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| <br><b>Oregon Department<br/>of Transportation</b><br><br><h1 style="text-align: center;">Procurement<br/>Standards for<br/>Invoice<br/>Requirements</h1> | NUMBER<br><b>OPO-STD-003-Consultant</b>   | SUPERSEDES<br>n/a                                   |
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|  | REVISION DATE<br><b>September 10, 2020</b>  |   |
|  | REFERENCE<br><br>48CFR Part 31 Federal Contract Costs “Unallowable Charges”<br>FASM 3.8 Withholding Retainage<br>FASM Definitions - Separation of Duties<br>FAR 31.201 to 31.205 Allowable and Reasonableness<br>Invoice Requirements/Standards<br>OAM 40.10.00 Non-travel Expenditures<br>OAM 15.400.110 to 112 Payments<br>OAM 10.40.10 Statewide Travel<br>ORS 293.462(4) 45-day Law<br><a href="http://www.gsa.gov">www.gsa.gov</a> |   |
| SUBJECT<br><br><b>Invoice Review</b>   | APPROVED SIGNATURE<br><br>Melissa Canfield,<br>Chief Procurement Officer  | PROGRAM CONTACT<br><br><b>Oversight Coordinator</b> |

## 1.0 PURPOSE

This Standard is intended to provide guidance on Consultant invoice standards and the Agency’s invoice review expectations.

## 2.0 GUIDELINES AND REQUIREMENTS

### 2.0.1 GENERAL

The ODOT Chief Procurement Officer (CPO) is responsible for the oversight of all Agency procurement activity.

### 2.0.2 APPLICABILITY

This Standard applies to all A&E and Related Services contracts executed by the Agency.

### 2.0.3 REFERENCE

ODOT Procurement Office (OPO) Invoice Requirements/Standards for Consultants.

### 2.0.4 POLICY

All Invoices shall follow the requirement standards specified within the

- Agency executed Price Agreement (PA), Contract, or Work Order Contract (WOC);
- Oregon Accounting Manual; and

- Invoice Requirements Standards.

## 2.0.5 DEFINITIONS

**“Contract Administration”** involves those activities performed by Agency officials after a contract has been awarded to determine how well the Agency and the consultant performed to meet the requirements of the contract. This encompasses all dealings between the Agency and the consultant from the time the contract is awarded until the work has been completed and accepted or the contract terminated, payment has been made, and disputes have been resolved.

**“Contract Administrator”** is the Agency’s employee named in a contract as "Agency's Contract Administrator" (if a Contract Administrator is not named within a WOC the "Agency's Project Manager" is also responsible for the role of Contract Administrator). Contract Administrator is responsible for verifying the terms of the contract are met by both parties, including compliance and technical specifications, schedule, and cost aspects of the contract. The Contract Administrator may delegate in writing a portion of the Contract Administrator’s responsibilities to a technical representative for specific day-to-day administrative activities for each contract (OAR 731-146-0050(3)). However, the responsibility for administration of the contract or WOC remains with the Contract Administrator.

**“CFR”** means Code of Federal Regulations

**“CPFF”** means Cost Plus Fixed Fee

**“FAR”** means Federal Acquisition Regulation

**“OAM”** means Oregon Accounting Manual

**“OAR”** means Oregon Administrative Rules

**“ORS”** means Oregon Revised Statute

**“PA”** means Price Agreement

**“T&M”** means Time and Materials

**“WOC”** means Work Order Contract

Oregon Department of Transportation  
Procurement Standards for

**INVOICE REQUIREMENTS**

Table of Contents

1.0 PURPOSE ..... 1  
2.0 GUIDELINES AND REQUIREMENTS ..... 1  
3.0 OVERVIEW ..... 2  
    **3.1 Accelerated Partial Payment**..... 2  
    **3.2 Roles and Responsibilities**..... 3  
4.0 QUICK REFERENCE MATRIX ..... 4  
5.0 INVOICE PREPARATION & SUBMITTAL REQUIREMENTS ... 7  
    **5.1. Invoice Submittal Requirements Detail** ..... 7  
    **5.2. Supporting Documentation for Invoice Submissions**..... 7  
    **5.3. Progress Report Submittal Requirements** ..... 8  
    **5.4. Progress Report Data Requirements Details** ..... 9

