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DOD REQUESTS FOR PUBLIC INPUT

The Department of Defense is giving contractors a chance to comment on contract financing and the process for the development of pre-negotiation profit or fee objectives.

Contract Financing

DoD policies on contract financing (FAR Part 32 / DFARS Part 232) cover a variety of contract financing issues, including non-commercial item purchase financing; commercial item purchase financing; loan guarantees for defense production; advance payments for noncommercial items; progress payments based on costs; contract debts; contract funding; assignment of claims; prompt payment; performance-based payments; electronic funds transfer; electronic submission and processing of payment requests; and levies on contract payments.

DoD is interested in receiving contractor input on these contract-financing policies including those that are effective and those that are ineffective, along with supporting rationale.

Profit/Fee Policies

DoD profit/fee policies are described in DFARS Part 215. One of the key DoD profit policies is based on the Weighted Guidelines. Since being developed in the mid-1980's there have been a number of changes, including (1) the evolution of DoD's acquisition programs, (2) extensive industry consolidation, and (3) a significant increase in the number of DoD contracts for services.

DoD is interested in receiving contractor comments on the many risk factors utilized in the weighted guidelines process, those that are working effectively and those that should be revised or eliminated along with supporting rationale.

These requests can be found in the Federal Register, May 22, 2007 (Volume 72, Number 98) Proposed Rules, Pages 28663-28664. Comments, with supporting rationale, are to be submitted on both issues by July 23, 2007 to the Director, Defense Procurement and Acquisition Policy, ATTN: OUSD (AT&L) DPAP (CPF), IMD 3C132, 3062 Defense Pentagon, Washington, DC 20301-3062 or by fax at (703) 602-7887 or via email at Bill.Sain@osd.mil.

Don't miss this chance to make your comments heard on these two important subjects..

