

PURCHASE CARD PROCEDURES FOR END OF FY 2004

Note: This document is for all cardholders and card approving officials. Cardholders may use their purchase cards to make FY 2004 purchases through COB Thursday, September 30th. However, not all of the purchases will automatically be posted in the ADB/CAS. For those cardholders who use the NIH ADB Log (Web & 3270), these pre-obligation procedures do not apply. These procedures apply to all of the other Logs. Since the IntraMall does not allow for the entry or obligation of fiscal year funds, IntraMall users must follow these procedures. *Earlier Cut-Off Dates may be required by the Cardholders' ICs.*

A. IntraMall:

This paragraph does not pertain to the cardholders participating in the IntraMall Pilot.

The IntraMall has a **CAN Detail Report** that allows you to view your outstanding orders from the IntraMall by choosing from the main page "CAN Detail Report." Each order with an outstanding balance will be displayed in the column next to the CAN. To view an order's detail, click the order number from the CAN Detail Report. If there are Non-Mall order entries on your list that require editing or need to be deleted this can be done from "Order Detail." Log any Non-Mall orders that have been missed. If there are any Mall orders that should be deleted, please make a list and email them to IntraMalls, Once all the edits have been made, a new CAN Summary Report should be printed and the pre-obligation amounts should be entered into the ADB (using Option 12). If there are more than 10 CANs, please follow the instructions provided in paragraph 6 below. For questions or assistance, please contact IntraMalls, 1-888-644-6255 or Pam Robbins on 496-3688.

B. Reconciliation of End of FY 2004 Purchases:

1. The last day that new purchases for FY 2004 will appear in the ADB will be **September 27th**. When a purchase appears in the ADB on the Review Purchases and Credits screen (the ODACR), it has also been obligated in the Central Accounting System (CAS) under the default CAN unless there has been an automatic match. No additional purchases for FY 2004 will be added to the ADB after the night of **September 27th** therefore, no additional obligations will enter the CAS after **September 27th** for credit card purchases.
2. Cardholders and Card Approving Officials must reconcile those purchases appearing in the ADB as of **September 27th** to the appropriate CANs and object class codes by 5:00 p.m. Thursday, **October 2nd**. The ADB will load this reconciled information into the CAS nightly through **October 1st**. This process will allow the cardholders to reconcile all purchases that are in the ADB as of **September 27th** to the appropriate CAN in the accounting system before the accounting system closes for FY 2004.

C. Pre-obligation Procedures for Non-NIH Electronic Log Users:

1. The pre-obligation amount is the total dollar amount of any purchase not seen in the ADB by **September 27th**, which includes all outstanding purchases from throughout FY 2004. The pre-obligation must also include all purchases made on or after **September 27th** through **September 30th**.
2. Although the ADB will start accepting pre-obligation entries as of September 1, 2004, we advise you to wait to do your pre-obligations on **Monday, September 27th**. **All pre-obligation amounts must be entered and approved by the Card Approving Official (CAO) in the ADB by 5:00 p.m. Friday, October 1st**. **Be careful so that you don't double pre-obligate by including in your pre-obligation amount any previously invoiced items.**
3. Option 12 provided in the ADB is a special "Pre-obligation" screen, which permits the cardholder or the Card Approving Official to enter pre-obligation amounts. Since a CAO can both enter and approve entries, the IC has the option of just having the CAO both enter and approve if that expedites the process. It is important to remember that if the cardholder enters the pre-obligation amount, that this amount will **not** post to the accounting system until approved by the CAO. The CAO must review and approve the entries before they are officially registered in the ADB and entered in the Accounting system even if they are the one who entered in the data. **The Cardholder and the CAO must ensure that they hit the F-1 key to approve the pre-obligation amounts by 5:00 p.m., Friday, October 1st**.
4. The Pre-obligation Screen will allow the cardholders/CAOs to use up to 10 CANs per purchase card for pre-obligations. This should assist the ICs in their efforts to end the fiscal year with obligations in the most appropriate accounts. If later a cardholder reconciles a purchase using a prior year CAN (FY 2004) not used in the pre-obligation process, the system will de-obligate the pre-obligation from the purchase card default CAN. **Therefore, it is critically important to establish the default CAN as one of the 10 CANs containing a pre-obligation amount.** Purchase amounts that are going to be reconciled using CAN(s) not listed among the 10 CANs allowed on the pre-obligation screen must be included in the pre-obligated amount obligated on the purchase card default CAN. This issue will come up if a cardholder is making purchases for more areas than 10 CANs will accommodate. At any point over the next year, the cardholder will have the authority to shift pre-obligated funds between CANs **but will not be able to change the total pre-obligated amount. You must make one of the 10 CANs your default CAN. You must not use an object class code that starts with "319" with the pre-obligated CANs.**
5. You must not enter a CAN number more than once. You may change the object class code when you reconcile during FY 2004. The default OC Code will populate automatically but you are able to change it when you reconcile.

