

VOLUME 10, CHAPTER 4: “MISCELLANEOUS ADVANCE PAYMENTS”**SUMMARY OF MAJOR CHANGES**

All changes are denoted by **blue font**.

Substantive revisions are denoted by an * symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue and underlined font**.

The previous version dated July 2010 is archived.

| PARAGRAPH | EXPLANATION OF CHANGE/REVISION | PURPOSE |
|------------------|--|----------------|
| All | Restructured the chapter to categorize advance payments and added minor editorial changes for clarity. | Update |

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CHAPTER 4

MISCELLANEOUS ADVANCE PAYMENTS

0401 OVERVIEW

040101. Purpose

This chapter prescribes the principles and policy to be followed for miscellaneous advance payments. Advances do not include payments for which performance has occurred. Policy related to advances for intra-governmental acquisitions is covered in Volume 4, Chapter 5, “Advances and Prepayments”, Volume 11A, Chapter 3, “Economy Act Orders” and Volume 11A, Chapter 18, “Non-Economy Act Orders”.

040102. General

Advance payments in general are prohibited by [Title 31, United States Code \(U.S.C.\), Section 3324](#). Exceptions to the advance payment prohibition may be found in specific appropriation acts or other laws, or granted by the President, as outlined in 31 U.S.C. 3324.

0402 AUTHORITY

040201. [Advance Payment Authority on Contracts](#)

Under [50 U.S.C. 1431](#), advance payments may be made on national defense contracts, amendments, or modifications for extraordinary contract actions, subject to the requirements of law and the receipt of proper authorizations.

040202. [Acquisition Provisions Addressing Advances](#)

For additional instructions applicable to advance payment requirements for noncommercial items, refer to [Federal Acquisition Regulation \(FAR\) Subpart 32.4](#) and [Defense Federal Acquisition Regulation Supplement Subpart 232.4](#).

040203. [Advance Payment Authority for Other Type Payments](#)

[Title 10, U.S.C. 2396](#) authorizes advances of public monies for compliance with foreign laws, rent in foreign countries, tuition, public utility services, pay and allowances, and supplies and services of Armed Forces of friendly countries.

0403 STATUTORY ADVANCE PAYMENTS

040301. General

Statutory advance payments are authorized by specific legislation.

040302. Printing and Binding

Advance payments for printing, binding or supplies are authorized by [44 U.S.C. 310](#).

040303. Subscriptions to Periodicals

Advance payment is authorized for subscriptions or other charges for newspapers, magazines, periodicals, microfilm libraries, and other publications for official use ([31 U.S.C. 3324 \(d\)\(2\)](#)). The total cost of the subscription is a valid charge to the appropriation for the fiscal year (FY) current at the time the subscription is ordered. Subscriptions may extend beyond current FY, begin in a subsequent FY, or extend for more than one FY.

040304. Tuition

Tuition payments may be paid in advance. The Government Employees Training Act, [5 U.S.C. 4109](#), provides general authority for advance tuition payments for civilian employees, and [10 U.S.C. 2396\(a\)\(3\)](#) authorizes advance tuition payments for military personnel. Tuition can be paid at the time of enrollment when required by the educational institution.

0404 INTRA-GOVERNMENTAL ADVANCE PAYMENTS

040401. General

Agencies may make intra-governmental payments in advance of performance as follows.

040402. Leased Office Space

One agency can furnish another agency a portion of its leased office space, and payment can be made in advance or on any other basis agreed upon for the proportionate cost of the space, utilities, and services furnished.

040403. Library Deposits

Library deposit accounts may be established with other Government Agencies' libraries that obtain government publications and subscriptions from other Federal Agencies (e.g., National Technical Information Service, United States Government Printing Office, or Library of Congress).

040404. Quarterly Advances to General Services Administration (GSA) for Special Purpose Leased Space

GSA bills for building rent in advance each quarter (October, January, April, and July). The charge is a fixed rate per square foot of space assigned based on costs of building operation and maintenance. Separate cost factors for utilities, rent, or elevator service need not be itemized on the bill.

