



**Court Services and Offender Supervision Agency
for the District of Columbia**

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Operational Instruction

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Signed by: PAUL GIRARDO

INVOICE AND VOUCHER PROCESSING

I. COVERAGE

This Operational Instruction (OI) applies to all Court Services and Offender Supervision Agency (“CSOSA” or “Agency”) employees and contractors (hereinafter referred to as vendors unless otherwise stated). This OI does not apply to employees of the Pretrial Services Agency for the District of Columbia.

II. GUIDANCE

This OI sets forth procedures to ensure CSOSA performs proper and timely vendor invoice and employee voucher payment processing. This OI does not apply to Temporary Duty (TDY) or local travel vouchers processed through the Agency’s E-Travel System.

The results of effective payment processing are efficient program operations, productive vendor and employee relationships, and an absolute minimum of erroneous payments and late payment interest paid by the Agency. This OI is a supplement to the Agency’s Funds Control policy.

The CSOSA Office of Administration (OA), Office of Procurement (Procurement), is responsible for developing and performing high-level management of all Agency contracts. Procurement appoints, and ensures maintenance of required certifications for, all Agency Contracting Officer Representatives (CORs). Procurement is responsible for ensuring that all Agency procurements contain invoicing instructions in accordance with this OI and that applicable vendors are registered in the government-wide System for Awards Management (SAM) before contract award (See Appendix A). Contract terms that deviate from the payment instructions, terms or methods outlined in this OI shall be approved by the OA Associate Director and Office of Financial Management (OFM) Associate Director, in advance of award.

Vendor invoices and employee reimbursement vouchers shall be submitted directly to CSOSA OFM in accordance with the instructions provided in this OI. OFM is responsible for the timely and accurate processing, tracking and payment of all valid Agency vendor invoices and employee vouchers in accordance with the requirements and procedures of this OI. The COR and OFM are responsible for identifying, reporting and pro-actively addressing invoices and vouchers that are (or may be) invalid or late.

OFM is responsible for identifying and documenting any specialized vendor invoice payment procedures that deviate from the processes or methods outlined in this OI. OFM employees who submit, sub-certify and certify vouchers and invoices serve as Agency Accountable Officers and are personally responsible for ensuring that all CSOSA payments are legal, proper and accurate.

Vendors should submit invoices to CSOSA promptly after the completion of services or the delivery of goods provided under the specific terms of the contract. For contracts or orders requiring services or the delivery of items over several months, the contractor shall invoice on a monthly basis.

CORs are responsible for tracking the receipt of properly ordered goods and services. CORs are responsible for ensuring, to the extent possible, that vendors submit invoices on a timely basis. CORs should review and approve all vendor invoices, prior to payment, to ensure that invoiced items are for properly ordered, received and accepted goods and services and that invoices comply with the terms, conditions and funding amount of the procurement. CORs shall issue timely disputes to vendors in cases where all or parts of invoices are erroneous.

Employees should submit Claim for Reimbursement for Expenditures on Official Business vouchers (SF-1164s) to OFM within 30 calendar days after incurring properly-approved non-travel expenses.

The primary method of processing vendor and employee payments is electronic payment issued by the Department of Treasury (Treasury) via the Agency's financial management system, ORACLE Federal Financials (ORACLE). Payment by other means should be specifically outlined in the procurement and/or approved in advance by OFM.

Vendors and employees must be established as valid suppliers in ORACLE prior to recording an obligation and/or processing a payment in the Agency's financial management system. Vendor payment remittance information (vendor banking information) is maintained in ORACLE based on the vendor supplier record established in ORACLE. For applicable vendors, ORACLE banking information must match that established and maintained by the vendor in SAM. Vendors are responsible for informing OFM of any changes in their banking information for purposes of updating ORACLE payment remittance information. Employee payment remittance information is maintained in ORACLE based on the employee supplier record established in ORACLE. For those employees with an established ORACLE

supplier record, changes in employee banking information will be automatically updated in ORACLE based on changes made by the employee in the Agency's payroll system.

CSOSA is bound by the Prompt Payment Act (5 CFR Part 1315) to reimburse vendors and employees for proper and valid invoices or vouchers, respectively, within thirty (30) calendar days after the official invoice or voucher receipt date or the date goods and services are received and accepted by the Agency, whichever is later. Payment terms of less than 30 calendar days must be allowable and specifically outlined in the procurement and/or required.

The Prompt Payment Act requires the payment of late payment interest to vendors and employees when properly submitted, valid invoices or vouchers are not paid within the required thirty (30) calendar days. Late payment interest will be included with the payment made to the vendor/employee and deducted from the operational budget associated with the procurement action. The amount of late payment interest is computed by ORACLE as a function of the valid invoice/voucher amount due, the number of days the payment is late (beyond the 30 calendar day timeline) and current Prompt Payment interest rates determined by Treasury.

All invoice and voucher payment records will be maintained by CSOSA for six (6) years and three (3) months in accordance with the General Records Schedule 6, Accountable Officers' Accounts Records. The primary method and storage location of such information will be electronic records maintained by OFM in the ORACLE system.

III. ATTACHMENTS

- A. Appendix A - Invoicing Instructions for CSOSA Contracts
- B. Appendix B – Agency Invoicing and Voucher Workflow and Timeline
- C. Appendix C - COR Certification Stamp
- D. Appendix D – COR Invoice Review Cover Sheet
- E. Appendix E – Common Invoice and Voucher Dispute and Rejection Issues
- F. Appendix F – Example Invoice Dispute Letter

IV. PROCEDURES

A. Invoice and Voucher Processing Timeline Overview

Appendix B contains an overview of the timeline for Agency vendor invoice and employee voucher (non-travel) approval and payment processes.

B. Invoice and Voucher Payment Due Date

The vendor invoice payment due date and the effective date for late payment interest is determined by the latter of the following two dates:

1. Date a proper, complete and valid invoice or voucher is received by OFM, or
2. Date goods/services are received and accepted by the COR.

C. Required Vendor Invoice Information

All vendor invoices submitted to CSOSA must contain the following information:

1. Contractor Tax Identification Number;
2. Contractor Mailing Address;
3. Contractor Phone Number;
4. Date of Invoice;
5. Contractor Invoice Number (unique);
6. CSOSA Contract / Order Number;
7. CSOSA Contract Line Item Number (CLIN) or item number (if applicable);
8. Description, price, unit rate and quantity of work or services delivered in accordance with the Contract or Order Number; and
9. Detailed list of contractor names, date(s), and hour(s) of services performed or merchandise provided to CSOSA.

