

NAVFACINST 4226.1  
HQO  
5 August 1998

**NAVFAC INSTRUCTION 4226.1**

From: Commander, Naval Facilities Engineering Command

Subj: **INTERNATIONAL MERCHANT PURCHASE AUTHORIZATION CARD  
(I.M.P.A.C.) PROGRAM**

Ref: (a) NAVSUP ltr 4200 Ser 21/7124 SA 97-16 R1 of 30 Sep 1997  
(b) NAVFACINST 5900.2E  
(c) NAVSUPINST 4200.85C

Encl: (1) Internal Operating Procedures for the I.M.P.A.C. Program at Headquarters,  
Naval Facilities Engineering Command (NAVFACENGCOMHQ)

1. **PURPOSE.** To implement the I.M.P.A.C. Program at NAVFACENGCOMHQ.
2. **SCOPE.** The provisions of this instruction apply to all NAVFACENGCOMHQ I.M.P.A.C. users.
3. **POLICY.** It is the policy of NAVFACENGCOMHQ to use the I.M.P.A.C. for all of its micro-purchases. Waivers to this policy will be in accordance with reference (a). Purchases using the I.M.P.A.C. will adhere to guidelines which have been established for Headquarters by reference (b).
4. **BACKGROUND.** The General Services Administration (GSA) Federal Supply Services (FSS) has awarded a contract for Government-wide Commercial Credit Card Services. The contract provides purchase cards and associated services to government agencies in order that they may purchase supplies and services for official government use. NAVFACENGCOMHQ has micro-purchase authority and this instruction implements the I.M.P.A.C. Program locally in accordance with reference (c).
5. **ACTION.** Enclosure (1) provides internal operating procedures which are to be followed by any Agency Program Coordinator (APC), Approving Official (AO) or cardholder who utilizes the I.M.P.A.C. Purchase Card or administers the I.M.P.A.C. program at NAVFACENGCOMHQ.



C. R. KUBIC  
Vice Commander

**INTERNAL OPERATING PROCEDURES  
FOR USE OF THE  
GOVERNMENTWIDE COMMERCIAL PURCHASE CARD PROGRAM**

**GENERAL**

Naval Facilities Engineering Command Headquarters (NAVFACENGCOMHQ) utilizes the International Merchant Purchase Authorization Card (I.M.P.A.C.) in accordance with the General Services Administration (GSA) Contract and reference (a). These internal operating procedures provide guidance on the appropriate use of the program by NAVFACENGCOMHQ personnel.

**USE OF THE I.M.P.A.C.**

The I.M.P.A.C. may be used to purchase supplies, equipment, commercial services and construction in accordance with reference (a), FAR Part 13, DFARS Part 213, NAPS 5213, GSA Contract Guide, Naval Supply Systems Command (NAVSUP) instructions, and local operating procedures. The card may also be used to order directly from Government sources such as GSA and Federal Prison Industries (UNICOR). Without exception, the I.M.P.A.C. may only be used for authorized U.S. Government purchases.

**CURRENT PURCHASE CARD CONTRACTOR**

Rocky Mountain Bankcard System, Inc. (RMBCS) is the current GSA contractor for the I.M.P.A.C. program. RMBCS will maintain all I.M.P.A.C. accounts, issue cards to cardholders, send monthly statements to cardholders and Approving Officials (AO) and provide various reports to Agency Program Coordinators.

**AGENCY/ORGANIZATIONAL PROGRAM COORDINATOR**

The Agency/Organizational Program Coordinator (APC) serves as the liaison between NAVFACENGCOMHQ, RMBCS, and the GSA contracting officer. He/she is designated by the Head of the Activity (HA) and oversees the I.M.P.A.C. program and establishes guidelines for NAVFACENGCOMHQ. The following is a list of the APC's duties:

- Approving and setting up accounts.
- Account maintenance (i.e. changing spending limits, changing merchant codes and canceling accounts.)
- Provides fund citations to the AO to be used for bulk funding and payment for card purchases.

