



# Contract Pay (MOCAS) Operations Overview

*Defense Finance and Accounting Service*

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MOCAS Contract Management  
MOCAS Entitlement  
MOCAS Reconciliation

October 2016



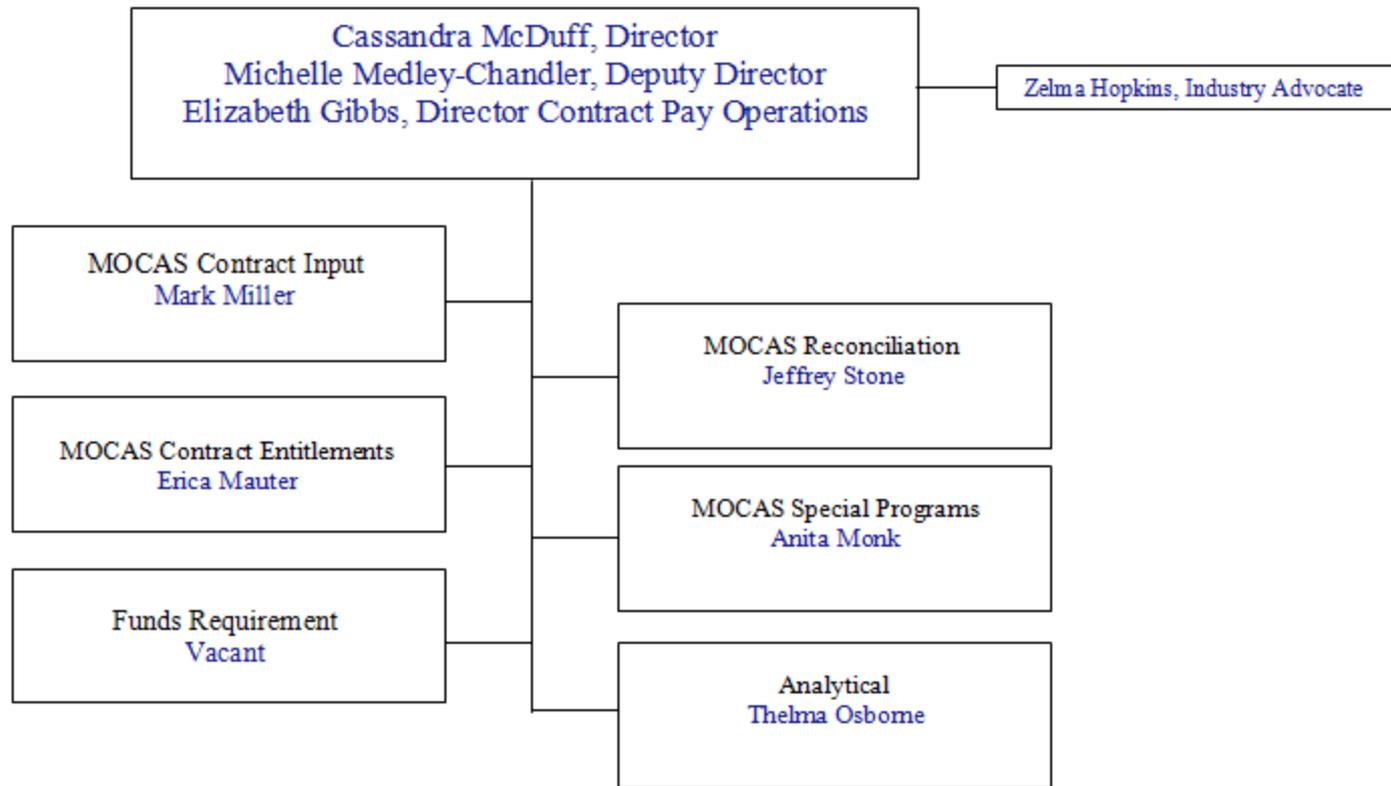
# Agenda



- Organizational Overview
- Contract Management Overview
- MOCAS Entitlement Overview
- MOCAS Reconciliation Overview



