DEPUTY SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-1010

MAR 9 1998

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Department of Defense (DoD) Charge Card Management

The Department is undertaking major changes in its philosophy and management of the charge card programs for travel, purchase (acquisition), and fleet services. All three of the current General Services Administration (GSA) charge card contracts for these services will expire on November 30, 1998. This past week, the GSA awarded contracts under a master contract approach to six vendors for its charge card programs. This new acquisition strategy for charge card services has prompted change in the way the Department currently manages these contracts.

During the past year, the Under Secretary of Defense (Comptroller) has facilitated the Department's review of the government's travel, purchase and fleet charge card requirements. These requirements were developed by each of the Components, coordinated within the Department, and were provided to GSA for inclusion in the master contract. After a thorough review of the charge card programs and procedures, I have determined that:

a. The Under Secretary of Defense (Comptroller) will continue to be responsible for travel card policy. The Defense Finance and Accounting Service is the central Program Management Office for the travel card. The Acting Travel Card Program Manager is Ms. De Perrin at (703) 607-5043.

b. The Under Secretary of Defense (Acquisition and Technology) is responsible for purchase card policy and oversight, in coordination with the Under Secretary of Defense (Comptroller) on related finance and accounting policy issues. The Assistant Secretary of the Army (Research, Development and Acquisition) will provide a program manager and facilities to support a joint Program Management Office for

the purchase card. The Purchase Card Program Manager is Mr. Bruce Sullivan at (703) 681-7554.

c. The Defense Energy Supply Center, Defense Logistics Agency, is responsible for policy and program management of the fleet card. The Fleet Card Program Manager is Mr. Edward A. Munns, Jr. at (703) 767-9543.

These offices will deal directly with your organizations concerning transition to the new charge card contracts and implementation procedures for the new cards. Please direct your inquiries to those program managers designated above.

John J. Hamre