



Procedure: General principles for accounts payable & purchase card approvals

Purpose

To inform staff how to manage expenditure transaction approvals (both accounts payable & ANU Purchase Card)

Procedure

Preparing an invoice for payment

1. Upon the receipt of an invoice from a vendor, the Accounts Payable Officer must ensure that:
 - * the goods/services in respect of the account have been received or satisfactorily rendered and the conditions of the contract or agency agreement have been satisfied (this may require separate clearance from the contract/project manager);
 - * the expenditure has been approved by a delegated officer;
 - * the expenditure is correct and is being paid to the correct payee;
 - * the account has not been previously paid;
 - * the expenditure is recorded against the correct account code;
 - * the transaction is properly documented and substantiated;
 - * all taxation obligations have been identified for appropriate action;
 - * when payment is to be made in instalments, the terms and times of payment are included in the purchase order or contract document;
 - * details of purchase orders and receipt of goods are recorded against the claim for payment in the ESP Accounts Payable system;
 - * the correct invoice number and date of invoice are recorded in the ESP Accounts Payable system to allow for System Duplicate Invoice Checks;
 - * the correct vendor is selected for payment ([Vendor Search Tips](#))

- * if you are claiming the GST on an invoiced amount over \$75 that a valid tax invoice is held (see the [tax invoice checklist – question 5](#));
- * the description entered into ESP Accounts Payable System is meaningful (see the [Ledger Description Guidelines](#));
- * if withholding tax is to be applied to a payment refer to the Quick Reference Guide - [No ABN Withholding](#);
- * any credit notes received will be offset against the amount owing to the payee; and
- * all accounts are paid as close as possible to the due date, unless otherwise specified by the authorising officer.

Please note: if there is a credit note against a vendor, no payments will be made until the credit has been absorbed.

2. Claims for payment that do not meet any of the above criteria must not be created in the Accounts Payable system until the issue(s) has been resolved with the Approving Officer (delegate/agent).

Paying the Legally Entitled Claimant

3. A key factor in payment of accounts is that the payment is made to the legally entitled claimant. Sometimes a claimant may request that payment be made to another person. The University is unable to agree to any such requests. It is important that our records show that we have paid the correct payee (particularly where GST is involved).

4. It is possible however that the payee may have multiple payment names (different company/bank accounts etc). Please refer matters of this nature to financial.shared.services@anu.edu.au for consideration and decision.

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