

Additional Help: 630
File Name: 630sab_012502_cd26
Revision: 01/25/2002
Effective Date: 01/17/2002

Sample Letter From CTO to Payee - Suspension of Voucher Item(s)

(CTO Address)
DATE

Payee Name
Payee Address

Subject: USAID Award Number

Reference: Payee Voucher/Invoice Number and date

Dear Sir or Madam:

This letter is to notify you that I have determined the referenced invoice to be improper and am suspending from payment certain costs. I question these costs for the reasons described below, and request that you correct the invoice to respond to these concerns and resubmit it, marking the resubmission as a corrected invoice. This notice complies with the requirement in 31 CFR 1315.4 entitled "Prompt payment standards and required notices to vendors." Consequently, interest penalties will not accrue on these questioned amounts. The Prompt Payment Act does apply to any unquestioned, proper costs in the referenced voucher.

I am authorized to take this action as the designated Cognizant Technical Officer (CTO) for the subject award. Under USAID regulations, as the CTO I am responsible for administratively approving the vouchers you submit under the award. This approval responsibility includes reviewing your vouchers to determine if the invoiced costs are consistent with the terms of the contract and my knowledge of your performance under the contract for the period or purposes being billed. For more information on the administrative approval process, see USAID Automated Directives System (ADS) Chapter 630, Payables Management, at <http://www.usaid.gov/pubs/ads/600>.

I have reviewed the referenced voucher and question the following item(s) for the reasons stated below:

(Describe the item(s) in the voucher and why you question it/them. As much as possible, refer to specific terms of the contract that support your position. If you interpret the contract as requiring specific support/justification for a cost, point out where the invoice or the contractor's action was deficient. For example, if the contractor included the cost of participant training for 40 participants, but the contract Statement of Work doesn't include any participant training, include a brief summary explanation.)

Total amount questioned: \$(include the dollar figure or local currency amount)

Net payment amount: \$(*include the dollar figure or
local currency amount*)

I am providing the cognizant paying office with a copy of this letter as well as my administrative approval of any items in the voucher that I do not question. I am also providing a copy of this letter to the USAID Contracting Officer.

I am not disallowing these costs, nor should you construe this letter to be a notice of intent to disallow costs pursuant to Federal Acquisition Regulation (FAR) 42.801. The Contracting Officer must take these actions, since I do not have the authority to do so.

If you disagree with my action, you may take the following action:

- Submit a written request to the cognizant Contracting Officer to consider whether the unreimbursed costs should be paid and to discuss the findings with you;
- File a claim under the Disputes clause, which the cognizant Contracting Officer will process in accordance with Agency procedures; or
- Do both of the above.

Please feel free to contact me with any questions you have regarding this letter. I can be reached at (*include phone number and e-mail address*).

Sincerely,

(*Name*)

(*Title*)

Cognizant Technical Officer for (*contract
number*)

cc: *Paying office symbol*
 Name of Contracting Officer