

# THE BOTTOM LINE

Volume 8, Issue 2

Year End 2006

Dear Colleagues,

As I write this today, it is a beautiful spring day. Commencement is just behind us and campus life changes for the summer. For the Controller's Office, this season enters some of the busiest months of the year. This issue of the Bottom Line Newsletter is packed with information to help you navigate the financial requirements of closing out the year.

Please take the time during the next few weeks to review your budgets for accuracy. Adjustments and transfers may be requested anytime between now and early July, but the sooner the better.

If you are anxious to begin the next fiscal year, and want to confirm the approved budget for your index, the budgets are now loaded in Banner. Whether you use screen FGIBDST, or a Banner Web query, simply change the fiscal year field to "07". The total university budget for FY07 is \$169 million.

The Controllers Office has experienced some staffing changes during the last few months. Read about them inside to be certain of whom to call with questions. Our next issue will be in October/November. As always, let us know if you have questions or concerns that you would like addressed in future issues. We want this newsletter to be a resource for our campus constituencies.

**Jenni Sauer**

Associate Vice President and Controller  
jsauer@richmond.edu

## THE NEWSLETTER STAFF

<i>Harlean Owens</i>	<i>X1523</i>
<i>Sharon Condrey</i>	<i>X8828</i>
<i>Susan Galvin</i>	<i>X8537</i>
<i>Tammy Hicks</i>	<i>X8752</i>
<i>Jean Hines</i>	<i>X8181</i>
<i>Suzanne Kallighan</i>	<i>X6562</i>
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## Did You Know.....

Effective May 15, the mileage reimbursement rate increased to **43 cents** per mile for faculty, staff and students.

Group meals in restaurants are **allowed** on the purchasing card. This is a change from the previous policy.

Due to fiscal year end, purchasing card documentation for the June 26<sup>th</sup> statement is due to Accounts Payable by Wednesday, July 5<sup>th</sup>.

The Park N Go lot at the Richmond Airport gives UR employees a 20% discount. Employees need to show a university ID or business card to get the discounted rate.

Park N Go also offers a frequent parker program. For every 10 days you park in their lot, you receive one free day of parking.

## GENERAL ACCOUNTING

### Important Year End Accounting Dates

#### June 30, 2006

If your index has a deficit, you will receive a deficit notice from the Accounting Office. The deficit must be cleared by June 30<sup>th</sup>. You may clear your deficit by sending a journal entry or budget entry to the Accounting Office. All budget entries must be approved by the Dean, Director, or Department Head.

#### July 5, 2006

The preliminary June 30<sup>th</sup> closing is set for Wednesday, July 5<sup>th</sup>. You will have until 3:00 pm on this day to enter journal vouchers, which will be included in your preliminary monthly budget report. You will receive your preliminary monthly budget report on Thursday, July 6<sup>th</sup>. Please be sure to thoroughly review this budget report and notify the Accounting Office immediately of any corrections that need to be made.

#### July 12, 2006

Please have all journal entries for fiscal year 06 to the Accounting Office by 5:00 pm, Wednesday, July 12<sup>th</sup>. Even though the fiscal year will not close until late July, the Accounting Office needs time to balance accounts and close the year. Receiving entries in our office after this date makes reconciling difficult because balances change every time entries are entered. Also, even though Banner will let you, no entries should be keyed by other departments after July 12<sup>th</sup> for the same reason.

#### **New Addition to the Accounting Office**

The Accounting Office has new staff member. Robert Plymale joined our team on Monday, May 1<sup>st</sup>. Although he is new to our office, he is not new to the University of Richmond. Robert has been with the University for 18 years in the Landscaping Department. While working here at the University, Robert earned a degree in Information Systems, with a minor in Business. Please stop by the Accounting Office and meet our newest member.

#### **Accounting Office Staff**

If you have any Accounting year end questions, please let us know.

