

Chapter 12 - Contingency Operations

Parent topic: APPENDIX - EE DEPARTMENT OF THE ARMY GOVERNMENT PURCHASE CARD OPERATING PROCEDURES

12-1. Contingency Contracting

a. Contingency contracting is the process of contracting for supplies, services, and construction in support of contingency operations, defense against or recovery from cyber, nuclear, biological, chemical or radiological attacks (also known as defense against or recovery from certain attacks), international disaster assistance, an emergency or major disaster, and humanitarian or peacekeeping operations. In accordance with FAR 2.101, when supporting humanitarian or peacekeeping operations, the MPT is unchanged and does not enjoy any increases whether the humanitarian or peacekeeping operation is taking place inside or outside the U.S.

b. Because contingency contracting and other emergency acquisitions are frequently performed on short notice and without benefit of an established office structure, certain acquisition and emergency flexibilities are prescribed in FAR Part 13, FAR Part 18, DFARS Part 218, and DFARS 213.301. The elevated thresholds will take effect during the operations listed in the definitions of “micro-purchase threshold” and “simplified acquisition threshold” at FAR 2.101 and when the HCA determines the respective purchase will support such an operation. DFARS 218.270 authorizes the HCA to make certain acquisition determinations on behalf of the Head of the Agency.

c. An increase in the MPT is authorized for purchases that have a clear and direct relationship to the support of a declared contingency operation, defense against or recovery from cyber, nuclear, biological, chemical, or radiological attacks, international disaster assistance, emergency or major disaster. In order for emergency acquisition flexibilities to apply, the operations require formal declaration. Cardholders are recommended to complete DAU’s Web-based “Contracting for the Rest of Us” course, CLC 011, for CHs who are not in the 1102 career field and will be making contingency contracting purchases over an extended period.

12-2. Emergency Acquisition Flexibility

There will not be a blanket increase of cardholder authority. Emergency Acquisition Flexibilities are defined in DFARS 218.2, Emergency Acquisition Flexibilities, and include the following: Contingency Operations; Defense or Recovery from Certain Attacks; Incidents of National Significance, Emergency Declaration, or Major Disaster Declaration; Humanitarian or Peacekeeping Operation; and Head of Contracting Activity Determinations. Emergency Acquisition Flexibilities increase the MPT and SAT with respect to the emergency identified in DFARS 213.201(a). Increased thresholds will be authorized in writing by the head of the contracting activity as defined in FAR 2.101.

12-3. Emergency Thresholds

See Tables 12-1, 12-2, and 12-3 for applicable emergency micro-purchase thresholds.

Table 12-1: Contingency Contracting Micro-purchase Threshold for Supplies

Supplies

Government Purchaser's Physical Location	Authorized MPT
Inside United States	\$20,000
Outside United States	\$35,000

Table 12-2: Contingency Contracting Micro-purchase Threshold for Services

Services (Including Services Acquisitions Subject to Service Contract Labor Standards, 41 USC Chapter 67)

Government Purchaser's Physical Location	Place of Performance	Authorized MPT
Inside United States	Inside or Outside United States	\$20,000
Outside United States	Inside United States	\$20,000
Outside United States	Outside United States	\$35,000

Table 12-3: GPC MPT Values for Convenience Checks

GPC Micro-purchase Threshold - Convenience Checks (CC)

Government Purchaser's Physical Location	Authorized MPT
General - Unrelated to Contingency/Other Emergency Uses	\$5,000
Contingency and Other Emergency Uses (inside U.S.)	\$10,000
Contingency and Other Emergency Uses (outside U.S.)	\$17,500

a. Cardholders may use the GPC to buy supplies and services for authorized contingency efforts. In order to purchase up to the contingency MPT, CHs must have the "Micro-Purchase Emergency-Type Operations Cardholder and/or Check Writer" designation in their JAM appointment. Cardholders may only use this purchasing authority for declared, authorized contingency or emergency efforts. Purchases using this authority must have a clear and direct relationship to the support of the declared operation. Contracting officers may also have a "Warranted Overseas Emergency-Type Operations" designation, which allows them to purchase up to the applicable simplified acquisition

threshold for declared operations.

b. National Interest Action (NIA) Codes. Cardholders must input the NIA code or other assigned codes in the Contingency Operations field in the servicing bank's EAS Access Online Order Management for transactions when NIA Codes are issued for contingency operations, declared emergency or major disasters, defense or recovery from certain events, humanitarian or peacekeeping operations, or international disaster assistance (referred to as "applicable operations"), and for retaining transaction determinations in support of applicable operations. Level 4 A/OPCs must track purchases using the NIA code and conduct audits on the contingency purchases upon completion of the event. For example:

1) If your HCA has authorized emergency acquisition authorities to support and expired event such as Hurricane Ian, then CHs will need to manually enter just the description of "Hurricane Ian" in the "ADD'L Code or Event Info" field (Transaction Management) or in the "Contingency Operations" field (Order Management).

