans Affairs' CAO, I hereby delegate micro-purchase authority to the Assistant Secretary for Management and CFO solely in conjunction with the Government-wide commercial purchase card program.
4. Should you have questions regarding this memorandum please contact Ms. Shana Love Holmon at (202) 632-4606 or shana.love-holmon@va.gov.



Gregory Giddens

Attachment



DEPARTMENT OF VETERANS AFFAIRS  
PRINCIPAL EXECUTIVE DIRECTOR FOR ACQUISITION, LOGISTICS, AND CONSTRUCTION  
WASHINGTON DC 20420

MEMORANDUM FOR THE ASSISTANT SECRETARY FOR MANAGEMENT AND  
CHIEF FINANCIAL OFFICER  
MAY 23 2016

**SUBJECT:** Micro-Purchase Delegation of Authority

**1. DELEGATION.**

a. This memorandum delegates to the Assistant Secretary for Management and Chief Financial Officer micro-purchase authority, solely in conjunction with the Government-wide commercial purchase card program.

b. In accordance with the Federal Acquisition Regulation (FAR) Part 2 – Definitions of Words and Terms, "Micro-purchase threshold" means \$3,500, except it means—

(1) For acquisitions of construction subject to 40 U.S.C. chapter 31, subchapter IV, Wage Rate Requirements (Construction), formerly known as the Davis-Bacon Act, \$2,000;

(2) For acquisitions of services subject to 41 U.S.C. chapter 67, Service Contract Labor Standards, formerly known as the Service Contract Act of 1965, \$2,500; and

(3) For acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical or radiological attack as described in 13.201(g)(1), except for construction subject to 40 U.S.C. chapter 31, subchapter IV, Wage Rate Requirements (Construction) (41 U.S.C. 1903)—

(i) \$20,000 in the case of any contract to be awarded and performed, or purchase to be made, inside the United States; and

(ii) \$30,000 in the case of any contract to be awarded and performed, or purchase to be made, outside the United States.

**2. AUTHORITY.** Memorandum for the Under Secretaries, Assistant Secretaries, and other Key Officials, dated February 12, 2009, Subject: Delegation of Authority Defined by the Service Acquisition Reform Act of 2003, to the Executive Director, Office of Acquisition, Logistics and Construction (attached).

**3. RESTRICTIONS.** All procurements must be made in accordance with the applicable laws and regulations including but not limited to, the FAR and the VA Acquisition Regulation. This delegation cancels and supersedes all previous delegations of authority that may conflict with this delegation.

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SUBJECT: Micro-Purchase Delegation of Authority

**4. REDELEGATION.** The Assistant Secretary for Management and CFO may redelegate this authority as authorized in the attached February 12, 2009, memorandum.

**5. EFFECTIVE DATE.** This delegation of authority is effective upon signature and remains in effect until rescinded by the CAO.



Gregory L. Giddens

ATTACHMENT



THE SECRETARY OF VETERANS AFFAIRS  
WASHINGTON

February 12, 2009

**MEMORANDUM FOR THE UNDER SECRETARIES, ASSISTANT SECRETARIES,  
AND OTHER KEY OFFICIALS**

**SUBJECT:** Delegation of Authority Defined by the Services Acquisition Reform Act of 2003 to the Executive Director, Office of Acquisition, Logistics and Construction

**1. DELEGATION**

a. This memorandum designates the Executive Director, Office of Acquisition, Logistics and Construction (001ALC) as the Acting Chief Acquisition Officer for the Department of Veterans Affairs (VA) and delegates the following responsibilities identified by the Services Acquisition Reform Act of 2003 to the incumbent.

b. This delegation includes, but is not limited to, the authority to:

- (1) Advise and assist the Secretary on the appropriate business strategy to achieve VA's mission.
- (2) Advise and assist the Secretary and other VA officials in ensuring that acquisition activities contribute to achieving VA's mission.
- (3) Monitor and evaluate the performance of VA's acquisition programs based on applicable performance measurements.
- (4) Establish policies, procedures, and practices that increase the use of full and open competition in the acquisition of goods and services by the executive agency.
- (5) Increase appropriate use of performance-based contracting and performance specifications in the VA's acquisition activities.
- (6) Make VA's acquisition decisions consistent with all applicable laws, regulations, and policies.
- (7) Establish clear lines of authority, accountability, and responsibility for VA's acquisition decisions.
- (8) Manage the direction of VA acquisition policy, including implementation of VA's acquisition regulations, policies, and standards.

