

## **C2. CHAPTER 2**

### **BILLING PROCEDURES**

#### **C2.1. CRITERIA AND ELIGIBILITY FOR BILLING**

C2.1.1. Shipments From Stock. Billing shall be effected on the basis of drop from inventory or performance of services. Exceptions are as follows:

C2.1.1.1. Security Assistance. Billings for security assistance shall be effected upon constructive delivery.

C2.1.1.2. Bulk POL. Billings for bulk petroleum, oil, and lubricants (POL) shipments under Mode/Method codes 2, 8, W, and Z shall be effected upon receipt notification provided that such notification has been received by the billing office within 15 calendar days of the date of delivery; otherwise, billing shall be effected upon notice of shipment or issue.

C2.1.1.3. Perishable Subsistence Chill and Freeze Items. Billings for perishable subsistence chill and freeze items shall be effected upon drop from inventory. Billings for fresh fruits and vegetables shall be effected upon receipt of an issue transaction from a Defense Subsistence Office.

C2.1.1.4. Drawdowns.

**C2.1.1.4.1.** Materiel requisitioned under authority of Section 506 of the [Foreign Assistance Act](#)<sup>1</sup> must not be billed until funds are appropriated. The determination to use Section 506 does not provide obligation or disbursing authority. Section 506 permits the drawdown of existing DoD stocks subject to an appropriation to be made at a later date to effect reimbursement to the Defense account. Since there is no assurance that reimbursement will be received the transfers cannot be recorded as accounts receivable. Therefore, issues under Section 506 should be treated as transfers without reimbursement. The transaction should be reversed if appropriations are received to reimburse the appropriate accounts. Should Congress fail to appropriate funds for this purpose, the Defense account must absorb these costs. Section 506 drawdowns of GSA or other non-DoD stock are not authorized.

**C2.1.1.4.2.** *All requests for Working capital Fund activities (to include transportation), shall include a funding source, allowing DWCF activities to be reimbursed by the military departments without delay. Orders will not be accepted without a funding source. [DoD 7000.14-R](#), Vol. 12, paragraph 230502 and Vol. 11B, paragraph 110106.A.)*

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<sup>1</sup> Security assistance requisition with type of assistance code of "C."

C2.1.2. Direct Deliveries of Materiel From Contractors. When an inventory manager is out of stock, does not carry an item, or otherwise requests direct delivery of materiel from a vendor, the billing shall be effected upon notification of receipt of materiel by the customer or notification of shipment by the vendor. However, issues by Mode/Method codes 2, 8, W, and Z shall be billed based upon the issue transaction if the notification is not received by the inventory manager within 15 calendar days of the date of issue.

C2.1.3. In-Storage Visibility (ISV) Lateral Redistributions. When an Integrated Materiel Manager/Inventory Control Point (IMM/ICP) laterally redistributes materiel, reimbursement to the reporting activity and billing to the requisitioning activity shall be effected upon notification of shipment by the reporting activity.

C2.1.4. ISV Procurement Offset. When materiel is returned to the IMM/ICP to offset or preclude procurement, reimbursement to the returning activity is authorized upon receipt, inspection, and acceptance of materiel as evidenced by the IMM/ICP's generation of a creditable Materiel Receipt Status (DI code FTZ).

C2.1.5. Customer Asset Report (MRP) Credits. Materiel return program (MRP) credits are authorized upon receiving notification that materiel, authorized for return under creditable procedures, has been received in the offered condition and quantity.

C2.1.6. Materiel Services. Billings for services related to materiel shipments and returns not included in the materiel price are authorized after the services are rendered.

## C2.2. PREPARATION OF BILLS

C2.2.1. General. Bills shall be prepared within 30 calendar days of the criteria provided in section C2.2 and must identify each shipment, delivery, service performed, or refund earned.

C2.2.2. Material Billing And Credit Amounts. In general, billings for materiel shall be at the standard price in effect at the time shipment and credit adjustment (refunds) shall be at the price originally billed. Exceptions are identified in the following subparagraphs. Billings and credits for services or allowances related to materiel shipments shall be processed as prescribed by section C2.5.

