

FREQUENTLY ASKED QUESTIONS

Q: How is the Government Purchase Card (GPC) used?

A. The GPC functions like a typical charge card. When the Cardholder presents the card, the supplier requests authorization through the VISA network. If the purchase is within the card limits, the Cardholder will receive the goods and sign for the purchase. In return, the Cardholder should obtain a detailed receipt of the item(s) purchased and any applicable shipping/freight charges.

Q: What are some examples of credit card misuse?

A: Charge card misuse can take many different forms, but here are some of the most common examples:

- **Purchases exceed the cardholder's authorized limit.** Cardholders may be limited to a specific dollar limit per transaction, per day, or per monthly billing cycle. As an A/OPC you should set authorization controls so that transactions exceeding the authorized limits would be declined at the point of sale. For instance, if a cardholder is not authorized to spend more than \$2,000 per billing cycle, you should not set the monthly spend limit at more than \$2,000. This protects the cardholder and the Government from misuse.
- **Purchases for which no funding is available.** Federal law requires that funds must be available before any Government purchase is made. It is up to the cardholder to ensure that the funds are available prior to making any transaction with the Purchase Charge Card.
- **The cardholder allows other people to use his/her Purchase Charge Card.** Cardholders must take steps to ensure the security of the Purchase Charge Card. That means that the Purchase Charge Card must be used only by the cardholder and only for official Government business. If the cardholder allows others to use the Purchase Charge Card, the cardholder will be held personally liable to the Government for any unauthorized transactions. As an A/OPC, you should make sure that the cardholder understands that the Purchase Charge Card is not to be shared and must be properly safeguarded when not in use.
- **Split Transactions.** The Federal Acquisition Regulation (FAR) limits the dollar threshold for micro-purchases to \$2,500 (or \$2,000 for construction). Any purchase that, as a whole, would exceed the micro-purchase limit - but is separated into smaller transactions in order to avoid the micro-purchase limit - is considered to be a split transaction. Split transactions are prohibited. Let's assume that Joe, a cardholder, needs to buy one hundred widgets, and the total value of the transaction is \$3,000 (or \$30.00 per widget). Joe knows that the micro-purchase threshold is \$2,500. In order to make the transaction "fit" under the micro-purchase limit, he asks the store to split his order into two separate transactions: one for \$2,100 (70 widgets) and one for \$900 (30 widgets). This action is called a "split transaction" and is a violation of Federal procurement regulations. As an A/OPC, you should make sure that your assigned cardholders are aware of the prohibition on split transactions

and should monitor cardholder use to check that split transactions are not occurring. The most common indicator of a split transaction is multiple transactions with the same vendor for the same items on the same day (or within a period of a few days), where the total amount of the transactions exceeds the micro-purchase limit.

- **Products or services that do not meet the Government's requirements.** Cardholders must use discretion when making purchases to ensure that they meet the Government's requirements. Due to the wide array of products and services available, there may be occasions when cardholders may be requested or tempted to buy luxury or deluxe versions of products and services that exceed the Government's actual requirements. For instance, it would be questionable for a cardholder to buy a \$500.00 designer fountain pen when there are many quality fountain pens available for \$50 or less. As an A/OPC, you should be prepared to question any purchase that appears to be excessive or unreasonable.
- **Purchases for personal consumption.** All purchases must be for official Government use only. Thus, any purchase made that is for the cardholder's personal use rather than for official Government purposes is considered to be misuse. For example, a cardholder who uses the Purchase Charge Card to buy himself lunch because he had no cash available that day is misusing the Purchase Charge Card. As an A/OPC, you should be aware of transactions that appear to be for personal use only.
- **Purchases that are not authorized by the agency/organization.** Your agency/organization may have additional limits on the use of the Purchase Charge Card, such as limiting certain categories or types of products or services. As an A/OPC, you should be aware of your specific agency's/organization's restrictions to ensure cardholder compliance.

Q: Can a cardholder use the GPC card for a purchase that is made by the telephone?

A: Yes. The supplier will ask for the Cardholder name, card number and expiration date. The supplier may also ask for the 3-digit code located on the back of the card immediately following the card number. The Cardholder should instruct the supplier that the purchase is tax exempt and also that a detailed receipt is required. Cardholders should be sure to record the transaction in their log.

Q: Does the cardholder pay tax on their transaction?