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Delegation of Authority Defined by the Services Acquisition Reform Act of 2003 to the Executive Director, Office of Acquisition, Logistics and Construction

(9) Develop and maintain a VA acquisition career management program to ensure that VA has an adequate professional acquisition workforce.

(10) Review, as part of VA's strategic planning and performance evaluation process, current requirements for VA personnel regarding knowledge and skill in acquisition resource management and determine whether such requirements adequately facilitate the achievement of the performance goals established for VA's acquisition management.

(11) Develop, if necessary, strategies and specific plans for hiring, training and professional development for VA's acquisition personnel.

(12) Report to the Secretary on the improved progress made by VA acquisition management capability.

**2. AUTHORITY.** Section 1421 of the Services Acquisition Reform Act (SARA), Public Law 108-136, 41 United States Code 414, *et seq.* and Executive Decision Memorandum issued by the Secretary of the VA on October 10, 2008, establishing the Office of Acquisition, Logistics and Construction.

**3. RESTRICTIONS.** This delegation cancels and supersedes the previous delegation signed July 22, 2005, designating the Assistant Secretary for Management as the Department of Veterans Affairs Chief Acquisition Officer.

**4. REDELEGATION.** The Executive Director, Office of Acquisition, Logistics and Construction, may further delegate the authority of the Chief Acquisition Officer, subject to the provisions of Section 1421 of Public Law 108-136.

**5. EFFECTIVE DATE.** This designation and delegation of authority is effective upon signature and remains in effect until the appointment of an Assistant Secretary who will assume the duties of the Chief Acquisition Officer.

  
Eric K. Shinseki

Department of  
Veterans Affairs

# Memorandum

Date: OCT 21 2016

From: Under Secretary for Health (10)

Subj: Re-delegation of Government Purchase Card and Convenience Checks Use Authority  
(VAIQ 7735435)

To: Acting Chief Procurement and Logistics Officer (10NA2)

1. DELEGATION. This memorandum assigns to the Chief Procurement and Logistics Officer the authority to delegate the use of government purchase cards and convenience checks.
2. AUTHORITIES. VA Financial Policy, Volume XVI, Charge Card Programs, Chapter 01, Government Purchase Card Program, dated July 2016.
3. RESTRICTIONS. None. This delegation cancels and supersedes all previous delegations of authority that may conflict with this delegation.
4. REDELEGATION. The Chief Procurement and Logistics Officer may further re-delegate this authority per VA Financial Policy, Volume XVI, Charge Card Programs, Chapter 01, Government Purchase Card Program, Section 010201 A, dated July 2016.
5. EFFECTIVE DATE. This delegation of authority is effective upon signature and will expire 2 years after the date delegated.



David J. Shulkin, M.D.

