



**DEPARTMENT OF THE NAVY**  
COMMANDER MILITARY SEALIFT COMMAND  
914 CHARLES MORRIS CT SE  
WASHINGTON NAVY YARD DC 20398-5540

REFER TO:

**COMSCINST 4200.16A**  
**N10**

COMSC INSTRUCTION 4200.16A

Subj: GOVERNMENT-WIDE COMMERCIAL PURCHASE CARD (GCPC)  
PROGRAM

Ref: (a) EBUSOPSOFFINST 4200.1A of 2 Sep 2003  
(b) NAVSUPINST 4200.85 (series), DON Simplified Acquisition  
Procedures  
(c) COMSCINST 9330.6D  
(d) COMSCINST 4700.2G  
(e) COMSCINST 4790.3B  
(f) Overarching Internal Operating Procedures for Military  
**Sealift Command (MSC)**  
(g) GCPC File Review Checklist

1. Purpose. To provide additional guidance for the implementation of procedures established by reference (a). This instruction is a complete revision and should be provided to every MSC employee associated with the GCPC program (e. g. cardholders, Approving Officials, Financial Managers, Program Managers, Functional Directors, etc.) and should be read in its entirety.

2. Cancellation. COMSCINST 4200.16.

3. Background. The Department of the Navy (DON) eBusiness Operations Office, (eBUSOPSOFF) was established in January 2002 as the successor to the Naval Supply Systems Command (NAVSUP) as the DON organization with responsibility for establishing policy and providing management for the DON GCPC Program. Specific policy is provided within reference (a). Procedures and guidance for use of simplified acquisition and other simplified purchase procedures such as the GCPC Program are contained in the Purchase Card Desk Guides for cardholders (CH), Approving Officials (AOs) and Agency Program Coordinators (APCs). These desk guides for CitiDirect users may be viewed and downloaded from: <http://www.don-ebusiness.navsup.navy.mil> under Purchase Card training. A link to these guides is also provided on the N10 portion of the Military Sealift Command (MSC) Intranet under Purchase Card.

Enclosure (3)

The GCPC is to be used "to purchase supplies and services for official government business valued at or below the micro-purchase threshold (\$2,500)." Under no circumstance is a known requirement to be split into two or more parts and separately priced to remain within micro-purchase limits. All purchases shall meet the minimum needs of the Government. The purchase of high-end supplies is not authorized.

#### 4. Policy

a. The GCPC program is managed as part of the simplified acquisition function of the Contracting Offices (N10) as delegated by COMSC N10 in accordance with the policy and procedures identified in this instruction. This instruction does not grant any authorities that are elsewhere restricted. Major restrictions are identified in references (a) through (d) and within this document, however, other restrictions may apply. GCPC CHs and AOs are cautioned to seek advice from GCPC program personnel, senior management and Office of Counsel if in doubt about the propriety and/or legality of a proposed purchase. Required sources of supply and service, such as DON/DOD/Federal Stock Systems and the National Industry for Blind and Severely Handicapped are **not** to be circumvented. Purchases of medical supplies, furniture and communication and software equipment require approval from the respective controlling codes' Funds Administrators and Life Cycle Managers responsible for these areas within MSC. In particular, the following restrictions on use of the GCPC apply to MSC.

b. There shall be no more than two (2) active cardholders on any MSC ship at any given time, unless approved by COMSC N10. The Master may designate cardholders, but preferably, shipboard cardholders will be members of the Supply Department. Under no circumstances shall any shipboard cardholder use the GCPC for food subsistence items, unless an emergency is declared by the ship's master and the file is thoroughly documented.

c. Upon detachment of a cardholder from a ship, ship masters shall provide immediate (same day) notification to the cognizant Level 5 Local Program Coordinator (LPC) with a copy to the Level 3 APC. The notification should give the date that leave begins and the expected date of return to active status. If the CIVMAR does not return on the date given, the LPC shall check on the individual's status with the Afloat Personnel Management Command (APMC) on the individual's status. If no information is available and the CIVMAR has not returned, the card shall be immediately cancelled.

d. Shipboard Habitability Equipment - With regards to the purchase of shipboard habitability equipment, the following prohibitions/restrictions as contained in reference (a), and reproduced here, apply to MSC:

(i). Reference (b) "Department of the Navy Simplified Acquisition Procedures" applies to all small purchases made throughout the Department of the Navy (including MSC). The threshold for small purchases is called the Simplified Acquisition Threshold, and is currently \$100,000.

(ii). Reference (a) and this instruction apply to all MSC purchases using the Government-wide Commercial Purchase Card (GCPC). Use of the GCPC is mandatory for all purchases at or below \$2,500.

(iii). Reference (c) applies to the acquisition of shipboard habitability equipment (including furniture, laundry and galley/food service equipment), and provides allowances and general guidelines.

