



DEPARTMENT OF THE NAVY
U.S. NAVAL SUPPORT ACTIVITY NAPLES ITALY
PSC 817 BOX 1
FPO AE 09622-0001

NAVSUPPACTNAPLESINST 4200.8M
N8
24 Feb 23

NAVSUPPACT NAPLES INSTRUCTION 4200.8M

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) FLCSI Decreased Threshold ltr 4200 Ser 211/0092 of 16 Sep 22
(c) General Services Administration SmartPay3 Contract
(d) Federal Acquisition Regulation 2022-08 of Oct 28, 2022
(e) Defense Federal Acquisition Regulation Supplement of Sep 29, 2022
(f) DoD 7000.14-R, Volume 5 and 10, DoD Financial Management Regulation Manual
(g) DoN Simplified Acquisition Procedures Guide of April 2018
(h) NAVSUPINST 4200.99C
(i) DoN Consolidated Card Program Management Division Desk Guide 5.11
(j) DoD Instruction 1400.25, Volume 410, DoD Civilian Personnel Management System: Training, Education, and Professional Development of September 25, 2013
(k) Navy Marine Corps Acquisition Regulation Supplement 5213 and 5203.101-1
(l) USD memo Government Charge Card Disciplinary Guide for Civilian Employees of 29 Dec 03
(m) USD memo Government Charge Card Disciplinary Guide for Military Personnel of 10 Jun 03
(n) OUSD (A&S) SmartPay 3 Transition Memo #10

Encl: (1) GCPC Program Internal Operating Procedure

1. Purpose. To establish command responsibilities and Internal Operating Procedure (IOP) for the proper management of the Government Commercial Purchase Card (GCPC) Program for U.S. Naval Support Activity (NAVSUPPACT), Naples, Italy.
2. Cancellation. NAVSUPPACTNAPLESINST 4200.8L.
3. Scope and Applicability. This instruction applies to all U. S. Naval Support Activity (NAVSUPPACT) Naples, Italy, personnel processing commercial purchase card transactions.
4. Action. The Agency Program Coordinators (APCs), Approving Officials (AOs), and Cardholders (CHs) must comply with the guidelines established by this instruction and references (a) through (n). This instruction has been revised and must be read in its entirety.
5. Background. The GCPC is intended to simplify the administrative efforts associated with traditional and emergent purchase of supplies and services. The Department of the Navy (DoN) Purchase Card Program is organizationally-aligned within Naval Supply System Command (NAVSUP) Corporate Operations Directorate. NAVSUPPACT Naples must comply with the provisions of references (a)

through (n). This Internal Operating Procedure (IOP) is a supplement to the NAVSUPINST 4200.99C and incorporates all procedures specific to NAVSUPPACT Naples. The procedures in this IOP must be followed by all NAVSUPPACT Naples personnel. U.S. Bank is the issuing bank for the purchase cards under the DoN-wide GCPC program.

6. Policy. Use the GCPC within regulation.

(1) As method of purchase for procurement of open market supplies, services, and construction up to the micro-purchase threshold (MPT) in accordance with FAR 2.101 with following exceptions:

(a) Services procured in the Continental United States (CONUS), thus subject to 40 U.S.C. chapter 67, Service Contract Labor Standards, the MPT is \$2,500:

(b) Construction procured from vendors located CONUS, thus subject to 40 U.S.C. chapter 31, subchapter IV, Wage Rate Requirements (Construction), the MPT is \$2,000.

(c) Any requirement for services or construction that requires a Performance Work Statement (PWS) or require terms and conditions must be forwarded to NAVSUP or NAVFAC contracting offices as applicable, regardless of dollar value.

(2) As method of payment up to applicable limits:

(a) Training requirements and related registration fees up to the MPT using the Standard Form (SF) 182 (Certification of Training):

(b) Training requirements exceeding the MPT up to \$25,000, using the SF 182 in accordance with the procedures to pay Non-government sources in reference (f) Volume 10, Chapter 12.

(c) Printing services up to \$10,000 through Defense Logistics Agency (DLA) Document Services:

(d) Contractual documents up to \$25,000, issued by a warranted contracting officer.

7. 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 Department of the Navy 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).

8. 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 (DoD), and DoN 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

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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.

