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; and
   (b) payments for:
      (i) purchase orders, through the UniBuy procurement system;
      (ii) non-purchase order payment requests; 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.

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

### 2 Commencement

These procedures commence on 20 December 2019.

### 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 provided to the University without expectation of payment. An honorarium is generally provided to help cover costs for volunteers and guest speakers.

- **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 MANAGEMENT

### 4 General principles

(1) The Procurement Enablement Team in Procurement Services manages supplier details in the University’s finance system.

(2) A supplier must provide supplier bank details to the Procurement Enablement Team in the form of:

(a) a copy of a bank statement or bank letter verifying the supplier accounts 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.

5 Creating a new supplier in the finance system

(1) The business unit or UniBuy Desk requesting the creation of a new supplier in the finance system must arrange for the supplier to complete the supplier detail request form.

(a) Procurement Services must:
   (i) verify that the supplier does not already exist in the finance system;
   (ii) consult the Australian Business Register and verify that the supplier is registered and their details are correct;
   (iii) obtain the supplier bank account details in the form specified in subclause 4(2), to enable payment to be made by electronic funds transfer (EFT); and
   (iv) manage information communication technology suppliers in accordance with the Cyber Security Procedures 2019 and technical standards.
(b) If a supplier does not have an ABN, the supplier must provide a Statement by a Supplier form.
   (i) The statement by a supplier form must be attached to the request to create the supplier in the finance system.

(2) The requesting unit must send the completed request form and supporting documentation to procurement.suppliers@sydney.edu.au for verification and approval.

(3) After the supplier is created in the finance system, purchase orders and invoice payments can be processed in the procurement and associated systems.

6 Amending supplier details

(1) The business unit or UniBuy Desk requesting to amend a supplier’s details must complete the supplier detail request form.

(a) Supporting documentation must be scanned and attached to the request.
(b) Any changes to supplier bank details must be received in the form specified in subclause 4(2).

(2) The requesting unit must send the completed request form and supporting documentation to procurement.suppliers@sydney.edu.au for verification and approval.

7 Inactivating a supplier

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

(2) The business unit or UniBuy Desk requesting to inactivate a supplier must complete the supplier detail request form.
(a) The requesting unit must verify that there are no unpaid payments due to the supplier.

(b) Supporting documentation must be scanned and attached to the request.

(3) The requesting unit must send the completed request form and supporting documentation to procurement.suppliers@sydney.edu.au for verification and approval.

PART 2 – PAYMENT MANAGEMENT

8 Purchase order 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) Once the matching has occurred, 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.

Note: Commercial agreements must be approved by the relevant delegate, as specified in the University of Sydney (Delegations of Authority) Rule 2020. Any deviation from standard 30 day payment terms in these agreements requires Chief Financial Officer approval.

(2) Valid supplier tax invoices (in pdf format if received electronically) must include the following information:

(a) purchase order reference number;

(b) University contact details;

(c) invoice date;

(d) invoice number;

   (i) the invoice number must be a unique invoice number for the supplier.

   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) address;

(h) supplier bank details; and

(i) email address.

(3) The Accounts Payable Team in Procurement Services must also match the ABN and bank details on the invoice to the supplier details in the finance system.
9 Non-purchase order payments

(1) Non-purchase order payments can only be made for the following payment types:
   (a) bank charges and fees;
   (b) staff prizes and scholarships;
      (i) Non-cash gift cards must be acquired using a corporate card and
           accounted for in the travel and expense management system.
      Note: Refer to the Corporate Card Procedures 2019.
   (c) student research allowances;
   (d) sponsorships;
   (e) research grant payments;
   (f) refunds and reimbursements; and
   (g) honorarium.

(2) An honorarium must not:
   (a) exceed $1,000; or
   (b) be paid to an individual in relation to whom the University has a contract for
       services.

(3) Payments to examiners of Doctorate and Masters by research thesis for both
    international and domestic examiners is implemented through the Higher Degree
    Research Administration Centre (HDRAC) and paid through the finance system.

(4) Payments to staff other than for staff prizes or scholarships must be made through
    the travel and expense management system or the human resources payroll
    system.

(5) Payments to students for scholarships, prizes, awards and bursaries must be
    made through the Sydney Student system.

(6) The Accounts Payable Team in Procurement Services will process non-purchase
    order payments using either:
    (a) a valid supplier tax invoice; or
    (b) a payment request form.

(7) Valid supplier tax invoices (in pdf format if received electronically) must include the
    following information that has been verified as correct by the requesting business
    unit:
    (a) University contact details;
    (b) invoice date;
    (c) invoice number;
       (i) the invoice number must be a unique invoice number for the supplier.
       Note: Invoices that do not contain a unique supplier invoice number will be
            returned to the supplier.
    (d) ABN or Statement by Supplier, as applicable;
    (e) GST shown as ‘nil’ or ‘10%’;
    (f) address;
    (g) supplier bank details; and
(h) email address.

(8) The business unit requesting the non-purchase order payment must provide:

(a) sufficient detail to explain what the payment is for and the period it covers;
(b) supporting documentation;
(c) the correct account code;
(d) a completed fringe benefit tax (FBT) declaration for applicable payments; and
(e) a Statement by Supplier form for any new supplier with no Australian Business Number.

