

# Chapter 9 - Required Sources of Supplies and Services

**Parent topic:** [APPENDIX - EE DEPARTMENT OF THE ARMY GOVERNMENT PURCHASE CARD OPERATING PROCEDURES](#)

## 9-1. Required Sources

FAR Part 8 establishes priorities for using Government sources for supplies and services. CHs must make their purchases in accordance with the priorities set forth in FAR Part 8.

Table 9-1: FAR Part 8 - Required Sources of Supplies and Services

Regulatory Reference	Supplies and Services
<b>FAR 8.002</b> <b>Priorities for Use of Mandatory Sources</b>	<b>Supplies</b> 1. Inventories of the requiring agency 2. Excess from other agencies 3. Federal Prison Industries (UNICOR) 4. AbilityOne – products on Procurement List 5. Wholesale supply sources, such as stock programs of GSA, DLA, and military inventory control points <b>Services</b> Services on the Procurement List - by the Committee for Purchase from People Who Are Blind or Severely Disabled Note: Sources other than those listed above may be used as prescribed in 41 CFR 101-26.301 and in an unusual and compelling urgency as prescribed in 6.302-2 and in 41 CFR 101-25.101-5.
<b>FAR Part 8.003</b> <b>Use of Other Mandatory Sources</b>	1. Public utility services (See FAR 41.) 2. Printing and related supplies (See FAR 8.8.) 3. Leased motor vehicles (See FAR 8.11.) 4. Strategic, critical materials (e.g., metals, ores) from inventories exceeding Defense National Stockpile requirements. 5. Helium (See FAR 8.5.)

## Regulatory Reference

## Supplies and Services

### FAR Part 8.004 Use of Other Sources

Consider use of small businesses, including veteran-owned, service-disabled veteran-owned, HUB Zone, disadvantaged, and women-owned small business concerns.

1. **Supplies.** Federal supply schedules (FSS), Governmentwide acquisition contracts, multi-agency contracts, and any other procurement instruments intended for use by multiple agencies, including BPAs under FSSI agreements.

2. **Services.** Agencies are encouraged to consider Federal Prison Industries, Inc.

3. **Commercial sources** in the open market (including educational and non-profit institutions).

## 9-2. AbilityOne

a. **AbilityOne.** CHs must purchase all office supplies listed on the Procurement List of products placed in the AbilityOne® Program from their respective local AbilityOne® Base Supply Store (BSC), AbilityOne catalog, AbilityOne distributor, or through any of the websites listed at [AbilityOne](#), regardless of dollar value. Instructions on how and where to purchase online are available on the same link. The Procurement List is available at [https://www.abilityone.gov/procurement\\_list/](https://www.abilityone.gov/procurement_list/) [Products List- Excel (right side)], or can be searched from [AbilityOne Procurement List](#). CHs should first shop at their respective local AbilityOne® BSC, where such stores exist. In the absence of a local BSC, CHs must shop through the AbilityOne® distributors online. The following exceptions apply:

1) Purchases outside the Continental United States (OCONUS). In addition, for units in Germany, Italy and the United Kingdom, the preferred use policy for office supplies is through the Joint Office Supply Europe program (JOSE). For information on JOSE, cardholders may contact their A/OPC or view the memorandum at [Joint Office Supply Europe](#).

2) Purchases made from wholesale supply sources such as stock programs of the General Services Administration (e.g., GSA Global Supply Center).

3) Purchases for an unplanned urgent need required on the same day. Poor acquisition planning and inadequate market research do not apply to this exception. Use of this exception requires valid documentation and retention in the purchase card file.

4) Purchases through FedMall. When the FedMall website is unavailable for more than 24 hours, cardholders may place orders directly with the Office Supply BPA vendor through another form of communication.

## 9-3. UNICOR/Federal Prison Industries

CHs with a requirement exceeding \$3,500, which contains any UNICOR/Federal Prison Industries (FPI) listed items, must consider purchasing those item(s) from the FPI schedule. The FPI schedule is located at [UNICOR - Products & Services](#). Prior to purchasing FPI listed items above \$3,500, cardholders must conduct market research to determine whether the FPI item(s) are comparable to

the supplies available from the private sector that best meet the Government's needs in terms of price, quality, and time of delivery. CHs must prepare a written determination that includes supporting rationale explaining the assessment of price, quality, and time of delivery, based on the results of market research comparing the FPI item to supplies available from the private sector.

a. If the FPI item is comparable, CHs will purchase the item from FPI following the ordering procedures at [UNICOR](#).

b. If the FPI item is not comparable in one or more of the areas of price, quality, and time of delivery, CHs will acquire the item using traditional micro-purchase competition procedures, as applicable.