# Accounts Payable MOCAS Organization



# What is MOCAS?



**M** ECHANIZATION  
**O** F  
**C** ONTRACT  
**A** DMINISTRATION  
**S** ERVICES

## WHAT IS MOCAS?

- ▶ Integrated system supporting post-award administration

## WHO USES MOCAS?



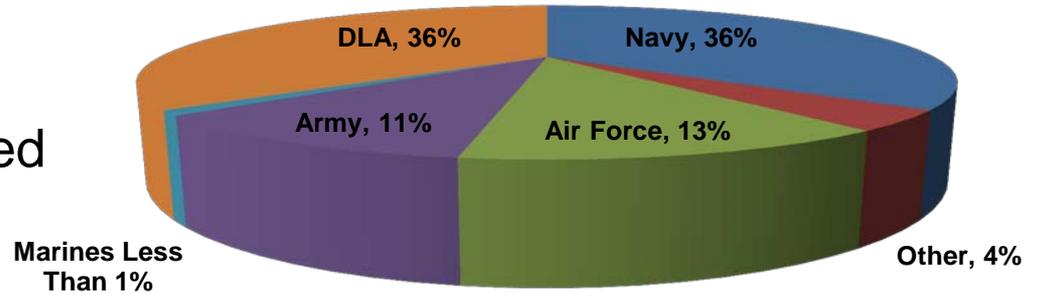
## WHY MOCAS?

- ▶ Pays More Complex Contracts
  - ✓ High Dollar
  - ✓ Multi-Year Contracts
  - ✓ Multiple Deliverables
- ▶ Makes Financing Payments
  - ✓ Progress Payments
  - ✓ Performance-Based Payments
  - ✓ Commercial Item Financing
  - ✓ Interim Cost Payments



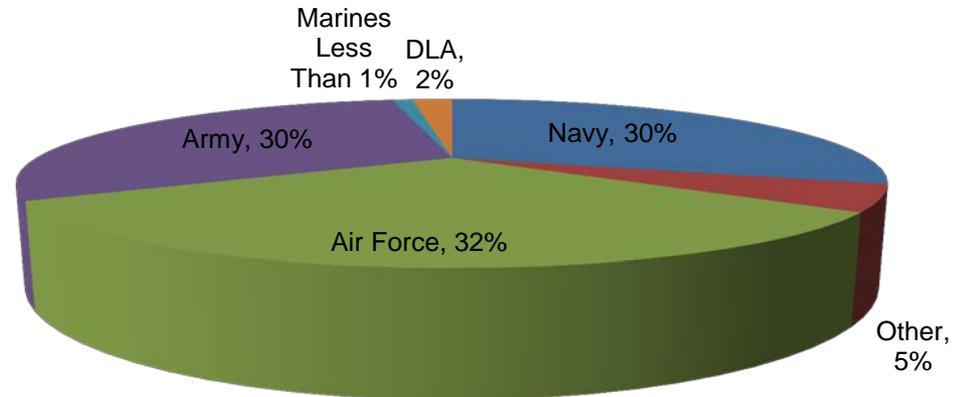
- **Contract Pay - FY 15**
  - ✓ 369,492 Active Contracts
  - ✓ 19,352 Active Contractors
  - ✓ 753,617 Invoices processed
  - ✓ \$152.4 Billion Disbursed

## Total Active Contracts - FY 16



- **Contract Pay – FY 16**
  - ✓ 373,707 Active Contracts
  - ✓ 19,579 Active Contractors
  - ✓ 704,945 Invoices Processed
  - ✓ \$153.3 Billion Disbursed

