

DON Purchase Card CitiDirect Cardholder Certification Course

Lesson 2

Becoming a Purchase Cardholder



This is lesson 2 of the Purchase Card CitiDirect Cardholder Certification Course.

DON Purchase Card CitiDirect Cardholder Certification Course

Lesson 2 Topics

- Cardholder Training Requirements
 - Initial and Refresher
 - Documentation Requirements
- Delegation of Purchasing Authority
 - Letter of Delegation
 - Standard Form 1402
- Confidential Financial Disclosure Report
 - Form OGE 450

Becoming a Purchase Card Cardholder requires the completion of two major steps and possibly a third. The first step is to meet all the program's initial training requirements. This includes the completion of three different courses and submittal of all your certificates of completion to your APC. Second, you must be formally delegated the authority to make acquisition in the name of the United States government. This can be accomplished with a letter of delegation or a Certificate of Appointment, depending on the circumstances. An finally, you may be required to complete a confidential financial disclosure report, Form OGE 450.

Initial Training Requirements

- 1. DON CCPMD Training**
<https://www.navsup.navy.mil/ccpmd>
- 2. Defense Acquisition University**
Continuous Learning Center
DoD Purchase Card Tutorial, CLG001
<http://www.dau.mil>
- 3. Annual Ethics Training**
<https://donogc.navy.mil/Ethics/>



The initial mandatory training is designed to ensure that each Cardholder has a good understanding of the governing policies and procedures before being entrusted with the responsibility of a Government Purchase Card. The mandatory training consists of three courses which must be completed before an individual can be delegated purchasing authority.

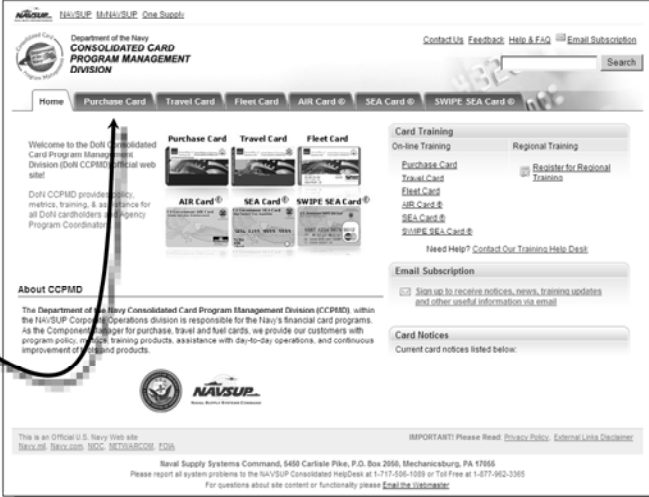
This course that you are currently taking is the first of the three required courses. This is the course mandated by the DON Consolidated Card Program Management Division, CCPMD.

The second course requirement is mandated by the Department of Defense and is offered on the Defense Acquisition University website shown here. The course is located in the Continuous Learning Center section of the DAU website and is officially titled, the DoD Purchase Card tutorial; it's course code is CLG001.

The third mandatory course for the initial cardholder training is the Annual Ethics course offered by the Office of General Counsel and hosted on their website shown here. A prospective cardholder must complete all three of these courses and present the hardcopy training certificate to the APC before being delegated the authority to use a purchase card.

