



# Direct Payment and Purchase Order Payment Procedures

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## For Departments

New Mexico Tech Business Operations  
Last modified March 10, 2026

The purpose of this document is to establish guidelines for the Direct Payments and Purchase Order Payments for New Mexico Institute of Mining and Technology's (NMIMT) Departments.

This document is continually being updated; we would appreciate any information and/or insight that would help us develop documentation for NMIMT's departments.

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**I. Introduction**

This guide provides guidelines on how to process a Direct Payment and Purchase Order invoice Payment. Also provided are some answers to frequently asked questions.

**A. Useful Links**

Accounts Payable (<https://www.nmt.edu/finance/accounts-payable.php>)

Budget (<https://www.nmt.edu/finance/budgetoffice/index.php>)

Purchasing (<https://www.nmt.edu/finance/purchasing/index.php>)

Property (<https://www.nmt.edu/property>)

Receiving (<https://www.nmt.edu/facilities/shipping.php>)

Sponsored Projects Administration (<https://www.nmt.edu/finance/spa/index.php>)

## **II. General Payment Process**

### **A. Accounts Payable**

The original Invoice is received in Accounts Payable, Wells Hall Room 111 or by email at [apinvoice@npe.nmt.edu](mailto:apinvoice@npe.nmt.edu)

The Accounts Payable staff scans the original invoice and electronically routes the invoice to the department along with, depending on the invoice date, a Prompt Payment Request (1st, 2nd, or priority) email. The type of request is defined as:

- 1st Request – 1 to 10 days past the invoice date
- Priority – greater than 21 days past the invoice date

Depending on the number of days past the invoice date and/or the terms on the invoice, a department may be sent only the Priority request.

If the invoice is for a purchase order purchase, the invoice will be entered into Banner without routing to the Department if the items will be received by the Receiving Department. The date listed on the receiving stamp is the date Accounts Payable entered the invoice. The receiving date is the date the Receiving Office notes in Banner.

### **B. Department**

The Department attaches the original invoice(s) (if in your possession) or a copy (if the original is in Accounts Payables' possession) to the Direct Payment form or the Purchase Order along with any required approvals or additional forms and forward them to Accounts Payable for payment unless it is part of the receiving process.

If, for any reason the invoice should not be paid notify Accounts Payable immediately. Respond electronically to the (First Request) Prompt Payment Request email. Please give a detailed explanation as to why it should not be paid in the area provided and what action is being taken to resolve the problem. An example of an invoice that should not be paid is for returned items due to damage or errors in shipment.

### **C. Receiving**

Refer to the Receiving Department's procedures.

If, for any reason the invoice should not be paid notify Accounts Payable immediately. Please give a detailed explanation as to why it should not be paid and what action is being taken to resolve the problem. An example of an invoice that should not be paid is for returned items due to damage or errors in shipment.

### **III. Direct Payments (DP)**

#### **A. General Information**

There is a \$2,999.99 limit for small order payments using the Direct Payment (DP) form.

All Purchasing and Property policies and procedures must be followed.

Equipment, inventorable property, telecommunications equipment, and video surveillance equipment may not be purchased using a Direct Payment form. Reimbursements to individuals for purchase of equipment using personal funds will not be allowed. A Purchase Order must be issued by Purchasing Services.

**Incomplete Direct Payment forms will be returned to the initiator. This includes incomplete vendor and department information.**

Payments must qualify for direct payment via one of the categories listed on the Direct Payment form. The appropriate category must be selected or the Direct Payment form will be considered incomplete and will be returned to the initiator.

All requests for Direct Payments require five (5) working days for processing. If the Direct Payment is returned to the originator for any reason or additional approvals are required, the five-day process begins when the paperwork is received back to the Accounts Payable Department and is in compliance for entry into the Banner system.

All requests for special or rush handling and/or special checks will be charged a \$25.00 fee plus FIS Global fees. The index to be charged and the date that the check is needed must be provided. All requests for special checks must be approved by the Controller or designee.

Any invoices older than 60 days require a memo indicating why payment is being submitted late.

