

CUSTOMER CREDITS AND DEBITS POLICY

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Chief Information Officer, State of Minnesota

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Policy statement

This policy sets forth guidelines to ensure that billing decisions are made consistently and fairly to MN.IT Services customers. MN.IT Services is committed to providing accurate billing. It is our expectation that customers will conduct thorough reviews of invoices and, if billing discrepancies are found, that the issues be reported in a timely manner so prompt corrective actions may be taken. The purpose of this policy is to ensure that:

- Customers only pay for the services actually received at the published rates;
- Credits and debits for billing discrepancies, regardless of cause, are consistently and fairly applied;
- Materiality of billing adjustments does not exceed the value of the debit or credit.

If a customer has been billed incorrectly, MN.IT Services will issue a credit for overcharges and a debit for undercharges. If the materiality of the adjustment (the total amount of the overcharge/undercharge plus administrative costs) is greater than the amount of the debit/credit, no adjustment will be made. Materiality may also include the ability of MN.IT Services to recoup payments from its contracted vendors.

Time Limit

MN.IT Services will apply a credit or debit for the preceding twelve billing periods from the date when the error is either identified by MN.IT Services, or requested by the customer. Adjustments may cross fiscal years (July 1 – June 30). The following time limit exceptions apply:

Exception 1: If the billing error was the fault of the contracted vendor, the time period for a credit is determined by the vendor's policy. MN.IT Services staff will work to obtain the full credit for the customer, but will not issue a credit that cannot be recouped from the MN.IT Services contracted vendor.

Exception 2: The customer's funding source, such as a federal grant, may limit billing adjustment flexibility. These will be handled on a case-by-case basis.

Applicability and Exceptions

This policy applies to all customers of MN.IT Services.

These policies are intended for the majority of billing adjustment situations, although exceptions may apply. In special circumstances in which the above policies may not achieve the stated objectives, or the application of this policy may impose a financial burden on the customer or MN.IT Services, a negotiated settlement agreement will be developed in the best interest of all parties and the State of Minnesota.