



Invoice Payment Guidelines

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Financial Services

INVOICE PAYMENT GUIDELINES

Responsible Position:	Manager, Financial Operations
Approved by:	Chief Financial Officer

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Overview

Purpose

This guideline provides the general provisions for processing invoices and making payments.

This guideline needs to be considered in conjunction with other University policies, procedures and guidelines.

All references to monetary amounts in this guideline are on a GST inclusive basis.

Coverage

This guideline applies to all invoice processing and payments made by the University to external suppliers.

This guideline provides the requirements for invoice and payment processing. Please refer to the **Finance Training Room** for training and how to process payments and invoices through TechOne Financials.

Exclusions

This guideline relates to the payment of invoices only and excludes information regarding:

General Purchasing Guidelines

Business Cards Guidelines

Miscellaneous Payments to Staff Guidelines (this includes student payments)

Tendering Guidelines

Hospitality Guidelines

Guideline Objectives

Probity and Accountability

Payments must only be made as part of University business and in the best interests of the University.

Details of payments must be kept confidential.

Key Considerations

Responsibilities

Budget centres are responsible for ensuring that all submissions for payment meet University guidelines, procedures and policies.

Financial Services is responsible for managing the efficient processing of all payments.

Funding and Approval

All payments must be made only when appropriate approval has been given.

Payments may only be made where funds are available. A valid dissection must exist and funds must be available in that account to acquit the invoice payment.

Electronic Approvals

The University operates a system of electronic approvals for all payments. Any invoice approved electronically does not need to be signed or approved manually.

Submission of Payments

Payment documentation must be processed and submitted to Financial Services within a reasonable time, in order that the University terms of 30 days are met.

Supplier Invoices

Invoice Payments, Tax Invoices and ABNs

For invoice payments in Australian dollars (AUD), the University will only make payments on a proper Tax Invoice, to suppliers who have a valid ABN.

Any exceptions to this rule may only be at the discretion of the Chief Financial Officer.

Refer to [General Purchasing Guidelines](#) and [GST Guidelines](#) for details regarding valid ABNs and what constitutes a Tax Invoice.

Payments not for Invoices

In some cases the University makes payments without an invoice, such as for donations or scholarships. Financial Services should be contacted before organising any such payments.

Supplier Terms and Payments

Once approved, invoices will be paid on 30 day terms. Invoices will be automatically released and paid at that time.

Receipt and Workflow of Invoices

Workflow of Invoices with Purchase Orders

Financial Services will scan and enter invoices in TechOne Financials and match them to the purchase order. The invoice will then be sent via workflow to the relevant budget centre for approval.

Workflow of Invoices without Purchase Orders

Where an invoice does not match a purchase order, the original invoice will be scanned and sent via workflow to the relevant budget centre for coding and approval.

Managing Payment Workflows

It is the responsibility of individual staff to manage their workflows and process invoices within a reasonable time.

Staff are also responsible for ensuring that workflow items that do not belong to them are rejected in a timely manner so that correcting action may be taken.

Invoice Incorrectly Matched

Where an invoice payment has been incorrectly matched against a purchase order, staff should not attempt to process these. The payment should be rejected with a comment as to the reason.

Invoice Workflow without Purchase Order Reference

If an invoice is sent via workflow without reference to the original purchase order, it should be rejected with a note of the order number. Financial Services will match the invoice against the order and send it back for approval.

Workflows Sent to the Wrong Budget Centre

Staff should reject invoices that are not for their budget centre or section. When the invoice is rejected staff should provide a comment as to the reason for rejection.

If staff are aware of who the payment belongs to they can either:

- Refer the invoice onto the appropriate budget centre with comments or;
- Reject the invoice and refer to the appropriate budget centre in the comments.

Invoices Paid by Business Card

Where an invoice has been paid previously by business card, staff should reject the payment and state in the description field that the item has been paid by business card.

Receiving Invoices Directly from Suppliers

All invoices should be sent directly by the supplier to Financial Services.

If invoices are received directly by a budget centre, staff should contact the supplier and organise to have the address amended.

Approval and Coding of Invoice Payments

Delegations

All invoices payments must be approved according to the University Delegations of Authority.

Approval of Invoices

When the budget centre approves an invoice in TechOne Financials they are certifying that:

- The goods and services have been received.
- The quality of the goods and services are satisfactory.
- The pricing is correct.
- The dissection is correct.
- Payment should be made.

This applies whether the approval is for a purchase order payment or a directly coded invoice.

Purchase Order Price Variations

Price variations are approved as part of the normal approval process. When staff approve an invoice, they are also approving any changes to unit prices, or the total value of the purchase order.

Staff should not approve payments if they disagree with the pricing.