#### **B. Direct Payment Process**

1. Following the Purchasing policies and procedures make a purchase – not to exceed \$2,999.99 (including tax and shipping charges).
2. Complete the electronic Direct Payment form, unless otherwise approved for use of the paper form. Incomplete forms will be returned to the initiator.

The initiating department is responsible for confirming that the company/individual being paid is established as a vendor in Banner. If a Direct Payment form is received in the Accounts Payable office without an established vendor ID, the paperwork will be forwarded to Purchasing Services to have one established. This will result in a delay of the payment.

Upon receipt of approved invoice, attach the invoice to Direct Payment form. Direct Payments are to be used for goods and/or services that have already been received. Partial payments are unacceptable for direct payment. The Direct Payment amount must equal the amount on the invoice.

Include any other required paperwork such as the social amenities form, professional activities cost form, etc. Refer to the forms to determine when they are required.

All payments will be processed by FIS Global unless the department can provide a valid reason why it should be held for pickup. These requests should be included in the comments section when submitted through Dynamic Forms.

Submit Direct Payment form to Accounts Payable through Dynamic Forms, or if authorized, via the printed form to the Accounts Payable office in Wells 111. The staff will review it for completeness and enter it into the Banner system. If there are any errors or if it is incomplete, the Direct Payment form will be returned to the initiating department.

### **C. Direct Payment Numbers**

Accounts Payable will provide the Direct Pay numbers to the requesting department. Each department is responsible for requesting Direct Payment numbers from Accounts Payable and maintaining a log of these numbers. A Direct Payment number should only be used once, if a duplicate number is found the Direct Payment will be returned to the department for correction.

### **D. Dynamic Forms Process**

Refer to the Dynamic Forms Direct Payment Instructions located on the Accounts Payable website at the following link labeled Electronic Direct Payment Form Instructions  
<https://www.nmt.edu/finance/docs/Dynamic%20Forms%20Direct%20Payment%20Instructions-05-31-23.pdf>

## **IV. Purchase Order Payment**

### **A. General Information**

The Accounts Payable Office processes all invoices for payment that are related to Purchase Orders (PO's) unless a department has been authorized to do entry. Vendors are required to reference the purchase order number on all invoices and to send invoices directly to the Accounts Payable Office.

Verify that the invoice is processed using the correct PO for the correct department.

Invoices greater than 60 days require a memo indicating why payment is being submitted late.

### **B. Purchase Order Payments Without Receiving**

#### **a. *Partial Payments***

Partial payments will reduce the encumbrance for the Purchase Order but not liquidate it.

A copy of the PO marked with the green receiving stamp should be sent to Accounts Payable marked as a "partial payment" with the items to be paid clearly marked. Attach the invoice(s) (if in your possession) or a copy of the invoice (if the original is in the Accounts Payable department's possession) to the PO.

All of the items on the invoice that are approved for payment must be clearly marked. If specific payment lines are to be used, please provide a detailed distribution. Depending on how the Requisition or PO are entered may result in Banner splitting payments as a percent.

On the front of the PO, indicate that it is a partial payment by writing a "P" and the total amount authorized for payment.

The face of the copy of the PO must be signed by the individual with budgetary authority for the funds such as the principal investigator and/or account administrator. By signing the document, they are certifying that they have reviewed it and checked that the proper documentation is attached (where applicable). Submit to the documents to Accounts Payable office and retain a copy for the department records.

#### **b. *Final Payments (Full Payments)***

Final payments will liquidate the balance of the encumbrance of a PO regardless of the amount being paid.

Indicate on the face of the PO that this is a final payment by writing an “F” or “Final Payment.” Attach the original invoice(s) (if the departments possession) or a copy of the invoice (if the original is in the Accounts Payable department’s possession) to the PO.

