



ACQUISITION
AND SUSTAINMENT

OFFICE OF THE ASSISTANT SECRETARY OF WAR
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

In reply refer to
DARS Tracking Number: 2026-O0049

MEMORANDUM FOR COMMANDER, UNITED STATES CYBER
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING)
DEFENSE AGENCY AND DOD FIELD ACTIVITY DIRECTORS

SUBJECT: Class Deviation—Revolutionary Federal Acquisition Regulation (FAR) Overhaul
Part 8, Defense FAR Supplement (DFARS) Part 208

Effective March 16, 2026, contracting officers shall use—

- The revised FAR Part 8, Required Sources of Supplies and Services, published on the Revolutionary FAR Overhaul web page at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-8> in lieu of the text codified at 48 CFR chapter 1 (<https://www.ecfr.gov>);
- The attached DFARS Part 208, Required Sources of Supplies and Services, in lieu of the text codified at 48 CFR chapter 2, Parts 208 and 251, Use of Government Sources by Contractors; and
- The attached DFARS Procedures, Guidance, and Information (PGI) 208, Required Sources of Supplies and Services, in lieu of the PGI text for Parts 208 and 251, Use of Government Sources by Contractors, published on the Defense Pricing, Contracting, and Acquisition Policy web page <https://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html>.

FAR Parts 38, Federal Supply Schedule Contracting, and 51, Use of Government Sources by Contractors are consolidated in the RFO version of Part 8 and, as a result, are “Reserved.” DFARS Part 251 and the associated PGI are consolidated in the attached and marked “Reserved.”

This class deviation implements the following:

- Section 2 of E.O. 14275, Restoring Common Sense to Federal Procurement, which establishes the policy that the FAR “should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed.”
- Section 4(a) of E.O. 14265, Modernizing Defense Acquisitions and Spurring Innovation in the Defense Industrial Base which requires the Secretary of War to eliminate or revise any unnecessary supplemental regulations or any other internal guidance, such as relevant parts of the Financial Management Regulation and Defense Federal Acquisition Regulation Supplement.
- The Office of Management and Budget memorandum, M-25-26 issued on May 2, 2025, titled, Overhauling the Federal Acquisition Regulation, which provided additional guidance to federal agencies regarding the FAR overhaul.

This class deviation remains in effect until rescinded or incorporated into the FAR, DFARS, and DFARS PGI. Inquiries regarding this class deviation can be addressed to osd.pentagon.ousd-a-s.mbx.dfars@mail.mil.

John M. Tenaglia
Principal Director,
Defense Pricing, Contracting, and
Acquisition Policy

Attachments:
As stated

PART 208—REQUIRED SOURCES OF SUPPLIES AND SERVICES

SUBPART 208.1—PRESOLICITATION

208.103 Mandatory sources of supplies.

(a)(1) See [PGI 208.103](#) for information on available items in DoD's property inventories.

208.105 Contractor Use of Government supply sources.

208.105-2 Contractor permitted use of Government supply sources.

(c) Contract Clause. Insert the clause at 252.251-7999, Ordering From Government Supply Sources, in solicitations and contracts which include the clause at FAR 52.208-10, Government Supply Sources.

208.105-70 Fuel funded by the Defense Working Capital Fund

(a) If fuel is funded by the Defense Working Capital Fund, contracting officers may authorize contractors to use Defense Logistics Agency Energy as a source of fuel in performance of other than cost-reimbursement contracts. When providing this authorization to contractors, follow the procedures at [PGI 208.105-70](#).

(b) The contracting officer may also authorize the contractor to use the DD Form 1155 when requisitioning from the Department of Veterans Affairs.

(c) The authorizing agency is also responsible for promptly considering requests of the DoD supply source for authority to refuse to honor requisitions from a contractor that is indebted to DoD and has failed to pay proper invoices in a timely manner.

SUBPART 208.2—ACQUISITION FROM ABILITYONE PARTICIPATING NONPROFIT AGENCIES

208.201 General.

Follow the procedures at PGI 208.201 when placing orders with central nonprofit agencies.

208.270 Evaluation and award.

Evaluate service contracts awarded to Abilityone participating nonprofit agencies when the contract value exceeds the threshold at DFARS 215.104-70(g).

SUBPART 208.3—ACQUISITIONS FROM FEDERAL PRISON INDUSTRIES, INC.

208.301-70 Acquisition of items for which Federal Prison Industries has a significant market share.

(a) *Scope.* This section implements 10 U.S.C. 3905.

(b) *Definition.* As used in this section—

“Item for which Federal Prison Industries (FPI) has a significant market share,” means an item for which FPI’s share of the DoD market for the federal supply class including that item is greater than 5 percent, as determined by DoD in consultation with the Office of Federal Procurement Policy. A list of the federal supply classes of items for which FPI has a significant market share is maintained at <https://www.acq.osd.mil/asda/dpc/cp/policy/other-policy-areas.html>.

(c) *Policy.*

(1) When acquiring an item for which FPI has a significant market share—

(i) Acquire the item using—

(A) Competitive procedures (e.g., the procedures in FAR 6.101, the set-aside procedures in FAR Subpart 19.1, or competition conducted in accordance with FAR Part 13); or

(B) The fair opportunity procedures in FAR 16.507-2, if placing an order under a multiple award delivery-order contract; and

(ii) Include FPI in the solicitation process, consider a timely offer from FPI, and make an award in accordance with the policy at FAR 8.304(b)(2) and 8.305.

(2) When acquiring an item for which FPI does not have a significant market share, acquire the item in accordance with the policy at FAR 8.3.

208.305 Evaluation and award.

Evaluate service contracts awarded to Federal Prison Industries, Inc., when the contract value exceeds the threshold at DFARS 215.104-70(g).

SUBPART 208.4—ORDERING UNDER THE FEDERAL SUPPLY SCHEDULE

208.470 General.

(a)(1) If only one offer is received in response to an order exceeding the simplified acquisition threshold that is placed on a competitive basis, follow the procedures at [215.271](#).

(2) When placing orders for supplies or services in amounts exceeding the simplified acquisition threshold, departments and agencies must comply with the review, approval, and reporting requirements established in accordance with subpart [217.6](#).

(3) When a schedule lists both foreign and domestic items that will meet the needs of the requiring activity, the ordering office must apply the procedures of part [225](#) and FAR part 25, Foreign Acquisition. When purchase of an item of foreign origin is specifically required, the requiring activity must furnish the ordering office sufficient information to permit the determinations required by part [225](#) and FAR part 25 to be made.

(4) Insert the provisions at [252.215-7007](#), Notice of Intent to Resolicit, and [252.215-7008](#), Only One Offer, as prescribed at [215.371-6](#) and [215.408\(3\)](#), respectively.

(b) Include an evaluation factor regarding supply chain risk (see part [239](#)) when acquiring information technology, whether as a service or as a supply, that is a covered system, is a part of a covered system, or is in support of a covered system, as defined in part [239](#).

(c) See [215.101-2-70](#) for the limitations and prohibitions on the use of the lowest price technically acceptable source selection process, which are applicable to orders placed under Federal Supply Schedules.

