# Oklahoma State University



Disbursement Transaction Procedures

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# GENERAL INFORMAION

## Food Purchases

If a department makes a food purchase, the purchase must be justified in writing and a copy of the justification be attached to the requisition/invoice prior to processing payment to the vendor. The written justification must include how the food purchase complies with one of the policies and guidelines provided below. If the food purchase does not meet any of the requirements/conditions below, a letter of approval from the Vice President or Dean must be attached.

**As a reminder, very few food purchases are allowable under State law and all Pcard purchases are posted on the State’s Open Books website.** The pertinent policies and guidelines can be found at:

OSU Policy 3-0420, Purchase of Food and Non-Alcoholic Beverages on Sponsored Project Funding OSU Policy 1-1204, Professional Development/Retreats

Food purchases may also be allowed for the following reasons:

* For food service or food sales areas (i.e. University Dining Services, Rancher’s Club, etc.)
* When specifically included in a ledger 5 grant or contract budget and approved by a sponsoring agency
* When required for an instructional and/or research purpose
* When participants pay a fee and the documentation specifically indicates the fee will cover the food/meal
* When the conditions of the Office of Management and Enterprise Services (OMES) guidance on the Payment for the Purchase of Refreshments are met (light food and drink items to provide refreshments for meetings held for and in the interest of the general public).

##

## Encumbrances

State statutes require that whenever any agency enters into an agreement for the purchase of goods, wares, merchandise, contractual services, or construction projects for which labor and material must be furnished by outside vendors, such agreement shall be evidenced by written contracts or purchase orders encumbered by the agency within a reasonable time as determined by the Director of OMES against the proper agency funds and accounts. A reasonable time has been determined to be thirty (30) days.

**Note:** Required written contracts or purchase orders are to be encumbered within 30 days.

## Prepayment

The University does not allow prepayment of goods and/or services. The only exceptions to this are payments for magazine subscriptions, Pike Pass deposits, and conference registration with proper documentation.

For prepayment of a conference registration, the **Vendor** must provide the University with a statement on their letterhead or official document that:

1. There is a discount for prepayment.
2. There is a 100% refund if the conference is cancelled.
3. OSU may send a replacement delegate in the event the registered employee is unable to attend.

**Note:** Magazine subscription renewals can only be paid up to 6 weeks prior to the expiration of the subscription.

## SSN/FEI

When attaching documents to an invoice or payment form in OK Corral that require a SSN, only include the last four digits of the social security number to make personally identifiable information more secure.

## Memberships

The State will only allow for Institutional Memberships; as opposed to individual memberships.

## Awards

The purchase of non-monetary awards must be processed on a requisition regardless of the amount. Monetary awards must be processed through the University Payroll system.

## Decorations

A department cannot pay for flowers or decorations for state employees, offices, or any personal use. The department may purchase flowers or decorations through a requisition for use at student banquets, receptions, and convocations. However, documentation that the event took place will be required.

## Online Vendor

Purchases may not be made from online vendor unless the vendor will accept a Purchase Order and provide an invoice meeting the University’s requirements.

## Pcard

Purchases may not be charged to credit cards issued in the name of any University Department unless that card has been secured and registered by the Purchasing Department.

# REQUISITION PROCEDURES

## General Information

### When to use an OK Corral Purchase Requisition (PR)

A Purchase Requisition is used to request purchases of goods and/or services.

### When to Attach a Notarized Claim Form

1. A notarized claim form should be used when paying a vendor for goods or services for which an invoice was not provided. The claimant must sign the form stating that the services have been completed or goods supplied in accordance with the terms of the contract. The claimant’s signature must be notarized.

**Note:** If the vendor submits an invoice the notarized claim form is not required. However, the invoice must be prepared by the vendor to whom the payment is owed.

1. Honorariums: The requisition must specify the services rendered; include the description of service, the date of service, and either the vendor number or the last 4 digits of the payee’s social security number.

