San Francisco State University
We Make Great Things Happen
Direct Payment Request Training Guide

Updated in February 2017
In this training guide, we will show you how to:

1. Complete a Direct Payment Request

2. Obtain all the required authorizations and supporting documentation for payment processing
This is a vehicle to be used to provide direct payment to University vendors without a purchase order or contract.

Direct Payment Request can be use for:

1. Allowable Transactions
2. Pre-Approved Transactions
3. Post Transaction Requests

One DPR form per one vendor invoice.

Completed DPR form with the necessary approvals and supporting documents will be forwarded to Accounts Payable for payment processing.
Requestor’s Responsibilities

- Individuals must either have the appropriate authority or have already acquired the appropriate approval(s) to initiate the expenditure.

- Ensure the expenditure is in compliance with appropriate University policies and procedures.

- Make certain that the goods or services have been received.

- Use the most up-to-date Direct Payment Request Form.

- Complete the required fields on the DPR form and provide the description of transaction and business purpose.
Approver’s Responsibilities

- Individuals must have the delegated authority to sign documents authorizing the expenditure of University funds.
- Confirm the expenses are in compliance with applicable policies and procedures.
- Make certain that there is no apparent conflict of interest on the part of the Approver or other individuals involved in the transaction.
- Ensure the appropriateness of use of funds.
- Approve or deny payment request in a timely manner.
Accounts Payable’s Responsibilities

• Review and audit Direct Payment Request for policy compliance
• Verify all the appropriate approver(s)
• Ensure appropriate documentation is submitted
• Process payment requests
How to create a Direct Payment Request (DPR)
Procedure:

i. Download DPR form from Fiscal Affairs Website

ii. Complete the fillable DPR form

iii. Print out the form

iv. Attach invoice / original receipt & any supporting documents to DPR form

v. Obtain all the required signatures / approvals

vi. Submit the DPR package to Accounts Payable for processing
Download DPR Form

Go to: http://fiscaff.sfsu.edu/content/direct-pay-request-0
### Vendor Information

#### 1. Vendor (Make Check Payable To)

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>City, State, Zip</td>
<td>Wayne</td>
</tr>
</tbody>
</table>

- **Supplier #**
  - Current Vendor data is stored in **Common Financial System (CFS)**
  - New Vendors must complete and submit a **Vendor 204 Form** to Vendor Coordinator (**ADM 358**) for CFS account creation and payment processing
Vendor Information – Supplier ID

Access CFS to check if a Vendor already has a Supplier ID

- Go to [http://fiscaff.sfsu.edu/content/quick-links](http://fiscaff.sfsu.edu/content/quick-links)

1. Click on ‘CFS Login’
2. Select ‘San Francisco’
3. Press ‘Login’
4. Enter SFSU ID / Email and SFSU Password
5. Press ‘Login’
6. Enter CFS UserID and CFS Password
7. Press ‘Login’
Navigate to **Supplier Page**:

Main Menu → Suppliers → Supplier Information → Add/Update → Supplier
Vendor Information – Supplier ID

- Enter ‘SFCMP’ as SetID
- **Short Supplier Name**: type first 4 letters of Vendor name.
- Enter the vendor name in the Supplier Name field; Use the drop down to change “begins with” to “contains”
- Press ‘Search’
- Select from search results that matches Vendor name
- **Supplier ID = Supplier #**
If it is a **new vendor** (i.e. vendor is not in CFS), Department is responsible to notify the vendor (by email) to fill out and submit a Vendor 204 Form.

- 204 Form is available for download at: [http://fiscaff.sfsu.edu/content/sfsu-vendor-204-form](http://fiscaff.sfsu.edu/content/sfsu-vendor-204-form)
- The completed form can submit to Vendor Coordinator via **inter-campus mail** (ADM 358) or fax (844-850-8189).
- **Alternatively**, 204 Form can be attached along with DPR form.
  - Check the ‘204 attached’ box
  - Accounts Payable will forward the form to Vendor Coordinator for review and data entry.
2. **Invoice**

<table>
<thead>
<tr>
<th>Description of Transaction</th>
<th>Type of Direct Pay Transaction (Must Check One)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>□ Allowable Transaction</td>
</tr>
<tr>
<td></td>
<td>□ Pre-Approved Transaction - Attach evidence of pre-approval</td>
</tr>
<tr>
<td></td>
<td>□ Post Transaction Request - Add. Approvals required. See Sec. 5</td>
</tr>
</tbody>
</table>

