



**DEPARTMENT OF DEFENSE  
EDUCATION ACTIVITY**

4040 NORTH FAIRFAX DRIVE  
ARLINGTON, VIRGINIA 22203-1635

Procurement Division

DoDEA Regulation 8000.1  
February 18, 2005

**DEPARTMENT OF DEFENSE EDUCATION ACTIVITY  
REGULATION**

**SUBJECT:** Use of the Government-wide Commercial Purchase Card

- References:** (a) DoDEA Administrative Instruction 8000.1, "Use of the Government-wide Commercial Purchase Card," April 3, 2001, (hereby canceled)  
(b) Federal Acquisition Regulation, Part 13 of the FAR, "Simplified Acquisition Procedures," current edition  
(c) Defense FAR Supplement, Subpart 213.3, "Simplified Acquisition Methods," January 13, 2004  
(d) DoDEA Regulation 5751.9, "Disciplinary and Adverse Actions," August 27, 1999  
(e) through (h), see enclosure 1

**1. REISSUANCE AND PURPOSE**

This Regulation:

- 1.1. Reissues reference (a) as a DoDEA Regulation.
- 1.2. Updates policy and responsibilities regarding the Department of Defense Education Activity (DoDEA) use of the Government-wide Commercial Purchase Card (GPC) for purchases valued at or below \$2,500 (\$2,000 for construction) for Cardholders located in the United States, Guam, Puerto Rico, and Cuba; and at or below \$25,000 for Cardholders located overseas.
- 1.3. Establishes DoDEA exceptions on GPC use and disciplinary actions for potential charge card offenses and remedies or penalties for such offenses.

**2. APPLICABILITY**

This Regulation applies to the Office of the Director, Department of Defense Education Activity; the Director, Domestic Dependent Elementary and Secondary Schools, and Department of Defense Dependent Schools, Cuba (DDESS/DoDDS-Cuba); the Director, Department of Defense Dependents Schools, Europe (DoDDS-E); the Director, Department of Defense

Dependents Schools, Pacific, and Domestic Dependent Elementary and Secondary Schools, Guam (DoDDS-P/DDESS-Guam); and all DoDEA District Superintendents, School Principals, Teachers, and Support Staff.

### 3. DEFINITIONS

Terms used in this Regulation are defined in enclosure 2.

### 4. POLICY

It is DoDEA policy that:

4.1. The use of the GPC constitutes expenditure of appropriated funds and is limited to official Payment Cardholders and Cardholders who are appointed in writing. The GPC may be used to purchase authorized supplies, equipment, and non-personal services up to the micro-purchase threshold of \$2,500 (\$2,000 for construction). All purchases of \$2,500 or below shall be made using the GPC unless the vendor will not accept the purchase card.

4.2. Overseas Cardholders may be authorized to use the GPC to make commercial purchases up to \$25,000 if the purchase is made outside the United States for use outside the United States. Cardholders must ensure the final price includes all costs associated with the mode of transportation and packaging selected to the destination country; customs import duties, and any other charges that may accrue.

4.3. The GPC may also be used as a method of payment (references (b) and (c)) to pay for purchases against contracts and to place orders and/or make payments under other contractual instruments.

4.3.1. If the GPC is used as a method of payment above the micro-purchase threshold, all pertinent procurement and financial rules, policies, and laws associated with the dollar value of the purchase apply.

4.3.2. If the GPC is used as a method of payment, the Cardholders shall be designated as a Payment Cardholder and a separate Cardholder account must be established to segregate accounts from purchase Cardholder accounts.

4.4. Intentional use of the purchase card for other than official Government business will be considered fraud against the U.S. Government, resulting in immediate cancellation of an individual's GPC and the possibility of disciplinary action (see enclosure 3 and reference (d)).

4.5. The use of the GPC for personal purchases is strictly prohibited.

## 5. RESPONSIBILITIES

5.1. The Director, Department of Defense Education Activity, as the Head of the Contracting Activity, shall exercise authority, direction, and control over the Chief, Procurement Division, Department of Defense Education Activity.

