Confirming Purchases and Employee Purchase Reimbursements

OVERVIEW
If circumstances prevent the use of regular purchasing procedures, University departments are to follow the procedures described in this section.

The documentation used to process such a purchase depends on whether the request is for a check payment to a vendor or an employee reimbursement.

Purchase Over $10,000

Exception to Policy
In rare circumstances when regular purchasing procedures are not possible, a University department may pay for goods or services costing more than $10,000 with an exception to policy provided by Purchasing Services.

Employee Reimbursement
If a University employee pays for an item and seeks reimbursement, the department must use the procedures under Employee Reimbursement Procedures to process the reimbursement. The maximum amount allowed for an employee reimbursement is $5,000.

Regular Procedures to Consider Before Purchase
See the tables in BPPM 70.01 for a list of regular purchasing procedures that the employee and department should consider before initiating a confirming purchase or employee purchase requiring reimbursement. Regular purchasing procedures generally involve arranging payment before or at the time of sale.

Regular purchasing procedures to consider are:

- Direct processing by departmental personnel (BPPM 70.07 and 70.08).
- Processing purchases through Purchasing Services (BPPM 70.10).
- Directly processing purchases through Accounts Payable (BPPM 70.07).

Purchase After Vendor Invoice Received
When arranging payment before or at the time of sale is not possible, a department may directly pay for goods and services costing $10,000 or less with a purchasing card or Department Order after receiving the vendor's invoice.

CONFIRMING PURCHASE PROCEDURES
Confirming purchases are processed with and without approval in advance from Purchasing Services. Departments must follow the procedures below to complete confirming transactions.

Personal Responsibility
When a purchase transaction exceeding $10,000 occurs without authorization through regular purchasing procedures, the employee who made the purchase is personally liable until both the
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Responsibility (cont.)

employee's department and Purchasing Services have approved the purchase. This is true regardless of the source of the funds.

Purchasing Services Review

If a transaction exceeding $10,000 occurs without one of the regular purchasing forms of authorization, Purchasing Services must review the circumstances and the justification provided by the department.

If the purchase is appropriate, a buyer approves the purchase and an expenditure authority authorizes the expense. The buyer then forwards the documents to Accounts Payable for payment. If the purchase is not approved, the buyer returns the requisition or invoice to the department.

Check Payment to Vendor

If WSU is to pay the vendor for a product or service costing in excess of the $10,000 direct buy limit:

• Upon receipt of the vendor's invoice, prepare a Departmental Requisition (BPPM 70.10).

Describe the circumstances that required the use of this exceptional procedure in a detailed memorandum. Attach the memorandum to the Departmental Requisition.

Conspicuously label the requisition "Confirming Requisition." Under Dept. Price Source, indicate "Invoice Attached."

• Obtain appropriate departmental approval.

If the expenditure is supported by an account in program 17A, include appropriate justification and approval (BPPM 70.33).

• Submit the documents to Purchasing Services.

EMPLOYEE REIMBURSEMENT PROCEDURES

If an employee pays for an item and seeks reimbursement, the department must follow the procedures below to process the reimbursement. The maximum allowed for an employee reimbursement is $5,000.

The department is not required to obtain prior approval from Purchasing Services for an employee reimbursement.

Requesting the Reimbursement

To request employee reimbursement, the department must:

• Prepare a State of Washington Invoice Voucher. (BPPM 30.45).

Itemize the product or service purchased.
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Reimbursement (cont.)

Include a detailed description of the circumstances that required the use of this exceptional procedure.

Conspicuously label the invoice voucher "Confirming Reimbursement."

- Indicate the name, home address, and WSU ID number of the employee purchaser under Vendor or Claimant.

- Obtain the employee's signature under Vendor's Certificate.

- Obtain an authorized signature.

If reimbursement exceeds $500:

In academic departments, the chair, dean, or a responsible administrator above the dean indicates approval of the purchase by signing under Authorized Signature.

In nonacademic departments, the director, area finance officer, or a responsible administrator above the director indicates approval of the purchase by signing under Authorized Signature.

If reimbursement is $500 or below, the dean/director/chair, area finance administrator, expenditure authority, or a responsible administrator above the dean/director indicates approval of the purchase by signing under Authorized Signature.

NOTE: A University employee may not authorize reimbursement to himself or herself. When the chair, dean, director, or area finance officer is seeking reimbursement, the invoice voucher must be signed by his or her supervisor.

If the expenditure is supported by an account in program 17A, include appropriate justification and approval (BPPM 70.33).

- Attach the receipt, canceled check, bank card slip, bank card statement, or other record indicating that the employee paid the vendor.

- Submit the documents to Accounts Payable.