(iv). References (d) and (e) apply to all configuration changes on board MSC ships. Ships and supporting shore activities will obtain Technical Support Data (Technical Manual, parts list, spares) for all maintenance worthy equipment procured with the GCPC.

There are three approved catalogs for habitability items:

- Furniture equipment - S9600-AD-GTP-010, U. S. Navy Shipboard Furniture Catalog, with applicable changes.
- Laundry/dry cleaning equipment - S6152-B1-CAT-010, Navy Laundry and Dry Cleaning Catalog, with applicable changes.
- Food service equipment - S6161-Q5-CAT-010, The Shipboard Food Service Equipment Catalog, with applicable changes.

Shipboard habitability equipment listed in an approved Navy catalog listed above may be acquired using one of three methods:

- the GCPC (but only if the purchase is < \$2,500).

- submission of a purchase request to the local contracting office
- MILSTRIP requisition (AOE document identifier with exception data).

Shipboard habitability equipment NOT listed in an approved Navy catalog listed above may be acquired using one of two methods:

- submission of a purchase request to the local contracting office
- MILSTRIP requisition (AOE document identifier with exception data)

Please note that reference (a) prohibits use of the GCPC to buy shipboard habitability equipment that is not listed in the three approved catalogs for habitability items.

f. The chief engineer must approve in writing all requirements for standard and non-standard shipboard habitability equipment for use on board an MSC ship. This approval shall be retained in the CH file.

g. Reference (c) establishes standards for living and working spaces on board MSC ships and addresses furniture, galley and laundry/dry cleaning equipment.

h. The requisitioning department should seek the assistance of the port engineer on all installation and configuration issues, and must comply with references (d) and (e) for all alteration and configuration changes (i.e., inform the PM1 Ships Life Cycle Manager of all configuration changes).

(i). Uniform Items - General rule: CHs are not authorized to use appropriated funds nor the GCPC to purchase uniform items. In addition, the GCPC shall not be used to purchase ship ball caps or organizational clothing.

(ii). Food purchases - The GCPC shall not be used by MSC shipboard personnel to purchase any subsistence commodity from sources other than the Subsistence Prime Vendor (SPV) for consumption on board ship unless the ship's master declares an emergency and the file is thoroughly documented.

(iii). Shipboard Allowances - Authorized Ship Equipage, Tools and Test Equipment is listed in ShipCLIP. In accordance with Reference (e), ships must first request a new or increased allowance prior to procuring material that is not allowed in ShipCLIP.

(iv). Accurate inventories of items purchased with the GCPC must be maintained by the controlling code/ship with copies maintained in the GCPC files. Particular emphasis is given to inventorying those items which are moderate to high dollar value easily pilferable items, IT equipment of all kinds and controlled substances of any and all kinds.

## 5. Key Personnel and Responsibilities

a. The MSC Commander, N00, as Head of the Activity, is responsible for appointing a Level 3 APC to manage the MSC program.

b. The Level 3 APC will issue letters of Delegation/Appointment to each of the six Level 5 Local Program Coordinators (LPCs) nominated by their respective organizations (MSCHQ, MSC East, MSC West, MSCFE, MSCEUR and MSCCENT). The Level 3 APC will act as liaison with both the Business office and the bank. The Level 3 APC will also be responsible for consolidating results of semi-annual reviews of the six local activities prior to forwarding to upper level DON management.

(i) The Level 5 LPCs will be responsible for AO and CH account setup and maintenance as well as oversight of all aspects of the GCPC Program under their cognizance in accordance with the requirements of reference (a). Level 5 LPCs shall ensure that a ratio of seven (7) CHs to one (1) AO is not exceeded. Each MSC Civilian Mariner operated ship shall have no more than 2 active CHs at any given time.

(ii) The APC shall open accounts using the full legal name of the prospective CH/AO. Nicknames, initials and variants of the name of a prospective CH or AO shall not be used. The Level 5 APCs shall have the bank send all new cards/account information to his/her attention where the account setup shall be checked for accuracy and completeness before forwarding the GCPC to the CH.

