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Chapter 5 GOVERNMENT PURCHASE CARD

5.01 Introduction

This chapter gives administrative procedures and guidelines on the use of the government purchase card for official purchases. The government purchase card is used as a purchase and payment method for supplies and services purchased for Veterans participating in the Department of Veterans Affairs (VA) Vocational Rehabilitation and Employment (VR&E) program in accordance with the Federal Acquisition Regulation (FAR); VA Acquisition Regulation (VAAR); VA Financial Policies and Procedures, Volume XVI, Chapter 1 - Government Purchase Card; and the Veterans Benefits Administration (VBA) Procedures for the Government Purchase Card program.

VR&E purchase cards are funded out of the default Budget Object Code (BOC) 4177, allocated for Veteran purchases (except for contract counseling payments.)

5.02 References and Resources

Laws:	The Davis-Bacon Act Service Contract Act of 1965
Regulations:	VAAR 813.202 38 Code of Federal Regulation (CFR) 21.156 38 CFR 21.210
Resources:	VA Financial Policies and Procedures, Volume XVI, Chapter 1 - Government Purchase Card Veterans Benefits Administration (VBA) Procedures for the Government Purchase Card Program National Archives and Records Administration (NARA), General Schedule 6
VA Forms (VAF):	VAF 0242, Government Wide Purchase Card Certification Form VAF 28-1905d, Special Report of Training VAF 28-1905m, Request for and Receipt of Supplies
Website:	https://www.smartpay.gsa.gov/about-gsa-smartpay/tax-information/state-response-letter https://www.smartpay.gsa.gov/news/smart-bulletins

5.03 Micro-Purchases

The government purchase card is primarily used by VR&E as a payment method for supplies not available at a facility bookstore, and in some cases it can be used for the payment of services, such as tutorial assistance. VR&E cardholders do not have the authority to make purchases over the micro-purchase threshold.

A micro-purchase is an acquisition of supplies or services using simplified acquisition procedures where the amount of the total requirement does not exceed the micro-purchase threshold set by the FAR. The standard micro-purchase threshold is currently \$3,500 per transaction. The following exceptions apply:

- Acquisitions of construction are subject to the Davis-Bacon Act with a limit of \$2,000.
- Acquisitions of services are subject to the Service Contract Act (SCA) with a limit of \$2,500.

Note: Only a cardholder who has a warrant can make simplified acquisitions over the micro-purchase threshold. VR&E Officers (VREO) and Assistant VR&E Officers (AVREO) do not have a warrant and therefore must consult with the local VBA Acquisition Contracting Officer on issues related to purchases over the micro-purchase threshold. Refer to M28R.V.B.4 for more information.

5.04 Prohibited Purchases

The purchase card must not be used for the following:

- Long-term rental or lease of land or buildings of any type.
- Purchases of travel (airline, bus, boat, or train tickets) or travel-related expenses.
- Cash advances.
- Memberships in organizations or clubs, unless deemed appropriate by the Regional Office (RO) Director.
- Third-party merchant purchases (PayPal, eMoney, Eaccount, etc.).
- Medical services. See M28R.V.A.5 for more information on obtaining medical services and treatment from the Veterans Health Administration (VHA).
- Purchases of firearms, ammunitions, and firearms parts.

- Purchases of health insurance. See M28R.V.A.5 for more information on allowable school health fees/expenses.

5.05 Purchasing Guidelines

VR&E staff may use the government purchase card to purchase supplies, incidental goods and services, and tutorial assistance for Veterans participating in the VR&E program to expedite the delivery and processing of payment.

Documentation is required to justify each purchase and to confirm that the Veteran received each item purchased. The Vocational Rehabilitation Counselor (VRC) or Employment Coordinator (EC) is responsible for ensuring that appropriate justification is received from the Veteran, the training facility, or other service provider. VR&E staff must ensure that procedures for the purchase of supplies, incidental goods and services, and tutorial assistance under the VR&E program are properly followed.

a. Supplies

According to 38 CFR 21.210, supplies are furnished to enable a Veteran to pursue rehabilitation and achieve the goals of his/her program. Whenever possible VR&E staff should obtain supplies from a facility bookstore; however, the purchase card is the preferred method of payment when supplies are not available at a facility bookstore.