**Note:** A DICS form must accompany each Honorarium.

1. Postmaster: Requisitions must include the postage meter number or the box number.

### OK Corral Requisition FAQ’s

1. **Should I estimate shipping for my orders?**

Yes, the total cost of receiving goods should be estimated and encumbered, including shipping. If shipping is not encumbered at the requisition phase, a change order will be necessary at the invoice stage of the process.

1. **If I am preparing a requisition for professional services or an honorarium, do I need to attach a notarized claim form?**

Yes, any documents that were previously required in a paper requisition are still needed for OK Corral requisitions, including the Notarized Claim Form (in lieu of an invoice) and the ‘Determination of Independent Contractor Status’ (DICS).

1. **Do I need to attach a Determination of Independent Contractor Status form?**

A DICS form must accompany each Honorarium/Invoice for an Individual or Company that is not a partnership or corporation. An updated DICS form will be necessary for the current Fiscal Year.

**Note:** If the Individual/Company is using a SSN as their FEI, a DICS form will be necessary.

1. **Why was my Requisition returned/rejected?**

When a requisition is returned or rejected you should receive a notification with an explanation of why it is being returned/rejected and you will also find the same comment added on the requisition in OK Corral.

A requisition will be returned to the department in cases where the department has made an error on the initial requisition and will be able to make the correction. When a requisition is rejected it is because of an error that cannot be fixed by the department, such as the use of an incorrect form or at the request of the department. Once the requisition is resubmitted, it will have to go through all the appropriate approvals again.

1. **What if the check needs to be green-carded?**

A memo should be attached to the requisition explaining why the department needs the check. The memo should include the name and phone number of the individual who will pick up the check at the Bursar’s office. Also, a comment should be added to the Buyer Invoice in the comments section and in the Internal Notes/Attachments box.

1. **How do I make a comment on the requisition for special instructions during the approval process?**

During the submission process, the Requester and Approvers will have the opportunity to include comments, special instructions, and/or notes. If you need a specific person to see the comment you must add them as a ‘recipient’ by selecting ‘add email recipient…’ in the comment box and searching for the user. Selecting a recipient will leave the comment in the comments section and will also notify them by email.

**Note:** Comments cannot be deleted once they are submitted.

1. **If I increase my budget or liquidate an encumbrance, when will the adjustment to the available budget be effective?**

When budget changes are made in Banner, these changes are uploaded each night to update AIRS. Therefore, any budget changes should be reflected the following day.

1. **If I submit a requisition and then cancel it, when will the available budget be updated?**

If a requisition is cancelled before it is approved by Accounting, the available budget is updated immediately. However if a requisition is cancelled after it is approved by Accounting, the available budget is updated the following day.

1. **Do I do anything different when submitting a requisition for payment of services for an International Visitor?**

Yes, the method of handling payments for international visitors is different than for U.S. citizens. Include the Office of International Students and Scholars in the pre-route. The Office of International Students and Scholars will provide instructions to Accounting for the reporting of Form 1042-S and 1099. Any time a department wishes to invite an international visitor with the intention of reimbursing or paying an honorarium, it should first be discussed with the Office of International Students and Scholars before the visitor arrives.

1. **How do I input a vendor’s address (in the required fields) if it is outside of the United States?**

The address should be completed in the fields provided with as much information as possible. Please provide the complete address on the invoice and/or other documentation so the complete address can be manually sent to Office of Management and Enterprise Services (OMES).

The following is how to complete the required fields:

* Individual or Company Name: Name of Vendor
* Mailing or Business Address: Street address or post box number
* City: City or Town name, other principal subdivision (such as province, state, or country)

(**Note:** In some countries, the postal code may precede the city or town name)

* State: Two-digit country code
* Zip Code: 9-digit Zip Code

Example:

John Doe

2045 Royal Road

London WIP 6HQ

UK

00000-0000

1. **What is the best way to indicate that the requisition is only to be used to create a purchase order or to start the bid process?**

Check the box that indicates the requisition is “Subject to Bid”.