The contractor must submit a separate invoice for every CSOSA contract / Order Number. The invoice must identify the specific CLIN or item number for which the contractor is seeking payment under the contract or order.

If the invoice covers multiple CLIN or item numbers, the invoice must identify specific amounts and activities applicable to each. For invoices containing multiple deliveries of goods or services, the vendor should include sufficient supporting documentation with the invoice as to allow the COR and OFM to verify receipt and acceptance of specific items on specific dates.

Incomplete or invalid invoices may be disputed by the COR or OFM.

D. Submission of Invoice or Voucher to OFM

1. Submission of Invoice or Voucher to OFM
 - a. Vendor Invoices: Unless the size or content of a vendor invoice prohibits electronic transmission, all invoices are required to be sent in electronic format directly from the vendor to OFM via email to the CSOSA electronic Invoices Mailbox:

Invoices.Mailbox@CSOSA.GOV

Invoices should be simultaneously submitted by the vendor via email to the COR and OA Procurement Contracting Officer (CO), for informational purposes only.

In rare cases where the size or content of the invoice prohibits an electronic submission to the CSOSA electronic Invoices Mailbox, the vendor can mail or hand-deliver the invoice to:

CSOSA
Office of Financial Management
633 Indiana Ave NW, Room 850
Washington, DC, 20004-2902

- b. Employee Vouchers (Non-travel): All employee vouchers must be submitted electronically to the OFM electronic Invoices Mailbox:

Invoices.Mailbox@CSOSA.GOV

Invoices or vouchers (non-travel) sent by vendors or employees to addresses or individuals other than the specific OFM contact information listed above are not considered officially received by the Agency until actually received and date stamped by OFM. Invoice and voucher information should be clearly legible.

E. OFM Processing of Invoices and Vouchers

1. OFM Receipt and Internal Distribution of Invoices and Vouchers

- a. Each business day, a designated OFM Mail Financial Management Specialist (FMS) is responsible for opening/printing invoices and vouchers received through the electronic Invoice Mailbox (Invoices.Mailbox@CSOSA.GOV) and opening any hard copy invoices (mailed and hand delivered) received in OFM throughout the day, from 8:00am to 4:00pm EST.
- i. The OFM Financial Manager will prepare and distribute the schedule for assigned, daily Mail FMS responsibilities at least 30 calendar days in advance.
 - ii. The designated Mail FMS must save/archive electronic copies of all emailed invoices and vouchers on the OFM Shared Drive ("S" drive) on the CSOSA network.
 1. Emailed invoices and vouchers should be saved in electronic ".msg" file format in the Finance Invoice Mailbox folder on the "S" drive of the CSOSA network.
 - iii. All emailed invoices and vouchers must also be printed in hard copy by the Mail FMS for further processing, review and approval.

- b. The designated Mail FMS shall record (date-stamp) the date/time an invoice or voucher is officially received by the Agency on all invoices and vouchers received by OFM.
 - i. This date stamp placed on an invoice or voucher serves as the official date the electronic or hard copy invoice or voucher is received by CSOSA. The official date received for electronic email invoices is the date the email is received in the Invoices Mailbox, on or before 4:00pm EST of any business day.
 - ii. The date stamp affixed by OFM must be legible and placed on the front of the invoice or voucher and should not cover invoice information.
 - iii. Invoices or vouchers received (hard copy or electronically) in OFM on non-business days (weekends or holidays) shall be date stamped the next business day. Invoices received on regular business days after 4:00 pm EST shall be date stamped by the Mail FMS the next business day.

- c. The Mail FMS shall distribute date-stamped, incoming invoices to the OFM Payment FMS assigned to process and pay employee vouchers or invoices for the particular vendor on the same business day that the voucher or invoice is officially received.
 - i. The OFM Financial Manager shall identify and distribute assigned Payment FMS vendor responsibilities.
 - ii. If the assigned Payment FMS for a particular vendor is on extended planned leave (e.g., planned leave lasting more than two consecutive business days beyond the official invoice receipt date), the Mail FMS will forward the invoice(s) to the OFM Financial Manager for reassignment and distribution to an alternate Payment FMS.
 - 1. The originally-assigned Payment FMS must be informed by the Financial Manager of invoices processed by an alternate Payment FMS, on their behalf, during their absence.

2. OFM Initial Review of Invoices and Vouchers

The Payment FMS must complete each of the following actions within four (4) calendar days after receipt of the hard copy invoice or voucher from the OFM Mail FMS:

- a. The Payment FMS must perform a preliminary review of invoice and voucher information for accuracy and completeness, to include required invoice information (Section IV.C.), correct computations and required supporting documentation (e.g., voucher receipts).

- i. Vendor invoices for services that are processed within SMART (e.g., treatment invoices) must be reviewed for completeness and accuracy and reconciled by the Payment FMS within SMART.
 - ii. If any vendor invoice discrepancies are found, the Payment FMS must clearly notate the findings on the hard copy of the invoice (or a separate document) and notify the COR immediately for further research, resolution and/or proper dispute with the vendor. For SMART invoices, discrepancies must also be notated by the Payment FMS in SMART.
- b. The assigned Payment FMS will record certain summary information from all invoices and vouchers into ORACLE. This 'shell' information will serve as the basis for OFM automated invoice/voucher tracking and the ORACLE Unpaid Invoice Report described below.
- i. The specific summary or 'shell' data required to be recorded in ORACLE differs for vendor invoices and employee vouchers as referenced in the table below.

Summary Invoice/Miscellaneous Voucher Data Recorded in Oracle		
Invoice/Miscellaneous Voucher Information	Vendor Invoices	Miscellaneous Voucher (Employee SF-1164s)
Vendor Name	✓	
Employee Name		✓
Invoice Description (Month/Year of Services/Program Office & COR Name)	✓	
Miscellaneous Voucher Description (Non-Travel)		✓
Vendor Invoice Date	✓	
Vendor Invoice Number	✓	
Miscellaneous Voucher Number (Created by Payment FMS)		✓
Invoice Amount	✓	
Miscellaneous Voucher Amount (Non-Travel)		✓
Date Invoice received in OFM	✓	
Date Miscellaneous Voucher Received In OFM		✓

- c. The Payment FMS will stamp vendor invoices with the COR Certification Stamp (Appendix C). The COR Certification Stamp must be legible and placed by OFM on the front of the invoice and should not cover invoice information or the official date stamp.

