

DISBURSEMENTS: PAYMENTS FOR DECEASED PAYEES
MADE THROUGH THE VENDOR SYSTEM

"I owe a cock to Asclepius; will
you remember to pay the debt?"

--The Last Words of Socrates

I. INTRODUCTION

The procedures for making payments through the vendor system on behalf of a deceased payee closely parallel the procedures related to payments made through the payroll system following the death of an employee. These procedures are provided in chapter P-196-25, Payroll: Employee Death Payments and, where appropriate, should be used when making vendor payments on behalf of a deceased payee.

II. TYPES OF PAYMENTS

The types of payments generally made through the vendor system on behalf of a deceased payee include, but are not limited to, the following:

- Fees for professional services, including consultants, performing artists, honorariums, contractors;
- Payments to merchants;
- Refund of fees, deposits, and excess payments;
- Royalty;
- Rent; and
- Payments to third party assigns/beneficiaries.

III. REFERENCES

Accounting Manual chapters

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| D-371-12.1 | Disbursements: Accounting For and Tax Reporting of Payments Made Through the Vendor System |
| D-371-35 | Disbursements: Honorarium Payments |
| D-371-36 | Disbursements: Invoice Processing |
| P-196-11 | Payroll: Accounting for and Tax Reporting of Mandatory Deductions and Insurance Benefit Contributions. |
| P-196-25 | Payroll: Employee Death Payments. |
| P-415-6 | Plant Accounting: Stop Notices, Assignments, and Tax Liens. |

Historical note: Accounting Manual chapter first published 11/1/82. Revised 12/30/98; analyst--Pat Edwards.