

### GOVERNMENT PURCHASE CARD POLICY

- 1. REASON FOR ISSUE:** This directive sets forth policy for the use of the government purchase card for official purchases.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES:** The government purchase card shall be used by VA Administrations and staff offices in accordance with policies in this directive.
- 3. RESPONSIBLE OFFICE:** Charge Card Oversight and Travel Policy Service (047E3), Office of the Deputy Assistant Secretary for Finance.
- 4. RELATED HANDBOOK:** VA Handbook 4080, Government Purchase Card Procedures.
- 5. RESCISSION:** VA Directive 4080, signed April 4, 2003.

**CERTIFIED BY:**

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Robert T. Howard  
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**BY DIRECTION OF THE SECRETARY  
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Distribution: Electronic Only

## GOVERNMENT PURCHASE CARD POLICY

**1. PURPOSE.** This directive establishes policy for the use of the government purchase card within the Department of Veterans Affairs (VA). The government purchase card program is intended to meet the following objectives:

- a. Reduce paperwork and administrative costs for the acquisition of supplies and services within the existing Federal Acquisition Regulation (FAR);
- b. Streamline payment procedures and improve cash management practices, such as consolidating payments and reducing imprest funds, and
- c. Provide procedural checks and feedback to improve management control and decision making.

**2. POLICY.** Government purchase cards will be used for all micro-purchases. A micro-purchase is an acquisition of supplies and services using simplified acquisition procedures to ensure that the aggregate amount does not exceed the micro-purchase dollar limit set by FAR. The following exceptions apply: (1) for acquisitions of construction subject to the Davis-Bacon Act (40 U.S. Code 3141 - 3144, 3146, and 3147), the limit is \$2,000; and (2) for acquisitions of services subject to the Service Contract Act of 1965 (41 U.S. Code 351), the limit is \$2,500.

In addition, government purchase cards will be used, to the maximum extent practicable, for all purchases up to the simplified acquisition threshold established by FAR, where appropriate warranting has been completed, or proper delegation of authority has been granted. The purchase card will also be used to make payments when the contractor agrees to accept the card.

### 3. RESPONSIBILITIES.

a. **VA Chief Financial Officer (CFO).** VA's CFO is responsible for the implementation and oversight of the government purchase card program within the Department. VA's CFO shall manage the government purchase card program, and establish overall program procedures. The Office of Financial Business Operations (047E) will carry out these responsibilities under the direction of VA's CFO.

b. **All VA responsible offices / officials.** All VA responsible offices / officials are responsible for the implementation and management of the government purchase card program within their respective organization. They have delegated authority to issue operational procedures to supplement VA Handbook 4080, and shall establish procedures to implement management controls for card use and ensure that adequate internal controls are established and followed.

c. **Facility Director/Regional Office Director.** The facility director/regional office director is responsible for designating a program coordinator, billing officer, and dispute officer, and ensuring the decentralization of local purchasing through the dissemination of Government purchase cards to personnel in all services.

d. **Financial Services Center (FSC).** The FSC, located in Austin, Texas, is the designated payment office responsible for making payments to the card contractor; and providing rebate and appropriate documentation to the finance/fiscal officer.

e. **Office of Business Oversight (OBO).** OBO's Management Quality Assurance Service will perform random sampling audits on a monthly basis, and quarterly data mining audits. Findings of these results will be shared with VA's Administration CFOs or staff office equivalents, as well as facility level managers.

f. **Office of the Inspector General (OIG).** The OIG is responsible for performing purchase card audits of OIG personnel pursuant to the memo from the Assistant Secretary for Management, dated July 22, 2008.