**APPENDIX B: VA FORM 0242, GOVERNMENTWIDE PURCHASE CARD CERTIFICATION FORM**

 Department of Veterans Affairs		<b>GOVERNMENTWIDE PURCHASE CARD CERTIFICATION FORM</b>		
<p><b>NOTE:</b> Before the Governmentwide Purchase Card can be issued to the individual cardholder, the following statements must be attested to by the cardholder, approving official, alternate approving official, purchase card coordinator and the delegating authority. Signature on this form certifies that the purchase card will be issued appropriately and the cardholder and approving official understands the adverse actions which may be taken as a result of inappropriate or unauthorized use of the card. Please read and sign the statement below.</p>				
<b>VA PURCHASE CARDHOLDER</b>				
<p><b>CERTIFICATION:</b> I certify that I have read and that I understand the policies and regulations that govern the use of the Governmentwide Purchase Card. I further certify that I will adhere to the policies and regulations governing procurement, and that failure to do so will cause the revocation of the purchase card and delegation of procurement authority.</p>		TYPE NAME OF PURCHASE CARD HOLDER _____		
		SIGNATURE OF PURCHASE CARD HOLDER _____		DATE SIGNED _____
<b>VA APPROVING OFFICIAL STATEMENT</b>				
<p><b>CERTIFICATION:</b> I certify that I have read and that I understand the policies and regulations that govern the use of the Governmentwide Purchase Card and my associated responsibilities as the above cardholder's Approving Official. I further certify that I will adhere to the policies and regulations governing procurement, and that failure to do so will cause the revocation of approving official authority.</p>		TYPE NAME OF APPROVING OFFICIAL _____		
		SIGNATURE OF APPROVING OFFICIAL _____		DATE SIGNED _____
<b>VA ALTERNATE APPROVING OFFICIAL STATEMENT</b>				
<p><b>CERTIFICATION:</b> I certify that I have read and that I understand the policies and regulations that govern the use of the Governmentwide Purchase Card and my associated responsibilities as the above Approving Official. I further certify that I will adhere to the policies and regulations governing procurement, and that failure to do so will cause the revocation of approving official authority.</p>		TYPE NAME OF ALTERNATE APPROVING OFFICIAL _____		
		SIGNATURE OF ALTERNATE APPROVING OFFICIAL _____		DATE SIGNED _____
<b>VA PURCHASE CARD COORDINATOR STATEMENT</b>				
<p><b>CERTIFICATION:</b> The purchase card holder is hereby notified that purchase card refresher training, to include applicable warrant/acquisition training is required every two years, and failure to complete this training will result in the revocation of the purchase card and delegation of procurement authority. I certify that the above named cardholder, approving official and alternate (if applicable), have successfully completed the Department of Veterans Affairs training on the use of the Governmentwide Purchase Card Program and meets the criteria required by Agency policies.</p>		TYPE NAME OF PURCHASE CARD COORDINATOR _____		
		SIGNATURE OF PURCHASE CARD COORDINATOR _____		DATE SIGNED _____
<b>DELEGATION OF AUTHORITY</b>				
<p><b>DELEGATION OF AUTHORITY:</b> Upon completion of the Department of Veterans Affairs (VA) purchase card training course, and signature of the Cardholder, Approving Official(s), and Purchase Card Coordinator, the cardholder named above is hereby delegated authority to procure supplies and services to be paid by the Governmentwide Purchase Card. Without further specific delegation of procurement authority by the delegating authority, the supplies and services procured shall not exceed the micro-purchase threshold amounts according to FAR Part 2.101, for procurement of a single requirement (unless otherwise indicated below) and shall also adhere to the cardholder's monthly spending limit.** Supplies and services procured shall be consistent with the organizational responsibilities and satisfy legitimate VA requirements. All procurements shall be made in accordance with the applicable laws and regulations included but not limited to, the Federal Acquisition Regulation and the VA Acquisition Regulation. This delegation shall automatically terminate upon separation from the agency, reassignment to another office within the agency, or cancellation of the purchase card account by the Approving Official, Program Coordinator, Fiscal Officer, or Delegating Authority.</p>				
TYPE NAME OF DELEGATING AUTHORITY _____		SIGNATURE OF DELEGATING AUTHORITY _____		DATE SIGNED _____
SINGLE PROCUREMENT LIMIT *\$ _____		MONTHLY PROCUREMENT LIMIT **\$ _____		
(If single purchase limit is above micro-purchase threshold) WARRANT NUMBER _____		DATE OF EXECUTION _____	EXPIRATION DATE _____	LIMITS \$ _____
<b>VA LEVEL 1/NATIONAL PURCHASE CARD COORDINATOR</b>				
I have received all of the necessary documentation and processed the request to the servicing bank.				
TYPE NAME OF PURCHASE CARD COORDINATOR _____		SIGNATURE OF PURCHASE CARD COORDINATOR _____		DATE SIGNED _____