3. Forwarding Vendor Invoices to COR for Review and Approval

- a. The complete vendor invoice package should be submitted by the OFM Payment FMS to CORs, for additional review and approval, within four (4) calendar days after the official CSOSA invoice receipt date. Where possible, the Payment FMS should make every effort to forward properly processed invoice packages to CORs before the fourth calendar day.
- b. The complete vendor invoice package should contain:
 - i. COR Invoice Review Cover Sheet (Appendix D). COR Invoice Review cover sheets should include the following information, populated by the OFM Payment FMS:
 1. COR Name
 2. Supplier Name
 3. Invoice Period [Month(s)/Year(s)]
 4. Number of Invoices
 5. Date Invoice(s) Received by OFM from Vendor
 6. Date Invoice(s) Sent by OFM to COR
 7. Date By Which COR-Approved Invoice Should be Returned to OFM
 8. OFM Employee to Whom the COR-Approved Invoice Should be Returned
 - ii. Complete vendor invoice.
 1. Vendor invoice should contain required Date Stamp and COR Certification Stamp.
 - iii. Vendor invoice issues identified by OFM (if applicable).
- c. The Payment FMS shall scan the complete vendor invoice package as one "pdf" file. The invoice package should be forwarded in electronic format, via Agency email, to the appropriate COR.
 - i. All scanned documents that comprise the complete invoice package should be legible.
 - ii. Complete invoice packages containing more than 20 total pages should be hand-carried or forwarded in hard copy format via interoffice mail to the COR.

1. The Payment FMS must maintain an electronic record of any invoice that was hand-carried or sent via interoffice mail to a COR for approval, in case it is misplaced.
- d. The Payment FMS must contact the COR via email if an invoice is not approved and returned to OFM, or properly disputed by the COR, within seven (7) calendar days after the official Agency invoice receipt date.
- e. The Payment FMS must contact the OFM Financial Manager via email if an invoice is not returned to OFM, or properly disputed by the COR, within fourteen (14) calendar days after the official Agency invoice receipt date.
 - i. The OFM Financial Manager shall initiate immediate action with the COR and the COR's supervisor.

4. COR Responsibilities

The COR must carefully review the vendor invoice package received from the OFM Payment FMS to ensure each of the following:

- a. All goods and services on the invoice were ordered, received and accepted by CSOSA.
- b. Invoiced amounts, rates, terms, and periods of performance are consistent with the current procurement terms and conditions.
- c. There is funding available to pay the invoice.
 - i. The COR should maintain a tracking system of contract funding (by CLIN), ordered goods/services, invoiced goods/services and computed remaining balances. Tracking system data should be verified with ORACLE on a regular basis.
 - ii. CORs should use their tracking system and ORACLE data to determine current funds availability, completeness of vendor invoicing and plan for future funding needs.
- d. If applicable, receipt transactions should be entered in ORACLE by the COR on the date the actual goods and services are received from the vendor, indicating that goods and services have been provided by the vendor and received by the Government.
 - i. ORACLE receipt transactions are only required for certain Agency procurements, to be identified to the COR by OFM at the time of procurement award. The purpose of ORACLE receipt transactions is to properly recognize the acceptance of properly ordered goods and services.

- ii. Failure to record receipt transactions in the financial system may prolong payment due dates computed by ORACLE.
 - e. If all vendor invoice information is valid and funds are available, the COR must record the following information on the invoice in the specific areas provided in the COR Certification Stamp:
 - i. Approve (print, sign and date) the invoice;
 - ii. Indicate the contract or ORACLE purchase order number, and CLIN/ORACLE funding line item number(s), to which the invoice applies, and;
 - iii. If an invoice contains charges for more than one CLIN, the COR must ensure that the invoice clearly indicates the specific charges to be posted to each CLIN/ORACLE funding line, to ensure invoices are processed and posted correctly.
 - f. The COR shall return the approved invoice to the appropriate Payment FMS within three (3) calendar days after receipt from OFM, but no later than seven (7) days after the official Agency invoice receipt date. The COR-approved invoice package should be returned to OFM via Agency email as one electronic “pdf” file.
 - i. The return of approved vendor invoices to OFM via Agency email as a “pdf” file is the optimal method for invoice control.
 - ii. All documents in the electronic “pdf” file must be legible.
 - g. Only in situations where the vendor invoice package is greater than 20 pages or scanned documents are not legible shall an invoice be returned to OFM in hard copy format. Invoices returned to OFM in hard copy format must be delivered to OFM expeditiously.
 - h. The COR should not pay a vendor invoice package received from OFM using their assigned CSOSA purchase card without receiving advance, written approval from the OFM Financial Manager and OA Procurement CO.
5. Vendor Invoice Disputes
- a. The COR is responsible for disputing invalid vendor invoices, in whole or in part, with the vendor in a timely manner. A list of common invoice dispute items is located in Appendix E. The COR should contact OFM if there are questions as to whether a vendor invoice issue warrants formal dispute.
 - b. If an applicable invoice dispute item(s) is identified by the OFM Payment FMS or COR, the COR shall prepare and forward a written dispute notification to the vendor.

- i. A proper dispute must be sent by the COR, in writing, to the vendor within seven (7) calendar days of the official Agency invoice receipt date (i.e., within seven (7) calendar days of the date stamped on the invoice by OFM).
 - ii. Invoice disputes should be issued by the COR even if they are issued after the seven (7) calendar day dispute timeline. Under no circumstance or timeframe should CSOSA pay vendors for invalid invoice amounts.
- c. All dispute notifications should be forwarded to the vendor electronically using Agency email. The dispute content can be a formal letter or informally outlined in the email (Please see Appendix F for a sample of an Invoice Dispute Letter). A proper invoice dispute should contain the following information:
 - i. Reference the vendor invoice number and vendor invoice date,
 - ii. Identify the specific invoice items and amounts being disputed,
 - iii. Clearly articulate the reason(s) the items or amounts are disputed,
 - iv. Reference the specific terms of the contract which support the Government's dispute, and
 - v. A request for an immediate explanation and/or corrected invoice within 30 calendar days.
- d. Dispute correspondence should be distributed by the COR to as many vendor contacts as possible. The appropriate OFM Payment FMS and the OA Procurement CO must be copied on all COR dispute notifications and applicable resolution correspondence.
- e. Properly disputed invoice amounts are not subject to late payment interest computations during the period of dispute.
- f. Valid, non-disputed portions of an invoice should continue to be processed and paid according to procedures and timelines outlined in this OI.
 - i. CORs should submit partially-approved invoices to OFM for payment with a copy of the invoice dispute issued to the vendor.
 - ii. The COR should clearly indicate approved and disapproved (disputed) amounts and items on the invoice document.
 - iii. Invoices which are unilaterally adjusted (reduced) by the COR without evidence of a valid dispute may be returned by OFM to the COR for proper resolution with the vendor.
- g. Outstanding vendor invoice dispute issues should be proactively addressed and/or escalated by the COR, the OFM Payment FMS and Procurement CO.

