SECTION: Procurement **Number: 04.01.03**
AREA: Procurement - General

SUBJECT: Vouchers

I. PURPOSE AND SCOPE

This document defines the limits and uses of the voucher, a payment mechanism that allows authorized personnel to request non-payroll payments. This document also outlines the process required for preparing and submitting a voucher request. Use of the voucher is subject to the restrictions placed on the type of funds used.

This document applies to all university departments, centers, and institutes for purchases from all university funds, with distinctions as noted. It does not apply to expenditures paid from agency funds (fund 9), though these payments must be supported by appropriate receipts or invoices.

II. POLICY STATEMENT

Within the limits defined herein, University of Houston Authorized Business Management Personnel may make direct purchases of Commodities and services, which are submitted for payment ~~or reimbursement~~ directly to Accounts Payable via voucher. This purchasing mechanism is authorized for the University's direct purchases ~~or reimbursements to~~from one vendor ~~or employee of~~in the dollar amounts of less than $10,000 per transaction with Federal Funds and less than $15,000 per transaction with all other funds (i.e., non-Federal Funds), including freight and delivery charges, as well as purchases of other items specifically authorized herein. In addition, vouchers utilizing State Funds are subject to the restrictions contained in the Comptroller's online resource for purchase policies and procedures known as eXpendit.

Only those persons authorized to do so may commit University of Houston funds. The departments should outline the authorization per their internal policy. An obligation incurred by a person who is not authorized to commit university funds or that is made contrary to university guidelines becomes the personal responsibility of that individual and/or the approver and not of the University of Houston.

III. DEFINITIONS

A. Advertisement: Any written or verbal message submitted for publication in newspapers, magazines, radio, television, billboards, promotional items, web sites, or any other written or recorded media with the intended purpose of persuading, informing or increasing brand awareness with a targeted audience.

B. Authorized Business Management Personnel: The university employee(s) at each project, department, college, or divisional level with assigned responsibilities for procurement and processing of expenditure documents related to the unit's cost centers.

C. Certifying Signatory: The university employee who is authorized to certify expenditures for a department, project, college or division and whose signature must appear on any expenditure document or indicate approval by e-mail for any transactions initiated by that unit that are not approved through workflow.

D. Commodities: All tangible goods, including equipment; i.e., purchases that cannot be considered services.

E. Department Approver: The university employee who is authorized to certify transactions for a college or division that are processed through electronic workflow. The Department Approver's workflow approval has the same meaning and effect as the signature or e-mail approval of a Certifying Signatory on a non-workflow document.

F. Federal Funds: All funds received directly or indirectly from a federal government agency. A list of University of Houston fund codes, including Federal Funds, is located at: https://www.uh.edu/office-of-finance/references/fund-codes_05-07-25.pdf.

G. Offset Printing: Process of producing material by means of inked type on a press that uses plates.

H. State Funds: Funds appropriated by the State Legislature, including but not limited to, education and general funds, higher education assistance funds (HEAF), advanced research project (ARP) funds, and advanced technology project (ATP) funds.

I. eXpendit: A list of rules and limitations related to vouchers utilizing State Funds, which is published on the Comptroller's Office web site.

IV. PURCHASES THAT REQUIRE A CONTRACT

A. The purchases that fall within the Contract Administration Guide require a completely executed contract (i.e., signed by all parties) before payment can be issued, regardless of dollar amount. The executed contract must be attached to each voucher created for the contract, and this voucher and each subsequent voucher must indicate the total contract amount, total payments to date (including this voucher), and the remaining amount of the contract. The Texas Comptroller's Office requires that state agencies and universities verify the contracting vendor's warrant hold status prior to entering into a contract that will be paid with local funds. The vendor hold status can be verified using the Vendor Hold Status instructions at the following web site: https://uh.edu/office-of-finance/references/vendor-hold-status_05132026.pdf.

~~A.~~B. When a contract is encumbered on a purchase order, the executed contract will be attached to the purchase requisition (or purchase order, if a requisition is not created). Also, it is not necessary to attach the contract to the voucher or indicate the contract amount, total payments, or remaining amount.

