

2024 Indian Health Service Partnership Conference

Best Practices – Undelivered Orders

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Best Practices – Undelivered Orders

- Contract Closeouts
- UDOs
- Un-invoiced receipts

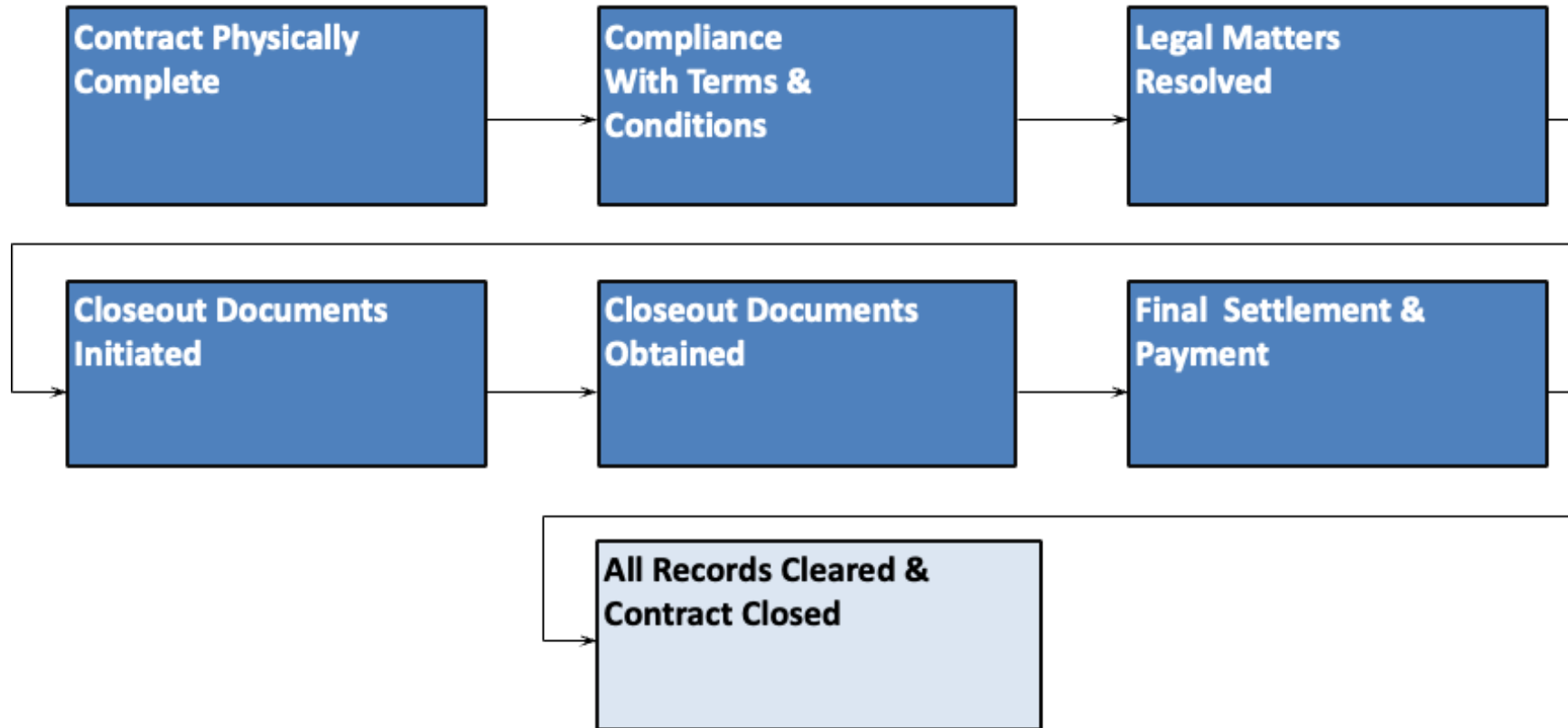


Contract Closeout

- Contract closeout is a critical phase of the procurement process. When performed efficiently and effectively, it protects the government's interests and frees up significant amount of dollars for current-year program priorities.
 - **Challenges:**
 - Personnel Issues
 - Monitoring Timelines
 - **Contract Closeout Process:**
 - A contract is completed and ready for closeout when physically complete and final payment has been made
 - Contract files for contracts using simplified acquisition procedures should be considered closed when the Contracting Officer receives evidence of receipt of property and final payment (unless otherwise specified by Agency Regulation).
 - Assign an individual/team at each Area Office to be responsible for reducing/eliminating the backlog of open contracts
- **Note:** Closeout Time Standards Reference FAR 4.804-1(a)



Contract Closeout Process



Contract Closeout/UDO

- After analyzing past performance and processes as well as feedback from users, we are able to provide objective recommendations and relevant trainings in an effort to improve overall efficiency. In addition, specific 'Lessons Learned' have become evident through the current process.