Deanna Janss, Accounting Specialist x8169  
Robert Plymale, Accounting Assistant x8178  
Tammy Hicks, Accounting Manager x8752



## ACCOUNTS PAYABLE

### **Accounts Payable Staff**

We're here to help:

**Nancy Crowgey (x6363)** – AP Specialist (invoices, reimbursements, cancelled checks, Stop Payments, direct deposit set-up)

**Lynn Gibbons (x8180)** – Reimbursement & Purchasing Card Specialist (travel payments / reimbursements/Pcard assistance)

**Linda Pembelton (x8177)** – Taxation Specialist (invoices, reimbursements, gift reporting, vendor file maintenance)

**Jean Hines (x8181)** – Accounts Payable Manager and Pcard Administrator

### **Mileage Reimbursement Rate Changes**

With increases in gas prices, we have found it necessary to change the mileage reimbursement rates several times during the past year. The current mileage reimbursement rate is .43 per mile.

Previously, we reimbursed students and non-UR employees for their actual gas purchase or .15 per mile. **Effective immediately, we now reimburse students and non-UR employees at the same rate we reimburse employees.**

We will continue to reimburse moving expenses at the **reduced rate of .15** per mile, or actual gas receipts. We will also continue to reimburse recruiting candidates at the **reduced rate** or actual gas receipts.

### **Purchasing Card Changes**

- Group meals at restaurants are now **allowed** on departmental purchasing cards. When allocating your charges in PaymentNet, you must indicate in the Transaction Notes who attended the meal and the purpose of the meal.
- Effective with the **July 25<sup>th</sup>** statement, there will no longer be email warnings when credit card statements are not received in Accounts Payable by the 10<sup>th</sup> of the month. If the Pcard documentation is not received by the due date, the credit

## ACCOUNTS PAYABLE

Continued

card will be **suspended** until the documentation is received. The cardholder and supervisor will receive an email notification that the card has been suspended.

- Effective with the **July 25<sup>th</sup>** statement, there will no longer be email warnings when charges for the month have not been allocated in PaymentNet by the 10<sup>th</sup> of the month. The charges will be downloaded in Banner to the default index / account code set-up for the card. The department will have to make changes and corrections by preparing journal entries and forwarding to the Accounting Office.
- When an item has been charged on the purchasing card that is in violation of University policy (such as UR Bookstore charges or registration fees), both the cardholder and the supervisor will be contacted. **Continued violations of the policy will result in suspension of the card.**

### **Important Accounts Payable Year End Dates**

With our fiscal year end quickly approaching, below are some important dates to keep in mind. More details about these dates are throughout the Newsletter:

#### June 16<sup>th</sup>:

- **Pcard** - last day to charge items on the card to be charged against FY06 (Old Year) budgets
- **Invoices, check requests, reimbursements**- last day for having requests to AP for the June 30<sup>th</sup> **preliminary** budget reports
- **Requisitions** - last day to submit to Procurement Services for FY06 (Old Year) purchases

#### June 23<sup>rd</sup>:

- **Invoices, check requests, reimbursements** - deadline for having these documents to AP to ensure items are charged to FY06 (Old Year) budgets

#### June 26<sup>th</sup>:

- **Pcard** – last statement available for download through PaymentNet for FY06 (Old Year) budgets

#### June 30<sup>th</sup>:

- **Check run** - last check run which will appear on the **preliminary** June 30<sup>th</sup> budget reports

#### July 5<sup>th</sup>:

- **Pcard** – deadline to have purchasing card statements and documentation to Accounts Payable to ensure items are charged correctly to the Old and New Year budgets

#### July 7<sup>th</sup>:

- **Pcard** - charges will be downloaded into Banner to either Old or New Year budgets
- **Last check run** for FY06 (Old Year) budget

### **Year End Check Run Schedule**

Our check run schedule will be altered for 2 weeks during our fiscal year end period. The check run dates for this period are as follows:

- Tuesday, June 27<sup>th</sup>
- Friday, June 30<sup>th</sup>
- Wednesday, July 5<sup>th</sup>
- Friday, July 7<sup>th</sup> (last check run to include "old" [FY06] payments)

We will resume our normal Tuesday/Thursday check run schedule on Tuesday, July 11<sup>th</sup>.

If you want your charges to appear on your **preliminary** June 30<sup>th</sup> budget reports, have your payment requests to Accounts Payable by Friday, June 16<sup>th</sup> to ensure your request is processed by the June 30<sup>th</sup> check run.

To ensure your FY06 charges hit your "old year" budget, you must have the requests to Accounts Payable by Friday, June 23<sup>rd</sup> so that the items are paid by our July 7<sup>th</sup> check run (the last check run for the FY06 budget).