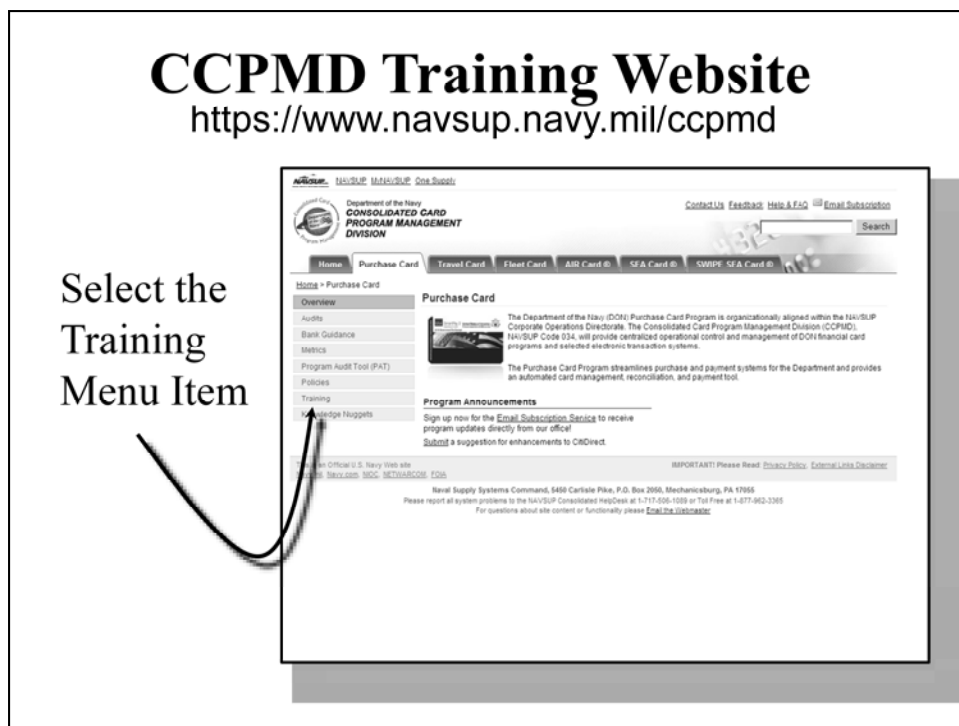
CCPMD Training Website
<https://www.navsup.navy.mil/ccpmd>

Click the Purchase Card Tab



The screenshot shows the CCPMD Training Website interface. At the top, there is a header with the NAVSUP logo and the text "Department of the Navy CONSOLIDATED CARD PROGRAM MANAGEMENT DIVISION". Below the header is a navigation bar with tabs for "Home", "Purchase Card", "Travel Card", "Fleet Card", "AIR Card", "SEA Card", and "SWIPE SEA Card". The "Purchase Card" tab is highlighted. To the left of the navigation bar, there is a sidebar with a welcome message and a link to the "Purchase Card" training page. To the right of the navigation bar, there is a sidebar with links to "Card Training", "On-line Training", "Regional Training", "Purchase Card", "Travel Card", "Fleet Card", "AIR Card", "SEA Card", and "SWIPE SEA Card". The main content area displays the "Purchase Card" training page, which includes a "Need Help? Contact Our Training Help Desk" link and an "Email Subscription" section.

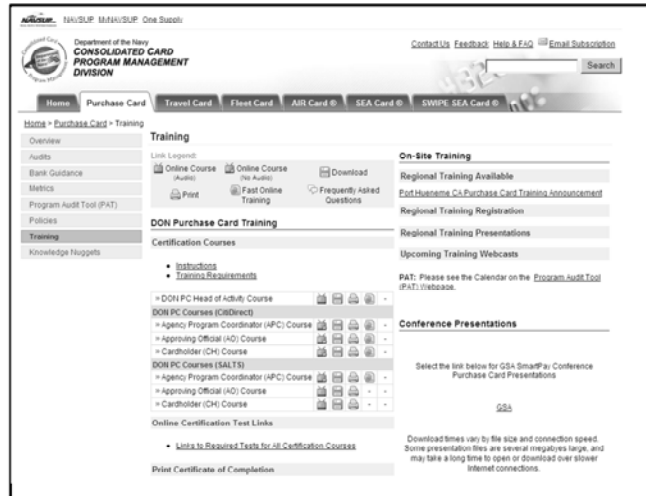
Although these three course are hosted by three different organization, all three can be accessed form the DON CCPMD Purchase Card training web page. Go to the DON CCPMD home page at the address show here. Click the Purchase Card tab.



