

PROCUREMENT SERVICES POLICY 22 PARTIAL AND ADVANCE PAYMENTS

The University of North Carolina at Greensboro

Approved by Paul Forte, Interim AVC for Finance, August 4, 2021

Revised August 4, 2021

1. Purpose

This policy describes the policies related to partial and advanced payments for purchased goods.

2. Scope

This policy applies to all University employees, departments, units and divisions.

3. Definitions and Roles and Responsibilities

Not relevant for this policy.

4. Policy

The State, as a general practice, does not favorably view requests made by a vendor for payments which may precede performance (“advance payment”) or during the course of performance prior to completion or delivery (“partial payment”). Reference [Section 4.1 of the Office of State Budget Management](#). The State considers such payments as a form of financing which is an element of determining a vendor’s “responsibility.” The State, however, does permit select instances for “payment plans”, or payments over a period; defined herein to include advance and partial payments. Instances where such payments may be applicable where a substantial initial investment may be required for a commodity which has a protracted or long production lead time, or the same conditions for a future-year delivery. In these instances, the University is required to limit the acceptance of vendors’ requests for a “payment plan” and to fully justify the request’s approval. The Purchasing Department will only consider such requests where the campus department finds that the use of a payment plan will best serve the interests of the University and the title (i.e., property rights) to the commodity procured is vested to the University. Recognition of any approved “payment plan” will be recorded by inclusion of the specific plan of payment and the associated incremental transfer of title to the University in the resulting Purchase Order. Further guidance can be found on the [UNCG Finance & Administration](#).

5. **Compliance and Enforcement**

The Director of Procurement Services is responsible for ensuring compliance with this policy.

6. **Additional Information**

6.1 **Supporting Documents**

[State of North Carolina Purchasing & Contracts Procurements Manual Office of State Budget and Management \(OSBM\)](#)
[Office of the State Controller](#)

6.2 **Approval Authority**

This policy will be approved by the Interim Associate Vice Chancellor for Finance.

6.3 **Contacts for Additional Information and Reporting**

- Responsible Executive: Michael Logan, Director of Procurement Services, (336)334-4104, mflogan@uncg.edu
- Responsible Administrator: Richard Fleming, Assistant Director of Procurement Services, (336)334-3078, rrfleming@uncg.edu