V. PURCHASES THAT REQUIRE A PURCHASE ORDER

See MAPP 04.01.01, Purchase of Goods, Materials, and Supplies through the Purchasing Department, for information about purchase order requirements.

VI. PURCHASES FOR WHICH PAYMENT MAY BE AUTHORIZED ON A VOUCHER WITHOUT A PURCHASE ORDER OR CONTRACT

The following are among the types of expenditures that may be requested on a voucher without the involvement of Purchasing or issuing a contract. Accounts Payable is authorized to furnish detailed information on voucher allowable items. Expenditures initiated on vouchers are subject to the same approvals prescribed for other procurements, including Board of Regents approval, depending upon types of funds used, goods or services procured, and level of expenditure. This includes reporting expenditures with a single vendor within a fiscal year that reach $1,000,000 to the Board of Regents.

A. Goods costing less than $10,000 per transaction with Federal Funds and less than $15,000.00 per transaction with non-Federal Funds, including freight and delivery charges.

B. Expenditures at any dollar level for:

1. Court costs, criminal, civil, and administrative hearings.

2. Dues and membership fees.

3. Human cadavers, skin, blood, bones, tissue.

4. Postage and postal services.

5. Registration fees and materials.

6. Revenue bond expenses.

7. Training and tuition for employees.

8. Utilities (purchased, regulated; not long distance).

9. Reimbursement of employee moving expenses (see MAPP 02.03.07 for additional information about these payments). However, direct payments to moving companies require a contract or purchase order.

10. Items purchased for resale.

Note: Approved Summary for Purchases Exceeding $100,000 form is required for the above applicable purchases and must be attached to the voucher.

VII. KEY RULES FOR SUBMISSION OF A VOUCHER

A. Purchasing transactions. Transactions for which a purchase order has been issued by Purchasing must be paid using a PO voucher.

B. Department Approvers. A Department Approver must approve each voucher submitted to Accounts Payable in workflow. The Department Approver will verify that all required backup documents (i.e., invoices, receipts, etc.) and any additional approvals required by university, state, or federal rules are electronically attached to the voucher.

C. Purpose and Benefit. All vouchers must contain a brief but clear statement in the Voucher Comments section explaining the purpose of the voucher payment and benefit to the university.

D. Memberships/dues. Memberships or dues for professional organizations that are paid with state-appropriated funds are subject to state rules and regulations. To comply with these requirements, the University of Houston requires professional organizations to be pre-approved by the Senior Vice President for Administration and Finance (SVPAF) when the organization will be paid with state-appropriated funds. The following procedure has been developed by the University of Houston for professional membership dues paid with state-appropriated funds:

1. The lists will be consolidated and reviewed by the SVPAF.

2. Upon approval by the appropriate division vice president, the form is to be submitted to the SVPAF Business Services Department for addition to the professional membership list.

3. This list is updated as needed and is located at https://www.uh.edu/office-of-finance/references/proforgmemb.htm. The form to be used to request approval is also located on this web page.

For both Local and State Funds, a statement of the benefit to the university must be included on the voucher, together with the beginning and ending dates of the membership.

Note: Federal regulations prohibit directly charging memberships to federally funded-sponsored projects.

E. Subscription services. Subscriptions may be paid on a voucher not more than six weeks in advance of the beginning date when State Funds are used. An invoice or renewal form must be attached and the beginning and ending dates indicated on the voucher. Subscriptions may extend into future fiscal years. However, if a sponsored project account is used, the subscription may not extend beyond the expiration date of the award.

F. Registration fees. Registration fees for seminars and conferences may be paid in advance to the seminar or conference organization with a voucher. Name of payee organization may not include abbreviations or initials. Dates, attendees, and university benefit must be included on the voucher or attachment. Fees may be paid from the current fiscal year, even if the seminar or conference will occur during the next fiscal year.

If an employee is reimbursed by the university for registration fees but does not attend the seminar or conference, the employee must refund the university for the amount previously reimbursed.