## Obligation Dollars by Service FY 16





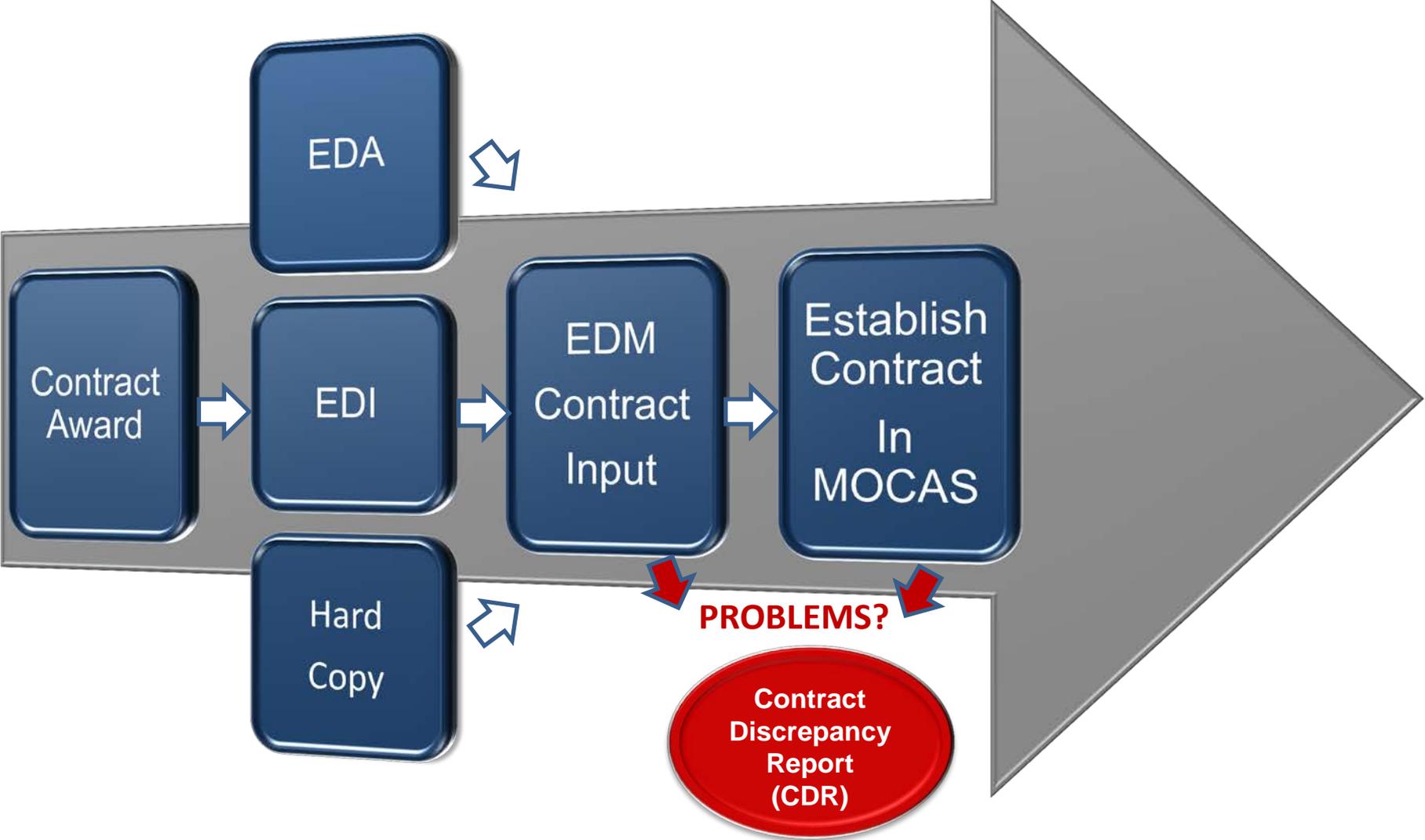
# MOCAS Contract Management Overview

**Deborah Peachey**

**Analyst, Contract Management Division**

**October 2016**

# Contract Management



# Special Payment Instructions Overview



- The DFARS (Procedures, Guidance and Instructions (PGI) 204.7108) requires inclusion of special payment instructions in contracts that contain:
  - ✓ multi-funded line items
  - ✓ cost-reimbursement
  - ✓ time-and-materials/labor-hour line items, or
  - ✓ authorize financing payments
- Payment instructions are to be added to Section G (Contract Administration Data) of the contract.
- There should not be contract level and CLIN level payment instructions on same contract



# Why PGI Special Payment Instructions



## Improved Auditability

- Promotes Systemic Payment Processing
- Reduced Errors

## Simplifies complex payment terms

- Structured Terms – Contract Financing, Multi-funded CLINs
  - ✓ Drives Consistency

