

MS 731 Peace Corps Purchase Card Program

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1.0 Purpose

This Manual Section establishes the policies for the Peace Corps Purchase Card Program. All procedures, forms, and on-line training related to the Purchase Card Program are available on the Intranet site maintained by the Office of Acquisitions and Contract Management (OACM). See SOP 731 Peace Corps Purchase Card Program Procedures.

2.0 Authority

22 United States Code (U.S.C.) § 2509(a)(1); 22 U.S.C. § 2514(a); Federal Acquisition Regulation (FAR), 48 Subpart 13.301, Code of Federal Regulations (CFR) Part 1 et seq., OMB Circular A-123 Appendix B.

3.0 Policy

3.1

It is the policy of the Peace Corps for employees to use a bank issued credit card (Purchase Card) for the purchase of goods and services to the maximum extent practicable in accordance with the guidance in this Manual Section and the implementing procedures.

3.2

The policies set forth in this Manual Section do not apply to the Travel Card Program. The Purchase Card Program is governed by the Federal Acquisition Regulation (FAR) and other authorities, whereas the Travel Card Program is governed by the Federal Travel Regulations and Manual Section 812, Staff Travel.

3.3

This Manual Section applies to all Peace Corps personnel who are involved in the use of a Purchase Card to acquire goods and services.

3.4

All Peace Corps personnel must adhere to strict legal and ethical standards relating to the expenditure of public funds when purchasing goods or services with a Purchase Card.

4.0 Key Participants and Responsibilities

4.1 Office of Acquisitions and Contract Management

OACM has primary responsibility for the operation of the Peace Corps Purchase Card Program. OACM is headed by the Chief Acquisitions Officer (CAO) who exercises management and supervision of the Purchase Card Program. The CAO is responsible for developing the procedures implementing the Purchase Card Program, establishing the internal controls for the program, delegating authorities and responsibilities to participants in the program, making provision for training of program participants on the proper operation of the program, and ensuring that the program is operated in accordance with applicable laws, regulations, and procedures.

4.2 Delegation of Procurement Authority

The CAO will issue to each participant in the Peace Corps Purchase Card Program a written memorandum with a description of the procurement authority being delegated and any conditions, limitations or restrictions placed on the delegation. Cardholders, Approving Officials, and Budget Approving Officials must have a delegation from the CAO to participate in the Purchase Card Program. At a minimum, a delegation must address the following: (a) for Cardholders, the delegation must specify the single purchase limit and monthly cycle limit unique to the individual Cardholder; (b) for Approving Officials, the delegation must specify the program hierarchy and relevant

responsibilities; and (c) for Budget Approving Officials, the delegation must specify duties and responsibilities. When amendments occur to a delegation of authority, a revised written delegation will be issued and any previous delegations will be rescinded.

4.3 Agency Program Coordinator

The CAO will designate an Agency Program Coordinator (APC) to be responsible for the day-to-day management and operation of the Purchase Card Program. The APC generally serves as the focal point for answering questions, coordinating applications, overseeing the issuance and revocation of Purchase Cards, conducting and managing training, conducting reviews and audits, and serving as the overall point of contact for Cardholders, Approving Officials, Budget Approving Officials, the Purchase Card Contractor and General Services Administration.

4.4 Budget Approving Official

A Budget Approving Official (BAO) is an officer who has budget authority for an office or agency unit and is responsible for the oversight of the proper operation of the Purchase Card Program in such office or agency unit. At the option of the BAO, authority to approve Purchase Card activity in an office or agency unit may be redelegated to designated Approving Officials within the office or unit. The BAO must work closely with the designated Approving Officials and is responsible for pre-approving certain designated purchases.

A Budget Approving Official must have budget authority and is responsible for the following:

- (a) Ensures that purchases made by the Cardholder are for official Peace Corps use and in accordance with established policies and procedures;
- (b) Ensures adequate funding has been obtained prior to purchase; and
- (c) Reviews, approves, and signs Cardholder monthly statement of account to include all supporting documentation.

