



**A**  
*Winning*  
**HAND:**

**Government Purchase Card (GPC)  
Little Known Facts**

Presented by Dave Williams  
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Washington, DC

# Agenda

- Names of accounting code structure segments
- Convenience checks written for over \$3,000
- Velocity limits and enhanced authorizations
- What's a preauthorization?
- Accuracy of cumulative totals
- Renewal status of accounts
- What is "508" compliance?
- MAT codes – what you need to know
- Other potential fraud opportunities



# Where Did the Names of the FA2 Accounting Structure Segments Come From?

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# FA2 Accounting Structure Segments

Seq Number	FA2 Segment	Length	Name	Abbreviation
1	A1	2		
2	A3	8		
3	A4	4		
4	A5	4		
5	A6	2	Appropriation	None
6	B1	2	Operation Agency Code/Fund Admin	OAC
7	B2	5	Allotment Serial Number	ASN
8	B3	6	Activity Address Code/UIC	UIC
9	C1	12	Program Element Code	PEC
10	C2	8	Project Task or Budget Subline	ORG
11	D1	2	Defense Agency Allocation Recipient	MFP
12	D4	8	Job Order/Work Order Code	JO
13	D6	1	Sub-Allotment Recipient	SAR
14	D7	6	Work Center Recipient	WCR
15	E1	1	Major Reimbursement Source Code	RBC
16	E2	3	Reimbursement Source Code	RSC
17	E3	6	Customer Indicator/MPC	CI
18	F1	5	Object Class	OC
19	F3	1	Govt/Public Sector Identifier	GPS
20	G2	2	Special Interest/Special Program Cost	SIPC
21	I1	6	DoD BACC Shorthand	DBSH
22	J1	15	Document/Record Reference Identifier	SDN
23	L1	6	Accounting Installation Number	AI
24	M1	18	IFS Number	IFS
25	N1	3	Transaction Type	TT
26	P5	12	FMS Case Country & Line	FMS
	<b>Total</b>	<b>148</b>		



# DFAS FA2 Accounting Data

FA2	Label	Acrrnm	Air Force (57)	Army (21)	DoD (97)	Navy (17)	USMC (17)
A1	Department Indicator	DEPT	(2) DEPT	(2) DEPT	(2) DEPT	(2)GA	(2)DEPT
A3	Fiscal Year Indicator	FY	(8) FY	(8) FY	(8) FY	(8)BFY/EFY	(8)FY
A4	Basic Symbol Number	BS	(4) ASN	(4) BSN	(4) BSN	(4)APPR	(4)BasicSym
A5	Limit/Sub-Head	SCL	(4) LIMIT	(4) Limit	(4) Limit	(4)SubHead	(4)SubHead
A6	Fund Code/MCC	FC	(2) FC			(2)MCC	(2)FC
B1	Operation Agency Code/Fund Admin	OAC	(2) OAC	(2) OA	(2) OA		(2)FA
B2	Allotment Serial Number	ASN	(4) OBAN	(4) ASN	(5) ASN	(5)BCN	(5)BCN
B3	Activity Address Code/UIC	UIC	(6) UIC	(6) UIC		(6)UIC	(6)UIC
C1	Program Element Code	PEC	(6) PEC	(11) AMSCO	(6)COST	(12)Cost Code	(12)Cost Code
C2	Project Task or Budget Subline	ORG	(6) BPAC	(8) Sub JON	(8)ORG		
D1	Defense Agency Allocation Recipient	MFP	(2) MFP				(2)BESA
D4	Job Order/Work Order Code	JO	(8) JON	(8)JO	(8)JO	(6)PAA	(6)PAA
D6	Sub-Allotment Recipient	SAR				(1)SubAllot	(1)SubAllot
D7	Work Center Recipient	WCR	(6) RC/CC	(6) CCC	(6) CCC		(6)JONLU
E1	Major Reimbursement Source Code	RBC			(1)RD		(1)RBC
E2	Reimbursement Source Code	RSC	(3) ARSC	(3)RSC	(3)RSC		(3)RON
E3	Customer Indicator/MPC	CI	(6)MPC/SRAN	(6)CN			
F1	Object Class	OC	(5) EEIC	(4)EOR	(4)OCC	(4)OC	(4)OC/OSC
F3	Govt/Public Sector Identifier	GPS	(1) Type Vendor	(1) ODC	(1) W/O		
G2	Special Interest/Special Program Cost	SIPC	(2) ESPC				(2)BRC
I1	DoD BACC Shorthand	DBSH	(6) MAC	(6) APC	(6) APC		(4)CAC
J1	Document/Record Reference Identifier	SDN	(15) SDN	SDN	(14) SDN	(15)SDN	(15)SDN
L1	Accounting Installation Number	AI	(6) ADSN	(6) FSN	(6)FSN	(6)AAA	(6)AAA
M1	IFS Number	IFS		(18) IFS			
N1	Transaction Type	TT	(3) BAAN	(2)AMC SITE	(2)AMC SITE	(2)TTC	(2)TTC
P5	FMS Case Country & Line	FMS	(12) FMS	(12)FMS			



