



D-Link Text:

This is an animated splash page introduction. The initial animation includes the title of the topic "Purchase Card Efficiencies" followed by text that fades in asking the question "What is meant by Purchase Card Efficiencies?" This text disappears and the image of someone holding a purchase card appears and is crossed out. This image disappears and is replaced by the image of someone filling out a check with the text "Accommodation/Convenience Check". This image is followed by a card being scanned with the text "\$2500", followed by the image of people in a training class. When the last image fades away it 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:

- Define sustainment items.
- Recognize procedures for using Accommodation/Convenience Checks.
- Identify conditions under which GPC purchases can exceed the micro-purchase limit.
- Recognize benefits of making payments with the GPC for printing services.
- Identify differences in using GPC and the DD Form 1556 in payment for training.

This is accompanied by an audio narration.

Narration: This topic will discuss Purchase Card Efficiencies. What is meant by Purchase Card Efficiencies?

There are some situations in which the Government needs goods and services, but the merchant who can provide them will not accept a Government Purchase Card. In these situations, the Government may be able to use a type of check called an accommodation/convenience check. This topic discusses these checks.

In other situations, the cost of goods and services may exceed the micro-purchase threshold of \$2500. Can the Government Purchase Card be used in these situations? In some cases, yes! This topic will explore these situations.

Finally, the topic will discuss the use of the Government Purchase Card to pay for printing services and for training.

Close window to continue

What are Sustainment Items?

Sustainment items are weapons, ammunition and weapon systems parts. Sometimes called "Centrally Managed Items" or "Materiel Managed Items," they may only be purchased in accordance with locally established procedures.

The regulation governing the purchase of sustainment items is found at the [DoD Federal Acquisition Regulation Supplement \(DFARS\) 208.7003-1](#). This regulation applies to purchases made with a Government Purchase Card as well as purchases made by other means.



Sustainment Items and the Government Purchase Card

Purchasing sustainment items from a commercial source is not a simple matter. Sustainment items cannot be purchased from a commercial source if the items:

- Are critical to the safe operation of a weapon system
- Have special security characteristics, or
- Are dangerous (for example, explosives or munitions)

If sustainment items do **not** fall into these categories, they may be purchased by GPC cardholders. Of course, the cost must not exceed the micro-purchase threshold, and the cardholder must determine that the purchase is in the best interest of the Government (in terms of price and delivery). The cardholder should consult the supply manager about any questions.



A GPC Alternative: Accommodation/Convenience Checks

When a merchant who accepts the GPC cannot be located, accommodation/convenience checks can be a useful alternative.

Accommodation/convenience checks give DoD activities the flexibility to issue low-volume and low-dollar payments onsite when purchasing from businesses/individuals who do not accept credit cards. In this situation, the DoD activity may adopt accommodation/convenience checks upon request.

