



DEPARTMENT OF THE NAVY

U.S. NAVAL SUPPORT ACTIVITY NAPLES ITALY
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NAVSUPPACTNAPLESINST 4200.8L
N8

~ 9 SEP 2021

NAVSUPPACT NAPLES INSTRUCTION 4200.8L

From: Commanding Officer, U.S. Naval Support Activity, Naples, Italy

Subj: GOVERNMENT COMMERCIAL PURCHASE CARD PROGRAM

Ref: (a) FLCSI Naples ltr 4200 Ser 212/0062 of 19 Apr 19
(b) General Services Administration SmartPay3 Contract
(c) Federal Acquisition Regulation 2021-06 of July 12, 2021
(d) Defense Federal Acquisition Regulation Supplement of July 9, 2021
(e) DoD 7000.14-R Volume 5, DoD Financial Regulation Manual: Disbursing Policy of August 2015
(f) Department of the Navy Simplified Acquisition Procedures Guide of April 2018
(g) NAVSUPINST 4200.99C
(h) UCMJ, Article 15
(i) OUSD (A&S) SmartPay 3 Transition Memo #10

Encl: (1) GCPC Program Internal Operating Procedures

1. Purpose. To establish command responsibilities and procedures for the proper management of the Government Commercial Purchase Card (GCPC) Program for U.S. Naval Support Activity (NAVSUPPACT), Naples, Italy, as per enclosure (1).

2. Cancellation. NAVSUPPACTNAPLESINST 4200.8K

3. Background

a. The Department of the Navy (DoN) Purchase Card Program is organizationally aligned within Naval Supply System Command (NAVSUP) Corporate Operations Directorate. All DoN Activities using the program must comply with the provisions of references (a) through (i). DoN GCPC services are provided per a tailored Task Order under reference (b).

b. Governing Policy. The DoN GCPC program is governed by acquisition, financial management and GCPC policies:

(1) Acquisition Policy – References (b) through (d) and (f) through (g) outline acquisition policies for using the GCPC.

(2) Financial Management Policy for the GCPC is provided in reference (e).

(3) GCPC Policy – This instruction encompasses legal, regulatory, and policy from:

(a) United States Code Title 18, Section 1001 and reference (h), article 132 establish legal requirements for management of GCPCs, safeguards, internal controls, and penalties for violations for GCPC misuse.

(b) Office of Management and Budget Circular, A-123 Appendix B provides Federal policy for management on GCPC.

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4. Policy. Use the GCPC within regulation.

(a) As method of purchase for supplies, services, and construction up to \$10,000 worldwide; for services and construction outside the U.S. up to \$10,000; for services in the US up to \$2,500; and for construction in the U.S. up to \$2,000.

(b) As method of payment, for training up to \$10,000 using SF 182 (Certification of Training); for training exceeding \$10,000 but not greater than \$25,000 using SF 182 as per reference (g); for printing services ordered from Defense Logistics Agency (DLA) Document Services up to \$25,000; against contractual document issued by a warranted contracting officer up to \$25,000.

5. Records Management

a. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned per the records disposition schedules located on the DoN Assistant for Administration, Directives and Records Management Division portal page at:

<https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx>.

b. For questions concerning the management of records related to this instruction or the records disposition schedules, please contact the local records manager or the OPNAV Records Management Program (DNS-16).

6. Review and Effective Date. Per OPNAVINST 5215.17A, NAVSUPPACT Naples will review this instruction annually on the anniversary of its effective date to ensure applicability, currency, and consistency with Federal, Department of Defense, Secretary of the Navy, and Navy policy and statutory authority using OPNAV 5215/40 Review of Instruction. This instruction will be in effect for five years unless revised or cancelled in the interim and will be reissued by the five-year anniversary date if it still required, unless it meets one of the exceptions in OPNAVINST 5215.17A, paragraph 9. Otherwise, if the instruction is no longer required, it will be processed for cancellation as soon as the need for cancellation is known following the guidance in OPNAV Manual 5215.1 of May 2016.

7. Forms. All applicable forms can be found at:

https://www.cnic.navy.mil/regions/cnreurfcent/installations/nsa_naples/about/departments/administratio_n_n1/administrative_services/forms.html



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NAVSUPPACTNAPLESINST 4200.8L

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U.S. NAVAL SUPPORT ACTIVITY, NAPLES, ITALY

GOVERNMENT COMMERCIAL PURCHASE CARD

(GCPC)

INTERNAL OPERATING PROCEDURES

(IOP)

Enclosure (1)

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1. Introduction

a. The need for the Purchase Card Program began with Executive Order 12352, Federal Procurement Reform, 1982. The Purchase Card program was developed to provide a fast and convenient method to procure and/or pay for all requirements under the micro-purchase threshold. After several interim programs, the Department of Navy (DoN) provided Task Order, GS-36F-GA0001, issued under the General Services Administration (GSA) SmartPay 3 Contract, reference (b), to obtain purchase card services from the approved financial institution. This Internal Operating Procedure (IOP) provides guidance on the appropriate use of the purchase cards by U.S. Naval Support Activity (NAVSUPPACT), Naples, Italy, personnel.

b. The policy of NAVSUPPACT Naples requires the purchase card be used as method of purchase or method of payment.

(1) As method of purchase for procurement of open market supplies, services, and construction up to the micro-purchase threshold (MPT) with following exceptions:

(a) Services procured in the Continental United States (CONUS): the MPT is \$2,500;

(b) Construction: the MPT is \$2,000.

(2) As method of payment up to \$25,000 for:

(a) Training requirements using the SF 182 (Certification of Training);

(b) Printing services through Defense Logistics Agency (DLA) Document Services;

(c) Contractual documents issued by a warranted contracting officer through Fleet Logistics Center (FLC).

c. All purchases must be made in accordance with the Federal Acquisition Regulation (FAR) Part 13, the Defense FAR Supplement Part 213, the Navy Marine Corps Acquisition Regulation Supplement (NMCARS), NAVSUPINST 4200.99 (series), and the GSA contract for the Government Commercial Purchase Card (GCPC) and this IOP.

d. U.S. Bank is the GSA contracted financial institution that maintains all purchase card accounts.

2. Definitions

a. Approving Official (AO)/Alternate Approving Officials (AAOs). Government employee appointed by Head of Activity (HA) or designee to review and approve card billing statements to verify transactions completed were legal, proper, mission essential, and correct.

b. Billing Cycle. The billing cycle is a 30-day billing period when CH may use their purchase card. For DoN, the billing cycle ends on the 19th of each month. If the 19th falls on a Saturday or Sunday, the billing cycle ends on the preceding Friday.

c. Billing Cycle Limit (30-day limit). The limit assigned to each CH cumulative purchases and transactions within a given billing cycle. The CH and AO billing cycle limits will be reviewed and will be entered in the bank's database by the Agency Program Coordinator (APC).

d. Cardholder (CH). Any government employee (active duty military or Department of Defense (DoD) employee) who is designated by the HA or designee to be issued a purchase card or purchase card account.

e. Certifying Officer. A government employee (active duty military or Department of Defense (DoD) employee) appointed by HA or designee to certify voucher for payment.

f. Contracting Officer. A government employee (active duty military or Department of Defense (DoD) employee) who has the authority to bind the government to any purchasing activity or agreement.

g. Hazardous Material (HAZMAT). Hazardous materials or products approved for use by the NAVSUPPACT Naples HAZMAT Program Manager that are customarily sold to the general public to be used for non-governmental purposes (commercial products) which are in the same size and packaging found commercially. Examples of materials or products include lubricants and detergents.

h. Information Technology Purchase Request (ITPR). Information Technology (IT) purchase screen process handled by NAVSUPPACT Naples IT Department (N6).

i. Insight on Demand (IOD). The IOD was developed for the DoN Consolidated Card Program Management Division (CCPMD). Its purpose is to be a method for review and take corrective action of certain infractions of procedure and policy in the administration of the DoN Purchase Card Program.

j. Merchant Category Code (MCC) blocks. A four-digit code assigned to a participating purchase card vendor based on his/her industry classification. DoN has blocked purchase card transactions for certain categories of merchants. For example, casinos, gasoline stations, jewelry stores, drinking establishments, etc. These MCCs are automatically applied to CH account profiles at the time of set-up.

k. Micro Purchase Threshold. The CHs single purchase limit set by the APC with AOs recommendation and historical purchase history.

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l. Minor Personal (Accountable) Property. Pilferable property referring to items that have a ready resale value or application to personal possession and other pilferable items, making them subject to theft (regardless of the unit dollar amount). Examples of pilferable property include cameras, laptops, iPads/tablets, computer accessories, cellular phones, GPS devices, and PDAs.

m. Monthly CHs Statement. The statement of charges provided to the AO at the end of the billing cycle detailing all of the transactions that posted to their account during the period.

n. Pecuniary Liability. The personal financial liability for fiscal irregularities of disbursing and certifying funds by Certifying Officers/Approving Officials. A preventive measure to guard against errors and theft by others, and also to protect the government against errors and dishonesty by the officers themselves.

o. Procurement Integrated Enterprise Environment (PIEE). The enterprise tool for appointing and delegating authority to GPC personnel. The Office of Under Secretary of Defense for Acquisition and Sustainment (OUSD (A&S)) has specified the Joint Appointment Module (JAM) as the mandatory enterprise tool for appointing and delegating procurement authority to Government-wide Commercial Purchase Card (GPC) personnel. The long term requirement for JAM is to ensure that the government has reliable data regarding GPC appointments and training to provide that data electronically to U.S. Bank.

p. Purchase Card Log. A manual or automated log on which the purchase cardholder documents the screening for mandatory government sources and individual transactions using the purchase card.

q. Reconciliation. The process by which the CH and AO review their monthly cycle statements and reconcile against available vendor receipts, purchase card logs, and reallocation of the Budget Exchange Rate fluctuation.

r. Services. Firm fixed priced (including unpriced orders with an established ceiling), non-personal, commercially available requirements in which NAVSUPPACT Naples directly engages the time and effort of the contractor to perform a task (e.g. repairs, maintenance, annual maintenance agreements, etc.).

s. Single Purchase Limit. The dollar threshold assigned to each CH for a single purchase or payment action. Each CHs delegation of authority letter must include limits commensurate with anticipated purchase requirements of the CH.

t. Split Purchase. The “intentional” breaking down of a known requirement to stay within the micro-purchase threshold or a means of getting around the CHs purchase limit.

3. Roles and Responsibilities

a. Head of Activity (HA). The HA is the NAVSUPPACT Naples Commanding Officer (CO).

- (1) Prior to establishing a local DoN GCPC, the HA must obtain a grant or delegation of authority to operate the GCPC Program.
- (2) The HA must operate the GCPC Program in accordance to NAVSUPINST 4200.99C.
- (3) HA has delegated authority to the APC to appoint GCPC program personnel.

b. NAVSUPPACT Naples N8 Comptroller:

(1) Supervise the GCPC program and verify that individuals in the program have no conflicts of interest, institute adequate checks and balances.

(2) Provide financial guidance and training as required to each departmental Command Financial Management System (CFMS) users as to what accounting procedures each department should use for GCPC purchases.

(3) Work with the APC to streamline the funds approval process to the maximum extent practicable.

c. Agency Program Coordinator (APC). The Level V APC (activity level) or designated Alternate APC is responsible for managing the GCPC program. The individual is designated by the CO via a letter of designation. The day-to-day operations include the following:

(1) Issue purchase cards to personnel who require purchase cards for mission requirements only.