## **9-4. Computer Hardware, Enterprise Software and Solutions (CHESS)**

a. [CHESS](#) is the mandatory source for all purchases of commercial-off-the-shelf software, desktops, notebook computers, video teleconferencing equipment, and other commercial Information Technology (IT) equipment (e.g., routers, servers, printers, peripherals, regardless of dollar value). CHESS is the mandatory source for all Army IT purchases, except for the Air National Guard, which is exempt from the CHESS requirement and must purchase IT through [AFADVANTAGE/GSA-2GIT](#) to retain IT compatibility. Per AFARS 5108.7403, before procuring commercial software outside of the CHESS contracts, the contracting officer or contract ordering official CH must ensure that the requiring activity obtains a waiver. Any IT hardware or software purchase made outside of CHESS requires a Statement of Non-availability (SoNA). See AFARS 5139.101-90(a) and AR 25-1.

b. All desktops and notebooks must be purchased during one of the Consolidated Buy ordering periods that occur three times annually (Oct/Jan, Feb/May, and Jun/Sep). Consolidated Buy exception memos are prepared by the requiring activity and are approved by an O6/GS-15 (or equivalent) within the requiring activity and must remain a part of the transaction document file. An exception memo example is available at [CHESS Exception Request](#).

c. IT hardware or software purchases require an Army Deputy Chief of Staff (DCS), G-6 approved Information Technology Approval System (ITAS) Memorandum. CHs must include the ITAS Approval Memorandum in the transaction file along with all other supporting documentation. Supporting documentation must include documentation submitted with the ITAS approval request such as a CHESS SoNA. The CHESS website provides information concerning ITAS approvals. CHs may also consult their local command for guidance. The ITAS Approval website is located at <https://cprobe.army.mil/enterprise-portal/web/itas/home>.

d. Any IT hardware or software purchase made outside of CHESS requires a SoNA. A SoNA is a notice that a particular product is not currently available through a CHESS contract. It is not a waiver to purchase, nor does it authorize use on the Army network. For detailed instructions on SoNA requirements and how to obtain a SoNA, see [CHESS SONA](#).

## **9-5. U.S. Navy's Spiral 3 Contracts**

The [U.S. Navy's Spiral 3 contracts](#) are mandatory for cellular phone, wireless devices, and wireless

service purchases. CHs may purchase respective cellular requirements up to the MPT from any listed vendor (AT&T, T-Mobile, Verizon, Sprint, MetTel). All purchases must comply with the Spiral 3 - Mandatory Ordering Guide in the subfolder located in the above link. Orders may not exceed one year and are only authorized in CONUS due to task order limitations with the GPC.

## 9-6. DLA Document Services

a. GPC purchases from DLA Document Services are considered IGT and are subject to the IGT payment limit of \$10,000. Army activities will use the GPC as a payment method to procure printing and high-speed, high-volume duplicating products and services from DLA Document Services in accordance with DoDI 5330.03, Defense Logistics Agency Document Services. If transactions do not meet the DLA Document Services criteria, then activities will use other funding vehicles (e.g., DD Form 448, MIPR, DD Form 282, DoD Printing Requisition/Order).

b. CHs must procure all printing requirements that cannot be produced in-house using their respective organizational printers from Army Printing Division (APD) or the local DLA Document Services. Locations of local DLA Document Services offices are available here: [DLA Document Services offices](#). For CHs within the Washington DC metropolitan area, additional mandatory printing requirements are located here: <https://armypubs.army.mil/Printing/printing.aspx>.