5.2. The Chief, Procurement Division, Department of Defense Education Activity, under the authority, direction and control of the Director, Department of Defense Education Activity, shall:

5.2.1. Develop the overall GPC Program Policy.

5.2.2. Appoint qualified personnel.

5.2.3. Ensure effective management controls are in place.

5.2.4. Authorize the establishment of convenience check and foreign draft accounts.

5.3. The DoDEA Level III Agency/Organization Program Coordinator (A/OPC) shall:

5.3.1. Serve as the advisor to the Chief, Procurement Division, DoDEA, on all matters relating to the GPC Program.

5.3.2. Prepare, maintain, and distribute the DoDEA GPC Training and Guidebook. The guidebook explains the policy and procedures for the GPC Program as prescribed in references (e) and (f). This includes addressing purchase log use, prohibited purchases (see enclosure 4), records retention, and purchase card limits.

5.3.3. Maintain oversight and management of the DoDEA GPC Program to include working as a liaison between the Purchase Card Provider, DoD Program Management Office, Headquarters, DoDDS European Procurement Office (DEPO), DoDDS Pacific Procurement Office (DPPO), and DDESS A/OPCs to ensure program consistency.

5.3.4. Manage, oversee, and support the GPC Program.

5.3.5. Develop and review performance metrics.

5.3.6. Review the semi-annual compliance inspection reports submitted by the Level IV A/OPCs for adequate compliance.

5.3.7. Review high risk transactions flagged through data mining.

5.3.8. Manage and ensure the integrity of the card program.

5.3.9. Prepare reports on the program.

5.3.10. Ensure the proper oversight/management controls are in place and working.

5.3.11. Provide business advice to Billing Officials, Payment Cardholders, and Cardholders.

5.3.12. Serve as the bank's point of contact.

5.3.13. Implement the Customer Automated Reporting Environment (C.A.R.E.) system on all GPC transactions.

5.3.14. Maintain a database on all training and audits performed by Level III A/OPC and Level IV A/OPCs.

5.3.15. Ensure all Level IV A/OPCs, Billing Officials, Payment Cardholders, and Cardholders are provided initial on-line training (references (e) and (f)).

5.3.16. Perform annual on-site audits and refresher training for DoDEA personnel and Level IV A/OPCs to ensure conformance to established GPC policy, guidance, and procedures. A report of the audit findings shall be submitted to the Chief, Procurement Division, DoDEA.

5.3.17. Forward requests for convenience checks and foreign drafts to the Chief, Procurement Division, DoDEA, for approval.

5.3.18. Ensure that the account is closed when the Billing Official, Payment Cardholder, or Cardholder separates from DoDEA (e.g., position at a new agency, retirement, death).

5.3.19. Monitor delinquent Billing Official, Payment Cardholder, and Cardholder accounts on a monthly basis.

5.3.20. Identify and report GPC fraud, waste, and abuse.

5.4. The DoDEA Level IV Agency/Organization Program Coordinators shall:

5.4.1. Serve as advisors to the DEPO, DPPO, and DDESS Area and District Offices on all matters relating to the GPC Program according to references (e) and (f).

5.4.2. Work as a liaison amongst the Level III A/OPC, Billing Officials, Payment Cardholders, and Cardholders to ensure program consistency.

5.4.3. Provide annual training, guidance, surveillance, and management of local GPC programs. Ensure Billing Officials, Payment Cardholders, and Cardholders are trained on appropriate use of GPC and provide initial on-line training, physical records inspection/audit, and refresher GPC training according to references (e) and (f).

5.4.4. Manage, oversee, and support the GPC Program in the local area office.

5.4.5. Review high risk transactions flagged through data mining.

5.4.6. Manage and ensure the integrity of the card program.

5.4.7. Prepare program compliance reports on a semi-annual and quarterly basis and submit to the Level III A/OPC. Semi-Annual Reports shall address compliance with the DoD Purchase Card Program. Quarterly Reports shall address a summary of the GPC Program.

