Disbursement Services Guide

This document is intended to guide the campus community in understanding the protocol and services provided within the Disbursements department for the Office of Accounting & Business Services. For a quick guide to payments, please click here.

CONTACT INFORMATION

For disbursements-related questions, please contact the following individuals listed. Our general Accounts Payable email is ap@usfca.edu and our general phone line is 415-422-6371. Disbursements-related documents can be faxed to 415-422-2530. We are located in Lone Mountain North on the 3rd Floor on the Hilltop campus.

Dennis Miller  Director of Disbursement Services  x2102  millerd@usfca.edu
Melissa Melnikoff  Disbursement Analyst  x2735  mmelnikoff@usfca.edu
Kathy Seronio  Disbursement Analyst  x2387  kseronio@usfca.edu
Emmy Moore  Disbursement Services Assistant  x2639  moore@usfca.edu
Tracy Dip  Disbursement Services Assistant  x5977  tdip@usfca.edu
Samantha Wilkinson  Disbursement Services Assistant  x2579  swilkinson@usfca.edu

All disbursements forms and brochures can be found on our website by going here.

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METHODS OF PAYMENT

University Purchase Card (P-card)  
For vendors who accept credit cards, this is our preferred method of paying a vendor. Payments to individuals for services should never be made by P-card. Please click here for P-card applications. All P-card transactions are subject to USF’s Purchase Card and Travel & Entertainment policies in addition to IRS policies. A formal training is required to obtain a university issued Purchasing Card.

USF Staff and Faculty are eligible to apply for a Purchasing Card however, it is up to the discretion of the departments Business Manager. Please see the Concur Expense section for more about submitting an expense report. Transactions must be reconciled within the Concur
Expense reporting system by the 1st business day of each month. Please contact Kathy Seronio at kseronio@usfca.edu for information about P-cards.

**Concur Invoice (Direct Pay)**

**Direct Deposit (EFT/ACH)**

For a payee to receive a payment through USF directly depositing the money into their bank account, they will first need to be setup by Disbursements. Once the money leaves USF’s bank account, it may take a day or two to reach the payee’s account. Please find our employee & vendor direct deposit forms by going here. All forms should be faxed to Melissa Melnikoff at 415-422-2530. “Check” number prefix is an “!”.

**Paper Check**

This the default payment method for all payments. The check will be mailed to the address selected in Concur Invoice by the payment request submitter unless Disbursements Services deems the address to be incorrect. Check number starts with an “A”.

**Wire**

Wires are typically for foreign payments made to vendors or individuals whose only bank is international. You will need to provide the banking details in your Concur payment request. If needed, you may use a wire request form but the request needs to be submitted into Concur Invoice. Please mark “Wire USD” or “Wire Foreign Currency” under the Mailing Instructions field in your payment request.

**Out-of-Pocket Reimbursement**

Employees can be reimbursed for university expenses incurred on their behalf by submitting an expense report through the Concur Expense system. They can be paid by direct deposit (best method) or paper check.

*Please note: For Purchase Orders, please submit a requisition to Purchasing. Payment of invoices on a purchase order are handled by Disbursement Services. Payment options are direct deposit (preferred) or paper check.*

**PAYING A VENDOR**

*All payees are considered a vendor, but for purposes of this section, the term “vendors” refers to businesses or entities.*

**University Purchase Card (P-card)**

For vendors who accept credit cards, this is our preferred method of paying a vendor. Payments to individuals for services should never be made by P-card. Please click here for P-card applications and restrictions. All P-card transactions are subject to USF’s Purchase Card and Travel & Entertainment policies in addition to IRS policies. A formal training is required to obtain a university issued Purchasing Card.

USF Staff and Faculty are eligible to apply for a Purchasing Card however, it is up to the discretion of the departments Business Manager. Please see the Concur Expense section for more information about submitting an expense report. Transactions must be reconciled within the Concur Expense reporting system by the 1st business day of each month. Please contact Kathy Seronio at kseronio@usfca.edu for information about P-cards.
Concur Invoice (Direct Pay)
For invoices not associated with a Purchase Order, you will have to submit a payment request and provide the invoice or relevant backup documentation. All invoices need to have their own payment request. Invoices cannot be combined into one payment request. Payments cannot be requested for USF or any department within USF. If you need to "pay" or transfer funds to another department, please fill out a FOAP transfer request. Please see the "Account Coding (FOAPAL)" section below. For training in Concur Invoice, please contact Melissa Melnikoff at mmelnikoff@usfca.edu.

Requesting New Vendor
If a vendor name or vendor address cannot be found in Concur, you can request a new vendor, but you must provide a W-9 or W-8 BEN (if vendor is foreign).