The green receiving stamp should be completed with the signature of the person authorizing the payment, the amount being authorized and the date the goods were received. Submit to the documents to Accounts Payable office and retain a copy for the department records. The authorized signature should appear on the last line of the green stamp. Placing it in random areas of the PO is very difficult to recognize and track.

c. Sample Purchase Order Form



**NEW MEXICO TECH**  
SCIENCE • ENGINEERING • RESEARCH UNIVERSITY

Purchasing Services  
801 Leroy Place  
Socorro, New Mexico 87801

Ph: 575-835-5888  
Fax: 575-835-5887

**PURCHASE ORDER**  
P0012345

Show this number on all shipments,  
correspondence, and invoices

Page 1

Award Confirmation Date 12/02/11		Shipping Terms <b>I#</b> _____			
Requisition Number R0001234		Delivery Date 12/29/11	Payment Terms Net 30 Days		
<b>VENDOR NAME</b>	900123456 Acme Andrews Co LLC RoofCARE 609 Broadway Blvd NE Albuquerque NM 87102	<b>SHIP TO</b>	John Doe Playas NM Tech 1 Plaza Playas NM 88009  Attn: John Doe Ph: 575-436-0500		
<b>INVOICE TO</b>	Invoice must match PO and be mailed in duplicate to: New Mexico Tech Attn: Accounts Payable 801 Leroy Place Socorro, NM 87801-4796  Ph: 575-835-5789 Fax: 575-835-6722				
Buyer: _____		Phone: _____			
ITEM #	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	EXT. PRICE
1	<p>This purchase order is issued in accordance with the terms and conditions of the Walter Parker Company's GSA contract #GS-07F-021W valid through August 31, 2015.</p> <p>Labor. pressure wash and recoat roof on 3 Espina St.</p> <p>This project includes the following line items from GSA contract #GS-07F-021W:                      1.1.1.b Pressure wash roof 1,742 SQF @.35=\$609.70                      1.4.31 Roof Repairs 140 SQF @\$4.77 =\$667.80                      1.4.28 Roof Renovations 3coats (1,742 SQF @\$2.28) = \$11,915.28.</p>	1	sq	7,451.2500	7,451.25
<p><b>PARTIAL Payment - Submit on copy of "Green Stamped" PO</b></p> <p><b>FINAL Payment - Submit on original "Green Stamped" PO</b></p> <p><b>All areas notated with an astrisk must be completed</b></p>					
<p><b>RECEIVING REPORT</b>                      Return this copy to Accounts Payable Office                      Use photo copy for partial receipts.                      Date Rec'd: *4-9-12                      Amount Approved: *13,339.37                      Final or Partial Payment: *Final                      Authorized Signature: *RA for AA</p>					
<b>TOTAL:</b>					<b>CONTINUED</b>

**d. *Purchase Order Checklist Partial Payment***

## Middle Body of PO

(This area contains the contract information)

- Invoiced date of service is within the date range noted on PO
- Serial Number (SN) on invoice and SN on the PO match
- Make a copy of the invoice (s)
- Make a copy of the original PO with the green stamp
- Attach the original invoice(s) or copy if the original is in Accounts Payable to the COPY of the PO

## Front of the PO

- Write **P** for partial payment
- Write the total amount of the invoice payment
- Authorized Signature and Date
- Submit to the Accounts Payable Office
- Keep the other copy of the invoice (s) for your records

**e. *Purchase Order Checklist Final Payment***

## Middle Body of PO

(This area contains the contract information)

- Invoiced date of service is within the date range noted on PO
- Serial Number (SN) on invoice and SN on the PO match
- Make a copy of the invoice (s)
- Attach the original invoice(s) or copy if the original is in Accounts Payable to the PO

## Front of the PO

- Write **F** for final payment
- Write the total amount of the invoice payment
- Authorized Signature
- Submit to the Accounts Payable Office
- Keep the other copy of the invoice (s) for your records

### **C. Purchase Order Payments With Receiving**

Accounts Payable will enter the invoice into Banner. If the invoice does not match the PO, Accounts Payable will notify Receiving and Purchasing. Purchasing will resolve the discrepancy. If a change order is required then payment may be delayed.

The matching and receiving process compares the Invoice and Purchase Order quantities and amounts. If sufficient quantities have been received, the invoice is forwarded to the electronic approvals process.

## V. Approvals

### A. Manual Approvals

If necessary, the Accounts Payable department will forward paperwork for any needed manual approvals such as payments to foreign vendors (which are approved by Federal Compliance).

