Eligible for Direct Payment via Disbursement Voucher

Procurement Services has exempted the payment types described in this section from the issuance of a purchase order. No contract is necessary unless specifically stated. Since these payment types are generally not available through e-SHOP and pcard is often not an option, payment by check, or equivalent electronic method, may be requested via the Disbursement Voucher. A Financial Transaction Center or Business Service Center may request these payments (via DV) at dollar levels greater than the formal bid limit of $10,000. See University Policy 4.2, Transaction Authority and Payment Approval, for information on the necessary approvals based on dollar level.

Note: For information on requesting your payment by check, or equivalent electronic method, see Disbursement Voucher (DV) at the end of this section.

- Advertising – generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, the DV may be used to generate this payment.

- Ambulance services - generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, the DV may be used to generate this payment.

- Athletic event official – requesting the payment for the official via the DV is acceptable even if the service provider is an employee. The Service Provider Evaluation is not necessary as an athletic event official is always an independent contractor.

- Award - something that is bestowed generally for excellence, whether or not based on an open competition. Payments to employees must be processed through Payroll.

- Dues for Memberships and Professional Organizations - generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, the DV may be used to generate this payment.

- Entertainment Events held at major, public places such as Bailey Hall or Statler Auditorium – consult the Office of University Counsel regarding a contract and attach that contract to your DV. It is also recommended that you include the engagement letter and major concert addendum. The Service Provider Evaluation described in Section 700 is not needed.

- Film rental - generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, the DV may be used to generate this payment.
- **Freight Bills for Outbound Freight** - generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, the DV may be used to generate this payment.

- **Gift** – something given as a present.  
  Caution: See [University Policy 3.14, Business Expenses](#), for additional information, particularly related to expenses that benefit faculty, staff or students. The IRS classifies almost all “gifts” to employees as taxable wages. Contact uco-tax@cornell.edu prior to making any gift to an employee.

- **Guest Lecturer (Speaker) Fee** - agreed upon fee paid to guest speaker. Payments to employees must be processed through Payroll. Note: An individual providing instruction in a class “for credit” is considered an employee.

- **Honoraria** – a payment made in appreciation, primarily intended to confer distinction or to symbolize respect, which is not required by law, and is not a fee charged by the recipient. Must be charged to a Federal Unallowable object code. Payments to employees will be processed through Payroll.

- **Human Participant Fees (i.e., fees for research subjects, survey participants,)** - payment to a participant in a study conducted by a Cornell faculty, staff or student (not considered a payment for services). These payments may be made to employees via DV; payment through Payroll system is not required. See The Office of Research Integrity and Assurance at [www.irb.cornell.edu](http://www.irb.cornell.edu) for further details on conducting research involving human participants. See [University Policy 3.21, Advances](#) for information on the use of a cash advance for these payments.

- **Magazines, Periodical Subscriptions** - generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, DV may be used to generate this payment.

- **Postage and Express mail** - generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, DV may be used to generate this payment.

- **Petty Cash Replenishment** – Submission of receipts to replenish the minimal amount of cash kept on hand by a unit to pay for small expenditure items ($25 and under) where use of a pcard is impractical. See [University Policy 3.21, Advances](#) for further details.

- **Permit/License** – Building projects often require permission from the city of Ithaca (e.g., fences, retaining walls, site work, tent permit, sign application, etc.) Additionally, permits/licenses may be required when goods are being sold at an event and for special events (e.g., noise, assembly or parade, street closures, use of city property, alcohol, vending).

- **Postage meter rental** - generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, DV may be used to generate this payment.

- **Post Doctoral Fellowship** - payments made to a Post Doc fellow, generally supported by NRSA or similar training grants.  
  Caution: Most payments to post-docs are classified as wages and will be paid through payroll. The unit cannot elect to make a payment to a post doc in this manner; the sponsor or external party supporting the post doc determines the treatment of the payment.

  Note: For clarification purposes, please note the following methods of payment:
  - Post Docs (other than those supported by training grants or external fellowships, as described above): Pay through payroll using the title “Post Doc Associate”
  - Graduate stipends for assistantships or payments for other services: Pay through payroll
  - Graduate scholarship/fellowship (where no services required): Process as financial aid through PeopleSoft Financial Aid application
- Graduate students, other payments:  Process as financial aid through PeopleSoft Financial Aid application
- Undergraduate students:  Process as financial aid through PeopleSoft Financial Aid application
- Payments to post docs, graduate and undergraduate students not described above:  Contact uco-tax@cornell.edu for instructions.

- **Prize** - *something that is awarded in a contest or won by chance.*

- **Public Utilities** – (e.g., NYSEG)

- **Refunds** - *Return of monies previously paid to Cornell* (i.e., overpayment of a parking ticket, conference cancellation)

- **Reimbursement** – *Returning the cost of a business expense that was incurred personally*  Note: The reimbursement method is to be utilized for travel and business meals, and not the procurement of goods and services.  Incidental goods purchased during travel may be reimbursed along with the traveler's normal transportation, lodging, and meals in accordance with University Policy 3.2, University Travel.

- **Restaurants** – *direct payment for business meals, not catered or hosted events.*  Generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, DV may be used to generate this payment.

- **Royalties / Permission Fees** - *Fees paid for use of a right* (e.g., right to publish a photo, reprint an article).  Requesting the payment via DV is acceptable even if the service provider is an employee.  (The Service Provider Evaluation described in Section 700 is not needed.)  The unit requesting this type of payment should have a written agreement with the service provider.  Attach the agreement to the DV.

- **Seminar and Convention Registration fee** - generally paid by procurement card when amount is under the formal bid limit; when pcard is not an option, DV may be used to generate this payment.

- **Taxes**

- **Temporary employment agencies**

- **Translator – deaf or foreign language** - Requesting the payment via DV is acceptable even if the service provider is an employee.  Use the Independent Contractor Agreement form and attach it to the DV.  The Service Provider Evaluation is not necessary because translators are always independent contractors.

When a unit agrees to reimburse the travel expenses of an individual who is also receiving another payment type listed above, two separate payments will be made.  The payment type listed above (e.g., guest lecture fee, honoraria) is recorded on the DV as a “Direct Payment”, while the travel expense portion is processed as “Reimbursement for Expenses.”

Direct any questions on tax and withholding to the Tax Manager in the Division of Financial Affairs at uco-tax@cornell.edu.
Disbursement Voucher: Direct Payment by Check or Other Equivalent Electronic Methods

For those goods and services eligible for direct payment, the payment will be requested using the KFS Disbursement Voucher. Please refer to the Financial Transaction SOP: Financial Processing, Disbursement Vouchers.

Requesting a New Vendor

If the vendor that you are paying is not already in the system, see Section 205 on Vendor Setup. If the payee is not in KFS, the FTC/BSC will request that they complete an IRS Form W-9. The FTC/BSC will then enter a new DV vendor request in KFS and attach the W-9 form. IRS Forms W-9 can be found at www.dfa.cornell.edu/procurement/forsuppliers/questionnaire/index.cfm.

Payments to Employees

An individual who is currently an employee, or who has been an employee in the current calendar year, will be paid for services through Payroll unless the description of the payment type above specifically notes that requesting the payment via DV is acceptable even when the service provider is an employee. Direct questions to the Tax Manager in the Division of Financial Affairs at uco-tax@cornell.edu

NOTE: Information on commonly used small service providers, who require a purchase order, can be found in section 703. These services include: entertainers, DJ’s, massage therapists, clowns, henna body painters, writers, editors, videographers, and web designers.