

## IC Purchase Card Coordinators Meeting March 3, 2015

Adams, Deborah (NIAAA)	Palacios, Vanessa (PCard)**
Baginski, Renata (NIDA)	Philippi, Mike (OD)
Camman, Sandra (NIAAA)	Pike, Terri (NHLBI)
Davis, Pamela (NINR)	Preston, Rebecca (NICHD)
Davol, Tabitha (PCard)**	Pulliam, Zelia (NIDCD)
Drake, Patricia (ORF)	Rappaport, Doreen (PCard)**
Dunn, Mary (NBS)	Ricche, Andi (NIAMS)
Errett, Paul (NICHD)	Romero, Michelle (PCard)**
Fitzwater, Linda (NINR)	Sanders, Jimmy (NIDCR)
Fountain, Debbie (NBS)	Schechter, Louis (NIA)
Fowler, Kelly (NCI)	Simmons, Monique (PCard)**
Gerwin, Claudia (NIDDK)	Smith, Karen (NIA)
Greenleaf, Stefanie (CIT)	Snowden, Maria (PCard)**
Harris, Denna (NICHD)	Spates, Chris (NIMHD)
Harrison, Monique (CC)	Stiner, Tesha (NCCIH)
Hyde, Alan (NIDA)	Thompson, Richard (NICHD)
Jackson, Twann (OD)	Thompson, Patrice (PCard)**
Johnson, Yolanda (FIC)	Walker, Glenda (NINDS)
Jones-Jones, Shelley (NIBIB)	Wang, Steven (PWC)
Kanti, Sup (NBS)	Wooten, LaShonda (NIGMS)
Muthan, Mohanraj (NBS)	Yau, Janet (PWC)
Myles, Linda (CIT)	

### **\*\*Purchase Card Program**

The meeting was called to order at 9:30am by Doreen Rappaport, Purchase Card Program Manager. Agenda items discussed are summarized below.

**NBS Office Hours**-Brian Canning from NBS discussed the office hours format which is an informal outreach/community effort designed to talk about topics relevant to the NBS community. The topics are selected based on feedback from the NBS advocates and user surveys. This month's office hours will focus on the purchase card dispute process. 415 people have already signed up.

**Changes to SAC A/SAC B & Warrant Process**-Aaron Weimer in OALM discussed the OFPP guidance that was issued in May 2014 which requires FAC-C certification in order to obtain or maintain a warrant. As a result of this requirement, in August 2014, the SAC program was discontinued. FAC-C is required by the Office of Federal Procurement and Policy (OFPP) and HHS. NIH continues to work with HHS during this transition. Currently, there are 350 warranted

individuals under the SAC program. If an individual has a warrant under the current SAC program within their IC, this remains active. If a person changes ICs, the warrant becomes void. IC specific warrants are also being reviewed to see if it is transferrable. Information regarding this policy change was presented to the Executive Officers in December 2014. As a result, a working group will be formed to look at the impact to the delegated community. The working group will address possible solutions such as college partnerships, timeframe for implementation and the workload impact.

There is an educational component for FAC-C certification which is a bachelor's degree (or higher) in any field or 24 business credits. ACE credits are also available for some of the FAC-C courses.

**Project, Expenditure Organization, Expenditure Type, Expenditure Date and Task Educational Campaign (POEET).** Debbie Fountain of NBS presented information on this campaign which is being conducted on behalf of the Business Owners (OALM & OFM) and Colleen Barros to inform the community of how transactions are categorized and the legal implications for assigning incorrect expenditure (OC) codes to transactions. OFM processed over \$10,000 CAN changes which take a significant amount of time to process, so CAOs need to reject logs that are incorrect and review them for accuracy prior to approving the transactions. There's also an nVision helpful look-up tool that can be used to look up CANs, OC Codes and other information.

There is an open session planned for May to learn more about POEET. Additional information can be found in the presentation.