We strongly encourage ICs to do what they can to keep the need for pre-obligations to a minimum.

6. CIT will provide authority to one individual per IC to increase/decrease pre-obligation amounts within the ADB against FY 2004 accounts after the accounting system opens for FY 2005.

Note: Either the Executive Officer or Chief Budget Officer from each IC must provide a name of a person who will be responsible for moving or increasing monies for their IC. Please email the names of these individuals along with their ADBID to Nancy Davis, John Slovikosky, and Tony Sambataro. We need these names no later than **Monday, September 13, 2004**. This individual must have clearance to get into the Purchase Card Function of the ADB.

D. What Happens with Unmatched Items?

All cardholders who currently use the ADB Electronic Purchase Log who have outstanding and unmatched items should go into the ADB and cancel the unmatched current month's log items unless they are aware of a specific circumstance that necessitates keeping it open. Make sure log entries go in at the time of purchases and that they have been matched. This will help alleviate double obligations. The original purchase log entry creates one obligation and when U S Bank submits the invoice via the ADB another one is created. If for some reason an item is not matched with the correct entry and remains unmatched in the ADB the cardholder would have two obligations.

For every unmatched log entry on the Electronic Log that the cardholder would like to cancel there is that option. Cardholders would simply hit the 'F6' function (which in turn automatically marks it with a 'Y'.) In the GUI version, they can either hit the 'F6' function or click the word 'cancel'.

E. What happens to remaining funds from FY 2003?

On or about **September 30, 2004**, CIT will de-obligate any remaining balances from the FY 2003 pre-obligations. Cardholders should have vendors bill prior to this date or current funds will need to be used. Also, any log entries that reference FY 2003 CANs will not be carried over to the next open log entry and the money will be de-obligated. **All remaining monies from FY 2003 will be lost.**

F. What happens after October 1st?

1. After **October 1st**, any items purchased and not accounted for in the pre-obligation process must be reported (through IC established routes) to the IC Budget Office with the desired CAN by **Friday, October 8th**. The Budget Office will forward this to OFM.

2. Each IC's Budget Office will have the option to put an obligation on the Short Term Estimate Memo to cover the best estimate of what was not pre-obligated correctly.
3. Obligations for purchases that were not pre-obligated by **October 2nd** in the ADB will be covered on the End of Year Estimate Memo submitted by IC Budget Officers to OFM before the closing of the books for FY 2004. While the ADB will eventually reflect the appropriate CAN the item was purchased under, the final obligations for credit card purchases that were not pre-obligated by **October 2nd** will show under the FY 2005 default CAN.
4. CAOs and other IC Personnel will forward the detailed list of all items included on the End of Year Estimate Memo for purchase card purchases to their Budget Officer. The responsible parties of each IC will be the designated person that will increase/decrease pre-obligation amounts with the ADB against FY 2004 CANs after the accounting system opens for FY 2005. The obligations made based on the Short Term Estimate Memo are automatically reversed in the accounting system when the accounting system opens for the next fiscal year. Therefore, the designated IC individual with authority to increase/decrease pre-obligation amounts must go into the ADB and update the pre-obligation amounts for any adjustments made on the Short Term Estimate Memo. This step is necessary to enable the system to allow a purchase to correctly be reconciled to a prior year CAN.