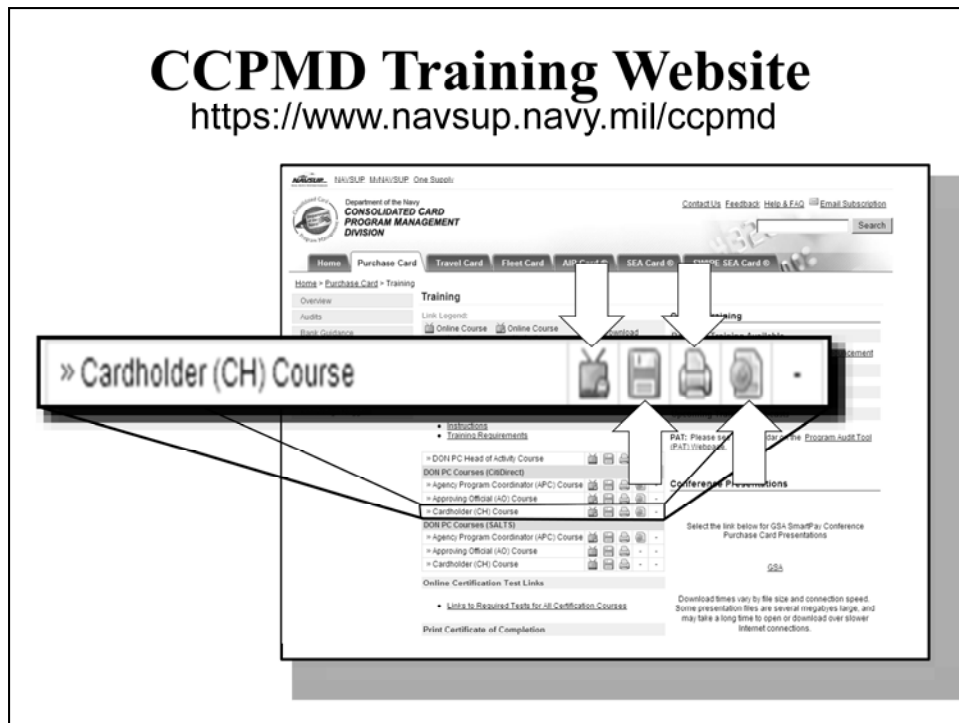
On the Purchase Card home page, click the training menu item on the left side of the screen.

CCPMD Training Website

<https://www.navsup.navy.mil/ccpmd>



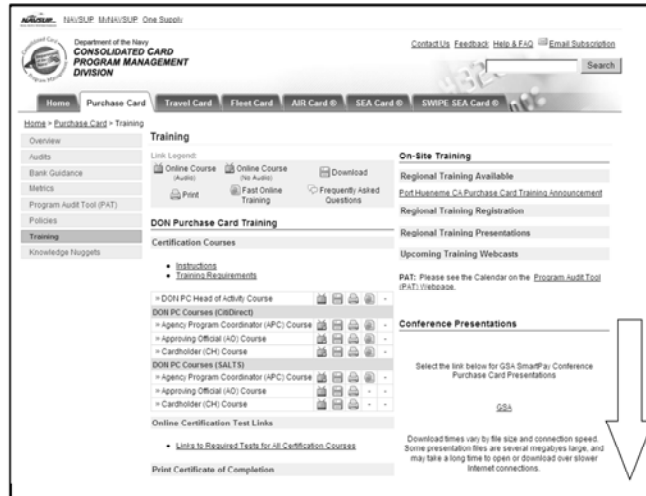
This is the Purchase Card training web page. The area near the center with the course names and icons is when you started this course. Each of the Purchase Card courses listed here is offered in three or four different formats and the icons next to the course titles each launch one of those formats. For your future reference, here is a word about these formats.



