



United States Department of the Interior
BUREAU OF LAND MANAGEMENT



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November 3, 2005

In Reply Refer To:
1510 (CA-944) P

EMS TRANSMISSION: 11/3/05
Instruction Memorandum No. **CA-2006-006**
Expires: 09/30/07

To: Deputy State Directors, District Manager, Field Managers
From: State Director
Subject: Reducing the Number of Employees with Access to the Charge Card
Purchase Business Line and Convenience Checks

DD: 01/13/06

The Attached IM No. BC-2006-001 addresses the need to reduce the number of employees with access to the charge card purchase business line and convenience checks. To further that goal, the Bureau has established a process to reduce the number of such accounts.

Unless adequate justification is provided to BC-620 by January 30, 2006, the following actions will be taken by BC-620:

- Any cardholder with access to the purchase business line who had 12 or fewer purchase transactions in FY 2005 will be moved to a travel-only option set; their charge card account will be cancelled if they were on a purchase-only option set.
- Convenience check access will be cancelled for any cardholder with 12 or fewer convenience check transactions in FY 2005.

All addressees to this memo will be provided a listing of all cardholders in their respective offices that have accounts with the purchase business line who had 12 or fewer purchases transactions in FY 2005. They will be provided the same listing for convenience check writers.

Supervisors must review charge card purchase/convenience check information using the criteria outlined in Attachment 1 to IM BC-2006-001 and provide their responses to Rosalind Davis, Agency Program Coordinator no later than **January 13, 2006**.

The response must list any purchase cardholder or convenience check writer with 12 or fewer transactions for whom it is requested that authority not be withdrawn, and must include justifications for not withdrawing the authority. It is not adequate to simply state that an individual may need access to the authority at some time. The justification must show that the purchases being performed by the individual cannot be performed by another individual in the organization and that retaining purchase or convenience check authority is necessary for the successful accomplishment of the organization's mission.

Questions regarding this requirement may be directed to Rosalind Davis at (916) 978-4523 or Wilma Kominek at (916) 978-4511.

Signed by:
Karen Barnette
Acting State Director

Authenticated by:
Richard A. Erickson
Records Management

1 Attachment:
IM No. BC-2006-001 (4 pgs)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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Denver, Colorado 80225-0047



In Reply Refer To:
1512 (BC-620) P

October 14, 2005

EMS Transmission: 10/18/2005
Instruction Memorandum No. **BC-2006-001**
Expires: 09/30/2007

To: All Washington Office and Field Officials
Attn: Agency/Organization Program Coordinators (A/OPCs) and State/Center
Procurement Analysts

From: Director, National Business Center

Subject: Reducing the Number of Employees with Access to the Charge Card Purchase
Business Line and Convenience Checks **DD: 1/30/2006**

Program Area: Charge Card Management

Purpose: This Instruction Memorandum (IM) establishes procedures to reduce the number of Bureau of Land Management (BLM) cardholders who have access to the charge card purchase business line and convenience checks.

Policy/Action: The BLM National Business Center's Division of Accounting Operations (BC-620) will provide purchasing and convenience check transaction information by e-mail in Microsoft Excel format to all State, Center, and Washington Office (WO) integrated charge card lead Agency/Organization Program Coordinators (A/OPCs) immediately following issuance of this IM. The information provided will consist of a single file with five tabs containing the following information:

- A list of warranted purchase cardholders and the number of purchase transactions each cardholder made during Fiscal Year (FY) 2005.
- A list of non-warranted purchase cardholders and the number of purchase transactions each made during FY 2005.
- A list of convenience check writers and the number of checks each wrote in FY 2005.
- A list of purchase transactions for each cardholder, including all charge card and convenience check transactions.
- A list of convenience checks written by each check writer.

Supervisors should review charge card purchase/convenience check transaction information using the criteria outlined in Attachment 1 and provide their responses to the individual designated in their organization to consolidate the response to this IM. The consolidated responses must be sent to BC-620 by the Deputy State Directors for Support Services; the National Center's Business Management Council representatives; or the WO Property, Acquisition, and Headquarter Services Group Manager.

The consolidated response must include the electronic copy of the Microsoft Excel file that was sent to your organization by BC-620. The file must be documented electronically, in the columns provided, with the justifications for retaining purchase or convenience check authority, or with new option sets for cardholders for whom purchasing authority is being withdrawn. This documentation must be provided for any purchase cardholder or convenience check writer with 12 or fewer transactions for whom you are requesting that authority be retained.

It is not enough to simply state that an individual may need access to the authority at some time. The justification must show that the purchases by the employee cannot be performed by another individual in the organization and that retaining purchase or convenience check authority is necessary to successfully accomplish your organization's mission. ***If an individual with 12 or fewer transactions is a warranted contracting officer, it is adequate justification to simply indicate this.***

Although this IM requires organizations to look only at cardholders with 12 or fewer purchase transactions and convenience check transactions, you are also encouraged to look at cardholders with more transactions to determine if their purchasing could be performed by someone else in your organization. An example of this would be an individual who is paying only their own or another individual's cell phone charges when these charges could be paid by someone else.

BC-620 will review all responses and coordinate with the States, Centers, or WO on any individuals for whom it is felt that inadequate justifications were received.

