

U.S. Department of Housing and Urban Development
ADMINISTRATION

Transmittal for Handbook No.: 2212.1 REV-2

Special Attention of:
Approving Officials
Cardholders

Issued: October 30, 1995

1. This Transmits:

Handbook 2212.1 REV-2, Governmentwide Commercial Credit Card Program.

2. Explanation of Material Transmitted:

This is a revision of the Governmentwide Commercial Credit Card Program Handbook 2212.1 REV-1 dated March 24, 1993. The previous Handbook strengthened established procedures over the Program to assure compliance with the Federal Acquisition Regulation and HUD requirements to assure that purchases are proper. The revised Handbook continues to strengthen established procedures and reflects current changes in the Program.

3. Major Changes:

- o The previous Program Administrator, the Deputy Director of OAMS, has been replaced by the Director of the Management and Transportation Division, OAMS. [Chapter 1. Paragraph 1-3 (D)]
- o Directors of Administration (DOAs) have been replaced by Administrative Service Center Directors. [Chapter 1. Paragraph 1-3(E)]
- o Regional Program Coordinators have been replaced by Field Coordinators. Field Coordinators responsibilities include contacting the Servicing Bank. [Chapter 1. Paragraph 1-3(F)]
- o Approving Officials are required to provide the Finance Office with a sample of their signature. [Chapter 1. Paragraph 1-3 (J) and Chapter 4. Paragraph 4-2 (C)(1)]
- o An administrative fee is no longer paid to the Servicing Bank for credit card services. The fee was a percentage applied to each Cardholder's monthly sales total. [Chapter 1. Paragraph 1-5]
- o Credit Card construction purchases are limited to \$2,000. [Chapter 1. Paragraph 1-5 (H)]

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- o The Program Administrator/Administrative Service Center Directors are responsible for approving selected

- Cardholders and issuing the appropriate delegation of procurement authority to use the card up to the micro-purchase limit, \$2,500. [Chapter 2. Paragraph 2-2 (B)]
- o The Finance Office will post all credit card transactions into HUD's Federal Financial System (FFS) which replaces HUD's Administrative Accounting System (HAAS). [Chapter 2. Paragraph 2-3 (D) and Chapter 4. Paragraph 4-2 (D)(1)(d)]
 - o Cardholders must consider mandatory sources prior to placing orders. The Credit Card can be used for purchases from the GSA Customer Supply Center. [Chapter 3. Paragraph 3-3 (B)]
 - o Cardholders may place open market purchases to any source, regardless of business size or product origin, as long as the product is not available from one of the mandatory sources. The requirement for Cardholders to justify when they purchase an item costing \$100 or more on the open market rather than from the GSA Customer Supply Center Catalog and retain the justification for two years has been removed. [Chapter 3. Paragraph 3-3 (C)]
 - o The requirement for Cardholders to retain a written justification for two years whenever ordering other than recycled products has been changed to one year. [Chapter 3. Paragraph 3-3 (D)(3)]
 - o The requirement for Cardholders to verify the reasonableness of a credit card purchase by comparing the cost of an item to another vendor's price or comparing the price of the item to a recent, similar purchase has been removed. The requirement that this information be retained by the Cardholder for two years has also been removed. Cardholders only have to assure that competitive prices are obtained. [Chapter 3. Paragraph 3-3 (E)]
 - o The Credit Card File Information Form has been removed. [Chapter 3. Paragraph 3-4 (A)]
 - o The Credit Card can be used to rent post office boxes [Chapter 3. Paragraph 3-5 (A)] and for purchasing Metro Fare-cards. [Chapter 3. Paragraph 3-5 (B)]

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- o Cardholders are prohibited from using the Credit Card to purchase office furniture and furnishings. The Office of Administrative and Management Services (OAMS) and its related Field counterparts are exempted from this prohibition. [Chapter 3. Paragraph 3-5 (F)]
- o The Office of Federal Housing Enterprise Oversight can

use the Credit Card to purchase or rent nonexpendable property, to purchase books or subscriptions, and to obtain equipment repair services. [Chapter 3. Paragraph 3-5 (F),(J) and (O)]

- o The Field Administrative Services Division, Field Administrative and Management Services Division and the Field Administrative Divisions have been replaced by the Field Administrative Resources Divisions. [Chapter 3. Paragraph 3-5 (F), (L), (M) and (O)]
- o The Office of Administrative and Management Services (OAMS) and its related Field counterparts can use the Credit Card to purchase printing services from the Government Printing Office and to purchase visual arts services. [Chapter 3. Paragraph 3-5 (L) and (M)]
- o Headquarters Cardholders can use the Credit Card to purchase visual arts services provided the services are ordered under the OAMS' blanket purchase agreements. [Chapter 3. Paragraph 3-5 (M)]
- o The HUD Training Academy can use the Credit Card to purchase training enrollments and the supplies used in delivering the Department's in-house training program and repair of training equipment. [Chapter 3. Paragraph 3-5 (N) and (O)]
- o Copies of all receipts from purchase transactions made by the Cardholder must be retained by the Cardholder and attached to his/her corresponding Individual Statement of Account. Cardholders should attempt to obtain a receipt for each transaction. If for some reason the Cardholder does not have a copy of a receipt to send with the Statement, he/she should annotate on the item's "Description" line, "No Receipt Received" (NRR). [Chapter 4. Paragraph 4-2 (B) (1) and (2)]
- o The Rocky Mountain Bankcard System (RMBCS) Chargeback Manual has been deleted. A copy of the RMBCS Chargeback Manual for accounting instructions for Credit Card processing can be obtained from the GTR or the Program Administrator. [Chapter 4. Paragraph 4-2 (D) (1) (d)]

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- o The HUD Administrative Accounting System (HAAS) Report (A98ISU57) has been removed. [Chapter 4. Paragraph 4-2 (D) (2)]
- o If a Cardholder's card is lost, stolen or compromised, he/she should immediately upon discovery of the loss, call 1-800-227-6736 to notify the Servicing Bank. [Chapter 5. Paragraph 5-2 (B)]

- o Evaluations of HUD's Bankcard Program in Headquarters will be conducted by the Branch Chief, Policy and Management Reports Branch, Management and Transportation Division, OAMS. [Chapter 5. Paragraph 5-6 (B)]
- o The Control Monitoring Findings Guide has been removed. [Chapter 5. Paragraph 5-6 (D)]
- o Copies of the series of standard reports (i.e., Cardholder New Accounts, Year-to-Date Merchant Activity Report, etc.) provided by the Servicing Bank to the Program Administrator, Finance Office, Approving Officials and Cardholder have been removed. Copies of the reports are available from the Program Administrator. [Chapter 5. Paragraph 5-7 (A)]
- o Two reports previously provided by the Servicing Bank have been cancelled: 1) Prenotification of Office Limit Violation (R804) provided to the Program Administrator; and 2) Card Receipt Acknowledgements Outstanding (R342) provided to the Program Administrator and Approving Official. [Chapter 5. Paragraph 5-7 (A) (1) and (2)]
- o Two new reports are being provided to and retained by the Program Administrator and the Finance Office: 1) Disputed Transaction Status by Agency (F107) provides a listing of all Cardholders' accounts which have pending disputes; and 2) Invoice Status Report (F109) provides a listing of all outstanding invoices. [Chapter 5. Paragraph 5-7 (A)]

4. Filing Instructions:

Remove:

Handbook 2212.1 REV-1 dated
March 24, 1993

Insert:

Handbook 2212.1 REV-2 dated
October 25, 1995