It is the responsibility of the VRC or EC to ensure that the criteria and guidelines outlined in M28R.V.A.4 are properly implemented prior to making a purchase with the government purchase card. The VRC or EC must ensure that justification for the purchase is clearly documented on VAF 28-1905d. and filed in the Veteran's Counseling/Evaluation/Rehabilitation (CER) folder or in the Corporate WINRS (CWINRS) Notes. See Appendix O, VA Forms, for information on how to access this form, as well as all forms referenced in this chapter. This justification must be printed and included in the reconciliation packet. See section 5.07 of this chapter for more information on the reconciliation packet.

VR&E staff may use the purchase card to purchase the following supplies for Veterans participating in the VR&E program when they are not available at a facility bookstore:

- Books
- Office supplies
- Tools

- Consumable goods
- Computers and printers
- Other materials or equipment that the Veteran needs to pursue training or achieve an employment or independent living goal.

b. Federal Strategic Sourcing Initiative

VR&E staff should be aware of the Federal Strategic Sourcing Initiative (FSSI) that governs the purchase of office supplies to cut procurement costs government-wide. This includes office supplies purchased on behalf of Veterans participating in the VR&E program. Existing procurement methods in place with university bookstores, using vouchers and invoices, may also be used.

If a purchase card must be used to purchase office supplies, then the FSSI must be the first source consulted for these purchases. Alternate sources may be utilized if the FSSI cannot provide the specific supplies the Veteran needs in a timely manner. If the FSSI is not used, then the reason must be clearly documented on VAF 28-1905d and filed in the Veteran's CER folder or in the CWINRS Notes. This justification must be printed and included in the reconciliation packet.

Supplies covered by FSSI include the following:

- Paper – copy, printer and fax
- Ink/toner
- Pens, pencils and markers
- Binders
- Tape
- Envelopes
- Shredders
- Computer media, including diskettes, disk cartridges and packs, optical disks and CDs
- Anti-glare/anti-radiation screens (VDT)
- Ergonomic products, including wrist and foot rests

c. Incidental Goods and Services

Incidental goods and services may be purchased in accordance with 38 CFR 21.156 when determined to be necessary to accomplish the purposes of the Veteran's rehabilitation program. When purchasing incidental goods and services, VR&E staff must document the Veteran's need, other resources that were explored, and the outcome of those efforts. Authorization of incidental goods and services should not normally exceed \$1,250 per year. The purchase of incidental goods and services under 38 CFR 21.156 in excess of \$1,250 requires the approval and signature of the VR&E Officer.

Examples of incidental goods and services VR&E staff may purchase for Veterans participating in the VR&E program include the following:

- Non-certifiable courses, such as open entry/open exit, with no assigned quarter, semester or clock hours
- Protective clothing
- Uniforms
- Child care
- Construction

Refer to M28R.V.A.1 for further guidance on the provision of incidental goods and services.

d. Tutorial Assistance

Tutorial assistance may be purchased with a government purchase card as long as the total amount of the service does not exceed the micro-purchase threshold. The micro-purchase threshold is \$3,500 if the SCA does not apply. The limit is \$2,500 for tutorial services if the SCA applies. Tutorial services may fall under either category. If the tutor is employed by an educational institution and is performing the tutorial services as an employee of that institution, the SCA does not apply and the micro-purchase threshold is \$3,500. To meet this exemption, the educational institution must be accredited or certified by a state or a nationally recognized accrediting organization. If the tutor providing services is not employed by an educational institution that meets these criteria, the SCA applies and the micro-purchase threshold is \$2,500.

The assistance of a local VBA Acquisition Contracting Officer must be used if the total amount of tutorial services is over the micro-purchase threshold or if

the tutor does not accept the government purchase card. See M28R.V.B.4 for more information on contracting for tutorial assistance.

