

Disbursements Process Manual

This document is intended to guide the campus community in understanding the protocol and services provided within the Payment Services department.

Contact Information

For Payment Services related questions, please contact the following individuals listed. Our general Payable Services email is accountspayable@utdallas.edu.

For more information on One Card and Travel Services our general email is travel@utdallas.edu or onecard@utdallas.edu.

Accountable Plan

The University has established policies, in part to be able to satisfy requirements of the Internal Revenue Service in regard to having an “accountable plan” in place, which allows for providing reimbursement for travel or other business-related expenses without including such payments as income on an employee’s W-2, and withholding applicable taxes from the reimbursement.

Accountable Plan Criteria – the Internal Revenue Service (IRS) regulations require the University to have an “accountable plan” for employee business expense reimbursement or allowance arrangements. An accountable plan is a reimbursement arrangement that meet three criteria:

1. **Expenses to be reimbursed have a business connection.** This means that the expense must be a deductible expense incurred in connection with services performed as an employee of the University. University expenditures must be delivered directly to the University address or affiliated address.
2. **Expenses to be reimbursed must be adequately accounted to Travel Services** within a reasonable period of time. Travel Services has defined this as **60 days** within the last day of travel or 60 days from the date of the expense. When expenses are not submitted within 60 days the expense is counted as taxable income.
3. Any excess reimbursement or allowance must be returned to the University within a reasonable period of time.

Paying a Supplier

All payees are considered suppliers but for the purposes of this section, the term “supplier” refers to businesses or entities.

Paying Suppliers in eProcurement

Goods/services are selected and submitted via requisition into Purchasing’s online marketplace, eProcurement, where they move through workflow approval. Upon completion, these requisitions are converted to Purchase Orders and are distributed to suppliers.

Payments for these purchase orders are handled by Payment Services. Please send all invoices that relate to eProcurement to accountspayable@utdallas.edu.

Make sure to complete a receipt for all orders greater than \$5000 to prevent payment delays.

Vendors are paid via the method selected (direct deposit/wire/check) when approved in the PaymentWorks tool (see page 8), predominantly and preferably by direct deposit. Suppliers will be paid Net 30 (30 days) according to State Prompt Payment Act. Payments for orders placed in eProcurement will be visible to all university users in eProcurement on the Invoice tab.

Payments using a One Card

The One Card Program is a MasterCard Credit Card billed centrally to the university. The cardholder is responsible for all charges and keeping receipts. The One Card combines the functionality of a traditional purchasing card with the functionality of a travel card, which allows authorized employees to use the One Card for purchasing, travel and entertainment expenses. Specifically, the One Card is designed to be used for **low dollar, infrequent purchases that cannot be handled in any other way**.

The division's Fiscal or Administrative Officers are responsible for determining who should receive a One Card, and if travel and/or purchasing is approved. If you are unsure of who this is in your division contact onecard@utdallas.edu.

The University will recharge all purchases made by the One Card to each cost center and account number that is specified in the Citibank Portal. Recharging is done at the end of each One Card cycle.

Payments using Out of Pocket Funds

Employee reimbursements for out-of-pocket expenses are done using the Employee Travel Voucher or the Employee Non-Travel Voucher in eProcurement. Reimbursement will be made in the same method as employees receive their paycheck. Employees are paid within three days.

Reimbursing or Refunding a Non-Employee or Student

If you need to reimburse a person other than an employee for an expense incurred on behalf of the University, please submit a Check Request form in eProcurement and attach the receipts. The supplier may require set up in PaymentWorks (see page 8) before reimbursement can be initiated, unless they have been previously reimbursed.

Paying a Non-Employee for Services

This form is located in eProcurement. If a supplier must be set up, please follow the PaymentWorks section on page 8.

Purpose- used to pay individuals providing simple-low dollar, (usually one-time) services where the individuals are not affiliated with the University. The form should be set up for the length of service you expect to pay the supplier. There are no change orders since this is a form not a PO. Approval of the requisitions must be completed **before** any services begin for the University.

Qualifying Individuals provide the following services (all others must be approved by Purchasing):

- Athletic Trainers
- Art Modeling
- DJs

- Face Painting
- Musicians/Performers (with no contracts or agents)
- Proof Reading
- Sports Officiating
- Translation
- Transcription
- Film Editing
- Photographer
- One-time speaker
- Videographer

We also require a completed, signed and up to date “Independent Contractor Certificate” attached to every requisition. This form ensures the individual is not collecting State of Texas retirement while continuing to work for the State of Texas. This form can be found on our website <https://www.utdallas.edu/finance/files/Indep-ContractorCertification.pdf>. The form is required to be renewed every four months if you reuse the supplier again.

Once the Requisition is submitted and approved, it will turn into a Purchase Order (PO). The Department **must create a Cost Receipt** on the PO to indicate the amount to pay the independent contractor each time a payment is required. The Payments Service team will create the voucher based on the amount on the Cost Receipt. The payments are issued to the supplier 30 days after the receipt is created.

Awards / Incentives

Student cash awards and prizes for academic recognition, recognition or enrollment incentives must be processed as scholarships through the Financial Aid Office. If Financial Aid determines that the payment via scholarship is not required, a so-stated supporting email from Financial Aid, waiving the scholarship requirement, must be submitted with the Request for Check.