### 3.0 OVERVIEW

The objective of this document is to provide the requirements for consultants in the preparation and review of invoices to mitigate the time spent and to provide consistency throughout the Agency state-wide. This standard will do the following:

- Provide requirements for submitting invoices for payment;
- Develop state wide consistency in invoice requirements and format;
- Provide standard requirements of supporting documents for approved travel, or Other Direct Costs, Subcontractor invoices, etc,
- Provide standard time required for Agency Project Managers, or other Agency staff to review invoices.

ORS 293.462(4) requires claims for payment to be made within 45 days from the latest of the following dates:

- The date of receipt of the invoice;
- The date of the initial billing statement, if no invoice has been received; or
- The date the claim is made “certain” by agreement of the parties involved or by law.

### 3.1 Accelerated Partial Payment

To improve the timeliness of invoice payments to consultants and their sub-consultants, ODOT has implemented invoice partial payments, when applicable. The intent is to have accelerated partial payments reach sub-consultants in a timely manner.

#### Application

Accelerated partial payment requirements apply to PAs, contracts, and WOCs (also collectively referred to herein as “Contract” or “Contracts”) with Time & Materials or Cost Plus Fixed Fee as the predominant payment method. All other payment methods will follow the regular invoice process.

#### Accelerated Partial Payment Percentage, Timing, and Invoice Requirements

When applicable, an accelerated partial payment will be made following preliminary review for conformance with invoice submittal requirements and ODOT has deemed the invoice acceptable. The preliminary review will be to the level ODOT, in its discretion, deems appropriate.

Accelerated partial payments will be 40% of the total invoiced amount for the billing period.

ODOT will endeavor to make accelerated partial payments as soon as practicable following receipt and preliminary acceptance of the invoice by ODOT. Such accelerated partial payments will be made prior to Agency’s complete invoice review for accuracy, reasonableness, and conformance with Contract requirements and these Procurement Standards for Invoice Requirements.

## Remaining Balance Payment Invoice Requirements

For invoices on which partial payment has been made, the remaining balance will be paid in accordance with the payment terms set forth in the Contract. Notwithstanding the 45 calendar days allowed for payment under the Contract's payment terms, ODOT will endeavor to complete the full invoice review and approve and make payment of the remaining balance due within 30 calendar days of receipt of the originally submitted invoice, provided consultant has met the Contract's performance and invoice submittal requirements. If revisions to the invoice are necessary, ODOT will endeavor to make payment within 30 calendar days from Agency's receipt of the revised and properly completed invoice.

ODOT reserves the right to hold the remaining invoice balance, short pay the invoice, or invoke any other rights and remedies in the Contract, until the consultant has met the Contract's performance and invoice submittal and payment to subcontractor requirements.

### **3.2 Roles and Responsibilities**

#### ODOT Contract Administrator (CA) Invoice Responsibilities

The CA is responsible for ensuring the terms of the Contract are met by both parties, including compliance reviews, technical specifications, tasks and cost aspects of the Contract. Such as:

- Perform compliance review to ensure the invoice documentation and amounts comply with requirements of the Contract.
- Perform reasonableness review to ensure the amounts invoiced are reasonable for the services that were provided during the billing period.

#### Consultant Invoice Responsibilities

The Consultant is responsible for performance of all services, deliverables and work associated with the Contract or amendment and the issuance of invoices in proper format requesting payment for the work as agreed in the Contract. The proper format of submitted invoices must include all invoice requirements necessary and all Contract submittal requirements.

