SUPPLIER PAYMENTS PROCEDURE

SCOPE

This procedure applies to staff, students and suppliers involved in the purchase and sale of goods and/or services at all Monash University locations.

For the purpose of this procedure, references to 'Monash' includes activity at Monash University Australia, Monash University Malaysia and Monash Suzhou, unless indicated otherwise.

PROCEDURE STATEMENT

Monash supports the procurement of goods and services where there is a demonstrated business need. This procedure outlines how supplier payments are facilitated for purchases on behalf of Monash.

Staff should refer to Monash's Procurement Policy and Procedure for information on undertaking procurement activities on behalf of Monash.

1. University suppliers

Creating a supplier account

1.1 The creation and management of supplier accounts is undertaken by:

- the Supplier Engagement Team (SET), Finance Operations for Monash University Australia; and
- the Procurement and Accounts Payable Team (AP) for Monash University Malaysia.

1.2 For a new supplier account to be created, the staff member responsible for raising the purchase request (the requestor) must submit:

- a request via Monash's e-procurement platform(s), Coupa for Monash University Australia or eProcure for Monash University Malaysia;
- an online form for a visitor claim; or
- an invoice for a library or supermarket vendor to: paymentservices-lib.invaccounts@monash.edu for library or for supermarket retail.payables@monash.edu. On receipt of an invoice, library and supermarket vendors must then complete and return a manual form to Monash prior to creation in Monash's accounting platform.

1.3 A vendor will not be created where there is conflict with existing strategic or endorsed supply arrangements, unless an exemption is approved in line with Monash's Procurement Policy.

1.4 Prior to creating a new account, SET or AP must obtain all relevant account information from the supplier, including source documentation evidencing the supplier's bank account details.

1.5 Monash will only engage with:

- Australian based suppliers that hold an active ABN; or
- Malaysian-based suppliers that are actively registered with the Companies Commission of Malaysia (CCM).

1.6 Requests to engage a supplier that does not meet the applicable registration requirement (eg a one-off payment to an individual who is not carrying on an enterprise, engagement of a foreign supplier not required to hold the relevant registration or another exceptional circumstance where the engagement is lawful, necessary and presents an acceptable level of financial and compliance risk) must:

- be submitted in writing before the supplier is engaged or any commitment is made;
- explain the reason why the supplier cannot obtain or provide the required registration;
- demonstrate that engaging the supplier is necessary and that no suitable registered supplier is reasonably available;
- include any supporting documentation and proposed financial, taxation or compliance controls; and

- be approved by Payments Services/Finance Operations for Australian-based suppliers or AP for Malaysian-based suppliers.

Approvals to engage a supplier that does not meet the applicable registration requirement must not be granted solely on the basis for administrative convenience, urgency, or to avoid Monash's supplier onboarding and due diligence requirements.

Modifying supplier information

1.7 Where a supplier requests a change to their account, SET or AP will undertake a verification process to confirm authenticity of the request prior to updating the information in Monash's accounting platform. The verification process will be based on whether a request is made to change sensitive supplier information or non-sensitive supplier information.

Deactivating a supplier

1.8 ABN audits are undertaken on a monthly basis with all active supplier records reviewed on an annual basis. A supplier will be deactivated if either of:

- the suppliers ABN becomes cancelled (where applicable) or;
- where there has been no account activity for more than 18 months and no open orders exist.

1.9 Where the supplier requests their account be deleted, SET or AP will undertake the following:

- seek confirmation from the supplier of the reason for deleting the account and the supplier's current details; and,
- implement restrictions on the supplier record to deactivate the account.

2. Invoicing requirements

Purchase requisitions

2.1 All purchase requisitions must be raised in Monash's e-procurement platform.

2.2 Prior to engaging a vendor or commencing services under an agreement, the requestor must complete all relevant fields, including details of the purchase, commodity code or item code and cost centre and fund. The supporting documentation as set out in the Procurement Policy and Procedure must be uploaded for the applicable threshold value.

2.3 Where a purchase order is in a foreign currency and exceeds the threshold values set out in the Foreign Exchange Hedging Procedure, the relevant faculty or portfolio should contact the Treasury team to assess material exposure and the approach to hedging funds prior to the purchase requisition being raised, as set out in the Foreign Exchange Hedging Procedure.

2.4 All requisitions over a value of AUD$1,000 for Monash University Australia will be submitted to the cost centre owner or authorised delegate for approval.

2.4.1 In Malaysia, requisition values are approved as outlined on the Finance intranet site.

2.4.2 All requisitions made by students, including requisitions under the value of AUD$1,000 must be approved by the student's supervisor.

2.5 After the requisition has been approved, the supplier will receive the purchase order via email and through the e-procurement portal.

2.6 The supplier must submit the invoice into the e-procurement platform or via email to invoicing@monash.edu (including the purchase order number reference) for approval by the requestor. In exceptional circumstances, the Payment & Receivable Services Manager (Australia) or the authorised member of the Accounts Payable Team (Malaysia) may approve an exemption to submitting the invoice to the e-procurement platform.

Direct invoices

2.7 A direct invoice must be addressed to Monash and clearly identify the vendor business name, address, description, value of the goods and services provided, and the value of any charges relating to the supply of goods or services.

