with paragraph (b) of DFARS clause 252.247–7023.

(k) 252.247–7024 Notification of Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631), if flow down is required in accordance with paragraph (b) of DFARS clause 252.247–7024. (End of clause)

[FR Doc. 2011–29861 Filed 11–18–11; 8:45 am]
BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Part 232 and 252

RIN 0750–AH40

Defense Federal Acquisition Regulation Supplement; Updates to Wide Area WorkFlow (DFARS Case 2011–D027)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Proposed rule.

SUMMARY: DoD is proposing to amend the Defense Federal Acquisition Regulation Supplement to update policies on the submission of payment requests and receiving reports in electronic format.

DATES: Comments on the proposed rule should be submitted in writing to the address shown below on or before January 20, 2012, to be considered in the formation of the final rule.

ADDRESSES: Submit comments identified by DFARS case 2011–D027, using any of the following methods:

○ Regulations.gov: http://www.regulations.gov. Submit comments via the Federal eRulemaking portal by inputting “DFARS Case 2011–D027” under the heading “Enter keyword or ID” and selecting “Search.” Select the link “Submit a Comment” that corresponds with “DFARS Case 2011–D027.” Follow the instructions provided at the “Submit a Comment” screen. Please include your name, company name (if any), and “DFARS Case 2011–D027” on your attached document.

○ Email: dfars@osd.mil. Include DFARS Case 2011–D027 in the subject line of the message.

○ Fax: (703) 602–0350.


Comments received generally will be posted without change to http://www.regulations.gov, including any personal information provided. To confirm receipt of your comment(s), please check www.regulations.gov, approximately two to three days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

FOR FURTHER INFORMATION CONTACT: Mr. Julian Thrash, (703) 602–0310.

SUPPLEMENTARY INFORMATION:

I. Background

DoD proposes to update policy and procedures in the Defense Federal Acquisition Regulation Supplement (DFARS) for electronic submission of payment requests and receiving reports through Wide Area WorkFlow (WAWF) and TRICARE Encounter Data System (TEDS). WAWF, which electronically interfaces with the primary DoD payment systems, is the accepted DoD system for generating invoices and receiving reports. TEDS is an accepted system for processing payment requests for rendered TRICARE health care services.

The capabilities of WAWF have expanded to enable use in a wider variety of environments by a wider variety of users. As such, this rule is intended to expand the use of WAWF for submission of payment requests and receiving reports and to standardize processes and instructions on the use of WAWF by accomplishing the following DFARS revisions:

- Update 232.7002(a)(1) to clarify that only payment requests (not receiving reports) for contracts paid for with a purchase card, this will be accomplished through WAWF.
- Remove the exception to the use of WAWF at 232.7002(a)(2) for contracts awarded to foreign vendors;
- Update 232.7002(a)(3) to specify a WAWF exception for contracts awarded by contractors for contingency, humanitarian, peacekeeping, or emergency response operations only when the use of WAWF is not feasible by the contractor;
- Update 232.7002(a)(4) to specify a WAWF exception for purchases made for an unusual or compelling need as defined in Federal Acquisition Regulation (FAR) 6.302–2 only when the use of WAWF is not feasible;
- Remove, at 232.7003(b), the contracting officer’s authority to allow a contractor to submit a payment request and receiving report using an electronic form other than WAWF, unless a written determination is provided to the Senior Procurement Executive;
- Add at 232.7003(c), the use of TEDS for submitting and processing TRICARE payment requests and receiving reports for rendered health care services; and
- Provide a standard WAWF payment clause.

II. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is a significant regulatory action and, therefore, was subject to review under section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

III. Regulatory Flexibility Act

DoD expects that this proposed rule may have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, et seq. Therefore, an Initial Regulatory Flexibility Analysis has been prepared and is summarized as follows:

The rule incorporates WAWF’s new capability of capturing receiving reports for contracts paid for with a Governmentwide commercial purchase card and clarifies exceptions to the use of WAWF only when it is not feasible. The rule also consolidates and standardizes instructions to contractors on how to use the WAWF application. Furthermore, it eliminates locally defined methods that are in some cases causing confusion and inefficiencies, and it incorporates the use of TEDS for medical services requiring Health Insurance Portability and Accountability Act data not handled by WAWF.