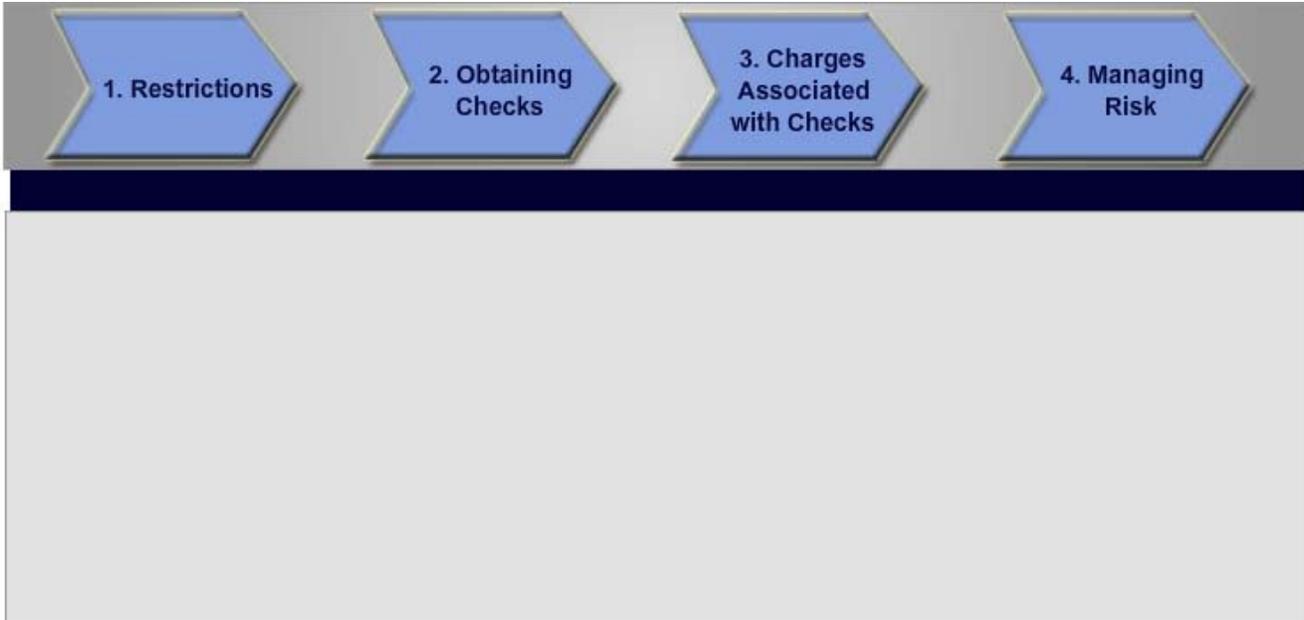
Accommodation/convenience checks:

- Provide increased flexibility to acquire supplies and services in a timely manner
- Are currently provided through the card-issuing bank
- Are similar to regular GPC transactions in that they are listed as line items on the monthly cardholder statement and on the invoice



A GPC Alternative: Accommodation/Convenience Checks, Cont.

To learn more about accommodation/convenience checks, select each of the following terms:



D

Additional information on using accommodation/convenience checks can be found in the [DoD Financial Management Regulation, DoD 7000.14R, Vol 5, Chapter 2, Paragraph 0210 website](#).

D-Link Text:

This is a four option interactive flash module that includes the following content concerning the GPC alternative or accommodation/convenience check.

Restrictions

Before a check is issued, every reasonable effort should be made to use a GPC. Maximum efforts should be made to find merchants who accept the purchase card. The number of checkbooks must be limited to as few as possible. There should be no more than one checkbook per DoD tenant activity or autonomous location. Checks cannot be issued as an "exchange-for-cash" vehicle to establish cash funds.

In accordance with governing Financial Management Regulation:

- Check amounts shall not exceed \$2,500 per check.
- Checks shall be issued for the exact amount of payment.
- Splitting purchases is prohibited. Do not split payments among more than one check to keep amounts below \$2,500 or other assigned limits.
- Checks should not be used to pay for training above \$2,500.

Obtaining Checks

Requests to establish an account for accommodation/convenience checks must be made in accordance with agency procedures. Requests must first be justified in writing by the financial manager or commander/director of the installation or tenant activity. Appropriate application forms should be completed and submitted through the DoD activity's existing Government Purchase Card structure, including the APC. The application must include a copy of the Commander's/Director's approval document. A separate Account holder and Approving

Official must be identified for each check account. Application forms and additional information may be obtained from the local APC. Delegations of authority to maintain and use convenience checks shall be issued by the activity commander or director. This should be issued specifically in writing to:

- The activity's Approving and Certifying Officials
- Check Custodian
- Cashier

Every accommodation/convenience check account will be audited yearly. The audit will be conducted on an unannounced basis by an officer or equivalent DoD civilian employee, independent of the office maintaining the account.

Charges Associated with Checks

Charges for using Accommodation/Convenience Checks accrue at the following rate:

For U.S. Bank: 1.7% of the check amount in the United States and 2.0% of the check amount overseas.