# FA2 Account Structure Segments

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# Why Are Convenience Checks Written for More Than \$3,000 and Processed by U.S. Bank?

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# Why Are Convenience Checks Written for Over \$3,000 and Processed by U.S. Bank?

- DoD policy
  - Checks are not to exceed \$3,000
    - Banks have been directed to honor **ALL** checks, regardless of amount
    - Limit Use of Convenience Checks
      - GSA Office of Charge Card Management Policy  
<https://smartpay.gsa.gov>



# What Are Velocity Limits and What Do They Have to Do With Enhanced Authorizations?

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# What Are Velocity Limits and What Do They Have to Do With Enhanced Authorizations?

- Velocity Limits, or “tandem range” is a parameter/guideline set at bank level to check for possible fraud
  - These limits work “in tandem” to usual established account limits
  - Applies to all accounts
- Current Velocity Limits, or tandem range, is:
  - 20 Transactions per day (refer)
  - \$25K in purchases per transaction (refer)
  - \$25K maximum daily purchase accumulation (refer)
- Enhanced Authorizations is a request from an A/OPC to raise the velocity limit parameters
  - Example: Contingency Contracting Officer account



# What's a Preauthorization?

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# What's a Preauthorization?

- A preauthorization is a verification accomplished at the point of sale by a merchant to determine that the Government Purchase Card being used is valid
  - Verification includes internal check against all assigned spending limits, Merchant Category Code Groups (MCCGs) assigned, and account status
  - Required by Visa® regulations on all transactions
  - Amount entered by merchant in preauthorization registers in cumulative totals
    - We can remove duplicate authorization for transactions as long as it's done the same day, this way money is not tied up. The merchant has to be the one to call in to customer service to cancel the authorization - not A/OPC



# Why Are Cumulative Totals Not Always Accurate? What's the Solution?

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# Why Are Cumulative Totals Not Always Accurate? What's the Solution?

**Authorization Limits**

Credit Limit: \*

Single Purchase Limit: \*

% Cash:  
0

Available Credit:  
6503.89

Fiscal First Month:  
10

**Standard Velocity Limits**

	Total		Total
Daily Dollar: <input type="text" value="0"/>	0.00	Daily Transaction: <input type="text" value="0"/>	0
Cycle Dollar: * <input type="text" value="8000"/>	404.78	Cycle Transaction: <input type="text" value="0"/>	2
Quarterly Dollar: <input type="text" value="0"/>	3.78	Quarterly Transaction: <input type="text" value="0"/>	1
Yearly Dollar: <input type="text" value="0"/>	18,101.11	Yearly Transaction: <input type="text" value="0"/>	77



# Why Are Cumulative Totals Not Always Accurate? What's the Solution?

- Merchants may key-in incorrect transaction amount
- Merchants may not secure a preauthorization at all, which violates Visa regulations
- Recommendation is to utilize U.S. Bank Access<sup>®</sup> Online reports to monitor spending
  - Order Detail report
  - Transaction Detail report



# Why Are Cumulative Totals Not Always Accurate? What's the Solution?

- For pay and confirm organizations, U.S. Bank also sends a daily file to DFAS, who monitors spending for each managing account
  - Order Log and Posted Transaction File
  - DFAS contacts Approving Official if quarterly/yearly spending limit is in danger of being exceeded



# What Factors Prevent Accounts from Being Renewed Upon Expiration?

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# What Factors Prevent Accounts from Being Renewed Upon Expiration?

