

SBA

SOP 00 12 1

The Government Credit Card Program

Office of Administration

U.S. Small Business Administration



SMALL BUSINESS ADMINISTRATION
STANDARD OPERATING PROCEDURE

National

SUBJECT: The Government Credit Card Program	S.O.P.		REV
	SECTION 00	NO. 12	1

INTRODUCTION

1. Purpose. To establish guidelines and procedures for the Government Credit Card Program.
2. Personnel Concerned. All SBA employees who have a part in procuring supplies and services for their office.
3. Directives Cancelled. SOP 00 12, SBA's Government Commercial Credit Card Program.
4. Originator. Office of Procurement and Grants Management, Office of Administration.5.

AUTHORIZED BY:		EFFECTIVE DATE December 23, 1998
Thomas A. Duamresq Assistant Administrator for Administration		PAGE 1

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Chapter 1

The Program

1. What is the Government Credit Card Program?

- a. The Government Credit Card Program allows you to make official Government purchases, within certain restrictions, using a VISA credit card. Here is how using a Government credit card can benefit you.
- (1) Purchase orders will no longer be necessary for allowable micro-purchases (under \$2500).
 - (2) It lowers the costs associated with processing small purchases.
 - (3) It eliminates the need to enter each purchase into the Federal Financial System (FFS). You will be able to obligate funds on a single requisition and draw down against that obligation as the card is used.
 - (4) It shortens acquisition lead time.
 - (5) Credit card purchases are recorded automatically in the VISA's database and therefore are not subject to Federal Procurement Data System (FPDS) reporting.
 - (6) Payments are made using electronic funds transfer in compliance with the Debt Collection Act of 1996.
- b. In late 1988, the Office of Management and Budget (OMB), designated the General Services Administration (GSA), to manage the Government credit card program. In 1998, SBA selected NationsBank VISA purchase card to provide commercial credit cards and associated services for official Government purchases.

2. What Does this SOP Cover?

- a. This SOP covers policies and procedures for the use of the Government credit card for the Small Business Administration (SBA).
- b. This SOP supplements the following:
- (1) SOP 00 11, "Guidelines and Procedures for Procurements, Grants, and

Cooperative Agreements;"

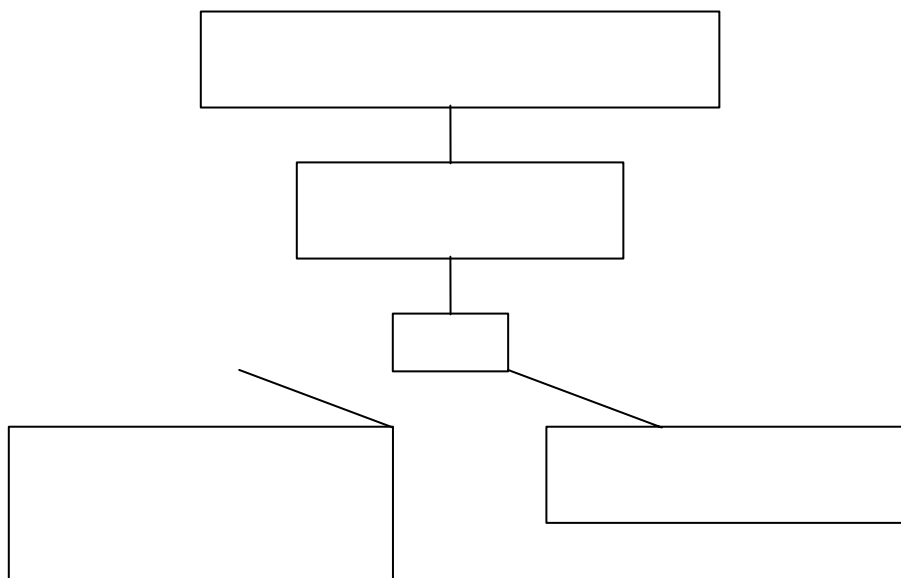
- (2) Contractor publication, "Cardholder Instructions for the Use of the U.S. Governmentwide Credit Card;"
- (3) Contractor publication, "Approving Official Instructions for the Use of the Governmentwide Credit Card;" and
- (4) Federal Acquisition Regulation (FAR), 48 CFR Part 13 as revised, "Simplified Acquisition Procedures."

