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DEFENSE LOGISTICS AGENCY  
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The Nation's Combat Logistics Support Agency

# Defense Enterprise Data Standards Office (DEDSO)

Finance Process Review Committee  
& G-Invoicing

Briefer: Nolan Davis

Date: 8 May 2024



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# Agenda

## FPRC – February 6<sup>th</sup>, 2024

Timeline	Agenda Item & Speaker
0830-0835 (5 min)	<b>Welcome, Admin, &amp; Introductions</b> Nolan Davis, FPRC, DEDSO
0835-0840 (5 min)	<b>DEDSO Finance Update</b> Nolan Davis, DEDSO
0840-0855 (15 min)	<b>Treasury G-Invoicing Program Update</b> Keith Jarboe, U.S. Treasury
0855-0910 (15 min)	<b>OUSD(C)/G-Invoicing Implementation 7600EZ Supply Working Group</b> Fatimoh Ajadi, OUSD(C)
0910-0925 (15 min)	<b>DLA G-Invoicing Materiel Transactions Way Forward</b> Michael Lane, DLA
0925-0940 (15 min)	<b>DLA Approved DLMS Change (1465) 7600EZ Update</b> Eric Flanagan, DLA
0940-0955 (15 min)	<b>GSA G-Invoicing Implementation at GSA</b> Gail Bruss, GSA
0955-1000 (5 min)	<b>Questions/Closing comments/Action Items</b> Nolan Davis, DEDSO



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# DEDSO Finance Update

DEDSO  
Mr. Nolan Davis  
Mr. Paul Macias  
Mr. Greg Vogle





# Agenda

- PRC Membership
- 1043E Go Live
- STWG Information



# PRC Membership

- PRC Membership
  - Annual Revalidation
  - 1 Primary, 1 Alternate (That's it)
  - Obtain component Consensus on PDC's & ADC's
  - Provide feedback as required
  - Encourage you to be an active PRC Member





## 1043E Update

- DAAS Testing has been open for several months.
- We presented this at the last FPRC (February 2024)
- DAAS will be turning the logic back on June 12<sup>th</sup> 2024
  - Should issues arise, DAAS and DEDSO will work together to fix
- Any issues or concerns please reach out to
- DEDSO Finance team: [dedso.finance@dla.mil](mailto:dedso.finance@dla.mil)
- DAAS Testing team: [daastesting@dla.mil](mailto:daastesting@dla.mil)



# Supply Transaction Working Group

- **DoD (A&S) Sponsored 7600EZ Supply Transaction Working Group (STWG)**
  - Action item from Nov 2023 G-INV Senior Executive Summit (SES)
  - Establish 7600EZ materiel transactions vision throughout the department
  - Obtain executive level awareness and buy in to achieve success in a short amount of time
- Less than 18 months to transition DoD supply transactions resulting in an IPAC settlement to G-Invoicing prior to bulk IPAC shut off on September 30<sup>th</sup> 2025.



# Supply Transaction Working Group

- Project Champion: DASD A&S
- Project Manager: DEDSO
- Executive Stakeholders: Treasury, Comptroller, Army, USMC, USN, USAF, DLA, GSA
- 7600EZ STWG Scope:
  - First Phase:
    - Supply transactions resulting in an IPAC Transaction prior to Sept 30, 2025
  - Second Phase:
    - Supply transactions resulting in an Interfund bill (transition date TBD)
- Met in February 2024 to discuss G-Invoicing way ahead
  - Identified 11 GAPS
  - DEDSO has been hosting specific GAP meetings
  - Will take all of us to work towards a successful implementation.





# Supply Transaction Working Group

## Upcoming events

- Breakout sessions tomorrow 0830-1230
  - Room 1 South A in Classroom
- STWG Touch Point
- Continued GAP Meetings





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**Fiscal Service**  
U.S. DEPARTMENT OF THE TREASURY

# Treasury G-Invoicing Program Update

**Defense Enterprise Data Standards Office (DEDSO)**

**Defense Logistics Management Standards (DLMS) Summit**

**May 8, 2024**

**LEAD · TRANSFORM · DELIVER**

# The Audit of the Financial Report of the U.S. Government

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## The Audit Issue

- Since 1997, the Financial Report of the U.S. Government has consecutively received a disclaimer of opinion from the Government Accountability Office (GAO).
- The inability to resolve differences in intra-governmental activity and balances between federal entities is a significant impediment to receiving an opinion.
- **For FY 2023, IGT Buy/Sell differences totaled \$16.54 billion, which was the largest contributor to IGT differences.**

# Intra-governmental Reconciliation Progress

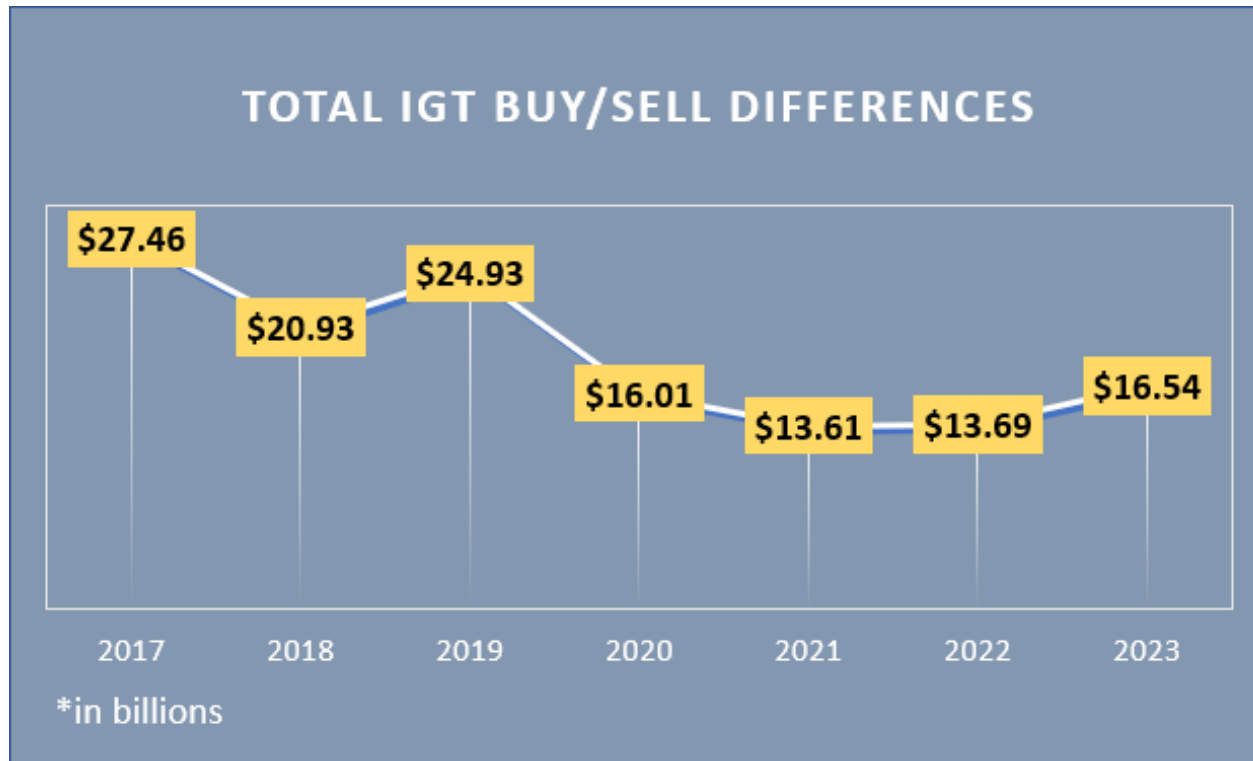
**Total Intra-governmental Elimination Differences have steadily decreased each fiscal year.**

TOTAL INTRAGOVERNMENTAL DIFFERENCES FY 2017 - FY 2023		
FISCAL YEAR	TOTAL IGT DIFFERENCES	
2017	\$	1,048,461,073,065.37
2018	\$	213,777,998,988.95
2019	\$	94,251,578,286.59
2020	\$	57,829,897,397.15
2021	\$	47,835,700,723.99
2022	\$	45,252,679,192.37
2023	\$	39,127,529,921.67



# IGT Buy/Sell Differences Trend

The IGT Buy/Sell Sub-Category remains the largest contributor to differences.



