

**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-21)

Please see <https://www.shsu.edu/intranet/policies/finop/> 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 returned to the department so they may obtain approval of the CFO and Sr. Vice President for 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 should 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.

<b>Expenditure</b>	<b>Primary Method</b>	<b>Resource/Expertise</b>
Agency Funds – All disbursements	Direct Pay Form	Controller's Office
Employee Expense Reimbursement ( <a href="#">FO27 Approval Required</a> )	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	Direct Pay Form	Controller's Office
Study/Participants (Including LEMIT/CMIT)	Direct Pay Form	Controller's Office
Utilities	Utilities Form	Facilities Management
Visa (HB-1) Fees (paid on behalf of employees)	Direct Pay Form	International Programs
Legal Fees	Direct Pay Form	Disbursements & Travel / Human Resources
Refunds for Cancelled Events (acct code other than 7xxxxx)	Paper Direct Pay Form	Disbursements and Travel

***\*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 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 form, please fill out the appropriate form in BearKatBuy and attach all documentation. If you have any questions, please contact the Disbursements Office at X41894 or [acctspay@shsu.edu](mailto:acctspay@shsu.edu).
- 3.03 Paper Direct Pay forms are limited to use for refunds or special payments that are paid from account codes other than those starting with 7xxxxx, such as revenue or clearing accounts.

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