

D-Link Text:

This is an animated splash page introduction. The initial animation includes the title of the topic “GPC Controls and Procedures” with three images that appear below the title. Each of these three images includes the image of individuals using the card. When these images fade away the following text appears “There are important controls and proper procedures for using the card.”. The text fades out and you are presented with an open book. The left side of the book reads “Controls and Proper Procedure include:”, while the right side of the book presents the list of what is included. The list reads as follows:

- Guidelines for Making GPC Purchases
- Special Requirements for Use
- Purchase Limits and Funds Availability Considerations
- Sources of Supply
- Documentation Requirements for GPC Purchases
- Procedures for Closing the Billing Cycle

The book fades away and is followed up with a presentation of the topic’s objectives. The text for the objectives reads as follows:

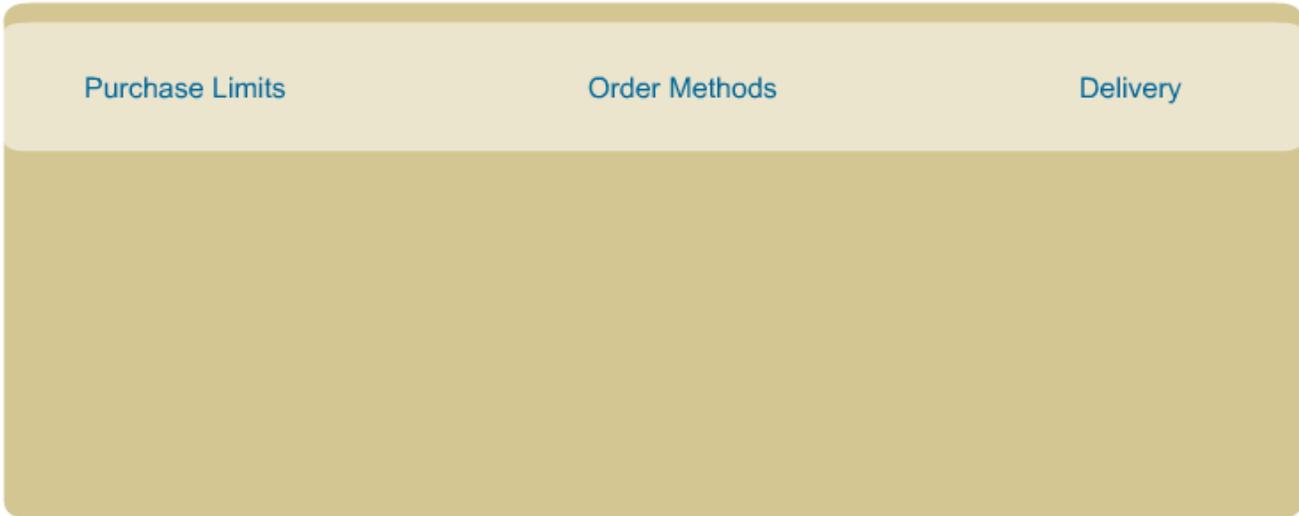
Upon completion of this topic, you will be able to:

- Identify general guidelines for making GPC micro-purchases.
- Recognize special requirements that may impact GPC purchases.
- Identify applicable purchase limits and funds availability considerations.
- Describe the sources of supply for GPC purchases and their priorities.
- Identify requirements for documenting GPC purchases.
- Recognize procedures for the closing of the billing cycle.

Close window to continue

## Making GPC Purchases

The Government Purchase Card (GPC) significantly streamlines the acquisition process, saving both time and expense. But it's vital to follow guidelines for proper use of the GPC. Click each heading below to read about some of these guidelines.



[D](#)

Local and command-wide policy may impose additional guidelines on purchases made with the Government Purchase Card.

### D-Link Text:

This is a three option interactive flash module that includes the following content concerning GPC purchases.

#### Purchase Limits

When using the GPC as the method of purchase and payment, the cost of supplies or services must not exceed \$2,500 in the aggregate. In addition, no single purchase may exceed \$2,500. Under some special circumstances, this micro-purchase threshold can be exceeded. The card can be used above the threshold if used for purchases against existing contracts, but only by trained, authorized individuals. The GPC may also be used for small construction purchases up to \$2,000. This requires approval from the local installation (i.e., the Department of Public Works).

#### Order Methods

Prior to ordering, it is important to:

Ensure funds are available prior to making purchases.

Determine if any special approvals are required. Normally procedures for obtaining special approvals are provided in the appropriate agency Standard of Practice (SOP).

The GPC may be used to make purchases by telephone, over the counter, and via the Internet. It may be used to make purchases from commercial sources of supply as well as Government sources (such as the GSA Advantage program). When acquiring supplies and services from Government sources, such as purchases from Defense Automation and Production Services (DAPS) or the GSA warehouses/supply stores, the micro-purchase threshold of \$2,500 does not apply.

#### Delivery

Immediate delivery is preferred. As a best practice, the cardholder should purchase supplies or services that

are immediately available for delivery.

Close window to continue

### **The Purchase Flow**

The process for making GPC purchases is similar to the one used when making purchases with a personal credit card. Additional Government-unique steps help to ensure that goods and services are correctly acquired for official Government use only.

With these nine steps, a purchase can be made within days, instead of weeks or months:

1. Obtain requirement.
2. Ensure funds are available.
3. Ensure supplies are available.
4. Ensure all approvals, if required, are obtained.
5. Make the purchase.
6. Log the purchase.
7. Reconcile monthly Statement of Account (approve, reallocate, or dispute).
8. Forward monthly Statement and log to Certifying Official.
9. Reconciliation/Certification by Certifying Official.

### Obtaining and Providing Information

An important first step in making a GPC purchase is obtaining information from and providing information to the Merchant. Click on the button to learn more about questions you need to ask and information you need to provide.



D-Link Text:

**When the student clicks the Question Mark, the following displays:**

Cardholders must ask the Merchant:

Do you accept the GPC?

