

BUSINESS OFFICE PROCEDURES
“PREPAYS”
ADVANCE PAYMENT REQUISITIONS

Section: Purchasing

Contact: 383-1951

Purpose: To provide a method for purchasing products or services from vendors who do not accept purchase orders; when possible, to have the option to order products at a significant discount if prepaid; to pay for subscriptions and memberships; to facilitate deposits for lodging, conference facilities, etc.

Audit Elements:

1. Completed purchase requisition with notation indicating advance payment is required, including an explanation of why advance payment is being requested.
2. Any backup from the vendor verifying they do not accept purchase orders should be attached to the requisition.
3. An invoice is attached for payment of subscriptions and for other items if possible; otherwise, accounts payable will hold in pending file until copy of invoice, receipt, packing slip, or other verification of receipt of merchandise or service.

Requesting Department Responsibility:

1. Provide a Hard Copy purchase requisition complete with budget account and authorized signature.
2. Attach any backup from vendor, indicating the amount and/or stating the need for prepay versus purchase order.
3. In the description area of the requisition, provide detail as to whether the check is to be sent directly to the vendor, to be picked up by the requestor, or to be sent to the site/dept. for issuance to the vendor.

Business Office Responsibility:

1. Audit per "audit elements" listed above.
2. If written vendor documentation is not attached, verify with the vendor that a purchase order cannot be used and that the order must be accompanied by a check.
3. Forward requisition to Accounts Payable for processing as described in procedure AP-6.