Invoice issues that are not properly addressed may lead to late payment interest or adverse action by the vendor.

- i. The COR is responsible for following up with the vendor to affect a resolution within thirty (30) calendar days of the initial dispute notification. The Procurement CO must track and ensure that all disputes are properly resolved by the COR within thirty (30) calendar days of the initial dispute notification and maintain resolution documentation on all disputes.
 1. If the vendor concurs that disputed invoice information is erroneous, copies of such concurrence should be sent by the vendor to the COR, OFM Payment FMS and Procurement CO.
 2. If the Agency (COR & CO) and the vendor agree on an invoice dispute in which the final agreed amount is different from the original invoice, a new, corrected invoice must be submitted by the vendor directly to OFM. The corrected invoice should contain a unique vendor invoice number.
 3. If the Agency (COR & CO) and the vendor agree that the disputed invoice item is valid, the COR should forward the original invoice, and all written dispute resolution information, to OFM for payment.

6. Understated Vendor Invoices

It is the vendor's responsibility to submit timely, accurate and complete invoices for all goods/services delivered to and accepted by CSOSA at rates, amounts or other terms outlined in the procurement. However, there are occasions where CORs should proactively identify to the vendor understated or irregular invoicing issues. These notifications help to ensure accurate Agency funds controls and beneficial vendor relationships.

- a. CORs should issue informal written notifications to vendors in the following circumstances:
 - i. The rates or amounts invoiced by the vendor for properly ordered and accepted goods and services are below that identified in the procurement; or
 - ii. The COR has records of receipt of goods or services for which the vendor has not submitted an invoice within 30 calendar days of Agency acceptance.
 1. The COR must be absolutely certain that properly ordered goods or services were actually received and accepted by CSOSA and have not already been paid before notifying the vendor of non-invoiced items or amounts.

- b. If all other aspects of a vendor invoice are valid, invoices that contain rates or amounts below that identified in the procurement should be forwarded by the COR to OFM for payment.
 - i. If issued, a copy of the informal notification sent by the COR to the vendor should be attached to the approved invoice package forwarded to OFM.
 - ii. OFM will pay the COR-approved invoice, as submitted by the vendor, with the incorrect (low) rate.
- c. The vendor must submit a new, supplemental invoice to CSOSA to obtain net payment at the valid, contract amount or rate.

7. Payments to Employees and Vendors

- a. Upon receipt of an employee voucher (non-travel) or a COR-approved invoice, the assigned OFM Payment FMS must perform a careful review of all invoice and voucher information prior to submitting the invoice for payment in ORACLE.
 - i. Contract number and CLIN line item number(s) identified by the COR for the vendor invoice are valid;
 - ii. All invoice/voucher information is valid and complies with the terms and conditions of the underlying procurement or Travel Authorization;
 - iii. There is available funding to make the payment; and
 - iv. If applicable, it has been verified that a receipt transaction for accepted goods and services have been entered by the COR in ORACLE.
 - v. A partial list of Payment FMS review items is listed in Appendix E.
- b. The OFM Payment FMS must complete their review of the invoice/voucher and either submit the approved invoice/voucher in ORACLE or reject it with the COR or employee within seven (7) calendar days after receipt of an invoice package from the COR or receipt of the voucher from the employee.
 - i. Invoices/Vouchers Approved for Submission by the OFM Payment FMS:
 - 1. The OFM Payment FMS should complete entry in ORACLE of all required invoice/voucher payment data fields, thereby completing the ORACLE payment record initiated by the Payment FMS with entry of 'shell' information earlier in the vendor invoice review process (Section IV.D.2.b. of this OI).

- a) The Payment FMS should attach to the completed ORACLE payment record separate supporting electronic “pdf” files for payment review and records retention purposes. The supporting files should include, but are not limited to:
 - COR-approved invoice or voucher;
 - Procurement documents (sections of contractual document outlining prices, quantities and other terms and conditions related to payment); and
 - Email submitted by vendor/employee to OFM containing the invoice/voucher (to validate the official Agency invoice/voucher receipt date).
 - b) Supporting documents that are 20 pages or less should each be scanned in their entirety and attached as a separate, supporting “pdf” document to the payment record in the financial system.
 - c) For ORACLE payment record supporting files exceeding 20 pages, the Payment FMS should scan and attach in the financial system the 20 most relevant pages of the document. For invoices/vouchers, these include:
 - The first page of the invoice or voucher containing the OFM clocked-in date stamp and COR approval stamp;
 - The page showing the final COR-approved total invoice amount; and
 - The remaining 18 pages showing the most pertinent financial billing information.
- ii. Invoices/Vouchers Rejected by the OFM Payment FMS:
1. Within seven (7) calendar days after receipt of the invoice package from the COR, the OFM Payment FMS shall contact the COR or vouchering employee via Agency email and inform he/she as to why the COR-approved invoice or employee voucher is rejected. A copy of the invoice/voucher and pertinent supporting documents should be attached to the rejection email.
 2. The COR or vouchering employee must respond to OFM within five (5) calendar days after receipt of the rejection email:
 - a. If the employee or COR concurs with the reason for the rejection, they must make necessary changes to the invoice/voucher, to include issuance of a vendor dispute, before

- re-submitting the document package to the OFM Payment FMS for payment.
- b. If the employee or COR does not concur with the reason(s) for rejection, they must submit their appeal, in writing, to the OFM Financial Manager.
3. The OFM Payment FMS must follow-up with the COR or vouchering employee if a response is not received within five (5) calendar days after sending the rejection email. The Payment FMS must contact the OFM Financial Manager via email if a rejected invoice or voucher is not returned to OFM, or properly disputed by the COR, within seven (7) calendar days after rejection.
- c. The OFM Financial Manager, or their designee, shall review and approve (sub-certify) or reject payment records within fourteen (14) calendar days after submission of the payment record in ORACLE by the Payment FMS.
 - i. The OFM Financial Manager performs a complete and thorough review of all invoice and voucher information submitted by the OFM Payment Specialist before sub-certifying the payment record in ORACLE.
 1. The OFM Financial Manager review includes, but is not limited to, all potential invoice and voucher issues identified in Appendix E.
 - ii. If a submitted invoice or voucher is deemed valid, the OFM Financial Manager sub-certifies the payment record in ORACLE. The approved payment will then be placed in a queue for Agency certification and transmission to Treasury based on a payment date computed by ORACLE.
 1. The ORACLE-computed Treasury transmission date is a function of the payment terms established in the procurement (e.g., 30 calendar days) and the date the invoice or voucher was received by the Agency or the invoiced goods or services were accepted by the Agency, whichever is later.
 2. Invoices or vouchers which are sub-certified before 10AM EST are eligible for Agency certification and transmission to Treasury on the same business day.
 - iii. If a submitted invoice or voucher is deemed invalid, the OFM Financial Manager rejects the payment and denotes the reason(s) for the rejection in ORACLE.