Note: Cardholders will not be allowed to charge items against FY 2004 CANs in excess of the pre-obligation amounts within the ADB.

5. Beginning **October 4th**, the ADB will resume daily updating with items that were not posted in the ADB by **September 27th** as well as items purchased on or after **September 27th**. **All charges appearing in the ADB at this point will have an FY 2005 default CAN.** Reconciliation in the ADB can begin at this point, but reconciled transactions will not be posted to the CAS until the accounting system opens for FY 2005. For the October 2004 reconciliation, pay close attention to the CAN number. It automatically defaults to the "05" at the end of the fiscal year and the cardholder must go in and change it to the "04". Also, if the cardholder does not reconcile on time then the items will be paid against the default CAN for fiscal year "05". OFM will accept only Summary proposals from Budget Officers for such charges. They will not make individual record changes.

Note: If the cardholder does not complete their reconciliation on time they must write a letter to the OFM signed by their Budget Officer. The Government Accounting Section, OFM, must be provided with the following information: (1) a written, signed justification stating the reason why the corrections were not made during the reconciliation period; (2) the reason for the correction(s) and (3) the total amount of charges to be moved, by CAN and sub object class. OFM will accept only summary proposals for such changes; they will not make individual record changes.

6. Cardholders may reconcile the appropriate charges using a FY 2004 CAN established during the pre-obligation process. The ADB and CAS will automatically reduce the pre-obligation amount for those transactions. However, if the CAN is not one of the 10 CANs originally established then the pre-obligation default CAN will be automatically reduced by the amount of the transaction. **The purchase transaction cannot exceed the amount pre-obligated. If during your purchase card review you are prevented from using a previous fiscal year CAN, use option 12 (Pre-obligation screen) to display current available balances of the previous FY's CAN to determine if that is the problem.**

G. What Happens during FY 2005?

If a valid FY 2004 purchase is discovered after the accounting system opens for FY 2005 and there was no pre-obligation amount entered in the ADB for this purchase, the cardholder should follow IC established procedures for use of prior year funds. The designated IC individual with authority to increase pre-obligation amounts should then increase the pre-obligation in the ADB to allow that purchase to be reconciled back to FY 2004.

Note: Points of Contact must make sure that all retired, cancelled, and transferred accounts are reconciled. Pre-obligated FY 2004 funds will be available until expended or through September 30, 2005 whichever is earlier.

H. Problems/Questions?

If you have questions first contact your IC Point of Contact for the Purchase Card Program (See Appendix A). If you still have questions, please call the Purchase Card Helpline, on 301-435-6606. If you have questions regarding OFM issues please contact John Slovikosky on 301-496-1418 and if you have CIT questions please contact the ADB Support Group on 301-402-6070.

