

POLICIES

Policy Statement

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The Division of Business and Finance is authorized to issue payment for goods and services through the offices of Accounting and Bursar.

Purpose

To ensure that disbursements are for allowable University business expenses, processed only upon proper authorization, supported by the appropriate documentation, and are properly recorded. This policy applies to all disbursements including, but not limited to University purchasing card transactions, contract supply (Staples) and University bookstore vendors (Follett).

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Procedures

Disbursement for Goods and Services for Which a Purchase Order Was Issued These procedures will be followed to process payment for goods and services purchased and receipted through Tigerbuy.

All goods and services that are processed through Tigerbuy must be receipted in Tigerbuy in order for payment to be processed. Please refer to Procurement and Contract Services Policy [BF4007 Procurement and Contract Services](#).

Disbursement for goods and services using a purchase order through the Tigerbuy system is made upon the proper receipting of the goods and services in Tigerbuy and upon the invoicing of goods and services by the vendor.

Tigerbuy receipting is verification that the goods or services received are of the same quality and quantity as those ordered. Tigerbuy receipting indicates the departments' approval to pay the invoice. Invoices should be mailed directly to the Accounting Office at 275 Administration Building, Memphis, TN 38152. Invoices will NOT be routed to the department for approval. Departments will be contacted if there are any discrepancies or questions regarding the invoice. Invoices will only be routed to the department if the invoice does not indicate the purchase order number.

Disbursement for Goods and Services for Which No Purchase Order Was Issued In the event that goods and services are not purchased through Tigerbuy the following process will be utilized by the Accounting Office to disburse payment to the vendor.

Invoices for goods not purchased on a Purchase Order will be sent to the department for approval. (i.e. FedEx, Follett, Aramark, MLGW, Jackson Energy). A rubber stamp authorization should be used and is available for purchase from Tiger Copy and Graphics. Information included on the stamp is the fund, organization, program and account to be charged, date order was received, and the approvers' signature. The individual signing the invoice is verifying that the items received or services performed are of the same quality and quantity as those ordered and that payment is appropriate. Vendors should be clearly instructed to include the name of the ordering department on invoices.

Payments for travel are covered under [UM1309 - University Travel](#), University Travel Policy.

Orders Requiring Advance Payment

In certain instances it is necessary to make a remittance in advance without an invoice (i.e. dues or subscriptions).

A [Check Request Form](#) (formerly Form 10 "Special Remittance and Order") should be completed in lieu of a Purchase Requisition. The [Check Request Form](#) should include an itemized list of the goods or services. This disbursement request must be supported by appropriate documentation, such as a copy of the subscription order form or dues invoice from the organization.

The completed form should be submitted to the Accounting Office, 275 Administration Building, for payment.

Reimbursement to Individuals When No Established Petty Cash Fund Exists

Under the guidelines set forth in the [UM1734 - Cash Handling](#), reimbursement for the purchase of supplies can be made to individuals as detailed below.

Cash reimbursements under \$500 may be processed by the Bursar's Office using a "[Request for Cash Reimbursement](#)" form. The "Request for Cash Reimbursement" form must be filled out completely, including the FOAPAL and authorizing signature. Original receipts must be attached. The form may be submitted to the Cashier window at the Bursar's Office or submitted to Accounting for reimbursement. Sales tax is not reimbursable.

Cash disbursements \$500 or above may be reimbursed by the Accounting Office by check or direct deposit to the requestor. The "[Request for Cash Reimbursement](#)" form with original receipts must be completed and submitted to the Accounting Office.

Disbursement Guidelines/Restrictions

Disbursement of University funds (unrestricted, restricted, or agency) will NOT be made for expenditures or reimbursements prohibited by the "Tennessee Civil Rights Act of 1990"

- The "[Tennessee Civil Rights Act of 1990](#)," which was Public Chapter No. 1053, includes the following among its provisions:

- No state funds shall be expended in connection with a meeting or other activity held at an establishment or facility that does not afford full membership rights and privileges to a person because of sex, race, creed, color, religion, ancestry, national origin, or disability.
- No state official, employee or agent shall be reimbursed for dues or other expenses incurred at an establishment or facility that does not afford full membership rights and privileges to a person because of sex, race, creed, color, religion, ancestry, national origin, or disability.

Additional purchasing restrictions/guidelines are stated below:

The University may reimburse employees for business application (app) purchases when the job requires the employee to use the application as a part of their job related responsibilities. An "app" is defined as a piece of software that can be run over the internet, on a computer, cellular phone, iPad or other electronic devices. App purchases can be made on business or personal devices. Purchases can be made via personal credit cards and reimbursed by submitting a "[Request for Cash Reimbursement](#)" form indicating business purpose, along with the itemized receipt.

No disbursement of University funds (unrestricted, restricted or agency) will be made for alcoholic beverages in accordance with Tennessee state law.

Gifts for University employees or employee's family members will not be purchased from any source of University funds; exceptions may be approved only by the President.

Gifts of nominal value for **non-University** employees may be purchased when justified, such as for speakers, donors, or other public relations purposes. If a number of gifts are being purchased, the individual value must be \$25 or less; if only one gift is being purchased, the value must be \$100 or less. Exceptions may be approved only by the President.

Gift cards including iTunes cards may not be purchased, with the exception of research participants in compliance with Procedure No. [2D:03:07D](#). Payments to Individuals for

Research Project Participation. Exceptions may be approved only by the University Controller.

Christmas cards, holiday greetings, and similar materials may be purchased only from the University of Memphis Foundation funds. University funds may not be used for this type of purchase.

Human Resources is responsible for the purchase of flowers due to the death or serious medical condition of an employee or immediate family member. The purchase of flowers for other individuals may not be purchased from any University source of funds.

