

Purchase Voucher and Receiving Report Documentation

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General Documentation and Approval Requirements for Purchase Vouchers

A. Information Required on Every Purchase Voucher

1. Entered on VCHM Screen in FINAPS

- a. Vendor name, address, and Texas ID Number (Social Security Number for individuals). If not in FINAPS, fax Accounts Payable a completed W-9 Form. If a foreign vendor without a SSN or federal ID number, provide the vendor's name and address and Accounts Payable will assign a temporary ID number.
- b. Enter "L" for local voucher or "S" for state voucher (local and state accounts cannot be entered on the same voucher)
- c. UH PCC
 - "9" for local voucher
 - "E" for state voucher
 - "8" for reimbursement voucher with taxable subcodes or moving non-travel expenses between state and local accounts
 - "1" for travel voucher
 - "2" for moving travel expenses between state and local accounts
- d. Enter "S" for special handling instructions or "E" for enclosure
- e. Net amount of entire voucher (debits minus credits). If left blank, the net amount will be calculated automatically.

2. Entered on VODM Screen (for each line of the voucher up to 99 lines max)

- a. Expenditure Category (EC)
 - "141" for local debit
 - "151" for local credit
 - "160" for state debit
 - "170" for state credit
- b. University account and subcode
- c. Amount of debit or credit
- d. Description of purchase (80 characters max)
 - Suggested format for non-taxable reimbursements: Type "Reimb [description of item purchased]". For example, "Reimb Office Supplies."
 - Required format for taxable reimbursements (PCC 8): Type the vendor ID of the original vendor (not the person being reimbursed). For example, "18606630608001" (vendor ID for U Haul International).
- e. Invoice Number (30 characters max)
- f. Invoice Date
- g. Invoice Received Date (date invoice was first received and stamped into the university)
- h. Order Date
- i. Delivery Date (date goods were or will be delivered or services were or will be completed). Examples include:
 - Last day of subscription, membership, or maintenance agreement
 - Last day of conference for pre-paid registration fee
 - Date goods were delivered to department
 - Last day of month for lease payment
- j. Reference number (i.e., purchase order, contract, or travel request), if applicable.
- k. Partial (P) or final (F) payment against reference number, if a reference number is entered. "P" should always be indicated for blanket purchase orders. When a blanket PO is complete, send the receiving report to Accounts Payable and indicate "order complete."

3. Entered on Legal Descriptive Text (LDT) Screen
 - a. Special handling or enclosure instructions in the SPH1 and SPH2 lines, if “S” or “E” was entered on the VCHM.
 - b. Purpose of payment and benefit to the university (may be combined or separate statements) in the LDT section (11 lines max). Benefit to university should always involve teaching, research, and/or community service when paying from state funds.
 - c. Other information in the LDT section that is required to explain or justify the transaction, including any request for a Requested Payment Date or use of an Interest Control Flag and Reason Code.

B. Vendor’s Invoice

1. Invoices should contain the following information (critical information in bold):
 - a. **Vendor’s mailing (remit to) address for payment.**
 - b. Vendor’s mailing address for correspondence.
 - c. Vendor’s phone number, fax number, and/or e-mail address of representative who can answer questions regarding the invoice.
 - d. **University’s purchase order, contract, or other document number.**
 - e. **Name and mailing (ship to) address of the university department that received the goods or services, as indicated on the purchase order or contract.**
 - f. **Vendor’s federal employer identification number issued by the IRS.**
 - g. **Description of the goods delivered or services rendered in sufficient detail to identify them as the same goods/services in the purchase order or contract.**
 - h. Information identifying and supporting a successor organization to the original vendor, if necessary, with sufficient information to make payment to the successor organization.
2. Invoices should not include the following:
 - a. Payment terms that are different than those specified in the purchase order or contract.
 - b. Goods that have not been delivered to the university or services that have not been completed, unless the purchase order or contract contains a provision for advanced payment.
 - c. Unit prices or quantities or total price or quantity that exceed those indicated in the purchase order or contract.
 - d. Charges for goods, services, or shipping that were not included on the purchase order or contract.
 - e. Taxes or fees from which the university is exempt as a non-profit, Texas institution of higher education.
 - f. Charges for late payment interest. Vendors must follow a separate procedure to request payment for interest, believed to be owed, but not paid, by the university at the time of a suspected late payment.
3. Documents that may be used in place of an invoice, only if an invoice cannot be obtained from the vendor (write “use as invoice” on the document):
 - a. Contract with a vendor that specifies the terms of payment or compensation.
 - b. Vendor statement that indicates the invoice number and describes the goods or services in sufficient detail to verify their allowability under university policy and assign the correct subcode.
 - c. Packing slip or shipping ticket that indicates the invoice number and describes the goods or services in sufficient detail to verify their allowability under university policy and assign the correct subcode (e.g., Boise Cascade or Tejas Office Products).
 - d. Credit on a vendor statement, when a credit memo is not available.

