

CBM Quick Process Reference Guide (QPRG)

for Handling Third-Party Payments on behalf of Partners

Process description

1. Purpose of process

Efficient handling of payments of invoices from external suppliers/service providers on behalf of project partners who cannot make a direct payment out of their accounts due to local regulations.

2. Introduction and scope

Generally, funds are transferred to the bank accounts of partners based on a Request of Fund form. It is then up to the partner to cover its relevant expenses out of available funds in their bank accounts.

If partners need to order goods or services outside of their own country, various local regulations may apply in their respective countries, which prevent the partners from transferring funds directly from their accounts to the foreign supplier/service provider. In these exceptional cases, Financial Operations in Bensheim will transfer the funds directly to the supplier/service provider on behalf of the partner.

This QPRG explains the process required to enable CBM to transfer funds directly to the supplier/service provider.

1. Basis for payments to supplier/service provider

Financial Operations will generally process the requests for direct payments to suppliers/service providers based on a final invoice together with the completed Payment Order form and an explanation as to why the invoice cannot be settled out of the partner's bank account. In some cases, the supplier requests an advance payment before delivery of the goods/services. For this purpose, the basis of a payment is the proforma invoice or the contract rather than the final invoice. Please note, however, that this should be an exception and not the norm. The final invoice must then be submitted subsequently.

3. Key stakeholders in the process

Stakeholder	Responsibility
Partner	Provides Final invoice/Proforma Invoice/contract received with the terms of payment from the supplier
RH/CO	Checks Final invoice/Proforma Invoice/contract, issues payment order form, sends

	documentation to finance@cbm.org , monitors the upload of the final invoice on ProMIS
Transaction Management (TM)	Processes the Third-party payment through Business Central
Accounting & Tax (A&T)	Transfers the payment to the partner

4. Key process principles and considerations

[insert key process principles and considerations, if applicable]

5. Specific situations

Payments from South Sudan are also handled as 3rd party payments as they need to be started in BC and NOT out of ProMIS.

6. Minimum requirements

[insert minimum requirements for the process, if applicable]

7. Detailed process step and responsibilities

Key process/Phase	Detailed process steps	Who	Participant stakeholders	Tools/Reference	Time/when
1	Provides Final invoice/Proforma Invoice/contract received with the terms of payment from the supplier	Partner		Final or proforma invoice/ contract	
2	<p>Quality of invoice checked to ensure it contains the following information:</p> <ul style="list-style-type: none"> a) Buyer: MUST be our partner b) Recipient/Consignee, if different from partner c) Invoice date d) Invoice number e) Bank details of the supplier <p>Details of the goods or services and correctness of the amounts to be paid Please note: CBM's name MUST NOT appear on the invoice.</p>	Partner		Final or proforma invoice/ contract	
3	Final or proforma invoice/ contract submitted to the respective Country Office/Regional Hub, together with an explanation in the email as to why the partner is not able to pay the invoice directly from their bank account.	Partner	RH/CO	Final or proforma invoice/ contract	
4	The documentation from the partner is reviewed. If the	RH/CO		Payment order and Final or proforma invoice/ contract	

	<p>explanation is satisfactory, see step 5.</p> <p>If the explanation is not satisfactory, request further information from partner.</p>				
5	Checks budget availability in ProMIS	RH/CO		ProMIS	
6	The payment order form is filled out, the approval according to the actual valid authority delegation is received	RH/CO			
7	<p>The payment order form is filled out according to the example, a PDF is issued out of the payment order form, Final or Proforma invoice, the Ok of the authorized person and email with explanation. All documents are combined into 1 PDF and forwarded to TM for final checks and processing in Business Central (BC) (finance@cbm.org)</p>	RH/CO	TM	1 PDF containing all relevant documentation from Steps 6 and 7	
8	The payment is transferred to the service provider/supplier through the BC payment process and mirrored back in ProMIS	A&T		BC	
9	Monitor that the final invoice is received from service provider/supplier if payment was based on proforma invoice and upload it in ProMIS	RH/CO		ProMIS and BC	

10	Random checks conducted on availability of final invoices in ProMIS	TM			
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Process Owner: Transaction Management

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