1. **Do I need to scan and attach multiple copies of invoices?**

No, University Accounting does not require multiple copies of invoices or other information. It is permissible to scan all documents and attach as a single file.

1. **Are the vendors in the Banner vendor file also available in OK Corral?**

Many vendors will be in the OK Corral vendor database, however not all of them will be. To find a specific vendor, you can either search the vendor’s name in the Supplier field of a form/Non-Catalog item or use the supplier search feature on the Home/Shop page. If you cannot find the vendor in the OK Corral supplier search, submit a New Vendor Request Form.

1. **I have submitted a New Vendor Request form, what do I do next?**

Once the New Vendor Request has been approved, you should receive an e-mail indicating that the requisition has completed the workflow. At this point, the vendor you requested should be entered into the OK Corral vendor database and can be used to submit the requisition for payment.

**Note:** The New Vendor Request form is not a request for payment; a separate requisition should be created to request payment to the vendor.

1. **If I create a requisition and go to the next page, sometimes my entries on the previous page are lost. How do I prevent having to re-enter information?**

Make sure to press the save button on any pop-up dialogue boxes or on the page you are on to ensure the information is saved.

1. **I need to increase an amount or change the account number on a requisition. Why can’t I change them after submittal?**

The approval process is tied to your submitted information. Allowing changes after an approval has been made would negate the approval process, as the requisition would not be what was originally approved. In this case, the requisition should be returned and resubmitted again with the correct information to maintain appropriate audit trails.

1. **I have requisitions on a monthly basis using the same information. Do I need to retype the entire requisition each time?**

No, OK Corral was designed to allow a used to submit recurring requisitions very easily. Go to a previous requisition and select ‘ Copy to New Cart’ from the ‘Available Actions’ drop down menu at the top right portion of the requisition page. All the information from that requisition will be automatically copied to a requisition with a new requisition number. Make any necessary changes and submit.

1. **I submitted a requisition and it is still in ‘Pending’. How can I find out status this document?**

Once you are on the requisition page, click the ‘PR Approvals’ tab to see who is next in the approval process. Also, check the comments to see if there are any questions about the requisition that may be slowing approval.

1. **What goes in the ‘Ship To’ field?**

Information where service/materials are to be delivered. Vendor/supplier information should not be entered in this field.

1. **What types of attachments are preferred?**

Word, Excel, and PDF attachments are preferred. However, most types of attachments are allowable.

1. **Do I have to provide the FEI/SSN of the vendor?**

Yes, the FEI/SS# is required. No other type of identifying numbers should be placed in this field, such as a driver license ID number, CWID, etc… Contact University Accounting if you have any questions about this requirement at 405-744-5865.

1. **I have submitted a requisition and it has completed workflow, why hasn’t it been paid?**

Submitting a requisition is not the final step. After the requisition has completed the workflow, an OK Corral Purchase Order (PO) will be generated. Once the PO is generated, the department will need to create a ‘Receipt’ and a ‘Buyer Invoice’ for the transaction to be paid.

1. **What information is needed with the requisition for vehicle purchase?**

If the vehicle is to be purchased from the State Contract, provide feature details, justification for options and State Contract number. Vehicle purchase should be coordinated with Transportation Services prior to submission of the requisition. All vehicle purchases, whether an addition to the fleet or replacement, must have detailed justification for the purchase.

1. **Do I need to complete a Continuation Sheet if I have a list of items?**

No, the need for the continuation sheet has been eliminated.

1. **We have been awarded a grant from a federal agency. The project’s budget has not been established in Banner, but we need to begin purchasing supplies in support of the project. Will I be able to use OK Corral to make those purchases?**

The project/account must have a budget in Banner before any purchase can be made, so a budget must be established in the emergency account.

