



DOC Charge Card Program

APC Digest

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Agency Program Coordinators, Cardholders, Approving Officials, and Managers of Cardholders and Approving Officials shall read and understand the DOC policy ~ Commerce Acquisition Manual 1313.301

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Fraud, Waste and Abuse



The terms fraud, waste and abuse are often used interchangeably when describing unauthorized credit card activity, however it is important to note the differences:

Fraud is any act of corruption or attempt to cheat the Government or corrupt the Government's agents, including but not limited to, the use of Government charge cards to transact business that is not sanctioned, not authorized, not in one's official Government capacity, not for the purpose for which the card was issued, or not as part of official Government business.

Waste is any activity taken with respect to a government charge card that fosters, or results in unnecessary costs or other program inefficiencies.

Abuse is the use of a government charge card or convenience check to buy authorized items, but at terms (i.e. price, quantity) that are excessive, or are for a questionable government need or both.

One of the first lines of defense against credit card fraud, waste, and abuse is to know and understand federal regulations and agency policy governing the charge card. Additionally, through timely reviews of card activity and reconciliation, unauthorized charges can quickly be identified and reported.

All participants in the charge card program are responsible for preventing fraud, waste, and abuse. Cardholders should immediately contact their approving official and/or agency program coordinator if they suspect suspicious activity. If suspicious activity is not reported, cardholders and/or approving officials may be held accountable for unauthorized charges and face subsequent penalties.



Fraud, Waste and Abuse (continued)



Charge card participants should always be mindful of suspicious charge card activity. Some possible indicators of fraud, waste, and abuse are:

- ◆ Repetitive purchase from the same merchant
- ◆ Missing purchase documentation
- ◆ Failure to obtain required pre-approvals
- ◆ Split purchases
- ◆ Failure to account for items purchased
- ◆ Inconsistencies discovered during routine approval and oversight reviews

Being aware of red flags is only the first step to identifying inappropriate use and is usually not enough to determine whether or not fraud, waste, and/or abuse is occurring. Once a red flag is identified, you must evaluate the transaction(s) to determine if further action is necessary.

Suspicious charge card activity should *always* be reported. Cardholders and approving officials should report such instances to their agency program coordinators. Agency program coordinators, upon learning of suspected fraud, waste, or abuse should notify the Head of Contracting Office, Office of the Inspector General, the Department's servicing bank, and DOC supervisory channels. Immediate actions will be taken to ensure that all instances of suspected fraud, waste, and abuse are promptly investigated in an effort to protect the Government's assets.

“Free” Gifts with Purchase [Card]

Some vendors offer various “gifts” at different dollar thresholds to “reward” customers for their patronage and to retain clientele. Participants in the government purchase card program should note that utilizing a government charge card with such vendors for official government business is permitted; however accepting “free” gifts with purchase is **strongly discouraged**. Any items received as “gifts” or “rewards” for a purchase are considered government property and shall be inventoried and reported to property personnel. Government employees shall not accept any such benefits for personal use.



DOC Strategic Sourcing



The Department of Commerce continues to support the President's Campaign to Cut Waste. The goal is to identify and eliminate waste and inefficiency. The Department focused on initiatives that drive savings and create operating efficiencies; shutting down wireless zero usage lines, improving ground delivery shipping decisions, and consolidating like requirements across the Department, which have streamlined operations and have saved the Department over **\$60M** in the last four years. Part of the efforts included the creation of several strategically sourced contract vehicles, which are open to the entire Department.

The Department strongly encourages all Bureaus to leverage DOC's strategically sourced contracts. Some of the items the Department has successfully sourced are:

- ◆ *Small Package Shipping,*
- ◆ *Printers/Multi-Functional Devices (MFDs),*
- ◆ *PCs and Accessories;*
- ◆ *Adobe Licenses;*
- ◆ *Cloud Email Services;*
- ◆ *End Point Security Software; and*
- ◆ *Wireless Services.*

Orders with these contracts can be placed using purchase cards. Additional information and ordering guides are located at: <http://www.osec.doc.gov/oam/> or <https://connection.commerce.gov/instructions-and-procedures/department-commerce-strategic-sourcing>.

FSSI OS3 ...It's HERE!

