

June 7, 2013

Number 2008-02

1. **Material Transmitted:** The attached pages contain revisions to the Department of Veterans Affairs Acquisition Regulation (VAAR) Parts 832 and 852.
2. **Summary of Changes:** This VA Acquisition Update provides revisions to the VAAR. It incorporates final rule RIN 2900-AN97, as published in Federal Register Notice 77 FR 70709, November 27, 2012. It requires contractors to submit payment requests in electronic form in order to enhance customer service, departmental productivity, and adoption of innovative information technology, including the appropriate use of commercial best practices.
3. **Effective date:** December 27, 2012.
4. **Revisions:** Any language that is ~~Strikethrough~~ is being removed from the VAAR and additions will be annotated by [Brackets].

~~Subpart 832.10—Electronic Invoicing Requirements~~

~~832.1001 Contract clause for Electronic Submission of payment requests.~~

~~In all solicitations and contracts in which the VA Financial Services Center (FSC) in Austin, Texas is the financial office administering the invoicing and payments, the contracting officer shall insert the clause found at [852.273-76, Electronic Invoice Submission](#).~~

~~852.273-76 Electronic Invoice.~~

As prescribed in [832.1001](#), insert the following clause:

ELECTRONIC INVOICE SUBMISSION (Interim ~~—OCT 2008~~)

~~(a) To improve the timeliness of payments and lower overall administrative costs, VA strongly encourages contractors to submit invoices using its electronic invoicing system. At present, electronic submission is voluntary and any nominal registration fees will be the responsibility of the contractor. VA intends to mandate electronic invoice submission, subject to completion of the federal rulemaking process. At present, VA is using a 3rd party agent to contact contractors regarding this service. During the voluntary period, contractors interested in registering for the electronic system should contact the VA's Financial Services Center at <http://www.fsc.va.gov/einvoice.asp>.~~

CHAPTER 8—DEPARTMENT OF VETERANS AFFAIRS

Subchapter E—General Contracting Requirements

PART 832—CONTRACT FINANCING

Source: 77 FR 70709, Nov. 27, 2012, unless otherwise noted.

[Subpart 832.70—Electronic Invoicing Requirements

[832.7000](#) General.

[832.7001](#) Definitions.

[832.7002](#) Electronic Payment Requests.

[832.7002-1](#) Data Transmission.

[832.7002-2](#) Contract Clause.

Subpart 832.70—Electronic Invoicing Requirements

832.7000 General.

This subpart prescribes requirements and procedures for submitting and processing payment requests in electronic form.

832.7001 Definitions.

As used in this subpart:

(a) *Contract financing payment* has the meaning given in [FAR 32.001](#).

(b) *Designated agency office* has the meaning given in [5 CFR 1315.2\(m\)](#).

(c) *Electronic form* means an automated system transmitting information electronically according to the accepted electronic data transmission methods identified in [VAAR 832.7002-1](#). Facsimile, e-mail, and scanned documents are not acceptable electronic forms for submission of payment requests.

(d) *Invoice payment* has the meaning given in [FAR 32.001](#).

(e) *Payment request* means any request for contract financing payment or invoice payment submitted by a contractor under a contract.

832.7002 Electronic Payment Requests.

(a) The contractor shall submit payment requests in electronic form unless directed by the contracting officer to submit payment requests by mail. Purchases paid with a Government-wide commercial purchase card are considered to be an electronic transaction for purposes of this rule, and therefore no additional electronic invoice submission is required.

(b) The contracting officer may direct the contractor to submit payment requests by mail, through the United States Postal Service, to the designated agency office for:

- (1) Awards made to foreign vendors for work performed outside the United States;
- (2) Classified contracts or purchases when electronic submission and processing of payment requests could compromise the safeguarding of classified or privacy information;
- (3) Contracts awarded by contracting officers in the conduct of emergency operations, such as responses to national emergencies;
- (4) Solicitations or contracts in which the designated agency office is a VA entity other than the VA Financial Services Center in Austin, Texas; or
- (5) Solicitations or contracts in which the VA designated agency office does not have electronic invoicing capability as described above.

832.7002-1 Data Transmission.

The contractor shall submit electronic payment requests through:

(a) VA's Electronic Invoice Presentment and Payment System (See Web site at <http://www.fsc.va.gov/einvoice.asp>); or,

(b) A system that conforms to the X12 electronic data interchange (EDI) formats established by the Accredited Standards Center (ASC) chartered by the American National Standards Institute (ANSI). The X12 EDI Web site (<http://www.x12.org>) includes additional information on EDI 810 and 811 formats.

832.7002-2 Contract Clause.

The contracting officer shall insert the clause at [852.232-72](#), Electronic submission of payment requests, in all solicitations and contracts.】

PART 852—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

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Subpart 852.2—Texts of Provisions and Clauses

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[852.232-72 Electronic submission of payment requests.

As prescribed in [832.7002-2](#), insert the following clause:

ELECTRONIC SUBMISSION OF PAYMENT REQUESTS (NOV 2012)

(a) *Definitions.* As used in this clause-

- (1) *Contract financing payment* has the meaning given in [FAR 32.001](#).

(2) *Designated agency office* has the meaning given in [5 CFR 1315.2\(m\)](#).

(3) *Electronic form* means an automated system transmitting information electronically according to the accepted electronic data transmission methods and formats identified in paragraph (c) of this clause. Facsimile, e-mail, and scanned documents are not acceptable electronic forms for submission of payment requests.

(4) *Invoice payment* has the meaning given in [FAR 32.001](#).

(5) *Payment request* means any request for contract financing payment or invoice payment submitted by the contractor under this contract.

(b) *Electronic payment requests*. Except as provided in paragraph (e) of this clause, the contractor shall submit payment requests in electronic form. Purchases paid with a Government-wide commercial purchase card are considered to be an electronic transaction for purposes of this rule, and therefore no additional electronic invoice submission is required.

(c) *Data transmission*. A contractor must ensure that the data transmission method and format are through one of the following:

(1) VA's Electronic Invoice Presentment and Payment System. (See Web site at <http://www.fsc.va.gov/einvoice.asp>.)

(2) Any system that conforms to the X12 electronic data interchange (EDI) formats established by the Accredited Standards Center (ASC) and chartered by the American National Standards Institute (ANSI). The X12 EDI Web site (<http://www.x12.org>) includes additional information on EDI 810 and 811 formats.

(d) Invoice requirements. Invoices shall comply with FAR 32.905.

(e) *Exceptions*. If, based on one of the circumstances below, the contracting officer directs that payment requests be made by mail, the contractor shall submit payment requests by mail through the United States Postal Service to the designated agency office. Submission of payment requests by mail may be required for:

(1) Awards made to foreign vendors for work performed outside the United States;

(2) Classified contracts or purchases when electronic submission and processing of payment requests could compromise the safeguarding of classified or privacy information;

(3) Contracts awarded by contracting officers in the conduct of emergency operations, such as responses to national emergencies;

(4) Solicitations or contracts in which the designated agency office is a VA entity other than the VA Financial Services Center in Austin, Texas; or

(5) Solicitations or contracts in which the VA designated agency office does not have electronic invoicing capability as described above.

(End of clause)]