

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

Disputes and Fraud on Purchase Card Accounts

The Purchase Card Program recently noticed an increase in fraudulent activity affecting a number of purchase card accounts. Some of this activity began during the government shutdown in early October. Unfortunately, because many cardholders were not here, charges could not be validated until the government reopened. In those cases, the purchase card accounts were temporarily suspended by the bank or the Purchase Card Program until the cardholder was able to validate the charges.

In some cases, fraudulent charges actually posted to active accounts, while in other cases the charges were declined by the bank due to invalid information. The bank permanently closed the accounts in question and new cards were issued to the affected cardholders.

Although fraud across NIH has subsided since then, as we approach the holiday season this presents another opportunity for fraudsters to attempt to incur invalid charges on purchase card accounts. It is critical that cardholders regularly review their account statements in NBS for any invalid or unrecognized charges. If a cardholder does not recognize or agree with a charge, they must determine if it is a billing discrepancy that should be disputed or if it is a fraudulent charge.

What is a Billing Discrepancy?

- A transaction that is not recognized, but is from a merchant with whom the cardholder or agency regularly conducts business with.
- A transaction that the cardholder cancelled, but was processed by the merchant anyway.
- A transaction for which the cardholder has a receipt, but the amount on the receipt and the amount posted to the card account do not match.
- Duplicate transactions (i.e., same merchant, amount and date).
- A order that was charged although the merchandise was returned by the cardholder.

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

How to handle Billing Discrepancies that need to be disputed:

- Cardholders should contact the merchant directly and attempt to resolve the matter by determining if the questionable charge is a result of a billing error. Most billing discrepancies can be easily and quickly resolved by contacting the merchant directly.
- If the cardholder is not able to resolve the issue with the merchant, they should immediately complete a dispute form and submit it to JPMorgan via email at ccscolumbusdisputes@chase.com or by fax to 1- 866-491-9432. Also copy the Purchase Card Helpdesk. The dispute form must be filed with the bank within 90days of the transaction post date otherwise cardholders can be held personally liable for the charge. Card Approving Officials (CAOs) can initiate a dispute on behalf of the cardholder in cases where they have knowledge of the dispute and are able to provide the necessary supporting documentation or if the transaction is not being claimed as fraudulent or unauthorized.
- In NBS, the cardholder must flag the charges as disputed so that they are transferred to the dispute/credit tab of their reconciliation.
- Once the dispute form is received by the bank, cardholders should expect to see a temporary credit on their reconciliation statement within 3- 5 business days. The credit should then be matched against the disputed charge to reconcile.
- Throughout the dispute process the JP Morgan Dispute Analyst assigned to the case may require additional information from the cardholder in order to pursue the claim. Failure to respond to these inquiries or provide requisite information may result in the bank's decision to close the case and reverse the temporary credit leaving NIH to pay for unauthorized charges.
- Once the bank makes a final decision, cardholders should receive written communication stating the resolution of the dispute (i.e., resolved in favor of the merchant or cardholder). If the bank rules in favor of the merchant, they will then reverse the temporary dispute credit that was initially provided to the cardholder. **IMPORTANT:** If the cardholder does not agree with the bank's decision or the credit reversal, they must respond immediately by notifying the bank.

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

What are Fraudulent Charges?

- A transaction that is not recognized, and is from a merchant with whom the cardholder does not conduct business.
- A transaction on a card that was physically lost or stolen.
- A transaction that may seem suspicious.

How to handle Fraudulent Charges:

1. The cardholder must contact JP Morgan Chase to let them know that they believe their account has been compromised. The bank will then close the account and issue the cardholder a new card. In some cases, the cardholder may be required to complete a fraud affidavit. They must complete the form and promptly send it back to the bank while keeping a copy for their records.
2. The cardholder must also contact their respective IC Purchase Card Coordinator and the purchase card program office by emailing the purchase card helpdesk at Creditcard@od.nih.gov . The purchase card office may require additional information from the cardholder regarding the compromised card.
3. If the cardholder also has the authority to issue convenience checks, they must notify the bank or the purchase card office so that checks may be reordered to correspond to the new account. NOTE: Any outstanding checks that did not post to the cardholder's account prior to it being closed must be reissued as they will no longer be honored by the bank.
4. In NBS, the cardholder must flag the fraud charges as disputed so that they are transferred to the dispute/credit tab of their reconciliation.
5. The cardholder should expect to see fraud credits post to their account for the fraud charges that were reported to the bank. If this does not occur within 5 business days, they must notify the purchase card office. Once the credits are received, the cardholder must match the credits to the associating fraud charges under the dispute/credit tab to reconcile.