**FY 2023**

Total IGT Differences  
\$39.13 billion

IGT Buy/Sell Differences  
\$16.54 billion

**42%**

## Agencies' cited reasons for differences include:

- Financial Management Systems Issues (38%)
- Conflicting Accounting Methodology (7%)
- Communication/Timing Issues (26%)
- Reporting Errors (2%)



# G-Invoicing Program Overview

## What is G-Invoicing?

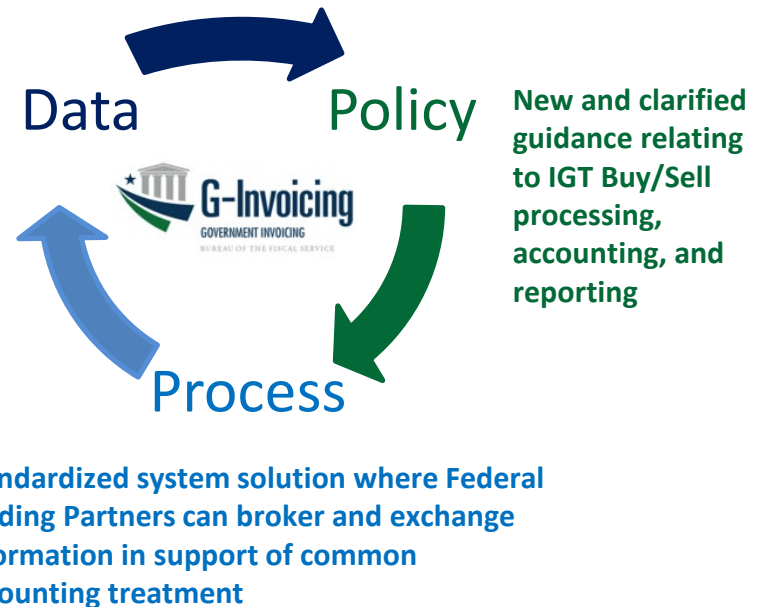
Long-term solution for Federal Program Agencies to manage their IGT Buy/Sell transactions and improve the quality of IGT data.

## Benefits Provided:

- Promote Federal Trading Partner Communication
- Improve the Quality and Reliability of IGT Buy/Sell Data
- Reduce Adjustments
- Facilitate Reconciliation and Elimination
- Improve Transparency & Accountability

## Key Attributes:

The Federal Intra-governmental Data Standard (FIDS) serves as the foundation for the process and policy standardization activities



## G-Invoicing Mandate – Treasury Financial Manual – Chapter 4700, Appendix 8

- The mandated implementation deadline was October 1, 2022, for New Orders and includes Orders with a Period of Performance beginning October 1, 2022, or later.
- All IGT Buy/Sell activity must be implemented into G-Invoicing by October 1, 2025.
- **The IPAC application will remove the ability to initiate a transaction categorized as Buy/Sell on 10/1/2025.**

# G-Invoicing Delivery Methodology

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## We've Listened To Our Customers

- In developing G-Invoicing, Treasury exercised a “customer first” approach, leveraging user centered design and numerous working groups to drive collaboration with Agency Stakeholders and ERP Financial System Providers.

## We've Stayed Focused On Improving Financial Management

- The vision for a data broker and repository, built on the foundation of a Federal Intragovernmental Data Standard, has been a guiding principle of this initiative.

## We've Been Transparent In Our Efforts

- The development of G-Invoicing was an iterative, collaborative process during which Treasury consulted with federal agencies, Enterprise Resource Planning (ERP) vendors, and the Office of Management and Budget, leveraging customer experience best practices to implement a solution that reflects the collective voice of the users.

## We've Remained Flexible In Our Approach

- We've adjusted our scope, re-aligned our mandates, and added capabilities to the solution that were not originally envisioned to better support the business needs of IGT Buy/Sell Trading Partners.

***Rather than just delivering a new offering TO our customers, we have collaboratively built it WITH them.***

# G-Invoicing Production Data – Government-wide

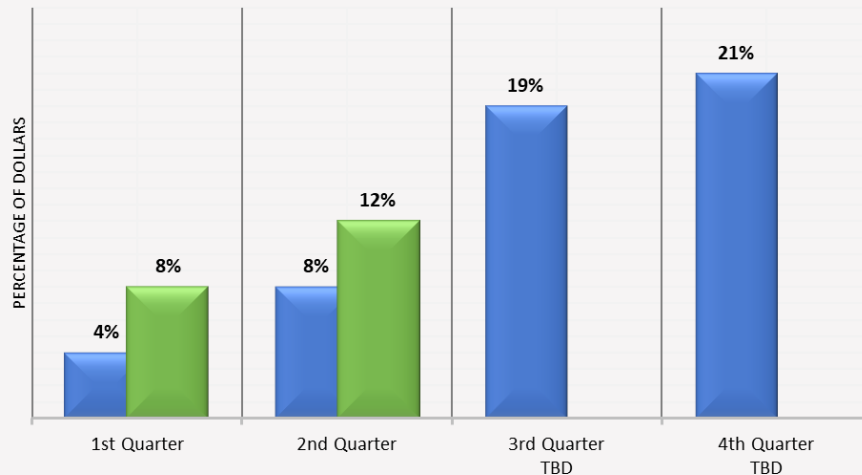
## Disclosures

- The percentage of dollars chart reflects a comparison of buy/sell activity facilitated in G-Invoicing versus directly in IPAC.
- Due to enhancements in the IPAC application, Fiscal Service is collecting improved data to better differentiate buy/sell vs non-buy/sell activity through the IPAC application. This can reflect a lower **percentage of dollars** despite the **actual dollars** facilitated through G-Invoicing increasing.