- Account List report – displays whether account is projected to be renewed (include account information)
- All Accounts will NOT be renewed automatically:
  - Accounts that have not been activated upon expiration
  - If account has a card that was returned because of an incorrect address
  - Accounts that have been inactive for 22 months and have a zero balance
  - Accounts with a V9 status, a zero balance, and inactive for 12 months
  - Frequently impacts contingency contracting accounts
- Call Customer Support to have status changed



# Did You Know That Access Online and Access Online Web-Based Training (WBT) Are 508 Compliant?

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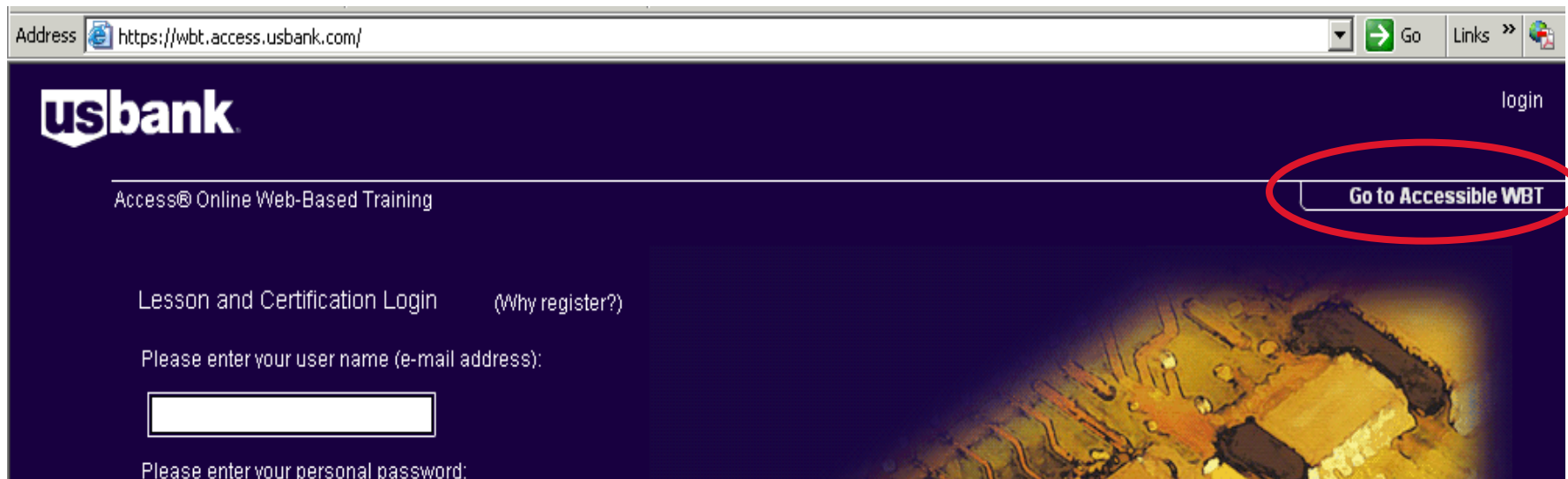


# Did You Know That Access Online and Access Online Web-Based Training are 508 Compliant?

- What is “508?”
  - 1998 Amendment to the Rehabilitation Act of 1973 included Section 508 – requiring electronic and information technology accessible to those with disabilities
  - Accessible site via a direct link on WBT home page



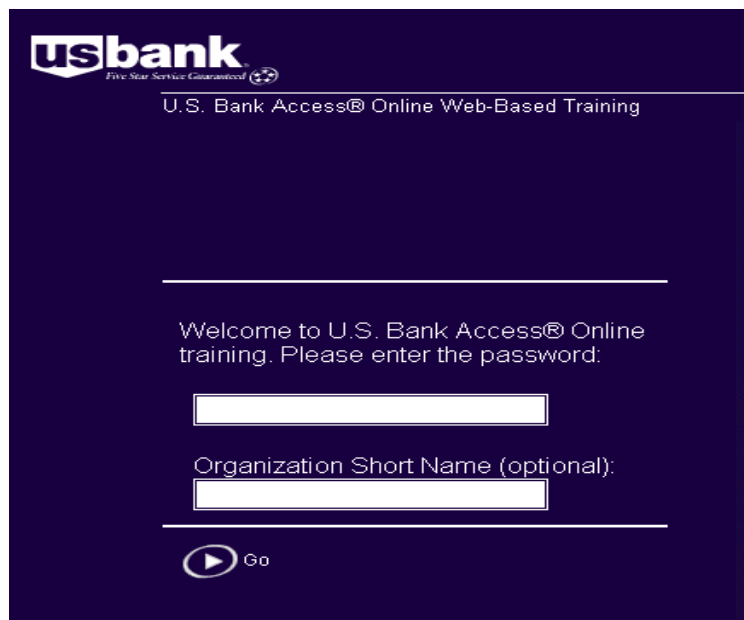
# Did You Know That Access Online and Access Online Web-Based Training are 508 Compliant?



