




POLICY FLASH 2013-69

DATE: July 19, 2013

TO: Procurement Directors/Contracting Officers


FROM: Director
Contract and Financial Assistance Policy Division
Office of Policy
Office of Procurement and Assistance Management

SUBJECT: Extension of Policy to Provide Accelerated Payment to Small Business Subcontractors

SUMMARY: OMB Memorandum M-12-16, "Providing Prompt Payment to Small Business Subcontractors" established the Executive Branch policy that agencies should, to the full extent permitted by law; temporarily accelerate payments to all prime contractors - with a goal of paying them within 15 days of receipt of proper invoices - in order to allow them to provide prompt payments to small business subcontractors.

The temporary policy is set to expire on July 11, 2013. OMB has issued Memorandum M-13-15 (attached) in order to extend the temporary policy by one year, to July 11, 2014. This extension will allow OMB and agencies to continue to evaluate the impact of accelerated payment on small business subcontractors.

As a reminder, this memorandum does not affect the application of the Prompt Payment Act's late-payment interest penalty provisions.

This Flash will be available online at the following website:
<http://energy.gov/management/office-management/operational-management/procurement-and-acquisition/policy-flashes>.

Questions concerning this policy flash should be directed to Lawrence Butler, of the Contract and Financial Assistance Policy Division at (202) 287-1945 or at lawrence.butler@hq.doe.gov.

Attachments