From: Commander, Naval Supply Systems Command

Subj: MANDATORY USE OF THE GOVERNMENTWIDE COMMERCIAL PURCHASE CARD FOR MICRO-PURCHASES

Ref: (a) OUSD(A&T) memo of 20 Mar 97

Encl: (1) DON Class Determination

1. Effective 1 October 1997, the Governmentwide Commercial Purchase Card shall be used for micro-purchases (procurements valued at or below $2,500; $2,000 for construction) of commercial items.

2. Per reference (a), micro-purchases of commercial items shall not be awarded using contracts or purchase orders unless a Flag Officer or SES determines in writing:

   a. the source or sources available for required supply or service do not accept the purchase card, BPA or SF-44 and for future requirements, the contracting activity is seeking a source that does: or

   b. the nature of the supply or service necessitates a contract or purchase order so terms and conditions can be specified.

3. Enclosure (1) lists the classes of items specifically exempted from this program. A copy of enclosure (1) shall be placed in each purchase file when its authority is used to place a purchase order in lieu of a purchase card buy.

4. A written determination is not required when placing orders against existing contracts (including electronic IDIQ contracts, such as Navy ITEC-Direct), making purchases under BPAs, using SF-44s, issuing contracts or purchase orders that use the purchase card as the method of payment, or when issuing contracts or purchase orders that will be performed entirely outside of any state, territory, or possession of-the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

D. E. HICKMAN
Rear Admiral, SC, USN

Distribution:
List D
List E
1. The Under Secretary of Defense (Acquisition and Technology) issued a memorandum regarding the volume of contracts/purchase orders being awarded by DOD at or below the micro-purchase threshold of $2,500. The preferred method of procurement for micro-purchases is the Governmentwide Commercial Purchase Card. However, if nature of the supply necessitates a contract/purchase order so terms and conditions can be specified, and a BPA does not exist, the requirement may be obtained via contract/purchase order provided a written determination is prepared. Since we have specified those supplies that require written terms and conditions, a class determination has been prepared to meet the requirement and intent of the OUSD (A&T) memorandum.

2. The following are the specific requirements that fall under this class determination: safety/safety of flight, configuration control, weapons-related parts, lease/rental of vehicles, foreign military sales and hazardous material (other than commonly used).

DETERMINATION

It is in the Government's best interest to obtain the described class of supplies under $2,500 by use of a contract/purchase order.