## Supports Funds Execution Goals

- Assists Contracting Officer and Resource Managers



# Appropriation Life Cycle



## Current/Available

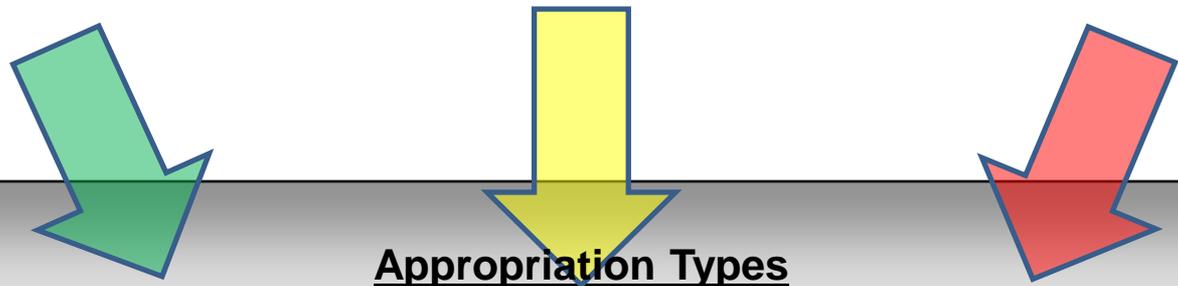
Available for Obligation and Payment

## Expired

Available for Payment

## Cancelled

Must Obtain New Funding



### Appropriation Types

	Available	Expired	Cancellation Date
O & M	= 1 Year	+ 5 Years	= Sept. 30th of the 6th year
R & D	= 2 Year	+ 5 Years	= Sept. 30th of the 7th year
PROC	= 3 Year	+ 5 Years	= Sept. 30th of the 8th year
MILCON	= 5 Year	+ 5 Years	= Sept. 30th of the 10th year





# MOCAS Entitlement Overview

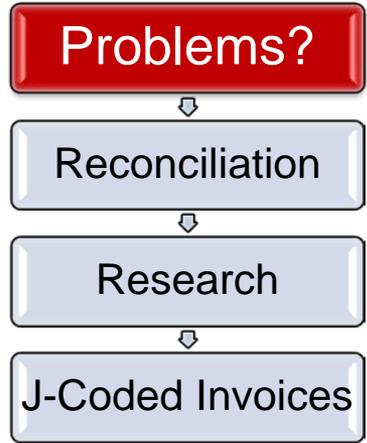
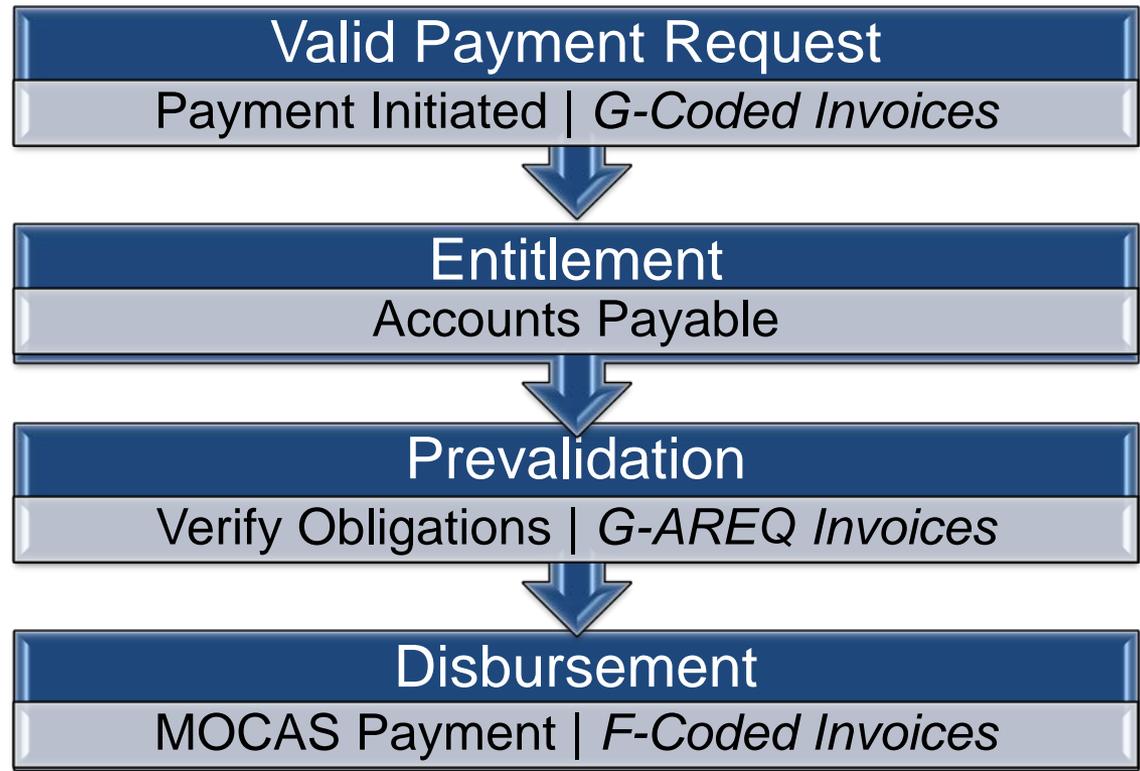
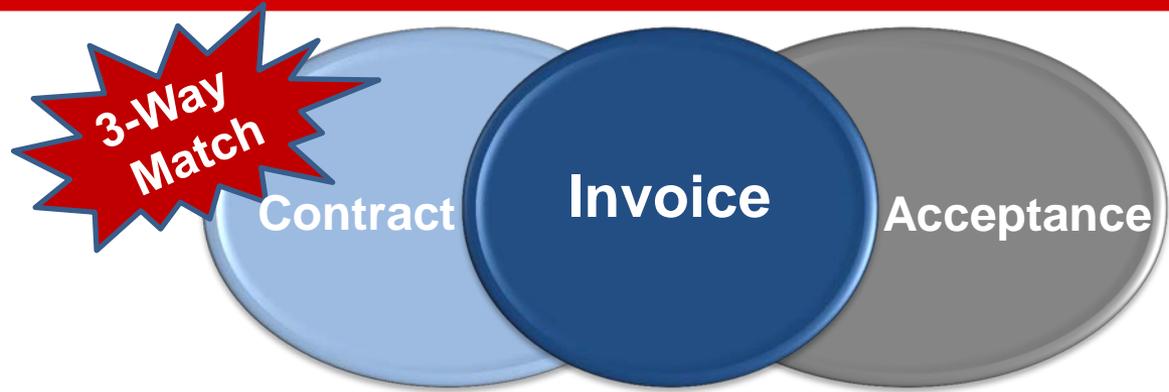
**Erica Mauter**

