



Date: June 8, 2010
Memo To: Divisional Business Representatives (DBRs) and Financial Manager Meeting Representatives (FMM)
From: UW-Madison Accounting Services
Subject: **Changes to Direct Payment (DP) and Payment to Individual Report (PIR) Policies, Procedures, Forms and Instructions Effective June 18, 2010**

Changes to DP and PIR policies, procedures, forms, and instructions will be implemented on June 18, 2010, to coincide with the full implementation of e-Reimbursement on the UW-Madison campus.

Direct Payment (DP) Changes

1. DP form is no longer used for employee reimbursements.
 - Travel and expense reimbursements for employees must be submitted through e-Reimbursement.
2. Only one invoice per DP form may be submitted.
 - Use the DP form **to make payments when an invoice is provided for the following types of payments and vendors:** Individual non-employee payment for goods; Company, Limited Liability Company (LLC); Institution; or Organization.
 - Individual non-employee services must be submitted on the PIR as described below.
3. To comply with security requirements associated with imaging, use only the DP form located at either of the following web pages:
 - [UW-Madison Accounting Services form index](#) (form updated 6/18/2010)
 - [UW-Madison Engineering Department Payment Request System](#)
 - [Payment Request System documentation](#)
4. W-9 (or W-8BEN for Non-Resident Aliens) must be attached to all tax-reportable payments.
5. Review changes to the DP instructions and form on the Accounting Services web site at http://www.bussvc.wisc.edu/acct/instructions/direct_payment.html.

Payment to Individual Report (PIR) Changes

1. Use the PIR when paying individual non-employees for services, honorariums, prizes and awards, fellowships, and scholarships.
2. **DO NOT USE THE WORD “STIPEND.”** The word “stipend” should not be used because the purpose of the payment must be explained to determine taxability, for example, payment for services, scholarship, award, prize, etc.
3. The PIR supplement for travel form is no longer available as of June 18, 2010.
4. Travel and expense reimbursements for non-employees must be submitted through e-Reimbursement when not included as a part of the honorarium.
 - Travel and expense reimbursements included as part of the honorarium are tax-reportable; for more information, see [Policy 203-Payment for Services and Travel and Expense Reimbursement for Non-employees](#).
5. W-9 (or W-8BEN for Non-Resident Aliens) must be attached to all tax-reportable payments.
6. Review changes to the PIR procedures on the Accounting Services web site at <http://www.bussvc.wisc.edu/acct/pir/pirpro.html>.

Accounting Services