

PROC 11 FAQs

1. Is the use of a payment management or transfer of funds service (e.g., Pay Pal, Apple Pay, Google Wallet, and Venmo, online banking) as part of an intelligence activity governed by Procedure 11?

Answer: Yes. The contracting of goods and services by DICs is governed by Procedure 11 (DoD 5240.1-R) regardless of the form of payment used. Procedure 11 authorizes the use of payment management or transfer of funds services to procure routine goods or services for the support of approved Defense Intelligence Component activities, if the general public could purchase and widely use the same service. Such arrangements within the United States can be done without revealing DIC sponsorship. Procedure 11 only applies to arrangements with USP within the U.S.

However, payment management or funds transfer services may or may not be contracts. If the DIC has to pay a fee or if you have an account with the bank, then it is a contract and Procedure 11 applies. If the fee is paid by someone else (i.e. the merchant you are buying from), then you have not entered a contract and Procedure 11 does not apply.