C2.2.2.1. Lateral Redistribution Credits. Reimbursements for materiel laterally redistributed shall be processed at the standard price in effect at the time of shipment. Credits may be fully or partially reversed by the IMM/ICP when a validated discrepancy report documents the materiel was not shipped in a condition or quantity warranting full credit.

C2.2.2.2. ISV Procurement Offset and MRP Credits. Credits shall be processed at the acquisition cost in effect at the time of receipt. Credits may be less, if

in the opinion of the IMM/ICP the materiel received is not in a condition and or quantity to warrant full credit.

C2.2.2.3. Quality Deficiency Reports. When the original requisition number cannot be identified, the credits shall be at the current standard price.

**C2.2.2.4. Materiel Returns to DLA from Industrial Sites under Base Realignment and Closure (BRAC) Retail Storage and Distribution (SS&D)/Inventory Management and Stock Positioning (IMSP), and National Inventory Management Strategy<sup>2</sup>**. A variation of the MRP program is used for processing materiel returns to DLA from selected sites in support of the BRAC SS&D/IMSP and NIMS. Standard MRP DLMS/MILSTRIP transactions do not apply. No credit for packaging, crating, handling, or transportation shall be provided.

**C2.2.2.4.1. Industrial Sites**. DLA-managed materiel returned by an industrial customer at BRAC industrial sites will be accepted into DLA inventory regardless of DLA wholesale asset stock position. Credit shall be processed based upon a receipt of the returned materiel corresponding to a sale to Service maintenance (identified by DoDAAC series/internal customer group) for the same materiel and condition which was completed within the 60-day period prior to the date on the return. Credit shall be processed at the full selling price of the item on the original order(s) use as reference, up to 100% credit for return quantity less than or equal to the quantity on the order(s) used a reference. DLMS/MILSBILLS Billing for Issue from Stock (810L/DI FA2) shall be used to provide credit under modified business rules. Credit for any quantity returned over the original amount, in a different condition code than the original sale, or unmatched is subject to DLA ICP stock position using business rules equivalent to the MRP for determining whether to provide credit/ credit amount contained in DoD 4140.01-M. The Service's financial system will be notified of any resulting credit via a DLMS/MILSBILLS Materiel Returns Program Credit (810L/DI FD2).

**C2.2.2.4.2. NIMS Sites**. Credit for materiel returns from a NIMS site customer will be processed based upon the return receipt. The DLA ICP shall process the receipt and determine if a sale has occurred for the same materiel, condition code, and customer within a 60-day time frame reflecting the exact same document number as the receipt (return) document. If there is an exact matching sale, the customer shall receive credit equal to the original sale. Credit for any quantity return over the original amount, in different condition code than the original sale, or unmatched is subject to credit/credit amount. The Service's financial system will be notified of any resulting credit via a DLMS/MILSBILLS Materiel Returns Program Credit (810L/DI FD2)

C2.2.3. Method of Billing

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<sup>2</sup> DLA is required to request approval of new procedures supporting BRAC/NIMS allowing full materiel credit for returns regardless of asset position with no credit for PCH&T.

C2.2.3.1. Billings to DoD offices must be under interfund procedures except as provided below.

C2.2.3.2. Billing shall be under noninterfund procedures when:

C2.2.3.2.1. The bill-to office is non-DoD (Bill-To Service Code is numeric, G, or Z),

C2.2.3.2.2. The bill-to office is a DoD contractor (Bill-To Service Code is C, E, L, Q, or U),

C2.2.3.2.3. The bill-to office is DoD (bill-to service code is alpha other than C, E, G, L, Q, U or Z) and the fund code requires noninterfund billing (normally XP fund code),.

C2.2.3.2.4. The bill-to office is another-DoD Component (Bill-To Service Code is H) and the fund code is not identified as a valid fund code.

C2.2.3.2.5. The bill-to office is Army & Air Force Exchange Service (AAFES) (Bill-To Service Code is H followed by an X).