For Citibank: 1.25% of the check amount

Fees for requesting copies of checks, insufficient funds, stop payments, etc. may also be assessed.

Due to the relatively high cost associated with convenience checks, the number of checks written should be kept to a minimum.

Managing Risk

Accommodation/convenience checks are negotiable instruments. So, as with any check, there is the possibility of fraud. Fraud on a checking account may involve altered amounts or unauthorized signatures. Care should be taken to manage the risk of misuse.

- To protect against theft, checks should be secured at all times. They must be stored in a locked container, such as a safe or metal filing cabinet.

- To prevent loss, theft or forgery, checks should be accounted for appropriately.

The number of checks should be limited.

Close window to continue

Accommodation/Convenience Checks: Roles and Responsibilities

There are four important roles in administering an accommodation/convenience check program:

- Approving/Certifying Official
- Check Custodian
- Check Cashier
- Agency/Organization Program Coordinator

Each must be a trusted individual appointed by the head of the issuing DoD activity, and each has important responsibilities. Click each individual below to learn more about his/her role.



D-Link Text:

This is a four option interactive flash module that includes the following content concerning the roles and responsibilities of the key players involved with the use of convenience checks.

Approving/Certifying Official

- Authorize and certify issuing of accommodation/convenience checks
- Receive and certify payments of the billing statement
- Are held accountable and pecuniarily liable for accuracy

Narrative: I'm the Approving/Certifying Official. Approving and Certifying Officials authorize and certify issuing of convenience checks by Cashiers. We are also designated as the Approving Officials who receive and certify payments of the billing statement to the appropriate paying activity. Approving and Certifying Officials are held accountable and pecuniarily liable for the accuracy of the payments. As Approving/Certifying Officials, we may not serve in the role of either Check Custodians or Check Cashiers.

Check Custodian

- Responsible for check stock—order; receive, store, track inventory; issue checks; reconcile and dispose of stock
- May have an alternate
- Are held pecuniarily liable for transactions

Narrative: Each Accommodation/Convenience Check account is under the custody of one individual who is not responsible for originating, approving and processing the requirement for a check. That individual is called the Check Custodian. As Custodian, I am responsible for an account's check stock. We order stock; receive it, store it and track inventory; issue checks; reconcile and dispose of stock. There may be an alternate Check Custodian. He or she will act only in the absence of the primary Custodian. At those times, the alternate will have the same authorities as the primary Custodian. Both of us are held pecuniarily liable for transactions under our control.

As Check Custodians, we may also perform the functions of the Check Cashier.

Check Cashier

- Prints, signs and issues checks
- Reconciles cleared checks

Narrative: I'm the Check Cashier. My job is to print, sign and issue checks. I also reconcile cleared checks and forward supporting information to the Accountholder. I may perform the role of the Check Custodian.

Agency/Organization Program Coordinator (APC)

- Implements internal controls and oversees all check activity
- Verifies that each check issued is necessary and in compliance with agency policy

Narrative: I'm the Agency/Organization Program Coordinator---the APC, for short. I am responsible for implementing the appropriate internal controls and overseeing all accommodation/convenience check activity. I ensure that all checks issued are for official Government business only and verify that each check issued was both necessary and in compliance with the agency's policy.

I'm also responsible for training Accountholders in the proper and authorized use of checks.

Close window to continue

Knowledge Review

Please select a correct answer.

Which of the following sustainment items can be purchased from a commercial supplier using a GPC?

- A helmet needed in order to safely operate a weapon
- Ammunition costing less than \$2,500
- A software program requiring a high level of security
- Replacement parts for routine vehicle maintenance

Submit



Knowledge Review

Please select a correct answer.

True or False? Accommodation/convenience checks should be used as an alternative **only** after a maximum effort has been made to identify a merchant who will accept a GPC.

