

Date 10/21/10



Environmental Management Consolidated Business Center (EMCBC)

Subject: Purchase Card Operating Procedure

Implementing Procedure

 APPROVED: (Signature on File)
 EMCBC Director

ISSUED BY: Office of Contracting Management

1.0 PURPOSE

The purpose of this procedure is to supplement the Department of Energy (DOE) Policy and Operating Procedures for Use of the GSA SmartPay2 Purchase Card http://www.management.energy.gov/documents/AttachmentFlash_2010-58.pdf issued by the Director, Office of Procurement and Assistance Management (OPAM) in June 2010. The purpose of this document is also to issue operating procedures, which are tailored to the specific needs of the EMCBC, for all sites that are supported by the Purchase Card Program Coordinator in Cincinnati, Ohio.

2.0 SCOPE

The Department of Energy Policy and Operating Procedures for Use of the GSA SmartPay2 Purchase Card is the authoritative source of the EMCBC's purchase card policy but, as issued, this document contains a large amount of extraneous information, making frequent consultation impractical. Therefore, this procedure is a distillation of the larger document, containing the information specifically relevant to EMCBC's Purchase Card program.

3.0 APPLICABILITY

All EMCBC and Serviced Sites' employees who hold Purchase Cards or are otherwise involved in the GSA SmartPay2 program must follow the procedures set forth in this document.

4.0 REQUIREMENTS

- 4.1 DOE Acquisition Guide, Chapter 13
- 4.2 Government-wide Commercial Credit Card Service Contract Guide GS-23-FT0002
- 4.3 FAR Subpart 3.104, Procurement Integrity
- 4.4 FAR Part 8, Required Sources of Supplies and Services
- 4.5 FAR Part 12, Acquisition of Commercial Items
- 4.6 FAR Part 13, Simplified Acquisition Procedures

- 4.7 FAR Part 23, Environmental Considerations
- 4.8 EMCBC Green Purchasing Program Description (PD-540-17)

5.0 DEFINITIONS

- 5.1 Approving Official is the individual delegated approval authority by the Head of Contracting Activity who is responsible for reviewing the monthly Statement of Account for each cardholder under his or her purview to ensure that purchases are made in accordance with all regulatory and procedural guidance issued by Headquarters (HQ) and as supplemented by this EMCBC procedure. The approving official may be the cardholder's supervisor or a person located within the cardholder's office at a level of GS-13 or above with sufficient experience to be knowledgeable of Governmental purchases, transactions, and procedures.
- 5.2 Authorizing Official is the Director, Assistant Director, Site Manager or designated official who has been delegated the authority to obligate funds for purposes of making Governmental purchases.
- 5.3 Blanket Letter of Approval is a written authorization issued by an Authorizing Official identifying certain types of purchases that their cardholders may make without seeking their authorization prior to each transaction.
- 5.4 Cardholder is a DOE Federal employee who is issued the DOE Purchase Card, has his or her name embossed on the card and is the sole user and custodian of the card.
- 5.5 Convenience Checks are checks that can be written in lieu of using the purchase card for purchases from merchants who do not accept the purchase card. Convenience checks may only be written if there are no other vendors available who accept a purchase card for payment. Convenience check transactions appear on the cardholder's monthly Statement of Account. There is a convenience check fee equal to 1.5% for each check written.
- 5.6 Finance Official is the individual or individuals who work in the Office of Financial Management who are responsible for allocating funding to the various sites' and office's P-card accounts.
- 5.7 Head of Contracting Activity (HCA) means the official in charge of the purchasing function for the contracting activity at the EMCBC.
- 5.8 Micro-purchase means an acquisition of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold of \$3,000, except for acquisitions of construction subject to the Davis-Bacon Act, the threshold is \$2,000 and for acquisitions of services subject to the Service Contract Act, the threshold is \$2,500. See FAR Subpart 2.101. Definitions. for less commonly used thresholds.
- 5.9 Organizational Program Coordinator (OPC) is the individual who has been delegated by the HCA for managing the purchase card program at the EMCBC.

- 5.10 PCard Log is the online system for each cardholder to input their supplies, equipment, GPO printing, and FedEx/UPS purchases and to obtain authorization.
- 5.11 Split Purchase is the deliberate practice of splitting a transaction into two or more smaller transactions to keep the purchase beneath a cardholder's single purchase limit. If a purchase would exceed a cardholder's single purchase limit, the purchase must be accomplished using other acquisition procedures, as appropriate, and accomplished by the Office of Contracting staff.
- 5.12 Statement of Account or Memo Statement is the paper copy of the cardholder's monthly purchases that is sent from JPMorgan Chase to the cardholder.

6.0 RESPONSIBILITIES

- 6.1 The Head of Contracting Activity (HCA) will:
 - 6.1.1 Designate an individual to serve as the OPC.
 - 6.1.2 Ensure that training on the DOE Purchase Card Program is developed and provided to approving officials, cardholders, the OPC and other responsible individuals.
 - 6.1.3 Ensure that personnel procedures include return of the purchase card in the departing employee's checklist to the OPC for proper destruction and account cancellation.
 - 6.1.4 Consider suspending or terminating cardholder accounts or approving officials if the cardholder does not submit monthly account reconciliations in a timely manner or in accordance with this procedure.
- 6.2 The Organizational Program Coordinator (OPC) will:
 - 6.2.1 Coordinate the approval of delegations for approving officials.
 - 6.2.2 Establish single purchase limits and monthly limits for each cardholder in consultation with the Authorizing Official.
 - 6.2.3 Process applications for new cardholders through JPMorgan Chase Bank.
 - 6.2.4 Arrange or provide training for cardholders and approving officials as needed.
 - 6.2.5 Maintain list of all cardholders, their approving officials, cardholder/ approving official training and purchase limits. If cardholder's purchase limit needs to exceed the micro-purchase threshold, request Contracting Officer (CO) warrant for cardholder through EMCBC, Office of Contracting, Policies and Administrative Support Team.
 - 6.2.6 Maintain copies of cardholder/approving official training certificates and other continuous learning training that OPC coordinated.

- 6.2.7 Perform liaison duties between the cardholder and JPMorgan Chase Bank for issues or conflicts regarding their individual Statement of Account.
 - 6.2.8 Conduct periodic reviews of cardholders' purchases to ensure compliance with regulations, policies, and procedures.
 - 6.2.9 Refer cardholders/approving officials to Authorizing Official for suspension or termination if monthly account reconciliations are not submitted in a timely manner.
 - 6.2.10 Close accounts for cardholders who are terminated or no longer have a need for their purchase card.
 - 6.2.11 Review all individual Statements of Account for proper documentation and signatures.
 - 6.2.12 Distribute purchase card charges and credits to the appropriate accounts in the Vendor Invoice Approval System (VIAS), in coordination with EMCBC, Office of Financial Management.
 - 6.2.13 Notify HCA or Authorizing Official of any problems with individual cardholder accounts.
 - 6.2.14 Prepare the Purchase Card Quarterly Report and submit to the Office of Procurement and Assistance Management through the SmartPay2 Database.
- 6.3 Cardholders will:
- 6.3.1 Certify that the quantity and quality of the items/services furnished are in accordance with the agreement, whether verbal or written, with the vendor.
 - 6.3.2 Ensure that funds are reserved prior to the items being purchased.
 - 6.3.3 Obtain the authorization from their authorizing official prior to the transaction unless the transaction is a purchase covered by a blanket letter of approval previously issued.
 - 6.3.4 Comply with the requirements of FAR Part 8 entitled, "Required Sources of Supplies and Services" and Part 13 entitled, "Simplified Acquisition Procedures," when making purchases using the purchase card.
 - 6.3.5 Maintain physical custody of the DOE Purchase Card at all times. The cardholder must not allow anyone to use the card or account number. A violation of this may require that the card be withdrawn from the cardholder with the possibility of disciplinary action. The cardholder will ensure that the purchase card is kept separate from the Government travel card in order to prevent its accidental use for personal transactions.

