

February 6, 2008

Are you familiar with the PPS Payment Voucher Authorization and Use?

This PSC Procedural Statement (PPS) explains how the [Payment Voucher](#) form can be used to process invoices when a [commitment voucher](#) (University [Procurement Card](#), [purchase order](#), etc.) is not required. It includes a detailed listing of Allowable Uses of the [Payment Voucher](#) (see summary on page 2 of this newsletter). **Before you use the PV to authorize any payment:** verify that the good or service is allowable and that the form itself is completely filled out, including all necessary signatures. Don't forget to attach all required documentation.

A revised version of the PPS, which took effect February 1, has recently been published on the [Procurement Service Center \(PSC\) web site](#). There is, however, a 90-day grace period for the new reimbursement restrictions. In response to questions on new (and old) procedures, we have created this special edition newsletter. The following key points should always be remembered:

- **Only the specified goods and services can be paid.** If it's not on the list (i.e., in the PPS' Table of Allowable Uses), then you can't buy it on a PV. See [I Need to Buy Something, Now What?](#) for allowable methods.
- **Dollar limits vary.** If no limit is specified for the item, then the PV can be used to pay for the designated item in any dollar amount. If a limit is specified, abide by it.
- **Use the most appropriate method of procurement.** If a preferred procurement method is identified, you should attempt to utilize that method.
- **If using Agency Funds (Fund 80)** that the University maintains for legally separate External Student Organizations or other entities – except UPI (University Physicians Incorporated) funds – the PV can be used to purchase all types of goods and services in any dollar amount. Vendor [invoice](#) or other supporting documentation is required.
- **Identify business purpose.** Fully explain how the good or service will benefit the University. By reading this, an independent third party should be able to understand why it is appropriate to spend University funds on this purchase.
- **Submit the required documentation.** The PV must be supported by vendor [invoice](#) (see article on next page) unless specifically exempted in the Table and, where identified, must be supported by the designated information or documentation. (The PSC may request additional information/approvals when it believes a specific expense warrants additional support.)
- **Know and follow other relevant policies/procedures.** Additional requirements (forms, approval, etc.) are often identified in the Administrative Policy Statements, PSC Procedural Statements, or Finance Procedural Statements referenced for a specific item.
- **Reimbursements are restricted in several ways.** See article in next column.

Reimbursement Restrictions

The February 1 version of the PPS [Payment Voucher Authorization and Use](#) includes the following new restriction: **Reimbursements will not be processed for commodities covered by university price agreements.** (Exception: cases of urgent business need – unavoidable/unexpected purchases that could not be deferred to normal business hours and normal business processes. This situation must be documented on the [PV](#).)

Why restrict reimbursements?

Organizational units should obtain the items they need by using an appropriate procurement method, as described in [I Need to Buy Something, Now What?](#) When the appropriate method of procurement is used, the department is able to benefit from price agreements; avoid paying sales and use tax; enhance compliance with university procurement policies/procedures (including avoiding after-the-fact purchases); and save additional costs associated with processing reimbursement requests.

What commodities will not be reimbursed?

Office supplies, furniture, and computers. These are all covered by price agreements and yet individuals frequently purchase them with personal funds and request reimbursement. To promote awareness of the new restrictions, the PSC will allow a grace period of 90 days. During this time period, the PSC will continue to process such reimbursements but will send an email notification of changing procedures to the PV's contact person. Requests received in the PSC **beginning May 1** will no longer be processed except in cases of urgent business need (as described above).

What is an office supply? What isn't?

You know that office supplies, furniture, and computers are restricted. **Office supplies** include pens, pencils, paper, file folders, binders, and the like. (The following are NOT considered office supplies: toner cartridges, calculators, flash drives.) Furniture includes chairs, desks, file cabinets, and tables. (Lamps and coat trees are NOT considered furniture.) Computers include laptops, desktop monitors, and CPUs. (Computer peripherals such as printers, keyboards, and mice are NOT considered computers unless purchased as a system.)

So how do I buy these three commodities?

