32.007 Contract financing payments.

(a)

(1) Unless otherwise prescribed in agency policies and procedures or otherwise specified in paragraph (b) of this section, the *due date* for making *contract financing payments* by the *designated payment office* is the 30th *day* after the *designated billing office* receives a proper contract financing request.

(2) If an audit or other review of a specific financing request is required to ensure compliance with the terms and conditions of the contract, the *designated payment office* is not compelled to make payment by the specified *due date*.

(3) *Agency heads may* prescribe shorter periods for payment based on contract *pricing* or administrative considerations. For example, a shorter period *may* be justified by an agency if the nature and extent of contract financing arrangements are integrated with agency contract *pricing* policies.

(4) *Agency heads must* not prescribe a period shorter than 7 days or longer than 30 days.

(b) For advance payments, loans, or other arrangements that do not involve recurrent submission of contract financing requests, the *designated payment office* will make payment in accordance with the applicable contract financing terms or as directed by the *contracting officer*.

(c) A proper contract financing request *must* comply with the terms and conditions specified by the contract. The contractor *must* correct any defects in requests submitted in the manner specified in the contract or as directed by the *contracting officer*.

(d) The *designated billing office* and *designated payment office must* annotate each contract financing request with the date their respective offices received the request.

(e) The Government will not pay an interest penalty to the contractor as a result of delayed *contract financing payments*.

Parent topic: Part 32 - Contract Financing