An IRS Form W-8BEN (for individuals) or Form W-8BEN-E (for entities) is now required for all payments (including non-employee reimbursements) to new vendors that are foreign persons or entities. An IRS Form W-9 is required for all new vendors that are U.S. persons or entities unless the payment is a reimbursement or refund.

Request Types
The payment request will fall under one of three categories which will be indicated in the Request Type field: Vendor Payment, Service Payment or Non-Employee Reimbursement. For more information about what payment falls under a particular category, please refer to our Concur Invoice Request Types chart.

Invoice Numbers
If a vendor does not provide an invoice number, please refer to our Concur Invoice Naming Conventions document.

Check Services
There is the option to request that a check be picked up ("Hold for delivery only") or that back-up documentation should be mailed with the check ("U.S. Mail with attachments."). Please use the "Mailing Instructions" field for these requests. Please do not use the comments field for mailing instructions. Please wait for a call from our front desk before coming to pick up your check.

Disbursements does not offer any expedited mailing services for checks. It is up to the department to do this and they will incur the expenses.

Payment Status
Concur Invoice users have access to payment details by searching for your previously submitted payment request under My Requests/Submitted Requests in real time. If a request is not paid, you can also view its approval status.

Once in the payment request, under Invoice Details, you can view Check Number and Payment Status Date fields.

Check Number Prefixes:
"A" stands for Paper Check
"!" stands for Direct Deposit

If a vendor needs to check on the status of non-PO invoices, please send an e-mail to Melissa Melnikoff at mmelnikoff@usfca.edu. She will invite the vendor to our Concur
Invoice Supplier Portal where vendors can check on the status of unpaid & paid payment requests.

**Purchase Orders**
For some goods and services, ordering needs to be carried out by our Purchasing Department. Please refer to the Approval & Buying Guide and preferred vendor list for more information.

Once your order is placed with Purchasing and the vendor sends you the final invoice, it needs to be sent to Accounts Payable in Lone Mountain North, 3rd floor to ensure payment. Purchasing does not process payments. Please indicate the date goods or services were received and your signature as an okay to pay on the invoice.

### PAYING A NON-EMPLOYEE FOR SERVICES

A W-9 is needed for all service payments made to a U.S. individual for the purpose of sending the payee a 1099-MISC form at the end of the calendar year for payments exceeding $600. For foreign or out-of-state payees, please see the section on Tax Considerations. Please refer to the types of payees below for additional forms.

**Honorariums**
Honorariums for non-employees may be paid as an expression of gratitude for a personal service provided by the individual on behalf of the University. Such services typically involve a one-time or short-term service such as a guest lecture or other speaking engagement performed on a voluntary basis. Payments for more than nominal amounts or for services performed over an extended period of time should be treated as services that the University would be required to pay as an additional employee job or as an independent contractor fee for service, depending on the individual’s relationship to the University. For further information and documentation requirements please read the Honorarium Payments Policy.

**Speakers/Entertainers**
If you would like to hire an outside speaker or an entertainer/performer, such individuals do not require independent contractor approval, provided the individual signs the following standard University agreement:

- Speaker Agreement
- Entertainment Agreement

**Independent Contractors (I.C.)**
Any department planning to contract with an individual to provide the University with professional, technical, administrative, or unique services that cannot be performed by existing employees within the department must obtain approval prior to the individual providing services. The on-line I.C. Approval Request Form must be completed for submission to the Office of Internal Audit and Tax Compliance for review and approval before any services are performed by the individual. The approval email that is received from the I.C. system must be uploaded to the payment request in Concur Invoice. For more information, please see the Independent Contractor Policy.

Please note, non-employee individuals providing the following categories of services are deemed to be independent contractors; hence, prior approval to hire these workers is NOT required unless the service provider being hired has previously been an employee of the University within the same calendar year the contemplated services are being performed:

- Closed Captioning
- Freelance Writing
Non-Cash Gifts/Awards/Incentives
In some circumstances, the University may choose to give a gift or an award to an employee in recognition of an outstanding achievement or for length of service, including retirement from the University. A gift may be presented to a student in recognition of a significant academic accomplishment or as an incentive to participate in a University study or other activity.

Promotional and appreciation gifts may also be presented to non-employees, including donors, visiting dignitaries, volunteers, and other individuals associated with the University. In addition, a gift may be presented as an expression of sympathy in the event of the death or major illness of an employee or a non-employee associated with the University. Please read the Non-Cash Gift, Awards, and Incentives Policy for procedures, dollar limits, and details on allowable and unallowable purchases.

Student Cash Awards/Prizes
For Academic Achievement
In most cases, cash awards and prizes for academic recognition or enrollment incentives must be processed as scholarships through the Financial Aid Operations and Services office. The amount disbursed to the student will be reduced by any outstanding expenses owing on the individual’s student account. These payments are non-taxable. Any request made in Concur must have approval from the Financial Aid Operations and Services Office. For more information please read the Student Employment Policy or contact Financial Aid Operations.

