32.905 Payment documentation and process.

(a) *General*. Payment will be based on receipt of a *proper invoice* and satisfactory contract performance.

(b) Content of *invoices*.

(1) A *proper invoice must* include the following items (except for interim payments on cost reimbursement contracts for services):

(i) Name and address of the contractor.

(ii) *Invoice* date and *invoice* number. (Contractors *should* date *invoices* as close as possible to the date of mailing or transmission.)

(iii) Contract number or other authorization for *supplies* delivered or services performed (including order number and *line item number*).

(iv) Description, quantity, unit of measure, unit price, and extended price of *supplies* delivered or services performed.

(v) Shipping and payment terms (*e.g., shipment* number and date of *shipment*, *discount for prompt payment* terms). Bill of lading number and weight of *shipment* will be shown for *shipments* on Government bills of lading.

(vi) Name and address of contractor official to whom payment is to be sent (*must* be the same as that in the contract or in a proper notice of assignment).

(vii) Name (where practicable), title, phone number, and mailing address of person to notify in the event of a defective *invoice*.

(viii) *Taxpayer Identification Number (TIN)*. The contractor *must* include its TIN on the *invoice* only if required by agency procedures. (See 4.9 TIN requirements.)

(ix) *Electronic funds transfer (EFT)* banking information.

(A) The contractor *must* include EFT banking information on the *invoice* only if required by agency procedures.

(B) If EFT banking information is not required to be on the *invoice*, in order for the *invoice* to be a *proper invoice*, the contractor *must* have submitted correct EFT banking information in accordance with the applicable *solicitation* provision (*e.g.,* 52.232-38, Submission of *Electronic Funds Transfer* Information with *Offer*), *contract clause* (*e.g.,* 52.232-33, Payment by *Electronic Funds Transfer-System for Award Management*, or 52.232-34, Payment by *Electronic Funds Transfer*-Other Than *System for Award Management*), or applicable agency procedures.

(C) EFT banking information is not required if the Government waived the requirement to pay by EFT.

(x) Any other information or documentation required by the contract (*e.g.,* evidence of *shipment*).

(2) An interim payment request under a cost-reimbursement contract for services constitutes a *proper invoice* for purposes of this subsection if it includes all of the information required by the contract.

(3) If the *invoice* does not comply with these requirements, the *designated billing office must* return it within 7 days after receipt (3 days on contracts for meat, meat food *products*, or fish; 5 days on contracts for perishable agricultural commodities, dairy *products*, edible fats or oils, and food *products* prepared from edible fats or oils), with the reasons why it is not a *proper invoice*. If such notice is not timely, then the *designated billing office must* adjust the *due date* for the purpose of determining an interest penalty, if any.

(c) *Authorization to pay*. All *invoice payments*, with the exception of interim payments on cost-reimbursement contracts for services, *must* be supported by a *receiving report* or other Government documentation authorizing payment (*e.g.,* Government certified voucher). The agency receiving official *should* forward the *receiving report* or other Government documentation to the *designated payment office* by the 5th working *day* after Government acceptance or approval, unless other arrangements have been made. This period of time does not extend the *due dates* prescribed in this section. Acceptance *should* be completed as expeditiously as possible. The *receiving report* or other Government documentation authorizing payment *must*, as a minimum, include the following:

(1) Contract number or other authorization for *supplies* delivered or services performed.

(2) Description of *supplies* delivered or services performed.

(3) Quantities of *supplies* received and accepted or services performed, if applicable.

(4) Date *supplies* delivered or services performed.

(5) Date that the designated Government official-

(i) Accepted the *supplies* or services; or

(ii) Approved the progress payment request, if the request is being made under the clause at 52.232-5, Payments Under Fixed-Price *Construction* Contracts, or the clause at 52.232-10, Payments Under Fixed-Price Architect-Engineer Contracts.

(6) *Signature*, printed name, title, mailing address, and telephone number of the designated Government official responsible for acceptance or approval functions.

(d) *Billing office*. The *designated billing office must* immediately annotate each *invoice* with the actual date it receives the *invoice*.

(e) *Payment office*. The *designated payment office* will annotate each *invoice* and *receiving report* with the actual date it receives the *invoice*.

Parent topic: Subpart 32.9 - Prompt Payment