



# Revision to the USAID Worldwide Purchase Card Program Manual on the Debt Flag Indicator

A Mandatory Reference for ADS Chapter 331

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Making purchases with the Purchase Card above the micro-purchase threshold (\$3,000) requires an additional step as of February 1, 2010. The purchaser must check the Central Contractor Registration (CCR) database to determine whether the vendor is tagged with a debt flag indicator. The flag indicates that the vendor has debt subject to the Treasury Offset Program; therefore, accordingly, do not use the Purchase Card to make a purchase with the vendor.

Do not use the CCR debt flag indicator as rationale for not making a purchase from a vendor. When the debt flag is present in an otherwise most advantageous vendor's CCR registration, instead assign the purchasing requirement to a contracting officer or procurement agent to use a purchase order, contract, or ordering mechanism not entailing a third-party payment to the vendor to make the purchase. This requirement also applies to Contracting Officers using the Purchase Card as a payment mechanism for contracts, task orders, etc., above the micro-purchase threshold. Note, however, that contract options are exempt from this requirement.

Federal Acquisition Circular 2005-38 implemented this requirement (see Item II and FAR 32.1108(b)(2)).

References:

- ADS 331 Mandatory Reference, USAID Worldwide Purchase Card Program Manual:  
<http://www.usaid.gov/policy/ads/300/331maa.pdf>
- Central Contractor Registration database:  
<https://www.bpn.gov/CCRSearch/Search.aspx>
- Federal Acquisition Circular 2005-38:  
[https://www.acquisition.gov/far/fac/Looseleaf\\_FAC%202005-38.pdf](https://www.acquisition.gov/far/fac/Looseleaf_FAC%202005-38.pdf)
- Treasury Offset Program: <http://fms.treas.gov/debt/index.html>

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