

## Administrative Policy No.: 19.85.41

**Subject:** Belated Claims

**Contact:** Chief, Office of Accounting Services  
MS 45842 (360) 664-5716

**Authorizing Source:** OFM, State Administration & Accounting Manual  
(SAAM) Section [85.40](#), Belated and Sundry Claims

**Effective Date:** April 9, 2008

**Revised:** August 19, 2020

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

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### Purpose

To establish policy related to the identification and payment of belated claims.

### Scope

This policy applies to all Department of Social and Health Services' (DSHS) programs for goods and services supplied by contractors, providers, vendors or other state agencies paid manually or through an automated system.

### Additional Guidance

DSHS Administrative Policy [19.85.40](#), Timely Submittal of Claims  
Liquidation Monitoring Flowchart ([attached](#))

### Definitions

**Appropriated** accounts means legislative authorization has been given to an agency to make expenditures for specific purposes from designated resources available or estimated to be available during a specified period. (SAAM)

**Belated claim** is an obligation of appropriated accounts for goods and services, which are received on or before June 30, but are not accrued in the concluding appropriation period. Shortages in estimated accrued expenditures/expenses are also treated as belated claims of the prior appropriation period.

**Claim** is a paper or electronic request for payment submitted by a contractor, provider, or vendor.

**Contractor** is any person, business, non-profit, or government entity who provides services to DSHS under a contractual agreement and not as an employee of DSHS.

**Department** refers to the Department of Social and Health Services (DSHS).

**Non-appropriated accounts** are moneys that can be expended without legislative appropriation. Only funds in accounts specifically established in state law as being exempt from appropriation fall into this category. Non-appropriated accounts can be either budgeted (and subject to OFM allotment approval) or non-budgeted. (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.

**Provider or vendor** is any person, business, non-profit, or government entity who provides goods or services to DSHS or its clients. A vendor may or may not have a contractual agreement. Does not mean individual provider (IP).

## Policy

- A. Program staff must determine whether a belated claim is allowed, under the DSHS timely submittal requirements (DSHS Policy 19.85.40).**
- B. The department must receive approval from the office of financial management (OFM) prior to paying belated claims from appropriated accounts.**

Belated claims are those goods or services that were received in a prior-prior biennium, but were never paid for. For example, the department was billed in December 2019 (FY20) for a service performed in December 2016 (FY17). A belated claim must be submitted to OFM because the department no longer has spending authority for the 15-17 Biennium. (Refer to the attached flow chart for a visual aid).

The department does not need OFM approval to pay belated claims from non-appropriated accounts.

- C. The office of accounting services (OAS) is the primary contact to OFM regarding paying belated claims on appropriated accounts.**
- D. The department must have unexpended appropriation authority from the applicable prior appropriation period to satisfy the claim.**

If the department does not have sufficient appropriation authority remaining from the prior applicable period, the department must request legislation for an appropriation for the

amount needed before the belated claim can be paid. This is performed through the supplemental budget process.

**E. All belated claims must be coded as current year appropriation expenditures.**

1. Coding must be obtained from the fiscal program manager.
2. Approval must be received from OFM prior to the belated claim being paid.

**Procedures**

**A. Program staff determine whether a belated claim is warranted by reviewing the following requirements:**

1. Contractors must submit their claim no later than 12 months after the date of service. If the claims for payment are not presented within the 12-month period, there must not be a charge against the state (WAC [388-05-0010](#)).
2. Program specific RCW, WAC, or contract agreements.

A belated claim can be submitted if the department determines the initial claim satisfies the exception requirements prescribed in the WAC or program agreements (see Administrative Policy 19.85.40).

**B. Program staff determine whether the claim is from an appropriated or non-appropriated account. For claims against:**

1. Appropriated accounts, program staff send an email request to the OAS chief with the following information:
  - a. Name of the contractor, provider, or vendor;
  - b. Date of receipt of goods or services;
  - c. Claim amount;
  - d. Account (fund) and appropriation that should have been charged, had the claim been paid timely;
  - e. Account (fund) and current appropriation to be charged; and
  - f. Explanation for the delinquency of the claim.
2. Non-appropriated accounts, administration staff may pay these claims as deemed necessary from current year authority.

**C. Facilities, finance, and analytics administration (FFAA) determines if adequate appropriation authority exists from the fiscal year the department received the goods or service.**

1. If adequate appropriation authority exists, OAS submits a written request to OFM for approval to pay the belated claim.

2. If adequate appropriation authority does not exist, OAS notifies the FFAA budget office and the program staff that the department needs to request authority from the legislature through the supplemental process.

**D. Once approval is received from OFM or the Legislature, FFAA will notify the program staff to pay the belated claim.**

DSHS Official

## LIQUIDATION MONITORING FLOWCHART 17-19 and 19-21 Liquidation Process

17 Biennium FY16	17 Biennium FY17	19 Biennium FY18	19 Biennium FY19	21 Biennium FY20	21 Biennium FY21
FY15 Accruals begin to be liquidated using appropriation 012.	→ FY15 Accruals continue to be liquidated using appropriation 012.	→ At this point, we will not continue to monitor the liquidations of the FY15 Accruals.			
FY16 Accruals are made (FMs 1712 & 1799).	→ FY16 Accruals begin to be liquidated using 1st year appropriations (e.g. AA1, EA1, FA1).	→ FY16 Accruals continue to be liquidated using appropriation 011.	→ FY16 Accruals continue to be liquidated using appropriation 011.	→ At this point, we will not continue to monitor the liquidations of the FY16 Accruals.	
	FY17 Accruals are made (FMs 1724 & 1725).	→ FY17 Accruals begin to be liquidated using appropriation 012.	→ FY17 Accruals continue to be liquidated using appropriation 012.	→ At this point, we will not continue to monitor the liquidations of the FY17 Accruals.	
		FY18 Accruals are made (FMs 1912 & 1999).	→ FY18 Accruals begin to be liquidated using 1st year appropriations (e.g. AA1, EA1, FA1).	→ FY18 Accruals begin to be liquidated using appropriation 011	→ FY18 Accruals continue to be liquidated using appropriation 011.
			FY19 Accruals are made (FMs 1924 & 1925).	→ FY19 Accruals begin to be liquidated using appropriation 012	→ FY19 Accruals continue to be liquidated using appropriation 012.
				FY20 Accruals are made (FMs 2112 & 2199)	→ FY2020 Accruals begin to be liquidated using 1 <sup>st</sup> year appropriations (e.g. AA1, EA1, FA1).