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

<https://cnreurafcent.navy.afpims.mil/Installations/NSA-Naples/About/Installation-Guide/Department-Directory/N1-Administration-Department/Instructions/>

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Releasability and distribution:

NAVSUPPACTNAPLESINST 5216.4DD

Lists: I and II

Electronic via NAVSUPPACT Naples website:

<https://cnreurafcent.navy.afpims.mil/Installations/NSA-Naples/About/Installation-Guide/Department-Directory/N1-Administration-Department/Instructions/>

NAVSUPPACTNAPLESINST 4200.8M
24 Feb 23

U.S. NAVAL SUPPORT ACTIVITY, NAPLES, ITALY

GOVERNMENT COMMERCIAL PURCHASE CARD

(GCPC)

INTERNAL OPERATING PROCEDURE

(IOP)

Enclosure (1)

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1. Introduction. The Government Commercial Purchase Card (GCPC) Program intends to streamline small purchase methods, minimize paperwork, eliminate the Imprest Fund (petty cash), streamline payment processes, and simplify the administrative effort associated with traditional and emergent purchase of supplies and services. References (a) through (n) governs the Department of the Navy (DoN) GCPC Program's acquisition, financial management, and policies. This Internal Operating Procedure (IOP) is a supplement to the NAVSUPINST 4200.99C and incorporates all procedures specific to U.S. Naval Support Activity (NAVSUPPACT) Naples, Italy. All NAVSUPPACT Naples, Italy personnel must follow the procedures in this IOP.

2. Definitions

a. Approving Official (AO)/Alternate Approving Officials (AOs). Government employee appointed by the Agency Program Coordinator (APC) to review and approve the billing statements. The AO must verify all transactions completed were legal, proper, mission essential, and correct.

b. Billing Cycle. The billing cycle is typically a 30-day billing period and usually 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. Each cardholder (CH) has a set monthly limit. It is the dollar value of the CH's maximum monthly cumulative purchases. The AO's billing cycle limit is the dollar value, twice the sum of all billing cycle purchase limits of all CH assigned to the AO. The APC reviews the CHs and AOs billing cycle limits semi-annually and adjusts accordingly.

d. Cardholder (CH). Any government employee designated by the APC and issued a purchase card. The CH's appointment letter indicate the MPT, billing cycle limit, and purchase designations.

e. Certifying Officer (CO). A government employee appointed by the APC to certify voucher for payment. Appointees serve a dual role as AO and CO.

f. Contracting Officer. A government 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.

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

- i. Insight on Demand (IOD). Developed for the DoN Consolidated Card Program Management Division (CCPMD) as a method for reviewing and taking corrective action for certain infractions of procedure and policy in the administration of the DoN Purchase Card Program.
- j. Merchant Category Code (MCC). A code used to categorize each merchant (vendor) according to the type of business the merchant is engaged in and the kinds of goods and services being provided. The MCC indicates the category of merchandise that the CHs can purchase. U.S. Bank assigns the MCC for each account and can assign multiple MCCs to CHs.
- k. Micro Purchase Threshold. The CHs single purchase limit set by the APC with AOs recommendation and historical purchase history.
- l. Minor Personal (Accountable) Property. Pilferable property referring to items that have a ready resale value or application to personal possession, 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 generated at the end of the billing cycle by U.S. Bank detailing all of the transactions that posted to CH account during the period.
- n. Pecuniary Liability. The personal financial liability for fiscal irregularities. A preventive measure to guard against errors and theft by others, and 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 GCPC personnel. The system also serves to store and track participants' training requirements.
- p. Purchase Card Log. A manual or automated log on which the purchase cardholder documents purchase request information.
- q. Reconciliation. The process by which the CH and AO review the monthly cycle statements and settle payment against vendor receipts and the purchase card logs.
- r. 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) and is responsible for:

- (1) Ensuring proper execution of DoD and DoN guidance.