- 6.3.6 Not “split” purchases in order to fall within the single purchase limit. If a purchase would exceed a cardholder’s single purchase limit, the purchase must be accomplished using other acquisition procedures (e.g. purchase order through the Office of Contracting).
 - 6.3.7 Save all customer receipts and submit with the monthly Statement of Account.
 - 6.3.8 Review, sign, and date the individual Statement of Account and submit the statement of account with original receipts to the approving official. Completed statement must be submitted to the OPC by the 15th of the subsequent month (e.g. January 27th statement is due to OPC by February 15th).
 - 6.3.9 Immediately report stolen cards to JPMorgan Chase Bank, the approving official, and the OPC.
 - 6.3.10 Inform the vendor that the purchase is tax exempt.
 - 6.3.11 Comply with monetary and activity limits.
 - 6.3.12 Perform follow-up on purchases to ensure items are received prior to processing the individual Statement of Account.
 - 6.3.13 Ensure compliance with property requirements.
 - 6.3.14 Ensure that supplies and services that are purchased with the card are consistent with appropriate guidelines.
 - 6.3.15 Complete training, provide proof of training to the OPC, and maintain a copy of training certificates.
 - 6.3.16 Utilize the mandatory online electronic EMCBC P-card Log at <http://www.emcbc.doe.gov/security/login.php> . For services purchased, the cardholder must obtain authorization through the Strategic Integrated Procurement Enterprise System (STRIPES) p-card module.
- 6.4 Approving Officials will:
- 6.4.1 Ensure that each cardholder has access to the EMCBC operating procedure and understands the requirements for use of the DOE Purchase Card.
 - 6.4.2 Review and approve (sign and date), in a timely manner, cardholders’ Statements of Account ensuring that the statements have supporting documentation and are complete, accurate, and reflect only authorized purchases.

- 6.4.3 Ensure Statements of Account, signed by the cardholder and approving official, are received by the OPC by the 15th of each month for all cardholders under their purview with activity for that month.
- 6.4.4 Complete training, provide proof of training to the OPC, and maintain a copy of training certificates.
- 6.5 Authorizing Officials will:
 - 6.5.1 Select employees to serve as cardholders and notify the OPC.
 - 6.5.2 Review and authorize through the EMCBC P-card Log or STRIPES (for services), prior to purchase, DOE P-card purchases.
- 6.6 Finance Official will:
 - 6.6.1 Ensure that payments to JPMorgan Chase Bank are made in accordance with the Prompt Payment Act (Oak Ridge Payment Office).
 - 6.6.2 Ensure all payments meet the requirements of applicable law and regulations, including determining the availability of appropriations as to purpose for items purchased.
 - 6.6.3 Establish procedures for receiving and verifying the amount of rebates received from JPMorgan Chase Bank and depositing rebate checks received from JPMorgan Chase Bank.
 - 6.6.4 Notify OPC of any problems with individual cardholder accounts or charges on master statement account (Oak Ridge Payment Office).
 - 6.6.5 Ensure funds are allocated in the specific charge categories in VIAS prior to OPC entering individual monthly statement amounts into VIAS.
 - 6.6.6 Obligate funds to each program office and notify Managers who will designate the amounts to their cardholders.
 - 6.6.7 Assist OPC as necessary regarding monthly input of charges to VIAS.
 - 6.6.8 Conduct Annual Purchase Card Review and submit report to the Agency Program Coordinator (APC) prior to January 1st.
- 7.0 GENERAL INFORMATION

The DOE Purchase Card is a VISA commercial purchase card that has a unique numbering system which identifies JPMorgan Chase Bank, that it is a Government card, and the cardholder number. The DOE Purchase Card is not to be used by anyone other than the employee whose name appears on it and shall not be used for personal purchases. JPMorgan Chase Bank will be paid the actual cost of transactions for which the DOE Purchase Card was used. Purchases that have been made using the DOE Purchase Card will be paid in accordance with the Prompt Payment Act. JPMorgan

Chase Bank provides program services support, full reporting, purchase authorization, customer service, and account setup services. Purchases can be returned to the merchant for credit within 60 days after the date on the statement where the item appears as a charge. By accepting the purchase card as payment, merchants also accept this requirement of the contract between the government and JPMorgan Chase Bank. If an item is damaged in shipment, is not what was ordered, or is not acceptable in any way, return the purchase to the merchant and request a replacement item or a credit. Purchases are tax exempt in those states which honor the tax exempt status of the U.S. Government. DOE Purchase Cards are mailed to the cardholders' office. JPMorgan Chase Bank will have no record of the cardholder's home address, personal credit history, or social security number. Employee ID# and service comp date will be used in lieu of social security number and birth date.

8.0 PROCEDURES

8.1 Purchasing Authority

Each cardholder must have purchasing authority evidenced by issuance of a purchase card or a Contracting Officer's Certificate of Appointment. This authority allows the cardholders to use the DOE Purchase Card to purchase goods and services within established single purchase and monthly limits. These limits shall reflect the dollar levels of purchases that the cardholder will be making as part of his or her official duties.

8.2 Conditions for Using the DOE Purchase Card

8.2.1 Purchases accomplished using the DOE Purchase Card must meet the following conditions: (a) the total of a single purchase may comprise multiple items and cannot exceed the authorized single purchase limit; (b) all purchases accomplished using the DOE Purchase Card will be in accordance with FAR Part 8, "Required Sources of Supplies and Services" and FAR Part 13, "Simplified Acquisition Procedures" and this operating procedure; and (c) the supplies or services must be available and received prior to the end of the billing period, except in extenuating circumstances. Items or services not received prior to the end of the billing cycle should not be approved for payment by the cardholder and approving official on the monthly Statement of Account.

8.2.2 FAR 13.301, Government-wide commercial purchase card, states the card may be used to (1) make micro-purchases; (2) place a task or delivery order, if authorized; or (3) make payments, when the contractor agrees to accept payment by the card. Pursuant to FAR 32.1108, the purchase card may be used as a method of payment under certain contracts provided the contract contains a clause authorizing such method of payment through a clause such as that at FAR 52.232-36, Payment by Third Party.

8.3 Personal Property Management and Accountability

- 8.3.1 The EMCBC maintains a personal property management program to maintain adequate inventory controls and accountability systems for all property under its control. A critical element of the personal property management program involves the purchase and receipt of needed items and the recording of the transaction on the formal accountable records of the EMCBC. The acquisition of personal property can be accomplished by a number of methods, including credit card purchases. Examples of personal property include furniture, computer equipment, cameras, calculators, and copiers.
- 8.3.2 Documentation of receipt of personal property must be forwarded to the EMCBC Property Management Team in the Office of Logistics Management. Generally, this responsibility lies with the end user of the property. However, when the end user has acquired the personal property with a credit card and the property is delivered to the cardholder, the cardholder becomes accountable for the property and assumes responsibility for ensuring that the item is recorded in the property management system.
- 8.3.3 All personal property acquired by using the purchase card requires inventory control identification and recording in the personal property management records. Following the purchase and receipt of the personal property, the cardholder will advise the EMCBC Property Management Team in writing (i.e., via e-mail or facsimile) requesting that the equipment/property be recorded. Written confirmation should include the following information:
- a. Cardholder name and for whom it was ordered;
 - b. Brief description of the personal property and location;
 - c. Model number and serial number of the personal property;
 - d. Acquisition value.

8.4 Prohibitions and Restrictions

- 8.4.1 The following are prohibited uses of the DOE Purchase Card:
- a. Cash advances;
 - b. Rental of land or buildings;
 - c. Purchase of software requiring a negotiated license agreement between DOE and the contractor;

- d. Purchase of food, beverages and entertainment, except under special circumstances, generally associated with away from the work place training that must be approved in advance in all cases.
- 8.4.2 The DOE Purchase Card will not be used in lieu of the Government authorized travel charge card.
- 8.4.3 Purchases that utilize third party payment vendors such as PayPal and MyPay are prohibited except with written approval of the Organizational Program Coordinator. Use of such vendors circumvents merchant code blocking, hinders oversight and data mining capabilities, and forfeits dispute rights with JPMorgan Chase Bank.
- 8.4.4 Generally the following items are centrally managed and procured. Check with the other cardholders before using the purchase card to obtain the following:
- a. Messenger services and package delivery services (e.g. FedEx/UPS);
 - b. Office supplies and paper;
 - c. Lease of Government vehicles;
 - d. Building alterations;
 - e. Office moves;
 - f. Carpet installation and repair;
 - g. Printing (commercial printing must be coordinated with the EMCBC Printing Manager and through the Government Printing Office);
 - h. Photocopier equipment;
 - i. Computer equipment; and
 - j. Furniture.
- 8.4.5 Products or services to be furnished by the Federal Prison Industries require formal documentation of market research and analysis in accordance with FAR Subpart 8.6.
- 8.4.6 JPMorgan Chase Bank groups vendors within merchant categories based on their type of business. Should a cardholder need to make a purchase from a vendor in a blocked category, they will need to contact their OPC to clear the purchase with the bank. If recurring transactions need to be made from blocked Merchant Category Codes (MCC) the OPC may

submit a request, with justification, to the APC for approval. See Attachment D for a list of blocked MCC codes.

