

## SAM—DISBURSEMENTS

### REMITTANCE ADVICE

8422.3

(Rev. 9/96)

A Remittance Advice, Std. Form 404 or other approved Remittance Advice, will be prepared for each payee listed on a claim schedule.

The original (first copy) of the remittance Advice will be placed in a Remittance Advice Envelope, Std. Form 403 (See SAM Section 8422.4), separated and in the same order as listed on the claim schedule. The duplicate (pink) copy will be filed in the agency accounting office alphabetically by claimant's name. The payee's correct name and address will be clearly typed on each Remittance Advice in a position to permit the information to appear through the window envelope in which the warrant is mailed. In addition, the following information will be entered on the Remittance Advice form: (1) agency, name and Uniform Code Manual Agency Code Number (2) schedule number, (3) date of invoice, (4) invoice number (purchase order number or contract number if invoice is unnumbered), (5) amount of invoice, and (6) total amount if more than one invoice. Agencies should use care to type the vendor/payee's name consistently on the Claim Schedule and Remittance Advice for each and every payment. Agencies need not enter their address below their name but may do so to enable inquiries to be directed to them more quickly.

Only when the payment is a reportable one (see SAM Section 8422.19) will the three boxes at the bottom of the form be completed. Warrant numbers will not be shown on any copies of the Remittance Advice form. Reference to individual invoice dates, numbers, and amounts, items (3), (4), and (5) above may be omitted where some other means of notifying the vendor is provided.

The original of the Remittance Advice and the applicable warrant will be mailed to the payee by the Office of the State Controller. Remittance Advises will provide for delivery of warrants to an agency only where the agency is the payee or for delivery to agency employees. (See SAM Section 8422.6.) The Remittance Advice will provide the payee with an identification of the payment. The Office of the State Controller will send a Controller's Notice of Claim Paid, Form CD-102, to the agency for every Claim Schedule for which warrants were drawn.

Enclosures attached to Remittance Advises are to be kept to a minimum and when necessary, will be folded to warrant size, (7 x 3 1/2 inches), and securely stapled behind the Remittance Advice form. Material that cannot be folded to warrant size will be mailed separately by the agency. Special arrangements must be made with the Office of the State Controller for continuing or large-scale problems. Normally, invoices will be adequately identified on the Remittance Advice and requests shown on invoices asking their return will be ignored. The exception to this rule concerns vendor requests for the return of punched cards or stubs so they can serve as machine-readable input to an automated data processing system. Such items will be returned and the related remittance advice usually need not list the invoices or show any other detailed information.

Remittance Advice addressed to payees in other than United States and its possessions, Canada, or Mexico will be stamped on their face, in red ink, by the agency or otherwise identified by the words "FOREIGN MAIL." The bottom line of the address must show only the name of the country, written in full, and in capital letters. For example:

Mr. John Smith		Ms. J. Smith
123 Russell Drive	OR	Apartado 3068
London W1p 6HQ		46807 Puerto Vallarta, Jalisco
ENGLAND		MEXICO

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(Continued)

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**8422.3 (Cont. 1)**

(Rev. 9/96)

In the case of payments in part by State Controller's warrant and in part by personal or state checks, agencies will:

1. Clip the check to the back of the Remittance Advice accompanying the Claim Schedule. The check will be mailed with the warrant by the Office of the State Controller.

OR

2. Mail the check to the payee with an explanation that the balance paid by the warrant is being or has been transmitted separately. The Remittance Advice accompanying such check will be cross-referenced to the partial payment by warrant. The Remittance Advice to accompany the warrant will indicate that partial payment has been or will be made by check.

When it is necessary or desirable to notify the payee of a correction in the amount being paid, agencies will prepare a Notice of Correction of Invoice, Std. Form 107, in duplicate. The original of this form will be stapled to the back of the original copy of the Remittance Advice.

Agencies that wish to use a customized Remittance Advice form instead of a STD. Form 404, or other approved Remittance Advice, must have their customized form design reviewed and approved by the Office of the State Controller before they are used. The size of the customized Remittance Advice must be 7 x 3 1/2 inches. The paper used must be of a 24 pound weight. Dot matrix printers shall be adjusted so that the dots touch at the edges.