



Federal Aviation Administration



Purchase Card Guide

A Quick Reference
For Applicable
Policies & Regulations

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US Bank Service for Cardholders/Approving Officials

US Bank Customer Service 1-888-994-6722

US Bank Access Password
Assistance 1-888-994-6722

US Bank Fax 1-866-457-7506

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Notes:

Sites of Interest

- Fast/AMS Toolbox
<http://fast.faa.gov/>
- GSA Smartpay Training
<http://fss.gsa.gov/webtraining/trainingdocs/smartpaytraining/index.cfm>
- Purchase Card Website
<http://faapcard.amc.faa.gov/>
- US Bank's Access
<https://access.usbank.com/>
- US Bank's Access Web-based Training
<https://wbt.access.usbank.com/>
- US Bank Communications and Training Website
https://www2.usbank.com/cgi_w2/cfm/impac/impac_login.cfm
- FAA Section 508 Site
<http://www.faa.gov/aio/InfoMgmt/508/>
- DOT Office Supply Agreement Links
Boise/Office Max- www.bcofederal.com
Staples- www.stapleslink.com
- State Tax Exemption Letters
<http://apps.fss.gsa.gov/services/gsa-smartpay/taxletter/index.cfm>

Introduction:

The FAA purchase card is the internationally accepted MasterCard credit card. The purchase card is issued through the General Services Administration's (GSA) contract with a credit card bank, e.g., US Bank. FAA employees with proper training and a Delegation of Procurement Authority (DPA) are authorized to use it in acquiring products and services.

The FAA purchase card is intended to streamline acquisition and payment procedures and to reduce the administrative burden associated with the purchasing of products and services under commercial and simplified acquisition procedures. The credit card should be the "primary purchasing method" when vendors accept credit cards for commercial and simplified purchases, unless otherwise prohibited. The purchase card is not used for procurements where a Blanket Purchase Agreement (BPA), purchase order, or contract is the appropriate purchasing tool.

When needing service in this program, suspected fraud or improper use is identified, or questions arise, please contact the Agency Program Coordinator (APC) associated with your location. A listing of APCs is provided on the last page. If a card is lost or stolen, cardholders must contact the card-issuing bank, the APC, and the approving official immediately to inform them of the situation.

Training

The following are the training requirements/opportunities for members of the purchase card program:

Initial Training:

1. Complete the GSA Smartpay training and submit the certificate to the responsible APC. Website: <http://fss.gsa.gov/webtraining/trainingdocs/smartpaytraining/index.cfm>
2. Read the guide and associated material at the Purchase Card website and submit the self-certification of understanding on that same site. Website: <http://faapcard.amc.faa.gov/>

Refresher Training: Must be completed every two years

Read the guide and associated material at the Purchase Card website and submit the self-certification of understanding on that same site.

Website: <http://faapcard.amc.faa.gov/>

US Bank Training

US Bank Access Web-Based Training Website

<https://wbt.access.usbank.com/>

US Bank Communications and Training Website

https://www2.usbank.com/cgi_w2/cfm/impac/impac_login.cfm

Property Management

Property Custodians – Property custodians throughout FAA shall ensure that adequate records are maintained for all FAA property regardless of whether it is purchased via Government credit card or any other mechanism. All FAA real and personal property shall be tracked in the applicable FAA asset management accountability information system. Accountability for real and personal property is to be maintained in these systems for the life of a facility and/or equipment and this recordation constitutes the official agency record.

Accountable property over \$500 and all test equipment must have the bar code number, model number, and serial number on the statement and entered into the Automated Inventory Tracking System (AITS) by the custodians or delegates. The Personal Property Officer in Logistics then approves the entry.

Record Keeping

All purchase card transactions made by a cardholder must be supported by:

- Purchase Approval
- Certification of funds availability
- Sales slip or invoice
- Telephone log (for telephone purchases)
- Mandatory source availability
- Documentation of competition or best value
- Receiving report
- Other documentation required due to the nature of the purchase (authorizations by associate administrator, health authority, etc)

All purchase card documentation shall be retained for six years and three months from the date of purchase

Review Process

Validate Monthly Statements – After retrieving the monthly purchase card statement from the US Bank/Access Online website, each cardholder is responsible for validating all card purchases and credit transactions itemized on the monthly statement to the accountable documents; i.e., the cardholder's copy of sales slips, credit slips, and **telephone order forms**. These accountable documents must be verified to the cardholder statement to make sure that itemized purchase amounts are valid obligations and all credits for returned or disputed amounts are reflected on the monthly statement. If the cardholder's statement reflects charges for purchases not received, the amounts in question should be disputed in writing no later than 60 days after the statement date on which the transaction appeared. Cardholders should also ensure that purchases on their statement include no sales tax. If sales tax is included, the tax should be disputed.