#### 4.0 QUICK REFERENCE MATRIX

| Invoice Data Requirements                                 | Methods of Compensation |     |      |
|---|-------------------------|-----|------|
|   | Fixed Price             | T&M | CPFF |
| PA/Contract Number  | x                       | x   | X    |
| WOC Number  | x                       | x   | X    |
| Total amount due for the billing period.                  | x                       | x   | X    |
| Invoice Number  | x                       | x   | X    |
| Invoice Date  | x                       | x   | X    |
| Billing Period  | x                       | x   | X    |
| Consultant Name, Address, Phone                           | x                       | x   | X    |
| Agency Project Manager Name                               | x                       | x   | X    |
| Remit address (must match consultant address of record).  | x                       | x   | X    |
| Overhead & FCCM   |                         | x   | X    |
| Consultant's Project Manager Name                         | x                       | x   | X    |
| Name/Classification of Employee "Working on Project"      |                         | x   | X    |
| Number of Labor Hours                                     |                         | x   | X    |
| Employee Direct Salary Rate or NBR as applicable          |                         | x   | X    |
| Task Numbers from Contract                                | x                       | x   | X    |
| Percent Complete of Each Task/Deliverable (if applicable) | x                       | x   | X    |
| Milestone Name and Numbers from Contract (if applicable)  | x                       | x   | X    |
| Milestone Percent Complete (if applicable)                | x                       | x   | x    |

| Invoice Submittal Requirements   | Methods of Compensation |     |      |
|--|-------------------------|-----|------|
|  | Fixed Price             | T&M | CPFF |
| "Printed" Font Size is to be legible or at least 12 pt.                                | x                       | x   | X    |
| Submitted Monthly (or as indicated in the Contract)                                    | x                       | x   | X    |
| 1 Copy of Supporting Documents   |                         | x   | X    |
| Progress Reports   | x                       | x   | X    |
| Separate Invoice per Contract  | x                       | x   | x    |
| Subcontractor Invoices   |                         | x   | x    |
| Consultant Invoices/Receipts for Other Direct Cost(s)                                  |                         | x   | x    |
| Travel Expense Receipts  |                         | x   | x    |
| Overhead & FCCM  |                         | x   | x    |
| Paid Summary Report<br>(required for any Contract or WOC that includes subcontractors) | x                       | x   | x    |

| Invoice Requirements for Contingency Tasks   | Methods of Compensation |     |      |
|--|-------------------------|-----|------|
|  | Fixed Price             | T&M | CPFF |
| Amounts billed for authorized contingency tasks must be identified as separate line items from amounts billed for non-contingency (required) tasks (Notice-to- Proceed for each authorized contingency task must be kept on file). The amount for a contingency task must include all labor, overhead, profit, and expenses for the task. Direct non-labor expenses for contingency tasks must not be included in an overall amount for direct non-labor expenses applied to the budget for the non- | x                       | x   | x    |

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| contingency tasks.   |  |  |          |
| Include a breakdown of the costs and supporting documentation as required for the method of compensation selected in the Contract for the invoiced contingency task. |  |  | <b>x</b> |

| <b>Additional Invoice Requirements for Fixed-Price</b>   | <b>FP</b> |
|--|-----------|
| For Fixed-Price compensation using “Monthly Progress Payments for Percentage of Services Completed” payment option, Consultant invoices shall be limited to an amount commensurate with the percentage of the total Services (including deliverables) that were completed in the month invoiced. | <b>x</b>  |
| Consultant shall prepare invoices based on the Fixed-Price amount (or Fixed-Price per Unit amounts) indicated in the Contract.   | <b>x</b>  |
| Invoices for any tasks, contingency tasks or ODCs that are specified as T&M in an otherwise Fixed-Price Contract must include the detailed breakdown and documentation applicable to T&M compensation as required elsewhere in this document.  | <b>x</b>  |

