

# CHANGE REQUEST COVER SHEET

**Change Request Number:** 12-04

**Date Received:** 9/22/2011

**Title:** Electronic Funds Transfer (EFT) Waiver Requirements

---

**Name:** Tim Eckert

**Phone:** (202) 267-7527

**Policy OR Guidance:** Guidance

**Section/Text Location Affected:** T3.3.1A.3 plus revision to EFT Waiver Request Form

**Summary of Change:** Change to waiver of Electronic Funds Transfer (EFT) waiver requirements

**Reason for Change:** Consistency with final rule reflected in US Code

**Development, Review, and/or Concurrence:** Accounting: Acquisition Policy Division; Procurement Legal; and Contracting Organizations at HQ, Regions, and Centers.

**Target Audience:** Program Offices and Acquisition Workforce

**Potential Links within FAST for the Change:** None

**Briefing Planned:** No

**ASAG Responsibilities:** None

**Potential Links within FAST for the Change:** None

**Links for New/Modified Forms (or) Documents (LINK 1)** [null](#)

**Links for New/Modified Forms (or) Documents (LINK 2)** [null](#)

**Links for New/Modified Forms (or) Documents (LINK 3)** [null](#)

## SECTIONS EDITED:

### Procurement Guidance:

*T3.3.1 - Contract Funding, Financing & Payment*

*Contract Funding, Financing & Payment*

**Section 3 : Electronic Funds Transfer** [\[Old Content\]](#)[\[New Content\]](#) [\[RedLine Content\]](#)

## SECTIONS EDITED:

### **Section 3 : Electronic Fund Transfer**

#### **Old Content:** Procurement Guidance:

*T3.3.1 - Contract Funding, Financing & Payment*

*Contract Funding, Financing & Payment*

#### **Section 3 : Electronic Fund Transfer**

a. Electronic Fund Transfer (EFT) applies to all new contract awards and contract modifications executed, unless extenuating circumstances exist as described below. Additional EFT guidance and clauses pertaining to real property and utilities are in AMS Real Estate Guidance 3.1.4.

b. The FAA will protect against improper disclosure of a contractor's EFT information.

c. 31 U.S.C. 3332 requires that all payments be made through EFT. The Accounting Operations Division Manager, AMZ-100, may determine that the submission of EFT information is not required and grant an EFT waiver if a vendor meets one of the exceptions listed below:

(1) Contracts awarded by COs outside the United States and Puerto Rico may provide for payment by other than EFT when EFT payments are not supported by the foreign country. EFT payment may still be used, if the political, financial and communications infrastructure in the foreign country supports payment by EFT or payments in other than U.S. currency may be made safely;

(2) Contracts paid in other than U.S. currency may provide for payment by other than EFT. EFT payment may still be used, if the political, financial and communications infrastructure in the foreign country supports payment by EFT or payments in other than U.S. currency may be made safely;

(3) Classified contracts when EFT payments could compromise the safeguarding of classified information or national security, or where arrangements for appropriate EFT payments would be impractical due to security considerations;

(4) Contracts executed by deployed COs in the course of military operations, including but not limited to, contingency operations as defined in 10 U.S.C. 101(a)(13) where:

(a) EFT payment is not known to be possible; or

(b) EFT payment would not support the objectives of the operation.

(5) Contracts executed by any CO in the conduct of emergency operations, such as responses to natural disasters or national or civil emergencies may provide for payments by other than EFT where:

(a) EFT payment is not known to be possible; or

(b) EFT payment would not support the objectives of the operation.

(6) When FAA does not expect to make more than one payment to the same recipient within a one-year period and the payment is non-recurring;

(7) Where the FAA's need for goods or services is of such unusual and compelling urgency that FAA would be seriously injured unless payment is made by a method other than EFT;

(8) Contracts where the contractor claims that payment by EFT would impose a hardship due to a physical or mental disability or a geographic, language, or literacy barrier; or

(9) Contracts where the contractor claims that payment by EFT would impose a financial hardship.

d. *Waiver requests.* The Accounting Operations Office will review and approve/disapprove all vendor requests for exceptions to the EFT payment requirement. The waiver process for EFT payments is:

(1) CO provides the applicable EFT clauses as part of the solicitation package.

