5-5. Liability of Cardholders and Billing Officials

a. Individuals responsible for purchase card violations (e.g., abuse, delinquency, internal fraud, or misuse) are subject to administrative and disciplinary action. Pecuniary liability may apply when there is an erroneous (illegal, improper, or incorrect) payment. Commanders may take corrective action, impose disciplinary action (including removal for serious or repeated infractions), and take other administrative actions for GPC infractions. If a potential GPC violation is discovered, GPC personnel will ensure the violation is appropriately investigated.

b. Cardholders and billing officials are designated as accountable officials per DoD FMR Volume 5, Chapter 5, paragraph 1.1.2. Certifying Officers (i.e., billing officials) may be held pecuniary liable under USC Title 10, Subtitle A, Part IV, Chap 165, Sec 2773a for an illegal, improper, or incorrect payment.

c. Cardholders who make unauthorized purchases or allow others to use the card may be held liable for the total dollar amount of unauthorized purchases made in connection with the misuse or negligence. Cardholders may also be held pecuniary liable for any payment certified based on false or negligent information they provided to the Certifying Officer.

d. **Command/SCO Oversight**. The Command/SCO must establish and maintain a command climate to prevent undue influence over the actions of a cardholder. The Command/SCO will establish local policies and procedures identifying informal and formal disciplinary actions to be taken in the event of noncompliance, fraud, misuse, and abuse. Disciplinary actions should be based on the severity and frequency of the infraction and can range from informal actions (such as written or verbal counseling) to demotion, removal, or potential criminal prosecution.

e. **Investigation Required**. Commands must be notified when evidence of fraud or other criminal activity is identified. Evidence of deliberate abuse will be referred to the CH’s and/or BO’s command for appropriate action. The investigation must provide the Army employee or military member with an opportunity to rebut the presumed liability.

Parent topic: CHAPTER 5 - ESTABLISHING AND MAINTAINING A GPC ACCOUNT