

IHL PREPAYMENT POLICY REVISION ANNOUNCEMENT

The IHL Board of Trustees recently amended the policy on approval of prepayments (IHL Policy 707.03). The amendments delegate to each institutional executive officer, or his/her designee, the authority to approve individual prepayments that are in an amount of \$5,000 or less. Prepayments in an amount over \$5,000 still must be approved by the Commissioner or Board, as set out in Policy 707.03. Attached is the amended Policy 707.03, which was effective as of September 21, 2018. If your desired purchase includes a prepayment, the following prepayment justification paragraph will still need to be completed (in the body of your email or on a Word document) and submitted to Procurement. Prepayments under \$5,000 will be approved by the Director of Procurement Services or her designee. Please note that AppleCare purchases under \$5,000 will no longer require completion of the prepayment justification paragraph.

The University of Mississippi _____ Department respectfully requests approval of a prepayment to _____ for _____ in the amount of \$_____. *Follow this first sentence with your justification. (justification of prepayment to include an explanation of the circumstances or reasons why prepayment must be made)

IHL Board of Trustees

Policies & Bylaws

707.03 APPROVAL OF PREPAYMENT FOR GOODS OR SERVICES

Pursuant to Miss. Code Ann. § 7-7-27 (1972), as amended, the Board of Trustees of State Institutions of Higher Learning (IHL) may permit prepayment for goods or services not yet received. The procedures regarding obtaining a waiver to permit payment in advance applicable to the IHL Executive Office and the various state universities are as follows:

1. The Commissioner is delegated the authority to approve such prepayment/waivers on behalf of the Board. However, if any other Board policy requires IHL Board approval in order to contract for, lease or purchase the subject goods, services, equipment, property or facility, approval of a prepayment/waiver must be sought from the IHL Board, instead of the Commissioner, at the same time permission is sought from the Board in order to contract, lease or purchase. If a prepayment is for \$5,000.00 or less, approval authority is delegated by the Board to the institutional executive officer or his/her designee.
2. Unless a prepayment is in an amount of \$5,000.00 or less, written permission from the Commissioner or Board must be obtained prior to making or contracting to make prepayment of goods or services before such goods or services are received.
3. For those prepayment items in an amount over \$5,000.00, the requestor must submit a written request to the Commissioner, or an agenda item for consideration by the Board, explaining the circumstances or reasons why the waiver is being sought. A copy of the invoice or proposed contract showing the prepayment terms must be attached to the request.
4. Registration fees for conventions and conferences and deposits for hotel fees may be paid in advance and do not require permission/waiver by the Commissioner or Board.
5. If federal funds are to be used to prepay multi-year services or licensing, the requestor must ensure that the prepayment conforms to the federal grant regulations and requirements. The requestor must provide documentation to the Commissioner or Board, as part of the written request for a waiver, indicating that the prepayment conforms to the federal grant regulations and requirements.
6. A waiver from the Commissioner is not required in order to pre-pay a single payment within a fiscal year for the rental of a post office box, membership dues, subscriptions and software maintenance fees. However, if Board approval is required within another policy in order to contract for or purchase same, the Board's approval to contract or purchase must still be sought as required by the applicable policy.
7. All multi-year prepayments require a waiver granted by the Commissioner or Board.

(BT Minutes, 6/2014, 9/2018)