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Forestry

# United States Department of the Interior

**BUREAU OF INDIAN AFFAIRS**  
Midwest Regional Office  
Bishop Henry Whipple Federal Building  
One Federal Drive, Room 550  
Ft. Snelling, MN 55111

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U.S. Department of the Interior  
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Memorandum

To: Superintendents, Midwest Region  
Red Lake Trust Forester  
Menominee Trust Forster

From: Regional Director, Midwest Region

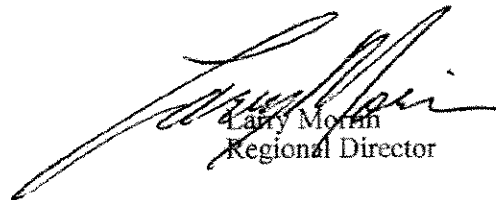
Subject: Forestry Invoice Review and Approval Procedures

The following procedures are to be used in the Midwest Region when reviewing and approving forestry invoices made through a means other than 638 contracts. These procedures will be incorporated into a Regional Program/Project Management Handbook at a later date. Please advise tribes under your jurisdiction as you feel appropriate. This policy is retroactive to October 1, 2000 for projects not completed and invoiced.

The purpose of this policy is to firmly establish government accountability and program integrity standards throughout the Region for the Forestry program. The bulk of the workload involving invoices is with the Wildfire Management program through agreements with tribes, tribal entities or inter-agency partners. The vast majority of invoices received for payment meet this policy and should require no additional administrative work beyond what is already done. These procedures are necessary, as we manage the Wildfire Management program through agreements with our partners, to ensure the fiduciary integrity of the program. They will further ensure that our partners are promptly reimbursed for their critical services.

Every individual with the responsibility of review and approval of invoices is charged to ensure program integrity, accountability and compliance with Congressional intent. Reimbursement invoices must contain sufficient information to demonstrate that the payment is within the scope of the designated program intent. The Contracting Officer may impose higher reporting and supporting documentation standards at any time during the life of the project to ensure that payment is an allowable cost in accordance with the Federal Acquisition Regulations.

Questions on implementation of the procedures may be directed to Jay R. West, Regional Forester at (612) 713-4400 extension 1147.

  
Larry Moran  
Regional Director

Attachment

**X.X Invoice Administrative Requirements.**

**A. Policy.** It is Midwest Regional policy that invoices made through Regional Memorandums of Agreement or Understanding be reviewed and approved by a Bureau official as close to where the actual work takes place or the invoice is prepared. In most cases this will be at the Agency or reservation level.

**B. Designated Representative.** The Regional Contracting Officer (CO) will appoint a Designated Representative (DR) for each agreement. (This DR may be a Contracting Officer's Technical Representative, Awarding Official's Representative, etc.) It will be the responsibility of the DR to approve invoices received and forward them to the appropriate Regional forestry program manager for payment.

**C. The Invoice.** Invoices will be made on official stationary of the organization. The invoice will indicate the amount to be reimbursed. If in-kind contributions are required, the amount of in-kind contribution will be noted. A faxed invoice is acceptable. The invoice itself will contain the statement:

“ I certify that this invoice and supporting data are accurate and complete to the best of my knowledge and belief; that the amount of this invoice accurately represents the expenditures on the project(s) identified in this invoice; and that I am duly authorized to make the above certification on behalf of       (name of organization)      ”

Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

The invoice will contain a project name, agreement number and other specific identification to tie it to a funding proposal, contract scope of work or agreement. A project funding code will be included when applicable. The invoice will indicate if this is a “**partial**” or “**final**” invoice for the project.

(1) **Supporting Documentation.** Invoices will require different amounts of supporting documentation appropriate with the program, scope of work, work plan or other enabling agreement. At a minimum the invoice will have supporting documentation that shows:

(a) A cost summary that breaks the invoiced costs into line items from the original project proposal, work plan, burn plan or other enabling document. The invoice will include the original funding for each line item when appropriate and the amount of funding remaining unclaimed to date. A spread sheet will fulfill this obligation. Total project costs may not be exceeded but funding may be moved between line items with prior documented approval from by DR.

(b) A map of where the work was done. A narrative statement may be used when the item involves an administrative function or task at a known location.

(c) Who preformed the work.

(d) The quantity of work done and a summary of the cost per unit of work when appropriate.

(e) The date(s) or period that the work was done.

