

UNITED STATES MARINE CORPS  
Supply School  
Marine Corps Combat Service Support School  
PSC 20041  
Camp Lejeune, North Carolina 28542-0041

## **STUDENT OUTLINE**

### **PROCUREMENT**

**GSOC 0401**

**GROUND SUPPLY OFFICER'S COURSE**

**M03SAF104**

**REVISED 2004/08/31**

**APPROVED BY:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

1. **LEARNING OBJECTIVES.**

a. **TERMINAL LEARNING OBJECTIVES.**

(1) Given a government credit card, access to an automated system with applicable software and internet connectivity, and the reference, manage the unit's government credit card program in accordance with the reference (3002.03.09)

(2) Given a government credit card, access to an automated system with applicable software and internet connectivity, and the reference, direct purchases using the government credit card in accordance with the reference (3002.03.10)

b. **ENABLING LEARNING OBJECTIVES.**

(1) Without the aid of reference, state in writing who must be indoctrinated on the ethical standards of conduct per the MCO P4200.15\_. (3002.03.09a)

(2) Without the aid of reference, list in writing five pieces of information that must be on a purchase request per the MCO P4200.15\_. (3002.03.10a)

(3) Without the aid of reference, identify in writing how many years a purchase request with all supporting documentation must be maintained on file per the UM 4400.124. (3002.03.09b)

(4) Without the aid of reference, match from a list the purpose of the Agency Program Coordinators (APCs) per the NAVSUPINST 4200.94. (3002.03.09c)

(5) Without the aid of reference, match from a list the purpose of the Approving Official per the NAVSUPINST 4200.94. (3002.03.09d)

(6) Without the aid of reference, match from a list the purpose of the Cardholder per the NAVSUPINST 4200.94. (3002.03.09e)

(7) Without the aid of reference, identify in writing the authorized dollar amount per purchase(s) using the GCPC per the NAVSUPINST 4200.94. (3002.03.10b)

(8) Without the aid of reference, identify in writing the policy on paying taxes on goods and services when using the GCPC per the MCO 4200.15\_. (3002.03.10c)

(9) Without the aid of reference, identify in writing three purchases that are unauthorized per the NAVSUPINST 4200.94. (3002.03.10d)

(10) Without the aid of reference, identify in writing the individual(s) authorized to make purchase's with the GCPC per the MCO 4200.15\_. (3002.03.10e)

(11) Without the aid of reference, identify in writing who is responsible for validating account data on all purchase before the information is passed to DFAS, Kansas City for pre-approval per the MCO P4200.15\_. (3002.03.09f)

1. **STANDARD OF CONDUCT.**

a. **General.** Refer to MCO P4200.15\_ page 4-3. All personnel representing the government in business dealing with representative of industry are placed in positions of trust and grave responsibility. Many practices, which may be normal and generally acceptable in the private business world, are not acceptable for government officials and employees who are conducting the government business. Thus, it is essential that all such persons set forth the highest standards of personal conduct in their relation with business firms and individuals, thereby ensuring that these relations are above reproach (discredit) in every respect.

b. **Authority.** SECNAVINST 5370.2 sets forth the standards of conduct relating to possible conflict between private interests and official duties required of all DOD personnel, regardless of assignment.

c. **Conflict of Interest.** Refer to MCO P4200.15\_ page 4-3. Individuals shall not allow themselves to be placed in a position where a conflict of interest might arise, or might justifiably be suspected, by reason of acceptance of entertainment, gifts, or favors of any kind or by any other action which could influence or be interpreted as influencing the strict impartiality that prevails in all business relationships when public interest is involved.

d. **Indoctrination.** Refer to MCO P4200.15\_ page 4-5. Military personnel and civilians who engage in such duties as purchasing and contracting, technical review of bids and proposals, or any such duty where their decision obligates government funds will be indoctrinated on the ethical standards of conduct. This indoctrination includes reading and understanding the contents of chapter 4 of MCO P4200.15\_ and other DoD directives.

e. **File.** Such indoctrination and re-indoctrination shall be certified by the individual, and the statements of certification shall be retained on file until 5 years after the individual has ceased to serve in duties as enumerated in paragraph 4006.1, preceding. **An example of the certification statement can be found in MCO P4200.15\_ page 4-7.**