### B. Electronic Approvals

Upon entry, all Direct Payments and Purchase Order Payments will be routed electronically for approval. Approval routing includes:

- a. Division approval from the financial/business manager of the division.
- b. Business Operations accountant approval.
- c. Payment request over \$10,000.00.
- d. Additional approvals may apply.

Electronic approval by the financial/business managers of the division and business operations accountants include review of the payment for all of the following:

- a. Goods and/or services being purchased are allowable.
- b. Appropriate index and account are being used. Some account examples:
  - Supplies account is used when appropriate (710001)
  - Services account is used when appropriate (710401)
  - Software less than \$3,000 (710026)
  - Software maintenance, renewal, and licenses (710411)
  - Portable computing devices (iPhone, iPad, laptop, computer, etcetera) (720020)
  - Amenities account is used when appropriate (730001)
- c. Examples of indexes and accounts not allowed on a Direct Payment form:
  - No equipment accounts used for equipment over \$2,999.99 (730101) on Direct Payment forms.
  - No property accounts used for equipment over \$999.99, such as Inventoriable Property (720015) and Fabricated Computers and Servers (720021), on Direct Payment forms.
  - No revenue accounts used (Start with 5)
  - No transfer accounts used (Start with 58 or 78)
  - No payroll accounts used (Start with 6) unless approved by the Payroll Manager

Once the document has been approved at all levels, Banner will forward the payment for posting. The payment will be made on the next check run. Checks are processed daily.

### **C. Unapproved Transactions**

If the document does not clear the approval process, the originator will be notified of the problem, the document will be disapproved until the problem has been corrected. The five-day routing requirement will begin again once the correction/problem has been resolved.

### **D. Unmatched Documents**

Accounts Payable will notify Receiving and Purchasing for any invoices that go unmatched. See General Payment Process for Accounts Payable on Page 5. Property will resolve any unmatched invoices.

## **VI. Frequently Asked Questions**

### **A. Credit Invoices/Credit Memos**

Single and multiple credit memos (credit invoices) can be submitted on the same Direct Payment / Purchase Order Payment. These cannot be used to reduce or be included with an invoice. Banner will not allow credit invoices and regular (debit) invoices to be entered on the same Direct Payment form. If a vendor provides multiple credit memos for different purchase orders, they cannot be submitted together. In order to process them together, multiple credit memos must reference the same Purchase Order number.

If the vendor is not going to be used again or within the month, the department will work with the Accounts Payable Office to obtain a refund check from the vendor.

### **B. Checks, ACH, and vCard**

Accounts Payable enters the Direct Payment or Purchase Order Payment. Then the document goes through approvals. Once approved the information is sent to FIS Global for processing as a check, ACH, or vCard. If special handling is required, document on the paperwork and a check will be printed. If special handling is requested after information is sent to FIS Global check pull fees will be charged to the department.

Checks may be picked up when ready as long as Accounts Payable is aware that a department requires special handling of the check. This special handling must be noted on the Direct Payment form or Purchase Order in BOLD notation to call when check is ready. The check must be signed for when picked up prior to releasing. Checks are available for pickup at the Cashier's Office.

### **C. Direct Payment Form**

What needs to be filled out on a Direct Payment?

Refer to the Dynamic Forms Direct Payment Instructions located on the Accounts Payable website at the following link labeled Electronic Direct Payment Form Instructions <https://www.nmt.edu/finance/docs/Dynamic%20Forms%20Direct%20Payment%20Instructions-05-31-23.pdf>

If authorized to use the printed form:

- a. Upper left departmental information including:
  - Date
  - Department contact

- Department phone
- b. Upper right vendor information including:
  - Payee
  - Remit to Address
  - Phone number
- c. INDEX AND ACCOUNT NUMBERS, AND ACCOUNTS TO BE PAID
- d. ALL AUTHORIZED SIGNATURES ON ALL PAPERWORK
- e. Description of items or services purchased or reason for reimbursement. (Especially pertaining to chemicals and biological.)
- f. Make sure to check the appropriate box pertaining to the description of an invoice or a reimbursement.
- g. Any special instructions (Rush, call for pickup, etcetera)
- h. Attach all supporting documents completed and with authorized signatures.
- i. Keep a copy of the Direct Payment for department reference.