C. Receipts for Out-of-Pocket Expenses

1. Receipts must be original and must contain the following:
 - a. Company's name and address
 - b. Date of purchase
 - c. Itemized listing or description of items purchased
 - d. Price of items purchased
 - e. Indication by vendor that payment was made
2. If the receipt does not include all of the above information, the employee seeking reimbursement must provide this information on or as an attachment to the purchase voucher (the receipt itself should not be altered).
3. The following documents may be used in place of an original receipt, only if the original receipt is not available:
 - a. A copy of the receipt may be used if the employee signs a statement certifying that the receipt is valid and he/she has not been reimbursed for it.
 - b. A cancelled check (front and back) payable to the vendor, along with all of the information required for receipts in 1 above. The expense must be certified by the employee to be valid and not reimbursed.
 - c. A credit card statement with a charge from the vendor, along with all of the information required for receipts in 1 above. The expense must be certified by the employee to be valid and not reimbursed.
4. Small receipts should be taped (not stapled) to a 8 1/2" X 11" sheet of paper.

D. Signatures Required on Purchase Vouchers (all signatures must be original)

1. Certifying signature and college/division code (required on every purchase voucher)
2. Employee seeking reimbursement (required for all reimbursements)
3. Supervisor of employee seeking reimbursement (required for all reimbursements)
4. Office of Grants and Contracts (required for all Ledger 5 and ATP/ARP accounts)

Payments that Require Additional Documentation or Approval

A. Advertisements

1. Advanced Approval
 - a. Employment ads
 - Benefits-eligible staff: advance approval of Human Resources
 - Benefits-eligible faculty: advance approval of Affirmative Action
 - Non-benefits-eligible positions (e.g., college and non-college workstudy, temporary positions): no advance approval is required
 - b. Non-employment ads: advance approval of Office of Publications
 - c. Ads that do not require advance approval: advertising in the *Daily Cougar*, the *Yellow Pages*, or for KUHT or KUHF

2. Documentation required:
 - a. All ads must be placed on a purchase order, except for advertising in the *Daily Cougar*, KUHT, or KUHF.
 - b. A receiving report and tear sheet (or similar documentation) must be submitted to Accounts Payable when the ad has run. For Internet ad, department should provide a print screen of the ad with the receiving report.
- B. Parking in the Houston Area (not travel-related)
1. Documentation: parking receipt
 2. Subcode: 5310
 3. Restrictions
 - a. Short-term parking in the Houston area (subcode 5310) may only be paid on a purchase voucher when charged to local funds. On state funds, short-term parking must be paid on a travel voucher with a travel subcode. However, off-campus contract parking may be charged to state accounts under subcode 5310 on a purchase voucher.
 - b. Parking related to university travel, including parking at the airport, must be paid on a travel voucher with a travel subcode.
 - c. Related mileage cannot be charged to a purchase voucher (must be paid on a travel voucher). If related mileage is reimbursed, both mileage and parking should be paid on a travel voucher with travel subcodes.
- C. Subscriptions
1. The beginning and ending dates of the subscription must be indicated in the LDT section of the voucher.
 2. Subscriptions can be paid no more than six weeks in advance of the beginning of the subscription period. Use “VA” for vendor agreement to request a Requested Payment Date.
 3. Documentation: order form, invoice, or receipt (for reimbursements) must be attached.
 4. Subscriptions may extend into future fiscal years, if paid with local funds. However, a subscription may not extend beyond the end of a grant or contract that pays for it.
- D. Professional Memberships
1. Verify that the organization has been approved by the President. See list of approved organizations at: <http://www.uh.edu/finance/ProfOrgMemb.htm>
 2. If on the approved list, type “Agency head has granted prior approval for membership” in the LDT section of the voucher.
 3. Type the beginning and ending dates of the membership period in the LDT section.
 4. Dues cannot be paid more than six weeks in advance of the membership period. Type “VA” for vendor agreement in the LDT section to request a Requested Payment Date.
- E. Official Functions and Discretionary Expenses (MAPP 5.02.02)
1. Types of Official Functions and Discretionary Expenses
 - a. Entertainment of prospective employees and official guests of the university