Cardholder documentation to retain in the Purchase Card File:

1. If a dispute is initiated with the bank, cardholders must keep a copy of the dispute form that was sent to the bank with proof of email or faxed confirmation.

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

2. If a fraudulent charge is posted to the cardholder's account, the cardholder must retain a copy of the fraud affidavit that was completed and sent back to the bank.
3. If the dispute is resolved directly with the merchant, documentation should describe why the charge was disputed and how it was resolved.
4. A copy of the NBS reconciliation statement indicating that proper fraud/dispute credit was received and reconciled by the cardholder and supporting documentation that proper credit was received must be included in the file.
IMPORTANT: Once a dispute is resolved with either the bank or directly with the merchant, it should be cleared from the dispute/credit tab in NBS.

For more information on disputes or fraud, please contact the Purchase Card Help Desk at Creditcard@od.nih.gov or via telephone at (301) 435-6606

NITAAC Scores Record Year with \$2.6 Billion in Awards!

Helping the federal government save time, money and resources is the goal of the NIH Information Technology Acquisition and Assessment Center (NITAAC), and we are proud to have reached a record number of awards on all of our Government-Wide Acquisition Contracts (GWACs): ECS III for IT Products/Fixed-Price Services; CIO-SP3 for IT Services/Solutions; and CIO-SP3 Small Business for IT Services/Solutions with set-asides that help agencies meet their small business goals.

Rob Coen, Acting Director of the NITAAC program, wants everyone to know what a huge team effort led to this success, "Rolling out a new contract is no easy task, and distinguishing between the two CIO contracts made this even more difficult. By focusing on training, outreach and superior customer support, we not only reached our goal of educating federal employees on the benefits of GWACs...but exceeded it with a record number of awards."

NITAAC trained over 1,300 federal employees, including many here in OALM, and has had featured speakers at some 30 conferences and events. The NITAAC Support Center processed over 4,700 tickets with a one-hour turnaround, which included the review and assessment of over 200 Statements of Work with a one-day turnaround.

As the only GWAC program that supports Health IT, the awards from inception to date reflect the strength of the CIO-SP3 contracts. Total Health IT awards have reached

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

close to \$1.5 Billion, with NIH accounting for over \$300 Million, and HHS over \$335 Million.

“I am grateful for the dedication of the NITAAC staff, and the strong support of Mr. Brian Goodger and Ms. Diane Frasier as we move forward,” said Mr. Coen. “They say it takes a village to raise a child...and our NIH village is what helped the ‘newborn’ CIO GWACs succeed.” As NITAAC looks forward to 2014, it seems to be well on its way to another successful year.

NITAAC to Receive OD Equal Opportunity Award

On behalf of the NITAAC Program, Rob Coen, Acting Director, has been selected to receive the OD Equal Opportunity Award for his outstanding achievements in recruiting new employees to the NITAAC program and implementing peer-to-peer training to foster equality of opportunity within the NITAAC Program.

Dr. Francis S. Collins, Director, NIH, informed Mr. Coen of the award in a letter stating, “Congratulations on your outstanding accomplishments. Your efforts have brought exceptional recognition and distinction to both you and the NIH.”

The award will be presented at the 2013 OD Honor Awards Ceremony on Wednesday, December 4, 2013, at 1:30 p.m., in the Ruth L. Kirschstein Auditorium (Natcher Building).

