

HEADQUARTERS POLICY FLASH

POLICY FLASH 2005-19

DATE: March 1, 2005
TO: Procurement Directors
FROM: Office of Procurement and Assistance Policy, ME-61
Office of Procurement and Assistance Management

SUBJECT: **STARS Conversion**

SUMMARY: In April 2005, the Department will be converting to the new Standard Accounting and Reporting System (STARS). Department contractors and vendors will be encouraged to submit invoices early for goods or services to be delivered in March 2005 so they can be processed and paid by the end of the month. For such payment, invoices must be received by the Oak Ridge Financial Service Center not later than March 17, 2005, and approving officials must provide their approvals by March 24, 2005.



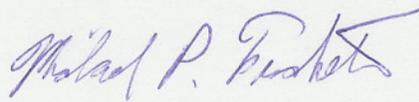
To ensure a smooth transition, a one-time, limited delegation of Contracting Officer authority has been granted to the Director at Oak Ridge Financial Service Center for the purpose of signing and sending the attached notice to Department contractors, as well as processing payments to such contractors during the period March 17 through the initiation of STARS operations.

This one-time, limited authority extends to the alteration of billing instructions, and as necessary, processing of payments under contracts, orders and other contractual obligations in the fulfillment of the provisions of the attached notice.

In consideration of the unique hardship that potentially could be imposed on the Department's small business contractors, invoices received from small businesses will be logged into the accounting system and processed for payment if approved by the appropriate Contracting Officer or approving official. However, Contracting Officer's and/or approving officials are cautioned to exercise due diligence in the review of such requests, prior to approval, to ensure a reasonable burden does indeed exist.

This transition also should not affect normal final contractor payment procedures for fixed price deliverables prior to their receipt and final acceptance by the Government.

Any financial questions regarding this policy are to be addressed to the points of contact in the attached notice. Procurement related questions may be addressed to Ms. Jackie Kniskern at (202) 287-1342 or the undersigned.



Michael P. Fischetti
Acting Director
Office of Procurement and
Assistance Policy, OMBE

Attachment

REQUEST FOR EARLY SUBMISSION OF INVOICES – GOODS OR SERVICES TO BE DELIVERED MARCH 2005

In April, the Department of Energy (DOE) will be converting to a new accounting system, the Standard Accounting and Reporting System (STARS). For that reason, DOE contractors and vendors are encouraged to submit invoices early for goods or services to be delivered in March so the invoices can be processed and paid by the end of the month.

For payment to be made by the end of March, invoices must be received by the Oak Ridge Financial Service Center no later than March 17, 2005. For goods, the invoices should separately identify actual quantities delivered and quantities expected to be delivered by March 31, 2005. For services, invoices should separately identify actual costs incurred at the time of billing and estimates of costs to be incurred over the balance of your March billing period.

Subsequent invoices submitted should separately identify any adjustments necessary to reconcile any discrepancies between estimates contained in March invoices with actual quantities delivered or costs incurred for the estimated period.

Those entities electing to not submit their March invoice early can expect the payment to be made during the month of May. Payments will be made in accordance with the terms of your contract or the Prompt Payment Act, including any appropriate late payment provisions.

DOE understands that this process may have the potential to impose financial hardship on some small businesses. Accordingly, DOE will be able to pay invoices during the month of April from small businesses that may be adversely affected.

We appreciate your cooperation in this matter, and look forward to your assistance in transitioning to our new accounting system. If you have any questions, please contact Penny Sharp at (865) 576-2226, Tim Southard at (865) 241-2059, or orfscmail@oro.doe.gov.

Sincerely,

Nancy J. Fitchpatrick
Contracting Officer