| <b>Additional Invoice Requirements for T&amp;M</b>  | <b>T&amp;M</b> |
|---|----------------|
| Total Not-to-Exceed (NTE) amount (less unauthorized contingency amounts); total amount previously invoiced; total charges for current billing period  | <b>x</b>       |
| Breakdown of labor cost by task (task/subtask names and numbers as specified in the Contract) for Prime Contractor and subcontractors.<br>Include: <ul style="list-style-type: none"> <li>• Employee names and classifications applicable to the work performed for the billing period.</li> <li>• For each employee, indicate: <ul style="list-style-type: none"> <li>• Their actual direct salary rate (within the max identified on the ESR approved for the PA/Contract)</li> <li>• Overhead rate, FCCM and profit fee applied to arrive at the loaded rates, or indicate the fully loaded NBR rate.</li> <li>• Provide a breakdown of the number of hours worked per employee and the total labor amount.</li> </ul> </li> </ul> | <b>x</b>       |
| Breakdown of Other Direct Charges (ODC), including travel costs. Enter name of vendor or the in-house ODC item (for travel costs, show employee name), description of ODC, invoice or reference number, unit price, number of units, ODC cost for the line item. For supporting documentation, attach: <ul style="list-style-type: none"> <li>• Vendor receipts are required for ODCs;</li> <li>• Receipts for approved lodging, rental cars, airfare (receipts are not required for approved meal per diem).</li> <li>• Long-Term Lodging and Per Diem</li> </ul>  | <b>x</b>       |
| Paid Summary Report must be attached to Prime Consultant’s invoice. Summary must include: <ul style="list-style-type: none"> <li>• Subcontractor name</li> <li>• Total hours and total cost for all subcontractors who performed work during the billing period</li> </ul>  | <b>x</b>       |
| Name of the Consultant’s Project Manager (CPM) (Invoice must be signed by Consultant’s PM if not submitted electronically via email).   | <b>x</b>       |

| <b>Additional Invoice Requirements for Cost Portion of CPFF</b>  | <b>CPFF</b> |
|--|-------------|
| Total Not-to-Exceed (NTE) amount (less unauthorized contingency amounts); total amount previously invoiced; total charges for current billing period | <b>x</b>    |
| Name of the “current” ODOT Project Manager; not necessarily the name specified on the  | <b>x</b>    |

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|--|----------|
| contract. Name of the Contractor's Project Manager (Invoice must be signed by Contractor's PM if not submitted electronically via email).  |          |
| Breakdown of labor cost by task (as defined in the Contract) for Prime Contractor and subcontractors. Include: <ul style="list-style-type: none"> <li>Employee names and classifications applicable to the work performed for the billing period.</li> <li>For each employee, indicate: <ul style="list-style-type: none"> <li>Direct salary rate (within the max identified on the ESR approved for the PA/Contract)</li> <li>Overhead rate and FCCM applied to direct salary rates (<b>do not apply profit to billing rates</b>)</li> <li>Fully loaded rates for subs using NBRs, if any.</li> <li>Provide a breakdown of the number of hours worked per employee and the total labor amount.</li> </ul> </li> </ul> | <b>x</b> |
| Breakdown of Other Direct Charges (ODC), including travel costs. Enter name of vendor or the in-house ODC item (for travel costs, show employee name), description of ODC, invoice or reference number, unit price, number of units, ODC cost for the line item. For supporting documentation, attach: <ul style="list-style-type: none"> <li>Vendor receipts are required for ODCs;</li> <li>Receipts for approved lodging, rental cars, airfare (receipts are not required for approved meal per diem).</li> <li>Long-Term Lodging and Per Diem</li> </ul>   | <b>x</b> |
| Summary of subcontractor invoices on Prime Contractor's invoice. Summary must include: <ul style="list-style-type: none"> <li>Subcontractor name, total hours and total cost for all subcontractors who performed work during the billing period.</li> </ul> For supporting documentation, attach subcontractor invoice and breakdown of costs.  | <b>x</b> |
| Identify on invoice: <ul style="list-style-type: none"> <li>Total Fixed Fee amount for the Contract</li> <li>Amount of the Fixed Fee due (if any) for the period invoiced.</li> </ul> -Invoicing and payment of the Fixed Fee must be in conformance with the Fixed Fee payment methodology identified in the Contract. If no Fixed Fee payment methodology is identified in the Contract, the invoicing and payment of Fixed Fee will be for progress payments commensurate with the percentage of work completed (services and deliverables that the Fixed Fee is associated with) during the billing period.  | <b>x</b> |
| Summary of total labor hours, total labor amount, total ODC amount, and total cost for Prime Contractor and subcontractor(s) for the billing period.   | <b>X</b> |