- True
- False

Submit



Knowledge Review

Please select a correct answer.

Which of the following is responsible for check stock?

- The Approving/Certifying Official
- The Check Custodian
- The Check Cashier
- The Agency/Organization Program Coordinator

Submit



Authorized GPC Use Above the Threshold

The [Federal Acquisition Regulation \(FAR\), 13.301](#), authorizes some uses of the Government Purchase Card above \$2,500. But there are certain conditions associated with this authorization.

- Purchases must be authorized under an existing contract
- Purchases must be made only by appointed and appropriately trained individuals



Purchases Authorized Under an Existing Contract

Orders/purchases placed against existing contracts are not restricted to the micro-purchase threshold of \$2,500. This is because contracting action has already taken place.

The micro-purchase threshold can be exceeded when ordering/purchasing supplies and services covered by:

- Indefinite-Delivery
- Indefinite-Quantity Contracts
- [Federal Supply Schedule](#) Contracts
- Basic Ordering Agreements
- [Blanket Purchase Agreements](#)
- Other ordering instruments accessible via electronic malls (such as the DoD E-Mall or GSA Advantage) when the Contractor has agreed to accept the GPC for payment

Popup Text:

Federal Supply Schedule

A "Federal Supply Schedule" is a listing of indefinite delivery, indefinite quantity (IDIQ) contracts awarded by General Services Administration (GSA), Federal Supply Service. GSA awards contracts to multiple companies that are determined to be responsible and capable of supplying comparable commercial services and products at fair and reasonable prices. These are both terms for procurement instruments basically having the same purpose, or the ability to place various orders.

Blanket Purchase Agreements

A Blanket Purchase Agreement (BPA) is a simplified method for filling anticipated repetitive needs for supplies or services through pre-established agreements with qualified sources.

Authorized GPC Use Above the Threshold

A few points about authorized use above the micro-purchase threshold:

- When placing orders against multiple award contracts, compare at least three offerors' prices, and then make a "best value determination". This is the purchase that provides the greatest overall benefit to the Government.
- Ensure that purchasing data has been properly [reported](#), according to Agency procedures.
- Orders can be placed in writing or [orally](#).
- It is the policy of the DoD Purchase Card Program Management Office that priority be given to Small Business sources of supplies and services to the maximum extent possible.



[Read more about placing orders and following procedures in FAR Part 8.](#)

Popup Text:

reported

Arrangements shall be made with the Contracting Office to assure that:

- Contract actions between \$2,500 and \$25,000 are properly reported on the DD Form 1057.
- Orders exceeding \$25,000 are properly reported on DD Form 350.

orally

Schedule orders may be placed orally if:

- The contract provides for oral orders to be placed.
- The Contractor agrees to furnish a delivery ticket for each shipment under the order.
- Invoicing procedures are agreed upon.

Read more about placing orders and following procedures in FAR Part 8

As long as the procedures set forth in [FAR Part 8](#) are followed when placing orders, agencies need not:

- Seek further competition.
- Advertise the requirement on the Internet at [FedBizOps](#).
- Make a separate determination of fair and reasonable pricing.

- Consider small business programs.

Appointed and Appropriately Trained Individuals

Only appropriately trained and appointed individuals may use the GPC to place orders that exceed \$2,500.

Nonprocurement cardholders who do not possess a contracting warrant must be specifically trained and delegated the authority to purchase items under pre-priced contracts and agreements before making purchases that exceed \$2,500.

Nonprocurement cardholders are typically delegated their authority as ordering officers by the cognizant Contracting Office. This delegated authority must be in writing. Limitations on the authority of the cardholder as an ordering officer will be stated in a Letter of Appointment. Cardholders delegated the authority as ordering officers will be required to comply with any DoD reporting requirements.

Click [here](#) to review a Letter of Appointment.