GSA has awarded an IDIQ contract for the third generation Federal Strategic Sourcing Initiative for Office Supplies (FSSI OS3). All vendors are available on GSA Advantage!®. A list of the OS3 vendors, buying guides, training tutorial, and registration information can be found at GSA.gov/os3.

Below is a schedule of the upcoming training dates for FSSI OS3 webinars:

February 11, 2:00-3:00 pm: <https://interact.gsa.gov/event-registration?id=70130000001xNp3AAE>

February 25, 2:00-3:00 pm: <https://interact.gsa.gov/event-registration?id=70130000001xNp8AAE>

March 18, 2:00-3:00 pm: <https://interact.gsa.gov/event-registration?id=70130000001xQeaAAE>

April 15, 2:00-3:00 pm: <https://interact.gsa.gov/event-registration?id=70130000001xQekAAE>

May 20, 2:00-3:00 pm: <https://interact.gsa.gov/event-registration?id=70130000001xQepAAE>

June 17, 2:00-3:00 pm: <https://interact.gsa.gov/event-registration?id=70130000001xQezAAE>



A spotlight on...

DOC's Travel Card Program

The Department of Commerce Travel Card Program provides federal travelers with an efficient, convenient method to pay for travel expenses associated with **official** travel. The travel card can be used to pay for hotels, rental cars and other authorized travel expenses; it cannot be used to pay for another person's travel expenses or your own personal expenses.

Benefits of the Department of Commerce travel card include:

- ◆ Accepted worldwide
- ◆ Ability to monitor transactions and pay bill online
- ◆ Access to discount government negotiated rates
- ◆ Built-in travel insurance
- ◆ Eliminates the need for travelers to use their personal charge card
- ◆ No need to carry large sums of cash
- ◆ Improved oversight in travel spend



All travel cardholders must complete an online **GSA training course** to become familiar with the overall travel program, policies and procedures. Travelers must also certify that they have received, read, understood, and will abide by the DOC policies and procedures concerning the use of the travel card issued to them.

Travelers will then be provided access to submit an online application through the servicing bank's system. If a travel card is needed in less than 7-10 days, the traveler should contact their **APC** for a "RUSH" application, which can be delivered to the travel cardholder within 5 days.

A travel cardholder is required to pay his/her travel card account, in full, upon receipt of the travel card statement (regardless of whether the travel cardholder has been reimbursed for their voucher), but no later than 30 calendar days from the closing date on the statement in which the charge(s) appeared. **Note: Travelers are required to submit travel vouchers within five working days after the completion of travel, or every 30 days if on extended travel.**

Accounts that are 61 – 120 days past due will be suspended by the servicing bank until after payment is made. Accounts that are 121 days or more past due will be cancelled. Cards are also cancelled with an account that has been past due three times within a 12-month period, and payment checks are returned for non-sufficient funds twice within a 12-month period.

Additional information about the Department's Travel Card program can be found in the [Travel Card Handbook](#). If you have questions about the travel card program, please contact your bureau APC or the Department's Travel Management Division at 202-482-1818.



CHIP & PIN - Enabled Cards

Executive Order - *Improving the Security of Consumer Financial Transactions*, identifies crimes, including credit, debit, and other payment card fraud, which continue to be a risk to U.S. economic activity. While the U.S. Government's credit, debit, and other payment card programs already include protections against fraud, the Government must further strengthen the security of consumer data and encourage the adoption of enhanced safeguards nationwide in a manner that protects privacy and confidentiality while maintaining an efficient and innovative financial system.

Chip and PIN-enabled cards have an embedded micro-processor chip that encrypts transaction data differently for each purchase. It is inserted into a terminal where the chip is read, and a PIN number or signature is required. Under the SmartPay2 task order, beginning in fiscal year 2015, chip and PIN - enabled cards will be introduced to participating agencies.

The Department of Commerce will pilot chip and PIN-enabled technology with its servicing bank . To read more about Chip and PIN capabilities, visit: <https://smartpay.gsa.gov/about-gsa-smartpay/smartpay-saves/payment-solutions/emv>.

Contributions

APC Digest is a quarterly distribution to keep the DOC Charge Card community connected with program enhancements, policy updates, and best practices. If you have information that you would like to have incorporated in the newsletter, please send an email to PurchaseCardOversight@doc.gov.