# Governmentwide Commercial Purchase Card Policies and Directives

OUSD(A&S) / DPC / CeB

2022 GSA SmartPay Virtual Training Forum
August 3, 2022
Presenters: Ms. Denise Reich and Ms. Sheila McGlynn

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<th>Course</th>
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<tbody>
<tr>
<td>DoD Purchase Card Program Update</td>
<td>9:30 – 10:40</td>
<td>N/A</td>
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<td>DoD GPC Policies and Directives</td>
<td>11:00 – 12:10</td>
<td>N/A</td>
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<td>DoD GPC Electronic Systems Update</td>
<td>8:00 – 9:10, 12:30 – 1:40</td>
<td>8:00 – 9:10</td>
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</tbody>
</table>
Agenda

- Defense Pricing and Contracting (DPC) Governmentwide Commercial Purchase Card (GPC) Website Changes / Training
- DoD SmartPay® 3 (SP3) GPC Governance Update
- DoD Governmentwide Commercial Purchase Card Program Policy
- DoD SP3 Policies and Procedures
- DPC SP3 Tools
- DoD SP3 Oversight
- What’s On the Horizon
- Questions
- Backup
  - Systems Website Page
  - SP3 Transition Information Website Page
  - Confirmation Bias
  - eCommerce Platforms Pilot – Risk and Policy
Defense Pricing and Contracting
Governmentwide Commercial Purchase Card
Website Changes / Training
DPC GPC Website

• Access the newly redesigned DPC GPC website at https://www.acq.osd.mil/asda/dpc/ce/index.html
• Fresh look for Acquisition & Sustainment websites – modern navigation – great resources

From the DPC - CeB webpage, select:

1) “Purchase Cards” to display the Purchase Cards webpage.

From the Purchase Cards webpage, select:

2) “Policy Docs & Guides” to see DoD GPC Program Policy, the 2022 DoD GPC Charge Card Management Plan, and Related Documents

3) “Training” to see DAU GPC Courses, Training & Requirements, DoD-level GPC Policy Available/Recommended Training, and GPC Program One-Pagers
New One-Pagers

- DPC is pleased to announce that several new one-pagers have been published since the 2021 General Services Administration (GSA) SmartPay Virtual Training Forum:
  - 3OP030, PIEE SSO for Access Online
  - 3OP035, Registration for the GPC Support View-Only Role
  - 3OP036 Using the PIEE Task Queue in Access Online
  - 3OP037 Role-Based Access to GPC Systems
- Find them on the DPC website at: https://www.acq.osd.mil/asda/dpc/ce/pc/training.html
DoD SP3 GPC Governance Update
Purpose of the Integrated Solutions Team (IST):

- GPC IST Governance Board is composed of representatives from DPC / CeB, the Services, and Defense Agencies (DAs)
- Supported by the Bank Team – U.S. Bank (card-issuing bank), Mastercard (card association), and Oversight Systems (Data Mining (DM) vendor)
- Typically meets semi-annually to review trends, identify and approve any adjustments to the Bank Team’s electronic capabilities, DoD’s GPC enterprise tools, DoD GPC policies, and changes to DM rules.

IST focus during first 3+ years of SP3:

Based on a compelling need, the IST focused on making decisions to minimize DM reviews of low-risk transactions by adjusting DM rules/parameters based on transaction risk and introducing artificial intelligence.

- Decreased Flagging Rate (dispositioning fewer, primarily high-risk cases)
- Increased True Positive Rate (TPR) (percent of cases where the reviewer found program non-compliances)
- Mitigated Confirmation Bias (tendency to assume that virtually all cases reviewed are compliant)
Where We’ve been and Where We’re are Headed

Progress in FY22

- Implemented the ability for Agency/Organization Program Coordinators (A/OPCs) to manually re-open auto closed cases DM cases (January 2022)
- Implemented a DM floor where the System assigns at least 3% of total cases / Component / Cycle at random to ensure an adequate number of cases are reviewed (May 2021)

Direction

- Currently working with the IST to identify updates to the DM questionnaire
- Employee-centric learning will be enabled soon
- Pursuing “quick fixes” in systems to improve the user experience
- Continue to use scheduled training events for new users / users changing roles in the program
IOD* - Improvement to True Positive Rate Across DoD

We see tremendous progress resulting from IST-approved updates to DM rules and processes to ensure only high-risk cases are adjudicated, plus the Agency Program Management Office’s (PMO) active management and oversight. Low-risk, low-TPR transactions continue to be automatically screened.

The increased FY21 TPR means that when closing cases, twice as often people are finding program non-compliance as they did in FY20.

This fine-tuning has resulted in a more efficient process with higher risk cases being adjudicated, and improved engagement and understanding over time. This engagement and understanding should lead to improved Cardholder (CH) behavior resulting in more compliant and audit-ready card programs, even better future statistics, and continued reduced workload.

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**IOD: Insights on Demand**  **SAHAR: Semi-Annual Head of Activity Review**

<table>
<thead>
<tr>
<th>SAHAR** Cycle</th>
<th>Transactions</th>
<th>DM Cases (Excludes Auto Closed)</th>
<th>DM Auto Closed Cases</th>
<th>Flagging Rate (Excludes Auto Closed)</th>
<th>Cases Closed with No Determinations</th>
<th>Cases Closed with Determinations</th>
<th>True Positive Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>SA2 FY20 (6 months)</td>
<td>2,037,749</td>
<td>235,180</td>
<td>121,906</td>
<td>12%</td>
<td>222,330</td>
<td>12,850</td>
<td>5.46%</td>
</tr>
<tr>
<td>SA1 FY21 &amp; SA2 FY21 (12 months)</td>
<td>3,495,807</td>
<td>195,928</td>
<td>291,207</td>
<td>6%</td>
<td>174,753</td>
<td>21,175</td>
<td>10.81%</td>
</tr>
</tbody>
</table>
Proposed Changes to DM Transaction Review Questionnaire

DPC is working through proposed changes to the DM Transaction Review Questionnaire with the IST; votes will be taken to obtain IST approval.