A: All government purchases made using the Government Purchase Card (GPC) are exempt from tax. The card clearly states on the front "U.S. Tax Exempt", however; it is the cardholder's responsibility to remind the merchant to exclude tax and to ensure that taxes have been excluded before signing the receipt. If a merchant will not accept our tax-exempt status, the cardholder should provide our office with the merchants' name, address, P.O.C. and phone number. Our office will then forward a tax exemption package with information from the Taxation and Revenue Department to the merchant explaining our status in order to issue a credit for the charged tax.

Q: Can I make Internet purchases using the GPC?

A: Yes, a cardholder can make internet purchases as long as the cardholder does not purchase products and services from websites that

do not use a secure server to process credit card payments. A secured server is indicated by a small icon of a closed padlock being displayed at the bottom of your browser.

Q: What limits are placed on the card?

A: The standard limits include:

- * A maximum dollar amount per transaction, also called the "single purchase limit"
- * A maximum monthly total (by Cardholder and by total Billing Office transactions)
- * Specific merchant restrictions (What the cardholder is authorized to purchase based on their mission)

Q: What if the Cardholder's card is declined?

A: The cardholder should contact the GPC office at Ext 2-2103/2110/3991. The cardholder should provide our office with the name of the merchant, the amount of the purchase and the date the transaction declined. Our office will contact the bank to identify the reason for the decline (merchant code, insufficient funds, etc,.) and make the necessary changes in order for the cardholder to run the transaction.

Q: Why would a merchant receive a decline?

A: The following are some of the primary reasons for a decline:

- * The cardholder has exceeded the Single Purchase Limit (SPL) of \$2,500
- * The MAT or MCC codes are blocked for this merchant
- * The cardholder has not activated the account by calling 1-888-994-6722 upon receipt of his/her new card
- * The 30-day limit or Approving Official office limit has been exceeded

Q: What does it mean when a merchant receives a "referral"?

A: The merchant receives a referral when a Cardholder's account exceeds certain designated thresholds. The merchant will be instructed to request further information regarding the account to complete the verification process.

Q: Can the Cardholder check on his/her balance before receiving the Cardholder Statement?

A: The Cardholder can view their transactions and current balance in C.A.R.E., U.S. Bank's automated access system, 24 hours a day, seven days a week. Cardholders should keep in mind that the balance reflects only charges/transactions that have posted in C.A.R.E.

(NOTE: CARE is not currently available for USMTM)

Q: What if there is an incorrect charge on the statement?

A: If the Cardholder identifies a problem on his/her statement, he/she should FIRST try to resolve it directly with the merchant. If such an attempt at resolution fails, the Cardholder should submit a Cardholder Statement of Questioned Item (CSQI) form to U.S. Bank (via C.A.R.E. or paper form). A copy of the CSQI should be retained by the Cardholder for documentation purposes.

Q: Who can dispute a transaction?

A: Disputes must be initiated by the Cardholder in order to preserve their billing rights.

Q: How does the cardholder file a dispute?

A: The preferred method of filing a dispute is through C.A.R.E. using the Cardholder Statement of Questioned Item (CSQI) form. If access to C.A.R.E. is unavailable, cardholder's can mail or fax the CSQI to U.S. Bank. The address and fax number are on the bottom of the CSQI form.

Q: What type of transactions can be disputed?

A: Duplicate charges, returned merchandise, services not received, etc,. are transactions that can be disputed. For detailed information, refer to the Cardholder Guide and the CSQI form.

Q: What type of transactions cannot be disputed?

A: Items that cannot be disputed include taxes, ATM withdrawals, Convenience Checks, shipping & handling charges, etc,.

Q: How many days does a cardholder have to dispute a transaction?

A: The cardholder has 60 days after the statement date on which the original transaction appears to dispute any charges.

Q: What should a Cardholder do if fraud is suspected?

A: The cardholder should immediately notify the GPC Office at Ext 2-2103 or contact U.S. Bank Customer Service at 1-888-994-6722 if he/she has any reason to suspect fraudulent use of their card, including unauthorized charges. The Bank will immediately close the cardholder's current card account, and reissue a new card to the cardholder.

Q: Who can request information about an account?

A: Only the Installation Purchase Card Program Manager (IPCPM) and the properly authorized alternates can request information about cardholder accounts or perform account maintenance. Cardholders should notify the GPC Office of any changes that may impact their account information.

