Monash University Procedure

### Procedure Title
Vendor Payments – Invoices Procedures (Australia only)

### Parent Policy
Vendor Payments Policy (Australia Only)

### Date Effective
09-December-2008

### Review Date
09-December-2012

### Procedure Owner

### Category
Operational

### Version Number
1.1

### Content Enquiries
Finance Policy

### Scope

### Purpose

## PROCEDURE STATEMENT

1. **Processing an Invoice**

   Multiple vendor invoices must not be processed under one SAP transaction as the resulting remittance advice entry will not enable the vendor to clearly identify which invoices have been paid. Reference numbers and dates on vendor invoices must be keyed into SAP exactly as they appear on the invoice. If these details are entered consistently the system will readily identify duplicate invoice payments.

   **Responsibility**
   Invoice Processor

   Only original supplier invoices are to be processed. If it is necessary to process a photocopy of an invoice (because the original was destroyed, lost or otherwise unavailable) the processor is to check on the system that the invoice has not been previously processed. The processor must attest to this check being carried out by annotating the invoice accordingly.

   **Responsibility**
   Invoice Processor

2. **Processing an Invoice for Foreign Currency**

   Charges for foreign currency payments will be apportioned to the cost centre as per the account code charged on the original invoice. If the payment is to be made from hedged funds, advice must be sought from the Director, Treasury. If the vendor is already set up on SAP, process the invoice via SAP nominating a Document Type “BA” or “BW” and the currency.

   **Responsibility**
   Invoice Processor
3. Processing an Invoice against a Purchase Order

The responsible officer processing the invoice must be a different person to those who raised the original purchase order and receipted the goods/service.

**Responsibility**
Invoice Processor

A price tolerance of 20% or $200 (whichever is the lower) will be applied by the system in checking the invoice against the purchase order item price. In addition, unplanned delivery charges with a value less than $100 can also be processed. Invoices that are outside the defined tolerances cannot be processed for payment. The invoice must be investigated and either the purchase order and/or goods receipt data changed to reflect the invoice or a new invoice requested from the vendor.

**Responsibility**
Invoice Processor

Process the invoice in SAP against a purchase order ensuring the supplier bank and address details, quantities, prices and GST application are as per the invoice and that the invoice is tax compliant.

**Responsibility**
Invoice Processor

4. Processing a Direct Invoice

A direct invoice may only be processed without the need to raise a purchase order for items/suppliers listed in Schedule A. In all other circumstances, a purchase order must be raised, even if it is retrospective.

**Responsibility**
Invoice Processor

Process the direct invoice in SAP ensuring the supplier bank and address details, quantities, prices and GST application are as per the invoice and that the invoice is tax compliant.

**Responsibility**
Invoice Processor

Approve the direct invoice in SAP ensuring compliance to the Vendor Payments Policy, that there are funds available in the fund(s) specified and that the account codes and support documents are correct.

**Responsibility**
Invoice Approver

5. Processing an Invoice for a one-time Vendor

If the vendor does not exist in SAP and is to provide goods/services on a one-time only basis over a twelve month period, the invoice can be processed via the Reimbursement Claim Forms Procedures.
### Definitions

**Document Type “BA”**: When processing an invoice on SAP, the field “Document type” is filled with “BA” to denote that an Overseas Draft will be created and mailed to the vendor.

**Document Type “BW”**: When processing an invoice on SAP, the field “Document type” is filled with “BW” to denote that a Telegraphic Transfer payment will be sent directly to the vendor’s bank account.

**Schedule A**: Those expenditure items denoted as able to be processed by a direct invoice, set out in the table

**Hedged Funds**: Foreign currencies purchased for the purpose of avoiding adverse fluctuations in the future movement in the value of those currencies.