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Acquisition & Assistance Policy Directive (AAPD)

From the Director, Office of Procurement

Issued: May 6, 2002

AAPD 02-07

Expansion of Government Purchase Card Users

Subject Category: Miscellaneous
Type: General Information

AAPDs provide information of significance to all agency personnel and partners involved in the Acquisition and Assistance process. Information includes (but is not limited to): advance notification of changes in acquisition or assistance regulations; reminders; procedures; and general information. Also, AAPDs may be used to implement new requirements on short-notice, pending formal amendment of acquisition or assistance regulations.

AAPDs are **EFFECTIVE AS OF THE ISSUED DATE** unless otherwise noted in the guidance below; the directives remain in effect until this office issues a notice of cancellation.

This AAPD: Is New Replaces/ Amends
CIB/AAPD No: _____

Precedes change to: AIDAR Part(s) _____ Appendix D&J
 USAID Automated Directives System (ADS) Chapter _____
 Code of Federal Regulations _____
 Other _____ ADS 331
 No change to regulations

Applicable to: Existing awards; Modification required:
 Effective immediately
 No later than _____
 As noted in guidance below
 RFPs/RFAs issued on or after the effective date of this AAPD; all other
Pending Awards, i.e., 8(a), sole source...
 Other or N/A _____

New Provision/Clause Provided Herein: Yes; Scheduled update to Prodoc: _____ (insert date) _____
 No

(electronic signature)

MARK WARD

AAPD 02- Government Purchase Card Users

PURPOSE: The purpose of this AAPD is to revise purchase card policy by expanding the categories of individuals who may be authorized to use the cards to include certain Foreign Service Nationals (FSNs) and Third Country Nationals (TCNs) - both Direct Hires (DH) and Personal Services Contractors (PSCs) - and U.S. PSCs in accordance with the guidance below.

BACKGROUND: Previous guidance for the Purchase Card program limited authorized cardholders strictly to direct hire personnel. However, we are currently seeking ways to expand use of the Purchase Card Program, and we know that the State Department has allowed its FSNs to use purchase cards for micro-purchases for a number of years. A recent assessment of the program revealed that increasing the scope of authorized cardholders would significantly benefit the Agency in terms of added flexibility and increased effectiveness of employees in the procurement function as well as by increasing the rebates earned under the purchase card program.

GUIDANCE:

1. Limitations:

The manager of the purchase card program at the mission may now designate purchase card authority to FSNs, TCNs, and U.S. PSCs as follows:

- a. The individual being authorized to use the purchase card performs contracting functions in the Contracting Office or Executive office;
- b. Delegation of authority is limited to the micro-purchase level – Not To Exceed \$2,500;
- c. The Approving Official (AO) for the purchase card transactions must be a USAID Direct Hire.

Missions will be financially responsible for any charges made with their purchase card(s). The entire invoice must be paid in full by the due date. Disputed transactions must be filed timely with Citibank as mandated by the contract or the mission may be held liable for these charges.

Training:

In order to be eligible for the purchase card authority, individuals must successfully complete the Purchase Card Program PowerPoint Training Exercise (AID specific), as well as the GSA SmartPay web-based training found on the OP Home Page (new). The URL link for the GSA SmartPay Program will be clearly identified at this site. Upon completion of this quiz, a Certificate of Training is displayed with all of the cardholder's information. Please download this document and fax a copy to the Agency Program Coordinator (APC), Velma Jones, at (202) 216-3395 with the request for issuance of a card.

2. Requests for Issuance of Card:

The request for issuance of a purchase card must be in writing from either the Executive Officer or Contracting Officer at the respective mission and shall be directed to the APC, Velma Jones. The

initial set-up forms required by Citibank and procedures for completing the forms are outlined in State cable 010320 dated January 17, 2002 (attached). All fields with an asterisk must be completed in order to process the application. All forms should be faxed to the above number and the originals mailed to the APC. A short narrative should accompany this request as to how the Mission plans to use the card to simplify its procurement processes. This will allow the APC to add the proper MCC (Merchant Category Codes) to the cardholder template. A template is a list of vendor codes which determines the types of merchants to which your cardholder(s) will be granted access to procure specific goods/services. Remember to include certificates of training for all employees for whom cards are requested.