News from the NIH Supply Center

The NIH Supply Center located in Gaithersburg has seen several recent changes. Several key personnel retired or departed this past summer and a few more retirements are forthcoming. The new Supply Management Branch Chief, Mr. Gary Marquez, arrived on 7 October 2013. Gary comes in from Korea where he was the Deputy Commander for the largest Army Prepositioned Stock activity within the Department of Defense with combat equipment worth over \$2.2 Billion and spread between Korea and Japan. Gary spent the last 38 years with DOD and brings with him a wealth of experience and knowledge in supply chain management, inventory management and leadership.

Also newly arrived is Ms. Kimberly Boyd who serves as the Chief of Distribution and Storage and temporarily assigned as the Chief of Inventory Management and

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

Accountable Officer is Mr. Gwen Carr. Along with several recruitment actions for key vacancies this new team hopes to bring about several changes which will improve supply support for the NIH community and improve customer relations.

The NIH Supply Center manages the warehouse complex known as the Gaithersburg Distribution Center (GDC) and the two Self Service Stores on the NIH campus. The Supply Center exists so that NIH can provide a centralized supply system by utilizing best business practices and obtaining the best price for supplies over the long term.

Among several initiatives the Supply Center will pursue in FY 14 will be to reduce the use of single, one time Purchase Orders and establish longer term Blanket Purchase Agreements (BPA) and Indefinite Delivery Indefinite Quantity (IDIQ) contract. According to Mr. Marquez, BPA and IDIQ contracts for supplies which are routinely ordered by NIH will reduce administrative processing and record keeping for purchasers and will eventually reduce the purchase costs of goods received.

The Supply Center is also leading an effort to create an NIH wide charter for a Supply Chain Advisory Group (SAG) in which we are soliciting participation by all personnel involved in the acquisition of supplies, either through the Supply Center or via other means. Key participants will be Lab Managers and Administrative Officers but hope to include personnel from all 27 Institutes. We hope to have quarterly meetings to gain supply chain management feedback about how we're doing and what we can do to improve the support we provide to our Agency customers as well as best business practices within NIH. If interested in participating, please e-mail William.Byrd@nih.gov.

We are also sponsoring a Product Showcase on December 12, 2013 in Building 10 South Lobby from 10:00 -13:00. For more information, please email William.Byrd@nih.gov.

Visit the Self Service Stores in Building 10 (B2B41) and Building 31 (B1A47), open Monday through Friday from 8:00 AM until 4:15 PM. Let us know what products you would like to see more of or less of and also what new products you think would better support your needs. Email us at nihsupplycenter@od.nih.gov or call the Customer Service Representative at (301) 496-3517. The NIH Supply Center is also an ISO-9001: 2008 compliant organization.

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

Take Advantage of NITAAC GWAC Training and Earn 2 CLP's

A NITAAC training session can show you how to award both commodity and complex IT requirements using our secure, online automated systems. Let us tell you all about it in a complimentary 90-minute training session that covers:

- How our GWACs are faster, easier and cost-competitive;
- The benefits of using NITAAC GWACs for IT products, services and solutions;
- A live demonstration of NITAACs easy-to-use online competition/ordering systems;
- How to set-aside requirements for 8(a), HUBZone, WOSB, SDVOSB and Small Business;
- NITAAC's value-added services, including free comprehensive SOW/PWS/SOO assessments.

We invite you to register for one of the training opportunities listed below. If these dates do not work, please contact us and we will gladly schedule a session in your office with your IT procurement team. Visit <https://nitaac.nih.gov/nitaac/free-training> to register, and click on the links for "Webinar", "At NIH" or "At Your Location" located in the right-hand sidebar.

Webinars

DATES: Thursday, December 19, 2012

TIME: 1:00 – 3:00PM

LOCATION: On your computer

At NIH

DATE: Tuesday, December 10, 2013

Tuesday, January 28, 2014

TIME: 1:00 – 3:00PM

LOCATION: 6001 Executive Blvd. Rockville, MD, Room A1A2

DATE: Thursday, January 9, 2014

TIME: 1:00 – 3:00PM

LOCATION: Natcher Conference Center, Bethesda, MD, Room C1/C2.

What will participants earn? Two (2) CLPs!

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

Interested? Call the NITAAC Customer Support Desk at 1-888-773-6542 or visit our website at <https://nitaac.nih.gov>.

