Introduction

The monthly bulletin is a useful tool to share information and resources with the University community.

This month’s bulletin introduces the revised Request for Wire/Draft to Foreign Countries form, including:

- Background,
- Reason for Revisions,
- Revised Practice of Confirming Payment Currency,
- Benefits of the Form Revision,
- Standard Operating Procedures, and
- Location of the Form and SOP.

The revised form and SOP are effective for immediate use.

Background

The Request for Wire/Draft is an internal form for use by internal community members when requesting payment to an external party located outside of Canada or the United States.

The form is used to pay:
- Vendor invoices;
- Honorarium and other remuneration payments submitted by Payroll staff;
- Reimbursements to third parties, such as visitors to York; and
- Refunds to non-resident students.

Completion of the Request for Wire/Draft form confirms that the transaction has been approved by the authorized signing authority.

Reason for Revisions

As global commerce continues at a rapid pace, Finance has found that the occurrence of York payments to locations outside of Canada or the United States is increasing in frequency and range of currency. Thus it became appropriate to revise the Request for Wire/Draft form.

Also noteworthy is that previous practice at the University was to make payment to wire/draft payees in the domestic currency of the country of their residence. This was often not in keeping with the wishes of the payee. Finance has observed situations where payees held bank accounts in currencies other than the domestic currency of their residence, thus wires/drafts were subject to multiple foreign exchange conversions and banking fees incurred by the payee.

Revised Practice of Confirming Payment Currency

Effective immediately, Finance practice requires that the preparer of the form must receive documented confirmation from the payee specifying the payment currency of preference. The preparer must input this currency in the top right box on the form (which is highlighted yellow). This requirement and the usage of the currency fields on the form are explained in detail in the accompanying standard operating procedures.

The revised form requires that the payee name must be the exact name of the registered bank account holder, otherwise the payment will be rejected by the payee’s bank.

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**Benefits of the Form Revision**

For optimal functionality, the revised form is intended to be completed electronically. The form incorporates the following great benefits:

- The fields for banking details (such as IBAN, SWIFT, etc.) have been resized to meet the number of digits required for these fields.
- The chartfield area has enhanced technology that prompts the user if the chartfield values are not input according to specification.
- Lines have been added to claim the GST rebate or to deduct withholding tax, where applicable.

Extensive consultations took place with faculties and departments who are the primary users of the form. This valuable feedback has resulted in significant improvements.

**Standard Operating Procedures**

To accompany the revised form, a new document titled Standard Operating Procedures – Wire/Draft to Foreign Countries (SOP) has been released.

The SOP provides step-by-step instructions on how to complete the form and gives lengthy examples of situations where payments could involve multiple currencies.

There is a user-friendly chart that outlines the documentation standards to be met before a wire/draft payment can be processed by Finance staff.

**Location of the Form and SOP**

The revised form and SOP are available for immediate use.

The form is located at: [http://www.yorku.ca/finance/forms.htm](http://www.yorku.ca/finance/forms.htm)

The SOP is located at: [http://www.yorku.ca/finance/documents.htm](http://www.yorku.ca/finance/documents.htm)

Any wire/draft requests submitted using old forms will be returned to the preparer. This is in keeping with our objective of paying the payee the currency of their choice, which is accomplished via the new form.

**Expected Revisions to Non-Resident Payment Form**

Finance has also been working with Payroll Services, and we expect corresponding revisions to the Non-Resident Payment form to be forthcoming.

**Questions**

Questions or training requests can be addressed to Cameron Rogers at rogersc@yorku.ca or 416-736-5877.