



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
ACQUISITION LOGISTICS AND TECHNOLOGY
U.S. ARMY CONTRACTING AGENCY
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JUL 15 2003

SFCA-PC

MEMORANDUM FOR ASSISTANT SECRETARY OF THE NAVY (RESEARCH,
DEVELOPMENT, AND ACQUISITION)
ASSISTANT SECRETARY OF THE AIR FORCE
(ACQUISITION)
SENIOR PROCUREMENT EXECUTIVE, DEFENSE
LOGISTICS AGENCY
DIRECTOR, ARMY CONTRACTING AGENCY

SUBJECT: Cardholder to Approving Official Span of Control – Purchase Card
Program

Our December 17, 2002 memorandum on this subject authorized the Components to approve any span of control waiver that exceeded the 7:1 ratio. The purpose of this memorandum is to ensure that your organizations are conducting annual reviews of each of the billing accounts under your cognizance that exceed the cited standard. Audit reports issued by the Department of Defense, Inspector General and the General Accounting Office continue to cite excessive spans of control as a precursor to unacceptable levels of fraudulent and abusive activity in individual purchase card programs. This office strongly concurs in this finding. Please provide this office with the findings of your Fiscal Year 2003 Annual Span of Control Review and any resulting waivers not-later-than December 1, 2003. These reviews need to also identify and examine situations where cardholders are serving as billing officials for their own purchases, billing officials who have accounts with no cardholders, and/or cardholders without a billing official.

A handwritten signature in black ink, appearing to read "LeAntha D. Sumpter", is located above the typed name.

for
LeAntha D. Sumpter
Program Manager
Purchase Card Joint
Program Management Office