8.5 Purchases

- 8.5.1 Purchases of goods and services should be made based upon a properly authorized requisition signed by the authorizing official, describing the goods or services to be purchased, the delivery requirements, potential sources, and documentation that funds are available for the purchase. In limited circumstances, as provided by the Authorizing Official, purchases may be authorized without prior review, if a blanket letter of approval has been provided to the cardholder. The goods or services to be purchased shall be those necessary to meet the Government's best value, given cost, schedule, and performance requirements. The costs of the goods or services to be purchased shall be determined to be fair and reasonable.
- 8.5.2 Purchases of services may be made with the purchase card, however, if the nature of the service is subject to the Service Contract Act, refer the matter to the Office of Contracting. Such purchases should be fixed price or fixed hourly rate with a maximum ceiling. If the services are purchased on a recurring basis, consideration should be given to consolidation under a contract. The DOE Purchase Card should not be used unless ordering and delivery of the services can occur within the billing period. The card should not be used to procure services which are subject to the Service Contract Act in an amount of \$2,500 or greater.
- 8.5.3 Purchases of construction may be made with the purchase card only if such purchases do not exceed \$2,000.
- 8.5.4 If the cardholder purchases goods or services directly from a merchant, the merchant should give the cardholder a copy of the charge slip and any other customer receipt. The cardholder must ensure that the charge slip contains full documentation of items purchased. The cardholder is required to save the charge slip and any other receipt for forwarding to the approving official and OPC along with the monthly Statement of Account. In addition, if an item is returned to the merchant and a credit is given, the credit slip should also be saved and attached to the Statement of Account which shows the credit.

8.6 Preparation of Internal Revenue Service Forms for Certain Purchases

Service vendors receiving greater than \$600 annually are issued Standard Form 1099 for those transactions with a copy furnished to the Internal Revenue Service. Since multiple cardholders may order from the same merchant, service transactions, no matter the dollar amount, must be approved through the Strategic Integrated Procurement Enterprise System (STRIPES). When making service purchases the cardholder must obtain the merchant's name, Taxpayer Identification Number (TIN) or Social Security number, address, email address and phone number to set up a vendor Standard Accounting and Reporting System

(STARS) account with the Office of Finance prior to entry into STRIPES. Standard Form 3881 is used to report this information. It is an EMCBC requirement that all services (with very limited exceptions) be approved through STRIPES prior to purchase.

8.7 Telephone Ordering

Care must be taken to ensure that the items are received prior to the end of the billing cycle. Since the Statement of Account will be issued to the cardholders immediately after the end of each billing cycle, the following instructions will apply: (1) telephone ordering should allow enough time for purchases to be delivered within the same cycle; (2) subscriptions may be telephonically ordered and payment authorized although the subscription has not been received by the end of the billing cycle; (3) merchants must agree to not charge the DOE Purchase Card account number until the shipment is made; and (4) cardholders must instruct the merchant to include the cardholder name, cardholder telephone number, and shipping address on the shipping document or packing slip.

8.8 Oral Purchases (including Telephone Orders) and Mail Order Purchases

8.8.1 Oral purchase and mail order purchases to acquire supplies or services may be accomplished using the DOE Purchase Card provided that (1) the supplies or services can be described in sufficient detail so that the parties have a clear understanding of what is required; and (2) the amount of the purchase is \$3,000 or less (the micro-purchase threshold).

8.8.2 As used in this operating procedure, oral purchasing means a procedure whereby an order is placed using the purchase card through a verbal agreement which is made in person or via telephone. The cardholder verbally places the order, the vendor supplies the items or services requested by the cardholder, and payment is made to the merchant using the purchase card.

8.8.3 When an order is placed via telephone using the purchase card, the cardholder will:

- a. Notify the vendor that the purchase is tax exempt. Should a vendor refuse to acknowledge the tax exempt status of the purchase, the ultimate recourse for the cardholder is to inform the vendor that the Government's purchase will be taken elsewhere. If necessary, give the merchant the tax exemption number "4700" as the United States Government's tax exemption number.
- b. Ensure that the items or service being acquired will be received by the end of the billing cycle. Items or services not received prior to the end of the billing cycle may not be approved for payment by the cardholder and approving official on the monthly Statement of Account. Therefore, the cardholder should confirm that the vendor agrees not to charge the purchase card until shipment is made so

that the receipt of supplies may be certified on the monthly Statement of Account. NOTE: Subscriptions may be telephonically ordered and payment authorized even though the subscription has not been received by the end of the billing cycle.

- c. Ensure the price quoted represents the full obligation of the Government for the item or service acquired. Cardholders need to ensure that the prices quoted represent the total price to the Government, including shipping charges, packaging, etc., to avoid future billing and payment problems.
- d. Instruct the vendor to include the cardholder name, cardholder telephone number, and shipping address on the shipping document or packing slip. This information will alert the receiving individuals that the supplies have been purchased with the purchase card.

8.9 Reservation/Obligation of Funds

An initial reservation and obligation will be made by the Budget Team, Office of Financial Management after consensus between the Assistant Directors/Site Managers and the Chief Financial Officer and will be based on the individual organization's budget. A Miscellaneous Purchase Order is established in STARS for the purpose of VIAS cost distributions for items other than services. The authorizing official will be responsible for ensuring their cardholders' purchases are authorized and are within their office's budget. In the case of changing budget needs (increase or decrease to the baseline budget or a change of object class within the budget) a request will be submitted to the Office of Financial Management for fund certification and obligation prior to the cost distributions in VIAS. Purchases not associated with a specific organization will be approved and tracked by the Office of Financial Management.

8.10 Card Abuse

Use of the card for other than official Government business may be considered as an attempt to commit fraud against the U.S. Government and may result in immediate cancellation of the card and disciplinary action against the cardholder under applicable Departmental or Government-wide administrative procedures. Suspected fraudulent misuse should be reported to the Office of Inspector General and the Organizational Program Coordinator. The cardholder will be personally liable to the Government for the amount of any unauthorized purchases and possible subjection to a fine of not more than \$10,000 or imprisonment for not more than five (5) years or both under 18 U.S.C. 287.

8.11 Reporting

At the end of the billing cycle, cardholders will receive an individual Statement of Account showing all purchases and credits processed by JPMorgan Chase Bank during the billing cycle. Oak Ridge Finance Office will receive a consolidated

statement of all purchases and credits applicable to all EMCBC cardholders from JPMorgan Chase Bank.

8.12 Review Process

8.12.1 Each monthly Statement of Account must be reviewed and approved, in a timely manner, by both the cardholder and the approving official. Upon receipt of the statement from JPMorgan Chase Bank, the following will be performed:

8.12.2 Cardholders will:

- a. Reconcile the Statement of Account with their mandatory on-line PCard Log (for non-services) and STRIPES (for services), copies of charge/credit slips and any other customer receipts, and certify that the supplies and services are in accordance with the orders that were placed.
- b. Retain any charge/credit slips and customer receipts for purchases not listed on the Statement of Account for the next billing cycle.
- c. Document statement errors with an explanation using the JPMorgan Chase Bank on-line system, PaymentNet.
<https://gov1.paymentnet.com/>
- d. If the cardholder does not have a customer copy of the charge/credit slip, the cardholder will mark the word “lost” over the date of purchase column on the Statement of Account and attach an explanation. If a charge slip is lost, ask the merchant for a copy. If the cardholder is on travel or leave, efforts should be made to review statements prior to the planned travel or leave.
- e. Write on the Statement of Account (over the item) the STRIPES-generated order number for any services that are charged to their account.
- f. Certify the receipts and accuracy of all purchases by signing and dating the Statement of Account.
- g. Forward the reconciled Statement of Account, charge/credit slips, other customer receipts, and the Monthly Purchase Card Charge Information Form (Attachment B), to the approving official. Cardholders need to allow sufficient time for approval from the approving official to ensure receipt by the OPC on or before the 15th of the month.
- h. Submit signed and approved Statement of Account to the OPC to ensure receipt by the OPC by the 15th of the month following statement receipt.

