



DEPARTMENT OF THE NAVY  
OFFICE OF THE ASSISTANT SECRETARY  
(RESEARCH, DEVELOPMENT AND ACQUISITION)  
1000 NAVY PENTAGON  
WASHINGTON DC 20350-1000

MEMORANDUM FOR DISTRIBUTION

06 AUG 2014

SUBJECT: Providing Accelerated Payment to Small Business Subcontractors

The attached Director, Defense Procurement and Acquisition Policy memorandum of July 14, 2014 is forwarded for your information and action, as appropriate. It informs the Department of Defense (DOD) contracting community that effective August 1, 2014, DOD is reinstating the temporary practice of providing accelerated payments to all prime contractors. Contracting officers are directed to continue using the clause at Federal Acquisition Regulation 52.232-40, "Providing Accelerated Payments to Small Business Subcontractors," which requires contractors to make accelerated payments to their small business subcontractors upon receipt of accelerated payments from the government. Further details are provided within the memorandum. My point of contact is \_\_\_\_\_  
703-614-9641.

Elliott B. Branch  
DASN (AP)

Attachment:  
As stated

Distribution:



OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

JUL 14 2014

ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

In reply refer to  
DARS Tracking Number: 2014-O0019

MEMORANDUM FOR 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  
(ACQUISITION AND PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING)  
DIRECTORS OF THE DEFENSE AGENCIES  
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Providing Accelerated Payment to Small Business Subcontractors

Effective August 1, 2014, DoD has re-instated the temporary practice of providing accelerated payments to all prime contractors (see OMB Memorandum M-14-10, dated July 10, 2014). DoD contracting officers shall continue to use the clause at FAR 52.232-40, Providing Accelerated Payments to Small Business Subcontractors, which requires contractors, upon receipt of accelerated payments from the Government, to make accelerated payments to small business subcontractors. My point of contact is 571-372-6099 or

Richard Ginman  
Director, Defense Procurement  
and Acquisition Policy