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NAVAL SUPPLY SYSTEMS COMMAND
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IN REPLY REFER TO:
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From: Commander, Naval Supply Systems Command

Subj: DON POLICY REGARDING FOREIGN NATIONALS AS PURCHASE
CARDHOLDERS

Ref: (a) NAVSUPINST 4200.94

1. Reference (a) provides DON policy on those persons authorized to be purchase cardholders within the DON Purchase Card Program. NAVSUPINST 4200.94, Chapter 1, Paragraph 2 provides that, "The purchase card shall only be issued to Government employees or members of the Armed Forces." In addition, it states, "It is DON policy that only Government employees or military members may be appointed contracting officers/purchase cardholders, delegated contracting authority and act as agents of the Government." The purpose of the present policy is to exclude contractors working on behalf of the Government from becoming DON purchase cardholders.

2. The purpose of this policy letter is to clarify the DON position with regard to foreign nationals being appointed as purchase cardholders and contracting officers within the DON Purchase Card Program. Historically foreign nationals have been appointed contracting officers to function on behalf of DON. A review of the Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) reveals that neither regulation prohibits the appointment of foreign nationals as contracting officers. Therefore, foreign nationals can be both contracting officers and purchase cardholders.

3. With regard to considering foreign nationals as government employees, there are two distinct hiring practices utilized by DON with regard to foreign nationals. Foreign nationals can be either direct hires or indirect hires based on the specific host nation treaty, status of forces agreements or international agreement in affect. Foreign nationals who are direct hires are hired by DON through the standard personnel process and are Government employees to whom the purchase card can be issued. In contrast, foreign nationals who are indirect hires are hired by the host nation to serve in the employ of the DON in accordance with the treaty, status of force agreement or international treaty in force at the time.

Although, these indirect hires are not Government employees, they can be considered employees for certain purposes. Foreign nationals who are indirect hires perform duties at U.S. Military installations with Government equipment and perform tasks that

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are essential to the successful mission performance of DON mission abroad. These foreign nationals are subject to the day-to-day control, management and supervision by U.S. civilian and military personnel. Due to the relationship created by these specific roles and responsibilities, these foreign nationals are defacto government employees and as such are authorized to be purchase cardholders.

4. Foreign nationals, both direct hires and indirect hires, are subject to operational control and day-to-day management and supervision by U.S. civilian and military personnel. This employment is subject to host nation agreements, status of forces agreements or international agreements. Therefore, DON activities are authorized to issue purchase cards to foreign nationals when required in the performance of their official duties. DON activities should implement this policy upon receipt. Reference (a) will be updated to include the clarification provided in this policy.

5. Point of contact for questions regarding this policy letter can be directed to Mr. Clay Welker at DSN 430-7502 or commercial 717-605-7502 or email Clay_W_Welker@NAVSUP.NAVY.MIL

A handwritten signature in black ink, appearing to read 'T. E. Trump', with a large, sweeping flourish extending from the end of the name.

T. E. TRUMP
direction