If the Merchant does not accept the GPC, you must try identify a Merchant who does. Save time by asking this question first. Are the goods or services immediately available? Items purchased with the GPC should be delivered within the billing cycle (30 days).

What is the total price, including any shipping/handling charges?

Gather complete pricing and delivery information, including applicable discounts.

Do you offer discounted prices to the Government? (Is the Merchant a GSA schedule supplier?)

Select the arrow to learn about what the cardholder should informat When the student clicks the arrow, the following displays:

Cardholders must inform the Merchant:

Most Purchases are tax-exempt. Most states exempt purchases made by the Federal Government from state and local taxes. The first four numbers of the card are the tax-exempt numbers. If the Merchant requires

proof, contact the APC for a tax-exempt memorandum. Merchants should not bill the Government until items are shipped. Try to get all the items delivered in one delivery. The packing slip should contain:

- Cardholder name and office symbol
- Building and room number
- Street address, city, and state, Cardholder's phone number
- The term GPC
- A breakdown of the items purchased

Close window to continue

### Knowledge Review

Please select a correct answer.

You call a Merchant to purchase an item for your organization and find out that the Merchant does not accept the Government Purchase Card. You should \_\_\_\_\_.

- Get a waiver from the Agency Program Coordinator (APC) to make the purchase.
- Issue the Merchant an Accommodation/Convenience check.
- Find another Merchant who accepts the GPC.
- Implement "Emergency Purchase" procedures.

Submit



### Knowledge Review

Which of the following is the single purchase limit for GPC micro-purchases? Click the correct image.

Which of the following is the single purchase limit for GPC micro-purchases? Click the correct image.



D-Link Text:

Four images of paper currency labeled with the amounts shown. When the student clicks \$2500 (correct answer), he/she receives the following feedback;

**Correct!** Although there are special circumstances in which this micro-purchase threshold can be exceeded, in general, it is \$2500.

When the student clicks any of the other three images (incorrect answers), he/she receives the following feedback;

- Sorry, that's incorrect.
- The correct answer is \$2500.
- Although there are special circumstances in which this micro-purchase threshold can be exceeded, in general, it is \$2500.

Close window to continue

### Special Requirements: Pre-Approval Requirements

Pre-approvals may be required for certain categories of services/supplies. These include:

- Chemicals/Paints/Hazardous Materials
- Duplicating Equipment
- Audio/Visual Equipment
- Computer Equipment
- Construction up to \$2000
- Books/Subscriptions
- Cellular Telephones/Pagers/Palm Pilots
- Sustainment Items (weapons, repair parts, ammunition)

Consult with your Agency Program Coordinator (APC) before purchasing any of these types of items to determine if pre-approvals are required.



### Special Requirements: Accountable Property

Items valued at and above the micro-purchase threshold are accountable and must be placed in the organization's [property books](#).

The following items are required to be entered in property books:

- Sensitive items; guns, ammunition, etc.
- Classified items
- Pilferable items

When acquiring accountable property, all applicable property regulations must be followed. Check with the local Agency Program Coordinators (APCs) or Property Book Officers for a listing of pilferable items identified by a command or answers to other questions about accountable property.



Popup Text:

**property books.**

A Property Book is an official record of accountable Government property.

**Special Requirements: Automatic Data Processing Equipment**

Special approval must be obtained for purchases of:

- Computer Equipment
- Electronic and Information Technology, any equipment or interconnected system/subsystem of equipment used in the creation, conversion or duplication of data or information

<b>Computer Equipment</b>	<b>Electronic and Information Technology (EIT)</b>
<ul style="list-style-type: none"> <li>• Hardware (hard drives, laptops, and keyboards)</li> <li>• Software (such as computer programs)</li> <li>• Information Technology services/support services. These are usually purchased under contract by the Contracting Office.</li> </ul>	<ul style="list-style-type: none"> <li>• Hardware (computers, hard drives, laptops, and keyboards)</li> <li>• Software (such as computer programs, multimedia and web sites)</li> <li>• Telecommunication products (such as phones)</li> <li>• Information kiosks and transaction machines</li> <li>• Worldwide web sites, multimedia and office equipment (such as copiers and fax machines)</li> </ul>

## Special Requirements: EIT and Section 508

Section 508 of the Rehabilitation Act of 1973 was amended in 1998. It now requires Federal agencies' Electronic and Information Technology (EIT) to be accessible to persons with disabilities.

Section 508:

- Aims to provide Federal employees with disabilities access to office systems and information equal to their non-disabled colleagues
- Ensures that disabled people in the general public have equal access to Government information



Read more about Section 508:

- [Its purpose as it applies to EIT](#)
- [Section 508 and web-based training](#)
- [Section 508 exemptions on micro-purchases](#)

Popup Text:

### **Its purpose as it applies to EIT**

The amendment to Section 508: 1. Creates standards that define the types of technology covered and sets forth provisions that establish a minimum level of accessibility; 2. Defines electronic and information technology, in part, as "any equipment or interconnected system or subsystem of equipment, that is used in the creation, conversion, or duplication of data or information" 3. Provides criteria specific to various types of technologies, including: Software applications and operating systems Web-based information or applications Telecommunication products Video and multimedia products Self contained, closed products (i.e., information kiosks, calculators, and fax machines) Desktop and portable computers

### **Section 508 and web-based training**

The Federal Information Technology Accessibility Initiative is a Federal Government interagency effort to offer information and technical assistance to assist in the successful implementation of Section 508. Read more about section 508 and Web Based Training. LINK "Read More About..." TO: <http://www.section508.gov>

### **Section 508 exemptions on micro-purchases**

Micro-purchases made prior to January 1, 2003, are exempt from the EIT accessibility standards. Use of the GPC for purchases below the micro-purchase threshold is authorized, unless commercial-off-the-shelf products are labeled for standards compliance for EIT accessibility. Manufacturers are continuing to develop products that comply with the EIT accessibility standards. Almost all products are likely to comply with the standards within the next two years and be labeled by the manufacturer accordingly. Therefore, a sunset date of January 1, 2003, has been established for the micro-purchase exemption. However, for micro-purchases, contracting officers and other individuals with delegated purchase authority are strongly encouraged to comply with the applicable accessibility standards to the maximum extent practicable.