## Other areas of Concern

### Split Funding on Payments

Payments may be split between different departmental funds on the same requisition. This must be done at the line item level and not in the accounting header unless it can be split by percentage of price.

If a PO line has a split, each invoice processed on that line must include an amount greater than zero for each fund in the split or the invoice will fail when approved.

**Note:** If splitting payments by percentage, DO NOT split by more than 2 decimal places. Splitting by more than 2 decimal places may cause rounding errors during the payment process.

### PO Fund & Account Codes

To change a fund or account code on a Purchase Order, a change order form should be submitted in OK Corral.

### Processing required through the Purchasing Department

* Contracts
* Bid Items
* Non-Monetary Awards
* Moving Expenses

### Processing not required through the purchasing department

1. Refunds
2. Utilities rated by the Corporation Commission for normal monthly service.
3. Communications:
	1. Telephone billings paid to utilities agencies.
	2. Stamps and cost of postage in postage meter.
4. Freight:
	1. Outgoing
	2. Incoming that cannot be charged as part of the original cost of a commodity
	3. Incoming hire of freight vehicles, moving costs, etc. under $2,500.00
5. Transfer of funds (including investments)
6. Advance of change fund or Imprest cash fund
7. Imprest cash reimbursement
8. Personal services for employees (payroll and related claims)
9. Travel reimbursement and related airline ticket pre-payment
10. Personal services under $5,000 (Honorariums)
11. Scholarships, Student Loans, and Fellowship

# INVOICE PROCEDURES

## General Information

### Original Invoice

Only original invoices will be accepted for payment. Past due, copies, reprints, duplicates, statements, etc. submitted without the original invoice may be returned to the department. Copies, reprints, etc. of invoices may be allowed for processing only with prior permission from University Accounting or at the request of University Accounting. Faxed copies of original invoices may be permissible only if the necessary information is legible.

All invoices should:

1. Be Billed to Oklahoma State University
2. Contain an Itemized list of Goods/Services
3. Contain an Invoice Date
4. Contain an Invoice Number
5. Contain a Remit Address
6. Contain the Current Total due

**Note:** University Accounting may request the original invoice be mailed to 304 Whitehurst if the scanned copy of the invoice does not appear to the original sent from the vendor.

### Altered Invoices

Altered invoices are not acceptable. If the invoice provided by the vendor is incorrect, it is the Vendor’s responsibility to supply a correct invoice. An exception to this would be for refusal or shortage of merchandise received in a shipment. This may be noted on the invoice to reflect the reason for an adjusted quantity and/or extended charge. Otherwise, the vendor should provide a credit memo.

If the vendor does not provide credit memos but authorizes a credit to an invoice, a note should be made on the invoice and must include: the name of the person (at vendor) authorizing the credit, date of authorization, and the amount of credit to be taken.

### Invoice Submission

Each invoice/credit memo must be submitted individually. Each invoice/credit memo must meet all the requirements detailed in these procedures. University Accounting cannot assume the information to be the same for a group of invoices; the required information must be on the individual invoice.

It is the department’s responsibility to ensure the accuracy of the invoices submitted for payment. If the invoice does not meet the necessary requirements for processing, this will delay the approval process. An invoice submitted with missing or inaccurate information, or that cannot be read by the person auditing the invoice, may be returned to the department.

### OK Corral Invoice FAQ’s

1. **How do I Green Card a check?**

Green card comments should be made in OK Corral using the internal note function and the comments tab on the Buyer Invoice.

1. **What is the current Late Payment/Interest Payment allowed to vendors?**

The interest rate applicable to late payments to vendors is set by the Office of Management and Enterprise Services (OMES) for the current fiscal year.

1. **How do I add an attachment once I have submitted an Invoice?**

Once you have created your Buyer Invoice, you can add attachments through **Comments** -**Add Comment**-**Browse** for the attachment - Make a comment such as ‘Invoice Attached’-**Add comment**.