Q: How can the Cardholder get a duplicate copy of a lost receipt?

A: The cardholder should request a copy of the receipt from the merchant.

Q: What if the Cardholder's card is lost or stolen?

A: The cardholder should contact the GPC Office immediately so that the card can be immediately cancelled and a new card requested. The cardholder can also promptly contact U.S. Bank Customer Service at 1-888-994-6722. Prompt action will reduce company liability for fraudulent charges.

Q: What are my responsibilities as an Alternate Approving Official?

A: Your responsibilities as an Alt B/O are the same as the primary B/O, ensuring ALL purchases are approved and authorized PRIOR to the purchase being made, and ensuring funds are available for the purchase being made. All Alternate Approving Officials should have a UserID & Password for C.A.R.E. so that in the event the primary Approving Official is unavailable to approve the statement; the Alternate can accomplish the task.

Q: What is C.A.R.E.?

A: C.A.R.E. is US Bank's automated access system that allows GPC participants to view and approve their transactions, as well as approve

their statements and Billing Accounts. It also provides the capability of initiating disputes by both the Program Administrator's and the Cardholder. This automated systems allows payment to be made faster and provides increased rebates to cardholders.

Q: How do I get into C.A.R.E.?

A: In order to access the C.A.R.E. system, you must be a GPC participant (Program Administrator, Approving Official, Alternate Approving Official, Cardholder, FSO, Resource Advisor, etc,.). You must also have a C.A.R.E. UserID & Password, which is provided to you by the GPC Office. The C.A.R.E. website is: <https://care.usbank.com/>
(NOTE: CARE is not currently available for USMTM)

Q: What if I forgot my C.A.R.E. password and I am locked out of C.A.R.E.?

A: You are given three attempts to log into C.A.R.E. After three failed attempts, you will get the following ERROR message "The user status is considered inactive, please contact a USB Administrator to reactivate." Call US Bank Customer Service at 1-888-994-6722 for password reset. US Bank will request your USERID. If you cannot remember what your USERID is, please contact our office at Ext 2-2103/2110/3991.

(NOTE: CARE is not currently available for USMTM)

Q: How do I reconcile and approve my card transactions in C.A.R.E.?

A: You should first access the C.A.R.E. web-based training site at: <https://wbt.care.usbank.com/> This web-based training will provide you with the instructions you need to reconcile and approve your transactions in C.A.R.E. USERID: usbank Password: support
NOTE: The web-based C.A.R.E. training site password changes every 45 days.

(NOTE: CARE is not currently available for USMTM)

Q: As a cardholder, how many days do I have to go into C.A.R.E. and approve my purchase transactions?

A: Cardholders have 15 calendar days from the end of the billing cycle. The end of the billing cycle is the 25th of each month. Cardholders are encouraged to go into C.A.R.E. on a regular basis and approve their transactions as they post into C.A.R.E. Cardholders do not have to wait until after the 25th to approve their transactions.

(NOTE: CARE is not currently available for USMTM)

Q: As a cardholder, what if I am on leave during the 15-day timeframe for approving my transactions in C.A.R.E.?

A: If a cardholder is unavailable to approve his/her transactions in C.A.R.E. within 15 calendar days after the end of the billing cycle (25th), the Approving Official can approve the transactions on behalf of the cardholder.

(NOTE: CARE is not currently available for USMTM)

Q: As a cardholder, what if I did not approve my transactions within the 15-day timeframe?

A: If you were unable to approve your transactions in C.A.R.E. with the required timeframe, the "APPROVE" button in C.A.R.E. will not be activated and you as a cardholder will not be able to approve your transactions. Your Approving Official will have to approve your transactions for you. The Approving Official will be approving your

transactions within his/her own capacity; the Approving Official is no longer acting on behalf of the cardholder.

(NOTE: CARE is not currently available for USMTM)

Q: As a cardholder, do I have to use Transaction Log?

A: Yes, the C.A.R.E. log is the official file for transaction data. See attached Contracting Policy Memo 01-C-02 dated 16 May 2001.

(NOTE: CARE is not currently available for USMTM)

Q: TRANSPORTATION, CIVIL ENGINEERING AND MEDLOG purchase approximately 100 - 500 line items daily. Do they have to complete the Log Item Detail for all of their purchases?

