The Direct Payment Voucher provides a method of payment for the purchase of goods and services which does not require the procurement assistance of Procurement Services.
Authority and Responsibility.

1. The individual who completes the Direct Payment Voucher ensures that the citizenship or residency question on the form is answered unless the payment is a reimbursement made under an accountable plan or a replacement check.

2. Fiscal agents/alternates approve the use of the Direct Payment Voucher.

3. Division heads or area executive officers endorse Direct Payment Vouchers.

4. Accounts Payable audits all Direct Payment Vouchers for conformance with established criteria and appropriate support documentation.

5. Grant Accounting audits, for conformance with the grant criteria, all Direct Payment Vouchers being charged to grant accounts that request parking permits.

6. The International Tax Specialist reviews all Direct Payment Vouchers made payable to or on behalf of nonresident aliens to determine the tax withholding requirements.

7. Director of Financial Affairs/Controller approves Direct Payment Vouchers that exceed $499.99 and advises the Procedures and Systems Analyst whenever there are changes made to this procedure.
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References


2. State Purchasing Act

3. Section 1441, Internal Revenue Code


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Accountable Plan: A plan for reimbursing employees for business expenses. Under this plan the reimbursement that the employee receives for the expenses is not included in his/her income. Employees are required to account adequately for expenses with records/receipts and return any excess reimbursement within a reasonable period of time.
Blank *Direct Payment Vouchers* (1025) are available at no cost using the on-line *Forms Requisition* located on the Controller’s Office Resources Web site at: [http://www.neiu.edu/~finanaff](http://www.neiu.edu/~finanaff)
1. Categories of expense not involving competitive pricing which have been identified as proper use of the Direct Payment Voucher are:

   a. Subscriptions
   b. Association membership dues
   c. Honorariums for guest speakers totaling $500 and under
   d. Conference fees which must be paid in advance of trip
   e. Visiting performers totaling $500 and under (student activities and contracts over $500 should refer to section K1)
   f. Personal reimbursement out of the petty cash fund of $50 and under. No direct payments will be made to vendors solely because they are $50 and under. Items requiring pre-approval for purchases under University policy such as computer hardware and software; printing; and items requiring Facilities Management review do not qualify for petty cash reimbursement.
   g. Postage only for Student Union, Mail Room and Center for Inner City Studies.
   h. Invoiced educational goods received on approval
   i. Consultant fees totaling $500 and under
   j. Moving expenses for full time faculty, the Provost, Vice President, Executive Assistant to the President, Assistant to the President, Associate Provost, Associate Vice President, Assistant Provost, Assistant Vice President, Dean and Executive Director positions submitted to Finance and Administration for review and approval submitted to the office of Finance and Administration for review and approval
   k. Interview expenses for new faculty and A&P positions
   l. Gasoline credit card purchases
   m. Library and book orders not on Purchase Orders
   n. Student insurance payments
   o. All stipends
   p. Food service vendor meal tickets
q. University catering
r. Replacement keys obtained through Public Safety
s. Travel for persons other than University employees and members of the Board of Trustees totaling $500.00 and under (contractual service expense)
t. Travel for members of the Board of Trustees
u. Vendor required prepayments for books
v. Security and clean-up of special events
w. Parking permits purchased by departments/units (see section L12 of this handbook)

ALL OTHER PURCHASES MUST BE ORDERED THROUGH PURCHASING ON A REQUISITION.

2. Direct Payment Vouchers may not contain more than one major object classification (line items); i.e., contractual, 1200; commodities, 1300. Direct Payment Vouchers cannot be used for the purchase of equipment, 1500, other than certain books.

3. Prepayment requests for goods and services must be solicited on a standard Requisition. This action precludes duplicate payment.

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Sales to the University are exempt from Retailers Occupational Tax under Chapter 120, Section 144 of Illinois Revised Statutes, 1971 and federal excise tax under federal statutes. These exemptions preclude University reimbursement to the purchaser.

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Controls

1. Fiscal agents or alternates approve the use of the Direct Payment Voucher for the payment of goods and services only when these purchases have met established criteria.
2. Division heads or area executive officers to whom the fiscal agents/alternates have a reporting relationship endorse the Direct Payment Voucher to insure review for propriety of the transaction, receipt of the goods or services by the University and availability of funds in lieu of the normal controls contained in the Purchase Order procedure. Where the fiscal agents/alternates are on the division head level, the endorsement should be by the appropriate area executive officer. Any delegation of authority by the endorser must be formal and on file with the Controller's Office.
3. The Director of Financial Affairs/Controller also signs Direct Payment Vouchers in excess of $499.99.
4. When available funds are not adequate to cover anticipated expenditures, the vouchers will be returned to the fiscal agents. Fiscal agents are expected to transfer funds to the appropriate line item before resubmitting the vouchers. In emergency situations a budget override may be requested.
   a. Override authority for grants resides with the Controller's Office.
   b. Override authority for appropriated funds and local funds resides with the Office of University Budgets.
5. All vouchers are pre-audited by Accounts Payable and must be supported by proper detailed documentation.
6. Checks will normally be given or mailed to the payee by the Controllers Office. Should the check be sent to the originating department/unit for release to the payee, the check cannot be returned to authorizing agents. Arrangements should be made to have the check sent to a designated third party within the University.

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Questions relative to Direct Payment Vouchers and their application should be directed to the Accounts Payable section of the Controller’s Office, extension 5129.

Questions relative to nonresident alien taxation should be directed to the International Tax Specialist in the Controller’s Office, L-Magsino@neiu.edu, Room E-207, X5124.

For more information contact us
Controller’s Office