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## Special Requirements: Cell Phones

Cardholders planning to purchase cellular phones and services must first check with their local Information Management Office to determine and comply with local procedures.

Cellular telephones are considered highly pilferable items. Agency procedures may require that cellular phones be logged in the organization's Property Book, which is normally under control of the Logistics Office.

### Environmental Protection Agency Standards

Cardholders must buy designated items that meet or exceed the US Environmental Protection Agency's (EPA) standards for recycled products. Federal agencies are directed by law to purchase specified products that meet or exceed EPA's guidelines for recycled content.



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**Special Requirements: Price Reasonableness**



Micro-purchases may be awarded without soliciting competitive quotations if the Cardholder considers the price to be reasonable. The Cardholder does not need to take action to verify price reasonableness unless:

1. The Cardholder suspects that the price may not be reasonable, or
2. Comparable pricing information is not readily available.

The Cardholder must document his/her resulting decision if competitive quotes were obtained and the purchase was made from a firm offering other-than-the-lowest quote.

The Merchant or source for a micro-purchase must be selected impartially. Purchases must be distributed equally. **The Cardholder should not continually purchase from the same Merchant**, but rather, rotate sources when making GPC purchases.

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## Special Requirements: Emergency Purchases

A water line in an office breaks, threatening to seriously damage sensitive electronic equipment. A plumber is needed immediately to repair the break and prevent further damage to the equipment.

In instances like this, when supplies or services are needed to respond to an emergency, emergency purchasing processes can be used.

Every Contracting Office should establish emergency purchasing procedures and an emergency point of contact. The Cardholder should be familiar with these procedures and know whom to contact.

Let's look at some basic procedures for making emergency purchases with a GPC.



**Special Requirements: Emergency Purchases, Cont.**

In order to make an emergency purchase using the GPC, follow these four steps:



**Step 1.** User prepares purchase request.

**Step 2.** Financial Manager issues fund classification via DD 1095 or DD 2110.

**Step 3:** Purchase requests hand-carried to Contracting Office.

[D](#)

When the cost of emergency services exceeds the single purchase limit, actions may be taken by the local Contracting Office. Contact your local Contracting Office or APC for more information on emergency purchases.

D-Link Text:

Description of Flash Presentation: A flight of 4 ascending steps labeled Step 1-4. In a phased display, text appears on each step as follows. It starts with Step 1, proceeding sequentially through Step 4.

Step 1. User prepares purchase request. (bottom step)

Step 2. Financial Manager issues fund classification via DD 1095 or DD 2110.

Step 3. Purchase requests hand-carried to Contracting Office. Annotated as "Emergency Purchase."

Step 4. Contracting Officer complies with regulatory requirement; makes purchase. (top step)

Close window to continue

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## Knowledge Review

Please select a correct answer.

Prior approval may be required for certain supplies or services, regardless of their cost or method of purchase. These items include \_\_\_\_\_.

- Audio/visual equipment
- Computer equipment and services
- Hazardous materials
- All these items require prior approval

Submit



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## Knowledge Review

Please select a correct answer.

True or False? As much as possible, GPC purchases should be made from the same merchant without rotating your sources.

- True
- False

Submit



Purchase Limits

There are three types of GPC purchase limits:

-  Single Purchase Limit, the maximum dollar amount that can be spent on any one purchase by the Cardholder.
-  Monthly Purchase Limit, the maximum dollar amount that can be spent within a single card account during a billing cycle.
-  Billing Office Limit, the maximum dollar amount that can be spent by all Cardholders rolling up to a given Approving Official account for a specific month.

Click each image above for more information.

D-Link Text:

Three images, labeled with the following: A piggy bank (Single Purchase Limit), a calendar (Monthly Purchase Limit), a group of people (Billing Office Limit). Next to each of the images are the following bullet statements. Single Purchase Limit, the maximum dollar amount that can be spent on any one purchase by the cardholder. Monthly Purchase Limit, the maximum dollar amount that can be spent within a single card account during a billing cycle. Billing Office Limit, the maximum dollar amount that can be spent by all cardholders rolling up to a given Approving Official account for a specific month. When you click on each of the images the following content appears. Single Purchase Limit A Single Purchase Limit is an authorization control whereby the Bank limits the dollar amount of any one purchase by the cardholder. It is the amount the cardholder is permitted to spend during any one purchase. Normally authorization controls within the card-issuing bank's system will decline all purchase attempts that exceed the Single Purchase Limit. These controls also ensure that a purchase does not exceed the Monthly Purchase Limit. The specific amount of a Cardholder's Single Purchase Limit should be based on the cardholder's needs and past use. For most cardholders, the Single Purchase Limit will not exceed the micro-purchase limit of \$2,500. Monthly Purchase Limit The Monthly Purchase Limit is a budgetary limit representing the maximum that can be spent within a single card account during a billing cycle. The Monthly Purchase Limit is assigned by the Supervisor and Financial Manager and should be based on historical spending patterns. If a cardholder is authorized to make \$25,000 worth of purchases per cycle, and the APC sets the card account's monthly limit the same, the card-issuing bank will not authorize any purchases that will exceed the cumulative monthly purchase limit. If the card account limit is not set at or lower than authorized funds, other controls must be set in place to ensure the cardholder does not exceed available funding. Billing Office Limit The Billing Office Limit is the maximum dollar amount that can be spent by all cardholders rolling up to a given Approving Official account for a specific month. The Billing Office Limit may be higher or lower than the cumulative monthly limits of the cardholders. The lower amount will be used for bank authorization purposes. The bank system will decline all purchase attempts made once the Billing Office Limit is exceeded. For example: Not knowing which cardholders will be available during any given billing cycle, the Approving Official sets the total amount available for his/her office (\$50,000) as the monthly limit

for each of his/her five cardholders. The Approving Official also sets the office monthly limit to the total amount of funding available (\$50,000). Although the cardholders' cumulative total limit (\$250,000) exceeds the available funding, the Billing Office Limit takes precedence (\$50,000). Once reached, all cardholder purchases that would exceed that limit are declined at the Merchant terminal.