A: High volume customers such as TRANS, CE and MEDLOG that have their own management systems used to track items purchased are not required to enter line item detail. They should enter a single entry for each purchase in the CARE transaction log and include a reference to the management system or the location of the itemized lists (e.g., itemized list filed with receipts, CEMAS transaction). It is important to stress to cardholders and Approving Officials that, although they no longer have to keep a paper log, they still must keep copies of backup documentation (receipts, order confirmations, shipping lists, etc.). The decision to allow customers not to use the line item detail should be the exception, not the rule and must be justified.

(NOTE: CARE is not currently available for USMTM)

Q: Can I use the Government Purchase Card (GPC) for purchases exceeding \$2,500.00?

A: Cardholders can use the GPC card to make purchases above the micropurchase limit of \$2,500 ONLY if ordering items from pre-priced contracts and agreements (e.g., Federal Supply Schedules (FSS), Blanket Purchase Agreements (BPA), Indefinite Delivery/Indefinite Quantity (IDIQ), contracts, etc..) When purchasing from pre-priced contracts/agreements, cardholders must review prices on at least three contracts/agreements and select the best value item for their requirements.

Q: When can we use the Convenience Checking Account, if our organization has one?

A: The convenience checks should be used as an alternative ONLY when the use of the purchase card is not feasible. Before a check is issued, the organization must make every effort to use the purchase card. Maximum efforts shall be made to find and use vendors that accept the purchase card. Convenience checks may be used when supplies or services are available for delivery within 15 days at the contractor's place of business or at destination. See AFI 64-117, Para 3.6 Convenience Check Accounts for further guidance on the use of Convenience Checks.

(NOTE: Convenience Checking is not currently available for USMTM)

Q: Can I dispute a Convenience Check?

A: The dispute process that is available with the purchase card is NOT available with convenience checks. The check writer must resolve any issues directly with the merchant. The check writer is solely responsible for securing restitution and/or credit for disputed purchases. CSQI forms will NOT be accepted for check purchases.

(NOTE: Convenience Checking is not currently available for USMTM)

Q: Do cardholders need to get 3 quotes every time they make a purchase?

A: If the amount of your purchase is less than \$2,500 then you are not required to get competition as long as you consider the price reasonable. This should be based on market research or prior experience. If you've never bought the item then it's probably a good idea to call several sources to get the best value.

If you are purchasing from an existing pre-priced contract/agreement (such as a GSA federal supply schedule or a BPA) and the amount is more than \$2,500, then you must review prices from at least three contracts/agreements and select the item(s) that represent the best value. It's important that you document the results of your review (sources, prices, etc.) and keep copies with your other GPC records.

Q: Why can't I have a higher spending limit, like say \$50,000?

A: Non-contracting cardholders can only use the purchase card to make purchases up to the micropurchase level which is currently \$2,500. If authorized, they may also be given the authority to go up to \$25,000 if they're ordering from an existing contract/agreement (e.g. GSA federal supply schedules, UNICOR, BPAs) Note, this increased authority does not automatically extend to purchases under Javits-Wagner O[Day (JWOD) (i.e., NISH, NIB) unless they are included on an existing contract/agreement.

There are some exceptions to this:

- Purchases with the Defense Automated Printing Services (DAPS) are authorized up to \$100,000;
- Purchase of off-the-shelf training and education may be made up to \$25,000 provided a DD 1556 is approved by the Education and Training office (not your unit training monitor) before the purchase is made and the individual(s) attend the training;
- The Education Services Flight may use the purchase card for payment of tuition assistance invoices that do not exceed a consolidated total of \$500,000.

Q: Am I allowed to buy hazardous materials (HM) with GPC?

A: You are allowed to purchase HM with GPC as long as you are certified to purchase HM and you coordinate the purchase with your HAZMART or Source of Supply on the AF Form 3952. This coordination process helps minimize the usage of HM to protect the environment, safety and health of workers and communities. The certification is required per ACC supplement to AFI 32-7086, **HAZARDOUS MATERIAL MANAGEMENT**, where it says that HM GPC purchases will be restricted to a limited number of individuals in each unit, designated by the squadron commander, who are certified. These individuals will receive additional GPC training and on completion of this training, they will receive certification to

purchase HM.

Q: What purchases must I coordinate with the HAZMART?