(2) If the otherwise successful offeror claims an inability to comply with the EFT requirement, the CO requests the vendor to complete an Electronic Funds Transfer (EFT) Waiver Request Form (see AMS Procurement Form Templates). The waiver request includes the contractor's justification for not receiving payment by EFT. The CO forwards the waiver request, together with a recommendation and the completed DELPHI Vendor Entry Worksheet (see the National Prism Website, <https://employees.faa.gov/org/staffoffices/aba/prism/>) (*FAA only*), to the Accounting Operations Division, AMZ-100.

(3) The Accounting Operations Division approves or disapproves the waiver in writing and returns the signed determination to the CO. The waiver determination includes recommendations to assist the vendor to become capable of receiving EFT payments. The CO retains a copy of the waiver request disposition in the contract file.

(4) If the waiver is disapproved, the CO may consult with the Accounts Payable manager for further guidance.

**New Content:** Procurement Guidance:

*T3.3.1 - Contract Funding, Financing & Payment*

*Contract Funding, Financing & Payment*  
**Section 3 : Electronic Funds Transfer**

- a. Electronic Funds Transfer (EFT) applies to all new contract awards and contract modifications executed, unless extenuating circumstances exist as described below. Additional EFT guidance and clauses pertaining to real property and utilities are in AMS Real Estate Guidance 3.1.4.
- b. The FAA will protect against improper disclosure of a contractor's EFT information.
- c. 31 U.S.C. 3332 requires all payments to be made through EFT. The Manager, Accounting Operations Division, AMZ-100, may determine that submission of EFT information is not required and grant an EFT waiver if a vendor meets one of the exceptions listed below:
  - (1) Contracts awarded by COs outside the United States and Puerto Rico may provide for payment by other than EFT when EFT payments are not supported by the foreign country. EFT payment may still be used, if the political, financial and communications infrastructure in the foreign country supports payment by EFT or payments in other than U.S. currency may be made safely;
  - (2) Contracts paid in other than U.S. currency may provide for payment by other than EFT. EFT payment may still be used, if the political, financial and communications infrastructure in the foreign country supports payment by EFT or payments in other than U.S. currency may be made safely;
  - (3) Classified contracts when EFT payments could compromise the safeguarding of classified information or national security, or where arrangements for appropriate EFT payments would be impractical due to security considerations;
  - (4) Contracts executed by deployed COs in the course of military operations, including but not limited to, contingency operations as defined in 10 U.S.C. 101(a)(13) where:
    - (a) EFT payment is not known to be possible; or
    - (b) EFT payment would not support the objectives of the operation.
  - (5) Contracts executed by any CO conducting emergency operations, such as responses to natural disasters or national or civil emergencies, may provide for payments by other than EFT where: (a) EFT payment is not known to be possible; or (b) EFT payment would not support the objectives of the operation.
  - (6) When FAA does not expect to make more than one payment to the same recipient within a one-year period and the payment is non-recurring;
  - (7) When FAA's need for goods or services is of such unusual and compelling urgency that FAA would be seriously injured unless payment is made by a method other than EFT;

(8) Contracts where the contractor claims that payment by EFT would impose a hardship due to a mental disability or a geographic barrier.

d. *Waiver requests.* The Accounting Operations Division will review and approve or disapprove all vendor requests for exceptions to the EFT payment requirement. The waiver process for EFT payments is:

(1) The CO provides the applicable EFT clauses as part of the solicitation package.

(2) If the otherwise successful offeror claims an inability to comply with the EFT requirement, the CO requests that vendor complete an Electronic Funds Transfer (EFT) Waiver Request Form (see AMS Procurement Forms). The waiver request includes the contractor's justification for not receiving payment by EFT. The CO forwards the waiver request, together with a recommendation and the completed DELPHI Vendor Entry Worksheet (see the PRISM website (**FAA only**)) to the Accounting Operations Division, AMZ-100.

