

**ANNOUNCEMENT FROM
DEFENSE PRICING AND CONTRACTING,
OFFICE OF THE UNDER SECRETARY OF DEFENSE (ACQUISITION & SUSTAINMENT)**

Coronavirus Disease 2019 (COVID-19) Emergency Acquisition Flexibilities

1. An emergency determination was made by the President on March 13, 2020, under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the "Stafford Act") in response to the Coronavirus Disease 2019 (COVID-19) pandemic. This emergency determination authorizes federal assistance to supplement State and local response efforts and meets the definition of "emergency" at 42 U.S.C. 5122. For additional information, please see the President's letter containing this emergency determination at (<https://www.whitehouse.gov/briefings-statements/letter-president-donald-j-trump-emergency-determination-stafford-act/>).

2. Pursuant to Class Deviation 2018-O0018, "Micro-Purchase Threshold, Simplified Acquisition Threshold, and Special Emergency Procurement Authority", (<https://www.acq.osd.mil/dpap/policy/policyvault/USA002260-18-DPC.pdf>), the following applies to DoD acquisitions of supplies or services funded by DoD appropriations that the Head of the Contracting Activity determines are to be used to support COVID-19 emergency assistance activities:

a. The "micro-purchase threshold" and the "simplified acquisition threshold" are increased as follows:

- For any contract to be awarded and performed, or purchase to be made, inside the United States, the "micro-purchase threshold" is \$20,000 and the "simplified acquisition threshold" is \$750,000;
- For any contract to be awarded and performed, or purchase to be made, outside the United States, the "micro-purchase threshold" is \$30,000 and the "simplified acquisition threshold" is \$1,500,000; and
- For the acquisition of commercial items, the threshold for use of simplified acquisition procedures for certain commercial items is \$13M.

NOTE: For purposes of acquisition threshold increases authorized by Class Deviation 2018-O0018 the term "United States" includes the 50 States and the District of Columbia (FAR 2.101). Therefore, the outlying areas of Puerto Rico and U.S. Virgin Islands are considered outside the United States.

b. The limitation for convenience checks may not be in an amount in excess of one-half of the applicable micro-purchase threshold.

3. Please be aware of the applicable emergency acquisition flexibilities identified in FAR 18.203, "Emergency Declaration or Major Disaster Declaration" and DFARS 218.203 "Incidents of national significance, emergency declaration, or major disaster declaration" as they relate to the COVID-19 pandemic. Additionally, FAR Subpart 18.1 and DFARS Subpart 218.1 provide contracting officers other available acquisition flexibilities when certain conditions are met.

4. Additional guidance for use of the purchase card may be found in the DoD Charge Card Guidebook found at https://www.acq.osd.mil/dpap/pdi/pc/policy_documents.html.

5. A new National Interest Action (NIA) Code has been established for the NIA field in the Federal Procurement Data System-Next Generation (FPDS-NG) as a means of tracking acquisition costs for COVID-19 related assistance activities. FPDS-NG system details for this NIA follow:

NIA Code: P20C

NIA Description: COVID-19 2020

Start Date: 03/13/2020

End Date: 07/01/2020

6. Continue to monitor the Defense Pricing and Contracting (DPC) Contingency Contracting website at <https://www.acq.osd.mil/dpap/pacc/cc/index.html> for additional information pertaining to COVID-19.

7. OUSD(A&S) DPC Contact Information:
DPC Contract Policy (703) 693-0497 (DSN 225)