MEMORANDUM FOR: Commander, U.S. Army (Name of Command)
Attn: (Cardholder name and Office Symbol)
Anytown USA ZIP

SUBJECT: Appointment of Government Purchase Card Cardholder

1. You are hereby appointed as a Cardholder under the General Services Administration (GSA) contract number GS-22F-09002. Your appointment shall become effective as of the date of this memorandum and shall remain effective until (i) expiration of the GSA contract identified above, (ii) you are reassigned, (iii) your employment is terminated, or (iv) your appointment to the Government Purchase Card program is revoked.
2. Authority, Limitations, and Requirements.
 - a. All credit card purchases will be in accordance with Federal Acquisition Regulation (FAR) Part 13, Small Purchase and within the guidelines as set forth with the local procedures of your specific Command, or activity. Your appointment is subject to the use of the method of purchase, and the limitations and requirements prescribed by applicable regulation and policy.
 - b. As a cardholder, you have a dollar limitation of \$500-in, for a single purchase and your monthly purchases cannot exceed \$500-in.
3. Government Ethics Training and Acquisition Reporting Requirements.
 - a. You must receive Government Ethics training yearly in accordance with Regulation 5 C.F.R. 2638 and verify that such training has taken place.
 - b. You shall furnish information required for acquisition reporting purposes in the manner and the time specified within the guidelines of your local procedures.
 - c. As someone involved in spending public funds, you hold to high standards of responsibility and accountability. You are cautioned that you may be held responsible for improper purchases. That means that if it is determined that you have intentionally misused the Government Purchase Card, you may be held liable for payment. Misuse of the card may also lead to other actions ranging from a reduction in your spending limits to termination of Federal employment and criminal prosecution, depending on the circumstances. Authority, Limitations, and Requirements.
4. Termination of Appointment.
 - a. Your appointment may be revoked at any time by the undersigned authority or successor. Termination shall be made in writing, except that no written termination of your appointment shall be made upon expiration of the GSA contract made in paragraph 1 above.
 - b. Should you be reassigned from your present position or should your employment be terminated while this appointment is in effect, you shall notify Agency / Organization Program Coordinator, (fill in name, office symbol and phone extension), so notification to cancel your card can be instituted.
5. Acknowledgment. The undersigned acknowledges acceptance of this appointment by returning a signed copy of this memorandum to (fill in name of AOPC and address)

Acknowledgment of Acceptance: Johns B. Goode
Director of Contracting

Date _____

Knowledge Review

Please select a correct answer.

True or False? Appropriately trained and appointed individuals may use the Government Purchase Card to place orders for supplies and services covered by existing contracts as long as the orders do not exceed the micro-purchase threshold.

- True
- False

Submit



Knowledge Review

Please select a correct answer.

True or False? Nonprocurement cardholders are authorized as ordering officers in a Letter of Appointment.

- True
- False

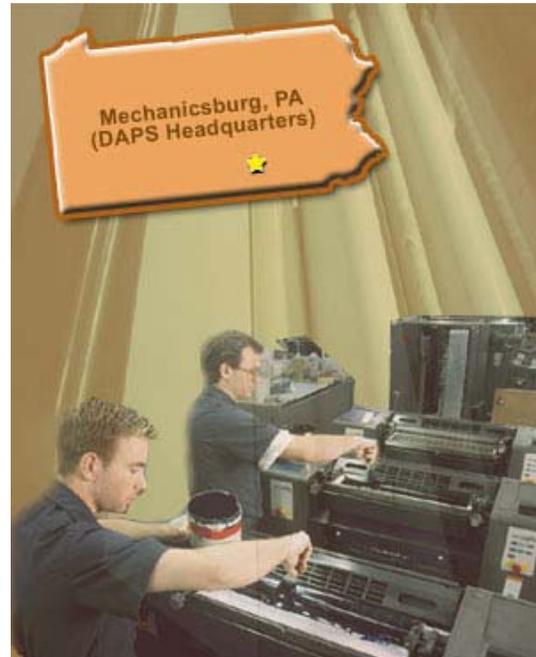
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GPC Payments for Printing Services

The Defense Automation and Production Services (DAPS) provides printing and other document services to the DoD.

