

**WASHINGTON HEADQUARTERS SERVICES
ACQUISITION AND PROCUREMENT OFFICE
OSD/WHS PURCHASE CARD PROGRAM**

PURCHASE CARD ALERT NUMBER 69

(Issue date: 12 February 2010)

APPROVING OFFICIALS



CARDHOLDERS



SUBJECT: WHS FMD Procedures for Purchase Card Funding and Invoice Payment Processing and Cancellation of Purchase Card Alerts #67 dated 12 January 2010 and Purchase Card Alert #68 dated 28 January 2010.

The purpose of this Purchase Card Alert is to provide account holders with critical FMD mandated procedures (pages 3 and 4 below) for proper purchase card funding and invoice processing. It is essential that the new procedures be implemented under the Purchase Card Program for two reasons:

- 1) To bring purchase card payment and funding processing into compliance with the DoD Financial Management Regulation (FMR). Questions regarding the FMR should be directed to the FMD point of contact, Ms. Shirlean Gatling at 703-699-3402.
- 2) To correct the problem of delinquent purchase card payments to US Bank. The FMD procedures are at pages 3 and 4 of this Purchase Card Alert.

The first segment of the procedures (page 3, below) describes the steps for the FMD funds Approving Official (not Purchase Card Approving Official) to take to establish/maintain funding for each individual purchase card account. Proper obligating documents have always been required, but improperly prepared documents have resulted in delinquent payments. Following the process on page 3 will ensure funding is available to the accounts when the invoices are submitted for payment. Any questions on funding should be directed to the FMD point of contact, Ms. Shirlean Gatling at 703-699-3402.

Page 4, below, updates the purchase card payment process. Some important notes for the Purchase Card Approving/Certifying Officials are:

- 1) The Purchase Card Approving/Certifying Official must certify the invoice monthly within five business days after close of the billing cycle to allow sufficient time to process payment on the account so the purchase card is not suspended. The invoice certification package shall contain:
 - a. Invoice
 - b. Fully completed Purchase Card Certifying Officer Sheet (attached to transmittal e-mail of this P-Card Alert)
 - c. Cost Distribution Sheet (when applicable).
 - d. If applicable, contract including accounting data.
- 2) The Purchase Card Approving Official shall electronically approve (digitally sign) and certify the monthly invoice using the Purchase Card Certifying Official Sheet (attached to the transmittal e-mail for this Purchase Card Alert). **In order for an invoice to be paid, the Approving Official must complete each block on the sheet, to include the amount to be paid on the invoice. The amount to be paid must consider any rebates/credits due for the billing period.**
- 3) WHS Approving/Certifying Officials will electronically forward to the RM the properly completed Certifying Official sheet, invoice, and, as applicable, a cost distribution sheet.
- 4) OSD Approving/Certifying Officials will electronically forward to the Component RM the properly completed Certifying Official sheet, invoice, cost distribution sheet (if applicable) and entire contract which includes applicable accounting data. Additionally, for each contract either the contract or an addendum would need to identify the specific entity/name authorized to make charges against the particular purchase card.
- 5) The subject of the invoice transmittal e-mail must be **“For Official Use Only”** and the first sentence must read **“This document contains privacy act information”**.

IMPORTANT: This change is effective immediately for implementation retroactively with the 19 January 2010 billing cycle. Purchase Card AO's who have already submitted their 19 Jan 2010 certified invoice package electronically to the dedicated mailbox as instructed by Purchase Card Alert #67, will receive an electronic notice to resubmit to the RM/Component RM as outlined herein. If you receive such a notice, please follow the instructions provided and resubmit your invoice package to ensure timely payment of your invoice.

It will be up to the RM/Component RM to e-mail the complete invoice package described in subparagraph 1) above to: fadgpc@whs.mil.

AO's having difficulty identifying the appropriate RM/Component RM, please contact Ms. Shirlean Gatling at 703 699-3402, in the WHS Financial Management Directorate.

OSD/WHS PURCHASE CARD PROGRAM
Funding and Invoice Payment Process
Process Owner: WHS/FMD

PROCESS	DESCRIPTION	OWNER	ROLE	WHEN	TIMELINE
FUNDING Purchases	STEP 1: Set annual budget target for WHS and OSD components based on approved budget	Component Program Manager DFD RM HRD RM ITMD RM	FMD Approving Official	Annual	Oct 15 th
	STEP 2: Establish funding target for the WHS and OSD Components and submit to Budget Execution for obligation	DFD RM HRD RM ITMD RM	FMD Approving Official	As required	1-2 working days
	STEP 3: Certify obligation and submit to F&A for processing.	FMD Budget Execution (BE)	FMD Certifying Official	As required	3-5 working days
	STEP 4: Obligation is created in WAAS	FMD F&A	Processor	As required	Up to 7 working days
Revolving Fund Purchases	STEP 1: Create purchase card target against standard authority and submit to Budget Execution for obligation	DFD RM ITMD RM PENREN RM	Approving/Certifying Official	As required	1-2 working days
	STEP 2: Certify obligation and submit to F&A for processing.	FMD Budget Execution (BE)	FMD Certifying Official	As required	3-5 working days
	STEP 3: Obligation is created in WAAS	FMD F&A	Processor	As required	Up to 7 working days
Contract Vehicles	STEP 1: Submit 1262/562 for contract payments that exceed the micro-purchase limit.	Component	Requestor	As required	
	STEP 2: Funding request is validated and approved for processing	RM	FMD Approving Official	As required	
	STEP 3 & 4: Same as purchases above				
NOTE: No internal realignments between components are authorized for the supply purchase cards. Components must create an obligating document for additional funding using their own line of accounting and submit through Budget Execution under the normal process for fund certification and obligation.					

PROCESS PAYMENT	DESCRIPTION	OWNER	ROLE	WHEN	TIMELINE
	STEP 1: Date and review monthly statement. Forward monthly statement, supporting documentation and the designated lines of accounting to the P-Card Approving/Certifying Official for processing.	Component	Purchase Cardholder	End of billing cycle – usually 19 th of the Month	3 working days
	STEP 2: Date, approve and certify monthly invoice using electronic certification on the Purchase Card Certifying Official sheet. Prepare cost distribution for invoice if applicable. Forward to RM (WHS) or Component RM (OSD) for validation of assigned funding.	Component	P-Card Approving /Certifying Official	Monthly	2 working days after receipt of cardholder’s certified stmt of account and supporting documentation
	STEP 3: Date stamp and review monthly statement. Certify appropriate line of accounting and denote proper payment amount.	RMD	WHS: RM OSD: Component RM	Monthly	3 working days after receipt of invoice
	STEP 4: Prepare and sign SF1034 as the FMD authorizing official using an electronic certification and forward with certified monthly invoice and supporting documents to F&A (fadgpc@whs.mil) for payment processing. (NOTE: F&A requires a DD 577 on file in p-card office)	RMD	WHS: RM OSD: Component RM	Monthly	Included in above timeline
	STEP 5: Certify invoice for payment. (NOTE: Invoices not signed by a RM will not be processed.)	WHSF&A	WHS F&A Certifying Official	Monthly	1 to 2 working days
	STEP 6: Validate the SF 1034 and transmit payment file to DFAS	WHSF&A	Processor	Monthly	1 to 2 working days
	STEP 7: Vendor is paid by DFAS within 3 days via EFT	DFAS	Disbursing Official	Monthly	3 to 7 working days