- b. Conferences, workshops, seminars, meetings, or retreats for UH employees
- c. Receptions or functions of a social nature for UH employees
- d. Business meals (employee only and a combination of employees and non-employees)
- e. Events where food and/or beverage is served
- f. Tickets to concerts, plays, or athletic events
- g. Flowers used as a centerpiece or decoration for an official function (flowers for employees or their family members may not be paid from university funds)
- h. Awards to staff, donors, or other contributors to the university's mission
- i. Club memberships (must be approved by the President)
- j. Any payment for alcoholic beverages (must use subcode 3451)

2. Documentation Requirements for Discretionary Expenses

- a. Detailed description of nature and purpose of official function, noting honoree(s)
- b. Date(s) and location of the function
- c. Names of participants—both guests and employees—and their titles, institutional affiliations, and/or relation to the university for groups of 10 or fewer.
- d. For groups of 11 or more, the name(s) of the honored guest(s), number of people attending, and general relationship of guests to the university.
- e. Original invoices or receipts (or copies certified by the vendor) covering all expenditures for which payment is requested.
- f. For functions costing more than \$2,500, a completed Official Functions Approval Form (Addendum A) must be attached to each voucher paying for that function.

3. Required Signatures

- a. Employee who is seeking reimbursement.
- b. Employee's supervisor (may be same as c and/or d).
- c. Department Chair or higher (may be same as b and/or d).
- d. Someone with higher authority than the highest ranking person hosting the event (may be same as b and/or c).
- e. If paying for refreshments or meals limited to university employees, the appropriate Dean or Director must approve the voucher.
- f. If paying for a business meal that cost more than \$75.00 per person, the appropriate Vice President must approve the voucher.
- g. For functions costing more than \$2,500, the College/Division Administrator, Department Chair, Dean/Director, and appropriate Vice President must sign the Official Functions Approval Form. (It is not necessary for these individuals to also sign the purchase voucher if a copy of the approved Official Functions Form is attached.)

4. Official Functions that Do Not Require an Official Function Approval Form

- a. Entertainment and meal expenses associated with conferences, workshops, or camps conducted by the university for the external community that are supported by income from registration fees and/or donor or sponsored project funds, as long as all expenses related to the event are covered from the funds budgeted for the event.
- b. Expenses for events sponsored by and/or oriented toward the student or potential student community.
- c. Food and discretionary items used directly in teaching or research activities.
- d. Food served to children in the Child Care Center and the Human Development Lab.

F. Scholarships and Student Loans

All payments or reimbursements of tuition and fees or stipends (subcodes 5380, 7010, 7020, 7060, 7065, 7066, and 7070) must be approved by the Scholarships and Financial Aid Office in advance. This is necessary to meet federal reporting requirements related to financial aid.

G. Individual Travel Advances

All individual travel advances must be processed on a purchase voucher and approved by the University Travel Coordinator in advance. A completed Travel Advance Application must be attached.

H. Group Travel Advances

All group travel advances must be processed on a purchase voucher and approved by Campus Accounting Services in advance. A completed Request for Group Travel Advance form must be attached.

I. Contract Payments

1. Payments to contractors must include the following information in the LDT section of the voucher or as an attachment:
 - a. Contract Amount
 - b. Less: Previous Payments
 - c. Less: This Payment
 - d. Balance of Contract
2. The complete and signed contract must be attached to the first purchase voucher that makes a payment against that contract. Subsequent purchase vouchers must include a copy of the contract or indicate the first purchase voucher number that has a copy of the contract attached.
3. A contract is required for payments to or on behalf of individuals who perform services for UH.