#### **D. Employee/Student Reimbursements**

Allowable employee or student reimbursements up to \$1,000 will be made with proper documentation. Reimbursements **will not** be made using only a summary credit card receipt or credit card statement. An itemized receipt is required and it must indicate it is from the current Fiscal Year (or within thirty (30) days of the fiscal year closing if the purchase was made in June). An explanation for exceeding the minimum allowed and justification for not utilizing a Pcard or requesting a reimbursement from an already established vendor is required. An example of established vendors are Amazon, Staples, Home Depot, and Choice Steel.

If you have purchased an item with personal funds and wish to be reimbursed, a Direct Payment form must be submitted to Accounts Payable.

Employees do not have signature authority on payments made to themselves. All such reimbursements are to be approved by the employee's supervisor or a peer of equal status. A peer may be colleague in the department.

All requests for travel-related expense reimbursement must be submitted on a Travel Reimbursement form to the Travel Office.

**The use of personal funds cannot be used to circumvent purchasing policies. Making purchases with personal funds is strongly discouraged.**

Reimbursements for gratuities and tips cannot exceed 20% of the allowable purchase. See Section N - Tipping.

Taxes on reimbursements may be reimbursed if the department approves. For additional information regarding taxes, see Section L - Taxes.

Reimbursements for payments made using a personal credit card will be made to the employee and not to the employees' credit card company. NMT is not liable for interest accrued on personal credit cards.

Reimbursements using a credit card statement must include an itemized receipt.

No reimbursements will be made for Equipment or Inventoriable Property purchased with personal funds.

No reimbursements will be made for payments made to independent contractors with personal funds.

No reimbursements will be made for software purchases, web based services, subscriptions, or publication fees. These transactions will have to be paid directly by NMT. The Controller, or their designee, can allow some of these transactions for reimbursement with proper documentation.

If a receipt has been lost, the employee must submit a written certification explaining the situation. The certification must be signed by the employee's department or division head. This exception must be approved by the Controller or designee.

All items need to be delivered to NMT for tracking purposes. If items were delivered to an off-campus address, proof of delivery is required for reimbursement.

The Direct Payment or Petty Cash form should have the following attached:

- a. An itemized original merchant receipt with proof of payment.
- b. For online Internet purchases:
  - An itemized receipt showing the referenced transaction and method of payment. If the receipt only shows a zero balance a credit card statement will need to be provided showing proof of payment.
  - If a receipt does not show the payment method, a written certification of payment from the employee is acceptable. The certification must be signed by the employee. A statement may be used to support the purchase amount.
- c. If the merchant issues a hand-written receipt, it must include the following:
  - Name of merchant, address and or phone number.
  - Description of goods and services purchased.
  - Date of transaction.

- Amount paid.

Please do not use highlighters or tape on receipts as it affects the legibility of items once scanned into our system.

Reimbursement for social amenities expenses being charged to unrestricted funds require that a completed Social Amenities Form be attached. For the purpose of the Social Amenities Form, unrestricted funds are defined as any fund beginning with a number such as 101000, 103002, 105001, 230044 or 280000. Indexes that begin with A, B, C, D, or E translate to fund 101000 and are unrestricted. Some examples of indexes are A01010, B02010, C03010, D14010 and E01010.

The Social Amenities form can be found on the Business Office website at [https://www.nmt.edu/finance/purchasing/docs/pcard/Social\\_Amenities\\_Form.pdf](https://www.nmt.edu/finance/purchasing/docs/pcard/Social_Amenities_Form.pdf).

It is illegal to charge social amenities expenses to sponsored projects (restricted funds). The Professional Activities Cost Form should be used when meals or refreshments are served during the course of a technical meeting and the expenditure is being charged to a restricted sponsored project fund. Restricted sponsored project funds begin with a letter and are a combination of alpha and numeric characters. The Professional Activities Cost Form can be found on the Sponsored Project Administrations website at:

[https://www.nmt.edu/finance/spa/docs/UG\\_Professional\\_Activity\\_Cost\\_Form\\_4\\_14\\_2016\\_vk.pdf](https://www.nmt.edu/finance/spa/docs/UG_Professional_Activity_Cost_Form_4_14_2016_vk.pdf).