VA FORM 0242  
JUN 2016

APPENDIX C: VA FORM 0242c, CONVENIENCE CHECK CERTIFICATION FORM

 Department of Veterans Affairs		<b>CONVENIENCE CHECK CERTIFICATION FORM</b>	
<p><b>NOTE:</b> Convenience checks are a payment and/or procurement tool intended only for use with merchants that do not accept purchase cards. Before the Convenience Check account may be issued to the authorized convenience check account holder, the following statements must be attested to by the convenience check account holder, purchase card coordinator, and the delegating authority. Signature on this form certifies that the convenience check account will be issued appropriately and the convenience check account holder understands the adverse actions which may be taken as a result of inappropriate or unauthorized use of the convenience checks. Please read and sign the statement below.</p>			
<b>VA CONVENIENCE CHECK ACCOUNT HOLDER STATEMENT</b>			
<p><b>CERTIFICATION:</b> I certify that I have read and that I understand the policies and regulations that govern the use of the Convenience Check account. I further certify that I will adhere to the policies and regulations governing procurement, and that failure to do so will cause the revocation of the convenience check account and delegation of procurement authority.</p>			
TYPE NAME OF CONVENIENCE CHECK ACCOUNT HOLDER		JOB TITLE	WORK TELEPHONE NO.
SIGNATURE OF CONVENIENCE CHECK ACCOUNT HOLDER 		DATE SIGNED	NAME OF ORGANIZATION
<b>VA APPROVING OFFICIAL STATEMENT</b>			
<p><b>CERTIFICATION:</b> I certify that I have read and that I understand the policies and regulations that govern the use of the Convenience Check Account and my associated responsibilities as the above account holder's Approving Official. I further certify that I will adhere to the policies and regulations governing procurement, and that failure to do so will cause the revocation of approving official authority.</p>			
TYPE NAME OF APPROVING OFFICIAL		SIGNATURE OF APPROVING OFFICIAL 	DATE SIGNED
<b>VA ALTERNATE APPROVING OFFICIAL STATEMENT</b>			
<p><b>CERTIFICATION:</b> I certify that I have read and that I understand the policies and regulations that govern the use of the Convenience Check Account and my associated responsibilities as the above account holder's Alternate Approving Official. I further certify that I will adhere to the policies and regulations governing procurement, and that failure to do so will cause the revocation of approving official authority.</p>			
TYPE NAME OF ALTERNATE APPROVING OFFICIAL		SIGNATURE OF ALTERNATE APPROVING OFFICIAL 	DATE SIGNED
<b>VA CONVENIENCE CHECK ACCOUNT COORDINATOR STATEMENT</b>			
<p><b>CERTIFICATION:</b> The convenience check account holder is hereby notified that purchase card refresher training is required every two years, and failure to complete this training will result in the revocation of the convenience check account and delegation of procurement authority. I certify that the above named convenience check account holder has successfully completed the Department of Veterans Affairs training on the use of the Governmentwide Purchase Card and Convenience Check account and meets the criteria required by Agency policies.</p>			
TYPE NAME OF PURCHASE CARD COORDINATOR		SIGNATURE OF PURCHASE CARD COORDINATOR 	DATE SIGNED
<b>DELEGATION OF AUTHORITY</b>			
<p><b>DELEGATION OF AUTHORITY:</b> Upon completion of the Department of Veterans Affairs (VA) purchase card training course, and signature of the convenience check account holder, Approving Official and Purchase Card Coordinator, the convenience check account holder named above is hereby delegated authority to procure supplies and services to be paid by the Convenience Check. The supplies and services procured using the Convenience Check shall not exceed the micro-purchase threshold amount according to <a href="#">FAR Part 2.101</a>, for procurement of a single requirement and shall also adhere to the monthly spending limit. Supplies and services procured shall be consistent with the organizational responsibilities and satisfy legitimate VA requirements. All procurements shall be made in accordance with the applicable laws and regulations included but not limited to, the Federal Acquisition Regulation and the VA Acquisition Regulation. This delegation shall automatically terminate upon separation from the agency, reassignment to another office or position within the agency, or revocation of the convenience check account by the Approving Official, Program Coordinator, Fiscal Officer, or Delegating Authority.</p>			
TYPE NAME OF DELEGATING AUTHORITY		SIGNATURE OF DELEGATING AUTHORITY 	DATE SIGNED
<b>VA LEVEL 1/NATIONAL PURCHASE CARD COORDINATOR</b>			
<p>I have received all of the necessary documentation and processed the request to the servicing bank.</p>			
TYPE NAME OF PURCHASE CARD COORDINATOR		SIGNATURE OF PURCHASE CARD COORDINATOR 	DATE SIGNED
<p>NOTES (Per GSA SmartPay Program regarding convenience check, it may NOT be written for purchases above the micro-purchase limits (as defined in FAR section 2.1))</p>			

VA FORM 0242c  
AUG 2016

## APPENDIX D: U.S. BANK RECONCILIATION PROCESS

### D-1 CARDHOLDER PROCESS

The screenshot shows the U.S. Bank Access Online Transaction Management interface. The browser address bar displays `https://access.usbank.com/cpsApp1/USBComServlet`. The page header includes the U.S. Bank logo and "Veteran's Affairs". The main navigation menu on the left lists: Request Status Queue, Active Work Queue, Account Administration, Transaction Management, Transaction List, Data Exchange, Account Information, Reporting, and My Personal Information. The "Transaction Management" section is highlighted with a red box and labeled "1. Select Transaction Management". Below it, the "Transaction List" link is circled in red and labeled "2. Select Transaction List". The "Transaction List" link has a tooltip that reads: "View, review, allocate, reallocate and add comments to transaction information." The footer shows "© 2009 U.S. Bancorp" and "R27.20b8.0 usb col 12".