(d) Contracting officers must make a determination of fair and reasonable pricing when using the Federal Supply Schedules (FSS). The FSS prices of supplies and fixed-price services, and rates for services offered at hourly rates, were determined to be fair and reasonable for the purpose of establishing the schedule contract. The ordering activity contracting officer is responsible for making a determination of fair and reasonable pricing for individual orders, blanket purchase agreements (BPA), and orders under BPAs, using the proposal analysis techniques at 15.404-1. Do not rely on the determination of price reasonableness for the FSS schedule contract. The complexity and circumstances of each acquisition should determine the level of detail of the analysis required.

(e) See [217.7801](#) for the prohibition on the use of reverse auctions for personal protective equipment and aviation critical safety items.

(f) See [204.7603](#) for procedures on the required use of the Supplier Performance Risk System (SPRS) risk assessments.

(1) Ensure SPRS assessments of price risk and supplier risk are considered as a part of the award decision.

(2) When placing an order with a schedule contractor for an end product identified by a material identifier that is available as described at [PGI 204.7603](#), and item risk was not previously considered during award of the schedule contract, consider SPRS assessments of item risk in the award decision.

(3) Insert the provision at [252.204-7024](#), Notice on the Use of the Supplier Performance Risk System, as prescribed in [204.7604](#) to the extent permitted by the FSS.

(g) Follow the procedures at PGI 208.470 for—

(1) An order or BPA exceeding the simplified acquisition threshold that is a follow-on to an order or BPA for the same supply or service previously issued based on a limiting sources justification; and

(2) Ordering from schedules.

SUBPART 208.70—ACQUISITION UNDER THE INTEGRATED MATERIAL MANAGEMENT PROGRAM

208.7000 Scope of subpart.

This subpart prescribes policy and procedures for acquisition of items for which contracting responsibility is assigned to a department, agency or the General Services Administration under the Integrated Material Management (IMM) Program. Contracting responsibility is assigned through the IMM in DoDM 4140.26, DoD Integrated Materiel Management Manual for Consumable Items, DoD 4140.68, Integrated Materiel Management of Nonconsumable Items and are listed in the FLIS Technical Procedures – Volume 13.

208.7001 Definitions.

For purposes of this subpart—

“Acquiring department” means the department, agency, or General Services Administration which has contracting responsibility under the IMM Program.

“Integrated materiel management” means the materiel management responsibility that is integrated to eliminate duplicate national materiel management functions for those consumable items that are used by more than one DoD Component or participating U.S. Government civil agency. The integrated management responsibility is assigned to an activity or agency for the DoD and participating U.S. Government civil agencies. IMM responsibilities include requirements determination, procurement, distribution, materiel overhaul and repair, and disposal of materiel.

“Requiring department” means the department or agency which has the requirement for an item.

208.7002 Assignment authority.

See PGI 208.7002 for assignment authority under the IMM.

208.7002-1 Acquiring department responsibilities.

See PGI 208.7002-1 for the acquiring department’s responsibilities.

208.7002-2 Requiring department responsibilities.

See PGI 208.7002-2 for the requiring department’s responsibilities.

208.7003 Applicability.

208.7003-1 Assignments under integrated materiel management.

(a) Acquire all items assigned for integrated materiel management (IMM) from the IMM manager except—

(1) Items purchased under circumstances of unusual and compelling urgency as defined in FAR 6.103-2. After such a purchase is made, the requiring activity must send one copy of the contract and a statement of the emergency to the IMM manager;

(2) Items for which the IMM manager assigns a supply system code for local purchase or otherwise grants authority to purchase locally; or

(3) When purchase by the requiring activity is in the best interest of the Government in terms of the combination of quality, timeliness, and cost that best meets the requirement. This exception does not apply to items—

(i) Critical to the safe operation of a weapon system;

(ii) With special security characteristics; or

(iii) Which are dangerous (e.g., explosives, munitions).

(4) When consumable items determined to be unique to a weapon system which have been included in a Performance Based Logistics (PBL) or Contractor Logistics Support (CLS) contract.

(b) Follow the procedures at PGI 208.7003-1(b) when an item assigned for IMM is to be acquired by the requiring department in accordance with paragraph (a)(3) of this subsection.

208.7003-2 Exceptions.

Requiring departments must submit to the acquiring department all contracting requirements for items assigned for IMM, except—

- (a) Items obtained through the sources in FAR 8.103;
- (b) Items obtained under [208.7003-1\(a\)](#);
- (c) Requirements not in excess of the simplified acquisition threshold, when contracting by the requiring department is in the best interest of the Government;
- (d) In an emergency. When an emergency purchase is made, the requiring department must send one copy of the contract and a statement of the emergency to the contracting activity of the acquiring department;
- (e) Requirements for which the IMM delegates contracting authority to the requiring department;
- (f) Items in a research and development stage (as described in FAR Part 35). Under this exception, the military departments may contract for research and development requirements, including quantities for testing purposes and items undergoing in-service evaluation (not yet in actual production, but beyond prototype). Generally, this exception applies only when research and development funds are used.
- (g) Items peculiar to nuclear ordnance material where design characteristics or test-inspection requirements are controlled by the Department of Energy (DoE) or by DoD to ensure reliability of nuclear weapons.
 - (1) This exception applies to all items designed for and peculiar to nuclear ordnance regardless of agency control, or to any item which requires test or inspection conducted or controlled by DoE or DoD.
 - (2) This exception does not cover items used for both nuclear ordnance and other purposes if the items are not subject to the special testing procedures.

(h) Items to be acquired under FAR 6.103-6 (national security requires limitation of sources);

(i) Items directly related to a major system and which are design controlled by and acquired from either the system manufacturer or a manufacturer of a major subsystem;

(j) Items subject to rapid design changes, or to continuous redesign or modification during the production and/or operational use phases, which require continual contact between industry and the requiring department to ensure that the item meets the requirements:

(1) This exception permits the requiring department to contract for items of highly unstable design. For use of this exception, it must be clearly impractical, both technically and contractually, to refer the acquisition to the acquiring department. Anticipation that contracting by negotiation will be appropriate, or that a number of design changes may occur during contract performance is not in itself sufficient reason for using this exception.

(2) This exception also applies to items requiring compatibility testing, provided such testing requires continual contact between industry and the requiring department;

(k) Containers acquired only with items for which they are designed;

(l) One-time buy of a noncataloged item.

(1) This exception permits the requiring departments to contract for a nonrecurring requirement for a noncataloged item. This exception could cover a part or component for a prototype which may be stock numbered at a later date.

(2) This exception does not permit acquisitions of recurring requirements for an item, based solely on the fact that the item is not stock numbered, nor may it be used to acquire items which have only slightly different characteristics than previously cataloged items.

208.7004 Procedures.

Follow the procedures at PGI 208.7004 for processing IMM requirements.

208.7005 Military interdepartmental purchase requests.

Follow the procedures at—

(a) PGI 253.208-1 when using DD Form 448, Military Interdepartmental Purchase Request; and

(b) PGI 253.208-2 when using DD Form 448-2, Acceptance of MIPR.

**SUBPART 208.71—ACQUISITION FOR NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION (NASA)**

208.7100 Authorization.

NASA is authorized by Pub. L. 85-568 to use the acquisition services, personnel, equipment, and facilities of DoD departments and agencies with their consent, with or without reimbursement, and on a similar basis to cooperate with the departments/agencies in the use of acquisition services, equipment, and facilities.