Close window to continue

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## Funds Availability

Cardholders are responsible for:

- Ensuring that funds are reserved and available to pay for micro-purchases.
- Complying with provisions established by the Cardholder's Approving Official and the Financial Manager's procedures for fund control prior to an actual purchase. If the Cardholder or Approving Official limits are equal to the available funding, positive fund control is established. But the process does not allow the Cardholder to exceed available funding. These amounts are set by the Resource Manager.



## Bulk Funds



Funds may be reserved in advance in the form of bulk commitments. [Bulk funding](#) is an advance reservation of funds recorded in the aggregate, rather than by individual transactions. The cognizant Financial Manager establishes bulk commitments.

The use of bulk funds eliminates the need to create and cite a unique accounting classification for each GPC micro-purchase. Instead bulk funds may be assigned as a single line of accounting to cover anticipated GPC purchases for a specified period for each Cardholder or managing account.

The preference is to use the same line of accounting for every Cardholder under an Approving Official. This:

- Minimizes Defense Finance and Accounting Service (DFAS) payment-related charges
- Reduces credit balances on the monthly bill when individual Cardholders receive credits

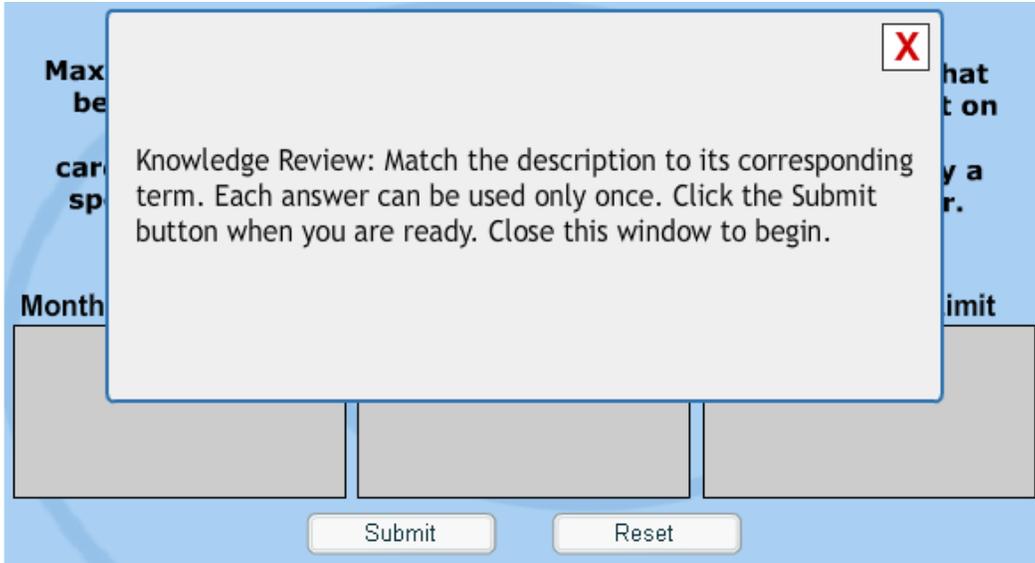
Popup Text:

### **Bulk funding**

Bulk funding is a system whereby the contracting officer receives authorization from a fiscal and accounting officer to obligate funds on purchase documents against a specified lump sum of funds reserved for the purpose for a specified period of time, rather than obtaining individual obligation authority on each purchase document. Bulk funding is defined in FAR 13.101(b)(4).

## Knowledge Review

Drag and drop each definition to the appropriate limit. Then click the SUBMIT button.



The image shows a software interface for a knowledge review. A large, light gray modal window is centered on the screen, containing the text: "Knowledge Review: Match the description to its corresponding term. Each answer can be used only once. Click the Submit button when you are ready. Close this window to begin." The modal window has a red 'X' icon in the top right corner. Behind the modal, a blue background contains several gray rectangular boxes, some of which are partially visible with text like "Max be", "car sp", "Month", "hat t on", "y a r.", and "imit". At the bottom of the interface, there are two buttons: "Submit" and "Reset".

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## Sources of Supply for GPC Purchases

From what sources should GPC Cardholders purchase supplies? Cardholders should purchase supplies (goods) from:

1. Activity or Installation Inventories
2. Federal Prison Industries ([UNICOR](#))
3. National Industries for the Blind/Severely Disabled ([NIB/NISH](#))
4. Mandatory Federal Supply Schedules ([FSS](#))
5. Wholesale Supply Sources
6. [General Services Administration\(GSA\) Advantage](#)
7. Other Commercial Sources

These sources are listed in descending order of priority. In other words, the highest-priority supply source is "Activity or Installation Inventories"; the lowest-priority source is "Other Commercial Sources" .

Let's look at each supply source more closely.

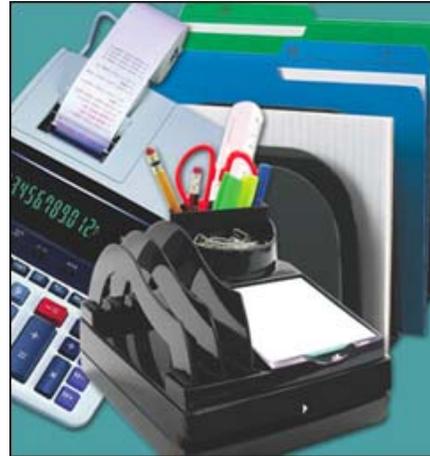
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## Supply Sources: Activity/Installation Inventories

Activity/installation Inventories include:

- Office supplies maintained in the local Self-Service Supply Center
- Excess items maintained by the local supply community

The local logistics Directorate may assist the Cardholder with the decision-making process. Also, activity/installation supply organizations will provide a listing of locally stocked material that is available to Approving Officials and Cardholders.