1. Rejected invoices and vouchers are returned in ORACLE to the respective OFM Payment FMS for resolution following timelines and procedures outlined in Section IV.D.7.b.ii of this OI.
- c. Each business day, the OFM Financial Manager, or a designee, is responsible for certifying Agency payments for transmission to Treasury. The daily certification process should be completed by the OFM Financial Manager no later than 5PM EST.
- i. Pending, sub-certified payments are eligible for certification on the payment due date computed by ORACLE.
 - ii. Treasury will issue certified EFT or check payments to vendors and employees within 24 hours after Agency certification.
 - iii. Payments will be issued by Treasury to the current banking information or mailing address associated with the vendor or employee in ORACLE.
 - iv. The amount of time it takes for a particular banking institution to recognize a Treasury EFT payment and make the funds available to the respective vendor/employee varies by institution.
 - v. Treasury typically restricts the Agency's certification of payments during the last 7-10 calendar days of each fiscal year for annual cash reconciliation purposes.

F. Vendor Invoices Containing Charges Applicable to the Pretrial Services Agency for the District of Columbia

CSOSA joint procurements funded by CSOSA and the Pretrial Services Agency for the District of Columbia (PSA) may result in vendor invoices received by CSOSA OFM with amounts to be paid, all or in part, by PSA. Vendor invoices received by CSOSA that contain amounts applicable to PSA should be approved by PSA prior to payment by OFM.

G. Returned Treasury Payments

Agency-certified payments issued to erroneous banking information (EFT payments) or mailing addresses (check payments) are returned to Treasury. Treasury notifies IBC and/or OFM if certified payments are returned and OFM is responsible for identifying and correcting vendor and employee payment remittance information and re-processing the payment.

- a. The OFM Financial Manager determines returned payments by reviewing daily Treasury payment certification reports for negative or credit balances.
- b. The OFM Financial Manager will either void or place on hold the returned payment record in ORACLE until the appropriate action is taken by OFM.

- c. The OFM Financial Manager will notify the respective OFM Payment FMS of the voided or on-hold payment.
- d. The OFM Payment FMS will contact the vendor or the employee to determine if their banking information or mailing address has changed. If the vendor or employee confirms that their banking and/or mailing address has changed, the Payment FMS will obtain the updated information and complete a CSOSA ORACLE Federal Financials Supplier Form containing the updated information and forward it to IBC to update ORACLE. This form is available on the CSOSA intranet.
- e. IBC will update ORACLE banking or mailing address information for the vendor or employee. For applicable vendors who are registered in SAM, ORACLE banking information must match that established by the vendor in SAM.
- f. Voided payments must be resubmitted by the Payment FMS in ORACLE for approval and payment using updated ORACLE banking information. Returned payments that are placed onhold do not need to be resubmitted by the Payment FMS, rather the payments will be re-sent to Treasury with the updated payment remittance information.

CSOSA is not responsible for late payment interest caused by payment delays due to erroneous vendor banking information if the vendor did not inform OFM and/or update SAM with new payment remittance information.

H. Treasury Offset (Reduction) Program

The Treasury Offset Program reduces Agency payments made to CSOSA payees who have delinquent debts owed to Federal agencies and states (including past-due child support). ORACLE does not distinguish or report CSOSA vendor payments or employee reimbursements that are offset, or reduced, by the Treasury Offset Program. Similarly, IBC and Treasury do not notify CSOSA of such payment offsets and Treasury typically only discusses offset issues directly with the vendor or employee debtor.

- a. Upon request of a vendor or employee, OFM will research suspected incomplete payments for accuracy.
- b. The OFM Payment FMS will review ORACLE to determine if the correct payment amount was processed and paid by CSOSA.
- c. If the amount paid by CSOSA and purportedly received by the vendor/employee differ, the OFM Payment FMS will request that OFM Financial Manager perform a payment confirmation in the Treasury Check Information System (TCIS).

- d. If the TCIS confirmation reveals that CSOSA's payment was processed as certified, the OFM Payment FMS will inform the vendor/employee to contact Treasury for further assistance. The Treasury Offset Program may be reached on 800-304-3407. OFM will assist the employee or vendor in contacting Treasury and obtaining information on a possible payment offset, upon request.

I. OFM Unpaid Invoice/Voucher Status Report

- a. The OFM Financial Manager shall develop, review and distribute an OFM Unpaid Invoice Report on a monthly basis. This report is to identify all outstanding invoices/vouchers officially received by OFM for which payments have not yet been sub-certified.
 - i. Report data shall be primarily comprised of ORACLE 'shell' invoice information and additional invoice status information obtained from Payment FMS staff.
 - ii. OFM Unpaid Invoice Reports will be issued to the CSOSA Office of the Director with applicable invoice/voucher status information issued to respective Associate Director/Executive Staff whose organizations have outstanding, unpaid invoices/vouchers.
 1. Associate Director/Executive Staff should carefully review monthly Unpaid Invoice Report information and promptly address unpaid or late invoice/voucher issues with the respective COR, program manager, OA Procurement, and/or OFM.

J. OFM Payment Staff and COR Designations and Responsibilities

- a. OFM Payment FMS and Financial Manager staff serve as Agency payment Submitters, Sub-Certifiers and Certifiers. Agency payment submitters, sub-certifiers and certifiers are Agency Accountable Officers who by virtue of their employment are responsible for the custody and payment of Government resources. Accountable Officers may be held personally liable or subject to administrative action for the loss or improper payment of the funds for which they are accountable.
 - i. Accountable Officers must be properly designated and approved as such through a CSOSA-234 (Accountable Officer Signature Form) maintained by OFM.
- b. CORs have delegated authority from the CO to monitor the contract performance within the technical requirements and/or terms and conditions of the contract. CORs must maintain required COR certifications. CORs review and approve (or dispute) vendor invoices to certify that the contractor has

satisfactorily performed work towards completed delivery/performance of items required under the specific terms of the contract.