C2.2.3.6. **DLA Transaction Services** will reject bills when they fail any of the edits. Rejected bills will be returned to the originating communications center with a narrative description indicating the reason for rejection. Billing offices will correct the rejected bills and resubmit them to the **DLA Transaction Services**. Billing offices will ensure that all appropriate adjustments for rejected billings and interfund collections are made to seller accounting records.

C2.2.3.3. Method of Billing Summary. Billing method requirements may be summarized as in the table below:

Table C2.T.1. Method of Billing

<u>Condition Number</u>	<u>Billed DoDAAC Begins With:</u>	<u>And Fund Code is:</u>	<u>Then the Billing Method is:</u>
1	C, E, G, HG, HX, L, Q, U, Z, or numeric	Any	NON INTERFUND
2	Any Service code	XP or otherwise designates noninterfund	NON INTERFUND
3	H	Not identified as ineligible for interfund billing	NON INTERFUND

4	Otherwise; that is, conditions 1, 2, or 3 is not met		INTERFUND
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C2.2.4. Determining Billed Offices

C2.2.4.1. Billed offices shall be assigned in accordance with the signal code cited on the requisition, asset report, etc. When the Signal Code is C or L, the billed office is assigned by converting both positions of the fund code to a billed Department of Defense Activity Address Code (DoDAAC) as described in Appendix 2.

C2.2.4.2. The mailing address for noninterfund bills shall be the clear text address prescribed for billing (TAC 3, if assigned; otherwise, TAC 1) in the DoDAAD ([DLM 4000.25 Volume 6, C2](#)). The routing for interfund bills shall be based on the billing COMM RI.

C2.2.5. Nonreimbursable Bills. Materiel issued under nonreimbursable procedures must be reported to the billed office using the Notice of Non-Reimbursable Issue (DI code FE\_).

C2.2.6. Interfund Bills

C2.2.6.1. An interfund bill consists of a Summary Billing Record (DI code FS\_) and one or more detail billing records but shall not contain more than 495 records in total. With the header and trailer records, messages will consist of no more than 497 records. Noninterfund records shall not be included on the same bill.

C2.2.6.2 Interfund bills are forwarded to **DLA Transaction Services** electronically for editing and further routing to the offices billed. Only billings routed by **DLA Transaction Services** shall be eligible for interfund collection as prescribed in Chapter 5.

C2.2.6.3. Separate detail billing records, selected from the Appendix 3 series appendices, shall be prepared for each shipment of delivery supporting the summary billing record.

C2.2.6.4. The fund code (see Appendix 2) provides procedures for converting fund codes to appropriations charged.

C2.2.6.5. A separate interfund (or noninterfund) bill shall be prepared:

C2.2.6.5.1 When the billed office DoDAAC or fund code changes.

C2.2.6.5.2. When the net amount of the bill (net amount of the detail billing records) equals or exceeds 10 million dollars.

C2.2.6.5.3. When the number of billing records (summary plus detail billing records) exceed 500 records.

C2.2.6.5.4. When, in the case of security assistance billings, the country code changes.

C2.2.6.6. The recommended standard for interfund bill numbers is found in the table below:

Table C2.T2. Standard Interfund Bill Numbers

<u>If the Billing Month Is:</u>	<u>The 1st Position of the Bill Number Will Be:</u>	<u>If the Billing Month Is:</u>	<u>The 1<sup>st</sup> Position of the Bill Number Will Be:</u>
January	A or B	July	N or P
February	C or D	August	Q or R
March	E or F	September	S or T
April	G or H	October	U or V
May	J or K	November	W or X
June	L or M	December	Y or Z

The remaining four positions of the bill number will be alpha or numeric (characters A-Z or 0 or 9).

C2.2.7. Noninterfund Bills

C2.2.7.1. [SF 1080](#), Voucher For Transfers Between Appropriations and/or Funds, or other form approved by Treasury, such as [GSA Form 789](#), Statement, Voucher and Schedule of Withdrawals and Credits, shall be used as the billing document for noninterfund bills.