Transaction Management - Microsoft Internet Explorer provided by Veterans Affairs

File Edit View Favorites Tools Help

https://access.usbank.com/cpsApp1/USBComServlet

Transaction Management

Personal | Business | Institution / Government | About U.S. Bancorp

usbank  
Plus Your Service Guaranteed

Veteran's Affairs

U.S. Bank Access® Online

Transaction Management 1. Select Transaction Management Log Out

Transaction List  
View, review, allocate, reallocate and add comments to transaction information.

2. Select Transaction List

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Transaction Management  
Transaction List  
Manager Approval Queue  
Manager Approval History  
Account Information  
Reporting  
My Personal Information

Transaction Management  
Select an Account Log Out

Please select an account.

Records 1 - 2 of 2

Product Name	Account Number	Account Name
Purchase Card	XXXX XXXX XXXX	Doc, John
Purchase Card	XXXX XXXX XXXX	Doc, John

Records 1 - 2 of 2

Select the account number.

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**U.S. Bank Access<sup>®</sup> Online**

Request Status Queue  
Active Work Queue  
Account Administration  
Transaction Management  
Managing Acct List  
Card Account List  
Transaction List  
Data Exchange  
Account Information Reporting  
My Personal Information

Home  
Contact Us

**Transaction Management**  
Card Account Summary with Transaction List

Product: Purchasing Card  
Card Account Number: \*\*\*\* \*XXXXYXXX John Doe  
Switch Products  
Switch Accounts

Managing Acct List | Card Acct List | Trans List

**[ - ] Card Account Summary**

Account Number: [XXXX]  
Account Name: John Doe  
Billing Cycle Close Date: Open **Search**

Total Transactions: \$2,373.79 5 Final Approved Transactions: \$0.00 0  
Reallocated Transactions: \$0.00 0 % Final Approved Transactions: 0.0% 0.0%  
% Reallocated Transactions: 0.0% 0.0%

Open Account

**[ + ] Search Criteria** [Return to top](#)

**[ - ] Transaction List** [Return to top](#)

Records 1 - 5 of 5  
[Check All Shown](#) | [Uncheck All Shown](#)

Select	Status	Approval Status	Trans Date	Posting Date	Merchant	City/State	Amount	Detail	E+
<input type="checkbox"/>	Pending		03/10	03/11	STRAYER UNIV-MONTGOMERY C	301-5408066, MD	\$1,510.00		
<input type="checkbox"/>	Pending		03/10	03/11	USDA GRADUATE SCHOOL	WASHINGTON, DC	\$150.00	CR	91030011
<input type="checkbox"/>	Pending		03/06	03/10	PROFESSIONAL INTERPRETER	301-7253402, MD	\$260.50		092030618440003
<input type="checkbox"/>	Pending		03/03	03/05	A POMERANTZ & COMPANY	2154082100, PA	\$38.29		313325
<input type="checkbox"/>	Pending		02/24	02/26	MANAGEMENT CONCEPTS INC	503-7909595, VA	\$715.00		000000701885

Disputed Reallocated Trans Detail Level

[Check All Shown](#) | [Uncheck All Shown](#)

Records 1 - 5 of 5

**Select which transactions to view by cycle end date, open, or all. Select search.**

**Scroll to the bottom of the page to view transactions.**

Total Transactions: \$2,373.79 5      Final Approved Transactions: \$0.00 0  
 Reallocated Transactions: \$0.00 0      % Final Approved Transactions: 0.0% 0.0%  
 % Reallocated Transactions: 0.0% 0.0%

[Open Account](#)

---

**[+] Search Criteria** [Return to top](#)

---

**[-] Transaction List** [Return to top](#)

Records 1 - 5 of 5  
[Check All Shown](#) | [Uncheck All Shown](#)

