

**ADMINISTRATIVE DIVISION** FINA Administration and Finance  
**POLICY NUMBER** FINA 2.12  
**POLICY TITLE** Accounts Payable  
**SCOPE OF POLICY** USC System  
**DATE OF REVISION** September 20, 2024  
**RESPONSIBLE OFFICER** Executive Vice President for Administration and Finance and Chief Financial Officer  
**ADMINISTRATIVE OFFICE** University Finance – Controller’s Office

**PURPOSE**

The Accounts Payable Office facilitates the disbursement of funds to external suppliers (e.g., Payment Requests, Purchase Order (PO) invoices) and non-payroll payments to faculty, staff, and students (e.g., reimbursements). This policy outlines the methods used to process and remit these payments in an efficient, accurate, and timely manner.

**DEFINITIONS AND ACRONYMS**

**Matching:** An automated process that verifies the details on a (1) purchase order, (2) invoice, and (3) goods receipt match before a payment is made, also known as a three-way match.

**Receipting:** A confirmation of having received the goods specified on an invoice and Purchase Order (e.g., quantity, price).

**POLICY STATEMENT**

The University pays all legally incurred obligations for goods and services, other than payroll, through Accounts Payable, under the Controller’s Office. State law requires all invoices to be paid within thirty business days of the acceptance of the goods and services and proper invoice. In addition, payments to contractors and subcontractors must be paid within twenty-one days of rendered services and the receipt of an undisputed pay request. Failure to comply with these timeliness requirements could result in a late penalty assessed by the State or vendor. While rare, any late penalties will be added to the invoice and remitted to the vendor accordingly.

Accounts Payable coordinates with departments, the Purchasing Department, and vendors to resolve issues and answer inquiries. All invoices will be promptly forwarded to Accounts Payable by departments to avoid payment delays. Accounts Payable will only pay current charges reflected on an invoice; any prior period balances will require a separate invoice to be paid.

Payment Types

Payments are primarily processed by Accounts Payable using Payment Request, Purchase Orders (PO), or reimbursement. In addition to other specific documentation requirements, each method requires an original invoice and appropriate approval(s) before payment can occur. All supporting documentation is attached to the voucher in the PeopleSoft Finance system (the system).

A. Payment Request

Payment Request represents an online payment method used by departments for paying invoices under \$10,000 in the system. Strict guidelines govern the types of payments allowable under this method in the Payment Request Matrix by the Controller's Office (see procedures link below). Specific account codes and supporting documentation are required based on the expense. Any expense that fails to adhere to the matrix must flow through the Purchasing Department's PO process. A streamlined payment method, known as AP Uploads, is available when there are ten or more payments needed for specific categories.

## B. Purchase Orders

Invoices exceeding \$10,000 must flow through the Purchasing Department's PO process. To initiate a PO, the department must complete a requisition in the system, which will flow through an electronic workflow approval before the PO is dispatched. Using the requisition ensures that all appropriate authorizations are obtained, and sufficient funding exists for the purchase. In addition, these goods and services must be procured in accordance with statutory competitive solicitation processes, which are also facilitated by the Purchasing Department.

If repetitive small orders are made from the same vendor over a given period of time, it may be appropriate to establish a Blanket PO to eliminate the need to issue individual Payment Requests or POs. Coordination will occur with the Purchasing Department to establish a Blanket PO.

In addition to an original invoice, dispatched POs require receipting, if applicable, and matching in the system before payment occurs. Receipting will be completed immediately upon the receipt of goods and/or to avoid payment delays.

## C. Reimbursements

Employee reimbursements will only be used if there is no other viable payment available. Reimbursements represent the exception, and not the norm. Non-travel employee reimbursements are processed through the expense module, which is an online payment tool that allows employees, or a proxy, to create an expense transaction. Strict guidelines govern the types of reimbursements allowable under this method, which are established by the Controller's Office. Specific account codes and supporting documentation are required based on the expense.

Certain non-travel student reimbursements are also allowable for non-employees, the guidelines, and restrictions for which are also established by the Controller's Office.

See FINA 1.00 for information on Travel reimbursements.

## Payment Methods

All payments will be issued through check, Automated Clearing House (ACH) or wire payment based on the information reflected in the specific supplier profile. ACH is the preferred payment method.

## **PROCEDURES**

The procedure providing additional detail for this policy can be found here: [Policies and Procedures - Office of the Controller](#)

**RELATED UNIVERSITY, STATE, AND FEDERAL POLICIES**

[SC Consolidated Procurement Code](#)

[SC Code of Laws Section 29-6-30](#)

[State of South Carolina Statewide Disbursement Regulations](#)

[BUSA 7.00 Purchasing](#)

[FINA 1.00 Chart of Accounts](#)

[FINA 2.14 Acquisition and Payment of Goods and Services](#)

[FINA 2.15 Accounts Payable Payment Schedule](#)

[FINA 2.50 Travel](#)

[FINA 5.20 Banking](#)

**HISTORY OF REVISIONS**

<b>DATE OF REVISION</b>	<b>REASON FOR REVISION</b>
October 18, 2006	Policy creation
February 17, 2015	Policy revisions due to departmental reorganization and name changes and to comply with state approval procedures
September 20, 2024	Language, content, and formatting updates