(2) Verify AO and CH account profiles are appropriate for local mission. Perform regularly scheduled maintenance on accounts to verify that the account profile information is current and accurate. Close accounts that have not been used more than three times in one year or inactive at least 30 days (one billing cycle).

(3) Receive initial training on purchase card policy as well as refresher training every two years. Maintain documentation of all training for the duration the employee serves in that capacity and for three years beyond.

(4) Train all GCPC program participants prior to establishing their accounts. Conduct refresher training, and maintain individual training records.

(5) Appoint AOs and CHs within PIEE/JAM and in writing by an appointment/delegation letter.

(6) Be responsible for AO and CH accounts, including the initial setup of appropriate spending limits and assignment of Merchant Category Codes, monthly maintenance of accounts, and discontinuance of accounts upon transfer of personnel or revocation of cards.

(7) Per reference (i), perform monthly transactional reviews, as well as quarterly and semi-annual reviews of every aspect of the program for the periods 20 September to 19 March and 20 March to 19 September. Upon CO concurrence, forward the results of the semi-annual reviews to the Level IV APC for submission to Level III APC.

(8) Provide quarterly briefings to the CO regarding the status of the program, including the number of cards, spending patterns, delinquency issues, and instances of fraud, misuse, or abuse.

(9) Maintain familiarity of the latest NAVSUP policy letters and provide information and technical assistance to account holders, as required. Recommend new and revised procedures aimed at continuously improving program controls, processes, and procedures.

(10) Function as the point of contact for the financial institution, resolving technical and/or operational issues, and taking appropriate action regarding delinquent accounts.

(11) Conduct audits of AO and CH accounts, to review and verify proper certification of invoices, completed CH logs, and retention of supporting documentation. Additional attention will be given to transactions identified within U.S. Bank IOD, such as questionable purchases.

(12) Use reports from the bank to accomplish the above actions.

(13) Prior to transferring, retiring, or appointing a new AO/APC, the Level V or IV APC must be notified. Requests to remove the old AO or APC and add a new AO or APC will be forwarded to the Level V or IV APC.

NOTE: The APC must not be an AO or purchase CH.

d. Approving Official or designated Alternate. The AO and Certifying Official are synonymous in the DoN GCPC program and will therein be referred to as an AO. The AO will also be appointed by either the HA or APC, via a letter of appointment (Appendix A for AO and Appendix B for AAO) and DD Form 577 (Appendix E), documenting their responsibilities as a Certifying Official. The AO is the program's first line of defense against misuse, abuse, and fraud. The AO must receive initial and refresher training as required by reference (i) and paragraph 4 of this enclosure. The AO's day-to-day operations include the following:

(1) Become thoroughly familiar with assigned duties and responsibilities, and the pecuniary liabilities of a certifying officer. Use reference (b) as a guide to duties.

(2) Validate proper use of the purchase card through approval of purchases and services for official government business valued at or below the appropriate threshold and the charges accurate.

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(3) Certification of monthly statements. Reconcile purchases within five business days from receipt of the CH signed statement. Review, sign, and date the CH monthly transactions to signify accuracy. Electronically certify the CHs statement within U.S. Bank.

(4) Maintain a separation of functions between the CH making the purchase and the individual inspecting and receiving the purchases.

(5) Notify the APC of any violations in procedures, unauthorized purchase (purchases that would indicate non-compliance, fraud, misuse, and/or abuse) or payments discovered.

(6) Complete a monthly random transactional review via IOD, of CH transactions.

(7) Maintain all original supporting documentation for accounts when the CH has been transferred, reassigned, or retired and the account is closed. Purchase-related records, such as purchase card logs, micro-purchase worksheets, requisitions, and supporting documentation are to be retained for a minimum of three years. Financial records, such as invoices, statements, financial paperwork are to be retained for ten years.

(8) When transferring, retiring, or being reassigned, AO must notify APC at least 30 days (or one billing cycle) prior to projected date of loss. All GCPC request documentation held by the AO must be turned over to APC.

e. Cardholder. The CH is designated by the HA or APC, via a letter of delegation (Appendix D) documenting their responsibilities as an Accountable Official. The purchase card bears the name/account number of this individual. They are pecuniary liable for erroneous payments resulting from negligent actions. The CH must receive initial and refresher training as required by reference (d) and paragraph 4 of this instruction. Purchase CH should not hold positions within the command where the APC, AO, or others can exercise undue influence over their actions as purchase CH. The CH day-to-day operations include the following:

(1) Commit and use for authorized official U.S. Government purchases only. Obtain approval from the AO and Financial Analyst (FA) prior to entering into any contracts or purchases. This requirement applies regardless of the transaction method or technology used (e.g. e-commerce, point-of-sale device).

(2) Solicit a quote and document the vendor's quote on the purchase order request form.

(3) Screen all requirements for their availability from the mandatory government sources of supply as noted in NAVSUPINST 4200.99(Series).

(4) Rotate micro-purchase requirements among qualified suppliers to the maximum extent practicable.

(5) Purchase only mission-essential requirements at fair and reasonable prices from responsible suppliers only if mandatory sources are unavailable.

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(6) Maintain a proper separation of function for each purchase card line item or service transacted. A single individual may perform only one of the following functions (at a minimum, a three-way separation of function):

- (a) Initiation of the requirement.
- (b) Placement of order.
- (c) Receipt, inspection, and acceptance of supplies or services.

(7) Maintain either a manual or automated purchase log that documents individual transactions, see Appendix G for Sample Purchase Log. The purchase card log should be maintained by cycle, not monthly. The log and supporting documentation should provide an audit trail supporting the decision to use the purchase card and any required special approvals that were obtained. At a minimum, the purchase log must contain the following:

- (a) Requestor name.
- (b) Date the item or service was ordered.
- (c) The merchant name.
- (d) The dollar amount of the transaction.
- (e) A description of the item or service ordered.
- (f) Date of receipt.
- (g) Name of individual receiving item or service.
- (h) Comments or applicable information regarding the purchase (i.e. paid but not received, credit, cancelled, dispute).
- (i) COVID-19 Transaction.
- (j) 889 Declaration Code.

(8) Reconcile the monthly purchase card statement to verify that all charges are proper and accurate. Reallocate lines of accounting for each transaction when required.

(9) Electronically certify and manually sign the monthly purchase card statement, forwarding to the AO with the appropriate supporting documentation and process payments within five working days. Supporting documentation must include at a minimum the following:

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(a) Monthly CH memo statement. Include notes on each charge, specifying document number, explanation of charge (i.e. conference attendance, books, credit etc.) and whether the charge is final or partial.

(b) Requisition/purchase order request form (showing funding approval).

(c) Sales receipt showing what was purchased and charged.

(d) Delivery and acceptance information showing what was received and who received it. Signature should be legible (print, date, and sign).

(10) Safeguard purchase card information and account number at all times. The full account number must not be transmitted in an insecure manner, such as by email, unsecured fax and/or stored fax (including digital-sender or similar networked fax server). If the purchase needs to occur using a fax or e-mail, the CH will contact the vendor or vice versa via telephone. The CH will ensure:

(a) Entire credit card information may only be transmitted over-the-counter, over the phone, mail order, or by Internet, if it is a secure/encrypted site.

(b) The credit card number must not be printed on either the department copy or customer copy of any receipts. A new or old receipt should have all but the last four digits blacked out. The credit card number should be redacted as soon as possible and card expiration date must be masked especially when the vendor uses non-electronic or non-automated teller machine swiped card machine.

(11) The CH must not allow anyone to use their card or account number for any purpose or use the card for personal transactions. A CH who permits their GCPC account number to be used by another person or uses it for personal transactions is subject to disciplinary action.

(12) When transferring, retiring, or being reassigned, the CH must notify AO and APC. The APC will suspend the CH account at least 30 days (or one billing cycle) prior to the projected date of loss. The CH will verify all transactions and payments have cleared from the account. Account cannot be closed until all transactions and payment have cleared. Under no circumstances will the account remain open past the official detachment date. All GCPC documentation must be turned over to AO. The CH must surrender the GCPC to the APC.

f. Financial Manager (FM). Must not be the CH or the AO. Must be an individual from NAVSUPPACT Naples N8 who acts as the liaison with the APC and CH to commit the correct lines of accounting and funds to satisfy the requirements.

g. Local Contracting Office. Provide advice interpreting acquisition and contracting policy governing the use of the purchase card, particularly when using the GCPC as a method of payment.

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4. Training Requirements. Prior to designation as a program participant via a letter of delegation, all program participants, HAs, APCs, AOs and CHs, must successfully complete initial training on the purchase card program. Annual and refresher training should be completed as required. A copy of all training certificates will be maintained by the Level V APC for the duration the participant/employee serves in the capacity and for three years beyond. Copy of training certificates will be uploaded in PIEE/JAM. Listed below is the required training for all prospective participants:

a. DoN Consolidated Card Program Management Division (CCPMD) training for perspective role is required initially for HA, APCs, AOs, and CHs. APCs, AOs, and CHs will need to complete refresher training every other year. Training can be accessed at: https://my.navsup.navy.mil/webcenter/portal/ccpmd_pc/Training

b. CLG 006 Certifying Officer Legislation Training for Purchase Card Payments initial training is required for AOs and APCs. AOs must also complete refresher training annually. This training is hosted on the DAU website at <https://icatalog.dau.edu/>

c. CLG 0010 DoD Government Commercial Purchase Card Overview is required initially and every other year by APCs, AOs, and CHs. This training is hosted on the DAU website at: <https://icatalog.dau.edu/>

d. Ethics initial and annual refresher training is required for all (HA, APC, AO, and CH). This training can be accessed through Total Work Management System at: <https://twms.navy.mil/selfservice/login.asp>

e. Insight on Demand (IOD) Audit Tool training is required initially for APCs and AOs. The Level V APC will provide training via US Bank at: <https://www.access.usbank.com>

f. Internal Operating Procedures (IOP) training is required initially and every other year for APCs, AOs, and CHs. The Level V APC will provide training and issue locally made certificates once training is completed.

g. CHs and AOs expected to spend/certify more than \$250,000 per year will file an Office Government Ethic (OGE) Form 450. Due to their confidential nature, the OGE Form 450s are managed and retained by the Office of the Staff Judge Advocate (SJA). The APC will request a yearly statement of all personnel who have filed an OGE Form 450 with SJA and maintain a file available for external inspection teams (i.e. Procurement Performance Management Assessment Program, Inspector General etc.).

5. Completing Purchases. Before purchase, CH must verify the purchase is not prohibited by law, meets the mission of NAVSUPPACT Naples, and is not covered by other appropriated funds. Requestor justification for the GCPC purchase must be notated on the GCPC Request Form, Appendix F.

a. Prohibited/Special Attention Items. References (h) and (i) provide a comprehensive listing of the most common prohibited and special attention items. If the item is on the prohibited list, the purchase will not be made. If an item requires special approval per reference (i), the CH will obtain the appropriate approval. The Prohibited/Special Attention Items list includes, but is not limited to:

(1) Split purchases. No CH may fragment/split purchases that exceed their delegated micro-purchase threshold limit as a means to use the purchase card. The CH will determine the total requirement, and not “split” an order into two or more orders to avoid the micro-purchase limit. If the total requirement exceeds the micro-purchase threshold limit, a CH with higher procurement authority must make the purchase, or the appropriate local Contracting Office can process a requisition for the purchase. Whenever a purchase is made in foreign currency, the CH must ensure that the daily exchange rate in dollars does not exceed the single purchase limit. The CH will verify the daily rate at: www.oanda.com/currency/converter/ and print out the daily currency conversion to document the purchase file. AOs will ensure that requirements are not split between two or more CHs to avoid the single purchase limit.

