

# Processing Invoices and IAS Receipts



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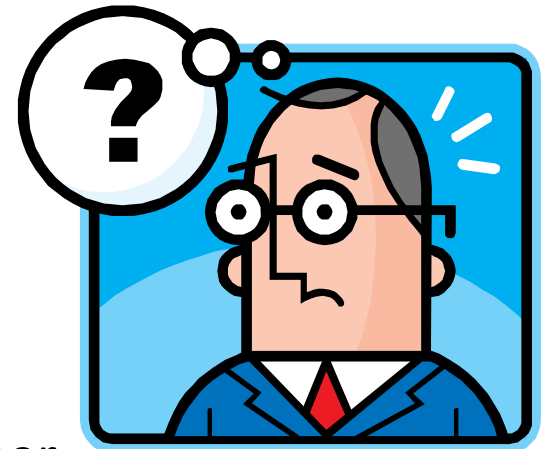
# Objectives

- Identify a “proper” invoice.
- Understand the importance of receipting promptly (i.e. Prompt Payment Act).
- How to receipt an invoice in IAS.
- How to submit an invoice to NFC.
- What to do if NFC has a question with the invoice or receipt.
- Where to get more information on IAS.



# What is a “Proper” Invoice?

- Federal Acquisition Regulation (FAR) 32.905(b) – Payment Document and Process states a proper invoice must include the following items:
  - Contractor’s Name and Address
  - Taxpayer Identification Number (TIN)
  - Invoice Date and Invoice Number
  - Contract, Purchase Order (PO), and/or Delivery/Task Order (DO/TO) Number
  - Item number, description, quantity, unit of measure, unit price, and extended price of supplies delivered or services performed. (This information should match item-for-item the contract/PO/DO/TO)



# Proper Invoice (cont'd.)

- Shipping and payment terms (e.g., shipment number, date of shipment, discounts for prompt payment)
- Name, address, and phone number of person to contact in the event of a defective invoice.
- Any other information or documentation required by the contract, PO, and/or DO/TO.



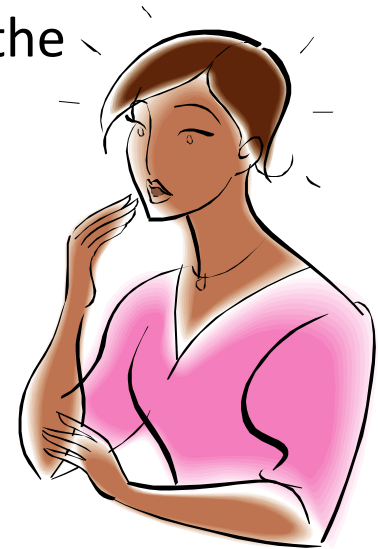
# Document Receipt of an Invoice

- All invoices should be officially annotated with the date the invoice enters Government hands (not necessarily the date it is received by the IAS Requisitioner).
- This is critical to ensure all payments are made in accordance with the Prompt Payment act.
- This date will be used to fill out the IAS-001, IAS Invoice Coversheet, Block 4 – Date Invoice Received at Billing Address when submitting the invoice to NFC.



# What if this information is missing on an invoice?

- Invoices that do not contain all required information should not be considered “a proper invoice” (i.e. ready to be receipted).
- Contact the Contracting Officer to inform them of the incomplete invoice.
- The invoice should be rejected and sent back to the contractor, explaining the reason the invoice was not accepted.
- **Do not alter or correct a contractor’s invoice!** Send it back to the contractor for corrections.



# What is the Prompt Payment Act?

- The Prompt Payment Act (5 CFR 1315) requires agencies to pay obligations within a certain period of time and to pay interest penalties when payments are late.
- Provides for a 7-day review & acceptance period to start the payment clock. This means you have 7 days from the date you receive an invoice to reject a defective invoice without reducing the processing time.
- This includes receipting the invoice in IAS.
- After 7 days an invoice is considered automatically accepted.
- If the invoice is rejected and send back to the contractor, the payment clock stops, and restarts at the remaining time once a revised invoice is received.
- This ties directly into any cash discounts or interest penalties due on an invoice.
- Processing invoices in a timely manner avoids accrual of interest penalties chargeable to your account code.



# Receipting in IAS - Caution

- Make sure you receipt against the correct line item.
  - The line items may have changed from the requisition to contract depending on how the contract was awarded.
  - Sometimes additional line items are added to contract, or a requisition's line items are consolidated into one. Refer to the contract line items – not the requisition line items – when receipting.





# Receipting in IAS – Beware!

- Be aware of line items with multiple accounting distribution lines. IAS allows you to designate how much you are receipting for each accounting distribution line.
- Line items with multiple accounting must receipting must be equally distributed.
- Receipt the correct line item and the correct accounting code.
- Over receipting on the wrong line item or accounting line can cause problems with receipting future invoices.



This Is Important!!

Do Not Let Invoices  
Sit Unreceipted!



