



STATE OF MISSISSIPPI
HALEY BARBOUR, GOVERNOR

DEPARTMENT OF FINANCE AND ADMINISTRATION

J. K. STRINGER, JR.
EXECUTIVE DIRECTOR

TO: Accounting Directors
FROM: Margaret Jordan *MJ*
DATE: October 16, 2008
SUBJECT: Vendor Payments

OFM in conjunction with MMRS is targeting vendors for PayMode activation. In order to ensure vendors experience a smooth transition to electronic payment, BFC has begun comparing the remit addresses on invoices to the vendor addresses on payment vouchers. Because vendors may associate different bank accounts with their vendor numbers, it is imperative that agencies select the correct vendor number when making payment. In many cases, the vendor number's last character may differ from the vendor number used on the purchase order.

We are asking that agencies begin the process of matching both vendor names and remittance addresses when preparing payment vouchers. By doing this, the agency can be assured that electronic payments will reach the correct bank accounts. When agencies choose an incorrect vendor number and the vendor does not wish to transfer payments internally, BFC has to request that PayMode pull back the payment. The agency then has to prepare a cash receipt document to receipt the money back into the agency's fund and must also submit a new payment voucher to the correct vendor number. This process is time consuming and delays payment to the vendor.

Please inform your accounts payable section that BFC will send payment vouchers back when the vendor address does not match the invoice's remittance address. Because we want agencies to get into the habit of comparing addresses, payment vouchers will be sent back whether or not the vendor is on PayMode.

Since PayMode bills DFA/MMRS for pullbacks due to agency error at a rate of \$25 per pullback, DFA/MMRS will begin issuing separate invoices to agencies to recover these charges. This charge would include the selection of the wrong vendor address.

If you have any questions, feel free to contact me at jordanm@dfa.state.ms.us or call 601-359-3010.

G:\OFM\OFMSHARE\MemoLetters\mhj\PayMode Address Memo 2.doc