

3 June 2014

**COMMUNIQUE FROM THE OFFICE OF THE CHIEF FINANCE OFFICER
PROCESSING OF FOREIGN PAYMENTS**

Dear Staff and Students

Several foreign payments batches have been processed over the past few weeks, with the latest being this morning.

We sincerely apologise for the delays.

More staff have been trained to deal with changes in the Finance Division.

CRITICAL : our biggest concern though is that the Requisition for Payment forms for foreign payments are either incomplete, are not signed, or not properly filled in. Not only is this a non-compliance issue in terms of South African Reserve Bank (SARB) rules, but it is also an audit issue.

Please note that the foreign payments are subject to **strict requirements** by the SARB and failure to comply with these will result in payments **not being processed**.

Attached is a form that must be filled in to meet these SARB requirements. Also attached is a list detailing definition of terms to help with the completion of the forms.

To check on the status of your payment request, please send an e-mail to supportqueries@ukzn.ac.za.

Thank you,

Precious Dube
Director Finance & Procurement

Bulelani Mahlangu
Chief Finance Officer

UNIVERSITY OF KWAZULU-NATAL

FOREIGN PAYMENTS BANKING DETAILS FORM

Please note the following with regards to foreign payment requests:

1. This form **MUST** always support **ALL** applications for foreign payments.
2. No foreign payments will be processed without this form.
3. Incomplete forms will **not** and **cannot** be processed.

<u>DETAILS OF THE BENEFICIARY'S BANKERS</u>	
Bank Name:	
Swift Code:	
Any 1 (One) of the following: - Sorting Code: - Routing Number: - Branch Code: - ABA/Fedwire: or - BSB:	
Branch Name:	
Bank Street Address:	
Country:	
<u>DETAILS OF THE BENEFICIARY</u>	
Beneficiary Account Number/IBAN:	
Name of Beneficiary:	
Country of Residence:	
Beneficiary's Physical Address:	
Suburb:	
City:	
Full description of what is being paid for:	
Invoice Number and Reference:	

Prepared By: _____ Name: _____ Staff No.: _____ Signature: _____ Date: _____

Checked & Confirmed By: _____ Name: _____ Staff No.: _____ Signature: _____ Date: _____

FOREIGN PAYMENT REQUESTS

DEFINITION OF TERMS

SWIFT CODE - is a standard format of Bank Identifier Codes (**BIC**) and it is unique identification code for a particular bank. This relates to codes that are used when transferring money between banks, particularly for international wire transfers. Banks also use the codes for exchanging other messages between them.

The SWIFT code consists of 8 or 11 characters. When 8-digits code is given, it refers to the primary office.

- First 4 characters - bank code (only letters)
- Next 2 characters - ISO 3166-1 alpha-2 country code (only letters)
- Next 2 characters - location code (letters and digits) (passive participant will have "1" in the second character)
- Last 3 characters - branch code, optional ('XXX' for primary office) (letters and digits)

SORT CODES - this relates to bank codes which are used to route money transfers between banks within their respective countries via their respective clearance organisations.

ROUTING NUMBER - this is a nine digit bank code, used in the United States, which appears on the bottom of negotiable instruments such as cheques identifying the financial institution on which it was drawn. This code was designed to facilitate the sorting, bundling, and shipment of paper cheques back to the drawer's (cheque writer's) account.

The RTN is also used by Federal Reserve Banks to process Fedwire funds transfers, and by the Automated Clearing House to process direct deposits, bill payments, and other such automated transfers.

BRANCH CODE - A bank branch code is a number that forms part of an individual account number and is an identifying code for the bank branch that holds the individual's account. A branch code is very important in financial transfer services as it helps prevent transferring money to wrong bank branches.

ABA/FEDWIRWE - this is an American Bankers' Association National Numeric System. It is a unique, 9 digit identifying transit number assigned to each bank.

BSB (Bank/Branch Number) - BSB stands for Bank-State-Branch. It is a 6 digit number that identifies banks and branches in Australia.

IBAN - this is the International Bank Account Number. It is a series of alphanumeric characters which uniquely identify an account held at a bank. It can be up to 34 characters long and contains a two-character country code, two check digits and the basic bank account number. The basic bank account number identifies the bank as well as the account holder.