Employee cash awards and prizes/gifts valued greater than \$100 will be reported on the employee’s W-2 as taxable income. Departments must notify the Payroll Office of the amount for appropriate processing. Payments made to nonresident aliens will require additional tax analysis processes to determine U.S. tax status and tax treaty eligibility and may be subject to 30% NRA tax withholding.

Gift Cards

Purchase of Gift Cards Not Allowed - The purchase of gift cards for distribution as recognition or awards is prohibited. (For information about use of gift cards to reward participation in research studies, please see [UTDBP3036, Policy on Payment of Research Subjects](#).)

Distinguished Visitors

UT Dallas frequently invites visitors to provide guest lectures, speak at conferences, or assist the University in other ways. In cases where the visitor is not otherwise compensated, it is appropriate to provide a noncash gift of recognition of nominal value for their contributions. Gifts of tangible personal property should be consistent with the type of recognition being given. These must be submitted on a request for check form.

PaymentWorks – Requesting New Suppliers

The University of Texas at Dallas has partnered with PaymentWorks to streamline the way we onboard suppliers and manage supplier information. Our suppliers have the ability to update and maintain their own supplier data using their PaymentWorks user profile.

To become a University of Texas at Dallas supplier, a UTD department must have a justifiable need for onboarding the supplier to the UTD supplier database. Once a UTD department has determined that they do have a need for the given supplier, the department will initiate a PaymentWorks invitation to begin the onboarding process.

If you have questions regarding the PaymentWorks platform or specific aspects of the registration process, please email support@paymentworks.com.

Other supplier information and guides are available here <https://finance.utdallas.edu/for-others/supplier-self-service/>.

Relocation

Payment Services is available to work with Hiring Departments to offer new employees a flat relocation payment for distribution during the month prior to their start date. This one-time payment, approved by the Dean or Vice President, must be specified in the Letter of Offer. Upon acceptance by the new hire, Hiring Departments should submit the fully signed Letter of Offer and funding instructions to Payment Services, which then distributes the relocation payment to the employee.

It is strongly recommended that the Letter of Offer require at least a year of service for retention of the relocation payment and note clearly that the entire amount will appear as taxable income on the employee's W-2, as no taxes are withheld at time of payment.

The department should set up the new employee through vendors@utdallas.edu. Then fill out a Request for Check form in eProcurement. The Letter of Offer must be included as support for the payment.

Tax Considerations

The University of Texas at Dallas is exempt from Texas sales tax on **purchases** for items that are necessary for the university's operations.

A signed [UT Dallas Sales Tax Exemption Certificate](#) must be submitted by departments when making purchases on behalf of the university. These are signed and supplied by Purchasing. The exemption certificate is only applicable for the exemption from the State of Texas sales tax on taxable purchases.

Employees and representatives of The University of Texas at Dallas are exempt from the Texas state hotel occupancy tax when traveling within the state of Texas on official business for the University.

A completed [UT Dallas Texas Hotel Occupancy Tax Exemption Certificate](#) must be provided to the hotel to claim exemption from the Texas state hotel occupancy tax. The hotel may request documentation such as a photo ID, UT Dallas business card, or other documentation to verify the guest's affiliation with UT Dallas.

Original Invoice Required

Payments will not be made from anything except an original invoice to prevent duplicate payments. Quotes, packing slips, statements and order confirmations should not be submitted for the payment. It is the responsibility of each department to provide the original invoice. If a supplier requires a deposit payment for goods/services, please notify purchasing@utdallas.edu before proceeding.

Payment Status

Once payment has been made you can see the payment details include payment number and date under the invoice tab on the PO in eProcurement.

Payment Cancellation / Reissues

Payment Services can provide information if a check is cashed. Checks may be outstanding for three years before they must be remitted to the State of Texas Controller's office. The payee must then claim their money from the State.

Send all check inquiries to accountspayable@utdallas.edu. Requests for check cancellations/reissue should include the reason the check is being cancelled and the check details including payee name, check number, check date and payment amount.

If you have a check in hand that needs to be cancelled or reissued, please email the check with your written request to accountspayable@utdallas.edu.

Use of Funds Guide

The Use of Funds guide can be used to search for a fund code, fund group, description, or other criteria. The table will show any restrictions on how those funds may be used. Common limitations include:

- transfer of funds
- purchase of alcohol
- travel
- Limitations are often based on the funding source:
 - State Appropriations
 - Designated Funds
 - Designated Tuition
 - Indirect Costs
 - State Funds for Research

The most updated Use of Funds Guide can be accessed on the OBF website at <https://finance.utdallas.edu/managing-departmentalfinances/use-of-funds-guide/>.

Account Code Detail Guide

Account codes are 5-character numeric values which identify the nature or type of the transaction by classifying them into Assets, Liabilities, Fund Balance (net position), Revenues, and Expenses. The account code is a required field on all transactions. The account defines what kind of revenue you are depositing or what kind of expense you are incurring.

The most updated Account Code Detail Guide can be accessed on the OBF website at:
<https://finance.utdallas.edu/managing-departmental-finances/account-detail-guide/>

Additional Resources

The following reference aids can be found on the OBF Website, under [Training Materials](#):

- One Card Reference Aid
- Travel Reference Aid
- Reimbursements Reference Aid