

**WASHINGTON HEADQUARTERS SERVICES (WHS)
ACQUISITION AND PROCUREMENT OFFICE (A&PO)
OSD/WHS PURCHASE CARD PROGRAM OFFICE**

PURCHASE CARD ALERT NUMBER 38

(Issue date: 26 October 2006)

THIS ALERT IS APPLICABLE TO:

APPROVING OFFICIALS

X

CARDHOLDERS

X

SUBJECT: Administrative Instruction (AI) 105, OSD/WHS Purchase Card Program

The purpose of this Purchase Card Alert is to announce the publication of the subject AI and to highlight the impact of the AI on the Purchase Card Program accountholders. The 19 October 2006 version of the AI replaces the Standing Operating Procedure dated 17 June 2004.

Approving Officials and Cardholders should carefully review the entire AI at <http://www.dtic.mil/whs/directives/corres/html/a105.htm>. The updated AI captures the WHS A&PO initiative to empower the Cardholders and expand the use and flexibility of the purchase card.

The primary change to the AI, other than the format, pertains to WHS Support Services Division (SSD) Centralized Purchases, Paragraph E2.2.30, pages 14 through 17. Note that a number of the items formerly on the SSD "Centralized Purchases List" have been decentralized and passed down to the individual Cardholders for purchase. However, you must not automatically assume that all items formerly centralized have been decentralized – carefully check and familiarize yourself with this section of the AI before purchasing.

The Purchase Card Program issues Purchase Card Annual Limitation Memorandums to certain Approving Officials (mostly OSD customers) during the February timeframe each year. Those Approving Officials who receive Purchase Card Annual Limitation Memorandums should be aware that the annual budget amount spelled out in the forthcoming FY-07 Purchase Card Annual Limitation Memorandum will include an amount for decentralized purchases. For example, SSD formerly purchased, through a centralized fund, cleaning of carpet and drapes. The individual Cardholders shall now purchase and pay for this service when the total amount is \$3,000 or below and the money will come from their Purchase Card Budget, not the SSD Centralized fund.

Funds will be transferred from the SSD Centralized Fund into the Purchase Card Program Budget and will be passed to the Approving Officials in the Purchase Card Annual Limitation Memorandums for FY-07. **However, be aware that if you've been notified that your account is under a funding limitation of \$2,000 per billing cycle, per Approving Official, that restriction still applies until further notice. Funding for the Purchase Card Program has been cut substantially for FY-07. The amount in the FY-07 Annual Limitation Memorandums is anticipated to be approximately the same (or possibly less) than the FY-06 amount. Approving Officials are required to manage their allotted Purchase Card budget to include the purchase of items formerly purchased and paid for by SSD.**

Purchases above the micro-purchase threshold shall continue to be forwarded through normal contracting channels.

If you have any questions, please contact Tracy Nelson on (703) 695-8921 or Janette Ray on (703) 695-8666.

We hope you will continue to tell us when we are doing a good job of satisfying your needs as well as when we need to improve our efforts. You may submit your comments through the ICE Program at [ICE Purchase Card Program](#) or send them to the Agency Program Coordinators at purchasecard@bfd.whs.mil or directly to the Program Manager at Claudia.colvin@whs.mil.