Select	Status	Approval Status	Trans Date	Posting Date	Merchant	City/State	Amount	Detail	€	Purchase ID	Ⓜ
<input type="checkbox"/>		Pending	03/10	03/11	STRAYER UNIV-MONTGOMERY C	301-5408066, MD	\$1,510.00				
<input type="checkbox"/>		Pending	03/10	03/11	USDA GRADUATE SCHOOL	WASHINGTON, DC	\$150.00	CR		91030011	
<input type="checkbox"/>		Pending	03/06	03/10	PROFESSIONAL INTERPRETER	301-7253402, MD	\$260.50			092030618440003	
<input checked="" type="checkbox"/>		Pending	03/03	03/05	A POMERANTZ & COMPANY	2154082100, PA	\$38.29			313325	
<input type="checkbox"/>		Pending	02/24	02/26	MANAGEMENT CONCEPTS INC	503-7909595, VA	\$715.00			000000701885	

[Disputed](#) [Reallocated](#) [Trans Detail Level](#)  
[Check All Shown](#) | [Uncheck All Shown](#)

Records 1 - 5 of 5

[Reallocate](#) [Mess Reallocate](#) [Approve](#) [Pull Back](#)

**1. Click the box(es) to select transaction(s).**

**2. After selecting the transaction(s), select 'approve.'**

**Select 'switch or select approver.'**

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**U.S. Bank Access® Online** ★ Log Out

Request Status Queue  
Active Work Queue  
Account Administration  
Transaction Management  
  Managing Acct List  
  Card Account List  
  Transaction List  
Data Exchange  
Account Information  
Reporting  
My Personal Information

---

Home  
Contact Us

### Transaction Management

#### Approve Transaction(s)

Please select an approver to forward these transaction(s) to or "Cancel" if you do not want to approve / forward these transactions at this time:

\* = required  
 Approver's Name:  [Switch Approver](#)

**Summary of Transactions to be Approved**  
 Number of Transactions: 1  
 Total Dollar Amount: \$38.29

[Approve](#) [Cancel](#)

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### U.S. Bank Access® Online

Request Status Queue  
Active Work Queue  
Account Administration  
Transaction Management  
Managing Acct List  
Card Account List  
Transaction List  
Data Exchange  
Account Information  
Reporting  
My Personal Information

## Approve Transaction(s)

★ Log Out

### Search & Select an Approver

Enter the approvers full or partial name, or leave blank to view all users. Then click the "Search" button.

Last Name:  First Name:

[<< Back to Approve Transactions](#)

Home  
Contact Us

Enter your approving official's first and last names and select search.

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https://access.usbank.com/cpsApp1/USBComServlet

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### U.S. Bank Access® Online

Request Status Queue  
Active Work Queue  
Account Administration  
Transaction Management  
Managing Acct List  
Card Account List  
Transaction List  
Data Exchange  
Account Information  
Reporting  
My Personal Information

## Approve Transaction(s)

★ Log Out

### Search & Select an Approver

Enter the approvers full or partial name, or leave blank to view all users. Then click the "Search" button.

Last Name:  First Name:

Please select an approver from the results list below.

Records 1 - 1 of 1

Select	Approver Name	Email Address
<input checked="" type="radio"/>	Smith, Jane	Jane.P.Smith@va.gov

Records 1 - 1 of 1

Set selection as your default approver

[<< Back to Approve Transactions](#)

Home  
Contact Us

1. Select radio button next to your approver.

2. Click box next to 'set selection as your default approver.'

3. Click on 'select approver.'

Personal | Business | Institution / Government | About U.S. Bancorp

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Veteran's Affairs

**U.S. Bank Access® Online**

★ Log Out

**Transaction Management**  
Approve Transaction(s)

Please select an approver to forward these transaction(s) to or "Cancel" if you do not want to approve / forward these transactions at this time:

\* = required  
Approver's Name:\*  [Switch Approver](#)

**Summary of Transactions to be Approved**  
Number of Transactions: 1  
Total Dollar Amount: \$38.29

Select 'approve.'

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Reporting  
My Personal Information

Request has been successfully completed.

