Financial Transaction SOP: **Financial Processing, Disbursement Voucher (DV)**
SOP Owner: Financial Processing Manager
Version Number, Date Revised: 6,
06/25/2021

Standard Operating Procedure

1. **Purpose**

The Disbursement Voucher (DV) e-doc is used to process payments that cannot be paid on a PCard and do not require a purchase order (PO). Payment options for a DV are ACH / check, wire transfer, or foreign drafts. (ACH: Automated Clearing House) **Note**: a vendor elects to be paid by ACH; Cornell's best practice is to pay with ACH whenever possible.

Payments eligible for disbursement voucher processing are defined in Buying Manual sections 201 and 203. Examples of common uses at Cornell are:
- Payments for rent for university-negotiated leases (i.e., real estate office–related payments)
- Utility payments
- Reimbursement for non-employee travel (i.e., a job candidate)
- Guest speaker fee

Notes:
- Payments to students, faculty, staff, and alumni are, for the most part, made without setting them up as vendors. The Kuali Identity Management (KIM) system provides legal name and address data for employees, students, and alumni. (For employees, the system is configured to provide the home address.) The source of this information for Students & Alumni is from PeopleSoft applications. Please verify that the addresses are complete, including country for foreign addresses. Employee legal name and address information is received from the Workday application.
- Checks marked as "Enclosure" are returned to DFA, East Hill Plaza and are available for pick-up on Mondays from 1:00 – 3:00 p.m.

Other Considerations:
- ☐ Check Enclosure
- ☐ Special Handling
- ☐ W-9/W-8BEN Completed
- ☐ Exception Attached
- ☐ Immediate Payment Indicator

A DV requires more information than most financial e-docs. Each DV must include the following information:

- Who is to be paid (*Payee ID and Payee Type*)
- Why the payee is being paid (*Payment Reason Code*)
- How much the payee is to be paid? (*Amount)*
- How the payment is to be made (*Payment Method Default*)
- Where supporting documentation is stored (*Documentation Location*)
  Business Rule: original documentation will be scanned and attached to all DVs; it will then be held according to retention guidelines.
- Invoice Number and Invoice Date.
- If there are forms or documents that must be physically sent with the payment, e.g., visa applications, then select check enclosures and pick-up the check at DFA.
  Best Practice recommendation: Utilize the available space on check stubs. **Note**: the check stub enables you to communicate with the vendor. You may enter 3 lines of 72 characters each for printing on the check stub. The DV contact's information, invoice number, and invoice date are automatically provided on the check and ACH remittances.
- Any necessary information on the Contact tab. **Note**: Defaults to preparer's name and phone number, but this information is editable. For employees, the phone number is automatically populated from the "work" phone number in Workday.

Note the following DV-specific information:

- Payments to be disbursed via ACH / check will be relayed to the KFS Pre-Disbursement Processor (PDP) for additional processing and disbursement.
- Check and ACH transactions must be approved by 9:00 p.m. to load into the KFS Pre-Disbursement Processor for the next day's processing. Checks are issued once a week. ACH payments are issued each business day.
- Wire transactions route to the Treasurer's Office for processing and final approval.

2. **Scope**

- Business Service Centers
- For inquiries (i.e., viewing, not creating)—Requestor:
  - Department / Unit finance managers
  - Department administrators
  - Finance specialists
- Fiscal Officers (FO)
  Note: any reference to FOs in this document is understood to include delegates.
- Central

3. **Prerequisites (Forms / Tools)**

- Basic knowledge / training on KFS
- Basic understanding of Financial Processing transactions (requires a Financial Processing, Overview, SOP and tutorial: will also cover scanning / attaching and transaction descriptions / line-item descriptions)
- Disbursement Voucher e-doc training (SOP and tutorial)
- Purchasing Overview (SOP and tutorial)
- Purchase Order e-doc training (SOP and tutorial)

4. **University Policy**

Current:

- 3.2 University Travel
- 3.7 Accounting: System Structure and Transactions
- 3.14 Business Expenses
- 4.2 Transaction Authority and Payment Approval
- 4.7 Retention of University Records
- 3.25 Procurement of Goods and Services and Buying Manual

5. **Responsibilities**

- Requestor: a proposed, optional, additional step whereby a request for a direct payment is submitted to a KFS-user who has the authority / ability to initiate the Disbursement Voucher (DV) e-doc ("Initiator"). Requestor is not a KFS-user role, it is locally delegated authority. Requestor role is: an individual within local units who has been identified by the organization as having the authority to request a DV.

- Initiator: Initiator is responsible for preparing a DV and must understand the institutional need for a DV financial transaction. (This individual may or may not be the same as the Requestor.) Before initiating a DV transaction on behalf of the university, it is the responsibility of the Initiator to assess whether the proposed transaction is in support of the university's mission.

- Other roles:
    - A. Within Service Center
        - o Fiscal officers for the accounts used
    - B. Central (routing, only)

The following guidelines must be adhered to:
- In cases where the Initiator and Requestor are not the same person, the Initiator ensures that the Requestor has the authority to request a DV transaction.
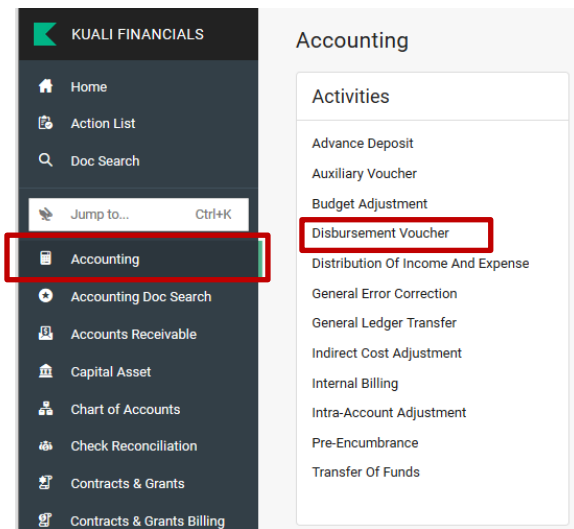
6. **Procedure**

Figure 1*– KFS Financial Processing, Transactions*

The DV e-doc has unique tabs—Payment Information, Contact Information, Special Handling, Nonresident Alien Tax, Wire Transfer, Foreign Draft, Non-employee Travel Expense, Pre-Paid Travel Expenses, and Pre-Disbursement Processor Status—in addition to the standard financial transaction tabs.

