



Requisition or Invoice Voucher

Which one is the Right One?

PURCHASE REQUISITION

YES _____
DATE _____

Purchasing Department _____
Please purchase the following listed items:
INDICATE QUANTITY IN QUANTITY COLUMN

Quantity	Number	Description
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		

Purpose or Use _____

When wanted _____

To be filled in by Purchasing Dept.
Date ordered _____ Ship to _____
From _____
Approved _____



UNIVERSITY OF ILLINOIS									
INVOICE VOUCHER AND TRAVEL PROGRAM ADVANCE FORM									
Chicago/Springfield/Urbana-Champaign									
<u>NOTE:</u> All payments to non-employee Foreign Nationals must be submitted in PAYCOM, using the Foreign Payment Request.									
Name:	Inpt. Name & MFC	Circumference #	UPAY Only (only)						
Banner Vendor Number:	Phone	Fiscal Year?	Banner Document #						
Benchmark Address (insert on lines below):	Address Sequence	Payment Date	Address Sequence						
	Travel/Program Advance?	Invoice/Service Dates	Address Code						
	Amount of Advance	Vendor Reference	Check Print Location						
	Date of Disbursement	Special Handling	100?	Yes	No				
	Date of Return?	# do call for check pickup:	Print?	Yes	No				
	Purpose of Travel		DIR's Approval:						
Wire Transfer? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Paycom Link	Transfer Signature/Dates								
COMPLETE DESCRIPTION OF ARTICLES OR SERVICES RENDERED (attach supporting documentation)									
Grand Total \$									
<p>To certify that the goods or services specified on this voucher were for the use of this agency and that the expenditure for such goods or services was authorized and lawfully incurred, that each good or service met all the required standards set forth in the purchase agreement or contract by which this voucher relates, and that the amount shown on this voucher is correct and approved for payment. If applicable, the reporting requirements of Section 5.1 of Ill CS to create the Bureau of the Budget and to define its powers and duties will be taken into consideration, approved April 18, 1989, as amended, have been met."</p>									
Dept. Authorized Signature:	Date:	FOIPA# _____ (* Required fields; For Travel Advance, complete Chart code on last line) Chart # Item Fund Dept Proj Program Activity Subactivity Amount FOP TITLE: FOP TYPE: FOP TITLE: FOP TITLE: (Complete Chart Code below) 000000 1 00000 0							
Additional Approval:	Date:	\$ _____ \$ _____							

April 7, 2011

Business Leadership at Illinois: Partnering to Meet New Challenges

Workshop Presenters

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Title: Associate Director of Urbana Purchases
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Please ...

- Turn off cell phones.
- Avoid side conversations.
- Sign the attendance roster.
- Complete the evaluation at the end of the workshop.

We will be covering a lot of topics in 1 ¼ hours



- Please hold questions until the end.
- We are available after the sessions.

Workshop Objectives

- This workshop will provide some guidelines for use of requisition or an invoice voucher.
- Outline the invoice voucher workflow once it leaves your hands.

Topics

- Honorariums
- Purchases up to \$250
- Purchases up to \$4,999
- Professional & Artistic Agreements
- Catering
- Direct Billing / House Accounts

Honorariums

- A one-time payment of \$5,000 or less to non-employees.
- The payment is not tied to any reimbursement of expenses.
- Is paid when a fee is not legally or traditionally required.
- Shows appreciation or gratitude for participation.
- Typically is paid to persons of scholarly or professional standing in the areas of education, research or public service.
- Basically – it's a gift, the recipient does not expect a payment.
- If a payment is negotiated and agreed upon or recipient is an independent contractor – it is a contractual agreement and requires a contract.

What are the most frequent types of honorarium?

- A speaking engagement
- A seminar or workshop participant (guest speaker or panelist)
- Presentation of research results or reading of papers
- Providing comments on or assisting in faculty tenure reviews

What is the difference between an honorarium and a contract?

- An honorarium is by nature a Gift

- Gratuitous payment
- No contract terms or obligation to pay



- If the payment is more than \$5,000 a University of Illinois contract is required.

Professional & Artistic Services Agreement (P&A)

P&A Services Website: http://www.obfs.uillinois.edu/purchases/purchases-types/professional_artistic_services/

What is the difference between an honorarium and a contract?

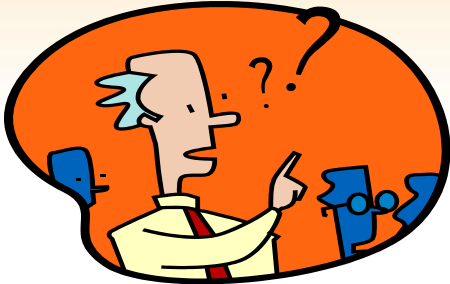
A Contract

- Establishes in writing an offer and acceptance, a scope of work, deliverables, terms and conditions and requires two party signatures (ours and theirs).
 - *Only authorized persons and their delegates can sign for the University.*
- Protects the University if there is risk involved with the service or deliverables provided, establishes rights to deliverables, and provides a more detailed scope of work.