Recommendations:

- Create a Contract Closeout Team at each Area Office
 - Includes Acquisition and Finance - Receiving Agents, Invoice/Payment Techs
 - Meets on a regular basis to ensure deadlines are met
 - Contract/Award Reconciliation
 - Ensure the proper communication of potential issues that may delay the closure, necessary actions to be taken by a certain group, or comprehension of responsibilities
- Establish a Contract Closeout Function/Office with permanent expert staff and promotion potential
- Assign an individual/team at each Area Office to be responsible for reducing/eliminating the backlog of open contracts
- We have initiated a UDO Cleanup workshop initiative consisting of Procurement users (UFMS Purchasing and PRISM community) wherein we review the UDO's on a weekly basis with each Accounting Center/Contracting Offices. We reviewed the UDO Dashboard and Overall UDOs and advise users to cancel/de-obligate any purchase documents after verifying the physical completions and final payment.



UDO - Best Practices

- Start early: Initiate the Closeout actions and complete before end of Q3 (specifically for Canceling Year Funds i.e. FY18 (annual fund) instead of working during Q4)
 - **Impact:** This will avoid the PRISM actions getting picked up by PO Mass Cancel and avoid any potential disconnect between PRISM/UFMS and FPDS
- Contract closeout is a collaborative effort among all officials
 - **Impact:** Follow-up is highly encouraged to ensure that contracts/awards are closed in a timely manner
- Area Contracting Offices should assign De-Ob/Closeout coordinator between Acquisition, Budget, and Finance Staff
- Monitor Open Obligations on a regular basis; initiating a funds status review and identification of excess funds on a timely basis
- To gain a perspective on the difficulty of the contract closeout mission, it is necessary to understand the types of contracts and the timeframes required for closeout
- FAR 4.804 gives standard timeframes from the date of contract physical completion for closing them. As you can see, the longest timeframe is given to cost-type contracts.



UDO - Best Practices (Cont..)

- PRISM/Purchasing Document Cleanup Initiative
 - Initiate a Monthly/Biweekly meeting with Procurement communities
 - These sessions will focus on the following:
 - Troubleshooting documents with balances more than 2 years old
 - Review of the PO Dashboard Summary and the tracking of monthly progress
 - Management of Canceling Year Obligations, Unapproved Obligations, and overall UDO reports
 - Ensuring PRISM awards are not picked up by PO Mass Cancel to avoid potential disconnect between UFMS/PRISM and appropriate reporting to FPDS
 - Un-invoiced Receipts Report
- Fixed-Price contracts are simple (Approximately 80% of IHS actions are Fixed Price) – the government knows up-front what it is going to pay
 - The standard is 6 months to complete the closeout



Un-Invoiced Receipts

- Un-invoiced Receipt report will identify all PO lines where receipt quantity is more than invoiced quantity
- Many of these POs have been received in FULL while invoiced partly
- The PO lines DO NOT show up on the UDO report (Un-Delivered Obligations) as UDO will consider only obligations which are not completely received/delivered
- These obligations/awards are “Delivered Order” balance for your Area. Funds are tied up in “Delivered But Not Paid”.



Count of Uninvoiced Receipts by Area

*Table as of July 29th 2024

Area	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Grand Total
40		5	1	6	1	1		1		1	2	16	17	37	83	68	43	34	316
41																1		6	7
45		7	3	6	8	7	11	5	16	8	19	117	281	254	228	168	51	33	1222
46		1							1					8	11	18	18	7	64
47		10	14	15	10		1				1	80	115	125	77	54	15	1	518
50		3	3	11	4	8	10	4	4	200	166	190	177	280	341	353	384	232	2370
51																		1	1
53							1		1					1	14	17	8	2	44
54	1			1	3	1		1			9	36	45	126	116	162	30	8	539
64									1		1	1	20	30	45	11	49	2	160
94						1		1				1	12	9	21	6	5	3	59
Grand Total	1	26	21	39	26	18	23	12	23	209	198	441	667	870	936	858	603	329	5300