| <b>Additional Invoice Requirements for Fixed-Fee Portion of CPFF</b>   | <b>CPFF</b> |
|--|-------------|
| Total Fixed Fee dollar amount set forth in the Contract/WOC  | <b>x</b>    |
| Amount of Fixed Fee paid to date   | <b>x</b>    |
| Percentage of the Contract/WOC services completed during this billing period (include details in monthly progress report)                      | <b>x</b>    |
| Fixed Fee amount due for this invoice (total Fixed Fee amount multiplied by percentage of Contract/WOC services completed this billing period) | <b>X</b>    |

\*Invoices submitted in hard copy (instead of via email) require signature by the Consultant's Project Manager.

\*\*Follow all submittal requirements according to the Contract.

## 5.0 INVOICE PREPARATION & SUBMITTAL REQUIREMENTS

An invoice packet consists of a detailed invoice for the Contract and supporting documentation for charges during the billing period as well as additional documentation required by your Contract. Invoice packets must be submitted in a timely manner and in accordance with the terms of the Contract. Your Contract may require that additional information be submitted. Please see your Contract for submittal instructions.

*Note: Consultants may abbreviate classifications, project titles, task names/titles and other items on their invoices. As long as they are legible, and clearly shows what they are billing*

**The following requirements shall apply when submitting invoices.**

### 5.1. Invoice Submittal Requirements Detail

- ◆ The invoice must be submitted monthly and on the Consultant letterhead stationary or invoice form.
  - The beginning date must not be sooner than the Notice-to-Proceed date for the Contract, or within any previous billing periods.

*Note: Invoice required information is listed in Section 4.0 “Quick Reference Matrix” at the beginning of this document.*

Revised Invoices: If submitting a revised invoice, the invoice number should reference the previously submitted invoice. If submitting a revised invoice, keep the original date, and place an “R”, “revised”, or “REVISED” after the invoice number. Something to show that the invoice has been revised and resubmitted. This will insure that there will be no duplicate payments. Consultants do not need to submit revised invoices with a new invoice number.

Method of compensation and basis for payments are specified in the Contract. Unless the Contract states otherwise, invoices shall be submitted by email to the address indicated in the Contract.

### 5.2. Supporting Documentation for Invoice Submissions

For cost reimbursement type Compensation (T&M or CPFF), the Consultant shall submit one copy of supporting or backup documentation with their invoice.

For Fixed Price (FP) Compensation, supporting documents are not required. Although the Consultant does not need to submit supporting documentation for fixed price amounts, Consultant should be aware that all costs related to the Contract must be justified in its files for audit purposes. *Note: Fixed Price Compensation does not require supporting/backup documents for labor or ODC.*

Support documents include such things as:

