

Administrative Policy No: 19.85.01

Subject: Interagency Payables

Contact: Office of Accounting Services
Chief, (360) 664-5716

Authorizing Source: RCW [39.34.130](#)
SAAM sections [85.36.20](#) and [85.90.60.c](#)

Effective Date: July 1, 2005

Revised: November 13, 2020

Approved By: Original signed by Judy Fitzgerald
Assistant Secretary / Chief Financial Officer

Purpose

This policy establishes the timeframes for making payments to and resolving disputed invoices with other state agencies.

Scope

This policy applies to all Department of Social and Health Services' (DSHS) programs.

Definitions

Interagency Payment (IAP) is an automated payment to another state agency using treasury accounts (requires a statewide vendor number). (SAAM)

Program means the affected DSHS programs, including the division, office, or staff designated by the assistant secretary or division director as being responsible for compliance with this policy.

Policy

- A. All DSHS programs must ensure payments to other agencies are timely.

1. Payments to state agencies must occur within 30 calendar days of receipt of the ordered goods or services or a properly completed invoice, whichever is later.
2. Interagency payments (IAP) are the preferred method for paying other state agencies when both the paying and receiving accounts are either treasury or treasury trust accounts.
3. Payables must be recorded as an interagency payable:
 - a. Amounts due within twelve months must be recorded as credits to GL code 5154 – due to other agencies
 - b. Amounts that are not due within twelve months must be recorded as credits to the long term GL code 5254 – due to other agencies.

B. At fiscal year end, a full reconciliation of balances will be performed by the office of accounting services (OAS).

1. All balances recorded in GL5154 from the prior fiscal year will be written off as part of the GL review and reconciliation.
2. Interagency payables and receivables are to be in balance statewide. Any variances will be researched.

C. If an invoice is disputed, an attempt to resolve the issue must be made.

1. The program must attempt to resolve a dispute with the other agency.
 - a. Notification must include a description of the dispute and supporting documentation.
2. If the program cannot resolve the dispute, they are to notify the OAS chief.
 - a. When the program submits a dispute to OAS, they are to include the documentation of the attempted resolutions.
 - b. When disputes are referred to OAS and OAS is not able to resolve the disputed invoice, OAS chief must notify the DSHS chief financial officer or assistant secretary, the appropriate fiscal program manager, and the OFM financial consultant.
 - c. If the dispute cannot be resolved, OFM may intercede, and they may require the department to record an accrual or make payment for the disputed item.