



OFFICE OF THE SECRETARY OF DEFENSE
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WASHINGTON, DC 20301-1000



APR 11 2000

MEMORANDUM FOR MANAGER, PURCHASE CARD PROGRAM MANAGEMENT
OFFICE MANAGER, TRAVEL CARD PROGRAM
MANAGEMENT OFFICE

SUBJECT: Use of Charge Card Rebates to Fund Government-wide Initiatives -- Revised
Department of Defense Contribution

The Principal Deputy Under Secretary of Defense (Comptroller) and the Principal Deputy Under Secretary of Defense (Acquisition, Technology and Logistics) recently issued a memorandum to implement section 637 of Public Law 106-58 (copy attached). That memorandum identified the Department of Defense (DoD) commitment, for fiscal year 2000, to fund interagency initiatives (primarily a financial systems program management office under the Joint Financial Management Improvement Program (JFMIP)) using charge card rebates.

A recent communication from the Office of Management and Budget (OMB) expands the number of initiatives to be funded, and increases significantly the DoD contribution toward these government-wide efforts. The additional funding will resource projects sponsored by JFMIP, the Procurement Executives Council, the Chief Information Officers Council and the Chief Financial Officers Council. The DoD share of the total requirement has been set at \$3.312 million

Consequently, the DoD Purchase Card Program Management Office (PMO) and the Travel Card PMO are directed to take the necessary steps to remit up to \$3.312 million to *these* initiatives for fiscal year 2000. Charge card rebates, however, may not be provided, or otherwise made available, for this purpose until 15 days following notification to the Committees on Appropriations of the Senate and House of Representatives by the Director of OMB.

- The Purchase Card PMO shall arrange for 6 basis points to be remitted, up to the amount of \$2.87 million (\$883,000 each for the Army, Navy, and Air Force and \$221,000 for Defense-wide activities). This supercedes the previous requirement to remit 2.7 basis points, up to the amount of \$1.3 million
- The Travel Card PMO shall arrange for 6 basis points to be remitted, up to the amount of \$442,000 (\$132,000 each for the Army, Navy, and Air force and \$4-6,000 froze Defense-wide activities). This supercedes the previous requirement to remit 2.7 basis points, up to the amount of \$200,000.

If you have any question concerning this matter please contact Mr. John Bunnell. He may be reached by e-mail: bunnellj@osd.pentagon.mil or by telephone at (703) 602-0449.

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R. D. Kerrins, Jr
Acting Director, Defense Procurement

Nelson Toye
Deputy Chief Financial Officer Attachment

Attachment

cc: Director, Defense Finance and Accounting Service