

THE UNIVERSITY OF MISSISSIPPI MEDICAL CENTER

Office of the Comptroller

Procedures for Processing Interdepartmental Invoices

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1.0 PURPOSE

If a department performs a service or provides goods to another department at the University of Mississippi Medical Center (UMC), the charges and revenues are processed on an Interdepartmental Invoice, commonly referred to as an “IDI”. The purpose of these procedures is to establish guidelines for filling out and processing interdepartmental charges.

2.0 SCOPE

These procedures address charging for any goods or service provided by a UMC department to another UMC department.

3.0 WHO SHOULD KNOW THESE PROCEDURES

- Department chairs
- Department staff
- Comptroller’s office staff

4.0 CONTACTS

Any questions about these procedures, or processing of interdepartmental invoices, can be made to one of the following personnel:

Cassandra Green
Accounting Specialist
Office of the Comptroller, Room U019
Phone: 601-984-1024
Email: cmgreen@accounting.umsmed.edu

Pam Hyatt
Accounting Manager II
Office of the Comptroller, Room: U019
Phone: 601-984-1045
phyatt@accounting.umsmed.edu

5.0 STANDARDS AND PROCEDURES

After the goods or services have been provided, the department providing the goods or services (credit department) will type an [Interdepartmental Invoice](#) (IDI) in triplicate. The triplicate IDI form consists of the (1) white copy - original, (2) blue copy - department charged, and (3) green copy - department credited. A sample of this invoice can be found on the link above, but cannot be used as an invoice (see [section 6.0 – Appendix](#)). Triplicate forms can be purchased from UMC Printing Department. Refer to UMC form no. 142.

Each item on the IDI is to be filled (typed) out as follows:

- CREDIT DEPARTMENT OF _____ (This is the name of the department rendering the service or furnishing goods).
- CHARGE DEPARTMENT OF _____ (This is the name of the department receiving the service or material).
- DESCRIPTION _____ (Please type a brief description of the goods or services provided to the department).
- CHARGE ACCOUNT _____ (Please indicate the account and the object code to be charged. If the credit department does not know the account, please leave blank for the charge department to type or write in the charge code and object code).
- CREDIT ACCOUNT _____ (The credit department should indicate the account number and object code that will receive credit for the goods or services provided).

The credit department should have an authorized individual sign, verifying that the goods or services have been provided.

The credit department will then make a copy of the IDI for their records and forward the three part IDI to the charge department for their approvals and forwarding to accounting. The copy of the IDI should be kept by the credit department until the green copy is returned to them by accounting, verifying that the credit has been processed on the account.

The charge department will have an authorized individual sign, verifying that the goods or services have been received. The authorized individual also will assign the charge code and object code and forward the three part IDI to accounting for processing.

When received by the accounting department, personnel will process the charges and credits. The original IDI will be filed with the journal entry. The blue copy will be returned to the department charged, and the green copy will be returned to the department credited.

When the departments receive their end of the month budget statements, departmental personnel should compare the blue or green copies of the IDIs against their budget statement charges or credits. If any errors are noted, the department personnel should send a copy of the IDI and a copy of the budget sheet to [Cassandra Green](#) in general accounting noting the account which was charged or credited in error and the correct department to be charged.

Accounting personnel will make a journal entry to correct the error. The correcting entry should show on the following month's budget statement.

The credit department should maintain a file of copies of invoices staff have typed and sent to the charge departments. They should compare the file copy to the green copies returned to them by accounting and the credits on the departmental budget statement. If, after 60 days, they show they have not received credit on an invoice, staff should contact the charge department. If the charge department has never received the original triplicate IDI, the credit department should process another original IDI, with the same information, including the original date, and clearly mark it as a duplicate, and send a second billing to the charge department. It is imperative that the credit department type across the top of the IDI, the words "DUPLICATE BILLING".

If accounting determines that the original invoice has never been processed, accounting will process the duplicate billing IDI. At month end, the charges and credits will be posted to the budget statements.

6.0 APPENDIX

Please see the following link for a nonusable sample of the Interdepartmental Invoice form:

[*Interdepartmental Invoice*](#)

These Forms (UMC form no. 142) can be purchased from the UMC Printing Department.