DAPS has accepted the Government Purchase Card as a method of payment for its services since August, 1996. Effective July 1, 1997, all DAPS orders for printing services within the continental United States and Hawaii **must** use the GPC as the method of payment. Purchasing DAPS services with the GPC is mandatory.



GPC Payments for Printing Services, Cont.

No dollar limit exists when using DAPS because the action is intra-Government, rather than a commercial purchase.

There are key benefits to using the GPC to purchase printing services:

- No card fees or administrative costs accrue
- Monitoring an organization's printing activities is easier
- Costs decrease

For more information about DAPS services, contact the DAPS Customer Service Line at 800-594-3349. For more information about using a GPC for DAPS payments, contact the Agency/Organization Program Coordinator (APC).



GPC Payments for Training

DoD Financial Management Regulation authorizes delegated cardholders to procure non-Government training up to a \$25,000 threshold. Training is procured/authorized using DD Form 1556.

Up to the \$25,000 threshold, no competition is required. The DoD Financial Management Regulation allows for advance payment if the advance payment is annotated in Section G of the DD Form 1556.

DD FORM 1556 - REQUEST, AUTHORIZATION, AGREEMENT, CERTIFICATION OF TRAINING AND REIMBURSEMENT
PRIVACY ACT STATEMENT
AUTHORITY: 5 U.S.C. Sections 4101 - 4118; and E.O. 9397.
PRINCIPAL PURPOSE(S): To request training by employees or military personnel and to document the authorization for expenses of such training, agreements for continuation in service following training, certificates of training, and any reimbursement obligations contracted by personnel or employees as a result of receiving training.
ROUTINE USE(S): Civilian training information is provided to Office of Personnel Management (OPM) for data reporting purposes stipulated in 5 U.S.C. 4115.
DISCLOSURE: Voluntary; however, failure to furnish the requested information may result in your ineligibility for participating in this training.
GENERAL INSTRUCTIONS

GPC Payments for Training, Cont.

With the expansion of the purchase card as a method for payment, all non-Government training valued up to \$25,000 must now be paid for using the Government Purchase Card.

The GPC can be used for up to this limit for [off-the-shelf training](#). If payments exceed the \$2,500 GPC micro-purchase threshold, payment must be made by appointed and properly trained individuals who are authorized to exceed the threshold.

Please Note: The GPC does not replace DD Form 1556 (or other appropriate training forms) as a procurement or authorization document.

Contact the Agency Program Coordinator (APC) to obtain further information about GPC payments for training.

Popup Text:

off-the-shelf training

Training products and services that are regularly available to the general public and /or Government personnel. The term includes training offered in catalogs or other printed material; or by a college, university, professional association, consultant, firm or organization. It does not include training specifically developed, designed or produced to meet a requirement unique to an organization and/or program.

Knowledge Review

Please select a correct answer.

True or False? The GPC is one of two methods that can be used to pay for DAPS printing services.

- True
- False

Submit



Knowledge Review

Please select a correct answer.

Which of the following statements is **false**?

- GPC Cardholders must be delegated the authority to procure non-Government training using DD Form 1556 up to \$25,000.
- When used to acquire non-Government training, the GPC replaces the DD Form 1556 as a procurement document.
- No competition is required to obtain training up to \$25,000.
- All non-Government training valued up to \$25,000 using DD Form 1556 must be paid using the Government Purchase Card.



Submit

Topic Summary

This topic discussed purchase card efficiencies. By now you should be able to:

- Define sustainment items.
- Recognize procedures for using accommodation/convenience checks.
- Identify conditions under which GPC purchases can exceed the micro-purchase limit.
- Recognize benefits of making payments with the GPC for printing services.
- Identify differences in using the GPC and DD Form 1556 in payment for training.

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.