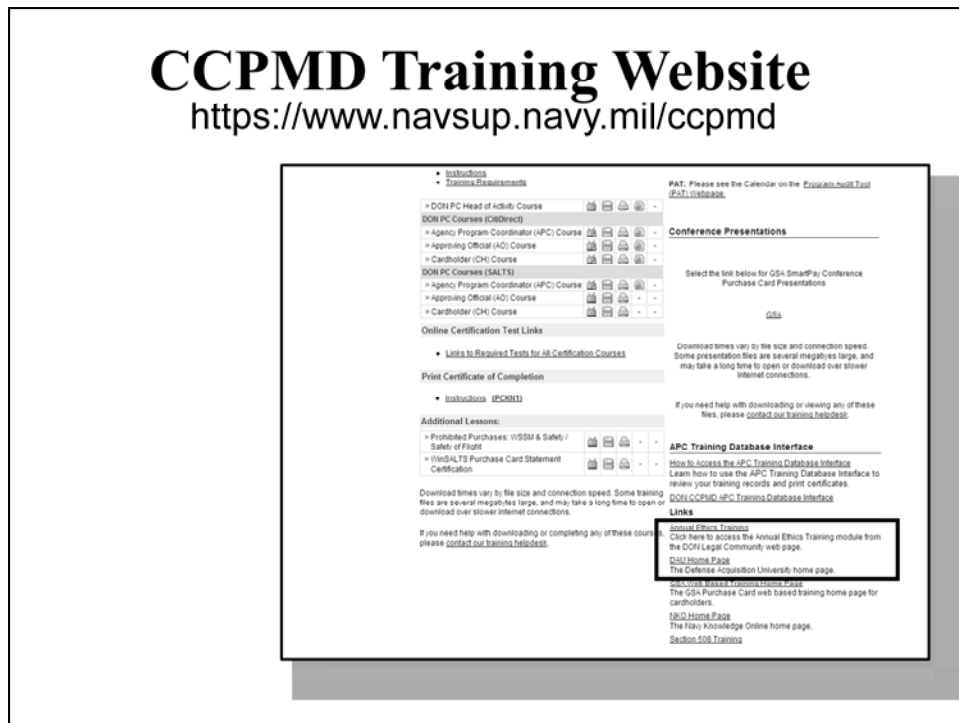
The cardholder course is offered in four formats, narrated flash files, downloadable zip file, printer-friendly PDF files and a narrated PDF file. You select the format that works best for you; the content of the different formats is the same. If you'd like to study the lessons offline on your laptop, click the download icon and move the zip file to your laptop. If you'd rather print the lessons so you can take notes, click the printer icon and print the lesson slides and speaker note.

CCPMD Training Website

<https://www.navsup.navy.mil/ccpmd>



When you complete this course, you will need to register for and take a test in order to print your certificate. The test can either be accessed from the link at the bottom of the course menu page or from the link shown here. As mentioned earlier, the DAU and Annual Ethics training websites are accessible from this CCPMD web page. Scroll down the page.



On the lower, right hand side of the Purchase Card training web page, there is an area titled, Links. The first two links list here are the Annual Ethics Training and the DAU Home Page. Once you select either of these links, you will need to follow the instructions on each of these websites to complete these two mandatory courses.

Refresher Training Requirements

- **DON CCPMD Refresher Training**
 - Mandatory, every 2 years
 - Either Online or Regional Training
- **DoD Optional Refresher Training**
 - Government Purchase Card Refresher Training
 - CLG004 on DAU Website
- **Annual Ethics Training**
 - Mandatory Annually

Once you complete all your initial training requirements, you need to be aware of the refresher training requirements. All Cardholders are required to complete DON CCPMD refresher training every 2 years. This training requirement can be fulfilled by repeating this course or by attending a Purchase Card Regional Training session. The DoD mandated training from the DAU website does not need to be repeated – it is a “once and done” course; however, there is an optional DoD Purchase Card Refresher course available on DAU. The course code is, CLG004 and, again, it is optional. Ethics Training is an annual requirement for all cardholders.

Document Completion of Training

- Cardholder and Agency Program Coordinator (APC) must retained training certificates for duration of appointment.
- APC must retain training documentation for an additional 3 years after Cardholder's appointment has ended.



No job is complete until the paper work is done. You and your APC must retained copies of all your training certificates; your files need to be maintained for the duration of your appointment. Your APC must also retain this documentation for an additional 3 years beyond your appointment.

Becoming a Cardholder



Complete Initial Training Requirements

- DON CCPMD
 - DoD PC Tutorial @ DAU
 - Ethics Training
-
- Receive Delegation of Authority
 - Letter of Delegation
 - SF 1402

As we've just seen, becoming a Purchase Card Cardholder requires the completion and documentation of the three courses listed here. The second major step in the process of becoming a cardholder is the delegation of purchasing authority.

