
Foreign Vendors

Revised: 10.02.09

I. POLICY

Under university policy, foreign vendors may be paid in the following four ways:

- UND Purchasing Card (certain types of payments are not allowable on the Purchasing Card, refer to the Purchasing Card Manual)
- University check in U.S. dollars.
- Wire transfer (coordinated through the Cash and Investments Manager).
- Bank draft purchase.

The preferred method of payment is the UND Purchasing Card. If the department has not been issued a UND Purchasing Card, a university check should be issued. Most foreign vendors will accept this payment method.

II. PROCEDURES

When a department has an invoice to be paid to a foreign vendor who will not accept payment by check in U.S. dollars, it is necessary to conduct a wire transfer of funds or purchase a bank draft in the required currency, which both result in an additional cost to the department.

Wire Transfer - To make payment by a wire transfer:

- If the purchase requires a Purchase Order , the department should:
 - Prepare the Purchase Requisition and Voucher payable to the vendor.
 - Forward the Purchase Requisition and Voucher to the Purchasing Office to obtain a PO number.
- If the payment does not require a Purchase Order, prepare a Voucher payable to the vendor. Include the following:
 - Name and address of the foreign vendor
 - Payment amount (in type of requested currency)
 - Wire Transfer Form obtained from Accounting Services website (complete ALL information)
- For international wires, Accounting Services will increase the charge to the funds by \$35.00 for the wire transfer fee.

The Voucher, Purchase Requisition (if needed) and Wire Transfer Form should be forwarded to the Accounting Services Office to the attention of the Cash and Investments Manager.

Bank Draft - This is the **least** preferred method of payment. To make payment by a bank draft, the following steps should be performed:

- Call a local bank for the current exchange rate and U.S. dollar equivalent necessary to cover the invoice.
- If the purchase requires a Purchase Order , the department should:
 - Prepare a Purchase Requisition and Voucher **payable to the bank** (include the name and address of the foreign vendor.)
 - Walk the Purchase Requisition and Voucher to Purchasing to obtain a PO number (must be walked through because exchange rates change daily. This must all be done the same day).
- If the payment does **not** require a Purchase Order, prepare a Voucher **payable to the bank**. Include the following:
 - Name and address of the foreign vendor
 - Payment amount
 - Exchange rate
 - Currency type
 - Bank draft charge
 - Date the rate was obtained
- Walk the Voucher and the invoice or price documentation with Purchase Order number, if necessary to the Accounting Services Office.

Because many exchange rates change daily, it will be necessary to get a check to the bank as soon as possible. Contact Accounting Services for procedures to ensure payment is processed as soon as possible.