



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

Operating Policy and Procedure

HSC OP: 72.09, Expenditure Payments

PURPOSE: The purpose of this Health Sciences Center Operating Policy and Procedure (HSC OP) is to establish lines of responsibility regarding the timely and accurate payments for goods and/or services.

REVIEW: This HSC OP will be reviewed on January 15 of each odd-numbered year (ONY) by the Managing Director of Procurement Services, with recommendations for revisions forwarded to the Executive Vice President of Finance and Operations (EVPFO) by February 1.

POLICY / PROCEDURE:

1. Overview.

All expenditures from HSC funds must be necessary, reasonable and directly related to the goals and mission of the University. All persons authorizing expenditures should be mindful that such expenditures might be subjected to scrutiny by State authorities, auditors and other interested parties. Proper approvals are necessary to assure all expenditure transactions are authorized. To ensure prompt payment for goods and/or services in accordance with the Prompt Payment Law (Texas Government Code § 2251), departments should submit documentation timely to allow sufficient time for processing and avoid late interest charges. Refer to HSC OP 72.10 for invoice processing procedures.

2. Departmental Responsibility.

Department personnel responsible for expenditure payments must:

- a. Initiate proper procurement actions to obtain goods and services for the department. Departments must follow procurement guidelines to obtain goods and services. Refer to the [Purchasing Website](#) and the [Contracting Website](#) for general procurement guidelines.
- b. Inspect and/or accept goods purchased or services performed. Inspection is the critical examination of goods and services delivered to determine that the items or services received meet the standards and quantities specified in the order or contract. All receiving information must be submitted through TechBuy within 3 days after the goods are received or the services completed. A tutorial is available at <http://www.fiscal.ttuhscc.edu/fsm/techbuy.aspx>.
- c. Examine and review invoices. This is to validate that the item purchased and/or the service provided and the dollar amount is in agreement with the PO or the provisions of the contract.
- d. Stamp all invoices with the date that the invoice was received directly from the vendor. For invoices received by email, the email must be submitted with the invoice to show the date the invoice was received from vendor.
- e. Submit documents timely in order to avoid late interest charges. Payments will not be made from statements that list past due invoices; invoices are required. Always verify that any invoice received in the department has not previously been paid or submitted for payment so that duplicate payments may be avoided. Extra caution should be applied to researching invoices that are faxed from the vendor and invoices that are more than 30 days old.

3. **Accounts Payable Responsibility**

Accounts Payable personnel responsible for expenditure payments must:

- a. Process in a timely manner all expenditure payments.
- b. Stamp all invoices with the date that the invoice was received directly from the vendor/department; match the invoice with the PO or contract and any supporting documentation; verify receipt of goods and services in TechBuy.
- c. Research all invoices that are past due, vendor statements indicating that an invoice is past due, and purchase orders processed for a past due invoice in order to avoid possible duplicate payments.
- d. Ensure that the invoice and supporting documentation is clear before processing payment. Accounts Payable is responsible for questioning any unclear item and may request additional documentation.
- e. Calculate interest on late payments. Refer to HSC OP 72.10 for the details regarding the Prompt Payment Law.