



Policy Hierarchy link			
Responsible Officer	Director – Finance Shared Services and Corporate Finance Advisory Services		
Contact Officer	Accounts Payable or email to Financehelp@unsw.edu.au		
Superseded Documents	New procedure		
File Number	2015/19273		
Associated Documents	Procurement Procedure Purchase Order Procedure Purchase Order Terms and Conditions Credit Card Procedure		
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1.0	Acting Vice-President, Finance and Operations	12 February 2015	01 January 2015

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1. Purpose and Scope

The purpose of this document is to outline the Accounts Payable process including payments that are applicable to the UNSW.

This procedure applies to all UNSW staff who participate in the Accounts Payable cycle.

2. Definitions

Accounts Payable – UNSW department responsible for processing invoices and payments.

Asset Instalments – Milestone payments made in advance of receipt of equipment or similar assets.

Tax Invoice – A document which shows the supplier charges for goods delivered or services provided. It contains pricing, details of types of goods or services sold, Australian Business Number, indicates whether it includes GST and the total charged.

Express payment – A payment process used by Accounts Payable if an urgent payment is required.

NS Financials – UNSW's finance system, which is a software application, provided by Oracle/PeopleSoft. The system is referred to as NS Financials at UNSW. It is the technology used for purchasing (and other) financial processes and transactions.

Payment Terms – Agreed number of days between delivery and payment.

Purchase Order – Formal document issued by the UNSW to vendors specifying goods and or service requirements.

University Staff – All employees of UNSW including fixed-term, casuals and persons who are engaged to perform work as independent contractors authorised to undertake purchasing on behalf of the UNSW.

Vendor – The external party or entity providing goods and or services to UNSW. They include Australian and non-Australian entities, sole-traders, firms, incorporated and publicly listed companies, GST registered and non-registered entities. They can be manufacturers, distributors, franchisors, retailers, resellers, merchants, agents and individuals. UNSW employees are not considered vendors. Also, referred to as Suppliers.

Three-way matching – The automated process in NS Financials that matches the purchase order and invoice for receipt, price and vendor.

3. Accountabilities

Department	Accountabilities
Accounts Payable Shared Services	<ul style="list-style-type: none">❖ Invoice processing and payment❖ Vendor creation in NS Financials and amendment
University staff	<ul style="list-style-type: none">❖ Purchase order creation and goods receipting❖ Prompt submission of invoices with correct information to enable processing of invoices and payments by Accounts Payable❖ Request the vendor creation

4. Vendor creation

UNSW staff complete the Vendor Creation and Change form and provide the following information:

- Type of request - create new vendor or change existing vendor
- Location where the vendor will be processed – Sydney or Canberra
- UNSW staff primary and secondary contact details
- Secondary contact details is only required as an alternative contact, if the primary contact is expecting to be on leave
- Vendor/Supplier email address

The vendor will receive an email containing the vendor application form for completion. Once the vendor completes the form, the UNSW requestor will review the information provided by the vendor and then submit to Accounts Payable for creation in NS Financials.

Note: In rare circumstances if the vendor does not have access to the internet, UNSW staff can complete the form on their behalf.

For further information please use the following link:

https://www.fin.unsw.edu.au/OurServices/FinancialOperations_AccountsPayable_VendorCreation.html

5. Invoice Processing

5.1 Invoice Requirements

The following must be met before invoices can be processed:

- Invoice must be addressed to UNSW.
- Invoice should include Vendor/Supplier name, business address, amount and description of goods and or services provided.
- Australian Vendors must provide a Tax invoice. A Tax invoice must include the price of sale, whether it includes GST and the vendors Australian Business Number (ABN).
- If goods and or services are ordered using a UNSW purchase order the Vendors/Suppliers invoice must contain the relevant purchase order number.
- Invoices with UNSW purchase orders must meet three way matching requirements.

Unsuccessful three-way matching in NS Financials will result in exception errors.. Invoices with exceptions are put on hold until the exceptions are resolved. Accounts Payable coordinates with the relevant UNSW staff member to resolve these exceptions to enable posting and payment of invoices on hold.

Electronic PDF invoices are preferred and should be emailed to invoiceap@unsw.edu.au

When goods or services have been delivered and accepted they must be receipted in NS Financials.

5.2 Payment Request Form (PR1)

UNSW Purchasing Policy supports the use of Purchase Orders accompanied by a vendor invoice as the preferred method of purchasing. However, it is recognised that there are certain approved payment types where a purchase order and invoice are not appropriate. Then a "Payment Request Form-PR1" needs to be used.

For further information about the PR1, please use the following link

https://www.fin.unsw.edu.au/OurServices/FinancialOperations_AccountsPayable_Forms_PaymentRequest.html

5.3 Invoice Processing Time

Invoices received by Accounts Payable that meet requirements will be processed in NS Financials within 3 business days. Payments will be made according to agreed terms and schedule listed in point 6.