- Ensures that AO and Cardholder accounts are current and that invoices are processed in a timely fashion.
- Provide cardholder training.
- Perform semi-annual reviews of each account.

The Agency Program Coordinator is:

Roger L. Williams, Director, Headquarters Operations, NAVFACENGCOCOM, 200 Stovall Street, Alexandria, Va. 22332-2300, Code HQO, (703)325-8512.

### **APPROVING OFFICIAL**

An Approving Official (AO) shall be appointed as a DOD Certifying Officer. This insures that the AO reconciliation of invoice is the only certification needed. An AO will normally be the Cardholder's immediate supervisor or within the same organization as the cardholder. The following duties are assigned to an Approving Official:

- Create a document in the FIS accounting system to be used specifically for I.M.P.A.C. purchases, link available funds to the document as a bulk funding method to pay for the purchases.
- Verify transactions meet legal requirements for authorized card purchases. Insure each billed transaction can be matched to a call/transaction(s) in the cardholder log.
- Insure all documentation for individual transactions are in the files and that facts presented in documents for payment are complete and accurate. Insure certified invoices are presented to the payment office for payment no later than 15 calendar days after receipt by the AO.
- Take appropriate action to prevent two or more payments for the same transaction.
- Implementing correct dispute procedures when transactions are questioned.
- Initiate administrative and/or disciplinary actions for misuse of the card.
- Assist the APC in conducting Cardholder training and semi-annual reviews of Cardholder accounts.

The Approving Official is:

Barry D. Haddox, Head, Administrative Services, 200 Stovall Street, Alexandria, Va. 22332-2300, Code HQO, (703)325-5153

## **DESIGNATED BILLING OFFICE CONTACT**

After the AO certifies the monthly billing for conformance to regulations, the statement is forwarded to the Designated Billing Office Contact (DBOC). The DBOC will perform the following duties:

- Determine the correct chargeable account using the type of purchase and the end user's organization as a guide.
- Provide a detailed breakout of the accounts charged.
- Forward invoice to Comptroller (FM) for signature by a Financial Officer. Bulk funding procedures are used for the payment.
- Enter the monthly invoice into the FIS Accounting System; insure that milestone dates for Prompt Payment are entered accurately.
- Act as a point of contact between NAVFAC and RMBCS/Bank for status on invoice payments. Ensure established deadlines are met.

The Designated Billing Official is:

Lijana-Samue Phillips, Program Assistant for Invoice Certification, 200 Stovall Street, Alexandria, Va. 22332-2300, Code HQO

## **DISPUTES**

Disputes on billings are resolved by the AO with assistance from the cardholders involved. If necessary, the APC can assist in this effort.

## **CARDHOLDER**

The cardholder is the individual to whom a card is issued. The card bears the individual's name and can only be used by this person to pay for authorized U.S. Government purchases. Prior to making purchases, the cardholder must receive a delegation of authority from the Agency Program Coordinator. This delegation will specify the single purchase limit, billing cycle purchase limit and transaction type(s). In addition, the APC may designate a unique fund cite for each card under the Commercial Payment System (CPS) but this option is not used at this time.

## **DOLLAR LIMITS ASSOCIATED WITH THE CARD**

Use of the card by cardholders at NAVFACENGCOMHQ is subject to a single purchase limit, a monthly cardholder limit and a monthly office limit. Dollar limits are as follows:

Single Purchase Limit. The single purchase limit is a limitation on the procurement authority delegated to the cardholder by the Head of the Activity (HA). This dollar limit cannot be exceeded unless a revised delegation of authority is issued by the HA raising the limit. Single purchase limits may be assigned to cardholders in \$50 increments. The

single purchase limit assigned to all cardholders at NAVFACENGCOMHQ is **\$2,000** for construction and **\$2,500** for all other purchases.