### G-Invoicing Transactions

Year Over Year Comparison  
Percentage of Dollars

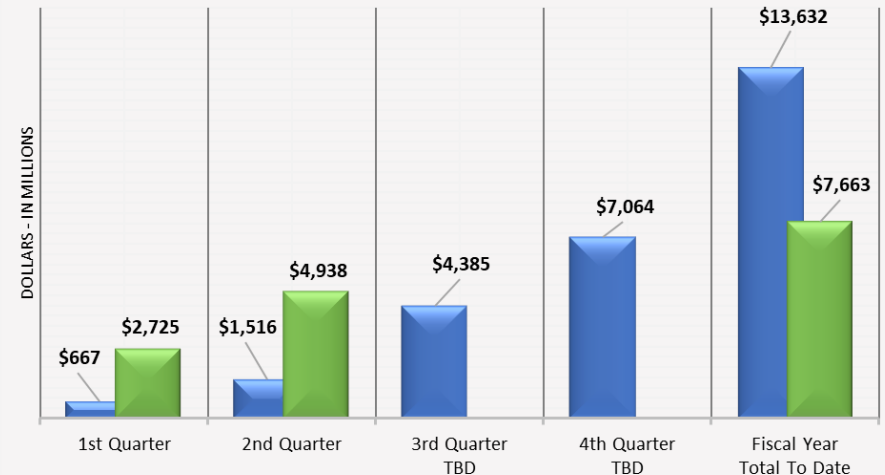
■ Fiscal Year 2023 ■ Fiscal Year 2024



### G-Invoicing Transactions

Year Over Year Comparison  
Dollars Facilitated in G-Invoicing

■ Fiscal Year 2023 ■ Fiscal Year 2024

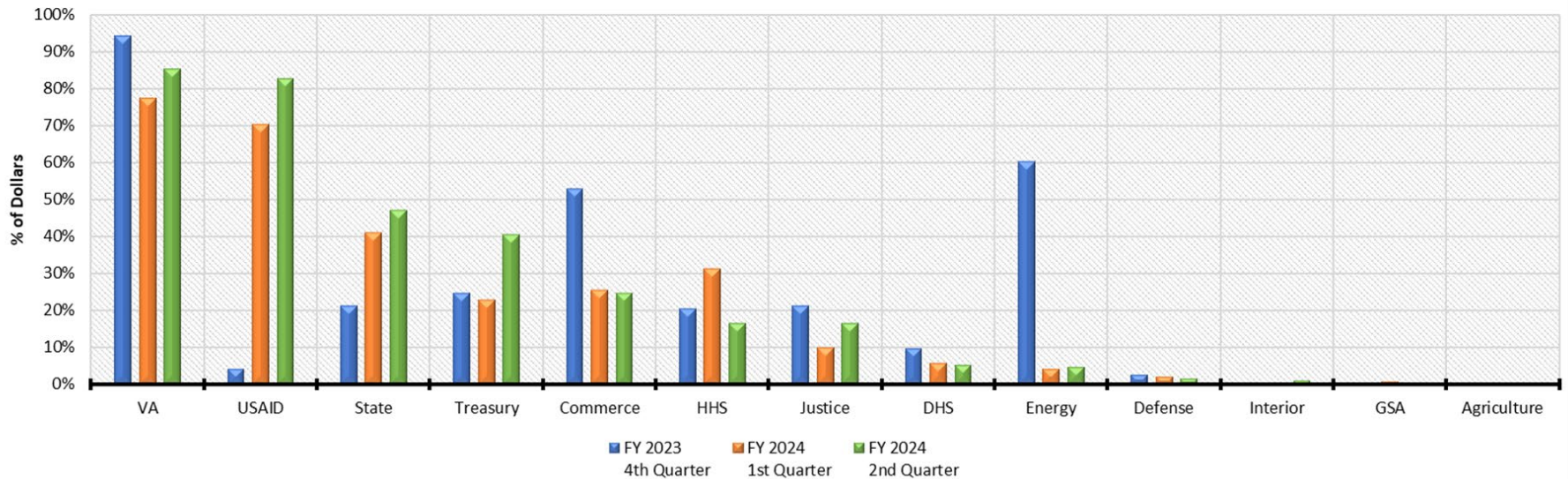


# G-Invoicing Production Data – Target 13 Agencies

## Disclosures

- The percentage of dollars chart reflects a comparison of buy/sell activity facilitated in G-Invoicing versus directly in IPAC.
- Trading Partner Readiness continues to significantly impact agencies that have successfully implemented G-Invoicing.

G-Invoicing Utilization Rate  
GINV Buy/Sell versus IPAC Buy/Sell  
Percentage of Dollars



# GAO Independent Auditor's Report for FY 2023

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As noted in the FY 2023 Government Accountability Office Independent Auditor's Report:

- *“Significant progress has been made over the past several years, but the federal government continues to be unable to adequately account for intragovernmental activity and balances between federal entities.”*
- *“While progress was made, auditors for several significant component entities continued to report that the entities **did not have effective processes for reconciling intragovernmental activity and balances with their trading partners.**”*

As a result, Treasury and Office of Management and Budget (OMB) will continue to monitor raw intra-governmental data from entities. Additional assurances are needed to ensure appropriate IGT controls are in place.

- *Addressing the intragovernmental transactions problem remains a difficult challenge and will require **federal entities' strong and sustained commitment to resolving differences.***

# G-Invoicing CFO Memorandum

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- Fiscal Service recognizes that full compliance with the G-Invoicing Treasury Financial Manual (TFM) mandate is an extensive effort requiring strong collaboration amongst Federal Agencies and Enterprise Resource Planning System Vendors.
- Full compliance with the G-Invoicing TFM mandate and the October 1, 2025 IPAC deadline is expected of all Federal Trading Partners who broker IGT Buy/Sell transactions.

**A memorandum to all Federal Chief Financial Officers reinforcing the mandated use of G-Invoicing and the planned IPAC FY2026 cutoff has been drafted and is currently in coordination for signature by the Fiscal Assistant Secretary of the Treasury and the Office of Management and Budget.**



# Reference Materials

## Policy:

**TFM Chapter 4700 – Appendix 8**

***Published:***

November 2023 (Updated Annually)

## Guidance:

**G-Invoicing Program Guide for  
Basic Accounting and Reporting**

***Revised:***

August 2022

**G-Invoicing System Integration  
Guide**

***Revised:***

May 2023

**G-Invoicing Rules of Engagement**

***Revised:***

July 2023

### The Mandate

- Mandated that all Federal Program Agencies (FPAs) who process IGT Buy/Sell transactions must implement G-Invoicing. <https://tfx.treasury.gov/tfm-classic/volume1/part2/chapter-4700-federal-entity-reporting-requirements-financial-report>
- TFM Bulletin 2023-05 (March 23, 2023) Defined revised timeline for IPAC IGT Buy/Sell Subcategory Use, IGT Scorecard Updates, and Constructive Order Acceptance restrictions. <https://tfx.treasury.gov/tfm/v1/bulletins/2023-05>
- TFM Bulletin 2023-10 (July 27, 2023) Eliminated the In-Flight Orders Mandate. <https://tfx.treasury.gov/tfm/v1/bulletins/2023-10>

### Program Guide

- Provides guidance regarding proper accounting treatment for IGT Buy/Sell transactions processed through G-Invoicing <https://www.fiscal.treasury.gov/ussgl/resources-g-invoicing-program-guide.html>

### System Integration Guide

- Details how FPAs may utilize automated data exchanges to communicate IGT Buy/Sell activities to/from G-Invoicing <https://fiscal.treasury.gov/files/g-invoice/g-invoicing-system-integration-guidev1.1.pdf>

### Rules of Engagement

- Outlines protocol for Trading Partner interaction in support of transitioning IGT Buy/Sell business processes to G-Invoicing <https://www.fiscal.treasury.gov/files/g-invoice/g-invoicing-rules-of-engagement.pdf>

### Federal Intra-governmental Data Standards (FIDS)

- Defines the data attributes and the system mapping & validation rules for the new IGT Buy/Sell data standard which is implemented through G-Invoicing. <https://fiscal.treasury.gov/g-invoice/resources.html#standards>

# G-Invoicing Program Support and Contacts

## For IGT Program Management and Agency Outreach Support

Andy Morris  
Manager, Intragovernmental Transaction & Reconciliation Branch (ITRB)  
Bureau of the Fiscal Service – Fiscal Accounting  
[Andrew.R.Morris@fiscal.treasury.gov](mailto:Andrew.R.Morris@fiscal.treasury.gov)

Jeff Board  
G-Invoicing Product Owner, ITRB  
Bureau of the Fiscal Service – Fiscal Accounting  
[Jeffrey.Board@fiscal.treasury.gov](mailto:Jeffrey.Board@fiscal.treasury.gov)

Keith Jarboe  
IGT Agency Outreach, Engagement & Onboarding  
Bureau of the Fiscal Service – Fiscal Accounting  
[Keith.Jarboe@fiscal.treasury.gov](mailto:Keith.Jarboe@fiscal.treasury.gov)



## For Intragovernmental Transactions Working Group Information

[IGT@fiscal.treasury.gov](mailto:IGT@fiscal.treasury.gov)  
<https://www.fiscal.treasury.gov/g-invoice/>

