



OFFICE OF THE UNDER SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-3000

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

SEP 13 2016

MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION AND PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING)
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Opportunities to Leverage Buying Power with Purchase Cards

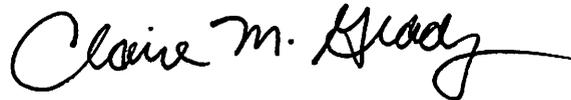
The General Accounting Office (GAO) in report GAO-16-526, Government Purchase Cards: Opportunities Exist to Leverage Buying Power, identified steps to be taken to increase savings to the Department. By following Appendix B of The Office of Management and Budget's Circular A-123's definition of strategic sourcing, the Department will have these increased savings defined as "collaborative and structured process of critically analyzing an organization's spending and using this information to make business decisions about acquiring commodities and services more effectively and efficiently." Acknowledging these recommendations in the GAO report, component agencies/organizations are asked to:

- Analyze purchase card spend data to identify areas for possible savings by the 1st quarter Fiscal Year (FY) 2017.
- Examine purchase card spend patterns to identify opportunities to obtain savings and to share efforts by 2nd quarter FY 2017.
- Determine the feasibility for broader application of these efforts across the agency/organization.

Defense agencies are asked to update their Level 2 purchase card official with results by 2nd quarter FY 2017. The Services will be asked to brief their results during the next Purchase Card Senior Focus Group planned for the 1st quarter FY 2017.

This guidance will be added to the purchase card guidebook in the next update.

Questions may be directed to my point of contact Mr. Dennis Idol, at (703) 697-4435 or dennis.w.idol2.civ@mail.mil.

A handwritten signature in black ink that reads "Claire M. Grady". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Claire M. Grady
Director, Defense Procurement
and Acquisition Policy

Attachment:
As stated