(2) Cash advances are not permitted under any circumstances.

(3) Rental or lease of land, buildings, or long-term rentals (one-month).

(4) Fuel or oil for DoN-owned aircraft, vessels, and vehicles, unless specifically authorized by reference (d).

(5) Rental or lease of commercial or GSA Vehicles (without drivers). CHs are not authorized to use their purchase cards to rent/lease commercial or GSA vehicles including boats, vessels, helicopters, etc. due to contractual requirements.

(6) Gift Checks, Rebates, or Incentives. Under no circumstances will the CH accept gift cards/checks, vendor rebates, or other purchase incentives that can be converted to personal use. If received, these items must be turned over to the AO/APC for destruction and disposal.

(7) Expenses associated with official travel including transportation, lodging, or meals.

b. Depending on the type of product/service being purchased, additional approval may be required and must notated on the Technical Screening section of the GCPC Request Form (Appendix F). Technical screening required:

(1) HAZMAT which appears on the Authorized Users List (AUL), may be purchased with a GCPC in limited quantities only after approval has been received from the HAZMAT Consolidated Hazardous Materials Reutilization and Inventory Management (CHRIMP) Department.

(a) Appropriately notate on the GCPC Request Form, Appendix F.

(b) If approval required, attach copy of approved HAZMAT to request.

(2) Information Technology Purchase Request (ITPR). The requestor of IT equipment must contact NAVSUPPACT Naples N6 prior to purchase, in order to determine if approval is required by the Information TECHNOLOGY Manager. NAVSUPPACT Naples N6 will then create an ITPR within the Navy Information Dominance Approval System (NAV-IDAS), and route it to Commander, Navy Region Europe, Africa, Central (CNREURAFCENT), N6, Chief Information Officer, for approval. For more information on the ITPR screening process, refer to the Region ITPR Desk Guide located at:

<https://g2.cnice.navy.mil/TSEURAFCENT/N6/N62N63/ITPR/Sitepages/Home.aspx>

(a) Appropriately notate on the GCPC Request Form, Appendix F.

(b) If approval required, attach copy of approved ITPR to request.

(3) Safety Officer. Personal Protective Equipment (PPE) under Occupational Safety and Health Administration (OSHA) requires approval from Safety Officer.

(a) Appropriately notate on the GCPC Request Form, Appendix F.

(b) If approval required, provide copy of Safety Officer approval with request.

(4) DLA. In January 2013, the DoN established a mandatory enterprise-wide policy to improve management and use of all networked and stand-alone DoN copiers, printers, fax machines, scanners, and Multi-Functional Devices (MFDs). Procurement and disposal of this type of equipment must be accomplished through DLA Document Services.

(a) Appropriately notate on the GCPC Request Form, Appendix F.

(b) If DLA screening conducted, attach copy of approved DLA to request.

(c) The purchase of these items also requires ITPR screening. For more information on the ITPR screening process, refer to the Region ITPR Desk Guide located at:
<https://g2.cnice.navy.mil/TSEURAFCENT/N6/N62N63/ITPR/Sitepages/Home.aspx>

(d) If item not available through DLA and being purchased through other source, attach DLA response to request.

c. Required Sources. The purchase of supplies will be limited to the various contracting vehicles when available. If purchase is not made from a mandatory or strategic source, notate on the GCPC Purchase Request Form, Appendix F, and explain why these sources are not being used.

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(1) Mandatory Sources. Per reference (i), screening requirements of government sources of supply are mandatory. These include IT approved vendors and DLA Document Services for printing and replication.

(2) Strategic Sources. The use of these automated purchasing systems such as FED Mall, GSA, and Navy Exchange (NEX) Depot are encouraged when product is available through these sources.

(a) NEX Depot may only be used after determining items are not available through FED Mall.

d. Market Research. When it is not possible to use required sources or NEX Depot, a market research must be conducted. Prices may be obtained via the Internet, hard copy catalog, or oral/written quotes from vendors but at least one should be in writing. Results of market research, minimum of two vendors, and justification for why vendor was selected must be included on the GCPC Purchase Request Form, Appendix F.

e. Competition Review. Distribution of business is reviewed in the NAVSUP FLCSI Naples Review every eighteen (18) months and APC Semi-annual Reviews. CHs are required to rotate micro-purchase requirements among qualified vendors to the maximum extent. The fact that a specific vendor accepts the purchase card does not, in itself, justify purchasing from that vendor. Justification for the selection of vendor must be included on the GCPC Purchase Request Form, Appendix F.

f. Sole Source Justification. If an item is unique and requires purchase from a particular merchant, the requestor must complete a sole source justification to be approved by the AO prior to purchase. If a similar product is manufactured/sold by another company or vendor, market research must still be conducted. A copy of the sole source justification will be filed in the Purchase File with all other supporting documentation.

g. 889 Declaration. CH must receive written 889 Declaration Representation Form from the merchant before making a purchase. If the merchant cannot/will not provide a representation or indicates "does use" equipment or services from the references companies above, their subsidiaries or affiliates, then the CH must look for an alternate merchant. The 889 Declaration Representation Form and details regarding 889 requirements can be found in Appendix I.

h. Tax Exemption. For all purchases, the CH will advise the vendor that the purchase is for official U.S. Government use, and that it is exempt from any tax for which the U.S. Government is exempt (i.e., Value Added Tax (VAT), Imposta sul Valore Aggiunto (I.V.A.), etc.). A notice of tax exemption is embossed on the GCPC. If the vendor has questions or concerns about the tax exemption, the CH will refer the vendor to the APC, who will provide Appendix H, Letter for I.V.A. Tax Exemption, for clarification.

i. **Billing Cycle Purchase Limit Review.** The CH will ensure that the dollar value of the requested purchase will not cause them to exceed their assigned billing cycle purchase limit. If a higher billing limit is required to meet mission's needs, AO must submit a written request to the APC who will review the request.

j. **Funding Review and Obligation of Funds.** Prior to making a purchase the CH will ensure that sufficient funding is available. Approval and signature of NAVSUPPACTNAPLES N8 Comptroller or assigned budget analyst will certify availability of funds. A purchase without sufficient funding constitutes an "Anti-Deficiency Act (ADA) violation" of government funds and will not be made.

k. **Minor Personal (Accountable) Property.** The NAVSUPPACT Naples N8 Comptroller Department must maintain accountability records in the Defense Property Accountability System (DPAS). All purchases for minor personal property and capital assets must be identified by requestor prior to purchase. Upon receipt, the requestor will report the purchase to the department's Accountable Property Officer (APO). The department APO must notify the Installation APO (IAPO) to update the record on DPAS.

6. **Shipping and Receiving.** CHs may purchase over-the-counter, or via the telephone, or the Internet.

a. **Over-the-Counter (In-Store) Procedures.** All items purchased over-the-counter must be immediately available. Back-orders/partial orders are not authorized. At the time of purchase, the CH will present the GCPC together with their government identification card.

b. **Telephone and Internet Ordering Procedures.** All items purchased by telephone or Internet must be available at the time the order is placed. Back-orders/partial orders are not authorized. The following procedures will be used for telephone and Internet purchases:

(1) **Pick-up.** For local orders to be picked up, the CH will instruct the vendor to annotate the sales slip with the name and Government Identification Number of the individual picking up the material, as well as the GCPC order number.

(2) **Shipment of Material.** For orders to be shipped, the combined purchase price of the item and shipping charges must not exceed the Single Purchase Limit.

(a) The CH will advise the merchant not to charge the GCPC until the shipment has been made.

(b) **Consolidated Delivery.** The CH will advise the merchant that all items purchased must be delivered in a single delivery. Partial shipment is not allowed. If the merchant cannot ship the order in a single delivery, the order should not be placed.

(c) The preferred method of shipping is Freight on Board (FOB) destination using the vendor's shipping provider to ship the order to overseas Fleet Post Office (FPO) address. FOB destination will hold the vendor/merchant responsible for loss or damage of material while in transit to final overseas destination.

(d) For purchases delivered to U.S. port (FOB Origin) for further shipment to overseas location through military transportation, the CH will instruct the shipper to provide all shipping status, citing the Transportation Control Number (same as the requisition document number), by mail, or by email to the CH. The following shipping information is required for the applicable shipment method:

1. Complete MARK FOR address, including NAVSUPPACT Naples UIC (N62588), FPO address, and department code for which the material is being procured.

2. Transportation Account Code (TAC) assigned and provided by CNREURAFCENT N8 Accounting Office in Sigonella to the CH through APC.

3. Merchant's name and address.

(e) Merchant Packing Slips. Regardless of which method of shipping is utilized, the merchant must include a packing slip inside each shipment with the following information:

1. Merchant's name and address.

2. Date of order.

3. Date of delivery or shipment.

4. Itemized list of supplies furnished, including quantities.

5. MARK FOR address, including UIC, Department's FPO address, and code for which the material is being acquired.

6. Requisition number or other reference number issued by the procuring activity.

c. Receipt Procedures. A minimum two-way separation of ordering and receiving functions will be maintained. The individual designated to receive the material will inspect the material to verify that is the material that was ordered, it is in the proper quantity, and it is in good condition upon receipt. The receiver will provide signature, printed name, and date purchase received on the receipt/acceptance document to the cardholder. The CH will file the document in the purchase file.

NOTE: CH/buyer should not be the receiver of material.

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7. Reconciliation and Certification

a. At the end of each monthly billing cycle, the CH will reconcile the transactions appearing on their online statement at the end of each billing cycle. Each transaction must be matched with records to verify accuracy.

(1) CH is responsible for notifying the AO of any information they have knowledge of that impacts the propriety of certifying the monthly invoice for payment.

(2) CH will notate all transactions in U.S. Bank with the appropriate 889 comment on the "889 Designation" section of the comments tab, as per Appendix I, page 2.

(3) CH will notate all COVID transactions in U.S. Bank with National Interest Action (NIA) "P20C" comment in the "Contingency Operations" section of the comments tab, as per Appendix I, page 5.

(4) CH must print and sign the statement and complete reconciliation within five working days of the end of the billing cycle. Online statements will then be submitted to the AO along with supporting documentations for each transaction. Any questionable purchases need to be resolved with the CH.

b. The AO is responsible for certifying CHs monthly statements and releasing the monthly invoice for payment within 10 days of the end of billing cycle. The AO will review each transaction made by the CHs to ensure they were appropriate and accurate.

(1) Upon receipt of U.S. Bank statement from CH, AO will annotate date received. The AO has five working days from this date to reconcile and certify the CH's transactions.

(2) When certifying electronically, AO will verify COVID transactions have been annotated with NIA "P20C" and all transactions have the appropriate 889 code in the Comments tab of U.S. Bank, as per Appendix I.

(3) AO will print out their electronic statement for signature.

(4) In the event an unauthorized purchase is detected, the AO must notify the APC and other appropriate personnel within the command.

(5) Additionally, the AO will complete the monthly transactional review in the IOD within 15 days of the cycle close date. The entire GCPC request package needs to be uploaded for each transaction.

(6) AO is responsible for submitting all documentation on time. U.S. Bank will automatically suspend any AO account that is over 60 days delinquent.

c. Absence of CH. Absence is no excuse for late document submission

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(1) If the CH has planned absence (for leave, TAD, etc.) when their statement is normally received, the CH can enter the bank website and print a list of purchases completed during the billing cycle. The AO can then review all their purchases, and verify that all transactions have receipts. CH will approve the statement before departure.

