

DEPARTMENT OF DEFENSE (DOD) GOVERNMENT PURCHASE CARD REFRESHER PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. What is the effect of not adhering to GPC policies?**
 - A. It can result in financial benefits for the cardholder
 - B. It may lead to disciplinary action against the cardholder
 - C. It has no real consequences
 - D. It could improve purchasing capabilities
- 2. Is training required for GPC cardholders?**
 - A. No, it is optional
 - B. Yes, to understand responsibilities and compliance
 - C. Only if requested by a supervisor
 - D. Yes, but only for new cardholders
- 3. Does the GPC program provide provisions for small business considerations?**
 - A. Yes, it encourages purchases from small and disadvantaged businesses
 - B. No, it does not consider small businesses
 - C. Only for government contracts
 - D. Yes, but only for large corporations
- 4. What tool is used to fulfill the requirement of preventing or identifying potential fraudulent purchases according to the Government Charge Card Abuse Prevention Act?**
 - A. Purchase Card On-Line System (PCOLS)
 - B. Fraudulent Purchases Reports System (FPRS)
 - C. Data Mining (DM) tool
 - D. Electronic Procurement System (EPS)
- 5. What is the first step a cardholder should take when they receive their GPC?**
 - A. Start making purchases immediately
 - B. Review and complete the required training on GPC policies
 - C. Contact their supervisor for guidance
 - D. Order supplies needed for their department

- 6. Which of the following actions is NOT allowed while using a GPC?**
- A. Purchasing official supplies
 - B. Paying for services related to official duties
 - C. Purchasing gifts for colleagues
 - D. Acquiring equipment for the workplace
- 7. What documentation may be required for GPC expenses exceeding \$3,500?**
- A. Verbal agreements
 - B. Purchase orders or contracts
 - C. Internal memos
 - D. Approving official signatures
- 8. What is the initial step in the dispute resolution process for GPC transactions?**
- A. Contact the merchant
 - B. Notify the cardholder's bank
 - C. Submit a dispute form
 - D. Consult with a legal advisor
- 9. In emergency situations, what advantage does the GPC provide?**
- A. It requires lengthy procurement processes
 - B. It allows for quicker acquisition of essential items
 - C. It limits spending to pre-approved amounts
 - D. It mandates specific vendor usage
- 10. What type of transaction might require a procurement request instead of using the GPC?**
- A. Small office supplies
 - B. Any purchase under \$10,000
 - C. Large purchases above the micro-purchase threshold that require competitive bidding
 - D. Emergency purchases needed immediately

Answers

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1. B
2. B
3. A
4. A
5. B
6. C
7. B
8. B
9. B
10. C

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Explanations

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1. What is the effect of not adhering to GPC policies?

- A. It can result in financial benefits for the cardholder
- B. It may lead to disciplinary action against the cardholder**
- C. It has no real consequences
- D. It could improve purchasing capabilities

Not adhering to Government Purchase Card (GPC) policies can have serious repercussions, including potential disciplinary action against the cardholder. GPC policies are put in place to ensure that government resources are used appropriately, efficiently, and in compliance with federal regulations. When these policies are violated, it undermines the integrity of the purchasing process and can lead to misuse of government funds. Consequences can include administrative actions, reprimands, and in severe cases, termination of employment, especially if the violation is significant or repeated. By ensuring compliance with GPC policies, cardholders help maintain the accountability and transparency necessary within government spending, thus safeguarding public resources and upholding ethical standards.

2. Is training required for GPC cardholders?

- A. No, it is optional
- B. Yes, to understand responsibilities and compliance**
- C. Only if requested by a supervisor
- D. Yes, but only for new cardholders

Training is indeed required for Government Purchase Card (GPC) cardholders to ensure they fully understand their responsibilities and the compliance requirements associated with the use of the card. This training covers essential topics such as the proper use of the GPC, adherence to regulations, and the importance of ethical practices in procurement. By participating in this training, cardholders are better prepared to manage their purchases effectively, maintain accountability, and mitigate the risk of misuse. The requirement for training underscores the significance the Department of Defense places on responsible spending, adherence to guidelines, and the integrity of the procurement process. This proactive approach helps ensure that purchases made using GPCs are necessary, properly documented, and compliant with established policies, which ultimately supports fiscal responsibility and good governance within the agency.