208.7101 Policy.

Departments and agencies must cooperate fully with NASA in making acquisition services, equipment, personnel, and facilities available on the basis of mutual agreement.

208.7102 Procedures.

Follow the procedures at PGI 208.7102 when contracting or performing services for NASA.

SUBPART 208.73—USE OF GOVERNMENT-OWNED PRECIOUS METALS

208.7300 General.

See PGI 208.73 for guidance when using Government-owned precious metals.

208.7301 Contract clause.

(a) Insert the clause at 252.208-7000, Intent to Furnish Precious Metals as Government-Furnished Material, in all solicitations and contracts except—

- (1) When the contracting officer has determined that the required precious metals are not available from Defense Supply Center Philadelphia;
- (2) When the contracting officer knows that the items being acquired do not require precious metals in their manufacture; or
- (3) For acquisitions at or below the simplified acquisition threshold.

(b) To make the determination in paragraph (a)(1) of this section, the contracting officer must consult with the end item inventory manager and comply with the procedures in Chapter 11, DoD 4160.21-M, Defense Materiel Disposition Manual.

SUBPART 208.74—ENTERPRISE SOFTWARE AGREEMENTS

208.7400 Scope of subpart.

This subpart prescribes policy and procedures for acquisition of commercial software and software maintenance, including software and software maintenance that is acquired—

- (a) As part of a system or system upgrade, where practicable;
- (b) Under a service contract;
- (c) Under a contract or agreement administered by another agency (e.g., under an interagency agreement); or
- (d) Under a Federal Supply Schedule contract or blanket purchase agreement established in accordance with FAR 8.401.

208.7401 Definitions.

As used in this subpart—

“Enterprise software agreement” means an agreement or a contract that is used to acquire designated commercial software or related commercial software services such as software maintenance.

“Enterprise Software Initiative” means an initiative led by the DoD Chief Information Officer to develop processes for DoD-wide software asset management.

“Software maintenance” means services normally provided by a software company as standard services at established catalog or market prices, e.g., the right to receive and use upgraded versions of software, updates, and revisions.

208.7402 General.

(a) Departments and agencies must fulfill requirements for commercial software and commercial software services, such as software maintenance, in accordance with the DoD Enterprise Software Initiative (ESI) (see <https://www.esi.mil/>). ESI promotes the use of enterprise software agreements (ESAs) with contractors that allow DoD to obtain favorable terms and pricing for commercial software and commercial software services. ESI does not dictate the products or services to be acquired.

- (b) Include an evaluation factor regarding supply chain risk (see Part [239](#))

when acquiring information technology, whether as a service or as a supply, that is a covered system, is a part of a covered system, or is in support of a covered system, as defined in Part 239.

208.7403 Acquisition procedures.

Follow the procedures at [PGI 208.7403](#) when acquiring commercial software and commercial software services.

**SUBPART 208.75—CONTRACTOR USE OF INTERAGENCY FLEET
MANAGEMENT SYSTEM (IFMS)**

208.7501 Authorization.

(a) Insurance requirements.

(1) See FAR 28.307-2(c) for policy on contractor insurance.

(2) See FAR 28.308 for policy on self-insurance.

(3) See FAR 31.205-19 for allowability of insurance costs.

(b) Insert the clause at [252.251-7001](#), Use of Interagency Fleet Management System (IFMS) Vehicles and Related Services, in solicitations and contracts which include are authorized to use an interagency fleet.

PART 251—[RESERVED]

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

SUBPART 252.2—TEXT OF PROVISIONS AND CLAUSES

252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material.

As prescribed in [208.7301](#)(a), use the following clause:

INTENT TO FURNISH PRECIOUS METALS AS GOVERNMENT-FURNISHED
MATERIAL (DEC 1991)

(a) The Government intends to furnish precious metals required in the manufacture of items to be delivered under the contract if the Contracting Officer determines it to be in the Government's best interest. The use of Government-furnished silver is mandatory when the quantity required is one hundred troy ounces or more. The precious metal(s) will be furnished pursuant to the Government Furnished Property clause of the contract.

(b) The Offeror shall cite the type (silver, gold, platinum, palladium, iridium, rhodium, and ruthenium) and quantity in whole troy ounces of precious metals required in the performance of this contract (including precious metals required for any first article or production sample), and shall specify the national stock number (NSN) and nomenclature, if known, of the deliverable item requiring precious metals.

<u>Precious Metal*</u>	<u>Quantity</u>	<u>Deliverable Item (NSN and Nomenclature)</u>

*If platinum or palladium, specify whether sponge or granules are required.

(c) Offerors shall submit two prices for each deliverable item which contains precious metals--one based on the Government furnishing precious metals, and one based on the Contractor furnishing precious metals. Award will be made on the basis which is in the best interest of the Government.

(d) The Contractor agrees to insert this clause, including this paragraph (d), in solicitations for subcontracts and purchase orders issued in performance of this

contract, unless the Contractor knows that the item being purchased contains no precious metals.

(End of clause)

252.208-7999 Ordering From Government Supply Sources. (DEVIATION 2026-00049)

As prescribed in [208.105-2\(c\)](#), use the following clause:

**ORDERING FROM GOVERNMENT SUPPLY SOURCES ((DEVIATION 2026-00049)
(MAR 2026)**

(a) When placing orders under Federal Supply Schedules, Personal Property Rehabilitation Price Schedules, or Enterprise Software Agreements, the Contractor shall follow the terms of the applicable schedule or agreement and authorization. Include in each order:

(1) A copy of the authorization (unless a copy was previously furnished to the Federal Supply Schedule, Personal Property Rehabilitation Price Schedule, or Enterprise Software Agreement contractor).

(2) The following statement:

Any price reductions negotiated as part of an Enterprise Software Agreement issued under a Federal Supply Schedule contract shall control. In the event of any other inconsistencies between an Enterprise Software Agreement, established as a Federal Supply Schedule blanket purchase agreement, and the Federal Supply Schedule contract, the latter shall govern.

(3) The completed address(es) to which the Contractor's mail, freight, and billing documents are to be directed.

(b) When placing orders under nonmandatory schedule contracts and requirements contracts, issued by the General Services Administration (GSA) Office of Information Resources Management, for automated data processing equipment, software and maintenance, communications equipment and supplies, and teleprocessing services, the Contractor shall follow the terms of the applicable contract and the procedures in paragraph (a) of this clause.

(c) When placing orders for Government stock on a reimbursable basis, the Contractor shall—

(1) Comply with the requirements of the Contracting Officer's authorization, using FEDSTRIP or MILSTRIP procedures, as appropriate;

(2) Use only the GSA Form 1948-A, Retail Services Shopping Plate, when ordering from GSA Self-Service Stores;

(3) Order only those items required in the performance of Government contracts; and

(4) The Contractor shall pay invoices from Government supply sources promptly.

(A) The Contractor shall pay purchases made from DoD supply sources within 30 days of the date of a proper invoice.

(B) The Contractor shall annotate each invoice with the date of receipt.

(C) For the purposes of computing interest for late Contractor payments, the Government's invoice is deemed to be a demand for payment in accordance with the Interest clause of this contract.