## 2. **PURCHASE REQUEST.**

a. **General.** Marine Corps supply policy requires the acquisition of supplies, services, and equipment from other military services and the General Services Administration (GSA). Items that cannot be purchased from the mentioned sources can be purchased from commercial sources by submitting a purchase request.

b. **Required Information.** Refer to MCO P4200.15\_ page 7-5. The following is the required information that must be on the purchase request document:

(1) Detailed description of supplies or services (**INSTRUCTOR NOTE: ID#, PART #, MEASUREMENTS**)

(2) Source of supply, if known (**PERSON'S NAME, ADDRESS AND PHONE NUMBER. PURCHASING AND CONTRACTING WILL NEED TO CALL THEM.**)

(3) Appropriation data

(4) Citation of funds

(5) Shipping instructions (**AIR OR SURFACE BASED ON RDD**)

(6) Special packing or marking information

(7) Signature of authorized requisitioner

(8) Document Number

(9) Priority

c. **Forms.** Purchases request can be submitted to the purchasing office by the use of PR builder.

## 3. **RECORDS OF PURCHASE ACTIONS.**

a. **General.** Each purchase request will be maintained in a separate folder by both the unit and the contracting office. Refer to MCO P4200.15 \_ page 7-6. Each purchase file must contain sufficient documentation of actions taken with respect to the purchase transaction to constitute a full history of the transaction and to permit ready reconstruction of all stages of the transaction.

b. **Documentation.** Refer to MCO P4200.15\_ page 7-6. The following is a guide for required documentation:

(1) Purchases under \$2,500.

- (a) Authorized purchase request (PR Builder)
- (b) Copy of purchase/deliver order (PR builder)
- (c) Copy of receipt
- (d) Copy of payment

(e) Documentation on all follow-up action (**PERSON CONTACTED AND PHONE NUMBERS**)

(f) Any other pertinent information (**INITIAL REQUEST FORM THE CUSTOMER**)

(2) Purchases over \$2,500.

- (a) Authorized purchase request
- (b) Quotes from three different suppliers (**ONLY AT CONTRACTING OFFICE**)
- (c) Copy of purchase/delivery order
- (d) Copy of payment
- (e) Documentation of follow-up action

(f) Documentation as to why purchase was awarded to large business (**ONLY AT CONTRACTING OFFICE**)

(g) Any other pertinent information

c. **Retention.** Refer to the UM4400-124 page 3-1-5. The retention period for all records of purchasing will be maintained for **five years**.

#### 4. **GOVERNMENT WIDE COMMERCIAL PURCHASE CARD.**

a. **Background.** The Government-wide commercial purchase card (GCPC) which replaced the International Merchants Purchase Authorization Card (IMPAC) is a government wide commercial credit card program. A General Services Administration (GSA) contract was established with Citibank Corporation and is currently being used by the Marine Corps. It is mandatory to attend a class on the use of the GCPC before a card is issued to anyone.

b. **Benefits.** The GCPC is an alternative method of ordering small purchases, which are required within a sixty-day period. This system reduces or in some cases eliminates the use of mass purchase agreements and imprest funds (cash payments), streamlines the ordering process by reducing the administrative and paperwork burdens, and expedites payment to vendors.

#### 5. **APPOINTMENT PROCEDURES.**

a. **Agency Program Coordinators (APCs).** This is an individual designated by the Commanding Officer who shall have overall responsibility for the management, administration and day-to-day operations of the purchase card program at the activity.

b. **Approving Officials.** This is an individual designated by the APC for the organization. They are responsible for reviewing the monthly statements and verifying that all transactions made by cardholders in their organization, were for necessary government purchases and in accordance with Federal Acquisition Regulations (FAR). This individual is used for internal control purposes and provides a critical checkpoint by reviewing the cardholder's transactions to ensure that transactions are necessary and for official government purposes only.

c. **Cardholders.** Personnel designated to become cardholders should be government employees who have knowledge or are trained in small purchase procedures. If the individual does not have this background it is required that the individual receives the appropriate training. Local SOP will establish the amount that a cardholder can charge.

d. **Assigned Card.** The credit card you receive is embossed with the cardholders name and GCPC. No other person can use it. It is designed so it will not be confused with your personal credit cards. However; it should be protected just as you protect your own credit cards. Each organization will be assigned a code for their credit card. The first digits designate the activity and the rest designate the specific cardholder for the organization.