Table 9-2: Mandatory Sources for Certain Commodities

Commodity	Examples	Mandatory Source	Specific Instructions
Office Supplies	Printer toner, copy paper, pens, pencils, staplers, staples, self-stick pads, file folders	Local AbilityOne® Base Supply Store (BSC) if available, or through the sources located at <a href="#">AbilityOne</a>	Shop local/installation AbilityOne® BSCs first, if applicable. See paragraph 9-2.
Office Furniture	Tables, file cabinets, furniture systems (cubicle dividers), industrial shelving	<a href="#">UNICOR/Federal Prison Industries</a>	Consider UNICOR for any FPI schedule items above <b>\$3,500</b> . See paragraph 9-3.
Information Technology	Computers, software, video-teleconferencing equipment, peripherals, IT services	<a href="#">Computer Hardware, Enterprise Software and Solutions (CHESS)</a>	Mandatory for all IT purchases, unless you obtain a SoNA. See paragraph 9-4.

Commodity	Examples	Mandatory Source	Specific Instructions
Cellular Services	Cellular phones, wireless tablets, wireless service	<a href="#">Navy Spiral 3 Contracts</a>	See paragraph 9-5.
Printing	All printing that cannot be completed with in-house printers	Army Printing Division or <a href="#">DLA Document Services</a>	See paragraph 9-6.

## 9-7. Supplemental Procurement Guidance

a. **Sustainable Procurement.** Sustainable procurement is the purchase of environmentally preferable products and services in accordance with federally-mandated "green" procurement preference programs. The goal is to achieve 100% compliance with mandatory Federal affirmative procurement programs in all acquisition transactions. This policy applies to all acquisitions from major systems programs to individual unit supply and service requisitions. For more information on sustainable procurement, see FAR 23 or specific sustainable policies located at <https://www.denix.osd.mil/spp/guidance/index.html>.

b. **FedMall.** FedMall is a Government e-commerce acquisition platform which may be used for procuring supplies beyond those listed in Section 8-1. CHs who use FedMall are required to register for a FedMall account. To register, CHs will need to know their Department of Defense Activity Address Code (DoDAAC) or their Activity Address Code (AAC). If FedMall does not recognize the CH's DoDAAC or AAC, CHs should contact their A/OPC to request the contracting office's Procurement DoDAAC for registration. [FedMall](#) is accessible through the CH's PIEE account via the FedMall icon.

c. **General Services Administration (GSA) Programs.** GSA maintains the Federal Supply Schedule program, also known as the GSA Schedules Program or the Multiple Award Schedule Program. GSA offers an online shopping service called [GSA Advantage!](#) through which CHs may place orders against Schedules. CHs may also use GSA Advantage! to place orders through [GSA's Global Supply System](#), a GSA wholesale supply source, formerly known as "GSA Stock" or the "Customer Supply Center."

1) GSA Advantage! enables CHs to search specific information (e.g., national stock number, part number, common name), review delivery options, place orders directly with Schedule contractors, and pay for orders using the GPC.

2) CHs may place orders up to the MPT with any FSS contractor that can meet the agency's needs. Although not required to solicit from a specific number of schedule contractors, ordering activities should attempt to distribute orders among contractors.

3) Federal Strategic Sourcing Initiative (FSSI) agreements are accessible at [FSSI](#). Cardholders should consider FSSI before using commercial sources.

d. Specific guidance on the use of required sources and order of precedence of sources is prescribed in FAR Part 8 and DFARS Part 208. In addition to mandatory sources, CHs should strongly consider

purchasing from small businesses and small disadvantaged businesses whenever possible.

**e. Commercial Sources.** Before purchasing from a commercial source, CHs must review applicable mandatory sources (see Table 9-1) and non-mandatory Government sources (e.g., FedMall and GSA). CHs should rotate commercial sources. CHs may purchase from a commercial source if the requested supplies or services are unavailable from the applicable mandatory source. Price is an unacceptable reason to avoid a mandatory source. CHs may choose a commercial source over a non-mandatory Government source, if the commercial quote is more favorable due to minimum order quantity, delivery time, price, etc. When buying from a commercial source, CHs should include a justification in the purchase request form or file documentation explaining why they chose a non-Government source.