Deliverables:

- If the recipient produces documentation, e.g., manuscripts, the deliverable (documentation) is not a part of the honorarium and requires a University of Illinois contract.

How can I tell if it's an honorarium?



Ask yourself this question

Would the recipient actually participate if a payment wasn't established prior to the event?

YES This is an honorarium!

NO This is NOT an honorarium and requires a Professional & Artistic Services Agreement be executed **prior** to the service.

If you're not sure – Contact Purchasing or Payables

Who is responsible to determine whether the payment is an honorarium?

The Department is responsible to ensure the honorarium is appropriate for the circumstances of the service or event.

How do I process an honorarium payment?

- Provide the recipient with instructions how to submit the W-9 and Honorarium Recipient Information form.
- Submit a voucher with the text “Honorarium Payment” and the Who, What, When, Where clearly stated on the voucher.
- Submit a separate voucher for travel expenses.
- For complete instructions see the OBFS website:
<http://www.obfs.uillinois.edu/cms/One.aspx?portalId=909965&pageId=913956>

How do I process an honorarium payment voucher?

What if I submit both the honorarium and travel on the same voucher?

- Travel expenses can easily be coded as non-reportable on a 1099Misc when submitted on a separate voucher.
 - Payables will make every effort to identify the two separate categories but will not guarantee that travel expenses will be coded as non-taxable reporting items.
- Do I need to submit any other documentation on the voucher?
 - No other documentation is required to be attached to the voucher.
 - Any additional documentation submitted to payables will be subject to review by Payables and/or Purchasing Staff.



Where can I find more information on honorariums?

- The OBFS website and Policy Manual:
- Honorarium payments website:
<http://www.obfs.uillinois.edu/honorarium-payments/>
- OBFS Policy Section 17.3, Honoraria and Related Expense:
<http://www.obfs.uillinois.edu/cms/one.aspx?portalId=909965&pageId=913956>

What and how much can I purchase on an invoice voucher?

The following items up to \$250 can be submitted for payment on an invoice voucher

- Commodities
- Equipment
- Supplies

Remember ...



should be your first choice!

Most common items over \$250 submitted on an invoice voucher

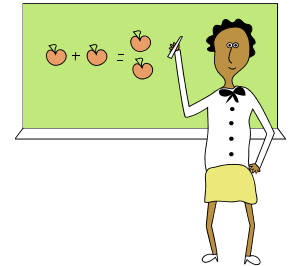
- Services – policy doesn't apply to most services
- Cell phones
- Laptops and peripherals
- Books
- Catering

Voucher Exception List

Helpful hints for vouchers under \$250



- Vouchers cannot be used to “String” purchases above the \$250 limit.
- Individuals making purchases should present the University sales tax exemption form at the time of sale.
- If you’re not sure, please ask first.



Purchases up to \$4,999

Commodities, Equipment and Supplies

Preferred Purchase Method:



1. iBuy is the 1st Choice

- AR&R initiative to leverage University discounts using Catalog Vendors.

2. iBuy Non-Catalog Form (requisition)

- For orders <\$5,000 iBuy sends the Purchase Order directly to vendor after Departmental Approval.
- Some purchases <\$5,000 require the Route to Purchasing Form.
 - ✓ Standing Purchase Orders are processed in Banner.

3. P-Card if allowable

4. Banner Requisition

Professional & Artistic Services (P&A) Agreements

Defined

Professional and Artistic Services are those services provided under contract to the University by a business firm or individual acting as an independent contractor.

What Distinguishes professional services from other services?

- Confidence, trust and belief in not only the ability but also the talent of the individual(s) performing the service.

This is typically demonstrated when the services required need someone with specific

- Educational requirements
- Experience and/or technical ability
- Intellectual or creative skills.

A more detailed list of P&A services can be found online at:

http://www.obfs.uillinois.edu/purchases/purchases-types/professional_artistic_services/

Dollar Levels of Professional & Artistic Agreements (P&A)

Under \$5,000

- The Department uses the P&A Agreement < \$5,000 located on the OBFS Website.
- The Department is responsible to obtain vendor signatures and execute the agreement using a Department Head signature before services begin.
- If any changes are made to the P&A agreement, the agreement must be processed through Purchasing on a requisition.

\$5,000 to \$19,999

- Complete a PASIF and requisition and send to Purchasing.
- Purchasing will construct the contract for the department.
- Purchasing typically works with the vendor to obtain signatures and route for University signatures.

\$20,000 and Over

- Requires a solicitation through Purchasing.