(2) If the CH cannot review their online statement within five working days of billing cycle end due to unplanned absence, the AO is responsible for reviewing and certifying the CHs online statement. The AO will review the CH's statements online verifying all transactions are proper. Upon the CH return, the AO will meet with the CH to properly reconcile the statement.

d. Absence of AO. If the AO is absent, their appointed designee is authorized to reconcile and certify the monthly statement. However, the AO is responsible for completing their review upon return.

e. Record Retention. Financial records such as monthly invoices and statements must be retained for 10 years. APCs, AOs, and CHs must maintain purchase-related records, such as purchase card logs and requisitions, for a minimum of three years. All documentation must be available for review by the APC, AO, or Fleet Logistics Center Sigonella (FLCSI) for audit purposes. CHs must retain all documentation received from vendor, including charge slips, cash register receipts and packing lists. Due to the turnover of military and U.S. civilian personnel, all documentation must be properly turned over prior to transferring. CHs must turn all documents to their AO, AOs must turn all documents to APC.

f. Missing Documentation. If, for some reason, the CH does not have documentation of the transaction to send with the statement, the CH must attach a memorandum with an explanation that includes a description of the item, date of transaction, merchant's name, and why there is no supporting documentation.

8. Billing, Errors, and Disputes

a. NAVUPPACT Naples N8 Comptroller Department will coordinate all accounting procedures with each NAVUPPACT Naples Departments, including assignment of job order numbers and lines of accounting.

b. Billed amount. The bank statements will reflect billing at the market exchange rate at the time of the purchase. Purchase from U.S. vendors will be paid based on the dollar amount shown on the bank statement. Purchases from Italian vendors will be paid based on the market exchange rate, not the dollar amount shown on the statement of the budget exchange rate, which is constant throughout the year.

c. Amount Billed is Different from the Purchase Log Price. If there is a difference between the purchase price and the billing price, the CH will first determine whether shipping charges caused the difference. If the shipping charge were added, the information will be adjusted in the purchase log to reflect the billing price on the statement. If there is no error involving shipping charge, the CH will contact the merchant to investigate the cause of the discrepancy. If the merchant

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inappropriately taxed the purchase, or otherwise erroneously charged the GCPC, the CH will request the correction in writing, and get acknowledgement from the merchant that they will take action. The CH will verify the correction on the following monthly statement. If merchant does not make correction, the CH will again try to resolve the discrepancy with the merchant. If necessary, CH may seek assistance from AO. If there is still no resolution, the CH must dispute the transaction.

d. **Material Ordered, Not Received and Billed.** If material was ordered and has not yet been received and billed, it is probably not shipped. The merchant has rightfully not charged the GCPC. The CH will follow up with the merchant to determine when the shipment is expected. If the CH discovers the merchant has back-ordered the material, the CH should cancel the purchase unless mission requirements and availability dictate otherwise. Per reference (d), the purchase card is to be used for items that are readily available, not for backorders.

e. **Material Received, but Not Billed.** If material was received, but there is no transaction on the statement, the merchant neglected to charge the GCPC. The CH will contact the merchant to determine why the charge was not made. If the merchant reports that they neglected to charge the GCPC, the charge should be made immediately, and the CH will verify it on the following monthly statement. If the merchant reports that the charge was made, the CH will check the bank website for posting in the next billing cycle, and will verify the charge on the following monthly statement.

f. **Dispute Procedure.** CH must initiate disputes by notifying the Dispute Office at U.S. Bank and submitting a completed Government Cardholder Dispute form. A copy of the form must be attached to the CHs monthly statement and sent to the APC. It is the CHs responsibility to file and follow up on all disputes submitted to the Bank. This form should not be completed if tax is the questioned charge. This procedure is used for the following disputes: if a merchant charges for material not ordered, delivers material other than ordered, records duplicate charges, fails to deliver material within 60 days of an order, charges a price different from the agreed order price, fails to comply with the cancellation of an order, or fails to apply a proper credit or charge to the GCPC, then the CH will initiate a Government CH Dispute Form. The completed dispute form will be faxed directly to the Bank.

(1) **Questionable Items.** When CH receives a statement that lists an unrecognized transaction, a dispute will be submitted. This may include circumstances where the CH did not make the transaction, the amount of the transaction is incorrect, or the quality of service is an issue. U.S. Bank will credit the transaction until the dispute is resolved.

(2) **Defective Items.** If items purchased with the GCPC are found to be defective, the CH has the responsibility to obtain a replacement or correction of the item as soon as possible. If the merchant refuses to replace or correct the faulty item, then the purchase of the item will be considered in dispute.

g. **Credit balances occur due to duplicate certifications and over-payments due to manual certification, erroneous postings by the bank, or credits that post after the account has been closed.** CHs are responsible for reconciliation of their monthly statement using procedures found

within the CH desk guide at: http://www.navsup.navy.mil/ccpmd/purchase_card/desk_guides. APCs must request a refund check from the bank and verify the credits are applied to the same line of accounting within the same fiscal year.

9. Internal Review of the Local Program

a. Monthly Level V APC Reviews. The Level V APC will conduct or oversee/manage the monthly transactional reviews. The review(s) must include all of the purchase card transactions within the previous month for all GCPC accounts under the APC's cognizance (100 percent transaction review). Results will be reported to the CO on a monthly basis.

b. The review will target the following critical elements:

- (1) Suspicious vendors.
- (2) Split purchases.
- (3) Equitable distribution of business on stand-alone purchases.
- (4) Exceeding the micro-purchase threshold and any delegated authority.
- (5) Suspected fraudulent or potential misuse/abuse transactions.

c. This process, at a minimum, should consist of reviewing each CH statement with supporting documentation. This should include reviews of the following:

- (1) The CH Log.
- (2) Integrity of purchase request (signatures for approval of purchase, quantity matches, etc.).
- (3) Receipt, inspection, and acceptance procedure.
- (4) Proper separation of function being performed.
- (5) Verification that the AO has reviewed the CH purchases.

d. The Level V APC will also conduct or oversee/manage the monthly transactional reviews within the IOD. The review will include all the purchase card transactions identified within the IOD as well as completing the monthly review and submitting to the Level IV APC. Any Level V review not completed within 30 days of the set due date will have the account suspended by the Level IV APC.

e. Semi-Annual Level V APC Reviews. Semi-annual reviews will consist of two reviews:

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(1) An evaluation of internal procedures and management controls.

(2) Transactional review. The Level V APC will submit the reviews, as well as applicable reports, to the HA for review and signature, ensuring concurrence with all the disciplinary actions taken on any noted findings on the semi-annual review. A copy of the report(s) will be provided to the Level IV APC. The reporting periods for the semi-annual reviews will encompass the billing cycles of 20 March to 19 September and 20 September to 19 March.

f. End of Fiscal Year Procedures. In order to minimize the end of fiscal year impact, the NAVSUPPACT Naples N8 Comptroller Department will establish the cut-off date for Fiscal Year (FY). This cut-off date will ensure control of FY end funds. CHs must verify that all transactions have been approved and processed prior to close of business on the established cut-off date.

10. Lost or Stolen Cards. If a GCPC is lost or stolen, the NAVSUPPACT Naples CH must immediately notify the financial institution.

a. In addition to notifying the bank within one working day after discovering the card is missing, the CH must notify the APC and their AO. The written notification must include the following information:

- (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 U.S. Bank was notified.
- (6) Any purchase(s) made on the day the card was lost or stolen.
- (7) Any other pertinent information.

b. Card Replacement. U.S. Bank will mail a replacement card within one business day of the reported loss or theft. A GCPC that is subsequently found by the cardholder, after being reported lost or stolen, will be cut in half and given to the APC. The APC will notify U.S. Bank that the card has been destroyed.

11. Standards of Conduct. Personnel involved in management and use of GPC are expected to uphold the highest ethical standards in the performance of their duties. All CHs will use the GCPC only to purchase supplies or pay for services within the guidance of this program.

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a. The AO and/or CH will be subject to administrative disciplinary action for improper, fraudulent, abusive, negligent, or unauthorized use of GCPC. It is a DoD policy that for each case of improper, fraudulent, abusive, or negligent use of the GCPC (by civilian or military personnel), the supervisor of the individual will be informed in a timely manner so appropriate corrective, disciplinary, or adverse action may be taken. This includes any use at unauthorized establishments or for purposes that are inconsistent with the official business of DoN or applicable regulations.

b. Civilian personnel penalty will be determined by the deciding official. The servicing Human Resources Office should assist the supervisor in taking disciplinary action with the selection of the legal charges and/or appropriate penalty based on past practice, collective bargaining agreements, negotiated discipline policies (if applicable), regulatory guidance, and applicable case law. In taking corrective or disciplinary action against civilian personnel, supervisors must use authoritative guidance.

c. Military personnel who misuse, abuse, or commit fraud with the purchase card will be subject to counseling, reprimand, non-judicial punishment, court-martial and administrative separation. In taking corrective or disciplinary action against military personnel who misuse or abuse the government purchase cards, commanders or supervisors will use the procedures established for each case-by-case circumstance by the appropriate military department and consult with their legal advisors as necessary. In addition to corrective or disciplinary action, military personnel who misuse their government purchase card may have their access to classified information modified or revoked if warranted in the interest of national security.

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APPENDIX A
SAMPLE APPROVING OFFICIAL APPOINTMENT LETTER

4200
N8
Date

From: Name of APC, Agency Program Coordinator, U.S. Naval Support Activity, Naples, Italy
To: Name of Approving Official

Subj: APPOINTMENT AS APPROVING OFFICIAL (AO) FOR THE GOVERNMENT
COMMERCIAL PURCHASE CARD (GCPC)

Ref: (a) 31 USC §3528
(b) DOD FMR Volume 5 Chapter 5
(c) NAVSUPINST 4200.99 (series)
(d) Local Internal Operating Procedure (IOP)
(e) DASN (FM&C (FMO)) memo, Revised Document Retention Requirements to
Support Department of the Navy Financial Statement Audits January 29, 2015

1. Per references (a) through (e), you are hereby appointed an Approving Official (AO) for the Government Commercial Purchase Card Program (GCPC). The cycle threshold for your billing account is \$XX,XXX. The specific responsibilities of your appointment are established below:

a. Review and approve all Card Holder (CH) statements and reconciling when CH fails to do so in a timely manner.

b. Review all purchase documentation and verify that CH transactions are proper, legal, mission essential, and correct in accordance with government rules and regulations.

c. Sign and date the AO account statement.

d. Notify the Agency/Organization Program Coordinator (A/OPC) of any improper purchase and recording all improper purchases in the approved Department of the Navy (DON) data mining tool.

e. Track purchases paid for, but not received, along with monitoring related disputes until the transaction issue is resolved.

f. Use the DON data mining tool to review transactions.

g. Validate that the CH fulfills their responsibilities.

h. Resolve any questionable purchases with the CH.