8.12.3 Approving Official will:

- a. Review the individual cardholder's Statement of Account for accurate reconciliations and supporting documentation.
- b. Obtain any other necessary information not originally supplied by the cardholder, if necessary. Approving official should check P-card online system to ensure proper authorizations are being obtained.
- c. Approve by signing and dating the reconciled Statements of Account for all cardholders under their purview who had activity for the month.
- d. Return approved statement to cardholder for submission to the OPC by the 15th of the month.

8.12.4 Organizational Program Coordinator will:

- a. Review individual cardholder statements to ensure signatures and approvals are in place.
- b. Ensure supporting receipts are attached.
- c. Ensure authorizations are being obtained online.
- d. Follow-up with JPMorgan Chase Bank, as necessary, for any disputes identified.
- e. Reconcile individual cardholders' statements with the amounts that have been entered into VIAS.
- f. Disputed items should be recorded under the "Clearance" PO# GPCEMJPMC in VIAS.
- g. Disputed items put under the Clearance PO# in VIAS need to be resolved prior to year end by crediting the amount in dispute in the Clearance PO# and charging it to the correct charge category.

8.12.5 Finance Official will:

- a. Ensure that Oak Ridge Finance Office inputs information from individual cardholder accounts into VIAS.
- b. Ensure that funds are obligated into individual program and site accounts charge categories and STRIPES (for services) such that when cardholder charges are entered in VIAS (by the Organizational Program Coordinator) there is funding available.

- c. Assist Organizational Program Coordinator, as necessary, to ensure charges are correctly input into VIAS.
- d. Ensure that the individual accounts are reconciled with the consolidated master statement account (Oak Ridge Payment Office).
- e. Make payment to JPMorgan Chase Bank in accordance with the Prompt Payment Act (Oak Ridge Payment Office).
- f. Ensure all payments meet the requirements of applicable law and regulations, including determining the availability of appropriations as to purpose for items purchased.

8.13 Billing Errors and Disputes

- 8.13.1 If a cardholder receives a statement that lists a transaction for an item or service that has not been received, or represents an unauthorized charge, the cardholder will notify the OPC. The dispute must be made through the JPMorgan Chase Bank online system, PaymentNet, either by the cardholder or the OPC. Item in dispute should be identified on the monthly Statement of Account by writing “disputed” across the item. JPMorgan Chase Bank should respond in writing and credit the transaction until the dispute is resolved. JPMorgan Chase Bank will assist in reconciling the questioned item only if the dispute is filed within 90 calendar days from the date that transaction has posted to the Statement of Account. However, it is the responsibility of the cardholder to make every effort to resolve errors, discrepancies and disputes. When necessary, maximum efforts should be made to initiate a dispute with JPMorgan Chase Bank as soon as possible.
- 8.13.2 If items purchased with the purchase card are found to be defective, the cardholder has the responsibility to obtain replacement or correction of the item as soon as possible. If the merchant refuses to replace or correct a faulty item, then the purchase of the item will be considered in dispute. Items in dispute are handled in the same manner as billing errors in that disputed items are reported using the JPMorgan Chase online system. The 90-day period applies to defective items as well as questioned items.

8.14 Departure of Employees

- 8.14.1 If a cardholder’s employment is ending (e.g. resignation, retirement), the DOE Purchase Card should be destroyed prior to the release date. Personnel procedures should ensure that the card is returned to the OPC for proper destruction (in the departing employee’s checklist). The OPC will ensure that the cardholder’s account is cancelled with JPMorgan Chase Bank. The cardholder’s Contracting Officer warrant, if applicable, will also be cancelled at that time.

8.14.2 If a cardholder is transferring to another position at the EMCBC, a determination will be made by the authorizing official as to whether the DOE Purchase Card is necessary in the new position. The cardholder's authorizing official should notify the OPC in a timely manner as to the decision that is made. If it is determined that the purchase card should not be retained by the cardholder, the purchase card should be returned to the OPC for proper account cancellation and card destruction.

8.15 Utilization of Small Business

FAR Part 13, Simplified Acquisition Procedure, prescribes that acquisition of supplies and services of an anticipated dollar value of \$3,001 through \$100,000 will be reserved exclusively for small business concerns. Only when there is no reasonable expectation of obtaining goods or services from two or more responsible small business concerns that will be competitive in terms of market price, quality, and delivery, may the purchase be made from a large business. Each such purchase will be appropriately documented.

8.16 Competition

Purchases not exceeding \$3,000 are called "micro-purchases" and may be made without securing competitive quotations if the cardholder considers the prices obtained from a single source to be reasonable. Purchases made without securing competition will be distributed among qualified suppliers by means of rotating recurring purchases among vendors. If a purchase recurs frequently, consideration should be given to consolidating the requirements to obtain quantity discounts. For assistance, contact the OPC or Office of Contracting.

8.17 Micro-purchases under the DOE Purchase Card Program

FAR 13.201 is to be used for acquiring products and services valued at or below the micro-purchase threshold. The primary objective of micro-purchases is to dramatically simplify the method in which Government officials can acquire low-dollar value products and services. Key streamlining features of the micro-purchase program are that (1) purchases may be made without securing competitive quotations if it is determined that the price for the purchase is reasonable, however, noncompetitive micro-purchases should be equally distributed among qualified vendors, i.e., if there are multiple merchants and a recurring requirement, rotate the award among the merchants, and (2) purchases are exempt from the provisions of the Buy American Act and the small business set-aside provisions of the Small Business Act. The mandatory sources described in Section 8.23 of this operating procedure apply to micro-purchases. In addition, all other requirements contained in this operating procedure apply to micro-purchases made with the DOE Purchase Card.

8.18 Procurement Integrity Requirements for Federal Employee Purchase Cardholders

8.18.1 FAR Subpart 3.104 implements the Federal Government's policy related to conduct and procurement activities of Federal employee procurement

officials. For the purposes of these procedures, purchase cardholders are considered procurement officials. This applies to the cardholder's authorizing officials to the extent that the authorizing official had personal and substantial participation in a purchase card transaction.

8.18.2 During the conduct of any Federal agency procurement, including purchase card transactions, of property and services, no procurement official will knowingly:

- a. Solicit or accept, directly or indirectly any promise of future employment or business opportunity from, or engage, directly or indirectly, in any discussion of future employment or business opportunity with any officer, employee, representative, agent, or consultant of a competing contractor.
- b. Ask for, demand, exact, solicit, seek, accept, receive, or agree to receive, directly or indirectly, any money gratuity, or other thing of value from any officer, employee, representative, agent, or consultant of any competing contractor for such procurement; or
- c. Disclose any proprietary or source selection information regarding such procurement directly or indirectly to any person other than a person authorized by the head of such agency or the contracting officer to receive such information.

8.19 Acquisition Regulation

The Federal Acquisition Regulation applies to card purchases. See FAR Subpart 3.104, FAR Part 8, FAR Part 12, FAR Part 13 and FAR 23.

8.20 Program Support

The Office of Contracting and the Office of Financial Management will provide full program support and assistance to cardholders and approving officials. Each of these offices will identify staff members who can assist cardholders and resolve problems that may be encountered.

8.21 Head of Contracting Activity Reviews

The HCA is responsible for the conduct of an effective and efficient acquisition program. Accordingly, purchase cardholders and approving officials are responsible for the card purchases in accordance with this operating procedure. The HCA should conduct and document annual reviews of cardholder records to determine the extent of adherence to prescribed procedures, guidelines, policies, regulations, and good management practices, and to identify any need for improvement, guidance and/or training. Annual reviews should include an assessment of the appropriateness of transaction dollar limitations as well as a validation of the need for the account based upon usage (e.g. no transactions within the past six months). A copy of the annual review shall be forwarded to

the Agency Program Coordinator located at HQ no later than January 1st. If purchases are at significantly lower levels, lower spending limitations should be considered. Attachment C provides a review checklist that should be used in conducting this annual review. Additionally, the OPC should conduct periodic oversight reviews to identify any seemingly abnormal purchases so that they may be promptly reviewed and any problems resolved.