Acquisition Training Schedule

Acquisition Training Classes can be accessed at the following

link: <http://trainingcenter.nih.gov/list.aspx?catId=1>

CON 100 Shaping Small Business Arrangements

http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9566

CON110 Mission Support Planning

http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9568

CON 237 Simplified Acquisition Procedures

http://catalog.dau.mil/onlinecatalog/courses.aspx?crs_id=32

Advanced Simplified Acquisition

http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9532

Basic Simplified Acquisition

http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9530

Federal Appropriations Law

<http://trainingcenter.nih.gov/ShowDetails.aspx?cidv=NIHTC5521-FY14>

HHS Appropriations Law

<http://hhsu.learning.hhs.gov/learning/faq.asp#after04182011>

Internal & External Requisitioner (NBS)

<http://trainingcenter.nih.gov/ShowDetails.aspx?cidv=NIHTC9516-FY14>

Price Reasonableness in Simplified Acquisitions

http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC2617

Professional Services

<http://trainingcenter.nih.gov/ShowDetails.aspx?cidv=NIHTC5512-FY14>

Purchase Card Training (NBS)

<http://trainingcenter.nih.gov/ShowDetails.aspx?cidv=NIHTC9512-FY14>

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

Negotiation Strategies for Simplified Acquisitions

<http://trainingcenter.nih.gov/ShowDetails.aspx?cidv=NIHTC5513-FY13>

NBS PCard Logs & Reconciliation (Refresher)

http://trainingcenter.nih.gov/show_details.aspx?cld=NIHTC2635

Simplified Acquisition & Delegated Procurement (NBS)

<http://trainingcenter.nih.gov/ShowDetails.aspx?cidv=NIHTC9513-FY14>

AT100 - Section 508 Electronic & IT Training - Phase II

http://training.cit.nih.gov/class_details.aspx?cld=NIHCIT-AT100

AT170 - Section 508 Training for Purchasing Agents: Purchases, VPATS & POTS

http://training.cit.nih.gov/class_details.aspx?cld=NIHCIT-AT170

AT171 – Acquisition Process – Making Sure You Are in Compliance with Section 508

http://training.cit.nih.gov/class_details.aspx?cld=NIHCIT-AT171

AT180 - Introduction to Making MS Office 2010 Documents 508 Compliant

http://training.cit.nih.gov/class_details.aspx?cld=NIHCIT-AT180

Green Purchasing Training

As a reminder, per HHS policy, all contracting officers, contract specialists, purchase cardholders, card approving officials, CORs and acquisition staff in job series 1102, 1105, and 1106 are required to take the Green Purchasing training every two calendar years. The training includes online training modules for your convenience.

Please visit the Green Purchasing webpage for further information including an application form and searchable database. It may be accessed at:

<http://oamp.od.nih.gov/Division/acp/GreenPurchasing/GreenPurchasingForWebsite.asp>. Questions? Please send to: GreenPurchasing@mail.nih.gov.

The Office of Acquisition and Logistics

Management Newsletter – November/December 2013

NIH Blanket Purchase Agreement (BPA) Lists Available Online

Lists of all NIH Blanket Purchase Agreements (BPAs) can be found at the following URL: <http://oamp.od.nih.gov/Division/SAPS/Acq/PCard/BPAProgram.asp>

This location contains Three BPA Lists:

1. Complete vendor alphabetical list;
2. Vendor list sorted by commodity; and
3. A listing of the preferred HHS Strategic Sourcing Vendors

If you have any questions or need further clarification, please contact the BPA helpline at 301-496-5212 or e-mail at BPAProgramBranch@od.nih.gov

We would like to thank all those who contributed to this issue and to future editions of the OALM Newsletter.

The OALM Newsletter will be published six (6) times in calendar year 2013. We encourage staff to submit articles that would be of interest to our readers. We will do our best to include such articles in future editions of the OALM Newsletter.

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If you have any questions or comments regarding the information, policy and/or procedures published in this issue, you may contact Barry Solomon at the e-mail address above. For future issues please contact the Simplified Acquisitions Helpline on 301-496-0400 or via e-mail at SimplifiedAcquisitionHelp@od.nih.gov and you will be referred to the appropriate editor.