

POLICY MEMORANDUM

No. III-22

Contractual Payment Guidelines

The following guidelines are established to permit uniformity in the administration of non-federal grants and contracts. They are intended to protect the individual faculty member, the department, and to minimize administrative costs and collection efforts. This policy is to be followed in contracting with individuals, organizations, small companies and divisions/subsidiaries of companies with sales of less than \$5,000,000 annually, that may approach the University to obtain assistance.

<u>Value of Contract</u>	<u>Guideline</u>
Less than \$10,000	Full payment in advance
\$10,000 to \$40,000	\$10,000 deposited in advance, with expenses invoiced bi-monthly until deposit covers remaining contract obligation
\$40,000 to \$100,000	25% deposited in advance, with expenses invoiced bi-monthly until deposit covers remaining contract obligation
Over \$100,000	25% deposited in advance, with expenses invoiced monthly until deposit covers remaining contract obligation

Effective Date: Immediately

Responsibility: Vice Chancellor for Administrative Services and Provost

Basis: The basis for the policy is discussion by the Chancellor's Executive Cabinet.



John F. Carney III
Chancellor