DOCUMENT OVERVIEW ∧

OVERVIEW

* Description :

Explanation :

Organization Document Number :

FINANCIAL DOCUMENT DETAIL

* Bank Code : DISB 🔍
Mellon Controlled Disbursement Account

Total Amount :

PAYMENT INFORMATION ∧

* Payment Reason Code :

* Payee ID : 🔍

Payee Type :   * Payee Name :

* Address 1 :   Address 2 :

* City :   State : 🔍

Country : [▾]   Postal Code : 🔍

* Check Amount : 0.00   * Due Date : 07/02/2021 📅

Is this a foreign payee : No   ☐ Check Enclosure
                                               ☐ Special Handling
Is this payee an employee :   Other Considerations: ☐ W-9/W-8BEN Completed
Payment Type: ☐ Exception Attached
                                               ☐ Immediate Payment Indicator

* Payment Method : [▾]   * Documentation Location Code : O - Fin Tran Center/BSC ▾

                                               Invoice Number : [_____]
* Check Stub Text :   Invoice Date : 📅

🔧   Active ACH Payee : No

ACCOUNTING LINES ∧

SOURCE   [HIDE DETAILS] [IMPORT LINES]

* CHART	* ACCOUNT NUMBER	SUB-ACCOUNT	* OBJECT	SUB-OBJECT	PROJECT	ORG REF ID	* AMOUNT	LINE DESCRIPTION	ACTIONS
IT ▾	🔍	🔍	🔍	🔍	🔍		0.00		➕

CONTACT INFORMATION	∨
SPECIAL HANDLING	∨
NONRESIDENT TAX	∨
WIRE TRANSFER	∨
FOREIGN DRAFT	∨
NON-EMPLOYEE TRAVEL EXPENSE	∨
PRE-PAID TRAVEL EXPENSES	∨
PRE-DISBURSEMENT PROCESSOR STATUS	∨
GENERAL LEDGER PENDING ENTRIES	∨
NOTES AND ATTACHMENTS (0)	∨
AD HOC RECIPIENTS	∨
ROUTE LOG	∨

Figure 2- *Disbursement Voucher e-doc*

In addition to the Document Overview and Accounting Lines tabs, two DV-specific tabs:
Payment Information and Contact Information are **always required**.

- The Payment Information tab contains information regarding the payee, payment reason, payment method, documentation location, and attachments.
- The Contact Information tab information defaults to the initiator but this information is editable. The contact information will be included on the check stub. **Note**: per bank guidelines, there are limitations on how much text can be printed on the check.
- Other tabs may be required based on the selections made in the Payment Information tab.

Figure 3 – Payment Information tab

Note: You must choose the Payee ID first, and then the Payment Reason Code.

Table 1 Payment Information tab field definitions

Field Name	Description (* indicates a required field)
Payment Reason Code	* This code identifies the reason for the disbursement and determines any restrictions the payment is subject to. After you select the Payee ID from the lookup, it will allow you to select the Payment Reason Code from the drop-down list. This choice is then brought back to the DV and populates the Payment Reason Code field.
Payee ID	* Retrieve the Payee ID from the lookup.
Payee Type	Display-only. After you select the Payee ID from the lookup, the system automatically fills in the type of payee.

Payee Name	Display-only. After you select the Payee ID from the lookup, the system automatically fills in the name. **Training Issue**: when selecting payees that are divisions of a vendor, the search results will display both the division and parent name; however, only the division is returned to the DV. ***See example, below*** (*Figure 4, on page 9*).
Address 1	* The first line of address to which the payment should be mailed. The system fills in this information automatically, but you may change it. ***Best Practice Recommendation***: *If making an edit to a remittance address that should be a permanent change or the addition of a new address, the edit should be entered in the PVEN e-doc so that the address is available for future payments.*
Address 2	The second line of the address to which the payment should be mailed.
City	* The city to which the payment should be mailed. **Training Item:** Due to a system limitation that prevents foreign provinces from being pulled into disbursement voucher addresses, the foreign province name should be appended to the city name, e.g., Toronto, Ontario as appropriate.
State	* For U.S., select the state to which the payment should be mailed.
Country	The payee's country from the Country list. Caution: Foreign addresses from KIM do not always include the country. Manually add the country to ensure delivery of payments.

Postal Code	Enter the postal code to which the payment should be mailed. Required if choosing the U.S. for country.
Check Amount	* Enter the total amount of the disbursement for this e-doc.
Due Date	* Enter the due date from the invoice or select it from the calendar. Default date is the current date plus seven. **Training Issue**: ACH payments are processed daily Monday through Friday. Check payments are processed weekly on Tuesdays and are printed and mailed on Wednesdays. You may have to adjust the due date on check payments to ensure sufficient time for mailing. **Note**: ACH / check payments – Payments approved by 9:00 p.m. are eligible to be processed for payment the next business day. Payments are processed based on payment type (ACH or Check) and due date. Wire payments route to Cash Management for processing.
Payment Type	Display-only. The payment types are determined by the payee selected for the DV. Each Payment Type attribute may have an impact on the ability to process a particular payment on a DV, and how it routes for approval. Is this a foreign payee? If the payee is a nonresident alien: **Yes** or **No** (affects routing). Is this Payee an Employee? **Yes** or **No** (affects routing).

