



<b>Section</b>	<b>05</b>	<b>ACCOUNTS PAYABLE, INTER AND INTRA UNIT PAYMENTS</b>	<b>Effective Date</b>	<b>7/1/2015</b>
<b>Sub-section</b>	<b>03</b>	<b>Invoice Review</b>	<b>Revision Date</b>	<b>3/31/2015</b>
<b>SAM Ref</b>	<b>5-3</b>			

**BACKGROUND**

**INVOICE REVIEW**

Section 16.53 Wis. Stat. requires that DOA audit (preaudit) all claims against the state before payment is made. This section also allows DOA to formally delegate, in writing, the daily preaudit of these transactions to individual agencies. This statute also provides that if DOA finds through sample auditing or other methods that the delegated preaudit function is not being performed according to the established auditing standards then DOA shall withdraw the delegated authority.

Delegation to most agencies has been accomplished through Cooperative Agreements between DOA and the agency.

**POLICIES**

1. All invoices for materials or services purchased by state agencies must be reviewed before payment, for:

- Math and coding accuracy
- Compliance with purchasing regulations
- Compliance with terms of the purchase order
- Evidence of receipt in good condition
- Potential Duplicate payments
- Conformance with legislative and program intent
- Business purpose
- Proper approvals
- Appropriate supporting documentation

The review of invoices and vouchers should be performed by state agencies prior to the approval of payment.

2. In the case of damages or shortages in goods received, the purchasing agent who issued the purchase order authorizing the goods should file a claim with the vendor or carrier. Purchasing agents are responsible for dictating the administrative procedure to be followed within their agency for handling claims resulting from that agency's purchasing orders. Agencies should negotiate directly with the vendor for all claims, shortages and damages resulting from purchase orders they have written.

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