DoD made small business awards to 60,000 companies in Fiscal Year 2010. With the exception of less than 4,000 companies that only received awards paid with a purchase card, this will be a simplification of procedures by allowing contractors to use the same process and systems for all DoD shipments.

This rule does not impose any new reporting or recordkeeping requirements.

The rule does not duplicate, overlap, or conflict with any other Federal rules. There are no significant alternatives to accomplish the stated objectives of this rule.
DoD invites comments from small business concerns and other interested parties on the expected impact of this rule on small entities.

DoD will also consider comments from small entities concerning the existing regulations in subparts affected by this rule in accordance with 5 U.S.C. 610. Interested parties must submit such comments separately and should cite 5 U.S.C. 610 (DFARS Case 2011–D027) in the correspondance.

IV. Paperwork Reduction Act

This rule does not impose any new information collection requirements that require the approval of the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. chapter 35).

List of Subjects in 48 CFR Parts 232 and 252

Government procurement.

Mary Overstreet,
Editor, Defense Acquisition Regulations System.

Therefore DoD proposes to amend 48 CFR parts 232 and 252 as follows:

1. The authority citation for 48 CFR parts 232 and 252 continues to read as follows:


PART 232—CONTRACT FINANCING

2. Revise section 232.7002(a) to read as follows:

232.7002 Policy.

(a) Contractors shall submit payment requests and receiving reports in electronic form, except for—

(1) Payment requests for purchases paid for with a Governmentwide commercial purchase card;

(2) Classified contracts or purchases;

(3) Military operations, including, but not limited to, security; classified information or national security;

(4) Unusual or compelling needs of the type described in FAR 6.302–2, when access to Wide Area WorkFlow by those contractors is not feasible;

(b) For payment of commercial transportation services provided under a Government rate tender or a contract for transportation services, the use of a DoD-approved electronic third party payment system or other exempted vendor payment/invoicing system (e.g., PowerTrack, Transportation Financial Management System, and Cargo and Billing System) is permitted.

(c) For submitting and processing payment requests and receiving reports for rendered health care services, use of TRICARE Encounter Data System (Teds) as the electronic format is permitted.

(d) For submitting and processing payment requests and receiving reports for rendered health care services using the TRICARE Encounter Data System (Teds) as the electronic format:

(1) DoD makes payment for rendered health care services using the TRICARE Encounter Data System (Teds) as the electronic format;

(2) Payment is made via the Governmentwide commercial purchase card, the receiving report shall still be submitted via WAWF.

3. Amend section 232.7003 by revising paragraphs (b) and (c) to read as follows:

232.7003 Procedures.

(b) For payment of commercial transportation services provided under a Government rate tender or a contract for transportation services, the use of a DoD-approved electronic third party payment system or other exempted vendor payment/invoicing system (e.g., PowerTrack, Transportation Financial Management System, and Cargo and Billing System) is permitted.

(c) For submitting and processing payment requests and receiving reports for rendered health care services, use of Teds as the electronic format is permitted.

4. Revise section 232.7004 to read as follows:

232.7004 Contract clauses.

(a) Except as provided in 232.7002(a)(2), (3), or (4), use the clause at 252.232–7003, Electronic Submission of Payment Requests and Receiving Reports, in solicitations and contracts.

(b) Use the clause at 252.232–70XX, Wide Area WorkFlow Payment Instructions, when 252.232–7003 is used.

