# Vocational Rehabilitation Services Manual D-200: Purchasing Goods and Services

Revised on July 1, 2019

## D-208: Invoices

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### D-208-3: Incomplete or Inaccurate Invoices

VR staff must not authorize payment for a product or service without an accurate and complete invoice from the provider. When an invoice is inaccurate or incomplete, VR staff return it to the vendor for correction.

VR staff must:

1. return the invoice and the [VR3460, Vendor Invoice Additional Data Request](http://intra.twc.state.tx.us/intranet/gl/html/vocational_rehab_forms.html), to the vendor within 21 days of receiving the invoice (the VR3460 form tells the vendor what additional information TWC requires to process payment);
2. create a RHW case note to document the date on which the invoice was returned to the vendor and the reason for the return;
3. date-stamp the corrected invoice and use it as the invoice of record for the purchase; and
4. do not acknowledge receipt of the invoice in RHW until the provider submits a corrected invoice or until the disputed point is resolved.

Note: Use the date of resolution as the invoice's received date in RHW, and date-stamp the invoice with that date.

If billing for medically related purchases (MAPS, durable medical equipment, hearing aids, and hospital services) lacks the required invoice data, but all other information on the billing is accurate and complete, the VR staff member attaches the RHW system-generated billing cover sheet for the SA to the billing and uses it in place of an invoice for the associated SA.

Billing for non-medical goods or services must be invoiced on the provider or contractor’s paperwork that includes all required invoice data; the RHW system-generated billing cover sheet cannot be used for non-medical billing.

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### D-208-6: Three-Way Match

Three-way match is the process of reconciling a service authorization, the documentation of the receipt of goods or services, and the provider invoice prior to authorizing the payment.  This process helps to ensure that the payment to the provider is necessary, appropriate, and accurate.

Service Authorization + Documentation of Receipt + Invoice = Payment

To complete the three-way match, VR staff should be able to match the description, the quantity, and the costs on the service authorization with the required documentation to verify receipt of goods or services, and the provider’s invoice. Refer to D-207: Ordering Goods or Services for Customers and D-208: Invoices for more information.

When VR staff cannot reconcile all three elements per required policies and procedures, the receipt should not be entered in ReHabWorks and the payment should not be processed until any issues are resolved.

### D-208-7: Acknowledging Receipt of an Invoice in ReHabWorks

See the [ReHabWorks User's Guide, Chapter 18: Case Acknowledgement of Receipt, 18.1.3 Adding or Updating a Receive Item](https://online.twc.state.tx.us/services/rhwhelp/ch18.htm#adding) for detailed instructions.

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## D-212: Creating the Service Authorization

Any VR staff member with an appropriate RHW user role can create a service record and generate an SA, or pay for a service, as long as the VR counselor or supervisor has documented the authorization for the purchase.

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### D-212-2: Crossing State Fiscal Years

The federal fiscal year starts October 1 and ends September 30.

The state fiscal year starts September 1 and ends August 31.

#### Ordering and Receiving Goods

The VR staff charges goods to the state fiscal year in which they were ordered. The receive date does not have to fall within the start and end dates and may fall within the following fiscal year.

Example: A special order for a wheelchair is submitted on August 3, 2018, using Program 2018 VR Basic Support funds. The start date is the date the order was placed; that is, June 3, 2018.

The end date is the anticipated receive date and, because of the RHW requirement, must fall within the state's fiscal year. In this case, the anticipated receive date is after the end of the fiscal year, so the VR staff enters in RHW the end date of the fiscal year ("08/31/2018").

The wheelchair arrived in good condition, so the receive date can be later than the anticipated end date. If the chair arrives on September 27, 2018, the VR staff enters "09/27/2018" as the receive date.

#### Prorating Services

VR staff must charge services to the state fiscal year in which the service occurred with the exception of tuition and fees.

When part of a service will be provided during the next state fiscal year, the VR staff member charges that part to that fiscal year. When setting up the service record, the staff member creates separate line items—one for each state fiscal year—and prorates the charge proportionately.

Example: When one week of service occurs in August and two weeks of service occur in September, charge one-third to August and two-thirds to September.

When prorating, the VR staff member must:

* not put zero in the Unit Amount or Unit Cost (the staff member makes an informed estimate of the cost and increases or decreases the amount in the SA later);
* use 30 days for all months when prorating a monthly payment; and
* enter amounts for line items (line-item amounts do not have to be precise, but the total of the line items must equal the total amount due).

For more information about prorating payment, see the [ReHabWorks User's Guide, Chapter 16: Case Service Record, 16.2.8.4 Prorating Payments for Services](https://online.twc.state.tx.us/services/rhwhelp/ch16.htm#prorating).

#### Prorating Tuition and Fees Only

To pay the fall tuition and fees at a college or university, the staff member can either:

* use funds for the fiscal year in which the semester begins; or
* prorate the cost with VR Manager approval.

Unless otherwise directed, Management Units that still have funds available for the current fiscal year should encumber the tuition and fees portion of an SA for the fall semester at Institution of higher education using only the basic budget for the current fiscal year.

When taking this approach, staff members must keep the following critical points in mind:

* Does the office or caseload have sufficient funding to charge the full tuition to the current fiscal year budget or has the VR Manager authorized pro-rating tuition and fees?
* Charge only the tuition and fees portion to the current budget. Costs for dorm rooms, meal plans, parking, and all other non-tuition/fess service expenses must still be prorated, as required by the state comptroller's office; and
* For RHW to allow the use of only current state fiscal year funds on the tuition line in an SA, the start and end dates must be in August; for example, 08/14/2018 to 08/31/2018 (use the SA comments to document the actual full dates of service).

For additional information about the policies and procedures for paying tuition and fees, including service record specifications levels to use for training, refer to C-400: Training Services and C-411-5 Creating Service Authorizations for Training Services.

## D-213: Other Types of Payments and Purchases

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### D-213-6: Food Purchased for Customer Training

The purchase of food for customer training must be necessary and reasonable.

Prior to purchasing food, VR staff must take the following into account:

* Food may not be purchased to feed customers unless the training is scheduled to exceed five hours, not including the meal hour. Customer training should not be planned over a meal period with the intent of purchasing food. Meals should be purchased only when doing so will allow customers to continue their training activities during the meal or will support completion of the training in less time.
* Food purchases must be only for customers, must not be an excessive quantity or variety, and must be a reasonable cost. The cost per meal should be as economical as possible and must not exceed $15 per customer. When a training spans a full day or multiple days, the daily cost per customer for food must not exceed $51. Any exceptions to these limits must be approved in advance by the VR director.
* Food may not be purchased to feed VR staff, individuals from partner organizations, or family members. The only exception is when a family member’s participation meets the requirements established in C-1306-2 Family Participation in Training Seminars and GSTs, and when the purchase of food for the family member is approved in advance by the VR director.
* Per Federal regulations, food is not an allowable Pre-ETS expenditure. Food expenditures must be paid with Basic VR Support funds and can only be paid on behalf of eligible VR customers. Food is not an allowable expense for potentially eligible customers.
* Food that is provided in conjunction with other customer activities, such as seminars and workshops and activities in the community, is not categorized as bulk food orders and should be purchased through RHW.

### D-213-7: Used Goods

The following policy does not apply to the purchase of medical or assistive devices, such as hearing aids, orthotics, prosthetics, or surgical implantable devices.

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