- **Amount:** *total amount* listed on invoice
- **Invoice # and Invoice Date:** copy same information from the original invoice
- **Description of Transaction:** provide a one-sentence description of the expenditure
How to determine what type of Direct Pay Transaction
Allowable Direct Payment Transactions

According to the Direct Pay Practice Directive, example of allowable transactions include:

<table>
<thead>
<tr>
<th>Allowable Transactions</th>
<th>Allowable Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertisement(^1)</td>
<td>Registration fees</td>
</tr>
<tr>
<td>Postal and mailing charges</td>
<td>Medical exams</td>
</tr>
<tr>
<td>Accreditation fees</td>
<td>Insurance premiums</td>
</tr>
<tr>
<td>Books</td>
<td>Rent / Utilities</td>
</tr>
<tr>
<td>Subscriptions</td>
<td>Membership fees</td>
</tr>
<tr>
<td>Transcription fees(^2)</td>
<td>Publications</td>
</tr>
<tr>
<td>Editing fees(^2)</td>
<td></td>
</tr>
</tbody>
</table>

Allowable transactions **may not exceed $5,000**

\(^1\) No printing flyers or brochure are allowed.
\(^2\) Vendors must work entirely off-site.
Pre-Approved Transactions

- Pre-approval may be used for transactions that are **defined as prohibited or allowable but exceeding $5,000**.

- Prohibited Transactions include:

<table>
<thead>
<tr>
<th>Payment for non-allowable services of any type, regardless of where the services are performed</th>
<th>Direct payment of legal settlements[^4]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental of any type including but not limited to tools, equipment, off campus space, buses and transportation vehicles[^3]</td>
<td>Payments to entities outside of the United States</td>
</tr>
</tbody>
</table>

[^3]: P-Card may be used for such transactions provided that any rental that involves a vendor coming on site for delivery/pickup must be approved in advance by the Procurement Department.

[^4]: All legal settlements and attorney fees must be approved by General Counsel and the Associate Vice President for Fiscal Affairs, in addition to approvals required by the Direct Pay Practice Directive.
Pre-Approved Transactions

• Pre-approval can be requested or achieved by:

1. Email Director of Procurement requesting pre-approval of the transaction. The email must include the following information:

   ✓ **Description of the transaction** - If the transaction involves services, requestor must indicate whether the services will be performed on or off campus.

   ✓ **Dollar amount of the transaction**, including tax if applicable.

   ✓ **Vendor name** and, if known, whether the vendor is existing or new.

   **NOTE**: The returned email approval from the Director Of Procurement or designee constitutes evidence of pre-approval to be included with the DPR package sent to Accounts Payable.

2. A copy of a valid unexpired contract, agreement, memorandum of understanding, or other binding document executed between the vendor and an authorized employee of the Procurement Department.
Post Transaction Direct Payment Request

- Except for allowable transactions, Post Transaction is any payment of an already received invoice.

- **Any prohibited transactions that have not been pre-approved can be rejected, leaving the initiator personally liable for the expense** until processing of the expenditure has been authorized by the Vice President of Initiator, the Director of Procurement, and the Vice President of Administration and Finance.

- Department **must** complete *Section 5 of DPR (Post Transaction Request).*
Chart Fields

- **Account**: a 6-digit number that classifies the purpose of purchases/services.
- **Fund**: a 5-digit code that specifies fund sources (e.g., NG001 is General Fund).
- **Dept ID**: a 4-digit number that represents individual departments.
- **Project**: a 8/9-digit number that attributes to projects with a designated start & end date.
- **Program**: a 4-digit number that is used in on-going activities like tuition & hospitality.
- **Class**: a 5-digit number that provides department for any special cost reporting that are not met by the other defined chart fields.

The information above is typically provided by Business Manager or person with the delegated authority to sign documents authorizing the expenditure of University funds.
If the invoice is charged to **one** chartfield, fill out Section 3.

If the invoice paid by **Multiple** chartfields, then enter details of chartfield strings on the **Direct Payment Request – Multiple Chartfield Strings Form** (Page 2) and total amount in Section 3.
Department Approval

4. Department Approval

<table>
<thead>
<tr>
<th>Department</th>
<th>Requestor’s Name</th>
<th>Approver’s Name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ORSP</th>
<th>Approver’s Name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Extension</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Department**: initiator's department
- **Requestor’s Name**: initiator’s name
- **Approver’s Name**: name of the person in the college / dept. with delegated authority to sign documents authorizing the expenditure of University funds.
- **Extension**: initiator’s contact number
- **Date**: today’s date
- **ORSP**: DPR must submit to ORSP for additional approval if ORSP fund is used to pay for expenditure.