3. Operating Procedures:

The Executive Officer and the Controller should develop their Standard Operating Procedures (SOP) for their purchase card program. This SOP should address: the creation of a recurring obligation for each cardholder, mandatory use of a purchase log detailing date, vendor, item(s) purchased, total dollar amount, date of receipt of goods/services, and the steps involved in the reconciliation and payment process. A copy of this plan should be forwarded to the APC.

POINT OF CONTACT: For further information regarding this guidance, please contact the Agency Program Coordinator, Velma Jones, M/OP, at (202) 712-0117.

Att: a/s

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PAGE 01 STATE 010320 172055Z
ORIGIN AID-00

 ACTION OFFICE(S): !OPE
 INFO OFFICE(S): AAAF AALA AANE AAPC ACD AFDP AFEA AFSA
 AFWA ANEP ANESA ANMEA ANMS ANSP BLANE
 DCHA1 DCHAFFP DCHAFVPP DCHAOFDA DCHAOTI
 DCHAPPPAMS DCHAPVC DPANTHER DWATTS
 EE EEDG EEECA EEEI EEENR EEMS EEMT EENCA
 EEOIM EEOM EEPSC EEPSCB EGATAMS EGATPDSP
 ES HEM HLER HLS HPP HR LACA LACE LASA LDHR
 MANI2 MKARBELING MPI OPA OPOD OPPS OPTC
 PPCB PPCBSB PPMS RNIEC SGARVEY SGRANT
 SROQUITTE TRAV VDUARTE

INFO LOG-00 UTED-00 TEDE-00 SS-00 TEST-00 SAS-00 /000R

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R 172049Z JAN 02
 FM SECSTATE WASHDC
 TO AID WORLDWIDE

UNCLAS STATE 010320

ADM AID ATTN: EXOS/CONTROLLERS/PURCHASE CARD

E.O. 12958: N/A
 TAGS:
 SUBJECT: INSTRUCTIONS ON HOW TO ESTABLISH A PURCHASE
 CARD PROGRAM FOR YOUR OFFICE/MISSION

COORDINATORS

1. WITH THE EXPANSION OF THE PURCHASE CARD FOR OTHER USES BEYOND OFFICE SUPPLIES/SERVICES, IT HAS BECOME NECESSARY TO SEND OUT THIS GUIDANCE NOW RATHER THAN LATER.
2. IF AN OFFICE/MISSION IS NOT CURRENTLY UTILIZING THE PURCHASE CARD PROGRAM, THEY MUST DO SO IN ORDER TO BE ISSUED A CARD FOR TRANSPORTATION PURPOSES. THE EXO

AT POST MUST HAVE A PROGRAM IN PLACE PRIOR TO A CARD BEING ISSUED TO A CONTROLLER FOR THIS PURPOSE.

3. IN ORDER TO ESTABLISH A PURCHASE CARD PROGRAM, THE MISSION EXO MUST SUBMIT THE REQUIRED FORMS TO HAVE A PROGRAM CREATED BY CITIBANK. THIS IS DONE BY THE EXO FILLING OUT THE GOVERNMENT AGENCY/ORGANIZATION PROGRAM COORDINATOR SETUP/MAINTENANCE FORM (CB006) FOUND AT [HTTP://CITIBANK.COM](http://CITIBANK.COM). ONCE YOU ACCESS THIS SITE, SELECT THE CORPORATE/INSTITUTIONAL HEADING ON THE MENU BAR, SCROLL DOWN AND SELECT CITIBANK E-BUSINESS, THEN CLICK ON GOVERNMENT SERVICES, SCROLL DOWN AND SELECT