4.5 Approving Official

An Approving Official, named by a BAO, is responsible for the review and oversight of Cardholder activity within a designated office, unit or section thereof and to ensure that Purchase Cards are being used properly by Cardholders. An Approving Official must be at a higher level than a Cardholder, such as an immediate supervisor or a responsible person designated by OACM. A Cardholder cannot be his or her own Approving Official.

Specific responsibilities of the Approving Official include, but are not limited to, the following:

- (a) Ensures that purchases made by the Cardholder are for official Peace Corps use and in accordance with established policies and procedures;
- (b) Ensures adequate funding has been obtained prior to purchase;

- (c) Reviews, approves, and signs Cardholder monthly statement of account to include all supporting documentation;
- (d) Certifies and submits the monthly statement in the Electronic Card Management System within eight business days after the close of the monthly billing cycle;
- (e) Reconciles the monthly statement for the Cardholder in the event of the Cardholder's absence;
- (f) Assists the Cardholder in resolving disputes;
- (g) Ensures that the Purchase Card Contractor and Agency Program Coordinator are notified in the event of a lost or stolen card;
- (h) Notifies the APC when a Cardholder is leaving the agency, when a Cardholder's duties have changed, or when the Cardholder is no longer a Cardholder;
- (i) Completes initial Purchase Card training and refresher training every 3 years; and
- (j) Reports all Purchase Card misuse and abuse to the APC.

4.5.1 Review for Misuse and Abuse

Approving Officials should carefully review each Cardholder's monthly statement of account to ensure that proper procedures are being followed and that adequate supporting documentation has been attached (Purchase Card log, funding documentation, sales receipts, etc). Approving Officials should verify that purchases were for official Peace Corps use only and have not been split in order to circumvent the Cardholder's single purchase limit or avoid competition.

4.5.2 Review of Cardholder Monthly Statement and Purchase Card Log

Approving Officials are responsible for reviewing and approving Cardholder monthly statements of account and all related supporting documents such as funding documentation, Purchase Card logs, sales receipts, dispute forms, receiving reports, etc. Cardholder files must be retained by the individual Cardholder for a minimum period of 3 years.

4.6 Cardholder

A Cardholder is an employee who has been issued a Purchase Card and is responsible for using it in accordance with the governing policies and procedures. The Purchase Card is for official Peace Corps use only and must not be used by the Cardholder for personal use. Any Peace Corps direct hire employee (U.S. citizen or Foreign Service National) may be a Cardholder. Individuals under overseas Personal Services Contracts and non-personal services contractors domestically or overseas are not eligible to be Cardholders.

A Cardholder is the only individual authorized to use his/her Purchase Card and has sole responsibility for expenditures charged against the card. The name of the Cardholder and the individual's account number is embossed on each Purchase Card. When not in use, Purchase Cards must be stored in a secure area in the office to prevent loss or theft.

Specific responsibilities of the Cardholder include, but are not limited to, the following:

- (a) Ensures proper and adequate funding is available prior to making a purchase;
- (b) Purchases only authorized items using authorized sources;
- (c) Informs merchants that purchases are tax-exempt;
- (d) Maintains accurate and complete records of all Purchase Card transactions to include a Purchase Card log;
- (e) Reconciles the monthly statement of account against the Purchase Card log to ensure that all charges are proper and accurate;
- (f) Submits the monthly statement of account in the Electronic Card Management System within eight business days after the close of the monthly billing cycle;
- (g) Resolves potential disputes with merchants;
- (h) Signs and forwards the monthly statement of account with supporting documents to the Approving Official for review;
- (i) Maintains and retains Purchase Card files for a minimum period of 3 years;
- (j) Makes arrangements for the Approving Official to reconcile his/her monthly statement during periods of absence from the office;
- (k) Provides Purchase Card statements and supporting documentation to the APC, upon request, for review;
- (l) Completes initial Purchase Card training and refresher training every 3 years;
- (m) Immediately notifies the APC if there is a change to his/her Approving Official; and
- (n) Immediately reports lost or stolen cards to the Purchase Card Contractor, Approving Official, and APC.

