Payments to Outside Vendors

OVERVIEW
All payments to vendors are processed through the Controller's Office.

REQUIRED DOCUMENTS
The following documents are required before the Controller's Office can process any payment to the outside vendor.

Purchasing Authority
This is authorization from the Purchasing Office, either direct or delegated, to make the purchase. A purchasing authority may be a Purchase Order, Department Order, Departmental Requisition, Purchasing Card, Central Travel Account (CTA), or other appropriate document. Direct questions concerning appropriate use of purchasing documents to the Purchasing Office.

Invoice
The invoice must have a printed heading and include an itemized list of the materials or services supplied. Monthly statements are not acceptable unless supported by itemized invoices. A State of Washington Invoice Voucher may be used in lieu of an invoice if the vendor signs the vendor's certificate. See also BPPM 30.45.

For contracts and blanket orders, the Controller's Office sends an invoice to the department for an authorized signature and coding. The department returns the completed invoice to the Controller's Office.

CONTROLLER’S OFFICE
The Controller's Office performs the following steps in processing vendor payments:

- Verifies that the materials or services as invoiced comply with the specifications indicated on the purchase authority.
- Verifies that the invoice is for materials or services actually received and matches the receiving or approval information.
- Verifies that the unit prices agree with those indicated on the Purchase Order.
- Verifies that invoiced freight charges are reasonable.
- Verifies that invoiced tax charges are correct.
Payments to Outside Vendors

CONTROLLER’S OFFICE (cont.)

If no tax is charged, use tax is calculated based on the tax rate for the location where the materials or services are utilized.

- Verifies that allowable cash discounts are applied to the purchase.

If a cash discount is offered and the terms of that discount can be reasonably met, the discount is calculated and the invoice reduced. It is important that all departments promptly sign in merchandise through Central Receiving and Delivery in order to avoid losing cash discounts. See BPPM 70.14.

The University begins the discount period on the date the goods/services were received or the date the invoice was received, whichever is later.

- Verifies that calculations and totals are correct.

- Verifies that the accounts charged are appropriate.