- (2) Establishing and maintaining a command climate to prevent requiring or requesting personnel from exercising undue influence over the actions of an AO and CH.
- (3) Ensuring appropriate resource allocation to the program.
- (4) Designating NAVSUPPACT Naples's APC to manage the GCPC program.

b. N8 Comptroller. The NAVSUPPACT Naples Comptroller provides 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 and works with the APC to streamline the funds approval process to the maximum extent practicable.

c. Agency Program Coordinator (APC). The Level 5 APC (activity level) or designated Alternate APC is responsible for managing the GCPC program. The CO designates the individual via a letter of designation through mandatory appointment/delegation for APC, AO, and CH through PIEE/JAM. The day-to-day operations include the following:

- (1) Train all GCPC program participants prior to establishing their accounts. Conduct refresher training as needed and maintain individual training records.
- (2) Appoint AOs and CHs within PIEE/JAM and in writing by an appointment/delegation letter.
- (3) Create and maintain AO and CH accounts and user profiles. Perform maintenance to ensure account profile information is current and accurate. Close accounts not used more than three times in one year or upon the participant's departure from the program.
- (4) Per reference (h), perform monthly transactional reviews to assess the performance of the program and adherence to guidelines by participants. Review and verify proper certification of invoices, completed CH logs, and retention of supporting documentation. Give additional attention to transactions identified within U.S. Bank IOD, such as questionable purchases.
- (5) Complete 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 4 APC for submission to Level 3 APC.
- (6) Stay abreast of the latest NAVSUP policy letter to be able to provide information and technical assistance to account holders, as required. Recommend new and revised procedures aimed at continuously improving program controls, processes, and procedures.
- (7) Function as the point of contact for the financial institution, resolving technical and/or operational issues, and taking appropriate action regarding delinquent accounts.
- (8) Use reports from U.S. Bank to monitor and track the health of the program.

(9) Notify the Level 4 APC prior to transferring, retiring, or appointing a new AO/APC.

NOTE: The APC cannot be an AO or CH within the NAVSUPPACT Naples program.

d. Approving Official or Designated Alternate. Synonymous to Certifying Officer (CO) and APC appointed via a letter of appointment and DD Form 577. The AO is the program's first line of defense against misuse, abuse, and fraud. 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 (h) 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 at the end of the billing cycle verify charges are accurate.

(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 any assigned monthly random transactional review via IOD.

(7) Maintain all original supporting documentation for CH's accounts due to transfer, reassignment, or retirement. Retain administrative records such as training documentation, appointment or delegation letters, DD Form 577, and records of any administrative action taken during AOs and CHs appointment and for three years beyond. Retain all purchase-related records, such as purchase card logs, micro-purchase worksheets, requisitions, invoices, and statements for ten years.

(8) When transferring, retiring, or being reassigned, AO must notify APC at least 60 days (or two billing cycle) prior to projected date of loss. The AO must turn over all GCPC request documentation to relieving APC.

e. Cardholder. The CH is designated by the HA or APC, via a letter of delegation documenting their responsibilities. The purchase card bears the name/account number of this individual. They are pecuniary liable for erroneous payments resulting from negligent actions. 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) Use GCPC to complete mission-essential requirements at fair and reasonable prices from responsible suppliers only if mandatory sources are unavailable.

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

(3) Confirm purchase request contains all required documentation to include email/memo request, proof of mandatory screening, quotes, signed 889 form, and any special approvals.

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

(5) 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).

(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 A for Sample Purchase Log. Maintain the purchase card log 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 obtained. At a minimum, the purchase log must contain the following:

(a) Requestor name.

(b) Date the item or service 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) 889 Declaration Code (certification that vendors are not using 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)
 - (i) Comments or applicable information regarding the purchase (i.e. paid but not received, credit, cancelled, dispute).
- (8) Reconcile the monthly purchase card statement to verify all charges are proper and accurate. Reallocate lines of accounting 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. All supporting documentation must be in English and include at a minimum the following:
- (a) Monthly CH U.S. Bank statement.
 - (b) Purchase log with up to date information on status of request.
 - (c) Requisition/purchase order request form (showing funding approval).
 - (d) Sales receipt showing type of purchase and amount charged. It must include delivery and acceptance information showing what was received and who received it. Signature should be legible (print, date, and sign).
 - (e) Proof of mandatory screening.
 - (f) Quotes.
 - (g) E-mail/memo request.
 - (h) Signed 889.
 - (i) Special requests.
- (10) Safeguard purchase card information and account number at all times. Do not transmit the full account number in an insecure manner, such as by e-mail or facsimile machine (fax). 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) Only transmit the entire credit card information over-the-counter, over the phone, mail order, or by Internet, if it is a secure/encrypted site.

(b) Do not print the credit card number from either the department copy or customer copy of any receipts. Redact the credit card number as soon as possible and mask the expiration date.

