



STATE OF WASHINGTON  
OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

June 30, 2011

Jeff Follman, Associate Controller  
University of Washington  
3917 University Way NE  
PO Box 351120  
Seattle, WA 98195-1120

Dear Mr. Jeff Follman

We approve your request for a waiver from the provisions of the *State Administrative and Accounting Manual* (SAAM), which require agencies to review and retain supporting documentation. This approval covers purchase transactions of \$75 and under made through the following University purchase systems: Online Purchase Orders, Manual Check Requests, Travel CTA's, and Ariba, as well as purchases made through interfacing UW purchasing systems, such as the Medical Center. SAAM policies covered by this waiver include Subsections 45.10.70, 45.20.50, 45.20.60; and Sections 70.10, 70.15, and 70.20. Excluded from this approval are lodging and transportation expenses for which a receipt is generally available such as airfare and car rental.

Your request states that approval of this waiver would result in an estimated cost savings approaching \$2.5 million University wide. In addition, even with the approval of this waiver request, payment transactions for \$75 and less would still be subject to a reasonability and business purpose check by a knowledgeable reviewer.

Based on your analysis, we concur that the risk of significant loss for small transactions is low, that effective control is provided by the reasonability review process, and that the cost savings make this a prudent course of action.

This waiver is effective immediately for the 2011-13 biennium and will expire at midnight on June 30, 2013. If you wish to continue this waiver beyond June 2013, you will need to submit another waiver request to OFM that includes a recap of purchasing statistics as well as information on the effectiveness of the controls and cost effectiveness of the program.

If you have any questions regarding this waiver, please contact Pat Sanborn, Senior Executive Policy Coordinator, at (360) 725-0178.

Sincerely,

Wendy Jarrett, Manager  
Statewide Accounting Services

cc: William Christensen, University of Washington  
Marc Webster, Office of Financial Management  
Pat Sanborn, Office of Financial Management  
Kim Thompson, Office of Financial Management

