



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-8000

OFFICE OF MULTIFAMILY HOUSING ASSISTANCE RESTRUCTURING

May 10, 2000

MEMORANDUM FOR: PAEs, OMHAR Regional Staff

FROM: Barbara Chiapella, Acting Deputy Director for Operations/s/

SUBJECT: Additional Invoicing Payment Process Clarifications

This is a follow-up to the February 22, 2000, memorandum to PAEs and OMHAR Regional Office staff concerning the invoicing payment process. In continuing to respond to invoicing issues identified by both PAEs and our field staff, additional changes are being implemented to the PAE invoicing payment process.

In addition to effectuating changes and providing clarifications to previous invoicing guidance, this memorandum also transmits a binder of PAE invoicing materials, which includes, among other things, various invoicing memoranda issued by OMHAR, copies of the invoicing forms, a sample invoice submission package, and a listing of current per diem rates.

OMHAR is continuing to reassess the PAE invoice process and will issue further directives as needed. Where appropriate, placeholders have been included in the binder of PAE invoicing materials for those tasks that are still being developed.

Revised Form 2.14A "PAE Payment Invoice (Asset Specific)"

The Form 2.14A PAE and OMHAR Regional Office certifications have been revised to implement a policy change in which the OMHAR Regional Offices will rely on a certification by the PAE that invoiced third party reports have been acceptably completed in accordance with the Portfolio Restructuring Agreement (PRA) executed between the PAE and OMHAR. PAE's must have an internal control process in place to ensure that, prior to invoicing, third party work products, e.g., the appraisal, PCA, market rent study, and/or environmental reports, are reviewed and deemed to be substantially compliant with the PRA and applicable Mark-to-Market Operating Procedures Guide (OPG) Statement of Work requirements.

This change is expected to expedite the OMHAR Regional Office's review of invoices requesting

reimbursement of PAE third party reimbursables. As is indicated in the amended certification, if based on a subsequent review, OMHAR determines that any of these work products do not materially comply with the requirements of the PRA, OMHAR retains the right to adjust future vouchers to recover amounts previously paid for incomplete work items.

The revised Form 2.14A (May 10, 2000 version) included as an attachment to this memorandum supersedes the Form 2.14A (February 22, 2000 version) that was included in OMHAR's February 22, 2000 memorandum.

When PAE fees are earned upon approval of the deal by the OMHAR Regional Office Director (ROD), PAE's are advised invoicing for these fees should not occur until the PAE has received notification from the OMHAR ROD that the deal has been approved. Invoices are not to be submitted jointly with the deal.

Travel Guideline Clarifications

Both PAEs and OMHAR Regional Office staff have expressed a need for additional guidance on travel. In response to these requests, on May 4, 2000, OMHAR issued a "Government Contract Expense Reimbursement Travel Voucher Guide. The purpose of this guide is to provide PAEs with (1) a better understanding of the Federal government travel requirements, and (2) to provide guidance to PAEs and their third party contractors on completing the Government Contract Expense Travel Voucher Form.

It should be noted that while this guide does not require the PAEs to submit copies of bills/receipts for "Other" travel expenses (item 16 on voucher form) that are \$75 or less, in order to comply with the Portfolio Restructuring Agreement and OMHAR's February 22, 2000 memorandum, the original bills/receipts for these expenses must be maintained with the invoice included in the PAE contract file.

Monthly Invoicing Procedures

As was indicated in my February 22, 2000, memorandum, PAEs are now required to submit only a single original invoice and there is no longer a need for invoices to be submitted to OMHAR by a particular day of the month.

Based on recent inquiries, it is further clarified that PAEs should submit only one Form 2.14A for each asset and/or one Form 2.14B for all non-asset reimbursables during the course of the month. It is too staff intensive for PAEs and OMHAR if multiple invoices on a single asset or the PAE's non-asset reimbursables are submitted within a 30-day period.

Once an invoice has been deemed acceptable for payment, OMHAR Regional Offices are to submit the original invoice and supporting documentation plus a copy of page 1 and 2 of Form 2.14A or page 1 of Form 2.14B, whichever is applicable, to the Voucher Specialist in OMHAR Headquarters. A copy of the approved invoice must also be retained in Regional Office's PAE contract files.

Sample Invoice Submissions

A binder of invoicing materials has been assembled to illustrate (1) the invoicing processing flow and timeline; (2) the forms applicable to the invoicing process, their purpose and the processing flow of these forms; (3) the sequential number of multiple Forms 2.14A for a single asset; and (4) the proper method of handling various traveling scenarios.

PAEs should contact their Relationship Manager to schedule a briefing on this material. Questions on this material, along with other general invoicing questions, should be directed to the PAE's Relationship Manager and/or OMHAR's Resource Desk at resourcedesk@omhar.com.

Questions Regarding Payment of Specific Invoices

OMHAR has developed an invoice tracking system to track the status of invoices and payments to PAEs. Questions on the status of specific invoices should be directed to the appropriate OMHAR Regional Office.

Attachments:

- A. Mark-to-Market PAE Invoicing Materials -5/10/00 (binder) (binder currently being reproduced and will be mailed shortly)
- B. Form 2.14A (May 10, 2000 version)