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Parent topic: Defense Federal Acquisition Regulation

Subpart 213.0 - Reserved

Subpart 213.1 - PROCEDURES

213.101 General.

Structure awards valued above the micro-purchase threshold (e.g., contract line items, delivery schedule, and invoice instructions) in a manner that will minimize the generation of invoices valued at or below the micro-purchase threshold.

213.104 Promoting competition.

For information on the various approaches that may be used to competitively fulfill DoD requirements, see PGI 213.104 .

213.106 RESERVED

213.106-1 Soliciting competition.

(a) *Considerations*.

(2)(i) Include an evaluation factor regarding supply chain risk (see subpart 239.73) when acquiring information technology, whether as a service or as a supply, that is a covered system, is a part of a covered system, or is in support of a covered system, as defined in 239.7301 .

(ii) See 215.101-2-70 for limitations and prohibitions on the use of the lowest price technically acceptable source selection process, which are applicable to simplified acquisitions.

(iii) See 217.7801 for the prohibition on the use of reverse auctions for personal protective

equipment and aviation critical safety items.

213.106-1-70 Soliciting competition - tiered evaluation of offers.

See limitations on the use of tiered evaluation of offers at 215.203-70 .

213.106-2 Evaluation of quotations or offers.

(b)(i) See 204.7603 for procedures on the requirement for contracting officers to consider Supplier Performance Risk System risk assessments as a basis of award.

213.106-2-70 Solicitation provision.

Use the provision at 252.204-7024, Notice on the Use of the Supplier Performance Risk System, as prescribed in 204.7604.

Subpart 213.2 - ACTIONS AT OR BELOW THE MICRO-PURCHASE THRESHOLD

213.201 General.

(f) Notwithstanding FAR 13.201(f), apply the prohibition at 223.7402 Prohibition. to purchases at or below the micro-purchase threshold.

(g) See PGI 213.201 (g) for guidance on use of the higher micro-purchase thresholds prescribed in FAR 13.201(g) to support a declared contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack.

(j) Do not procure or obtain, or extend or renew a contract to procure or obtain, any equipment, system, or service to carry out covered missions that use covered defense telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless a waiver is granted. (See Subpart 204.21 - PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.)

213.270 Use of the Governmentwide commercial purchase card.

Use the Governmentwide commercial purchase card as the method of purchase and/or method of payment for purchases valued at or below the micro-purchase threshold. This policy applies to all types of contract actions authorized by the FAR unless—

(a) The Deputy Secretary of Defense has approved an exception for an electronic commerce/electronic data interchange system or operational requirement that results in a more

cost-effective payment process;

(b)(1) A general or flag officer or a member of the Senior Executive Service (SES) makes a written determination that—

(i) The source or sources available for the supply or service do not accept the purchase card; and

(ii) The contracting office is seeking a source that accepts the purchase card.

(2) To prevent mission delays, if an activity does not have a resident general or flag officer or SES member, delegation of this authority to the level of the senior local commander or director is permitted; or

(c) The purchase or payment meets one or more of the following criteria:

(1) The place of performance is entirely outside the United States and its outlying areas.

(2) The purchase is a Standard Form 44 purchase for aviation fuel or oil.

(3) The purchase is an overseas transaction by a contracting officer in support of a contingency operation as defined in 10 U.S.C. 101(a)(13) or a humanitarian or peacekeeping operation as defined in 10 U.S.C. 3015(2).

(4) The purchase is a transaction in support of intelligence or other specialized activities addressed by 2.7 of Executive Order 12333.

(5) The purchase is for training exercises in preparation for overseas contingency, humanitarian, or peacekeeping operations.

(6) The payment is made with an accommodation check.

(7) The payment is for a transportation bill.

(8) The purchase is under a Federal Supply Schedule contract that does not permit use of the Governmentwide commercial purchase card.

(9) The purchase is for medical services and—

(i) It involves a controlled substance or narcotic;

(ii) It requires the submission of a Health Care Summary Record to document the nature of the care purchased;

(iii) The ultimate price of the medical care is subject to an independent determination that changes the price paid based on application of a mandatory CHAMPUS Maximum Allowable Charge determination that reduces the Government liability below billed charges;

(iv) The Government already has entered into a contract to pay for the services without the use of a purchase card;

(v) The purchaser is a beneficiary seeking medical care; or

(vi) The senior local commander or director of a hospital or laboratory determines that use of the purchase card is not appropriate or cost-effective. The Medical Prime Vendor Program and the DoD

Medical Electronic Catalog Program are two examples where use of the purchase card may not be cost-effective.