G. Sales tax. The university is exempt from state of Texas sales tax. Employees must present a copy of the university's Texas Sales and Use Tax Exemption Certificate when making a purchase for the university from a vendor located in Texas.

If the vendors did not accept the certificate and charged sales tax, employees should provide statements indicating so as supporting documents, and may be reimbursed for the full amount of sales tax from the appropriate local funds. If employees do not provide such statements, they may be only reimbursed up to $10.00 sales tax per transaction from the appropriate local funds.

State-appropriated funds and sponsored project funds must not be used to pay or reimburse for state of Texas sales tax. When the university pays a vendor directly, state of Texas sales tax should not be paid to the vendor, regardless of the source of funds.

Business meals paid out-of-pocket by employees are exceptions to the above, and they are subject to state of Texas sales tax. For those purchases, employees are not required to present the certificate to the vendors, and may be reimbursed for the full amount of the tax.

H. Student payments. Scholarship and stipend payments to students on vouchers require the approval of the Scholarships and Financial Aid Department.

I. Funding source. State Funds and local funds may not be used on the same voucher. Local funds include Federal Funds and all other non-state appropriated funds.

J. Contractor payments. Contractor payments must be supported by a fully executed contract. Payments to contractors for fees and/or expenses are only permitted to the extent that they are allowed by the contract. Unless the contract indicates otherwise, contractor's expense reimbursements must be supported by itemized receipts or an itemized statement of expenses.

K. Business meals, discretionary expenditures, and official functions. See MAPP 05.02.02 - Official Functions and Discretionary Expenditures for documentation requirements. For transactions that normally require gratuity, employees may be reimbursed for gratuity up to 20% of the transaction on local funds only. Only the President may be reimbursed for more than 20% gratuity based on actual expenditures.

See MAPP 05.02.02 - Official Functions and Discretionary Expenditures for requirements for the purchase of alcoholic beverages. The department is responsible for verifying compliance.

L. Moving expenses. See MAPP 02.03.07 - Moving and Relocation Expenses for documentation requirements.

M. Offset Printing Services. Offset Printing Services costing less than $10,000 on Federal Funds, or less than $15,000 on all other funds do not require competitive bidding. However, Offset Printing Services costing $10,000 or more on Federal Funds, or $15,000 or more on other funds must be submitted to Purchasing on a purchase requisition for competitive bidding or may be provided by the University Printing Department without competitive bids. Printing services provided by the University Printing Department are paid on an SC voucher.

N. Advertisements. All advertisements or printed items with any University of Houston logo, logotype, or trademark must be approved as follows:

Staff Employment Ads:	Human Resources Department
Faculty Employment Ads:	Office of Equal Opportunity Services (EOS)
Non-Employment Ads:	Vice President of University Marketing and Communications or their designee

Note about UH Brand Style Guidelines and UH Logo - Student organizations are not required to follow the UH Brand Style guidelines (color, typography, graphics, photography, tone, video, writing) and are not required to use a UH logo when designing ads. If they choose to use a UH logo on their ads, however, they must follow the logo guidelines (spacing, color, location, distortion, object, sizing).(see ~~https://uh.edu/marcom/resources/uh-brand-student-organizations/)~~https://www.uh.edu/marcom/resources/uh-brand-student-organizations/) – All other UH colleges, degree programs, official business departments, or any other established unit of the University of Houston must adhere to the UH Brand Style guidelines (see: https://uh.edu/brand/brand-identity/style-guide/) All non-employment ads must be submitted for pre-approval by the Vice President of University Marketing and Communications, or designee, including ads for student organizations.

O. Gift cards/certificates. Gift cards or certificates may be purchased if they are approved by the appropriate college/division administrator on the Gift Card Request Form (DocuSign).

Gift cards must be kept in a secure campus location (e.g., locked drawer or safe) until distributed. The distribution of the gift cards/certificates must be documented, including date of distribution, name of recipient, and signature of recipient acknowledging the receipt. If the gift cards are for a confidential human subject study, the department must retain distribution records in their files for seven fiscal years after the grant expires. Otherwise, distribution records must be uploaded to the voucher document page in the finance system when the distribution is complete.