4.7 Purchase Card Contractor

The Purchase Card Contractor is the financial institution that has been awarded a contract by Peace Corps to provide Purchase Card services to participants in the Purchase Card Program.

4.8 Designated Billing Office

The Designated Billing Office is responsible for payment of the Purchase Card Contractor Invoices. The Peace Corps has one designated billing office, the Office of Global Accounts Payable (OGAP), located in Washington, DC.

5.0 Separation or Transfer

When departing from the Peace Corps, Cardholders and Approving Officials must notify the APC immediately. The APC is responsible for canceling the account and/or notifying the Purchase Card Contractor. The Cardholder is responsible for destroying his/her Purchase Card and providing to

the Approving Official all files including unreconciled transactions, sales receipts, and Purchase Card logs. The Approving Official is responsible for reconciling the departed Cardholder account and retaining the file documentation for a period of three years. If an Approving Official is replaced, any previous Cardholder records being retained must be transferred to the new Approving Official for the remainder of the 3-year retention period.

A Cardholder separating from the Peace Corps should, if possible, discontinue using his or her Purchase Card 30 days prior to departing the Peace Corps to ensure his/her account has a zero balance.

If a Cardholder transfers to another program office, his/her Purchase Card will be canceled and a new Purchase Card issued. The Cardholder is responsible for destroying the old Purchase Card and providing all the files to the Approving Official for the 3 year retention period.

6.0 Convenience Checks Policy

Convenience Checks are an alternative payment method for use when no vendors accept the Government Purchase Card. Use of Convenience Checks must only be used in the United States and cardholders located overseas must use Electronic Funds Transfer as a method of payment. Use of Convenience Checks is a last resort in making a purchase.

If a vendor does not accept a purchase card or convenience checks; contact OACM to ascertain if a contract needs to be issued in order to effect the procurement.

7.0 Reconciling and Reallocating the Monthly Statement of Account

The Cardholder is responsible for reconciling and reallocating his/her monthly statement of account to ensure transactions are accurate and funded appropriately. The monthly statement of account is provided electronically through the Electronic Card Management System. In order to perform the monthly reconciliation and reallocation process, the Cardholder will need the statement of account, the Purchase Card log, supporting documentation, and CitiDirect username and password.

If the monthly statement of account is not electronically submitted through the Electronic Card Management System within eight business days after the close of the monthly billing cycle, it is automatically closed (Auto-Closed) by the system. Any transactions that were not electronically reallocated will have to be processed by the Designated Billing Office.

The APC will track offenses on Cardholder's accounts that are automatically closed by the Electronic Card Management System. If a Cardholder's statement of account is Auto-Closed twice within a fiscal year, the APC must issue a memo noting this fact to the Cardholder and Approving Official. If a Cardholder's statement of account is Auto-Closed three times within the fiscal year, the delegation of authority may be rescinded and the card revoked.

8.0 Authorized Use of the Purchase Card

The Purchase Card may be used (unless otherwise noted in exceptions) for the following purposes:

- (a) Office Supplies;
- (b) Copier Supplies;
- (c) Books;
- (d) Magazine Subscriptions;
- (e) Carrier Services (UPS, FedEx, DHL);
- (f) Training;
- (g) Furniture;
- (h) Conference Facilities to include meeting rooms and conference rooms;
- (i) IT Hardware (requires prior approval from the Office of the CIO);
- (j) Utility Services (authorized for overseas use only);
- (k) Motor Vehicle Insurance (authorized for overseas use only); and
- (l) Medical Supplies.

The list above is not intended to be all inclusive but provides examples of common authorized supplies and services. The Cardholder should contact the APC with any questions regarding authorized purchases.

9.0 Purchase Card Review Process

The APC will conduct monthly transactional reviews on all of the Purchase Card transactions within the previous billing cycle for all Cardholder accounts.

10.0 Effective Date

The effective date is the date of issuance.