MANAGEMENT CONTROL EVALUATION CERTIFICATION STATEMENT

For use of this form, see AR 11-2; the proponent agency is ASA(FM).

1. REGULATION NUMBER
OMB Cir A-123

2. DATE OF REGULATION
21 Dec 2004

3. ASSESSABLE UNIT
Directorate of Morale, Welfare, and Recreation

4. FUNCTION
CYS, CDC, Purchase Card Program

5. METHOD OF EVALUATION *(Check one)*

X a. CHECKLIST

b. ALTERNATIVE METHOD *(Indicate method)*

APPENDIX *(Enter appropriate letter)*

6. EVALUATION CONDUCTED BY

a. NAME (Last, First, MI)
Elsass, Susan C.

b. DATE OF EVALUATION
3 Jan 2007

7. REMARKS (Continue on reverse or use additional sheets of plain paper)

Key management controls were tested by direct observation, file/documentation review, and sampling.

No material weaknesses were found during this evaluation period.

8. CERTIFICATION

I certify that the key management controls in this function have been evaluated in accordance with provisions of AR 11-2, Army Management Control Process. I also certify that corrective action has been initiated to resolve any deficiencies detected. These deficiencies and corrective actions *(if any)* are described above or in attached documentation. This certification statement and any supporting documentation will be retained on file subject to audit/inspection until superseded by a subsequent management control evaluation.

a. ASSESSABLE UNIT MANAGER

(1) Typed Name and Title
Paul A. Heilman
Director of Morale, Welfare, and Recreation

(2) Signature

b. DATE CERTIFIED
11 Jan 07

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, 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).

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 Billing Official also manages a Convenience Check accounts are quarterly surveillance reviews conducted?

9. Have any Convenience checks, on accounts under 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 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 percent of randomly selected transactions that were reviewed of the total number of transactions for the review period?

20. Does the Billing Official insure 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? Yes

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

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

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

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? N/A

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

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

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

9. Were any unauthorized purchases made by the cardholder? (If answer is Yes, describe in "Comments" at the end of this review.) No

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

11 Did the cardholder allow others to use his/her card? NO

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

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

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

15. Does cardholder maintain supporting documentation? YES

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

17. Does the Cardholder reconcile transactions throughout the Billing Cycle? YES

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

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? YES

C. Review of Convenience Checks Accounts:

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

2. Does check writer capture all necessary TD1099 data for 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 charge deducted from the funds available?

7. Does 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?

Susanne C. Elsass
12/29/06