- ◆ Mileage: Requires a breakdown of all miles being charged with name of person traveling, destination, purpose of trip and total miles for each trip. If a mileage log is kept for travel, this is the best for submittal. Google maps are also acceptable.
- ◆ Copies: Requires receipt if an outside vender is used. If internal copying is charged to a project, copy logs or some other form of documentation must be submitted identifying how many copies and a method for tying back to the project.
- ◆ Travel:
  - Hotel receipts are required for all lodging. ODOT will reimburse approved short-term lodging up to the per diem for the county/location.
  - For approved travel that exceeds 30 calendar days at any one location, reimbursement will be in conformance with the “Long-Term Lodging and Per Diem” provisions in Exhibit B of the Contract or PA.
  - Meals for non-overnight stay will be reimbursed subject to the rules of the Oregon Accounting Manual and lunch is never compensable for non-overnight stay.
- ◆ Supplies: Vendor payments, sub-consultants, and miscellaneous expenses all require receipts.
- ◆ Subcontractor/Subconsultant invoices: Requires the invoice data requirements and submittal requirements of the Consultant as noted in Section 4.0 as well as the support documents in this section.
- ◆ Total Contract Amount (less unauthorized contingency amounts); total amount previously invoiced; total charges for current billing period.

**Note:** *Per OAM 40.10.00 paragraph 128, requirements of the State Travel Policy (or more stringent Agency requirements set forth in the contract, PA or this Invoice Requirements document) govern any travel reimbursements to personal service Consultant. For additional details regarding travel expenses see the following:*

- OAM 40.10.00 (paragraphs 109 through 111) Travel
- OAM 40.10.00 (paragraph 112 through 116) Meal Per Diem.
- OAM 40.10.00 (paragraphs 134 & 135) Receipt Requirements

The above list is not all-inclusive, and the ODOT Contract Administrator or Project Manager may request that the Consultant also provide supporting documents such as copies of timesheets or employee time summaries (to include the employee name, date(s) worked, number of hours worked on each project per day), logs for copier charges or any other documentation for charges related to the performance of work performed under the Contract.

### **5.3. Progress Report Submittal Requirements**

1. A Progress Report must be prepared and a copy attached to invoices submitted for payment for each Contract. (Per Contract specifications)
2. All documents submitted must be legible. To meet ADA standards please use 12 point font for readability.
3. Each progress report must cover the period invoiced.

**Note:** **At all times, the CA must ensure the submitted progress report conforms to the requirements of the applicable Contract .** In most cases, this information can be found in

ODOT's PA or contract, Exhibit B, Compensation, and Invoicing section. **Example Language: Progress Reports.** *Each monthly invoice must include a progress report. The monthly progress report must cover the period invoiced and, at minimum, must:*

- *Describe the previous month's WOC activities and the planned activities for the next month;*
- *For each task/deliverable, identify the percentage completed during the month and the cumulative percentage completed;*
- *Reconcile progress of each task/deliverable with the schedule and budget identified for each.*
- *Identify issues/concerns that may affect the WOC schedule or budget.*

#### **5.4. Progress Report Data Requirements Details**

1. Show Contract No. or PA and WOC Numbers, Description of Contract, Contract Period of Performance, and Consultant's name. Also, show the date of the Progress Report on the upper right hand corner.
2. Total Contract Amount shown on the Contract. If the Contract was amended for a cost increase, show the amended amount and have a note below indicating original Contract amount.
3. Total of all previous invoices for Contract.
4. Contract Total Remaining = Contract Total – Contract Total Billings to Date.
5. Contract Begin Date.
6. Contract End Date.
7. Document control information (e.g. Project, date, page numbers) on each page of the Progress Report.
8. Summary of work performed during the period of performance identified on the invoice, which at a minimum must include:
  - Describe the previous month's project activities and the planned activities for the next month.
  - For each task/deliverable identify the percentage completed during the month and the cumulative percentage completed.
  - Reconcile progress of each task/deliverable with the schedule identified for each.
  - Identify issues and/or concerns that may affect the project Statement of Work (SOW) or schedule.
  - Describe activities performed on contingency task(s), percent complete, and task/deliverable schedule and identify any issues or concerns that may affect the performance and/or completion of the task(s).
  - Any other information required in the Contract to be included in the Progress Report.