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|  | | **CMW NO.**  F205 |
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| CONTINENTAL MARITIME OF SAN DIEGO WORK INSTRUCTION | | **DATE**  02/01/2021 |
| **Subject:** | Invoice Processing and Certificates of Completion (COC) | **SUPERSEDES**  See Below |
|  | **AUTHORIZED DOCUMENTS ARE PUBLISHED ONLINE ONLY.**  **VERIFY ANY COPY AGAINST THE CMSD COMMAND MEDIA BEFORE USE.** | **REVISION**  A |

# SUPERSEDES

## Initial Publication

# REVISION TYPE

## New – a new process documented for the first time. See [CMO](https://access.hii-tsd.com/sites/tsd/cm/Procedures/,DanaInfo=portal.hii-tsd.com,SSL+TSO-A102.pdf)-A100 for more clarification.

# ROLES AND RESPONSIBILITIES

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| --- | --- |
| **Position Title** | **Responsibility** |
| Controller | Has primary responsibility and accountability for the process and for its implementation |
| Accounting | Performs invoice processing and payment.Ensures Purchase Order funds are available and validates that invoice costs are true and accurate prior to authorization of payment. |
| Facilities | Allocates/validates facility-related invoice costs as needed prior to authorization of payment. |
| Environmental Health and Safety | Ensures EH&S requirements are met prior to authorization of 100% payment. |
| Quality Assurance | Ensures QA requirements are met prior to authorization of payment. |
| Material Support | CMSD NPA Representative (GFM/PTD – Ensures GFM/PTD requirements are met prior to authorization of 100% payment. |
| Program Management | Verifies subcontractor progress is true and accurate prior to authorization of payment. |

# AUTHORIZATION

## This document is authorized by the process owner for a period of three years, at the end of which, this document must be reauthorized by the process owner in accordance with [CMO](https://access.hii-tsd.com/sites/tsd/cm/Procedures/,DanaInfo=portal.hii-tsd.com,SSL+TSO-A102.pdf)-A100.

# PURPOSE

## This instruction provides the steps for approving progress payment invoices, only at increments of at 25%, 50%, 75%, and 100%, as an accumulative percent of the current PO value. The invoicing can consist of line item progress at any increment per FAR physical progress rules, as long as the aggregate is equal to or greater than any of the four allowed billing increments.

## No payment will be issued without QA verification of all 20% reports having been submitted.

## This instruction governs the process for completion and routing of Certificates of Completion (COCs) as a part of the 100% progress invoicing. It establishes responsibilities and time frames for each group responsible for approving completion of work and payment for subcontractors.

# SCOPE

## This document applies to only to the following departments:

## Accounting

## Facilities

## Material Support, CMSD NPA Representative (GFM/PTD)

## Environmental Health & Safety

## Quality Assurance

## Program Management

# procedure

## **PROGRESS PAYMENTS:**

## Subcontractors submit invoices properly identifying the Purchase Order number and ship as well as the percent invoiced as allowable only at (25%, 50%, and 75%) to Accounting. Only one copy of the invoice is required.

## The invoice should clearly show each line item as a product of progress percentage professed at any increment and summed to verify equal to or greater than 25%, 50%, or 75% for allowable invoicing.

## Accounting will stamp the incoming invoices and obtain the required signatures from QA and Program Management in that order (authorizing email chain is acceptable and shall be attached to any invoice, if received).

## For utility invoices wholly or partially paid as a direct charge, the only authorization required is that of the Facilities Manager with endorsement of the PM (i.e. electrical, water, telephone, copier rentals, etc.) must reference an Availability. The Facilities Manager shall annotate the invoice with the direct charge number and the amount to be allocated. The Facilities Manager will verify the amount based on time increments of the value of the estimate, verify the charge number being used and forward to Accounts Payable.

## Occasionally, a subcontractor will only be missing some documentation. In those cases, the PM will inform Accounting in order to determine if an interim progress payment is warranted. In the case that an interim progress payment is authorized, the PM will notify the subcontractor of the missing documentation and that they are authorized to submit an interim invoice. Upon receipt of the interim invoice, the PM will sign for payment authorization, annotating the missing documents agreed exception and expected submission date.

## After the required signatures are obtained, Accounts Payable pays the invoice per the pay cycle policy. A Certificate of Completion (COC) is not required for progress payments less than 100% on subcontractor purchase orders.

## **Certificate of Competition (COC) or 100% PAYMENTS:**

## CMF-F205 Certificate of Completion is required for 100% payment of Purchase Orders that do not specify “No Certificate of Completion Required”. COC forms are provided with the purchase order. In addition, they are available for download/printing at the company website.

## The COC is submitted to Accounting where it is logged into the COC Log to initiate the routing process.

## Environmental Health & Safety

## CMSD NPA Representative (GFM/PTD)

## Quality Assurance

## Program Management

## The COC routing should take no more than one calendar week to complete. No functional area should take more than 1 day to receive, sign and forward to the next responsible area or email a reason for hold to PM, Subcontractor and Accounting for tracking.

## Each functional area is required to sign in the general order presented above with the PM always as the last signature. Each functional area required to sign the COC ensures the subcontractor has met their obligations relative to the functional area; e.g., QA ensures the subcontractor has met all quality assurance requirements, inspections, and reports. The Contracts Admin. reports any incomplete contract requirements to the subcontractor. The subcontractor shall be advised that the COC will be kept “on hold” or that they may re-submit the COC when the noted discrepancy has been cleared.

## If there are no deficiencies, the person(s) responsible for signing the COC do so.

## Accounting notifies the subcontractor (by e-mail or voice mail (or both)) that the 100% COC is complete and is being processed for payment on a submitted invoice or requests that invoice be submitted for prompt payment. It is the subcontractor’s responsibility to turn in the invoice(s) corresponding to 100% PO billing to Accounting.

## Note: In order to ensure timely payment of CMSD obligations, COCs must be dealt with as soon as notified. Under no circumstances should a functional group not respond to request for signature or provide information as outlined above.

## In those instances where Accounting receives a 100% invoice without the corresponding COC, Accounting will notify the subcontractor that the invoice is on hold for payment until they initiate the COC

## Invoices are aged for payment from the later of, the date of invoice, or the date of the final signature on the COC.

# references

# Forms

## CMF-F205 Certificate of Completion