## Supply Sources: Federal Prison Industries (UNICOR)

Federal Prison Industries (FPI), also known as UNICOR, is a mandatory source provider for items listed in its Schedule of Products. This includes furniture.

Federal agencies are required by law to purchase items manufactured or produced by UNICOR prior to acquiring those items from commercially available sources. However, [waivers](#) may be obtained when:

1. Public exigency requires immediate delivery or performance.
2. Suitable used/excess supplies are available.
3. Purchases are made from GSA of less-than-carload lots of common-use items stocked by GSA.
4. Supplies are acquired and used outside the U.S.
5. Orders are for listed items totaling \$25 or less and that require delivery within 10 days.



Contracting Officers, including GPC cardholders, are responsible for [determining comparability](#) before purchasing a product from UNICOR.

Popup Text:

### **waivers**

10 USC 2410n, enacted by Section 811 of the National Defense Authorization Act, FY 2002 (Public Law 107-107), specifies under what circumstances DoD is not required to purchase mandatory items from Federal Prison Industries (UNICOR).

### **determining comparability**

Implementation of Section 811 makes Contracting Officers, including GPC cardholders, responsible for determining whether UNICOR will best meet their organization's needs when making purchases within their established monetary limits.

Specifically, before purchasing products from UNICOR, cardholders must determine whether the UNICOR item is comparable in price, quality, and time of delivery to items available from the private sector. All three elements of price, quality and time of delivery must be considered in determining comparability.

If the UNICOR item is determined to be comparable, cardholders should purchase the required item from UNICOR. However, if the cardholder determines that a UNICOR item is not comparable in price, quality and time of delivery, the cardholder should use private sector competitive procedures for procuring the item. In coordination with the organization's legal counsel, the cardholder must justify this determination in writing prior to making the purchase from the private sector.

## Supply Sources: National Industries for the Blind/Severely Disabled

### (NIB/NISH)

When goods and services meet the required need, GPC Cardholders must purchase from not for-profit agencies that employ blind and severely handicapped individuals trained under the Javits-Wagner-O'Day Act (JWOD). This requirement cannot be waived.

Items available from NIB/NISH include:

- Office supplies
- Medical supplies
- Plastics
- Textiles
- Industrial products, such as paints and cleaners

NIB/NISH items are generally purchased through [distributors](#), including Government agencies like the GSA and Defense Logistics Agency (DLA).



Popup Text:

### **distributors**

On-line browsing and shopping for NIB/NISH items is possible through GSA Advantage.

In addition, the Department of Defense Electronic Mall includes military-unique items. These supplies are also available at:

- Military base supply centers and SERVMARTS
- Selected military installations
- Authorized commercial distributors

Many distributors offer next-day delivery, and orders can be placed over the Internet. More information on these distribution sources is provided on the JWOD website.

### **LINKS:**

[GSA Advantage:](#)

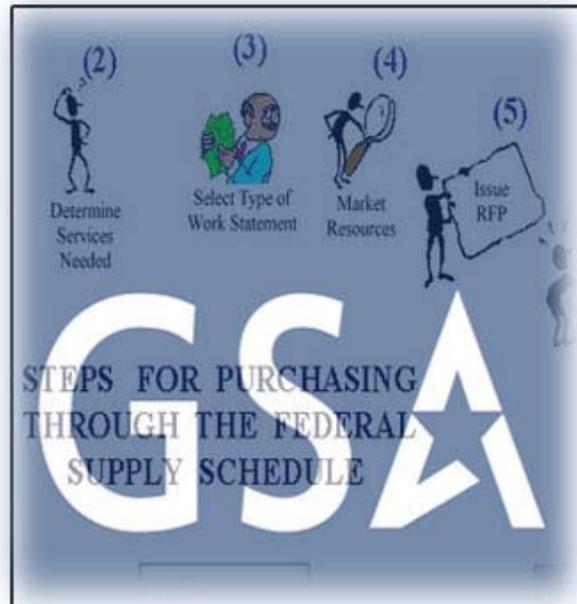
[Electronic Mall:](#)

[JWOD Web Site:](#)

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**Supply Sources: Mandatory Federal Supply Schedules**

Federal Supply Schedules (FSS) identify the executive agencies required to use them as mandatory sources of supply. The Federal Supply Service has converted most of its Federal Supply Schedules to non-mandatory (or optional) sources of supply. This includes all multiple and single award schedules. Information relating to Mandatory FSS is provided on the [FSS website](#).



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## Supply Sources: Wholesale Supply Sources

Approximately 4.8 million items in the DoD wholesale supply system are centrally managed. Organizations routinely requisition the supplies from the assigned inventory manager. GPC cardholders may purchase inventory-managed items directly from wholesale sources via the DoD E-Mall or GSA Advantage. For more information on purchasing wholesale supplies using the GPC, contact your local installation's Contracting Office.

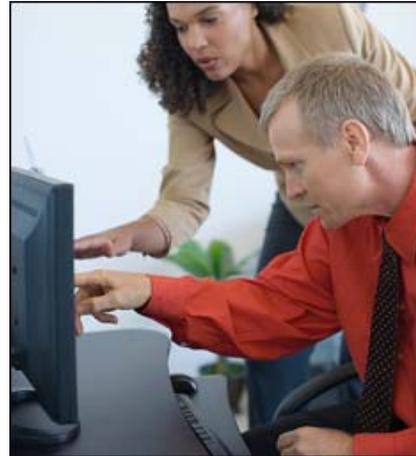


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## Supply Sources: GSA Advantage

Although not a required source of supply, Cardholders can also use the [GSA Advantage catalog](#) on the Internet. This service gives authorized Federal Government users access to thousands of commercially available supplies and services from GSA at the lowest possible prices. It has incorporated items from [NIB/NISH](#) and [UNICOR](#).

