

OFFICE OF THE UNDER SECRETARY OF DEFENSE

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ACQUISITION, TECHNOLOGY AND LOGISTICS FEB 2 1 2013

In reply refer to: DARS Tracking Number: 2012-O0014

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

Effective immediately, Class Deviation 2012-O0014–Providing Accelerated Payment to Small Business Subcontractors, is rescinded.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-O0014 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.

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Director, Defense Procurement and Acquisition Policy