OBFS P&A website: http://www.obfs.uillinois.edu/purchases/purchases-types/professional_artistic_services/

What do I need to know to prevent a non-conforming order?

DATES

- Establishes the period of time the services can be performed.
- Make sure there is enough time to complete the deliverable or service(s) in the contract.
- Let the vendor know to clearly indicate the dates of services performed on the invoice.

SIGNATURES

- Establishes who has the authority to sign the contract and date of execution.
- Typically the vendor signs and dates the agreement first.
- Typically the University signature executes the contract.

Remember... The vendor cannot begin services until the contract is fully executed.

Professional & Artistic Agreements (P&A) less than \$5,000

The Department's responsibilities:

- Complete the P&A form located on the OBFS website.
- Verify that the Dates of Service are adequate and accurate for services performed.
- Obtain the vendor signature.
- Obtain the faculty and department head signatures.
- The University's authorized signature on a P&A <\$5,000 is the Department Head signature.

Professional & Artistic Agreements (P&A) less than \$5,000

When is an agreement (contract) fully executed?

- The date of the last authorized signature.
 - Typically the vendor signs first and then the Department.
 - In most cases, the date of execution is the date the Department Head signs the P&A < \$5,000 agreement.

Catering

What is a caterer?

- A non-University entity (outside vendor) that serves food, beverages, and/or liquor at an event primarily attended by or open to the general public is considered a “caterer” for University purposes.
- Besides providing food, beverages, and/or liquor, the vendor would typically provide set-up (including the use of caterer-provided equipment), food service/onsite preparation, and clean-up.

Examples of catered event:

- Social Events
- Official Receptions
- Development events
- Alumni Receptions

Catering

A requisition is required when:

- The vendor sets up equipment,
- The vendor serves food, beverages, and/or alcohol,
- The event is primarily attended by the general public,
- A contract or deposit is required.

The Purchase Order must be processed/approved prior to the date of the event.

The Campus Alcohol Management Policy applies to any event that serves alcohol and an approved form must be obtained by the department prior to the event.

When can I use the P-Card?

- Drop-Off of food and snack items that does not require set-up is not considered catering and should be paid on a P-Card.

For more information: http://www.obfs.uillinois.edu/risk/outside_vendors_providers_contractors/outside_caterers/

Direct Billing / House Accounts

Direct Billing and House Accounts Are Not Allowed by the University

Examples of unallowable procurement methods:

- Paying the vendor on an invoice voucher for employee travel hotel/lodging.
- Creating a house account at a restaurant and submitting an invoice voucher for vendor payment.

Why can't these be submitted on a voucher?

- The University does not allow these charges to be paid directly to the vendor on a voucher because,
- Only the Purchasing Division can obligate University Funds for purchases unless specific permission is granted by the Campus AVP.

Direct Billing / House Accounts

Direct Billing and House Accounts Are Not Allowed by the University

Is there a way to procure lodging for a group of travelers?

- Yes, Submit a requisition and quote/contract to Purchasing to generate a purchase order.
- Individual travelers should be reimbursed on a Travel/Employee expense reimbursement form.

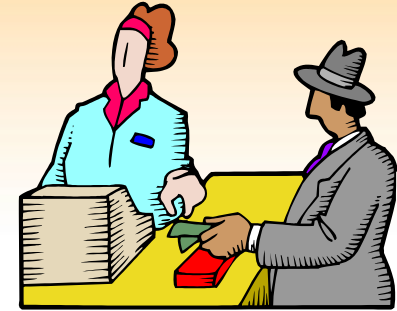
There are circumstances where a traveler may request a travel advance, please refer to OBFS Policy Manual Section 15.2 - Travel Advances and Program Advances.

