

New DoD Micro-purchase Threshold

Written by Nick Sanders

Wednesday, 05 September 2018 00:00

Finally.

We've been following the strange reluctance of the DoD to comply with Congressional intent regarding the micro-purchase threshold. The 2018 NDAA raised the threshold to \$10,000. DoD issued a Class Deviation raising the threshold, but only to \$5,000. We [reported](#) at the time: *"Interestingly, DoD chose to raise the micro-purchase threshold to \$5,000, not \$10,000 as the NDAA demanded. (The \$10,000 threshold was implemented only for certain limited circumstances that do not seem to be envisioned in the NDAA language.)"*

Our impression was that the micro-purchase threshold for DoD was buried in some statute that Congress forgot to modify. In any case, [Section 821](#) of the 2019 NDAA clarified that "Notwithstanding subsection (a) of section 1902 of title 41, the micro-purchase threshold for the Department of Defense is \$10,000." That would seem to end any ambiguity regarding Congressional intent.

DoD must have agreed with our assessment of Congressional intent because, on 31 August 2018, another [Class Deviation](#) was issued. Class Deviation 2018-O0018 "rescinds and supersedes" the prior Class Deviation and officially increased the micro-purchase threshold from \$5,000 to \$10,000.

The Class Deviation did a couple of other things, including eliminating the definition of "micro-purchase threshold" found at DFARS 202.101 in favor of the FAR definition. In other words, the DoD will not carve out any exceptions for itself; it will abide by the FAR rules in this area.

So that would seem to be that.

Oh, wait.

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The micro-purchase threshold is now \$10,000 for DoD, except when it isn't.

The new Class Deviation restricts the micro-purchase threshold to \$2,000 for acquisitions of construction. It also restricts the threshold to \$2,500 for acquisitions of services subject to the Service Contract Act. Each of those areas is covered by yet another statute, according to the Class Deviation.

We guess Congress must address these two areas next year, in the 2020 NDAA, if it truly wants to raise the micro-purchase threshold to \$10,000.