DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
ACQUISITION LOGISTICS AND TECHNOLOGY
U.S. ARMY CONTRACTING AGENCY

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OCT 13 2004

SFCA-RM

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY
(FINANCIAL OPERATIONS), ATTN: SAFM-FOI,
109 ARMY PENTAGON
WASHINGTON, D.C. 20310-0109

SUBJECT: Management Control Evaluation Checklist

Enclosed is the latest update of the Management Control Evaluation Checklist for the administration of the purchase card program. This checklist supersedes any previous list published. Please add this checklist to the management control program for the purchase card.

My point of contact for the action is , commercial (703) 681-1050, DSN 761-1050

Sandra O. Sieber

Sandra O. Sieber
Director
Army Contracting Agency

Enclosure

Management Control Evaluation Checklist

Function. The function covered by this checklist is the administration of the Purchase Card Program.

Purpose. The purpose of this checklist is to assist Commanders and managers in evaluating the key management controls outlined below. It is not intended to cover all controls.

Instructions. Answers must be based on the actual testing of key management controls (e.g., document analysis, direct observation, sampling, simulation, and other). Answers that indicate deficiencies must be explained and corrective action indicated in supporting documentation. These key management controls must be formally evaluated at least once every five years. Certification that this evaluation has been conducted must be accomplished on DA Form 11-2R (Management Control Evaluation Certification Statement).

A. Test Questions

1. Does the Billing Official have a Letter of Appointment, which designates him/her as a billing official?

2. Has the Billing Official received purchase card and ethics training?

3. Is the Billing Official's supervisor(s) a cardholder in any of the Billing Official's accounts?

4. Does the Billing Official review each of their cardholder's statements each month?

5. Does the Billing Official certify and process the monthly billing statement within five business days of receipt?

6. Does the Billing Official promptly notify the A/OPC when a cardholder departs, retires, or otherwise no longer needs a card?

7. Has the Billing Official notified the A/OPC of any lost/stolen cards within five business days of the loss/theft?

8. If the Billing Official also manages a Convenience Check account, are quarterly surveillance reviews conducted?

9. Have any Convenience Checks, on accounts under supervision of the billing official, been written for more than $2,500?

10. Has the Billing Official notified the Installation A/OPC of any cardholder/check writer account procedures violations discovered?

11. Does the Billing Official coordinate card dollar limits with the installation A/OPC and installation RM when cardholder accounts are established?

12. Does the Billing Official maintain original supporting documentation for closed cardholder/check writer accounts IAW FAR 4.805?

13. Does the Billing Official coordinate with the Property Book Office to verify that all purchased accountable property has been properly documented?

14. Does the Billing Official coordinate with the Resource Manager to establish funding for all cardholders?

15. Has the Billing Official been formally appointed as a Certifying Officer?

16. Did the Billing Office comply with procedures covering deployment of cardholders?

17. How many cardholders under the Billing Official were reviewed by the A/OPC as a part of this annual review?

18. Has an adequate Cardholder Billing Official ratio been maintained?

19. What is the percentage of randomly selected transactions that were reviewed of the total number of transactions for the review period?

20. Does the Billing Official ensure cardholders maintain the Purchase Log in CARE?

B. Review of Cardholder/Check Writer Accounts – Government Purchase Card Program

1. Does the cardholder have a letter delegating specified procurement authority from the Chief of the Contracting Office?

2. Has the cardholder received training on Army procedures for using the purchase card?

3. Has the cardholder participated in refresher-training sessions or received refresher-training material?

4. Does the cardholder know and comply with their monthly spending limits?

5. If the cardholder is required to use both appropriated and non-appropriated funds, does he/she have separate cards for each type of funds?

6. Are all purchases entered in the CARE purchase log?

7. Does the cardholder obtain all required pre-purchase approvals and authorizations?

8. Are the cardholders monthly spending limits justified by their buying activity?

9. Were any unauthorized purchases made by the cardholder? (If the answer is Yes, describe in "Comments" at the end of this review.)

10. Did the cardholder reconcile all transactions in CARE within three business days of the end of the cycle?

11. Did the cardholder allow others to use his/her card?

12. Did the cardholder comply with requirements to purchase items IAW FAR Part 8?

13. Did the cardholder rotate sources when placing repeat orders?

14. Did the cardholder document all transactions that were posted to the Billing Statement but were not received and utilized by a tracking system to verify subsequent delivery?

15. Does the cardholder maintain supporting documentation?

16. Does the cardholder reconcile all transactions and approve the Statement of Account within three business days of receipt?

17. Does the cardholder reconcile transactions throughout the Billing Cycle?

18. Does the cardholder follow the procedures for disputing transactions?

19. Has the Billing Official acted on behalf of the cardholder during the review period?

20. Does the Cardholder use the reallocation feature of CARE properly?

C. Review of Convenience Checks Accounts

1. Have any checks been issued for more than $2,500?

2. Does the check writer capture all necessary TD1099 data for Internal Revenue Service (IRS) reporting?

3. Have any checks been written by someone other than the checking account holder?

4. Have checks been written for items to be delivered beyond 15 days?

5. Were checks written for any of the prohibited purchases?

6. If Stop Payment actions were processed against any check, was the $25.00 charge deducted from available funds?

7. Does the check writer account for checks written but not processed by the bank when reconciling his/her account to assure adequate funds are available?

8. Has the check writer received training on the GPC procedures from the A/OPC?

9. Are checks stored in locked containers when not in use?