J. Printing Services

1. For printing orders that do not exceed \$2000.00, at least three quotes from printing vendors must be attached to the purchase voucher. Each quote must include the following information:
 - a. Name of vendor
 - b. Name of vendor contact (person who gave the quote)
 - c. Phone number of vendor
 - d. Amount of quote

Phone quotes are acceptable and may be summarized on a separate sheet of paper.

2. If the order was not placed with the lowest bidder, an explanation must be attached which indicates which requirements for completing the job cannot be provided by the lower bidder(s).
3. Printing orders over \$2,000.00 must be routed through Purchasing.

K. Foreign Currency Payments

1. To pay a vendor requiring foreign currency, the following information is required on the purchase voucher:
 - a. Type of foreign currency
 - b. Amount of foreign currency
 - c. U.S. currency equivalent
2. Accounts Payable will audit and forward the voucher to the Treasurer's Office. An international bank draft will be created and its cost will be charged to the department account on the voucher.

3. Foreign currency payments cannot be made on state funds.

L. Registration Fees

1. Registration fees may be paid directly to a conference in advance on a purchase voucher (subcode 5510) with an attached registration form. Use “VA” for vendor agreement in the LDT section to request a Requested Payment Date.
2. The following information must be included on the voucher:
 - a. Name of attendee
 - b. Name of conference (no abbreviations)
 - c. Date of conference
3. Registration fees paid by an employee for an out-of-town conference may only be reimbursed on a travel voucher after the trip is completed. Registration fees paid by an employee for a meeting in Houston may be reimbursed on a purchase voucher after the meeting.

M. Sales Tax in Texas

1. Employees should present a Texas Sales and Use Tax Exemption Certification to Texas vendors when making a purchase for the university.
2. Employees who present a Tax Exemption Certificate but are required to pay sales tax anyway, may be reimbursed for the sales tax as follows:
 - a. Sign the following or a similar statement: “The vendor refused to honor the Texas Sales and Use Tax Exemption Certification.”
 - b. Do not charge the sales tax to a separate subcode. Use the same subcode charged for the primary expense.
 - c. Do not charge sales tax to a Ledger 5 or ARP/ATP account, even if reimburseable.
 - d. Sales tax on business meals and rental cars may be reimbursed without explanation. Also, property tax billed on leased equipment must be paid by the University.
3. Employees who do not present a Tax Exemption Certificate to a Texas vendor may not be reimbursed for any sales tax paid.

N. AppleOne Employment Services

1. Verify AppleOne invoice matches timecard and rate, and calculations are correct.
2. When creating the purchase voucher in FINAPS:
 - a. Make purchase voucher payable to AppleOne (vendor ID 19525808648000)
 - b. Input reference number K002439 on each line of the voucher in Reference Number field
 - c. Input invoice number from AppleOne invoice in Invoice Number field
 - d. Attach AppleOne invoice and copy of timecard to voucher. Tape timecard to 8 1/2 X 11 paper.
 - e. In LDT, type “RT” (for recurring transactions) to request a requested payment date. No need to indicate prior payments or attach copy of contract.
 - f. Contact AppleOne immediately regarding any disputed invoices and document dispute on voucher.