## For G-Invoicing Application Support

[GInvoicing@stls.frb.org](mailto:GInvoicing@stls.frb.org)  
1-877-440-9476





## *Under Secretary of Defense (Comptroller)*

# OUSD(C)/G-Invoicing Implementation 7600EZ Supply Working Group

Ms. Fatimoh Ajadi

OUSDC FMPR



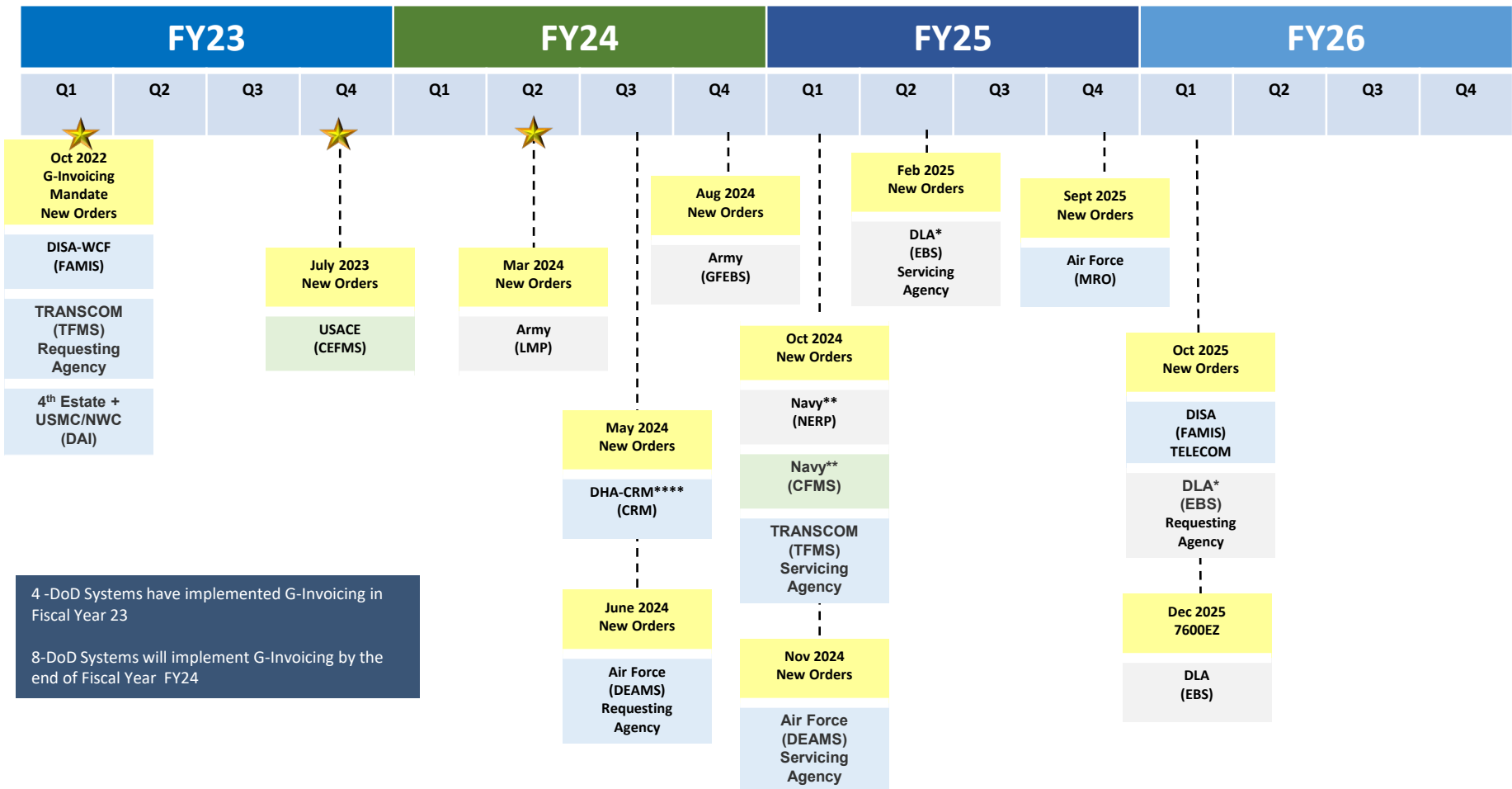
# Agenda



- 3 | G-Invoicing Implementation Timeline
- 4 | IGT Buy/Sell Process Areas
- 5 | IGT Cross-Functional Collaboration
- 6-11 | OUSDC Status on STWG GAPS Summary
- 12 | Closing Comments



# G-Invoicing Component Timeline



\*DLA G-Invoicing dates based on end-user cutover dates and DLA implementation timeline for 7600EZ (Order-to-Cash) shifted right surpassing the IPAC cut off.

\*\*Navy is executing activities via a proof of concept in G-Invoicing. Note: CFMS sunsets at the end of FY25 and will no longer be a G-Invoicing relevant Financial System. Therefore, Navy legacy transactions may need further processing through IPAC as commands migrate off the system.

\*\*\*GFEBS G-Invoicing System Implementation is delayed with targeted Go-Live of Aug 2024 due to a delay in finalizing system development and executing testing events. Majority of Army's highly reimbursable Commands to be live and start recording G-Invoicing orders by 01 October 2024 (FY25) with the remaining Commands to go live within FY/CY 2025.

\*\*\*\*DHA-CRM timeline shift from February 2024 to May 2024.

## Key

GOTS	SAP	Oracle
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# IGT Buy/Sell Process Areas



- IGT Buy/Sell activities are in the Procure-to-Pay (P2P) business process for Buyer activity and Order-to-Cash (O2C) business process for Seller activity.
- Both P2P and O2C business processes result in accounting events in the Budget-to-Report process area.

## Procure-to-Pay

- Procure to Pay encompasses all business functions necessary to obtain goods and services using procurement processes and procedures including executing procurement requirements, strategy, procurement award and management, receipt and acceptance, entitlement, disbursement and closeout/

## Order-to-Cash

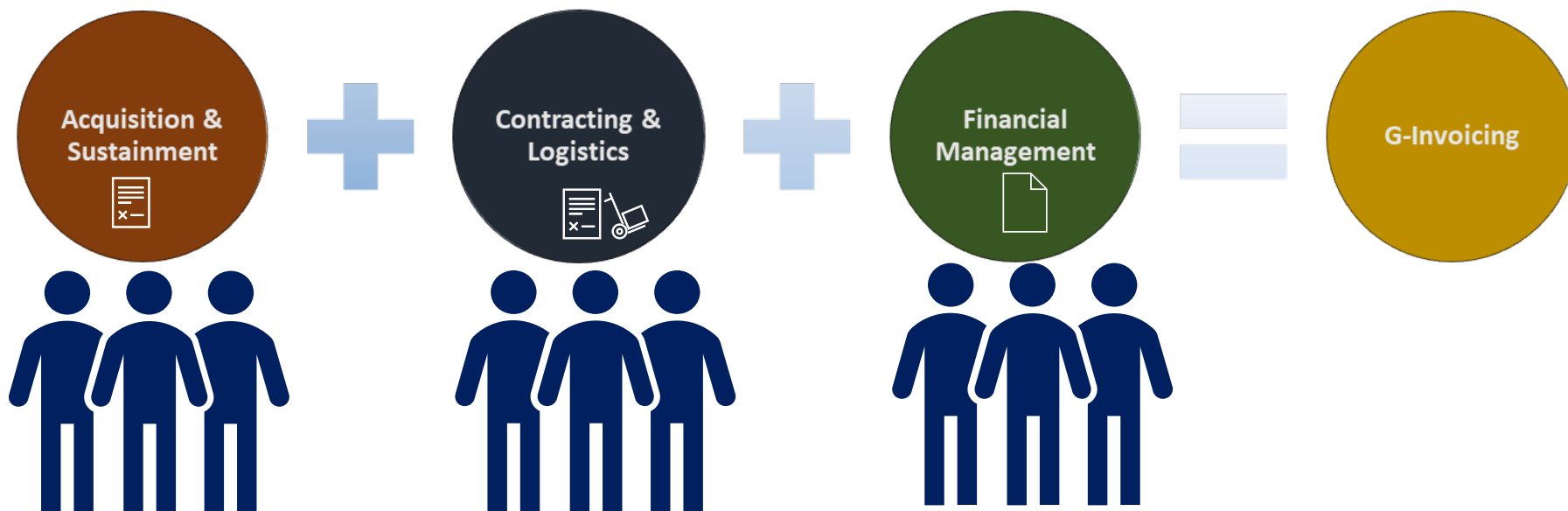
- Order to Cash encompasses all business functions necessary to accept and process customer orders for services and/or inventory held for sale. This includes such functions as managing customers, accepting orders, prioritization of orders, fulfilling orders, performing distribution, managing receivables, and managing cash collections.

## Budget-to-Report

- Budget to Report encompasses all business functions necessary to plan, formulate, create, execute against and report on the budget and business activities of the entity. This includes updates to the general ledger.



# IGT Cross-Functional Collaboration



- The G-Invoicing implementation initiative requires cross-functional collaboration amongst contracting and logistics, acquisition and sustainment, and financial management communities.