8.22 U.S. Government Tax Exempt Purchases

8.22.1 Each DOE Purchase Card is embossed with the notice “U.S. Government Tax Exempt.” The cardholder must inform the merchant prior to placing the telephone order or making an over-the-counter purchase, that the purchase is exempt from all state or local taxes, including sales taxes. To the extent that the merchant does not initially acknowledge that DOE Purchase Card purchases are exempt from state and local taxes, the cardholder will specifically instruct the merchant that the Government-wide card provides that all card purchases will be exempt from state and local taxes. In addition, FAR Subpart 29.302, “Application of State and local taxes to the Government” states that purchases and leases made by the Federal Government are immune from state and local taxation. FAR Subpart 29.305, “State and local tax exemptions,” states that evidence of exemption from state and local taxes includes copies of purchase orders, shipping documents, purchase card imprinted sales slips, paid or acknowledged invoices, or similar documents that identify an agency of the U.S. as the buyer.

8.22.2 Each state has provided GSA a tax exemption letter discussing its statutes in this area. They are available at: http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA_BA_SIC&contentId=13558&noc=T The U.S. Tax Exemption Certificate is no longer used for micro-purchases. Employer Identification Number can be furnished to merchants as evidence of tax exemption.

8.23 Mandatory Sources

8.23.1 Cardholders are subject to the regulatory requirements contained in FAR Part 8, “Required Sources of Supplies and Services”. By law, the AbilityOne Program, previously known as the Javits-Wagner-O’Day (JWOD) Act Program, is a mandatory source program for the Federal Government. The program is designed to promote the socioeconomic goal of generating employment and training opportunities for persons who are blind or who are otherwise severely disabled. The JWOD program carries the highest socioeconomic priority involving Federal acquisition in that no other provisions of the FAR permits exception to the mandatory nature of JWOD products and services provided by the National Industries for the Blind (NIB) and NISH nonprofit agencies. Purchase cardholders are prohibited from acquiring supplies equivalent to AbilityOne items from other sources, including discount office supply stores and firms supplying

Federal agencies under consolidated office supply contracts except as provided in Section 8.24 below.

8.23.2 Federal Prison Industries (FPI), also known as Unicor, is a mandatory source for items listed in the FPI schedule at <http://www.unicor.gov> but purchases from Unicor require special analysis. Before procuring from Federal Prison Industries, cardholders should consult with the Office of Contracting.

8.24 Office Supplies and AbilityOne

8.24.1 Under the provision of the Javits-Wagner-O'Day Act, AbilityOne contractors are the exclusive distributors of AbilityOne office supplies with the following ordering options:

8.24.2 www.jwod.com This is AbilityOne's on-line system for ordering next-day delivery of thousands of Skilcraft and other AbilityOne products. This is the recommended ordering option for purchase cardholders using the purchase card as the most convenient and efficient method of purchasing office supplies.

8.24.3 AbilityOne's Corporate Single Award Schedule (NIB/NISH). This schedule offers a variety of office supplies that includes computer paper, writing instruments and desk supplies.

8.24.4 GSA Advantage On-Line Shopping Service. This internet site (<http://www.gsaadvantage.gov>) allows customers to browse, search, and review prices and delivery options before placing an order on the internet. GSA's National Help Line at 800-488-3111 will answer questions and refer you to local AbilityOne Program assistance through Customer Service Directors in each state.

8.25 Complex-Wide Strategic Sourcing Opportunities

Strategic Sourcing acquisition instruments are available on the DOE Procurement Home Page for use by all DOE activities. Hypertext links are provided so you can examine each instrument and then the "Schedule" to determine what is available and at what price. An activity can easily be placed against the contract by following the Ordering Procedures linked under each instrument. The ordering procedures are located at <http://www.management.energy.gov/1503.htm>.

8.26 Qualifications and Training Requirements for Purchase Cardholders

8.26.1 FAR Subpart 1.603-3 Appointment, states that contracting officers shall be appointed in writing on Standard Form (SF) 1402, Certificate of Appointment, stating any limitations on the scope of authority to be exercised. The SF 1402 shall be used to evidence the contracting officer appointment for delegation of purchase cardholders exceeding the micro-purchase authority (i.e., above \$3,000). A Certificate of Appointment is

not required for cardholders exercising only micro-purchase authority. In accordance with DOE Order 361.1B, Acquisition Career Management Program, in the following sections are the training and experience required for purchase cardholders.

8.26.2 Minimum training requirements for all purchase cardholders:

- a. All cardholders should receive training on the DOE Purchase Card Program arranged for or presented by the OPC. This should include self study of this operating procedure and instruction on the PCard Log on-line system.
- b. GSA SmartPay2 Purchase Card Program, a four-hour online training course addressing responsible use of the purchase card at <http://fss.gsa.gov/webtraining/trainingdocs/smartpaytraining/index.cfm>
- c. One-hour training entitled “Affirmative and Environmentally Preferable Procurement Training for Purchase Card Users and Approving Officials” available at <http://www.hss.doe.gov/pp/epp/library/epp-training-P-Card-rev.ppt>
- d. STRIPES P-card training through <http://moodle/>
- e. 16 hours of continuous learning every two years.

8.26.3 Recommended training for micro-purchase cardholders:

One-day Government-wide Purchase Card course available from the GSA Interagency Training Center; USDA Graduate School, Management Concepts, Inc., and other training centers.

8.26.4 Additional Requirements (in addition to the above four (4) requirements) for cardholders with single purchase limit exceeding \$3,000 through \$25,000:

- a. At least six months of experience as a cardholder at the micro-purchase threshold
- b. Training course of at least 16 hours on simplified acquisition techniques, including market research, competition, commercial item purchasing, best value source selection, and socioeconomic procurement programs. This training may be waived by the HCA for experienced cardholders who have acquired experience equivalent to this training.

8.27 Approving Official Training

- 8.27.1 All approving officials should receive training on the DOE Purchase Card Program arranged for or presented by the Organizational Program Coordinator. This should include self study of this operating procedure and instruction on the P-card online system.
- 8.27.2 GSA SmartPay2 Purchase Card Program, a four-hour online training course addressing responsible use of the purchase card at <http://fss.gsa.gov/webtraining/trainingdocs/smartpaytraining/index.cfm>
- 8.27.3 One-hour training entitled Affirmative and Environmentally Preferable Procurement Training for Purchase Card Users and Approving Officials available at <http://www.hss.doe.gov/pp/epp/library/epp-training-P-Card-rev.ppt>
- 8.27.4 Biennial refresher training will be provided with a certification that approving officials have read and understand the EMCBC DOE Purchase Card Operating Procedure.

8.28 Qualification Standards for Organizational Program Coordinator

Individuals appointed as the EMCBC OPC shall be experienced contracting personnel. The OPC must be working toward Contracting Level I Certification although Level II is preferred. The OPC must complete the GSA Smart Pay2 and Affirmative Procurement Training referenced above. In addition, the OPC is expected to attend the Annual GSA SmartPay2 Training Conference. The OPC is also expected to participate in recurring telephone conference calls which will be scheduled by the Agency Program Coordinator. Cardholders, Approving Officials, and the OPC have a one-year period to complete any new training requirements.

8.29 Lost or Stolen Cards

- 8.29.1 If the purchase card is lost or stolen, it is the responsibility of the cardholder to notify the Organizational Program Coordinator, the approving official and JPMorgan Chase Bank as soon as practicable at the following telephone number 24 hours/day:
- a. Inside the continental United States: 1-888-297-0781
 - b. Outside the continental United States: call collect 1-847-488-4441
- 8.29.2 The cardholder should identify the date and location of the loss, the date and time JPMorgan Chase Bank was notified, any purchases made on the day the card was lost/stolen, and any other pertinent information.
- 8.29.3 A new card will be mailed within two business days of the loss or theft. A card that is subsequently found should be given to the OPC and destroyed.