K. CSOSA's Do Not Pay Process

Treasury's Do Not Pay process is for programs administered and/or funded by the Federal government to help prevent, reduce and stop improper payments from being made, and to identify and mitigate fraud, waste and abuse.

As part of the Do Not Pay process, Treasury issues regular lists of possible CSOSA vendors and employee suppliers that have been identified by Treasury as possible Do Not Pay suppliers. Examples include Do Not Pay suppliers include those who are no longer valid due to death or that have been placed on various Federal contracting and payment exclusion lists. The OFM Financial Manager, or a designee, researches each of the possible invalid suppliers identified by Treasury on at least a monthly basis to determine validity. If a current CSOSA ORACLE supplier is determined by the OFM Financial Manager to be invalid due to one or more Do Not Pay criteria, the following actions should take place immediately:

- a. OFM Financial Manager, or designee, removes (end-dates) the supplier record in ORACLE by submitting an ORACLE Supplier Form to IBC. This action will prevent further obligation and/or payments to the vendor.
- b. OFM Financial Manager, or designee, accesses Treasury's on-line Do Not Pay portal to review and adjudicate recent CSOSA payments issued to the vendor and/or employee.

The OFM Financial Manager, or designee, will issue a monthly report to the OFM AD and OA AD indicating that the Do Not Pay process was completed by OFM for the given month and identifying any specific CSOSA vendors or employees determined to be invalid and whose supplier records were removed from ORACLE.

L. Establishment of Vendors and Employees as Supplier in ORACLE

Vendors and employees must be established as valid suppliers in ORACLE prior to recording an obligation and/or processing a payment in the Agency's financial management system. A CSOSA ORACLE Federal Financials Supplier Request Form must be properly completed and submitted by a CSOSA employee to the Department of Interior's Interior Business Center (DOI/IBC) at least two (2) business days prior to the need to establish an obligation and/or payment transaction in ORACLE. This form should also be completed and sent to DOI/IBC upon any changes to vendor supplier payment remittance information. The CSOSA ORACLE Federal Financials Supplier Request Form is available on the CSOSA intranet.

**Guidance
Disclaimer**

The contents of this guidance do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

APPENDIX A

STANDARD INVOICING INSTRUCTIONS FOR CSOSA CONTRACTS

A. Requirements and Procedures

The Prompt Payment Act requires that all agencies make payment to their contractors on time, pay interest when payments are late, and take advantage of discounts when offered and when payment is made prior to the discount date.

In accordance with FAR 32.904, payments will not be made to contractors earlier than seven (7) days prior to the due date or later than 30 days after the receipt of a proper invoice or acceptance of the items or services for which the invoice has been submitted, whichever is later. If payment is not made within the 30 day limit, the contractor is entitled to compensation in the form of an interest payment.

B. Payment Procedure for all Invoice

1. Submission of Invoices

Invoices for goods received or services rendered under this contract shall be submitted on a timely basis upon the completion of all services or the delivery of all items required by the contract or order. For contracts or orders requiring services or the delivery of items over several months, the contractor shall invoice on a monthly basis. Contractors performing recurring services should not invoice with a frequency greater than monthly unless provided explicit permission to do so.

All invoices are required to be sent electronically directly from the vendor to the Office of Financial Management (OFM), the Contracting Officer (CO) and Contracting Officer Representative (COR) at:

OFM: Invoices.mailbox@csosa.gov

CO: _____

COR: _____

In rare cases that prohibit or prevent an electronic submission, the contractor may mail hard copy invoices and any required backup documents to OFM, the CO and COR at the following mailing address:

Court Services and Offender Supervision Agency
Office of Financial Management
633 Indiana Avenue, NW
Room 850
Washington, DC, 20004-2902

Invoices sent by vendors to locations other than the CSOSA OFM email or mailing addresses provided above are not considered officially received by the Agency until actually received and date-stamped by OFM.

The following information must be included on the invoice:

1. Contractor Tax Identification Number.
2. Contractor Mailing Address.
3. Contractor Phone Number.
4. Date of Invoice.
5. Contractor Invoice Number (unique).
6. CSOSA Contract / Order Number.
7. CSOSA Contract Line Item Number (CLIN) or item number.
8. Description, price, unit rate and quantity of work or services delivered in accordance with the Contract or Purchase Order.
9. Detailed list of date(s) and hour(s) of services performed or merchandise provided to CSOSA.

The contractor must submit an invoice for every CSOSA contract / Order Number. The invoice must identify the specific Contract Line Item Number (CLIN) or item number for which the contractor is seeking payment under the contract or order. If the invoice covers multiple CLIN or item numbers, the invoice must identify specific amounts and activity applicable to each.

2. Invoicing for Cost Reimbursement and Labor-Hour/Time-and Material Contacts

If the contract is Labor-Hour or Time-and-Material, the contractor shall ensure that each invoice is substantiated in accordance with FAR Clause 52.232-7-Payments under Time-and-Materials and Labor-Hour Contract (FEB 2007). If the contract is cost-reimbursable, the contractor shall submit all cost data verify reasonableness allocability and allowability in accordance with FAR Part 31.

3. Specific Documentation

Each month the contractor must submit a report on the status of each contract employee that

was cleared by CSOSA Security. This report must be submitted to the Contracting Officer at the same time as the monthly invoice and include the names of all contract employees working under this agreement. It must also include:

1. Contract Employee Name.
2. Start Date.
3. Status: Active, Back Up or Terminated from this contract (with date terminated).

4. Acceptance and Receipt Approval

CSOSA is bound by the Prompt Payment Act (5 CFR Part 1315) to reimburse vendors on the 30th calendar day after a proper and valid invoice is officially received by the Agency. Invoices submitted without required information are not considered proper. If the invoice is disputed / rejected by CSOSA, the COR appointed to the contract or order will notify the contractor in writing of the dispute within seven (7) days of the CSOSA invoice official receipt date (the date stamped on the invoice by OFM). The COR's dispute / rejection notification will copy the Contracting Specialist and OFM, and should identify the following items: specific invoice items and amounts being disputed; the reason that the items or amounts are disputed, a reference to the specific terms of the contract that supports the government's dispute; and a request for an immediate explanation and / or corrected invoice. During the period of dispute, the Contractor is not entitled to any payment or interest. Payments will not be made to the Contractor until actual acceptance by the Government occurs.