# GAP Summary

7600EZ STWG GAPS



# STWG GAP Summary for OUSDC



GAP	Description	Background	Next Steps
GAP 6: Data Elements to Support Supply Receipt	There are insufficient data elements in a 7600EZ "invoice" to support supply and financial transactions.	Treasury established the FIDS data standard for the data elements in a 7600EZ invoice. There are additional data elements needed for the requesting agency to tie the 7600EZ invoice to a supply requisition.	<ul style="list-style-type: none"><li>• Develop an SCR for Treasury to update G-INV FIDS.</li><li>• OSD to work with Treasury on implementation of this SCR.</li><li>• Internal alternate resolutions to obtaining data (810L as potential alternative).</li></ul>
GAP 8: OSD-Wide 7600EZ Dollar Value Limit Waiver 8	Gap 8: The \$10K limit for 7600EZ invoices applies to all of DoD other than DLA.	Background: When the waiver for DLA was approved by Treasury to remove the \$10K limit for 7600EZ invoices, this currently only applies to DLA. Other entities within DoD potentially need the exemption lifted for all materiel (in order to design proper systems for all materiel transactions).	<ul style="list-style-type: none"><li>• OSD to prepare a request for a waiver for all DoD.</li><li>• OSD to coordinate this waiver with Treasury for approval.</li></ul>



# STWG GAP Summary for OUSDC continued



GAP	Description	Background	Next Steps
GAP 10: Standard business rules and policies for 7600EZ General Terms & Conditions	Every BizApp will require a different GT&C, and EZ GT&Cs cannot be written between trading partners until policy gaps are closed.	Background: Content of the GT&C is dependent on functional subject matter experts and policy decisions at the OSD level	<ul style="list-style-type: none"><li>• Policy Working Group: Establish a policy working group including OUSD(C) and OUSD(A&amp;S)* to determine inputs required for a potential DoD Instruction for the EZ process. Determine the ability to utilize “interim guidance” while DoDI is in development. Guidance should include roles/responsibilities, business rules (i.e. FOB Source), preferred/required GT&amp;C Level (agency-level or lower-echelon) and policy requirements.</li><li>• Agreement Working Group: Establish an agreement working group with trading partners to determine the scope and content of 7600EZ GT&amp;Cs, and “way forward” for negotiating agreements between trading partners.</li><li>• Develop realistic timeline to resolve policy gaps (e.g., when can we start writing EZ GT&amp;Cs?)</li></ul>



# GAP 6: Data Elements to Support Supply Receipt



FY21

FY22

FY23

FY24

Submitted SCR8A -  
Referential data required  
for the performance data  
standard EDI 856.  
Referential data required  
for the performance data  
standard EDI 856 Advance  
Shipping Notice (ANS) to  
perform full receipt and  
acceptance.



Requested A&S DEDSO  
review/compare the IGDS  
to the A2R 865 and 861 to  
determine opportunity to  
skinny down the IGDS for  
ASN data. OUSDC was of  
the opinion the IGDS is  
(already) the skinny down  
version of the commercial  
standard.



DEDSO reviewed 856/861  
transaction sets From a  
logistics point a view and  
determined data elements  
represented are critical to  
accountability of  
materiel. Nothing would  
warrant exclusion.

- SCR 8A handed-off to Treasury 9/2021
- Conducted multiple working level meetings with Treasury to discuss SCR8A
- Elevated to Treasury and OUSDC senior leadership the G-Invoicing challenge because of the lack of and auditable process for Receipt and Acceptance and logistics detail data attributes.

## Data Elements to Support Supply Receipt

- Participated in the sub working group to discuss the data elements to support Supply Receipts.
- Handed-off the IGDS A2R 865 and 861 comparison to DEDSO to determine if it can be leveraged for the 810 solution





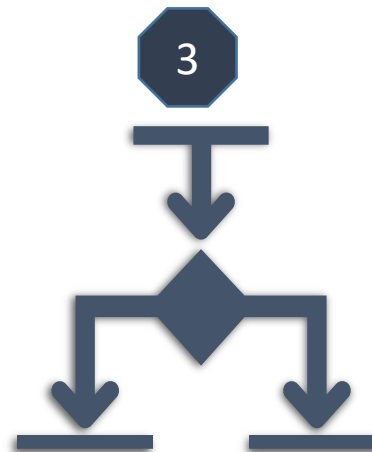
# GAP 8: OSD-Wide 7600EZ Dollar Value Limit Waiver



Attended STWG Feb  
Kick-off



Assigned STWG  
GAP 6 DoD-wide 10k  
Waiver Limit Request



Coordinated with  
Treasury to Define the  
Process for a DoD- Waiver



Met with Components to  
Discuss Requirements  
and Socialize the Process



Send Out Treasury  
Questions to  
Components

Treasury Questions		Response
1	Please indicate if Buyback Orders are executed via the following: • DoD Component to DoD Component Trading Partners • DoD Component to Non-DoD Trading Partners Please indicate volume of Orders? (How many Orders?)	
2	Please indicate the total dollar amount of Orders?	
3	Are the Orders settled through TH&C?	
4	Are the Orders settled (paid monthly)?	
5	Are the Orders settled (paid monthly)?	
6	Please indicate if you are the seller in the Trading Partner Relationship.	
7	Is there a recurring Product and Services Code (PSC) that could be used on the Orders processed through TH&C?	



# GAP 10: Standard business rules and policies for 7600EZ General Terms & Conditions



- Policy Working Group: Establish a policy working group including OUSD(C) and OUSD(A&S)\* to determine inputs required for a potential DoD Instruction for the EZ process. Determine the ability to utilize “interim guidance” while DoDI is in development. Guidance should include roles/responsibilities, business rules (i.e. FOB Source), preferred/required GT&C Level (agency-level or lower-echelon) and policy requirements.
- Agreement Working Group: Establish an agreement working group with trading partners to determine the scope and content of 7600EZ GT&Cs, and “way forward” for negotiating agreements between trading partners.
- Develop realistic timeline to resolve policy gaps (e.g., when can we start writing EZ GT&Cs?)

## • Status

- Treasury has indicated the G-Invoicing Program Guide will be updated to include 7600EZ guidance.
- OUSDC will provide interim guidance in the G-Invoicing Implementation Guide at a later date.



# Closing Comments







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# G-Invoicing Materiel Transactions Way Forward

Michael P. Lane  
May 8, 2024



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# Agenda

- BLUF
- Legacy Considerations
- Materiel Transactions Vision
- Supply Transaction Working Group (STWG)
- Way Forward Considerations
- Risks
- DLA G-Invoicing POCs



# BLUF

- US Treasury required all intragovernmental **buy/sell** transactions to meet G-Invoicing requirements by October 2022.
- The enforcement mechanism for this mandate:
  - US Treasury Bulk IPAC shutdown: October 1, 2025
  - All transactions must flow through G-Invoicing to result in an IPAC settlement
- G-Invoicing Scope includes:
  - MIPR transactions resulting in an IPAC collection/disbursement (typically for services)
  - MILSTRIP transactions resulting in an IPAC collection/disbursement (typically for materiel)
  - MILSTRIP transactions resulting in an interfund collection/disbursement?? (STWG GAP 9)





# Legacy Considerations

- For FY 2023, IGT Buy/Sell Differences totaled **\$16.5B**
  - Material weakness and audit findings across the department and entire federal government
  - Driving this “eliminations” difference:
    - MIPR/IPAC Transactions
    - MILSTRIP/IPAC (XP Fund Code) Transactions
    - MILSTRIP/Interfund Transactions
  - Primary driver is the population of MILSTRIP/Interfund Transactions based upon the large dollar amount.
    - STWG GAP 9: Are Interfund Transactions to be included in G-Invoicing scope?
      - Waiting for OUSD Decision
- Significant differences in supply and finance policy re: Materiel Transactions ensuring inconsistent meeting of requirements
- Legacy Policy is not in sync with SFFAS standards or G-Invoicing requirements
- Numerous Process gaps exist requiring custom systemic work arounds