Amount of Uninvoiced Receipts by Area (\$ Dollars)

*Table as of July 29th 2024

Area	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Grand Total
40		1,857	38	1	0	0		580		923	590	25,291	46,406	253,322	327,111	352,194	371,124	1,357,490	2,736,929
41																26,015		71,311	97,326
45		8,150	43,806	0	4,368	3,763	5,723	4,450	4,900	898	4,712	162,030	240,657	248,802	222,867	536,655	86,098	134,640	1,712,519
46		0							0					33,901	101,947	192,386	79,277	17,487	424,999
47		10,950	52,144	14,582	12,157		0				4,487	326,912	706,329	690,507	241,973	644,057	54,253	943	2,759,295
50		108	0	1,584	523	9,533	14,166	0	0	259,058	303,190	266,532	306,035	830,449	997,187	3,928,048	2,900,684	2,150,780	11,967,879
51																		2	2
53							0		0					0	183,798	95,338	13,721	506	293,363
54	2,979			695	3,080	475		152			12,977	126,549	93,848	442,489	388,412	148,589	74,365	68,035	1,362,646
64									0		148	415	13,870	60,043	965,570	33,240	302,632	2,693	1,378,611
94						0		0				0	18,628	26,767	876,950	1,260	858,404	896,972	2,678,981
Grand Total	2,979	21,066	95,989	16,863	20,128	13,772	19,889	5,182	4,900	260,879	326,104	907,730	1,425,773	2,586,281	4,305,816	5,957,782	4,740,559	4,700,859	25,412,549



Un-invoiced Receipts – Steps need to correct

- Identify a subset of awards to work on. Use Older (2021 and older), high dollar value lines first to get most recoveries
- Check with Program Office/COR to make sure no pending invoices
- Follow the steps listed below to release funding:
- If PO line/shipment is not cancelled
 1. Return excess receipt (Match receipts quantity with billed quantity)
 2. Process closeout in PRISM
 3. If Award is already closed out, then no action needed in PRISM. Simply cancel remaining balance in UFMS.
- If PO line/shipment is Cancelled/Final Closed
 1. Data fix to open PO line/Shipment
 2. Return excess receipt (Match receipts quantity with billed quantity)
 3. Process closeout in PRISM
 4. If Award is already closed out, then no action needed in PRISM. Simply cancel remaining balance in UFMS.



UDO (Un-Delivered Orders)

- UDO report identifies un-delivered orders
- Widely used by Area Offices to clear stale awards
- Monthly UDO calls with each Area Office to review details and make recommendations
- Contracts Review: Review the Contracts to see if any unliquidated funds remain under the PRISM award and confirm that the contractor has been paid for all work accepted
- Review the report and determine which awards to de-obligate and not to de-obligate. A contract modification will be issued to de-obligate these excess funds and administratively closeout the Award.

Amount of PRISM UDOs Recoveries by Area

**Table as of July 29th 2024*

Area	FY2020 % Change	FY2020 \$ Change	FY2021 % Change	FY2021 \$ Change	FY2022 % Change	FY2022 \$ Change	FY2023 % Change	FY2023 \$ Change	FY2024 % Change	FY2024 \$ Change
PHX	-50.50%	(\$16,363,643)	-74.42%	(\$20,300,871)	-30.19%	(\$5,676,189)	-57.42%	(\$22,707,196)	-31.44%	(\$11,921,822)
CAL	-88.88%	(\$254,756)	-93.73%	(\$102,940)	-74.55%	(\$142,693)	-14.11%	(\$13,029)	-97.71%	(\$262,945)
GPA	-63.86%	(\$7,081,865)	-56.31%	(\$5,457,048)	-49.30%	(\$5,491,560)	-25.14%	(\$2,499,422)	-54.03%	(\$9,597,118)
BEM	-100.00%	(\$1,207,776)	-45.35%	(\$278,473)	-66.65%	(\$1,129,960)	-53.76%	(\$1,345,972)	-35.14%	(\$415,269)
BIL	-72.42%	(\$2,803,912)	-24.28%	(\$1,165,824)	-29.23%	(\$3,592,143)	-2.83%	(\$565,640)	-5.91%	(\$1,898,991)
OKC	-47.28%	(\$8,168,467)	-40.47%	(\$5,370,283)	-14.02%	(\$1,678,512)	-19.63%	(\$3,808,062)	-23.28%	(\$5,972,660)
NAS	-93.56%	(\$396,171)	-87.02%	(\$355,144)	-86.65%	(\$271,315)	-63.37%	(\$469,479)	-81.42%	(\$3,045,728)
ALB	-68.38%	(\$3,738,972)	-73.20%	(\$4,423,804)	-54.86%	(\$2,993,840)	-58.13%	(\$10,341,824)	-39.65%	(\$8,135,055)
NAV	-35.21%	(\$7,756,770)	-32.20%	(\$10,285,950)	-19.29%	(\$7,973,147)	-23.83%	(\$15,231,054)	-45.70%	(\$41,523,638)
POR	-10.15%	(\$43,235)	-77.22%	(\$1,038,582)	-17.08%	(\$145,164)	-13.12%	(\$333,458)	-23.74%	(\$1,659,847)
HQ	-22.22%	(\$915,123)	-9.93%	(\$447,991)	1.26%	\$87,966	-68.15%	(\$21,593,309)	-10.75%	(\$1,033,745)
Total	-49.42%	(\$48,730,722)	-49.22%	(\$49,226,913)	-26.14%	(\$29,018,475)	-37.91%	(\$78,908,446)	-34.65%	(\$85,466,817)



