

## Foreign Supplier Payment Procedures

Effective October 2019, the Office of the Controller implemented a new process for paying foreign suppliers. Departments are to follow the instructions provided below concerning foreign supplier payment requests.

1. New foreign suppliers will be approved by Procurement Services and all existing foreign suppliers are now in **“Approved”** status in PeopleSoft Financials. Foreign suppliers will no longer be inactivated after each payment. University departments will no longer need to request supplier approval from Tax Compliance ([tax@fiu.edu](mailto:tax@fiu.edu)) in order to enter a contract into TCM (Total Contract Manager), create a purchase order (PO), or submit an invoice for payment.
2. Payments to foreign suppliers will be approved by Tax Compliance and Accounts Payable at the **voucher level**, using workflow approval in Financials. All supporting documents will need to be attached to the request for payment.
3. **PO invoices** – submit to [invoices@fiu.edu](mailto:invoices@fiu.edu). One invoice per PDF file with PO and receipt. (Invoice and any additional documentation requested must be scanned into one single PDF file).
  - a. The **Non-US Vendor Statement Form** must be included with the invoice for the following scenarios.
    - i. Purchase of goods from outside U.S. soil
    - ii. Services that have not or will not be performed on U.S. soil
      1. For services of \$5,000 or more – must provide copy of signed service agreement which must be processed through TCM
      2. For services under \$5,000 – must provide detailed scope of work. Multiple payments to a supplier during the calendar year must be added together for purposes of the \$5,000 threshold, regardless of the funding source.
    - iii. Rental of real property outside U.S. soil – must provide copy of signed lease agreement
    - iv. Subscriptions to online content or online database access – must provide copy of signed service agreement
  - b. For Services performed by foreign corporations **within the U.S.**, a signed service agreement with a detailed scope of work must be included with the invoice
  - c. Purchase of goods from within U.S. soil only require an invoice and vendor completion of W-8ECI form

- d. Software license agreements for software to be used with the U.S. always require a signed software agreement and invoice
- e. Royalty payments always require a signed agreement and invoice

4. Allowable Unencumbered Payments

- a. Electronic unencumbered form – the electronic unencumbered payment form in Financials will not work with foreign vendors. Unencumbered payments to foreign vendors must follow the hardcopy process below.
- b. Hardcopy unencumbered form – must be submitted to [tax@fiu.edu](mailto:tax@fiu.edu) and only applies to:
  - i. Honorariums
  - ii. Stipends
  - iii. Services performed **outside U.S. soil** and if services are **under \$5,000**. Must provide invoice and detailed scope of work. Multiple payments to a supplier during the calendar year must be added together for purposes of the \$5,000 threshold, regardless of the funding source.