8.30 Unauthorized Use

The Government will not be liable for any unauthorized use of the card. “Unauthorized use” means the use of the purchase card by a person other than the cardholder, who does not have actual, implied, or apparent authority for such use, and from which the cardholder receives no benefit. A cardholder who makes unauthorized purchases or carelessly uses the card may be liable to the Government for the total dollar amount of unauthorized purchases made in connection with the intentional or negligent use of the card. In addition, the cardholder may be subject to disciplinary action for unauthorized or negligent use of the card, including fines or imprisonment, pursuant to Title 18 U.S.C. 287.

8.31 Affirmative Procurement: Recycled, Biobased and Energy Efficient Products

- 8.31.1 This section discusses Government practices for maximizing the purchase of recycled, biobased, and energy efficient products. Section 6002 of the Resource Conservation and Recovery Act and Executive Order 13423, “Strengthening Federal Environmental, Energy, and Transportation Management” require Federal agencies to develop Affirmative Procurement Programs.
- 8.31.2 The U.S. Environmental Protection Agency (EPA) is responsible for designating items that are or can be made with recovered materials. EPA-designated items are listed in 40 CFR 247 “Comprehensive Guideline for Procurement of Products Containing Recovered Materials” (CPG). In addition, EPA’s Recovered Materials Advisory Notice provides recovered material content ranges for designated items. EPA’s home page for this topic is <http://www.epa.gov/epaoswer/non-hw/procure/index.htm> One hundred percent of an agency’s purchases of EPA-designated items are to contain recovered materials unless written justification is provided that the recycled item does not meet performance, availability, competition, or price criteria.
- 8.31.3 The U.S. Department of Agriculture has identified numerous biobased products which have preference for purchases (7 CFR Part 2902). If a product is offered in both recycled and biobased varieties, the recycled product takes precedence over the biobased product. The Department of Agriculture website for USDA-designated items is <http://www.biobased.oce.usda.gov>
- 8.31.4 Executive Order 13423 requires, among other things, in agency acquisitions of good and services (1) the use of sustainable environmental practices, including acquisition of biobased, environmentally preferable, energy efficient, water efficient, and recycled-content products, and (2) the use of paper of at least 30 percent post-consumer fiber content.
- 8.31.5 Executive Order 13423 also requires that the agency ensure that (1) when acquiring an electronic product to meet its requirements, it meets at least 95% of those requirements with an Electronic Product Environmental

Assessment Tool (EPEAT)-registered electronic product, unless there is no EPEAT standard for such product, (2) it enables the Energy Star feature on agency computers and monitors, (3) it establishes and implements policies to extend the useful life of agency electronic equipment, and (4) it uses environmentally sound practices with respect to disposition of agency electronic equipment that has reached the end of its useful life.

8.31.6 FAR, Subpart 23.4 requires that all Federal agencies with purchases (including micro-purchases) exceeding \$10,000 (agency-wide) implement an Affirmative Procurement Program for EPA and USDA-designated items. The EMCBC Green Purchasing Program Description (PD-540-17) outlines the responsibilities and implementation of this program.

8.32 Convenience Checks

- 8.32.1 JPMorgan Chase Bank will furnish convenience checks upon request. These may be used for purchases from merchants who do not accept the purchase card and the supplies or services are not available from another vendor who does accept the purchase card. When a purchase is made with a convenience check, the check value will be treated as a charge against the cardholder's account. There is a charge of 1.5% of the face value of each check processed. Cardholders are to manage such checks in the same manner as they do card purchases, i.e., reservation of funds, authorization from authorizing official, documentation, maintenance of receipts, and Statement of Account reconciliation. Cardholder individual purchase limits are the same for convenience checks as for card transactions. However, convenience checks written in excess of \$3,000 must receive prior approval from the OPC and shall never exceed \$10,000.
- 8.32.2 The purchase card is the preferred method for completion of micropurchases. When considering the use of convenience checks, the total cost to the Government, including the 1.5% fee, should be included in determining which method is the best value for the Government. If there is another merchant from whom the transaction could reasonably be completed then that method might offer a better value than utilizing the convenience check.
- 8.32.3 Convenience checks shall not be written to cash, to the account holder, or to other employees. Cardholders must maintain a Convenience Check Log which must include the check number, merchant name, merchant tax I.D., the item purchased, the dollar amount of the purchase, the dollar amount of the check fee, and the total cost.
- 8.32.4 Convenience Check Account Establishment: Within 10 calendar days after receipt of a task order issued in accordance with the terms and conditions of the JPMorgan Chase Bank contract, JPMorgan Chase Bank shall contact the Agency Program Coordinator or OPC to discuss implementation procedures.

8.32.5 Convenience Check Inventory Replenishment: JPMorgan Chase Bank shall provide inventory replenishment by automatic replenishment, toll free or collect telephone reorder capability, or 24-hour replenishment when requested by the OPC.

8.33 Electronic and Information Technology (EIT)

This section implements Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. Title 794d) and the Architectural and Transportation Barriers Compliance Board Electronic and Information Technology (EIT) Accessibility Standards (36 CFR 1194). Further information on Section 508 is available at <http://www.section508.gov> When acquiring EIT, cardholders should be aware that agencies must ensure that:

8.33.1 Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who do not have disabilities.

8.33.2 Members of the public with disabilities seeking information or services from an agency have access to and use of information and data that is comparable to the access and use by members of the public who do not have disabilities.

8.33.3 When cardholders acquire EIT they should ask whether the equipment users may have disabilities such that special features may be required and ask the vendor if the equipment they plan to provide will afford equal access for those with disabilities.

8.34 Debarment and Suspension

There is a formal system by which contractors and individuals may be excluded from eligibility for Federal procurement or assistance programs in case of certain serious offenses. The Excluded Parties List System is available at <http://epls.arnet.gov>. Purchases are not to be made from parties on the list. A merchant's name may be entered to ensure that the merchant is not on the list.

8.35 SmartBuy Program and Information Technology

8.35.1 SmartBuy is a Government-wide enterprise software licensing initiative established to maximize the buying power of the Government and decrease the cost of widely used commercial software. The requisitioner/user must check <http://www.smartbuy.nsw.gov.au/smartbuy-solutions.html> to see if they need to buy on the list of SmartBuy agreements in place and annotate the purchase request accordingly. If there is an agreement in place, the cardholder must purchase in accordance with that agreement. If the required software is not available under the existing SmartBuy agreement, the requirement shall be processed internally under normal local procedures. Waivers will need to be obtained from the CIO and GSA for any pending agreements. For further

information contact Cuttie Bacon, OCIO at cuttie.bacon@hq.doe.gov or (202)586-2000, and be sure and check the website periodically for current actions and related guidance.

- 8.35.2 Cardholders should ensure Information Technology systems and products are able to receive, process, and transmit or forward IPv6 packets and should interoperate with other systems and protocols in both IPv4 and IPv6 modes of operation.

9.0 RECORDS MAINTENANCE

All cardholders must keep complete and accurate records of their purchases in accordance with this operating procedure. This shall include evidence of requests, authorizations, and receipts for any property, supplies, or services purchased using their purchase card. All documentation must be included with the monthly Statement of Account and will be filed centrally in the Office of Contracting, EMCBC, Cincinnati, Ohio. Authorizations must be obtained via the EMCBC PCard Log online system or STRIPES; therefore, need not be attached to the monthly Statement of Account. However, it is expected that such authorizations will be obtained electronically by the cardholder and may be reviewed by the approving officials, OPC, or any other individuals with auditing authority in the EMCBC or HQ.

