



JUL 11 2007

National Institutes of Health
Bethesda, Maryland 20892
www.nih.gov

IMPORTANT INVOICE/PAYMENT INFORMATION (UPDATE)

Dear Contractor:

The following is an update to my previous letter (copy attached) transmitting revised invoice submission instructions for all acquisitions awarded and/or administered by the NIH:

1. **Invoice Number:** Each payment request must be identified by a unique invoice number, which can only be used one time regardless of the number of contracts or orders held by an organization (or business unit identified by a separate DUNS or DUNS+4 number). For example, if a contractor has already submitted an invoice numbered 05 on one of its contracts or orders, it cannot use that same invoice number on any other contract or order. Payment requests with duplicate invoice numbers will be considered improper and will be returned to the contractor.

The NIH does not prescribe a particular numbering format but suggests using a job or account number for each contract and order followed by a sequential invoice number (example: 8675309-05). The only parameters for the invoice number are that it must be limited to 30 characters. There are no restrictions on the use of special characters, such as colons, dashes, forward slashes, or parentheses.

If all or part of an invoice is suspended and the contractor chooses to reclaim those costs on a supplemental invoice, the contractor may use the same unique invoice number followed by an alpha character, such as "R" for revised (example: 8675309-05R).

2. **Vendor Identification Number (VIN):** Inclusion of the VIN number on the invoice is not required if the invoice identifies the contractor's DUNS or DUNS+4 number.
3. **Contractor's Name, Address, and Points of Contact:** The contractor's name, address, and points of contact must be legible on the invoice. We have noticed that some of the required information has been added by using a label that ends up covering other portions of the invoice.
4. **Central Point of Distribution:** The email address for the Central Point of Distribution is unique to each contract. These email addresses are required and are identified in the Invoice Submission Article in Section G of the contract. If you have not received a modification to your contract(s), and have not been given the Central Point of Distribution, please contact your Contracting Officer. The email addresses may vary among and within the Offices of Acquisition at the NIH, and are used to route the invoices to the proper office for processing.
5. **Description of Supplies/Services:** When submitting invoices under contracts with quantity based, line item pricing, the item description, unit of measure, and unit price must match those specified in the contract. For example, if the contract specifies 1 box of hypodermic needles (100/box) with a unit price of \$50.00, then the invoice must state 1 box, hypodermic needles (100/box), \$50.00, not 100 syringes at \$0.50 each. Invoices that do not match the line item pricing in the contract will be considered improper and will be returned to the contractor.
6. **Freight or Delivery Charges:** All freight and delivery charges must be identified as a separate line item on the invoice.

If you have any questions, please contact your Contracting Officer. Thank you for your cooperation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Diane J. Frasier". The signature is fluid and cursive, with a large initial "D" and a long horizontal stroke at the end.

Diane J. Frasier
Head of the Contracting Activity and
Acting Director, Office of Acquisition and Logistics Management, OM, NIH

Attachment



IMPORTANT INVOICE/PAYMENT INFORMATION

Dear Contractor/Vendor:

On June 4, 2007, the National Institutes of Health (NIH) is launching the second wave of the NIH Business System, which is an agency-wide, integrated financial and administrative computer system. Included in this system is a new process for handling payment requests that requires a change to the current invoice submission procedures. This letter provides information for both contracts and simplified acquisitions.

A. For contracts, existing awards will be modified to include the revised invoice submission instructions. Effective June 4, 2007, payment requests under contracts must be submitted as follows:

1. One original to the following Designated Billing Office: **(Note: An original paper copy of the invoice must be received by the Designated Billing Office to be considered a "proper invoice" in accordance with FAR Subpart 32.9.)**

National Institutes of Health
Office of Financial Management
Commercial Accounts
2115 East Jefferson Street, Room 4B-432, MSC 8500
Bethesda, MD 20892-8500

2. One copy to the following Approving Official:

Contracting Officer
National Institutes of Health
Name of Office of Acquisitions
Building and Room Number
Street Address and Mail Stop Code
City, State, and Zip Code
E-mail: **(Note: The Contracting Officer may require the Approving Official copy to be submitted electronically as an attachment to an email.)**

3. In addition to the content requirements specified in FAR 32.905(b)(1) for a proper invoice, the Contractor must include the following information on all payment requests:

- (a) Name of the Office of Acquisitions.*
- (b) Central Point of Distribution.*
- (c) Vendor Identification Number.* **(Note: This only applies to new contracts awarded on/after June 4, 2007, and any existing contract modified to include the number.)**
- (d) DUNS number or DUNS+4, as registered in CCR.
- (e) Identification of whether payment is to be made using a two-way or three-way match.* **(Note: Generally, a two-way match will be used for contracts/orders that acquire services, where payment is not tied to specific deliverables. A three-way match, generally, will be used for contracts/orders that acquire supplies, where payment is tied to specific deliverables.)**

** This information will be provided in your contract.*

4. The ADB Contract Number is no longer required on invoices. [The ADB number is the 10 digit number that appears in the upper left hand corner of the contract face page (SF-26), e.g., N01-CO-4-1234.] This is replaced by the Vendor Identification Number.
- B. For simplified acquisitions, the procedures for submitting invoices to the Office of Financial Management, Commercial Accounts, remain the same. However, effective June 4, 2007, payment requests under simplified acquisitions will be slightly modified. For Blanket Purchase Agreement Records of Call (which will be renamed BPA Calls), Purchase Orders, Professional Services Orders, Repair Orders, and Reprint Orders (all of which will be renamed Purchase Orders), and Contract Records of Call (which will be renamed task orders/delivery orders), the following information must be included on all invoices:
- Name and address of the Contractor/Vendor.
 - Invoice date.
 - Order number, and where applicable, main agreement number (e.g., BPA, contract).
 - Description, quantity, unit of measure, unit price, and extended price of supplies delivered or service performed.
 - Shipping and payment terms (e.g., shipment number and date of shipment, prompt payment discount terms).
 - Name and complete mailing address where payment is to be sent per ACH information on record.
 - Name (where practicable), title, telephone number and mailing address of person to be notified in event of a defective invoice.
 - DUNS number or DUNS+4, as registered in CCR.
 - Vendor Identification Number. (**Note: This only applies to new purchase orders, task/delivery orders, and BPAs awarded on/after June 4, 2007. The Vendor Identification Number is a 7 digit number that appears after the vendor's name on the face page of the award document in the block where the contractor's name and address appear.**)
 - Any other information or documentation required by the order (e.g., evidence of shipment).

NIH contractors and vendors are also reminded that it is their responsibility, unless exempt by FAR 4.1102(a), to ensure the completeness and accuracy of the information in the Central Contractor Registration (CCR) database. Contractors and vendors that are not registered in CCR must ensure that NIH has current, accurate, and complete data to process its payment requests. The Government is not responsible for late payments that result from inaccurate or incomplete data.

If you have any questions, please contact your Contracting Officer or Purchasing Agent. Thank you for your cooperation.

Sincerely,



Diane J. Frasier
Head of the Contracting Activity and
Director, Office of Acquisition Management and Policy, OA, OM, NIH