(D) If the Contractor fails to pay or pays late that may also result in the DoD supply source refusing to honor the requisition (see DFARS 208-105-2(a)(4)(ii)) or in the Contracting Officer terminating the Contractor's authorization to use DoD supply sources.

(1) In the event the Contracting Officer decides to terminate the authorization due to the Contractor's failure to pay in a timely manner, the Contracting Officer will provide the Contractor with prompt written notice of the intent to terminate the authorization and the basis for such action.

(2) The Contractor shall have 10 days after receipt of the Government's notice in which to provide additional information as to why the authorization should not be terminated.

(3) Any such termination does not provide the Contractor with an excusable delay for failure to perform or complete the contract in accordance with the terms of the contract, and the Contractor shall be solely responsible for any increased costs.

(d) When placing orders for Government stock on a non-reimbursable basis, the Contractor shall—

(1) Comply with the requirements of the Contracting Officer's authorization; and

(2) When using electronic transactions to submit requisitions on a nonreimbursable basis only, place orders by authorizing contract number using the Defense Logistics Management System (DLMS) Supplement to Federal Implementation Convention 511R, Requisition; and acknowledge receipts by authorizing contract number using the DLMS Supplement 527R, Receipt, Inquiry, Response and Material Receipt Acknowledgement.

(e) Only the Contractor may request authorization for subcontractor use of Government supply sources. The Contracting Officer will not grant authorizations for subcontractor use without approval of the Contractor.

(f) Government invoices will be submitted to the Contractor's billing address, and Contractor payments shall be sent to the Government remittance address specified below:

Contractor's Billing Address (include point of contact and telephone number):

Government Remittance Address (include point of contact and telephone number):

(End of clause)

252.251-7001 Use of Interagency Fleet Management System (IFMS) Vehicles and Related Services.

As prescribed in [208.7501\(b\)](#), use the following clause:

USE OF INTERAGENCY FLEET MANAGEMENT SYSTEM (IFMS) VEHICLES AND RELATED SERVICES (DEC 1991)

(a) The Contractor, if authorized use of IFMS vehicles, shall submit requests for five or fewer vehicles and related services in writing to the appropriate General Services Administration (GSA) Regional Customer Service Bureau, Attention: Motor Equipment Activity. Submit requests for more than five vehicles to GSA headquarters: General Services Administration, FTM, Washington, DC 20406. Include the following in each request:

(1) Two copies of the agency authorization to obtain vehicles and related services from GSA.

(2) The number of vehicles and related services required and the period of use.

(3) A list of the Contractor's employees authorized to request vehicles and related services.

(4) A list of the makes, models, and serial numbers of Contractor-owned or leased equipment authorized to be serviced.

(5) Billing instructions and address.

(b) The Contractor should make requests for any unusual quantities of vehicles as far in advance as possible.

(c) The Contractor shall establish and enforce suitable penalties for employees who use or authorize the use of Government vehicles for other than performance of Government contracts.

(d) The Contractor shall assume, without the right of reimbursement from the Government, the cost or expense of any use of IFMS vehicles and services not related to the performance of the contract.

(e) Only the Contractor may request authorization for subcontractor use of IFMS vehicles. The Contracting Officer will not grant authorization for subcontractor use without approval of the Contractor.

(End of clause)

PGI 208—REQUIRED SOURCES OF SUPPLIES AND SERVICES

PGI 208.1—PRESOLICITATION

PGI 208.103 Mandatory sources of supplies.

(a)(1)(i) The DLA Disposition Services Reutilization, Transfer, or Donation (RTD) Office maintains the DoD-wide inventory of available property. Information on available property in the DoD-wide inventory can be obtained by—

(A) Sending a request to the DLA Disposition Services RTD Office at drmsrtd@dla.mil; or

(B) Searching the inventory on the DLA Disposition Service RTD website at <https://amps.dla.mil/oim>.

(ii) Information on gaining access to and searching for available property on the RTD website can be found at <https://www.dla.mil/DispositionServices/DDSR/PropertySearch/PropertySearch/>.

(iii) General information on DLA Disposition Service's RTD Program can be found at <https://www.dla.mil/DispositionServices/Offers/Reutilization.aspx>.

PGI 208.105 Contractor use of Government supply sources.

PGI 208.105-70—Fuel funded by the Defense Working Capital Fund

(a)(4) When authorizing contractors to use Defense Logistics Agency (DLA) Energy as a source of fuel in performance of other than cost-reimbursement contracts, contracting officers must—

(i) Comply with the requirements of FAR 8.105-2 and DFARS 208.105-2 including the execution of a letter of authorization;

(ii) Include FAR clause 52.208-10, Government Supply Sources, and DFARS clause 252.208-7999, Ordering From Government Supply Sources, in the contract;

(iii) Obtain a current DLA Energy Fuel Purchase Authorization (FPA) from DLA Energy by emailing dlaenergyfpa@dla.mil;

(iv) Email to DLA Energy, at dlaenergyfpa@dla.mil, a copy of the—

(A) Completed FPA;

(B) Letter of authorization from the contracting officer; and

(C) Documentation showing the inclusion of FAR clause 52.208-10 and DFARS clause 252.208-7999 in the underlying contract.

(v) Upon receipt of the documentation in paragraph (a)(4)(iv)(A)-(C) of this section, DLA Energy will work with all parties to review the FPA for accuracy and completion. If approved, DLA Energy will assign a Department of Defense Activity Address Code for the fuel sales.

(vi) Use a format substantially the same as the following when authorizing contractor use of Government Supply Sources. Specify the terms of the purchase, including contractor acceptance of any Government materiel, payment terms, and the addresses required by paragraph (e) of the clause at 252.208-7999, Ordering from Government Supply Sources.

**AUTHORIZATION TO PURCHASE FROM GOVERNMENT SUPPLY SOURCES
(SAMPLE FORMAT)**

SUBJECT: Authorization to Purchase from Government Supply Sources

(Contractor's Name)

(Contractor's Address)

(CAGE Code)

1. You are hereby authorized to use Government sources in performing Contract No. _____ for *[insert the requiring activity's DoD Activity Address Code (DoDAAC)]*, as follows: *[Insert applicable purchasing authority given to the contractor.]*

2.a. Purchase Orders Under Federal Supply Schedules or Personal Property Rehabilitation Price Schedules. Place orders in accordance with the terms and conditions of the attached Schedule(s) and this authorization. Attach a copy of this authorization to the order (unless a copy was previously furnished to the Federal Supply Schedule or Personal Property Rehabilitation Price Schedule contractor). Insert the following statement in the order:

This order is placed under written authorization from

dated _____ (*_____). In the event of any inconsistency between the terms and conditions of this order and those of the Federal Supply Schedule or Personal Property Rehabilitation Price Schedule contract, the latter will govern.

b. Requisitioning from the General Services Administration (GSA) or the Department of Defense (DoD). Place orders in accordance with this authorization and, as appropriate, the following:

(1) Federal Standard Requisitioning and Issue Procedures (FEDSTRIP) (GSA FEDSTRIP Operating Guide: FPMR 101-26.2 (41 CFR 101-26.2)). Copies are available from the Superintendent of Documents, Government Printing Office, Washington, DC 20402; telephone (202) 512-1800; facsimile (202) 512-2250.