A: AFI 32-7086, **HAZARDOUS MATERIAL MANAGEMENT**, says that ALL purchases of HAZMAT (HM) require the PRIOR approval using the process described in paragraph 2.3.4 (ie. AF Form 3952). HM is generally defined as "any item or chemical which is a health or physical hazard to people, plants, or animals." Commonly cited examples are; paints, thinners, lacquers, adhesives, solvents, degreasers, pure chemicals, pesticides, insecticides, herbicides, poisons, and compressed gas. When in doubt, call your local HAZMART.

Q: Can I buy Civil Engineering (CE) or DPW type supplies (i.e. construction materials) and/or services with my purchase card?

A: Yes, as long as you coordinate the purchase with CE and your base does not have a Contractor Operated Civil Engineering Supply Store (COCESS). First, paragraph 3.2.13 of the GPC guide says "All requirements will be processed through the base civil engineer work order process." The purpose of this coordination is to ensure all work is properly planned and designed, materials meet current construction standards, and the work is properly inspected and documented. Additionally, CE may have self-help funds or supplies available for your use.

Secondly, if your base has a COCESS you are required by legally binding contract to purchase all base civil engineering type supplies from this contractor. If the COCESS contractor cannot meet your requirements in a timely manner you may be authorized to use your purchase card. Please check with your local contracting squadron to see if this pertains to your base.

Q: Can the purchase card be used to pay for cell phone service?

A: YES. But coordinate with the Comm Squadron (DCSI) and your contracting office first to ensure they do not have a base-wide contract in place.

Q: Can "Gatorade" be purchased for flight line or other workers? What about bottled water?

A: Sports Beverages such as Gatorade can be purchased with the government purchase card ONLY if the local medical treatment facility (MTF) commander or a medically qualified representative makes a medical determination in writing that consumption of such beverages during the performance of official duties is necessary to maintain the physical well being of Air Force members. The authority for the medical determination cannot be delegated to other installation organization commanders.

Drinking water may be purchased using appropriated funds only when:

The public water supply is unsafe for human consumption
(requires written determination by competent

medical/environmental authority)

There's an emergency failure of the installation water source

A temporary facility has no drinking water available within a reasonable distance

There's no water fit for drinking purposes available without cost or at a lower cost to the government. This includes drinking water that is available from standard sources, i.e., drinking fountains, but not potable by reason of offensive smell, taste, and discoloration as determined by the Installation Commander. The authority to use appropriated funds (and the GPC) would be terminated once the problem is remedied.

Q: Am I required to buy recycled products?

A: YES, let me explain. Presidential Executive Order 13101, the Resource Conservation and Recovery Act (RCRA), and AFI 32-7080, Pollution Prevention Program, all require the federal government and the Air Force to establish what is called an Affirmative Procurement Program. Affirmative Procurement is defined as the purchase of environmentally preferable products manufactured from recycled or reclaimed material. The law says that we must procure recycled products unless one of four conditions exists; 1) product is not available in a reasonable period of time 2) product does not meet performance standards 3) product not available from sufficient sources 4) product not available at a reasonable price. The complete listing of what products we must buy recycled is managed by the EPA and is available at this website: <http://www.epa.gov/epaoswer/non-hw/procure/index.htm> For general reference, most all paper products are on this list. When you buy paper products look for the recycled symbol on the package, if its there, you're in good shape. When in doubt as to what recycled products you must buy contact your local environmental flight in Civil Engineering.

Q: Can the GPC be used to purchase Squadron Coins? One of our units just called and told me that someone from another base just came through handing out coins from their unit -- not as awards just as collector/trading items. Has there been a change that would allow this?

A: There have not been any recent changes in this area. Under certain limited circumstances, appropriated funds (and the GPC) may be used to purchase organizational coins. According to para 4.29.2 of AFI 65-601V1, appropriated funds may be used to purchase special trophies and awards authorized by AFI 36-XXXX series instructions which pertain to mission accomplishment, or MAJCOM/Base/FOA/DRU supplements. This includes trophies, plaques, emblems, certificates, organizational coins and similar items that are designed for display purposes. Coins cannot be personalized -- they are organizational coins not personalized mementos -- they can use only the organizational name (not presenter's name, etc.)

Organizations wanting to award coins as competitive awards need to take the extra steps required and do it formally in a Base supplement.

Documentation is very important -- anybody using the GPC to buy coins should expect questions from auditors and must be prepared to answer them, not only the existence of a legitimate award but they should also be able to track who the award (coins) was presented to (a separate log is a good idea).