- Adding two new findings:
  - *Cyber Security Non-compliance* - to increase awareness of cyber-security risks and promote compliance, decreasing DoD supply chain risk
  - *Emergency-Type Operations (ETO) Non-compliance*

- Adding information to improve the quality of case reviews and increase the accuracy and consistency of findings and determinations

- Updating associated reports and dashboards to capture cyber-security and ETO non-compliance
DoD Governmentwide Commercial Purchase Card Program Policy
DoD GPC Program Policy

- Forthcoming new GPC-unique guidebook entitled *DoD Governmentwide Commercial Purchase Card Program Policy (DoD GPC Program Policy)*
- Targeting release in Calendar Year 2022 (CY22)
- Goal is to help GPC program participants establish, manage, operate, and oversee DoD GPC programs
- Will incorporate and codify all DPC GPC policy memoranda released since the last issuance, plus best practices
- Other programs, such as the Defense Travel Management Office’s Government Travel Charge Card and the Defense Logistics Agency (DLA) Energy’s Government Fuel Card Program, have their own separate policies and instructions
DoD GPC Program Policy – Best Practices

✓ Acquisition Team
  ▶ The DoD GPC program is comprised of participants at all levels, representing a range of acquisition functions. It is critical that Components ensure the active participation of all Acquisition Team members in GPC policy issuance, compliance monitoring, and business process reengineering.

✓ Increasingly Complex GPC Program
  ▶ The GPC Program has become significantly more complex and has moved beyond micro-purchasing, requiring a strong Acquisition Team.
  ▶ When Component policies authorize Special Designations and the Joint Appoint Module (JAM) is used to issue appointments, certain Special Designations will result in issuance of a limited warrant to the GPC program participant.
  ▶ Heads of Activity (HAs) need to understand that GPC program participants who are issued warrants are using contract authority to make large, complex purchases. HAs need to know who those warrants are issued to and who is issuing warrants on their behalf. They also need to ensure appropriate policies and controls are in place, and that program oversight is sufficient to the task at hand.
DoD GPC Program Policy – Best Practices (cont.)

✓ Consider Using Contracting Professionals

- HAs with complex GPC programs should rely on the expertise of contracting professionals who have contracting certification levels commensurate with program complexity.
- Components that authorize complex actions using the GPC should apply discretion so that resourcing decisions are commensurate with program complexity.

✓ Staffing Ratios

- The HA should consider the number of staff needed and the required training.* Span of control ratios are established, but when sufficient compensating controls are in place, Component Program Managers (CPMs) have the flexibility to override them on a case-by-case basis.**

*See DPC GPC SP3 Transition Memo #10, dated 06/28/2019 for more information related to requirements for training, component-level policies & procedures for use, and internal controls/oversight procedures to mitigate risks associated with CH Special Designation Authority Types other than micro-purchase authorities.

**For more information on staffing ratios, refer to Span of Control slides, and DPC GPC memo “Update to Governmentwide Commercial Purchase Card Span of Control Policy” dated 12/20/21. Both memos are at: https://www.acq.osd.mil/asda/dpc/ce/p/pc/docs-guides.html.
Staffing Ratios (continued)

- Ensure the CPM, Oversight Agency/Organization Program Coordinator (OA/OPC), and/or A/OPC are hired at a grade/rank that is commensurate with their responsibilities and that they have the proper motivation, skill set (including judgment and training), and leadership qualities.
  - Procurement authority can only be delegated by someone certified as an Acquisition Professional.

- Assign the A/OPC and alternate A/OPC as a full-time position where warranted, considering the number of accounts and the span of control under their range of authority. Alternate A/OPCs must also be appointed. Consult the “Update to Governmentwide Commercial Purchase Card Span of Control Policy” on the DPC website: https://www.acq.osd.mil/asda/dpc/ce/pc/docs-guides.html.
DoD SP3 Policies and Procedures
Span of Control Memorandum
Dated December 20, 2021
Span of Control Memorandum

- DPC Span of Control memorandum signed December 20, 2021, updated GPC span of control policy requirements in accordance with recommendations from the GPC Span of Control Working Group, and approval by the IST.

- Span of control updates were deemed necessary because of changing program dynamics and increased oversight burdens placed on GPC oversight personnel over time.
  - As the micro-purchase threshold has increased, along with the average dollar value and types and complexity of the GPC supplies and services being purchased, additional oversight has been required.
  - Oversight officials have been required to fulfill additional duties related to statutory and regulatory requirements in the Federal Acquisition Regulation (FAR), Defense FAR Supplement (DFARS), and DoD GPC Procedures, Guidance, and Information, including complying with FY 2019 National Defense Authorization Act Section 889(a)(1) requirements.
Span of Control Memorandum (cont.)

<table>
<thead>
<tr>
<th>Span of Control</th>
<th>Change From*</th>
<th>Change To</th>
</tr>
</thead>
<tbody>
<tr>
<td>The number of Cardholder (CH) accounts assigned to a Managing Account (assigned to AO/BO) shall not be more than…</td>
<td>8a. 7 CH Accounts</td>
<td>No change</td>
</tr>
<tr>
<td>An individual may not be assigned more than…</td>
<td>8b. 3 CH Accounts</td>
<td>No change</td>
</tr>
<tr>
<td>An A/OPC shall not be responsible for more than…</td>
<td>8c. 300 GPC Accounts (CH and Managing Accounts combined)</td>
<td>8c. 250 GPC Accounts (CH and Managing Accounts combined.) This ratio will be reevaluated biennially. 8d. The CPM has authority to approve deviation from these ratios on a case-by-case basis provided that the organization has sufficient local oversight and compensating controls in place.</td>
</tr>
</tbody>
</table>

- For the ratios in 8a and 8c, compensating controls include, at a minimum, briefing the cognizant HAs on the deviation(s) and any related impacts, during all subsequent SAHAR Report briefing(s) in which the deviation(s) remain in place.
- For the ratio in paragraph 8b, as the SAHAR does not report on the number of CH Accounts assigned to an individual, other compensating controls would need to be in place for any deviation(s) the CPM approves.