Billing Cycle Purchase Limit. Each cardholder is assigned a billing cycle or monthly limit. The total dollar value of purchases shall not exceed the billing cycle purchase limit set for the cardholder. Currently, this limit ranges from **\$15,000** to **\$30,000** depending on the area of responsibility of the cardholder. Cardholder should be aware that the total tracked by RMBCS could exceed the total purchases made in a month by the cardholder if merchants do not submit their transactions in a timely fashion. RMBCS will suspend purchase authority until the next billing cycle if this situation should occur.

Billing Cycle Office Limit. The billing cycle or monthly **office** limit is established for each AO by the APC. The limit shall not exceed the sum of the monthly Cardholder limits.

### **VENDOR AUTHORIZATION**

The APC shall establish authorization codes and incorporate them into the I.M.P.A.C. card before issuing to a cardholder. Under normal circumstances, merchants are required to obtain authorization from RMBCS for purchases over \$50.00. However, many merchants now use electronic authorization methods allowing them to obtain authorization for all purchases, regardless of amount. When authorization is sought for a purchase by the merchant, RMBCS' authorization system will check each individual cardholder's Single Purchase Limit, the Billing Cycle Purchase Limit, the Approving Official's Billing Cycle Office Limit, transaction method and the type of merchant being used for the purchase before authorization for that transaction will be granted.

### **CARD SECURITY**

The unique I.M.P.A.C. card that the cardholder receives has his/her name embossed on it and may be used only by that person. The card was specially designed showing the great seal of the U.S. and the words "United States of America" imprinted on it to avoid being mistaken for a personal credit card. In addition, the words "Tax Exempt" are imprinted on the front and is sufficient authorization to prevent any vendor from charging taxes against the account.

The cardholder shall safeguard the purchase card and account number at all times. The cardholder shall not allow anyone to use his/her card or account number. Violation of this policy will result in the card being withdrawn from the cardholder which could impact the employees' overall employment status and/or possible disciplinary action.

### **STANDARDS OF CONDUCT**

Employees of NAVFACENGCOMHQ hold a public trust; their conduct must meet the highest ethical standards. All employees shall use this card only to purchase supplies/services within the guidance of this program. Cardholders and Approving

Officials acknowledge that making false statements on purchase card records may provide support for removing the employee from Federal Service. The Government may punish guilty parties by fine, imprisonment, or both as stated in Section 1001, Title 18 United States Code. Unauthorized use shall have the meaning as set forth in footnote 22, Section 226.12, Title 12 Code of Federal regulations.

### **UNAUTHORIZED USE OF A CARD**

“Unauthorized use” means the use of a purchase card by any person other than the cardholder whose name appears on the purchase card. “Unauthorized use” also means use of a purchase card by a cardholder who exceeds his/her delegation of authority.

NAVFACENGCOMHQ shall not be liable for any unauthorized use of the I.M.P.A.C. A cardholder who makes unauthorized purchases or carelessly handles the card may be liable to NAVFACENGCOMHQ for the total dollar amount of unauthorized purchases made in connection with the misuse or negligence. Also, the cardholder may be subject to disciplinary action for unauthorized or careless use in accordance with 5 C.F.R. Part 752 which is incorporated in Civilian Personnel Instruction (CPI) 752.

NAVFACENGCOMHQ shall be liable for use of the I.M.P.A.C. by authorized users (cardholders), for authorized purchases.

### **RESTRICTIONS ON THE USE OF THE I.M.P.A.C. CARD**

1. In accordance with the GSA Contract Guide, the Government Commercial Purchase Card shall **not** be used for the following items:

- a. Cash advances
- b. Rental or lease of land or buildings.
- c. Telecommunications (telephone) services (i.e., major systems such as FTS 2000, DSN, or Base telephone systems). This restriction does not include short term services (i.e., rental of pagers, telephone moves, etc.).

