



STATE OF MISSISSIPPI
HALEY BARBOUR, GOVERNOR

DEPARTMENT OF FINANCE AND ADMINISTRATION

KEVIN J. UPCHURCH
EXECUTIVE DIRECTOR

To: Executive Directors
Agency Accounting Contacts
Agency Payroll Contacts

From: Cille Litchfield, Deputy Executive Director

Date: June 19, 2009

Re: E-Invoice/E-Payment Contract Language - Clarifications

This memorandum is being issued to clarify instructions in the "E-Invoice/E-Payment Contract Language" Memorandum issued May 4, 2009. Clarifications are in blue.

Vendor Invoices and Payments

Effective December 1, 2008, the Department of Finance and Administration (DFA) completed the pilot project for the e-Invoice module of PayMode. DFA is now ready to expand electronic invoicing to as many vendors as possible.

All contracts, other than those for contract workers paid through SPAHRS, entered into or amended on or after July 1, 2009, must contain the following combined language for e-Payment and e-Invoicing.

The State requires the Contractor to submit invoices electronically throughout the term of the agreement. Vendor invoices shall be submitted to the state agency using the processes and procedures identified by the State. Payments by state agencies using the Statewide Automated Accounting System (SAAS) shall be made and remittance information provided electronically as directed by the State. These payments shall be deposited into the bank account of the Contractor's choice. Contractor understands and agrees that the State is exempt from the payment of taxes. All payments shall be in United States currency.

Agencies should begin to work with their vendors currently activated in the PayMode e-Payment module to enroll them in PayMode e-Invoicing. At present we do not have a deadline to complete the migration of these invoices but plan to pursue this over time through a process similar to that followed with the expansion of PayMode payments.

Vendors must be enrolled in PayMode's e-payment module prior to being enrolled for e-invoicing. Exemption requests for PayMode e-payment are to be filed via the following administrative rule: <http://www.dfa.state.ms.us/Content/Rules/MANDATORYE-PAYMENTSTOVENDORS.pdf>. If the vendor is already enrolled for PayMode's e-payment module but there are issues with their enrollment for e-invoicing, a request for exemption with specific reasons outlined, including costs issues and other, should be sent to my attention at the address below. Note that a general reason of not wanting to be involved in e-invoicing is not a sufficient reason for a waiver to be granted.

Cille Litchfield, Deputy Executive Director
Department of Finance and Administration
P. O. Box 267
Jackson MS 39205-0267

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Contract Worker Payments

All contract workers **in a WIN with a contract** paid through SPAHRS beginning July 1, 2009, must be paid via direct deposit. No paper warrants will be printed for contract worker payrolls beginning with the first bi-weekly cycle in July 2009. There shall be no exceptions to this process other than for those exceptions previously approved for payment as “day laborers” on a weekly cycle **or unless specific mitigating circumstances are documented and placed in the contract file for that contract worker. Mitigating circumstances include, but are not limited to, custodial or guardianship issues (workers under a legal guardianship including student workers) or the acknowledged inability to get a personal checking account.** Agency payrolls will be monitored and DFA may request to review these records if it appears that an agency is not attempting to migrate the majority of contract workers to direct deposit.

If you have questions, please contact the MMRS Call Center at 601-359-1343 or

mash@dfa.state.ms.us