

Date: Thursday, February 13, 2003 11:01 AM

Subject: Month End Billing

In response to a request for instructions on recording reimbursable cost in SAP, the following is to provide guidance.

The billing process for reimbursable agreements must be executed in SAP every month, for the costs are incurred that month, and before that month is closed. Any adjustments in costs made in following months will be reflected in that months billing process.

The accounts receivable created through the billing process should be cleared against the advance payment from the customer in the same period the accounts receivable is created and before the period is closed. The only exception to clearing the accounts receivable against the advance is when the accounts receivable is less than \$1,000 and it is not year-end (i.e., October -August).

If an advance payment is not received from the customer because a signed wavier is in place or the agreement is with another Federal Agency, then a bill or IPAC based on the accounts receivable should be sent to the customer for payment. The only exception to sending a bill to the customer for the accounts receivable is when the accounts receivable is less than \$1,000 and it is not year-end (i.e., October - August).

The above procedures will be included in the FMM 9090 when it is next updated.

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