



**OFFICE OF ADMINISTRATION
DIVISION OF CONTRACTS**

**ACQUISITION INSTRUCTION
#2013-03**

**TO: DIVISION OF CONTRACTS STAFF AND
REGIONAL ACQUISITION PERSONNEL
Procurement Policy Team**

FROM:

DATE: August 8, 2013

SUBJ: Contractor Invoice Reviews

PHASE: Contract Administration

**LAST
REVISION: N/A**

REF: FAR Part 32 – Contract Financing

PURPOSE:

The purpose of this document is to provide general invoicing guidance to facilitate quality reviews of contractor invoices by the Contracting Officer's Representative (COR) and Contracting Officer (CO).

BACKGROUND:

An audit report issued in September 2012 by the Office of the Inspector General (OIG) found various inconsistencies and irregularities in the COR invoice review and approval process. A thorough review of the COR invoice review process by an independent contractor also detected inconsistencies and questioned costs during the invoice review process. Accordingly, the agency has developed guidance information and checklists to assist employees during their review of contractor invoices. Please refer to the invoice review guidance in the NRC Enterprise Acquisition Toolset (NEAT) at:

[/Libraries/DocumentDownloadHandler.ashx?LibraryDocumentID=772](#). This information has been incorporated into the NRC's *Acquisition Guidebook for Contracting Officer's Representatives*:

[http://portal.nrc.gov/edo/adm/dc/pms/Acquisition%20Guidebook%20for%20Project%20Officers%20Project/Acquisition%20Guidebook%20for%20Contracting%20Officer%27s%20Representatives%20\(CORs\).doc](http://portal.nrc.gov/edo/adm/dc/pms/Acquisition%20Guidebook%20for%20Project%20Officers%20Project/Acquisition%20Guidebook%20for%20Contracting%20Officer%27s%20Representatives%20(CORs).doc).

COR Invoice Review Checklists were developed to primarily assist CORs and are optional. However, COs may require the use of these checklists for contracts or orders that possibly present significant cost risk to the U.S. Government.

1. (Cost-Reimbursement)
[/Libraries/DocumentDownloadHandler.ashx?LibraryDocumentID=621](#)
2. (Fixed-Price)
[/Libraries/DocumentDownloadHandler.ashx?LibraryDocumentID=624](#)
3. (Time-and-Materials and Labor-Hour)
[/Libraries/DocumentDownloadHandler.ashx?LibraryDocumentID=627](#)

POLICY:

1. It is the policy of the U.S. Nuclear Regulatory Commission (NRC) to review invoices thoroughly to ensure adequate information (proper rationale and documentation) exists to support payment of contractor invoices in a timely manner. Adherence to this policy will result in payment of costs which are allowable, allocable, and reasonable; and avoid interest penalties due to late payments pursuant to the Prompt Payment Act (PPA), as implemented in FAR Subpart 32.9 – “Prompt Payment.”
2. The CO is ultimately responsible for protecting the Government’s interests and should conduct general monitoring of invoices and periodic post-payment invoice reviews, in coordination with the COR, to ensure compliance with contractual requirements. Periodic invoice reviews are strongly encouraged in exercising good due diligence practices and should occur at least once on an annual basis at the level and breadth determined to be appropriate by the CO. Invoice reviews provide assurances that paid invoices included adequate rationale and support documentation for proper payment to occur.

APPLICABILITY: This guidance is applicable to contracts and orders above the \$25,000.