*DoD Charge Card Guidebook, Appendix K, Internal Management Controls for the GPC Program, Paragraphs 8.a – 8.c*
Purchase Log Policies, and Policy Non-compliance Issues
Purchase Log Requirements

DoD and Component GPC policy mandate use of U.S. Bank’s Access Online Purchase Log and Electronic Attachments capabilities.*

- DoD GPC policy further mandates Purchase Log entries to document 889 compliance and ETO** (commonly referred to as “contingency operations”) transactions.
  - Access Online data reveals significant compliance issues.
  - Recent and pending Access Online enhancements will be leveraged to improve data quality.

- To improve the quality of data in the Purchase Log, DPC is working on a mandatory Purchase Log data standard to support consistent Department-wide reporting, data integrity, and auditability.

- Agencies need to have policies in place that ensure they can identify which GPC transactions were made in support of ETOs and put appropriate compensating controls in place to address increased fraud risk.

*See DPC GPC SP3 Transition Memo #6 for GPC Purchase Log and e-attachment requirements.

**These slides only address Component compliance with 889 and ETO Purchase Log policy requirements. They do not address compliance with Section 889(a)(1) requirements. See FAR 4.21 and DPC memo “GPC Guidance related to Implementation of the Section 889(a)(1)(B) Prohibition on Contracting with Entities Using Certain Telecommunications and Video Surveillance Services or Equipment” for further guidance. They also do not address compliance with non-Purchase Log ETO requirements. See DPC memos for DoD GPC guidance on COVID-19 dated 04/02/20 and for DoD GPC guidance related to recording transactions involving National Interest Action codes and Emergency Acquisition Authorities dated 12/09/20. “Applicable Operations” as defined in the National Interest Action codes memo is synonymous with the term “ETO,” defined in subsequent slides. Memos at: https://www.acq.osd.mil/asda/dpc/ce/pc/docs-guides.html
### Purchase Log Data

#### 889 – All Services/Defense Agencies with 889 Transactions - FY2021

<table>
<thead>
<tr>
<th>889 Tracking</th>
<th>FY2021Q1</th>
<th>FY2021Q2</th>
<th>FY2021Q3</th>
<th>FY2021Q4</th>
<th>FY2021 Total 889</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Transactions</td>
<td>Spend</td>
<td>Transactions</td>
<td>Spend</td>
<td>Transactions</td>
</tr>
<tr>
<td>ARMY</td>
<td>94,422</td>
<td>94,521,068</td>
<td>127,215</td>
<td>128,582,836</td>
<td>132,075</td>
</tr>
<tr>
<td>DAF</td>
<td>56,521</td>
<td>57,359,110</td>
<td>72,000</td>
<td>75,100,607</td>
<td>67,065</td>
</tr>
<tr>
<td>NAVY</td>
<td>59,631</td>
<td>98,860,694</td>
<td>102,875</td>
<td>156,504,355</td>
<td>99,284</td>
</tr>
<tr>
<td>DHA (97001)</td>
<td>1,933</td>
<td>1,750,588</td>
<td>5,021</td>
<td>4,421,050</td>
<td>8,403</td>
</tr>
<tr>
<td>DFAS (97005)</td>
<td>780</td>
<td>953,188</td>
<td>759</td>
<td>812,668</td>
<td>806</td>
</tr>
<tr>
<td>USUHS (97007)</td>
<td>617</td>
<td>840,489</td>
<td>1,741</td>
<td>1,993,386</td>
<td>1,808</td>
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<tr>
<td>MDA (97009)</td>
<td>290</td>
<td>421,669</td>
<td>311</td>
<td>467,806</td>
<td>307</td>
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<tr>
<td>CYBR (97014)</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>382</td>
<td>7</td>
</tr>
<tr>
<td>NGA (97018)</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>39</td>
<td>0</td>
</tr>
<tr>
<td>WHS (97020)</td>
<td>1,323</td>
<td>1,286,400</td>
<td>2,193</td>
<td>2,581,023</td>
<td>2,488</td>
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<td>DISA (97021)</td>
<td>505</td>
<td>641,525</td>
<td>1,122</td>
<td>1,660,278</td>
<td>956</td>
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<tr>
<td>DoD/DODCA (97026)</td>
<td>197</td>
<td>205,017</td>
<td>449</td>
<td>510,912</td>
<td>360</td>
</tr>
<tr>
<td>IGPLUS (97027)</td>
<td>4</td>
<td>53,542</td>
<td>10</td>
<td>109,963</td>
<td>25</td>
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<tr>
<td>SOCOM (97035)</td>
<td>38</td>
<td>67,767</td>
<td>132</td>
<td>206,575</td>
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<td>USA (97046)</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>5,503</td>
<td>8</td>
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<td>DeCAP (97047)</td>
<td>0</td>
<td>0</td>
<td>54</td>
<td>250,394</td>
<td>548</td>
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<td>DoD/BUPA (97050)</td>
<td>672</td>
<td>694,875</td>
<td>1,366</td>
<td>1,743,580</td>
<td>1,354</td>
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<tr>
<td>DLA (97051)</td>
<td>4,168</td>
<td>3,983,504</td>
<td>4,056</td>
<td>4,390,361</td>
<td>4,594</td>
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<td>DCMA (97052)</td>
<td>950</td>
<td>207,119</td>
<td>1,269</td>
<td>360,518</td>
<td>1,092</td>
</tr>
<tr>
<td>DOD (97065)</td>
<td>1</td>
<td>691</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>DHR (97070)</td>
<td>273</td>
<td>307,971</td>
<td>330</td>
<td>411,741</td>
<td>308</td>
</tr>
<tr>
<td>DTRA (97080)</td>
<td>64</td>
<td>132,679</td>
<td>177</td>
<td>327,190</td>
<td>226</td>
</tr>
<tr>
<td>DMEA (97090)</td>
<td>58</td>
<td>82,978</td>
<td>101</td>
<td>113,912</td>
<td>128</td>
</tr>
</tbody>
</table>

