

RULE 7.8 – SUPPLIER CREDITS

Adopted Date: 12/05/2006

Revised Date: 05/10/2022

PURPOSE

Each department or agency is responsible for ensuring the accuracy of every invoice and for collecting all credits owed from their suppliers. This rule is to ensure that supplier credit memos/invoices received from the City and County of Denver's (city) suppliers are acknowledged and funds are returned to the city in a timely manner.

DEFINITIONS

Supplier Credit Memo/Invoice – A supplier credit memo issued in response to the return of goods or over billing.

RULES

1. Supplier credits shall be managed in one of three ways:
 - A. The department/agency or the supplier can deduct the credit amount from a future invoice(s).
 - B. Supplier can issue funds to reimburse the city for returned goods or over billings.
 - C. A credit invoice(s) can be entered as a separate invoice adjustment. Only if there is another positive payment request(s) that when combined will result in a positive amount due the vendor. These payment requests must be to the same supplier and remit to address and be entered into the financial system.
2. The city shall have the right to exercise all legal means to recover amounts determined to be owed the city. Suppliers that will not reimburse the city for returned goods or over billing shall be forwarded to the Treasury Division for collection.

AUTHORITY AND ACCOUNTABILITY

The **Controller's Office** is responsible for this fiscal accountability rule and any procedures, guides, job aids, forms, and one-page summaries associated with this rule.