Delegation of Authority

Letter of Delegation



Certificate of Appointment



One of the primary purposes of the Purchase Card Program is to simplify the process of acquiring mission critical supplies and services. Much of this simplification is achieved by entrusting the people who need the supplies and services with the authority to purchase them. As a Purchase Card Program Cardholder, you are officially granted the authority to make purchases on behalf of the Department of the Navy. This delegation of authority is accomplished with either a Letter of Delegation or a Certificate of Appointment.

The NAVSUPINST 4200.99 and subsequent policy notices details when each of these delegation vehicles is appropriate. From a cardholders prospective, the delegation of authority establishes the limits of the cardholders purchasing rights.

Letter of Delegation Major Sections

1. Establishment of Limits
2. Authorized Purchases Only
3. Prohibited Use
4. Letter of Delegation Cancellation

These are the four major sections of a sample letter of delegation contained in the appendix of NAVSUPINST 4200.99. In the first section, “Establishment of Limits”, the cardholder’s purchasing authority is defined in precise detail. As a cardholder, you must be aware of your delegated purchasing limits.

Types of Purchase Card Limits

- Single Purchase Limit
- Billing Cycle Purchase Limit



Consider these two definitions of terms used to establish your purchasing limits. The Single Purchase limit, as the name implies, is the maximum dollar amount you are authorized to spend on a single transaction. The Billing Cycle Purchase Limit is the maximum total dollar amount that you are authorized to purchase over the 30-day period known as the billing cycle. The Billing Cycle runs from the 20th of the month through the 19th of the following month.

These two limits can have different values depending on the type of purchasing situation; the exact values are listed in your letter of delegation as follows.

Establishment of Limits

Sub-Section A

A. Dollar Thresholds

- (1) **Purchase** (only if authorized)
 - a. Not to exceed \$3,000 single purchase limit
 - b. Not to exceed \$30,000 billing cycle limit.
- (2) **Method of Payment** (only if authorized)
 - a. Not to exceed \$10,000 single purchase limit
 - b. Not to exceed \$100,000 billing cycle limit.
- (3) **Convenience Check** (only if authorized)
 - a. Not to exceed \$3,000 single purchase limit

These are the main bullet items in the sample letter of delegation. There are three different purchasing situations listed here, namely, method of purchase, method of payment and convenience checks. Each of these uses of the purchase card may have different limits as shown here. The point here is that you need to know the details of your delegated use of the Purchase Card.

Establishment of Limits

Sub-Section B

B. Authorized Transaction Types

(include authorized NAVSUPINST 4200.99 Oct 13 2006 Appendix C to Enclosure (1) C-2 categories)

- (1) Over the counter
- (2) Telephone orders
- (3) Internet orders.

In addition to your delegated dollar limits, you may have restrictions on the transaction types that you can execute. For example, you may be limited to Over the Counter purchases – no telephone orders and no internet order.

Establishment of Limits

Sub-Section C

C. Authorized Purchases

- (1) Stand-alone procurement method,
- (2) Method of payment against contract documents issued by a contracting officer,
- (3) Orders against Government contracts, such as IDIQs, GSA, FSS Schedules/GSA Advantage, JWOD, etc.
- (4) DLA Document Services
- (5) Blanket Purchase Agreements (BPAs)/Letter of Agreement (LOA),
- (6) Purchase of Training (SF 182 Form)

Sub-section "C" of the letter of delegation list the methods of using the Purchase card for which you are authorized. In addition to using the card as a stand-alone procurement method, you may be authorized to use it as a method of payment in conjunction with one of the purchasing vehicle listed here. This authority must be specifically stated here in your letter of delegation and the dollar value limits need to be listed in the section titled, Dollar Thresholds.

Establishment of Limits

Sub-Section D

D. Purchase Restrictions:

- (1) Merchant Category Code (MCC) Blocks
- (2) Other, as applicable

The last major section of the Letter of Delegation is Purchase Restrictions. One of the main restriction techniques is the use of Merchant Category Codes within the banks system to automatically block purchases , at the point of sale, based on the type of business. MCCs are 4-digit codes that identify the type of product or service provided by the merchant. These codes can be used to block purchase from certain types of merchants. For example, most cardholders are not authorized to make purchases with their DON Purchase Card at liquor stores. These purchases can be block at the cash register before they ever happen using MCCs.

