

**Effective Date:** November 2020  
**Previous Version:** None  
**Policy Owner:** Chief Financial Officer  
**Approved by:** President  
**Approval Date:** 11/1/2020

## **COMMERCIAL INVOICE PROCESSING POLICY**

### **Policy Summary**

All invoices should be processed and paid on or before their due date as specified on NewU's payment terms or the terms on the invoice unless there are favorable discount terms offered to NewU for making payment earlier.

### **Scope**

The Policy on Commercial Invoice Processing applies to all NewU Faculty and Staff.

### **Policy**

In order to ensure invoices are processed and paid timely, suppliers are requested to send all invoices directly to the CFO or his/her designee.

Supplier invoices are categorized as follows:

- A. Purchase order
- B. Blanket purchase order and release number

Invoices reacted to purchase order or blanket purchase order and release are processed from the information on the purchase order itself as follows:

1. Two-Way Matching: applies to purchase order related supplier invoices for goods less than \$5,000 and all invoices for services. The invoice will be processed and paid upon receipt and verification of the amounts and quantities or services to the purchase order.
2. Three-Way Matching: applies to purchase order related supplier invoices for goods equal to or greater than \$5,000. The invoice will be processed and paid upon receipt and verification of the amounts and quantities to the purchase order and evidence of receipt of the goods ordered.

NewU's preference is to eliminate or reduce freight charges. If freight charges are required, the freight charge must be added to the purchase order.

## **Definitions**

**Purchases:** Acquisitions made (1) through an electronic payment; or (2) with a Corporate Card.

**Two-way Match:** The invoice processing method whereby the supplier invoice is matched only to the purchase order.

**Three-way Match:** The invoice processing method whereby the supplier invoice is matched to the purchase order and to evidence of receipt.

**[End]**