

Head of Activity Top Ten Purchase Card Management Tips

- (1) Appoint an A/OPC of appropriate grade/rank, motivation and people skills. Assign the A/OPC as a full time duty where warranted, considering the number of accounts and the span of control under his/her purview. **Know your A/OPC!** Get a monthly briefing from your A/OPC on your purchase card program status with emphasis on delinquent accounts.
- (2) Ensure that the number of purchase cards and billing accounts reflect the government's minimum need. An activity should have sufficient card accounts to procure necessary micro purchase supplies and services in a timely manner to support the activity's mission. However, care must be exercised to limit card accounts to the minimum number of needed. Unnecessary and /or inactive card accounts can lead to misuse, abuse, fraud and loss of program control. The CCPMD Desk Guide will assist an activity in determining an appropriate group profile and minimum-need card count. Review card usage on a quarterly basis, the CitiDirect dynamic reporting feature can be used for this process.
- (3) Review specific credit limits and spending history of accounts to ensure consistency with mission requirements. Monthly credit limits should be consistent with the activities budget and historical monthly expenditures. The CitiDirect dynamic reporting feature can be used to research this aspect. An AO can create an ad-hoc report listing card accounts and associated transactions for a particular time period. AOs can review card account spending patterns and reduce credit limits accordingly. Card account single transaction limits should be consistent with historical buying needs. The CCPMD Desk Guide will assist an activity in determining appropriate cardholder limits.
- (4) Take appropriate administrative and disciplinary action when fraudulent, improper, and/or abusive purchase card transactions are found. Immediate suspension or cancellation of accounts involved in these infractions is an appropriate initial response. Pending further investigation, results of internal reviews should be sufficiently documented and require corrective actions. Implemented corrective actions should be monitored to ensure adherence and effectiveness. Disciplinary action is the responsibility of the HA.
- (5) Ensure that the span of control for each AO is 7 or less purchases card holder accounts. Span of control is a measure of an AOs purchase card related workload. It is a function of both the number of card accounts and the average number of monthly transactions made against those card accounts. Card accounts with a high average number of monthly transactions may require a span of control of less than 7 card accounts.
- (6) Review existing weekly delinquency reports with your A/OPC. A delinquency report showing 30+ and 60+ days delinquency will be posted to our website at http://www.navsup.navy.mil/ccpmd/purchase_card approximately 3-5 days after the monthly closing date. A PCPN will be sent out listing the commands with a 30+ days delinquency rate over 2%.
- (7) Ensure that:

- (a) All CH, AOs and A/OPCs have received the required training in accordance with DOD/DON policy and procedures.
 - (b) The training is properly documented and the training certificates are maintained on file and:
 - (c) Any CH or AO who has not completed the required basic or biennial refresher training, with the exception of those individuals deployed at sea, shall have their account immediately suspended. Proper controls must be in place to ensure these accounts are not reinstated until the next two higher levels of management have verified that the required training has been completed.
- (8) Enforce the requirement for the proper separation of the purchasing, receipt, and acceptance functions and maintain documented evidence.
- (9) Maintain documented evidence of proper certification of monthly purchase card statements by CHs and AOs including purchase card logs, purchase receipt information and copies of monthly CH statements and certification statements.
- (10) Make effective use of available tools, e.g., ad-hoc reporting, to identify all potentially fraudulent, improper and/or abusive purchase card transactions.