Other Consideration	Select these check boxes to reflect special circumstances or special requests. <u>Check Enclosure</u>: Refers to any documents related to the DV e-doc that must accompany the check when it is mailed to the payee. Many of these types of payments can, and should, be made by PCard. **Training Issues**: • Know when it is appropriate to enclose documents with a payment; example of when to include an enclosure: processing Visa application. • Selecting the check box properly indicates that there is a form or other attachment that must accompany the check. • Checks marked enclosure are returned to DFA on Thursdays and are available for picking the following Monday from 1:00 – 3:00 p.m. <u>Special Handling</u>: Usage of Special Handling should be extremely limited. Indicates that the payment should be mailed to a person other than the payee. For example, a check needs to be returned so it can be express mailed. When selected, a message asking you to add a note explaining the need for special handling is displayed. Usage of this field presents challenges for our check printer. (*See additional information on page 12*.) Training Issues: When Special Handling is selected, the check will be mailed to the address entered in the Special Handling tab. We do not recommend utilizing this feature. <u>W9/W-8BEN Completed</u>: Indicates if the payee has a W-9 (or W-8BEN for nonresident aliens) on file. For non-employees, this is generally completed as part of Vendor setup. **Note**: W9/W-8BEN is not actionable. <u>Exception Attached</u>: *this field is for informational purposes only.* <u>Immediate Payment Indicator</u>: *Requests for immediate payments should be rare. You must contact Accounts Payable to request that an on-demand check be printed by DFA. It is recommended that you plan ahead and process the payment as a check enclosure.*
Payment Method	* The payment method automatically populates based on the default payment method assigned to the vendor. Select the method in which the payment should be made from the Payment Method list. **Note**: Selecting Wire Transfer or Foreign Draft will cause this e-docto route to Treasury Department. <u>ACH / Check</u>: This selection generates a check or, if ACH information exists in

	the pre-disbursement process (PDP**), for this payee, an Automated Clearing House direct deposit is initiated. **PDP: the component that receives data from systems that need to make disbursements and outputs a data file that can be sent to a check writer, or, formatted and sent to a bank for Automated Clearing House (ACH) direct deposits.* Foreign Draft: This selection indicates that the payment is to be made in a foreign currency. When you select Foreign Draft as the payment method you are prompted to complete the Foreign Draft tab. In this section, you indicate whether the DV is stated in foreign currency or U.S. dollars, and what currency the payment is to be made in. For example, the DV could be stated in Euros and paid in Euros, or the DV could be stated in U.S. dollars converted to Euros for payment. Wire Transfer: This selection indicates you wish to have the disbursement wired to the recipient. To do so you are required to provide additional banking information on the Wire Transfer tab. *You will receive a message indicating that you will be charged "0" dollars.* Wire transfers may be made in U.S. dollars or foreign currency, similar to Foreign Drafts, as described above. **Training Recommendation**: See Processing International Funds – Wire Transfers to review the instructions provided by Cash Management.
Documentation Location Code	*Select the unique code for the location where the documentation is to be kept from the Documentation Location Code list or use the lookup. **Note**: All relevant back-up documentation must be scanned and attached; however, sensitive information should never be attached. Documentation in this instance refers to documents or backup submitted with the DV (i.e., receipts, invoices, letters, memos, agreements, contracts) that detail what was purchased, the cost, the name of the vendor, and the date of the transaction, and the payment due date. Initiating Organization: Indicates that your Service Center will retain the original documentation for the required period. No Documentation: Indicates that you have no supporting documentation for this transaction. If selected, you are required to attach a note in the *Notes and Attachments* tab of the e-doc explaining why. **Training Issue**: this option should be used very infrequently.
Check Stub Text	* Enter the information regarding the payment itself. This commonly includes what the payment is for (project code, account number or subcontract award number, for example) or other information to assist the payee in identifying the source and reason for the payment. The check stub text is stored in 3 sets of 72 characters each. The first set is reducedby the text "Info: [preparer's name and telephone number]". Note: Usage of the 'enter' key signifies the end of a note and could significantly reduce the text sent to the check. **Training Issue**: this field should be used in lieu of selecting "check enclosures."

Invoice Number	Enter the invoice number, account number, plan number, etc. This will be automatically printed on the check or ACH remittance notice.
Invoice Date	Enter the invoice date. This will be automatically printed on the check or ACH remittance notice.
Active ACH Payee	Display Only: If yes, then the payee has an active ACH enrollment and the payment will be processed as a direct deposit and an email notification will be sent to the payee.

Training Issue: Use Person Last Name, Person First Name to search for faculty / staff / student / alums; use Vendor Name for non-employees. Note: if searching by Person First Name / Last Name you will also see individuals who are set up as vendors. **Training Note:** Remember to use the wildcard (*) in all your searches.

Payee Name Field example: payment to Herkimer Community College
  A. search for a vendor name that contains ***state***

Payee Lookup ?

* required field

- Vendor is the only valid Payee Type for Payment Reason S - Stipends. ← This message specifies that only vendors can receive this type of payment.

* Payment Reason Code:	S - Stipends
Tax Number:	
Person First Name:	
Person Last Name:	
Vendor Name:	*state*
Employee ID:	
Vendor #:	
Active?:	⦿ Yes ○ No ○ Both

search   clear   cancel

39 items retrieved, displaying all items.