2. In addition, Department of the Navy (DON) activities shall **not** use the Government-wide Commercial Purchase Card for the following, except as discussed below:

- a. Gasoline or oil for DON-owned aircraft, vessels, and vehicles unless the requirement falls within the following criteria: CONUS/Alaska locations- less than 10,000 gallons required annually and overseas/Hawaii- less than 20,000 gallons required annually.
- b. Repair of GSA leased vehicles.
- c. Expenses associated with official travel including transportation, lodging or meals. (This prohibition does not include requirements such as conference rental.)

- d. Hazardous materials may be purchased if the following conditions are met:
- (1) Common use items such as toner may be purchased if it can be demonstrated that the item will be used in the same manner as normal consumer use and frequency of exposure is not greater than exposures experienced by consumers.
  - (2) Procurement must be in accordance with Hazardous Materials (HAZMAT) guidelines.
  - (3) Items must be on an authorized use list.
  - (4) The vendor must provide a Material Safety Data Sheet (MSDS).
  - (5) Materials must be properly labeled by the vendor. The shipping container must be labeled in accordance with direction in the Hazard Communication Standard (29 CFR 1910.1200 et. Seq.).
- e. Restriction on unpriced services. These are services in which the buyer cannot obtain a firm, fixed price at the time of purchase. See procedures in “Cardholder’s Use of the Card” for detailed procedures.
- f. Except as discussed above, the purchase card may be used for **ALL** micro-purchases that do not require a written purchase order. Requirements that would require a written purchase order would include safety/safety of flight, configuration control, weapon system-related parts, foreign military sales, rental and lease of vehicles and classified requirements.

### **SEPARATION OF FUNCTIONS**

A separation of functions is required to insure the integrity of the procurement process as a safeguard against fraud, waste and abuse. A two-way separation is required allowing the buyer to initiate the requirement and make the buy. However, if the buyer initiates the buy, the AO must approve it and the receiving person must still sign for receipt of the item(s). A requisition should be obtained from an end-user for any requirement specific to the end user’s organization. Receipt certification must be done by the end user or a designated receiver.

### **CARDHOLDER’S USE OF THE CARD**

1. Screening to insure that the buyer utilizes mandatory sources of supply designated by statute (i.e. Federal Prison Industries (UNICOR) and Blind/National Industries for the Severely Handicapped (NIB/NISH)) must be done prior to obtaining a quote for the item. Items produced by NIB/NISH groups are normally maintained by GSA. Note: A number of these items are stocked in the supply room. The UNICOR catalog must be consulted for items such as furniture and toner before purchasing commercially. In addition, a written waiver must be obtained from UNICOR for items offered by them but purchased commercially. Exhibit (1) contains a sample waiver request to UNICOR and an approved waiver issued by UNICOR. Use the appropriate block in the Cardholder Log to show

that screening has been done and whether or not a waiver has been obtained; file any waivers in the purchase file.

2. A requisition, in the form of an Office Service Request (OSR) or e-mail must be obtained prior to any purchase (including those initiated by the cardholder). Procedures are found in reference (b).

3. Pertinent information on purchases including information discussed between a vendor and cardholder shall be documented on a cardholder log. At a minimum, the following information shall appear on the log: Individual call number assigned to a single purchase, date of call, OSR number(s), description of item or service, mandatory sources waiver block, vendor information (name, address, phone number, point of contact), unit of issue (ea, pkg, box, etc.), unit price, quantity, transportation, total price, office code (to determine special funding), receiving date, and certification initials (filled in when the call is certified for payment on an invoice).

Currently, all cardholders at NAVFACENGCOMHQ maintain an individual log (Excel Spreadsheet) on the HQOShare directory. This allows the AO, APC and Designated Billing Official access to the log to verify correctness of entries and certification. Exhibit (2) is a sample cardholder log. The cardholder log is the official record of purchases. It is unauthorized for anyone other than the cardholder to change information, the only changes authorized are those involving obvious typographical errors.

4. Each cardholder will maintain a binder which contains packing slips, vendor invoices (these are not used for payment but as a price check against the amount on the cardholder statement), charge slips, hard copies of OSRs and certification of receipt of the order with signatures.