3. Does the GPC program provide provisions for small business considerations?

- A. Yes, it encourages purchases from small and disadvantaged businesses**
- B. No, it does not consider small businesses
- C. Only for government contracts
- D. Yes, but only for large corporations

The Government Purchase Card (GPC) program actively encourages the purchase of goods and services from small and disadvantaged businesses. This focus aligns with the federal mandate to promote the growth of small businesses, as they play a crucial role in the economy. The inclusion of small and disadvantaged businesses in procurement processes helps to foster competition and innovation while also supporting diverse suppliers. The emphasis on small business considerations is important in ensuring compliance with various federal socioeconomic programs, which aim to provide equitable opportunities for all businesses. By incentivizing GPC users to make purchases from these businesses, the program not only meets federal objectives but also strengthens the economic landscape. Options that imply no consideration for small businesses or restrict provisions only to large corporations do not align with the underlying goals of the GPC program aimed at promoting inclusivity and diversity in procurement practices.

4. What tool is used to fulfill the requirement of preventing or identifying potential fraudulent purchases according to the Government Charge Card Abuse Prevention Act?

- A. Purchase Card On-Line System (PCOLS)**
- B. Fraudulent Purchases Reports System (FPRS)
- C. Data Mining (DM) tool
- D. Electronic Procurement System (EPS)

The Purchase Card On-Line System (PCOLS) is designed specifically to help manage government purchase card transactions and is critical in fulfilling the requirements set by the Government Charge Card Abuse Prevention Act. This system streamlines the monitoring and management of purchase card usage, providing agencies with the tools to identify, prevent, and address potential fraudulent purchases effectively. PCOLS allows for real-time tracking and reporting of transactions, which helps in analyzing purchase patterns and identifying anomalies that could indicate fraud. The system facilitates accountability and improves oversight of purchase card use within the Department of Defense and other federal agencies, thereby minimizing the risk of abuse. The other options mentioned do not specifically focus on the fraud prevention aspect in the same comprehensive manner. For instance, while the Fraudulent Purchases Reports System (FPRS) could provide reports related to fraud, it does not serve as a primary tool for managing and monitoring ongoing transactions like PCOLS does. The Data Mining tool may offer analysis capabilities, but it may not be tailored specifically for government purchase card transactions. The Electronic Procurement System (EPS) might streamline procurement processes but does not specifically address the fraudulent activity prevention mandate as effectively as PCOLS.

5. What is the first step a cardholder should take when they receive their GPC?

- A. Start making purchases immediately
- B. Review and complete the required training on GPC policies**
- C. Contact their supervisor for guidance
- D. Order supplies needed for their department

The first step a cardholder should take upon receiving their Government Purchase Card (GPC) is to review and complete the required training on GPC policies. This training is essential because it ensures that the cardholder understands the proper and approved uses of the card, the regulations governing its use, and the responsibilities and limitations imposed on cardholders. Familiarity with these policies is crucial for mitigating risks such as unauthorized purchases and potential repercussions for misuse. By completing this training first, the cardholder is equipped with the knowledge necessary to make informed decisions about purchases and to comply with federal regulations, thereby maintaining the integrity of the government procurement process.

6. Which of the following actions is NOT allowed while using a GPC?

- A. Purchasing official supplies
- B. Paying for services related to official duties
- C. Purchasing gifts for colleagues**
- D. Acquiring equipment for the workplace

Purchasing gifts for colleagues is not allowed when using a Government Purchase Card (GPC) because it contravenes the principle of appropriate use of government funds, which mandates that expenditures must be for official purposes only. The GPC is intended for transactions that directly support the mission of the organization and maintain the integrity of federal spending. Gifts could create the appearance of favoritism or inappropriate use of government resources and can signal a misuse of authority in the workplace. In contrast, purchasing official supplies, paying for services related to official duties, and acquiring equipment for the workplace are all permissible actions under the guidelines governing GPC use. These activities help ensure that government personnel have the resources they need to perform their duties effectively and efficiently, aligning with regulatory requirements and the responsible management of taxpayer dollars.