Return Value	Payee Name	Payee Type	Address	Payee Number	Active?	Tax Number
return value	Iowa State University of Science & Technology	Vendor	1220 Beardshear Hall - ISU, Ames, IA US	5033-0	Yes	****************
return value	LeBerge & Curtis Inc	Vendor	5984 CR 27, Canton, NY US	4315-0	Yes	****************
return value	Midstate Printing Corp	Vendor	230 Ainsley Drive, Syracuse, NY US	4278-0	Yes	****************
return value	Southern Wine & Spirits of Upstate NY Inc	Vendor	3063 Court Street, Syracuse, NY US	5119-0	Yes	****************
return value	State of Kansas	Vendor	2502 Westbrooke Circle, Lawrence, KS US	4219-0	Yes	****************
return value	State of New York	Vendor	Controllers Office, Albany, NY US	4146-0	Yes	****************
return value	State of New York > Commissioner of Motor Vehicles	Vendor	PO Box 359, Utica, NY US	4146-25	Yes	****************
return value	State of New York > Herkimer Community College	Vendor	100 Reservoir Rd, Herkimer, NY US	4146-26	Yes	****************
return value	State of New York > New York St Dept of Taxation & Finance	Vendor	PO Box 4137, Binghamton, NY US	4146-6	Yes	****************

Figure 4 – Search results returned for *state*

B. all applicable payees are returned, and the parent is displayed (State of New York) for the division that you want (Herkimer Community College). Selecting "return value" returns Herkimer Community College information (i.e., the division, not the parent) to the e-doc.

Training Issue: there is ongoing issue concerning the use of Province, for Canadian / Australian addresses. Enter the Province (when applicable) after the city in the "City" field (e.g., Montreal, Quebec; remember to include the comma between the city and the province).

Note: Payee ID is **required** on the Payment Information tab; it is system generated based on the Payee selected. This identifies the person or business the disbursement is paid to. Payees must exist in the system to be selected on the disbursement voucher. KFS uses the Vendor table and the KIM Person table for reference. If the payee already exists in the system, you can identify it by searching for it by using the Payee lookup.

Several KFS parameters exist to control which types of payees can be selected for a given payment reason. After clicking search, the restrictions for the selected payment reason are displayed at the top of the lookup.

Payee ID
Click the magnifying glass next to Payee ID (on the Payment Information tab).

Figure 5 – Payee ID

Figure 6 – Payee Lookup

Table 2 Payee ID Lookup field definitions

Field Name	Description (* indicates a required field)
Payment Reason Code	* Select a payment reason from the drop-down list.
Tax Number	Social Security Number or Tax Number associated with the payee. Only vendors set up with tax IDs will return in this search. Note: the system will not allow wild card searches for Tax Number.
Person First Name	First name of the payee as established in KFS (faculty, staff, student, individual/sole proprietor). **Note:wild card searches are recommended**.
Person Last Name	Last name of the payee as established in KFS (faculty, staff, student, individual/sole proprietor). **Note: wild card searches are recommended**.
NetId	The NetID is a universal and secure identifier, unique to an individual, required to access many secure Cornell online services.
Vendor Name	Name of the vendor as it appears in the Vendor table. **Note: wild cardsearches are recommended**.
Employee ID	Unique ID assigned to an Employee in the Person table. (**Note**: this is not the NetID; it is the unique HR-assigned EmplID; Training Issue)
Vendor #	The Vendor Number as it appears in the Vendor table.
Active?	Select the Yes, No, or Both options. You may search for payees with any status, but payments cannot be made to inactive payees. **Training Recommendation**: Review the notes on the inactive vendor record to determine if the vendor can be reactivated, has a new vendor number, or is no longer in business.

Figure 7 – Contact Information

Contact Information tab contains information that will print on the check. When the DV e-doc is first initiated, the Contact Name and the Campus Code default to the initiator's information. **Note**: The information in this tab is included on the check stub and is seen by the payee when they receive the check. If you want to include information that only other KFS users can view, add information in Notes and Attachments tab.

Table 3 Contact Information tab field definitions

Field Name	Description (* indicates a required field)
Contact Name	* This field is pre-filled with the name of the e-doc initiator but may be edited.
Phone Number	* Pre-filled with the phone number of the e-doc initiator but may be edited. Use the format xxx-xxx-xxxx.
Email Address	Enter the contact person's email address. (optional)
Campus Code	Display-only. The code of the campus associated with the e-doc's initiator, derived from the user's profile.

Contact for a DV is typically the initiator, thus the contact information is typically the name, phone, and email address of the initiator.

Special Handling Tab

Special Handling tab is used only when a check is to be sent to someone other than the payee. Selecting the Special Handling check box generates a message (*see Figure 7*), and certain fields on the Special Handling tab are then required. Note: The address information must be complete enough to allow delivery by the US Postal Service.

As a rule, checks should be mailed directly to the payee. Recognizing there are SOMETIMES circumstances that require special handling, please ENTER A NOTE IN THE NOTES & ATTACHMENTS SECTION BELOW THAT explains the NEED FOR THE special handling request.

OK
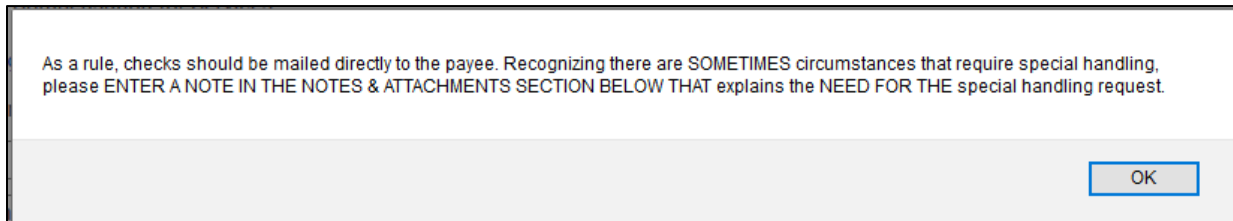
Figure 8 – Special Handling system-generated message