10.0 FORMS USED

- 10.1 Attachment B, Monthly Purchase Card Charge Information Form, IP-412-01-F1

11.0 ATTACHMENTS

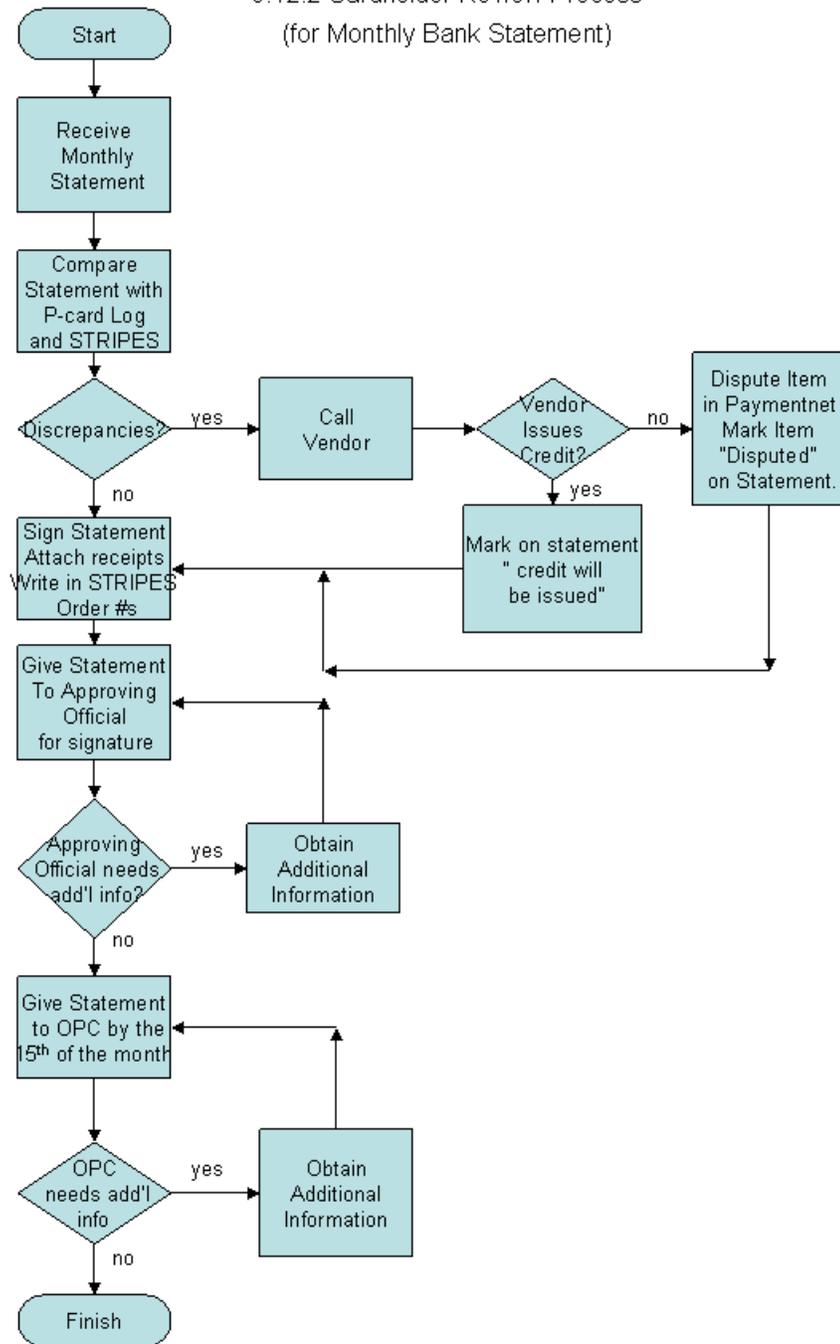
- 11.1 Attachment A, Approving Official Delegation Memorandum
- 11.2 Attachment B, Monthly Purchase Card Charge Information Form, IP-412-01-F1
- 11.3 Attachment C, Review Checklist for Annual Review and Self Assessment Guide
- 11.4 Attachment D, Blocked Merchant Category Codes
- 11.5 Attachment E, Links

12.0 FLOWCHART

Purchase Card Operating Procedure (IP-412-01)

8.12.2 Cardholder Review Process

(for Monthly Bank Statement)



Attachment A

United States GovernmentDepartment of Energy
Consolidated Business Center**memorandum**

DATE: FEB 17 2010

REPLY TO: EMCBC:BAHAN EMCBC-00308-10
ATTN OF:

SUBJECT: **DELEGATION OF PURCHASE CARD (P-CARD) APPROVAL AUTHORITY
TO APPROVING OFFICIALS**

TO: Patricia Brechlin, P-Card Program Coordinator, EMCBC

This memorandum rescinds EMCBC-0959-09, Delegation of Purchase Card (P-Card) Approval Authority to Approving Officials, dated September 15, 2009.

In accordance with the Department of Energy Acquisition Guide Chapter 13 "Policy and Operating Procedures for the Use of the GSA Smartpay2 Purchase Card", and Policy Flash 2009-08 dated November 28, 2008, I hereby delegate approval authority to the following Approving Officials:

Bryan Bower/Craig Rieman (Alternate) – West Valley Demonstration Project
John Rampe/Steven Feinberg (Alternate) – Separations Process Research Unit (SPRU)
Lynette Chafin/David Hess (Alternate) – EMCBC
Philip Pipes– PPPO (Lexington)
David Hoffer/Art Welton (Alternate) – Carlsbad Field Office
Richard Schassburger/John Lee (Alternate)/Kevin Bazzell (Alternate) – Oakland Projects Office
Reinhard Knerr – PPPO (Paducah)
Robert Everson – Denver
James Klein- PPPO (Portsmouth)
Don Metzler – Grand Junction/Moab Project Office

In order to conduct an effective and efficient acquisition program, monthly oversight reviews of cardholder records will be conducted by the EMCBC P-Card Program Coordinator to ensure adherence to P-Card policy and procedures, and to identify the need for improvement and/or training. Additionally, the EMCBC will conduct annual reviews to assess appropriateness of transaction dollar limitation and validation of the need for the P-Card account.

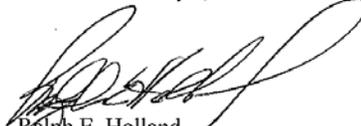
Patricia Brechlin

- 2 -

EMCBC-00308-10

Approval Authority as delegated herein will remain in effect until rescinded in writing.

Please contact Karen Bahan, Lead Procurement Analyst, at 513-246-0555, if further information is needed.



Ralph E. Holland
Assistant Director
Office of Contracting

cc:

Robert Everson, EMCBC
Karen Bahan, EMCBC
Patricia Brechlin, EMCBC
Lynette Chafin, EMCBC
Derrick Franklin, EMCBC
David Hess, EMCBC
David Hoffer, Carlsbad
Art Welton, Carlsbad
Don Metzler, Grand Junction
Richard Schassburger, Oakland
Kevin Bazzell, Oakland
John Lee, Oakland
Reinhard Knerr, PPPO (Paducah)
Philip Pipes, PPPO (Lexington)
James Klein, PPPO (Portsmouth)
Steven Feinberg, SPRU
John Rampe, SPRU
Bryan Bower, West Valley
Craig Rieman, West Valley

Attachment B

Monthly Purchase Card Charge Information Form

Purchase Cardholder _____ **Statement Date** _____

Organization #1 _____

Charge Categories	Amount
Supplies and Materials	
Equipment	
GPO Printing	
FedEx/UPS	
Total	

Organization #2 _____

Charge Categories	Amount
Supplies and Materials	
Equipment	
GPO Printing	
FedEx/UPS	
Total	

Organization #3 _____

Charge Categories	Amount
Supplies and Materials	
Equipment	
GPO Printing	
FedEx/UPS	
Total	

Total of all Organizations (should equal statement total) _____

Attachment C**PURCHASE CARD PROGRAM
REVIEW CHECKLIST AND SELF ASSESSMENT GUIDE**

1. Have personnel involved in the program received adequate training?
2. Are cardholders and approving officials aware of mandatory source programs, especially the Javits-Wagner-O'Day Act? (See Federal Acquisition Regulation (FAR) Part 8.)
3. Have reasonable limitations been identified to JPMorgan Chase, i.e., individual/monthly transaction limitations, and appropriate merchant activity code categories?
4. Are delegations of authority or certificates of appointment issued to individual cardholders? Certificates of appointment are to be used above the micro-purchase level.
5. Do the delegations of authority or certificates of appointment identify purchase limitations and are these consistent with those furnished to JPMorgan Chase?
6. Does the single purchase dollar limitations for cardholders accurately reflect the types of purchases being made by cardholders?
7. Are copies of the delegations of authority and certificates of appointment maintained in a current status?
8. Are local procedures adequate and current?
9. Do local procedures include an internal review function?
10. Do the local procedures ensure funds availability in advance of transactions?
11. Is the local program coordinator identified to cardholders?
12. Are supervisors of cardholders identified as approving officials?
13. Do the cardholders maintain a log of transactions adequate to identify the transaction, the merchant, the date of the order, the item(s) purchased, the price, and date of receipt if other than the date of the order? Does the log reflect any prior approvals or coordination required before the purchase?
14. Are merchant receipts obtained by the cardholders and maintained to document the purchases at time of invoice?
15. Do prices appear reasonable and do the items purchased appear appropriate to official use?

