

# PART 1532—CONTRACT FINANCING

Authority: 5 U.S.C. 301 and 41 U.S.C. 418b.

Source: 49 FR 8858, Mar. 8, 1984, unless otherwise noted.

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**Parent topic:** SUBCHAPTER E—GENERAL CONTRACTING REQUIREMENTS

## **1532.003 Simplified acquisition procedures financing.**

(a) *Scope.* This subpart provides for authorization of advance and interim payments on commercial item orders not exceeding the simplified acquisition threshold. Advance payments are payments that are made prior to performance. Interim payments are payments that are made during the order

period according to a payment schedule.

(b) *Procedures for micropurchases.* Contracting officers may authorize advance and interim payments on orders for commercial items only at or below the micropurchase threshold.

(c) *Procedures for purchases exceeding micropurchase threshold.* Contracting officers must secure approval at one level above the contracting officer, on a case-by-case basis, for advance and interim payments on orders for commercial items exceeding the micropurchase threshold and not exceeding the simplified acquisition threshold. The contracting officer shall submit a recommendation for approval of financing terms, along with the supporting rationale for the action, to one level above the contracting officer. Remote simplified acquisition contracting officers (SACO) without one level above contracting officers at their locations shall forward recommendations through their OAM Advisors to secure one level above approval.

(d) *Supporting rationale.* Regardless of dollar value, the contracting officer shall document the file with supporting rationale demonstrating that the purchase meets the conditions of FAR 32.202-1(b)(1), (3) and (4).

(e) *Administration.* Regardless of dollar value, the contracting officer is responsible for ensuring that supplies or services have been delivered. The contracting officer shall document the file with evidence of receipt of supplies or services throughout the order period as appropriate to the acquisition.

(f) *Clause.* The contracting officer shall insert the clause at 1552.232-74, Payments—Simplified Acquisition Procedures Financing, in solicitations and orders that will provide simplified acquisition procedures financing.

## **1532.006 Reduction or suspension of contract payments upon finding of fraud.**

### **1532.006-1 General.**

(a)-(b) [Reserved]

(c) Agency responsibilities and determinations under FAR 32.006 are, consistent with FAR 32.006-1(c), delegated to the Head of the Contracting Activity, if that individual is not below Level IV of the Executive Schedule. If the Head of the Contracting Activity is below Level IV of the Executive Schedule, then Agency responsibilities and determinations under FAR 32.006 are delegated to the Assistant Administrator for Administration and Resources Management.

### **1532.006-2 Definitions.**

The Remedy Coordination Official for EPA is the Assistant Inspector General for Investigations.

## **1532.006-3 Responsibilities.**

(a) EPA shall use the procedures in FAR 32.006-4 when determining whether to reduce or suspend further payments to a contractor when there is a report from the Remedy Coordination Official finding substantial evidence that the contractor's request for advance, partial or progress payments is based on fraud and recommending that the Agency reduce or suspend such payments to the contractor.

(b) [Reserved]

## **Subpart 1532.1—General**

### **1532.102 Description of contract financing methods.**

Progress payments based on a percentage or stage of completion are authorized for use as a payment method under EPA contracts or subcontracts for construction and alteration or repair of buildings, structures, or other real property.

### **1532.111 Contract clauses.**

The Contracting Officer shall insert the clause at 1552.232-73, Payments—Fixed Rate Services Contract, in solicitations and indefinite delivery/indefinite quantity contracts when services are being acquired on a fixed-rate basis.

### **1532.170 Forms.**

(a) EPA Form 1900-10 Contractor's Cumulative Claim and Reconciliation, at 1553.232-74, shall be used for an accounting of the cumulative charges and costs for cost-reimbursement contracts from inception of the contract to completion. It shall be submitted by the Contractor upon submission of the completion voucher.

(b) EPA Form 1900-68, Notice of Contract Costs Suspended and/or Disallowed, at 1553.232-75, shall be inserted in all cost-reimbursement type and fixed-rate type contracts.

## **Subpart 1532.2—Commercial Item Purchase Financing**

### **1532.201 Statutory authority.**

Authority for making the determination under FAR 32.201 is delegated to a level above the Contracting Officer.

## **Subpart 1532.4—Advance Payments [Reserved]**

## **Subpart 1532.8—Assignment of Claims**

### **1532.805 Procedure.**

### **1532.805-70 Forms.**

(a) EPA Form 1900-3, Assignee's Release, at 1553.232-70 is required to be submitted by the assignee for cost-reimbursement contracts prior to final payment under the contract.

(b) EPA Form 1900-4, Assignee's Assignment of Refunds, Rebates, Credits, and Other Amounts, at 1553.232-71 must accompany the assignee's release prior to final payment under cost-reimbursement contracts.

(c) EPA Form 1900-5, Contractor's Assignment of Refunds, Rebates and Credits, at 1553.232-72 must be prepared by the Contractor prior to final payment under cost-reimbursement contracts and must accompany the Contractor's Release.

(d) EPA Form 1900-6, Contractor's Release, at 1553.232-73 must be submitted by the Contractor prior to final payment under cost-reimbursement contracts.

## **Subpart 1532.9—Prompt Payment**

### **1532.908 Contract clauses.**

The Contracting Officer shall insert a clause substantially the same as that at 1552.232-70 in all solicitations and contracts for cost reimbursable acquisitions. If a non-commercial time and materials type contract is contemplated, the Contracting Officer shall use the clause with its Alternate I.

## **Subpart 1532.10—Unenforceability of Unauthorized Obligations**

### **1532.1070 Contract clauses.**

(a) The contracting officer shall utilize the clause at 1552.332-39, *Unenforceability of Unauthorized Obligations* (FAR DEVIATION) in all solicitations and contracts in lieu of nondeviated FAR 52.232-39.

(b) The contracting officer shall utilize the clause at 1552.232-75, *Commercial Supplier Agreements-Unenforceable Clauses*, in all procurements where supplies or services are offered under a

commercial supplier agreement (CSA).

Editorial Note: At 86 FR 55713, Oct. 7, 2021, Subpart [1532.10](#) was added with undesignated text. This text could not be added due to incorrect amendatory instruction.