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Subj: APPOINTMENT AS APPROVING OFFICIAL (AO) FOR THE GOVERNMENT
COMMERCIAL PURCHASE CARD (GCPC)

- i. Notify the A/OPC to immediately close a CH account when the CH is transferred, terminated, or is absent-without-leave status.
 - j. Notify the A/OPC of planned AO reassignment or departure.
 - k. Notify the A/OPC of lost/stolen cards, and
 - l. Recommend dollar limits and inclusion/exclusion of other merchant category codes to further reduce the risk of misuse to the A/OPC for CHs under their purview.
2. Per reference (c), act as Certifying Officer. As a Certifying Officer you will:
- a. Validate transactions to ensure they meet legal requirements prior to certification.
 - b. Verify supporting documentation is retained and available for inspection/assessments to determine whether or not transactions are valid to certify for payment.
 - c. Verify facts presented in supporting documentation are complete and accurate.
 - d. Certify line item detail on the invoices match the amount certified for payment.
 - e. Reallocate transactions on the AO statement are reallocated to other accounting classifications, if necessary, prior to the actual certification of the invoice.
 - f. Certify GCPC invoices (either manually or electronically), and submission for payment to maximize rebates, and avoid prompt payment fees.
 - g. Prevent submission of duplicate invoices.
 - h. Retain certified billing statements and supporting documents for six (6) years, three (3) months; and ten (10) years for documents using Foreign Military Sales funding;
 - i. Maintain financial liability for illegal, improper or erroneous payments.
3. Improper, fraudulent, abusive, or negligent use of the government purchase card is prohibited. If you suspect that an employee (military or civilian) has engaged in any fraud, misuse, or abuse involving purchase card use, you will take appropriate corrective action as defined in the activity Internal Operating Procedure (IOP).

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Subj: APPOINTMENT AS APPROVING OFFICIAL (AO) FOR THE GOVERNMENT
COMMERCIAL PURCHASE CARD (GCPC)

4. Under 31 U.S.C. 3325 and other applicable law, a Certifying Officer is financially liable for payments resulting from improper certifications.
5. When you leave the command and/or are no longer part of the Purchase Card Program, this letter of appointment is cancelled.
6. Please sign the attached DD577 Form appointing you as a Certifying Officer and return it to your A/OPC.
7. Questions concerning this letter of appointment or the Purchase Card Program should be directed to the Command A/OPC, Name of Agency Program Coordinator, who can be reached at DSN: 626-XXXX, COMM: 081-568-XXXX, or e-mail: XXXX.XXXXXXXXXX@eu.navy.mil.

Name of APC, APC

Name of Approving Official, AO

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APPENDIX B
SAMPLE ALTERNATE APPROVING OFFICIAL APPOINTMENT LETTER

4200
N8
Date

From: Name of APC, Agency Program Coordinator, U.S. Naval Support Activity, Naples, Italy
To: Name of Alternate Approving Official

Subj: APPOINTMENT AS ALTERNATE APPROVING OFFICIAL (AAO) FOR THE
GOVERNMENT COMMERCIAL PURCHASE CARD (GCPC)

Ref: (a) 31 USC §3528
(b) DOD FMR Volume 5 Chapter 5
(c) NAVSUPINST 4200.99 (series)
(d) Local Internal Operating Procedure (IOP)
(e) DASN (FM&C(FMO))memo, Revised Document Retention Requirements to Support
Department of the Navy Financial Statement Audits January 29, 2015

1. Per references (a) through (e), you are hereby appointed an Alternate Approving Official (AAO) for the Government Commercial Purchase Card Program (GCPC). The cycle threshold for your billing account is \$XX,XXX. The specific responsibilities of your appointment are established below:

a. Review and approve all Card Holder (CH) statements and reconciling when CH fails to do so in a timely manner.

b. Review all purchase documentation and verify that CH transactions are proper, legal, mission essential, and correct in accordance with government rules and regulations.

c. Sign and date the AO account statement.

d. Notify the Agency/Organization Program Coordinator (A/OPC) of any improper purchase and recording all improper purchases in the approved Department of the Navy (DON) data mining tool.

e. Track purchases paid for, but not received, along with monitoring related disputes until the transaction issue is resolved.

f. Use the DON data mining tool to review transactions.

g. Validate that the CH fulfills their responsibilities.

h. Resolve any questionable purchases with the CH.

B-1

Enclosure (1)

9 SEP 2021

Subj: APPOINTMENT AS ALTERNATE APPROVING OFFICIAL (AAO) FOR THE GOVERNMENT COMMERCIAL PURCHASE CARD (GCPC)

i. Notify the A/OPC to immediately close a CH account when the CH is transferred, terminated, or is absent-without-leave status.

j. Notify the A/OPC of planned AO reassignment or departure.

k. Notify the A/OPC of lost/stolen cards, and

l. Recommend dollar limits and inclusion/exclusion of other merchant category codes to further reduce the risk of misuse to the A/OPC for CHs under their purview.

2. Per reference (c), act as Certifying Officer. As a Certifying Officer you are will:

a. Validate transactions to ensure they meet legal requirements prior to certification.

b. Verify supporting documentation is retained and available for inspection/assessments to determine whether or not transactions are valid to certify for payment.

c. Verify facts presented in supporting documentation are complete and accurate.

d. Certify line item detail on the invoices match the amount certified for payment.

e. Reallocate transactions on the AO statement are reallocated to other accounting classifications, if necessary, prior to the actual certification of the invoice.

f. Certify GCPC invoices (either manually or electronically), and submission for payment to maximize rebates, and avoid prompt payment fees.

g. Prevent submission of duplicate invoices.

h. Retain certified billing statements and supporting documents for six (6) years, three (3) months; and ten (10) years for documents using Foreign Military Sales funding;

i. Maintain financial liability for illegal, improper or erroneous payments.

3. Improper, fraudulent, abusive or negligent use of the government purchase card is prohibited. If you suspect that an employee (military or civilian) has engaged in any fraud, misuse, or abuse involving purchase card use, you will take appropriate corrective action as defined in the activity Internal Operating Procedure (IOP).

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Subj: APPOINTMENT AS ALTERNATE APPROVING OFFICIAL (AAO) FOR THE
GOVERNMENT COMMERCIAL PURCHASE CARD (GCPC)

4. Under 31 U.S.C. 3325 and other applicable law, a Certifying Officer is financially liable for payments resulting from improper certifications.
5. When you leave the command and/or are no longer part of the Purchase Card Program, this letter of appointment is cancelled.
6. Please sign the attached DD577 Form appointing you as a Certifying Officer and return it to your A/OPC.
7. Questions concerning this letter of appointment or the Purchase Card Program should be directed to the Command A/OPC, Name of Agency Program Coordinator, who can be reached at DSN: 626-XXXX, COMM: 081-568-XXXX, or e-mail: XXXX.XXXXXXXXXX@eu.navy.mil.

Name of APC, APC

Name of Approving Official, AO

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APPENDIX C
SAMPLE CARDHOLDER REQUEST NOMINATION LETTER

4200
N8
Date

MEMORANDUM

From: Department Head, U.S. Naval Support Activity, Naples, Italy
To: Agency Program Coordinator, U.S. Naval Support Activity, Naples, Italy
Subj: U.S. GOVERNMENT COMMERCIAL PURCHASE CARD FOR NEW
CARDHOLDERS (NAME OF CARDHOLDER)

1. Request that a U.S. Government commercial purchase card account be established for _____. The issuance of this account is essential to meet mission requirements.
2. _____ will use the government card to purchase all supplies and equipment for the _____. Their single transaction limit will be \$XXXXX and his monthly limit will be \$XXXXX.
3. _____ has the training, business acumen, and judgment to act on behalf of the U.S. Government.

I. M. SAILOR
RANK USN

APPENDIX D
SAMPLE CARDHOLDER DELEGATION LETTER

4200
N8
Date

From: Name of APC, Agency Program Coordinator, U.S. Naval Support Activity, Naples Italy
To: Cardholder, N-Code, Department

Subj: DELEGATION OF AUTHORITY TO USE THE GOVERNMENT COMMERCIAL
PURCHASE CARD (GCPC)

Ref: (a) Federal Acquisition Regulation (FAR) 1.6
(b) Defense Federal Acquisition Regulation (DFAR) 201.6
(c) NAVSUPINST 4200.99(SERIES)
(d) NAVSUUACT NAPLESINST 4200.8(SERIES)

1. This letter cancels previous procurement Authority Delegation.
2. Per references (a) through (d), you are hereby appointed a Card Holder for the United States of America, limited to the use of the Government Purchase Card (GCPC). You are personally accountable for strict adherence to Department of Navy GCPC policies and procedures when using the card. The specific limits of your authority are established below.

a. Dollar Thresholds:

(1) Method of Purchase

(a) Not to exceed \$ XX,XXX Micro Purchase Threshold (MPT) single purchase limit to procure open market supplies, services, and construction worldwide with the following exceptions:

(b) For services procured from vendors in the United States, this subject to 40 U.S.C chapter 67, Service Contract Labor Standard, the limit is \$2,500;

(c) For construction procured from vendor located in the United States, subject to 40 U.S.C chapter 31, subchapter IV, Wage Rate Requirements (Construction), the limit is \$2,000;

(d) Not to exceed \$ XX,XXX billing cycle limit

(2) Method of Payment

Subj: DELEGATION OF AUTHORITY TO USE THE GOVERNMENT COMMERCIAL PURCHASE CARD (GCPC)

(a) For training requirements up to the \$X,XXX MPT using the SF 182;

(b) For training requirements exceeding the \$MPT \$X,XXX MPT but not exceeding \$25,000 (Certificate of Training), using the SF 182 in accordance with the procedures to pay non-government sources in accordance with reference (c);

(c) For printing services up to \$25,000 ordered from the Defense Logistics Agency (DLA) Document Services;

(d) Not to exceed \$25,000 billing cycle limit.

b. Authorized Transaction Types:

(1) Over-the-counter;

(2) Telephone orders;

(3) Internet orders.

c. Authorized purchases are:

(1) Stand-alone procurement method.

(2) Purchases against Government Services Administration (GSA), Federal Supply System Schedules/GSA Advantage, Ability One, Naval Facility Command FEDMALL, DON Blanket Purchase Agreements (BPAs), and any other government strategic sourcing, as applicable.

(3) DLA Document Services;

(4) Purchase of Training (SF 182).

d. Purchase restrictions:

(1) Merchant catalog code blocks;

(2) Other, as applicable.

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Subj: DELEGATION OF AUTHORITY TO USE THE GOVERNMENT COMMERCIAL PURCHASE CARD (GCPC)

3. The GCPC will only be used for authorized U.S. Government purchases. Intentional use of the purchase card for other than official Government business will be considered an attempt to commit fraud against the U.S. Government and may result in immediate cancellation of an individual's purchase card and further disciplinary action. You will be held personally liable to the U.S. Government for the amount of any non-government transactions. Under 18 U.S.C. 287, misuse of the GCPC could result in a fine of not more than \$10,000.
4. Safeguard the Card Account Information. The full account number must not be transmitted by fax or email. Account information may be transmitted over-the-counter, over the phone, or by internet, via secure/encrypted.
5. Upon termination of your GCPC role, leaving your agency, organization or retiring, you must return your Purchase Card as outlined in your activity's Internal Operating Procedures.
6. When you leave the command and/or are no longer part of the Purchase Card Program, this letter of delegation is cancelled.
7. Questions concerning this letter of appointment or the GCPC program should be directed to NAVSUPPACT Naples Agency Program Coordinator, APC name, who may be reached at DSN 626-xxxx, or e-mail address: xxx.xxxxx@eu.navy.mil.