In summary of this topic , as a cardholder, you need to know your limits as delineated in your Letter of Delegation.

Becoming a Cardholder



Complete Initial Training Requirements

- DON CCPMD
- DoD PC Tutorial @ DAU
- Ethics Training



Receive Delegation of Authority

- Letter of Delegation
- SF 1402

So, you've completed your initial training requirements and have received your proper delegation of authority. There is one additional requirement which you may need to meet depending on the type and dollar level of your acquisition activity. You may need to complete a Confidential Financial Disclosure report on the Form OGE 450.

Form OGE 450

Confidential Financial Disclosure Report

OMB Form 450, 4-2004 (Rev. 10/04), (Support)
U.S. Office of Governmental Ethics (2004)
Page 1 of 2 (Form OGE 450)
Page 1 of 2 (Form OGE 450)
Page 1 of 2 (Form OGE 450)

Printed Name (Last, First, Middle Initial) _____
Printed Address _____
Printed City, State, ZIP+4 _____
Printed Phone (Area Code) _____
Printed E-mail Address _____

CONFIDENTIAL FINANCIAL DISCLOSURE REPORT
Executive Branch

Employer's Name (Last, First, Middle Initial) _____
Employer's Title _____
Employer's Grade _____
Agency _____
Branch/Unit and Address _____

Work Phone _____
Reporting Dates: From _____ To _____
Check box if Special Agent in Charge (SAC) _____
Check box if Special Agent in Charge (SAC) _____
Check box if Special Agent in Charge (SAC) _____

Step 1. Read the instructions for Parts I through V on the following pages.
Step 2. For each statement below, check Yes or No to describe your situation.

I have reportable assets or sources of income for myself, my spouse, or my dependent children.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
I have reportable liabilities for myself, my spouse, or my dependent children.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
I have reportable outside employment for myself.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
I have reportable gifts or income from other sources for myself.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
I have reportable gifts or income from other sources for myself.	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Step 3. If you checked "Yes" for any statement, you must describe the reportable interests that you have in the corresponding Part I, II, III, IV, or V of the form.
Step 4. Sign and date the form.
Step 5. Submit the completed form to your ethics officer.

I certify that the statements I have made on this form and all attached statements are true, complete, and correct to the best of my knowledge.

Signature of Employee _____ Date (month/day/year) _____

FOR REVIEWERS USE ONLY
The form of disclosure submitted to this report is acceptable for the form to be completed with appropriate form and signature, except as noted in the comments, below.
Signature and Title of Supervisor (Must be signed and dated by the supervisor)

Signature _____ Title _____
Signature and Title of Agency's Final Reviewing Official _____
Comments of Reviewing Official _____

(Check box if continued on additional page >)

You may have heard of a requirement for Purchase Card Cardholders to complete a Confidential Financial Disclosure Report, Form OGE 450. Who exactly is required to complete this form?

Form OGE 450

- CHs who purchase and AOs who certify in excess of ***\$100,000 per fiscal year*** must complete Form OGE 450
- CHs & AOs not meeting the \$100,000 threshold must complete Form OGE 450:
 - if required by their supervisor
 - if in supervisor's opinion, CH or AO duties involve independent judgment on matters that can have an impact on DON operations
 - to document actual or apparent conflicts of interest.

Cardholders who purchase and AOs who certify in excess of \$100,000 per fiscal year must complete the Form OGE 450

In addition, Cardholders & AOs not meeting the \$100,000 threshold must complete Form OGE 450 if they are required to do so by their supervisor. For example, if in supervisor's opinion, the cardholder or AO duties involve independent judgment on matters that can have an impact on DON operations, they may be required to complete the form .

Independent of all other consideration, the cardholder or AO may be required to complete Form OGE 450 to document actual or apparent conflicts of interest.

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 - Initial and Refresher
 - Documentation Requirements
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- Confidential Financial Disclosure Report
 - Form OGE 450

This completes lesson two. Return to the main menu and select lesson three to continue.