## **E. Multiple Debit Invoices**

Single and multiple (debit) invoices can be submitted on the same Direct Payment/Purchase Order form. The invoices for the purchase order must be for the same purchase order. Multiple invoices must be for the same vendor and have the same remit to address. Provide a summary showing the total being paid.

## **F. Original Invoices**

What constitutes an original invoice?

The actual invoice mailed or emailed from company that states that it is an invoice (not a pro forma invoice, a quote, or an order confirmation). The invoice must have an invoice number, date, total amount due, and description of purchase. Payments will not be made using quotes, pro forma invoices, or statements.

## **G. Proof of Payment**

Some examples of proof of payments include:

- a. Original, itemized merchant receipt.
- b. If a receipt has been lost, the employee must submit a written certification explaining the situation. The certification must be signed by the employee's department or division head. This exception must be approved by Controller or designee.

## H. Processing Time

How long does it take to process a payment?

The processing time for a payment is five days from receipt of a valid Direct Payment form or Purchase Order Payment form. Approvals, vendor setups, change orders and additional signature requirements may delay the process.

## I. Rush Check Requests

All requests for special or rush handling and/or special checks will be charged a \$25.00 fee plus and fees incurred by FIS Global. On the Direct Payment form, the index to be charged and the date the check is needed must be provided. On the Purchase Order form, this information must be provided in the lower mid-section under the special instructions section. All requests for special checks must be approved by the Controller or the Assistant Controller.

## J. Social Amenities/Professional Activities Form

When do the Social Amenities or Professional Activities Cost forms need to be attached?

The NMT Board of Regents has mandated that all payments or employee reimbursement for social amenities type expenditures be documented and reviewed for approval. This is done by using the Social Amenities Form. Social amenities expenses are only allowable when using unrestricted funds and require that a completed Social Amenities Form be attached to the payment request. The form must clearly state the public purpose (or benefit to NM Tech), indicate if alcohol is included in the expense, and list the names of all participants and the organizations they represent.

For the purpose of the Social Amenities Form, unrestricted funds are defined as any fund beginning with a number such as 101000, 103002, 105001, 230044 or 280000. Indexes that begin with A, B, C, D, or E translate to fund 101000 and are unrestricted. Some examples of indexes are A01010, B02010, C03010, D14010 and E01010.

Student Clubs and Organizations are exempt from completing the Social Amenities Form when using a fund that begins with 102. Auxiliaries Services dormitory fund 107009 does not require the Social Amenities Form. The Admissions Office using the index C02010 does not require the Social Amenities Form.

In addition, all social amenities expenditures must be charged to an account beginning with 73 to ensure they are not included in the indirect cost rate calculation. The most common account used is 730001-Non MTDC Supplies and Expense.

It is illegal to charge social amenities expenses to sponsored projects (restricted funds). The Professional Activities Cost Form must be used when meals or refreshments are served during the course of a technical meeting and the expenditure is being charged to a restricted sponsored project fund. Restricted sponsored project funds begin with a letter and are a combination of alpha and numeric characters. Information on the use of the Professional Activities Cost Form is available on the Sponsored Project Administration's website at <https://www.nmt.edu/finance/spa/docs/Professional%20Activities%20Form.pdf>

Some examples of social amenities expenditures are (but not limited to) (see Section O - Unallowable Purchases):

- a. Gifts (Not allowed for employee gifts unless approved under separate policy or foundation funds)
  - NMIMT pen set for a guest speaker
- b. Prizes – trophies or plaques
- c. Clothing (Must support official activities)
  - shirts with employees' name or NMIMT department on them
  - t-shirts for departmental volleyball team
- d. Flowers/Plants (Not allowed for birthdays, retirements, or general morale gifts)
  - Employee illness or surgery
  - Death in the family
  - Congratulations on birth or adoption of a child
- e. Promotions (Must be used for outreach, recruitment, or events)
  - Giveaways such as mugs, pens, key chains, t-shirts, etc.
- f. Entertainment (Must have a documented business purpose)
  - Dinner for dignitaries to discuss funding or business
  - Tickets to a sporting event
  - Museum Admission
- g. Decorations (For official spaces only)
  - Painting to hang in office
- h. Refreshments (Off-campus catering requires an Auxiliary Services waiver)
  - Coffee/tea and supplies for the office and visitors
  - Donuts & coffee for meetings and training