2.8 All invoices provided by Australian suppliers must be made in accordance with Australia's GST legislation. See ATO website for more information. Invoices must be sent to invoicing@monash.edu to be entered into the e-procurement platform and submitted to the cost centre approver for review and approval.

2.9 All invoices provided by Malaysian suppliers must be made in accordance with Malaysia's Sales and Services Tax legislation. See MySST website for more information. Invoices must be entered by the requesting staff member into the e-procurement platform to be submitted to the Accounts Payable team for authorisation and verification.

One-time suppliers (Monash University Australia only)

2.10 A supplier may be treated as a one-time supplier only where all of the following conditions are met:

- the value of each purchase requisition is less than or equal to AUD$10,000 (excluding GST) from a domestic supplier; or

- the equivalent of AUD$15,000 for international vendors; and
- the supplier will not be invoicing on more than three occasions in relation to the relevant engagement.

2.11 Where these conditions are met, the supplier may be instructed to submit their invoice in accordance with the requirements in section 2.8.

2.12 A supplier that exceeds either the applicable financial threshold or the maximum number of invoices must complete Monash's standard supplier onboarding process.

Disputing an invoice and credit notes

2.13 Where a requestor is disputing an invoice that has not been paid, the requestor may dispute the invoice in the e-procurement platform. The vendor will be notified of the dispute and may amend or withdraw the invoice.

2.14 If an invoice has been paid and is subsequently disputed (ie returned or faulty goods), a credit note must be provided by the supplier. The requestor must provide the reason(s) for the dispute in the e-procurement platform.

3. Facilitating payments

3.1 Australian supplier payments are made twice-weekly, with an exemption of month-end week one payments that are made on the 30th of the month, in accordance with Monash's standard supplier terms. The standard payment term is 30 days End of Month from the date of invoice. A remittance advice will be sent with all payments.

3.2 Malaysian supplier payments are made twice-monthly, with an exception for staff claims that are made once per month.

3.3 All payments will be made by EFT (domestic payments) or wire transfer (international), unless the supplier is unable to accept payment via either method.

3.3.1 In exceptional circumstances, where EFT or wire transfers cannot be accepted, Monash may make a cheque. These payments will normally be processed on a Thursday payment run (Australia).

3.4 An urgent payment request may be sent to accounts.payable@monash.edu for Australia or to revenuefinance@monash.edu for Malaysia, with supporting rationale and documentation. The Payments Services Team Leader (Australia) or Senior Manager Finance (Malaysia) has absolute discretion to approve an out of cycle payment based on the information provided.

Other Payments

3.5 In exceptional circumstances at Monash University Australia, and with approval by the Manager, Treasury, a supplier may be paid via direct debit.

3.6 Monash may make supplier payments on a corporate credit card if a supplier only accepts payment via credit card, or where the staff member requests the payment method via the e-procurement platform due to the nature of the purchase (for example, immediate deposit requirement or subscription services). Staff who are making purchases on behalf of Monash using their corporate credit card must adhere to the requirements outlined in the Corporate Credit Card Policy and Corporate Credit Card and Reimbursements Procedure, Corporate Credit Card and Reimbursements Schedule - Monash University Malaysia and Monash University Indonesia or Expense Reimbursements and Corporate Credit Cards Schedule - Monash Suzhou (as applicable).

4. Stopping payments

4.1 A payment initiated as a cheque (in accordance with 3.3.1 above) may be stopped by initiating the Request to Cancel/Stop/Replace Cheque form.

4.2 Where the cheque has not been presented, a stop will be put on the cheque and may be reissued, if requested by the supplier.

5. Document retention

5.1 All relevant documentation will be maintained in accordance with Monash's Information Governance and Recordkeeping Procedure, and be made accessible as required by the ATO in Australia or IRB in Malaysia.

DEFINITIONS

ABN	Australian Business Number
Authorised Supplier Contact	Email accounts listed in Monash's procurement portal database as invited by the Primary Contact
ATO	Australian Tax Office

CCM	Companies Commission Malaysia
Direct Invoices	Non purchase order related invoices (non backed invoices).
EFT	Electronic Funds Transfer
IRB	Inland Revenue Board Malaysia
Purchase Order	A formal document initiated by Monash and forwarded to a Supplier, normally used to form the basis of a one-off contract between the parties for the supply of goods and/or services to Monash.
Remittance	Transfer of funds
Primary Contact	Individual that is detailed in Monash's procurement portal database
Source document	Document evidencing authenticity of a supplier's details, including bank details
Sensitive Supplier Information	Includes all bank information and the Primary Contact record

GOVERNANCE

Parent policy	Financial Management Policy
Supporting schedules	N/A
Associated procedures	Accounts Receivable Procedure Corporate Credit Card and Reimbursements Procedure Corporate Credit Card and Reimbursements Schedule - Monash University Malaysia and Monash University Indonesia Debtor Viability Assessment Procedure Expense Reimbursements and Corporate Credit Cards Schedule - Monash Suzhou Foreign Exchange Hedging Procedure Information Governance and Recordkeeping Procedure Procurement Procedure
Related legislation	N/A
Category	Operational
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