**TO: Terri O’Toole, Senior Director of Procurement or Designee**

**FROM: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**SUBJECT: Prepayment Exception Request**

**DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**RE: REQUISITION #** **\_\_\_\_\_\_\_\_\_\_\_**

The (insert organization name) requests an exception to the Utah procurement code prohibiting making payments prior to the procurement item being received (see Utah Code 63G-6a-1208). A prepayment to (insert vendor name) for (procurement item or service) is necessary because (insert reason here with as much detail as possible).

We acknowledge informing the vendor that Utah governmental entities are prohibited by statute to make prepayments. We also acknowledge attempting to eliminate or minimize the amount of the prepayment requirement not removed by the vendor, as well as engaging the Purchasing Department buyer, where necessary, in this attempt.

The full purchase amount is $XXXXX and a prepayment of $XXXX (percentage or fixed dollar amount or payment schedule) is requested.

We understand the inherent risks of making a prepayment, up to and including the risk of jeopardizing the expenditure. The (insert organization name) accepts and assumes all risks including financial responsibility associated with the prepayment.

Remedies suggested by the department for the contractor’s noncompliance include: (department to insert complete explanation of department’s proposed solution in the event the vendor fails to deliver after receiving prepayment).

(Note: Request is to be signed by the Department Chair, Director, or designee)

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Print Name Title (Chair or Director)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

**Senior Director Purchasing Director or designee finding**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Terri O’Toole, Senior Director of Procurement, or Designee Date

Version: 04/16/2023