### Requirement:
- CHs required to enter appropriate 889 entry in Purchase Log for 100% of transactions.

### Observations:
- Data shows rampant policy non-compliance: DoD GPC programs spent $5.02B in FY21. Only 30%, or $1.52B, had 889 designations.
- Incorrect recording makes tracking difficult (e.g., ‘Merch Rep’ instead of ‘889 Merch Rep’).
Purchase Log 889 Requirements and Recommendations for Improved Compliance

• For 100% of transactions:
  – CH must enter appropriate 889 designation in the Purchase Log
  – Approving/Billing Officials (A/BOs) validate sufficiency of Purchase Log entries when reconciling

• During DM case dispositioning, for cases without 889 Purchase Log entries use “Incomplete Purchase Records” finding when completing DM Case Questionnaire.
  – As indicated in previous slides, DPC is working with the IST to overhaul and implement comprehensive updates to the DM Questionnaire (CI-193).
    • CI-193 will add 889 Purchase Log non-compliance as an example of incomplete purchase records.
    • It will also create a new finding for cyber security noncompliance.
GPC Interim-Use Prohibition When Contracts Contain FAR Clause 52.229-12, Tax On Certain Foreign Procurements (GPC 2021-2); and Tandem Class Deviation Memos Dated November 5, 2021
GPC Interim Use Prohibition When Contracts Contain FAR 52.229-12, Tax on Certain Foreign Procurements (GPC 2021-2)

• **GPC CHs** are prohibited from using the GPC as a method of payment or purchase when a contract instrument contains FAR clause 52.229-12, “Tax on Certain Foreign Procurements,” because:
  – In certain circumstances, the Government must withhold a 2% excise tax on foreign payments to vendors to comply with the FAR and Internal Revenue Service regulations, and
  – The GPC does not provide a method to accomplish this withholding.

• **This prohibition does not apply to micro-purchasing.**
  – It generally only applies above the simplified acquisition threshold when using the GPC as a method of contract purchase/payment.
Class Deviation--Prohibition on Use of the Governmentwide Commercial Purchase Card for Certain Contracts

• Effective immediately, **Contracting Officers** shall not authorize use of the GPC to place a task or delivery order or to make a payment against a contract that contains FAR Clause 52.229-12, Tax on Certain Foreign Procurements.
• FAR Clause 52.229-12 requires the Government to withhold an excise tax on payments under certain foreign procurements to comply with 26 U.S.C. 5000C.
• This class deviation remains in effect until it is incorporated into the DFARS or is otherwise rescinded.

The Defense Acquisition Regulatory Council (DARC) is drafting a proposed rule related to this class deviation (DARC Case 2021-D029). When finalized, it will be published in the Federal Register for public comment. See: [https://www.acq.osd.mil/dpap/dars/opencases/dfarscasenum/dfars.pdf](https://www.acq.osd.mil/dpap/dars/opencases/dfarscasenum/dfars.pdf) for a status of the case.
SP3 Transition Memorandum #13
GPC Program Use of Procurement Integrated Enterprise Environment (PIEE) Single Sign On (SSO) and Task Queue
Dated September 20, 2021
Established December 31, 2021, deadline for:

- All DoD GPC program participants to use PIEE SSO capability to log into U.S. Bank’s (Bank) Access Online, and
- A/OPCs to use their PIEE Task Queue (PTQ) in Access Online to link JAM appointments to Access Online user identification profiles, Managing, and Card Accounts.

CPMs are responsible for ensuring compliance with these requirements. To promote compliance, DPC has been providing monthly Bank-generated SSO and multi-factor authentication (MFA) statistics to CPMs.

Agencies previously granted waivers from use of PIEE are not required to take any action in response to this memo.

See SP3 Transition Memo #13 for a full list of benefits associated with SSO and PTQ functionality.
### SSO Roll-Out by Organization

#### Pilot – 3/7/22
- Pilot implemented for DLA and DMEA. Deactivated Bank MFA, user ID, and password to support 100% use of PIEE SSO.
- No issues and no requests/need to return to User ID and password access.
  - Recommend ensuring all users successfully log in via PIEE SSO at least once before moving to 100% PIEE SSO.

#### Roll-out in Waves
- 1st: 4/11/22 - DISA, DCMA, DoDIG, USUHS, and WHS
- 2nd: 4/25/22 - DECA, DFAS, DHRA, DMA, MDA, and DTRA
- 3rd: 5/2/22 - DAF
- 4th: 6/6/22 - DoDEA
- 5th: 7/11/22 - DHA

#### To be Scheduled
- Army and DON
PTQ Issue and Next Steps to Resolve

• The PTQ is designed to link JAM appointments to Access Online user ID profiles and accounts so that GPC oversight personnel can act on the appointments.
• However, many GPC oversight personnel are unable to act on appointments because the PTQ is not functioning properly.
• This lack of PTQ access is generally attributable to Components where:
  — OA/OPCs and A/OPCs function under a completely different HL 3 than A/BOs and CHs.
  — A/OPCs do not perform their work for the same role location DoD Activity Address Code (DoDAAC) as the A/BO or CH.