C2.2.7.2. An original of the noninterfund billing shall be provided to the office billed. Noninterfund billings will, at a minimum, be supported by the following information<sup>3</sup>: document order number, description of the article or services, delivery or other performance date, quantity, and price. The first two items of information will usually be satisfied by the requisition document number and national stock number.

<sup>3</sup> Though not required, to facilitate the resolution of billing or payment disputes involving noninterfund bills, billing offices should also include electronic contact information on the bill.

The delivery or performance date is the same as the day of year prescribed for the detail billing record appropriate for the issue or service.

C2.2.7.3. Billing offices may, at their option and with the customer's concurrence, provide automated support for noninterfund billings using the "G" series billing records. These billing records shall be transmitted electronically to **DLA Transaction Services** which will pass the records to the billed office by the best means available. Hard copy billing documents are not required.

### C2.3. RETENTION OF BILLING RECORDS

C2.3.1. Billing offices shall maintain records supporting security assistance billings for 6 years and 3 months after the month the billing is forwarded to **DLA Transaction Services**. In the case of manually prepared noninterfund bills, mailed to the billed office.

C2.3.2. Adjustment processing activities shall retain necessary billing records for whatever time period required to process adjustment requests submitted within the timeframes prescribed in Chapter 4.

### C2.4. CORRECTION OF ERRONEOUS BILLINGS

C2.4.1. Billing Forwarded to Customer. When a billing office finds it has issued a bill containing one or more billing lines requiring correction in some way, it shall correct the bill at the billing line level. That is, it shall reverse the erroneous billing line(s), and only such billing line(s), irrespective of dollar amount and include the reversals and corrected billing line(s) in a subsequent bill. The corrections shall be processed as soon as it is practical and shall not await customer requests for adjustments.

C2.4.2. Billing Rejected By DLA Transaction Services. Billings rejected by **DLA Transaction Services** must be corrected and resubmitted to obtain reimbursement. Corrective procedures shall include the accounting records to maintain the audit trail and the validity of the records. For example, intransit interfund collections and paid accounts receivables related to the rejected bills will have to be reversed.

C2.4.3. Notifications. To minimize the workload on all parties involved, billing offices shall consider and decide whether customers and or their Finance PRC representative should be advised of significant or mass billing errors and their planned corrections. Finance PRC representatives shall apprise the chairman and other PRC members of the situation, normally, via e-mail.

C2.5. CANCELLATIONS. When an IMM/ICP determines that a requisition has been cancelled, any billings that were generated for that requisition shall be reversed in the first available billing cycle. When the cancellation involves diverting materiel back to stock, the billing must be reversed upon receipt of the materiel. Any charges related to the cancellation that are chargeable to the requisitioner, such as contract termination costs, shall be billed under noninterfund procedures.

## C2.6. ALLOWANCES, ACCESSORIAL AND ADMINISTRATIVE COSTS

### C2.6.1. DoD Shipments

C2.6.1.1. General. [DoD 7000.14-R](#), Volume IIA provides the general DoD policy for billing accessorial and administrative costs. These costs may be billed under interfund or noninterfund procedures. However, to the extent practicable, billings shall be accomplished in the same manner as the materiel or services.

#### C2.6.1.2. Retail Loss Allowance

C2.6.1.2.1. DoD 7000.14-R requires working capital fund and other wholesale stock funds to grant a discount for retail losses to retail stock funds based upon net issues after authorized credits or offsets have been applied. These discounts provide funds for losses experienced at the retail working capital fund level.

C2.6.1.2.2. Retail loss discounts shall not be granted for sales to commissaries and customers or retail or installation level working capital fund activities. The discount will be included in standard prices as an additional surcharge element. This bill level discount or allowance shall be supported by a Retail Loss Allowance-Credit (DI Code FL2) billing record.

#### C2.6.1.3. Packing, Crating, Handling, and Transportation

C2.6.1.3.1. Reimbursements for packing, crating, and handling costs for (a) IMM/ICP directed lateral redistributions, (b) IMM/ICP authorized MRP and sales returns, and (c) IMM/ICP directed procurement offset returns associated with ISV shall be a percent of the materiel credit price. The percentage rate shall be at 3.5 percent for consumable items and at 1 percent for reparable items. Billing offices shall use the Accessorial and Other Miscellaneous Billings (DI code FN\_) record format to support these billings and reimbursements.