Subpart 213.3 - SIMPLIFIED ACQUISITION METHODS

213.301 Governmentwide commercial purchase card.

Follow the procedures at PGI 213.301 for authorizing, establishing, and operating a Governmentwide commercial purchase card program.

(1) "United States," as used in this section, means the 50 States and the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, Wake Island, Johnston Island, Canton Island, the outer Continental Shelf, and any other place subject to the jurisdiction of the United States (but not including leased bases).

(2) An individual appointed in accordance with 201.603-3 (a) also may use the Governmentwide commercial purchase card to make a purchase that exceeds the micro-purchase threshold but does not exceed $25,000, if—

(i) The purchase—

(A) Is made outside the United States for use outside the United States; and

(B) Is for a commercial product or commercial service; but

(C) Is not for work to be performed by employees recruited within the United States;

(D) Is not for supplies or services originating from, or transported from or through, sources identified in FAR Subpart 25.7;

(E) Is not for ball or roller bearings as end items;

(F) Does not require access to classified or Privacy Act information; and

(G) Does not require transportation of supplies by sea; and

(ii) The individual making the purchase—

(A) Is authorized and trained in accordance with agency procedures;

(B) Complies with the requirements of FAR 8.002 in making the purchase; and

(C) Seeks maximum practicable competition for the purchase in accordance with FAR 13.104(b).

(3) A contracting officer supporting a contingency operation as defined in 10 U.S.C. 101(a)(13) or a humanitarian or peacekeeping operation as defined in 10 U.S.C. 3015(2) also may use the Governmentwide commercial purchase card to make a purchase that exceeds the micro-purchase threshold but does not exceed the simplified acquisition threshold, if—

(i) The supplies or services being purchased are immediately available;

(ii) One delivery and one payment will be made; and

(iii) The requirements of paragraphs (2)(i) and (ii) of this section are met.

(4) The contracting officer shall not authorize the Governmentwide commercial purchase card as a method of payment during any contract period of performance if the contract includes the clause at FAR 52.229-12, Tax on Certain Foreign Procurements, unless the contract also includes the clause at 252.229-7014, Full Exemption from Two-Percent Excise Tax on Certain Foreign Procurements, indicating that the contractor is fully exempt from the tax.

(5) Guidance on DoD purchase, travel, and fuel card programs is available in the "Department of Defense Government Charge Card Guidebook for Establishing and Managing Purchase, Travel, and Fuel Card Programs" at https://www.acq.osd.mil/asda/dpc/ce/pc/docs-guides.html . Additional guidance on the fuel card programs is available at https://www.dla.mil/Energy/Offers/Products/GovernmentFuel/.

(6) When the Governmentwide commercial purchase card is used as a method of payment for contracts or orders, follow the procedures at 232.7002 Policy.(a)(5) and PGI 242.302 Contract administration functions.(a)(13)(B)(3).

213.302 Purchase orders.

213.302-3 Obtaining contractor acceptance and modifying purchase orders.

(1) Require written acceptance of purchase orders for classified acquisitions.

(2) See PGI 213.302-3 for guidance on the use of unilateral modifications.

(3) A supplemental agreement converts a unilateral purchase order to a bilateral agreement. If not previously included in the purchase order, incorporate the clause at 252.243-7001 , Pricing of Contract Modifications, in the Standard Form 30, and obtain the contractor's acceptance by signature on the Standard Form 30.

213.302-5 Clauses.

(a) Use the clause at 252.243-7001, Pricing of Contract Modifications, in all bilateral purchase orders.

(d) When using the clause at FAR 52.213-4, delete the reference to the clause at FAR 52.225-1, Buy American–Supplies. Instead, if the Buy American statute applies to the acquisition, use the clause at—

(i) 252.225-7001 Buy American and Balance of Payments Program., Buy American and Balance of Payments Program, or the appropriate alternate, as prescribed at 225.1101 Acquisition of supplies.(2); or

(ii) 252.225-7036 Buy American—Free Trade Agreements—Balance of Payments Program., Buy American –Free Trade Agreements—Balance of Payments Program, or the appropriate alternate, as prescribed at 225.1101 Acquisition of supplies.(10).

