



## Invoice Cancellation

Lawrence Berkeley  
National Laboratory

Financial Policies and Procedures

Part 1

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### Summary

The purpose of this document is to provide guidelines for the cancellation of any invoice associated with a Work-for-Others (WFO) award or miscellaneous invoices such as employee debt, Multiple Location Appointment (MLA), Interjurisdictional Exchange (IJE), Intergovernmental Personnel Act (IPA) or other similar invoice requests.

### Policy

#### *WFO Invoices*

Cancellation for invoices generated by the Laboratory's Accounts Receivable (A/R) Department for WFO awards may occasionally, and legitimately, be required to adjust and/or restate receivables. This may be necessary to reflect contractual changes or adjust advance balances (see glossary). Invoice cancellation should only be utilized after A/R conducts a financial review of the WFO award. The review will determine if there will be any further costs on the award above the remaining advance balance. Invoice cancellation may be recommended by the Division Resource Analyst, WFO Sponsor, A/R, and Sponsored Contracts Officer (SPO CO). All parties must concur with the cancellation. Concurrence will be implemented by email.

Invoicing is based on costs posted to the projects related to the award. If an invoice must be canceled, the cancellation will create a credit invoice mirroring the original invoice. The original invoice and the new credit invoice will be offset against each other to close them out. The amount from the original invoice plus any adjustments made to the original invoice will be reflected on the next invoice along with any current period costs posted to the project.

#### *Miscellaneous Invoices*

For miscellaneous invoices, A/R processes credit memos in lieu of invoice cancellations. The Division or Payroll Department should submit a [Request for Preparation of Miscellaneous Invoice Form](#) for the amount of the credit. Based on the request form, A/R will process a credit invoice.

## **Financial Policies and Procedures Manual**

### **Procedures**

#### **Roles and Responsibilities**

##### ***SPO CO and/or Resource Analyst***

For WFO invoice, submit invoice cancellation request via email ([ARhelp@lbl.gov](mailto:ARhelp@lbl.gov)). Include:

- “Invoice Cancellation Request” and Award number in Subject line
- Sponsor contact information (name, telephone number, email address)

For miscellaneous invoice, use the [Request for Preparation of Miscellaneous Invoice Form](#), submit to [ARhelp@lbl.gov](mailto:ARhelp@lbl.gov) the amount of the credit invoice to be generated

##### ***Accounts Receivable Staff***

- Reviews requests for appropriateness
- For WFO invoice cancellations (deemed necessary by A/R), obtains the sponsor’s concurrence via email
- Upon receipt of WFO sponsor’s concurrence, notifies Division Resource Analyst, WFO Sponsor, and SPO CO
- Processes a credit invoice during the monthly billing cycle
- Sends credit invoice to the sponsor/customer/employee

#### **Authority**

[DOE Accounting Handbook, Chapter 8, Receivables](#)

#### **Contacts**

- Controller

## Financial Policies and Procedures Manual

### Glossary

- **Accounts Receivable (A/R):** Money owed to LBNL by an employee or other entity for reimbursement of costs; or a WFO sponsor for research, goods, and services provided by LBNL on a specified award.
- **Advance:** Funds paid by a WFO sponsor, usually as a condition of LBNL beginning work on an award. The advance is held in a deferred revenue account until such time as it is drawn down (usually the last 90-120 days of the award).
- **Advance Balance:** The amount of the advance payment remaining on the award.
- **Work-For-Others (WFO):** Work for non-DOE entities performed by DOE/contractor personnel and/or utilize DOE facilities and are not directly funded by DOE appropriations. Work is in accordance with DOE Order 481.1C.