3. Is this Card the Same as the Government Travel Credit Card?

No, this is a different program. You cannot use the NationsBank VISA card for official Government travel.

4. Who Administers the Credit Card Program?

- a. The flow chart below is the general organizational structure for administration of the credit card program, followed by descriptions of each administrative component.



- (1) General Services Administration (GSA). GSA is the contracting agency for the entire program. However, each agency defines its own internal policies and procedures and may tailor its program within the context of the existing contract, the relevant parts of the Treasury Financial Manual and the FAR.

- (2) Contractor. The contractor provides credit for all Government credit card uses, and certifies that such uses are legitimate as to the amount and Standard Industrial Classification (SIC) codes authorized for the particular cardholder. The contractor:
- (a) Maintains all accounts, issues cards to cardholders, sends out statements to cardholders and approving officials, and submits designated reports to the Agency Program Coordinator (APC) and the Finance Office;
 - (b) Pays merchants in a timely manner and receives reimbursement from the SBA Denver Finance Center (DFC), Denver, CO; and
 - (c) Investigates all amounts disputed by SBA.
- (3) Office of Procurement and Grants Management (OPGM).
- (a) Delegates limited contracting authority to cardholders when needed;
 - (b) Receives written requests from proposed cardholders and approving officials and forwards applications to the contractor;
 - (c) Reviews card use, compliance with the FAR, this SOP, and other applicable procurement-related rules and regulations;
 - (d) Revokes credit cards immediately if abuse is discovered; and
 - (e) Acts in an advisory capacity, as needed, regarding propriety of acquisitions and as the "Administrative Office" as defined in the Special Provisions of the relevant Federal Supply Schedule.
- (4) Agency Program Coordinator (APC). The APC is the official liaison between SBA, GSA, and the contractor. He/she oversees the SBA's participation in the Government credit card program, establishes guidelines, and discusses any matters relative to Government credit card use. The APC has no contracting authority regarding the Government credit card program. The APC is a designated person of the:

Office of Procurement and Grants Management (5332)
Procurement Analyst
409 3rd St. SW, 5th Floor
Washington, DC 20416
Telephone: (202) 205-6622

In the absence of the APC, contact the Director, OPGM, at the same telephone number.

- (5) Denver Finance Center (DFC). OFO, Denver, CO, electronically pays the contractor's statements and acts as the "Finance Office" as defined in the Special Provisions of the relevant Federal Supply Schedule. DFC pays NationsBank VISA invoices in accordance with the Prompt Payment Act. The Finance Office Contact is a designated person of the:

DFC (5115)
Office of Administrative Accounting
P. O. Box 748
Denver, CO 80201
Telephone: (303) 844-3780

5. May I Contact the Credit Card Contractor Directly?

You should contact the credit card contractor only to report a lost or stolen card. (See paragraph 5-1.)

6. Who is Eligible to Use the Card?

- a. Proposed cardholders in Headquarters program offices or field offices who have viewed credit card training videos or CD ROM; and
- b. Proposed approving officials who have viewed credit card training videos or CD ROM.

7. How Can I Get a Card?

- a. Management Board members and field office heads may submit in writing the names of proposed cardholders (generally no more than two per office) and a proposed approving official to the APC. A training video tape or CD ROM will be forwarded to you within 5 business days.
- b. The proposed approving official and proposed cardholder(s) must certify in writing that they have viewed the video or CD ROM and return their certification to OPGM, Headquarters using SBA Form 1988, "Cardholder/Approving Official Application Form." (See appendix 2.) OPGM will complete and process the application within 3 business days. Note: Each cardholder application must be accompanied by an approving official application unless the approving official is already on file.

- c. The card is mailed directly from the credit card contractor to the cardholder within two weeks after processing. The cardholder should sign the card immediately upon receipt and activate it by calling the VISA toll-free telephone number provided with the card.

8. Do I Need a Warrant to Use the Credit Card?

You will receive a credit card warrant, which will give you the authority to purchase up to your limit on the VISA credit card.

Chapter 2

Training

1. What Training is Necessary?

If you are a proposed cardholder or approving official, you must view two training videos or one CD ROM provided by the credit card contractor:

- a. “Cardholder Training” Video and “Approving Official Instruction” Video;
or
- b. “Government Purchase Card-Interactive Customer Assistance” CD ROM.

