

100 - ~~Reimbursement~~
US Code - Title - 686

MONEY AND FINANCE

686. Purchase or manufacture of stores or materials or performance of services by bureau or department for another bureau or department.

(a) Any executive department or independent establishment of the Government, or any bureau or office thereof, if funds are available therefor and if it is determined by the head of such executive department, establishment, bureau, or office to be in the interest of the Government so to do, ~~may place orders with any other such department, establishment, bureau, or office to be in the interest of the Government so to do,~~ may place orders with any other such department, establishment, bureau, or office for materials, supplies, equipment, work, or services, of any kind that such requisitioned Federal agency may be in a position to supply or equipped to render, and shall pay promptly by check to such Federal agency as may be requisitioned, upon its written request, either in advance or upon the furnishing or performance thereof, all or part of the estimated or actual cost thereof as determined by such department, establishment, bureau, or office as may be requisitioned; but proper adjustments on the basis of the actual cost of the materials, supplies, or equipment furnished, or work or services performed, paid for in advance, shall be made as may be agreed upon by the departments, establishments, bureaus, or offices concerned: Provided, That the War Department, Navy Department, Treasury Department, Civil Aeronautics Administration, and the Maritime Commission may place orders, as provided herein, for materials, supplies, equipment, work or services, of any kind that any requisitioned Federal agency may be in a position to supply, or to render or to obtain by contract: Provided further, That if such work or services can be as conveniently or more cheaply performed by private agencies such work shall be let by competitive bids to such private agencies. Bills rendered, or requests for advance payments made, pursuant to any such order, shall not be subject to audit or certification in advance of payment.

(b) Amounts paid as provided in subsection (a) shall be credited, (1) in the case of advance payments, to special working funds, or (2) in the case of payments other than advance payments,

to the appropriations or funds against which charges have been made pursuant to any such order except as hereinafter provided. The Secretary of the Treasury shall establish such special working funds as may be necessary to carry out the provisions of this subsection. Such amounts paid shall be available for expenditure in furnishing the materials supplies, or equipment, or in performing the work or services, or for the objects specified in such appropriations or funds. Where materials supplies or equipment are furnished from stocks on hand the amounts received in payment therefor shall be credited to appropriations or funds, as may be authorized by other law, or, if not so authorized, so as to be available to replace the materials, supplies, or equipment, except that where the head of any such department, establishment, bureau, or office determines that such replacement is not necessary the amounts paid shall be covered into the Treasury as miscellaneous receipts.

(c) Orders placed as provided in subsection (a) shall be considered as obligations upon appropriations in the same manner as orders or contracts placed with private contractors. Advance payments credited to special working funds shall remain available to the procuring agency for entering into contracts and other uses during the fiscal year or years for which the appropriation involved was made and thereafter until said appropriation lapses under the law to the surplus fund of the Treasury. (Mar. 4, 1915, ch. 143, § 1, 38 Stat. 1084; May 21, 1920, ch 194, § 7, 41 Stat. 613; June 30, 1932, ch. 314, § 601, 47 Stat. 417; June 22 1936, ch. 689, title IV, § 8, 49 Stat. 1648; July 20, 1942, ch. 507, 56 Stat. 661; June 26, 1943, ch. 150, § 1, 57 Stat. 219.)

AMENDMENTS

1943--Subsec. (c) amended by act June 26, 1943, cited to text, which substituted second sentence for provisions relating to issuance of stores from stock on hand.

1942--Act July 20, 1942, cited to text, amended subsec. (a) generally and added first proviso.

TRANSFER OF FUNCTIONS

Functions relating to procurement of stores, supplies, etc., exercised by any other agency, transferred to Procurement

Division of the Treasury Department by Ex. Ord. No 6166, § 1, eff. June 10, 1933, set out as a note under section 132 of Title 5, Executive Departments and Government Officers and Employees. Effective Jan. 1, 1947, the name of the Procurement Division of the Treasury Department was changed to the Bureau of Federal Supply by regulation § 5.7 of subpart A of Part 5 of Title 41, Public Contracts 11 F. R. 13638, issued by the Secretary of the Treasury under the authority of section 22 of said Title 5.

CROSS REFERENCES

Availability of advance payments, see section 686c of this title.

Orders or contracts for materials placed with Government-owned establishments deemed obligations, see section 23 of Title 41, Public Contracts

686a. Materials or services ordered from Navy; payment

Any executive department or independent establishment of the Government ordering materials or services from the Navy shall pay promptly by check upon written request from the Paymaster General of the Navy, either in advance or upon completion of the work, all or part of the estimated or actual cost thereof, as the case may be, and bills rendered in accordance herewith shall not be subject to audit or certification in advance of payment: Provided, that proper adjustments on the basis of the actual cost of delivery of work paid for in advance shall be made. (May 21, 1926, ch. 355, 44 Stat. 605.)

686b. Former section 686 effective as to funds transferred prior to amendment; convict labor; new provisions as additions to laws relating to working funds.

(a) Notwithstanding the provisions of this section and amendment of section 686 of this title, said section 686, as in force prior to June 30, 1932, shall remain in force with respect to the disposition of funds transferred thereunder prior to such date.

(b) Nothing in this section or section 686 of this title shall be construed to authorize any Government department or independent establishment, or any bureau or office thereof, to place any orders for material, supplies, equipment, work, or services to be furnished or performed by convict labor, except as otherwise provided by

existing law.

(c) The provisions of this section and section 686 of this title are in addition to and not in substitution for the provisions of any other law relating to working funds. (June 30, 1932, ch. 314, S 602, 47 Stat. 418.)

CROSS REFERENCES

Availability of advance payments, see section 686 c of this title.

686c. Repealed. L. 1943, ch. 150 S2, eff. June 26, 1943.

Section, act June 22, 1936, ch. 689, title IV, S 8, 49 Stat. 1648, related to availability of advance payments under section 686.