5.06 Roles and Responsibilities

The VA Office of Acquisition, Logistics and Construction (OALC) has delegated to VA's Office of Management the responsibility to manage and operate VA's government purchase card program. The VBA Chief Financial Officer has overall responsibility for the organization, implementation, and oversight of the government purchase card program within VBA. The program is implemented at the local level as follows.

a. Regional Office (RO) Staff Responsibilities

1. Agency/Organization Program Coordinator (A/OPC)

The A/OPC is appointed at the local level to manage the purchase card program and ensures that mandatory training is provided to VR&E staff prior to the issuance of purchase cards and every two years thereafter for refresher training. The A/OPC sets up new accounts; re-issues expired cards; cancels accounts; changes card limits, maintains master accounting codes and cardholder addresses; and is responsible for other account maintenance functions, as required.

2. Finance

Finance maintains reconciliation packets for recordkeeping and audit purposes. The packets will be kept in accordance with NARA, General Schedule 6 for six years and three months.

b. Vocational Rehabilitation and Employment (VR&E) Staff Responsibilities

1. VR&E Approving Official (AO)

The AO, typically the VR&E Officer, serves as the initial internal control to prevent or identify fraud, abuse, or misuse of the purchase card. The AO must review statements for accuracy, inappropriate purchases and charges for taxes. After logging on to U.S. Bank Access Online and approving each purchase, the statements are forwarded to the A/OPC for review.

The AO is responsible for the following:

- (a) Approving, verifying, and reviewing transactions that the cardholders within his/her authority request and make.

- (b) Recommending employees to the VBA organization director for appointment as cardholders. A brief justification statement must be included for each recommendation. Contractors must not be appointed as cardholders.
 - (c) Recommending single and monthly purchase limits for approved cardholders to the A/OPC.
 - (d) Evaluating procurement needs on an annual basis or as requested by senior management, and reviewing each cardholder's spending patterns to determine if a decrease in the single and/or monthly purchase card threshold is appropriate.
 - (e) Monitoring the use of the purchase card by ensuring that spending limits are honored, no fragmented or split purchases are made, and purchases stay under the single and monthly purchase limit. Any purchase made over the \$3,500 micro-purchase limit must be made by a warranted Contracting Officer, and must have three different merchant or vendor quotes and cost comparison for any purchases.
 - (f) Ensuring the cardholder maintains sufficient documentation for all transactions to properly reconcile.
 - (g) Approving or rejecting posted transactions in the U.S. Bank Access Online before the billing cycle closing date on the 23rd day of each month.
 - (h) Assisting cardholders in resolving disputes, if required.
 - (i) Verifying that charges are reconciled, and signing and dating the statement of account manually to acknowledge certification review. The AO and cardholder must complete the reconciliation process within 14 working days after the end of the billing cycle. Verification of the reconciliation must be conducted within 10 working days by the cardholder and within four days by the AO.
2. VR&E Cardholder

The VR&E Officer recommends the appointment of VR&E cardholders to make purchases for Veterans participating in the VR&E program. This streamlines the ability to make purchases, rather than relying on a centralized purchasing office. The cardholder is responsible for the following:

- (a) Completing the Purchase Card Acquisition Checklist, Appendix BW, for every micro-purchase prior to making a purchase. Refer to section 5.07 of this chapter for more information on the reconciliation process.
- (b) Equitably distributing open market micro-purchases among all qualified Service-Disabled Veteran-Owned Small Businesses (SDVOSB) or Veteran-Owned Small Business (VOSB) to the maximum extent possible, per VAAR 813.202.
- (c) Complying with single purchase limits and not splitting purchases. A split purchase is separating a requirement that exceeds the micro-purchase threshold into two or more buys as a means of bypassing the purchase limit. It should be noted that separate purchases would not be considered a split purchase when there are two separate requirements for two different Veterans. Refer to VA Financial Policies and Procedures, Volume XVI, Chapter 1 - Government Purchase Card, for more information on split purchases.
- (d) Advising vendors to send sales drafts for purchases made by fax, email, phone, or via the Internet only after an order has shipped. A sales draft is a copy of the documentation sent to US Bank to certify the charge.
- (e) Requesting a refund from the vendor if sales tax is charged when using the government purchase card. The government purchase card is imprinted with the statement, "US Government Tax Exempt." The card is exempt from state taxes in every state, but the use of a certificate of exemption form is required in 13 states. See GSA State Tax Information at <https://www.smartpay.gsa.gov/about-gsa-smartpay/tax-information/state-response-letter> for state requirements. If the vendor does not refund the sales tax, the cardholder must annotate the refusal on the receipt and keep the related documents with the receipt.
- (f) Being aware that merchants in the U.S. and its territories are permitted to impose a surcharge on cardholders when a charge or credit card is used. However, some states have laws which do not allow or limit surcharges. If a merchant is imposing a surcharge, the cardholder may choose to consider another merchant that offers the same or a similar item to avoid paying the surcharge. Refer to GSA Smart Bulletin No. 17 dated January 17, 2013 at <https://www.smartpay.gsa.gov/news/smart-bulletins> for more information.