If your Component is not experiencing this issue, it should be fully using the PTQ.
• If your Component is impacted:
  — The PMO is working with the Bank and GSA Contracting Officer on a long-term solution.
  — In the near-term:
    • For smaller Components, the CPM can take action on all appointments.
    • For larger Components, you can appoint additional high-level OA/OPCs to manage the PTQ. These appointments would not delegate additional JAM authority and would only be used to provide appropriate access in the PTQ. You should have a process in place to remove this access when the PTQ issue is fixed.
General Services Administration’s Commercial Platforms Proof of Concept
Commercial Platforms Proof of Concept

• GSA launched its Commercial Platforms Proof of Concept (CPPC), as authorized by Section 846 of the 2018 National Defense Authorization Act, for SmartPay purchase CHs as a managed channel for open-market purchases through select e-marketplace platforms.

• GSA’s no-cost CPPC contracts to Amazon Business, Fisher Scientific™, and Overstock.com®, Inc., provide CHs with a Government-wide approach with standardized terms and conditions, cost and time savings, and business-to-business features.

• Any DoD component interested in participating would need to obtain CeB approval in advance.

  – Special Operations Command and Defense Health Agency requested and received CeB approval to participate in the CPPC, conditioned on submission of reports to DPC regarding CPPC GPC purchasing benefits and limitations:
    • Reports will enable DPC to better assess possible broader DoD participation.
    • CeB will share pilot participants’ feedback during a CPM meeting.
Commercial Platforms Proof of Concept (cont.)

• To learn more, attend GSA’s sessions.

<table>
<thead>
<tr>
<th>Course</th>
<th>August 3</th>
<th>August 4</th>
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<tbody>
<tr>
<td>GSA Commercial Platforms: Implementing a Managed Purchasing Channel for Open-Market Product Spend</td>
<td>2:00-3:10</td>
<td>9:30-10:40</td>
</tr>
</tbody>
</table>

• If you would like to participate in the CPPC, please contact us at DoD GPC Shared Mailbox at dodpcpo@sterlingheritage.com with the subject “CPPC Pilot.” DPC approval is required in advance of participation.

• Note: Backup slide addresses third-party payment processor risks and guidance, and why these do not apply to GSA’s CPPC.
DPC SP3® Tools
PIEE and JAM
JAM Improvements (PIEE Release 6.11)

• Deployed on February 18, 2022
• Usability Focused
  - Streamlined Workflows
  - Improved Communications
  - Improved Internal Controls
  - Increased Flexibility
## Enhancement Summary

| Streamlined Workflows | Removed Supervisors from nomination workflows because they previously consented when they approved the user's PIEE role  
| | • Supervisors notified upon appointment activation |
| Improved Communications | Added automatic email notification that the Government Administrator (GAM) rejected a role to the individual who initiated the following appointments:  
| | • A/BO  
| | • Certifying Officer  
| | • COMBO |
| Improved Internal Controls | Added capability for OA/OPCs, A/OPCs, Appointee, and Admin users to send emails to Certifying Officer Appointing Authorities (AA) when they have Appointments pending their signature  
| | • This reminder is generated from the PIEE JAM Manage Nominations Section |
| Improved Internal Controls | Updated JAM to consider “AA,” “AE,” and “AP” in the Appointee’s address state field as international addresses, even if the entry for country is U.S.A.  
| | • This enables delegation of the higher ETO micro-purchase thresholds (MPTs) to individuals with Army Post Office (APO) and Fleet Post Office (FPO) addresses located outside the U.S. |
Enhancement Summary (cont.)

<table>
<thead>
<tr>
<th>Increased Flexibility</th>
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</thead>
<tbody>
<tr>
<td>Added ability for Appointment Initiator, Individuals within the appointment span of control, and Admin Users to update the Delegating Appointing Authority (DAA) / Delegation Authority Signatories (DAS) initially identified on in-process appointments</td>
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<tr>
<td>• This can be done after initiation but before it is signed</td>
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<tr>
<td>Added ability for A/OPCs within the appointment span of control and OA/OPCs within the appointment span of control to recommend termination of Certifying Officer Appointments</td>
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<tr>
<td>• Allows them to select a different AA and add notes to the request</td>
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<tr>
<td>Added ability for A/OPCs and OA/OPCs within the appointment span of control and Admin Users to resend Appointments to the Bank</td>
</tr>
<tr>
<td>Added ability for A/OPCs without delegation authority within the appointment span of control and OA/OPCs without delegation authority within the appointment span of control to terminate CH and A/BO appointments</td>
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<tr>
<td>Expanded the time periods for which training can be required to include 3, 4, and 5 years</td>
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</tbody>
</table>
How to Share Your Improvement Ideas

Change to Emergency-Type Operations
JAM Emergency-Type Operations Memo

• Memo issued on May 24, 2022
• Defines “Emergency-type Operations” (ETO) as:
  - Contingency Operations as defined in FAR 2.101
  - Operations to facilitate the defense against or recovery from Cyber, Nuclear, Biological, Chemical, or Radiological Attack against the United States (FAR 18.001)
  - Operations in support of a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate the provision of International Disaster Assistance (FAR 18.001)
  - Operations to support response to an Emergency or Major Disaster (as those terms are defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq, and FAR 26.2)
  - Humanitarian or Peacekeeping Operation (10 U.S.C. 2302(8) and FAR 2.101)
    • For Humanitarian and Peacekeeping Operations, the MPT does not change and the Simplified Acquisition Threshold is only raised to $500,000
JAM Appointment ETO Changes

