Date: July 1, 2013

Dear Accounts Receivable Representative & Valued Vendor,

President Obama signed the Improper Payment Elimination and Recovery Act of 2010 (IPERA) with the goal of reducing the federal government’s improper payments. Electronic invoicing is the leading technological solution to prevent improper payments by eliminating error –prone manual processing.

To comply with IPERA, VA has finalized actions to mandate electronic invoice submission to the VA Financial Services Center (VAFSC). A Federal Register rule mandating electronic invoice submission was published November 27th, 2012. The mandate requiring contractors to submit payment requests in electronic form is effective December 27th, 2012 and can be located within the Federal Registry at:

<https://federalregister.gov/a/2012-28612>

The requirement for e-Invoicing allows the option of directly connecting to the VA using Electronic Data Interchange EDI ANSI X12, a third party EDI provider or through OB10. Vendors may select whichever option best fits their business needs.

VAFSC’s vendor conversion plan will ensure a timely and smooth transition from “paper” to approved electronic invoice submissions prior to the effective date of this mandate.

**As part of the plan, vendors can begin conversion immediately upon receipt of this communication.**

We have expanded our electronic EDI invoicing services through OB10’s provided solutions. This includes the ability to accept numerous other options including the OBPortal. This portal allows a template invoice to be submitted through a web browser. **OB10 electronic invoicing services, including data mapping and transaction fees, are free to VA FSC vendors.**

Electronic invoicing offers simple and secure solutions, complying with HIPAA, to eliminate the cost and time of processing paper invoices. The benefits of e-Invoicing the VA using the OB10 Service include:

* Delivery of invoices directly into the FSC payment system and routed nationally for approval
* Elimination of mail processing time, postage, and invoice receipt inquires
* Elimination of data error and lost or misplaced invoices
* Verification of invoice receipt or rejection through automated notification reports
* No installation of hardware or software required

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| **Date** | **Event** | **What it means** |
| August 12th, 2013 | Commitment Date | Service Agreement must be signed and test file sent to OB10 or begin testing with VA EDI team. |
| September 2nd, 2013 | Deadline | All invoices must be submitted electronically. Paper invoices received after this date will be considered non-compliant. |

Further information can be obtained by visiting the Department of Veterans Affairs OB10 specific site at <http://www.ob10.com/veteransaffairs>

Further information regarding EDI solution can be obtained by visiting the Department of Veterans Affairs ECD specific site at <http://www.fsc.va.gov/fsc/edi.asp> or email the ECD team directly at FSCEDIFinancialTeam@va.gov with *Invoice/Purchase Order testing* in the subject line.

While making the invoice submission process completely electronic, we would also like to expand on our electronic payments. To this end the Automated Clearing House (ACH) enrollment form can be found at the end of this document, or retrieved directly at <http://www.fms.treas.gov/pdf/3881.pdf>. ACH’s significant advantages include:

* Reduced delivery time for payment funds, eliminating unpredictable postal system delays
* Automated payment generation through our accounting systems, reducing the likelihood of errors often associated with paper-based check payments

Thank you in advance for supporting these mandated initiatives. We look forward to receiving your invoices electronically, paying those invoices electronically, and providing you the highest quality of payment processing services available today.

Best Regards,



Clint Loeser