



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.

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

Jerry S. Hinton

Director, Commercial Pay Services

Attachment:
As stated



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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, defenseink.mil/dfas/commmpay/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