Subpart 5132.7 - Contract Funding

Parent topic: Part 5132 - Contract Financing

5132.702 Policy.

- (a)(i) Except as authorized in FAR subparts 17.1 and 32.7 and in paragraphs (a)(ii) and (iii) in this section, before issuing a solicitation, the Contracting officer must have a written statement or equivalent indicating that sufficient funds are available.
- (ii) Contracting officers may issue solicitations for high priority requirements and Research, Development, Test and Evaluation incrementally funded contracts before ensuring availability of funds when there is a high probability that the requiring activity will not cancel the requirement. For foreign military sales cases, Contracting officers may issue solicitations after the acceptance of a foreign military sales case, but before assurance of funds availability when the United States Army Security Assistance Command determines in writing that the offer appears certain to be accepted.
- (A) The Contracting officer shall not issue a solicitation under the circumstances in (a)(ii) unless the comptroller has signed the following statement on the purchase request:

| "This requirement is included or I | provided for in the financial plan for fiscal year | The |
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| accounting classification will be | . This statement is not a commitment of funds. | ." |

- (B) The Contracting officer shall include the following statement in all solicitations issued pursuant to this authority when the clause at FAR 52.232-18, Availability of Funds, is not used:
- "Funds are not presently available for this acquisition. No contract award will be made until appropriated funds are made available."
- (C) The operating official designated, by local regulations or by a "delegation of authority" letter, as the official authorized to certify funds availability, must certify funds available prior to contract award.
- (D) The Contracting officer shall not issue a solicitation for a research and development contract that is incrementally funded over successive years without sufficient planned funds (Future Years Defense Program) to cover the entire period of the multi-year performance. The HCA may approve an exception, provided the approval identifies steps to revise the approved Future Years Defense Program to include adequate resources.