MEMORANDUM FOR DISTRIBUTION

SUBJECT: Rescission of Class Deviation - Providing Accelerated Payments to Small Business Subcontractors

The attached Director, Defense Procurement and Acquisition Policy memorandum of February 21, 2013 is forwarded for your information and action, as appropriate. It informs the Department of Defense (DOD) contracting community of the rescission of Class Deviation 2012-00014, which directed DoD contracting officers to insert the clause at 52.232-99 (DEVIATION) in all new solicitations and contracts to require prime contractors, upon receipt of accelerated payments from the government, to make accelerated payments to their small business subcontractors. DoD has discontinued the temporary practice of providing accelerated payments to all prime contractors. Effective immediately, contracting officers are no longer authorized to use the clause at 52.232-99 (DEVIATION).

Further details are provided within the memorandum. My point of contact is Gabrielle Trickett, gabrielle.trickett@navy.mil, 703-614-9641.


Attachment:

As stated

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SUBJECT: Rescission of Class Deviation—Providing Accelerated Payment to Small Business Subcontractors

Effective immediately, Class Deviation 2012-00014—Providing Accelerated Payment to Small Business Subcontractors, is rescinded. DoD has discontinued the temporary practice of providing accelerated payments to all prime contractors. Class Deviation 2012-00014 required DoD contracting officers to use the clause at 52.232-99 (DEVIATION) (August 2012), which required contractors, upon receipt of accelerated payments from the Government, to make accelerated payments to small business subcontractors. Use of this clause is no longer authorized.

DoD plans to continue phased implementation of the policy at DFARS 232.903 and 232.906 to assist small business prime contractors by paying them as quickly as possible after receipt of an invoice and all proper documentation, while also maintaining necessary DoD internal controls.

My point of contact is Lee Renna, 571-372-6095 or marylee.renna@osd.mil.

Richard Ginman
Director, Defense Procurement and Acquisition Policy