2. What is an Approving Official and What are His/Her Responsibilities?

- a. Generally, the approving official oversees and reviews credit card purchases and the associated documentation maintained by cardholders. Each approving official:
 - (1) Receives annotated statements and any additional purchase documentation, such as receipts, from the cardholder;
 - (2) Certifies the cardholder's statements and ensures that payments are for purchases which are authorized and made in accordance with procurement regulations;
 - (3) Receives reports of all credit card purchases directly from the contractor;
 - (4) Initiates issuance of credit cards, collects credit cards, and removes individuals from the credit card program when appropriate;
 - (5) Initiates possible disciplinary actions against abusing cardholders by notifying the cardholder's immediate supervisor of the cardholder's abuse; and
 - (6) Ensures that the inventory and disposition of all items, in particular non-consumable items such as capital equipment, are in accordance with applicable property management regulations and SOP 00 13.
- b. If you are an approving official, you cannot designate any person to whom you are subordinate as a cardholder.

- c. No cardholder can be his or her own approving official.

3. What are My Responsibilities as a Cardholder?

The credit card bears your name and may only be used by you to pay for authorized U.S. Government purchase. All credit card purchases must comply with the FAR, SBA regulations, and SOPs. Each cardholder:

- a. Is responsible for using the credit card strictly in accordance with all governing guidelines;
- b. Reconciles and annotates the statement of account and provides it to the approving official within 5 workdays of receipt from DFC;
- c. Resolves problems with the vendor, such as an incorrect amount charged for goods or services received, and assist the credit card contractor with any investigation of disputed charges; and
- d. Must cut in half and return the credit card, through the approving official, upon termination of employment with the respective component, or upon demand of the approving official or OPGM. The approving official must provide a receipt to you as the former cardholder.

4. How Do I Obtain the Necessary Training?

You can obtain the training videos by contacting the APC, Office of Procurement and Grants Management, at (202) 205-6622.

Chapter 3

Using the Credit Card

1. How Does the Cardholder or Approving Official Set Up Funding for the Credit Card?

- a. Prior to using the card, you must complete and process an SBA Form 2, "Requisition for Supplies, Services and Federal Assistance," in an estimated dollar amount for anticipated credit card purchases for each quarter. Use Accounting Code object class 2599 "Small Purchases - Credit Card" for all Agency credit card purchases. Enter a "cc" into FFS for that amount. DFC will automatically charge to that object class and to your organization. (The organization is identified by the credit card number.) Your office is responsible for all budget allocations to pay for their respective credit card purchases. All certifications and prior approvals currently required by SOP OO 11 apply to the credit card program. Ensure that funds are available to pay for the items being purchased.
- b. In Headquarters, commit funds in FFS, then forward the Form 2 to OPGM for obligation of funds. Enter the transaction into the electronic credit card log. Field offices both commit and obligate funds.
- c. You cannot alter your usual and customary ordering practices simply to fit your purchasing to the credit card limitations set forth in this SOP. The quantity of a product which you order must be determined solely on the basis of the needs of your office or program and without regard to whether the quantity may be purchased under credit card procedures or not. It is a violation of the FAR to split your purchases to be within your credit card purchase limitations.

2. What are My Purchase Limitations?

- a. The following dollar limits apply.
 - Single purchase limit
 - Monthly cardholder limit
 - Monthly office limit
- (1) Single Purchase Limit. The single purchase limit is a limitation on the procurement authority delegated to the cardholder.
 - (a) You cannot exceed this limit unless a revised delegation of authority is issued by the APC.

- (b) A single purchase may include multiple items; however, no single purchase shall exceed the authorized single purchase limit established for each cardholder.
 - (c) The standard single purchase limit is \$2,500 for program office personnel, \$2,500 up to \$5,000 for field office personnel, and unlimited for OPGM.
- (2) Monthly Cardholder Limit. The monthly cardholder limit is a budgetary limit assigned by the APC. The monthly cardholder limit for program and field office personnel shall not exceed \$25,000; the monthly cardholder limit for OPGM shall not exceed \$100,000.
 - (3) Monthly Office Limit. The monthly office limit is a budgetary limit established for each approving official. The Assistant Administrator for Administration establishes the monthly office limit for OPGM. The APC establishes the monthly office limit for field offices.
 - (a) The limit is the total of the approving official's cardholders' monthly purchase limits.
 - (b) The total dollar value of purchases using all cards shall not exceed the monthly office limit.
- b. If you attempt to make a purchase not within the dollar limits specified in paragraph 3-2.a(1)(c) above, the credit card will automatically reject at the point of sale.
 - c. All purchases in the field must be made with the credit card. If your office has an occasion to purchase supplies or services that exceed the holder's limit or the vendor you choose does not accept the credit card, you should contact OPGM immediately for assistance. OPGM will either temporarily raise your limit or issue a purchase order from Headquarters.