- O. Taxable Payments or Reimbursements to UH Employees
1. Taxable payments/reimbursements on a travel voucher
 - a. Non-overnight meals in Texas (state-funds; \$25 max), subcode 7508
 - b. Non-overnight meals outside Texas, inside the US (state-funds; \$25 max), subcode 7513
 2. Taxable payments/reimbursements on a purchase voucher
 - a. Travel while moving, mileage over \$0.10 per mile and meals (local funds), subcode 7533
 - b. Travel expenses while househunting (local funds), subcode 7534
 - c. Temporary quarters and storage beyond 30 days after move (local funds), subcode 7535
 - d. Employee award (cash awards must be paid through Payroll), subcode 5540
 3. Attach completed Taxable Payments or Reimbursements form to travel or purchase voucher. The form and instructions are located at: http://www.uh.edu/finance/Travel/Forms_instr.htm
 4. Forward voucher and documentation to Tax Compliance at TAX-0900. Tax Compliance will review and determine if taxable. If taxable, Tax Compliance will give copy to Payroll to add to employee's taxable income. Original voucher and documentation will be given to Accounts Payable for processing payment/reimbursement.
- P. Boise Cascade Office Products and Tejas Office Products
1. Information given to Boise or Tejas when placing an order
 - a. UH customer account number (see college/division administrator; one for Boise and one for Tejas)
 - b. College/division consignee number (see college/division administrator; different than college/division code)
 - c. Purchase voucher number (create a \$0.01 purchase voucher in FINAPS with at least one line to get a FINAPS-generated voucher number)
 - d. Name of person placing order
 - e. Phone number of person placing order
 - f. Name of department placing order
 2. Processing payment
 - a. Use the "packing slip" (Boise) or "delivery slip" (Tejas) that comes with the shipment as the invoice. It will contain dollar amounts and an invoice number.
 - b. Original invoices and statements will be mailed to Accounts Payable. Those invoices not paid will be forwarded to the department for payment. It is important to enter the invoice number in FINAPS exactly as it appears on the invoice to avoid duplicate payments.
 - c. Incomplete, incorrect, or damaged shipments should be reported to Boise or Tejas immediately.
 - d. Invoices should be paid in full, even when a credit will be issued for returned items. Boise or Tejas will send a credit memo to Accounts Payable, which will be forwarded to the department. The department will take the credit as follows:
 - (1) Enter the credit amount in the voucher using EC 151
 - (2) Attach the credit memo to the purchase voucher
 - e. Boise and Tejas are not state-contracted vendors. Therefore, we should not purchase office supplies from them with state funds, if the office supplies are available on state contract. See Purchasing for additional information.

Q. Departmental Cash Fund Request

The following documentation is required to establish or increase a cash fund (see MAPP 5.01.01, Addendum C):

1. Request for Establishment or Modification of Departmental Cash Fund form (MAPP 5.01.01, Addendum I), which is signed by
 - a. Requester
 - b. Fund custodian
 - c. College/division administrator
 - d. Dean/division head
 - e. Vice President for Administration and Finance or designee
 - f. UH System Treasurer's Office
2. Justification memo, which includes
 - a. Detailed explanation of need for cash fund
 - b. Justification for infeasibility of alternate methods of procurement
 - c. Estimated activity level
 - d. Name of proposed fund custodian and description of safeguarding methods
 - e. Approval of college/division administrator
3. Purchase voucher, which includes
 - a. Type of fund requested
 - b. Non-state general ledger account to be charged
 - c. Special handling instructions for Treasurer's Office to call fund custodian to pick up check
 - d. Approval of college/division administrator

Purchase Order Payments

A. Placing the order

1. Department prepares purchase requisition and forwards to Purchasing
2. Purchasing verifies selected vendor is in good standing with state of Texas.
3. Purchasing contacts vendors for informal or formal bids, posts order on Texas Marketplace, and/or refers bidding process to General Services Commission
4. When a vendor has been selected, Purchasing creates a purchase order
5. Purchasing makes the following distribution:
 - a. PO to vendor
 - b. PO copy and receiving report to department
 - c. PO copy and yellow copy of purchase requisition to Accounts Payable

B. Types of purchase orders

1. Advanced Pay PO (e.g., vendor requires advance payment before shipment)
 - a. Purchasing sends the PO to Accounts Payable with "Advance Pay" in the body of the PO. Purchasing attaches an order form or document, if available, with the price of product or service noted.
 - b. AP creates a voucher within 24 hours to pay the PO.
 - c. Documentation required for payment: Accounts Payable and vendor copies of PO signed by Purchasing with any attachments.
 - d. Enclosed with check: copy of voucher, PO, and attachments.
 - e. Department signs and sends receiving report to Accounts Payable when the order is complete.

Obstacles to payment: Vendor ID not set up in FINAPS.

2. Twelve Month Contract PO (e.g., lease agreements for copiers, cell phones, pagers)
 - a. PO gives the monthly charge for equipment and specifies whether additional charges (i.e., excess copy charges) may be billed.
 - b. Department sends receiving report to AP at the beginning of the lease period.
 - c. AP creates purchase vouchers monthly to make payments as invoices are received.
 - d. AP sends courtesy copy of invoice to department if it contains excess copy charges.
 - e. AP keeps track of cumulative payment to verify it does not exceed PO amount.