Please note that using GSA Advantage does not satisfy the Cardholder's responsibility to screen the mandatory sources of supply prior to making a purchase.



## Purchasing Services with the GPC

We have been discussing the purchase of **supplies** (goods) using the GPC. But in addition, the GPC can be used to purchase **services**.

Cardholders may purchase services from the following sources:

- [Committee for Purchase from the Blind and Other Severely Handicapped \(NIB/NISH\)](#)
- [Mandatory Federal Supply Schedules \(FSS\)](#)
- [Federal Prison Industries \(UNICOR\)](#)  
These are listed in descending order of priority, with NIB/NISH services of the highest-priority and UNICOR of the lowest.



Popup Text:

### **Committee for Purchase from the Blind and Other Severely Handicapped (NIB/NISH)**

Federal agencies are required to buy commodities and services furnished by not-for-profit agencies employing blind and severely handicapped individuals trained under the Javits-Wagner-O'Day Act (JWOD) or the NIB/NISH. As in the case of purchasing supplies, the requirement to buy JWOD program services cannot be waived.

LINKS: NIB/NISH: [http://www.nish.org/NISH/Rooms/DisplayPages/LayoutInitial?Container=com.webridge.entity.Entity\[OID\[24BD2A456022C845ABAA178C057BB911\]\]](http://www.nish.org/NISH/Rooms/DisplayPages/LayoutInitial?Container=com.webridge.entity.Entity[OID[24BD2A456022C845ABAA178C057BB911]])

### **Mandatory Federal Supply Schedules (FSS)**

Federal Supply Schedules identify executive agencies required to use them as mandatory sources of services. The Federal Supply Service has converted most of its Federal Supply Schedules to non-mandatory (or optional) sources of services. This includes all multiple and single award schedules. Information relating to Mandatory FSS is located at the FSS website.

LINK FSS WEBSITE TO: [http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA\\_OVERVIEW&contentId=8106](http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA_OVERVIEW&contentId=8106)

### **Federal Prison Industries (UNICOR)**

Information relating to services available through Federal Prison Industries (UNCO)R can be found at the UNICOR website. 10 USC 2410n, enacted by Section 811 of the National Defense Authorization Act, FY 2002 (Public Law 107-107), specifies under what circumstances DoD is not required to purchase mandatory items from Federal Prison Industries (UNICOR). LINK UNICOR TO: <http://www.unicor.gov/>

## Supply Sources: Green Products

Green products or services are those that promote environmental health or resource conservation. Green products or services must be considered and used when cost-effective.

Some of the more common items likely to be procured using Government Purchase Cards are shown below. Click each for examples of these supplies and services.



**D**

Read more about [governance for Green Procurement](#).

### D-Link Text:

This is a five option interactive flash module in which you are presented with five clickable images labeled as follows: Paper and paper products (tablet or ream of printing paper) Non-paper office products (toner cartridge) Energy efficient products (computer monitor) Vehicular products (antifreeze or oil) Other miscellaneous products (name plaque on desk) When the images are selected the following associated content appears: Paper and Paper Products This includes commercial/industrial sanitary tissue products, miscellaneous papers, newsprint, paperboard and packaging products, printing and writing papers. Non-Paper Office Products Examples are binders, clipboards, file folders, clip portfolios, presentation folders, office recycling containers, office waste receptacles, plastic desktop accessories, plastic envelopes, plastic trash bags, printer ribbons, toner cartridges. Energy-Efficient Products More energy-efficient computers, monitors and appliances are among items that may be purchased. Vehicular Products These may includes engine coolants, re-refined lubricating oils and retread tires. Miscellaneous Products These range from plaques, mats and signage to pallets and sorbents. GPC\_T03\_195 (There are quite a few typos in T03\_P195 flash module – “cardholder”, “statement of account” and “billing statement” should not be capitalized – all locations are identified in red in the D-Link text below. There is also a grammar typo in the flash module under “Cardholder Reconciles Statement of Account” ) This is a five option interactive flash module in which you are presented with five clickable images labeled as follows: Photo of a person looking over a billing statement, labeled with text: Cardholder Reconciles Statement of Account. Photo of a person writing appears, labeled with text: Approving/Certifying Official Approves Purchases. Same photo as in #2 (above), labeled with text: Approving/Certifying Official Certifies for Payment. Photo of a person looking over a billing statement, labeled with text: Invoice Forwarded to Payment Office. Cardholder Reconciles Statement of Account At the end of each monthly billing cycle, the cardholder reconciles all information provided on the his/her statement of account (SOA). This includes verifying the accuracy of each purchase listed. Approving/Certifying Official Approves Purchases After a few seconds, a text box appears displaying the following pop-up text: The Approving/Certifying Official is first responsible for approving cardholder statements. This includes reviewing the SOAs from all assigned cardholders and validating those SOAs. Approving/Certifying Official Certifies for

Payment After a few seconds, a text box appears displaying the following pop-up text: The Approving/Certifying Official must certify the billing statement and certify it by signing a certification statement. Invoice Forwarded to Payment Office. The Approving/Certifying Official ensures that the billing statement is forwarded to the Payment Office.

Close window to continue

Popup Text:

**governance for Green Procurement.**

**LINKS:**

Comprehensive Procurement Guidelines (CPG): <http://www.epa.gov/epawaste/conserves/tools/cpg/index.htm>

Buying Energy Efficient Products: <http://www1.eere.energy.gov/femp/procurement/>

Environmentally Preferable Products: <http://www.epa.gov/oppt/epp/>

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## Knowledge Review

Please select a correct answer.

True or False? If an item or service is available from National Industries for the Blind/Severely Disabled (NIB/NISH), Cardholders must purchase that item from NIB/NISH, rather than from a commercial source.

- True
- False



## Knowledge Review

Please select a correct answer.

