

How to Process Commercial Invoices

What does this document do?

This document gives the procedures for processing commercial invoices for payment. It details the responsibilities and steps involved.

Who must follow the procedures in this document?

You must follow these procedures if you are a [Contracting Officer](#), a Financial Services Team Member, a [Certifying Official](#), or a [Disbursing Official](#).

What is the policy on processing commercial invoices?

A requisition and an accounting system commitment must precede all contracts or orders for commercial goods or services. Commercial vendors must send all invoices to the central fax number for validation and control. All invoices must also include a Payment Reference Number—a unique alpha-numeric character string consisting of the obligating document number and suffix that links the invoice amount to an unliquidated obligation.

What is the governing authority for processing commercial invoices?

When you handle Commercial invoices you must follow the provisions in:

U.S. Code: [31USC902](#),

Treasury's [Prompt Payment Regulations](#),

Part 32 of the [Federal Acquisition Regulations](#), and

Office of Management and Budget requirements contained in [5 CFR Part 1315](#).

How does the procedure for processing commercial invoices work?

The process involves 5 basic steps:
(click a link below to go directly to that step)

1. [Validate the contractual obligations in the accounting system](#)
2. [Receive, validate, and control the invoice](#)
3. [Certify the invoice](#)
4. [Process the invoice for payment](#)
5. [Disburse the funds](#)

The 5 steps for processing commercial invoices

1 Validate the contractual obligations in the accounting system

As an RMD Financial Services Team Member, you must **When?**

- | | |
|--|-------|
| a. Review the daily procurement system <i>Contractual Obligating Document Report</i> and ensure all documents are present. | Daily |
| b. Produce the contract obligation reconciliation report from the procurement system and provide it to the Chief, Financial Services Branch. | Daily |
| c. File the obligating documents in the Financial Services contract file in Payment Reference Number order. | Daily |

2 Receive, validate and control the invoice

As an RMD Financial Services Team Member, you must **When?**

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|---|-----------------------|
| a. Date stamp the invoice and enter the required information into the automated invoice control log . The standard method for receiving invoices is via fax or e-mail. Even though the fax machine may print a receipt date and time and the e-mail message may show the date sent, you must always use the Payment Office date stamp to record the official receipt. | When you receive them |
| b. Check the invoice to be sure it is proper and complete. Sort invoices into two categories: proper and improper | Daily |

