

**Department of Justice**

**2832.402**

(c) All advance agreements shall be in writing and shall set forth the nature, duration, and contract or contracts covered by the agreements. Advance agreements will be signed by both the contractor and the contracting officer, and made a part of the contract file. Copies of executed advance agreements will be distributed to the cognizant audit office when applicable.

(d) All advance agreements will be incorporated in full in the subsequent contract(s) to which they pertain, prior to award.

**Subpart 2831.2—Contracts With Commercial Organizations**

**2831.205 Selected costs.**

**2831.205-32 Precontract costs.**

(a) Precontract cost authorizations shall be used only on cost reimbursement contracts, contain no provisions for payment of fees, and be treated as advance agreements in accordance with the provisions of FAR 31.109 and 2831.109.

(b) The following limitations apply to the execution of precontract cost authorizations.

(1) Contracts which are estimated to be greater than the simplified acquisition threshold may contain a precontract cost authorization providing the authorization is for a period of 60 days or less and the dollar amount does not exceed the lesser of the simplified acquisition threshold or one third of the total estimated costs (including fee if any) of the contract.

(2) the limitation expressed under paragraph (b) of this section may be increased in unusual circumstances as appropriate, with the written approval of the HCA, but in no event shall they exceed one-third of the total estimated costs (including fee if any) of the contract or be for periods of time which exceed 90 days.

**PART 2832—CONTRACT FINANCING**

**Subpart 2832.1—Non-Commercial Item Purchase Financing**

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2832.114 Unusual contract financing.

**Subpart 2832.4—Advance Payments for Non-Commercial Items**

2832.402 General.  
2832.407 Interest.

**SUBPART 2832.9—Prompt Payment**

2832.903 Policy.

**Subpart 2832.11—Electronic Funds Transfer**

2832.1110 Solicitation provision and contract clauses.

AUTHORITY: 28 U.S.C. 510; 40 U.S.C. 486(c); 28 CFR 0.75(j) and 28 CFR 0.76(j).

SOURCE: 63 FR 16132, Apr. 2, 1998, unless otherwise noted.

**Subpart 2832.1—Non-Commercial Item Purchase Financing**

**2832.114 Unusual contract financing.**

The HCA, or designee at a level not lower than the BPC, is the official authorized to approve unusual contract financing as set forth in FAR 31.114.

**Subpart 2832.4—Advance Payments for Non-Commercial Items**

**2832.402 General.**

(a) The authority to sign written determinations and findings with respect to making advance payments is vested in the HCA.

(b) Prior to awarding a contract which contains provisions for making advanced payments, the contract terms and conditions concerning advance payments must be approved at a level above the contracting officer, with advice and consent of the bureau's legal counsel.

(c) The contracting officer shall coordinate with the activity that is to provide contract financing for advance payments, the bureau's disbursing or finance office, or the Treasury Department, as appropriate, to ensure that all