REIMBURSING OR REFUNDING A NON-EMPLOYEE
Non-Employee Reimbursements
If you need to reimburse a person other than an employee for an expense incurred on behalf of the University, please submit a payment request in Concur Invoice mark it as a Non-Employee Reimbursement in the Request Type field of your payment request. Examples of non-employees include students, USF guests or HR Options temps. A W-9 is not needed for these types of payments.

An IRS Form W-8BEN (for individuals) or Form W-8BEN-E (for entities) is now required for all payments, including non-employee reimbursements, to new vendors that are foreign persons or entities. An IRS Form W-9 is required for all new vendors that are U.S. persons or entities unless the payment is a reimbursement or refund.

Refunds
If you need to refund a person that has previously paid the University, please submit a payment request into Concur Invoice and mark it as a Non-Employee Reimbursement in the Request Type field of your payment request. Please include the original receipt of payment as backup to your request. A W-9 is not needed for these payees.
**Petty Cash Reimbursements**

A petty cash reimbursement is a type of Non-Employee Reimbursement available to students that have incurred expenses on behalf of the university. Petty cash vouchers should be processed in Concur by the student’s business manager like all other Non-Employee Reimbursements. Cash reimbursement is an alternative option to be used only when processing in Concur is not possible. Cash reimbursements are limited to a maximum of $50 per form, three per fiscal year, and must be submitted during normal cashier hours with original receipts within 60 days of the expense date.

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**PAYING EMPLOYEES**

**Pre-Hire**

An employee may be reimbursed for IRS approved relocation expenses. These are considered a non-taxable payment. See “Concur Expense” section below.

**Post Hire**

Faculty housing subsidies are taxable payments that are handled by Payroll. In addition, all other payments to employees post-hire, including honorariums, should be handled by Payroll.

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**TAX CONSIDERATIONS**

**Payments for Goods**

Payments for tangible personal property or goods that we receive are taxable items. This can include, but is not limited to: handling, shipping & handling (when combined), some labor, mandatory warranties, software received on a CD and some periodical subscriptions. If a vendor does not charge us for sales tax, the University if responsible for self-accruing use tax. The departments will be charged for the use tax we pay to the State.

**Payments for Services**

Some service payments are subject to a tax withholding. Withholding is required on applicable payments not only to individuals, but also to business entities (including corporations, partnerships, and LLCs) that do not have a permanent place of business in California or that have not registered with the California secretary of state to do business within the state of California. Payments for services are generally not subject to sales tax.

**Foreign Payees**

If a vendor is a nonresident alien and services are performed in the United States, the University must withhold 30% on total compensation payments made to the vendor unless the income is exempt from withholding or subject to withholding at a reduced rate under a tax treaty. The vendor must provide adequate documentation substantiating his or her nonimmigrant status prior to receiving any compensation payments from the University. Tax determinations are made by Internal Audit and Tax Compliance.
An IRS Form W-8BEN (for individuals) or Form W-8BEN-E (for entities) is now required for all payments, including non-employee reimbursements, to new vendors that are foreign persons or entities. An IRS Form W-9 is required for all new vendors that are U.S. persons or entities unless the payment is a reimbursement or refund.

Out-of-State Payees
Only non-wage payments to service providers (such as payments to independent contractors, speakers, entertainers, honorariums, etc.) for service performed within the state of California and exceed $1,500 in total for the calendar year in question are subject to 7 percent withholding pursuant to California Revenue and Tax Code Section 18662. Withholding is required on applicable payments not only to individuals, but also to business entities (including corporations, partnerships, and LLCs) that do not have a permanent place of business in California or that have not registered with the California secretary of state to do business within the state of California. California Form 590 (Withholding Exemption Certificate) should be collected from any out-of-state service provider performing services within California to determine whether an exemption applies.

The University is required to withhold 28% on total compensation payments made to vendors if the vendor is a U.S. citizen (or resident alien) and fails to provide the University with his/her correct taxpayer identification number on an Internal Revenue Service Form W-9.

