



SUPPLIER INVOICE REQUEST POLICY

The procurement of goods and services is the assigned responsibility of Business Services. As a result, Business Services is responsible for directing University units in the procurement process and overseeing all procurement activities of the University. This Supplier Invoice Request Policy is adopted to both promote operational efficiency and mitigate institutional risk.

Compliance with this Policy is required. To attain compliance with procurement procedures it is essential that there exists a high degree of cooperation between end-user departments and Procurement Services.

Supplier Invoice Request (SINVR) is a stand-alone business process in Workday and not tied to purchase orders, contracts, reporting or budget planning. The use of the SINVR feature in Workday replaces what was previously known as Invoice Attached and UPAY. The SINVR process is the exception, not the rule, and should be limited to only those transactions as allowed or where there is no other means of purchasing available. Only in rare circumstances should a SINVR be submitted without a method of procurement. PCards should be used in immediate need situations. Requisitions or Supplier Contracts should be used otherwise.

Note: If a SINVR is used, clear description/justification (and documentation when applicable) must be provided with the request to be considered for review and approval. (e.g., attach a completed Honorarium form when processing a request for Honorarium).

Use this guidance for appropriate usage of SINVR transactions.

I. What:

- SINVR is a direct payment to a supplier which does not require a purchase order.
- SINVR is *not* to be used as a convenience or to circumvent procurement procedures.
- SINVR should *not* be used for multiple purchases over time.
- PCards are to be used in immediate need situations.
- Plan as far in advance as possible if there are known purchases, events or payments needed.
- Appropriate methods of procurement (Requisitions or Supplier Contracts) allow for ensured regulation and efficient payment process.

II. Why Limitation:

- SINVRs subject the UA to unnecessary liabilities and risks.
- SINVRs do not create quicker payment. Typical payment terms are net 30 from date of invoice.
- SINVRs are not to be used as an after-the-fact avoidance of proper procurement method. Procurement law dictates how UA can spend public funds through very specific methods of procuring goods and services.
- SINVRs do not formally obligate UA to pay for services rendered. The UA Purchase Order or Contract is considered a formal UA obligation.
- Verbal agreements are not UA obligations.
- SINVRs are a stand-alone process and not connected to purchase orders, contracts, or regular invoices which can skew data reporting and affect budget planning.
- SINVRs when not used appropriately can create compliance issues. Compliance with State of Arkansas procurement/bidding laws and policy:
 - All types of purchases from University Company Cost Centers, regardless of source of funds, are subject to regulations and procedures as stipulated in Arkansas statutes. The Procurement Division is the sole purchasing authority for the University. Only purchases authorized by this authority are legal obligations of the University.

III. Not Acceptable:

- There should be no verbal ordering of items/services.

- Do not create SINVR if a Supplier Contract is already established, or if one should be established.
 - If a Supplier Contract is already established, use the option to pay directly from that Contract or create a PO depending on the contract type.
- Do not create SINVR if a Blanket Order is established.
 - The invoice should reference the Blanket PO number and be submitted to Accounts Payable for payment.

IV. Acceptable:

- Rare circumstances that typically require procurement review, such as payment to avoid interruption in service, pipe breaks due to weather conditions, etc. are acceptable with documentation and justification:
 - Justification or attachment MUST be included on the SINVR.
 - Provide circumstances as to why there is no other means of purchasing available (e.g., PO or PCard).
 - If documentation/justification is not provided, the SINVR will be denied.
- Direct payments which do not require a purchase order:
 - SINVRs are acceptable under the following situations:

Athletic Game Guarantees
Athletic Game officials
Bank Charges
Claims Commission Awards
CTED Independent Study Fees
Emergency Student Loans
Employee Awards (Tangible, non-cash awards, such as trophies, plaques, etc.) for non-allowable state purchases to be paid out of private funds for which the donor has specified funds for this purpose)
Employee Tuition/Course Materials
Honorariums (Complimentary payment to non-employee in lieu of service fee – does not require PO)
Judicial awards
Penalties - IRS penalties
Postage Meter, Permits, and Regular Postage Payments
Property Tax Rebates
Refund Authorizations
Refunds to Chartwells
Reimbursement for Foundation Payments incorrectly deposited to UA accounts
Reimbursement to UA for use tax
Research Incentive Payments
Royalty Payments issued to non-employees (These are individuals set up as suppliers in Workday)
Scholarship Treasurers Office, Sponsorship Tuition
Shipping charges (UPS, FEDEX, etc.)
Stipends (Participant Stipend)
Taxes and Penalties
Third Party (Subcontractors) Payments for Research Grants
Use Tax Monthly Remittance

V. Results for Non-Compliance:

- If a user enters a SINVR that is not on the Acceptable list (see IV above) or has not received Procurement approval to use the SINVR method, the SINVR may be denied.