

## **Cash Collection and Disbursement**

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*American University of Armenia*

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In accordance with the legislation of the Republic of Armenia (RA), all payments in Armenia are to be made in Armenian drams. AUA does not accept or make payments in cash. All payments shall be made through bank transfers: wire transfers or credit card payments. Requests for bank transfers are submitted through a memorandum and the Purchasing Request Form of the 1C DocFlow system.

Two approvals are necessary to process the transfers exceeding AMD 200,000: 1. Authorized line manager (e.g. dean, unit director, or center director), 2. Responsible vice president (COO, CFO, Provost or VP of Development). Payments of AMD 200,000 or less can be processed with the approval of the authorized line manager.

Payments to be made abroad in foreign currency shall be approved by COO or CFO regardless of the amount.

Requests for payments shall be submitted with a minimum two-day advance notice.

Requests for payments shall include the following information:

- amount in Armenian drams,
- name of the recipient,
- purpose of payment (supported by contract, invoice, or act),
- budget (project name or unit name as identified in the 1C accounting system) the expense shall be charged to.

Payments to legal entities shall be made against an electronically issued invoice. In a rare case when the purchase cannot be provided by a legal entity, purchases can be made from a physical person. When the counterpart is a physical person, purchasing acts shall be provided with full name, passport data, address and signature of the physical person. In that case, AUA is responsible to withhold 10% income tax from the amount stated in the purchasing act and pay to the state budget on behalf of the seller.