5. The following procedures are to be used by the Cardholder when making purchases:

a. Determine the type of transaction to be used for a purchase. If an item is needed same-day and it is available locally, the Cardholder may purchase the item over-the-counter and sign a VISA purchase receipt. Otherwise, items are typically purchased over the telephone and delivered by the contractor to the activity or a government representative is sent to pick up the items.

b. Remind the vendor not to charge sales tax unless the merchant's business is in a state that does not afford the Federal Government tax exempt status (e.g., Arizona, Hawaii). The "U.S. Government TAX Exempt" statement embossed on the card may be sufficient in preventing the merchant from charging tax. In addition, the Navy's tax exempt identification number **530196952** or the tax exempt certificates issued by states doing business with NAVFACENGCOMHQ may be used to prove our tax exempt status.

c. Solicit a quotation by telephone. If possible, speak to a government representative. Observe the following when obtaining quotes:

- (1) Ask the sales representative to provide a quotation including manufacturer's name, model, part number, and/or catalog number, unit and extended price and transportation terms.
- (2) Obtain the most reasonable price available. Use a common sense approach based on previous buys and vendor price lists to determine the most reasonable price. Written determination of most reasonable price is not necessary for micro-purchases unless the buyer has some reason to question the price.
- (3) Avoid paying any fee paid by the merchant unless the transaction is in an overseas location.
- (4) Try to obtain "F.o.b. Destination" transportation terms for all purchases. This is the method whereby the merchant is responsible for the shipment of material and the transportation cost is included in the price quoted to the buyer. In some cases, the terms may have to be "F.o.b. Origin, Freight Prepaid". In this case, the contractor is responsible for the goods only until they are turned over to a shipper, then separate line item for transportation is quoted to the buyer. The government has ownership of the goods as soon as they are turned over to the shipper and any claims for missing or damaged items must be resolved between NAVFACENGCOMHQ and the shipper.
- (5) The Cardholder should advise the merchant that the purchase card account should not be charged until after the material is shipped.

d. Although competition is not required, purchases shall be equitably distributed among qualified suppliers. A quotation shall be solicited from a source other than a previous supplier before placing a repeat order, if practical.

e. Requirements aggregating more than the micro-purchase threshold shall not be broken down into several purchases that are less than, or equal to, \$2,500 merely to permit purchase under micro-purchase procedures.

f. Back ordering or delivering partial quantities should be avoided. If an item must be backordered or a partial quantity accepted, the merchant must agree to only bill for the actual quantity shipped. Cardholders should attempt to have all material delivered or picked up within the same billing cycle.

g. Procedures for unpriced orders:

- (1) These are services that cannot be accurately quoted upon before purchase. A good example is a machine repair; a technician must first evaluate the problem before a quote can be made on the repair.
- (2) These purchases are limited to services where commercial practice sets market prices. A ceiling price also known as the "Not to Exceed" (NTE) amount must be established by the cardholder and given to the vendor with the

- (3) understanding that the total cost will not exceed this figure. For example, if recent repairs on Laserjet IV Printers have cost between \$250 and \$350 a reasonable NTE amount would be \$400.
  - (4) To summarize: When the cardholder makes a purchase considered an unpriced order the first step is to give the vendor the NTE amount on the item being repaired. Get a quote on the labor needed to evaluate the problem and then obtain a final quote on the time and materials needed to complete the service. The Cardholder must state to the vendor that the NTE amount cannot be exceeded when the charge is made on the purchase card.
- h. Procedures for the purchase of commercial conference space in the National Capital Region (NCR):
- (1) Find three commercial sources who can accommodate the conference and get quotes.
  - (2) Prepare a memorandum to Naval District of Washington (NDW) and include the three proposals. Identify the preferred conference space and provide justification. An approval letter will be returned authorizing the rental of the space. Washington Headquarters Services (WHS)/DOD approves the space and sends the approval to us through NDW. Exhibit (3) contains a sample of the letters and forms involved in the process.

