

Payment

Payment of Purchase Orders

The receipt of an invoice is the catalyst that begins the payment process. Except for invoices related to major construction projects facilitated by the UNT System Office of Facilities, Planning, and Construction (OFPC), departments should instruct vendors to send all invoices to **Payment Services**. If an invoice is received in the department, forward it to **Payment Services** upon receipt. **Payment Services** documents the invoice received dates to ensure that vendors are paid within the timeframes allowed by the State of Texas Prompt Payment Act. Matching of a purchase order, along with an invoice, and a receiving report allows release of payment to the vendor.

Dates of Service

Payment Services staff notify the department requisition coordinator by email when invoices are received to confirm the services have been rendered. Dates of service are critical to payment scheduling dates, and must be provided before releasing payment.

Payments Requiring Special Handling

If the payment requires special handling to meet contract terms and/or to guarantee prompt discount, information must be included in the ePro requisition. Checks are mailed to vendors unless there is a fiduciary reason for hand-delivery. For rare situations where an invoice will **not** be received, it is the department's responsibility to provide some form of documentation to **Payment Services** for payment processing. This is typically true with guest **Speakers**. (See **Prepayments** and **After the Fact Orders**). Attach documentation electronically to the original requisition, when possible.

Issuing Payment

When a three-way match exists between the purchase order, receiving report, and vendor invoice, payment will be made by Payment Services, providing all other necessary stipulations have been met. The State of Texas Prompt Payment Act requires the Comptroller to compute interest on late payments, pay the interest when paying the principal payment, and make the interest payment without requiring vendor petition for payment. Payment terms are net 30 days after receipt of goods/services and/or the invoice, whichever is later, unless a contract or other negotiated term allows for earlier payment. Earlier payment is authorized only when a discount is provided.

Payment Services processes purchase payments according to the Comptroller of Public Accounts "eXpendit Web resource", which replaces "The State of Texas Purchase Voucher Guide," and the Uniform Statewide Accounting System (USAS) User Manual. If you have any questions regarding invoices, please contact **Payment Services**.

Interest

Interest accumulated due to payment delays will be expensed to the original requesting department. Interest calculations are based on the State of Texas Prompt Payment Act and do not necessarily match those of the vendor calculations.

Prepayments

Generally, payments are released only after goods/services have been received. Prepayments follow the Comptroller's guidelines for advance payments. This includes advance payments to federal, Texas, or other state agencies, subscriptions, and annual maintenance agreements. Other exceptions may be made for memberships, significant cost savings, or for specialized or proprietary goods or services if the vendor requires prepayment. Prepayments should only be used for small dollar purchases. All prepayments are made with the understanding that appropriate local funds will be used to supplant expenditures for non-received and non-conforming goods and services. Some exceptions are made for large projects related to Education Code 51.

Prepayment for Proprietary Goods or Services

If prepayment is requested for specialized or proprietary goods or services, include the following note in Justification/Comments:

“NOTE TO AP: Prepayment required for (specialized or proprietary goods or services).”

Include verification that the vendor requires prepayment, and a proprietary justification or a statement detailing how the requested goods or services are specialized or proprietary if the requisition does not require a proprietary justification due to the total amount.

Prepayment for Significant Cost Savings

If prepayment is requested for significant cost savings, include the following note in the Justification/Comments: “NOTE TO AP: Prepayment required for significant cost savings of (dollar amount or percentage).” Savings must meet the following institutional guideline:

Order Amount	Amount of Savings
Under \$100	Minimum of \$10
\$100-\$1,000	Minimum of 10%
Over \$1,000	Minimum of \$100