Contractor inquiries concerning an invoice payment may be made to the COR at any time or to OFM thirty (30) calendar days after a proper invoice has been submitted. The contractor may make payment inquiries to the OFM email address identified above in paragraph "B1" or by calling the OFM Financial Manager at 202-220-5464.

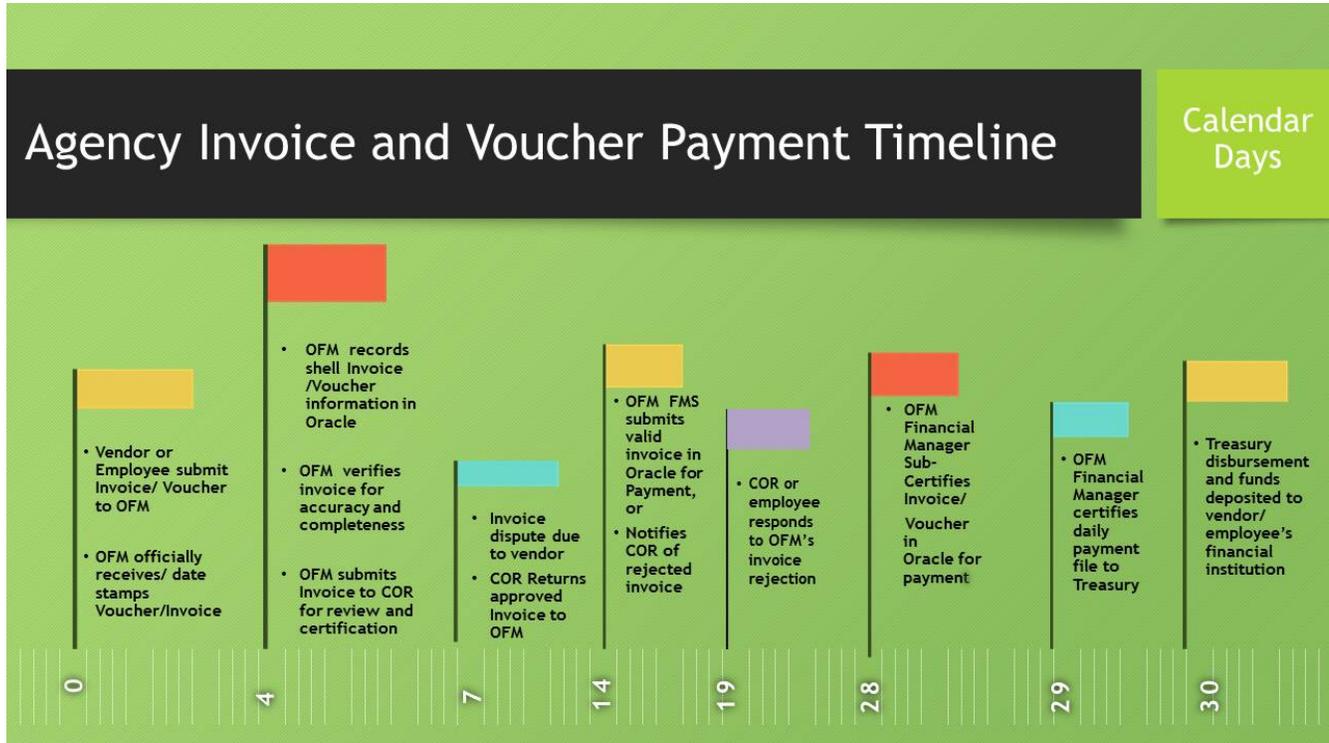
5. Payment Remittance

This Contract is subjected to Payment by Electric Funds Transfer (EFT) under the System for Award Management (SAM). It is the responsibility of applicable contractors to register in the SAM government-wide vendor registration database (www.sam.gov) prior to doing business with CSOSA. In accordance with FAR 52.232-33, contractors must establish and update accurate payment remittance (banking) information in SAM. Contractors must also update OFM of any changes in banking information via email to the OFM Invoices mailbox address identified above in paragraph "B1". Failure to update SAM and/or inform OFM of changes payment remittance (banking) information will result in erroneous or delayed payments. Inconsistent remittance (banking) information between SAM and OFM will also result in erroneous or delayed payments.

Court Services and Offender Supervision Agency
for the District of Columbia

APPENDIX B

INVOICE PAYMENT WORKFLOW AND TIMELINE



APPENDIX C

COR VENDOR INVOICE CERTIFICATION STAMP

I certify that all goods and/or services on this invoice have been received and are valid expenses payable by the Court Services and Offender Supervision Agency of the District of Columbia.

COR Print _____

COR Signature _____

COR Date Approved _____

P.O. # _____

P.O. Line _____

COR must return approved invoice to OFM within 3 calendar days of receipt from OFM, but no later than 7 calendar days of the official Agency receipt date.

COR must dispute invalid invoice items with vendor within 7 days of the official Agency receipt date.

APPENDIX D

For All Vendor Invoices Submitted to CSOSA/OFM

COR NAME: _____
SUPPLIER NAME: _____
INVOICE SERVICE PERIOD [Month(s)/Year(s)]: _____
NUMBER OF INVOICES: _____
DATE INVOICE(S) RECEIVED BY OFM: _____
DATE INVOICE(S) SENT BY OFM TO COR: _____

CSOSA is bound by the Prompt Payment Act (5 CFR Part 1315) to reimburse suppliers for proper and valid invoices in a timely manner. Failure to do so will result in late payment interest penalties paid to the supplier, which will affect your budget. CSOSA should only pay for goods/services that are received and accepted by the COR within the specific terms of the contract.

Please carefully review the attached invoice to ensure:

- All goods/services on the invoice were received and accepted by CSOSA; and
- Invoiced amounts, terms, and performance periods are consistent with the current contract terms, conditions and funding limitations/availability.

If all invoice information is valid and funds are available, the COR must:

- Approve (legibly print name/sign/date) a hard copy of the invoice,
- Write the **Contract** and/or **Purchase Order Number** and **Purchase Order Line** on the hard copy invoice, and
- Return the approved invoice to OFM within three (3) calendar days after receipt from OFM, but no later than seven (7) days after the official Agency invoice receipt date.

Invoice Disputes: If the COR disputes all or a portion of the invoice, a detailed, written dispute should be sent by the COR to the supplier within seven (7) days after the official Agency invoice receipt date. Disputes should be issued to the supplier via email for tracking and verification purposes. OFM and the OA Procurement Contracting Officer (CO) must be cc'd on all COR disputes and resolution correspondence. Properly disputed invoice amounts are not subject to late payment interest during the period of dispute. In cases where only a portion of an invoice is disputed, the COR should clearly indicate approved and disapproved (disputed) amounts on the hard copy invoice document and forward the invoice **and dispute letter** to OFM for partial invoice payment.