# Material Transactions Way Forward Vision

- G-Invoicing represents a golden opportunity to:
  - Drive the department toward standardization and consistency
  - Remediate decades old material weaknesses
  - Break down stovepipes between acquisition, supply and finance
  - Improve trading partner interaction & data visibility
  - Fix longstanding process gaps
- 7600EZ is the logical way to interface supply transactions with G-Invoicing requirements.
  - Keeps but upgrades existing order fulfillment process
  - 7600EZ is only viable process as the 7600B process requires a four-step approval process which is not viable for the millions of supply transactions submitted each year



# **Materiel Transactions Supply Transaction Working Group (STWG)**

- **The Supply Transaction Working Group (STWG) is the change catalyst and vehicle to transition supply transactions to G-Invoicing.**
- **The Vision: All\*\* DoD Materiel Transactions processed using 7600EZ**
- **The Strategy:**
  - Establish 7600EZ Supply Transaction Working Group (STWG) with executive governance (see draft charter)
  - Meet regularly over the next 4 years until the population of supply transactions has transitioned to G-INV
    - Remediate GAPS; Draft Policy; Elevate issues to Executive Governance Structure
- **Goals:**
  - Understand and remediate trading partners process concerns.
  - Remediation of policy, process, and system gaps.
  - Collaboration and consensus to achieve a standard auditable 7600EZ process for Supply transactions.
  - Resolve long standing audit material weaknesses
  - Improve standardization and consistency throughout the department in line with Treasury requirements and accounting standards.
    - FOB Point, Revenue Recognition, Billing, Performance acknowledgement
- **Outcomes:**
  - **Phase 1: Transition of materiel transactions resulting in an IPAC settlement to G-INV prior to Sept 30, 2025**
  - **Phase 2: Transition of materiel transactions resulting in an Interfund Bill to G-INV prior to???**
    - Determine Interfund Bill process sunset date

**\*\*Most supply/materiel transactions will be using the 7600EZ process. However, there are some exceptions.**



# Way Forward Considerations

- STWG will work to remediate identified policy, process and system gaps
- Doesn't make sense for DLA to process materiel one way and other agencies to follow a totally different process
- Component POCs will need to:
  - Implement STWG recommendations
  - Implement DEDSO ADCs
  - Be change agents within your Agency
    - Resistance management
  - Budget for 7600EZ related ERP/system changes
  - Collaborate with trading partners



# Risks

- Timeline:
  - 7600EZ policy/process/system changes not implemented timely will result in putting materiel related IPAC transactions at risk.
    - Cannot process via legacy system after 30 Sept 2025
    - Billions of dollars of collections at risk
    - Short timeframe...18 months
- Scope:
  - Excluding MILSTRIP/Interfund transactions from G-Invoicing will prevent the Department from achieving the primary goal of G-Invoicing
    - Fixing the “Eliminations” material weakness
- GT&Cs:
  - 7600EZs require an additional GT&C between the trading partners



# DLA G-INV POCs

- **DLA G-Invoicing:**

- Dave Opatz [David.Opatz@dla.mil](mailto:David.Opatz@dla.mil) (DLA J8G Staff Director)
- Michael Lane [Michael.lane@dla.mil](mailto:Michael.lane@dla.mil) (DLA G-INV PM)
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**DLA**  
DEFENSE LOGISTICS AGENCY  
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The Nation's Combat Logistics Support Agency

## Approved DLMS Change (1465) 7600EZ Update

Eric Flanagan, DLA  
May 8, 2024





## Agenda

1. ADC 1465 Recap
2. 7600EZ Overview
3. ADC 1465 Applicability



# ADC 1465 Recap



## ADC 1465 Recap

**Overview:** ADC 1465 adds G-Invoicing Federal Intragovernmental Data Standards (FIDS) elements to DLMS transactions with financial implications.

- This information will allow G-Invoicing trading partners to exchange the data needed to generate the 7600EZ Invoice and comply with Treasury financial reporting requirements.

**Changes:** ADC 1465 revises the following DLMS implementation conventions (ICs) to identify required and optional FIDS data elements:

- 511R Requisition
- 511M Requisition Modification
- 869F Requisition Follow-Up
- 517M Materiel Obligation Validation (MOV) (Reinstatements Only)
- 180M Materiel Returns Reporting
- 940R Disposal Release Order
- 867I Post-Post Materiel Issue



# 7600EZ Overview



## 7600EZ Overview

**Overview:** The Fiscal Service developed the **7600EZ** as a solution for low dollar, high volume transactions.

The 7600EZ is an invoice transaction that allows agencies to comply with G-Invoicing without requiring a 7600B for customer orders.

- Both trading partners must establish a 7600A General Terms and Conditions (GT&C) that authorizes the 7600EZ
- Servicing Agencies can send 7600EZ invoices through G-Invoicing to initiate funds settlement
- Requesting Agencies can review and reject the 7600EZ transaction within the “rejection days” timeframe
- Each 7600EZ transaction must be less than or equal to \$10,000.00 (\$10k)

The Fiscal Service granted the business lines an exception to the \$10k threshold:

- GSA Fleet Leasing
- GSA Global Supplies
- GPO Print/Publishing
- *DLA Supply Transactions*

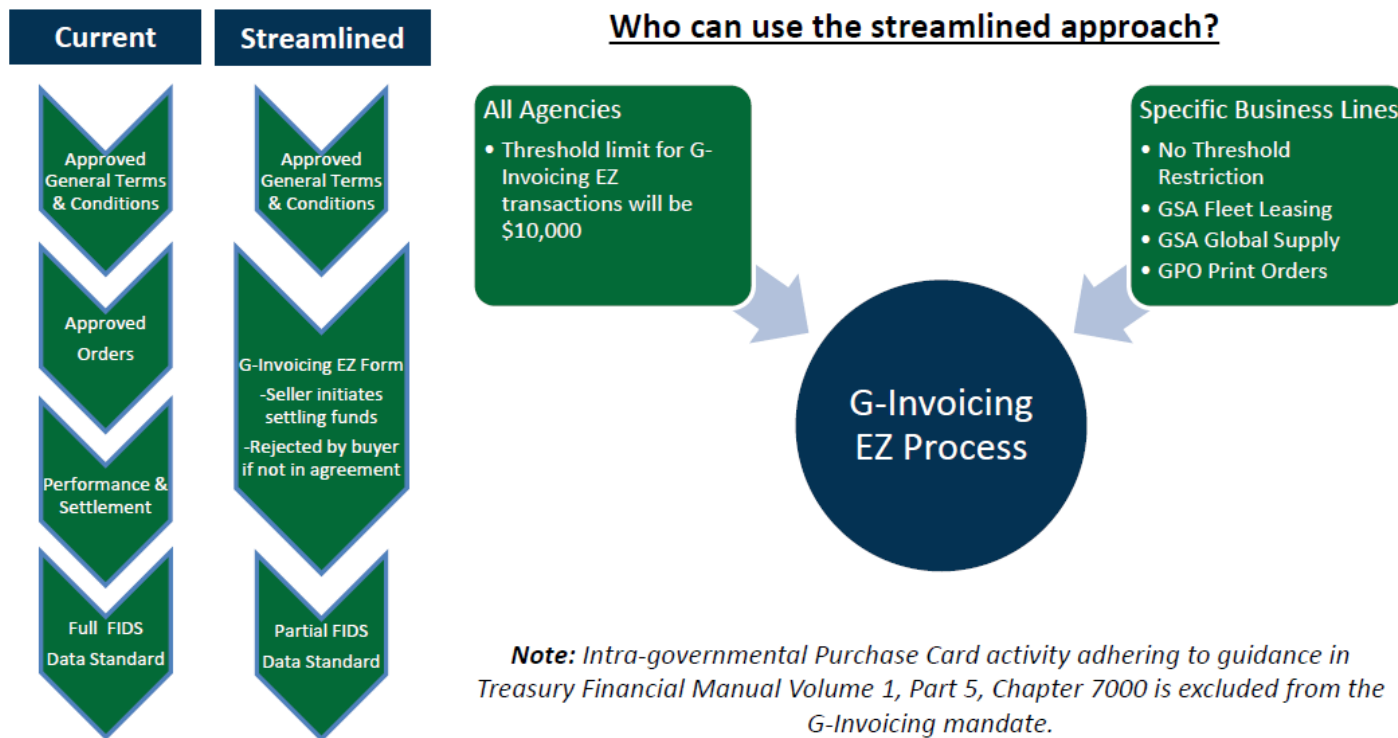


# 7600EZ Overview



## Low Dollar/High Volume Transactions

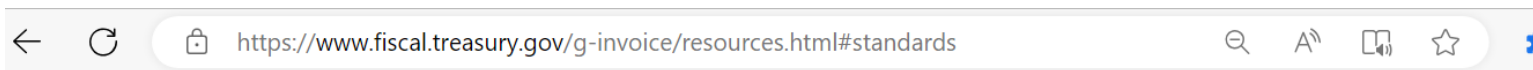
Collaborating with Agencies to design a streamlined option within G-Invoicing







