

**Sam Houston State University**  
**A Member of The Texas State University System**

**Finance & Operations Policy FO-15**  
**Expenditures**

All funds received by the university shall be expended and accounted for through the Controller's Office. No department of the university shall incur an obligation in excess of the amounts appropriated to it for the respective objects or purposes named. In the event this provision is violated, the internal auditor shall certify the fact and the amount of over-obligation to the Vice President of Finance and Operations and the Vice President for Finance and Operations shall deduct an amount or amounts equivalent to such over-obligation from the salary or other compensation due the responsible disbursing or requisitioning employee, and apply to the payment of the obligation. In addition, purchases of merchandise which are handled by employees without a purchase order may not be reimbursed to that employee without the following:

1. Letter of justification for not obtaining a purchase order or utilizing the PCard.
2. Approval by the appropriate dean, vice president and the President.

Advance payment for goods or services will be made only for the following items:

1. Deposits
2. Subscriptions
3. Institutional memberships
4. Registration fees
5. Annual maintenance agreements
6. Payment to a state or federal agency if the goods or services cannot be provided until payment is made.
7. Student group travel cost if advance payment is required by the vendor. Airline tickets must be held by the travel agency until two days prior to the trip.

If a department makes an advance payment and the goods or services are not provided, the department is responsible for pursuing appropriate legal remedies to recover the payment.

Disbursement of checks – refer to Finance & Operations Policy FO-50 – Check Disbursement.

Reviewed by: Dana Gibson-Vice President for Finance & Operations- 3/15/2010

Next review: 3/15/2011