**NOTE**: Individuals with delegated approval authority shall not approve the expenses of a person to whom they direct report.
Post Transaction Request

This section is only required for Post Transaction Direct Payment Request.

- Initiator **must** provide a justification explaining why a Prohibited Transaction was initiated without Pre-Approval provided in the Direct Pay Practice Directive.
- Also, enter the name of **Vice President of Initiator**
Initiator **must** specify disbursement method on the DPR form prior to payment processing:

- Mail check
- Pick up check

  - Be sure to include the name of ‘Contact Person’ and their contact number.

**NOTE:** If none of the boxes are marked, then the check will be mailed to the address listed on the DPR form.
How to obtain the authorized approvals
First, assemble DPR Package for approval:

• Print the completed DPR form

• Attach the following supporting documents to the DPR form:

  1. Original invoice / receipt

  2. 204 form – if is not already submitted to the Vendor Coordinator

  3. If it is a pre-approved transaction, Department **must** provide evidence of pre-approval (i.e. email thread or contract signed by Procurement).
Next, obtain the required approval(s) for DPR package:

<table>
<thead>
<tr>
<th>Transaction Type</th>
<th>Number of Approvals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowable Transaction</td>
<td>1*</td>
</tr>
<tr>
<td>Pre-approved Transaction</td>
<td>2*</td>
</tr>
<tr>
<td>Post Transaction Request</td>
<td>4*</td>
</tr>
</tbody>
</table>

* One additional approval will be required if the expenditure is paid by ORSP fund.
Approvals

Allowable Direct Payment Transaction\(^5\):
1. Submit DPR to *departmental authorized approver* for review and signature

Pre-Approved Direct Payment Transaction\(^5\):
1. Transaction request was first approved by *Director of Procurement*
2. Submit DPR to *departmental authorized approver* for review and signature

\(^5\) If the expenditure is paid by ORSP fund, the DPR package must forward to ORSP for review and approval.
Post Transaction Direct Payment Request:\n
1. Submit DPR to departmental authorized approver for review and signature.
2. Submit DPR to the Vice President of initiator for approval.
3. If VP approves, email DPR package to Director of Procurement for review.
4. If approved, Director of Procurement will sign and return the DPR form via e-mail. A copy of this signed form will be included with the DPR package submitted to the V.P. of Administration and Finance. Except for the Director of Procurement all other signatures on the primary DPR form must be original.

6 If an A&F employee submits a Post Transaction DPR, then skip Step 2.
Checklist
### What is Required? (Non-ORSP Fund)

<table>
<thead>
<tr>
<th>Allowable Transactions</th>
<th>Pre-Approved Transactions</th>
<th>Post Transaction Requests</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. One authorized signatory approval</td>
<td>2. Evidence of pre-approval</td>
<td>2. Justification for Exception</td>
</tr>
<tr>
<td>3. Invoice</td>
<td>3. One authorized signatory approval</td>
<td>3. Four authorized signatory approvals</td>
</tr>
<tr>
<td>4. Additional supporting documentation</td>
<td>4. Invoice or original receipt</td>
<td>4. Invoice or original receipt</td>
</tr>
<tr>
<td>5. Completed Vendor 204 form for new vendor</td>
<td>5. Additional supporting documentation</td>
<td>5. Additional supporting documentation</td>
</tr>
<tr>
<td></td>
<td>6. Completed Vendor 204 form for new vendor</td>
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</tr>
<tr>
<td>What is Required? (ORSP Fund)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowable Transactions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Completed DPR form</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Two authorized signatory approvals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Invoice</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Additional supporting documentation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Completed Vendor 204 form for new vendor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-Approved Transactions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Completed DPR form</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Evidence of pre-approval</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Two authorized signatory approvals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Invoice or original receipt</td>
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<td></td>
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<tr>
<td>5. Additional supporting documentation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Completed Vendor 204 form for new vendor</td>
<td></td>
<td></td>
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<tr>
<td>Post Transaction Requests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Completed DPR form</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Justification for Exception</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Five authorized signatory approvals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Invoice or original receipt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Additional supporting documentation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Completed Vendor 204 form for new vendor</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
DPR package with the required documents and approvals will forward to Accounts Payable In-box (ADM 358) to initiate the payment process.
Contact Information

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