(3) The Accounting Operations Division approves or disapproves the waiver in writing and returns the signed determination to the CO. The waiver determination includes recommendations to assist the vendor become capable of receiving EFT payments. The CO retains a copy of the waiver request disposition in the contract file.

(4) If the waiver is disapproved, the CO may consult with the Accounts Payable manager for further guidance.

**Red Line Content: Procurement Guidance:**

*T3.3.1 - Contract Funding, Financing & Payment*

*Contract Funding, Financing & Payment*

**Section 3 : Electronic ~~Fund~~Funds Transfer**

a. Electronic ~~Fund~~Funds Transfer (EFT) applies to all new contract awards and contract modifications executed, unless extenuating circumstances exist as described below. Additional EFT guidance and clauses pertaining to real property and utilities are in AMS Real Estate Guidance 3.1.4.

b. The FAA will protect against improper disclosure of a contractor's EFT information.

c. 31 U.S.C. 3332 requires ~~that~~ all payments to be made through EFT. The Manager, Accounting Operations Division ~~Manager~~, AMZ-100, may determine that ~~the~~ submission of EFT information is not required and grant an EFT waiver if a vendor meets one of the exceptions listed below:

(1) Contracts awarded by COs outside the United States and Puerto Rico may provide for payment by other than EFT when EFT payments are not supported by the foreign country. EFT payment may still be used, if the political, financial and communications

infrastructure in the foreign country supports payment by EFT or payments in other than U.S. currency may be made safely;

(2) Contracts paid in other than U.S. currency may provide for payment by other than EFT. EFT payment may still be used, if the political, financial and communications infrastructure in the foreign country supports payment by EFT or payments in other than U.S. currency may be made safely;

(3) Classified contracts when EFT payments could compromise the safeguarding of classified information or national security, or where arrangements for appropriate EFT payments would be impractical due to security considerations;

(4) Contracts executed by deployed COs in the course of military operations, including but not limited to, contingency operations as defined in 10 U.S.C. 101(a)(13) where:  
(a) EFT payment is not known to be possible; or-(b) EFT payment would not support the objectives of the operation.

(5) Contracts executed by any CO ~~in the conduct of~~ conducting emergency operations, such as responses to natural disasters or national or civil emergencies, may provide for payments by other than EFT where:-(a) EFT payment is not known to be possible; or  
(b) EFT payment would not support the objectives of the operation.

(6) When FAA does not expect to make more than one payment to the same recipient within a one-year period and the payment is non-recurring;

(7) ~~Where the~~ When FAA's need for goods or services is of such unusual and compelling urgency that FAA would be seriously injured unless payment is made by a method other than EFT;

(8) Contracts where the contractor claims that payment by EFT would impose a hardship due to a ~~physical or~~ mental disability or a geographic, ~~language, or literacy~~ barrier; ~~or~~  
(9) ~~Contracts where the contractor claims that payment by EFT would impose a financial hardship.~~

d. *Waiver requests.* The Accounting Operations ~~Office~~ Division will review and approve ~~or~~ disapprove all vendor requests for exceptions to the EFT payment requirement. The waiver process for EFT payments is:

(1) The CO provides the applicable EFT clauses as part of the solicitation package.

(2) If the otherwise successful offeror claims an inability to comply with the EFT requirement, the CO requests ~~the~~ that vendor ~~to~~ complete an Electronic Funds Transfer (EFT) Waiver Request Form (see AMS Procurement ~~Form Templates~~ Forms). The waiver request includes the contractor's justification for not receiving payment by EFT. The CO forwards the waiver request, together with a recommendation and the completed DELPHI Vendor Entry Worksheet (see ~~the National Prism~~).

Website, ~~<https://employees.faa.gov/org/staffoffices/aba/prism/PRISM/>~~ *(FAA only)*; to the Accounting Operations Division, AMZ-100.

(3) The Accounting Operations Division approves or disapproves the waiver in writing and returns the signed determination to the CO. The waiver determination includes recommendations to assist the vendor ~~to~~ become capable of receiving EFT payments. The CO retains a copy of the waiver request disposition in the contract file.

(4) If the waiver is disapproved, the CO may consult with the Accounts Payable manager for further guidance.

---