5.4.8. Ensure that the proper oversight/management controls are in place and working.

5.4.9. Provide business advice to DoDEA Billing Officials, Payment Cardholders, and Cardholders.

5.4.10. Serve as the bank's point of contact.

5.4.11. Advise and consult with the Level III A/OPC, as required, on issues that arise regarding appropriate use of the card, to include audit results, problem areas, and unsatisfactory audits.

5.4.12. Implement the C.A.R.E. system on all GPC transactions.

5.4.13. Maintain internal files and databases on all audits, refresher training, and inspection results.

5.4.14. Forward requests for convenience checks and foreign drafts to the Level III A/OPC for approval.

5.4.15. Ensure that the account is closed when the Billing Official, Payment Cardholder, or Cardholder separates from DoDEA (e.g., position at a new agency, retirement, death).

5.4.16. Be responsible for monitoring delinquent Billing Official, Payment Cardholder, and Cardholder accounts on a monthly basis.

5.4.17. Identify and report fraud, waste, and abuse of the purchase card.

5.5. The Branch Chief, DoDDS European Procurement Office; the Branch Chief, DoDDS Pacific Procurement Office; and the Branch Chief, Domestic Dependent Elementary and Secondary Schools Procurement Liaison Office; shall:

5.5.1. Appoint trained Billing Officials, Payment Cardholders, and Cardholders. Only procurement personnel may be appointed by the cognizant DoDEA Procurement Branch Chief as a Payment Cardholder.

5.5.1.1. The cognizant DoDEA Procurement Branch Chief shall:

5.5.1.1.1. Prepare a letter of appointment designating Billing Officials, Payment Cardholders, and Cardholders. The letter of appointment must fully describe the types of purchases to be made; and establish card limits and use (purchase/method of payment). The letter of appointment must include the name, duty title, telephone number, and e-mail address of the Cardholder and the Billing Official.

5.5.1.1.2. Ensure that the number of Cardholders assigned to each Billing Official does not exceed a ratio of seven to one. Written justification must be maintained on file for Billing Officials that have more than seven assigned Cardholders.

5.5.2. Identify and report fraud, waste, and abuse of the purchase card.

5.6. DoDEA Contracting Officers:

5.6.1. May specify the GPC as a method of payment on a contractual document up to the warrant level of the Contracting Officer (reference (b)). The Contracting Officer, when operating as the Billing Official, must establish funding and reconciling of GPC purchases when the GPC is used as a method of payment. The contract document must state that payment will be made by GPC and must comply with the provisions of the Prompt Payment Act.

5.6.2. Shall ensure sufficient funds have been committed and reserved to support the contract action.

5.7. The DoDEA Billing Officials shall:

5.7.1. Ensure the Payment Cardholders and Cardholders fulfill their responsibilities.

5.7.2. Review and approve Cardholder purchases at or below \$2,500 (\$2,000 for construction).

5.7.3. Review and approve DEPO and DPPO Cardholder purchases at or below \$25,000 for items/services to be used outside of the Continental United States (excluding Guam, Puerto Rico, and Cuba).

5.7.4. Review for accuracy and completeness the reconciled monthly statement of account, monthly purchase log, and purchase documentation of DoDEA Payment Cardholders and Cardholders.

5.7.5. Process and sign the monthly billing statement upon receipt for payment.

5.7.6. Safeguard the convenience checks.

5.7.7. Identify and report fraud, waste, and abuse of the purchase card.

5.7.8. Make good any loss to the Government caused by fraud or neglect that result in fiscal irregularities of disbursement.

5.8. The DoDEA Payment Cardholders shall:

5.8.1. Complete GPC Cardholder training in accordance with reference (f) and Certifying Officers Training.

5.8.2. Maintain, upon completion of training, a copy of the Payment Cardholder appointment letter specifying payment limitations according to the terms of the contract or Blank Purchase Agreement.

