SUPPLIER AND PAYMENT PROCEDURES 2022

Issued by: Chief Financial Officer

Dated: 9 December 2022 (commencing 12 December 2022)

Last amended: 19 February 2024 (administrative amendments)

Signature:

Name: Wayne Andrews

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1   Purpose and application

(1)   These procedures are to give effect to the *Procurement Policy 2019* ("the policy").

(2)   These procedures apply to the:

        (a)   creation, amendment and inactivation of supplier details;

(b)   creation, amendment and inactivation of payee details; and

(c)   payments for:

     (i)   purchase orders, through the UniBuy procurement system;

     (ii)   non-purchase order payment requests, through the UniBuy procurement system; and

     (iii)   other system generated payments.

Note: Supplier details in the finance system are also used in the UniBuy procurement system.

(3)   These procedures do not apply to payments made through the University's:

(a)   human resources payroll system; and

(b)   travel and expense management system, including corporate card and expense reimbursement payments to University staff and higher degree research students.

Note: Refer to the *Travel Policy 2018*, *Travel Procedures 2018* and *Corporate Card Procedures 2019*.

2   Commencement

These procedures commence on 12 December 2022.

3   Interpretation

(1)   Words and phrases used in these procedures and not otherwise defined in this document have the meanings they have in the policy.

ABN	means Australian Business Number, which is a unique identifier issued by the Australian Business Register, operated by the Australian Taxation Office.
GST	means goods and services tax.
honorarium	means an honorary payment to an individual in recognition of services voluntarily provided to the University without expectation of payment. An honorarium is generally provided to help cover costs for volunteers and guest speakers.
payee	means an individual or organisation to whom or to which the University makes a payment, other than a supplier of goods and services.
supplier	means an organisation supplying goods and services to the University, that has provided their ABN or a completed Australian Tax Office *Statement by Supplier* form to the University.
supplier tax invoice	means an invoice: • from an external party that has supplied goods and services; • that is compliant with the *A New Tax System (Goods and Services Tax) Act 1999 (Cth);* and • that includes a unique supplier invoice number.

PART 1 – SUPPLIER DETAILS MANAGEMENT

4 General principles

The Procurement Enablement Team manages supplier details in the University's finance system.

5 Creating a new supplier

(1) New suppliers must be created in the finance system, in the manner specified in the Services Portal at 'How to add a new supplier'.

(2) For payments over $30,000, a supplier can be requested to provide their bank details to the Procurement Enablement Team in the form of:

    (a) a copy of a bank statement or bank letter verifying the supplier's account details;

    (b) a supplier letterhead with confirmation of bank details; or

    (c) a voided cheque which includes the supplier's name, bank account and bank branch details.

6 Amending supplier details

Supplier details can be amended by either:

    (a) the business unit or UniBuy Desk liaising with the supplier and facilitating changes to be made by the Enablement Team;

or

    (b) the supplier updating their details online.

Note: Supporting documentation may be written documents provided by the supplier or supplier details in the format specified by the University.

7 Inactivating a supplier

(1) An automated monthly program runs in the finance system inactivating any supplier with no activity (i.e., no purchase order, invoice or payment) in the prior 15 months.

(2) A business unit can request the UniBuy Desk to inactivate a supplier on an ad-hoc basis where the supplier is no longer supplying goods or services to the University.

PART 2 – PAYEE DETAILS MANAGEMENT

8   General principles

(1)   The Procurement Enablement Team manages payee details in the University's finance system.

9   Creating a new payee

New payees must be created in the finance system, in the manner specified in the Services Portal at 'Before you submit a payment request'.

10   Amending payee details

Payee details can be amended by the business unit or UniBuy Desk liaising with the payee and facilitating changes.

Note: Supporting documentation can be either written documents provided by the payee or payee details in the format specified by the University.

11   Inactivating a payee

(1)   A monthly program is set up to run in the finance system which inactivates any payee with no activity (i.e., no purchase order, invoice or payment) in the prior 15 months.

(2)   A business unit can request the UniBuy Desk to inactivate a payee on an ad-hoc basis where the payee will not require further payment from the University.

PART 3 – PAYMENT MANAGEMENT

12   Supplier payments

(1)   The finance system will generate a payment to a supplier after the receipt of the goods or services has been matched to an approved purchase order and a valid tax invoice in the UniBuy procurement system.

(a)   Payment will be made in accordance with the University's standard payment terms, generally 30 days from the invoice date for University suppliers.

(i)   A delivery docket or monthly statement is not a valid supplier tax invoice.

(ii)   Any deviation from the University's standard 30 days payment terms requires Chief Financial Officer approval.

(iii)   Any deviation from the requirement for purchase orders requires Chief Financial Officer approval.

Note: Commercial agreements must be approved by the relevant delegate, as specified in the *University of Sydney (Delegations of Authority) Rule 2020.*

(2)   Valid supplier tax invoices must include the following information:

   (a)   purchase order reference number;

   (b)   University contact details;

   (c)   invoice date;

   (d)   a unique invoice number;

       Note: Invoices that do not contain a unique supplier invoice number will be returned to the supplier.

   (e)   ABN or statement by supplier, as applicable;

   (f)   GST shown as 'nil' or '10%';

   (g)   total amount payable;

   (h)   address;

   (i)   bank details; and

   (j)   email address.

(3)   The Accounts Payable Team must match the ABN and bank details on the invoice to the supplier details in the finance system.

