

# Direct Pay Disbursements

**Original Implementation:** September 1990

**Last Revision:** April 20, 2021

## Purpose

This policy establishes the guidelines and requirements for using the direct pay disbursement process to purchase certain goods and services for the university.

## Definitions

**Direct Pay** is the process of paying for certain university goods and services without the use of a purchase requisition or procurement card (P-Card). Direct pay disbursements are subject to all applicable policies and procedures that apply to the disbursement type that is being paid.

**Purchase Voucher** is a form required for certain types of direct pays.

## General

The procurement department, under supervision of the director of procurement and property services/HUB coordinator, has sole authority for the negotiation and purchase of goods and services for the university with the exception of items listed in Items Requiring Board of Regents Approval (1.4), and exceptions listed in Delegated Purchasing Authority (17.5). Most university purchases, other than those related to travel and employee reimbursements, are initiated through the Purchase Requisition or Procurement Card process. However, in some instances, payments may be initiated as a direct pay disbursement.

There are two direct pay disbursement methods. One method requires the use of a purchase voucher, which is available on the SFA business forms webpage. The other method does not require a form, yet certain procedures and documentation may be required to be submitted to the accounts payable office. Regardless of which method is used, direct pay disbursements will be reviewed to ensure that payments comply with university policies and procedures and have appropriate supporting documentation and approvals. Reference Delegated Purchasing Authority (17.5).

The following types of direct pay disbursements may be allowed and require a purchase voucher form:

1. Licensing fees (except software licensing fees)
2. Notary bonds
3. Student and non-student refunds
4. Student tuition rebates
5. Postage
6. Prepayment of registration fees for business conferences, workshops and seminars

7. Legal settlements
8. Purchases from agency funds
9. Audit costs charged by a state or federal government agency
10. Athletic meal money for players while in Nacogdoches when SFA student dining facilities are closed
11. Cash advances for official visits of potential student-athletes in accordance with National Collegiate Athletic Association (NCAA) guidelines for recruiting
12. University's bookseller vendor charges for student scholarships
13. Athletic ticket revenue share settlements
14. Athletic contest officials
15. University Interscholastic League (UIL) academic contest officials
16. Student related medical expenses
17. Purchases of books, periodicals, journals, and other related materials needed to maintain university resource collections for the library
18. Purchases of general merchandise for resale in the Stone Fort Museum gift shop
19. Standard Services Agreements approved by Office of General Counsel (OGC) for services that cost \$500 or less

The following types of direct pay disbursements may be allowed and do not require a purchase voucher form:

1. Overnight mail services (no purchase voucher required if using the procurement office preferred vendor contract)
2. Employee payroll deductions and employee benefits-related expenses
3. Employee call-back mileage reimbursements
4. Employee mileage reimbursements not processed through the travel office
5. Establishment or replenishment of a change fund (with prior approval from the controller's office)
6. Copier lease and copier maintenance
7. Employee reimbursements
8. Visa petition service fees paid on behalf of employees
9. University credit card statement payments (excluding fuel card payments)

Any addition to the above lists must be approved in writing by both the controller and the director of procurement and property services/HUB coordinator or his/her designees, and with an explanation justifying the decision.

**Cross Reference:** Best Value Procurement (17.1); Delegated Purchasing Authority (17.5); Items Requiring Board of Regents Approval (1.4); Procurement Card (17.11); Tuition Rebate (6.21); Mail Services (16.16); Travel Card (T-Card) (3.30); Agency Funds (3.1);

**Responsible for Implementation:** Vice President for Finance and Administration

**Contact for Revision:** Controller; Director of Procurement and Property Services/HUB

Coordinator

**Forms:** Purchase Voucher

**Board Committee Assignment:** Finance and Audit