5. Amend section 252.232–7003 by—

(a) Amending the introductory text to remove “232.7004” and insert in its place “232.7004(a)”;

(b) Amending the clause date by removing “(MAR 2008)” and adding in its place “(Date)”;

(c) Adding new paragraph (a)(4);

(d) Removing paragraphs (c)(1) and (2);

(e) Redesignating paragraphs (c)(3) and (4) as paragraphs (c)(1) and (2), respectively; and

(f) Amending the newly redesignated paragraph (c)(1) by removing the word “or” at the end of the paragraph;

(g) Amending the newly redesignated paragraph (c)(2) by removing “,” and replacing it with “;” at the end of the paragraph;

(h) Adding new paragraphs (c)(3) and (4).

The additions read as follows:

252.232–7003 Electronic Submission of Payment Requests and Receiving Reports.

(a) * * * * *

(4) “Receiving report” means the data required by the clause at 252.246–7000, Material Inspection and Receiving Report.

(b) * * * *

(c) * * * *

(3) DoD makes payment for rendered health care services using the TRICARE Encounter Data System (Teds) as the electronic format:

(1) Payment is made via the Governmentwide commercial purchase card, the receiving report shall still be submitted via WAWF.

6. Section 252.232–70XX is added to read as follows:

252.232–70XX Wide Area WorkFlow Payment Instructions.

As prescribed in 232.7004(b), use the following clause:

WIDE AREA WORKFLOW PAYMENT INSTRUCTIONS (DATE)

(a) Definitions. As used in this clause—

Document type means the type of payment request or receiving report available for creation in Wide Area WorkFlow (WAWF).

Department of Defense Activity Address Code (DoDAAC) is a six position code that uniquely identifies a unit, activity, or organization.

Local processing office (LPO) is the office responsible for payment certification when the entitlement system is OnePay.

(b) Electronic Invoicing. The WAWF system is the preferred method to electronically process vendor payment requests and receiving reports, as authorized by DFARS 252.232–7003, Electronic Submission of Payment Requests and Receiving Reports, unless an alternate invoicing method is agreed to by the contracting parties in accordance with DFARS clause 252.232–7003.

(c) WAWF Access. To access WAWF, the Contractor shall—

(1) Have a designated electronic business point of contact in the Central Contractor Registration at https://www.acquisition.gov; and


(d) WAWF Training. The Contractor should follow the training instructions of the WAWF
(e) WAWF Methods of Document Submission. Document submissions may be via web entry, Electronic Data Interchange, or File Transfer Protocol.

(f) WAWF Payment Instructions. The Contractor must use the following information when submitting payment requests and receiving reports in WAWF for this contract/order:

1. Document Type. The Contractor agrees to use the document type(s) identified below, unless the Contractor notifies the contracting officer that its business process does not allow for submission of the specified document type(s). The Contractor and the contracting officer must agree to an alternative document type before award.

(Contracting Officer: Insert Applicable Document Type(s))

Note: If a Combo Document Type is identified but not supportable by the Contractor’s business systems, an Invoice (stand-alone) and Receiving Report (stand-alone) may be used instead.

(1) Document Type(s) The Contractor must use the following information when submitting payment requests and receiving reports in WAWF for this contract/order: (i) Invoice (stand-alone) and Receiving Report (stand-alone) Document Type(s) may be used instead.

(2) Inspection/Acceptance Location. The Contractor shall select the appropriate inspection/acceptance location(s) in WAWF, if specified by the contracting officer below.

(Contracting Officer: Insert Inspection and Acceptance Locations or “Not Applicable”).

(3) Document Routing. The Contractor shall use the information in the Routing Data Table below only to fill in applicable fields in WAWF when creating payment requests and receiving reports in the System.

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(4) Payment Request and Supporting Documentation. The Contractor shall ensure a payment request includes appropriate contract line item and subline item descriptions of the work performed or supplies delivered, unit price/cost per unit, fee (if applicable), and all relevant back-up documentation (e.g. timesheets) in support of each payment request.

(5) WAWF Email Notifications. The Contractor shall enter the email address identified below in the “Send Additional Email Notifications” field of WAWF once a document is submitted in the system.

(Contracting Officer: Insert applicable email addresses or “Not Applicable”)

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