CHAPTER 8

★ANNEX 1★

CONTINGENCY OPERATION PAYMENT MATRIX

This annex provides a matrix tool to assist certifying officials in identifying the critical data elements necessary to properly certify a payment made in support of a military contingency operation. The matrix does not apply to contract financing payments since contract terms stipulate the invoicing and related documentation requirements.

As implemented, the Prompt Pay Act, permits DoD to exempt payments related to military contingency operations, 5 CFR 1315.1. When authorized for payments covered by 5 CFR 1315.1(b)(2) that are either certified for payment in an operational area, or are contingent upon the receipt of necessary supporting documentation (i.e., contract, invoice, receiving report) emanating from an operational area, the Head of the Contracting Activity (HCA), in consultation with the cognizant comptroller, will make the determination of whether a contract and related payment will be subject to the requirements of **FAR 32.9, "Prompt Payment"**. When a contract is exempted, appropriate clauses should be included in the individual contract.

- Military contingency operations payments made subject to PPA requirements must adhere to the payment documentation requirements contained in **5 CFR 1315.9**.
- Military contingency operations payments which are not subject to the PPA requirements must adhere to the documentation requirements contained in the following matrix.

The data elements contained in the matrix, in addition to other requirements which may be imposed by the contract terms or those deemed necessary by the certifying official, are critical requirements for ensuring proper certification. While it is prudent to consider all regulatory elements set forth in 5 CFR 1315 for a proper invoice, receiving report and contract when they are available for review by the certifier for subsequent processing of the payment, technically they are not required if the payment is not subject to FAR 32.9.

The matrix in this annex identifies the types of payments (e.g. construction, goods or services) that may be exempted from the PPA and the data elements that are required for each type of payment. The matrix is not intended to be all-inclusive, as one cannot anticipate all types of payments that will be made in contingency operations. Many commercial payments in a contingency operation will fall into the category of miscellaneous payments and as such may have different data element requirements associated with it.

The certifying official must use professional judgment to determine if a payment request and supporting documentation is sufficient to demonstrate that the payment is legal, correct and proper.

- Critical data element not on all documents. A critical data element may be missing from one document, but present somewhere in the payment package. While all critical, required data elements identified in the matrix for a specific type of payment must be present on the supporting documentation, these data elements do not have to be present on all the documents. In other words, if a required data element is contained on the invoice but not

the receiving report, and the certifying official can make a reasonable linkage between the two documents, then the certifying official may certify that payment.

- <u>Critical data element completely omitted</u>. When a payment package does not contain a critical data element as reflected in the matrix, before certifying a payment voucher the certifying official must have sufficient information to determine that there is: (1) a legal obligation to pay, (2) the payee has fulfilled any prerequisites to payment, (3) the amount of the payment and identity of the payee are correct, and (4) the payment is legal under the appropriation or fund involved.

In both scenarios, the certifying official should justify in writing why they certified the payment absent any required critical data element. This justification can either be made on the voucher or on a separate attachment provided with the voucher.

CRITICAL ITEMS NECESSARY FOR CONTINGENCY PAYMENT CERTIFICATION MATRIX

Data Element	Contracts			Leases	Purchase Card Payments
	Services	Goods	Construction		
Contract Number	X	X	X	X	X
Contractor Name	X	X	X	X	X
Contractor Address	X	X	X	X	X
Item Description	X	X	X	X	X
Item Quantity		X			
Item Price		X			
Fiscal Year & Appropriation	X	X	X	X	X
Invoice Date or date invoice received by Government Official	X	X	X		X
Invoice Amount	X	X	X		X
Date of receipt/acceptance	X	X		X	X
Printed Name of Government Official	X	X	X	X	X
Signature of Government Official	X	X	X	X	X
Tax Identification Number (TIN) - (when required)	X	X	X	X	X

CRITICAL POLICY COMPLIANCE REQUIREMENTS:

1. A contract, receiving report, and invoice are required documents. The elements identified in the matrix must be present on at least one of the documents.

2. Cash payments require the seller's signature of receipt attached to the voucher.

3. For payments for services of a recurring nature, if the contract does not require submission of an invoice for payment, then the contract must specify the payment due date.

4. An interim payment request under a cost reimbursement contract for services constitutes a proper invoice, if it correctly includes all of the information required by the contract.

5. Progress payments based on the percentage of completion need to be certified by the prime contractor.

6. The TIN is required for all payees subject to the U.S. Internal Revenue Code.

7. Documentation for miscellaneous payments varies, based on the specific type of payment. See *Chapter 12* of this volume and the *Department of Defense Guidebook for Miscellaneous Payments* for additional guidance.

8. Any missing data elements that are not present on at least one of the supporting documents must be justified in writing why they are missing, and the justification attached to or annotated on the certified voucher.

9. If transportation costs are claimed or shipment damage occurs or is expected to occur, shipping terms should be considered as a critical element.