5.8.3. Use, if authorized, the GPC as a payment instrument for payments/orders made against Blanket Purchase Agreements or contracts that contain a provision authorizing payment by purchase card. There must be a separation of the purchase account and payment account cards.

5.8.4. Ensure the requirement is loaded into the DoDEA Comprizon System.

5.8.5. Ensure that all payments satisfy a bona fide requirement; and are proper, legal, economical.

5.8.6. Maintain records (e.g., a payment log).

5.8.7. Review and reconcile all transactions in a timely manner, maximizing rebates and avoiding late-payment interest according to the Prompt Payment Act.

5.8.8. Resolve questionable transactions in accordance with reference (g).

5.8.9. Be responsible for safeguarding convenience checks.

5.8.10. Identify and report fraud, waste, and abuse of the purchase card.

5.9. The DoDEA Cardholders shall:

5.9.1. Complete GPC Cardholder training in accordance with reference (f).

5.9.2. Maintain, upon completion of training, a copy of the GPC appointment letter specifying purchase limitations (\$2,500 - \$25,000).

5.9.3. Ensure that all purchases satisfy a bona fide requirement; and are proper, legal, economical.

5.9.4. Maintain records (e.g., a purchase log).

5.9.5. Review and reconcile all transactions in a timely manner, maximizing rebates and avoiding late-payment interest.

5.9.6. Resolve questionable transactions in accordance with reference (f).

5.9.7. Be responsible for safeguarding convenience checks.

5.9.8. Identify and report fraud, waste, and abuse of the purchase card.

5.9.9. Ensure that unofficial travel is competed on all transactions above \$2,500 unless the local Commercial Travel Office or Sato Travel/Carlson Travel is used. Unofficial travel is considered all travel required by students, coaches, and sponsors in relation to school activity-sponsored events.

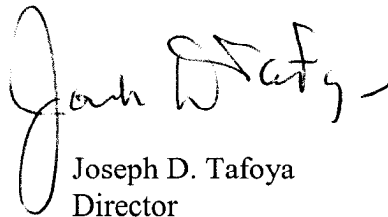
5.9.9.1. When purchasing transportation tickets for unofficial travel, use the lowest priced contractor that meets destination, time, and other school requirements.

5.9.9.2. When purchasing transportation tickets above \$2,500.00 for unofficial travel, vendor price competition must be obtained and documented using no less than three sources.

5.9.9.3. When purchasing transportation tickets overseas (up to \$25,000) for unofficial travel, vendor price competition must be obtained and documented using no less than three sources.

## 6. EFFECTIVE DATE

This Regulation is effective immediately.



Joseph D. Tafoya  
Director

Enclosures – 4

- E1. References, continued
- E2. Definitions
- E3. Schedule of Potential GPC Offenses and Remedies
- E4. List of Prohibited Purchases



E1. ENCLOSURE 1

REFERENCES, continued

- (e) Department of Defense, "Government Purchase Card Concept of Operations (CONOPS)," March 31, 2003
- (f) DoDEA, "Government Purchase Card Training and Guidebook," current edition
- (g) DoDEA Regulation 7100.4, "Use of Appropriated Funds for the Home-Away-From-Home Program," March 25, 2004
- (h) Office of the Secretary of Defense Memorandum, "OSD/WHS Standing Operating Procedure (SOP) for the Government-wide Commercial Purchase Card," June 17, 2004

## E2. ENCLOSURE 2

### DEFINITIONS

E2.1. Billing Official. An individual who has under his/her purview a number of cardholders, and is responsible, at a minimum, for reviewing his/her Cardholders' monthly statements, and verifying that all transactions made were necessary government purchases and in accordance with Federal Acquisition Regulation (FAR), and all other governing agency policy and procedures. The government uses the Billing Official concept in the purchase card program for internal control purposes to ensure that transactions are necessary and for official government purposes only.

