

FACILITIES MAINTENANCE AND ENGINEERING PROCEDURE		
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SCOPE

This procedure details the review and payment process for all invoices received by the Facilities Maintenance and Engineering (FME) organization.

1.0 GENERAL

This process is structured on the assumption that a schedule of values was received from the contractor and accepted by SAIC-F. The schedule of values is the basis by which the value of completed work is verified by SAIC-F for payment. The schedule of values is a contract deliverable for most construction subcontracts. The exception is a milestone payment schedule. The SAIC-F Construction Subcontracts Department will, in the absence of a requirement for a schedule of values, specify the payment terms within the contract based upon the scope and value of the contract. Reference Standard Specification 01370 Schedule of Values for guidance on line items to be included in the contractor’s initial schedule of values.

2.0 PROCEDURE

The contractor may prepare a draft invoice using the AIA Document G702 and G703 Application and Certification for Payment form (Attachments A and B), or another acceptable invoicing document meeting the requirements of an acceptable invoice as defined in the Construction Subcontract Section G. The draft invoice must indicate the percentage of work correctly completed, by the date on the invoice, for each line item in the initial accepted schedule of values. This draft invoice will be reviewed by the COTR and/or the PM for validation of the completed percentage of the line item. Forward projection of work completed is unacceptable. The draft invoice shall be dated on or prior to the date of the submission to SAIC-F.

The SAIC-F reviewer shall walk the project down and verify the percentage of work complete for each item or category of work shown on the draft invoice. When the percentage complete as shown in the column titled “Work Completed This Period” is verified, it is marked with a check. Incorrect percentages shall be lined through and the verified percentage complete noted in the space next to the number. Note: the verified percentage complete may be greater than the contractor’s request. The reviewer shall make every effort to be fair in the interpretation of each line item on the invoice. It is SAIC-F’s intent to pay the contractor for all work correctly installed by the date of the invoice. A copy of the marked-up draft invoice shall be saved for comparison with the contractor’s certified invoice when it is received. The original marked-up draft is returned to the contractor for preparing the certified invoice.

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The contractor submits an original and two copies of the Certified Invoice to the Accounts Payable Clerk assigned to Construction Subcontracts. The Accounts Payable Clerk forwards the two copies of the certified invoice to the Construction Subcontracts Administrator assigned to the contract stamped with a “Reviewed by Construction Subcontracts” stamp. The Construction Subcontracts Administrator determines the Certified Invoice is a proper invoice under the requirements of the Construction Subcontract, initials and dates the proper invoice and returns it to the Accounts Payable Clerk for entry into the payment system (SmartStream). If the Certified Invoice does not meet the criteria for a proper invoice under the Construction Subcontract, the original Certified Invoice is requested in writing from the Accounts Payable Clerk by the Construction Subcontract Administrator. The Construction Subcontract Administrator prepares a cover letter stating the reason for the rejection and returns the original certified invoice to the contractor. A copy of the rejection letter (Attachment C) is forwarded to the FME Project Manager (PM) for the contract file. If the certified invoice is deemed a proper invoice, the Construction Subcontract Administrator attaches a Payment/Billing review coversheet (Attachment D) and an Invoice Payment Ledger (Attachment E) to a copy of the invoice and forwards it to the PM for signature.

The PM, upon receipt of the billing review package, may ask the COTR for concurrence on the comparison of the previously accepted draft copy to the submitted certified invoice. The COTR will initial the right hand side of the signature line on the Payment Review cover sheet if no exceptions are taken, and return it to the PM. All exceptions taken by the COTR must be discussed with the PM for action. The PM then circles the appropriate phrase, “Progress Payment” or “Final”, and marks the appropriate space indicating whether or not the invoice is eligible for payment. The PM will insert the invoice recommendation amount on the Payment/Billing Review coversheet; this amount must match the amount appearing in the first sentence of the Payment/Billing review coversheet and correspond with the amount for the current invoice shown on the Invoice Payment Ledger and the contractor’s Certified Application for Payment (Line 8, current payment due). The PM shall then sign in the appropriate space and return the package to the Construction Subcontract Administrator.

Any exception to the invoiced amount must be noted on the Billing Review package coversheet which shall be returned to the Subcontract Administrator for disposition. If appropriate due to performance issues, the PM shall recommend additional retainage to the Construction Subcontract Administrator. The Contracting Officer may then authorize the additional retainage from the invoice as per FAR Part 52-232-5(e), Payments Under Fixed-Price Construction Contracts, Retainage.