## 9-8. E-Commerce Platforms

a. An e-marketplace platform is an online platform where CHs can evaluate and order products via a portal operated by a vendor: the portal provider. The e-marketplace platforms can offer portal provider products and/or third-party vendor products. Portal providers and third-party vendors are generally responsible for fulfilling orders for their respective products.

b. GSA's Commercial Platforms program (also known as GSA's e-commerce platforms) provides a managed channel for open-market purchases through select commercial online platforms (this currently includes AmazonBusiness.com, FisherSci.com, and OverstockGovernment.com). As this program is a relatively new initiative, DPC approval is required in advance of Component participation. Components making or seeking to make purchases using all other non-DoD e-commerce platforms are required to notify the Agency Program Management Office in writing and provide implementation information as requested.

c. Third-party payment processor policy does not apply to e-commerce platforms or brick-and-mortar merchants that do not accept payment using third-party payment processors. In the e-commerce space, this includes, at a minimum, those in GSA's Commercial Platforms program, and AmazonBusiness.com (separate and distinct from AmazonBusiness.com participating in GSA's Commercial Platforms program). However, as such platforms could change their payment practices and begin allowing use of third-party payment processors, CPMs are responsible for issuing Component-level policy that:

1) Establishes and implements procedures for validating that each applicable e-commerce platform continues to disallow use of third-party payment processors. Procedures shall include a certain periodicity for re-validating following initial validation, for each applicable e-commerce platform. This re-validation shall occur at least semi-annually.

2) Ensures that following completion of each validation and re-validation, GPC oversight personnel and CHs are notified regarding whether or not the applicable e-commerce platform does not/continues not to accept payment using third party payment processors to meet this criterion for non-applicability of third-party payment policy.

3) Mandates that upon notification that an e-commerce platform has begun accepting payment using third party payment processors, CHs begin complying with DoD and Component third-party payment policy, for the applicable platform.

**d. E-Marketplace Platform Method of Payment.** The GPC is the only authorized method of

payment for purchases placed on the e-marketplace platforms. CHs are not allowed to use any other forms of payment, including third-party payment processors (e.g., PayPal, Venmo, Google Wallet, WePay, etc) or payments using any form of cryptocurrency. The GPC will be the only allowable method of payment, and all GPCs must be used by an authorized CH. The e-marketplace model encourages robust competition not only at the platform level by offering millions of products across thousands of suppliers, but also at the product level, with multiple suppliers competing to sell a given product.

**e. Compliance with AbilityOne.** Mandatory sources such as AbilityOne are effectively represented and promoted in this program. Rather than simply state that e-marketplaces are required to “block and sub” the commercial item for the AbilityOne item, GSA requires platform providers to prevent the sale of a commercial item which is “essentially the same” as an item on the AbilityOne Procurement List. In addition, GSA requires platform providers to ensure the vendors selling AbilityOne products are, in fact, authorized distributors.

**f. Data Visibility.** Identifying leakage through the commercial platforms will allow the Army the ability to identify purchases that could be going to AbilityOne distributors, small business suppliers, excluded entities, or spend outside of strategic or mandatory-use agency contracts. This data then allows the Army to take the necessary action in an effort to appropriately manage this spend. Spend data will be available to the Army through on-demand reports and dashboards, allowing the Army to see line-level spend from all e-marketplace platforms. CHs will also have real-time, account level access to their purchasing data through the e-marketplace platforms for purchase card reconciliation and spend analysis.

**g. Supply Chain Security.** To address vulnerabilities within the global supply chain, GSA is implementing several solutions to create additional visibility and reduce concerns related to supply chain security. The approach is two-fold and addresses removal of both prohibited vendors and prohibited products. GSA’s approach includes the following:

- 1) Section 1634, which limits or prohibits the purchase of certain items, based on statutory requirements that apply to all Federal purchases, including purchases from Kaspersky Lab.
- 2) Curating or filtering what Federal buyers can purchase, by allowing agencies to prohibit categories of items from purchase, where necessary.
- 3) Recommending best practices for e-commerce platforms and third-party marketplaces, as described in the DHS report, Combating Trafficking in Counterfeit and Pirated Goods, from January 24, 2020.
- 4) Leveraging the commercial Supply Chain Risk Management practices that e-marketplace platforms already possess around counterfeit and supply chain concerns, to include data associated with country of origin and detailed product descriptions, as well as quality control practices and supplier performance.
- 5) Reviewing spend data post-purchase to identify any suspect purchases that might have slipped through the cracks and warrant further review.
- 6) Section 889 on the prohibition on procurement of certain telecommunication and video surveillance equipment applies to the commercial e-commerce program as it does to every other Federal contract.
- 7) CHs may consider a product’s Country of Origin when made available on the e-marketplace

platforms as a part of their buying criteria.