SPECIAL HANDLING

SEND CHECK TO

Special Handling Name :
Special Handling Address 1 :
Special Handling Address 2 :

Special Handling City :
Special Handling State :
Special Handling Postal Code :
Special Handling Country :

Figure 9 – Special Handling tab

Table 4 Special Handling tab field definitions

Field Name	Description (* indicates a required field)
Special Handling Name	* Enter the name of the person or entity where the check should be mailed.
Special Handling Address 1	* Enter the first line of address where the check should be mailed.
Special Handling Address 2	Enter the second line of address where the check should be mailed.
Special Handling City	Enter the city where the check should be mailed.
Special Handling State	Enter the state where the check should be mailed.
Special Handling Zip Code	Enter the zip code where the check should be mailed. It is highly recommended that ZIP +4 be used.
Special Handling Country	Select the payee's country from the list.

Nonresident Tax Tab

This tab is completed by a member of the KFS-SYS Tax Manager role if the payee is a nonresident. The information on this tab is used for reporting purposes and to add any special tax withholding that might be required. If the transaction is taxable, this function automatically adds the appropriate tax-related accounting lines to the Accounting Lines tab of the e-doc, and reduces the total check amount if tax needs to be withheld.

NONRESIDENT TAX

* Income Class Code :	Foreign Source : No
Federal Tax Percent :	Treaty Exempt : No
State Tax Percent :	Exempt Under Other Code : No
Country Code :	Gross Up Payment : No
NQI Id :	USAID Per Diem : No
Reference Doc :	Special W-4 Amount :

Figure 10 – Nonresident Tax tab

Wire Transfer Tab

When you select Wire Transfer as the payment method you are prompted to complete the Wire Transfer tab as seen below. Note: Do not attach any document with bank account information to the e-doc. A special drop box procedure (*Appendix I*) has been defined if additional information is needed. **Training Issue**: At this time, wire transfer fees will not apply. The error message will indicate a fee of "0" will be charged

Figure 11 – Wire Transfer tab

Table 5 Wire Transfer tab field definitions

Field Name	Description (* indicates a required field)
Recurring Profile No.	Enter the user established code which quickly identifies the wire transferprofile for a payee to which frequent wire transfer payments are made. **Note**: *this field is information only*.
Bank Name	* Enter the name of the financial institution to which the funds are to be wired
Bank ABA Routing #	Required for U.S. bank. Enter the nine-digit code that identifies the U.S. bank to which the funds are to be wired. Not required if wire is made to a foreign bank.
Bank Street Address	Enter the street address of the bank to which funds are wired.
Bank City	* Enter the city location of the bank to which funds are to be wired
Bank State	Required for U.S. bank. Enter the state location of the bank to which fundsare to be wired. Not required if wire is made to a foreign bank.
Bank Province	Enter province for non-US bank.
Bank Country	* Select the country location of the bank to which funds are to be wired fromthe Bank Country list.
Bank Account #	* Enter the specific account number to which the funds are to be wired.

kuali
financial system

Bank Account in the Name of	* Enter the name on the account indicated above in the Bank Account # field
Waive wire transfer fee?	Display only. **Note**: *CU will not be using this functionality at this time, andno fees will be charged.*
Additional Wire Information	Enter additional information that you would like to send to the financial institution regarding this wire transfer.

Addenda	Enter any further information about the payment itself, similar to AdditionalWire Information.
DV Amount Stated In	* Select the currency type from the DV Amount Stated in list. Choices are: • U.S. dollars • DV amount is stated in U.S. dollars; convert to foreign currency • DV amount is stated in foreign currency.
Currency Type	* Enter the type or unit of currency for the payment.
Foreign Wires Additional Data	
Bank IBAN# or CLABE (Mexico)	The International Bank Account Number (IBAN) The IBAN consists of up to 34 alphanumeric characters: first the two-letter country code, then two check digits, and finally a country-specific Basic Bank Account Number (BBAN).[1] The check digits enable a sanity check of the bank account number to confirm its integrity before submitting a transaction. The BBAN format is decided by each national banking community: it must be of a fixed length of case- insensitive alphanumeric characters. It includes the domestic bank account number, branch identifier, and potential routing information. Account Number-the beneficiary account number. For Wires to Mexico, The CLABE (Clave Bancaria Estandarizada) is distinctive to this country, 18-20 digits.
Bank Swift Code (BIC)	Swift or BIC code: the Society for Worldwide Interbank Financial Telecommunication(SWIFT) or Business Identifier Codes (BIC) provides a network that enables financial institutions worldwide to send and receive information about financial transactions in a secure, standardized and reliable environment.
Bank Sort or Transit Code	The sort code, which is a six-digit number, is usually formatted as three pairs of numbers, for example 12-34-56. It identifies both the bank and the branch where the account is held. A name given by both the British and Irish banking
Correspondent Bank Name	A financial institution that provides services on behalf of another, equal or unequal, financial institution. A correspondent bank can conduct business transactions, accept deposits and gather documents on behalf of the other financial institution. Correspondent banks are more likely to be used to conduct business in foreign countries, and act as a domestic bank's agent abroad.
Correspondent Bank Address	Enter street address, city, province, country, and postal code.
Correspondent Bank Swift Code.	See definition for Bank Swift Code.
Correspondent Bank Routing Number	See definition of Bank Routing Number
Correspondent Bank Account Number.	See definition Bank Account Number

kuali. financial system

Training Recommendation: See the Treasurer's Cash Management website for information on processing international wires and foreign drafts. Be aware that countries may have unique requirements:

- India requires a purpose code. The payee should provide the code; please confirm with the receipt purpose codes list on Cash Management's website.
- Canada requires that all payments to beneficiaries include the full beneficiary address (street address, city, province, and postal code). Cash Management requests that it be entered on the Addenda line of the Wire Transfer tab.

