

**STATE OF MISSISSIPPI
DEPARTMENT OF FINANCE AND ADMINISTRATION**

TOPIC	EXPENDITURES	SUB-SECTION 09.30.10
SECTION	WAIVERS	ISSUANCE DATE AUGUST 14, 2015
SUB-SECTION PRE-PAYMENT WAIVER PROCESS		REVISED – 4/11/2024

PRE-PAYMENT WAIVER PROCESS

Waiver of Certification

In accordance with section 7-7-27, Miss. Code Ann. (1972), DFA may waive, under certain circumstances, the requirement for certification that the goods or services rendered have been delivered or performed. "Such waivers may pertain to, but should not be limited to, prepaid items, service contracts of limited time periods for lease of office space and equipment, computer software and sub grantee disbursements under federal grant program." There are two types of waivers OFM may grant: a prepayment for goods or services during the normal course of business, and lapse period payments for goods with delayed delivery at year end.

Pre-Payment Waivers

Waivers may be granted for payments to Vendors before the goods are received or services are performed. The agency must explain the circumstances or reasons why they are requesting the waiver. A copy of the invoice, quote, contract, or other supporting documentation must be attached to the prepayment request. Sub-Section 09.30.20 is an example of the letter to be used for requesting a prepayment waiver. The prepayment waiver should be sent to DFA Office of Fiscal Management.

Purchases where prepayments of goods or services are for one year or less and are considered standard business practice and do not require waiver letters to be submitted to DFA. Examples of these types of prepayments include but are not limited to the items listed below.

MONTHLY: (no more than 12 payments in a fiscal year): rent (i.e. land, buildings, office space, office equipment, etc.), maintenance fees, operating fees (i.e. application service provider – ASP fees) and leases (i.e. vehicle, equipment)

ANNUAL: (no more than 1 payment in a fiscal year): rent of a post office box, membership dues, subscriptions, advertisements, software maintenance fees, utility deposits, etc.

TRAVEL: registration fees for conventions and conferences and deposits for hotel fees

Prepayment for more than one year for goods and services including the three items above requires a Pre-Payment Waiver.

On June 18, 2010, DFA granted approval authority to ITS to approve contracts for multi-year prepayments of information technology services and software licensing for agencies under ITS purview. It is standard business practice that an agency can pay multi-year prepayment of ITS services and software licenses if they are associated with a CP1. The ITS Procurement Handbook can be accessed at:

<https://www.its.ms.gov/Procurement/Documents/ISS%20Procurement%20Manual.pdf>

If federal funds are used to prepay multi-year services or licensing, agencies will need to ensure that the prepayment conforms to the federal grant regulations and requirements. Agencies will need to provide documentation to DFA that the prepayment conforms to the federal grant regulations and requirements.

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SUB-SECTION PRE-PAYMENT WAIVER PROCESS		REVISED –	4/11/2024

Prepayment Waiver Process

1. Commodity or Service

Submit request letter and supporting documentation to DFA OFM via handmail, Attention: Barbara Elliott or mail to DFA OFM BFC, Attention, Barbara Elliott to P O Box 1060, Jackson, MS 39215.

If the waiver is approved, OFM will generate a response letter that will be sent to the agency.

Display vendor record using FK03 and verify that the payment method is either LW or LP. If not, email a listing of the vendor number you need to use for your prepayment to OFMMAGIC@dfa.ms.gov. **DO NOT PROCEED UNTIL THE VENDOR RECORD HAS LW OR LP WHICH HAS TO BE ENTERED BY OFM.**

Once vendor record shows LW or LP, enter MAGIC invoice using transaction code **FV60** and document type **XV**. If a PO or contract is associated with the payment, use transaction code **MIR7** and document type **XV**.

In the **Header Text Field** of the document put **PREPAYMENT WAIVER REQUEST**.

Select the payment tab within the document and enter 'L' as the payment method. By selecting 'L', a single paper warrant will be generated for this payment.

Attach the agency prepayment request letter, OFM approval letter, vendor invoice, or any additional supporting documentation to the document in MAGIC.

2. Assets

If the agency needs to request a prepayment waiver regarding assets, please contact Barbara Elliott or Princess Bender for specific directives.