- Cookies & lemonade for meetings and training
- Meals for off-campus guests
- i. Meals - non per diem (Off-campus catering requires an Auxiliary Services waiver)
  - Meal for guest speaker, visiting professor or other off campus visitors
  - Working lunch for staff
  - Pizza for a study group
- j. Break Room Supplies (Must support office operations)
  - Paper-goods such as paper plates, cups, forks, etc.
  - coffee pot, toaster, small refrigerator, ice maker or other small appliances
- k. Bottled Water/Water Delivery Service – water for the office and office visitors. The Board of Regents does not require the Social Amenities Form be completed for water, however the expense must be charged to account 730001.

The Social Amenities form can be found on the Business Operations website at [https://www.nmt.edu/finance/budgetoffice/docs/Social\\_Amenities\\_Form\\_May\\_30\\_2013.pdf](https://www.nmt.edu/finance/budgetoffice/docs/Social_Amenities_Form_May_30_2013.pdf)

A Professional Activities Cost Form is used when the primary purpose of meetings, conferences, or seminars is the dissemination of technical information when using restricted funds. In accordance with Title 2 CFR, Part 200 Subpart E 200.420, when the primary purpose of meetings, conferences, or seminars is the dissemination of technical information the following costs are allowable:

- a. Rental of facilities
- b. Cost of meals
- c. Transportation
- d. Other items incidental to such meetings, conferences, or seminars
- e. Periodic meetings required by contract

Meetings may include technical, contractual and/or financial discussions in an informal setting with a representative of the awarding agency (program officer, contracting officer), advisory group, consultant, sub recipient, etc. Expenses must be allocable to the project to which they are charged (i.e. solely benefits) and must be reasonable in amount.

The Professional Activities Cost Form can be found on the Sponsored Project Administrations website at: <https://www.nmt.edu/finance/spa/docs/Professional%20Activities%20Form.pdf>

## K. Stop Payments

Payment may be stopped for various reasons - payment made in error, error in amount of payment, duplicate payment, check lost, etc. This requires a stop payment order to be placed. A check stop payment order is notification to the bank to not honor a check that has been issued by New Mexico Tech. Also, a check that must be reissued requires a stop payment order to be placed on the original check. When a stop payment order is requested, the Internal Control Office will verify that the check has not been paid and will formally request the stop payment order to the bank.

To request a stop payment order and/or replacement check to be issued contact the Accounts Payable Office at [apinvoice@npe.nmt.edu](mailto:apinvoice@npe.nmt.edu). Include the vendor information including invoice number, invoice date, and payment amount, as well as the reason for requesting the stop payment.

## L. Tax on Purchases

New Mexico Tech is exempt from gross receipts tax (sales tax) for purchases of tangible personal property. Examples of tangible personal property include but are not limited to materials, supplies and equipment. Please contact the Purchasing Office at [purchasing@nmt.edu](mailto:purchasing@nmt.edu) to arrange the creation of a Nontaxable Transaction Certificate (NTTC) to be created and issued to individual vendors.

If taxes are charged by a vendor and should not be, contact the vendor and request a corrected invoice that does not include tax. If the vendor will not issue a corrected invoice, then deduct the tax from the invoice as you prepare the amount on the DP form. The Accounts Payable Office will send the payment and the department will work with the Purchasing Office to arrange the creation of a Nontaxable Transaction Certificate (NTTC).

NMT is required to pay gross receipts tax on services, property leases, rentals, repairs, and items purchased for a construction project for which a gross receipts tax amount was identified on our purchase order.