3. What Types of Merchants Can I Purchase From?

- a. The following merchant categories apply:
 - (1) Telemarketing travel-related arrangement services (no travel agencies);
 - (2) Mail order houses, telephone purchases, subscription/continuity merchants;
 - (3) Discount/department/variety stores, miscellaneous general merchandise,

duty free stores;

- (4) Miscellaneous and specialty retail stores - lumber/hardware, lawn, garden, clothing, home furnishings and equipment, household appliances, music/records, Government services not elsewhere classified; and
- (5) Miscellaneous business services.

b. Any business supply or service may be purchased, as long as regulations applicable to the specific item or service are followed; e.g., computer hardware and software must be approved by the Office of the Chief Information Officer. If you attempt to make a purchase not within the merchant categories specified in paragraph 3-3.a above, the credit card will automatically reject at the point of sale.

4. What Purchases are Not Allowed with my Government Credit Card?

a. Your credit card must not be used for the following type of purchases:

- (1) Purchases of items for personal use;
- (2) Purchases that exceed applicable dollar limitations and merchant category restrictions;
- (3) Cash advances;
- (4) Rental or lease of land or buildings, including parking spaces;
- (5) Purchase of tickets or other travel expenses where the Government Travel Card is appropriate;
- (6) Purchase of fuel oil, services, maintenance, and repairs for Interagency Fleet Management vehicles;
- (7) Telephone calls;
- (8) Purchase of supplies that are currently stocked in the SBA Supply Store;
- (9) Blanket Purchase Agreements (BPAs); and
- (10) Existing SBA purchase orders and written SBA contracts.

5. Can I Buy Services?

Your credit card can be used to purchase services that comply with the dollar limitations, merchant category restrictions and authorized uses of the card. See paragraphs 3-2, 3-3, and 3-4 above.

6. What are the Procedures I Must Follow in Order to Make a Credit Card Purchase?

a. General.

- (1) The unique Government VISA Card that you receive has your name embossed on it and may only be used by you. The card was specially designed showing the great seal of the U.S. and the words "United States of America" imprinted on it to avoid being mistaken for a personal credit card.
- (2) You must comply with all regulations, including the FAR, this SOP, and SOP 00 11 that apply to simplified acquisition procedures. The credit card provides an additional mechanism for acquisition. We recommend the use of SBA Form 1987, "Credit Card Purchase Checklist," Appendix 3, to make it easier to comply with the detailed procedures in this chapter.
- (3) Use of Priority Sources. Appendix 4 is an excerpt from FAR Part 8 summarizing the hierarchy of sources that must be considered before acquiring any goods or services with your credit card. Note that "commercial sources" are given the very lowest priority.
- (4) Cardholders with dollar limitations exceeding \$2500 must purchase products made in the U.S.

b. Oral Purchase Procedures

An oral or in-person purchase requires no written purchase order or contract. You may make an oral purchase when your requirements can be described in sufficient detail so that the vendor has a clear understanding of what is required, and if the vendor does not need a written purchase order or contract.

- (1) When making an oral or in-person purchase, you must:
 - (a) Verify the quantity and quality of the items or service agreement with the merchant;
 - (b) Inform the merchant that the purchase is for Official U.S. Government purposes and, therefore, is exempt from State or local

sales taxes. The card is imprinted with "US Govt. Tax Exempt." If a vendor objects to the tax exempt status of the card, you should call the APC immediately;

- (c) Ensure that all items purchased are immediately available. No backordering is permitted; and
 - (d) Ensure that the vendor will deliver all items purchased within the 30-day billing cycle.
- (2) At the time the merchant obtains credit card authorization, the contractor's authorization system automatically checks your purchase limits and merchant restrictions. If the purchase is outside any one of the established limits, it will automatically be rejected at the point of sale.
- (3) Merchants who accept credit cards pay the credit card contractor an administrative fee. Ensure that this fee is not added to the total price.