(2) Military Standard Requisitioning and Issue Procedures (MILSTRIP) (DoD 4000.25-1-M). Copies are available from the Defense Logistics Agency, Administrative Support Center East, ATTN: ASCE-WS, 14 Dedication Drive, Suite 3, POD 43, New Cumberland, PA 17070-5011; telephone 1-888-DLA-PUBS(352-7827), or (717) 770-6034; facsimile (717) 770-4817.

c. Enterprise Software Initiative. Place orders in accordance with the terms and conditions of the attached Enterprise Software Agreement(s), or instructions for obtaining commercial software or software maintenance from Enterprise Software Initiative inventories, and this authorization. Attach a copy of this authorization to the order (unless a copy was previously furnished to the Enterprise Software Agreement contractor). Insert the following statement in the order:

This order is placed under written authorization from _____ dated _____ (* _____). In the event of any inconsistency between the terms and conditions of this order, and those of the Enterprise Software Agreement, the latter will govern.

3. *[Insert other provisions as necessary.]*
4. This authority is not transferable or assignable.
5. The DoD Activity Address Directory (DoDAAD) (DLM 4000.25, Volume 6, Chapter 2) Activity Address Code** to which this Authorization applies is _____.
6. This Authorization expires _____.

(Contracting Officer)

* Insert "a copy of which is attached," "a copy of which you have on file," or other suitable language, as appropriate.

** The requiring activity assumes responsibility for monitoring and controlling all activity address codes used in the letters of authority.

PGI 208.105-270 Contracting office responsibilities.

(a) The DoD Activity Address Code (DoDAAC) assigned in accordance with paragraph 5 of the authorization format in PGI 208.105-2 must be assigned to the contractor for authorization to use Government supply sources only for the contract number cited in paragraph 1 of the authorization format.

(b) The authorization to use Government sources of supply is unique to each contract and must not be transferred or assigned to any other contractor or contract. Therefore, the same DoDAAC must not be assigned to any other contract number during the period of performance for the contract. After 24 months has lapsed beyond contract closeout, the DoDAAC may be reused for another contract.

PGI 208.2—ACQUISITION FROM ABILITYONE PARTICIPATING NONPROFIT AGENCIES

PGI 208.201 General.

Ordering offices may use DD Form 1155, Order for Supplies or Services, to place orders with central nonprofit agencies.

PGI 208.4—ORDERING UNDER THE FEDERAL SUPPLY SCHEDULE

PGI 208.470 General.

- (1) When ordering from schedules, ordering offices—
 - (i) May use DD Form 1155, Order for Supplies or Services, to place orders for—
 - (A) Commercial products or commercial services at or below the simplified acquisition threshold; and
 - (B) Other than commercial products or commercial services at any dollar value.

(ii) Must use SF 1449, Solicitation/Contract/Order for Commercial Products and Commercial Services, to place orders for commercial products or commercial services exceeding the simplified acquisition threshold (see FAR 12.204); and

(iii) May use SF 1449 to place orders for other than commercial products or commercial services at any dollar value.

(2) Schedule orders may be placed orally if—

(i) The contractor agrees to furnish a delivery ticket for each shipment under the order (in the number of copies required by the ordering office). The ticket must include the—

- (A) Contract number;
- (B) Order number under the contract;
- (C) Date of order;
- (D) Name and title of person placing the order;
- (E) Itemized listing of supplies or services furnished; and
- (F) Date of delivery or shipment; and

(ii) Invoicing procedures are agreed upon. Optional methods of submitting invoices for payment are permitted, such as—

- (A) An individual invoice with a receipted copy of the delivery ticket;
- (B) A summarized monthly invoice covering all oral orders made during the month, with receipted copies of the delivery tickets (this option is preferred if there are many oral orders); or
- (C) A contracting officer statement that the Government has received the supplies.

(3) For purchases where cash payment is an advantage, the use of imprest funds in accordance with DFARS 212.403 is authorized when the contractor agrees to the procedure.

(4) If permitted under the schedule contract, use of the Governmentwide commercial purchase card--

(i) Is mandatory for placement of orders valued at or below the micro-purchase threshold; and

(ii) Is optional for placement of orders valued above the micro-purchase

PGI 208.70—ACQUISITION UNDER THE INTEGRATED MATERIAL MANAGEMENT PROGRAM

PGI 208.7002 Assignment authority.

Under the DoD IMM Program, contracting responsibility for certain commodities is assigned to a single department, agency, or the General Services Administration (GSA). Consumable and nonconsumable commodity assignments are made—

(1)(i) To the departments and agencies, by the Deputy Assistant Secretary of Defense (Logistics);

(ii) To the military departments for nonconsumable items (repair parts) under each commodity Federal Stock Class.

(2) To GSA, through agreement with GSA, by the Deputy Assistant Secretary of Defense (Logistics);

(3) For acquisitions to be made in the contiguous United States for commodities not assigned under paragraphs (a)(1) or (2), of this section, by the Deputy Assistant Secretary of Defense (Logistics).

(i) Agreement may be on either a one-time or a continuing basis. The submission of a military interdepartmental purchase request (MIPR) by a requiring activity and its acceptance by the contracting activity of another department, even though based on an oral communication, constitutes a one-time agreement.

(ii) Consider repetitive delegated acquisition responsibilities for coordinated acquisition assignment. If not considered suitable for coordinated acquisition assignment, formalize continuing agreements and distribute them to all activities concerned.

PGI 208.7002-1 Acquiring department responsibilities.

The acquiring department generally is responsible under the integrated material management (IMM) program for—

(1) Operational aspects of acquisition planning (phasing the submission of requirements to contracting, consolidating or dividing requirements, analyzing the market, and determining patterns for the phased placement of orders to avoid unnecessary production fluctuations and meet the needs of requiring departments at the lowest price);

(2) Purchasing;

(3) Performing or assigning contract administration, including follow-up and expediting of inspection and transportation; and

(4) Obtaining licenses under patents and settling patent infringement claims arising out of the acquisition. (Acquiring departments must obtain approval from the department whose funds are to be charged for obtaining licenses or settling claims.)

PGI 208.7002-2 Requiring department responsibilities.

The requiring department is responsible for—

(1) Ensuring compliance with the order of priority in FAR 8.1 for use of Government supply sources before submitting a requirement to the acquiring department for contracting action; and

(2) Providing the acquiring department—

(i) The complete and certified documentation required by FAR 6.104. A requiring department official, equivalent to the appropriate level in FAR 6.104, must approve the documentation before submission of the military interdepartmental purchase request (MIPR) to the acquiring department;

(ii) Any additional supporting data that the acquiring department contracting officer requests (e.g., the results of any market survey or why none was conducted, and actions the requiring department will take to overcome barriers to competition in the future);

(iii) The executed determination and findings required by FAR 6.103-7;

(iv) When a requiring department requests an acquiring department to contract for supplies or services using full and open competition after exclusion of sources, all data required by FAR 6.102-1;

(v) When the requiring department specifies a foreign end product, any determinations required by DFARS Part 225 or FAR Part 25;

(vi) A complete definition of the requirements, including a list (or copies) of specifications, drawings, and other data required for the acquisition. The requiring department need not furnish Federal, military, departmental, or other specifications or drawings or data that are available to the acquiring department;

(vii) Justification required by FAR 17.2 for any option quantities requested;

(viii) A statement as to whether used or reconditioned material, former Government surplus property, or residual inventory will be acceptable, and if so—

(A) A list of any supplies that need not be new; and

(B) The basis for determining the acceptability of such supplies (see FAR 11.302(b));

(ix) A statement as to whether the acquiring department may exceed the total MIPR estimate and, if so, by what amount; and

(x) Unless otherwise agreed between the departments, an original and six copies of each MIPR and its attachments (except specifications, drawings, and other data).

