



Supplier & Payment Procedures

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OVERVIEW

These procedures, which form part of the [Financial Management Policy & Procedures](#), prescribe the processes for when payments are made by the University to Suppliers of goods and services, including payments via the Other Payments process.

SCOPE AND APPLICATION

These procedures apply to:

- All University staff, students and titleholders.
- Suppliers of goods and services to the University.
- Reimbursement of expenses incurred on behalf of the University by non-staff (e.g. visitors).
- Payments to students such as awards and prizes.

These procedures do not apply to:

- Reimbursement of expenses incurred on behalf of the University by staff, students and titleholders, refer to [Reimbursement Procedures](#).
- Payments to staff via the Human Resources payroll system.
- Payments via the Expense Management System, refer to [Corporate Credit Card Procedures](#).

PRINCIPLES

- A Supplier account must be created and validated in the Finance System to enable payment.
- The University will only make payment for invoices which meet [Australian Taxation Office](#) requirements.
- The expenditure is coded in accordance with the [Chart of Accounts](#) and approved for payment by a Financial Delegate.
- The goods and services have been received to the satisfaction of the University and met expected terms and conditions.

PROCEDURES

1. Supplier Creation and Amendment

All University Suppliers including non-staff must be created and validated in the Finance System to enable payment.

Supplier Creation

New Suppliers are created from Requisition requests or upon receipt of a [valid tax invoice](#). Suppliers are created with the University's standard payment terms of 30 day EOM i.e. payments are made at the end of the month following the month the invoice is dated. Payment terms outside of this must be approved in advance by emailing the [Manager, Procure to Pay](#).

The University requires the following information provided on a formal document from the Supplier e.g. invoice, quote or a University [Banking Authority Form](#). It is the responsibility of the person engaging the Supplier to ensure these details are supplied.

Australian Business Number (ABN)	<ul style="list-style-type: none">Australian suppliers of goods or services must have an active ABN or provide a completed Australian Tax Office (ATO) Statement by Supplier form.The Supplier name or business name must match the entity name or business name on the ABN website (Australian Suppliers).Invoices and quotes issued in a trading name must also state the entity name.
Full Contact Details	<ul style="list-style-type: none">Contact name.Full postal address of the company or individual.Phone number.Email address for remittance advices and Purchase Orders (PO).
Banking Details	<ul style="list-style-type: none">Banking details and bank account name should match the Supplier name, any exceptions to this must be approved by the Manager, Procure to Pay.The University is unable to pay third parties for goods and services.Where relevant, intermediary bank account details must be provided (international Suppliers).Payment currency clearly stated on the documentation.

Note: there are country [specific requirements](#) for payments made in Chinese Renminbi (CNY/RMB), Burmese Kyat (MMK - Myanmar) Indonesian Rupee (IDR) and Malaysian Ringgit (MYR). Contact [Treasury](#) for further details.

Supplier Amendments

Amendments to Supplier details e.g. new location or reactivation, can be facilitated by providing a formal document (as per above). Changes to bank account details for existing Suppliers will be verified by phone via a publicly advertised phone number.

2. Invoice Processing

Invoices are paid through Accounts Payable, or if appropriate on a University Corporate credit card, refer to the [Corporate Credit Card procedures](#).

Invoices and all payment voucher supporting documentation is retained in the Finance System in accordance with the University's [Information Management Policy](#).

Invoice requirements	<ul style="list-style-type: none">Invoices and Credit Notes must be emailed to invoices@adelaide.edu.au as an attachment – <i>excluding Excel</i> (any wording in the body of the email will not be captured)Addressed to The University of Adelaide.Meet Australian Tax Office (ATO) requirements or it will be rejected back to the supplier with a request to resubmit.
Purchase Order (PO) invoices	<ul style="list-style-type: none">The invoice must include the PO number (only one per invoice).If successfully matched to the PO, the invoice will not require further approval.

	<ul style="list-style-type: none"> If the invoice exceeds the PO tolerance, it will be workflowed in Kofax to the PO requestor and Financial Delegate for approval as a match exception. The goods or services must be receipted* in the Finance System in order for payment to be made.
Non-PO invoices	<ul style="list-style-type: none"> Invoices relating to a supplier category on the approved PO Exception List, do not require a PO. Invoices not on the list will be reported as non-compliant. Non-PO invoices must include a University contact name who will become the Business Reviewer. After review and confirmation of receipt* by the Business Reviewer, the invoice will be workflowed to a Financial Delegate for approval.
Urgent Payments	<ul style="list-style-type: none"> Requests for urgent payments outside of set payment terms should only be used in exceptional circumstances. Urgent payments must be sent to Accounts Payable and "Urgent" entered in the email subject line. Urgent requests are approved by the Team Leader, Accounts Payable & Purchasing and processed in the next available payment run. Express payments may be facilitated as the discretion of the Manager Procure to Pay.