7. **What File Documentation Must I Maintain for Each Purchase?**

You must:

- a. Document the reason for buying from a lower priority or non-mandatory source;
- b. Obtain price competition from two or more sources for purchases above the micro-purchase threshold;
- c. Document that the price paid is fair and reasonable;
- d. Report all accountable personal property items to the responsible administrative officer for inclusion in inventory; and
- e. Track all purchases made along with the credit card's remaining balance. We recommend you use SBA Form 1687, "SBA Record of Credit Card Orders." (See appendix 5.)
- f. The person who maintains the credit card log in your office should use the Credit Card Tracking Log, Appendix 6. The log, an Excel spreadsheet, is forwarded to SBA Headquarters on the first of every month for agency procurement tracking purposes.

8. What are the Procedures for Receiving and Tracking Deliveries?

a. Field Office Employees Must:

- (1) Instruct the vendor to include the following information on the shipping document or packing slip:
 - (a) Cardholder's name, mail code, and telephone number; and
 - (b) Building number, room number, street address, city and state, and hours of receiving.
- (2) Send all deliveries to the location designated by the approving official or administrative officer for receipt of property.

b. Headquarters Employees Must:

- (1) In addition to a(1) above, inform the vendor to make all deliveries to the following address:

SBA
Receiving, Room C-600
409 Third St. S.W., Concourse
Washington, DC 20416

Hours of receiving are 8:30 AM to 4:00 PM. Delivery trucks must be equipped with a lift gate.

- (2) The requester must sign for receipt if OPGM picks up an item for an employee or office within Headquarters.
- c. If an item is picked up, the employee receiving the goods must sign the packing slip or sales receipt, and bring the receipt to the cardholder.

9. What are the Penalties for Misuse of the Credit Card?

a. Extent of SBA Liability.

- (1) SBA is liable only for authorized use of Government credit cards by authorized cardholders.
- (2) SBA shall not be liable for intentional use of a credit card to obtain items not authorized for purchase. This is considered an attempt to commit

fraud against the U. S. Government and could result in the following actions against the cardholder:

- (a) Immediate cancellation of the card;
- (b) Immediate disciplinary action for unauthorized or careless use;
- (c) Liability to SBA for the total dollar amount of the unauthorized purchase; and/or
- (d) A fine of not more than \$10,000, imprisonment for not more than 5 years, or both under 18 U.S.C. 287.

Chapter 4

The Payment Process

1. Where Will the Statements be Sent?

The credit card contractor will provide hardcopy statements to the:

- a. Cardholder for all purchases, credits and other transaction data that you have made; and
- b. Finance Office.

2. What are the Procedures for Reconciliation and Processing of Statements?

a. The Cardholder Must:

- (1) Note the actual receipt date of the statement;
- (2) Hold all receipts and supporting documentation until the daily billing statement is received, and review and verify all charges and credits;
- (3) Verify that you receive a credit for a returned or canceled item, and that the credit is reflected on the statement;
- (4) Retain the transaction documentation until the purchase or credit appears on the statement;
- (5) Notify the Dispute Office contact to resolve purchases or credits that do not appear on the subsequent daily statement. (See paragraph 3-4);
- (6) Sign the statement, attach all receipts and supporting documentation, and forward the documents to the approving official or designated alternate approving official within 5 workdays of receipt; and

Note: If you are absent or cannot otherwise review the statement when received, the approving official must review and certify the statement. Upon your return, the approving official should review the statement with you.

- (7) If for some reason you do not have documentation of a transaction to send with the statement, attach an explanation that includes a description of the item, date of purchase, merchant's name, and why there is no supporting

documentation.

