Administrative Policy No: 19.85.01

Subject: Payments to Other State Agencies

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

Authorizing Source: RCW 39.34.130
SAAM sections 85.32.50a and 85.36.10

Effective Date: July 1, 2005

Revised: April 19, 2016

Approved By: original signed by Kathy Marshall
Chief Financial Officer/Assistant Secretary

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

Inter-Agency Payments (IAP) is the preferred method to pay other state agencies or to allocate or transfer costs between accounts, programs, etc., within an agency when both the paying and receiving accounts are either treasury or treasury trust accounts.

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:
1. Process payments to state agencies within 30 calendar days of receipt of the ordered goods/services or a properly completed invoice, whichever is later, unless a decision is made to dispute the invoice.
2. Make payments using the most cost effective means available. Inter-Agency Payments (IAP) are the preferred method for paying other state agencies.
3. Attempt to resolve the disputed invoice with the originating agency within a timely manner.
4. Document all issues and attempts to resolve the dispute in writing.

B. If the dispute cannot be resolved, the program must notify OAS in writing.

1. Notification must include a description of the dispute and supporting documentation.
2. 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/Assistant Secretary, the appropriate Fiscal Program Manager, and the OFM Financial Consultant.

C. DSHS must establish accruals for disputed invoices when it is advised by OFM to do so.