Purchases made by individuals for NMT business needs may be reimbursed gross receipts tax (sales tax), if the department approves. *Employees are encouraged not to make purchases with personal funds.*

## M. Foreign Vendor Purchases

Purchases from foreign vendors for software licenses and services are subject to federal income tax withholding. Refer to: <https://www.nmt.edu/finance/compliance.php>

## N. Tipping

Reimbursement for gratuities and tips is limited to a maximum of twenty percent (20%) of the allowable food subtotal. Alcoholic beverages are not reimbursable. Sales tax will be reimbursed only on eligible food purchases, and the allowable tip amount is calculated strictly on the food subtotal, excluding both sales tax and alcohol. Any amounts paid in excess of this limit are the responsibility of the employee and will not be reimbursed.

### Example Calculation (8% Sales Tax)

Description	Actual Receipt	Reimbursable Amount
Chips n Salsa	\$6.00	\$6.00
Burger	\$15.00	\$15.00
Pork Chop	\$26.00	\$26.00
Beers	\$16.00	Not reimbursable
<b>Subtotal</b>	<b>\$63.00</b>	<b>\$47.00 (food only)</b>
Sales Tax	\$5.04	\$3.76 (calculated only on food)
Tip	\$15.00	\$9.40 (20% of food subtotal)
<b>Total</b>	<b>\$83.04</b>	<b>\$60.16</b>

## O. Unallowable Purchases

The following are examples of unallowable purchases on any NMIMT fund. This list should not be considered all-inclusive but merely a guide for purchases that are not allowed. If applicable, refer to 2 CFR 200 subpart E-200.407 for purchases that require prior approval of the cognizant agency before purchasing.

- a. Annual fees on credit cards.
- b. Gift cards.
- c. Donations and sponsorships, unless the sponsorships include a booth and other significant advertising/information.
- d. Alcoholic beverages (except for resale).
- e. Personal care products.
- f. Compensation for personal services.
- g. Fines and penalties.

Purchase of any product or service from a vendor which violates an exclusive or semi-exclusive supply and price relationship established by Purchasing is unallowable. An example would be the NMIMT campus catering contract.

University funds, including state appropriations, federal grants, or revenue generated from services, are prohibited from being used to purchase food, gifts, holiday decorations for non-public spaces only (public spaces are student or customer-facing, singular offices are not), or entertainment for employee-only holiday parties or social events, unless:

- the expenditure serves a bona fide business purpose involving non-NMT affiliated individuals (spouses or partners do not count),
- is otherwise permitted by institute policies, or
- paid for by an eligible gift fund and approved by Cost Accounting.

This is based on the legal principles governing public finances in New Mexico. Once funds are deposited with New Mexico Tech, a state institution, they are classified as public money. This is mandated by the State's Anti-Donation Clause and reinforced by the Governmental Conduct Act. Specifically:

- The NM Governmental Conduct Act (NMSA 1978, § 10-16-3(A)) establishes that public officers and employees must use the powers and resources of public office "only to advance the public interest and not to obtain personal benefits or pursue private interests."
- The NMIMT Purchasing Procedures Manual, in Section I ("Unallowable Purchases"), further specifies that expenditures for personal benefit or social events are prohibited uses of institutional funds.

## **P. Vendor Registration**

The initiating department is responsible for confirming that the company/individual being paid is established as a vendor. Please contact Purchasing if you are unsure if a vendor is established with NMT.

Please ensure that a completed W-9 form is submitted to the Purchasing Office by the vendor when making a purchase of a product or service via Direct Pay or Purchase Order from a new vendor.

If a Direct Payment form is received in the Accounts Payable office without an established vendor ID, the paperwork will be forwarded to the Purchasing Services to have one established. This will result in a delay of the payment.

## Q. Wire Transfers

A purchase order or direct payment form is required for all wire transfer transactions. The vendor name is listed as NMIMT Comptroller. The following is required depending on the type of wire transfer:

- a. International Wire Checklist
  - Amount and currency
  - Swift code
  - Receiving bank name and physical address with country
  - IBAN
  - Receiving party name and physical address
  - Any additional information
  
- b. Domestic Wire Checklist
  - Bank routing number
  - Bank name
  - Receiving party name and physical address
  - Any additional information