PGI 208.7003 Applicability.

PGI 208.7003-1 Assignments under integrated materiel management.

(b) When an item assigned for IMM is to be acquired by the requiring activity under DFARS 208.7003-1(a)(3), the contracting officer must—

(i) Document the contract file with a statement of the specific advantage of local purchase for an acquisition exceeding the micro-purchase threshold; and

(ii) Ensure that a waiver is obtained from the IMM manager before initiating an acquisition exceeding the simplified acquisition threshold in FAR Part 2, if the IMM assignment is to the General Services Administration (GSA), the Defense Logistics Agency (DLA), or another Service contracting office. Submit requests for waiver—

(A) For GSA, to: Commissioner (F)
Federal Supply Service
Washington, DC 20406

(B) For DLA, to: DLA Land and Maritime
ATTN: DSCC-BDL
P.O. Box 3990
Columbus, OH 43216-5000

DLA Energy
ATTN: DESC-CPA
8725 John J. Kingman Road
Fort Belvoir, VA 22060-6222

DLA Aviation
ATTN: DSCR-BA
8000 Jefferson Davis Highway
Richmond, VA 23297-5000

DLA Troop Support
ATTN: DSCP-ILSI (for General and Industrial)
DSCP-OCS (for Medical, Clothing, and Textiles)
700 Robbins Avenue, Bldg. 4
Philadelphia, PA 19111-5096

(iii) In addition, forward a copy of each request to:

Defense Logistics Agency
Logistics Operations
ATTN: J-335
8725 John J. Kingman Road
Fort Belvoir, VA 22060-6221

For AMC: HQ, Army Materiel Command
ATTN: AMCLG-SL
4400 Martin Road
Redstone Arsenal, AL 35898

For Navy: Commanding Officer
 Naval Inventory Control Point Code M0418
 P.O. Box 2020
 Mechanicsburg, PA 17055-0788

For Air Force: Commander
 HQ Air Force Materiel Command (AFMC)
 ATTN: A4SI
 4375 Chidlaw Road
 Wright-Patterson AFB (WPAFB), OH 45433

For Marine Corps: Commandant of the Marine Corps
 HQ USMC ATTN: LPS-4
 Washington, D.C. 20380-001

PGI 208.7004 Procedures.

PGI 208.7004-1 Purchase authorization from requiring department.

(1) Requiring departments send their requirements to acquiring departments on either a DD Form 448, Military Interdepartmental Purchase Request (MIPR), or a DD Form 416, Requisition for Coal, Coke or Briquettes. A MIPR or a DD Form 416 is the acquiring department's authority to acquire the supplies or services on behalf of the requiring department.

(2) The acquiring department is authorized to create obligations against the funds cited in a MIPR without further referral to the requiring department. The acquiring department has no responsibility to determine the validity of a stated requirement in an approved MIPR, but it should bring apparent errors in the requirement to the attention of the requiring department.

(3) Changes that affect the contents of the MIPR must be processed as a MIPR amendment regardless of the status of the MIPR. The requiring department may initially transmit changes electronically or by some other expedited means, but must confirm changes by a MIPR amendment.

(4) The requiring department must submit requirements for additional line items of supplies or services not provided for in the original MIPR as a new MIPR. The requiring department may use a MIPR amendment for increased quantities only if—

- (i) The original MIPR requirements have not been released for solicitation; and
- (ii) The acquiring department agrees.

PGI 208.7004-2 Acceptance by acquiring department.

(1) Acquiring departments formally accept a MIPR by DD Form 448-2, Acceptance of MIPR, as soon as practicable, but no later than 30 days after receipt of the MIPR. If the 30 day time limit cannot be met, the acquiring department must inform the requiring department of the reason for the delay, and the anticipated date the MIPR will be accepted. The acquiring department must accept MIPRs in writing before expiration of the funds.

(2) The acquiring department in accepting a MIPR will determine whether to use Category I (reimbursable funds citation) or Category II (direct funds citation) methods of funding.

(i) Category I method of funding is used under the following circumstances and results in citing the funds of the acquiring department in the contract:

(A) Delivery is from existing inventories of the acquiring department;

(B) Delivery is by diversion from existing contracts of the acquiring department;

(C) Production or assembly is through Government work orders in Government-owned plants;

(D) Production quantities are allocated among users from one or more contracts, and the identification of specific quantities of the end item to individual contracts is not feasible at the time of MIPR acceptance;

(E) Acquisition of the end items involves separate acquisition of components to be assembled by the acquiring department;

(F) Payments will be made without reference to deliveries of end items (e.g., cost-reimbursement type contracts and fixed-price contracts with progress payment clauses); or

(G) Category II method of funding is not feasible and economical.

(ii) Category II method of funding is used in circumstances other than those in paragraph (2)(i) of this subsection. Category II funding results in citation of the requiring department's funds and MIPR number in the resultant contract.

(3) When the acquiring departments accepts a MIPR for Category I funding—

(i) The DD Form 448-2, Acceptance of MIPR, is the authority for the requiring department to record the obligation of funds;

(ii) The acquiring department will annotate the DD Form 448-2 if contingencies, price revisions, or variations in quantities are anticipated. The acquiring department will periodically advise the requiring department, prior to submission of billings, of any changes in the acceptance figure so that the requiring department may issue an amendment to the MIPR, and the recorded obligation may be adjusted to reflect the current price;

(iii) If the acquiring department does not qualify the acceptance of a MIPR for anticipated contingencies, the price on the acceptance will be final and will be billed at time of delivery; and

(iv) Upon receipt of the final billing (SF 1080, Voucher for Transferring Funds), the requiring department may adjust the fiscal records accordingly without authorization from or notice to the acquiring department.

(4) When the MIPR is accepted for Category II funding, a conformed copy of the contract (see DFARS 204.802(1)(ii)) is the authority to record the obligation. When all awards have been placed to satisfy the total MIPR requirement, any unused funds remaining on the MIPR become excess to the acquiring department. The acquiring

department will immediately notify the requiring department of the excess funds by submitting an Acceptance of MIPR (DD Form 448-2). This amendment is authorization for the requiring department to withdraw the funds. The acquiring department is prohibited from further use of such excess funds.

(5) When the acquiring department requires additional funds to complete the contracting action for the requiring department, the request for additional funds must identify the exact items involved, and the reason why additional funds are required. The requiring department must act quickly to—

- (i) Provide the funds by an amendment of the MIPR; or
- (ii) Reduce the requirements.

(6) The accepting activity of the acquiring department must remain responsible for the MIPR even though that activity may split the MIPR into segments for action by other contracting activities.

PGI 208.7004-3 Use of advance MIPRs.

