



**THE GEORGE
WASHINGTON
UNIVERSITY**
WASHINGTON, DC

Responsible University Official:
Director, Accounts Payable
Responsible Office: Accounts Payable
Origination Date: Not Available
Last Amended Date: June 8, 2009

ELECTRONIC FUNDS TRANSFER POLICY

Policy Statement

Payments issued by Accounts Payable are made by Automated Clearing House (ACH). Under special circumstances payments may be made by Electronic Funds Transfers (EFT).

Reason for Policy/Purpose

This policy provides guidance on the use of EFT, and to promote accurate, compliance and timely payment of a properly authorized and documented EFT. This policy covers all types of payments including vendor payments, payments for services, tax payments, awards, stipends, and payments from endowment accounts, among others.

Who Needs to Know This Policy

Faculty and staff

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ELECTRONIC FUNDS TRANSFER (EFT) POLICY

Policy/Procedures

Generally, the department requesting payment must deliver a completed [Electronic Funds Disbursement Request Form](#) along with supporting documentation to Accounts Payable at least 3 business days prior to the payment due date (shown on line 5 of the above form). An EFT to a new supplier or to a foreign individual or entity will require at least 7 days advance notice in order to establish the supplier in the AP system. However, on an exception basis, an EFT Payment Request form will be processed immediately for existing suppliers only.

Upon receipt of an authorized [Electronic Funds Disbursement Request Form](#) and supporting documentation, Accounts Payable will review the request for appropriate tax documentation; approve and process through the ePayables system or forward to Treasury Management who will process the payment request so that the payment is scheduled for delivery on the payment due date. If the payment is made to a non-US citizen or foreign company, the Tax Department will review the EFT request to determine the tax withholding and reporting requirements.

After the payment has been completed, Treasury Management will provide a bank report indicating the wire details to Accounts Payable, Benefits, and Payroll.

Instructions for completing the EFT form are set forth in the [Electronic Funds Disbursement Request Form Instructions](#). Note that if the Account Code Combination in line 24 indicates an “E” Fund (Endowment related fund), the EFT request must be countersigned by Treasury Management.

The supporting documentation must provide a source document with accurate banking information and this information must match the EFT form. Documentation must also include sufficient information to substantiate the amount and currency of the payment as well as the business purpose, the payee's name, address, and the date and nature of the transaction. An authorized signer must approve the supporting documentation.

Note that specific tax issues must be addressed when preparing requests for certain kinds of EFT payments. See the [Electronic Funds Disbursement Request Form](#) for more information. Because the tax considerations may change the amount being paid or the budget impact of the transaction, we recommend the person listed as the Preparer in line 2 understand the tax withholding and reporting requirements before the financial commitment is made to the Payee.

Forms

[Electronic Funds Disbursement Payment Request Form](#)

ELECTRONIC FUNDS TRANSFER (EFT) POLICY

Website Address for This Policy

[GW University Policies](#)

Contacts

Contact	Email	Phone
Accounts Payable	apcustsv@gwu.edu	(571) 553-0247
Treasury Management		(703) 726- 6419
Tax Department		(703) 726-8313

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](#)

[Departmental Returned Check Policy](#)

[Disbursements by Cashiers' Check Policy](#)

[Disbursements in Foreign Currency Policy](#)

[Supplier Selection Policy](#)

[Tax Issues Regarding Payments to Individuals who are not U.S. Citizens or not U.S. Lawful Permanent Residents](#)

[Electronic Funds Disbursement Request Form Instructions](#)

Who Approved This Policy

Louis H. Katz, Executive Vice President and Treasurer

Beth Nolan, Senior Vice President and General Counsel

History/Revision Dates

Origination Date: Not Available

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Next Review Date: April 30, 2015