



## DEFENSE FINANCE AND ACCOUNTING SERVICE

P.O. BOX 182317  
COLUMBUS, OHIO 43218-2317

JUL 07 2005

DFAS-C/CO

MEMORANDUM FOR DEFENSE FINANCE AND ACCOUNTING SERVICE CLIENT EXECUTIVES  
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY  
DIRECTOR, DEFENSE CONTRACT AUDIT AGENCY

SUBJECT: Regulatory Change Regarding Requirement for Electronic Submission of Payment Requests  
– Defense Federal Acquisition Regulation Supplement (DFARS) Clause 252.232 – 7003

This memorandum serves to notify you that we have extended the deadline for the requirement of electronic submission of invoices for MOCAS paid contracts to August 1, 2005. The extension was granted to give the contractors an opportunity to work with their Contracting Officers and DFAS in obtaining waivers for the electronic submission requirement. Contractors that do not have the ability to submit invoices electronically have until July 22, 2005, to submit their documentation and rationale to the Contracting Officer and payment office. This information will be reviewed and a decision will be made as to whether the waiver request will be authorized. Since the electronic submission requirement specifically speaks to the submission of invoices, waivers will not be automatically granted based on the systemic inability of transmitting receipt or acceptance documents. We would also like to reiterate that the submission requirement is not limited to one electronic submission alternative. The contractors are able to use traditional Electronic Data Interchange, Web Invoicing System or Wide Area Workflow for their billing submissions. Each alternative has the capability for systemic or manual information uploads. Any non-electronic invoices submitted after August 1, 2005, will be rejected unless the contractor has received approval of their waiver request from the contracting officer and DFAS.

It is our hope that we can continue to work together as we implement this new requirement. It is respectfully requested that you disseminate this information throughout your organizations and Service elements. Copies of the contractor notifications have been attached for your information.

A handwritten signature in black ink, appearing to read "Jerry S. Hinton".

Jerry S. Hinton  
Director, Commercial Pay Services

Attachments:  
As stated

cc:  
Aerospace Industry Association  
Defense Industry Leaders  
National Association of Credit Managers  
Federal Government Receivables & Research Bureau



DEFENSE FINANCE AND ACCOUNTING SERVICE

P.O. BOX 182317  
COLUMBUS, OHIO 43218-2317

DFAS-C/CO

JUN 07 2005

MEMORANDUM FOR MECHANIZATION OF CONTRACT ADMINISTRATION  
SERVICES (MOCAS) CONTRACTORS

SUBJECT: Requirement for Electronic Submission of Payment Requests – Defense Federal  
Acquisition Regulation Supplement (DFARS) Clause 252.232-7003

This memorandum notifies your company that, beginning August 1, 2005, DFAS will reject any non-electronic invoices if required on the contract in accordance with subject clause unless the contractor has provided documentation/rationale to show that it is unable to submit the payment requests in electronic form. Contractors that do not have the ability to submit electronic invoices after August 1, 2005, should provide the documentation/rationale showing their inability to submit electronically to their contracting officer, with a copy provided to the payment office and servicing Defense Contract Audit Agency (DCAA) by July 22, 2005. The contracting officer and payment office shall review any such documentation/rationale submitted and notify the contractor as to whether paper invoices will continue to be accepted. Any non-electronic invoices submitted after August 1, 2005, shall be rejected unless the contractor has provided the documentation/rationale to the contracting officer and payment office by July 22, 2005.

Attached is an April 7, 2005, memorandum on this same subject that provides the initial notification of the intent to reject non-electronic invoices, as well as information regarding the various electronic submission options available.

  
Jerry S. Hinton

Director, Commercial Pay Services

Attachment:  
As stated



DEFENSE FINANCE AND ACCOUNTING SERVICE

P.O. BOX 182317  
COLUMBUS, OHIO 43218-2317

DFAS-C/CO

APR 07 2005

MEMORANDUM FOR MECHANIZATION OF CONTRACT ADMINISTRATION  
SERVICES (MOCAS) CONTRACTORS

SUBJECT: Regulatory Change Regarding Requirement for Electronic Submission of Payment Requests – Defense Federal Acquisition Regulation Supplement (DFARS) Clause 252.232 – 7003

The January 2004 update to DFARS requires contractors to electronically submit requests for payment. Effective July 1, 2005, the Defense Finance and Accounting Service - Contract Pay Services (MOCAS) - will enforce the requirement to use Electronic Commerce Submission, when the DFARS clause governs the contract. It should be noted that this initial requirement would only apply to those contracts paid by the MOCAS system.

DFARS Clause 252.232-7003 fully outlines the submission options and exceptions to the regulations. For your convenience the regulatory electronic submission options are outlined below:

- (a) Wide Area Work Flow (WAWF) - Receipt and Acceptance, <https://wawf.eb.mil>
- (b) Web Invoicing System - <https://ecweb.dfas.mil>; and
- (c) American National Standards Institute (ANSI) X.12 Electronic Data Interchange (EDI) formats – <http://www.X12.org> for information on EDI formats <http://www.dfas.mil/ecedi> for EDI implementation guides.
- (d) Another electronic form authorized by the Contracting Officer. “Electronic form” means any automated system that transmits information electronically from the initiating system to all affected systems. Facsimile, e-mail, and scanned documents are not acceptable electronic forms for submission of payment requests. However, scanned documents are acceptable when they are part of a submission of a payment request made using one of the above.

Listed below are the invoice types where an electronic submission solution exists and **must** be utilized for payment requests against MOCAS paid contracts if contractually required to do so.

- Firm Fixed Price - Commercial/DD250 - EDI/WInS/WAWF

- Cost Vouchers - Direct Submission - EDI/WInS/WAWF - DCAA Approval Required - WAWF Only
- Service billings requiring government official approval - Requires use of WAWF
- Mod-based billings - Requires use of WAWF - Structure shipment number as MOD and modification number. For example, billing IAW modification P00004 would be billed as MOD0004.
- Additional billing - Requires use of WAWF and attachment of documents that support billing
- Progress Payments - WAWF
- Performance Based Billings/Commercial Item Financing - WAWF

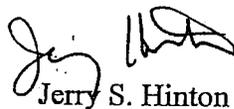
It is further understood that there are regulatory exemptions and other forms of payment requests that will be exempted from electronic submission due to known electronic limitations. These include payment requests for withholds, grants, cooperative agreements, short shipments, missing components, credit invoices, and transportation invoices. These payment requests can continue to be submitted via hard copy until such time as an electronic solution is developed.

Contract Pay Services will also publish information in the April edition of the Commercial Pay Corner Newsletter, [defenselink.mil/dfas/commpay/Contractor\\_Corner](http://defenselink.mil/dfas/commpay/Contractor_Corner), as well as within myInvoice (formerly the Vendor Pay Inquiry System - VPIS). A secondary notification will be provided to all contractors still submitting hard copy invoices during the month of May.

Rejection of invoices for non-compliance will begin on July 1, 2005. The reason for rejection will be stated as follows:

“Your payment request has been denied because it was not submitted electronically as required by DFARS 252.232-7003. If you are unable to submit invoices electronically, please contact the Contracting Officer, Administrative Contracting Office and this office to negotiate an alternative method for submitting payment requests.”

Information regarding electronic submission of payment requests can be obtained by accessing the DFARS Clause 252.232-7003. Additional questions and concerns may be addressed to our Customer Service Center at 1-800-756-4571, Option 1.



Jerry S. Hinton  
Director, Commercial Pay Services