*payments must not be made to Suppliers until the goods or services have been received to the satisfaction of the University. Exceptions e.g. where a deposit or pre-payment is required, must be approved by the [Team Leader, Accounts Payable & Purchasing](#).

3. Disputing Goods/services

In the event of a dispute involving the supply of good or services i.e. incomplete order or faulty goods, it is the responsibility of the requestor / person initiating the order, to follow up with the Supplier and notify [Accounts Payable](#) that payment of the invoice should be withheld.

4. Independent Contractors

Payments to contractors and consultants can only be made if they are a bona fide contractor and no Superannuation or Payroll Tax obligations would arise as a result of the payment. Contractors cannot be paid via the University's Corporate credit card.

Prior to engaging a contractor, it is imperative to obtain the necessary information from the individual/entity to determine if it is appropriate to engage them as a true contractor, contingent worker (contractor with Superannuation entitlements) or an employee – refer to the [HR Contractor Management webpage](#).

If the outcome is for the payment to be processed through Finance refer to [Pay a Contractor](#) to determine if this is via a Requisition, invoice or Other Payments eForm.

5. Other Payments

The University's preferred methods of payment is via a Supplier invoice matched to a PO or if appropriate, via a University Corporate credit card. However, there are certain payment types where this is not appropriate, in these circumstances the [Other Payments eForm](#) can be used.

The Other Payments eForm can be used for payments such as:

- Payments to students and visitors e.g. travel allowances, awards and prizes, homestay payments.
- Royalty payments.
- Reimbursements to visitors.
- Honorarium payments after [assessment by HR](#).

The Other Payments eForm must not be used for:

- Payments to staff e.g. prizes, consultancy fund payments, these must be paid via HR/Payroll.
- Reimbursement of out of pocket expenses for staff or students, refer to [Reimbursement Procedures](#).
- Contractors and Contingent Workers refer to [HR Contractor Management process](#).

To cancel an Other Payments eForm email the emsacquittals@adelaide.edu.

6. Payment of Invoices/Other Payments

- The University will not make payments by direct debit, on a single or recurring basis, or by BPAY.
- Domestic payments i.e. payments to suppliers within Australia in AUD, are paid via Electronic Funds Transfer (EFT).
- International payments i.e. foreign currency payments or payments made to a destination outside Australia are paid via International Money Transfer (IMT).
- Due to international banking charges all international invoice payments under \$100 AUD are to be paid on a University Corporate credit card.
- Domestic and international payments are run weekly on a Thursday, for payment on Friday. Payment runs outside of this are approved by the [Manager, Procure to Pay](#).
- A remittance advice is sent by email to the Supplier / recipient in respect of the payment.

Note on international payments

- The University will pay the currency stated on the invoice or Other Payments eForm. Suppliers may need to provide intermediary banking details in order for payments to be paid successfully to the beneficiary's bank account, or invoices will need to be submitted in a currency accepted by the beneficiary's bank.
- The University absorbs any international fees charged to the University associated with transacting with overseas suppliers. These include but not limited to; transaction fees, conversion fees, tracking fees and return or reissue of payments. The University is not liable for any banking fees charged by the beneficiary or intermediary bank.

7. Tax Requirements

To enable payment for goods and services within Australia, suppliers must provide the University with a valid tax invoice. An invoice containing incorrect or incomplete information is not a valid tax invoice.

Tax invoices for taxable sales must include the following:

- The words 'tax invoice';
- Seller's name;
- Seller's Australian business number (ABN);
- Date the tax invoice was issued;
- Brief description of the goods or services sold;
- GST amount (if any) payable:
 - Shown separately; or
 - a statement which says, 'Total price includes GST' (if GST is exactly 1/11th of total price)
- Extent to which each sale on the invoice is a taxable sale: and
- Be addressed to "The University of Adelaide".

DEFINITIONS

Accounts Payable: Responsible for processing invoices and payments for the University.

Business Reviewer: Responsible for validating pricing, coding and confirming receipt of goods or services.

Credit Note: Issued by a Supplier to the University in place of a refund.

Finance System: PeopleSoft Financials and Supply Chain Management.

Financial Delegate: Staff member with the appropriate expenditure delegation authority.

GST: Means goods and services tax.

PO Tolerance: \$100 or 10% more than the original value on the PO (excluding GST).

Purchase Order (PO): A formal commitment from the University to the Supplier raised in eProcurement to order and pay for the goods or services requested. A PO requires financial approval by a staff member with the appropriate expenditure delegation authority.

Purchasing Team: Responsible for creating POs, creating and maintaining Suppliers to ensure compliance with University procedures.

Supplier: An external party that has supplied goods or services to the University and provided their Australian Business Number (ABN) or a completed Australian Tax Office (ATO) Statement by Supplier form.