In addition, Level 5 LPCs shall conduct a 100 % monthly transactional review. These reviews shall look for suspicious vendors, split purchases, equitable distribution of business and

suspected fraudulent transactions. In accordance with the direction in reference (a) and Purchase Card Periodic Notice (PCPN) 03-59 Purchase Card Program MART (Monthly APC Review Tool) Requirements results of the reviews shall be submitted to the Level 3 APC for transmittal to the eBusiness office. Any anomalies uncovered during the reviews shall also be reported to the Commanding Officer. Reference (g), available on the N10 portion of the MSC Intranet under Purchase Card, contains a comprehensive list of items which shall be reviewed.

c. Approving Officials (AOs) - Prospective AOs shall be nominated by their controlling organizations/codes. Generally, AOs shall be in the direct supervisory chain of the prospective CH. Under no circumstances shall an AO be lower in grade/rank than the CH. AOs are required to conform to the requirements contained in references (a) through (d) and references (f) and (g). AOs are cautioned that as accountable officials they may be held financially liable for expenditures resulting from the misuse of the GCPC by CHs under their cognizance.

d. Cardholders (CH) - CH responsibilities are enumerated in references (a) and (f) and the Purchase card desk guide contained on the eBusiness web page. CHs shall receive GCPC training prior to the issuance of any purchase card. Refresher training shall be taken/completed as required. Failure to complete refresher training within one month of the CH training anniversary date shall result in immediate suspension of the CH GCPC.

CHs are also accountable officials and may be held financially liable for misuse of the GCPC.

## 6. Procedures

a. An overarching MSC Internal Operating Procedure (IOP) (reference (f) is available on the N10 portion of the MSC Intranet under Purchase Card. IOPs shall also be written by each Level 5 LPC, be maintained and kept up-to-date and be provided to all CHs and AOs under the cognizance of individual Level 5 LPCs. The Level 5 IOP shall not be less restrictive than reference (f) although it may impose additional restrictions as circumstances dictate. The Level 5 IOPs must coordinate administrative procedures with their Area Command Comptrollers (N8), Logistics Officers (N4) and Information Technology personnel (N6). The local IOPs shall identify points of contact for procurement assistance, ensure that separation of functions is adequately addressed and identify procedures for internal review. IOPs are

living documents and shall be reviewed at least quarterly for update and revision although all revisions should be made as soon as programmatic changes are directed by higher authority. Any changes to existing IOPs require that all CHs, AOs and APCs be immediately notified of the change and provided either with a new copy or a link to an electronic copy.

b. Copies of MSC Area Command IOPs shall be forwarded to the Level 3 APC for review/approval. Requests for waivers or changes to reference (a) are to be forwarded by the field to the Level 3 APC for submittal by MSC N10 to the eBusiness Office.

c. LPCs, through letters of delegation of responsibility from the MSCHQ APC, shall delegate contracting authority in writing to all CHs and AOs in accordance with the procedures and limitations set by reference (a). Single purchase and cycle (monthly) limits will be requested in writing by the requiring code for each CH; however, the limits assigned will be determined solely by the LPCs in order to remain within dollar cycle ceilings for MSC as established by eBusiness and mandated by the Navy. The letter of delegation shall specifically delineate each CH/AOs authority for purchase and shall contain the single purchase and cycle limits. A copy of each letter of delegation or the SF 1402, *Certificate of Appointment*, shall be retained by both the LPC and the recipient (CH or AO) in their respective files.

d. Requiring codes shall submit a written request to the Level 5 LPC requesting establishment of a CH and/or AO account. The written request "shall include a statement that assigning the individual as an AO or purchase CH is *essential to meet mission needs*" (emphasis added). The request shall also certify that the prospective CH or AO has "the training, business acumen and judgment to act on behalf of the Government."

e. Prior to using the GCPC for any purchase, cardholders shall confirm funds availability.

## 7. Training Requirements

a. Prior to issuance of a purchase card or establishment of a corporate account (AO), prospective CHs and AOs shall successfully complete mandatory purchase card and ethics training and provide Certificates of Completion to the LPC for signature. All mandatory training may now be taken desk side. Ethics training is available on-line on the N2 portion of the MSC Intranet or on the Internet at:

[http://www.defenselink.mil/dodgc/defense\\_ethics/](http://www.defenselink.mil/dodgc/defense_ethics/). DOD mandated purchase card training entitled "DOD Government Purchase Card Tutorial" is available from the Defense Acquisition University (DAU) and can be accessed on-line at: <http://www.dau.mil> and completed desk side. Prospective program participants will have to register with the DAU before being able to access the training. The Navy mandated purchase card training is available on-line at: [http://www.don-ebusiness.navsup.navy.mil/portal/page?\\_pageid=36.56884.48\\_56922&\\_dad=pebiz&\\_schema=PEBIZ](http://www.don-ebusiness.navsup.navy.mil/portal/page?_pageid=36.56884.48_56922&_dad=pebiz&_schema=PEBIZ)

b. For the eBusiness CitiDirect training modules the following applies:

- All CHs are required to satisfactorily complete purchase CH training.
- All AOs are required to satisfactorily complete **BOTH** purchase CH and AO training.
- All APCs are required to satisfactorily complete all three modules, purchase CH, AO and APC training.
- eBusiness refresher training is required every 2 years.
- All program participants are required to take DAU training. This training is "once and done" and will not have to be repeated.
- All program participants are required to take annual ethics training.
- All training courses provide certificates of completion upon successful completion of the course. CH/AO Certificates of Completion should be retained in individual CH and AO GCPC files with copies provided to Level 5 APCs.
- Copies of Level 5 APC Certificates of Completion should be provided to the Level 3 APC.
- The Level 3 APC's Certificates of Completion should be provided to MSC N101.