• PIEE Capability deployed on March 27, 2022

<table>
<thead>
<tr>
<th>Former CH Special Designation</th>
<th>New CH Special Designation</th>
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<tbody>
<tr>
<td>Micro-Purchase Contingency Contracting CH</td>
<td>Micro-Purchase ETO CH / Check Writer</td>
</tr>
<tr>
<td>Warranted Contingency Contracting CH</td>
<td>Warranted Overseas ETO CH</td>
</tr>
</tbody>
</table>

• An administrative addendum was added to CH appointments including these two special designations to:
  - Update the Special Designation name
  - State that no additional authority was conveyed

• An administrative addendum was added to OA/OPC with delegating authority and A/OPC with delegating authority appointments that included these two renamed CH special designations to:
  - Update the Special Designation name
  - State that no additional authority was conveyed

• Addendums will be removed if / when any change is made that requires the appointee to countersign their appointment
PIEE –
Defense Enrollment Eligibility Reporting System (DEERS) Interface
PIEE – DEERS Interface

PIEE User Archive Notifications Sent*

User has not logged in to PIEE for 90 days or GAM Manually Archives Roles

* Nine Notifications are Sent Beginning Two Weeks in Advance

CURRENT

PIEE Archives User Accounts

Notifications Sent to User, GAM & Supervisor

JAM AUTOMATED APPOINTMENT CLEAN UP CAPABILITY

JAM Appointment Terminated after X days

Termination Sent to Access Online PTQ

A/OPC Takes Appropriate Action

DEERS Notification (Left Service or Left Organization)

PIEE - DEERS CAPABILITY
JAM Automated Appointment Clean Up

Re-deployment planned for August 2022

- PIEE automatically archives PIEE user accounts when a user has not logged into PIEE for 90 days
- Email notifications sent to GAM, Supervisor, Alternate Supervisor, and User
- JAM auto-terminates archived appointments a “specified number” of days after an account is terminated
- Auto-terminations flow to Access Online and are available to the A/OPC, OA/OPC, and CPM for action via the PTQ
- Restores lost functionality from Smart Pay® 2
PIEE – DEERS Interface

• Deployment expected FY23-Q1
• Automatic Archiving of PIEE Accounts immediately upon DEERS notification that a user has left Government service or changed organizations
• Usability
  - For new PIEE accounts, available DEERS data auto-populates PIEE profile data
  - For existing accounts, DEERS data overwrites inconsistent PIEE profile data (e.g., name, email)

Taken together, the initiatives to roll-out SSO, address the PTQ issue, and implement auto-termination of appointments in DEERS make the GPC Program run better, meet statutory requirements around internal controls, and implement the provisions in SP3 Transition Memo #13, dated 09/20/21.
Other PIEE Enhancements
Other PIEE Enhancements

• Enhancements were deployed to streamline the PIEE Account Reactivation process
  – In a single workflow, a user can request reactivation of archived roles and/or addition of new roles
• GAMs can tailor their account notifications to areas of responsibility
• PIEE / FedMall SSO was deployed
  – The FedMall icon was enabled for all JAM appointed CHs
  – Existing FedMall users’ information was migrated
  – PIEE data is used to streamline FedMall Account Set Up for new users
• The JAM Detailed GPC Appointment Status Report was enhanced
  – The ability to search by nominator’s Location/Group was added
SAHAR Enhancements
GPC Oversight Reporting Enhancements

- Monthly A/OPC and SAHAR Reports have been updated to auto-populate prior period data:
  - Reduces manual efforts and promotes data accuracy
- In early FY23 the following fields will also auto-populate:
  - Number of Disputed Transactions and Dollar Value of Disputed Transactions (line #6)
  - Number of Convenience Check Accounts (line #30)
  - Number of Purchase Card Accounts with Single Purchase Limits over the Micro Purchase Threshold ($10,000) (line #32)
- The following questions to be removed from the Checklist:
  - How many transactions were disputed during the reporting period?
  - What was the dollar value of the disputed transactions?
  - How many Convenience Check Accounts exist in your program?
  - Number of Purchase Card Accounts with Single Purchase Limits over the Micro Purchase Threshold ($10,000)
DoD SP3® Oversight
## Monthly A/OPC Reviews and SAHAR Schedule

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<tbody>
<tr>
<td>Monthly A/OPC Review 3 (December 2021 cycle)</td>
<td>11/20/2021</td>
<td>12/19/2021</td>
<td>12/20/2021</td>
<td>1/18/2022</td>
<td>1/28/2022</td>
<td>2/7/2022</td>
<td>2/14/2022</td>
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<tr>
<td>Monthly A/OPC Review 9 (June 2022 cycle)</td>
<td>5/20/2022</td>
<td>6/19/2022</td>
<td>6/21/2022</td>
<td>7/19/2022</td>
<td>7/29/2022</td>
<td>8/8/2022</td>
<td>8/15/2022</td>
<td>-</td>
</tr>
<tr>
<td>Monthly A/OPC Review 10 (July 2022 cycle)</td>
<td>6/20/2022</td>
<td>7/19/2022</td>
<td>7/20/2022</td>
<td>8/18/2022</td>
<td>8/29/2022</td>
<td>9/7/2022</td>
<td>9/12/2022</td>
<td>-</td>
</tr>
<tr>
<td>Monthly A/OPC Review 11 (August 2022 cycle)</td>
<td>7/20/2022</td>
<td>8/19/2022</td>
<td>8/22/2022</td>
<td>9/19/2022</td>
<td>9/28/2022</td>
<td>10/7/2022</td>
<td>10/13/2022</td>
<td>-</td>
</tr>
<tr>
<td>Monthly A/OPC Review 12 (September 2022 cycle)</td>
<td>8/20/2022</td>
<td>9/19/2022</td>
<td>9/20/2022</td>
<td>10/19/2022</td>
<td>10/28/2022</td>
<td>11/8/2022</td>
<td>11/14/2022</td>
<td>-</td>
</tr>
</tbody>
</table>

*Due soon*
This Guide lays out the data sources and calculation method for each field. It also tells users what source to use to validate each field.
Best Practice from a SAHAR Submission

The detailed notes show the CPM is tracking important metrics and internal controls related to refunds, delinquencies, and number of folks in each role and whether they are trained, even though this information does not auto-populate.