- (g) Ensuring that applicable commercial rebates and coupons are received. Merchants/vendors may offer cardholders rebates and/or coupons on purchases. In the event the merchant/vendor offers a rebate/coupon to a cardholder, the cardholder's VA address must be provided to the merchant/vendor. At no time should the cardholder direct the merchant/vendor to forward a rebate/coupon to a cardholder's personal address. Upon receipt of the commercial rebate/coupon, the cardholder will provide the rebate check to the Finance office. Finance ensures that the rebate check is credited to the correct VA appropriation/fund account.
- (h) Ensuring receipt of goods ordered and services rendered. The cardholder must also return all unauthorized merchandise that has been shipped and request reimbursement.
- (i) Entering all purchase card transactions into the Supply-Purchase Card Log, Appendix BX, and CWINRS. Refer to the CWINRS User Guide for more information on entering purchase card transactions into CWINRS.
- (j) Printing the statement of account from the U.S. Bank Access Online immediately after each billing cycle. The cardholder must also review and reconcile monthly purchase card statements using the U.S. Bank reconciliation process within 10 working days after the end of the billing cycle. The cardholder must sign and date the statement to acknowledge the reconciliation. Monthly purchase card statements and supporting documentation must be maintained for reconciliation purposes, in accordance with NARA, General Schedule 6, for six years and three months.
- (k) Securing the purchase card at all times and ensuring the card is kept in a safe place when not in use.

5.07 Reconciliation Process

Accurate record keeping is critical to the success of the government purchase card program and ensures that any improper, incorrect or fraudulent charges, or duplicate payments are addressed in a timely manner. VR&E cardholders and AOs use a combination of manual and automated reconciliation procedures. The cardholder must maintain a hard copy reconciliation packet to be sent to the AO for review and final approval.

The VR&E cardholder must reconcile transactions at the U.S. Bank Access Online and send the reconciliation packet to the AO within 10 working days after the

end of the billing cycle. The AO must reconcile/verify the transactions by reviewing the reconciliation packets and approving in US Bank Access Online within 14 working days after the end of the billing cycle. This means that the cardholder and AO have a total of 14 working days after the end of the billing cycle to complete the reconciliation process.

The billing cycle date is the cut-off date for when purchase card transactions are processed for the billing cycle. This is also known as the closing date, which is the 23rd of each month. The statement must be downloaded and printed from U.S. Bank Access Online immediately after the closing date. Statements are available on the 24th of each month. If the 24th falls on a weekend, then the first day of the 14-day reconciliation period is the following Monday.

Cardholders and AOs may reconcile a purchase posted in U.S. Bank Access Online by approving the transaction before the end of the billing cycle as long as receipt of ordered goods and rendered services has been documented and all required items for the reconciliation packet have been received.

a. Required Documents

The reconciliation packet must contain the following documents at a minimum.

1. The Monthly Purchase Card Statement

The statement must be downloaded and printed from U.S. Bank Access Online. It is available on the 24th of each month. Note: If the 24th falls on a weekend, then the first day of the 14-day reconciliation period is the following Monday. The cardholder must approve transactions and submit to the AO within 10 working days after the end of the billing cycle. The monthly purchase card statement must be filed with the reconciliation packet.

