



United States Department of the Interior
OFFICE OF THE ASSISTANT SECRETARY - INDIAN AFFAIRS

Washington, D.C. 20240



National Policy Memorandum

Assistant Secretary - Indian Affairs
Deputy Assistant Secretary – Management

Effective: JUL 1 1 2014
Expires: JUL 1 1 2015

Number: NPM-FIN-09

Title: Purchase Card Requisitions

1. Purpose

This memorandum establishes Indian Affairs (IA) policy and requirements for preparing requisitions for purchase card transactions.

2. Scope

This policy applies to all IA headquarters, field and program staff under the authority of the Assistant Secretary – Indian Affairs (AS-IA), including the Bureau of Indian Affairs (BIA) and the Bureau of Indian Education (BIE).

3. Policy

It is the policy of IA to comply with federal regulations and policy and direction from the Department of the Interior (DOI) and the Office of Management and Budget (OMB) to ensure adequate internal controls and reviews are established and implemented. IA has implemented these procedures to ensure proper internal controls in compliance with OMB Circular A-123.

4. Procedures

Purchase business card use is intended to make the acquisition process more efficient and cost effective than other procurement methods. Before supplies or services are acquired, approval and assurance of funding must be obtained. Ultimate judgment as to the appropriateness, cost, quality, and amount of all purchases made with the purchase business line is the responsibility and liability of the card holder(s). Card holders with charge card purchase authority are required to have their billing statements sent to the official office address.

When the official need for goods or services is identified, the total estimated cost will be computed. If the purchase is within the micro purchase thresholds (\$3,000 for supplies, \$2,500

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for services as subject to the Service Contract Act, and \$2,000 for construction as subject to the Davis-Bacon Act), the purchase card will be used to satisfy the request pursuant to established charge card policy. Splitting the cost to purchase in order to stay under the micro purchase thresholds is prohibited by Federal Acquisition Regulations 13.201 and 2.101. If the purchase is over the micro purchase threshold, a purchase requisition must be completed and submitted for approval in the Financial and Business Management System (FBMS).

If the purchase is under the micro purchase threshold as defined above, a paper purchase requisition must be prepared and approved; once approved, the order is placed with the vendor, and the goods or services are received. Supporting documentation of the purchase and receipt are retained by the card holder's supervisor to support the purchase card statement when received.

When the purchase card statement is received by the card holder, the card holder will review and validate all charges and support such charges with proper source documents. As part of the review, the cardholder will notate any discrepancies or items that require accounting changes. Once the review of the statement is complete, the statement and supporting documentation is submitted to the supervisor for review and approval. The cardholder validation and submission and the supervisor review **must be completed** within 30 calendar days of the statement date.

For additional guidance on purchase card transactions refer to the *Indian Affairs Charge Card Policy Manual* chapter 6, which is located on the IA Office of Financial Management Charge Card Support website

here: <http://iamabqzucmw01p.ia.doi.net:16200/inside.indianaffairs/Org/AS-IA/OCFO/AP/CCS/TravPurch/index.htm>

For policy on adjusting or reallocating charges on the purchase card, see **NPM-FIN-02 Charge Card Reallocations**.

5. Authorities

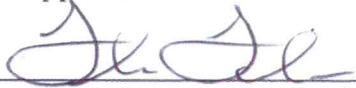
A. Statutes and Regulations:

- 1) Federal Acquisition Regulation
(FAR): <http://www.acquisition.gov/far/html/FARTOCP07.html>
- 2) DOI Departmental Manual: <http://elips.doi.gov/elips/0/foi/1338/Row1.aspx>
- 3) General Services Administration Acquisition Regulation
(GSAR): <http://www.acquisition.gov/gsam/current/html/GSAMTOC501.html#wp436256>
- 4) Principles of Federal Appropriations Law, Vol. I, Chapter 5: Bona Fide Needs Rule:
<http://www.gao.gov/assets/210/202437.pdf>
- 5) OMB Circular A-123: http://www.whitehouse.gov/sites/default/files/omb/assets/agencyinformation_circulars_pdf/a123_appendix_b.pdf

B. Guidance

- 1) FBMS Segregation of Duties (SoD) Policy
- 2) Indian Affairs Charge Card Policy Manual, 2010
- 3) DOI Integrated Charge Card Program Policy Guidance

6. Approval



Thomas D. Thompson
Deputy Assistant Secretary – Indian Affairs (Management)

7/11/14

Date