

**PURCHASING & PAYMENTS** CONTINUED

**How to Pay for International Activities—Payroll, Purchasing, Services and Travel** October 2013

	PAY SALARIES FOR UW EMPLOYEES WHO WORK ABROAD	PAY FOREIGN VENDOR FOR GOODS & SERVICES FOR USE ABROAD	PAY INDEPENDENT CONTRACTOR FOR SERVICES PERFORMED ABROAD	INTERNATIONAL TRAVEL – FOR INDIVIDUALS		
				Pay for international flight	Pay for international lodging	Pay for meals while abroad (reimbursed based on per diem rates)
<b>Bank Cards</b> <b>CTA card*</b>	NA	NA	NA	<b>YES</b>	NA <sup>1</sup>	NA
<b>Personal credit card</b>	NA	<b>YES</b>	NA	NA <sup>2</sup>	<b>YES</b>	<b>YES</b>
<b>ProCard</b>	NA	<b>YES</b>	<b>YES</b>	NA	NA <sup>3</sup>	NA <sup>3</sup>
<b>UW Travel card</b>	NA	NA	NA	<b>YES</b>	<b>YES</b>	<b>YES</b>
<b>Cash</b> (Personal funds or cash converted from per diem or field advance)	NA	<b>YES</b> (not a preferred option)	<b>YES</b> (not a preferred option)	NA <sup>2</sup>	<b>YES</b> (not a preferred option)	<b>YES</b> (not a preferred option)
<b>Direct Deposit</b>	<b>YES</b>	NA	NA	NA	NA	NA
<b>UW Check</b>	<b>YES</b>	<b>YES</b> <sup>4</sup>	<b>YES</b> <sup>4</sup>	NA	NA <sup>5</sup>	NA <sup>5</sup>
<b>Wire Transfer</b>	NA <sup>6</sup>	<b>YES</b>	<b>YES</b>	NA	NA <sup>5</sup>	NA <sup>5</sup>

NA = not available as a payment method

- \* Note that the CTA card can also be used to pay for bus, rail and boat tickets. It can also be used for flights and lodging for non-UW individuals traveling for business purposes, if allowed by the grant.
- 1 There are two exceptions when the CTA card can be used to pay for international group lodging—for UW employees when five or more rooms are booked and for student groups (undergrad and graduate) of any size. Note, however, that international hotels usually require an actual card to be presented for payment.
- 2 Washington State rules require that airline tickets must be purchased with either a UW travel card or a CTA card.
- 3 If the cardholder is hosting an event abroad, the ProCard can be used for lodging and meals (per diem applies).
- 4 It may be problematic for a foreign vendor or independent contractor to cash a UW check.
- 5 This method can be used if lodging or food for a group event (e.g., conference) was secured through a purchase order.
- 6 Contact UW Payroll Office. Wire transfers are used in limited circumstances.

**PURCHASING & PAYMENTS** CONTINUED

**HOW TO PAY FOR INTERNATIONAL ACTIVITIES—PAYROLL, PURCHASING, SERVICES AND TRAVEL** CONTINUED

**Direct Deposit**

METHOD	RESPONSIBILITIES		COST	MAXIMUM TRANSACTION LIMIT	TRANSACTION TIME	ADVANTAGES	DISADVANTAGES
	Dept/UW	UW Office					
<p><b>Direct deposit to employee's U.S. personal bank account</b></p>	<p>Employee signs up for direct deposit through Employee Self-Service website.</p>	<p>UW Payroll Office answers questions about direct deposit.</p>	<p>No cost</p>	<p>No limit on amount of direct deposit</p>	<p>Direct deposit for foreign-based employee follows same process as for Seattle-based employees</p>	<ul style="list-style-type: none"> <li>Fastest way to receive UW paycheck</li> <li>No extra fee for dept to pay foreign-based employee</li> <li>U.S. banking system has customer protections</li> </ul>	<p>Requires foreign-based employee to have a U.S. bank account.</p>
<p><b>Direct deposit to employee's foreign personal bank account</b></p> <p>UW works with Traveler, an international finance company, to wire pay checks to foreign accounts.</p>	<p>Dept contacts UW Payroll and <a href="mailto:prwire@uw.edu">prwire@uw.edu</a> for initial Traveler setup. Every pay period, dept emails <a href="mailto:prwire@uw.edu">prwire@uw.edu</a> with the net amount of employee's paycheck to be wired.</p>	<p>UW Accounts Payable notifies Traveler of the amount to wire. Traveler wires amount to employee's foreign bank account.</p>	<p>\$25 wire fee per pay period which can be either charged to the departmental budget or deducted from the employee's paycheck</p>	<p>No limit on amount of direct deposit</p>	<p>Can take up to 10 business days for wires to be processed</p>	<ul style="list-style-type: none"> <li>Only method to electronically pay a UW foreign-based employee who doesn't have a U.S. bank account.</li> <li>Faster payment than a check to pay a UW foreign-based employee.</li> <li>Employee may incur fewer banking charges and fees than if paid by UW check.</li> </ul>	<ul style="list-style-type: none"> <li>This is a manual process which may result in delays if there's a slowdown at any step.</li> <li>Depending upon the country's banking regulations, foreign wires may be sent through multiple banks which may prolong how long it takes for the wire to be deposited in the employee's account.</li> <li>Cost of twice monthly wire fee.</li> </ul>