Coding Payments

The approver is responsible for ensuring the correct dissection is used.

Refer to the [Chart of Accounts](#) for details.

Use of Description Fields and Attachments

Staff should ensure that enough information is provided with an invoice for audit and reporting purposes.

The purpose should be clear on the supporting documentation or additional information provided using the description fields.

Duplicate Payments

Staff should not process any payments that they believe have already been made and the payment should be rejected, stating that the transaction has been processed previously.

Payments and GST

While most invoices are subject to GST, several categories of expense such as medical supplies are non-taxable. Staff should ensure that the correct GST code is used. Where the matter is unclear, the matter should be referred to Financial Services.

The supplier is responsible for determining the status of invoices in regards to GST, however an invoice should not be processed as GST free unless the goods or services are genuinely not taxable.

Refer to [GST Guidelines](#) for further details.

Making Payments to Suppliers

Making Payments on Behalf of the University

Only Financial Services may make payments on behalf of the University.

Payment Verification

Financial Services will only remit to payees where the payment has been approved through TechOne Financial workflows. Exceptions to this must be specified by the Chief Financial Officer.

Financial Services will verify all invoices once they are coded by budget centres, to ensure details are correct and documentation is correct.

Payment of Accounts

Payments are not to be made against supplier accounts or statements. All payments must be for a specific invoice for defined goods and/or services.

Methods of Payment

The University prefers to make payments via EFT. Exceptions to this rule will only be at the discretion of the Chief Financial Officer.

Payments in Foreign Currency

Refer to [General Purchasing Guidelines](#) regarding payments to be made in foreign currency.

Miscellaneous Payments Information

Purchasing Disputes

Financial Services will provide assistance in any dispute, however it is the responsibility of the head of budget centre to resolve the matter.

The budget centre must inform Financial Services that the item is in dispute and should not be paid. This is achieved by putting the invoice on hold in TechOne Financials and including appropriate comments.

Once the dispute is resolved, Financial Services should be informed and provided with details of the manner of resolution.

Budget centres should keep on file any documents related to the dispute.

Invoices for Import Payments

Where purchases relate to imports, the GST transactions involved can only be processed by Financial Services. Therefore the preference is that these be paid using business card wherever possible. Financial Services should then be contacted regarding the handling of GST.

If this is not possible, before processing, staff should contact Financial Services who will guide them through the payment process.

Payments and Fringe Benefits Tax (FBT)

Any documentation relevant to FBT should be completed and attached with the payment documentation.

For meals and entertainment a **FBT Declaration** must be completed and attached with the invoice in TechOne Financials.

For more information regarding FBT, please refer to **FBT Guidelines** and **Hospitality Guidelines**.

Payments for Research Contracts

Most payments regarding research contracts will be treated as normal invoice payments.

Where the University is involved in collaborative research with other institutions the accounting requirements are strict, and it is essential that the payments meet certain accounting criteria. In these instances, staff should contact the Financial Management Unit prior to organising payment.

Prepayments

A prepayment may only be made upon recommendation of the budget centre and with the approval of the Chief Financial Officer (or nominee). Details should be provided explaining why the purchase can not be made using the University's normal terms of trade.

Before any payment is made careful consideration should be given to the supplier's trading record with the University. If it is a first time supplier or overseas supplier the commercial status of the supplier should be checked and thought should be given to retaining a portion of the payment until satisfactory delivery of the goods/service occurs. This is especially relevant for high value prepayments.

The prepayment order will be forwarded to Financial Services by the budget centre along with a recommendation by the head of budget centre that a prepayment be made. Also attached will be supporting documentation that demonstrates why the prepayment is necessary.

The prepayment order will be then authorised by the Manager Financial Operations.

The payment will then be made. Should there be issues in relation to the delivery of goods/services after prepayment, it is the responsibility of the budget centre to resolve these issues.

Supplier Creation and Maintenance

Creation of New Suppliers

Financial Services will create all new suppliers in TechOne. Any requests for new suppliers should be made using the Supplier/Customer Creation Request.

Maintenance of Supplier Details

Financial Services are responsible for maintaining the records for individual suppliers.

Any request to have supplier details changed must be in writing and directed to Financial Services.

Relevant Policy Document

General Purchasing Policy

Other Related Policy and Practice Documents

Policies

Hospitality Policy

Travel Policy

Procedures and Guides

Business Cards

FBT Guidelines

General Purchasing Guidelines

GST Guidelines

Hospitality Guidelines

Staff Payments

Taxation Guidelines

Travel Guidelines

Delegations of Authority

Chart of Accounts

Forms

Missing Supporting Documentation Declaration

Supplier/Customer Creation Request

FBT Declaration

About this Document

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