# 7600EZ Overview



(Click on the Question mark icon in the sections below to see the file's revision date)

## System Interface Specifications

- Current Release (6.0)

JSON

[GT&C/Orders/Performance/7600EZ - Pull \(JSON\)](#) ⓘ ←

[Orders/Performance/7600EZ - Push \(JSON\)](#) ⓘ ←

[Pull Organization from G-Invoicing \(JSON\)](#)

[Pull Remittance Advice \(JSON\)](#) ⓘ

[Pull Feature/BizApp \(JSON\)](#) ⓘ

XML

[GT&C/Orders/Performance - Pull \(XML\)](#)

[Orders/Performance - Push \(XML\)](#)

## Federal Intragovernmental Data Standards (FIDS)

- Current Release (6.0)

[GT&C](#) ⓘ

[Orders](#) ⓘ

[Performance](#) ⓘ

[Organization](#) ⓘ

[Low Dollar Purchases \(7600 EZ\)](#) ⓘ ←

Further Down...

### Additional Information

[Units of Measurement \(UOM\)](#)

[Services Quick Reference Guide](#) ⓘ

[GINV-iPAC Settlement Data Element Mapping](#) ⓘ

[Feature Management and BizApp](#)

[Transactional Data for GTAS Edit Rules](#)

Release 5.0

[In-Flight Orders \(IFQ\)](#) ⓘ

[Low Dollar Purchases \(7600EZ\) Overview](#) ⓘ ←

Release 5.1

[Order Upload File Template](#)

[Constructive Order Acceptance \(COA\)](#) ⓘ

[System Interface Overview](#)

Release 5.2

[Order Modification/Revers](#)



# 7600EZ Exemption for DLA Supply Transactions

## Streamlined Approach to Fund Settlement (7600EZ)

Fiscal Service, in coordination with the government-wide community, established a more efficient process flow to fund settlement to accommodate specific business lines and low dollar activity. This new process exchanges sufficient data needed for the reconciliation of Buy/Sell activity while using a smaller sub-set of data from the normal Order processes already established. This process expedites fund settlement by combining the Order/Performance phases and requiring less data elements and approvals.

The 7600EZ process includes a threshold of \$10,000. Orders greater than this amount are not included in this streamlined process flow and should follow the established Order processes currently in G-Invoicing. Some business lines have been granted an exemption to this threshold and federal entities are encouraged to leverage 7600EZ for the following business lines:

- GSA Fleet Leasing
- GSA Global Supplies
- Government Publishing Office (GPO) Print Orders
- DLA Supply Transactions

DLA Supply Transactions is a new addition to this list. For the business lines referenced above, Fiscal Service recommends the use of the 7600EZ process. All other business lines must be brokered and agreed upon in the General Terms & Conditions (GT&C) between both trading partners.



# **ADC 1465 Applicability (Non-Interfund/IPAC Supply Transactions)**



# Non-Interfund Billing Overview

**Non-Interfund Billings:** Intragovernmental transactions between DoD Components that are not initiated and supported by the supply and accounting systems of both trading partners and cannot be processed through the Interfund Billing System.

- This includes intragovernmental transactions between a DoD Component and a non-DoD entity, which are not authorized for interfund billing in accordance with the DLM 4000.25, Volume 4, Chapter 5.
- Treasury Financial Manual (TFM), Volume 1, Part 2, Chapter 4700, Appendix 8, section 2.6, provides policy and guidance on the use of the Intragovernmental Payment and Collection (IPAC) system by federal entities, including the DoD, to electronically bill and pay for non-interfund intragovernmental transactions.
  - The IPAC system communicates to the Treasury and the trading partner agency that the online billing and payment for services and supplies has occurred.
  - IPAC will continue to operate as the application for the settlement of funds between federal entities, even in a G-Invoicing environment, per the TFM, until the October 1, 2025, bulk-upload shut-off.



## Non-Interfund Billing Criteria

### Billing will be under non-Interfund procedures when:

1. The bill-to office is non-DoD (Bill-To Service Code is numeric, G, or Z)
2. The bill-to office is a DoD contractor (Bill-To Service Code is C, E, HG, L, Q, SD, or U)
3. The bill-to office is DoD (Bill-To Service Code is alpha other than C, E, G, HG, L, Q, SD, U, or Z) and the fund code requires non-Interfund billing (normally XP fund code)
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
5. The bill-to office is Army & Air Force Exchange Service (AAFES) (Bill-To Service Code is H followed by an X)
6. The bill-to office is SC4210, representing DoD EMALL, and the fund code is XP. This combination indicates billing via customer-provided Government purchase card or corporate credit card. No other use is authorized



# DoD Interfund Billing System Overview

**Applicability:** It is DoD policy that DoD customers authorize suppliers to use the interfund billing system to reimburse themselves for materiel, hazardous materiel and waste services, and services related to materiel shipments.

## Exclusions:

- The interfund billing system is not mandatory for use when the involved funds are Military Assistance Grant Aid or where only limited sales occur between the DoD Components.
- The interfund billing system may not be used to bill non-DoD customers (e.g., state or local governments, private contractors, individuals, or non-appropriated fund instrumentalities) or for major end items such as complete aircraft, ships, tanks, space vehicles, and missiles.
- Except for the General Services Administration (GSA), the Federal Aviation Administration (FAA), and the National Oceanic and Atmospheric Administration (NOAA), non-DoD suppliers may not use the interfund billing system to bill DoD customers.



## How Interfund Billing Works

**Overview:** The Interfund Billing System allows suppliers to reimburse themselves at the time of the billing from appropriations designated by the customer.

1. The supplier forwards an automated billing to the billed office and reports to the U.S. Department of the Treasury (Treasury) a reimbursement of the supplier's funds with an offsetting charge to the customer's funds.
2. Interfund bills, therefore, serve as both a billing and a notice to the customer that its funds have been charged and the bill has been paid.
3. Only the billing office or the Central Accounts Office is authorized to adjust, or otherwise reverse, reimbursements reported to the Treasury on behalf of the billing office.

*See the DLM 4000.25, Volume 4 for detailed interfund billing system procedures.*





# DoD Interfund Policy Requirement

- Bills arising from transactions which contain a National Stock Number within the DoD will be collected through the Military Standard Billing System interfund billing procedures when supported by the supply and accounting systems.
  - The provider will not accept a MIPR if interfund can be used. Manual billing (i.e., the XP fund code) will not be used unless approved by the Deputy Chief Financial Officer.