Obstacles to payment: Incorrect invoice amount, no invoice, no receiving report.

3. Twelve Month Maintenance Agreement PO (e.g., copier maintenance agreement)
 - a. Department should include the prior year PO and serial number of the equipment in the body of the purchase requisition. Invoices will usually reference the prior year PO No.
 - b. Department sends receiving report to AP at the beginning of the maintenance period.
 - c. AP creates a purchase voucher to make one payment for the year.

Obstacles to payment: No invoice, no receiving report, incorrect PO on invoice, no department name on invoice.

4. Single Purchase PO (e.g., books, supplies, equipment purchased on a single order)

- a. Purchasing sends Accounts Payable a PO for specific products at specific cost for the vendor noted on PO.
- b. Accounts Payable receives invoice from vendor, as instructed by PO.
- c. Department sends receiving report to AP (see documentation requirements below).
- d. AP prepares purchase voucher to make payment when it has received the (1) PO, (2) invoice, and (3) receiving report.

Obstacles to payment: Vendor name on PO is different than name on invoice, no receiving report, unit price on invoice does not match PO, invoice includes items that are not on PO.

5. Blanket Order PO (e.g., research supplies and other repetitive orders placed throughout year)

- a. Purchasing sends blanket PO to Accounts Payable that includes gross dollar amount, general product category, specific vendor, and specific time frame; PO should say “blanket order.”
- b. Vendor mails invoice to Accounts Payable, as instructed by PO.
- c. AP sends invoice to department.
- d. Department prepares purchase voucher as follows:
 - (1) Enter PO number in reference field of voucher
 - (2) Enter “P” for partial payment
 - (3) Enter PO amount, less this payment, less previous payments, and balance of PO in LDT section of voucher
 - (4) Attach purchase order and purchase requisition to voucher

Obstacles to payment: voucher does not contain required documentation.

6. Emergency PO (e.g., repair of critical equipment)

- a. For emergency purchase orders (EPO), the department must print the Comptroller’s web page that indicates the vendor’s standing and fax it to Purchasing before calling for an EPO number.
- b. Purchasing gives the PO number to the department by telephone, so the department can place the order directly with the vendor.
- c. Department sends the purchase requisition to Purchasing with the EPO number written in red above the requisition number.
- e. Purchasing sends Accounts Payable a PO for specific products at specific cost for the vendor noted on PO.
- f. Accounts Payable receives invoice from vendor, as instructed by PO.
- g. Department sends receiving report to AP (see documentation requirements below).
- h. AP prepares purchase voucher to make payment when it has received the (1) PO, (2) invoice, and (3) receiving report.

Obstacles to payment: department does not send purchase requisition to Purchasing, which is forwarded to Accounts Payable.

7. Change Orders (i.e., amendments to existing PO involving changes to unit price, goods/services purchased, account number, vendor name, payment schedule, subcode to include alcohol)

- a. Accounts Payable sends vendor dispute letter with invoice and PO documenting difference between PO and invoice. AP also sends a copy to the department.
- b. Department submits change order request to Purchasing, if change is valid.
- c. Department should attach invoice to change order request and include invoice number and invoice date in the body of the change order request.
- d. Purchasing sends a “ready to pay” PO with invoice number and invoice date in body of PO to Accounts Payable.

- e. Accounts Payable processes the payment within 24 hours of receipt of the “ready to pay” PO.
- f. If not “ready to pay,” department must send change order receiving report to AP.

Documentation Requirements for Receiving Reports

- A. The following information is required on all receiving reports:
 - 1. Quantity of items received for each line item on the purchase order will be written in the shipment column.
 - 2. Delivery date of the items received (or when they are expected to be received) will be written in the shipment column. For subscriptions and maintenance agreements, the delivery date is always the end of the subscription or maintenance agreement period.
 - 3. Returned or disputed items will be indicated in the shipment column or on an attachment to the receiving report.
 - 4. The shipment column will be signed by the appropriate person in the department.
 - 5. When the order has been completed, the appropriate person will sign and date the department head statement at the bottom of the receiving report.
- B. A change order is required to change the quantity or type of items orders or the dollar amount of the purchase order (no exceptions).
- C. Receiving reports must be submitted to Accounts Payable as soon as an item is received and verified to be OK for payment. (Accounts Payable does not routinely request receiving reports when we receive the invoice.) If additional time is required to inspect goods or services, this must be stated in the PO.

