



County of Santa Clara

Policy Name: Accounts Payable Wire Transfers

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Policy Type: Administrative

Category: Fiscal and Budget

Policy Name: Accounts Payable Wire Transfer

Policy Owner: Controller-Treasurer Department

Policy Purpose

The purpose of this policy is to provide guidelines and define roles and responsibilities for processing wire transfers to pay invoices. This policy specifically governs operating departments when the execution of wire transfers are processed by the Controller-Treasurer Department.

The Procedures outlined in this policy is not specifically applicable to County Agencies and Departments that execute wire transfers on their own; however, the fundamental guidelines, core concepts, and intent of the Policy Purpose and Policy Summary stated in this policy should be adhered to Countywide to ensure sound business practices.

Policy Summary

The guidelines for processing wire transfers to pay invoices must be adhered to for the expeditious processing of wire transfers.

It is the responsibility of the operating department to ensure that any invoice submitted for payment is accurate, reasonable, allocable, consistently treated, allowable, and approved by an authorized manager in the operating department. Prior to requesting a wire transfer, the operating department must first enter the payment into the County's accounting and finance system, including the completed Authorization for Bank Payment



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Form and original wire instructions from the payee as attachments to the payment. The department then completes the Authorization for Bank Payment Form so that the Controller-Treasurer can complete the transfer.

Time Restraints

All departments must submit the Authorization for Bank Payment Form by 11:00 AM at least two days prior to the effective date for the wire transfer. Late or incomplete submissions may cause the wire transfer to be delayed.

Minimum and Maximum Dollar Amounts

Wire transfers are generally not appropriate for amounts less than \$100,000 due to the high cost of processing. Use of electronic fund transfer payment (EFT) is not recommend for transactions below \$100,000. When an operating department seeks to transfer amounts less than \$100,000 by wire transfer, approval must be granted by the County Treasury Administrator in the Controller-Treasurer Department, at least two business days prior to the effective date of the wire.

To avoid cash flow issues, wire transfers of \$2 million or more must receive the approval of the County Treasury Administrator in the Controller-Treasurer Department no later than two business days prior to the effective date.

Procedures

Completing a Wire Transfer

- 1) Upon receiving any invoice to be paid with a wire transfer, the **operating department** shall enter the invoice information and attach the invoice to be paid into the County's accounting and finance



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system document, in accordance with the Controller-Treasurer invoice payment process.

- 2) The **operating department's requestor** must submit and confirm that the following information is received by the Controller-Treasurer Department General Accounting Unit [Bank Desk] by 11:00 AM at least two business days prior to the effective date, for timely processing:
 - 2a) a completed and signed Authorization for Bank Payment Form,
 - 2b) a copy of the wire instructions from the vendor, and
 - 2c) the SAP number generated after the invoice has been entered into the County's accounting and finance system.
- 1) It is the responsibility of the **Controller-Treasurer Department General Accounting Unit** [Bank Desk] to:
 - 3a) Verify the Wire Transfer Form;
 - 3b) Enter the wire payment information in the banking system;
 - 3c) Forward supporting documents to the Treasury Unit by 3:00 PM one business day prior to the wire transfer effective date; and
 - 3d) Confirm the status of the wire transaction in the banking system, by 10:00 AM.
- 2) It is the responsibility of the **Treasury Unit** to verify that the Authorization for Bank Payment Form agrees to the banking system. Treasury Unit staff releases the payment in the banking system and



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prepares a plan with all outgoing funds for the day, including wire transfers, by 3:00 PM.

- 3) It is the responsibility of the **Claims Unit** to post the wire transfer payment transaction in the County's accounting and finance system.

Definitions

For the purposes of this policy, the following definitions apply:

- 1) **"Wire Transfer"** means transferring funds directly from one bank account to another bank account.
- 2) **"County's accounting and finance system"** means the SAP System or other similar system currently used by the County as its primary accounting and finance system.
- 3) **"Effective date"** means the date that the destination bank receives the money.
- 4) **"Banking System"** means the online Wells Fargo Bank or other similar financial institution used by the County as its operational bank.

Frequently Asked Questions

None.

Related Policies

- General Ledger Account Policy - <https://www.sccgov.org/sites/scc/gov/CountyPolicies/General-Ledger-Account-Policy.pdf>



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Related Forms and Information

- Authorization for Bank Payment -
[url]
</sites/forms/controller/ControllerCountywideforms/Authorization%20for%20Bank%20Payment%20form.pdf>

History

Date	Changes Made
5/6/2016	Updated policy and procedures.
1/29/2014	Policy uploaded. (John Myers)