**Division Chief, MOCAS Entitlement**

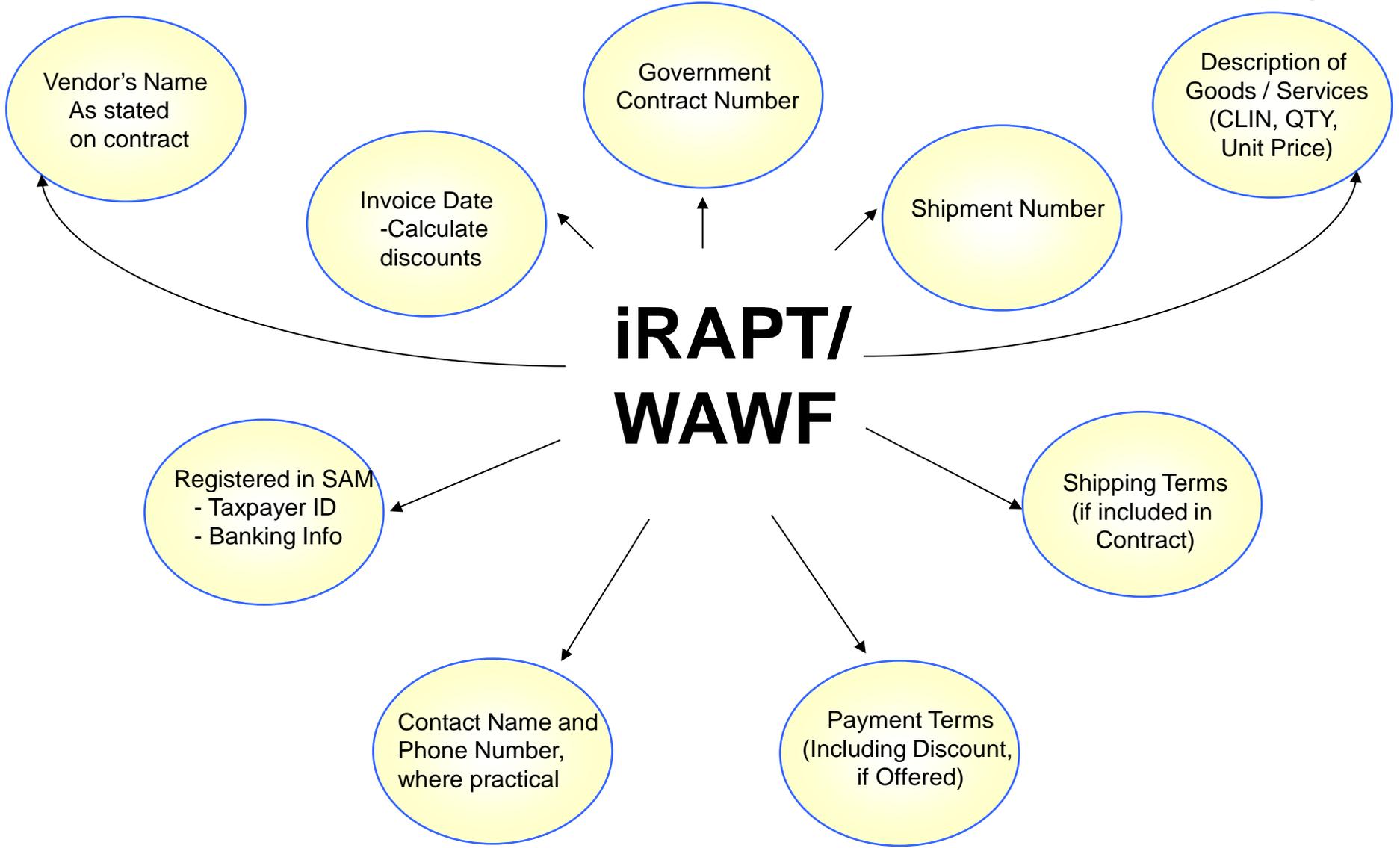
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# Payment Process: Invoice Entitlement