(9) The requesting business unit must certify and approve the non-purchase order payments before payment can be made.

(a) The goods and services specified must be certified as having been satisfactorily received.
(b) The payment must be approved by the relevant delegate, as specified in the University of Sydney (Delegations of Authority) Rule 2020.
(c) The certifier and approver cannot be the same person.

(10) Unless approved by the Chief Financial Officer, payment will be made in accordance with the University’s standard payment terms, generally within 30 days from the later of:

(a) the invoice date; and
(b) confirmation of the receipt of the goods and services.

(11) The Payment Officer in the Accounts Payable Team is responsible for

(a) running a report to check the integrity of data and the vouchers created in the system; and
(b) reviewing the payment files on payment days.

10 Urgent payments

(1) A request for an urgent payment should only be used in exceptional circumstances.

(2) All urgent payment requests must be sent to unibuy.invoices@sydney.edu.au.

(a) The reason for the urgent payment must be included in the email and ‘Urgent payment’ entered in the email subject line.

(b) Urgent payment emails received and approved:

(i) on Monday, Tuesday or Wednesday, will be paid on Friday;
(ii) on Thursday or Friday, will be paid on the following Tuesday; or
(iii) by Monday for overseas suppliers, will be paid on Thursday.

11 Other system generated payments

System generated payments will be processed in the finance system for the following designated procurement systems:
(a) travel and expense management system;
(b) MyLab; and
(c) library purchasing system.

12 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.

13 Payments to suppliers

(1) Payments to suppliers are generated by the Treasury Analyst in Financial Control and Treasury, based on the payment due date of approved payment vouchers in the finance system.

(a) The payment method is generally by:
   (i) electronic funds transfer (EFT) for suppliers with an Australian bank account; and
   (ii) telegraphic transfer (TT) for suppliers with an overseas bank account.
(b) Payment runs are generated on the following working days:
   (i) suppliers with an Australian bank account: Tuesday and Friday;
   (ii) students: Tuesday and Friday; and
   (iii) suppliers with an overseas bank account: Thursday.
(c) EFT payments are generally deposited in a supplier’s bank account within two working days after the payment has been generated.

(2) In special circumstances the Treasury Analyst, Financial Control and Treasury can arrange for a payment to be made by cheque rather than EFT.

(a) The Treasury Analyst, FCT can make additional payment runs, subject to the approval of the Treasurer, Financial Control and Treasury.
(b) To cancel an unpresented cheque payment, the business unit must complete a cheque cancellation notification form and send it to the Treasury Analyst, FCT 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.
14 Retention of records

(1) All payment voucher supporting documentation should be scanned into the relevant systems.
   (a) The original scanned 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 7 years.

(2) Procurement Services is responsible for providing an executed copy of the contract to Archives and Records Management Services for inclusion in the university’s contracts register, for purchases managed through Procurement Services.
   (a) For purchases that have not been managed by Procurement Services, the purchaser is responsible for providing an executed copy of the contract to Procurement Services and to Archives and Records Management Services.

15 Roles and responsibilities

(1) Business units, including the UniBuy Desk, are responsible for:
   (a) recording correct supplier details in all requests to create, amend or inactivate a supplier, prior to submitting the request;
   (b) attaching required supporting documentation, including the bank details specified in subclause 4(2); and
   (c) ensuring that all non-purchase order payment requests are correct and documented in accordance with these procedures, and they have been certified and approved.

(2) Procurement Enablement Team, Procurement Services are responsible for verifying and approving all supplier detail requests to create, amend or inactivate a supplier.

(3) Procurement Enablement Manager, Procurement Services is responsible for the integrity of the supplier listing in the finance system.

(4) Accounts Payable Team, Procurement Services are responsible for:
   (a) overseeing the accuracy of all payment vouchers entered in the finance system;
   (b) verifying and processing non-purchase order payment requests;
   (c) verifying the accuracy of the payment vouchers entered in the finance system on a daily basis; and
   (d) approving the proposed payment run.

(5) Treasury Analyst, Financial Control and Treasury is responsible for generating payments to suppliers.
16 Rescissions and replacements

This document replaces the following, which are rescinded as from the date of commencement of this document:

(a) Supplier Master Listing Procedures, which commenced on 30 March 2015; and
(b) Accounts Payable Payment Procedures, which commenced on 10 December 2010.

NOTES
Supplier and Payment Procedures 2019

Date adopted: 10 December 2019
Date commenced: 20 December 2019
Date amended: 1 October 2020
Administrator: Chief Procurement Officer
Review date: 20 December 2024

Rescinded documents: Supplier Master Listing Procedures
                     Accounts Payable Payment Procedures

Related documents: University of Sydney (Delegations of Authority) Rule 2020
                  Cyber Security Policy 2019
                  Procurement Policy 2019
                  Recordkeeping Policy 2017
                  Travel Policy 2018
                  Corporate Card Procedures 2019
                  Cyber Security Procedures 2019
                  Travel Procedures 2018
                  Recordkeeping Manual
## AMENDMENT HISTORY

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