2. Supply-Purchase Card Log

The Supply-Purchase Card Log, Appendix BX, documents each purchase. The log is part of the reconciliation process and must be filed with the reconciliation packet. The log is used to document transactions and purchases by VR&E. It should be kept electronically and purchases should be sorted to correspond with the purchase card statement.

3. Purchase Card Acquisition Checklist

The Purchase Card Acquisition Checklist, Appendix BW, is provided as a tool to assist in the transaction process. Cardholders are required to

complete the checklist for every purchase and it must be filed in the reconciliation packet. It is the responsibility of the cardholder to ensure that certain items on the checklist are completed prior to the transaction being placed, and that other items are completed during the reconciliation process. For purchases for Veterans participating in the VR&E program, an approved rehabilitation program satisfies the requirements for funds availability and prior approval.

4. VAF 28-1905m, Request for and Receipt for Supplies

VAF 28-1905m must be completed when supplies and equipment are purchased outside of a training facility. It is used to document each purchase and to certify that the items requested have been deemed necessary for the successful achievement of a vocational goal and received by the Veteran.

The Veteran must sign at the bottom of Section B to verify that he/she does not already possess the items purchased and the initiating VRC or EC must sign and authorize the purchase of the requested items.

After receipt of the items, the Veteran must sign the VA Form 28-1905m to certify that the items were received and whether or not the items were in good condition. An email from the Veteran requesting the items and informing the cardholder that the items were received is not sufficient to meet this requirement in terms of documenting in the CER folder. However, an email notification of receipt of the item or a CWINRS note verifying receipt of the item is sufficient to reconcile the purchase in U.S. Bank Access Online. The cardholder will still need to obtain a signed VAF 28-1905m to file on the left side of the CER folder.

The VAF 28-1905m must be completed for each purchase and filed in the reconciliation packet. Each section of the form must be filled out as follows.

(a) Section A - To be Submitted to the Department of Veterans Affairs

Section A must be completed by the VRC or EC. All, except the VA File Number in Section A, must be completed prior to sending the form to a facility or employer, if needed. The VRC or EC must identify the Veteran, his/her rehabilitation goal and the delivery address.

(b) Section B - Request and Certification of Facility or Establishment

Section B may be completed by the VRC or EC, facility official or employer. The VRC, EC, facility official or employer must identify the

type of program and sign under Signature and Title of Official to certify that the requested items are necessary for the successful achievement of a vocational goal. The Veteran must sign at the bottom of Section B to verify that he/she does not already possess the items. Upon completion of Section B, the initiating VRC or EC must sign and authorize the purchase of the requested items.

(c) Section C - Receipt of Supplies

Section C must be completed by the Veteran. The Veteran either certifies that all equipment or supplies are received in good condition, or are determined to be damaged or unacceptable.

5. Purchase Documentation

The reconciliation packet must contain appropriate documentation for each purchase that matches the information listed on the monthly purchase card statement. A copy of the purchase documentation must also be attached to VAF 28-1905m and filed on the left side of the Veteran's CER folder. This verifies that purchases meet the regulatory requirements and support each transaction.

In accordance with VA Financial Policies and Procedures, Volume XVI, Chapter 1 - Government Purchase Card, the following are required documentation to verify and reconcile purchases:

- (a) When a purchase is made in person, the cardholder must obtain a customer copy of the detailed charge slip.
- (b) When making purchases by e-mail, fax, or telephone, the cardholder must obtain written confirmation in the form of a detailed listing of the order from the vendor.
- (c) When making a purchase via the Internet, the cardholder must print the electronic confirmation associated with the order. The print-out must include the detailed listing of the order.

6. Purchase Justification

It is the responsibility of VR&E staff to properly implement the criteria and guidelines outlined in M28R.V.A.3 and M28R.V.A.4 to ensure that purchases are within the scope of services allowed under the VR&E program. Documentation used to justify each purchase must be filed in the reconciliation packet. The VRC or EC must also ensure that justification for the purchase is documented on VAF 28-1905d, attached to

VAF 28-1905m and filed on the left side of the Veteran's CER folder, or in a CWINRS note.