Someone other than the gift card custodian will review the gift card records at least once a month to verify that all distributed and undistributed gift cards are accounted for and will report any discrepancies to the college/division administrator.

If the department awards a gift card/certificate to an employee, the department is also responsible for reporting this amount to the Tax Department as the employee's taxable benefit in accordance with SAM 03.D.06. If the department awards a gift card/certificate to a non-employee and the total amount received by the non-employee in a calendar year is $600 or more, the department is responsible for submitting the non-employee's W-9 Form and reporting the amount to Accounts Payable, so that the non-employee can be issued a Form 1099-MISC.

P. Vendor/Supplier Identification. The payee is selected from the PeopleSoft vendor list when the voucher is created. If no entry exists or if updates are needed in the system for the payee, the payee can be setup or updated their information via the Vendor Management System (see the AP website).

Q. Returned Vouchers. Vouchers that contain inadequate documentation, incorrect or incomplete information, or transactions that are not allowed by university policy will be returned to the initiator through workflow. Vouchers that will not be processed must be deleted from the PeopleSoft system by the departments that created them.

R. Public Relation Services. Use of public relations services requires the advance approval of the Vice President of Marketing and Communications to help ensure these services are in alignment with university guidelines regarding publications and marketing communications.

S. Agency Funds. Vouchers utilizing agency funds (9XXX) must contain supporting documentation adequate enough to issue a payment (i.e., receipts, invoice, order form, etc.) but are not required to meet other standards of documentation found in this MAPP.

VIII. ADDITIONAL REQUIREMENTS FOR REIMBURSEMENTS

The first and expected course of action for the purchase of any item is the standard institutional process. Reimbursements are subject to the same procurement and contracting requirements as are required for purchases made directly by the University, regardless of the funding source. Any purchases made in an attempt to circumvent the standard course of business will not be reimbursed. The following are the rules for employee reimbursements:

In addition to the requirements in Section VII above, reimbursement requests must meet the following standards:

A. College/Division Responsibilities

- UH Departments are responsible for ensuring that reimbursements are not violating the University Policies, including the processes for procurement, contracting, payment, and advertising/marketing.
- UH Departments are responsible for verifying that the reimbursements do not deviate from the standard course of business set by the University Policies.
- The approval must be documented in the Employee Reimbursement Approval Form via DocuSign and attached to the corresponding voucher.
- Employees cannot not be reimbursed without a completed approval form.

B. Required Approval

1. Reimbursement requests for business meals must be approved by the supervisor and certifying signatory and must comply with the requirements per MAPP 05.02.02.

2. The following approvals are required for all other reimbursements:

- Any amount
  - Supervisor
  - Department Business Administrator
- Over $500
  - Supervisor
  - Department/Unit head (or next level if that person is the Department/Unit head)
  - Department Business Administrator
  - Division Business Administrator
- Over $1,000
  - Supervisor
  - Department/Unit head (or next level if that person is the Department/Unit head)
  - Department Business Administrator
  - Division Business Administrator
  - Dean, AVP, Equivalent (i.e., the person that reports directly to the area VP)
- Over $2,000
  - Supervisor
  - Department/Unit head (or next level if that person is the Department/Unit head)
  - Department Business Administrator
  - Division Business Administrator
  - Dean, AVP, Equivalent (i.e., the person that reports directly to the area VP)
  - Vice President/Vice Chancellor

3. Purchases from foreign vendors must be approved by Export Control prior to the purchases via an email (exportcontrol@uh.edu). Attach the approval to the voucher to request a reimbursement. The reimbursement will not be processed without the approval.

C. Allowed Reimbursement Items

The following items less than $2,500 per specific eligible item, event, or course may be allowed as a reimbursement.

- Professional license fees.
- Memberships.
- Registration.
- Subscriptions, magazines, and journals other than the library materials.