Foreign Draft Tab

When you select Foreign Draft as the payment method, you are prompted to complete the Foreign Draft tab as seen below:

Figure 12 – Foreign Draft tab

Table 6 Foreign Draft tab field definitions

Field Name	*Description (* indicates a required field)*
DV amount is stated in U.S. dollars; convert to foreign currency	Select this option if the DV amount is stated in U.S. dollars and needs to be converted to a foreign currency; for example, the U.S. funds amount of $400 needs to be converted into Euros (€).
DV amount is stated in foreign currency	Select this option if the DV amount is stated in a foreign currency.
Currency Type	* Enter the type of currency for the payment

Non-Employee Travel Expense Tab & Pre-Paid Travel Tab: Not used at Cornell

Pre-Disbursement Processor Status tab

Pre-Disbursement Processor Status tab displays information from the Pre-Disbursement Processor (PDP) so you can track the payment status and the status date for check and ACH payments. Review the notes on the Disbursement Voucher to determine when Cash Management completed Wire transfers.

Figure 16 – *Pre-Disbursement Processor Status tab*

Table 9 Pre-Disbursement Processor Status tab field definitions (Check/ACH payments)

Field Name	Description (* indicates a required field)
Pre-Disbursement Processor Status	Display-only. Displays the payment processing status from the Pre-Disbursement Processor (PDP).
PDP Extract Date	Display-only. The date when the DV was extracted for payment processing by the PDP.
PDP Paid Date	Display-only. The date when the payment was disbursed by PDP. Effective October 18, 2014, the disbursement info button will give you more information about the payment.
PDP Cancelation Date	Display-only. The date when the payment was canceled within PDP.

Print Disbursement Voucher Cover Sheet Link

If you have attachments or supporting documentation that needs to go to another university location, you can print a cover sheet to accompany them.

To print a cover sheet, click the Print Disbursement Voucher Cover Sheet link:

Print Disbursement Voucher Coversheet 📄

This becomes available in the upper middle area of the e-doc after you successfully submit it. The cover sheet opens as a PDF document.

***Figure 17** – Print Disbursement Voucher Cover Sheet link*

***Figure 18** –Disbursement Voucher Cover Sheet*

Searching for a Disbursement Voucher: DV has its own unique document lookup, found on the Custom Document Searches menu. (This is a customization that breaks when we move to KEW - Kuali Enterprise Workflow. To get the specific doc type features, Enter DV in the doc type field and tab through it.)
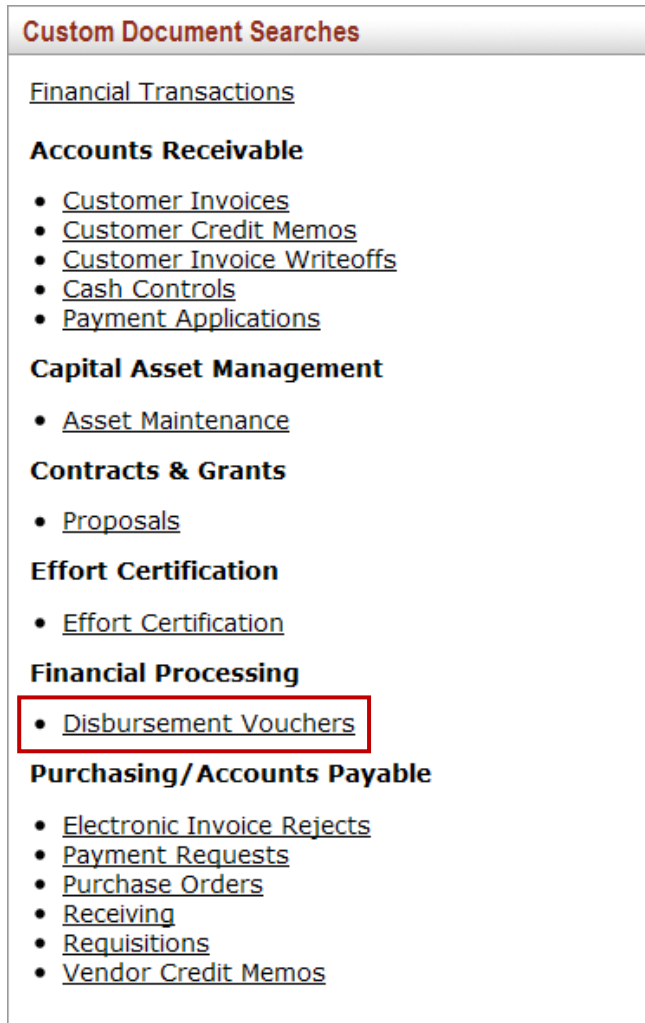

Custom Document Searches

Financial Transactions

Accounts Receivable

- Customer Invoices
- Customer Credit Memos
- Customer Invoice Writeoffs
- Cash Controls
- Payment Applications

Capital Asset Management

- Asset Maintenance

Contracts & Grants

- Proposals

Effort Certification

- Effort Certification

Financial Processing

- Disbursement Vouchers

Purchasing/Accounts Payable

- Electronic Invoice Rejects
- Payment Requests
- Purchase Orders
- Receiving
- Requisitions
- Vendor Credit Memos

Figure 19 –Disbursement Vouchers search

In addition to the normal search criteria, you have the option of searching on the payee number, name, or payment reason code.

Figure 20 –*Disbursement Vouchers search criteria*

Business Rules
- DV Payee cannot be the same as the Initiator.
- DV Payee must be active when the doc initiator submits for approval.
- Check amount cannot be negative or zero.
- There must be at least one accounting line.
- Total of accounting lines must match the Check Total field.
- The valid payee types, object codes, etc. allowed on DV's are controlled by parameters.

