Wire Transfers

Introduction
This policy states the requirements for requesting and completing a wire transfer payment to a supplier.

Policy Statement
Brown University pays suppliers using wire transfer under certain circumstances:

- International suppliers may be paid using a wire transfer
- Domestic suppliers may be paid via wire transfer in limited circumstances which must be approved in advance by the Director of Disbursements. ACH payment is available for all domestic suppliers.

Definitions

Wire Transfer: Electronic transfer of funds through the networks that unite the world's banking system.

ACH (Automated Clearing House): An Electronic network for financial transactions in the United States. ACH transactions are processed in batches and funds are typically available in the payee account the next business day. ACH transfers are less expensive than wire transfers.

Bank ABA Number: The bank routing number

IBAN: International Banking Account Number

Sort Code (UK Only): identifies both the bank and the branch where the account is held.

Intermediary Bank: The bank that processes a wire transfer after initiation by Brown University but prior to receipt by the payee’s bank.

Responsibilities

Financial Coordinator:

- Obtain wire transfer instructions, including the wire instructions from the payee’s bank. If payee’s bank has multiple wire transfer choices, confirm the correct choice with the payee.
- Complete the Wire Transfer Form (please type for clarity).
- Attach the completed Wire Transfer Form and payee’s bank instructions to the supplier invoice. Attach each document as a separate attachment.
- Complete and submit the supplier invoice.

Cost Center Manager:

- Review the supplier invoice, ensuring all required wire transfer information is attached.
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Accounts Payable:

- Review Supplier Invoice and the wire transfer form for completeness
- Process wire transfer request

Procedures

- Initiate Supplier Invoice in Workday. Attach supplier's invoice.
- Estimate the US conversion for a supplier invoice that is in a foreign currency (use Oanda) and enter that estimate into the Workday Supplier Invoice. On the wire transfer instructions, enter the currency used on the supplier's invoice.
  - Accounts Payable will update the Workday Supplier Invoice with the US currency conversion on the date the wire transfer is complete.
- Obtain wire instructions from the supplier/payee. Payee can obtain wire instructions from their bank. Wire transfer instructions are different from ACH payment instructions. Attach the bank provided wire transfer instructions to the supplier invoice.
- Complete supplier invoice and attach invoice and wire transfer documentation.

Forms/Instructions

Wire Transfer Form

Frequently Asked Questions

**Does my department get charged for wire transfers?**

No, departments are not charged for wire transfers unless the wire transfer is returned for additional information. If rewiring the funds results in a currency conversion loss, that difference will be charged to your cost center.

**What would cause wires to be returned?**

Banks are very particular about the information entered onto the wire transfer portal. Names and addresses must match the information on the payee bank account. Mismatches will result in returned wires. The same applies for bank account numbers, routing numbers, and additional required information.

**Do I have to use Oanda to calculate foreign currency conversion?**

As long as you document what you used, you may use another currency conversion website. However, Accounts Payable will update the supplier invoice with the actual currency conversion once the wire has processed.

**My supplier’s instructions do not include an IBAN. What do I use?**

An IBAN is an international bank account number. If you are provided with a bank account number for an international wire, you may use that number.

**Why do you require the Payee's address?**

Banks require this information and all required information must be entered onto the Wire Transfer Form.

Policy Owner Approved by Assistant Vice President and University Controller
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