(4)   The finance system will generate a payment to a non-purchase order supplier after a delegate has approved the transaction, for specifically identified low-risk procurement categories in accordance with clause 10(3) of the policy.

13   Payee payments

(1)   Payee payments can only be made for specific payment types listed in 'When to use a payment request'. These include:

   (a)   student prizes and scholarships;

   (b)   expense reimbursement to non-higher degree by research students and non-staff;

   (c)   honoraria.

(2)   An honorarium must not:

   (a)   exceed $1,000; or

   (b)   be paid to an individual with whom the University has a contract for services.

   Note: Refer to 'What is a thank you (honorarium) payment?'.

(3)   The finance system will generate a payment to a payee after the payment request has been entered and approved in the UniBuy procurement system.

   (a)   Refer to 'How to submit a payment request' and 'What supporting documents do I need to submit a payment request?'.

(4)   Some payments which involve multiple payees are uploaded to the finance system, including:

   (a)   payments to examiners of research theses which are implemented through the Higher Degree Research Administration Centre (HDRAC) and paid through the finance system; and

   (b)   student payments.

(5)   Payments to staff must be made through the travel and expense management system or the human resources payroll system.

(6)   Payments to students for scholarships, prizes, awards and bursaries managed by Student Administration Services should be made through the student administration system.

(7)   Payments to higher degree by research students must be made through the travel and expense management system.

14   Payments originating from other systems

Payments will be processed in the finance system for the following designated systems:

(a)   travel and expense management system;

(b)   library purchasing system; and

(c)   student commissions.

15   Goods and services tax (GST)

GST is accounted for in the finance system based on the GST code entered when recording the invoice.

(a)   The system default taxable code is GST standard, where the payment voucher includes 10% GST.

(b)   In the UniBuy procurement system the supplier is responsible for submitting the correct tax treatment for their invoice.

(c)   The Accounts Payable Team is responsible for verifying the correct GST code has been applied.

(d)   The payment amount exclusive of GST will be shown against the business unit's account code entered for the payment voucher.

(e)   The GST amount is accounted for in a central account for Financial Control and Treasury to complete the monthly Australian Taxation Office business activity statement return.

16   Payments to suppliers and payees

(1)   Payments to suppliers and payees are generated by the Treasury Analyst.

(a)   Payment is generally by:

(i)   electronic funds transfer (EFT) for suppliers and payees with an Australian bank account; and

(ii)   telegraphic transfer (TT) for suppliers and payees with an overseas bank account.

(b)   Payment runs are generated on the following working days:

(i)   suppliers and payees with an Australian bank account: Tuesday and Friday;

(ii)   students: Tuesday and Friday; and

(iii)   suppliers and payees with an overseas bank account: Thursday.

(c)   EFT payments are generally deposited in a supplier's or payee's bank account within two working days after the payment has been generated.

(2)   In exceptional circumstances the Treasury Analyst can arrange for a payment to be made by cheque rather than EFT.

(a)   The Treasury Analyst can make additional payment runs, subject to the approval of the Treasurer.

(b)   To cancel an unpresented cheque payment, the business unit must complete a cheque cancellation notification form and send it to the Treasury Analyst at Syd_Uni_Treasury_Ops@sydney.edu.au.

(3)   Payment run schedules are approved by the relevant delegate, as specified in the *University of Sydney (Delegations of Authority) Rule 2020.*

17   Retention of records

All payment voucher supporting documentation should be scanned into the relevant systems.

(a)   The original supporting documentation must be retained by the business unit until the University's relevant annual financial report is published.

(b)   Any supporting documentation that has not been scanned into the relevant systems must be retained by the business unit in accordance with the *Recordkeeping Policy 2017* and *Recordkeeping Manual*.

Note: At the date of these procedures, records are to be retained for a minimum of seven years.

18   Roles and responsibilities

(1)   **Business units, including the UniBuy Desk, Finance Operations,** are responsible for:

(a)   facilitating receipt of supplier and payee details to create, amend or inactivate a supplier, prior to submitting the request; and

(b)   correctly entering data in the finance system and attaching all required supporting documentation, including bank details.

(2)   **Procurement Enablement Team, Finance Operations** are responsible for:

(a)   managing all supplier and payee details in the finance system, including requests to create, amend or inactivate a supplier.

(3)   **Accounts Payable Team, Finance Operations** are responsible for:

(a)   matching the ABN and bank details on the invoice to supplier details in the finance system;

(b)   overseeing the accuracy of all payment vouchers entered in the finance system for suppliers and payees; and

(c)   reviewing and endorsing the proposed payment run.

(4)   **Treasury Analyst, Financial Control and Treasury** is responsible for generating payments to suppliers and payees.

19   Rescissions and replacements

This document replaces the Supplier and Payment Procedures 2019, which commenced on 20 December 2019.

NOTES

Supplier and Payment Procedures 2022

Date adopted: 9 December 2022

Date commenced: 12 December 2022

Date amended: 19 February 2024 (administrative amendments)

Administrator: Chief Procurement Officer

Review date: 12 December 2027

Related documents: University of Sydney (Delegations of Authority) Rule 2020

Cyber Security Policy 2019

Procurement Policy 2019

Recordkeeping Policy 2017

Travel Policy 2018

UniBuy Procurement Procedures 2019

Corporate Card Procedures 2019

Cyber Security Procedures 2019

Travel Procedures 2018

Recordkeeping Manual

AMENDMENT HISTORY

Provision	Amendment	Commencing
12(4)	New subclause added	19 February 2024