(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 another person use his or her card, or uses it for personal transactions is subject to disciplinary action.

(12) The CH must notify the AO and APC in the event that he or she can no longer perform the duties (i.e. retiring, transferring, etc.) The APC will no longer allow the CH to conduct additional transactions at least 60 days (or one billing cycle) prior to the projected date of loss. The APC will ensure that the CH close all transactions and clear all payments prior to closing the CH's account. Under no circumstances will the account remain open past the official detachment date. The CH must turn over all GCPC documentation to the AO, and surrender the card 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.

4. Training Requirements. All program participants, HAs, APCs, AOs and CHs, must successfully complete initial training on the purchase card program prior to title designation. Annual and refresher training is required. The Level 5 APC will maintain copies of all training certificates for the duration of participant/employee involvement in the program and for three years beyond. Copies of training certificates are also stored in PIEE/JAM. Listed below are the required training for all prospective participants:

a. DoN Consolidated Card Program Management Division (CCPMD) role based training is required initially for HA, APCs, AOs, and CHs. APCs, AOs, and CHs will need to complete refresher training every other year. Training is available via NAVSUP Web site at https://my.navsop.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 available on the DAU Web site 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 available on the DAU Web site at: <https://icatalog.dau.edu/>

d. Ethics initial and annual refresher training is required for all (HA, APC, AO, and CH). This training is available on the Total Work Management System (TWMS) webpage at: <https://twms.dc3n.navy.mil/login.asp>

e. Insight on Demand (IOD) Audit Tool training is required initially for APCs and AOs. The Level 5 APC will provide training. Additional training information is accessible via US Bank webpage at: <https://www.access.usbank.com/>

f. Internal Operating Procedure (IOP) training is required initially and every other year for APCs, AOs, and CHs. The Level 5 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. The Office of the Staff Judge Advocate (SJA) manages and retains the OGE Form 450s due to confidentiality. The APC will provide an updated list yearly to SJA to confirm the participants required to file OGE Form 450.

5. Completing Purchases. Before starting the GCPC purchase process, CH must receive memo/e-email from requestor describing the item(s) needed and a reason for the need. The CH will verify the purchase if it is in full compliance with all GCPC Program regulations, and in support of NAVSUPPACT Naples's mission.

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

(1) CH cannot fragment/split purchases that exceed the delegated micro-purchase threshold limit as a means to use the purchase card. 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. The CH must ensure that the daily exchange rate in dollars does not exceed the single purchase limit for purchases involving foreign currency. The CH will verify the daily rate using the www.oanda.com/currency/converter/. A print out of the daily currency conversion needs to be included in the purchase file. AOs will ensure that CHs do not attempt to split transactions between CHs to avoid the single purchase limit.

(2) Strictly no cash advances 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 (e).

(5) Rental or lease of commercial or GSA Vehicles (without drivers), 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, the CH must turn over the item(s) to the AO/APC for destruction and disposal.

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

b. Additional approval is required depending on the type of product/service needed. Include all special approvals in the purchase file.

(1) Purchase of HAZMAT items that appears on the Authorized Users List (AUL) is allowed in limited quantities only after receiving approval from the HAZMAT Consolidated Hazardous Materials Reutilization and Inventory Management (CHRIMP) Department.

(2) Information Technology Purchase Request (ITPR) is required for IT equipment. ITPR screening guidance and approval process can be found on the Region N6 page of the G2.

(3) Safety Officer must approve the purchase of Personal Protective Equipment (PPE) covered under Occupational Safety and Health Administration (OSHA).

(4) Process procurement and disposal of all networked and stand-alone DoN copiers, printers, fax machines, scanners, and Multi-Functional Devices (MFDs) through Defense Logistics Agency (DLA) only.

(a) The purchase of these items also requires ITPR screening. ITPR approval process is accessible on the Region N6 page of the G2.

(b) Attach the DLA statement of non-availability if an item is not available through DLA, and requesting to purchase through other source.

c. The purchase of supplies will be limited to the various contracting vehicles when available.

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

(2) Use Fed Mall and GSA to the maximum extent.

