

WAWF-RA was still being tested. *DOD Response:* The various versions of WAWF-RA go through a number of tests before deployment. For example, WAWF-RA, Version 3.0, currently is being tested, with full deployment anticipated in the spring of 2003. The respondent needs to contact DCMA again for further guidance.

6. *Comment:* DOD has not yet put into place fully functional electronic commerce systems that interface with all DOD payment systems for all invoice types. For example, the WAWF-RA system will not currently accept the electronic submission of the following invoice types: performance-based payments, commercial financing requests, invoices containing withholds, corrected invoices, credit invoices, and classified invoices. *DOD Response:* Classified invoices are exempt from the electronic submission requirement in accordance with DFARS 232.7002(a)(3). The other types of invoices and financing requests will be addressed in a future version of WAWF-RA.

7. *Comment:* The benefits of DOD's successful "Direct Submittal" initiative needs to be retained. If invoices must be routed through WAWF-RA rather than directly to the payment systems, WAWF-RA functionally should enable "Direct Submittal" approved contracts to route automatically through to the payment office without any DCMA or Defense Contract Audit Agency (DCAA) manual intervention. To facilitate the electronic payment of invoice requests, government payment practices should be evaluated, and DCMA, DCAA, and the Defense Finance and Accounting Service (DFAS) should issue clear guidance to eliminate, wherever possible, invoice backup documentation and administrative contracting officer (ACO) approvals. *DOD Response:* Submission of invoices under "Direct Submittal" approved contracts will be addressed in a future WAWF-RA version, which is currently being tested.

8. *Comment:* The WAWF-RA system has a major problem, namely, it only allows for 1 MG of attachments. *DOD Response:* WAWF-RA is being modified to accept attachments up to 5 MG.

9. *Comment:* The respondent tried in the past to sign up for Web invoicing, but could not use the application because of a restriction on its use if the DD Form 250 (Material Inspection and Receiving Report) had to be signed by an ACO. Is the restriction still in effect, or is there another form of transmission that can accommodate a signed DD Form 250? *DOD Response:* DFARS 252.246-7000, Material Inspection and Receiving Report, has been revised to state that using WAWF-RA to submit

material inspection and receiving information fulfills the requirement for a DD Form 250. WAWF-RA will support ACOs electronically signing material inspection and receiving information when they are accepting supplies or services or when they are approving service invoices.

10. *Comment:* There is a conflict between the proposed DFARS coverage and the existing DFARS concerning the use of DD Form 250, which can be used as a receiving report and/or invoice. Suggest that the language in existing DFARS 246.370 or DFARS Appendix F, Material Inspection and Receiving Report, be revised to conform to the objectives of the WAWF-RA program. *DOD Response:* Concur. Each delivery of supplies or services (except deliveries under Fast Payment Procedures—FAR subpart 13.4) requires evidence of acceptance, which is normally documented by a DD Form 250. Prior to implementation of this rule, DFARS 252.246-7000 required the contractor to prepare and submit the DD Form 250 by following the instructions in DFARS Appendix F. The conflict arose because the DFARS required contractors to submit a paper copy of DD Form 250, whereas the proposed DFARS rule required contractors to submit payment requests, including material inspection and receiving reports, in electronic form. To eliminate the conflict, the rule has been revised at DFARS 252.246-7000 to state that contractor submission of material inspection and receiving information by using the WAWF-RA electronic form fulfills the requirement for a material inspection and receiving report.

11. *Comment:* Exclude DD Form 250 from initial coverage under DFARS 232.7002(b). It will be more cost-effective at the outset to allocate scarce resources to comply first with the statutory requirement for electronic submission of *invoices* and then focus on developing an electronic solution for processing the DD Form 250 receiving reports and other supporting documentation. *DOD Response:* Section 1008(a) Public Law 106-398, as implemented by DFARS 232.7002(b), directs DOD officials to process payment requests and "any additional documentation necessary to support the determination and payment" of the payment requests (e.g., material inspection and receiving information) electronically. The legislation does not permit exclusion of the information on the DD Form 250 from the electronic processing requirement, unless the contractor is not required to submit the payment request electronically.

12. *Comment:* October 1, 2002, is premature for implementation of this requirement:

a. Recommend that DOD not require electronic payment in solicitations until after June 30, 2003; this will give more time for the process to mature and for problems to be worked out.

b. The proposed implementation date of October 1, 2002, is not possible for several reasons, including that the WAWF-RA system is not sufficiently programmed to accept all contract invoices, and training will take time.

c. To avoid a huge influx of vendors on October 1, 2002, new solicitations over \$100,000 should be implemented on October 1, 2002, and solicitations under \$100,000 should be phased in over the next year.

d. For the past several years, the respondent's company has been in the process of converting to another electronic system, which will go live in the first quarter of 2003. The company intends to wait to switch to the government electronic data interchange (EDI) electronic invoicing system until it transitions to its new system.

e. Not all of DFAS Columbus Commercial Pay Services' entitlement systems will be capable of receiving and processing invoices and receiving reports electronically by the October 2002 implementation date.

f. DFAS Columbus systems will not be able to accommodate the variety of supporting documentation currently required to be submitted with invoices, e.g., the 591 Report on contracts issued by the Defense Reutilization and Marketing Service, and non-standard supporting documentation required for Public Vouchers (SF 1034).

g. Is the date of June 30, 2001, referred to in the **Federal Register** Background **SUPPLEMENTARY INFORMATION** correct, or should it be June 30, 2002?

DOD Response: The original applicability date for compliance with the electronic invoicing legislative requirement was June 30, 2001; however, the legislation also permitted DOD to delay implementation of section 1008 to no later than October 1, 2002. Accordingly, DOD published a notice in the **Federal Register** (66 FR 43841) on August 21, 2001, which announced a delay in implementation until October 1, 2002. Because DOD's automated payment systems were limited to certain types of payment requests, DOD was unable to meet the October 1, 2002, statutory implementation date. By March 1, 2003, the systems will be capable of processing nearly 100 percent of payment requests. For those systems that are not ready, the interim rule provides the contracting officer the