C2.6.1.3.2. Reimbursements for transportation costs for (a) IMM/ICP directed lateral redistributions, (b) IMM/ICP authorized MRP and sales returns, and (c) IMM/ICP directed procurement offset returns associated with ISV shall be for an amount equal to the IMM/ICP's cost recovery rate for second destination transportation included in the selling price of the materiel and shall be supported by a Billing for Transportation (DI code FQ\_) record format.

C2.6.1.3.3. Billing offices shall use the Accessorial and Other Miscellaneous Billings (DI code FN\_) or other appropriate record to support billings and reimbursements for other authorized PCH&T, administrative, or accessorial charges.

**C2.6.1.3.4. Reimbursement for packing, crating, handling, and transportation shall not be provided for materiel returns to DLA industrial sites under BRAC SS&D/IMSP, or NIMS sites<sup>4</sup>. Refer to C2.2.2.4.**

C2.6.2. GSA Shipments

C2.6.2.1. General. GSA shall assess accessorial and administrative costs on shipments to the Department of Defense as indicated in this section.

C2.6.2.2. Transportation Charges

C2.6.2.2.1. Paid By GSA. GSA shall pay transportation charges on stock items to:

C2.6.2.2.1.1. Consignees in the CONUS, and, where scheduled, surface commercial transportation services are available in Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, the southeast peninsula of Alaska, central Alaska (rail belt), and Kodiak Island.

C2.6.2.2.1.2. A U.S. port of embarkation for overseas destinations not included in subparagraph C2.6.2.2.1.1.

C2.6.2.2.2. Paid By Customer. GSA shall not pay transportation charges for shipments of special order program (nonstock) items, purchased free on board (FOB) origin. GSA will, however, prepay and bill the agency, as a separate item, for:

C2.6.2.2.2.1. Transportation charges to a CONUS destination or a U.S. Port of Embarkation on items F.O.B. origin.

C2.6.2.2.2.2. Transportation charges from a CONUS destination or a U.S. Port of Embarkation to consignees in Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, the Southeast Peninsula of Alaska, Central Alaska (rail belt), and Kodiak Island.

C2.6.2.2.2.3. Transportation charges billed under interfund procedures shall be billed using the Accessorial and Other Miscellaneous Billings (DI code FN\_) record.

C2.6.2.3. Export Charges

C2.6.2.3.1. Surcharge shall be assessed at the rate of 10 percent of the value of the materiel ordered and shipped to customers overseas from GSA wholesale distribution centers and vendors when unique DoD marking/packing requires the

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<sup>4</sup> *DLA is required to request approval of new procedures supporting BRAC/NIMS allowing full materiel credit for returns regardless of asset position with no credit for PCH&T.*

shipment be physically handled by a GSA export packing facility. The export surcharge shall be billed as follows:

C2.6.2.3.2. A flat fee of \$5 administrative charge per requisition line shall be assessed for export shipments not physically handled by a GSA export packing facility.

C2.6.2.3.3. The export services performed on shipments for customers overseas may vary by customer locations, commodity, mode of shipment, and other criteria and include: monitoring and expediting delivery to meet required delivery date; over packing and documenting dangerous/hazardous shipments; challenging air eligible shipments; unitizing, consolidating, and palletizing cargo, arranging for seavans to source load cargo and document shipments for delivery to ports of embarkation; among others.

C2.6.2.3.4. Annually, GSA shall review actual costs to perform export services and, as appropriate, propose changes in the above rate for use throughout each fiscal year. The USD(C) shall be advised sufficiently in advance for appropriate program and budget planning.

## C2.7. BILLING FOR PROGRESS AND ADVANCE PAYMENTS

### C2.7.1. Progress Billings

C2.7.1.1. Progress payments may be billed via interfund whenever the order received from the customer specifies that progress billings via interfund are authorized. Interfund billings for progress payments shall use a progress payment billing (DI code FU\_) record format. Documentation of the agreement by the customer to allow progress billing via interfund may be used in lieu of a specific provision on each order.