Signature of APC

Signature of Appointed CH

9 SEP 2021

APPENDIX E

| APPOINTMENT/TERMINATION RECORD - AUTHORIZED SIGNATURE <i>(Read Privacy Act Statement and Instructions before completing form.)</i> | | | | | | | | | | | | | | |
|--|--|---|---|----------------------------------|--|--|---------------------------------------|---|---|--|--|--|---|--|
| PRIVACY ACT STATEMENT | | | | | | | | | | | | | | |
| <p>AUTHORITY: E.O. 9397, 31 U.S.C. Sections 3325, 3528, DoDFMR, 7000.14-R, Vol. 5. PRINCIPAL PURPOSE(S): To maintain a record of appointment and termination of appointment of persons to any of the positions listed in Item 6, and to identify the duties associated with this appointment. SORN T1300 (http://dpcl.dod.mil/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570154/t1300/) ROUTINE USE(S): The information on this form may be disclosed as generally permitted under 5 U.S.C. Section 552a(b) of the Privacy Act of 1974, as amended. It may also be disclosed outside of the Department of Defense (DoD) to the Federal Reserve Banks to verify authority of the appointed individuals to issue Treasury checks. In addition, other Federal, State and local government agencies, which have identified a need to know, may obtain this information for the purpose(s) identified in the DoD Blanket Routine Uses published at: http://dpcl.dod.mil/Privacy/SORNsIndex/BlanketRoutineUses.aspx. DISCLOSURE: Voluntary; however, failure to provide the requested information may preclude appointments.</p> | | | | | | | | | | | | | | |
| SECTION I - APPOINTEE | | | | | | | | | | | | | | |
| 1. NAME (First, Middle Initial, Last and Rank or Grade) | 2. DoD ID NUMBER | 3. TITLE | | | | | | | | | | | | |
| 4. DOD COMPONENT/ORGANIZATION | | 5. ADDRESS (Include ZIP Code, email address, and telephone number with area code and DSN) | | | | | | | | | | | | |
| <p>6. POSITION TO WHICH APPOINTED (X appropriate box - one only. Checking more than one invalidates the appointment.)</p> <table border="0"> <tr> <td><input type="checkbox"/> DISBURSING OFFICER: DSSN _____</td> <td><input type="checkbox"/> CASHIER</td> <td><input type="checkbox"/> CHANGE FUND CUSTODIAN</td> </tr> <tr> <td><input type="checkbox"/> DEPUTY DISBURSING OFFICER: DSSN _____</td> <td><input type="checkbox"/> PAYING AGENT</td> <td><input type="checkbox"/> IMPREST FUND CASHIER</td> </tr> <tr> <td><input type="checkbox"/> CERTIFYING OFFICER</td> <td><input type="checkbox"/> COLLECTIONS AGENT</td> <td><input type="checkbox"/> SAFEKEEPING CUSTODIAN</td> </tr> <tr> <td><input type="checkbox"/> DEPARTMENTAL ACCOUNTABLE OFFICIAL</td> <td><input type="checkbox"/> DISBURSING AGENT</td> <td><input type="checkbox"/> ASSISTANT SAFEKEEPING CUSTODIAN</td> </tr> </table> | | | <input type="checkbox"/> DISBURSING OFFICER: DSSN _____ | <input type="checkbox"/> CASHIER | <input type="checkbox"/> CHANGE FUND CUSTODIAN | <input type="checkbox"/> DEPUTY DISBURSING OFFICER: DSSN _____ | <input type="checkbox"/> PAYING AGENT | <input type="checkbox"/> IMPREST FUND CASHIER | <input type="checkbox"/> CERTIFYING OFFICER | <input type="checkbox"/> COLLECTIONS AGENT | <input type="checkbox"/> SAFEKEEPING CUSTODIAN | <input type="checkbox"/> DEPARTMENTAL ACCOUNTABLE OFFICIAL | <input type="checkbox"/> DISBURSING AGENT | <input type="checkbox"/> ASSISTANT SAFEKEEPING CUSTODIAN |
| <input type="checkbox"/> DISBURSING OFFICER: DSSN _____ | <input type="checkbox"/> CASHIER | <input type="checkbox"/> CHANGE FUND CUSTODIAN | | | | | | | | | | | | |
| <input type="checkbox"/> DEPUTY DISBURSING OFFICER: DSSN _____ | <input type="checkbox"/> PAYING AGENT | <input type="checkbox"/> IMPREST FUND CASHIER | | | | | | | | | | | | |
| <input type="checkbox"/> CERTIFYING OFFICER | <input type="checkbox"/> COLLECTIONS AGENT | <input type="checkbox"/> SAFEKEEPING CUSTODIAN | | | | | | | | | | | | |
| <input type="checkbox"/> DEPARTMENTAL ACCOUNTABLE OFFICIAL | <input type="checkbox"/> DISBURSING AGENT | <input type="checkbox"/> ASSISTANT SAFEKEEPING CUSTODIAN | | | | | | | | | | | | |
| 7. YOU ARE APPOINTED TO SERVE IN THE POSITION IDENTIFIED IN ITEM 6. YOUR RESPONSIBILITIES INCLUDE: | | | | | | | | | | | | | | |
| 8. REVIEW AND ADHERE TO THE FOLLOWING PUBLICATION(S) NEEDED TO ADEQUATELY PERFORM YOUR ASSIGNED DUTIES: | | | | | | | | | | | | | | |
| SECTION II - APPOINTING AUTHORITY | | | | | | | | | | | | | | |
| 9. NAME (First, Middle Initial, Last) | 10. TITLE | 11. DOD COMPONENT/ORGANIZATION | | | | | | | | | | | | |
| 12. DATE (YYYYMMDD) | 13. SIGNATURE | | | | | | | | | | | | | |
| SECTION III - APPOINTEE ACKNOWLEDGEMENT | | | | | | | | | | | | | | |
| <p>I acknowledge and accept the position and responsibilities defined above. I understand that I am strictly liable to the United States for all public funds or payment certification, as appropriate, under my control. I have been counseled on my pecuniary liability applicable to this appointment and have been given written operating instructions. I certify that my official signature is shown in item 16 below.</p> | | | | | | | | | | | | | | |
| 14. PRINTED NAME (First, Middle Initial, Last) | 15. DATE (YYYYMMDD) (Not earlier than date in Item 12 or 13) | | | | | | | | | | | | | |
| 16.a. DIGITAL SIGNATURE | 16.b. MANUAL SIGNATURE | | | | | | | | | | | | | |
| SECTION IV - APPOINTMENT TERMINATION | | | | | | | | | | | | | | |
| The appointment of the individual named above is hereby revoked. | | 18. APPOINTEE INITIALS | | | | | | | | | | | | |
| 19. NAME OF APPOINTING AUTHORITY | 20. TITLE | 21. APPOINTING AUTHORITY SIGNATURE | | | | | | | | | | | | |

**INSTRUCTIONS FOR COMPLETING
APPOINTMENT/TERMINATION RECORD - AUTHORIZED SIGNATURE**

Use this form to

1. Appoint disbursing officers and their agents, e.g., deputy disbursing officers, disbursing agents, paying agents, cashiers, imprest fund cashiers, change fund custodians, and collection agents.
2. Appoint certifying officers. Certifying officers are those individuals, military or civilian, designated to attest to the correctness of statements, facts, accounts, and amounts appearing on a voucher for payment.
3. Appoint departmental officials. Departmental officials are those individuals, military or civilian, who are designated in writing and are not otherwise accountable under applicable law, who provide source information, data or service on which a certifying officer relies when certifying vouchers as correct and proper for payment.
4. Appoint safekeeping custodians or assistants. Appointees to these positions are not subject to pecuniary liability.
5. Governing guidance is in the Department of Defense Financial Management Regulation, Volume 5 (Disbursing Policy).

SECTION I.

1. Enter the Appointee's name and rank or grade.
2. Enter the Appointee's 10-digit DoD Identification Number.
3. Enter the Appointee's title.
- 4 - 5. Enter the name, complete address (to include e-mail address), and telephone number (include DSN when available) of the DoD Component or activity to which appointed.
6. Mark X in the appropriate box to indicate the duty the appointee will perform (select only one). If appointing a disbursing officer or deputy disbursing officer, enter the appropriate DSSN in the space provided.
7. The appointing authority identifies the types of payments affected, but need only be specific as he or she considers necessary, and may include any other pertinent, applicable information (e.g., system involved).
8. List all publications the Appointee must review and follow in order to adequately fulfill the requirements of the appointment.

SECTION II.

- 9 - 12. Enter the appointing authority's name, title, DoD Component/Organization location, and date signed.
13. The appointing authority must enter his or her manual or digital signature. If signature is digital, completing item 12 is not required since the digital signature includes the date, enter only after completion of items 1 through 11, as this signature will "lock" those items.

SECTION III.

- 14 - 16. The appointee enters his or her name and digital (16a) or manual (16b) signature, or both, depending on type(s) of signature(s) to be employed, in the appropriate spaces. If the signature is manual (16b), complete item 15, but if the signature is ONLY digital (16a), completing item 15 is not required since the digital signature includes the date. If the appointee enters both manual and digital signatures, the dates in items 15 and 16a must match. The date in item 15 (or 16a if signed digitally) cannot be earlier than the date in item 12 or 13. The appointment is effective on the date of acceptance by the appointee, and is not in force without his or her acknowledgement.

SECTION IV.

Completing this section terminates the original appointment. If partial authority is to be retained, complete a new DD Form 577.

17. Enter the date the termination is effective. Completion of this item is not required if item 21 is signed digitally, since the electronic signature includes the date.
18. The appointee initials in the space provided acknowledging revocation of the appointment.
- 19 - 21. The appointing authority enters his or her name, title and signature (which may be digital) in the spaces provided.

DD FORM 577 (BACK), NOV 2014

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APPENDIX F

GCPC PURCHASE REQUEST FORM

NAVSUPPACT NAPLES FORM 4200/3 (NEW 8-21)

| | |
|-------------|-----------------|
| DEPARTMENT: | CONTROL NUMBER: |
|-------------|-----------------|

| | |
|--------------------------------|---------------------------------|
| REQUESTOR NAME & CONTACT INFO: | SUPERVISOR NAME & CONTACT INFO: |
|--------------------------------|---------------------------------|

| | | |
|---|-----------|-------|
| PRIORITY: <input type="checkbox"/> Immediate <input type="checkbox"/> Urgent <input type="checkbox"/> Routine | CFMS JON: | DATE: |
|---|-----------|-------|

| DESCRIPTION | U/I | QTY | Unit Price | Total Price |
|-------------|-----|-----|------------|-------------|
| | | | | |
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| | | |
|----------------|---------|------------------------|
| Euro Amount | | SHIPPING COST (IF ANY) |
| USD Conversion | \$ 0.00 | GRAND TOTAL |

| | |
|------------------------|--|
| REQUEST JUSTIFICATION: | MARKET COMPARISON (REQUIRED IF MANDATORY SOURCE NOT USED-MINIMUM OF TWO) |
|------------------------|--|

| | |
|--|--------------------------|
| | VENDOR #1 Name and Price |
|--|--------------------------|

| | |
|--|--|
| TECHNICAL SCREENING (IF REQUIRED, ATTACH APPROVAL) | |
|--|--|

| | |
|---|--------------------------|
| HAZMAT <input type="checkbox"/> Yes <input type="checkbox"/> No | VENDOR #2 Name and Price |
|---|--------------------------|

| | |
|---|--|
| ITPR <input type="checkbox"/> Yes <input type="checkbox"/> No | |
|---|--|

| | |
|---|--------------------------|
| SAFETY OFFICER <input type="checkbox"/> Yes <input type="checkbox"/> No | VENDOR #3 Name and Price |
|---|--------------------------|

| | |
|--|--|
| DLA <input type="checkbox"/> Yes <input type="checkbox"/> No | |
|--|--|

| | |
|-------------------------------|-------------------------------------|
| FAR PART 8 REQUIRED SCREENING | SELECTED VENDOR CONTACT INFORMATION |
|-------------------------------|-------------------------------------|

| | |
|---|--|
| MANDATORY SOURCE <input type="checkbox"/> Yes <input type="checkbox"/> No | |
|---|--|

| | |
|---|--|
| STRATEGIC SOURCE <input type="checkbox"/> Yes <input type="checkbox"/> No | |
|---|--|

| | |
|------------------------------------|------------------------------------|
| IF REQUIRED SOURCES NOT USED, WHY: | JUSTIFICATION FOR VENDOR SELECTION |
|------------------------------------|------------------------------------|

| | |
|------------------|--|
| 889 Designation: | |
|------------------|--|

| | |
|------------|-------|
| CARDHOLDER | DATE: |
|------------|-------|

| | |
|--------------------|-------|
| APPROVING OFFICIAL | DATE: |
|--------------------|-------|

| | |
|------------|-------|
| APC REVIEW | DATE: |
|------------|-------|

| | |
|----------------------|-------|
| COMPTROLLER APPROVAL | DATE: |
|----------------------|-------|

VERIFY VENDOR CAN SHIP OVERSEAS, SHIPPING METHOD COSTS ARE INCLUDED, AND TAX EXEMPTION APPLIED

CLEAR

~~F-9 SEP 2021~~

GCPC Request Form Guidelines
(To Be Completed by Requestor and Submitted to CH/AO for Approval)