Invoice Dispute Resolution: When the COR and supplier agree on an invoice dispute in which the final agreed upon amount is different from the original invoice, a corrected invoice should be submitted to CSOSA (OFM) by the supplier. When both the COR and supplier agree on an invoice dispute in which the final agreed upon amount is the same as the original invoice, the COR should submit the original invoice and all dispute/resolution documentation to OFM for payment. Failure to submit dispute/resolution documentation to OFM may result in erroneous late payment interest paid to the supplier.

Outstanding invoice disputes must **not** be allowed to linger. Invoice disputes that cannot be resolved within 30 calendar days should be formally elevated by the COR to the CO for resolution.

RETURN INVOICE TO: _____
633 INDIANA AVE, NW, ROOM: _____
RETURN DATE TO OFM SHOULD BE: _____

APPENDIX E

COMMON COR/OFM INVOICE and VOUCHER DISPUTE/REJECTION ISSUES

1. The vendor invoice does not reference a specific CSOSA contract number.
2. The vendor invoice does not reference a specific or correct contract CLIN for each invoiced item (for those contracts containing more than one CLIN).
3. OFM and/or COR is unable to obtain a copy of the procurement to verify that the invoiced good/service item was properly procured or determine the terms of the procurement.
4. The vendor invoice or voucher contains goods, services or fees that are not properly procured and/or authorized.
 - i. The particular invoiced good, service or fee is not included or funded on the procurement or authorization.
5. Vendor invoice amounts exceed the amount funded (obligated) or not to exceed (NTE) limits identified in the contract.
 - i. OFM may issue a partial payment up to the amount funded (obligated) on the contract.
6. The vendor has invoiced at a rate or amount that exceeds that identified in the contract.
 - i. OFM may issue a partial payment at the rate or amount funded in the contract.
7. Invoiced time periods in which goods or services were delivered to, and accepted by, CSOSA are outside of the period of performance identified in the contract.
8. The COR has authorized OFM to issue a partial payment due to disputed items; however, the COR did not provide OFM with a copy of the written vendor invoice dispute letter to justify the reduced payment.
9. The vendor invoice contains goods, services or amounts that may be invalid or erroneous.
 - i. Invoice contains services performed on a (likely) erroneous date, such as a Federal holiday or date of Government closure (due to inclement weather) without evidence of prior approval from the Contract Officer and or COR.
 - ii. Invoice supporting information does not reconcile to invoiced amounts or items.
 - iii. Invoice contains invalid computations.
10. The vendor invoice contains goods or services that are not allowable purchases (per Federal Appropriations Law).
11. A formally delegated and certified COR (or alternate COR) has not signed (approved) the vendor invoice.
 - i. OA Procurement identifies the official COR (and COR alternates) via the contract, a contract mod or other official notification to the vendor and ensures that the COR is properly trained and certified.

APPENDIX F

EXAMPLE - COR INVOICE DISPUTE LETTER

Date: May 10, 2015

CSOSA Contract Number: 14-CT-12345

Vendor: John Doe

Vendor Address: 1234 Indiana Avenue, NW, Washington, DC 20004

Vendor Telephone Number: 202-123-4567

Vendor Contact: ABC Incorporated (j.doe@abcinc.com)

Vendor Tax ID Number: 12-3456789

Vendor Invoice Number: 1001

Vendor Invoice Date: May 3, 2015

Vendor Invoice Amount: \$5,100

CSOSA Invoice Receipt Date: May 4, 2015 (Date Stamp)

CSOSA Approved Invoice Amount: \$4,500

CSOSA Disputed Amount: \$600

The purpose of this letter is to inform you that the Court Services and Offender Supervision Agency (CSOSA), Office of Facilities Management, has reviewed the attached invoice for validity and compliance with the terms and conditions of the contract. The CSOSA, Office of Facilities, has identified discrepancies in services invoiced in this invoice. As a result, CSOSA is processing a payment for the April 2015 invoice (Inv#1001) which is \$600 less than your invoice amount:

1. In accordance with contract 14-CT-12345 (Base Year: October 1, 2013 – September 30, 2014), the unit rate to provide monthly trauma group sessions is \$300.00 per session.
2. The April 2014 Invoice (Inv#1001) totals \$5,100. According to the invoice, ABC Inc. conducted a total a 15 trauma group sessions [$\$300 * 15 \text{ sessions} = \$4,500$] in April 2014. According to my records, these 15 sessions were performed by ABC Inc. on the dates/locations indicated and the charges are valid. However, this invoice also includes charges for two trauma sessions ($\$300 * 2 \text{ sessions} = \600) conducted on March 6, 2014 and March 8, 2014 at the 3850 South Capitol Street, SE, location. Based on my research and records, these two specific March 2014 sessions were previously invoiced by ABC Inc., and paid by CSOSA, on the March 2014 invoice (Inv#1000). As a result, CSOSA is disputing these two invoice items contained on Invoice #1001 and these amounts will not be paid at this time.

3. Listed below is a summary of the approved and disputed invoice amounts:

ABC Incorporated (Information obtained from the hard copy invoice)

Vendor Invoice Number	Service Month	Vendor Invoice Amount	CSOSA Disputed Invoice Amount	CSOSA Approved Invoice Amount
1001	April 2014	\$5,100.00	\$600.00	\$4,500.00

Please address any questions or concerns with this dispute, in writing, to me and the CSOSA Contracting Officer within thirty (30) calendar days after receipt of this document. Failure to address this dispute within thirty (30) calendar days indicates that CSOSA approved invoice amounts are final and the identified disputed invoice amounts are erroneous.

If, as a result of your timely response and justification, these disputed amounts are later determined by the Agency to be valid, CSOSA will process payment using the existing April 2014 invoice (Inv#1001).

When the Agency and the vendor agree on an invoice dispute in which the final agreed invoice items and/or amounts are different from those contained on the original invoice (Inv#1001), a new, corrected invoice (with a new, unique vendor invoice number) must be submitted by the vendor directly to the CSOSA Office of Financial Management (OFM) for processing.

Sincerely,

Jane Doe

Contracting Officer Representative
Office of Facilities Management, CSOSA
(202) 220-6666
Jane.Doe@CSOSA.GOV

Attachment

cc: Jane Dee, CSOSA Contracting Officer
James Doe, CSOSA Financial Management Specialist