C2.7.1.2. Billings made for progress payments shall be based upon documentary evidence of satisfactory performance and must not exceed the amount of the customer order.

C2.7.1.3. The billing office shall offset bills for deliveries against all outstanding progress billings related to those deliveries. Billing records shall be reported for both the full value of the shipment (i.e., Billing for Issue from Stock (DI code FA1)) and the amount of the progress billing being liquidated. The billing method elected for the progress payment must also be the method used to bill for delivery.

C2.7.1.4. Although multiple progress bills may have been submitted against an order, a single recoupment billing record may be reported for the total amount of the progress billings.

C2.7.2. Advance Billing. Advance billings may not be billed via interfund. When authorized, advance funding shall be satisfied via noninterfund and by use of appropriation level, rather than project or order level advances.

## C2.8. INTO-PLANE FUEL SALES

C2.8.1. These procedures apply to DoD into-plane issues (sales) of fuels to DoD aircraft.

C2.8.2. Reimbursable issues (sales) of fuel into DoD planes by DoD activities shall be billed at the standard price in effect at the time of issue. Contractor into-plane fuel issue shall be billed at the standard price applicable to each such issue.

C2.8.3. Billing offices must grant credit for DoD aircraft defueling based on supply defueling slips at Defense Working Capital Fund (DWCF) prices. Credits shall be given for contractor into-plane defueling DoD aircraft based on a defueling slip at the standard price given for each defueling.

C2.8.4. Into-plane fuel bills shall use the Billing for Into-Plane Issues (DI code FP\_) record format.

## C2.9. HAZARDOUS WASTE AND MATERIELS DISPOSAL SERVICES

### C2.9.1 General<sup>5</sup>

C2.9.1.1. General policies and procedures governing hazardous materials and waste disposal within the Department of Defense are prescribed by [DoD 4160.21-M](#). The Defense Marketing and Reutilization Service (DMRS) is authorized to bill for these services under interfund billing procedures and shall use the Billing For Decentralized, Noncatalogued, and Nonstocked Items (DI code FC\_) billing record.

C2.9.1.2. When generators want to dispose of hazardous waste and materials, they shall follow the procedures in DoD 4160.21-M and [Chapters 3 and 5 of DLM 4000.25-1](#). These procedures require preparation of a disposal turn-in document (DTID) in accordance with instructions prescribed by [MILSTRIP](#)<sup>6</sup> and provide it to the Defense Marketing and Reutilization Office (DRMO). DRMO shall provide the generator with a receipt copy of the DTID at the time of turn-in.

### C2.9.2. Hazardous Waste Disposal

C2.9.2.1. Hazardous waste disposal services are provided on a reimbursable basis and generators must, therefore, contact their servicing finance office to ensure that funds are obligated for these services. Prior to actual turn-in and disposal, the cost hazardous waste disposal services may be estimated by referring to the contract governing the materiel being disposed of. The estimated cost of the disposal must be

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<sup>5</sup> The "background" information in this subsection is provided to assist financial personnel in understanding their responsibilities with regard to hazardous waste and materiel disposal services. Any conflicts between information contained in this subsection and procedures prescribed by MILSTRIP or DoD 4160.21-M will be resolved by following MILSTRIP.

<sup>6</sup> Appendix 3.49 Transfers To Defense Reutilization And Marketing Office on [DD Form 1348-1a](#) Issue Release/Receipt Document, or [DD Form 1348-2](#), Issue Release/Receipt Documents With Address Label.

obligated under the DTID number. Contact the DRMO for assistance in estimating the cost.

C.2.9.2.2. The DRMO shall provide the generator with copies of the disposal manifest ([DD Form 1155](#)) and any modifications as the disposal request is executed and modifications are agreed to. The DRMO shall also provide the generator with a certified copy of disposal for each DTID. Generators must advise their servicing finance office when estimated amounts obligated at the time of turn-in or execution are less than actual amounts indicated on these documents.