16. When the price exceeds the micro-purchase ceiling, does the cardholder obtain and document competition or document and justify the reason for no competition?
17. Do the cardholders reconcile their statements of account (invoices) and submit them to their approving officials in a timely manner? Reconciliation generally includes entering on the invoice the purchase item description, any accounting data which may be required by local procedures, attaching the merchant receipts, signing the invoice, and forwarding the package to the approving official.
18. Do cardholders question the inclusion of sales tax on invoices?
19. Do the cardholders submit "dispute" or "statement of questioned items" forms for disputed charges?
20. Do the approving officials review, question, and approve the invoices and forward them to the finance office in a timely manner?
21. Does the finance office forward "notice of questioned item" forms to the Bank?
22. Does the finance office process a "notice of invoice adjustment" form when it makes payment for greater or lesser than the amount of the invoice?
23. Do the cardholders, approving officials, finance officers, and program coordinator receive appropriate reports from the Bank?
24. For transactions above \$25,000, is a file maintained to document issuance of the synopsis, small business coordination, approval of noncompetitive procurement, and other required approvals or coordination?
25. Do the single purchase dollar limitations for cardholders accurately reflect the type of purchases being made by the cardholders?

Attachment D**Blocked Merchant Category Codes**

<u>Number</u>	<u>Description</u>
3000-3299	Airlines
3300-3499	Car Rental Agencies
4111	Local/Suburban Commuter Passenger Transportation, Including Ferries
4112	Passenger Railways
4119	Ambulance Services
4411	Steamship/Cruise Lines
4511	Airlines, Air Carriers (Not Elsewhere Classified)
4722	Travel Agencies
4723	TUI Travel
4761	Telemarketing of travel related service
4784	Toll and Bridge Fees
4829	Wire Transfer - Money Orders
5309	Duty Free Stores
5422	Freezer and Locker Meat Provisioners
5441	Candy, Nut, and Confectionery Stores
5451	Dairy Products Stores
5541	Service Stations (with or without ancillary services)
5542	Automated Fuel Dispensers
5571	Motorcycle Dealers
5641	Children's and Infants' Wear Stores
5681	Furriers and Fur Shops
5698	Wig and Toupee Stores
5718	Fireplace, Fireplace Screens and Accessories Stores
5733	Music Stores, Musical Instruments, Pianos, Sheet Music
5735	Record Shops
5813	Drinking Places (Alcoholic Beverages) Bars Taverns, Cocktail Lounges, Nightclubs, Discotheques
5814	Fast Food Restaurants
5921	Package Stores - Beer, Wine and Liquor
5932	Antique Shops
5933	Pawn Shops
5937	Antique Reproductions
5944	Jewelry Stores, Watches, Clocks, and Silverware Stores
5945	Hobby, Toy, and Game Shops
5949	Sewing, Needlework, Fabric and Piece Goods Stores
5960	Direct Marketing Insurance Services
5961	Mail Order Houses, Book/Record Clubs, Catalog Stores
5962	Direct Marketing Travel-Related Arrangement Services
5963	Direct Selling Establishments/Door-To-Door Sales
5972	Stamp and Coin Stores - Philatelic and Numismatic Supplies
5973	Religious Goods Stores
5977	Cosmetic Stores
5993	Cigar Stores and Stands
5996	Swimming Pools - Sales and Service
5997	Electric Razor Stores - Sales and Service
6010	Financial Institutions - Manual Cash Disbursements
6011	Financial Institutions - Automated Cash Disbursements
6012	Financial Institutions - Merchandise and Services

6050	Electronic Cash Withdrawal
6051	Non-Financial Institutions - Foreign Currency, Money Orders (not wire transfer), and Travellers Cheques
6211	Security Brokers/Dealers
6300	Insurance Sales and Underwriting
6381	Insurance Premiums
6399	Insurance (Not Elsewhere Classified)
6513	Real Estate Agents and Managers - Rentals
6529	Remote Stored Value Load - Member Financial Institution
6530	Remote Stored Value Load
6531	Payment Service Provider
6532	Payment Transaction - Member Financial Institution
6533	Payment Transaction - Merchant
6611	Overpayments
6760	Savings Bonds
7012	Timeshares
7032	Sporting and Recreational Camps
7033	Trailer Parks and Camp Grounds
7261	Funeral Service and Crematories
7273	Dating and Escort Services
7276	Tax Preparation Service
7277	Counseling Service - Debt, Marriage, Personal
7280	Hospital Patient Personal Funds Withdrawal Accts
7295	Babysitting Services
7297	Massage Parlors
7298	Health and Beauty Spas
7321	Consumer Credit Reporting Agencies
7511	Truck Stop Transactions
7512	Car Rental Agencies (Not Elsewhere Classified)
7523	Automobile Parking Lots and Garages
7524	Express Payment Service - Parking Lots
7531	Automotive Body Repair Shops
7535	Automotive Paint Shops
7538	Automotive Service Shops (Non-Dealer)
7542	Car Washes
7549	Towing Services
7832	Motion Picture Theaters
7833	Express Payment Services (motion pictures)
7841	Video Tape Rental Stores
7911	Dance Halls, Studios and Schools
7922	Theatrical Producers (Except Motion Pictures), Ticket Agencies
7932	Billiard and Pool Establishments
7933	Bowling Alleys
7941	Commercial Sports, Professional Sports Clubs, Athletic Fields, Sports Promoters
7991	Tourist Attractions and Exhibits
7992	Golf Courses - Public
7993	Video Amusement Game Supplies
7994	Video Game Arcades/Establishments
7995	Betting (including Lottery Tickets), Casino Gaming Chips, Off-Track Betting and Wagers
7996	Amusement Parks, Circuses, Carnivals, Fortune Tellers
7998	Aquariums, Seaquariums, Dolphinariums
8211	Elementary and Secondary Schools
8351	Child Care Services
8398	Charitable and Social Service Organizations

8641	Civic, Social, and Fraternal Associations
8651	Political Organizations
8661	Religious Organizations
8675	Automobile Associations
9211	Court Costs, Including Alimony and Child Support
9222	Fines
9223	Bail and Bond Payments
9311	Tax Payments
9401	I-Purchase Pilot
9411	Government Loan Payments
9700	Automated Referral Service
9751	U.K. Supermarkets - Electronic Hot File (For Regional Use Only.)
9752	U.K. Petrol Stations - Electronic Hot File (For Regional Use Only.)

Attachment E

LINKS

**[GOVERNMENT-WIDE COMMERCIAL CREDIT CARD SERVICE
CONTRACT GUIDE GS-23-FT0002](#)**

[FAR SUBPART 3.104, PROCUREMENT INTEGRITY](#)

[FAR PART 8, REQUIRED SOURCES OF SUPPLIES](#)

[FAR PART 12, ACQUISITION OF COMMERCIAL ITEMS](#)

[FAR PART 13, SIMPLIFIED ACQUISITION PROCEDURES](#)

[FAR PART 23, ENVIRONMENTAL CONSIDERATIONS](#)

EMCBC RECORD OF REVISION**IP-412-01 Rev. 2, Purchase Card Operating Procedure**

If there are changes to the controlled document, the revision number increases by one. Indicate changes by one of the following:

- I Placing a vertical black line in the margin adjacent to sentence or paragraph that was revised.
- I Placing the words GENERAL REVISION at the beginning of the text.

Rev. No.	Description of Changes	Revision on Pages	Date
1	Original Development	All	08/21/07
2	JPMorgan Chase/STRIPES for services	All	03/16/10
3	1.0 Purpose - change date from November 2008 to June 2010	1	10/21/10
	1.0 Purpose – change link to revised DOE Policy	1	
	8.22.2 – Change link for Affirmative and Environmentally Preferable Training	20	
	8.27.3 – Change link for Affirmative and Environmentally Preferable Training	21	