

Processing Invoices and IAS Receipts



*Angelia Fleming Loggie
REE IAS Agency Lead
April/May 2010*

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.
- You should date stamp/document the date you received the invoice.



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).
- The rejected invoice should be 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 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

- The USDA IAS Web site (<https://ias.usda.gov/iasportal/index.html>) has guidance that will walk you step-by-step through the receipting process in IAS.
- Click on Guidance at the top of the USDA IAS Web site. Then look for Receipting on the left side of the page.



Receipting in IAS (cont'd)

- There is also a training video you can watch that will walk you through the receipting process in IAS.
- To watch the video go to the REE IAS Web site: <http://www.afm.ars.usda.gov/initiatives/IAS/>, and click on Training.
- 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 requisitions 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.
- Do not over receipt – designate the amount of money that is to be receipted for each line item. 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.



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
 - IN documents usually only occur around the end of the Fiscal Year when IAS is cut off from the Financial Management System.
 - Only a Central Receiver can receipt for a Requisitioner/Receiver that has left the agency or is otherwise inactive in IAS.
- Who are the REE Central Receivers?
 - Go to the REE IAS Web site, and look under REE Contacts.
 - Contract the IAS Agency Lead or the REE IAS Helpdesk.



Submitting an Invoice to NFC

- Once receipted in IAS, complete the IAS Invoice Cover Sheet (Form IAS-001). The Invoice Cover Sheet can be found in e-Forms or 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 Alert 2008-03
<http://www.afm.ars.usda.gov/acquisitions/pdffiles/IASALERT2008-03.pdf>)
- 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.



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).
- NFC usually sends an e-mail.
- 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 issue.



Need Help?

- If you have any problems receipting in IAS, please contact the REE IAS Helpdesk (Tuesday through Thursday) on 301-504-4383 or via e-mail at REE-IAS-HELP@ars.usda.gov.
- Or contact the USDA IAS Helpdesk (Monday through Friday) on 888-427-1631 or via e-mail at ias-helpdesk@ars.usda.gov.
- If you have any questions about your contract, invoice, requirements, etc., please contact your Contracting Officer.



Coming Soon!

- Phase II of the Lean Six Sigma Transaction Processing (LSTP) Initiative designed to further automate the processing of IAS invoices.
- USDA will go to paperless invoicing.
- Improve efficiency and shorten the time required to process payments.
- Anticipated to be implemented sometime in FY 2011.



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 and training videos 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?

