



Comptroller General  
of the United States  
Washington, D.C. 20548

# Decision

AFPR

**Matter of:** Soil Conservation Service--Payments to be made to Contractors Based on Facsimile Invoices

**File:** B-242185

**Date:** February 13, 1991

## DIGEST

Soil Conservation Service (Service) may make payments to a contractor based on facsimile invoices as long as the Service has adequate internal controls to guard against fraud and overpayments, and it determines that accepting facsimiles is beneficial to and cost-effective for the government.

## DECISION

By letter of October 2, 1990, the Director, Financial Management Division, Soil Conservation Service (Service) asked whether the Service can make payments on facsimile<sup>1/</sup> invoices submitted by a contractor or if, instead, the contractor has to submit original invoices before the agency can make payments. For the reasons stated below, we conclude that the Service may, pursuant to the guidance provided in this decision, make payments to a contractor based on facsimile invoices.

## BACKGROUND

The Service employs several contractors to assist in the development and installation of soil conservation measures. In order to receive payment for services rendered, the contractor must submit to the contracting officer an invoice providing a detailed list of all costs incurred. The contracting officer verifies the accuracy of the invoice then sends it to the certifying officer for payment. The certifying officer reviews the invoice and decides whether or not to certify a voucher authorizing payment to the contractor.

Recently, one of the Service's contractors asked that it be allowed to submit facsimile invoices to the Service instead of original invoices. The Service endorses the use of facsimile invoices, given the state of technology. In support of its

<sup>1/</sup> "Facsimile" refers generally to the document that is generated when the sender uses telephone lines to transmit an exact reproduction of the original document to the receiver.

endorsement, the Service states that its internal controls for payments will not be disturbed by the acceptance of facsimile invoices and that there are various procedures in place to assure that the Service will not duplicate payments if the contractor submits facsimiles.

#### DISCUSSION

Traditionally, we required that contractors submit the original invoice in support of a request for payment on a contract. See 31 Comp. Gen. 649, 650 (1952). This requirement was intended to reduce the possibility that the government will make overpayments to the contractor based on the submission of duplicate invoices. We made an exception to that rule by allowing agencies to make payments to contractors based on carbon copies rather than original invoices. B-135329, Mar. 21, 1958, B-109473, Feb. 7, 1958. We concluded, in those cases, that it would be impracticable, from an operational standpoint, to require a contractor to submit original invoices when the contractor's practice is to retain the originals for his own records. See 31 Comp. Gen. at 650. We stated that if a carbon bears a notation such as "Original" or "Customer's Invoice", we would treat it as an original or billing copy rather than a copy or duplicate. B-135329, Mar. 21, 1958, B-109473, Feb. 7, 1958.

An agency's best protection against paying duplicate invoices, however, is a good system of internal controls. Consequently, we have no objection to an agency making payments to a contractor based on facsimile invoices, regardless of whether or not the contractor's practice is to retain the original invoice for his own records, as long as the agency has adequate internal controls to guard against fraud and overpayment, and it determines that accepting facsimiles is beneficial to and cost-effective for the government.

*Milton J. Rowler*  
for Comptroller General  
of the United States

#### PROCUREMENT

Payment/Discharge  
Payment procedures  
Invoices  
Facsimile