Prompt Payment and Payment Scheduling

Requested Payment Date (RPD)

To request a requested payment date, you may enter one of the following two-digit codes at the beginning of a blank line in the legal descriptive text (LDT) screen, press "Enter", and the corresponding phrase will appear in the LDT. You must reenter the LDT screen to input the requested payment date (RPD) at the end of the phrase. (Shortcut: type the two-digit code, space, and type the requested payment date all in one step.) If the reason for requesting the requested payment date is substantiated, Accounts Payable will input the requested payment date in the appropriate field to make it effective in FINAPS.

Code Phrase that appears in the LDT and explanation for Requested Payment Date

PD Price discount offered. RPD:

A price discount for early payment is offered by the vendor. A copy of the invoice or other documentation of discount offered must be attached to the purchase voucher.

VA Vendor agreement. RPD:

Early payment is required by the terms or nature of the purchase order, contract, or other agreement with the vendor. An invoice alone requesting early payment does not obligate or authorize the university to make a payment before the payment due date. A copy of the contract or other agreement that indicates early payment is required must be attached to the purchase voucher.

US University student. RPD:

A payment to a current UH student.

IU Intra-university transaction/transfer. RPD:

A transaction or transfer between UH departments, auxiliaries, service centers, or components.

NO Avoid interruption of normal operations. RPD:

An early payment that is necessary to avoid interruption of the normal operations of the University (e.g., utilities, telephone, etc.).

RT Recurring transactions with same vendor. RPD:

Early payments to vendors that involve a large number of recurring transactions, which significantly reduce the time and effort required to reconcile future billing statements (e.g., Bank of America Centrally Billed Travel Account, Boise Cascade, Airborne Express, etc.).

GV Payment to a government agency. RPD:

A payment to a local, state, or federal agency that must be paid early by law or to avoid penalty for paying after the agency's due date (e.g., Internal Revenue Service, Comptroller' Office, State Attorney General's Office, etc.).

NT Transaction/subcode exempt from pmt scheduling. RPD:

A payment that does not involve goods or services, as defined by Texas Government Code, and is not subject to payment scheduling (e.g., Optometry Clinic refunds to customers, stipends, etc.).

HS Avoid vendor hardship; vendor relationship. RPD:

Early payment to avoid vendor hardship (e.g., vendor cannot pay its employees if UH does not pay immediately) or to maintain a favorable business relationship with the vendor. Repeated use of this explanation should be supported with a statement from the vendor.

Other payments that should automatically generate a requested payment date, because they are programmed into FINAPS:

1. Payments to UH employees. The W-2 file from Payroll updates FINAPS once a month. If the W-9 form (used by Accounts Payable to update the FINAPS vendor file) identifies the person as a UH employee, Vendor ID will type "EM" for employee in the vendor type field of VNDM so the employee will be set up correctly before the next update from Payroll.
2. Payments on a Ledger 9 account. Since Ledger 9 accounts are agency (non-university) funds, they are not subject to the prompt payment law or payment scheduling.

Interest Control Flags and Reason Codes

To request the use of an interest control flag and reason code, you may input the appropriate two-digit code (reason code) at the beginning of blank line in the LDT screen of FINAPS and press "Enter." The corresponding phrase will appear in the LDT. Additional documentation may be required to use certain reason codes. If the request is substantiated, Accounts Payable will input the appropriate interest control flag (R or F) and reason code in FINAPS.

Code Phrase that appears in the LDT and explanation for Reason Code

NI [NI] Refuse interest. No invoice received. Pmt based on:

No invoice received. The basis for the payment (e.g., purchase order or contract) must be indicated.

FC [FC] Refuse interest. Federal contract prohibits timely payment.

Terms of federal grant or contract prohibit a timely payment and federal funds are used. The terms of the federal grant or contract that prohibit a timely payment must be explained.

MI [MI] Refuse interest. Invoice mailing instructions not followed.