- (8) Retain credit card purchase records for 3 years after final payment. Periodic, random audits will be conducted to ensure compliance and accountability for all VISA purchases.

b. The Approving Official Must:

- (1) Note the actual receipt date of the statement;
- (2) Ensure that:
 - (a) Supporting documentation of purchases is complete and is attached to the cardholder statements;
 - (b) The cardholder has entered descriptions of the items purchased on the charge slips or the statement;
 - (c) The items purchased were authorized by a Form 2, received the necessary clearances prior to purchase, and were otherwise appropriate;

3. How are Credit Card Bills Paid?

- a. Denver Finance Center is responsible for paying your credit card bill. When you make a purchase, the merchant electronically sends a statement to the credit card contractor, who electronically routes the information to DFC. DFC will:
 - (1) Make electronic payment against the appropriate office's miscellaneous obligation (MO) in FFS within 1 to 3 days after the purchase;
 - (2) Deduct transactions disputed by cardholders and approving officials on Cardholder Questioned Item (CQI) forms from the amount owed. DFC will also add the required information to the contractor's "Notification of Invoice Adjustment" (NIA) form. The CQI and NIA forms are be sent to RMBCS as supporting documentation for the amount paid by the Agency;
 - (3) Process payments within 30 days in accordance with the Prompt Payment Act. The contractor may suspend accounts with payments over 60 days past due until payment is received.

4. Who is Responsible for Resolving Billing Errors or Disputes?

- a. The Dispute Office contact is the APC, who coordinates, reviews, and monitors all billing errors and disputes.
- b. Billing Errors.
 - (1) If you receive a statement with a billing error, such as listing a transaction for merchandise that has not been received, you must complete a "Cardholder Statement of Questioned Item (CQI)" Form and mail the original to the credit card contractor with a copy to OFO contact and the Dispute Office contact within 7 workdays after receiving the cardholder statement. The contractor must receive the CQI form within 60 days after the statement date to credit the transaction until the dispute is resolved.
 - (2) Attach a copy of the CQI form to the cardholder's statement, which the Approving Official reviews.
- c. Disputes. If items purchased with the card are defective, the cardholder is responsible for obtaining replacement or correction of the item as soon as possible. First, try to resolve the problem with the vendor. If the vendor refuses to replace or correct the faulty item, the purchase is then in dispute. Disputes are handled the same as billing errors.

5. Does the Credit Card Contractor Offer Any Incentives for Paying Early?

Yes, SBA can receive a productivity based award (PBA) for early payment. To reward and encourage those agencies which pay sooner than 30 days as allowed by the Prompt Payment Act, the credit card contractor will pay a PBA directly to the Agency. The award is based on the Agency's history of payment as it compares to the program benchmark for payment, which is 39 days past the date of the invoice. The credit card contractor will refund to the Agency basis point(s); e.g., .0001, of net sales for each 1-day improvement in an Agency's payment history. Awards are paid twice per year based on a 6-month payment history.

Chapter 5

Care of the Card

1. What Do I Do if My Card is Lost or Stolen?

- a. In the event your card is lost or stolen, you must immediately take the following steps:
 - (1) Notify the credit card contractor directly; and
 - (2) Notify the approving official within 1 workday of discovering the card missing.
- b. The approving official must submit a written report to the APC within 5 workdays after you notify him/her that the card is missing. The report must include the:
 - (1) Card number;
 - (2) Cardholder's complete name;
 - (3) Date and location of the loss;
 - (4) If stolen, date reported to police;
 - (5) Date and time the credit card contractor was notified;
 - (6) All purchases made on the day the card was lost or stolen; and
 - (7) Any other pertinent information.
- c. The credit card contractor will mail a new card with a new account number to you within 2 business days of the reported loss or theft.
- d. If you subsequently find the card after reporting it lost or stolen, cut it in half and give it to your approving official. The approving official must complete a "destruction notice" and forward the card and notice to the APC.
- e. Please keep in mind that only you as the cardholder can use your credit card and account number. It is your responsibility to safeguard the credit card and account number at all times. When you are not using the card, it must be kept in a secure location, and the account number may be disclosed only as necessary for the use of the card. A violation of this trust may result in withdrawal of your card or

disciplinary action, or both.

2. What Happens if a Cardholder or Approving Official Leaves the Agency or Transfers to Another Office?

- a. If you as a cardholder leave the Agency, you must cut the card in half and surrender it to the approving official.
- b. If you as an approving official are leaving the Agency, you must:
 - (1) Complete the account maintenance form and forward the form and card remnants to the APC; and
 - (2) Annotate SBA Form 78, "Final Salary Clearance," as to the return of the card and termination of signature authority for use of the card.