## Source:

DoD Financial Management Regulation (FMR) Volume 4: Chapter 3, page 3-24

[https://comptroller.defense.gov/Portals/45/documents/fmr/current/04/04\\_03.pdf](https://comptroller.defense.gov/Portals/45/documents/fmr/current/04/04_03.pdf)

Defense Logistics Manual (DLM) 4000.25, Volume 4: Chapter 2, C.2.2.3 Method of Billing

[DLMS Volume 4 Billing and Finance \(dla.mil\)](https://dla.mil/dlms/volume4/billing-and-finance/)





U.S. General Services Administration

# **G-Invoicing Implementation at GSA**

Presented by:  
**Gail Bruss**

May 8, 2024

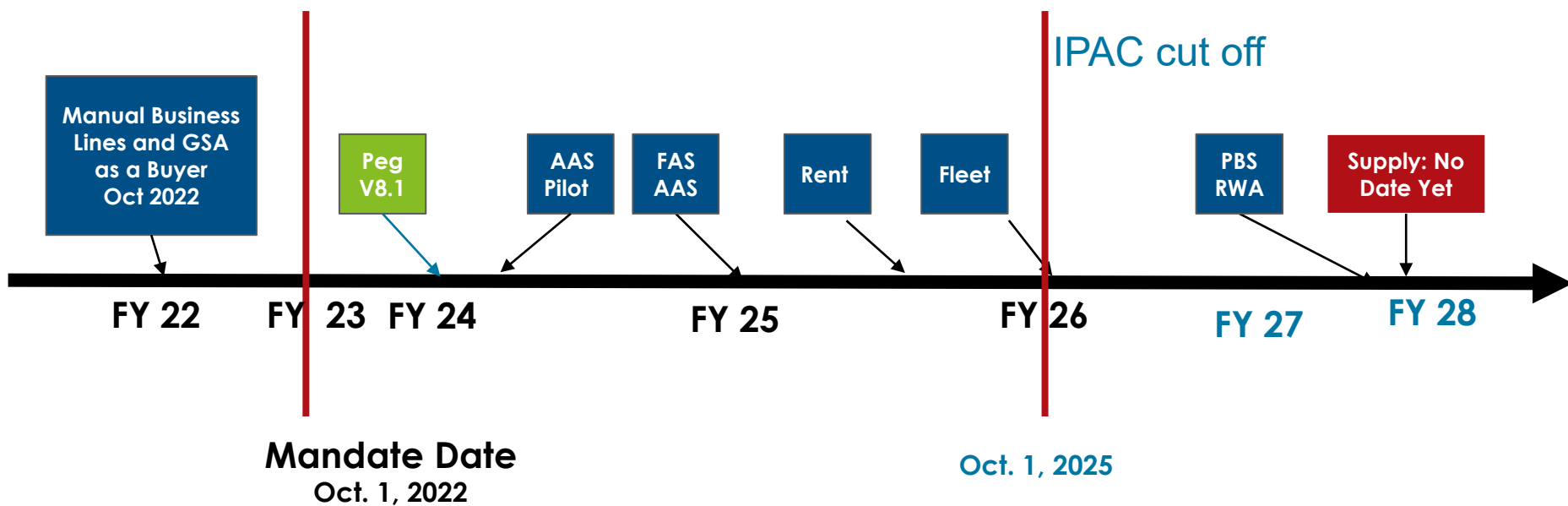


# GSA's Phased Approach

- GSA is using G-Invoicing now
  - Agreements created through the G-Invoicing user interface
  - Financial system interfaces with G-Invoicing
- GSA using a phased approach bringing business lines (components) on line when their feeder systems are ready
  - Assisted Acquisition Service – piloting now
  - Rent - 2025
  - Fleet services – 2026
  - **Supply** - implementing after the IPAC Cutoff.
  - **Reimbursable Work** - after the IPAC Cutoff.



# GSA's G-Invoicing Roadmap



## Acronyms:

FAS = Federal Acquisition Service

AAS = Assisted acquisition

PBS = Public Buildings Service

Peg = GSA's Financial System



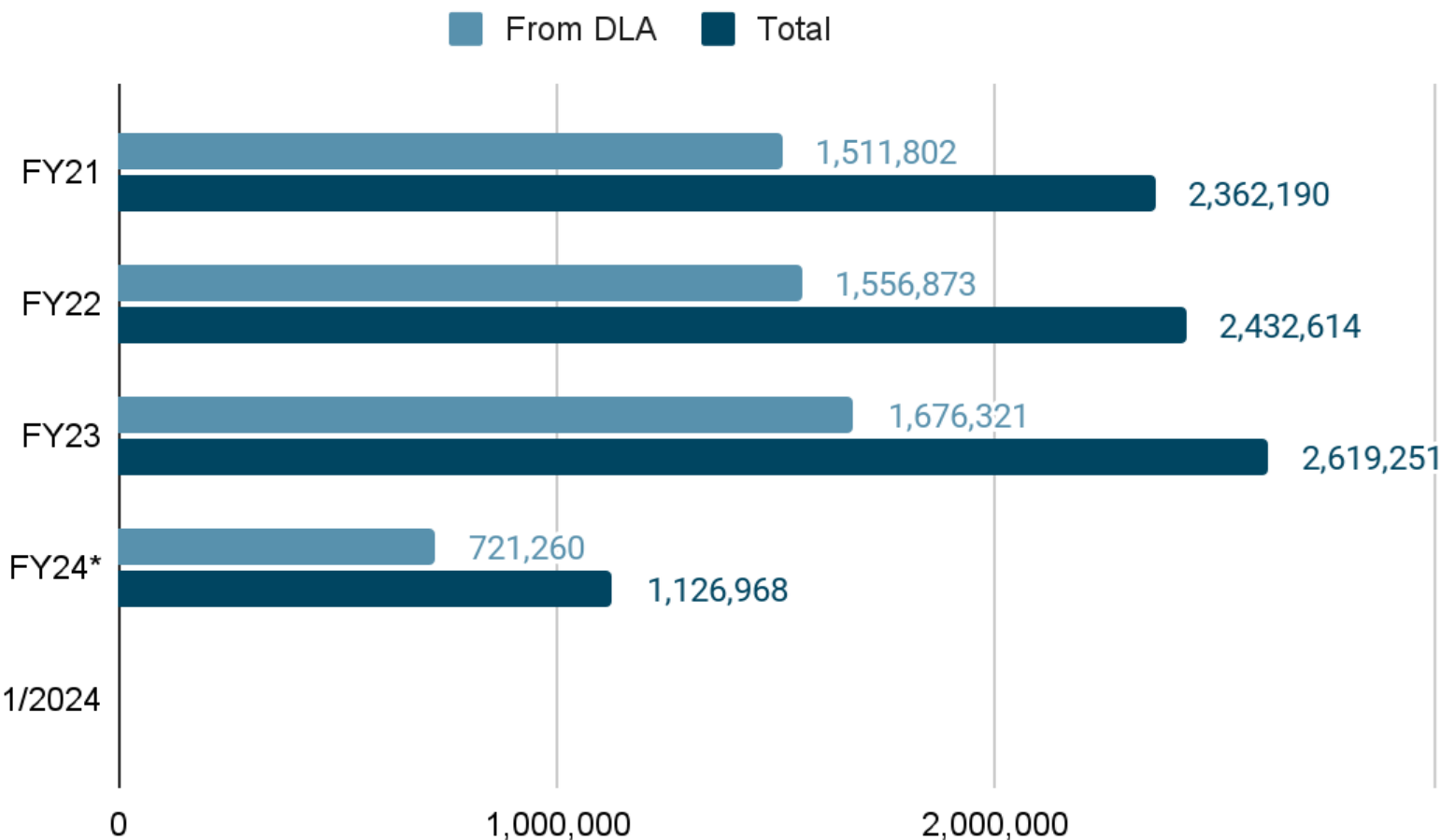
# Supply Systems Challenges

- Treasury has provided more than one workflow
  - 7600EZ
  - Standard order
- One size does not fit all
- GSA takes orders through various points
  - Call Centers
  - Online Systems (Fedmall, GSA Advantage)
  - Point of Sales sites
  - Requisitions passed from DLA
  - Special Orders
  - MIPRs



# GSA Global Supply Requisitions

## GSA Requisitions by Fiscal Year







## Systems - Need to Upgrade

- GSA's Order Management System (OMS)
  - DLMS compliant. If DOD component sends financial, line of accounting data, GSA collects and retains.
- Middleware
  - Not DLMS complaint. Does not get full line of accounting today
- Financial System
  - Integrates with G-Invoicing
  - Only receives the non-DLMS subset
- Must upgrade



## We Want to Hear from YOU!

- GSA is actively participating in the Gaps discussion with DEDSO/DLA
  - Generate good ideas to explore further
- What are your pain points?
  - Long term
  - Near term
- Let's keep the conversation going:
  - [g-invoicing@gsa.gov](mailto:g-invoicing@gsa.gov)





## Wrap Up

Questions Comments:

Action Items: Posted at the summit website.

Meeting minutes: Posted at the summit website.

DEDSO Finance: [dedso.finance@dla.mil](mailto:dedso.finance@dla.mil)

Thanks for attending and participating!