Department – Department making request

Control Number – Department's internal order tracking number

Requestor Name & Contact Info – Requestor cannot be Cardholder

Supervisor Name/Phone/Email – Department Head/Supervisor in charge of funds

Priority – Check priority of request (For departmental purposes only)

CFMS JON – Job Order Number/Line of accounting/Cost Code covering purchase

Date – Date of request

Description – Describe item being purchased. If more room is required, annotate "See Attached" and attach list.

U/I – Select if item is sold as an Unit or Individual

Qty – Quantity requested

Unit Price (USD) – Price per Item

Total Price – Will be automatically calculated

Shipping Cost – Shipping cost vendor is charging

Grand total – Will be automatically calculated

Euro/USD (BER 0.8978)- Built in calculator. Enter amount in Euro. USD amount will be calculated using the budget exchange rate (BER).

Request Justification – Describe why items requested are needed.

Technical Screening – Verify if HAZMAT/ITPR/Safety Officer/DLA approvals are required. If required, check "Yes" and attach approval. If not required, check "No."

FAR Part 8 Required Source – Screening status of mandatory sources(Printing Documents-DLA, IT- N6 approved vendors, Commercial Software – ESI, Copiers/Scanners – DLA) and strategic sources (GSA, FedMall, etc.). Check yes, if screening completed. Check no, if screening not complete. If required sources are not being used, explain why.

Market Comparison – If not using required sources, conduct market research. Compare a minimum of two vendors. Enter vendor names and quoted prices.

Selected vendor contact information – name, address, phone

Justification for Vendor selection – Describe why vendor was selected.

889 Designation – Select appropriate 889 Designation

Form must be signed by all (CH/AO/APC/Comptroller) prior to purchase being made.

For questions, please contact NSA Naples APC, Ana Lensegrav, at 626-5653 or ana.lensegrav@eu.navy.mil

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NAVSUPPACT NAPLES FORM 4200/4 (NEW 8-21)

PURCHASE CARD LOG

CARDHOLDER: _____

BILLING CYCLE: _____

| Control Number | Requestor Name/ N-Code | Description | Purchase Date | Merchant Name | Estimated Amount (\$ or Euro) | Paid Amt (\$) | Date Received | JON | Amount Paid and CC Reallocated | Receiver Name | Credit Amt Recvd | Covid 19 | Sec. 889 Compliant <small>(see 889 Key Code)</small> | Status | Comments |
|----------------|---------------------------|-------------|---------------|------------------|-------------------------------------|------------------|---------------|-----|--------------------------------------|------------------|---------------------|----------|--|--------|----------|
| 1 | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | |
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| 28 | | | | | | | | | | | | | | | |
| 29 | | | | | | | | | | | | | | | |
| 30 | | | | | | | | | | | | | | | |

TOTAL

CH NAME: _____ SIGNATURE: _____ DATE: _____

AO NAME: _____ SIGNATURE: _____ DATE: _____

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APPENDIX H
LETTER I.V.A. TAX EXEMPTION FORM

Spett.le

Vendor information (Name; address; phone; e-mail etc.)

SUBJECT: Statement of tax exemption from the Value Added Tax (VAT)

OGGETTO: Dichiarazione di non imponibilita' dell'Imposta sul Valore Aggiunto (IVA)

Con la presente si dichiara che il Department name e' un'Istituzione del Dipartimento della Difesa degli Stati Uniti d'America ed e' parte integrante del Comando Unificato delle Forze Armate degli Stati Uniti in Europa. In quanto tale, nell'esercizio delle proprie funzioni istituzionali ed in virtu' degli accordi internazionali, gode delle agevolazioni previste dall'Articolo 72, terzo comma, paragrafo 2, del Decreto del Presidente della Repubblica Italiana No. 633 del 26 Ottobre 1972 – Trattati ed Accordi Internazionali, cosi' come previsto dalla direttiva 77/388/CEE, articolo 15, paragrafo 10 e direttiva 92/12/CEE articolo 23, paragrafo 1 e successive modificazioni ed integrazioni. Pertanto il suddetto Organismo Internazionale e' da considerarsi soggetto non imponibile ai fini dell'applicazione dell'Imposta sul Valore Aggiunto (IVA) sulle cessioni di beni e prestazioni di servizi effettuate nei confronti di questa Istituzione.

Si rilascia a richiesta per gli usi consentiti dalla legge.

NB. Le fatture emesse dovranno riportare la seguente dicitura: "Soggetto non imponibile, Art. 72, terzo comma, paragrafo 2, DPR 26 Ottobre 1972, No. 633"

TRANSLATION

We hereby declare that the Department name is part of the Unified Command of the Armed Forces of the United States in Europe. As such, whilst exercising official duties and by virtue of international agreements our organization is entitled to the exemptions set forth in Article 72, third comma, paragraph 2 of the Decree of the President of the Italian Republic No. 633 of October 26, 1972 - Treaties and International Agreements, as provided for in Directive 77/388 / EEC, Article 15, paragraph 10, and Directive 92/12 / EEC Article 23, paragraph 1 and subsequent amendments and supplements thereto. Therefore, the above-mentioned International Organization is to be considered a non-taxable entity for the purposes of the application of Value Added Tax (VAT) on goods and services concerning this Institution.

APPENDIX I

PCAN FY20 22 - UPDATE to FY19 NDAA Section 889 (a)(1)(B) (Released 18 September 2020)

NOTE: HIERARCHY LEVEL (HL) 3 AGENCY/ORGANIZATION PROGRAM COORDINATORS (A/OPCs) - IT IS YOUR RESPONSIBILITY TO GIVE THIS NOTICE WIDEST DISSEMINATION TO DEPARTMENT OF THE NAVY (DON) GOVERNMENT-WIDE COMMERCIAL PURCHASE CARD (GPC) PROGRAM PARTICIPANTS TO INCLUDE A/OPCs, APPROVING/BILLING OFFICIALS (A/BOs)/MANAGING ACCOUNTS (MAs), CARDHOLDERS (CHs) AND RESOURCE/FINANCIAL MANAGERS (R/FMs) IN YOUR HIERARCHY.

PURPOSE: To provide notification of Section 889 (a)(1)(B) of National Defense Authorization Act (NDAA) for Fiscal Year 2019

OVERVIEW: This PCAN amends PCAN FY20 #21.

On 11 August 2020, Defense Pricing and Contracting (DPC) issued memo, GCPC Guidance related to Implementation of the Section 889 (a)(1)(B) Prohibition on Contracting with Entities Using Certain Telecommunications and Video Surveillance Services or Equipment.

Public Law 115-232 prohibits executive agencies from entering into, extending, or renewing a contract with a contractor or merchant which uses any equipment, system, or service that uses telecommunications or video surveillance equipment or services from certain named companies as a substantial or essential component of any system or as critical technology as part of any system. The proscribed companies are Huawei, ZTE, Hikvision, Hytera, and Dahua and their subsidiaries and affiliates. This law went into effect on August 13, 2020. Section 889 (a)(1)(B) applies to all purchases including micro purchase transactions.

On 9 September 2020, Defense Pricing and Contracting (DPC) issued memo, Recording Implementation of Section 889(a)(1)(B), Prohibition on Contracting with Entities Using Certain Telecommunications and Video Surveillance Services or Equipment, when using the Governmentwide Commercial Purchase Card.

Effective 13 August 2020, Cardholders must ensure compliance with FY 2019 NDAA Section 889 (a)(1)(B) by ensuring merchants provide/or have provided a written representation of compliance before the transaction is made. GPC cardholders are to follow the requirements for a representation as outlined in the attached DPC Policy Memo dated 11 August 2020.

For ALL purchases, regardless of source, Cardholders must receive written representation from the merchant before making a purchase. If the merchant cannot/will not provide a representation or indicates “does use” equipment or services from the references companies above, their subsidiaries or affiliates, then the Cardholder must look for an alternate merchant who can represent “does not” use any equipment, system or service provided by any of the referenced companies above.

If a merchant is not able to represent “does not” and another merchant is not available who can represent “does not”, the CH, A/BO, or A/OPC HL5 must forward the purchase requirement, merchant representation and required merchant disclosure information to their supporting contracting office or designated local POC for further guidance and direction. CHs shall be made familiar with local procedures, the appropriate contracting office or other designated POC to

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complete determinations needed for merchants who state “does use” when another merchant cannot be found to make purchase. Written merchant representation, merchant disclosure, and any waiver determination must be stored with other transaction supporting documentation and representation must be entered in Access Online.

ACTION:

1. HL3s must ensure IOPs are updated to include procedures for documenting representation of compliance as issued by FY19 NDAA Section 899 (a)(1)(B) and DPC Policy Memo dated 11 August 2020.

