

Preparation of Interim and Completion Vouchers



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Contract Financing

The Government's approach to contractor cash needs varies with the type of contract.

- Cost type contracts provide for interim payment for costs vouchered on a Standard Form (SF) 1034 public voucher
- Fixed-price contracts are subject to FAR Part 32 Financing Methods

Billing Instructions

- Cost reimbursement contracts are subject to audit; therefore, all costs claimed must be adequately supported by accounting records and other auditable data
- Applicable to all cost-reimbursement type contracts, including cost-reimbursement portions of fixed price contracts, letter contracts which provide for reimbursement of costs, time and materials contracts and labor-hours contracts

Forms

Use either:

1. The Standard Form (SF) 1034, Public Voucher for Purchases Other than Personal (with continuation sheet SF 1035); or
2. The contractor's own voucher forms. If the contractor's own forms are used, the billing content should agree with the requirements of the SF 1034 and 1035

Voucher Submission

- **Number of Copies:** Each voucher will be prepared in an original and 4 copies
- **Time for Submission:** Vouchers may be submitted at the beginning of each billing period for costs incurred during the preceding billing period
- **How Often:** Vouchers should not be submitted more than once a month unless such arrangements are made with the Contracting Officer

Voucher Submission

- **Cost Incurrence Period:** Costs must be incurred, and the dates of the related “bill for” period must fall within the contract performance period as set forth in the original contract and any amendments thereto
- **Contractor’s Fiscal Year:** Vouchers should be prepared in such a manner that costs claimed can be associated or identified with the contractor’s fiscal year. This will ensure proper application of correct indirect cost rate (s) to the direct costs of a particular fiscal year

SF 1035

This page follows directly behind the Form SF 1034 and contains the following information:

1. Gross summary of costs by category showing amount previously claimed, amount claimed under this voucher and cumulative through this voucher
2. Contract information including contract costs, and fee information

Direct Labor

- Costs consists of salaries and wages paid for work performed directly for the contract and pursuant to it terms
- Provide job title or classification of the worker, and provide for each classification the number of hours worked, the hourly rate and the total wage or salary
- Cost of DL charged to the contract must be supported by time records that are maintained at the contractor location

Indirect Rates

- Are to be treated according to the contractor's established practice
- Provisional rates will apply pending establishment of final negotiated rates for the contractor's fiscal year

Materials and Supplies

- Billed as direct cost items should include those types of items generally accepted as “expendable” to the degree that they have a relatively short life and are expended in performance of the contract
- Costs of materials and supplies must be supported by actual invoices or purchase orders and kept by the contractor as support for the costs claimed on the voucher

Premium Pay

- Is the difference between the overtime pay rate and the straight time rate
- Premium pay of any kind, unless provided for in the contract, must be authorized by the Contracting Officer in advance

Travel

- ◆ As authorized by the contract shall include the following on the SF 1035:
 - Name of traveler or title
 - Dates of departure and return
 - Transportation costs
 - If claim is for subsistence and on a per diem basis, show number of days, rate and amount
 - Reference to Contracting Officer's letter of authorization, if approval is necessary

Consultant Fees

- Must reflect each consultant's name, daily fee, number of days claimed and date of use
- Travel for consultants must be itemized separately

Subcontract

- Requires the name of each subcontractor involved and dollar amount claimed
- Cost claimed by cost reimbursement subcontractors must be on an “as incurred” basis and backup information similar to the SF 1035 must be obtained and attached for each subcontract

Other Direct Costs

- Are minor costs that cannot be placed within any of the other categories
- Identify by categories to the extent both possible and reasonable

Fixed Fee

Should be billed by prorating the negotiated fixed fee to costs incurred or as dictated by the contract

Completion Voucher

- Is the last voucher to be submitted on a contract or task order
- A separate completion voucher will be submitted for each individual project or task order for which a separate series of public vouchers has been submitted

FAR 52.216-7(d)(4)

Requires contractors to submit the completion (final) voucher within 120 days after settlement of the final indirect cost rates covering the year in which the contract is physically complete or longer, if approved in writing by the contracting officer

Completion Voucher

Normally a contract cannot be closed out unless the applicable costs have been audited. Therefore, the contractor should not prepare or submit the completion invoice until an audit of the contractor's fiscal years during which costs have been incurred under the contract has been completed

Completion Voucher

- The Standard Form (SF) 1034 or equivalent is submitted on a completion voucher and is identical to that for the interim vouchers except for annotating that it is the “completion voucher”
- The SF 1035 or equivalent is used for additional information required by the Contracting Officer

Completion Voucher

- ◆ In addition to the SF 1034s and SF 1035 the contractor is required to submit an original and three (3) copies of the following documents:
 - Contractor's release of claims. The amount listed on this release should be the total allowable cost plus allocable fee. It should tie into the total amount claimed on the SF 1035
 - Contractor's assignment of refunds, rebates, credits and other amounts.

Questions and Answers