040405. Rental of Post Office Boxes

Advance payment of post office box rental is authorized on an annual basis. All fees for post office box service are for a 6-month period. The fee may be paid for two periods at a time, not to exceed two consecutive 6-month periods. Federal Agencies whose payment period coincides with the Federal fiscal year may pay their box fees during the first quarter. The United States Postal Service will refund a portion of the rental when the box is surrendered before the end of the rental period. This policy applies to advance payments of box rentals made on a semi-annual or annual basis.

0405 OTHER PAYMENTS**040501. General**

The following other advance payments have been determined to be authorized and not prohibited by Title 31 U.S.C. 3324:

040502. Attendance at Meetings

A. Payment of registration fees prior to attendance at meetings of technical, scientific, professional, or similar organizations may be made.

B. If the payment is nonrefundable and the individual fails to attend for reasons beyond the individual's control, then do not collect from the individual. If failure to attend is caused by an action not excused by the individual's supervisor, then registration fees **must be collected** from the individual.

040503. Payments to State and Local Governments

Advance payments to state and local governments for goods and services have been authorized on the basis that the established responsibility of these governmental units reduces to a minimum the possibility of loss to the Federal Government. This exception applies where the state or local government is furnishing noncommercial services reasonably available only from the state. Where services are readily available in the commercial market, the statutory advance payment restrictions **apply** to private contractors.

040504. Petition Fees

When a petition is made for immigrant status for a person whose services are required, the fee must accompany the petition. In this case, the fee is payable in advance.

040505. Professional Societies

Memberships in professional societies or associations acquired in the name of the DoD Component may be paid in advance. The purpose of the membership must be to acquire services required for that Component, not an individual. The head of an agency or designee makes the

determination. The use of appropriated funds is prohibited for the individual benefit of any officer or employee of DoD.

040506. Purchase of Copyrights or License to Use Patent for its Life

An advance payment may be made for a license to use a patent or for the purchase of a copyright. The subject matter of the purchase must be within the authorization of the current FY appropriation.

040507. Utility Connection Charges

Payment of a public utility connection or reconnection charge is not an advance payment. The Federal Government receives full consideration upon payment. The specified monthly refund of connection charges is deducted from service billings.

040508. Foreign Country [Related Advances and Requirements](#)

A. Postage. Foreign postage stamps may be purchased from imprest funds or by a [Standard Form \(SF\) 1034, "Public Voucher for Purchases and Services Other Than Personal."](#) When an SF 1034 is used, the originating office prepares and certifies the voucher and forwards it to the disbursing office. The disbursing office prepares a check and sends it to the originating office. The originating office purchases the stamps and provides the disbursing office with a receiving report. No receipt is necessary as the check endorsement acknowledges payment. When the SF 1034 is used, the prepayment is approved as an exception to normal accounting requirements.

B. Motor Vehicle Operator Permit Fees Overseas. Some foreign countries require personnel to obtain motor vehicle driver permits to perform their official duties. The fees for the permits may be paid in advance. The tour of duty in the foreign country should justify the expenditure.

C. Counsel Fees and Other Expenses in Foreign Courts.

1. Payment of counsel fees and other expenses in foreign courts may be paid before the service is performed.

2. Requests for payment of counsel, bail, or other expenses ordinarily will be made by the defendant, or accused, to the officer (or designee) exercising general court martial jurisdiction. The officer (or designee) determines if the request meets the proper criteria and then takes final approval or disapproval action.

3. When appropriate, contracts or letters of commission and understanding will be used to obligate the Government for payment of counsel fees, court costs, bail, and expenses for obtaining copies of records, printing and filing fees, interpreter fees, witness fees, and other necessary and reasonable expenses. The payment of fines or civil damages is not authorized. Payments of bail must be made when authorized in a letter or

message by the responsible officer and citing [10 U.S.C. 1037](#) as the authority. For payments of bail, establish a refund receivable pending return of the bail payment. Clear the refund receivable upon collection, or appropriate evidence that the bail payment will not be refunded. Before posting of bail, members must sign an agreement to refund to the government the amount of the bail, either in cash or payroll deduction, when they willfully cause forfeiture of the bail.

4. The responsible officer certifies the acceptance of the services acquired. Prepare an SF 1034 for payment of authorized charges. Payment will be made in local currency.