# Proxy

- Normally, only the Requisitioner who creates a requisition can receipt an invoice in IAS against the contract that is created against the requisition they created.
- However, there are some exceptions!
- Proxy – Appointing another Requisitioner/Receiver to receipt your invoices in your absence.
  - If a Requisitioner/Receiver is out of the office for an extended period (i.e., on vacation or in training)
  - Appoint your proxy before you leave.
  - In an emergency the IAS Helpdesk – with approval from the IAS Agency Lead – can set up a proxy
  - A Proxy can only receipt invoices. They cannot modify requisitions.
  - A Proxy ends when a Requisitioner/Receiver cancels the proxy or is deactivated in IAS.



# Transferring Requisitions to Another Requisitioner

- If a Requisitioner leaves, or will no longer be responsible for a requisition, the requisition can be permanently transferred to another Requisitioner for maintenance and receipting.
- Requisitions can be transferred one at a time to several Requisitioners, or all at once to one Requisitioner.
- This is used only if the transfer of the requisition is permanent.
- If the requisition needs to be temporarily transferred, a proxy should be used to temporarily transfer the requisition.
- Contact the REE IAS Agency Lead to transfer requisitions.



# Central Receivers

- Central Receiver – a Requisitioner/Receiver who can receipt against any contract without being a proxy.
  - Only a Central Receiver can receipt an invoice against a contract that is created without a requisition (a.k.a. an IN – non referencing document/ratification).  
No requisition equals no Requisitioner/Receiver
- Who are the REE Central Receivers?
  - If you are not a Central Receiver, or you don't know a Central Receiver, contact the IAS Agency Lead to find a Central Receiver in your area or location.



# Submitting an Invoice to NFC

- Once receipted in IAS, complete the IAS Invoice Cover Sheet (Form IAS-001). The Invoice Cover Sheet specific to your agency can be found in e-Forms. A general IAS-001 can be found on the USDA IAS Web site.
- Do not reuse old Invoice Cover Sheets!
- Generating a new cover sheet from e-Forms to ensures you have the most recent form.
- Each Agency has its own unique fax number and e-mail address for submitting invoices to NFC. Please use the correct fax number or e-mail address for your agency.



# Submitting an Invoice to NFC (cont'd)

- Fax numbers and e-mail addresses can be found on IAS-001 form in e-forms
- List each line item you are receipting on the Cover Sheet.
- Ensure the Cover Sheet information matches the line items on your contract, PO, DO, or TO document. Remember, the line items from the contract may be different from the requisition.



# Accelerated Payments to Small Businesses

- Under the authority of the Prompt Payment Act, OMB requires USDA to establish the goal of paying Small Businesses (SBs) within **15 days** of receiving a proper invoice, including conformation the goods/services have been received and accepted.
- Effective April 11, 2012, to comply with this requirement, when processing an invoice for SBs, include on the IAS-001, Invoice Coversheet, “SMALL BUSINESS” in block 11.





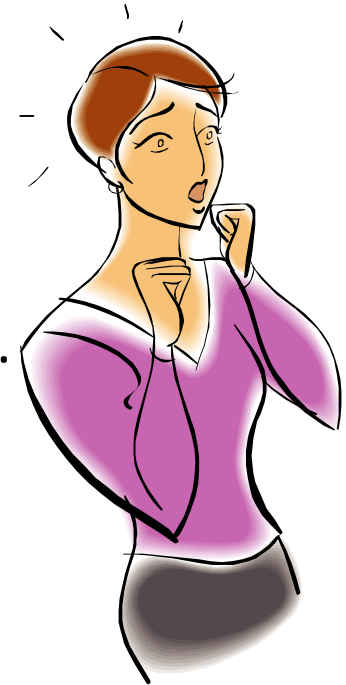
# Submitting an Invoice to NFC (cont'd)

- Fax or e-mail a copy of the invoice with Cover Sheet to NFC. It is not necessary to send back up documentation, but do so if you think it is part of the invoice.
- Once you send the invoice with Cover Sheet to NFC, send a copy to the Contracting Officer.
- Retain a copy for your files.



# What to do if NFC has a question with your invoice or receipt?

- NFC will attempt to contact the person who signed the Invoice Cover Sheet or the Contracting Officer if they have a question with the invoice or receipt (i.e., can't make the three-way match - contract/receipt/invoice).
- Do not ignore any e-mails from IAS or NFC regarding invoices or receipts issues.
- Remember! Interest penalties may accrue for as long as it takes to resolve the invoice/receipt issues.



# Need Help?

- If you have any problems receipting in IAS, please contact the USDA IAS Helpdesk Monday through Friday (8 am to 8 PM Eastern Time) on 888-427-1631 or via e-mail at [ias-helpdesk@dm.usda.gov](mailto:ias-helpdesk@dm.usda.gov) .
- If you have any questions about your contract, invoice, requirements, etc., please contact your Contracting Office.



# Summary

- What is a “proper” invoice?
- What is the Prompt Payment Act?
- What do you do with an invoice that is missing information?
- How long do you have to review and accept an invoice?
- Where can I find guides on receipting in IAS?
- When receipting in IAS, what do I need to look out for?
- Who can receipt when a Requisitioner/Receiver is not available?
- Where can I find an Invoice Cover Sheet (IAS-001)?
- How do I send the invoice to NFC?
- Who is responsible for ensuring invoices are processed?
- Any other questions?