C2.9.2.3. Establishing an obligation for the proper amount under the DTID document number is essential for the timely and automated processing of interfund charges. Failure to do so is a violation of financial management procedures and shall delay updating generator accounts and increase workload on both DFAS and generator personnel.

### C2.9.3. Hazardous Materiel Disposal

C2.9.3.1. Unlike hazardous waste, disposal of hazardous materials may not result in any charges to the generator. Therefore, unless you are certain you will incur disposal charges, generators should not obligate turn-ins of hazardous materials. After receipt of the hazardous materials DTID, the DRMO must advise the generator if disposal costs that are the responsibility of the generator will be incurred. The following determines whether or not the generator shall be charged for disposal of hazardous materials.

C2.9.3.2. There shall be no disposal costs charged to the generator if the DRMO can dispose of the hazardous materiel through an existing contract or believes the materiel can be reutilized, transferred, donated or sold.

C2.9.3.2.1. DRMO shall provide the generator with a monthly Disposal Funding Status Report of the DTIDs that were successfully reutilized.

C2.9.3.2.2. Generators who have open hazardous materiel disposals in process shall contact the DRMO if they fail to receive a monthly Disposal Funding Status Report.

C2.9.4. When the preceding condition does not apply, the hazardous materiel becomes hazardous waste, the disposal shall be done on a reimbursable basis, and hazardous waste disposal procedures apply. Funding for this hazardous waste disposal must be provided the DRMO within 5 workdays of notification. DRMO must not proceed with the disposal of the now classified hazardous waste until funding is confirmed by the generator.

## C2.10. GSA UNIQUE BILLINGS

### C2.10.1. Automotive Vehicles

C2.10.1.1. GSA is authorized to use the interfund billing system to bill DoD activities for automotive vehicles purchased under a category one(reimbursable) military interdepartmental purchase request (MIPR). DoD activities submitting MIPRs must do so in accordance with paragraph 8.7008 of the DoD Supplement to the Federal Acquisition Regulation (reference (r)) which requires activities to provide MILSTRIP requisition data for each line item to be delivered to each ship-to address.

C2.10.1.2. For purposes of identifying and validating charges, GSA shall support interfund billings for automotive vehicles with a single line item billing register. The register must show, in addition to the information shown on the billing record, the last five digits of the MIPR number under the columns headed "DIST CD PROJ CD."

#### C2.10.2. GSA Customer Supply Center Billing Procedures

C2.10.2.1. GSA bills DoD customers for customer supply center (CSC) billings using either a customer provided MILSTRIP document number or a constructed pseudo-document number. The document number is constructed from the ordering DoDAAC of the customer provided at the time the account was opened, the Julian day the order was placed, and the last four positions of the ticket number. GSA shall treat all line items requisitioned as a single order, with or without multiple line items, and bill for the order under the constructed document number if the customer doesn't provide a MILSTRIP document.

C2.10.2.2. GSA CSC interfund bills shall be supported by the GSA CSC Billing (DI code FG\_) record.

C2.10.2.3. Noninterfund bills shall be supported by the Single Line Item Billing Register. The register must include the customer provided MILSTRIP document number in the stock number field.

C2.10.2.4. GSA also offers its customers the option of having its CSC billings billed to a Government purchase card. Activities having difficulties with interfund or [SF 1080](#) billings of CSC supplies may want to use this option.

#### C2.11. ARMY EXCHANGE PRICING PROCESS.

C2.11.1. The Army approach to the Exchange Pricing (EP) interim approach is a multi system functionality implementation. EP employs a dual pricing system for repairable National Stock Numbered items based upon Standard Price (latest acquisition cost plus recovery rate) and EP (latest repair cost plus cost recovery rate) and a "buy one – return one" relationship with the customer. That is, a qualified exchange pricing customer buys at the EP and pays a penalty if a reparable is not turned-in within a specified period of time from the issue date. This process is applicable to the Army customers and Army-managed material only; other Services will continue to pay Standard Price and receive 65% credit exchange upon receipt of carcass by the Army PICA.

C2.11.2. Once an item of supply is identified for a national repair program and the National Item Identification Number.

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