# Requirements for a Proper Invoice





## Acceptance Process

- Understand contractual acceptance terms
- Request iRAPT acceptor acknowledgement

## Proper Invoice Submission

- Bill gross invoice amount
- Adhere to Special Pay Instructions
- Use proper CLIN Structure
  - Contract Section B
  - Informational CLINS (i.e. 000101) are not billable



# Top 5 Reasons for Returned / Recycled Invoices



- Invoice Not Billed IAW Contract (E-11)
  - ✓ Item Information/ACRN missing/Incorrect. The contractor should review contractual terms and submit a corrected invoice for payment.
- Non-Distribution to Terminal (E-12)
  - ✓ The contractor must ensure proper distribution of the DD250 is made to the CAO terminal prior to resubmitting the invoice for payment.
- Invoice Returned per request (E-09)
  - ✓ Invoice returned per request from Contractor, ACO/PCO instructions and/or DCAA.
- Item Number Requires Verification (E-10)
  - ✓ Review the contract to verify if billing funded line item.
- Missing Documentation(E-19)
  - ✓ The contractor must ensure required documentation such as release of withhold letters, etc. are attached in iRAPT.



# MOCAS System Processing Schedule



## October Schedule

- **End of month**
  - ✓ Thursday, October 27<sup>th</sup> dated Friday, October 28<sup>th</sup>

## November Schedule

- Veterans Day Holiday
  - ✓ No cycle Friday, November 11<sup>th</sup>
- Thanksgiving Holiday
  - ✓ No cycle Thursday, November 24<sup>th</sup>
- **End of Month**
  - ✓ Tuesday, November 29<sup>th</sup> dated Wednesday, November 30<sup>th</sup>

## December Schedule

- Christmas Holiday
  - ✓ No cycle Monday, December 26<sup>th</sup>
- **End of Month**
  - ✓ Thursday, December 29<sup>th</sup> dated Friday, December 30<sup>th</sup>

\*\*\*Dates subject to change.





# MOCAS Reconciliation Overview

**Greg Madison**

**Analyst, MOCAS Reconciliation**

**October 2016**





**PROCESS:** Analyze transactions to identify errors based on source documents, resolve discrepancies, correct out-of-balance conditions, and match data between the entitlement system and fiscal accounting stations.



**SCOPE:** Limited or department wide review. Data is located, substantiated and captured to produce the audit.



**RESEARCH:** Comprises all transactions, depending on request nature and reconciliation findings. Also consider external findings including outside audit agencies (GAO, DoDIG, DCAA)



**CORRECTIONS/ADJUSTMENT:** As discrepancies are identified, corrective actions are determined, processed and verified.



# Top 5 Reasons for Reconciliation Request



- Invoice Not Billed IAW Contract
  - ✓ Line item information/ ACRN missing or incorrect. Contractor should review contractual terms and submit invoice per terms.
- To Correct NULO
  - ✓ Negative balance remaining on the contract.
- Input Errors
  - ✓ Item information/ ACRN missing or incorrect
  - ✓ Contract office training issue.
- Payment Errors
  - ✓ Not paid IAW with contract PGI/Payment and MOD timing issue.
  - ✓ Contractor should bill invoices per the contract terms.
- Contract Closeout
  - ✓ Standard procedure.





## Workload Priority

- J coded invoices
  - ✓ *Invoice not payable due to funding or appropriation discrepancy*
- FFRs
  - ✓ *Dispute of Bill of Collection (BOC) request from Accounts Receivable*
- MODs
  - ✓ *Post payment reallocations/corrections*
- All other requests



# Questions

