

Reduction to Component Validation Requirements for A/OPC Monthly and SAHAR Reports
June 13, 2023

- References: (1) Defense Pricing and Contracting memorandum, “Department of Defense SmartPay® 3 Government-wide Commercial Purchase Card Oversight and Reporting – SP3 Transition Memorandum #12,” July 16, 2020
<https://www.acq.osd.mil/dpap/policy/policyvault/USA001122-20-DPC.pdf>
- (2) “Insights On Demand A/OPC Monthly/SAHAR Report Line Item Validation Using Access Online,” July 2022,
<https://www.acq.osd.mil/asda/dpc/ce/pc/training.html>

In June of 2023, the GPC Integrated Solutions Team (IST) Governance Board approved updates to Reference 1 Component validation requirements for the Agency/Organization Program Coordinator (A/OPC) Monthly and Semi-Annual Head of Activity Review (SAHAR) Reports. The revised Component reporting validation requirements are provided in Column B of Table 1. These changes are effective immediately.

Table 1: Component Validation Requirements for the A/OPC Monthly and SAHAR Reports¹

Column A: Reference 1 Component A/OPC Monthly and/or SAHAR Validation Requirements (Superseded by Column B Requirements)	Column B: Revised Component Reporting Validation Requirements
Use existing Access Online reports to complete manual report validation reviews for the A/OPC Monthly and SAHAR Reviews (16 data elements containing bank transaction data).	<ul style="list-style-type: none"> • Eliminate validation reviews for 12 of 16 data elements (Column C on Table 2). • For the 4 remaining data elements (Column D on Table 2) and any future changes made to SAHAR reporting, rely on bank reconciliations completed in accordance with Table 3. <ul style="list-style-type: none"> ○ No Component data validation required, unless the below caveat is applicable.*
Make pen and ink changes if errors are identified , to correct the report and attach a scanned version of the corrected report on the IOD messages tab.	Make pen and ink changes to correct detected report errors above the 3% Variance Tolerance (VT) only , and attach a scanned version of the corrected report on the IOD messages tab.

¹ The Table 1 Column A Component A/OPC Monthly and/or SAHAR Validation Requirements are superseded in full by Column B Revised Component Reporting Validation Requirements.

Reduction to Component Validation Requirements for A/OPC Monthly and SAHAR Reports
June 13, 2023

Column A: Reference 1 Component A/OPC Monthly and/or SAHAR Validation Requirements (Superseded by Column B Requirements) (cont)	Column B: Revised Component Reporting Validation Requirements (cont)
CPMs must ensure a consolidated list of issues/errors is captured to ensure appropriate corrective action can be taken.	CPMs must ensure a consolidated list of issues/variances <i>above the VT</i> is captured to ensure appropriate corrective action can be taken.
Notify the IOD help desk as appropriate.	Notify IOD help desk as appropriate (no policy change).

Table 2: Data Elements Containing Bank Transaction Data

***Caveat:** For any bank-completed reconciliation of items in Column D of Table 2, or future SAHAR reporting changes, the Agency Program Management Office (PMO) reserves the right to require Component(s) to validate any data element(s) outside the Integrated Solutions Team (IST)-approved Variance Tolerance (VT) of 3% for two consecutive SAHAR cycles, for an additional two SAHAR cycles.

Caveat Example: In the future, DoD updates the methodology used for Accounts with Excessive Credit Risk Exposure.

- The bank validates this data element for Fiscal Year 2025 (FY25) SAHAR Semi-Annual Period 1 (SA1) and SA2 in accordance with Table 3 requirements.
- Component X is above the approved VT for both FY25 SA1 and SA2 for this data element.
- Result: The Agency PMO determines Component X is substantially above the VT and requires Component SAHAR validation of this data element only for FY26 SA1 and SA2. Any such Component validation would be accomplished using the Reference 2 validation guide.

Column C: Eliminate Validation Review for 12 Data Elements	Column D: Rely on Bank Reconciliations for 4 Data Elements
<ol style="list-style-type: none"> 1. Dollar Value of Transactions 2. Number of Convenience Checks Written 3. Dollar Value of Convenience Checks Written 4. Number of Convenience Checks Written Equal to or Under the Convenience Check Threshold (\$5,000) [Reporting Period] 5. Number of Credit Card Accounts (excludes Convenience Check Accounts) [Reporting Period] 6. Number of Convenience Checks Over the Convenience Check Threshold (\$5,000) [Reporting Period] 7. Number of Transactions (Excluding Credits) 	<ol style="list-style-type: none"> 1. Number of Purchase Card/Convenience Check Accounts with Single Purchase Limits over the Micro Purchase Threshold [Reporting Period] (Implemented 6/20/2022) 2. Number of Disputed Transactions (Implemented 9/20/2022) 3. Dollar Value of Disputed Transactions (Implemented 9/20/2022) 4. Number of Convenience Check Accounts (excludes Credit Card Accounts) [Reporting Period] (Implemented 6/20/2022)

Reduction to Component Validation Requirements for A/OPC Monthly and SAHAR Reports
June 13, 2023

Column C: Eliminate Validation Review for 12 Data Elements	Column D: Rely on Bank Reconciliations for 4 Data Elements
<p>8. Span of Control Policy Exceptions – Accounts to a Managing Account (Number of Accounts over 7:1) [Reporting Period]</p> <p>9. Activity Span of Control Exceptions – Accounts and Managing Accounts to an A/OPC (Number of Accounts over 250:1) [Reporting Period]</p> <p>10. Number of Accounts with Excessive Credit Risk Exposure [Reporting Period]</p> <p>11. Number of Cards That Have Been Inactive for Six Cycles or Have Never Been Used [Reporting Period]</p> <p>12. Number of Transactions Without Electronic Authorizations [Reporting Period]</p>	

Table 3: Additional DoD SAHAR Report Validation Compensating Controls

- In FY22, the Bank began validating the data elements in Reference 2 for three Components' data (one Service and two ODAs) each SA cycle. The Agency PMO completes reviews of the Bank's validation efforts.
- To ensure continued data reliability and enable to IST to consider/approve this roll-back of Component validation efforts, the Bank recently revised its reconciliation process beginning with the FY2023 SA1 cycle such that:
 - **It will reconcile all three Services plus two Defense Agencies for each SAHAR period through the end of FY24.**
 - **It will provide the reconciliation results to Contracting eBusiness (CeB) each SAHAR period, along with any supporting analysis as requested through the end of FY24.**
 - **If changes are made to the SAHAR reporting, the Bank will complete and provide CeB with the reconciliation for two SAHAR periods after the change is placed into production and furnish any requested supporting analysis.**