### **RECEIPT OF MATERIAL**

Certification of receipt shall be performed by the DBOC. The following shall be done when receiving material:

1. Insure that the merchant has sent proof of delivery in the form of a packing slip. The packing slip should include the merchant name, address, telephone number, date, date of shipment, item descriptions, quantity of each item shipped, call number of order, items and quantities backordered, product numbers (if any), our ship to/mark for address, telephone number, cardholder name and cardholder VISA number used for the charge.
2. Check the items and quantities actually received against the packing slip and cardholder log and note any discrepancies. Discrepancies include short quantities not noted as backorders, damaged goods or items of poor quality. The cardholder should attempt to get discrepancies corrected by the merchant before the invoice arrives; however, the invoice should be certified and forwarded without delay and discrepancies resolved and/or disputed later under the new **Pay and Confirm** procedures established by the Navy. The DBOC will stamp the packing slip or OSR with a receiving stamp and sign and date in the block provided. All documentation shall be kept in the cardholder binder.
3. Insure that the end user or requestor signs for items requested on an OSR as a close out to the process after receipt by the DBOC. This is most important in cases where receiving personnel in HQO do not physically receive the item or service purchased. Examples are subscriptions received directly by the customer, memberships and machine repairs.

## INVOICING AND RECONCILIATION

RMBCS will send a “Cardholder Statement of Account” each month which includes all purchases, credits and other transaction data per individual cardholder for the previous billing cycle ending on the 21st of the month. In addition, a “Billing Account Statement” is received by the AO. This statement is a summary of all Cardholder purchases under the AO’s cognizance for the billing cycle. Under **Pay and Confirm** procedures, the invoice is paid promptly subject to follow on verification of receipt and acceptance of goods. The following procedures are followed in order to certify the invoice for payment:

1. The AO checks the transactions on each “Cardholder Statement of Account” for the cardholders within his/her authority as soon as possible after receipt. Transaction amounts are matched against calls in the cardholder log and the call number is written next to the transaction on the invoice.
2. The AO insures that transaction amounts match the original quote given to the cardholder. A good “sanity check” is the packing slip/invoice sent by the merchant with the order which can be used to verify accuracy of the quote (if pricing appears on it). Differences such as inaccurate estimates on shipping can be justified and paid. The AO calls the merchant whenever a price difference appears and will ask for a credit as long as the cardholder has not made a mistake. In cases of duplicate billing, goods and services billed but not ordered and overcharges, the cardholder must dispute the transaction (AO initiates) if the merchant does not agree to correct the discrepancy or issue a credit. In addition, billings of goods not yet received and accepted and damaged goods should not be disputed until 45 days have passed if a resolution has not been reached with the vendor. A dispute is mailed to RMBCS on a Cardholder “Statement of Questioned Item” form (exhibit 4). The invoice in question shall be paid in full initially; a credit will appear on a later invoice. RMBCS will notify the AO if there is a problem with the dispute. Erroneous charges for sales tax cannot be disputed and must be resolved by the AO with the merchant.
3. The AO insures that all cardholder calls/transactions for the cycle are authorized and that proper procedures have been followed. In addition, data in the cardholder log is checked for completeness and accuracy. The cardholder binder is checked for OSRs, packing slips and receipt certifications.
4. The invoice is signed and dated on the back and given to the cardholder along with a list of any discrepancies found by the AO. The cardholder verifies transactions against his/her records and signs and dates the invoice on the back before passing it on to the DBOC.
5. The DBOC receives the invoice and assigns funds to each transaction (a document has already been created by the AO for I.M.P.A.C. purchases and funding has been linked to it for payment of the invoices). Exhibit (5) entitled “Purchase Card Charges Breakdown” is