**[-] Card Account Summary**

Account Number:   
Account Name:   
Billing Cycle Close Date:

Total Transactions: \$2,373.79 5 Final Approved Transactions: \$0.00 0  
Reallocated Transactions: \$0.00 0 % Final Approved Transactions: 0.0% 0.0%  
% Reallocated Transactions: 0.0% 0.0%

**[+] Search Criteria** [Return to top](#)

**[-] Transaction List** [Return to top](#)

Records 1 - 5 of 5  
[Check All Shown](#) | [Uncheck All Shown](#)

Select	Status	Approval Status	Trans Date	Posting Date	Merchant	City/State	Amount	Detail
<input type="checkbox"/>	Pending		03/10	03/11	STRAYER UNIV-MONTGOMERY C	301-5408066, MD	\$1,510.00	<input type="button" value="Detail"/>
<input type="checkbox"/>	Pending		03/10	03/11	USDA GRADUATE SCHOOL	WASHINGTON, DC	\$150.00 CR	<input type="button" value="Detail"/>
<input type="checkbox"/>	Pending		03/06	03/10	PROFESSIONAL INTERPRETER	301-7253402, MD	\$260.50	<input type="button" value="Detail"/>
<input checked="" type="checkbox"/>	Approved		03/03	03/05	A POMERANTZ & COMPANY	2154082100, PA	\$38.29	<input type="button" value="Detail"/>
<input type="checkbox"/>	Pending		02/24	02/26	MANAGEMENT CONCEPTS INC	503-7909595, VA	\$715.00	<input type="button" value="Detail"/>

[Check All Shown](#) | [Uncheck All Shown](#)

This indicates the transaction has been approved and sent to AO.

D-2 APPROVING OFFICIAL PROCESS

This screenshot shows the U.S. Bank Access Online home page. The top navigation bar includes links for Personal, Business, Institution / Government, and About U.S. Bancorp. The usbank logo is on the left, and 'Veteran's Affairs' is on the right. Below the logo is the text 'U.S. Bank Access® Online'. A left-hand menu lists several options: Request Status Queue, Active Work Queue, Account Administration, Transaction Management (highlighted with a red box), Data Exchange, Account Information, Reporting, and My Personal Information. Below this menu are links for Home and Contact Us. The main content area features a 'Message from U.S. Bank' with a welcome message and a 'Log Out' link. A red box labeled 'Select Transaction Management' has an arrow pointing to the 'Transaction Management' menu item. The footer contains copyright information for 2009 U.S. Bancorp and version numbers R27.20b8.0 and usb col 12.

This screenshot shows the U.S. Bank Access Online Transaction Management page. The top navigation bar and usbank logo are consistent with the previous screenshot. The left-hand menu lists: Transaction Management (highlighted with a red box), Transaction List, Manager Approval Queue, Manager Approval History, Account Information, Reporting, and My Personal Information. Below this menu are links for Home and Contact Us. The main content area is titled 'Transaction Management' and includes a 'Log Out' link. It contains three sections: 'Transaction List' (View, review, allocate/reallocate and add comments to transaction information.), 'Manager Approval Queue' (View, approve, reject, and reallocate transactions in your approval queue.), and 'Manager Approval History' (View and pull back transactions previously approved by you.). A red box labeled 'Select Manager Approval Queue' has an arrow pointing to the 'Manager Approval Queue' section. The footer contains copyright information for 2009 U.S. Bancorp and version numbers R27.20b8.0 and usb col 12.

The screenshot shows the U.S. Bank Access Online interface for the Manager Approval Queue. The page title is "Transaction Management Manager Approval Queue". The left sidebar contains navigation links: Transaction Management, Transaction List, Manager Approval Queue, Manager Approval History, Account Information, Reporting, My Personal Information, Home, and Contact Us. The main content area has a "Transactions" tab and a search filter section. The search filters include Billing Cycle End Date, Approval Status, Transaction Amount, Cardholder Approver, Last Approver, and Accounting Code Validation Status. There are "Search" and "Reset" buttons. Below the search filters, there is a message: "Please select the transactions you would like to approve, reject or reallocate and click the appropriate button. Note: Reallocation can only be done on the selected transactions on this page, not against all transactions on all pages." A table of transactions is visible at the bottom of the page, with one transaction listed: Pending, 12/18, AMAZON.COM, AMZN.COMBILL, WA, \$213.02. The table has columns for Select, Approval Status, Trans Date, Merchant, City/State, Amount, Detail, Account Number, Cardholder Approver, and Last Approver. Annotations with red arrows point to the "Billing Cycle End Date" dropdown (labeled "Select Cycle end date to view by cycle."), the "Approval Status" dropdown (labeled "Select Pending to view transactions pending approval only."), and the bottom of the page (labeled "Scroll to the bottom of the page to view transactions.").

**Transaction Management**  
Transaction List  
Manager Approval Queue  
Manager Approval History  
Account Information  
Reporting  
My Personal Information

**U.S. Bank Access Online**

**Transaction Management**  
Manager Approval Queue

Trans List | Manager's Queue

Transactions

The following transactions are awaiting your approval. Filter the pending transactions by using any of the search criteria.