7. What documentation may be required for GPC expenses exceeding \$3,500?

- A. Verbal agreements
- B. Purchase orders or contracts**
- C. Internal memos
- D. Approving official signatures

For Government Purchase Card (GPC) expenses exceeding \$3,500, purchase orders or contracts are typically required as documentation. This requirement ensures there is a formal record of the transaction that details the terms and conditions agreed upon between the buyer and the seller. Purchase orders and contracts provide clarity and accountability, as they outline the specifics of the goods or services being procured, thus serving as essential documents for compliance with purchasing regulations and oversight. Verbal agreements lack the necessary written detail and may not provide the level of assurance required for larger expenditures. Internal memos might not hold the same weight as a formal purchase order or contract, as they often lack the specificity and legality associated with binding agreements. Likewise, while approving official signatures are crucial for authorization, they do not provide the foundational details concerning the transaction that a purchase order or contract does. Thus, documentation in the form of purchase orders or contracts is critical for large GPC expenses to ensure proper governance and compliance with financial management policies.

8. What is the initial step in the dispute resolution process for GPC transactions?

- A. Contact the merchant
- B. Notify the cardholder's bank**
- C. Submit a dispute form
- D. Consult with a legal advisor

The initial step in the dispute resolution process for Government Purchase Card (GPC) transactions is to notify the cardholder's bank. This is essential because the bank has the resources and protocols in place to start the dispute process in alignment with applicable regulations and card network rules. When the cardholder notifies the bank, it initiates an investigation into the charge in question, allowing the bank to gather information from both the cardholder and the merchant. This step is crucial because it establishes an official record of the dispute and ensures that all necessary information is collected in a timely manner, which can facilitate a smoother resolution process. Following this notification, the bank may instruct the cardholder on subsequent actions, such as submitting a dispute form or contacting the merchant, but the initial communication must come from the bank to ensure proper adherence to financial protocols.

9. In emergency situations, what advantage does the GPC provide?

- A. It requires lengthy procurement processes
- B. It allows for quicker acquisition of essential items**
- C. It limits spending to pre-approved amounts
- D. It mandates specific vendor usage

The correct answer is that the GPC allows for quicker acquisition of essential items in emergency situations. This advantage is crucial because, during emergencies, the need for immediate action is often paramount. The Government Purchase Card (GPC) is designed to streamline the purchasing process, enabling users to obtain necessary supplies and services without the delays typically associated with more formal procurement procedures. This agility means that essential items can be acquired rapidly, which is vital in responding effectively to urgent needs. In standard procurement processes, there are often lengthy procedures involving approvals, solicitations, and contracting, which can significantly hinder quick responses in crises. The ability to act swiftly can mean the difference between managing an emergency effectively and facing potentially worse outcomes. Therefore, the GPC's flexibility and efficiency in facilitating immediate purchases make it a valuable tool in emergency scenarios.

10. What type of transaction might require a procurement request instead of using the GPC?

- A. Small office supplies
- B. Any purchase under \$10,000
- C. Large purchases above the micro-purchase threshold that require competitive bidding**
- D. Emergency purchases needed immediately

The correct answer is that large purchases above the micro-purchase threshold that require competitive bidding typically necessitate a procurement request instead of using the Government Purchase Card (GPC). This is because purchases exceeding the micro-purchase threshold (currently set at \$10,000) involve greater financial commitment and complexity. Such transactions usually entail formal procedures to ensure compliance with regulations regarding competition, accountability, and transparency. In these cases, various federal acquisition regulations may mandate a formal procurement process that includes soliciting bids from multiple vendors, evaluating proposals, and documenting the decision. This level of oversight and documentation is essential for larger purchases to mitigate risks such as fraud or misuse of funds, which can be more prevalent with higher-value transactions. Smaller transactions, like the purchase of office supplies, generally do not require the same level of oversight and can often be purchased directly with a GPC, making the procurement process more streamlined. Additionally, purchases under \$10,000 may still be made using the GPC when appropriate, without the need for a procurement request, provided they fall within the regulations governing micro-purchases. Emergency purchases also allow for the use of the GPC when immediate action is needed, often bypassing some of the typical procurement processes to expedite the purchase.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

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We wish you the very best on your exam journey. You've got this!

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