E2.2. Cardholder. An individual designated by an agency to be issued a card. The Government-wide Commercial Purchase Card bears the individual's name and can be used by that individual to pay for authorized U.S. Government purchases (reference (h)). The cardholder must be trustworthy and have a bona fide need to make purchases on behalf of the government. This also applies to convenience check account holders where checks are used as a method of payment.

E2.3. Cardholder Statement. The statement of charges provided to a Cardholder detailing all of the transactions posted to their account during a billing cycle.

E2.4. Convenience Checks. Third-party drafts issued using the GPC account. Third-party drafts may be used to acquire and pay for supplies or services.

E2.5. Customer Automated Reporting Environment (C.A.R.E.). The U.S. Bank's electronic access system, which allows review of transactions and electronic payment.

E2.6. Fraud. Fraud is any felonious act of corruption or attempt to deliberately cheat the Government or corrupt the Government's agents. More specifically, fraud is an act of deceit, misrepresentation, or an intentional perversion of truth in order to induce another to part with something of value or to surrender a legal right (reference (h)).

E2.7. Government-wide Purchase Card (GPC). The purchase card is the charge card account established with the issuing bank that enables properly authorized government personnel to buy and pay for supplies and services in support of official government business.

E.2.8. Level III Agency/Organization Program Coordinator (A/OPC). The GPC Program is based on a six-level reporting hierarchy. The Level III A/OPC is located at the Agency Headquarters level. Primary responsibilities include implementation, administration, and monitoring of the DoDEA GPC Program subject to DoD and Agency policies. This individual acts as the liaison between the DoD Purchase Card Joint Program Management Office, Other Defense Agencies, the U.S. bank, and program support to Level IV A/OPCs.

E.2.9. Level IV Agency/Organization Program Coordinator (A/OPC). The Level IV A/OPC identifies the Procurement Area Offices. Primary responsibilities are program implementation and administration, training and monitoring at the field level, and serving as liaison between

DoDEA Headquarters A/OPC, the U.S. Bank, Finance Officers, and district/installation/school levels.

E2.10. Micro-purchase. An acquisition of supplies or services using simplified acquisition procedures, the aggregate amount which does not exceed the micro-purchase threshold. The micro-purchase threshold is currently \$2,500 per order for supplies or services (\$2,000 for construction). A micro-purchase is not governed by small business participation or requirements of the Buy American Act and does not require full and open competition (but, rather, adequate distribution of purchases among qualified vendors) (reference (h)).

E2.11. Offenses. Improper use, fraud, waste, and abuse; negligent use or misuse, unauthorized use, or failure to appropriately control use of the GPC by a Cardholder, or approving official, that is responsible for use or oversight of the GPC.

E2.12. Payment Cardholder. An individual designated by an agency to be issued a card as a payment instrument against a contract that contains a provision authorizing payment by credit card. The card/account must bear the individual's name and can be used by that individual to make payments on invoices submitted by vendors in compliance with agency procedures. This also applies to convenience check account holders where checks are used as a method of payment.

E2.13. Reconciliation. The process by which the Cardholder and the approving official review the monthly statements, reconcile against available vendor receipts and purchase card logs, and authorize payment of those charges provided on the monthly invoice.

### E3. ENCLOSURE 3

#### SCHEDULE OF POTENTIAL GPC OFFENSES AND REMEDIES

E3.1. Purchase Card misuse or fraud may have the following potential consequences for the cardholder (reference(h)):

- E3.1.1. Counseling.
- E3.1.2. Notation in employee performance evaluation.
- E3.1.3. Cancellation of the purchase card.
- E3.1.4. Reprimand.
- E3.1.5. Suspension of employment.
- E3.1.6. Termination of employment.
- E3.1.7. Criminal prosecution.