- Miscellaneous expenses.
- Business Meals (not University organized event or conference)

For purchases of $500 or more, vendor hold status must be verified, and the proof of vendor validation must be provided per the State requirement. All reimbursements are subject to the requirements set by the applicable university policies. Any routine purchases of goods or services must be paid directly by the University. All reimbursement requests must be supported by itemized receipts showing the payments.
See MAPP 04.02.01A and 04.02.01B for Travel expense reimbursements.

D. Unallowed Reimbursement Items

- Any items totaling $2,500 or more. Split transactions to circumvent the threshold are not allowed. Any transactions deemed to have been split to circumvent the threshold will not be allowed.
- Any purchases that require contracts (all services including advertising, repairs, rental/lease, translation, and editing).
- Taggable equipment, including component pieces of equipment.

- Gift cards or digital payments, including payments using a survey data collection platform.
- Items that always require Purchase Orders (See MAPP 04.01.01).
- Items that use the UH brands.
- Items with product warranties.
- Items purchased from vendors that are on vendor hold.
- Items purchased from vendors that are restricted by the Comptroller's Office (see the Comptroller's websites: Divestment Statute Lists; Debarred Vendor List).

~~A. Request for Reimbursement and Supervisor Approval~~

~~1. The attached documentation must include a signed or e-mailed request for reimbursement from the person being reimbursed, which will serve to indicate that the out-of-pocket expense was incurred by them, directly benefits the university, and has not been previously reimbursed.~~

~~2. The attached documentation must include the signature or e-mail approval of the supervisor or unit head.~~

~~Note: Faculty member reimbursements must be approved by their academic supervisor, regardless of funding source.~~

~~B.~~ E. Documentation of the Expenditure

1. Reimbursement requests must be supported by an original itemized receipt, which consists of a merchant produced or non-university document that records the payment and the relevant details for each item purchased including quantities, amount, a description of what was purchased, the total charge amount, the date of purchase, and the merchant's name and address.

2. If an original itemized receipt is not available, another proof of payment along with a merchant produced document (i.e., invoice, registration form, subscription, membership form, etc.) may be accepted as supporting documents for the reimbursement, as described below.

   a. The merchant produced document must have the merchant name and address, description of each item, quantity, and total charge amount that agrees with the payment amount.

   b. A proof of payment can be a canceled check (both front and back of check) or credit card statement. A canceled check or credit card statement alone is not a sufficient supporting document for reimbursements. The department business office must blackout the personal account information on checks/statements before they upload the document to the finance system.

~~C.~~F. Deadlines for Submitting and Processing Reimbursement Requests

1. Requests for non-overnight transportation reimbursement, which may be paid on local funds only, must be submitted to the department business office no more than one calendar year after the date the first non-overnight local mileage is incurred.

2. All other requests for reimbursement, including required documentation, must be submitted to the department business office no later than 60 days after the date of purchase.

3. Reimbursement requests submitted to the department after the above deadlines may not be forwarded to Accounts Payable for reimbursement, unless approved by the appropriate division vice president.

4. In accordance with Internal Revenue Service regulations, all reimbursement requests submitted to the department business office after the above deadlines will be treated as taxable income to the payee. These vouchers must be routed in workflow through the Tax Department and must include a completed Taxable Payments or Reimbursements to Employees Form (Docusign) (SAM 03.D.06). On the form, "Other Taxable Wage Benefits" (Payroll Earnings Code 443) should be indicated, but the voucher should contain the appropriate accounts that describe the expense (not account 54814, Other Taxable Wage Benefits).

5. The department should make every effort to submit vouchers for reimbursements to Accounts Payable as soon as possible but no later than 15 days following receipt of all required documentation. Vouchers submitted more than 15 days after the receipt of all documentation must include an explanation in the Voucher Comments section.