Which of the following correctly lists the mandatory sources of supply in descending order of priority?

- Activity or installation inventories, Federal Prison Industries (UNICOR), National Industries for the Blind/Severely Handicapped (NIB/NISH), Wholesale supply sources
- Activity or installation inventories, Wholesale supply sources, NIB/NISH, UNICOR
- Wholesale supply sources, Activity or installation inventories, NIB/ NISH, UNICOR
- NIB/NISH, UNICOR, Activity or installation inventories, Wholesale supply sources



Submit

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**Documenting GPC**

The Cardholder is responsible for retaining and maintaining documentation of GPC purchases. Let's first examine the documentation that needs to be retained. Click each of the images for a description.



D-Link Text:

**Merchant Receipts**

Any time a GPC purchase is made, a merchant receipt must be retained as proof of purchase. A merchant receipt is required whether the purchase is made over the Internet, by telephone or over-the-counter.

If a purchase is made over the Internet or by telephone, the merchant receipt must be included with the shipment.

**Charge Slips**

When a purchase is made over-the-counter, the cardholder must obtain the customer copy of the charge slip. This will become the accountable document. The cardholder must also retain all carbons in order to ensure that they are properly destroyed.

**Shipping Documents**

The cardholder should also retain all shipping documents and other receipts associated with the order. This applies to purchases made over the Internet, by phone or over-the-counter.

Close window to continue

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### Documenting GPC Purchases: The Purchase Log



In addition to retaining proper documentation of the purchase, GPC Cardholders are required to record purchase transactions in a Purchase Log. This is a record of all purchases made using the Government Purchase Card. **GPC Purchase Logs are mandatory.** They must:

- Document every purchase in order to reconcile the monthly statement
- Contain at a minimum the date of purchase, price paid, Merchant name and address, and an item description

Cardholders must maintain an up-to-date Purchase Log for auditing purposes.

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### Documenting GPC Purchases: The Purchase Log, Cont.

The GPC Purchase Log can be electronic or in a manual format.

Many military components have installed electronic Purchase Logs. If an electronic log is available, it must be used to log GPC purchases.

However, even without an automated system, purchases must be logged. In these circumstances, So hand-written logs are acceptable.



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## Knowledge Review

Please select a correct answer.

Who is responsible for maintaining a Purchase Log?

- The Cardholder
- The Approving/Certifying Official
- The Resource/Financial Manager
- The Payment Office

Submit



## The Billing Cycle

After a Cardholder makes a purchase:

- The Merchant transmits purchase information to the Card-Issuing Bank for processing.
- The Bank posts the transactions to the appropriate account. Transactions are available on the Internet for review, approval, dispute and reallocation throughout the billing cycle.

At the end of the billing cycle, the Bank:

- Posts electronic statements. This is done within one day of the end of the billing cycle.
- Distributes paper statements within **five working days** of the end of the billing cycle. These may be sent to the Cardholder's business address.

Two statements are generated:

1. The **Cardholder Statement of Account (SOA)** for the Cardholder. This shows all purchases, credits and other transaction data for purchases made during the 30-day billing cycle.
2. The **Billing Statement** for the Approving Official. This is the official invoice that reflects transaction activity for all Cardholders for whom the Approving Official has certifying authority.

**Closing the Billing Cycle**

When the GPC billing cycle closes, there are four major steps that are performed. Click on each of the images to learn about these steps.



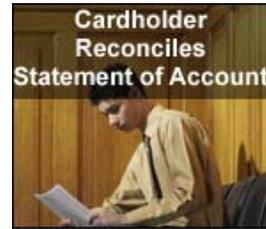
**D-Link Text:**

This is a five option interactive flash module in which you are presented with five clickable images labeled as follows: Photo of a person looking over a billing statement, labeled with text: Cardholder Reconciles Statement of Account. Photo of a person writing appears, labeled with text: Approving/Certifying Official Approves Purchases. Same photo as in #2 (above), labeled with text: Approving/Certifying Official Certifies for Payment. Photo of a person looking over a billing statement, labeled with text: Invoice Forwarded to Payment Office. Cardholder Reconciles Statement of Account At the end of each monthly billing cycle, the cardholder reconciles all information provided on the his/her statement of account (SOA). This includes verifying the accuracy of each purchase listed. Approving/Certifying Official Approves Purchases After a few seconds, a text box appears displaying the following pop-up text: The Approving/Certifying Official is first responsible for approving cardholder statements. This includes reviewing the SOAs from all assigned cardholders and validating those SOAs. Approving/Certifying Official Certifies for Payment After a few seconds, a text box appears displaying the following pop-up text: The Approving/Certifying Official must certify the billing statement and certify it by signing a certification statement. Invoice Forwarded to Payment Office. The Approving/Certifying Official ensures that the billing statement is forwarded to the Payment Office.

Close window to continue

**Cardholder Reconciles Statement of Account**

At the end of each monthly billing cycle, the Cardholder reconciles all information provided on the his/her Statement of Account (SOA). This includes:



- Verifying the accuracy of each purchase listed
- Disputing any purchases not made by him/her
- Providing a complete description items listed on the SOA
- Ensuring availability of appropriate funding identification
- Approving transactions on the SOA
- Forwarding supporting documentation to the Approving Official for certification

This reconciliation process is performed [electronically](#). The Cardholder must reconcile the SOA [within five days](#) after its receipt, according to agency procedures. After reconciliation, the Statement of Account goes to the Approving/Certifying Official, along with a [Cardholder Certification](#).

Popup Text:

**electronically**

Under the electronic reconciliation/certification process, the electronic Statement of Account is received on the first day following the close of the billing cycle. Cardholders are locked out of their statements 15 days after the close of the cycle. After that date, the Approving Official must stand in for the Cardholder and perform the Cardholder’s statement review.

**within five days**

If the Cardholder knows he/she will not be available to reconcile the account at the end of the billing cycle, the Approving Official should be advised. All purchase receipts and credit vouchers should be forwarded to the Approving Official so that he/she can reconcile the statement at the end of the cycle.

