

01/26/12

POLICY ALERT
No. 12-06
Accelerated Payments to Small Businesses

REFERENCES: [DPAP Memorandum dated January 24, 2012, Class Deviation - Update to Accelerated Payments to Small Businesses.](#)

TYPE OF ACTION: Class Deviation

EFFECTIVE DATE: January 24, 2012

SUMMARY: Defense Federal Acquisition Regulation Supplement (DFARS) 232.903 and 232.906 require the Department of Defense (DoD) to assist small businesses by paying them as quickly as possible after receipt of invoice and proper documentation. Class Deviation 2011-0007, issued April 27, 2011, advised that DoD would commence implementation and that all DoD entitlement and payment systems would need to be modified to accommodate accelerated payments to small businesses. It stated that accelerating payments to small businesses would be accomplished in a phased approach as systems are modified, with Defense Finance and Accounting Services being in the initial phase. In addition, it advised that the Class Deviation would continue to be updated as each of the remaining DoD Component systems acquire the capability to perform the accelerated payment process.

This latest Class Deviation, 2012-00002, which supersedes Class Deviation 2012-0001 dated October 20, 2011, advises that accelerated payments can now be accommodated in the following systems:

- Automated Voucher Examining and Disbursement System;
- Fuels Automated System;
- Standard Automated Voucher Examination System; and
- Mechanization of Contract Administration Services System.

ACTION REQUIRED: Contracting Officers are to assist small businesses by paying them as quickly as possible as the prohibitions of early payment at FAR 32.906 do not apply to invoice payments to small businesses (reference DFARS 232.903 and 232.906).

This Policy Alert replaces and rescinds Policy Alert 11-36 Revision 002.

This Policy Alert is effective on the date indicated above, and remains in effect until revised or otherwise rescinded.

You may direct comments/questions on this Policy Alert to the Contract Policy and Pricing Branch at 303-676-3985.

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