Billing Cycle End Date: All  
Approval Status: All  
Transaction Amount: All \$

Cardholder Approver: All  
Last Approver: All

Accounting Code Validation Status: All

Display 25 Transactions per page

Search Reset

Select Pending to view transactions pending approval only.

Select Cycle end date to view by cycle.

Please select the transactions you would like to approve, reject or reallocate and click the appropriate button. Note: Reallocation can only be done on the selected transactions on this page, not against all transactions on all pages.

Home  
Contact Us

Home  
Contact Us

Transactions

The following transactions are awaiting your approval. Filter the pending transactions by using any of the search criteria.

Billing Cycle End Date: 12/23/2008  
Approval Status: Pending  
Transaction Amount: All \$

Cardholder Approver: All  
Last Approver: All

Accounting Code Validation Status: All

Display 25 Transactions per page

Search Reset

Scroll to the bottom of the page to view transactions.

Please select the transactions you would like to approve, reject or reallocate and click the appropriate button. Note: Reallocation can only be done on the selected transactions on this page, not against all transactions on all pages.

If you would like to view or modify specific transaction data, please click on the transaction's approval status, date or accounting code link.

Records 1 - 1 of 1  
Check All Shown | Uncheck All Shown

Select	Approval Status	Trans Date	Merchant	City/State	Amount	Detail	Account Number	Cardholder Approver	Last Approver
<input type="checkbox"/>	Pending	12/18	AMAZON.COM	AMZN.COMBILL, WA	\$213.02	@	XXXX	Doe, John	Doe, John

Trans Detail Level | Reallocated

Check All Shown | Uncheck All Shown

Records 1 - 1 of 1

**1. Click the box(es) to select transaction(s).**

**2. After selecting the transaction(s), if you approve, select 'approve.' If you wish to reject the transaction(s), select 'reject.'**

Please select the transactions you would like to approve, reject or reallocate and click the appropriate button. Note: Reallocation can only be done on the selected transactions on this page, not against all transactions on all pages.

If you would like to view or modify specific transaction data, please click on the transaction's approval status, date or accounting code link.

Records 1 - 1 of 1

Select	Approval Status	Trans Date	Merchant	City/State	Amount	Detail	Account Number	Cardholder Approver	Last Approver
<input checked="" type="checkbox"/>	Pending	12/18	AMAZON.COM	AMZN.COMBILL, WA	\$213.02		XXXX	Doe, John	Doe, John

**Approve** **Reject** **Reallocate** **Mass Reallocate**

---

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**usbank** Veteran's Affairs

**U.S. Bank Access® Online**

Transaction Management  
Managing Acct List  
Card Account List  
Transaction List  
Account Information  
Reporting  
My Personal Information

Home  
Contact Us

**Transaction Management**  
**Approve Transaction(s)**

Please select an approver to forward these transaction(s) to, "Final" if no further approval is needed, or "Cancel" if you do not want to approve / forward these transactions at this time.

\* = required  
Approval Action

Approver's Name:\* [Select Approver](#)

No further approval needed for these transactions

**1. Click on 'no further approval needed for these transactions.'**

Summary of Transactions to be Approved

Number of Transactions: 1  
Total Dollar Amount: \$213.02

**Approve** **Cancel**

**2. Select Approve.**

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The screenshot shows the U.S. Bank Access Online interface for the Manager Approval Queue. The browser address bar displays <https://access.usbank.com/cpsApp1/USBComServlet#viewAnchor>. The page header includes the U.S. Bank logo, the text "Veteran's Affairs", and "U.S. Bank Access® Online". A navigation menu on the left lists options such as "Transaction Management", "Transaction List", "Manager Approval Queue", "Manager Approval History", "Account Information", "Reporting", and "My Personal Information". The main content area is titled "Transaction Management" and "Manager Approval Queue". A message box at the top left of the main area states: "Request has been successfully completed." Below this, there are search filters for "Billing Cycle End Date", "Approval Status", "Transaction Amount", "Cardholder Approver", "Last Approver", and "Accounting Code Validation Status". A "Display 25 Transactions per page" option is also present, along with "Search" and "Reset" buttons. A red circle highlights the success message, and a red arrow points from a text box to it. The text box contains the text: "This confirms the transaction has been final approved and will be removed from the queue."