#### 6. **CREDIT CARD POLICY.**

a. **General.** Just like with any credit card there are many rules and regulations that must be followed. The GCPC card is no different. Let's take a closer look at some of these rules and regulations.

b. **Specific Credit Card Rules and Regulations.** These are some basic rules and regulations that must be followed when using the GCPC.

(1) A single purchase may consist of several items, but the total credit card charge receipt will not exceed the authorized single purchase limit (**\$2,500 for a single item or a collaboration of items that equal out to \$2,500**) that is designated for that cardholder. This total price will also include any shipping charges.

(2) Telephonic purchases must be received within sixty days. In-store purchases must be received immediately and taken with purchase. If a cardholder must order an out of stock item while at a store, they may place the order at the stores service desk for later delivery or pick-up and will not be charged until the item is received.

(3) Only one payment per buy is authorized.

(4) You must check the availability of the items through required source of supply (e.g. NSN, Federal Prison Industries (FPI), and DSSC) first before going outside the organization.

c. **Tax.** Be sure to tell the merchant that the purchase is for official U.S. government purposes; therefore, a purchase is not subject to state and local taxes. If tax is charged on the cardholder's monthly statement, the cardholder must contact the vendor and request the tax be credited. This can be accomplished by using a Federal Tax exemption form.

d. **Vendor Authorization Process.** The vendor has the right to verify all transactions made with the GCPC. This verification will let the vendor know if you are within your single and monthly purchase limits and verifies that the merchant is of a type permitted under the GSA contract. Your purchase may be automatically questioned if you have placed over five transactions in a twenty-four hour period.

e. **Cardholder Liability.** Use of the GCPC by the cardholder for such violations as exceeding their purchase limit, purchasing prohibited items, not picking up statements, not submitting reports in a timely manner will be considered as an infraction and will be handled accordingly. Intentional use of the GCPC for other than official government use will be considered an attempt to commit fraud against the government and will result in immediate cancellation of the card and possible disciplinary action.

f. **Lost or Stolen Cards.** If your GCPC is lost or stolen you **MUST** immediately notify your approving official and then take the appropriate steps prescribed by local SOP.

## 7. **PURCHASES.**

a. **Authorized Purchases.** The GCPC may be used for all commercially available goods and services under the small purchase limit. (e.g. repair of typewriters, purchase of facsimile machines, office supplies, computer hardware and software.) Purchases will be made only from companies who sell to the general public. No purchases will be made from a military commissary.

b. **Regulated Purchases.** Use of the GCPC may be allowable for the following list of items if the purchases meet the exception regulations listed in the NAVSUPINST 4200.94 pages 4-9:

- (1) Advance payments
- (2) Advertising
- (3) Business cards
- (4) Christmas and other seasonal decorations
- (5) Coffee pots, coffee, refreshments
- (6) Employee I.D. tags
- (7) Hazmat and Hazardous waste disposal (**Chapter 1 of the NAVSUPINST 4200.94**)
- (8) Incentive Music and Equipment
- (9) Lodges and meals
- (10) Membership dues
- (11) Ozone depleting substances
- (12) Personal service
- (13) Pesticides
- (14) Plaques, ashtrays, paperweights and other mementos as give-aways
- (15) Reprographic equipment
- (16) Sensitive compartmented information in contracts

(17) Shipboard habitability equipment, including furniture, laundry/dry cleaning and food service equipment

(18) Visual info-audiovisual production including interactive video acquisition

(19) Visual info-acquisition of commercial off-the-shelf visual info productions

c. **Unauthorized Purchases.** The GCPC will not be used for the following items:

(1) Cash advances.

(2) Rental or lease of land or buildings.