TRAVEL REIMBURSEMENT & EXPENSE REPORTING

Concur Travel
The preferred method for making university travel arrangements is through Concur Travel. This tool has university policies embedded in it, allows a streamlined employee expense report process, and allows the university to have visibility when it comes to duty of care. Reservations made in Concur are made by Christopherson Business Travel. For training in Concur Travel, please email pcard@usfca.edu. For questions regarding travel reservations or changes to an itinerary, contact Christopherson Business Travel:

- (800) 285-3603 or USFTravel@CBTravel.com
- Hours: 5:00 AM to 6:00 PM Pacific, Monday - Friday

Emergency After Hours Service: 800-960-7862, VIT code P-6LV

Concur Expense
Concur Expense reporting system is used to reconcile all university related out of pocket expenses and p-card transactions. All business related expenses are subject to both IRS Accountable Plans rules and USF policies. This includes USF’s Purchase Card and Travel & Entertainment policies. Business expenses must be reconciled within 30 days of incurring the expense and must be submitted in one monthly expense report due on the 1st business day of the following month. The IRS obligates the university to add any unsubstantiated or unreconciled expenses to the employee’s taxable wages. For training in Concur Expense, please email pcard@usfca.edu.
Cash Advance
Money can be requested up front for travel or other business-related activities. A cash advance must be requested electronically through Concur Expense. Funds will be directly deposited into your bank account. All expenses related to these funds must be reconciled within an expense report 30 days after the event ends. The IRS obligates the university to add any unsubstantiated or unreconciled expenses to the recipient's taxable wages. For more about cash advances, please contact Tracy Dip at tdip@usfca.edu.

ORIGINAL INVOICE REQUIRED
Payment will not be made from anything but an original invoice in order to prevent duplicate payments. Quotes, packing slips and statements should not be submitted for payment. It is the responsibility of each department to provide an original invoice. If the vendor is requiring a deposit up front, please have the vendor create an invoice for you to pay on.

APPROVALS
All Concur payment requests & expense reports over $5000 are reviewed by a Vice President, Vice Provost, or person delegated the same authority by a Vice President.

GRANT PAYMENTS
All Concur payment requests are reviewed by a Grants Administrator from the Office of Contracts & Grants. For more information please click here.

ACCOUNT CODING (FOAPAL)
FOAPAL, an acronym for Fund, Organization, Account, Program, Activity and Location, is the account code structure in the University's Administrative System suite. For more information please visit our FOAPAL webpage. If it is determined that a payment was charged to the incorrect FOAPAL, please fill out a transfer request to correct it here. It is critical that an accurate FOAPAL is submitted with payment requests & expense reports. Please contact your Business Manager with any questions.

Concur FOAPAL Access
As a Concur submitter, you will have access to your department's FOAPALs only. To request access to an additional FOAPAL on Concur systems, please contact Morgan Maich at pcard@usfca.edu and provide the following:

- Email approval from the department that owns the organization code.
- Email approval from the Grants and Contracts Office, if requesting access to grant funds (i.e., those beginning with a ‘4’).
- Indicate whether the access is temporary or permanent.
- Specify whether the access is for Concur Expense, Concur Invoice or both.
PREPAIDS

A prepaid expense is for any service that we are paying for in the current fiscal year that is not taking place until the next fiscal year. Prepaid expenses for goods are based on date received. When it is unclear, please research and indicate the service date range in the comments field of your Concur Invoice payment request. This includes but is not limited to subscription services, memberships and other fees or professional services. Only payments $1000 or above are considered a prepaid.

ACCRUALS

An accrual is any expense that is for a previous fiscal year that we pay in the current fiscal year. This includes all services and goods. Accrual expenses for goods are based on date received. Other accrual expenses are based on when service took place. Only payments $1000 or above are considered an accrual. Please make sure after fiscal year end in June to mark your Concur payment requests as the appropriate fiscal year in the Request Name field of your payment request.

STATEMENTS & CREDITS

If you receive a statement from a vendor, please review it to ensure that all invoices have been paid and all available credits have been taken. If you need assistance, you can send the statement to the Disbursements Office and we will review it. Please take vendor credits as soon as possible. If there is no payment to offset the credit, please request a refund check from the vendor so that USF can get its money back as soon as possible. Please note that credits cannot be taken in Concur, you will have to deduct the credit amount for an actual invoice or send the credit down to the Disbursements office for manual processing.

CHECK CANCELLATIONS/REISSUES

Please make sure to follow up with vendors and payees to ensure they receive their checks. Disbursement checks that remain uncashed for three fiscal years, with no response from the payee, will be remitted to the State of California Controller’s Office. From that point, the payee will have to claim their money from the State.

Please send all check status inquiries to Emmy Moore at moore@usfca.edu who can research whether a check has been cashed with our bank. Requests for check cancellation/reissue should include the reason the check is being cancelled and the check details including payee name, check number, check date and amount. You can also use our Check Cancellation/Replacement form.

If you have a check in hand that needs to be a cancelled and/or reissued please send the check with your written request to Emmy Moore in Lone Mountain 3rd Floor or email your request to moore@usfca.edu. If a vendor has the original check in hand, it is best to send the check to Disbursements to avoid stop payment fees. When the original check is lost or not available, please email your stop payment and reissue request to moore@usfca.edu.
RECORD RETENTION

For more information on retaining record, please consult the Office of General Counsel’s policy located here.