### **Prepaid Expenses or "New Year" Charges for Invoices or Reimbursements**

Expenses (or purchases) that are made now, but are to be charged to the new fiscal year, FY07, are considered "prepaid expenses". If you are making purchases now that must be charged to the new fiscal year, please make sure to indicate this on the check request form, invoice, or T&E form. For purchases made now, but being charged to the new budget, please indicate FY07 on the request or mark your request "NEW YEAR". This will help us ensure your budget is charged correctly. Prepayments will be processed through June 30<sup>th</sup>.

### **"Old Year" versus "New Year" Charges for Invoices, Check Requests, or Expense Reimbursements**

Between July 1<sup>st</sup> and July 7<sup>th</sup> Accounts Payable will be able to make payments and process reimbursement requests out of either FY06 or

## ACCOUNTS PAYABLE

Continued

FY07 budgets and items are no longer considered "prepayments". When submitting requests for payment, during this "dual year" processing period, please clearly specify which fiscal year's budget should be charged. If you do not specify which fiscal year to charge, Accounts Payable will make the determination. The determination of whether an invoice is to be paid as "old" or "new" year is dependent on the date the services are performed or the date the goods are received. "Old Year" goods and/or services must be provided **before** July 1<sup>st</sup>.

After the July 7<sup>th</sup> check run, we will no longer be able to pay items against the Old Year budget; all payments will be paid out of New Year funds.

**Please watch your budget reports closely to make sure your budget has been charged correctly for these items. If you notice a mistake, please contact Jean Hines at x8181, immediately.**

### **Travel "Old Year" versus "New Year" Expenses**

If you are making reservations or deposits now for events that will occur after July 1, please indicate on your invoice or expense reimbursement request, which fiscal year to charge. From July 1<sup>st</sup> through July 7<sup>th</sup>, if there is no fiscal year indicated, we will charge to the appropriate fiscal year, based on the dates of your trip. **Please watch your budget reports closely to make sure your budget has been charged correctly for these items. If you notice a mistake, please contact Jean Hines at x8181, immediately.**



### **Purchasing Card Cut-Off Date**

The last purchasing card statement for FY06 will be available for download on June 26<sup>th</sup>. To ensure your charges will appear on this statement so that they can be charged to your Old Year budget, please place your orders by **June 16<sup>th</sup>**. This will allow your merchants one week to post the items to your card; the cycle ends on June 24<sup>th</sup>.

### **Purchasing Card Old Year / New Year Procedures**

Purchasing card statements will be available for download on June 26<sup>th</sup>. Individual PCJV's will be created using the processing date of June 30<sup>th</sup>. All charges on the June 26<sup>th</sup> statement will be

automatically charged to the Old Year budgets unless you indicate otherwise on your statement (even if you approve your charges during the month of July).

If you have some charges for the OLD Year and some charges for the NEW Year, please indicate on the actual **statement** which fiscal year to charge. Forward your statement to Jean Hines and she will post your charges to the year you indicated on your statement.

If all the charges are for the NEW Year, please indicate that on your statement and we will date your PCJV transactions with a date of July 1<sup>st</sup> to post the charges to your NEW year budget when the charges are downloaded into Banner.

Any charges that hit your account after the June 24<sup>th</sup> cycle will be charged to your New Year budget. If you are ordering items now that will not be shipped or billed until after the June 24<sup>th</sup> cycle date, and you have the funds to pay for it in the Old Year budget, please let Susan Galvin know so that the funds may be carried forward to cover the expense. A detailed explanation of the charge and why it is a New Year charge must be attached to your request. Please remember, we do not carry forward less than \$200.

***All June 26<sup>th</sup> statements must be received in Accounts Payable by July 5<sup>th</sup>. This will ensure that items are charged to the correct fiscal year budgets. All charges will be downloaded into Banner on July 7<sup>th</sup>.***

### **Purchase Orders (PO's)**

**June 16<sup>th</sup>** is the last day to submit requisitions to Procurement Services for 2005-2006 purchases.

PO's not invoiced and paid in the current fiscal year will roll forward to the "New Year" as an encumbrance. There will be NO budget adjustments in the "New Year". We will charge (debit) your FY2005-2006 budget and will credit your FY2006-2007 budget for all university budgeted, unrestricted funds. Indices 8, 9, and restricted discretionary funds will roll forward as encumbrances, only.