(f) Who verified the work was accomplished and complete. This may be a signature on the invoice or a signature on inspection reports.

(g) The invoice or cover letter will contain a statement on the invoice if this is a "PARTIAL" or "FINAL" invoice.

(2) **Suppression Invoice.** Suppression invoices will contain the same information as other invoices but the DI 1202, Fire Report, encoded into the Shared Access Computer System (SACS) or its replacement will serve in place of items b, c, d, and e, above. A suppression invoice will not be processed without the Fire Report being encoded into the SACS. If a suppression invoice includes multiple initial attack fires in a single day, costs may be charged to a single fire code for accounting purposes but a narrative statement will indicate what fire numbers costs were billed to the single fire number and a Fire Report for each fire entered into the SACS.

**D. Bureau Invoice Approval.** The approval that an invoice contains proper documentation, allowable costs and that the work performed was satisfactory is the responsibility of the DR. (Only a Regional Warranted Contracting Officer has the authority to authorize payment of an invoice.) Within the Midwest Region's Forestry Program, each jurisdiction has a DR for projects and agreements for which oversight authority has been delegated to the field. The DR will:

(1) Immediately date stamp the invoice when received. This starts the "prompt pay" clock running.

(2) Determine, within seven days, whether the invoice is acceptable. See section C below.

(3) Review the invoice for administrative accuracy.

(4) For a reservation suppression invoice verify that the DI 1202 has been entered into the SACS. If it has not the invoice is unacceptable.

- (5) Verify that the expenditure is appropriate and within the scope of the approved project. This may require a field inspection.
- (6) Review supporting documentation for accuracy, appropriateness and reasonable cost.
- (7) Check the accounting codes (for suppression invoices there will be no accounting code).
- (8) Prepare a cover memo with the invoice to the Regional CO for payment processing. Include the statement, "The attached invoice and documentation have been reviewed by me and I recommend payment in the amount of \$xx,xxx.xx." Sign and date the cover memo. Forward the cover memo and invoice through the appropriate Regional forestry program manager.

**E. Unacceptable Invoices.** There are a number of reasons that an invoice may be found unacceptable. Each reason dictates a different action by the DR. When an invoice is found unacceptable, the Government is not compelled to make payment within the time period of the Prompt Pay Act. Instead the Government will issue a notice of intent to disallow costs (FAR Subpart 42.8) within seven days of receipt of the invoice. When an invoice is disallowed within the seven days the Prompt Pay Act will not apply for that invoice. An invoice can be unacceptable for the following reasons.

- (1) **Insufficient Documentation.** The invoice will be returned for insufficient documentation if an initial review reveals an error or lack of sufficient supporting documentation. The DR will forward the invoice, with an indication of the missing documentation under a cover letter to the invoicing party.
- (2) **Invoice Submitted, Work Not Acceptable.** The DR will forward the package to the Regional CO, through the appropriate Regional forestry program manager, for action under a cover memo indicating that the work is unacceptable and that payment is not warranted.
- (3) **Invoice Submitted, Charge Excessive.** The DR will forward the package to the Regional CO, through the appropriate Regional forestry program manager, for action under a cover memo indicating that the work is acceptable but that the payment requested is excessive.
- (4) **Invoice Submitted, Work Not Performed.** The DR will forward the package to the Regional CO, through the appropriate Regional forestry program manager, for action under a cover memo indicating that the invoice appears fraudulent as the work, or some portion thereof, has been invoiced but not been performed.

**F. General.** To avoid multiple billing, double payments for the same costs or improper prompt pay calculations the DR is responsible for as follows:

- (1) Keeping track of invoices submitted for payment by project or program by fiscal year.
- (2) Notifying the Regional CO via memo, through the appropriate Regional forestry program manager, when an invoiced cost is appropriate and indicate that it should be paid by forwarding the invoice and supporting documentation for processing or recommend that the payment should be disallowed and forward a draft of the appropriate notification letter to the CO through the appropriate Regional forestry program manager.
- (3) Notifying the Regional CO following the "final" invoice and recommend that the CO issue a release of claims so that any remaining unspent money may be deobligated or a bill be issued for excess funds if an advance was made.
- (4) Informing the appropriate Regional forestry program manager when an invoice is being paid that was previously problematic. The Regional Finance Office will be informed. This avoids prompt pay calculations on the original invoice date.
- (5) Maintaining a record of the invoice to aid in tracking missing payments.