DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON DC

29 OCT 1998

MEMORANDUM FOR ALMAJCOM/DP AFPC/DPK AFSEMO/DP

FROM: HQ USAF/DPDE
1040 Air Force Pentagon
Washington DC 20330-1040

SUBJECT: Guidance on the Use of the Government Purchase Card to Pay for Education and Training

On 20 Jul 98, the Deputy Secretary of Defense signed a memo expanding the use of the government purchase card Department of Defense wide. This memo directed, among other initiatives, the use of the purchase card as a method of payment for training and education requests using the DD Form 1556 valued at or below $25,000. Full implementation for using the purchase card to pay for training and education is 1 Feb 99.

The use of the purchase card represents an effective way to pay for all civilian and military training and education by enabling training and education offices to institute new processes which will lead to a more efficient operation. While the purchase card is a method of payment it does not replace appropriate training forms as either a procurement and/or authorization form.

Government purchase card training will be offered at local installations during the Dec-Jan timeframe. Recommend training and education program managers contact their installation government purchase card program coordinators to schedule this training.

Training and education program managers should read the attached guidance prior to using the purchase card program. This information will be incorporated into applicable Air Force directives and instructions. This is a coordinated memo between HQ USAF/DPDE, SAF/AQCO, and SAF/FMPC. Our points of contact are Mr. Mike Hameroff and Mr. James Matthews, HQ USAF/DPDEC, DSN 227-2827.

Patricia L. C. Priest

PATRICIA L. C. PRIEST, Colonel, USAF
Chief, Education and Training Division
Directorate of Personnel Force Development

Attachment:
Guidance

GUIDANCE ON THE USE OF THE GOVERNMENT PURCHASE CARD TO PAY FOR EDUCATION AND TRAINING

1. PURPOSE: To provide Air Force guidance on the use of the government purchase card to pay for education and training regardless of funding source. Effective 30 Nov 98, VISA and US Bank will assume responsibility for the government purchase card program for the Air Force.

2. PROGRAM DESCRIPTION:

a. The government purchase card will be used to pay for non-government and/or government off-the-shelf training and education up to $25,000 for an individual event or planned series of the same training event, activity, service, or course material regardless of funding source. The government purchase card does not take the place of formal acquisition procedures.

b. Off-the-shelf training is defined as training products and services regularly available to the general public and/or government personnel. The term includes training offered in catalogs or other printed material by a college, university, professional association, consultant firm or organization. It does not include training specifically developed, designed, or produced to meet a requirement unique to an organization and/or program. AF Form 9, Request for Purchase, not the government purchase card, is the proper document to purchase training designed specifically to meet a requirement particular to the organization.

c. Training and education program managers must review and approve requests for training according to statutory, legal, and administrative requirements, regardless of funding source. Military and civilian training and education purchased through other funding sources, using a DD Form 1556, Request, Authorization, Agreement, Certification of Training and Reimbursement, will comply with these procedures.

IMPORTANT:

- ***The Government Purchase Card does not replace DD Form 1556 or other appropriate training forms as either a procurement and/or authorization document.***

- ***Prior to attending a training or education course or program, approval must be obtained via the use of the appropriate training form(i.e., DD Form 1556).***

d. The government purchase card **WILL NOT** be used for the following purposes:

(1) **Cash advances**: Cash advances are prohibited under the commercial credit card program.

(2) **Travel related purchases,** including: Rental/lease of motor vehicles associated with travel or temporary duty supported by travel orders (purchase of airline, bus, or train tickets); purchase of meals, drinks, lodging, or other travel or subsistence costs associated with Government official travel.

e. Vendors who are reluctant to accept the card due to the interchange rate (card fee) should be advised they are eligible for the VISA high ticket interchange rate. These vendors should request their bank or financial institution provide them with the "big ticket" interchange rate. By having this rate, the "fee" they have to pay on credit card transactions can be as low as 1%. Questions should be directed to the Agency/Organization Program Coordinator (A/OPC).

f. Common commercial practice permits prepayment of training expenses. Training and education program managers can only dispute charges within a 30-day period from date of payment to US Bank. After 30 days, program managers must resolve disputes with the vendor. The window of opportunity for prepayment of training is 60 days prior to the course start date.

4. RESPONSIBILITIES:

a. Training and education program managers are responsible for:

(1) Complying with appropriate purchase card directives.

(2) Monitoring the execution of applicable program element codes (PECs).

(3) Implementing internal procedures to track the execution of training funds using the government purchase card.

(4) Documenting all purchases on a log and complying with the requirements in United States Air Force Internal Procedures for Using the International Merchant Purchase Card (IMPAC), 26 Apr 97.

(5) Reconciling the monthly billing statement and obligations against the credit card report and the accounting and finance system.

(6) Using appropriate form(s) i.e., AF Form 4009 to commit funds against the correct PEC and element of expense code (EEIC). If entered correctly, DFAS reports should identify the obligation of funds against PECs (i.e., PEC 88751, PEC 84753, etc. and EEIC 55350). Each purchase card has only one line of accounting associated with it. Card holders using acquisition (PEC 84753) and non-acquisition (PEC 88751) funds must have a separate card for each PEC. To accurately account for funds at locations with multiple command IDs, training and education program managers will be given the option of doing journal vouchers or having a separate card for each RC/CC within the

Operating Budget Account Number (OBAN). Training and education program managers will work with their local Financial Servicing Office (FSO) to establish the most appropriate procedure.

(7) Working with servicing contracting office to ensure appropriate procedures are used when training is specifically designed, developed, or produced to meet a requirement unique to an organization.

b. A/OPC will issue cards, provide information and guidance on the use of the card, and train card holders. A/OPC will establish cardholder accounts as requested by training and education program managers with a single purchase limit of $25,000. All merchant category codes (MCCs) will be blocked except the following sources of training:

(1) 8220 - Colleges, universities, junior colleges, and professional schools

(2) 8241 - Correspondence schools

(3) 8244 - All business/secondary schools

(4) 8249 - Vocational/trade schools

(5) 8299 - Default

5. IMPLEMENTATION: Full implementation for using the purchase card to pay for training and education is 1 Feb 99. Issues related to the use of the card that cannot be resolved at the local level should be elevated through the appropriate chain of command to HQ USAF/DPDE.