\*\*ID\_\_AFARS\_Appendix-EE\_3-1\_\_ID\*\*

### 3-1. Making Purchase Transactions

a. Requiring activities must perform acquisition planning to: consider strategic sourcing vehicles; identify procurement needs; and initiate procurement actions with sufficient lead time to buy appropriate products at the right price from the right suppliers in a timely manner. Requirements and logistics personnel should avoid issuing requirements on an urgent basis or with unrealistic delivery or performance schedules, since it generally restricts competition and increases prices.

b. CHs should consider small businesses and installation AbilityOne Base Supply Centers to the maximum extent practicable, when making micro-purchases to increase their participation when using the GPC below the micro-purchase threshold.

c. Purchase requirements exceeding the micro-purchase threshold must be referred to a contracting office for formal contracting action. Splitting requirements into smaller parts to avoid formal contracting procedures, competition requirements, or to keep spending limitations under the micro-purchase threshold is prohibited. GPC micro-purchases should be distributed equitably among qualified suppliers, in accordance with FAR 13.202(a)(1), with special consideration paid to supporting your installation AbilityOne Base Supply Center, and local, small, and small disadvantaged businesses. When purchasing from FSSs and BPAs, cardholders must review prices on at least three contracts/agreements, unless it is a competitively awarded BPA and select the best value item for their requirements.

d. CHs who receive authorization and training from their Level 4 A/OPC may use the GPC to make commercial purchases up to $25,000 if the CH making the purchase is located outside the United States and the purchase is for use outside the United States (OCONUS). CH’s must use mandatory sources identified in this regulation (e.g. FAR Part 8, DOD EMALL for office supplies), before deciding to use outside commercial vendors. For the use of the GPC outside the United States, CHs must follow policy in accordance with DFARS 213.301(2).

e. OCONUS Units. For CONUS purchases for use overseas, the CH must contact their local Director of Logistics Traffic Management Office for assistance regarding transportation and packaging requirements and/or instructions prior to contacting the vendor. CHs must ensure the final price includes all costs associated with the mode of transportation and packaging selected to the destination country, customs import duties, and any other charges that may accrue. Consult DOD Directive 4500.54-E, DOD Foreign Clearance Program (FCP) prior to the requisitioning action to ensure compliance with host nation customs requirements.

f. The GPC may be used as a method of payment (MOP) for simplified acquisitions and contracts in accordance with DFARS 213.301, AFARS 5113.202-90 and 5113.270-90. An individual authorized as an Army ordering officer, and other designated contracting personnel may use the purchase card as a method of payment up to the limit as identified in the contract; under the supervision of the contracting officer or from Army contracts that, by their terms, expressly allow Army ordering officers to place orders and pay with the GPC as identified in AFARS 5113.202-90. GPCs contract payment cards must be issued and dedicated solely for this purpose.

g. Federal Procurement Data System – Next Generation (FPDS). Agencies are responsible for collecting and reporting Army procurement data to FPDS as required by FAR Subpart 4.6. The requirements for reporting GPC actions to the FPDS is contained in DPAP memo dated 26 October 2010, <http://www.acq.osd.mil/dpap/pdi/eb/docs/Reporting_GPC_Actions_to_FPDS_(Oct_26_2010).pdf>, and DFARS PGI Part 204.6.

h. CHs may place orders online via the Internet if authorized by their internal agency procedures to do so. When making online purchases, CHs must take appropriate measures to safeguard their account numbers at all times and ensure they are purchasing on a secure Web site.