BC-620 will do the following for individuals for whom no justifications have been provided:

- Charge card accounts for purchase cardholders assigned to purchase-only option sets will be cancelled. This impacts accounts assigned to option sets 3720, 3721, and 3722.
- Charge card accounts for purchase cardholders assigned to purchase/travel option sets will be moved to travel-only option sets as indicated below, unless requested otherwise.

Proposed Changes for Purchase/Travel Option Sets

From	To
371A	3730
371B	3733
371C	3733
371D	3731
371E	3733
371F	3731
371G	3733
371H	3731
371P	3733
371R	3733
371T	3731
371Y	3731
371Z	3731
3760	3733
3761	3733
3762	3733
3764	3733
3765	3733

- Convenience check authority will be cancelled.

Offices must ensure that check writers whose convenience check authority is cancelled promptly destroy all unused convenience checks and verify that all of their outstanding checks have cleared.

State, Center, and WO lead A/OPCs are responsible for notifying cardholders for whom purchasing or convenience check authority will be changed.

This is the fifth year for this review process. We anticipate repeating it annually to ensure that only individuals needing and using charge card purchase and convenience check authority are assigned these authorities. Since supervisors are reviewing all monthly charge card statements and supporting documentation, decreasing the number of purchase cardholders will also reduce the number of charge card statements that need to be reviewed.

Timeframe: Please complete your review and submit your consolidated responses by January 30, 2006.

Budget Impact: No budget impacts are anticipated.

Background: The Department of the Interior (DOI) Integrated Charge Card Program Guide was issued on April 12, 2004. The DOI Integrated Charge Card Program Guide requires a periodic review (at least every two years) and adjustment of the number of cardholders with purchase authority and a review of cardholder credit limits. This helps to ensure that cardholders are given purchase authority only when needed to accomplish the Bureau's mission and provide adequate purchasing capability in an office.

National Business Center IM No. BC-2005-006, Reducing the Number of Employees with Access to the Charge Card Purchase Business Line and Convenience Checks, was issued on November 24, 2005. States, Centers, and the WO were provided with extremely detailed transaction data and asked to make adjustments to authorities under the assumption that retaining purchasing or convenience check authority for cardholders with 12 or fewer transactions should be rare. This IM resulted in approximately a 2.5 percent reduction in the number of purchase cardholders and an 8.7 percent reduction in the number of convenience check writers.

The percentage of BLM cardholders with purchase authority is currently about 46 percent, with individual State/Center percentages ranging from 9 percent to 66 percent.

There have been numerous high-profile instances governmentwide of charge card and convenience check misuse and fraud. Both the Office of Management and Budget and the Department of the Interior (DOI) Office of the Inspector General consider underutilized authority to be an unnecessary fraud risk.

Manual/Handbook Sections Affected: Refer to Section 1.2.6.1 of the DOI Integrated Charge Card Program Guide issued on April 12, 2004, for details on review requirements.

Coordination: The FY 2003 IM was coordinated with the Bureau's Business Management Council. Since the FY2005 review process is the same as it was for FY 2004, no additional offices were contacted for input.

Contact: If you have any questions regarding this IM, please call your State/Center/WO lead A/OPC or Lloyd Fread, BC-620, at (303) 236-5927.

Signed by
Thomas F. Boyd
Director, National Business Center

Authenticated by
Barbara Guest
BC-610 Secretary

1 Attachment: Criteria for Reviewing Access to the Purchase Business Line, Reviewing Access to Convenience Checks, and Submitting a Report to BC-620 (1 p)

**Criteria for Reviewing Access to the Purchase Business Line,
Reviewing Access to Convenience Checks, and
Submitting a Report to BC-620**

1. What do I need to review?

Supervisors must review all cardholder accounts that have access to the purchase business line and convenience checks and that had 12 or fewer purchase and/or convenience check transactions in FY 2004 to determine if those accounts still need access to the authorities. All accounts that should be reviewed are shown on the files supplied by BC-620.

If a cardholder has access to a purchase/travel option set and you concur that their purchasing authority should be cancelled, you should verify that the travel-only option set that they will be moved to is appropriate. This information is provided in the body of this IM. If you feel that they should be moved to a different travel-only option set, that information should be included in your response to this IM.

You should notify all cardholders for whom authority has been changed.

2. What criteria should I use to determine if a cardholder should have access to the purchase business line?

When performing your review, you should determine if the purchasing done by a cardholder currently making 12 or fewer purchases with the charge card and/or convenience checks can be handled by another employee in your organization. You should also look at the kind of purchases the individual is making and where they are making them. If most of the purchases are being made locally, it should be quite easy to have someone else in the office handle those purchases. You should strive to have the fewest possible cardholders with access to the purchase business line and convenience checks, and the lowest credit limits possible, while still being able to maintain an efficiently operating organization and allowing employees to do their jobs.

3. What do I need to report to BC-620?

Consolidated responses from State Offices, National Centers, and Washington Office must provide justifications for each individual for whom the organization wishes to retain purchase or convenience check authority. The justification must show that the purchases (purchase card or convenience check) by the employee cannot be performed by another individual in the organization and that retaining authority is necessary for successfully accomplishing the organization's mission.

Please submit justifications on the Excel file sent to your organization.