(a) Use the NEX Depot only when items are not available through Fed Mall.

d. Conduct market research when it is not possible to use required sources or NEX Depot. Obtain price quotes via the Internet, hard copy catalog, or written quotes from vendors. Results of market research must be included in purchase file.

e. 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. Annotate justification for the selection of vendor on the GCPC request.

f. If an item is unique and requires purchase from a particular merchant, the requestor must complete a sole source justification approved by the AO prior to purchase. If a similar product is manufactured/sold by another company or vendor, market research is still required. Maintain a copy of the sole source justification in the purchase file with all other supporting documentation.

g. 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," then the CH must look for an alternate merchant. Annotate 889 Declaration on the CH's purchase log and on the U.S. Bank webpage. 889 Declaration Form is valid for an entire fiscal year. At the start of each new FY, the CH will need to receive a new signed Section 889 representation.

h. 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.). If the vendor has questions or concerns about the tax exemption, the CH can provide Appendix B, Letter for I.V.A. Tax Exemption for clarification.

i. 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. APC will review request and, if approved, adjust the limit accordingly.

j. Prior to completing 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.

k. The NAVSUPPACT Naples N8 Comptroller Department must maintain accountability records in the Defense Property Accountability System (DPAS). Requestor must identify all purchases for minor personal property and capital assets 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. Immediate availability for items purchased is required. No back orders or partial delivery.

a. When purchasing over-the-counter (In-Store), the CH will confirm the payment is only for the items included in the GCPC request. No modifications without APC approval. Receiver should accompany CH to verify receipt of full order.

b. For telephone and internet ordering:

(1) Receiver must be present to accept the request. Receiver will sign, print name, and date the shipping slip. If there are any discrepancies, CH must notify the vendor immediately and document the issue. CH is to complete payment only after satisfactory receipt of full order.

(2) For orders shipped to command, 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 order shipped and to consolidate the order as much as possible. Partial shipment is discouraged.

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

(c) It is the CH's responsibility to ensure the item reach NAVSUPPACT Naples for purchases delivered to U.S. port for further transport. CH must confirm receipt, and further shipment of item with the consolidation point staff. CH must complete DD FORM 1149. The following shipping information is required:

1. FROM, enter merchant's name, address, and e-mail/phone number.

2. TO, enter consolidation point address.

3. SHIP TO - MARK FOR, include NAVSUPPACT Naples UIC (N62588), FPO address, department code, and phone number for ordering person or department.

4. APPROPRIATIONS DATA, request a Transportation Account Code (TAC) through APC from the CNREURAFCENT N8 Accounting Office in Sigonella.

(d) Merchant Packing Slips. Regardless of shipment method, 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. Itemized list of supplies furnished, including quantities.

c. Always maintain a minimum two-way separation of ordering and receiving functions. The individual receiving the material will inspect and verify the item ordered, quantity, and condition. 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/AO should not be the receiver of material.

7. Reconciliation and Certification

a. At the end of each monthly billing cycle, the CH will reconcile the transactions that appear on their online statement. Verify the transaction with purchase log for accuracy.

(1) CH is responsible for notifying the AO of any information that will affect certifying the monthly invoice for payment.

(2) CH will notate all transactions in U.S. Bank with the appropriate 889 Declaration and Emergency-Type Operation information.

(3) CH must print and sign the statement and complete reconciliation within five working days of the end of the billing cycle. Submit all statements with all supporting documents for each transaction to the AO. CH must resolve questionable purchases.

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) When certifying electronically, AO will verify CH has entered appropriate 889 Declaration Code and Emergency-Type information.

(2) The AO must notify the APC and other appropriate personnel within the command for unauthorized purchase.

(3) Complete all IOD cases within 15 days of the cycle close date. Forward the complete GCPC package for each IOD to the Level 5 APC for final review.

(4) AO is responsible for certifying statements. U.S. Bank will automatically suspend any AO account that is over 60 days delinquent.

c. Absence is no excuse for late document submission.

(1) If the CH has planned absence (for leave, TAD, etc.) when the 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.

(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.

(3) If the AO is absent, their appointed alternate designee will reconcile and certify the monthly statement. However, the AO is responsible for completing their review upon return.

d. Retain all financial records (invoices, statements, receipts, etc.) for 10 years. Retain non-financial documents (delegation letters, training certificates, etc.) for duration of participants' involvement with GCPC and three years beyond. All documentation must be available for review at all times. All CHs or AOs leaving their role must turn over all documents to new persons relieving them. CHs must turn over all documents to their AO. AOs must turn over all documents to new designated AO, or to the APC if no new AO assigned.