IX. PAYMENTS THAT REQUIRE SPECIAL HANDLING OR ENCLOSURES

A. Special Handling

1. Picking Up Checks from Treasury. Accounts Payable checks (local funds) are normally mailed directly to the payee by the Treasurer's Office. This is to provide appropriate internal controls that prevent the possibility of fraud, lost checks, and delayed payment. If it is necessary for the department or a vendor to pick up a check from the Treasurer's Office, it must be justified on the voucher as follows:

a. Select special handling code "SH" for the Payment Method on the voucher.

b. Enter a justification for the need to pick up the local check in the Payment Comments section of the voucher.

c. Enter a contact person's name and the phone number in the Payment Comments section of the voucher.

d. State warrants (State Funds) are mailed to the UHS Treasury and then distributed to the payee.

2. Transferring Expenses between State and Local Funds. See the instructions for Transferring Non-Payroll Expenses under Transaction Processing on the following web page: https://uh.edu/office-of-finance/references/transferring-non-payroll-expenses/.

3 Foreign Currency Payments. Payments in foreign currency cannot be made with State Funds, only with local funds. The process for making foreign currency payments is as follows:

a. Select special handling code "SH" for the Payment Method on the voucher. Contact the Treasurer's Office to determine whether the payment will be issued via wire transfer or bank draft. Indicate the method (wire transfer or bank draft) in the payment comment section of the voucher.

b. Indicate the type of foreign currency in Payment Comments and whether the payment should be for a specific amount in the foreign currency (e.g., 100.00 British pounds) or for the US dollar equivalent in the foreign currency (equivalent to US $100.00 in British pounds). The amount on the voucher line should be $0.

c. Accounts Payable will contact the Treasurer's Office.

d. The Treasurer's Office will notify Accounts Payable of the actual US dollar equivalent of the payment and the service charge from the bank.

e. Accounts Payable will return the voucher to the initiator via workflow and notify the initiator of the actual US dollar amount.

f. The initiator will change the voucher amount, budget check the voucher, and re-submit the voucher via workflow.

g. Accounts Payable will enter the payment number on the voucher.

B. Enclosures

Enclosures are processed as follows:

1. Select enclosure code "EN" for the Payment Method on the voucher and upload all backup documents.

2. Submit the voucher via workflow to Accounts Payable.

3. Submit a copy of the voucher coversheet and enclosure to the Treasurer's Office via campus mail (Mail Code 2009) before the check is generated.

4. The Treasurer's Office will mail the payment with the enclosure.

X. DOCUMENTATION

Supporting documentation in the way of an invoice, copy of contract, subscription renewal card, or similar document is required to support all vouchers. Postage metering receipts can be filed in the department business office, rather than being sent with the voucher. Sponsored project subrecipient agreements can be filed in the Office of Contracts and Grants, rather than with the voucher.

State purchase vouchers that are not supported by a formal contract or purchase order must have a quote from the vendor attached, so that the department can verify that the invoice matches the quote before paying the invoice. The quote must be received prior to the receipt of goods or services. If the state voucher is supported by a contract or purchase order, a quote is not required.

Vendor statements (i.e., a summarization of charges) may be submitted for backup documentation, rather than invoices, when all of the following apply:

1. The amount to be paid is less than $500.00 unless specifically approved by the Controller's Office.

2. The vendor statement provides sufficient detail to identify the items paid.

3. The department has not or will not pay the vendor's invoices that make up the statement amount in addition to paying from the statement.

XI. REVIEW AND RESPONSIBILITY

Responsible Party: Senior Associate Vice President for Finance

Review: Every five years

XII. APPROVAL

~~/Raymond Bartlett/~~
Senior Vice President for Administration and Finance

~~/Renu Khator/~~
President

Date of President's Approval: ~~October 1, 2024~~

XIII. REFERENCES

SAM 03.D.06 – Taxable Fringe Benefits
MAPP 02.03.07 – Moving and Relocation Expenses

MAPP 04.01.01 – Purchase of Goods, Materials, and Supplies Through the Purchasing Department
MAPP 04.02.01A – Travel Paid from State-Appropriated Funds
MAPP 04.02.01B – Travel Paid from Local Funds
MAPP 05.02.02 – Official Functions and Discretionary Expenditures
eXpendit