

**Finance and Operations FO-63
Direct Pay Disbursement Policy (excluding employee travel reimbursements)**

I. GENERAL

1.01 Direct Pay describes the process for direct payment of purchases of certain goods and services outside the Procurement function. The Sam Houston University Direct Pay Form is the defined method of payment for these purchases.

1.02 Purchase of all other goods and services must be made using the P-Card or an executed Purchase Order for payment in accordance with Procurement and Business Services Policies (PUR-01 through PUR-22.)

Please see http://www.shsu.edu/intranet/policies/finop/procurement_business_services for applicable policies. Inappropriate use of Direct Pay in place of the P-Card, or properly executed Purchase Orders can result in a significant cost penalty to Sam Houston State University.

1.03 Direct Pay forms used when the PCard or a Purchase Order should have been used will be sent back to the department to be routed for signature of the Vice President for Finance and Operations as an exception to policy. If an approval is not obtained, the individual is responsible for any charge incurred.

1.04 Purchases of services, supplies, or materials not listed must be purchased via a Sam Houston State University Purchase Order or PCard and are not reimbursable to employees or vendors through the direct pay disbursement process.

II. TYPES OF GOODS AND SERVICES- DIRECT PAY

2.01 Direct Pay can only be used for the specific goods and services listed below. Direct Pay requests will be reviewed to ensure that payments comply with University policies and have appropriate supporting documentation and approvals.

Expenditure	Primary Method	Resource/Expertise
Agency Funds – All disbursements	Direct Pay Form	Controller's Office
Employee Expense Reimbursement (FO27 Approval Required)	Direct Pay Form	Disbursements & Travel
Entertainment – with Contracted/Professional Svc Agreement*	Direct Pay Form	Procurement Services/Controller's Office
Host Family Payments(Sponsored Program through Int'l Programs)	Direct Pay Form	Research Administration
Meals and Beverages for on-site business meetings (ARAMARK) - LOCAL FUNDS ONLY.	Direct Pay Form	Disbursements & Travel
Meal and Beverage Reimbursement - Non Travel (FO19 Approval Required) - LOCAL FUNDS ONLY.	Direct Pay Form	Disbursements & Travel
Mortgages/Leases/Rents	Direct Pay Form	Facilities Management
Replenishment of Postal Meters	Direct Pay Form	Mail Services
Student/Parent Reimbursements – Not group travel related	Refund Form	Controller's Office
Study/Participants (Including LEMIT/CMIT)	Refund Form	Controller's Office
Utilities	Direct Pay Form	Facilities Management
Visa (HB-1) Fees (paid on behalf of employees)	Direct Pay Form	International Programs

****Although payments for Entertainment (special events, concerts, bands, etc.) are Contracted Services and naturally fall under Procurement Services' Contracted/Professional Services Policy, in most instances, these payments are needed on short notice. Direct pay requests may be used for these payments as long as the appropriate Contracted/Professional Services forms are complete, sufficient documentation is provided, and approvals are obtained.***

III. DIRECT PAY FORMS AND APPROVALS

- 3.01 Direct Pay forms and Refund forms shall be approved through the ORG level approvals within BearKatBuy for the Fund/Org/Program (FOAP) indicated on the payment.
- 3.02 To submit a payment for processing on a Direct Pay or Refund form, please fill out the appropriate form in BearKatBuy and attach all documentation. If you have any questions regarding Direct Pay or Refund Form, please contact the Disbursements Office at X41023.

Reviewed by: Tessy Rappé, Assistant Vice President for Finance and Operations
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Next Review: Dec 2019