completed by the DBOC upon receipt of all cardholder statements for a particular month. The total of each cardholders' statement is listed at the top of the form next to the person's name, individual amounts are added and a sub-total is given, adjustments such as credits are deducted and a Grand Total is given which represents the amount paid for all cardholder's under this AO for one month. The sheet goes further to list budget categories such as "supplies" along with the subhead and cost code that corresponds to that category; spaces are allowed to the right for sub-totals. At the very bottom are categories of reimbursable funds which are given to us from customers who have their own funding. The appropriation description such as "BRAC 60", subhead and cost codes are given. The DBOC proceeds to enter aggregate amounts for each cardholder by category and puts the sub-totals in the blank to the right. The Grand Total at the bottom is the total of all budget categories and should match the Grand Total at the top.

6. A certification stamp is imprinted by the DBOC on the back of the form. Prompt payment information such as invoice date, invoice number and acceptance date are given. The billing cycle date or invoice date is the 21st of the month for NAVFACENGCOMHQ and the acceptance date is always the 28th of the month for our I.M.P.A.C. invoices (automatic 7 day acceptance from the billing date). The "Billing Account Statement" is date stamped upon arrival. The Prompt Payment clock begins on the acceptance date or the date the statement arrives, whichever date is the later of the two. In addition, the AO invoice amount certified for payment and the subhead of funds actually used for payment are put in the proper blocks. Please note that the allocation of various funds by category in paragraph 5 is for internal budget control only. Actual payment on one I.M.P.A.C. invoice charged to one AO for NAVFACENGCOMHQ is made against one line of accounting (LOA); the subhead of this LOA is given on the certification stamp. The AO and APC select this LOA as part of the management of the Headquarters Support Budget.

7. The next step in the process is for the DBOC to certify the invoice for payment in the Facilities Information System (FIS) accounting system. A special screen is used for this electronic certification. Status on invoice payment can be obtained later by the DBOC if needed. The "Purchase Card Charges Breakdown" along with attached cardholder invoices are forwarded to the Financial Officer in the Comptroller Office (FM) charged with signing documents. Finally, the package is turned over to the appropriate person in FM who will obligate the funds and release the invoice electronically to the Payment Office.

### **ADMINISTRATIVE ISSUES INVOLVING THE PROGRAM**

Training. All cardholders must receive training before using the I.M.P.A.C. The APC will provide training on internal procedures to the Cardholder before he/she uses the card and will update this training at least every three years. In addition, the APC, AO and all Cardholders must complete the following NAVSUP or NAVSUP approved training: one of the NAVSUP courses listed on page 6A-8 of reference (a) preferably the NAVSUP Commercial Card Course or the interactive CD entitled "Purchase Card Training and Interactive Customer Assistance" available to all DOD activities.

2. Lost or Stolen Cards. The following procedures should be followed:
  - a. The cardholder must immediately notify RMBCS at (888)994-6722.
  - b. The cardholder must notify the AO of the loss or theft and the circumstances surrounding it. The AO will forward a report to the APC documenting the incident. The report should contain the following information:
    - The card number
    - The cardholder's complete name
    - The date and location of the loss
    - If stolen, date reported to police
    - Date and time RMBCS was notified
    - List any purchases made on the day the card was lost/stolen
    - List other pertinent information
  - c. RMBCS will mail a replacement card within one business day (two days if outside CONUS) of the reported loss. A card that is subsequently found by the cardholder after being reported lost or stolen shall be cut in half and given to his or her AO or APC. The APC shall notify RMBCS that the card has been destroyed.
3. Separation of Cardholder. Upon separation, the cardholder must surrender the card to his or her AO or APC. The APC shall notify RMBCS to cancel the account.
4. Transfer of Cardholder. A cardholder may transfer within NAVFACENGCOMHQ and continue to use his or card as long as there is an AO residing within the new organization. The cardholder account may simply be transferred to the new AO at the end of the current billing cycle. If a cardholder transfers outside of NAVFACENGCOMGQ, his/her account must be canceled prior to the transfer. A new account may be set up for this person based on the judgment of the new APC and AO.