


# Process Consultant/Agency Invoices

Transportation Planning Branch		Approved: January 3, 2008 Version 1
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## **Purpose**

The purpose of this procedure is to define the main administrative actions for NCDOT in processing invoices from private engineering firms or other public agencies, both hereinafter referred to as Contractors. Agencies include cities, towns, counties or other State Agencies that the Transportation Planning Branch (TPB) may enter into reimbursable agreements with.

## **Background**

Funds may be provided to Contractors to carry out transportation planning activities. Funds may also be provided to Agencies to implement CMAQ, or other projects that support the transportation planning process.

Funds are provided on a reimbursable cost basis through the North Carolina Department of Transportation (NCDOT). The Contractor invoices NCDOT based on allowable costs incurred (as described in the Contract Scope of Work, or Interagency Agreement). (See "[Contract Administration-Procurement of Consultant Services](#)" ([future link](#)) and "[Interagency Agreements-Creating](#)" procedure). The TPB Project Manager (PM) reviews the completed work and approves the invoice. NCDOT in turn pays the Contractor.

## **Responsibility**

The Contractor is responsible for preparing and submitting monthly, quarterly, biannual, or yearly invoices to the PM.

The PM reviews and approves the invoice. The PM is responsible for ensuring that the work is being accomplished in accordance with the contract scope of services or the approved agreement.

## **Policy, Regulatory, and Legal Requirements**

NCDOT Consultant Procurement Procedures - Those procedures are established in the Department's "[Policies and Procedures for Major Professional or Specialized Contracts](#)." According to these procedures, professional and specialized contracts are defined as project

management, technical assistance, etc. In addition, these requirements are also passed on to Agencies who may be receiving funds to implement projects through Interagency Agreements.

## ***Scheduling and Time Constraints***

- Invoices may be submitted monthly, quarterly, biannually, or yearly.
- Payment is normally made within 30 days of a correct invoice receipt.

## ***Procedures***

The PM should follow the steps below to properly process Contractor invoices for payment. Payments made under these provisions are for expenditures paid by the Contractor prior to claiming reimbursement from the NCDOT.

<b>Step</b>	<b>Action</b>
<b>1</b>	<p><i>Contractor Submits an Invoice for Allowable Expenditures.</i></p> <p>The Contractor submits an invoice for allowable expenditures to the PM (See <a href="#">sample invoice</a>). The invoice should be submitted in duplicate and include:</p> <ul style="list-style-type: none"> <li>• Cover letter stating the period for which reimbursement is being sought and a summary of the work being completed. It should also state whether any payments were made to subcontractors. If yes, then payments to subcontractors must be summarized on the invoice.</li> <li>• Expenditure Report showing the percent work complete and amount requested per line item for period.</li> <li>• Detailed description of work completed for each line item that reimbursement is requested.</li> </ul> <p><b>Note:</b> Invoices can be submitted monthly quarterly, biannually, or yearly.</p>
<b>2</b>	<p><i>Review Invoice and Prepare Memo Approving Payment.</i></p> <p>The PM reviews the invoice and prepares a memo to NCDOT's Chief Financial Officer approving the (see <a href="#">Sample Invoice Memo</a>). By approving the invoice, the PM is certifying that the Contractor has completed the work for which they are requesting reimbursement.</p> <p>Two copies of the invoice should accompany the memorandum. Items to check for include:</p> <ul style="list-style-type: none"> <li>• Are there any mathematical errors?</li> <li>• Is reimbursement for an item included in the approved contract/agreement?</li> <li>• Is the total amount invoiced less than the total amount approved for the contract?</li> <li>• Has the work being invoiced for actually been completed?</li> </ul>
<b>3</b>	<p><i>Enter Approving Memo and Invoice into BSIP.</i></p> <p>The memo approving the invoice from the Contractor is given to Contract Administrator (CA) for entry into the Business Systems Improvement Project (BSIP). Current CAs include Travis Marshall (PEF and Agency Invoices) and Donna Stallings (Agency (CMAQ) invoices). All transactions are maintained in BSIP.</p>
<b>4</b>	<p><i>Approve Invoice for Payment.</i></p> <p>Once entered in BSIP, the invoice enters workflow and is approved by the Branch</p>

	Manager and the Fiscal Section. The PM can check the status of payments by contacting the CA that entered the invoice.
<b>5</b>	<i>Send Payment.</i> Once approved, the Fiscal Section forwards payment either electronically (electronic fund transfer (EFT)) or via check to the Contractor. Payment is normally made within 30 days of a correct invoice receipt.
<b>6</b>	<i>Close Out Contract</i> Once the Fiscal Section pays the final invoice, the contract is automatically closed in BSIP. Once payment has been made, the PM should send a letter to the Contractor notifying them that the contract is complete and all payments have been made. For Agreements, the PM should also copy the Agreements Unit in Fiscal so they can close out the agreement. <Contract Closeout Generic.doc> Any remaining funds that were committed against the work breakdown structure (WBS) are released.

## **Warnings and Precautions**

The PM must review the invoice to ensure work has been completed. By signing the memo, the PM is approving the invoice for the Department and verifying that the invoice is correct and that it may be paid.

## **Resources and Tools**

[Sample Invoice Memo](#)

[Sample Contract Closeout Memo](#)

[Sample Contractor Invoice](#)

## **Contacts**

For suggestions to change this procedure contact: Earlene Thomas (919) 733-4705

For question about performing this procedure contact: Travis Marshall (919) 733-4705

## **Glossary**

Business Systems Improvement Project (BSIP)

Contract Administrator (CA)

Congestion Mitigation and Air Quality (CMAQ)

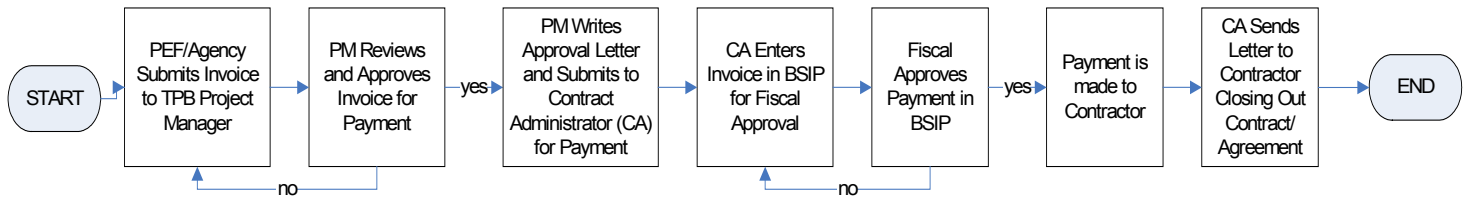
Electronic Fund Transfer (EFT)

Project Manager (PM)

Work Breakdown Structure (WBS)

## **User Access**

Restricted NCDOT, FHWA, Consultants, etc.



**Flowchart**