7. Other Supporting Documents

Other supporting documents can be used to verify that purchases are within regulatory requirements and to support each transaction. Examples of supporting documentation that may be used include a quote from a vendor, a course syllabus, or an email from a Veteran. This information must be filed in the reconciliation packet. These items must also be attached to VAF 28-1905m and filed on the left side of the CER folder or in a CWINRS note.

b. Reconciliation Procedures

1. VR&E Cardholder

The cardholder must reconcile the statement following the guidelines specified below:

- (a) Print the monthly purchase card statement from U.S. Bank Access Online. Statements are available on the 24th of each month. This establishes the reconciliation time frame requirements. Reconciliation procedures must be completed and submitted to the AO within 10 working days after the end of the billing cycle.
- (b) Include the items listed in section 5.07.a of this chapter in the reconciliation packet.
- (c) Verify each transaction on the purchase card statement and compare it with purchase documentation in the reconciliation packet. The cardholder must sign and date the statement and annotate the Veteran's full name and case number next to the appropriate transaction for VR&E administrative tracking. The signature is the cardholder's certification that goods and services were received and the dollar amounts are correct.
- (d) Identify discrepancies, such as duplicate billing, partial billing, and erroneous charges, during the reconciliation process and ensure that each are corrected. Unresolved discrepancies must be disputed by writing "disputed charge" beside the appropriate transaction.
- (e) Cardholders are responsible for attempting to resolve disputes with vendors before placing the transactions into formal dispute with U.S. Bank. If the vendor refuses to correct the problem within 30 days, the

cardholder and/or the A/OPC must initiate the dispute process in U.S. Bank Access Online. U.S. Bank will research the transaction and seek resolution with the vendor.

- (f) Contact merchants/vendors in the event the sales slip or receipt is lost. The transaction line on the statement of account must be annotated with the words "receipt lost" or "receipt never received." A written explanation must also accompany the statement of account. The merchant/vendor must be contacted to provide another copy of the receipt.
 - (g) Log on to U.S. Bank Access Online and approve each purchase accordingly. It is important to note that the cardholder must not approve a pending purchase in U.S. Bank Access Online until receipt of goods ordered and services rendered has been documented and all items in the reconciliation packet have been completed for the purchase. Once the reconciliation packet is completed for a purchase, the cardholder must log on to U.S. Bank Access Online, click the box to select the transaction and then select "Approve." On the next screen, the cardholder must select the appropriate approver so that the transaction can be forwarded to the AO for final approval, then select "Approve."
 - (h) Verify that purchase card transactions are entered into CWINRS. See the CWINRS User Guide for further guidance.
 - (i) Submit the reconciliation packet to the AO for approval.
2. Approving Official (AO)

The AO must review and certify detailed transactions made by cardholders as proper and legal purchases for the government by following the guidelines below.

- (a) Log on to U.S. Bank Access Online and approve cardholder transactions within 14 working days after the end of the billing cycle. It is important to note that the AO must not approve a purchase as final until a complete reconciliation packet for the purchase has been received and reviewed to ensure that the purchase is proper and legal. Once the AO receives a completed reconciliation packet, the AO must log on to U.S. Bank Access Online, click the box to select the transaction and then select "Approve." On the next screen, the AO must click on "No further approval needed for these transactions" then select "Approve."

- (b) The AO may also reject a transaction by selecting "Reject" if there are issues with the charge or items missing from the reconciliation packet. On the next screen, the AO must check "Other" to enter comments on why the charge is rejected, e.g., missing signature on VAF 28-1905m, a purchase card statement that is missing the Veteran's full name and case number for each purchase, etc.
- (c) Cardholders can view comments entered by the AO by clicking on "Rejected" in the Approval Status column.
- (d) Review the Supply-Purchase Card Log as a part of the reconciliation process.
- (e) Verify that purchase card transactions have been entered into CWINRS.
- (f) Verify that purchased items on the purchase card statement are proper and legal by signing and dating the statement of account manually to acknowledge certification review. This means that purchases are for government use only and are tax-exempt. It is the responsibility of VR&E staff to properly implement criteria and guidelines outlined in M28R.V.A.3 and M28R.V.A.4 to ensure that purchases are within the scope of services allowed under the VR&E program.
- (g) Ensure the cardholder purchases are within the single and monthly purchase limits.
- (h) Verify purchases were not split in order to stay within the spending limits.
- (i) Work with cardholders to resolve problems and disputes.
- (j) Follow-up with the cardholder by the 11th working day after the end of the billing cycle if the complete reconciliation packet has not been received from the cardholder. Cardholders without activity during the cycle will not receive a statement of account.