(3) Asbestos and asbestos-contained materials

(4) Black oxide coated brass threaded fasteners

(5) Purchase of commercial vehicles

(6) Rental/lease of commercial or GSA vehicle

(7) Uniform items

**(8) Purchasing Unit-Specific PT Gear (MCLCAT CLARIFICATION NOTICE 06-03)**

(9) Fireworks

(10) Fuel, oil, service, maintenance and repairs

(11) Medical and dental care from civilian non-federal sources

(12) Purchase from government employees or businesses owned or controlled by government employees

(13) Purchase of transportation

(14) Travel, or travel related expenses

(15) Withdrawal of tax-free ethyl and specifically denatured alcohol

## 8. **CONTRACTING RULES AND REGULATIONS.**

a. **Basic Rules.** The following are just some basic contracting rules and regulations:

- (1) Make sure there are sufficient funds available prior to the purchase.
- (2) Ensure all prior approvals are received in writing before a purchase can be made. A few examples are, base property provides the approval for the furniture, and TAVSC provides approval for audio and visual equipment.
- (3) Do not purchase several small items from the same vendor within a short time when the total price of the items exceeds the single purchase price.
- (4) Check to see if the item should be acquired from a mandatory source. (e.g. National Industries for the Blind (NIB) offers rubber stamps, paper clips, markers, pencils and FPI offers furniture, shelving, road signs, and decals.)
- (5) Rotate vendors to ensure that a fair and equal distribution of orders is placed.
- (6) Ensure property items purchased are reported to the Garrison/Base Property Office (BPCO), Unit Property Office (UPO), or Training Audiovisual Support Center (TAVSC) if necessary to be added to appropriate records. (e.g. computers and furniture)
- (7) All records pertaining to GCPC will be maintained according to local SOP.

b. **Prior to a Purchase.** The following steps must be completed prior to a purchase:

- (1) Review the request for document number, funding, description, quantity, unit of issue, source of supply and name of requester. The document should also have any approvals required as previously discussed.
- (2) Ensure item is not prohibited.
- (3) Select source of supply.

c. **In-Store Purchases.** The following rules apply for in-store purchases:

- (1) Only the cardholder can make the purchase.
- (2) No order may be placed without a document number or credit card number.
- (3) Vendors may request identification.
- (4) Ensure you tell the vendor that the U.S. Government is tax exempt.

(5) Sign the customer copy of the receiving document indicating you have received the items.

d. **Telephonic Purchases.** The following rules apply for telephone purchases:

(1) Only the cardholder can make the purchase.

(2) No order may be place without a document number or credit card number.

(3) Inform vendor that no tax is charged. Also give vendor credit card number, expiration date, statement address, and cardholder's name. No personal information will be given to the vendor.

(4) Purchases must be received within sixty days .

(5) Let vendor know that no charge will be made until item is shipped.

(6) Advise vendor that all shipments will have a sales slip with the name of the vendor and shipper, date of order, credit card number, date of shipment, and itemized list of items.

e. **After Purchase.** The following steps will be taken after the purchase of an item using the GCPC.

(1) After ordering items, complete a local purchasing document. Give a copy to the point of delivery and Fund Administrator. Also, if item is accountable property, give a copy to the BPCO, UPO, or TAVSC.

(2) As a cardholder you must perform administration action on all orders that are past due. You will also contact any company that has not submitted charges to your statement.

(3) Match the shipping invoice with the purchasing document and ensure there are no discrepancies.

(4) File all paperwork in accordance with local SOP.

## 9. **RECONCILIATION.**

a. **General.** Any time a payment is authorized for a purchase, whether it is done over the counter or by telephone, a document must be retained as proof of purchase. These documents will be used to verify the purchases shown on the card holders statement issued at the end of the monthly billing cycle. This is just like a personal credit card statement would be verified.

b. **Over the counter.** When a payment is authorized for a purchase that is made over the counter, the cardholder will obtain a customer copy of the charge slip, which will become the accountable document.

c. **Telephone purchase.** When authorizing payment for purchase over the telephone, the cardholder will document the transaction and maintain the documentation as the accountable document. This may be in the form of the purchase request, a copy of the receiving report, the packing or shipping statement or some other method as dictated by local SOP. Local SOP will also require some sort of telephone call log to track all purchases.

d. **Budget Execution Activities (BEA).** BEA's approving official will validate document numbers and accounting data. They will obligate all buys into SABRS so that the documentation will pass DFAS- Kansas City's pre-validation. Local SOP will dictate these procedures.

**REFERENCE. MCO P4200.15\_ and the NAVSUP 4200.94**