



OFFICE OF THE UNDER SECRETARY OF DEFENSE

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ACQUISITION
AND SUSTAINMENT

MEMORANDUM FOR SENIOR PENTAGON LEADERSHIP
COMMANDERS OF THE COMBATANT COMMANDS
DEFENSE AGENCIES AND DOD FIELD ACTIVITIES DIRECTORS

SUBJECT: Government-wide Commercial Purchase Card (GPC) Freeze in Response to Executive Order “Implementing the President’s “Department of Government Efficiency” Cost Efficiency Initiative”

On February 26, 2025, the President issued Executive Order (EO), “Implementing the President’s ‘Department of Government Efficiency’ Cost Efficiency Initiative.” This order directs specific actions to ensure Government spending is transparent and accountable to the American taxpayer. The Department of Defense will fully implement all applicable guidance in the EO and take immediate action to reduce and consolidate government-issued credit card spending, as set out in this memorandum.

Effective immediately, the use of government-issued GPCs by DoD civilian employees is suspended. The use of government-issued GPC accounts to fund activities initiated on or before February 26, 2025, will cease as soon as feasible within the bounds of law. GPC accounts used as the method of payment on existing contracts are allowed to remain active until April 9, 2025, allowing for the 30-day period established in the Executive Order.

The single purchase limit for each GPC account assigned to a DoD civilian employee will temporarily be reduced to \$1. As the official for managing the accounts issued under the Department of Army, Department of the Air Force, and Defense Agencies/Activities SmartPay purchase card tailored task order (TTO), I have instructed U.S. Bank, the GPC-providing financial institution, to begin implementation today. The Department of Navy (DON) is to provide similar instruction to U.S. Bank for accounts issued under the DON SP3 purchase card TTO. It may take U.S. Bank one week to accomplish these actions. In the interim, Component Heads shall instruct civilian cardholders not to use the GPC except as indicated below.

Component Heads may authorize on a limited basis select civilian employees to use the GPC for disaster relief or natural disaster response benefits or operations, or other critical services and increase the corresponding GPC account single purchase limit to a threshold up to that identified in the Federal Acquisition Regulation (FAR) for such efforts. Such cardholders should be designated with Emergency-Type Operation authority in the Procurement Integrated Enterprise Environment (PIEE) Joint Appointment Module (JAM). Component Heads may additionally authorize on a limited basis select civilian employees to use the GPC for actions determined to be critical to that Component’s mission and increase the single purchase limit for their accounts accordingly. This includes accounts used to make contract payments, as indicated above. All authorizations made in accordance with this paragraph shall be documented in writing.

DoD Component Heads shall review micro-purchase activity made during the freeze period established by the Executive Order and evaluate existing GPC accounts based on mission need. Not

later than April 9, 2025, DoD Component Heads will submit to osd.pentagon.ousd-a-s.mbx.dpc-cb@mail.mil a list of all civilian and military personnel whose duties do not require the continued use of GPCs assigned to them. Any GPCs issued to these personnel will be cancelled. Concurrently Components shall cancel existing GPC cardholder appointments to these individuals made in PIEE's JAM.

My point of contact for this matter is J. Lisa Romney, Director, Contracting eBusiness.

Steven J. Morani
Performing the Duties of the Under Secretary of
Defense for Acquisition and Sustainment