All purchase card accounts not reconciled timely will be forwarded to the Financial Services Center (FSC) Charge Card Operations Division to have the single purchase limit decreased to \$1 until all charges have been reconciled.

5.08 Mandatory Purchase Card Training

The VR&E cardholder and AO must complete mandatory purchase card online training via the Talent Management System (TMS) prior to beginning official duties. The A/OPC will certify on the VAF 0242, Governmentwide Purchase Card

Certification Form, that the cardholder and AO have completed the purchase card training and understand the policies and regulations associated with the program. The cardholders and AO must complete the required refresher training every two years.

5.09 Written Delegation of Authority

All VR&E staff making purchases on behalf of the government must have a written delegation of authority. VAF 0242 must be used for both the certification of training and delegation of authority. This form is kept on file by the A/OPC for review purposes.

5.10 Internal Audit Reviews

Internal audit reviews are conducted to validate program compliance and to ensure that policies and procedures are being followed. It also ensures the procurement and fiscal integrity of the government purchase card program. Required VBA reviews are as follows.

a. Monthly Purchase Card Reconciliation Review

The VR&E cardholder and AO are required to perform monthly purchase card reconciliation. The monthly reconciliation packet is forwarded to the A/OPC for final review and filing.

b. Annual Audits

A mandatory annual audit of each cardholder account is used to confirm the integrity of the purchase card program. The RO Director or designee performs the audit review of each cardholder. The review is to provide assurances that controls are properly implemented. The review must be documented, maintained on file, and made available to any review or audit team, upon request.

c. Focus Reviews

Each RO must conduct two focus reviews each calendar year. The reviews are conducted for the periods of January through April and May through August. The RO Director or designee performs the focus reviews to provide assurance that controls are properly implemented. The focus reviews must be documented, maintained in a file, and made available to any review or audit team, upon request.

d. Other Purchase Card Audits/Reviews

Various VA entities and other government agencies conduct purchase card audits and/or reviews. The VA Office of Inspector General, the VA Management Quality Assurance review team, the Administrative and Loan Accounting Center, and the Financial Operations and Reengineering Division conducts random audits/reviews of the VBA purchase card program. On an annual basis (usually in October), the Financial Operations and Reengineering Division conducts an audit to validate funding levels of all VBA A/OPCs and AOs. On occasion, the GSA SmartPay Team, the Office of Management and Budget, and the Government Accountability Office perform program audits and/or reviews of the VA purchase card program.

5.11 VA Management Quality Assurance (MQAS)

The Office of Business Oversight MQAS performs reviews on a routine basis per VA Financial Policies and Procedures, Volume XVI, Chapter 1 - Government Purchase Card. Annual summaries of these reviews are provided to VA senior management. Results of the quarterly reviews are shared with facility level managers having compliance issues. MQAS also forwards reviews to the Financial Services Center to be included in the semi-annual report to the Office of Management and Budget.

Transactions are randomly selected each month for audits and data mining. When a transaction is selected for a MQAS audit, the reconciliation packet must be provided to the A/OPC. Responses and supporting documentation must be returned by specified deadlines or the A/OPC must be notified to suspend the cardholder's account.

Reviews may include, but are not limited, to the following areas:

- Timely reconciliation by cardholder and AO.
- Proper costing of purchases.
- Proper billing by the vendor.
- Sufficient supporting documentation and proper retention.
- Review of certification forms to determine separation of duties and account thresholds.
- Review of purchases to determine if intentional split purchases were made to avoid exceeding established single purchase threshold.

- Training certificates to ensure initial training occurred and refresher training is current.