Count of UDOs by Area and BFY

**Table as of Aug 2nd 2023*

Area	2010	2011	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Grand Total
40						1	1	67	962	4,114	7,524	10,069	14,042	22,292	59,072
41					1	1		2	16	36	58	83	115	617	929
42										3	9	13	20	108	153
45				1	2	10	12	298	624	623	1,334	6,402	15,556	30,780	55,642
46						1	4	12	1,219	2,808	2,903	2,697	5,904	10,151	25,699
47							63	251	403	640	3,986	13,866	19,215	29,138	67,562
50					5	194	192	304	385	756	11,084	11,776	37,258	61,715	123,669
51								2	14	32	822	836	2,228	4,113	8,047
53							139	2,914	4,391	10,541	11,813	12,144	13,345	24,372	79,659
54							11	72	452	1,382	2,374	12,698	24,614	45,242	86,845
59	1			1	2	3	2	4	16	75	77	64	98	264	607
64		1	4	2	1	2	3	10	522	2,403	2,410	2,930	4,941	8,709	21,938
94						1	10	120	619	360	245	1,368	3,444	4,960	11,127
Grand Total	1	1	4	4	11	213	437	4,056	9,623	23,773	44,639	74,946	140,780	242,461	540,949



Amount of UDOs by Area and BFY (\$ Dollars)

**Table as of Aug 2nd 2023*

Area	2010	2011	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
40						0	78	420,039	521,612	11,847,237	45,683,850	67,178,736	92,365,754	170,722,356	388,739,662
41					368,485	216,263		244,839	1,209,716	4,238,131	26,573,882	3,840,696	5,377,996	33,726,812	75,796,820
42										1,181,174	9,549,135	1,654,395	2,144,399	3,075,759	17,604,862
45				179	437	14,107	61,039	379,426	1,362,205	3,089,694	7,672,891	27,315,017	62,580,880	170,920,620	273,396,495
46						179,225	111,180	2,598,876	13,195,628	12,943,759	8,908,636	17,160,220	61,798,009	70,821,982	187,717,517
47							197,534	2,407,225	6,243,901	13,795,584	18,872,192	33,658,184	79,177,882	91,531,051	245,883,552
50					1,151	117,435	509,231	1,475,298	2,154,872	7,939,137	15,335,111	27,132,338	49,477,842	163,859,101	268,001,514
51								223,530	1,556,123	4,762,292	26,962,729	5,206,351	6,907,231	36,994,650	82,612,907
53							74,755	1,823,830	2,889,280	12,447,056	13,383,358	44,136,751	57,392,176	102,934,017	235,081,224
54							2,713,674	398,045	3,489,539	20,640,850	27,051,275	47,754,650	85,809,680	206,266,677	394,124,390
59	64,622			20,181	119,515	150,322	773,080	3,138,046	1,319,369	21,528,369	56,417,581	1,658,761	8,584,286	35,407,156	129,181,289
64		219,000	258,030	163,066	9,726	99,635	321,700	186,598	3,636,490	13,896,461	39,727,673	39,809,173	51,502,420	28,761,482	178,591,453
94						1,000	242,859	201,678	2,715,462	4,330,996	10,363,880	37,234,837	92,625,411	133,493,286	281,209,409
Grand Total	64,622	219,000	258,030	183,427	499,314	777,988	5,005,130	13,497,429	40,294,198	132,640,740	306,502,194	353,740,109	655,743,964	1,248,514,949	2,757,941,093