6. Payment cycle

Payments are processed three times a week for local vendors including employee and student reimbursements and daily for overseas vendors. All payment remittances are emailed electronically.

Payments are scheduled as follows:

Schedule Pay Cycle	Monday	Tuesday	Wednesday	Thursday	Friday
Local vendors including employee and student reimbursements	✓	✓			✓
Overseas Vendors	✓	✓	✓	✓	✓

7. Other

7.1 Asset Instalments

A multi-line purchase order indicating milestone payments is required for asset instalments. Receipting should be completed according to payment due dates. A copy of the invoice or pro-forma invoice marked as "PREPAYMENT" should be sent to Accounts Payable for processing.

For further information please use the following link

<https://www.fin.unsw.edu.au/files/News/FAQBuyersAssetsAC.pdf>

7.2 Express Payments

Express payments may only be requested from Accounts Payable if the following criteria are met:

- Significant penalty or late fees will be incurred or discount foregone.
- Meeting UNSW statutory or compliance obligations (e.g. tax or payroll).

All express payments must be approved by the Associate Director – Finance Shared Services or nominated delegate.

The method of express payments is limited to electronic funds transfer (EFT) only.

7.3 Employee and Student Reimbursements

The purpose of reimbursements is to refund employees or students when personal funds are used to incur UNSW related expenditure.

Reimbursements are processed through the expense module in NS Financials. Reimbursements can be completed in NS Financials by the employee or student who incurred the expense or on behalf of someone else. Approval of these claims must be submitted to a person with financial delegation.

(https://www.fin.unsw.edu.au/NSF_KnowledgeBase/FKB_FD.html)

The approver must ensure that the expenditure is appropriate and that receipts and tax invoices are attached to the claim.

Once a claim is approved payment will be made in the next payment run.

For further information please use the following link

https://www.fin.unsw.edu.au/NSF_KnowledgeBase/FKB_EX.html

7.4 Payment Terms

UNSW complies with agreed payment terms and endeavours to take advantage of discounts offered for prompt payment.

UNSW's default payment terms are 30 days end of month from invoice date. Where payment terms are less than 30 days, a higher payment term should be negotiated wherever possible.

If no payment term is specified on the invoice, UNSW shall pay within 30 days of the end of the month in which the vendors invoice is received.

7.5 Payment channels

UNSW maintains multiple payments methods as part of its commitment to efficiently pay for goods and or services provided. The payments channels are to be used appropriately to maintain payment efficiency and effectiveness for UNSW.

The payment channels are as follows:

1. **Cash:** Payment by cash must be avoided at all times.
2. **Petty cash:** Use of petty cash is restricted to the purchase of goods and or services up to a maximum of \$100 for any single transaction, approved by the relevant immediate supervisor with financial delegation.

Petty cash shall not be used for the following:

- Purchases in excess of \$100.
- Items for the use of staff including food, drinks and gifts.
- Claims for travel and car mileage.
- Payment of subsistence (e.g. per diem).
- Payment of workers compensation claims.
- Payment to a person for services which are subject to income tax. These expenses should be forwarded to UNSW Salaries section. These include typing, translating and lecturing.
- Purchase of library books and library reference material.
- Payment of motor vehicle infringement notices (e.g. parking or speeding).

The expense module in NS Financials must be used for employee and student reimbursements.

UNSW is endeavouring to mitigate risk across Campus by eliminating as much as possible cash transactions. To this aim UNSW hopes to remove all on Campus Petty Cash Floats in 2015.

- 3. Credit card:** UNSW credit cards are intended to provide an efficient method of purchasing travel, accommodation and low value goods and services where no preferred supplier agreement is in place for UNSW business purposes. Use of credit cards should strictly follow the credit card procedure.

For further information please use the following link

<https://www.gs.unsw.edu.au/policy/documents/creditcard.pdf>

- 4. Electronic Funds Transfer:** This is the preferred payment method for all domestic payments.
- 5. Cheques:** These should be used in exceptional circumstances only (e.g. the preferred payment method (EFT) is not available).
- 6. Drafts:** These should be used in exceptional circumstances only.

Effective 1st January 2015 a \$15 processing fee will be charged to business units that have requested cheques or drafts. This fee will not be charged if the option to pay electronically is not available.

- 7. Overseas electronic transfers:** This is the preferred payment method for all international payments (including transfer if appropriate for Visiting Academics).

8. Review & History

This procedure is new and therefore no earlier versions are superseded. It will be reviewed annually and on an ad hoc basis if required.

Version	Authorised by	Approval Date	Effective Date	Sections modified
1.0	Acting Vice-President, Finance and Operations	12 February 2015	1 January 2015 to 17 July 2016	This is a new Procedure