213.303 Blanket purchase agreements (BPAs).

213.303-5 Purchases under BPAs.

(b) Individual purchases for subsistence may be made at any dollar value; however, the contracting officer must satisfy the competition requirements of FAR Part 6 for any action not using simplified acquisition procedures.

213.305 Imprest funds and third party drafts.

213.305-3 Conditions for use.

(d)(i) On a very limited basis, installation commanders and commanders of other activities with contracting authority may be granted authority to establish imprest funds and third party draft (accommodation check) accounts. Use of imprest funds and third party drafts must comply with—

(A) DoD 7000.14-R, DoD Financial Management Regulation, Volume 5, Disbursing Policy and Procedures; and

(B) The Treasury Financial Manual, Volume I, Part 4, Chapter 3000.

(ii) Use of imprest funds requires approval by the Director for Financial Commerce, Office of the Deputy Chief Financial Officer, Office of the Under Secretary of Defense (Comptroller), except as provided in paragraph (d)(iii) of this subsection.

(iii) Imprest funds are authorized for use without further approval for—

(A) Overseas transactions at or below the micro-purchase threshold in support of a contingency operation as defined in 10 U.S.C. 101(a)(13) or a humanitarian or peacekeeping operation as defined in 10 U.S.C. 3015(2); and

(B) Classified transactions.

213.306 SF 44, Purchase Order-Invoice-Voucher.

(a)(1) The micro-purchase limitation applies to all purchases, except that purchases not exceeding the simplified acquisition threshold may be made for—

(A) Fuel and oil. U.S. Government fuel cards may be used in lieu of an SF 44 for fuel, oil, and authorized refueling-related items (see PGI 213.306 for procedures on use of fuel cards);

(B) Overseas transactions by contracting officers in support of a contingency operation as defined in 10 U.S.C. 101(a)(13) or a humanitarian or peacekeeping operation as defined in 10 U.S.C. 2302(8); and

(C) Transactions in support of intelligence and other specialized activities addressed by 2.7 of Executive Order 12333.

213.307 Forms.

See PGI 213.307 for procedures on use of forms for purchases made using simplified acquisition procedures.

Subpart 213.4 - FAST PAYMENT PROCEDURE

213.402 Conditions for use.

(a) Individual orders may exceed the simplified acquisition threshold for—

(i) Brand-name commercial product commissary resale subsistence; and

(ii) Medical supplies for direct shipment overseas.

Subpart 213.5 - SIMPLIFIED PROCEDURES FOR CERTAIN COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES

213.500 RESERVED

213.500-70 Only one offer.

If only one offer is received in response to a competitive solicitation issued using simplified acquisition procedures authorized under FAR subpart 13.5, follow the procedures at 215.371-2 .

213.501 Special documentation requirements.

(a) *Sole source (including brand name) acquisitions.*

(i) For non-competitive follow-on acquisitions of supplies or services previously awarded on a non-competitive basis, include the additional documentation required by 206.303-2 (b)(i) and follow the procedures at PGI 206.304 (a)(S-70).

(ii) In accordance with section 888(a) of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328), the justification and approval addressed in FAR 13.501(a) is required in order to use brand name or equal descriptions or proprietary specifications and standards.

Subpart 213.70 - SIMPLIFIED ACQUISITION PROCEDURES UNDER THE 8(A) PROGRAM

213.7001 Procedures.

(a)(1) For acquisitions that are otherwise appropriate to be conducted using procedures set forth in this part, and also eligible for the 8(a) Program, contracting officers may use—

(i) For sole source purchase orders not exceeding the simplified acquisition threshold, the procedures in PGI 219.804-2 (2); or

(ii) For other types of acquisitions, the procedures in PGI 219.8 , excluding the procedures in PGI 219.804-2 (2); or

(2) The procedures for award to the Small Business Administration in FAR subpart 19.8.

(b) To comply with section 898 of the National Defense Authorization Act for Fiscal Year 2016 (Pub. L. 114-92), contracting officers shall not use the sole source authority at FAR 6.302-5(b)(4) to purchase religious-related services to be performed on a United States military installation. For competitive purchases under the 8(a) program, contracting officers shall not exclude a nonprofit organization from the competition. See 219.270 for additional procedures.

213.7002 Purchase orders.

The contracting officer need not obtain a contractor’s written acceptance of a purchase order or modification of a purchase order for an acquisition under the 8(a) Program pursuant to 219.804-2(2).