Approving Official – The approving official is responsible for ensuring all cardholders validate purchases and credits itemized on the statement and that all purchases and credits include the proper accounting classification data. Approving officials must verify that all purchases were authorized, there was prior certification of funds, that copies of sales slips, credit slips, and telephone order forms are attached. The Approving official must also notify the APC of any unauthorized use of the card. Approving Officials will review on a quarterly basis the cardholder's monthly limit to ensure that the limit coincides with the actual need.

Both cardholder and approving official should sign the bank statement.

At no time should the cardholder and approving official be the same person for a purchase

Obtaining a Purchase Card

The steps in obtaining a purchase card are:

1. The applicant must complete the required training as described in the Training section of this guide.
NOTE: The certification on the Purchase Card website is automatically sent to the APC; however the GSA SmartPay certificate must be either faxed or mailed to the APC for processing.
2. The supervisor for the applicant must fully complete the Purchase Card/Check Request on the Purchase Card website for the appropriate region in which the applicant resides.
3. The supervisor for the applicant will then send an e-mail to the appropriate APC confirming the need. (Since the website does not have the ability to identify the person completing the application, the e-mail within the FAA system will serve as a proof of identity.)
4. A Delegation of Procurement Authority (DPA) will be issued by the COCO through the APC if the application with the requested limits is approved.
NOTE: The limits on the DPA are the official limits on the card and may not be exceeded, split, or otherwise violated.
5. The application will be submitted to the bank by the APC for card issuance.
6. The purchase card should be delivered to the applicant within two weeks of Step 5.

Definitions

Best Value - Is defined as a process used to select the most advantageous offer by evaluating and comparing factors in addition to cost or price. Best value is not an automatic award to the low price. Instead best value is taking both price and other factors into consideration in making a purchase i.e. reliability, past performance, required need date, etc.

Competition – Competition among two or more sources is the preferred method of purchasing under the Acquisition Management System (AMS) and this policy applies to purchases using the FAA credit card. Each cardholder must determine if the product or service is available through the mandatory sources of supply, National Industries for the Blind (NIB) or NISH, before making a purchase from the open market per the Javits-Wagner-O'Day Act (JWOD).

Delegation of Procurement Authority (DPA) – Written delegation from the Chief of the Contracting Office (COCO) to non-warranted individuals that authorizes the use of the purchase card and indicates a single and monthly purchase limit that is not to be exceeded.

Documenting Price Comparisons – The purchasers must provide a written record of research into why a purchase is the “Best Value” for the government. This can be done in a variety of ways such as copies of estimates or a list of the businesses contacted with price quotes identified by each vendor. It is important to include the names of the vendors and locations along with shipping/handling costs for comparisons. If the business is the only provider of the service in the area, a written statement to this effect must be included with each purchase.

Approval Process

Segregation of Duties – Key duties and responsibilities in authorizing, processing/recording, certifying availability of funds, and reviewing official agency transactions should be separated among individuals.

Cardholder – The cardholder is responsible for the processing and recording of associated card purchases. They are to ensure all purchases on their card comply with applicable policy and procedures, all necessary approvals are received prior to purchase, and that all documentation for each purchase is complete and according to applicable policies and regulations.

Certifier of Funds Availability – The certifier of funds availability relays in writing to the cardholder and approving official that funds are available for purchases. This is done prior to the purchases being made, and can be done per transaction or on a quarterly, semi-annual or annual basis. This certification permits the FAA to comply with the Anti-Deficiency Act and other fiscal laws.

Approving Official – The approving official is the individual within then program that approves purchases in advance, monitors the activity of the cardholders, and ensures purchases comply with applicable policies and procedures.

