



**THE GEORGE
WASHINGTON
UNIVERSITY**
WASHINGTON, DC

Responsible University Official:
Senior Associate Vice President for
Finance
Responsible Office: Treasury
Management
Origination Date: February 2005
Last Amended Date: June 12, 2007

DISBURSEMENT BY CASHIER’S CHECK POLICY

Policy Statement

It is the policy of the university for all payments to be made by the university’s Accounts Payable department. The university will make payments by cashier’s check in exceptional circumstances upon payee request. However, the university strongly discourages use of cashier’s checks because cashier’s checks are considered “near cash,” are extremely difficult to replace, and require very careful handling by both university employees and the payee.

Reason for Policy/Purpose

The purpose of this policy is to provide guidance on the procedures that must be followed to request that a payment be made by cashier’s check. These procedures have been established to ensure accurate and timely payment of a properly authorized and documented cashier’s check that complies with U.S. immigration and tax regulations.

Who Needs to Know This Policy

Faculty, staff, and students

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Policy/Procedures

The following procedure has been established to process cashier’s check requests:

Disbursement by Cashier’s Check

The department requesting payment by cashier’s check must forward a [Payment Request Form](#) along with the appropriate supporting documentation to Treasury Management. The [Payment Request Form](#) must include the following information: 1) The full name and mailing address of the vendor to be paid; 2) U.S. taxpayer identification number (if payment is U.S.-based); 3) the EXACT amount of the payment; and 4) the alias and account information. The form must include the following comment: “Cashier’s Check request sent to Treasury Management on mm dd yy”. As detailed in Appendix A, an authorized individual must sign the [Payment Request Form](#).

The supporting documentation must include sufficient information to substantiate the amount of the payment as well as the business purpose, the payee's name, address, and the date and nature of the transaction. Examples of acceptable supporting documentation include an approved invoice or a signed contract. The documentation needs to support the exact amount of the cashier’s check request. Create a spreadsheet if necessary to show how the support adds to the requested amount of the check. An authorized signer must approve the supporting documentation.

Treasury Management will review the request and supporting documentation for appropriate tax documentation. As noted in Appendix B, if the payment is made to a non-U.S. citizen or foreign company, the Tax Department will review the payment request to determine the tax withholding and reporting requirements.

The Treasury Management department will forward the request to the bank for processing. Allow 2 to 3 days for bank processing. After completion, the bank will send the cashier’s check to Treasury Management who will notify the authorized signer by e-mail that the payment is ready for pickup.

Copies of the [Payment Request Form](#) and backup will be forwarded to Accounts Payable for proper recording of the transaction in the accounts payable system for purposes of compliance with 1099 reporting requirements.

Forms

[Payment Request Form](#)

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Website Address for This Policy

[GW University Policies](#)

Contacts

Subject	Contact	Phone
Questions	Treasury Management	(571) 553-6419
Tax Implications for Payments to non-U.S. citizen or Foreign Company	Tax Department	(571) 553-8313

Related Information

[A Brief Primer on Doing Business Abroad: U.S. Laws that Affect GW's International Activities](#)
[Compliance with Laws when Conducting University Activities Overseas](#)
[Disbursements in Foreign Currency Policy](#)
[Export Control Policy](#)
[Electronic Funds Transfer \(EFT\) Policy](#)
[Tax Issues Regarding Payments to Individuals who are not U.S. Citizens or not U.S. Lawful Permanent Residents](#)

Appendices

Appendix A	Additional Information on the Authorized Signature
Appendix B	Tax Considerations

Who Approved This Policy

Louis H. Katz, Executive Vice President and Treasurer

History/Revision Dates

Origination Date:	February 8, 2005
Last Amended Date:	June 12, 2007
Next Review Date:	January 31, 2016

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Appendix A

Additional Information on the Authorized Signature

The authorized individual must sign the [Payment Request Form](#) in the “Approved For Payment” section and type their name and email address below the signature.

The general rule is that the person who has budgetary responsibility (or their designee) is the authorized signer. Cashier's checks that will be charged against account strings that include an “E” fund must be countersigned by the Associate Vice President of Financial Operations. The person authorizing the transaction should not be the same as the requestor.

The authorizing signature is attesting that: 1) The tax ID is correct; 2) The payee name and address are correct; 3) The approving individual is empowered to approve the [Payment Request Form](#); 4) The obligation is legitimate, and has been incurred in accordance with university policy; 5) The payment amount is accurate; 6) The accounting code combination is accurate; and 7) the person or entity to be paid, if overseas, does not appear on any U.S. Government lists barring transactions with such persons or entities.*

* For questions, please contact the Office of the Senior Vice President and General Counsel and refer to [A Brief Primer on Doing Business Abroad: U.S. Laws that Affect GW's International Activities](#), the [Export Control Policy](#), and the policy regarding [Compliance with U.S. Laws When Conducting University Activities Overseas](#).

DISBURSEMENT BY CASHIER'S CHECK POLICY

Appendix B

Tax Considerations

The tax withholding and reporting requirements for payments to a non-U.S. person or a foreign company differ than those for payments to U.S. persons. Please call the Tax Department at (571) 553-8313 to review the additional information that is required for university compliance with federal tax laws.

Refer to the following policy for additional information:

<http://my.gwu.edu/files/policies/NonResidentAliensFINAL.pdf>