Mailing instructions for the invoice on the purchase order, contract, or other instructions provided by the university were not followed. The MI reason code may only be used for invoices that were mailed to a different address than indicated on the purchase order, contract, or other university correspondence. The vendor does not have to be notified of the mailing error to refuse interest for this reason.

DP [DP] Refuse interest. Dispute over invoice or delivery. Document.

Disputed payment, including disputes over invoices and/or goods or services received. Documentation of the dispute must be attached to the purchase voucher. Vendors must be notified of invoice disputes within 21 calendar days after the invoice is received by UH. Otherwise, this justification cannot be used.

GE [GE] Refuse interest. GSC granted exception. Document.

General Services Commission exception granted and documented for a specific transaction. Documentation of the exception must be attached to the purchase voucher.

AI [AI] Refuse interest. Payment to consultant or for prof. services.

Automation issue. Used when FINAPS or USAS misclassifies a transaction as subject to or not subject to late payment interest based on the subcode or object code. For instance, subcodes for consultants and professional services are pre-set to pay interest on late payments, though they are exempt from the prompt payment law by the definition of “services” in Texas Government Code, Section 2155.001.

DT [DT] Force interest. Payment of travel expense to outside vendor.

Direct payment of travel expenses to outside vendors, which would be subject to late payment interest. Travel subcodes are pre-set as not subject to late payment interest because they are primarily used to reimburse employees for out-of-pocket travel expenses.

AD [AD] Refuse interest. Payment to student or intra-univ. transfer.

Agency discretion exercised. Used to refuse interest on payments to students and payments between university departments, auxiliaries, services centers and other UH components. The type of payment or transaction (e.g., “inter-departmental”) must be indicated.

Other payments that should automatically refuse interest, because they are programmed into FINAPS:

1. Payments to UH employees (R, AD). If the R/AD codes are not put on the voucher automatically, ask Vendor ID to verify the social security number and change the vendor type to “EM” in FINAPS. Reprint the voucher.
2. Payments to vendors who are “on hold” with the State Comptroller’s Office the first time the check or warrant is scheduled to be printed. An Interest Control Flag and Reason Code are not printed on the voucher, but the VODI screen indicates whether the vendor is on hold and the date the vendor status was first evaluated.
3. Payments on a Ledger 9 (agency fund) account, since Ledger 9 funds are not subject to the prompt payment law or payment scheduling (R, AD).
4. Payments that generate less than \$0.005 in interest. No codes print on the voucher.

Accounts Payable Contacts

Mike Glisson	38706	Weird or Referred Problems
 <u>Inquiry</u>		
Vanessa Adams	38707	BOA/travel agents, state processing
Linda Howard	38708	ERC's (6X), credits, taxes, accruals-EOY
Leslie Williams	38704	Encumbrance corrections (5X), check release
Sharon West	38702	Inquiry vendors: A,G,H,I,J,K,L,O,P; credit apps
Blake Gilliam	38701	Inquiry vendors: B, C, D, E, F, M, N
Nyisha Hamilton	38700	Inquiry vendors: Q, R, S, T, U, V, W, X, Y, Z
 <u>Purchase Order Analysis</u>		
Joy Hall	38714	PO problems
Margaret Darden	38748	PO vendors: R, S, T, U, V, W, X
Eva Duncan	38715	PO vendors: A, B, C, Y, Z
Richard Stein	38744	PO vendors: D, E, F, G, H, I, J
Magdeline Edmund	38740	PO vendors: K, L, M, N, O, P, Q
Vacant	38716	Data entry specialist
Eldrisha Lenor	38763	PO vendor: Boise Cascade and Tejas Office Products
 <u>Voucher Audit</u>		
Cissy Bean	38711	Payment exceptions, void checks, stop payment
Vacant	38743	State and local PO's and purchase vouchers
Geri DeLuke	38713	Department local purchase vouchers, contracts
Frank Rodriguez	38712	Department local purchase vouchers
Mary Stackhouse	38742	Department state vouchers, contracts
Denise Bland	38705	Travel vouchers
 <u>Vendor ID</u>		
Michael Mahanay	38746	Vendor ID
Johnny Bui	38745	Vendor ID (afternoon)
Teresa McComb	38745	Vendor ID (morning)