**PURCHASING & PAYMENTS** CONTINUED

**HOW TO PAY FOR INTERNATIONAL ACTIVITIES—PAYROLL, PURCHASING, SERVICES AND TRAVEL** CONTINUED

**UW Check**

METHOD	RESPONSIBILITIES		COST	MAXIMUM TRANSACTION LIMIT	TRANSACTION TIME	ADVANTAGES	DISADVANTAGES
	Dept./UW	UW Office					
<b>UW Check</b>	Dept. initiates check request Dept indicates distribution method (pick-up vs. mail)	Financial Services processes the check request	No UW charge to produce check	No maximum dollar amount for check	Allow up to 4 business days for UW to process the check request. Once deposited, additional time may be needed to clear the check depending on the bank and the check amount.	<ul style="list-style-type: none"> <li>No charge for check request processing.</li> <li>For services performed on campus, can present a check directly to the foreign visitor.</li> </ul>	<ul style="list-style-type: none"> <li>Slowest of all methods for foreign payments.</li> <li>Can take up to 45 days for check to clear in a foreign bank account.</li> <li>Exchange rate from US dollars to local currency is lower for a check than for a wire transfer.</li> <li>Check can get lost or stolen before it's delivered to recipient.</li> <li>Generally not an advisable practice for paying foreign vendors.</li> </ul>

**PURCHASING & PAYMENTS** CONTINUED

**HOW TO PAY FOR INTERNATIONAL ACTIVITIES—PAYROLL, PURCHASING, SERVICES AND TRAVEL** CONTINUED

**Wire Transfer**

METHOD	RESPONSIBILITIES		COST	MAXIMUM TRANSACTION LIMIT	TRANSACTION TIME	ADVANTAGES	DISADVANTAGES
	Dept./UW	UW Office					
<b>Wire transfer to U.S. bank account</b>	FOR A FIELD ADVANCE Dept. initiates request for wire transfer	FOR A FIELD ADVANCE Field Advance Office wires the advance	\$25 per wire	No limit to the amount that can be wired	Money can <i>usually</i> be accessed within 2 business days	<ul style="list-style-type: none"> <li>Fastest method to get money into a U.S. account.</li> <li>Wire to a domestic account is a secure, transparent method of payment.</li> <li>Domestic account has protections of U.S. banking system.</li> <li>Bank statement is a reliable and consolidated record of banking transactions.</li> <li>Easy to return any unspent funds from an advance.</li> </ul>	<ul style="list-style-type: none"> <li>Requires US bank account which may not be an option for a foreign vendor.</li> <li>Cost to dept of wire transfer.</li> </ul>
<b>Wire transfer to foreign bank account</b>	FOR A FIELD ADVANCE Dept initiates request for wire transfer	FOR A FIELD ADVANCE Field Advance Office wires the advance  TO PAY A FOREIGN VENDOR Accounts Payable wires the payment	\$25 per wire	No limit to the amount that can be wired	Money can <i>usually</i> be accessed in 2-5 business days from when the wire transfer request is approved. Transaction time may take longer depending on banking system and country that receives the wire.	<ul style="list-style-type: none"> <li>Wire to a foreign account is a secure, transparent method of payment.</li> <li>May be only option to pay foreign vendor.</li> </ul>	<p>If wiring funds to a UW employee, foreign bank account must be opened prior to the money being wired.</p> <p>Foreign bank account doesn't have customer protections of U.S. banking system.</p> <p>If there's a mistake with the wire, it can be time consuming and difficult to resolve.</p> <p>Country laws may prohibit repatriating unspent funds from the foreign account either electronically or in cash.</p> <p>Cost to dept of wire transfer.</p>

**PURCHASING & PAYMENTS** CONTINUED

**HOW TO PAY FOR INTERNATIONAL ACTIVITIES—PAYROLL, PURCHASING, SERVICES AND TRAVEL** CONTINUED

**Wire Transfer**

Wire transfer to **foreign** bank account

RESPONSIBILITIES		COST	MAXIMUM TRANSACTION LIMIT	TRANSACTION TIME	ADVANTAGES	DISADVANTAGES
Dept/UW	UW Office					
<p><u>FOR A FIELD ADVANCE</u> Dept. initiates request for wire transfer</p> <p><u>TO PAY A FOREIGN VENDOR</u> Dept. incurs an expense to a foreign vendor</p>	<p><u>FOR A FIELD ADVANCE</u> Field Advance Office wires the advance</p> <p><u>TO PAY A FOREIGN VENDOR</u> Accounts Payable wires the payment</p>	\$25 per wire	No limit to the amount that can be wired	<p>Money can <u>usually</u> be accessed in 2-5 business days from when the wire transfer request is approved.</p> <p>Transaction time may take longer depending on banking system and country that receives the wire.</p>	<ul style="list-style-type: none"> <li>Wire to a foreign account is a secure, transparent method of payment. May be only option to pay foreign vendor.</li> </ul>	<ul style="list-style-type: none"> <li>If wiring funds to a UW employee, foreign bank account must be opened prior to the money being wired.</li> <li>Foreign bank account doesn't have customer protections of U.S. banking system.</li> <li>If there's a mistake with the wire, it can be time consuming and difficult to resolve.</li> <li>Country laws may prohibit repatriating unspent funds from the foreign account either electronically or in cash.</li> <li>Cost to dept of wire transfer.</li> </ul>