

flexibility to work solutions to unique payment situations to ensure that contractors are paid on time for work they have performed.

13. *Comment:* Recommend that DOD establish reasonable and flexible grace periods to enable contractors to convert from paper invoices to electronic submissions as either new DOD payment systems or invoice types are incorporated into the WAWF-RA or other electronic systems. This flexibility should also specifically include permitting a contractor to use only one payment request system for all of its covered contracts. *DOD Response:* Partially concur. Use of an electronic form other than one of the forms listed at DFARS 232.7003(a) was already permitted by DFARS 232.7003(b)(1) of the proposed rule (now DFARS 232.7003(b)). The DFARS language does not prohibit the contractor from using one payment request system for all of its covered contracts. However, DOD has revised the rule at DFARS 252.232-7003(c) to permit, *either before or after contract award*, the contractor (with the agreement of the contracting officer and the payment office) to use a nonelectronic method in certain circumstances.

14. *Comment:* There has not been any word about WAWF-RA in several years. *DOD Response:* Information on DOD's WAWF-RA is readily available from numerous sources on the Internet, including: <http://www.wawftraining.com/> for online WAWF training; <https://rmb.ogden.disa.mil> for general information on WAWF or to register; www.dcmi.mil (click on Electronic Invoicing) for DCMA; www.dfas.mil/ecedi for DFAS; www.disa.mil and wawf-ra@ncr.disa.mil for the Defense Information Systems Agency; and www.peoards.navy.mil (click on Initiatives, WAWF) for the Department of the Navy.

15. *Comment:* Training information and other assistance should be made available, particularly to small businesses, to assist in complying with the interim DFARS rule. It would also be beneficial for DOD to schedule public meetings to discuss important implementation actions required of both DOD activities and contractors. *DOD Response:* Information and training are readily available for contractors and DOD personnel via the Internet addresses identified in DOD Response to Comment #14. Computer-based training is also available on compact disk. DOD military departments and defense agencies also may provide supplemental training.

16. *Comment:* Field activities are not provided additional manning to implement electronic invoicing. Learning to use WAWF-RA is very time consuming, but easy to use after you learn how to use it. There are insufficient travel funds to train vendors in remote Alaskan locations. *DOD Response:* Refer to DOD responses to Comments #14 and #15.

17. *Comment:* Many small businesses will be unable to submit invoices electronically on their own. There is concern about small business contractors that are not on line yet. Some small businesses do not own a computer, and the rule may deter them from doing business with the government. The government's new e-payment requirement may alienate many small businesses. There will be a great deal of difficulty for DOD contractors, particularly small businesses, to comply with the rule. *DOD Response:* DOD invited small businesses to submit comments on the proposed DFARS rule; however, none were received. There is no indication from small business concerns that they will be unable to comply with the rule. In addition, the interim rule removes the higher-level waiver request provision of the proposed rule. The new paragraph (a)(6) of DFARS 232.7002 provides authority for the contracting officer to permit the contractor to submit a payment request using an alternative method, if the contracting officer, the payment office, and the contractor mutually agree.

18. *Comment:* Recommend including a definition of "unduly burdensome" and to whom it applies (contractor or payment office). *DOD Response:* The interim rule removed the term "unduly burdensome." Therefore, a definition is unnecessary.

19. *Comment:* DOD should acknowledge the implementation challenges and address enforcement accordingly. Initially, broad waiver policies should be issued, including requiring clear documentation as part of the contract file without the need for higher-level approvals. *DOD Response:* DOD agrees that higher-level approval of waiver requests is unnecessary. Accordingly, as indicated in DOD Response to Comment #17, the interim rule has been revised to provide authority to the contracting officer.

20. *Comment:* The following types of low volume invoices should be specifically enumerated in DFARS 232.7002(a)(6) (regarding SECDEF waiver if unduly burdensome): alternate liquidation rate billing adjustments, short payment refund requests, retroactive contract price change

billings, etc. *DOD Response:* It is inappropriate to waive low volume type invoices, e.g., short payment refund requests, retroactive contract price change billings, etc. (Alternate liquidation rate billing adjustments are not invoices but adjustments to prior billings.) Although current systems may not be able to accommodate electronic processing of them, it is anticipated that future editions of WAWF-RA, Web Invoicing System (WInS), or American National Standards Institute (ANSI) X.12 EDI formats will. If the government is unable to receive such payment requests in electronic form, DFARS 252.232-7003(c) permits the contractor, with the agreement of the contracting officer and the payment office, to use another method.

21. *Comment:* Recommend adding public voucher billings (SF 1034) for cost-reimbursement and time-and-materials contracts to the list of types of payment requests that the contractor must submit in electronic form. *DOD Response:* DFARS 252.232-7003(a)(3) defines payment requests as including both contract financing payments and invoice payments. DFARS 252.232-7003(a)(1) states that contract financing payments and invoice payments have the meanings given in FAR 32.001. Since public vouchers are a type of invoice payment, no change is needed to the rule.

22. *Comment:* Recommend adding a new paragraph (c) to DFARS 232.7002 to make it clear that, while submissions using electronic forms are required, the contracting officer and the contractor may authorize any individual payment request (or group of payment requests) otherwise required to use electronic forms to be submitted using other than electronic forms without constituting a violation of paragraph (b) or paragraph (d) of the 252.232-7003 contract clause. *DOD Response:* DOD agrees that the contracting officer should have discretion on whether to authorize the use of a method other than electronic form. However, rather than adding a new paragraph (c), the interim rule revises the exception at DFARS 232.7002(a)(6) to permit the contractor to submit the payment request in other than electronic form with the agreement of the contracting officer and the payment office.

23. *Comment:* Recommend adding to DFARS 232.7003(b), a description of an acceptable type of concurrence between the payment and contract administration offices, for example, MOU/MOA, or verbal. *DOD Response:* DOD believes it is preferable to provide sufficient flexibility to permit the parties (contracting officer, payment