2) If your HCA has authorized emergency acquisition authorities to support COVID or Ukraine for purchases made after 9/30/2022, then CHs will need to manually enter just the description of "Ukraine" or "COVID" in the "Contingency Operations" field.

12-4. GPC Contingency Contracting Management Controls

a. Designated contingency card accounts must carry written delegations of procurement authority. There will be no blanket increase of CH authority.

b. The HCA must identify in writing those individuals who have permission to use an authorized increased spending threshold. See DFARS PGI 213.201. These individuals must be working directly on acquisitions related to contingency contracting. A/OPCs should ensure that CHs have sufficient training appropriate for any increased authority.

c. Requiring activities should identify contingency contracting CHs in advance of these operations. A/OPCs should work with the servicing bank to pre-position cards (with initial spending limits of \$1 until needed) and raise monthly and single transaction limits accordingly only when the operation is declared.

d. A/OPCs should communicate policies and procedures for determining whether a transaction is in support of a particular event and therefore allowable under the related law.

e. Small businesses should be provided maximum practicable opportunity under the circumstances to participate in contingency acquisitions as prime contractors and subcontractors.

f. **Price Reasonableness.** Cardholders and BOs are responsible for ensuring that prices are reasonable. The common-sense determinations may take into consideration the extraordinary nature of the event.

g. **Purchasing on Behalf of Another Agency.** If purchasing on behalf of another agency, the agency making the purchase will ensure the requesting agency has the authority to make the purchase and fully document the GPC transaction.

12-5. Contingency Roles and Responsibilities

a. A/OPC Responsibilities:

- 1) Distribute governing policy and guidance with respect to use of the GPC for each event to all GPC officials throughout the A/OPC's oversight.
- 2) Increase GPC spending limits to card accounts and managing accounts when appropriate.
- 3) Maintain a discrete record of all accounts with increased purchase and monthly limits, including convenience check accounts.
- 4) Coordinate account fund availability for contingency contracting operations with Resource Managers.
- 5) Work with RMs to add alternate LOAs earmarked for each event to appropriate BO/CH accounts.
- 6) Manage delegations of procurement authority for designated contingency card accounts in JAM.
- 7) Develop and issue instructions to enable the identification and capture of all contingency contracting GPC purchases (transactions and dollars).

b. Resource Manager Responsibilities:

- 1) Make appropriate modifications when detailed budgetary guidance is provided by the DoD Comptroller.
- 2) Establish separate alternate and default LOAs for purchases made using the GPC that constitute reimbursable support funded by and/or provided to other Federal Agencies (e.g., the Federal Emergency Management Agency).
- 3) Assist in the identification and tracking of all GPC dollars associated with transactions spent in support of each event.
- 4) Notify the A/OPC of fund availability.

c. Billing Official Responsibilities:

- 1) Ensure proper documentation is recorded and maintained for GPC transactions in support of each event.
- 2) Ensure CHs use the correct LOA for purchases made in support of each event.
- 3) Ensure convenience checks written in support of each event do not exceed authorized spending limits and that the sources of supply for the items or services purchased with the convenience check do not accept the GPC.

d. Cardholder Responsibilities:

- 1) Obtain appropriate requirements documentation to support purchases made.
- 2) Identify and record purchases made. At a minimum, documentation will include details on the specific goods or services purchased with the GPC and how it will specifically support the event.

- 3) Input the NIA or other assigned codes in the Contingency Operations field in the servicing bank's EAS for applicable purchases.
- 4) Coordinate with the Resource Manager and follow agency accounting procedures.
- 5) Ensure each GPC transaction is charged to the contingency contracting LOA specifically established for that event.
- 6) Write convenience checks only when necessary and within authorized MPTs. Confirm that the supplier source does not accept the GPC.
- 7) For contingency contracting construction contracts, ensure the GPC is used only as a method of payment. An existing contract vehicle must be in place prior to the use of this authority.
- 8) Establish and maintain a discrete record of the number of transactions and dollars spent in support of each event.

12-6. Deploying Cardholders

- a. Commands should identify GPC personnel with pre-positioned GPC accounts in advance of need. These cardholders will have a card with an initial spending limit of \$1 until an emergency acquisition flexibility is declared and purchase limits are increased. Upon declaration of an emergency as defined in DFARS 213.201(a), the contracting office will ensure contracting officer warrants and/or delegations of authority are modified to reflect applicable procurement limits. All deployable cardholders will receive contingency GPC training.
- b. When functional control of the deployed card account shifts to the gaining contracting command within the AOR, home station-issued GPCs may continue to be used unless prohibited by either the home station or the gaining command.
- c. When the cardholder deploys, the limits can be raised by the A/OPC via the bank's Electronic Access System. The limits should be raised to a realistic level based on the expected purchase volume for that operation. Upon the cardholder's return to home base, the spending limits should be lowered to the previous level.