Notes:
This section documents observations at the Managing Account level and/or any noteworthy program successes, issues, or trends

For item 4, refunds were $___ for 3rd quarter; 4th quarter $___
For item 5, ___ has no delinquency.
For item 21, there is one HA in our program.
For item 22, one; per DPC, training is being developed.
For item 23, there are 2 APCs.
For item 24, both have been trained.
For item 25, there are 27 Billing Officials (BO) as of 10/28.
For item 26, all have been trained.
For item 30, there are 2 convenience check accounts.
For item 32, there are no micropurchase cards with a limit higher than $10,000; there are training/ payment cards with higher SPLs.
For item 36, as of October 2021, one managing account is in the process of appointing a primary Billing Official.
What’s On the Horizon
Treasury Financial Manual Update
Intra-governmental Card Transaction
Limit Decrease
Intra-governmental Card Transaction Threshold Reduction

• An intra-governmental card transaction (IGT) is defined as a sale of goods or services, or collection of other obligation by one Government agency from another Government agency using a Government-issued Card.

• The U.S. Department of Treasury (DOT), Fiscal Services Program, Card Acquiring Service (CAS) is a Bureau of the Fiscal Service program that provides payment card acceptance capabilities for Federal agencies. They establish the IGT limit in the Treasury Financial Manual.

• Effective October 1, 2022:
  – DOT will decrease the IGT limit from $24,999.99 to $10,000.00
  – DPC will reduce PIEE JAM Inter/Intra-Governmental Payment Official Cardholder NTE to $10K
  – CPMs, Oversight A/OPCs, and A/OPCs are required to reduce existing Inter/Intra-Governmental Payment Official Cardholder appointments to $10K

Additional Information from DOT about the IGT change is available at: https://www.fiscal.treasury.gov/cas/
IGT Payments Threshold Reduction (cont.)

To Make this change:

• CPMs and A/OPCs must ensure IGT reductions are completed in Access Online by October 1, 2022.

• Information is included in the Backup to assist CPMs and A/OPCs to run reports in GPC PIEE Reporting in Electronic Data Access (EDA) to identify cards with IGTs.

• DPC will run reports in GPC PIEE Reporting in EDA during the week of October 3, 2022, to ensure the single purchase maximum transaction limits have been reduced in Access Online to $10,000.00 or lower.

• DPC will require CPMs or A/OPCs to temporarily suspend all cards with IGT thresholds over $10,000.

• Some card accounts may have more than one GPC threshold; suspension of cards with IGT thresholds over $10,000.00 will affect all purchase transactions on these cards.
FY19 National Defense Authorization Act (NDAA)
Section 889
Sec 889 - FY19 NDAA

• OSD submitted a FY 23 Legislative Proposal requesting permanent executive waiver authority to Section 889(a)(1)(B) for certain transactions related to current GPC authorities (micro-purchasing, overseas use, etc.)
  - Current statutory 889(a)(1)(B) Executive Agency waiver authority expires on August 13, 2022
• OSD is working with the Office of the Director of National Intelligence on relevant matters
• DoD has drafted and coordinated a micro-purchase policy memo that, if/when signed, will reduce the burden associated with obtaining representations when certain criteria are met
  - Developing a fillable form that CHs can use to determine representation requirements in the event a waiver or exception applies.
• Leveraged changes the Bank made to Access Online to improve CH 889 reporting. For more information:
  - See DPC memo, GPC Guidance Related to Recording 889 Designation and Emergency-type Operation Values (GPC 2022-02), dated June 29, 2022
  - Attend the GSA028 - DoD GPC Electronic Systems Update
DoD Office of the Inspector General (OIG) COVID-19 Audit (DoD OIG D2022-D000AX-0143.00)
DoDIG COVID-19 Audit

- Audit of DoD Use of the Government Purchase Card in Response to the Coronavirus Disease–2019 Pandemic announced on June 1, 2022
- **Objective**: Determine whether Cardholders used the GPC to support DoD's response to the COVID-19 pandemic in accordance with Federal and DoD policies
- DPC provided OIG with Access Online data for transactions with purchase log entries identifying them as COVID-related from April 2020 through January 2022
  - If interested in obtaining your Components’ data, submit an email to the shared mailbox (DODPCPO@sterlingheritage.com) and cchiappetta@sterlingheritage.com, entitled “DoD GPC COVID-19 Audit data request”
- OIG is working directly with the representatives identified for the Services and seven Defense Agencies that have transactions selected for review as part of the OIG stratified random sample
DoDIG COVID-19 Audit

• Requirements to be Reviewed (may change as the Audit progresses):
  - Valid Covid–related need and justification
  - Pre-approval
  - Receipt (date, description, quantity, price)
  - Acceptance, if not immediate
  - Tax

• Phases and timelines to expect:
  - Planning: June 2022
  - Audit: Expect August 2022
  - Report: Expect January – March 2023
Questions
If you have additional questions, please contact us at the DoD GPC Shared Mailbox dodpcpo@sterlingheritage.com with the subject “TrainingForum2022”
Backup

- Systems Website Page
- SP3 Transition Information Website Page
- Confirmation Bias
- eCommerce Platforms Pilot – Risk and Policy
SP3 Transition Information Website Page