Count of UDOs by Source and BFY

**Table as of Aug 2nd 2023*

	2010	2011	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Grand Total
105(L)														2	2
CONCUR						6	2	350	1,341	970	767	1,862	3,561	11,458	20,317
DIRECT OBLIGATION		1	4	2	2	4	10	20	84	116	165	213	333	422	1,376
GOVTRIP				1	1										2
IGT													77	249	326
IHS										1	4	7	13	36	61
IHS CONSTRUCTION									1	4		7	4	6	22
IHS LRP												245	552	780	1,577
IHS TITLE I						4		1	39	110	211	149	175	188	877
IHS TITLE V	1			1	2	2	2	4	34	139	140	107	60	8	500
IHS_CHS_MIS							140	2,913	6,490	19,055	38,328	66,007	127,593	220,725	481,251
IHSSCHOLARSHIP										1		429	744	19	1,193
IPAC										1	9	20	180	276	486
LMS TRAINING											1	1	1	2	5
MAN										3					3
MANUAL						2	4	52	127	456	1,043	857	1,217	1,884	5,642
NON-PRISM									2	4					6
PCS								15	55	78	93	114	244	180	779
PRISM					6	195	279	701	1,450	2,835	3,878	4,928	6,026	6,226	26,524
Grand Total	1	1	4	4	11	213	437	4,056	9,623	23,773	44,639	74,946	140,780	242,461	540,949



Amount of UDOs by Source and BFY (\$ Dollars)

**Table as of Aug 2nd 2023*

	2010	2011	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Grand Total
105(L)														726,214	726,214
CONCUR						3,262	-946	117,875	402,072	329,923	207,927	495,718	1,119,059	4,906,924	7,581,815
DIRECT OBLIGATION		219,000	258,030	163,066	378,211	495,123	2,683,163	3,128,189	11,227,854	25,376,865	68,248,321	23,705,522	79,248,132	160,860,607	375,992,084
GOVTRIP				179	437										616
IGT													16,356,741	110,205,786	126,562,527
IHS										245,000	196,942	1,561,504	3,159,443	20,813,840	25,976,728
IHS CONSTRUCTION									300,000	1,050,000		1,803,870	1,198,835	2,063,317	6,416,022
IHS LRP												4,448,699	14,537,429	25,228,844	44,214,972
IHS TITLE I						10,845		1,500	1,172,411	7,707,985	39,915,288	9,559,836	13,589,614	14,824,355	86,781,833
IHS TITLE V	64,622			20,181	119,515	25,405	773,080	3,138,046	2,272,393	19,835,308	76,243,249	7,712,310	3,862,427	130,770	114,197,307
IHS_CHS_MIS							52,033	1,822,930	3,415,021	10,295,129	21,814,572	39,413,242	85,809,089	147,107,212	309,729,228
IHSSCHOLARSHIP										5,590		6,874,152	9,259,992	34,296	16,174,029
IPAC										47,459	88,095	238,565	2,926,310	10,235,862	13,536,290
LMS TRAINING											3,000	2,611	2,191	2,944	10,745
MAN										5,804					5,804
MANUAL						125,917	85,499	204,327	7,574,271	10,413,533	14,879,858	37,819,870	88,025,617	75,724,621	234,853,513
NON-PRISM									22,548	468,014					490,562
PCS								17,917	170,300	181,482	735,776	205,881	1,214,163	972,251	3,497,771
PRISM					1,151	117,435	1,412,300	5,066,645	13,737,327	56,678,648	84,169,167	219,898,329	335,434,924	674,677,107	1,391,193,033
Grand Total	64,622	219,000	258,030	183,427	499,314	777,988	5,005,130	13,497,429	40,294,198	132,640,740	306,502,194	353,740,109	655,743,964	1,248,514,949	2,757,941,093



UDO - Tools

- PO - IHS - Dashboard
- PO - IHS - Obligations Liquidation Status report
- Un-invoiced Receipts report
- PO - IHS - Dashboard → Cancelling Year Obligations
- PO - IHS - Dashboard → Obligations with No Activity



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Questions?