**Cardholder Certification**

This certification, electronically or on paper, must accompany every Statement of Account forwarded to the Approving Official. "I certify that, except as may be noted herein or on supporting documents, the purchases and amounts listed on this account statement: 1. Are correct and required to fulfill mission requirements of my organization. 2. Do not exceed spending limits approved by the Resource/Financial Manager. 3. Are not for my personal use or the personal use of the receiving individual. 4. Are not items that have been specifically prohibited by statute, by regulation, by contract or my organization. 5. Have not been split into smaller segments to avoid dollar limitations. \_\_\_\_\_ (Authorized Cardholder Signature)"

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## Approving/Certifying Official Approves Purchases

Generally, the GPC Approving Official is also the Certifying Official for purchases made by his/her assigned Cardholders. The Approving/Certifying Official is first responsible for approving Cardholder statements. This includes:

- Collecting SOAs from all their assigned Cardholders
- Reviewing each SOA
- Validating and certifying each SOA
- Reviewing the Cardholder SOAs to ensure all supporting documentation is present

If the Approving/Certifying Official fails to receive the Cardholder's reconciled Statement of Account in sufficient time to allow for payment by the due date, the Approving Official must perform an independent review of the Cardholder's SOA and approve it. Refer to DoD Purchase Card Reengineering Implementation Memo #3-1, "Streamlined Financial Management Procedures-Change 1", 30 June 1998 for more information.

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## Approving/Certifying Official Certifies for Payment

At the end of the billing cycle, the [Approving/Certifying Official](#) receives a Billing Statement. The Billing Statement is the official invoice sent by the Card-Issuing Bank. It itemizes all purchases made by the Approving/Certifying Official's Cardholders during the billing cycle. Purchases are itemized by date and merchant.



If a hard copy of the statement is provided, the Approving/Certifying Official must date-stamp the Billing Statement at the time it is received. This is because the statement is the "official invoice," and the rules of the Prompt Payment Act apply. The electronic payment process starts on the day following the end of the billing cycle for prompt payment.

Popup Text:

### **Approving/Certifying Official**

Generally, the GPC Approving Official is also the Certifying Official for purchases made by his/her assigned Cardholders.

**Approving/Certifying Official Certifies for Payment, Cont**

The Approving/Certifying Official must certify the Billing Statement. This comes in the form of signing, either manually or electronically, [certification statement](#). The certification statement is included with the Billing Statement and forwarded to the Payment Office for payment.



Generally, the Approving Official is also the Certifying Official. But if this is not the case, the Certifying Official will sign the Billing Statement and follow agency procedures with regard to distribution.

Popup Text:

**certification statement**

Certification Information: GPC Certifying Officer This certification, electronically or on paper, must accompany every invoice sent to the Payment Office for payment. "Pursuant to the authority vested in me, I certify that this invoice (billing statement) is correct and proper for payment, except as may be noted herein or on supporting documents. \_\_\_\_\_" Authorized Certifying Officer Signature

Where the Approving Official is not Certifying Official, the Approving Official must certify, electronically or on paper, the below statement. The statement is not forwarded to the Payment Office. "I certify that the items listed herein are correct and proper for payment from the appropriation(s) or other funds designated thereon or on supporting vouchers, and that the payment is legal, proper and correct, except as may be noted herein or on supporting documents. \_\_\_\_\_" Authorized Approving Official Signature

## Invoice Forwarded to Payment Office

The Approving/Certifying Official ensures that the Billing Statement is forwarded to the Payment Office in accordance with local procedures for payment.



- Some agencies may require forwarding of the Billing Statement to the Financial Manager as well. (Not all agencies require this step.)
- Billing Statements must be forwarded in ["in a timely manner"](#). This is because a delay may result in a delay in payment, requiring the Government to pay interest penalties to the Card-Issuing Bank.

According to the terms of the General Services Administration (GSA) contract, the Government must pay the Card-Issuing Bank even if an authorized Cardholder erroneously or improperly uses the GPC.

Popup Text:

### **"in a timely manner"**

If the Billing Statement is forwarded to the Payment Office too late to pay the bill within the 30 day period, then, in accordance with the Prompt Payment Act, a late penalty fee and interest is assessed to the Approving Official's account and will be paid from the unit budget. Generally, when the Approving /Certifying Official certifies a paper copy of the billing statement, he/she date-stamps it. However, if he/she doesn't, the Payment Office will use the Billing Statement date as the assumed date of receipt for purposes of determining late payment penalties. This may reduce the available time to pay by up to 7 days, penalizing the Government and incurring unnecessary interest charges.

## Knowledge Review

Read the statement about closing the billing cycle. Drag and drop the statements on the right to the appropriate responsible party listed on the left. Then click the submit button at the bottom of the page.

**Payment Office**

**Cardholder**

**Approving/Certifying**

Reviews and validates a group of States of Account.

X

Match the responsibility to the appropriate place. Then select Submit to see if you are correct.

closing the billing cycle.

---

SUBMIT

RESET

---

## Knowledge Review

Please select a correct answer.

At the end of each billing cycle, the Cardholder should \_\_\_\_\_.

- A. Forward the statement of account and all supporting documentation to the Payment Office for payment.
- B. Reconcile all information on the Statement of Account.
- C. Submit all documentation supporting the statement of account to the Approving/ Certifying Official for certification.
- D. The cardholder should do all these things.



Submit

## Topic Summary

This topic discussed GPC controls and procedures. You should now be able to:

- Identify general guidelines for making GPC micro-purchases.
- Recognize special requirements that may impact GPC purchases.
- Identify applicable purchase limits and funds availability considerations.
- Describe the sources of supply for GPC purchases and their priorities.
- Identify requirements for documenting GPC purchases.
- Recognize procedures for the closing of the billing cycle.

You have now completed this topic. Please select the next topic from the table of contents to continue.

Click [here](#) for a print version of this topic.