SmartPay® 3 Policy Memos

SmartPay® 3 Documents

Training

Governance

Forms

Confirmation bias is the “tendency to interpret new evidence as confirmation of existing beliefs.” A low True Positive Rate raises the risk of confirmation bias because reviewers become used to seeing mostly False Positives. They may unconsciously assume virtually all cases are False Positives.
eCommerce Platforms Pilot – Risk and Policy

• Appendix B to Circular No. A-123, “A Risk Management Framework for Government Charge Card Programs,” (Circular A-123) dated August 27, 2019, and General Services Administration Smart Bulletin No. 023, “GSA SmartPay–Third Party Payment Processors,” (Bulletin 023) dated August 19, 2021, third-party payment guidance has been updated more recently than guidebook policy, and accounts for the emergence of third-party platforms such as GSA’s.

• Circular A-123 acknowledges that internet transactions made using third-party payment platforms are high-risk as all available transaction data may not be passed to the issuing bank and transaction dispute terms may vary from those offered by the issuing bank.

• Per Bulletin 023, however, the risks associated with third-party payment processors do not apply to GSA’s CPPC, as its platforms process GPC transactions directly with a SmartPay issuing bank. As such, DPC/CeB believes the risk of participation in the CPPC to be low.
Automated JAM Appointment Clean Up

**ACTION:** To prevent auto-termination of necessary appointments when the process is run in August, A/OPCs must ensure all individuals in their program who need to retain their JAM appointments: a) work with their GAMs to reactivate their PIEE account, and b) keep their PIEE accounts ACTIVE (e.g., use the PIEE Access Online Single Sign On). The following resources and procedures may be used:

1) Review the attached May 2022 PIEE Auto-terminated Appointments List
   - A/OPCs can use the Appointment Initiator Details, Group and Role Location (DoDAAC) columns to find appointments for their span of control
   - The GAM’s email address is also provided to allow for viewing the data by GAM.
2) Run an Access Online System User List Report
3) Compare the reports to identify active Access Online users whose Appointments were terminated
4) Direct those users (email addresses included on PIEE report) to follow the below steps, or use the steps in the attached “P2P 2022-PIEE Account Administration–Reactivation Request Process.pptx” to reactivate their PIEE account
FAQ: Some of my PIEE user roles have been systemically set to inactive or archived. How can I have my roles reactivated?

Answer: Logon to PIEE (https://piee.eb.mil). If you do not have any active roles, you will be required to click the “Reactivate or Add Roles” button and follow the screens until you successfully complete the reactivation process.

If you have some active roles and wish to reactive a role that is currently inactive / archived, click the “My Account” button, then click on the “Manage Roles” section, select the checkbox of each role, click the “Request Activation” button, and complete the reactivation process.

Once the “Request Activation” process is completed, an approval email will be sent to the Supervisor/Sponsor identified on your Profile. After Supervisor/Sponsor approval, the PIEE GAM will activate the role(s). Additional information is available in the attached power point presentation.

Please email any questions to: DODPCPO@sterlingheritage.com
Treasury Financial Manual Update Intra-governmental Card Transaction Limit Decrease

- Treasury Financial Manual References (7055-20 through 7055-60)
- IGT Reduction from $24,999.99 to $10,000.00 effective October 1, 2022
- Instructions for Running Reports in GPC PIEE Reporting in EDA
Treasury Financial Manual (TFM) 7055.20 - Transaction Maximums - Effective October 1, 2022, the threshold for intra-governmental individual card transactions will decrease from $24,999.99 to $10,000.

- Any individual intra-governmental card transaction greater than the outlined threshold will be rejected.

- Individual transactions may not be split into two or more transactions over one or multiple days using one or multiple cards.

- Federal entities must change any regulations, policies, or other procedural documents to reflect these policies.
IGT Payments Threshold Reduction (cont.)

- **TFM7055.30 – Prohibition on splitting transactions.** If the customer is a Federal entity, the use of the Card for payment should be avoided. The payment method of choice for Federal entity to Federal entity transactions should be an intra-governmental payments and collection (IPAC) or G-invoicing.

- **TFM 7055-50 – Intra-Governmental Card Transactions.**
  - **IPAC** is a way for Federal program agencies to transfer funds from one Federal entity to another using standardized descriptive data. For more details on IPAC, please follow this link: [https://www.fiscal.treasury.gov/ipac/](https://www.fiscal.treasury.gov/ipac/)
  - **G-Invoicing** is the long-term solution for Federal Program Agencies (FPAs) to manage their intragovernmental (IGT Buy/Sell) transactions. G-invoicing helps (or will help) agencies and their training partners. For more details on G-invoicing please visit [https://fiscal.treasury.gov/g-invoice/](https://fiscal.treasury.gov/g-invoice/)
How to Get Access to Reports

- Existing Users: Login to PIEE
- Select “My Account” on top menu
- Select “Add Additional Roles” under Roles menu
- Verify information on profile is accurate and progress to roles menu
- Select EDA Application and the “Advance Reporting” role
- Role will flow through supervisor approval and GAM activation like any other PIEE role
- New PIEE users should just add this role during registration
Where are the EDA Reports?

- The left-hand menu in EDA provides the user with access to all the capabilities within EDA that they have access to.
- “Reports” has a drop-down menu providing 13 subcategories of reporting.
- Each subcategory has useful reports within that area of PIEE.
There are currently three GPC JAM reports in EDA:

- JAM Detailed GPC Appointment Status Report
- JAM GPC Training Report
- GPC PIEE Nomination Status Report
JAM Detailed GPC Appointment Status Report

Can search on:

- Appointment Type
- Appointment Sub-Type = Special Delegation
- Appointment Status
- Dates
- Organization