2. A/OPCs must ensure:
 - Section 889 compliance is added as a mandatory field to purchase log wherever it is maintained.
 - Section 889 is recorded on the purchase log by using a “log entry” code from the chart below.
 - If Access Online’s Order Management is used as the purchase log, CHs or AOs record Section 889 in the new mandatory field for Section 889.
 - If Access Online’s Order Management is not currently used as your purchase log, CHs or AOs record Section 889 in Transaction Management in Access Online by entering comments (see attached instructions).
 - Use of Transaction reports in US Bank to track compliance.
 - Supporting 889 documentation may be uploaded to transaction management or maintained with other supporting documentation related to the transaction.

| Allowable Purchase Log Entries | Applicability |
|--------------------------------|--|
| 889 Merchant Rep | Merchant provided the required 889 representation at Federal Acquisition Regulation (FAR) 52.204-24(d)(2) with a “ does not ” response: the CH relied upon the representation to make the purchase. |
| 889 ODNI | Merchant provided the required 889 representation at FAR 52.204-24(d)(2) with a “ does ” response, but it has been determined the required supplies/services are included in a Product Service Code (PSC) covered by Reference 2; the CH relied upon the waiver to make the purchase. |
| 889 Agency | Merchant has provided the required 889 representation at FAR 52.204-24(d)(2) with a “ does ” response, but it has been determined the required supplies services are covered by an Executive Agency waiver that was approved in accordance with FAR 4.2104; the CH relied upon the Executive Agency waiver to make the purchase. |
| 889 Exception | Merchant has provided the required 889 representation at FAR 52.204-24(d)(2) with a “ does ” response, but in conjunction with the supporting contracting office, a FAR 52.204-25 (c) exception applies; the CH relied upon the exception to make the purchase. Written approval from the supporting contracting office shall be included with the transaction supporting data. |
| 889 Payment | CH was not required to obtain the required 889 representation at FAR 52.204-24(d)(2) because the GPC was used only as a method of payment. Examples include: - payments against a contract - to fulfill intra/inter-governmental requirements - to make payment against SF-182 commercial training requests in accordance with GPC policy |
| 889 Non-Compliant | CH purchased supplies/services without obtaining the required 889 representation at FAR 52.204-24(d)(2), that were not covered by an ODNI waiver, an Executive Agency waiver, or a FAR authorized exception. The purchase was NOT in compliance with GPC policy. |

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REFERENCES:

1. DPC memo, "Governmentwide Commercial Purchase Card Guidance related to Implementation of the Section 889 (a)(1)(B) Prohibition on Contracting with Entities Using Certain Telecommunications and Video Surveillance Services or Equipment," dated August 11, 2020.
2. DPC memo, "Recording Implementation of Section 889(a)(1)(B), Prohibition on Contracting with Entities Using Certain Telecommunications and Video Surveillance Services or Equipment, when using the Governmentwide Commercial Purchase Card." Date 9 September 2020.
3. Representation sample form:



889 Representation
8.31.2020.pdf

4. Steps to Track Coronavirus Transactions & 889 Designation 9.17.2020



Steps to Track
Coronavirus Transacti

Purchase Card Helpdesk
DON Consolidated Card Program Management Division
Email: DON_purchasecard@navy.mil
Website: https://my.navsup.navy.mil/webcenter/portal/ccpmd_pc

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DON GPC - Use of Covered Telecommunications Equipment or Services Representation**Section 1 – References**

1. DPC MEMO Governmentwide Commercial Purchase Card Guidance Related to the Implementation of the Section 889(a)(1)(B)
2. PCAN FY20 #21 NDAA Section 889(a)(1)(B)

Section 2 – Merchant Representation

Procedures. Prior to making any open market GPC purchase, the merchant shall first review the list of excluded parties in the System for Award Management (SAM) (<https://www.sam.gov>) or on the GSA SmartPay website (<https://smartpay.gsa.gov/content/prohibited-vendor-list>) for entities excluded from receiving federal awards for "covered telecommunications equipment or services". Conducting business with merchants who use telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of such entities); Video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities) is strictly prohibited.

Representation.

(1) After conducting a reasonable inquiry, for purposes of this representation, the Merchant represents that—

It **does**, **does not** use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

Merchant Name _____

Merchant's Authorized Representative _____

(Typed Name)

Authorized Representative Signature/Date _____ / _____

Section 3 - Instructions

A. Cardholder (CH) provides this representation document to the merchant to complete, sign, and return to the CH.

B. Merchant verifies the list of prohibited companies & upon completion, fills out the Section 2 above and returns the form to the CH.

C. If a merchant represents "does not" the CH can rely on the representation and make the purchase.

D. If a merchant represents "does" or the merchant declines to complete the Representation, the CH shall not make the purchase with that merchant. Instead, CH must find an alternate merchant that represents "does not" or forwards the requirement along with the Representation to their supporting contracting office for action.

E. If applicable, and after receiving the requirement and representation, the supporting contracting office may provide written approval for the CH to make the purchase. If so, the CH shall retain this approval documentation in their files.

F. The following GPC transactions are exempt as these transactions are payments, not purchases.

1. Contract Payment Official - use of the GPC as a payment method only
2. Inter/Intra-Governmental Payments - (ex. DLA Document Services, NSN Items using FedMall, or GSA Global Supply.
3. SF-182 Training Payments

G. Retain all documentation that supports this representation.

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Steps to Track Coronavirus Transactions & 889 Designation 9.17.2020

***The following is mandatory for the entire DON, regardless of what system/method used to complete a purchase log.**

****Regardless of dollar amount, add P20C as a comment to every transaction that supports the Coronavirus pandemic.**

***** Every transaction must have Section 889 Designation**

******CH or AO must complete this action before the statement is certified. If transactions are missed, HL5's must send a consolidated list of missed transactions to their HL3 at the end of each cycle.**

Getting started.

Log into US Bank:

<https://www.access.usbank.com/cpsApp1/AxolPreAuthServlet?requestCmdId=login->

On the left side of the screen:

- Click Transaction Management
- Click Transaction list
- Enter CH Account Last Four
- Click Search
- If needed, Scroll Down
- Click on the Account

Scroll down to page two

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1. You will be able to see the Trans List, scroll down to see the transactions

1.1 You may need to change the billing cycle date

Transaction Management
Card Account Summary with Transaction List

| | |
|--|---------------------------------|
| Product: Purchasing Card | Switch Products |
| Card Account Number: *****4603, ANTONIO T PAULUS | Switch Accounts |
| Card Account ID: 172246039071 | |

[Create](#) | [Manage](#) | [Managing Acct List](#) | [Card Acct List](#) | [Trans List](#) | [Manager's Queue](#)

Card Account Summary

Account Number: ...4603 Outstanding Orders: \$0.00 0
 Account Name: ANTONIO T PAULUS Unmatched Transactions: \$106,336.20 263
Note: Includes unmatched portion of partially matched transactions.

Billing Cycle Close Date: 11/16/2018

Total Transactions: \$20,049.31 55 Final Approved Transactions: \$0.00 0
 Reallocated Transactions: \$0.00 0 % Final Approved Transactions: 0.0% 0.0%
 % Reallocated Transactions: 0.0% 0.0%

Open Account

Search Criteria

[Return to top](#)

Transaction List

[Return to top](#)

Records 1 - 25 of 55
 Page: 1 | 2 | 3

Check All Shown | Uncheck All Shown

| Select | Status | Approval Status | Match | Trans Date | Posting Date | Merchant | City/State |
|--------------------------|--------------------------|-----------------|--------------------------|------------|--------------|-----------------------|------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Pending | <input type="checkbox"/> | 12/28 | 01/04 | U.S. WIPING MATERIALS | 111-111-11 |
| <input type="checkbox"/> | <input type="checkbox"/> | Pending | <input type="checkbox"/> | 01/01 | 01/04 | WW GRAINGER | 877-202259 |
| <input type="checkbox"/> | <input type="checkbox"/> | Pending | <input type="checkbox"/> | 12/28 | 01/04 | WW GRAINGER | 877-202259 |

Scroll down to page three

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2. Find the transaction that supports the Coronavirus and click its transaction date

To add comments: On the transaction list, click the date link, in the *Trans Date* column for the transaction you want to add comments to.

Transaction List

| Select | Trans. Date | Approval Status | Trans Date | Merchant | City/State | Amount | Detail | Trans Unique ID | Purchase ID | Attachment | Comments | Accounting Code |
|--------|-------------|-----------------|------------|-------------------|---------------|----------|--------|-------------------------------|-------------|------------|----------|-----------------|
| | 12/29/17 | | 01/24 | 112 EATERY | DALLAS, TX | \$354.22 | | 0020310018605320218.01.240000 | | | | Food Services |
| | 12/29/17 | | 01/24 | IDEAL ONE R | ANN ARBOR, MI | \$325.25 | | 0020310018605320218.01.240001 | | | | Food Services |
| | 12/29/17 | | 01/24 | OFFICE DEPOT BLAT | FARGO, ND | \$87.58 | | 0020310018605320218.01.240004 | | | | Food Services |
| | 12/29/17 | | 01/24 | 112 EATERY | DALLAS, TX | \$354.22 | CR | 0020310018605320218.01.240005 | | | | Food Services |
| | 12/29/17 | | 01/24 | IDEAL ONE R | ANN ARBOR, MI | \$379.73 | CR | 0020310018605320218.01.240003 | | | | Food Services |
| | 12/29/17 | | 01/24 | OFFICE DEPOT BLAT | FARGO, ND | \$87.56 | CR | 0020310018605320218.01.240002 | | | | Food Services |

3. Select the *Comments* tab

Transaction Management
Transaction Detail

Product: Purchasing Card
Card Account Number: 1254 CHRIS SMITH
Card Account ID: 216372001008

Create | Manage | Managing Acc List | Card Acc List | Trans List | Manager's Queue

Transaction Summary

| Status | Match | Trans Date | Posting Date | Merchant | City, State/Province | Amount | Detail | Purchase ID | Attachment | Accounting Code |
|--------|-------|------------|--------------|-------------|----------------------|--------|--------|-------------|------------|-----------------|
| | | 12/29 | 01/09 | PC MAX BLAT | MAPLE GROVE, MN | 141.00 | | | | |

Disputed | Matched | Disputed | Reallocated | Review

Summary | Detail | Allocations | Tax Data | Contracts | Approval History | Custom Fields

The Summary tab shows high-level transaction information.

The review status cannot be changed because the review day limit has been reached
To approve and forward the transaction, click "Approve."
To initiate a dispute, click the "Dispute" button.

| Transaction | | Reference Information | |
|---------------|------------|-----------------------|-------------------------|
| Date: | 12/29/2017 | Billing Cycle: | 01/24/2018 |
| Purchase ID: | | Posting Date: | 01/09/2018 |
| Total Amount: | 141.00 | Reference Number: | 74798268009009000248704 |
| Memo Post: | Yes | Authorization Number: | |

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4. Contingency Operations:

If the transaction supported COVID-19 type, P20C in the Contingency Operations box.

5. 889 Designation: This is required for every transaction

Enter the applicable 889 Designation code. Reference the chart below.

6. Click save comments

| Allowable Purchase Log Entries | Applicability |
|--------------------------------|---|
| 889 Merchant Rep | Merchant provided the required 889 representation at Federal Acquisition Regulation (FAR) 52.204-24(d)(2) with a " does not " response: the CH relied upon the representation to make the purchase. |
| 889 ODNI | Merchant provided the required 889 representation at FAR 52.204-24(d)(2) with a " does " response, but it has been determined the required supplies/services are included in a Product Service Code (PSC) covered by Reference 2: the CH relied upon the waiver to make the purchase.* |
| 889 Agency | Merchant has provided the required 889 representation at FAR 52.204-24(d)(2) with a " does " response, but it has been determined the required supplies/services are covered by an Executive Agency waiver that was approved in accordance with FAR 4.2104: the CH relied upon the Executive Agency waiver to make the purchase. |
| 889 Exception | Merchant has provided the required 889 representation at FAR 52.204-24(d)(2) with a " does " response, but in conjunction with the supporting contracting office, a FAR 52.204-25 (c) exception applies: the CH relied upon the exception to make the purchase. Written approval from the supporting contracting office shall be included with the transaction supporting data. |
| 889 Payment | CH was not required to obtain the required 889 representation at FAR 52.204-24(d)(2) because the GPC was used only as a method of payment. Examples include: <ul style="list-style-type: none"> - payments against a contract - to fulfill intra/inter-governmental requirements - to make payment against SF-182 commercial training requests in accordance with GPC policy |
| 889 Non-Compliant | CH purchased supplies/services without obtaining the required 889 representation at FAR 52.204-24(d)(2), that were not covered by an ODNI waiver, an Executive Agency waiver, or a FAR authorized exception. The purchase was NOT in compliance with GPC policy. |

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Reporting:

To find transactions with the P20C comment or 889 Designation, run a transaction detail report, make sure to click include comments. You can find the Transaction Detail Report under Reporting, Financial Management. Make sure to include "both" Display Transaction Custom Fields and Display Transaction Comments.