Payment Reasons

When processing a DV e-doc, users must indicate a payment reason by selecting a Payment Reason Code from the Payment Reason list in the Payment Information tab. The payment reason identifies the nature of the disbursement and determines what restrictions the disbursement is subject to. Choosing a payment reason may restrict the other choices you can make on the e-doc. For example, most payment reasons only allow certain object codes, and some restrict whether the person being paid can be an employee or non-employee.

Table 13 (below) outlines the <u>current</u> DV payment reasons:

Table 13 - Payment Reason Code*

Code	Payment Reason Name	Payment Reason Description
A	Prize and / or Award	Payments made for Prizes and Awards must be made to Non-employees only. Awards may not include personal services, and scholarship or fellowship payments. For payments of Prizes and Awards to University employees, please contact University Payroll. This payment reason can be used for payments for punitive damages and/or settlements. Support payments can only be made to outside organizations for authorized purposes. This would also include payments in lieu of flowers.
B	Reimbursement for Out-of-Pocket Expenses	Reimbursement for Out-of-Pocket Expenses may be made to University employees. These reimbursements are paid to an individual who incurs out-of-pocket expenses on behalf of their departmental business operations due to an emergency. This payment reason may not be used in lieu of the procurement process. No travel, meals, or personal service payments may be made using this payment reason.
D	Respect to Decedent Compensation Payment	Limited to payment on behalf of deceased employees / retirees, such as refunds of payments for health insurance. See Prizes and / or Awards for payments in lieu of flowers.
E	Compensation for Services	Compensations for Services can be used for non-employees only; includes: artist fees, athletic officials, and DJs.
F	Refund / Repayment to Individual or Ext Org	Refund/Repayment to Individual or Agency is a payment for returned goods sold, services rendered, or overpayment. This reason can also include repayment to agencies for contract and/or grant funding. This payment reason may not be used for refunds of student fees, tuition, or residence hall payments.
G	Communications / Delivery / Utilities	Payments for Communications, Freight, Delivery, Express Mail, and Postage. Payments for water, sewer, electric, fuel oil, natural gas and other utilities.
H	Employee Benefits and Payroll Withholding	Payments for institutional benefit programs and voluntary payroll deductions.
J	Employee / Student Travel	Used to reimburse individuals not authorized to use the Concur Travel Application. Do not use this payment reason to pay companies.

K	Univ Petty Cash Custodian Replenishment	Payment to a petty cash custodian for the purpose of replenishing a petty cash fund.
L	Payments for Contractual Agreements	Limited use for contracts that can be paid without a Purchase Order.
M	Moving Reimbursement	Moving Reimbursements are payments to new University employees for relocation/moving expenses. These payments are subject to University policy on Moving Expenses and may be subject to tax withholding / reporting. **Training Issue**: Payments to moving companies require a purchase order.
N	Travel Payment for a Non-employee	Travel for individuals or vendors who do not have a Kuali Identity Management (KIM) record eligible for payment on a DV. Note: Use Payment Reason J for Alumni, Students, Retirees & Individuals who do have KIM records eligible for payment.
O	Honoraria	Gratuitous (i.e., not required) payments to individual (must be charged to a Federal Unallowable object code).
P	Travel Payment for Prepaid Travel	Travel Payment for Prepaid Travel should be used for any prepaid travel to include conference registration, lodging, limousine and air fares. This payment reason can also be used when direct payment of travel expenses is allowed.
R	Royalties / Permission Fee	Direct payments to owners of royalties, rights, and permissions should use this payment reason. In situations where employees are to be paid these fees, they must be set up as vendors.
S	Stipends	Periodic payments to individuals who are not degree students or employees.
T	Rental / Lease Payment	Payments for rental space. Leases must be signed by the university real estate office.
U	Insurance / Licenses / Taxes	Real Property or Equipment Insurance. Membership or licensing fees. Taxes Real Property. Institutional Debt Service.
W	Subscriptions / Periodicals	Subscription and periodicals may be used when a Pcard cannot be used for any payment covering a renewal or subscription to a newspaper or magazine. Include a ship to address in the check stub text area for the vendor's convenience. May also used by authorized resale operations for the purchase of goods for resale.
X	Travel Advance	Travel advance that cannot be processed in Concur for approved business travel.
Y	Study/Participant/Research Project Adv	This limited use payment reason is for approved Study Advances, Participant Advances, or Research Project Advances and other similar authorized advances to individuals.
Z	University Bank / Cash Funding Restr Use	Restricted Use Payment Reason. Fund University Bank Accounts, Cash Drawers, startup Petty Cash Funds.

* Training Issue: there is no valid Payment Reason of "**Other**."

Kuali
financial system

Initiating a DV
1. Log into KFS as necessary, and select Disbursement Voucher (DV)
2. A blank Disbursement Voucher e-doc with a new document ID appears.
3. Complete the Payment Information tab.
    Note: For information on modifying a Vendor address, please consult the Vendor SOP.
4. Complete the Accounting Lines tab.
5. Complete any additional DV-specific tabs, as required.
6. Submit e-doc (it will route for approval).

Workflow
Based on rules set up, DV e-doc will route through a series of approvals **before** the disbursement is actually made. Due to its unique nature, the DV e-doc has some special routing issues:
*   The DV e-doc first routes to the fiscal officer for each account in the Accounting Lines tab.
*   After the e-doc has been approved by the fiscal officers, the DV goes through any **special routing** as required by business rules surrounding the attributes of the transaction and the payee.

The e-doc status becomes FINAL when the required approvals are obtained. Then the transaction is processed by the Pre-Disbursement Processor.