- Click on “Go to Accessible WBT”



# Did You Know That Access Online and Access Online Web-Based Training are 508 Compliant?



The screenshot shows a dark blue login interface for U.S. Bank Access Online Web-Based Training. At the top left is the **usbank** logo with the tagline "Five Star Service Guaranteed" and a star icon. Below the logo, the text "U.S. Bank Access® Online Web-Based Training" is displayed. A horizontal line separates the header from the main content. The main content area contains the text "Welcome to U.S. Bank Access® Online training. Please enter the password:" followed by a white rectangular password input field. Below the password field is the text "Organization Short Name (optional):" followed by a white rectangular input field. At the bottom left of the form is a "Go" button with a play icon.

- The login screen displays, which is fully accessible
- Cardholder enters password and organization name



# Did You Know That Access Online and Access Online Web-Based Training are 508 Compliant?

**usbank**  
Five Star Service Guaranteed

[Logout](#)

**U.S. Bank Access® Online Web-Based Training**

**Update Announcement**

**Transaction Management:** We updated the Transaction Management user guide with information on having 25 accounting code favorites available.

**Access® Online Training Lessons and User Guides**

Click a link below to download an accessible PDF file. [Click here to get Adobe Acrobat Reader!](#)

<b>Online Registration</b> <ul style="list-style-type: none"><li> <a href="#">Online Registration Lesson</a></li><li> <a href="#">Online Registration User Guide</a></li></ul>	<b>Cardholder-initiated Account Setup</b> <ul style="list-style-type: none"><li> <a href="#">Cardholder-initiated Account Setup Lesson</a></li><li> <a href="#">Cardholder-initiated Account Setup User Guide</a></li></ul>
<b>Navigation Basics</b> <ul style="list-style-type: none"><li> <a href="#">Navigation Basics Lesson</a></li><li> <a href="#">Navigation Basics User Guide</a></li></ul>	<b>Reporting</b> <ul style="list-style-type: none"><li> <a href="#">Reporting Lesson</a></li><li> <a href="#">Reporting User Guide</a></li></ul>
<b>Shared Custom Reporting</b> <ul style="list-style-type: none"><li> <a href="#">Shared Custom Reporting Lesson</a></li><li> <a href="#">Shared Custom Reporting User Guide</a></li></ul>	<b>Managing and Card Account Lists</b> <ul style="list-style-type: none"><li> <a href="#">Managing and Card Account Lists Lesson</a></li><li> <a href="#">Managing and Card Account Lists User</a></li></ul>

- The accessible site displays
- Lessons, evaluation questions, user guides and quick references are all available



# Did You Know That Access Online and Access Online Web-Based Training are 508 Compliant?

- User navigates system using screen reading device like JAWS, or accept a user-defined accessibility template (high contrast, larger type, adjust for color blindness)
- Many “low-vision” users have these templates set up already and select to use them through browser accessibility options
- These templates let the user decide how to display web pages



# MAT (Merchant Activity Type) Codes – What You Need to Know to Mitigate Fraud

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# MAT (Merchant Activity Type) Codes – What You Need to Know to Mitigate Fraud

- Definition
  - Codes created by U.S. Bank which groups one or more of the 20 Merchant Category Classification (MCC) codes, which Visa or MasterCard® assigned to each merchant. These codes are designated by the letters A – U
- Purpose
  - Mitigates fraud opportunities
  - Usually assigned to cardholder accounts and authorizes or blocks purchases at specified merchant types, based on individual cardholder's need



# MAT (Merchant Activity Type) Codes – What You Need to Know to Mitigate Fraud

### Merchant Authorization Controls

[Manage Controls](#)

Control	Authorization Action	Single Purchase Limit	Type	Action
<a href="#">MCCG081A</a>	Approve	0	Custom	<a href="#">View Details</a>
<a href="#">MCCG081</a>	Approve	0	Custom	<a href="#">View Details</a>

Note: 2 controls added out of a maximum of 9.