<http://www.obfs.uillinois.edu/cms/one.aspx?portalId=909965&pageId=913882>

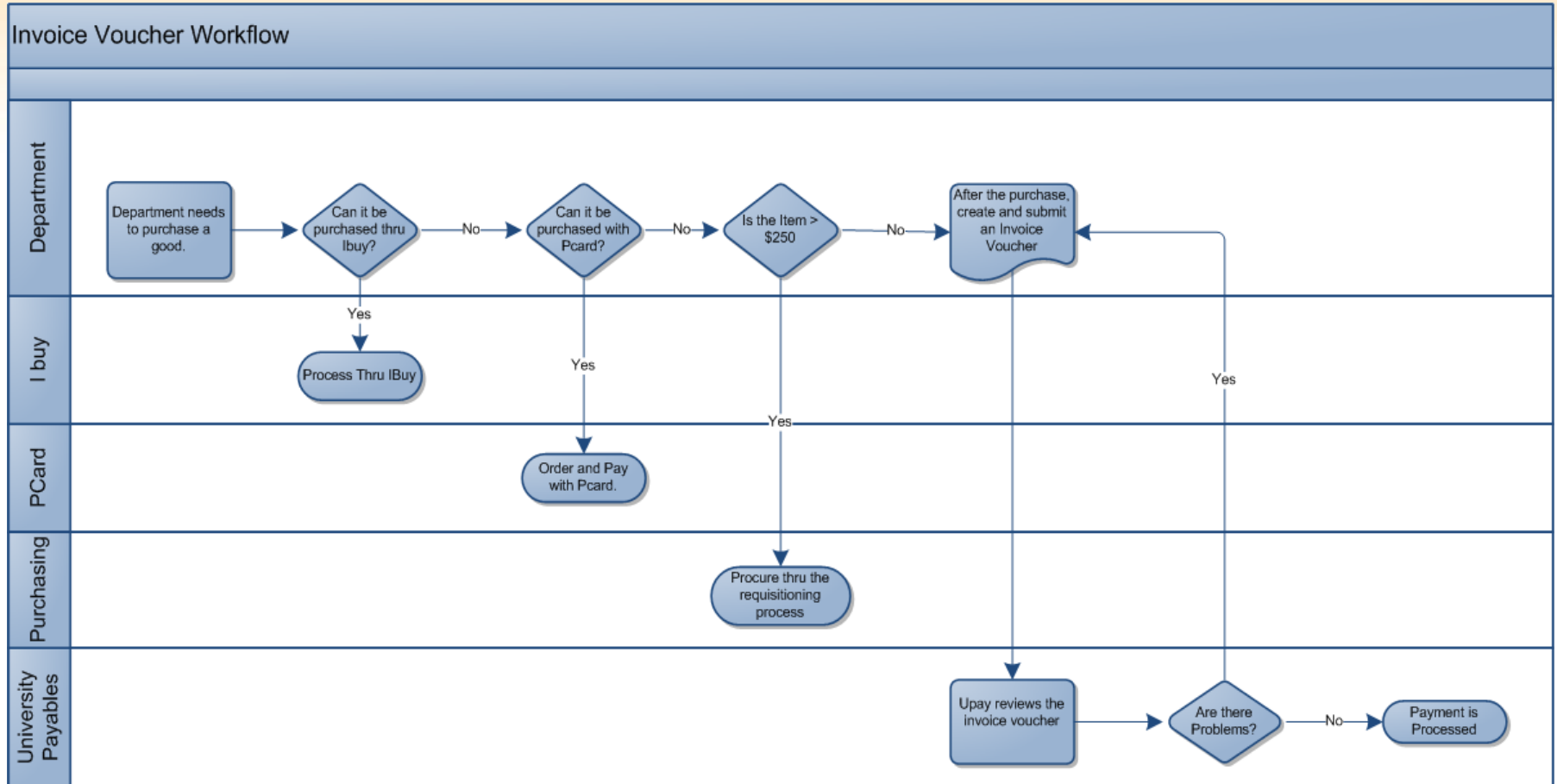


Helpful Hints

Sponsorships



- A Department is **not** allowed to sponsor an event (donation) without receiving something in return, for example, advertising, tickets or a benefit to the University.
- Purchasing a ticket to an event requires the approval of the appropriate President, Vice President, Chancellor, or Vice Chancellor.
- Please refer to OBFS Policy 8.13 for more information on Contributions from University Funds: <http://www.obfs.uillinois.edu/cms/One.aspx?portalId=909965&pageId=913520>



Apply Your Knowledge



What is the name of the form for an honorarium over \$5,000?

There is no honorarium form

Professional & Artistic Services Agreement over \$5,000

- Complete a PASIF and requisition and send to Purchasing.
- Purchasing will construct the contract for the department.
- Purchasing typically works with the vendor to obtain signatures and route for University signatures.

What is the preferred University
purchasing mechanism?
(when possible)



Is this a conforming or non-conforming contract?

Services will be provided for the period beginning October 1, 2010 and ending November 15, 2010.

15. **Signature:** By signing this contract, Contractor signifies agreement with and acceptance of all the terms, conditions and specifications in this contract. The person signing below represents and warrants that he/she has authority to bind his/her company.

University of Illinois

Susie Cue 9/20/10

Faculty/Staff Member Signature Date

John Smith 11/16/10

Department Head Signature Date

Contractor

Donald Duck 9/15/10

Signature Date

Donald Duck

Print name

Above signatures of the Faculty/Staff Member and Department Head also certify to the department statements.

Can I pay catering on an invoice voucher?

No - Catering must be submitted on a requisition and have an approved Purchase Order **before** the event.

WHY?

- Risk Management – Insurance Requirements
- Indemnification – release of liability
- Typically involves signing a contract

How many house accounts is a department allowed to have?





Helpful Hint



- Don't archive your OBFS forms!
- Always obtain the most current form from the OBFS website.

Questions?