



GSA Office of Government-wide Acquisition Policy
CIVILIAN AGENCY ACQUISITION COUNCIL LETTER 2012-03
SUPPLEMENT 1

July 17, 2013

MEMORANDUM FOR CIVILIAN AGENCIES OTHER THAN NASA

FROM: WILLIAM CLARK 
ACTING CHAIR
CIVILIAN AGENCY ACQUISITION COUNCIL (CAAC)

SUBJECT: Class Deviation from the Federal Acquisition Regulation (FAR)
to Implement Office of Management and Budget (OMB) Policy
Memorandum M-13-15, Extension of Policy to Provide Accelerated
Payment to Small Business Subcontractors

On July 11, 2012, OMB issued Policy Memorandum M-12-16, Providing Prompt Payment to Small Business Subcontractors. This was a temporary one year policy directing agencies to temporarily accelerate payment to all prime contractors, and to encourage prime contractors to pay small business subcontractors on an accelerated timetable to the maximum extent practicable.

On July 11, 2013, OMB issued Policy Memorandum M-13-15, Extension of Policy to Provide Accelerated Payment to Small Business Subcontractors. This memorandum extends OMB Policy Memorandum M-12-16 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.

Guidance to the civilian agencies on implementing the policy, including the use of a class deviation, was provided under Civilian Agency Acquisition (CAAC) Letter 2012-03 dated August 16, 2012. Accordingly, agencies may continue compliance with the policies set forth in the basic CAAC Letter 2012-03. This includes use of the clause attached to the basic CAAC Letter 2012-03, which requires prime contractors to pay small business subcontractors on an accelerated timetable to the maximum extent practicable.

This supplement to the basic CAAC letter constitutes the consultation with the Chair of the CAAC required by FAR 1.404(a)(1). Pending a FAR change, agencies may authorize any necessary class deviation, or extension thereto, in accordance with FAR 1.404 as originally provided in the basic CAAC letter.

Agencies are reminded that FAR section 1.404 requires agencies to furnish a copy of each approved class deviation to the FAR Secretariat. Please email the deviation to Hada Flowers at hada.flowers@gsa.gov, with a copy to edward.chambers@gsa.gov. Agencies need not notify the CAAC if the class deviation issued pursuant to the basic CAAC letter does not require modification or an extension.

If you have questions or require additional information regarding this memorandum, please contact Edward N. Chambers at (202) 501-3221, or by email at edward.chambers@gsa.gov.