8. Billing, Errors, and Disputes

a. NAVSUPPACT Naples N8 Comptroller Department will coordinate all accounting procedures with each NAVUPPACT Naples Departments.

b. The bank statements will reflect billing at the market exchange rate at the time of the purchase. Purchases from vendor outside the U.S. vendors will reflect the foreign currency amount and the USD amount based on the market exchange rate. Allocate the difference between the approved amount calculated using the budget exchange rate and the daily rate to the flux line of accounting in US Bank.

c. If there is a difference between the purchase price and the billing price, the CH will first determine why there is a difference. If the difference is due to vendor error, CH will request vendor correct the mistake. The CH will verify the correction on the following monthly statement. If vendor 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. For all other differences contact Level 5 APC for guidance and to ensure sufficient funds are available.

d. For orders that has not yet been received and billed, the order has likely not shipped and 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. Only use the purchase card for items that are readily available, not for backorders.

e. For orders already received but no transaction on the statement, means that the merchant neglected to charge the GCPC. The CH will contact the merchant to determine the reason for not charging. If the merchant reports that they neglected to charge the GCPC, they will immediately charge the account, and the CH will verify the charge appears on the monthly statement.

f. CH must initiate disputes by notifying the Dispute Office at U.S. Bank and submitting a completed Government Cardholder Dispute form. It is the CHs responsibility to file and follow up on all disputes submitted to U.S. Bank. Do not use this form if tax is the questioned charge. This procedure is 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.

(1) For unrecognized transactions, such as fraudulent charges, CH must submit a dispute with U.S. Bank and notify the APC and AO.

(2) For defective items, 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, the CH must initiate a dispute immediately.

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 is closed. Level 5 APC must request a refund check from the bank and verify proper credit to the same line of accounting within the same fiscal year.

h. 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 complete approval and processing of all transactions prior to close of business on the established cut-off date.

9. Internal Review of the Local Program. The Level 5 APC will conduct internal reviews throughout the year.

a. The Level 5 APC will conduct 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).

b. The review will target the following critical transactions:

(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. At a minimum, APC must review the following:

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

d. The Level 5 APC will also manage monthly transactional reviews within the IOD and complete the monthly review for submittal to the Level 4 APC. Any Level 5 review not completed within 30 days of the set due date will have the account suspended by the Level 4 APC.

e. Semi-annual reviews will consist of two reviews:

- (1) An evaluation of internal procedures and management controls.
- (2) The Level 5 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. Provide a copy of the report(s) to the Level 4 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.

10. Lost or Stolen Cards. If a GCPC is lost or stolen, the CH must immediately notify U.S. Bank. U.S. Bank will cancel the lost/stolen card and issue the CH a replacement card.

a. In addition to notifying the bank, the CH must also notify the APC and their AO. The written notification must include the following information:

- (1) Date and location of the loss.
- (2) If stolen, date reported to police.

- (3) Date and time U.S. Bank of bank notification.
- (4) Any purchase(s) made on the day the card was lost or stolen.
- (5) Any other pertinent information.

b. If CH subsequently finds the GCPC, the CH must properly disposed the card by destroying that magnetic strip and chip.

11. Standards of Conduct. Personnel involved in management and use of GPC must 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.

a. The AO and/or CH is subject to administrative disciplinary action for improper, fraudulent, abusive, negligent, or unauthorized use of GCPC. This includes any use of the card at unauthorized establishments or for purposes that are inconsistent with the official business of DoN or applicable regulations. Inform the supervisor of the individual in a timely manner to take appropriate action.

b. Deciding official will determine any penalty for civilian personnel. 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.

APPENDIX A
PURCHASE CARD LOG

NAVSUPPACTNAPLESINST 4200.8M
24 Feb 23

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	Sec. 889 Compliant <small>(see 889 Key Code)</small>	Status	Comments
1														
2														
3														
4														
5														
6														
7														
8														
9														
10														
11														
12														
13														
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20														
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22														
23														
24														
25														
26														
27														
28														
29														
30														

TOTAL

CH NAME: _____ SIGNATURE: _____ DATE: _____

AO NAME: _____ SIGNATURE: _____ DATE: _____

APPENDIX B

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.