

Module Four

HA “Top 10 List” Head of Activity Course



DON Consolidated Card Program Management Division
(DON CCPMD)
NAVSUP HQ 034
5450 Carlisle Pike
Mechanicsburg, PA 17055 U.S.A.



This is module four of the Purchase Card Head of Activity Course.

This module presents a “Top 10 List” of program management tips for the Head of Activity.



Top 10 List



- 1) Appoint a qualified A/OPC
- 2) Ensure number of Purchase Cards and accounts reflect the Government's minimum needs

1. Appoint an A/OPC of appropriate grade or rank, motivation, skill set and leadership qualities. Assign the A/OPC as a full time position where warranted, considering the number of accounts and the span of control under their range of authority. 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 cards 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 needed. Unnecessary and or inactive accounts can lead to misuse, abuse, fraud and loss of control over the program. The CCPMD Desk Guide provides guidance in determining an appropriate group profile and minimum number of required cards.



Top 10 List



- 3) Review specific credit limits and account spending history to ensure consistency with mission requirements
- 4) Ensure appropriate administrative and disciplinary action is taken for fraudulent, misuse, or abuse of the Purchase Card

3. Review specific credit limits and spending history of accounts to ensure consistency with mission requirements. Monthly credit limits should be consistent with the Activity's budget and historical monthly expenditures. An A/OPC and an AO/CO can create an ad-hoc report listing card accounts and associated transactions for a particular time period. A/OPCs and AO/COs 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 card holder limits.
4. Ensure that appropriate administrative and disciplinary actions are taken when improper, and or abusive Purchase Card transactions are discovered. 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. The HA is ultimately responsible to ensure proper administrative or disciplinary action is taken and documented.



Top 10 List



- 5) Ensure each AO/CO maintains a Span of Control of no more than 7 accounts
- 6) Place emphasis on the Monthly Invoice Certification with you A/OPC

5. Ensure that the Span of Control for each AO/CO is 7 or less Purchase Card holder accounts. Span of Control serves as a measure of an AO/COs Purchase Card related workload. It is a function of both the number of card accounts and the average number of monthly transactions made against these 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. Place emphasis on the Monthly Invoice certification with your A/OPC to monitor AO/CO performance and to help determine underlying causes for delinquencies.



Top 10 List



- 7) Ensure all program participants stay current in their training and maintain required documentation
- 8) Establish Separation of Function internal process, enforce policy and ensure proper documentation

7. Be sure that all program participants are trained in accordance with DON policy requirements and that personnel NOT perform their function unless they are current in all required training. Ensure that the training is properly documented and the training certificates are maintained on file.
8. Establish in your Activity Internal Operating Procedures Separation of Function procedures such as who approves a purchase request and who receives and accepts the property or services. Ensure there is a process to properly document the functions of approving the requisition, making the buy and receiving and accepting the property or services.



Top 10 List



- 9) Maintain documented evidence of proper monthly statement certification
- 10) Make effective use of the tools available for program management

9. Maintain the documented evidence of proper monthly statement reconciliation by the cardholder and certification by the AO/CO. This may include, but is not limited to, Purchase Card logs, receipt information, monthly cardholder statement copies and certification statements.
10. Be sure you make effective use of the tools available to you for managing your program. Both the custom reporting features of the bank EAS and the DON Audit Tool provide an extensive set of tools to identify potential internal fraud, improper, abuse or misuse of the Purchase Card. Demand that your A/OPC maintain a proactive stance and not just strive to meet minimum program requirements.

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Head of Activity Certification Course

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This concludes Module Four of the Purchase Card Head of Activity Certification course.

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