RECOVERING RECEIVABLES FROM ANOTHER STATE DEPARTMENT 8776.8

(Revised 03/12)

Pursuant to GC section 11255, departments that provide services to another department may recover outstanding receivables by initiating a Transaction Request (TR) form (CA 504) with the State Controller's Office (SCO) to transfer funds from the debtor department. This option shall be used on a limited basis and only when the following conditions are met: (1) the invoice was not paid by the requested due date, (2) non-payment provisions are included in the interagency agreement between the departments, (3) the invoice has not been disputed, and (4) a 30-day notice has been provided to the debtor department that a transfer of funds will be initiated for non-payment.

Interagency Agreements

Include the following when preparing interagency agreements:

- Specify the process for non-payment.
- Cite GC section 11255 as the authority for processing a TR.
- The department receiving the services (or debtor department) shall provide the appropriation to charge if payment is not made timely. This appropriation data must include: fund number, organization code, fiscal year, reference, and category or program. If applicable, also include element, component, and task.
- It is the responsibility of the department providing the services to ensure that no disputes exist prior to submitting a TR to the SCO.

Submission Requirements to the SCO

On the TR, indicate the debtor department's appropriation data to charge, as identified in the interagency agreement, and the initiating department's appropriation data to credit the payment. In the Legal Authority and Reason for Request box, indicate the items below:

- Authority for initiating the transfer: GC section 11255
- Interagency agreement number
- Invoice numbers and dollar amounts for which you are requesting a transfer

Attached to the TR, departments must also submit a copy of the following:

- Notification sent to the department that the transfer of funds will occur,
- Interagency agreement, and
- Applicable invoice(s). It is permissible to submit a list of the invoices, in lieu of the invoice copies, when there are more than five invoices.

The TR and attachments must be submitted to the SCO at the following address:

State Controller’s Office
Division of Accounting and Reporting
State Accounting Section, Fund Accounting Unit
3301 C Street, Suite 760
Sacramento, CA 95816