

Department of
Veterans Affairs

Memorandum

Date: May 28, 2014

From: Executive in Charge, Office of Management, and Chief Financial Officer (004)

Subj: Government Purchase Cardholder Responsibilities (VAIQ#7480373)

To: Under Secretaries, Assistant Secretaries, and Other Key Officials

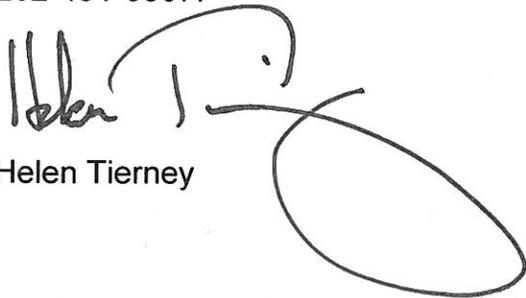
1. In the Office of Inspector General (OIG) "Review of Alleged Unauthorized Commitments Within Department of Veterans Affairs (VA)," dated May 21, 2014, (<http://www.va.gov/oig/pubs/VAOIG-13-00991-154.pdf>), OIG substantiated the allegations that cardholders made unauthorized commitments and VA has not performed ratification actions on identified unauthorized commitments. Unauthorized commitments circumvent acquisition regulations and increase the risk of VA misusing taxpayer funds. Unauthorized commitments occurred due to inadequate warrant information, insufficient verification of cardholder warrant limitations, and insufficient training.
2. All purchase cardholders must ensure that their purchases are in compliance with Federal Acquisition Regulations (FAR) and especially with the exact wording in their warrants. They must use the purchase card for authorized procurement in accordance with Simplified Acquisition Procedures (FAR Part 13 and Veterans Affairs Acquisition Regulations Part 813).
3. Purchase cardholders must also follow VA Financial Policy Volume XVI – Chapter 1, *Government Purchase Card Program* (<http://www.va.gov/finance/docs/VA-FinancialPolicyVolumeXVIChapter01.pdf>) for purchases under the micro-purchase threshold of \$3,000.
4. Purchase cardholders with a single purchase threshold above the micro-purchase limit require authorization and warrant validation from the Office of Acquisition, Logistics, and Construction, and are required to have the necessary acquisition training¹ 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.
5. In an effort to preclude unauthorized commitments and the need for ratification actions, all purchase cardholders, approving officials, and agency/organization program coordinators are required to complete the online *Unauthorized Commitment* training offered in Talent Management System (Course #1701572). Refresher training for this course is required every two years.

¹ Information on training can be found on VA OALC Acquisition Academy Web site (<http://www.acquisitionacademy.va.gov/>).

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6. If you have any questions, please call me or have a member of your staff contact Katherine Palmer, Associate Deputy Assistant Secretary for Financial Policy, at 202-461-6507.

A handwritten signature in black ink, appearing to read "Helen Tierney". The signature is stylized with a large, sweeping loop at the end.

Helen Tierney