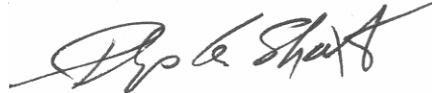


For: FFAS Offices

Purchase Card Aging Transactions and Suspension Guidance

Approved by: Deputy Administrator, Management



1 Overview

A Background

Purchase card transactions are posted in US Bank Access® Online (AXOL) within 24 hours of their occurrence. Frequent approval assists Agency management and finance officials in monitoring status of funds. NFC will pay the electronic invoice and schedule payment with the U.S. Treasury.

According to final draft DR 5013-6, Section 9, Special Instructions, subparagraph o:

“o. Requirement to Timely and Accurately Approve Transactions by Cardholders.

It is USDA policy that cardholders shall approve their transactions no later than 30 days after a transaction appears in the bank’s EAS, absent extenuating circumstances. Failure to timely and accurately approve transactions shall constitute grounds for management to revoke purchase card and/or alternative payment method privileges, and possible disciplinary action. **The account of any cardholder who fails to approve transactions within 60 days after each transaction appears in EAS will be deactivated...**”

The following table provides a snapshot of cardholder approvals, by Agency, for the second quarter of FY 2011. FFAS policy is 100 percent cardholder approval within 30 calendar days of posting or the cardholder will face suspension at 60 calendar days. The following table shows that while FFAS is doing very well overall, FFAS has not yet reached the goal of 100 percent across all Agencies.

Disposal Date	Distribution
December 1, 2011	All FAS, FSA, and RMA Offices; State Offices relay to County Offices

Notice AS-2215

1 Overview (Continued)

A Background (Continued)

Detail Transaction Approval Status Report for Q2 FY 2011 (January 1 through March 31, 2011)					
Agency Number/ Name	Total Transactions Current Quarter (Q2 FY 2011)	Total Transactions Pending Current Quarter (Q2 FY 2011)	Total Transactions Approved Current Quarter (Q2 FY 2011)	Total Transactions Approved Within 60 Calendar Days - Current Quarter (Q2 FY 2011)	Percent of Total Approved Transactions Within 60 Calendar Days Current Quarter- Compared to Total Transactions (Q2 FY 2011)
08 - RMA	493	6	506	504	102 Percent
10 - FAS	1,326	65	1,235	1,068	81 Percent
57 - FSA-FA	3,798	88	3,774	3,631	96 Percent
97 - FSA-CE	21,551	72	23,357	22,650	105 Percent
Total FSA	27,168	231	28,872	27,853	103 Percent

B Purpose

This notice:

- reminds cardholders to reallocate and approve transactions within 30 calendar days or face suspension at 60 calendar days
- reminds local agency program coordinators (LAPC's) of their duty to monitor cardholder reallocation and approval
- informs cardholders of the suspension policy and that repeated failures can result in the permanent loss of purchase card privileges
- provides links to additional information.

Notice AS-2215

1 Overview (Continued)

C Contacts

Direct questions about this notice according to the following.

IF there are questions about...	THEN contact...
the purchase card program	either of the following: <ul style="list-style-type: none">• Sheryl Welch, Agency Program Coordinator (APC), by either of the following:<ul style="list-style-type: none">• e-mail to sheryl.welch@kcc.usda.gov• telephone at 816-926-6108• LaVerne Walker, APC, by either of the following:<ul style="list-style-type: none">• e-mail to laverne.walker@wdc.usda.gov• telephone at 202-720-4044.
procurement policy	Yvonne Howerton, Chief Contracts Operations Branch, by either of the following: <ul style="list-style-type: none">• e-mail to yvonne.howerton@wdc.usda.gov• telephone at 202-690-5401.

2 Policy

A Cardholder Approval in AXOL

The cardholder will use AXOL to approve all transactions within 30 calendar days of posting to AXOL. Each transaction requires the cardholder to reallocate the accounting and enter the required information in the “Comments” tab. The cardholder will approve his or her transactions at least once a month using documentation retained from each purchase, and within 30 calendar days of the transaction posting to AXOL. It is USDA’s policy that only the cardholder shall approve his or her individual account.

If a situation or system issue prevents the cardholder from reallocating and approving transactions within this timeframe, it is his or her responsibility to report it to the approving official, LAPC, and/or agency program coordinator (APC) for corrective action.

2 Policy (Continued)

B LAPC/APC Duties

LAPC's shall monitor cardholder transactions on a monthly basis to ensure that cardholders approve their transactions in a timely manner.

After notification from the cardholder or cardholder's approving official, LAPC's/APC's are responsible for researching and correcting situations or system errors preventing a cardholder from reallocating and approving transactions. LAPC's/APC's will report to the Charge Card Service Center (CCSC) any situation or system issue, beyond the cardholder's control, that should be considered before suspending the cardholder's account because of delinquency.

LAPC's/APC's are not to contact the US Bank Customer Service to request that the suspense status be removed from the cardholder account. US Bank will only accept suspense removal request on cardholder accounts from CCSC. The first reactivation occurred May 16, 2011.

C Suspension and Reinstatement

Failure to approve transactions within 60 calendar days will result in the cardholder's account being temporarily closed. Repeat violations or failure to approve will result in accounts being permanently closed.

Note: Accounts in suspense status will **not** be reactivated until all transactions posted in the cardholder's Transaction Management List up through the current cycle date are approved. CCSC will review the list of accounts in suspense status, every 15 calendar days; that is, on the 16th and the 2nd of every month, and make every attempt to reactivate the account after determining that all transactions are in "Approved" status through the cycle date referenced in this subparagraph.

CCSC will make every attempt to reactivate all cards that have been suspended, within 15 calendar days of determining that all transactions are in "Approved" status.

D Links to Additional Sources of Information

Final draft DR 5013-6 is available at
www.dm.usda.gov/procurement/ccsc/FinalDraftDR-5013-6_20090724.pdf.

Cardholder's Purchase Card Program Guide Exhibits are available at
www.dm.usda.gov/procurement/ccsc/CoordinatorsPCardProgramGuideEXHIBITS_V6.pdf.

Cardholder Access® Online (AXOL) Quick Guide for Approving Purchase Card/Alternative Payments Transactions is available at
www.dm.usda.gov/procurement/ccsc/AXOLQuickGuide-Cardholder-Trifold-PRINTONLY.pdf.

Coordinator's Purchase Card Program Guide is available at
www.dm.usda.gov/procurement/ccsc/CoordinatorsPCardProgramGuide_V10.pdf.