3. What Happens if a Cardholder Transfers to Another Office with a Different Approving Official?

- a. If you are transferred to another office with a different approving official, you must cut the card in half and surrender it to the former approving official, who will complete the account maintenance form.
- b. If the new approving official designates you to be a cardholder within the new office, you must forward a new written request to the APC for processing.

4. How Do I Renew an Expiring Credit Card?

- a. Unless you are notified otherwise by the APC, the credit card contractor will automatically reissue a new card directly to you prior to expiration of your current card. You must activate reissued cards similar to new account cards. (See paragraph 1-7.)
- b. The APC reviews expiring cards prior to re-issuance.

Appendix 1**Index to Forms and Reports**

<u>Form</u>		<u>Paragraph</u>
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Appendix 2



Cardholder/Approving Official Application Form

Cardholder Name _____

Office _____

Address One _____

Address Two _____

City _____ State _____

Zip _____ - _____

Telephone Number _____ - _____

Approving Official _____

This serves as certification that I have viewed the Cardholder Training Video or CD-ROM and understand my responsibilities as a Cardholder for my office.

Cardholder Signature

Date

Approving Official _____

Office _____

Address One _____

Address Two _____

City _____ State _____

Zip _____ - _____

Telephone Number _____ - _____

This serves as certification that I have viewed the Approving Official Instruction Video and I understand my responsibilities as the Approving Official for my office.

Approving Official Signature

Date

Appendix 3



CREDIT CARD PURCHASE CHECKLIST

I. PRE-PURCHASE:

Authorized Purchase

- / / Within all purchase limits
- / / Authorized merchant
- / / Item is for an approved purpose

Funding

- / / Proper Form 2 with accounting object class code 2599
- / / Funds available - Form 2 must be committed and obligated in FFS

File Document

- / / Purchase from highest priority source available
- / / Accountable personal property reported to Administrative Officer

II. DURING THE PURCHASE:

- / / Verify that items and quantities are correct
- / / Item(s) immediately available (no back ordering)
- / / Inform vendor of tax exempt status
- / / Ensure and document fair and reasonable price
- / / Obtain sales receipt
- / / Notate description of item and date received or picked up

III. FOR GOODS THAT WILL BE SHIPPED:

- / / Provide full shipping address to vendor
- / / Provide cardholder name, mail code, phone no.
- / / (Headquarters only) - Truck must have lift gate

IV. RECONCILIATION:

- / / Verify accuracy of all charges and credits
- / / Certify monthly statement and write MO number on statement
- / / Attach all receipts and supporting documentation to monthly statement
- / / Forward complete package to Approving Official within 5 days
- / / Approving Official certifies statement and forwards just the statement to Denver DFC

Appendix 4

8.001 PRIORITIES FOR USE OF GOVERNMENT SUPPLY SOURCES.

(a) Except as required by 8.002 , or as otherwise provided by law, agencies shall satisfy requirements for supplies and services from or through the sources and publications listed below in descending order of priority –

(1) Supplies

- (i) Agency inventories;
- (ii) Excess from other agencies (see Subpart 8.1);
- (iii) Federal Prison Industries, Inc. (see Subpart 8.6);
- (iv) Products available from the Committee for Purchase from People Who Are Blind or Severely Disabled (see Subpart 8.7);
- (v) Wholesale supply sources, such as stock programs of the General Services Administration (GSA) (see CFR 41 101-26.3), the Defense Logistics Agency (see 41 CFR 101-26.6), the Department of Veterans Affairs (see 41 CFR 101-26.704), and military inventory control points.
- (vi) Mandatory Federal Supply Schedules (see Subpart 8.4);
- (vii) Optional use Federal Supply Schedules (see Subpart 8.4); and
- (viii) Commercial sources (including educational and nonprofit institutions).

(2) Services

- (i) Services available from the Committee for Purchase from People Who Are Blind or Severely Disabled (see Subpart 8.7);
- (ii) Mandatory Federal Supply Schedules (see Subpart 8.4);
- (iii) Optional use Federal Supply Schedules (see Subpart 8.4);
- (iv) Federal Prison Industries, Inc. (see Subpart 8.6), or commercial sources (including educational and nonprofit institutions).

(b) Sources other than those listed in paragraph (a) may be used as prescribed in 41 CFR 101-26.301 and in an unusual and compelling urgency as prescribed in 6.302-2 and in 41 CFR 101-25.101-5.