### **Summary of FY14 Onsite Purchase Card Review Results, PwC**

Janet Yau from PwC provided an overview on FY14 onsite review findings. A total of 1209 purchase card transactions were reviewed which is about 64% of cardholders. She mentioned that since FY11, Amazon, CDW-G, and Apple were found as the top vendors. She also mentioned that the top 5 findings from reviews were the following:

- Missing Justification
- Missing receiving
- Missing pre-approvals for recurring charges
- Lack of separation of duties; specifically in labs
- Sales tax

ICs may obtain debrief documents from pwc that provides specific compliance totals. A tentative schedule for FY15 onsite reviews was shared, but is subject to change based on availability.

**Smart Pay Bulletin-Third Party Payments-** Tabitha Davol presented information about the recent bulletin issued by GSA. GSA's Office of Charge Card Management (OCCM) receives a number of inquiries regarding the use of third party payments. Third party processors are used by merchants to accept online payments without having to establish merchant a merchant account through a bank. These transactions are still considered to be high risk and alternative methods of payment should always be considered. Policies regarding third party payments are already addressed in the HHS Purchase Card Guide and NIH Purchase Card Supplement.

**Other/Admin Topics:**

1. **JP Morgan attestation language-** Doreen provided an update regarding the attestation language from the bank. The comments received from the coordinators were submitted to GSA. In the latest response from GSA, there was some improvement to the language; however "client" could not be replaced with "government" since the form is used for both commercial and government clients.
2. **Chip and pin-** Doreen provided an update on the status of the new cards. GSA has taken steps so that cards will have enhanced security and have modified the Smartpay 2 contract. There are fees associated with the development of the new cards. The new cards are scheduled to be issued in July. JPMorgan has not yet released information about how the chip/pin cards will be issued.
3. **Retention requirements-**Doreen provided an update to the email that was sent out on behalf of HHS requesting comments regarding changing the record retention term for purchase card transactions from 3 years to 6 years. The comments that were received were forwarded to HHS. The current retention period has not changed, so continue to follow the established guidelines.
4. **Procure to Pay audits-**OFM has started their Procure to Pay audits/A123 compliance. When cardholders receive a notification for documentation, they should forward it to the OFM representative. This is not the same review the purchase card program conducts.
5. **GAO decision-**An article was published in the OALM newsletter regarding GAO's decision on disposable cups, plates and cutlery. These items are considered to be a personal expense, so appropriated funds may not be used without specific statutory authority to do so or can be justified as advancing the agency's mission. The decision was based on a request from the Department of Commerce regarding the use of appropriated funds to purchase these items for employees.
6. **Year in processes-**A small committee has been formed to look at the purchase card year end process. Typically, purchase cards are suspended the last two weeks of the FY as part of the of year end program. We will keep you posted of discussions.

7. **Stale logs update**-Stale logs from the last NBS Stale Obligation Program run were final closed in January 2015. OALM/NBS will be running the program again in April and will cover stale logs up to September 30, 2013 in accordance with the guidance that was issued.
8. **Simplified Acquisition Refresher training**-The 2 day Simplified Acquisition Refresher Training sessions are being planned. Due to space availability, the training will now take place in May. Additional information will be forthcoming.
9. **nVision report update**- The ACQ-44 has been enhanced to include the merchant name on the unreconciled report.
10. **Transactions posted after cycle close date**-Michelle Romero discussed posting of transactions after the cycle period closes for the month. In some instances, there is a delay from the time a cardholder contacts a merchant to place an order and when the merchant actually requests authorization for the transaction. Once the authorization is received by the merchant, it can take 24-48 hours for the transaction to post to the account. NBS receives files daily from the bank and uploads them daily Tuesday thru Saturday. Depending on the date of the authorization, the cardholder may see transactions post after the 5<sup>th</sup> of the month. Cardholders should continue to check their statement and review their emails for unreconciled transactions until the reconciliation deadline of the 13<sup>th</sup>.

The meeting adjourned. The IC Coordinator meeting was scheduled for April 9 (but has been moved now to April 14) 2015 from 9:30-11:30 am.