



3. No Document Match Transactions

3.1 Royalties-Matching

The minimum standard does not require an undelivered obligation (UDO) to be established in advance of receiving the invoice, nor require receipt and acceptance documents to be recorded in the financial system. Approval of the invoice by the program office serves to verify funds are available to cover the payment, and that goods/services have been received and accepted.

Program offices determine the amount of Royalties based on the underlying project. Program offices generate various reports computing the amount of royalty payable using tracking systems/databases specific to the bureau. These reports are sent to Accounts Payable (AP) for payment. The reports are considered program office approved invoices by AP and are entered into the financial system for payment. AP approves the invoice, authorizes payment, and schedules payment to Treasury for disbursing.

Bureaus may do a 3-document (undelivered obligation, receipt document, invoice) match if their business process efficiently supports it.

Examples

Example 1: NIST issues a purchase order to perform a study. Part of the study requires work that is covered by a royalty fee. The program office captures the details surrounding the royalty and the amount in the *Royalty Database*.

The program office prints how much royalty is owed and sends related payment details to the A/P office.

A/P treats the Royalty Database Output as a program office approved invoice.

A/P enters the invoice, approves the invoice, and payment is authorized in the financial system.

Payment is scheduled to Treasury for disbursing. Treasury disburses funds and provides confirmation/accomplishment information for recording in financial system.

Example 2: Computer Information Systems Publishing Software (CISPUB) is NTIS' tracking mechanism that generates a report that shows NTIS has sold a product creating revenue.

Accounting treats this report as the program office approved Royalty invoice.

Accounting enters the invoice, approves the invoice, and payment is authorized in the financial system.

Payment is scheduled to Treasury for disbursing. Treasury disburses funds and provides confirmation/accomplishment information for recording in the financial system.



Sources

- 1. Source:** AP BPR Recommendation 4.3.15 Royalties
Document ID: Accounts Payable Standardization and Optimization Business Process Re-Engineering Analysis (Accounts Payable BPR Analysis 2007 v3.0.doc)
Publication Date: August 28, 2007
- 2. Source:** AP BPR Phase II Recommendation 2.13.1.1 Royalties
Document ID: Department of Commerce AP BPR Phase II Results Documentation (AP_BPR_Results_Final_v1.5.doc)
Publication Date: April 30, 2008
- 3. Source:** AP BPR 4.13.2.1 Standardize Royalties as No-Match
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