SUMMARY TABLE OF CRITICAL DATES AND ACTIVITIES FOR END OF FY 2004 PURCHASE CARD OBLIGATIONS	
CRITICAL DATES	ACTIVITIES
September 27th	The last day that purchases for FY 2004 will appear in the ADB for reconciliation for end of FY 2004. Refer to paragraph B. 1.
September 30th	Cardholders can make FY 2004 Purchases through the close of business today. <u>Refer to the Note: on the first page after the Title</u>
September 27th to October 2nd	Reconciliation by Cardholder and CAO of purchases for end of FY 2004 in the ADB must be completed. <u>Refer to paragraph B. 2.</u>
September 27th to October 2nd	Pre-obligations (up to 10 CANs per account) must be entered by the Cardholder and/or CAO and approved by the CAO by 5:00 p.m. on Saturday, October 2 nd . <u>Refer to paragraphs C.2. through C. 5.</u>
October 4th	ADB will resume daily updating of purchases not included in the ADB by September 27 th and purchases made on or after September 27 th . All of those purchases will automatically be charged against the FY 2005 Default CAN until you reconcile. You may begin to reconcile on October 4 th . <u>Refer to paragraph F. 5.</u>
October 4th	FY 2004 purchases discovered that were not entered by October 2 nd must be forwarded in writing to their IC Budget Office who will forward this on to the Office of Financial Management (OFM). <u>Refer to paragraph F.1. through F. 4.</u>
During FY 2005	After October 4 th , FY 2004 purchases discovered that were not entered into the ADB must be forwarded in writing to your IC Budget Office. <u>Refer to paragraph G.</u>

Appendix B

Purchase Card Procedures for End of FY 2004

Hierarchy #	ICD	Designated Coordinator	Telephone #	Alternate Coordinator	Telephone #
3966	CC	Clifford Ross	301-402-0608	Janice Brunson Mary Haak	301-496-2301 301-496-1199
3021	CIT	Edith Smith	301-496-6167		
2222	CSR	Marilyn Cuzzolina	301-435-1099		
0819	FIC	Sonya Thomas	301-496-4625	Lauren Sikes	301-496-4625
0896	NCCAM	Denise Simmonds-Barnes	301-594-1452		
0849*	NCI	Kathleen Hargett	301-435-3808		
0897	NCMHD				
0848**	NCRR	Cheryl Stevens	301-435-0718	Leah Stroud	301-496-1088
0887	NEI	Intramural- Mary Slagle	301-496-3424	Extramural -Barbara Wilson	301-496-4233
0891	NHGRI	Mike Philippi	301-496-7909	Linda Adams	301-402-2081
0872*	NHLBI	Jim Mitchel	301-496-5931	Valery Gheen	301-594-4644
0843**	NIA(GRC)	Ramona Conroy	410-558-8090	Sheila Zichos	410-558-8041
0843	NIA	Sabrina Ferguson	301-402-2630	Susan Windsor	301-402-7721
0894	NIAAA	Pat Parks	301-443-1275	Priscilla Logan	301-402-1466
0885*	NIAID	Rebecca A. Guenther	301-402-2284	Shamay Knox	301-402-6990
0888	NIAMS	Melvin Broadus	301-496-6051	Valerie Green	301-496-6053
0898	NIBIB	Ann Mastradone	301-594-0926		
0844	NICHD	Ruth Maraio	301-402-3098	Inez Demery	301-402-3699
0893*	NIDA	Extramural -Traci Pelan Intramural-Diane French	301-443-4577 410-550-0813	Extramural-Bridget McDonald	301-443-4577
0890	NIDCD	Anne Sumner	301-496-9298		
0884*	NIDDK	Intramural-Bill Foltin	301-435-2793	Extramural-Patricia Barton	301-594-7731
0873	NIDCR	Virginia (Ginger) Betson	301-496-6621		
0862*	NIEHS	Antoinette Bridges	919-541-5415		
0851	NIGMS	Crystal James	301-594-1747	Gail Grossman	301-594-1747
0892	NIMH	Barbara Vermillion	301-443-3836	Pamela Fitzgerald	301-496-4271
0886	NINDS	Mary Monti	301-435-7715	Elizabeth Elliott	301-496-9273
0889	NINR	Ana Ferreira	301-402-7096		
0807*	NLM	Karen Riggs	301-496-6546		
1111	OD	Charles Baron	301-594-8277		
4444	ORF	Tina Tyler	301-402-0773	Melissa Richardson	301-402-0878
4554	ORS	Tina Tyler	301-402-0773	Melissa Richardson	301-402-0878

*Decentralized Procurement Office / **Decentralized Procurement Offices (Partial)