



## **Government Purchase Card Policy Draughon Brothers, Inc**

### Introduction and Disclaimer

Draughon Brothers, Inc. has developed and published this policy to govern the actions of our associates as it pertains to the acceptance of Government Purchase Cards. This policy applies to all business transactions and agreements entered into between Draughon Brothers, Inc. and a federal government entity when a Government Purchase Card is the method used for payment. In order to guarantee payment of goods and services, strict adherence to this policy is required by all Draughon Brothers associates.

Draughon Brothers, Inc. can not be held responsible for decisions made by Government Purchase Card holders that violate federal law and/or existing formal or informal written and verbal policies and government procedures. Draughon Brothers, Inc. implicitly trusts the discretion of authorized cardholders and expects that all actions and decisions concerning the use of Government Purchase Cards are being undertaken by an authorized cardholder with strict adherence to all guidelines, policies, procedures and laws governing the use of Government Purchase Cards. Our corporate intent in all business transactions using Government Purchase Cards is to adhere to all Federal Acquisition Regulations and all policies and regulations under local jurisdiction and control.

### Guidelines for Acceptance of Government Purchase Cards

- All Government Purchase Card transactions, orders and quotes must be approved by the authorized cardholder. A *Credit Card Authorization Form* must be signed by the authorized cardholder before goods and services can be charged to a Government Purchase Card.
- If a business transaction involves the delivery of tangible equipment and goods, charges may not be applied to a Government Purchase Cards until the equipment and goods are delivered to the customer.
- If a business transaction involves labor expenses for services rendered, the service must be completed before charges can be applied to the Government Purchase Card.
- The cardholder is responsible for operating within the set monetary limits of the discretionary use of the Government Purchase Card.

Guidelines for Acceptance of Government Purchase Cards - Continued

- Prepaid Service Agreements may be charged to Government Purchase Cards. Under FAR regulations, all such agreements are classified as non-personal Service Contracts.<sup>1</sup>
- Before entering into a business transaction using a Government Purchase Card a copy of this policy must be signed by all Government Purchase Card holders and maintained on file.
- A copy of this policy and all documents referenced in this policy can be found online at the following link; [http://www.draughonbrothers.com/company\\_info.php#accounting](http://www.draughonbrothers.com/company_info.php#accounting)

Acknowledgement of Understanding

I, \_\_\_\_\_, have read and acknowledge understanding of the Draughon Brothers, Inc. Government Purchase Card Policy. I agree to work closely with Draughon Brothers, Inc. to insure that all applicable regulations and procedures are maintained in all business transactions using Government Purchase Cards. I certify that I am the authorized cardholder for the Government Purchase Card listed below.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Government Purchase Card # \_\_\_\_\_

Additional Information

Please use this section to document any additional information pertaining to or necessary for the correct use of the listed Government Purchase Card.

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<sup>1</sup> Refer to Federal Acquisition Regulations; Part 37; Subpart 37-101;" Definitions"; for a concise definition of allowable services. Services rendered under this Agreement include but are not limited to the following; "(1) Maintenance, overhaul, repair, servicing, rehabilitation, salvage, modernization, or modification of supplies, systems, or equipment." and "(2) Routine recurring maintenance of real property." The Prepaid Service Agreement is classified as a non-personal Service Contract.