

Disbursement Request**Disbursement Request****I. Purpose**

To provide guidance for processing payments when the standard methods of check, Payment Plus, or ACH through the normal SAP Vendor payment processes, as well as to provide guidance on issuing payments processed against agency cost centers. A Disbursement Request (DR) provides departments a means of disbursing funds in rare and unusual circumstances when a check/ePayables payment type will not suffice or is not appropriate.

II. Policy

- A. The Disbursement Request (DR) form is used when the standard methods of payment are not appropriate. University departments should use the Payment Request Document (PRD) or Supplier Resource Management (SRM) shopping cart to initiate disbursements in settlement of valid claims for goods and services by check, Payment Plus, or ACH through the normal SAP vendor payment processes.
- B. Exceptions to the standard PRD or SRM shopping cart process are limited to the payment types listed in Section IV below and are subject to final approval by University Financial Services. Examples of when to use the DR form include payments from agency cost centers and bank transfers.
- C. The preferred currency for wire payments is US Dollars (USD). It is encouraged that departments request invoices in USD.
- D. University Financial Services will pass through fees assessed by the bank for processing a payment by wire transfer to the originating department. Bank fees to process ACH transfers are minimal and will not be passed along to the department.

III. Responsibilities

- A. Department
 - Determine if Disbursement Request document is the correct tool for initiating payment to the vendor when the standard methods of check, Payment Plus, or ACH through the normal SAP Vendor payment processes are not appropriate. Examples of when to use the DR form include a payment from an agency cost center or a bank transfer (e.g., wire or ACH payment).
 - 1) Verify the vendor is in the vendor database using SAP T-code xk03. If not, submit an invitation to the vendor through PaymentWorks.
 - 2) Obtain a valid invoice from the vendor.
 - 3) If a Purchase Order is required by Procurement Services, as outlined in the [Purchasing/AP Quick Reference Guide](#), the department should create the appropriate shopping cart and provide the PO number on the DR form. Purchase Orders must be in USD. If an invoice is in a foreign currency, the department must use the Oanda Currency Converter website <https://www.oanda.com/currency-converter> to obtain the USD amount as of the date of the invoice.
 - 4) Obtain formal documentation from the vendor that validates the banking information entered on the DR form. This documentation must include the

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exact name on the account, bank account or IBAN number, bank routing number/SWIFT and exact address of the beneficiary (payee).

- 5) Obtain departmental approval on the form and submit to Accounts Payable Services at UKDisbursementReq@uky.edu.

B. Accounts Payable Services

- 1) Confirm the vendor is in SAP.
- 2) Validate supporting documentation.
- 3) Obtain approval from Procurement Services when necessary.
- 4) Approve and forward the DR form to Treasury Services for payment execution of a wire or ACH.
- 5) Post the Disbursement Request to the department's account as listed on the form.
- 6) Post the Disbursement Request to the banking GL for bank transfers.

C. Treasury Services

- 1) Ensure appropriate approvals are included on the DR form.
- 2) Execute request and receive confirmation.
- 3) Send DR form, with the banking GL, to Accounts Payable Services.

IV. Authorized Exceptions

- A. Disbursements charged to agency cost centers**
These disbursements do not constitute University business. They are subject to different guidelines and the University's workflow approval process is not applicable. See [E-17-14 Agency Cost Center Policies and Procedures](#) for additional policies and procedures related to agency cost centers.
- B. Bank transfers**
Purchasing transactions occasionally require the University to make payments by bank transfer, either ACH or wire transfer.

V. Procedures

- A.** The department should initiate payment by completing a [Disbursement Request \(DR\)](#). See [Instructions for Completing a Disbursement Request](#).
- B.** If requesting a wire transfer or ACH payment, attach all necessary supporting documentation including invoices, receipts, and formal documentation that clearly validates the vendor's banking information.
- C.** Submit the completed DR and related documentation to Accounts Payable Services at UKDisbursementReq@uky.edu for review and approval.
- D.** Treasury Services will initiate a Journal Voucher to pass through wire transfer fees to the cost object indicated on the DR.