**Authorization Limits Comments:**

Note: The maximum amount of characters allowed is 254.  
Character count = 0

**Send Request**

- Merchant Authorization Controls located on Authorization Limits screen in Account Setup/Maintenance



# Merchant Category Code Table

Category	Description
<b>A</b>	Airlines, Airports
<b>B</b>	Vehicle Rental, Dealers
<b>C</b>	Hotel, Motel
<b>D</b>	Misc. Transportation (R.R., Taxi, Ambulance, Bus, Travel Agencies (No Airlines), Freight, Courier Svs
<b>E</b>	Telephone, Telegraph, Cable Svs, Cable Equipment, Equipment, Utilities (Electric, Gas, Water, Sanitary)
<b>F</b>	Telemarketing, Travel Related Arrangement Svs (No Travel Agencies)
<b>G</b>	Mail Order Houses, Telephone Purchases, Subscription, Continuity Merchant
<b>H</b>	Food/Daily Stores, Drug/Liquor Stores
<b>I</b>	Caterers, Restaurants, Bars
<b>J</b>	Discount/Department/Variety Stores, Misc. General Mdse, Duty Free Stores
<b>K</b>	Misc. & Specialty Retail Stores, Lumber/Hardware, Lawn/Garden, Clothing, Furniture & Equipment, Household Appliances, Music/Records, Gov't Svs (Not elsewhere classified), Postage
<b>L</b>	Contractors
<b>M</b>	Camps, Camp Sites, Amusement & Recreational Svs.
<b>N</b>	Misc. Personal Services
<b>O</b>	Misc. Business Services



# Merchant Activity Type (MAT) Code Directory

0000	ABCDEFGHIJKLMNOPSUR	0042	EFGHJKLMNOPSUR	0084	ABEFGHIJKLMNOPSUR
0001	EFGHIJKLMNOPSUR	0043	BCDEFGJKLMNOPSUR	0085	GJKLNORU
0002	ABCDM	0044	EJKOU	0086	BHJKNORU
0003	S	0045	EGJKNOPQRU	0087	BCDEFGIJKLMNOPSUR
0004	ABCDMS	0046	JKLOU	0088	CEJKLOU
0005	BD	0047	CGJKNOPQRSU	0089	BCDEGHIJKMNOPSU
0006	EFG	0048	GJKLNOPSUR	0090	BDEFGHIJKLMNOPSUR
0007	HIJ	0049	BGHJKLOPU	0091	BS
0008	JKLNORU	0050	GJKLNOU	0092	H
0009	JM	0051	ABDEFGHKLNOPSUR	0093	D
0010	DKNOPQRU	0052	BEFGHJKLMNOPSUR	0094	KLOU
0011	PR	0053	FGJKOU	0095	CEFGJKLOQSU
0012	QR	0054	BCJKLOPSU	0096	DEFGJKLOPQU
0013	JKNORU	0055	EFGJKLOPRSU	0097	BCDGHJKLMOPQRSU
0014	DJKLMNOPSUR	0056	DHIJ	0098	CHI
0015	GJKRU	0057	DS	0099	U
0016	B	0058	GHJKLOQRSU	0100	BCJKLNU
0017	BDEJKLOSU	0059	BEJKLNOSU	0101	BEGHIJKLOPU
0018	DEJKLOU	0060	DFGJKOU	0102	EGJKOU
0019	JKLU	0061	DGJKOQU	0103	HIJKU
0020	GJKLOPQRU	0062	BDGJKOQU	0104	BDGJKLOPQRSU
0021	JKLOPQRU	0063	BDGJKLOQU	0105	HKU
0022	CDEGJKLOPQRU	0064	CEFGHIJKLNOQRU	0106	BCDEGHIJKLNOQRSU
0023	BGJKLOPQRU	0065	C	0107	DGJKLMOQRU
0024	BDGHJKNOSU	0066	P	0108	BCDEFGHJKLMNOPSUR
0025	BDEFGHIJKLMNOPSUR	0067	CO	0109	BCDEFGHIJKLMNOPSUR



# Other Potential Fraud Opportunities

- Cycle/monthly limits on accounts – April '11

<b>LEVEL 2</b>	<b>\$100K TO \$500K</b>	<b>\$501K TO \$1MM</b>	<b>&gt; \$1MM</b>
<b>00021</b>	4,191	363	244
<b>00057</b>	4,285	149	30
<b>00097</b>	807	75	42



# Other Potential Fraud Opportunities

- Single Purchase Limits on Accounts – April '11

<b>LEVEL 2</b>	<b>\$26K TO \$100K</b>	<b>\$101K TO \$500K</b>	<b>\$501K TO \$1MM</b>	<b>&gt;\$1MM</b>
<b>00021</b>	482	257	63	32
<b>00057</b>	151	92	3	1
<b>00097</b>	361	38	19	10





# Questions?



# Thank You

**Presentations will be available on**  
**[www.usbank.com/sp2presentations](http://www.usbank.com/sp2presentations)**  
**after the conference**

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