

2.7

ISSUING OF OFFICIAL INVOICES

Policy Number: 040A/25/03/09

Scope: The policy provides the rules and regulations of SU with regard to the issuing of invoices and the income accounts that should be used.

Policy:

GENERAL

- All external work done by departments must be invoiced via the debtor's system.
- Departments create/issue their own invoices by means of program FDB030P. The financial system will reject an invoice that is created for a debtor whose account is overdue by more than 90 days. In such cases, the debtor's division should be contacted about the necessary adjustment and/or correction.
- The relevant department whose debtor(s) have debt that is overdue by more than 90 days are responsible for following up the debtor(s) concerned, since other departments are also influenced.
- All payments received must either be referred to the debtor's division or be deposited at the cashiers in the relevant debtor's account using the debtor's code and invoice as reference. Payments for invoices can never be paid into a cost point and income account.
- Requests for credit notes must be forwarded to the debtor's division. These requests with the necessary motivation and supporting documents must be approved by the head of division/department.
- A project assignment that is completed in phases over a term may not be invoiced in advance. Invoices have to be created as each phase is finalised.
- Any donation to Stellenbosch University that qualifies for a Section 18(A) donation receipt may not be requested per invoice. The procedure set out in point 10 of Donations and Receipts for Donations should be followed.

The following debtor's programs are available:

FDB030P	-	Issuing of invoices
FDB050P	-	Invoice enquiries
FDB060P	-	Debit note enquiries
FDB070P	-	Credit note enquiries
FDB120P	-	Statement enquiries
FDB095P	-	Enquiry – Debtor status
FDB125P	-	Global enquiry

ISSUING INVOICES

All external work, research, consulting and goods that are provided by departments must be invoiced via the debtor's system. All invoices that are issued must be approved by the person whose cost centre is used or by the head of department/executive head/discipline head thereof. The person who issues the invoice must ensure that the correct income account is used. If there is any doubt about the correct income account, Financial Services should be contacted.

No invoice may be created on Stellenbosch University letterheads or generated by computer programs. The debtor's system should be used at all times to create invoices.

The following income account is used when invoices are created for domestic income:

- 5388: Income sponsorships: Sponsorships are paid towards this income account. VAT is levied.
- 5413: Commissioned research: Funds obtained for contract research are paid towards this income account. VAT is levied.
- 5415: Zero-rated sales: Funds obtained from the sale of exempt products (mainly agricultural products) are paid towards this income account. No VAT is levied.

- 5597: Sundry income (Taxable): Funds obtained for services rendered, goods supplied, research and any other taxable supplies are paid towards this income account, exclusive of payments from the NRF, WRC, other statutory councils and income that belongs specifically to one of the named income accounts. VAT is levied.
- 5267: Department of Water Affairs and Forestry: Funds received from the Department of Water Affairs and Forestry is paid towards this income account. VAT is levied.
- 5270: DACTS income: Funds received from DACTS are paid towards this income account.
- 5307: Water Research Commission: Funds received from the Water Research Commission are paid towards this income account. VAT is levied.
- 5387: Income Bursaries: Funds received for paying out bursaries. No VAT is levied.
- 5777: Income received from the attendance of educational seminars, congresses and courses. No VAT is levied.

The following income account is to be used when invoices are created for foreign income:

- 5777: Income received from the attendance of educational seminars, congresses and courses.
- 5598: Foreign payments: Funds received from abroad are paid in against the income account.
- 5387: Income Bursaries: Funds received for paying out bursaries.
- 5592: Foreign Income Exempt: Foreign income received for non taxable supplies, excluding 5777, 5387 or 5373 (donations)

Please note: No VAT is levied on foreign income.

No invoice may be captured against income account 5596 without prior permission from Financial Services.

Contact Division:

Debtors