(1) An advance MIPR is an unfunded MIPR provided to the acquiring department in advance of the funded MIPR so that initial steps in planning the contract action can begin at an earlier date.

(2) In order to use an advance MIPR, the acquiring department and the requiring department must agree that its use will be beneficial. The departments may execute a blanket agreement to use advance MIPRs.

(3) The requiring department must not release an advance MIPR to the acquiring department without obtaining proper internal approval of the requirement.

(4) When advance MIPRs are used, mark “ADVANCE MIPR” prominently on the DD Form 448.

(5) For urgent requirements, the advance MIPR may be transmitted electronically.

(6) On the basis of an advance MIPR, the acquiring department may take the initial steps toward awarding a contract, such as obtaining internal coordination and preparing an acquisition plan. Acquiring departments may determine the extent of these initial actions but must not award contracts on the basis of advance MIPRs.

PGI 208.7004-4 Cutoff dates for submission of Category II MIPRs.

(1) Unless otherwise agreed between the departments, May 31 is the cutoff date for the receipt of MIPRs citing expiring appropriations which must be obligated by September 30 of that fiscal year. If circumstances arise that require the submission of MIPRs citing expiring appropriations after the cutoff date, the requiring department will communicate with the acquiring department before submission to find out whether the acquiring department can execute a contract or otherwise obligate the funds by the end of the fiscal year. Acquiring departments will make every effort to obligate funds for all such MIPRs accepted after the cutoff date. However, acceptance of a late MIPR does not constitute assurance by the acquiring department that all such funds will be obligated.

(2) Nothing in these instructions is intended to restrict the processing of MIPRs when the acquiring department is capable of executing contracts or otherwise obligating funds before the end of the fiscal year.

(3) The May 31 cutoff date does not apply to MIPRs citing continuing appropriations.

PGI 208.7004-5 Notification of inability to obligate on Category II MIPRs.

On August 1, the acquiring department will advise the requiring department of any Category II MIPRs on hand citing expiring appropriations it will be unable to obligate prior to the fund expiration date. If an unforeseen situation develops after August 1 that will prevent execution of a contract, the acquiring department will notify the requiring department as quickly as possible and will return the MIPR. The letter of transmittal returning the MIPR will authorize purchase by the requiring department and state the reason that the acquisition could not be accomplished.

PGI 208.7004-6 Cancellation of requirements.

(1) Category I MIPRs. The requiring department will notify the acquiring department by electronic or other immediate means when cancelling all or part of the supplies or services requested in the MIPR. Within 30 days, the acquiring department will notify the requiring department of the quantity of items available for termination and the amount of funds in excess of the estimated settlement costs. Upon receipt of this information, the requiring department will issue a MIPR amendment to reduce the quantities and funds accordingly.

(2) Category II MIPRs. The requiring department will notify the acquiring department electronically or by other immediate means when cancelling all or any part of the supplies or services requested in the MIPR.

(i) If the acquiring department has not entered into a contract for the supplies or services to be cancelled, the acquiring department will immediately notify the requiring department. Upon receipt of such notification, the requiring department must initiate a MIPR amendment to revoke the estimated amount shown on the original MIPR for the cancelled items.

(ii) If the items to be cancelled have already been placed under contract—

(A) As soon as practicable, but in no event more than 45 days after receipt of the cancellation notice from the requiring department, the contracting officer must issue a termination data letter to the requiring department (original and four copies) containing, as a minimum, the information in Table 8-1, Termination Data Letter.

(B) The termination contracting officer (TCO) will review the proceedings at least every 60 days to reassess the Government's probable obligation. If any additional funds are excess to the probable settlement requirements, or if it appears that previous release of excess funds will result in a shortage of the amount that will be required for settlement, the TCO will promptly notify the contracting office which will amend the termination data letter. The requiring department will process a MIPR amendment to reflect the reinstatement of funds within 30 days after receiving the amended termination data letter.

(C) Upon receipt of a copy of the termination settlement agreement, the requiring department will prepare a MIPR amendment, if required, to remove any remaining excess funds.

<u>TABLE 8-1, TERMINATION DATA LETTER</u>							
SUBJECT:	Termination Data Re:						
	Contract No. _____						
	Termination No. _____						
	Contract _____						
<p>(a) As termination action is now in progress on the above contract, the following information is submitted:</p> <p>(1) Brief Description of items terminated.</p> <p>(2) You are notified that the sum of \$_____ is available for release under the subject contract. This sum represents the difference between \$_____, the value of items terminated under the contract, and \$_____, estimated to be required for settlement of the terminated contract. The estimated amount available for release is allocated by the appropriations cited on the contract as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">MIPR NO. _____</td> <td style="width: 40%;">ACCOUNTING CLASSIFICATION _____</td> <td style="width: 40%;">AMOUNT _____</td> </tr> <tr> <td colspan="3">Total available for release at this time \$_____</td> </tr> </table> <p>(b) Request you forward an amendment to MIPR _____ on DD Form 448-2 to reflect the reduced quantity and amount of funds available for release.</p> <p>(c) Periodic reviews (not less than 60 days) will be made as termination proceedings progress to redetermine the Government's probable obligation.</p> <p style="text-align: center;">_____ Contracting Officer</p>		MIPR NO. _____	ACCOUNTING CLASSIFICATION _____	AMOUNT _____	Total available for release at this time \$_____		
MIPR NO. _____	ACCOUNTING CLASSIFICATION _____	AMOUNT _____					
Total available for release at this time \$_____							

PGI 208.7004-7 Termination for default.

- (1) When the acquiring department terminates a contract for default, it will ask the requiring department if the supplies or services to be terminated are still required so that repurchase action can be started.
- (2) The requiring department will not deobligate funds on a contract terminated for default until receipt of a settlement modification or other written evidence from the acquiring department authorizing release of funds.
- (3) On the repurchase action, the acquiring department will not exceed the unliquidated funds on the defaulted contract without receiving additional funds from the requiring department.

PGI 208.7004-8 Transportation funding.

The requiring department will advise the acquiring department or the transportation officer in the contract administration office of the fund account to be charged for transportation costs. The requiring department may cite the fund account on each MIPR or provide the funding cite to the transportation officer at the beginning of each fiscal year for use on Government

bills of lading. When issuing a Government bill of lading, show the requiring department as the department to be billed and cite the appropriate fund account.

PGI 208.7004-9 Status reporting.

(1) The acquiring department will maintain a system of MIPR follow-up to inform the requiring department of the current status of its requests. In addition, the contract administration office will maintain a system of follow-up in order to advise the acquiring department on contract performance.

(2) If requested by the requiring department, the acquiring department will furnish the requiring department a copy of the solicitation when the MIPR is satisfied through Category II funding.

(3) Any reimbursement billings, shipping document, contractual documents, project orders, or related documentation furnished to the requiring department will identify the requiring department's MIPR number, quantities of items, and funding information.

PGI 208.7004-10 Administrative costs.

The acquiring department bears the administrative costs of acquiring supplies for the requiring department. However, when an acquisition responsibility is transferred to another department, funds appropriated or to be appropriated for administrative costs will transfer to the successor acquiring department. The new acquiring department must assume budget cognizance as soon as possible.

PGI 208.71—ACQUISITION FOR NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)

PGI 208.7102 Procedures.