REFERENCES, THEN CLICK ON REFERENCES, THEN CLICK ON OTHER GOVERNMENT SERVICES MATERIALS AND SCROLL DOWN TO THE COMPREHENSIVE LIST OF FORMS. ALL MANUALS AND FORMS CAN BE FOUND AT THIS SITE. THE FORMS YOU WILL NEED MOST FREQUENTLY ARE:

CB001 GOVERNMENT PURCHASE CARD SETUP FORM
CB003 GOVERNMENT CARDHOLDER DISPUTE FORM
CB006 GOVERNMENT AGENCY/ORGANIZATION PROGRAM COORDINATOR SETUP/MAINTENANCE FORM

4. THE EXO MUST COMPLETE SECTION II, ITEMS 1-5. PLEASE USE YOUR SERVICE COMPUTATION DATE FOR THE VERIFICATION INFORMATION. NO OTHER INFORMATION WILL BE ACCEPTED IN THIS FIELD. THEN SIGN AT SECTION IV, 1. TERMS AND CONDITIONS SECTION. CB006 DESIGNATES THE EXO AS BEING THE MANAGER OF THE PROGRAM AT THE MISSION/BUREAU LEVEL. THIS INDIVIDUAL WILL BE RESPONSIBLE FOR THE DAY-TO-DAY MANAGEMENT OF THE PURCHASE CARD PROGRAM; ENSURES THAT POLICY AND PROCEDURES ARE IN PLACE TO INFORM CARDHOLDERS OF THE CARD(S) INTENDED PURPOSE(S); THAT DISPUTES ARE HANDLED PROMPTLY AND INVOICES ARE PAID TIMELY.

5. TO ESTABLISH A PURCHASE CARD FOR THE EXO/RCO, PLEASE COMPLETE THE GOVERNMENT PURCHASE CARD SET-UP FORM SECTION II, ITEMS 1-7 AND SIGN AT SECTION VI. THE EXO/CONTROLLER MUST DETERMINE THE AMOUNT THE APC MUST INSERT IN SECTION IV (AUTHORIZATION PARAMETERS CYCLE LIMIT) ITEM 11 (CB001) FOR EACH NEW PURCHASE CARD SETUP. PLEASE DO NOT SIGN IN SECTION VII, THIS AREA IS FOR THE AGENCY PROGRAM COORDINATOR TO COMPLETE WHEN SUBMITTING THE APPLICATION TO CITIBANK.

6. IN ORDER TO HAVE A PURCHASE CARD ISSUED FOR TRANSPORTATION PURPOSES, THE CONTROLLER MUST FOLLOW THE RULES OUTLINED ABOVE FOR THE EXO/RCO. THIS CARD WILL BE ISSUED STRICTLY AS A PAYMENT MECHANISM FOR

TRANSPORTATION RELATED EXPENSES FOR HOUSEHOLD EFFECTS (HHE). THE CONTROLLER MUST DESIGNATE THE AMOUNTS FOR THE MONTHLY LIMIT (CYCLE LIMIT) AND THE SINGLE PURCHASE LIMIT FOR THE TRANSPORTATION CARD. THE SINGLE PURCHASE LIMIT IS HIGHER AMOUNT THAT YOU ANTICIPATE A TOTAL SHIPMENT MAY COST FOR AN EMPLOYEE'S HHE.

7. ALL FURTHER INSTRUCTIONS RELATED TO THE ISSUANCE OF A PURCHASE CARD SHOULD BE DIRECTED TO THE AGENCY PROGRAM COORDINATOR, VELMA JONES VIA E-MAIL AT VJONES@USAID.GOV.

8. PLEASE DIRECT ALL ISSUES RELATED TO INDIVIDUAL OR CORPORATE TRAVEL CARDSTO RICHARD LEVINE M/FM/PPC.

9.MINIMIZE CONSIDERED FOR BELGRADE, DUSHANBE, PESHAWAR, LAHORE.

POWELL

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