



**DEFENSE LOGISTICS AGENCY
DEFENSE NATIONAL STOCKPILE CENTER
8725 JOHN J. KINGMAN ROAD, SUITE 4616
FT. BELVOIR, VIRGINIA 22060-6220**



IN REPLY DNSC-C

November 8, 2001

Dear Valued Customer:

In an effort to better serve you, DNSC will be changing some of its billing procedures beginning in November of Fiscal Year 2002. The following outlines the substance of those changes:

1. A Billing Statement detailing the status of all contracts, regardless of commodity, will be issued monthly. This statement will include storage, interest, and material charges.
2. Storage charges will be assessed automatically if contractual removal schedules are not adhered to. For example, if material is not removed quarterly or monthly as the contract states storage charges will be assessed even though the contract period has not expired. Storage charges will be billed monthly.
3. Any funds received will be used to pay the oldest outstanding debt the contractor has, regardless of what the funds were initially intended to do. Interest debts will be liquidated first then storage charges and material costs.
4. No refunds will be made to a contractor until all outstanding amounts owed the Government have been satisfied. Any excess funds will be forwarded to the contractor upon completion of the contract.
5. Payment of all bills will be due fifteen (15) days after receipt.

It is our goal to serve our customers in the most professional and commercially acceptable manner possible. We hope these changes will assist us in accomplishing that goal.

If you have questions or concerns regarding the new procedures, my Point of Contact is Ms. Rozelyn Durant. Ms. Durant may be reached on (703) 767-5518.

Sincerely,

// Signed //

CHERYL A. DEISTER
Director, Directorate of
Stockpile Contracts