PGI 208.7102-1 General.

(1) Departments and agencies must not claim reimbursement for administrative costs incident to acquisitions for NASA, unless agreed otherwise prior to the time the services are performed.

(2) When contracting or performing field service functions for NASA, departments and agencies—

(i) Will use their own methods, except when otherwise required by the terms of the agreement; and

(ii) Normally will use their own funds and will not cite NASA funds on any defense obligation or payment document.

PGI 208.7102-2 Purchase request and acceptance.

(1) NASA will use NASA Form 523, NASA-Defense Purchase Request, to request acquisition of supplies or services.

(2) Except as provided in paragraph (4) of this subsection, departments and agencies will respond within 30 days to a NASA purchase request by forwarding DD Form 448-2, Acceptance of MIPR. Forward each DD Form 448-2 in quadruplicate and indicate action

status as well as the name and address of the DoD acquisition activity for future use by the NASA initiator.

(3) To the extent feasible, all documents related to the NASA action will reference the NASA-Defense Purchase Request number and the item number when appropriate.

(4) Departments and agencies are not required to accept NASA-Defense Purchase Requests for common-use standard stock items that the supplying department has on hand or on order for prompt delivery at published prices.

PGI 208.7102-3 Changes in estimated total prices.

When a department or agency determines that the estimated total price (Block 6F, NASA Form 523) for NASA items is not sufficient to cover the required reimbursement, or is in excess of the amount required, the department/agency will forward a request for amendment to the NASA originating office. Indicate in the request a specific dollar amount, rather than a percentage, and include justification for any upward adjustment requested. Upon approval of a request, NASA will forward an amendment of its purchase request to the contracting activity.

PGI 208.7102-4 Payments.

Departments and agencies will submit SF 1080, Voucher for Transferring Funds, billings to the NASA office designated in Block 9 of the NASA-Defense Purchase Request, except where agreements provide that reimbursement is not required. Departments and agencies will support billings in the same manner as billings between departments and agencies.

PGI 208.73—USE OF GOVERNMENT-OWNED PRECIOUS METALS

a) *Definitions.*

As used in this subpart—

“Defense Supply Center, Philadelphia (DSCP)” means the Defense Logistics Agency field activity located at 700 Robbins Avenue, Philadelphia, PA 19111-5096, which is the assigned commodity integrated material manager for refined precious metals and is responsible for the storage and issue of such material.

“Dual pricing evaluation procedure” means a procedure where offerors submit two prices for precious metals bearing items—one based on Government-furnished precious metals and one based on contractor-furnished precious metals. The contracting officer evaluates the prices to determine which is in the Government’s best interest.

“Precious Metals Indicator Code (PMIC)” means a single-digit, alpha-numeric code assigned to national stock numbered items in the Defense Integrated Data System Total Item Record used to indicate the presence or absence of precious metals in the item. PMICs and the content value of corresponding items are listed in DoD 4100.39-M, Federal Logistics Information System (FLIS) Procedures Manual, Volume 10, Chapter 4, Table 160.

“Refined precious metal” means recovered silver, gold, platinum, palladium, iridium, rhodium, or ruthenium, in bullion, granulation or sponge form, which has been purified to at least .999 percentage of fineness.

b) *Policy.*

DoD policy is for maximum participation in the Precious Metals Recovery Program. DoD components must furnish recovered precious metals contained in the DSCP inventory to production contractors rather than use contractor-furnished precious metals whenever the contracting officer determines it to be in the Government's best interest.

c) *Procedures.*

(1) Item managers and contracting officers will use the PMIC and/or other relevant data furnished with a purchase request to determine the applicability of this subpart.

(2) When an offeror advises of a precious metals requirement, the contracting officer must use the procedures in Chapter 11 of DoD 4160.21-M, Defense Materiel Disposition Manual, to determine availability of required precious metal assets and current Government-furnished materiel (GFM) unit prices. If the precious metals are available, the contracting officer must evaluate offers and award the contract on the basis of the offer that is in the best interest of the Government.

(3) When the clause prescribed by DFARS 208.7305 is included in a solicitation, the contracting officer must ensure that Section B, Schedule of Supplies or Services and Prices, is structured to—

(i) Permit insertion of alternate prices for each deliverable contract line item number that uses precious metals; and

(ii) Use dual pricing evaluation procedures.

d) *Refined precious metals.*

The following refined precious metals are currently managed by-DSCP:

<u>Precious Metal</u>	<u>National Stock Number (NSN)</u>
Gold	9660-00-042-7733
Silver	9660-00-106-9432
Platinum Granules	9660-00-042-7768
Platinum Sponge	9660-00-151-4050
Palladium Granules	9660-00-042-7765
Palladium Sponge	9660-01-039-0320
Rhodium	9660-01-010-2625
Iridium	9660-00-011-1937
Ruthenium	9660-01-039-0313

PGI 208.74—ENTERPRISE SOFTWARE AGREEMENTS

PGI 208.7401 Definitions.

As used in this subpart—

“Golden Disk” means a purchased license or entitlement to distribute an unlimited or bulk number of copies of software throughout DoD.

“Software product manager” means the Government official who manages an enterprise software agreement.

PGI 208.7403 Acquisition procedures.

(1) After requirements are determined, the requiring official must review the information at the ESI website to determine if the required commercial software or related services are available from DoD inventory (e.g., Golden Disks and DoD-wide software maintenance agreements). If the software or services are available, the requiring official must fulfill the requirement from the DoD inventory.

(2) If the required commercial software or related services are not in the DoD inventory, and not on an ESA, the contracting officer or requiring official may fulfill the requirement by other means. Existing ESAs are listed on the ESI website.

(3) If the commercial software or related services are on an ESA, the contracting officer or requiring official must review the terms and conditions and prices in accordance with otherwise applicable source selection requirements.

(4) If an ESA's terms and conditions and prices represent the best value to the Government, the contracting officer or requiring official must fulfill the requirement for software or services through the ESA.

(5) If existing ESAs do not represent the best value to the Government, the software product manager (SPM) must be given an opportunity to provide the same or a better value to the Government under the ESAs before the contracting officer or requiring official may continue with alternate acquisition methods.

(i) The contracting officer or requiring official must notify the SPM of specific concerns about existing ESA terms and conditions or prices through the ESI webpage.

(ii) The SPM must consider adjusting, within the scope of the ESA, terms and conditions or prices to provide the best value to the customer.

(A) Within 3 working days, the SPM must—

(1) Update the ESA;

(2) Provide an estimated date by which the update will be accomplished; or

(3) Inform the contracting officer or requiring official that no change will be made to the ESA.

(B) If the SPM informs the contracting officer or requiring official that no change will be made to the ESA terms and conditions or prices, the contracting officer or requiring official may fulfill the requirement by other means.

(C) If the SPM does not respond within 3 working days or does not plan to adjust the ESA within 90 days, the contracting officer or requiring official may fulfill the requirement by other means.

(iii) A management official designated by the department or agency may waive the requirement to obtain commercial software or related services through an ESA after the steps in paragraphs (5)(i) and (5)(ii)(A) of this section are complete. The rationale for use of an alternate source must be included in the waiver request and must be provided to the SPM.

PGI 251—[RESERVED]