E3.2. The schedule below depicts potential charge card offenses, remedies or penalties for such offenses in accordance with reference (h) and enclosure 4 of reference (d). The magnitude and severity of disciplinary action depends upon the nature and severity of the infraction. The deciding authority/supervisor will comply with all applicable law and regulatory guidance for remedy issued. The below sample is not intended to be all inclusive:

E3.2.1. First Offense: Disciplinary action shall range from the minimum action: a letter of counseling issued by the Chief, Procurement Division, DoDEA, or designee; to the maximum action: termination of employment and/or criminal prosecution.

E3.2.2. Second Offense: Disciplinary action shall range from the minimum action: a 14-day suspension of employment; to the maximum action: termination of employment and/or criminal prosecution.

E3.2.3. Third Offense: Disciplinary action shall range from the minimum action: a 30-day suspension of employment; to the maximum action: termination of employment and/or criminal prosecution.

E4. ENCLOSURE 4LIST OF PROHIBITED PURCHASES

E4.1. Advance Payments. Purchases requiring advance payments, except for subscriptions and training purchased on a DD Form 1556, Request, Authorization, Agreement, Certification of Training, and Reimbursement.

E4.2. Cash Advances. Money orders, traveler checks, and gift certificates are also considered to be cash advances and shall not be purchased by Cardholders to obtain items from merchants who do not accept the GPC.

E4.3. Entertainment. Purchase of party supplies, serving material, food, drink, and water are considered entertainment and are prohibited unless specifically authorized by reference (g). Exception: Exceptions must be approved on a case-by-case basis if it relates to a school curriculum program (e.g. Special Education, cooking class).

E4.4. Fuel. Aviation, diesel, gasoline fuel or oil for aircraft. Exception: If fuel is unavailable through Fleet Services (e.g., overseas), fuel or fuel coupons may be purchased with the GPC.

E4.5. Gifts/Mementos. These include food/beverages for office functions (e.g., picnics, parties, awards programs, retirements, conferences, and school functions), promotional items for conferences, meetings, symposia (coins, mugs, coasters), and cash awards.

E4.6. Government Employees. Purchases made from Government employees.

E4.7. Hazardous/Dangerous. Purchase of items such as explosives, munitions, toxins, and firearms. This specifically includes weapons, small arms, and ammunition.

E4.8. Personal Services. Personal service contracts are contracts that, by its express terms or as administered, make the contractor personnel appear, in effect, to be Government employees ( e.g. consultants directly under Government supervision, temporary office help).

E4.9. Printing. When services are requested outside the Defense Automated Printing Service (DAPS) at any dollar level, a waiver must be obtained from DAPS.

E4.10. Repair of Leased Vehicles. Repairs on leased GSA vehicles.

E4.11. Rental or Lease Land and Buildings. Long-term rental or lease of land or buildings (more than 30 days).

E4.12. Telecommunication Systems. Purchase of major communication systems using the GPC is prohibited. However, the GPC may be used for cell phones and telephone equipment if the required approvals are obtained and the annual amount (\$2,500 in the U.S. (\$2,000 for construction) and \$25,000 overseas) does not exceed the single purchase limit.

E4.13. Third Party Services. Use of any third party service is prohibited including services such as eBay, PayPal, etc.

E4.14. Travel-Related Purchases. This includes rental/lease of motor vehicles associated with travel or associated with travel orders (purchase of airline, bus, and train tickets), purchase of meals, drinks, lodging, or other travel or subsistence costs associated with official Government travel that will be reimbursed on a travel voucher. Note: Travel may be authorized for UNOFFICIAL TRAVEL ONLY – this is travel by students, sponsors, and coaches who participate in or supervise activities as required by school-related curricular, co curricular, and dormitory transportation. Vendor price competition must be obtained for purchasing transportation tickets above \$2,500. Vendor price competition must be obtained and documented using not less than three sources.

E4.15. Utility Services. This includes electric, gas, water, phone, waste removal, and cable TV services. These services are typically consolidated and purchased through contracts that generally exceed \$2,500 per year.