

Procurement and Contracts Process Guidance

Advance Payments/Prepayments/ Payments on Day of Performances

The Commonwealth's approved payment terms are net 30 (30 days from receipt of goods/services or receipt of invoice, whichever is later). If a vendor requests **payment sooner than net 30**, it may be possible, but this must be noted on the PR as well as the invoice. It is also important to let Procurement and Contracts know of this request in advance.

Advance payments are those that are made prior to receipt of goods or services. The Commonwealth only allows advance payments in very specific situations and must be approved in advance.

A deposit is sometimes required and may be allowed up to 50%. If a deposit is required on an order, this must be noted in the comments section of the PR and an email to Procurement and Contracts identifying the PR number must be submitted. You must allow appropriate time for payment to be processed.

Day of Performance payments should be avoided as they are generally considered payment in advance of services received, as the payment is processed before the event has occurred. If it is absolutely necessary for a performer to be paid at the conclusion of the performance, approval must be given in advance by Accounts Payable. If an exception is granted by Accounts Payable, the department must note the payment consideration on the PR and contact Procurement and Contracts with the exception approval and the PR number. Day-of-Payment for Zoom performances is not acceptable as these payments must be mailed in advance of the performance.

Procurement and Contracts will then send an email to Accounts Payable that includes the following information:

- PR/PO Number:
- Contractor/Vendor:
- Total Amount of PR/PO:
- Amount Due:
- Date Due:

If the department is picking the check up from Accounting Services, this must be noted in the instructions both on the PR and the email to Procurement and Contracts.