It is highly recommended that all cardholders and AOs also take in-house training in the Financial Management System (FMS) being used to enter/record expenditures.

The Level 5 LPCs shall keep electronic files documenting the dates training was completed by CHs and AOs. These files shall be forwarded to the Level 3 APC semi-annually to be consolidated into a command wide GCPC training database.

8. Cardholder/Approving Official Responsibility/Liability. All CHs shall comply with the simplified acquisition procedures and micro-purchase procedures as defined in the Federal Acquisition Regulations (FAR), the DOD Federal Acquisition Regulation Supplement (DFARS), references (a), (b), and (f) and the local IOP. The CH shall document each transaction made with the purchase card in the purchase card log. The purchase card will be embossed with the CH's name and may be used only by the CH. **No other person** is authorized to use the card in the absence of the CH. Intentional use of the purchase card by any one other than the CH or for other than official Government business will be considered an attempt to commit fraud against the U.S. Government and may result in immediate cancellation of an individual's card, disciplinary action and possible criminal prosecution. The CH and AO may be held personally liable to the Government for the total dollar amount of any non-Government transaction. Under 18 U.S.C. 287, misuse of the purchase card could result in a fine or imprisonment. In the event that an emergency purchase is needed in the absence of the designated CH, personnel are to contact the LPC.

Verification of receipt of items ordered by the CH must be accomplished by someone other than the CH. This verification is to be accomplished via dated signature on the packing slip, invoice or other documentation accompanying the item.

9. Use of the Purchase Card as a Payment Vehicle. Use of the GCPC as a method of payment is mandatory for all training requirements using the DD 1556 up to \$25,000. Under no other circumstances may the GCPC be used as a method of payment under MSC contractual vehicles.

10. Oversight

a. The CH shall reconcile the monthly billing statement within 5 days of receipt, compare the statement to the purchase log, sign the statement, attach all supporting documentation including, but not limited to, the purchase log, the

requirements document, the certification of funds availability, the detailed invoice and receipts and the signatures to support independent receipt and acceptance of the item purchased, and forward the package to his/her AO. The AO shall confirm that all documentation is present, verify that all transactions met bona fide Government requirements, and certify the invoice for payment.

b. The Level 5 LPCs shall conduct a monthly 100% top-level review of all GCPC transactions occurring within the latest cycle in accordance with the requirement of PCPN 03-59 and forward the results to the Level 3 APC for transmission to the ebusiness office.

Should there be questions about any transaction, the Level 5 LPC shall discuss the issue(s) with the cognizant AO and CH. Should further investigation and/or disciplinary action be required, the LPC shall notify the AO's organizational commander.

c. The GCPC will be reviewed during Procurement Performance Management Assessment Program (PPMAP) reviews and may be addressed during command inspections.

d. In accordance with reference (a) GCPC records shall be retained for three years after final payment. Shipboard CHs shall black out their card numbers on any and all documentation prior to leaving a ship, however, all shipboard GCPC records (including but not limited to invoices, statements, register receipts, shipping documents, etc.) *shall remain with the ship.*

11. Prohibitions on Use of the Card. The GCPC may not be used to purchase selected items. A comprehensive, although not 100 percent, listing of prohibited items may be found in enclosure (2) of reference (a), which may be accessed on either the N10 portion of the Intranet under Purchase Card or on the eBusiness web site via the Internet. Items of food and drink are generally not allowable. Light refreshments at conferences are not allowable. Water messes and bottled water are generally not allowable but exceptions do exist. PRIOR TO MAKING ANY PURCHASE OF ITEMS ON THE PROHIBITED ITEM/SPECIAL INTEREST ITEM LIST, CHs/AOs must check with both the APC and Office of Counsel and obtain a written determination from Counsel that the purchase is proper. Failure to do so may result in the CH/AO being held financially liable for the total amount of the purchase.

/S/  
D.A. LOEWER  
Vice Commander

Distribution:

COMSCINST 5215.5

List I (Case A, B, C)

SNDL 41B (MSC Area Commanders)  
41C (MSC NFAF East/West)  
41D (MSC Offices)  
41E (APMC)  
41J (OICMILDEPTs)  
41K (APSRON FOUR)  
41L (COMPSRONs)  
41M (MSC TAGOS Project Office)  
T-100 (Masters, civil service manned ships)  
T-107 (Masters, civil service manned Fast Combat  
Support Ships)