Reasonable and appropriate floral arrangements may be purchased as decorations at formal University business events such as new student orientation and the Human Resource Employee Award Ceremony. All invoices for the payment of flowers should include a notation of the purpose the flowers.

Limited support may be provided for receptions and dinners for retiring or terminating employees. For receptions, University funds may be used not to exceed \$3 per anticipated guest. For dinners, only the cost of meals for the employee being honored and his/her personal guests may be paid from University funds. A gift for the employee, who has been employed by the University for more than five years, may be purchased only from the University of Memphis Foundation funds and the amount may not exceed \$400.

Non-cash awards that are infrequent and have a fair market value of less than \$25 are permissible, such as pen sets, coffee mugs, etc. Gift Cards of any value are prohibited.

Postage stamp purchases may be reimbursed by completing and submitting a "[Request for Cash Reimbursement](#)" form. A receipt must be obtained from the Postmaster. An explanation of the business use of the stamps must be included on the reimbursement request.

Purchases of refrigerators, microwaves, coffee pots, plants, decorative items, party and break room supplies (for example utensils, napkins, table cloths, paper towels, etc.) for personal use or convenience are not considered valid University expenses. The University Controller may approve exceptions in cases where a documented business use exists. Purchases of

refrigerators for use in dormitories or rental properties are allowable expenditures. Business purpose, such as lab use, should be approved by the University Controller.

Computer products and services from a computer vendor with whom the University has negotiated a contract, e.g., Dell, Apple, etc., must be purchased through the Tigerbuy eProcurement system with an on-line purchase requisition. Please consult your LSP for specifications of University-supported technology products.

Expenses relative to the Certified Administrative Professional program will not be paid from any University funds. This includes processing fees, examination fees, study guides, and similar costs.

Professional licenses exam, fees, renewal and individual membership dues are personal expenses and are not allowable expenditures by the University, unless a requirement of current position.

University parking fees and permits for employees will not be paid from any University funds. This applies to regular or temporary faculty and staff, part-time and student staff, and any other individuals employed by the University.

Processing Payment

The University will make payments for materials or services to outside vendors. The vendor's original itemized invoice or payment request should be properly receipted and approved, as set forth in this procedure.

Payment will not be made on statements except in instances of daily or frequent deliveries where each amount appearing on the statement is supported by an itemized delivery ticket attached thereto. All statements received directly by departments should be sent to the Accounting Office for follow-up on unpaid items.

Invoices and requests for payment are paid after the proper receipt of the goods or services. Exceptions are made on a case by case basis and only when prepayment is merited.

For Tigerbuy purchases, departments should enter receiving information into Tigerbuy upon proper receipt of goods or services. After verifying that the invoice has the correct

purchase order number, the department should forward the approved invoice to the Accounting Office.

For non-Tigerbuy purchases and payments, e.g. utilities, dues, subscriptions, Follett, Aramark, etc., departments should forward an approved invoice, including the FOAPAL to the Accounting Office.

In many cases, trade practices require payment for partial orders. Departments should notify the Accounting Office if Tigerbuy receipting or an invoice is being held for any reason. Vendors expect the University to make prompt payment for its obligations.

The "Prompt Pay Act of 1985" requires that the University "...pay for each complete delivered item of property or service...within forty-five days..." (Tennessee Prompt Pay Act (T.C.A. Section 12-4-701 et. Seq.) A penalty of 1 1/2% per month is provided by the Act. Invoices and Tigerbuy receipting should be processed in a timely manner to avoid penalties. Any problem with vendors which will delay payment should be reported to the Procurement Department on the [Vendor Performance Evaluation Form](#).

In order for the University to take advantage of cash discount terms departments should receipt in Tigerbuy immediately upon acceptable receipt of goods or services to permit payment within the discount period.

Checks are mailed directly to the vendor by the Accounting Office; vendors are not permitted to pick up checks at the Accounting Office. Any special handling requested by the departments should be clearly noted.

The Accounting Office will enclose forms (supporting documents) with checks, if requested by the initiating department.

Checks are issued within five days upon receipt of finalized invoice or payment request in the Accounting Office. This schedule is based on normal operating conditions and is subject to change in the event of large volume or unexpected delays. Refer to the University of Memphis [General Accounting Website](#) for additional information.

Inquiries by vendors and others about payment information should be directed to the Accounting Office to accountspayable@memphis.edu with the invoice attached or fax a copy of the invoice to 678-3595.

Links

Links to Related Forms, Procedures, and Guides

For additional information please use the following links to forms, procedures, and guides.

[Accounting Office online forms](#)

[University of Memphis Accounting Office](#)

Cash Handling

[UM1734 - Cash Handling](#) Cash Handling

Purchase of Meals

[UM1311 - Purchase of Meals](#) Purchase of Meals

Procurement and Contracts Services

[BF4007 Procurement and Contract Services](#) Procurement and Contract Services

University Travel

[UM1309 - University Travel](#)

Moving Allowance

[HR5013 - Moving Allowance](#)

Membership and Subscriptions

[UM1340 - Memberships and Subscriptions](#)

Contracts and Signature Authority

[UM1571 - Contracts and Signatory Authority](#)

Payment to Individuals or Research Project Participation

[2D:03:07D](#) Payments to Individuals for Research Project Participation

[Check Request Form](#)

[Authorization for Direct Deposit of Vendor Payments \(ACH\) Form](#)

[Vendor Performance Evaluation Form](#)

Revision Dates

BF4012 - Supersedes UM1701 April 1, 2018
UM1701 - Issued: May 13, 2013

Subject Areas:

Academic	Finance	General	Human Resources	Information Technology	Research	Student Affairs
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