



DEFENSE FINANCE AND ACCOUNTING SERVICE
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IN REPLY
REFER TO

DFAS-CO/JX

FEB 29 2000

MEMORANDUM FOR DIRECTOR, DFAS-CO/JJ
DIRECTOR, DFAS-CO/JR

SUBJECT: Interim Guidance 00-PRO-005 – BVN (Bureau Voucher Number) Special Payment Instructions

Please disseminate this guidance immediately to associates in the following areas:
Contract Input, Entitlement, CAR, and Reconciliation. In addition, this guidance can be accessed via the CED InfoWeb at (<http://infoweb-co-ced.dfas.mil>).

The attached Interim Guidance provides procedures for DFAS-CO associates to follow when dealing with the input, payment, or review/reconciliation of a cost-reimbursement contract. In accordance with the February 28, 1991, memorandum from the Director, Defense Procurement, billings for cost-reimbursement contracts must be made via a Standard Form 1034, Public Voucher for Purchases and Services Other Than Personal, commonly called BVNs.

MOCAS is designed to automatically prorate and pay BVN invoices across all ACRNs on a contract, unless BVN Special Payment Instructions have been entered in the system. **Effective with the date of this memorandum**, Contract Input associates will begin inputting BVN Special Payment Instructions into MOCAS **if any one** of the following conditions exist:

- a. There is an established **CLIN/ACRN relationship** in the contract,
- b. There are specific **payment** instructions in the contract, or
- c. There are specific **invoicing** instructions in the contract that affect payment.

BVN Special Payment Instructions will cause all BVN invoices to be reviewed and paid manually by the Voucher Examiner. **Effective with the date of this memorandum**, Voucher Examiner's will be responsible for the following actions:

a. Comparing the BVN Special Payment Instructions (input into MOCAS) against the information on the BVN (submitted by the Contractor) **prior to payment.**

b. If there are any differences, the VE **MUST** pull the contract to determine where the error occurred and take the appropriate action.

Effective with the date of this memorandum, associates in the Reconciliation Directorate will be responsible for the following actions:

a. For “J” Coded BVN invoices - Compare the BVN Special Payment Instructions (cited in the Contract) against the information on the BVN (submitted by the Contractor) **prior to payment.**

b. For any cost-reimbursement contract reconciliation - Compare the BVN Special Payment Instructions (cited in the Contract) against the information on all **previously paid BVNs.**

c. If there are any differences, the Reconciler **MUST** determine where the error occurred and take the appropriate action.

At this time the Voucher Examiner or Reconciler WILL ONLY return BVNs to the Contractor when the Contractor has failed to comply with the specific billing instructions cited in the contract.

Training on the attached Interim Guidance is currently under development and will be provided as soon as it is available. Associates **SHOULD NOT** wait on the training before implementing the attached procedures. **These procedures are effective immediately.**

The Policy and Procedures Branch is in the process of evaluating the June 1997 Change to Volume 10, Chapter 1, of the Financial Management Regulation (FMR), for its impact on the BVN payment process. As decisions are made and current practices changed (that affect the BVN payment process) additional guidance will be distributed to all impacted associates.

This interim guidance impacts Desk Procedure 201, Initial Contract Input, Desk Procedure 202, Processing Modifications and Corrections, Desk Procedure 401, Contractor Entitlement, and Desk Procedure 607, Contract Reconciliation. The changes outlined in this guidance will be incorporated as needed, into the next revision of the applicable procedures.

If there are any questions regarding this guidance, please contact Ms. Roseann Hurst, Financial Specialist, DFAS-CO/JXPA, at extension 3-4845.

/S/
C. J. Childers
Director
Operations Support

Attachment
As stated

cc:
DFAS-CO/JK
DFAS-CO/JJ Division Chiefs
DFAS-CO/JJ Branch Chiefs
DFAS-CO/JR Division Chiefs
DFAS-CO/JR Branch Chiefs
DFAS-CO/JX Supervisors
DFAS-PSO/HOFT
DCMC Liaison Office
DFAS Liaison Offices
CSRC