Credit Card Checks

Credit Card Checks are authorized for use only in certain “exceptional situations” such as when electronic fund transfers and government purchase credit cards are not accepted. A credit card check register should be maintained to record each credit card check transaction, the credit card check number, date issued, the payee, a description of the purchase, the amount, and the account fee. When not in use, checks are to be kept in a secured area, i.e., locked safe/cabinet or other secured environment approved by the servicing security element to protect them from being stolen or misused.

Credit Card Checks may only be used:

- Where the political, financial, or communications infrastructure does not support payment by EFT in a foreign country;
- Where the payment is to a recipient within an area designated by the President or an authorized agency administrator as a disaster area;
- Where paying by EFT would jeopardize military or law enforcement operations or national security interests;
- Where a cost-benefit analysis shows that making nonrecurring payments by EFT are not justified;
- Where an agency’s need for goods and services is of such unusual and compelling urgency that the Government would be seriously injured unless payment is made by a method other than EFT; or
- When there is only one source for goods or services and the Government would be seriously injured unless payment is made by a method other than EFT.

Spending Limitation:- Approving officials will determine the appropriate dollar amount of single purchase limits to be established for each cardholder, however, **each credit card check issued cannot exceed \$2,500.**

Purchases using credit card checks must be approved in advance by the second level approving official.

Transaction Limits

Purchase Limits – Approving officials will determine the appropriate dollar amount of single and monthly purchase limits to be established for each cardholder. Within FAA, the Chief of Contracting Office (COCO) will then approve these proposed limits and issue a Delegation of Procurement Authority (DPA) to the cardholder with all applicable limits identified. Warranted Contracting Officers may make purchases up to \$100,000 using the credit card (if within their warrant limits). To increase your limits, have your approving official send a request to the COCO through the appropriate APC. The COCO may grant a limit increase for an individual purchase if a need exceeds established purchase limits. If such a temporary limit increase is needed, please forward a request to the COCO through the APC.

Service Contract Act – Cardholder service purchases (i.e. landscaping, snow removal, security services), for the same function, same contractor, and same location are limited to **\$2,500.**

Davis Bacon Act – Cardholder construction purchases for the same function, same contractor, same location are limited to **\$2,000.**

Splitting Purchases – Cardholders **must not** split purchases to avoid monetary limitations. A split purchase is a procurement made to avoid established purchase limits. It is not necessary for the purchase to be in the same day to qualify as a split purchase.

- **Never allow anyone else to use your purchase card or the associated account number**
- **Never use the card for personal purchases**

Prohibited Purchases

The following items **cannot** be purchased using a government purchase card:

- Rental or lease of land or buildings
- Cash advances, including money orders
- Telephone services controlled by the GSA or the local Office of Information Services or Regional Communications Office
- Personal purchases or services
- Food items for meetings and conventions (A reasonable amount may be expended for light refreshments for award ceremonies; however contact your legal counsel or procurement office for guidance and/or review)
- Gifts to include store gifts cards/certificates/office retirement
- Membership fees for individual employees (the agency may purchase membership in a society or association in its own name)
- Personal expenses and furnishings (Clothing, decorations, and food)

Note: The use of the purchase card to purchase an item of clothing required in order to perform job duties is permitted (safety shoes, uniform, etc); however this purchase should be coordinated with the applicable procurement office.

- Drinking water, except when a duly constituted health authority pronounces the drinking water to be unsafe for human consumption at the site
- Subscriptions to publications or magazines not relating to official duties
- Rental of aircraft by persons not in aircraft related positions
- Fans, air conditioning and cooling equipment, space heaters and heating equipment, except where properly authorized and installed

Prohibited Purchases Continued

- Water coolers, vacuum cleaners, and other household appliances, except as requisitioned by the authorities charged with building management and equipment
- Real property (lands, buildings, or structures)
- Travel-related expenses
- Services of \$2,500 or more (Janitorial, lawn maintenance, and other such services may not exceed an annual cost of \$2,500)
- Construction of \$2,000 or more
- Purchases from other government employees
- Payments of salaries or wages
- Obtain government owned or leased vehicles
- Plaques, trophies, etc. (exceeding \$75.00) given to employees for high quality work or special projects

Restricted Purchases

Purchases of the following items require written justification from the affected associate or assistant administrator:

- Plasma displays
- Personal data assistants (PDAs) to include BlackBerries