Updates to the [PV](#) Procedural Statement **do not** change your use of INs, Procurement Cards, or Department Purchase Orders. Remember: one of these procurement methods is always more appropriate than purchasing an item personally and requesting reimbursement on a PV.

What about the university bookstore?

The new [PV](#) procedures **do not** change your use of the IN or Procurement Card to purchase goods from university auxiliaries (e.g., your campus bookstore). While it is always a good idea to make purchases from a university auxiliary, do not do it personally and expect reimbursement.

What if I'm traveling and need something?

If you frequently need to purchase goods in travel status, you should have a [University Procurement Card](#). If there is an **urgent** business need, you can provide a detailed explanation for consideration of a reimbursement request. Note that all requests for reimbursement of goods - whether on a PV or TV - have the same requirements: itemized receipt regardless of dollar amounts, proof of payment, restrictions on type of commodity, etc. Only total goods up to \$25 may be included on the TV.

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Your Payment Voucher needs an Invoice, doesn't it?

Invoice has become a defined term in the [Finance and Procurement Procedure Glossary](#). You now have guidance on determining whether that document you want to submit is considered an invoice or not. Here's the definition:

Documentation setting forth an itemized list of goods or services being purchased by the University and specifying the price and the terms of sale. Invoice must include: vendor name and remitting address; name of University/university *organizational unit* receiving the goods or services; date these goods or services were provided; description of item (for goods, include quantity and unit cost); and, total amount owed to the vendor. An invoice number should also be provided. This documentation is generally prepared by the vendor.

Requirements for Participant Stipends & Study Subject Payments

In response to requests, we have clarified the circumstances and documentation requirements related to payment of both Participant Stipends and Study Subjects (for convenience, these items are now grouped together).

- If your Participant Stipend or Study Subject Payment is associated with health-related research, you only need to follow the requirements of the PPS [Health-Related/Human-Subject Research](#).
- Certain *account codes* (495102 or 495300-495309) must be used to indicate the requested payments are Participant Stipends or Study Subject payments. Consult your campus controller's office or *sponsored projects* office for guidance on which Account is appropriate for your SpeedType.
- For non-health-related payments in amounts up to \$100, simply provide a good business purpose description on the PV. For payments over \$100 you will need to include a copy of the **relevant section** of the *sponsored project* contract or protocol **and** the section denoting approval of the document.

Questions?

Contact the [FinPro Help Desk](#) at 303.315.2846 with your Payment Voucher questions.

Payment Voucher Usage Summary

If it's not on the list, you can't buy it on a Payment Voucher!

Boldfaced items: additional policy/procedural statements apply.

- Athletic Revenue-Sharing Agreements (used only by UCB/UCCS Athletics)
- Building & Construction Permits & Fees (used only by campus Facilities Management Office)
- Campus Library Purchases of Hard-Copy or Electronic Media & Payments for InterLibrary Loan (used only by campus libraries)
- **Cash Awards**
- **Conference & Event Registrations**
- **Donations & Contributions (including tables)**
- **Dues & Memberships**
- Financial Aid
- Governmental Assessments
- **Honoraria**
- **Immigration/Visa Fees Required to Conduct Study/ Work**
- Independent Contractor Services
- Lab Specimens & Organs (does not include cadavers or body parts)
- **License/Certification Fees**
- Lodging Deposits (one night per room only)
- **Participant Stipends/Study Subjects**
- Payroll-Related Disbursements (used only by Payroll & Benefit Services)
- Performance Contracts
- Postage, Freight, or Other Delivery Charges (including Messenger Fees)
- Refunds
- **Reimbursements**
- Sales Tax Remittances
- Service Fees to Medical Affiliates only, for Specialized Lab, Testing, and Analytical Services (used only for medical affiliates listed at www.uchsc.edu/affiliates)
- State of Colorado Interagency Agreements (does not include subcontracts or purchases from Department of Corrections, or CCI)
- Subscriptions
- Technology Transfer Office Payments (Investment and Distribution Payments) (used only by Tech Transfer Office)
- Tickets to Allow Admission to Events
- **Utilities** (does not include cellular or wireless telecommunications)

