

Department of Administrative Services - State Accounting Enterprise

Section PRE-AUDIT	Procedure Number 240.103	Page Number 1 of 2	Effective Date July 1, 2003 Revised 5/1/11
Subject MISCELLANEOUS CONTRACTS – LEASE, RENTAL, AND MAINTENANCE AGREEMENTS			

1. Rental and Lease Agreements

- a. Rental and lease agreements that will require payment on two or more documents require a copy of the contract and an original invoice as substantiating documentation on the initial document presented for payment. An original contract with original signatures serves the same requirements as an original invoice.
- b. If no original contract or invoice is available to attach to the document, a photocopy of the contract should be attached and the payee must sign the voucher.
- c. Documents submitted subsequent to the initial payment should include the following information on the face of the voucher:
 - (1) Payment number of the total contracted sequence, such as "payment 7 of 24 payments", if known;
 - (2) The document number and date processed through I/3 of the initial document of this series to which the contract is attached;
 - (3) Although it is not required for the claim to be paid, departments may want to also include on the face of the voucher the document number and paid date of the previous payment. This serves as an audit trail for the State Auditor's Office, as well as an internal control for departments.
 - (4) Contracts with individuals must include the TIN (Tax Identification Number) of the individual, and contracts with firms should have the firm's tax identification number. See Procedure number 240.102 for additional requirements for service contracts.
 - (5) If there is no original invoice or original claimant signature attached to the subsequent payment, there must be a statement on the voucher stating the original invoice is attached to the first payment (including claim number and date it processed through the I/3 system). Generally this will occur when a contract calls for monthly/quarterly/etc. payments (example - rental payments).
- d. All documents in the payment series must be referenced to the initial payment for pre-auditing and post-auditing.
- e. Claims, which include any deviations on a contract, shall have the reason for the change and the signature of parties authorizing the changes, or appropriate supporting documentation. When a contract is amended, subsequent payments should be referenced to the claim, which has the amendment attached - not the document with the original contract.

Department of Administrative Services - State Accounting Enterprise

Section	Procedure Number	Page Number	Effective Date
PRE-AUDIT	240.103	2 of 2	July 1, 2003 Revised 5/1/11
Subject	MISCELLANEOUS CONTRACTS – LEASE, RENTAL, AND MAINTENANCE AGREEMENTS		

- f. Exceptions to these procedures may be considered upon request to the DAS-SAE-Daily Processing Program Manager.

2. Maintenance Agreement

- a. The original invoice must be attached to the document when seeking payment for maintenance agreements. An original signature on the document serves the same purpose as an original invoice.
- b. The original agreement is maintained in the department. It is not necessary to attach a copy of the maintenance agreement to the initial document or to reference back to that document for future payments.