Table 14 DV special condition routing
(**Note**: there are dollar thresholds associated with special condition routing.)

| Condition	Special Routing
Payee requires backup withholding	KFS-SYS Tax Manager
Payee identified as being a nonresident (as determined by the <u>vendor record</u>)	KFS-SYS Tax Manager
Payment reason (<u>Payment Information</u> tab) is Travel Payment for a Non-employee or Travel Payment for Prepaid Travel	KFS-FP Travel Manager
Payment reason is identified as requiring Tax Manager review	KFS-SYS Tax Manager
Determined by fund source. All payments over $5,000 will automatically route for review. Determined by object code. All payment will automatically route for review.	KFS-SYS Award Review (Contracts/Grants Processor)
Determined by object code or if DV initiator is FO/Delegate for account or if payment is > $100,000.	KFS-SYS Campus Review
Payment Method (<u>Payment Information</u> tab) is Wire Transfer or Foreign Draft	KFS-FP Disbursement Method Reviewer role

Workflow
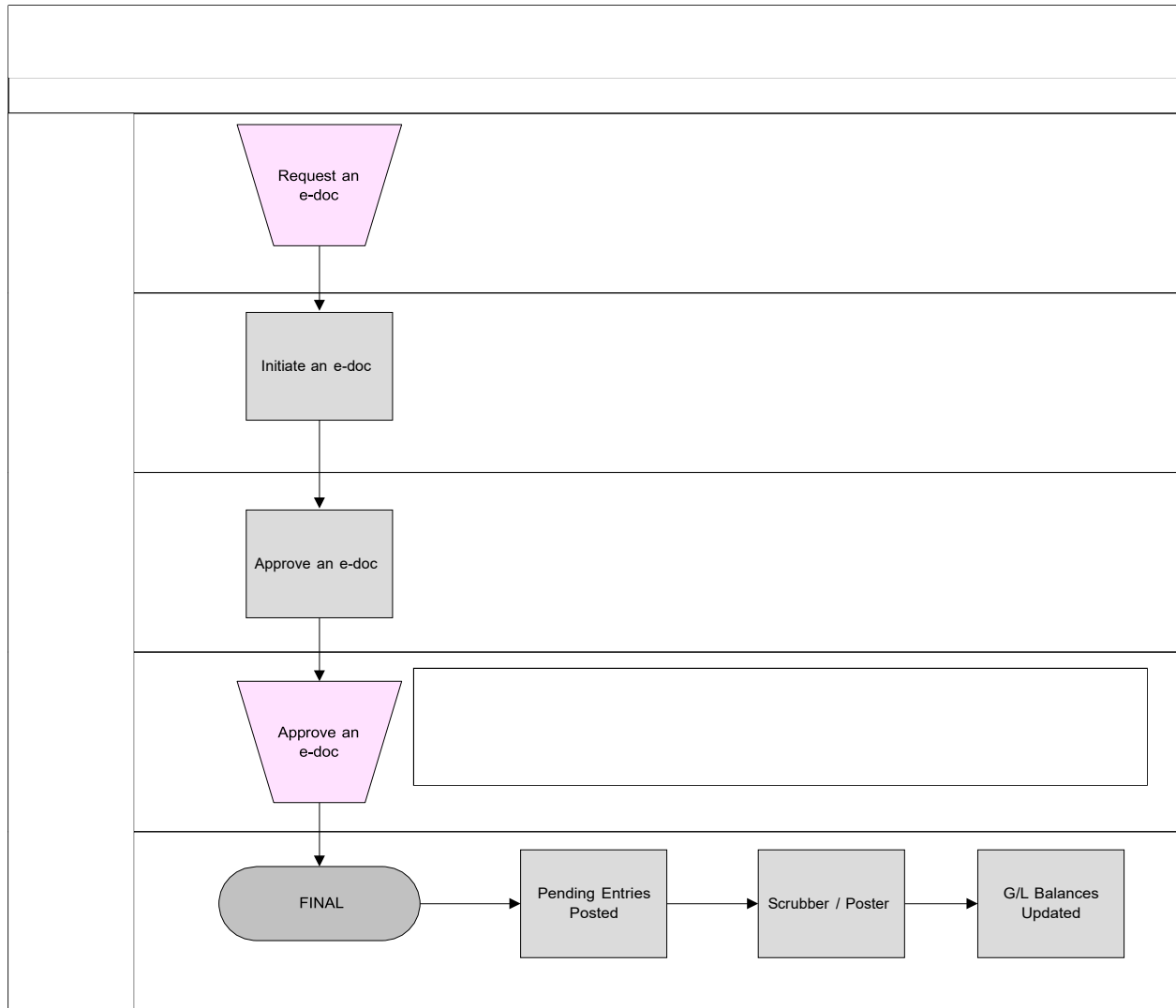
Figure 21 – DV workflow

Note: if an FO creates a low-dollar transaction DV, it will still route (to satisfy "separation of duties" requirement).

7. <u>Definitions</u>

- [KFS at CU: Chart of Accounts](#)
- [KFS at Cornell Glossary](#)

8. <u>References</u>

- "Basics" tutorials
- "FP: Disbursement Voucher" tutorial

Appendix I

Banking Data Wire Tabs Updated Procedures

If additional banking information is needed that will not fit in the Additional Information and Addenda fields of a Disbursement Voucher (DV) Wire Transfer tab, or the Foreign Wires additional data section, do not attach bank account information as an attachment to the DV.

Instead:
Send information via the Secure File Transfer https://sft.cornell.edu/ to Cash Management.

Address the message to all of the following people:

- Kevin Mooney, km484@cornell.edu
- Susan La France, sml296@cornell.edu
- Marie Graves, mhb225@cornell.edu

Append the E-doc # and the standard text:
   Additional Wire Data as part of the subject line.