Please remember that if you have a purchase order that has been cut against your FY06 budget, the invoice must also be paid from FY06 funds. If you want your invoice to be paid out of the FY07 budget, please have Procurement Services cut your purchase order from that budget.

## ACCOUNTS PAYABLE

Continued

### **Clearing Your Encumbrances (PO's)**

Accounts Payable is busy trying to resolve open Purchase Order (PO) purchases before the close of the fiscal year. If you have received your goods, please forward your signed purchase order to Accounts Payable, as quickly as possible, so that we can have these payments issued before the end of the fiscal year.

Please contact us as soon as possible, if you have noticed an encumbrance still showing on your budget report, when it should be clear. It may be that the items you purchased cost less than the amount stated on the purchase order. If this is the case, we can easily liquidate the balance of the encumbrance so that the money goes back into your budget and is available for you to spend.

## PAYROLL

### **Summer Student Payroll**

Checks for students working in the summer will be mailed according to a hierarchy: first, to the mailing temporary address; if none, then it would go to the local address; if none, then it would be mailed to the permanent address. All active student employees were notified of this by email earlier this spring. Student supervisors should inform all newly hired student employees of the summer distribution method. Students can elect to give payroll an address that overrides the hierarchy by notifying us at [payroll@richmond.edu](mailto:payroll@richmond.edu).

As a reminder, with the end of the last academic payroll period on May 5<sup>th</sup>, all students' wages are now subject to FICA taxes, regardless of when they actually worked. If a timecard is submitted to payroll for time worked during the academic year after we have switched the FICA tax "On" for the summer, the wages will have FICA tax withheld. Additionally, no federal work study wages are processed during the summer; all student earnings are funded from the University Work program funds.

### **Important Dates for the Student Payroll**

- Student Payroll #13 (Start Date June 4 . . . End Date June 17) is the last student payroll of the fiscal year.
- Student Payroll #18 (Start Date August 13 . . . . End Date August 26) is the last summer payroll.

### **Lump Sum Payments to Students**

One-time payments often cause an undue tax burden for the students. The payments are taxed according to a biweekly tax table that looks at the earnings as if they are going to be paid consistently on a biweekly basis. Spreading the payments over the course of the work is a better indication of the amount of time required to perform the work for which they are being compensated and it corrects the adverse tax implications of a lump sum payment.

## **IMPORTANT PAYROLL DATES!**

### **MARK YOUR CALENDARS**

#### **June 15<sup>th</sup> (noon)**

**Monthly Staff** --- Deadline for check requests for "services rendered" for monthly paid employees in order to be paid on July 1st, which will be the last monthly payroll of fiscal year 06.

#### **June 19<sup>th</sup> --- (10:00 a.m.)**

**Student Staff** --- Deadline for ST #13 time cards, which will be the last student payroll of fiscal year 06. Any special check requests for student employees that should be paid in fiscal year 06 must also be submitted at this time.

#### **June 26<sup>th</sup> --- (10:00 a.m.)**

**Biweekly Staff** --- Deadline for BW #13 time cards, which will be the last biweekly payroll of fiscal year 06. Any special check requests for biweekly paid employees that should be paid in fiscal year 06 must also be submitted at this time.

## STUDENT ACCOUNTS/CASHIER

### **Year End Deposits**

So that we may reflect revenues and expenditures in the appropriate fiscal year, please deposit all revenues on hand by 4:00 pm Thursday, June 29, 2006. In the past our office has been inundated with deposits on the final working day of the fiscal year. The volume of deposits received that day makes it impossible to do all the data entry on Banner. We would greatly appreciate your help in making this year-end process run as smoothly as possible.

## STUDENT ACCOUNTS/CASHIER

Continued

If you receive fiscal year 05-06 revenues after this cutoff date, bring the deposit to the Cashier's Office as soon as possible. Please clearly mark on the miscellaneous receipt form OLD YEAR. **Friday, July 7<sup>th</sup> is the final day for receipt of "Old Year" deposits.**

### **Tuition Remission**

Don't forget that you must submit a tuition remission form for all credit or non-credit courses that you plan to take, if you qualify for this benefit through Human Resources. A tuition remission form must be completed and returned to the Department of Human Resource Services for each course taken. **You will receive a tuition bill until the tuition remission form has been processed.**

### **Petty Cash**

Please remember that all petty cash receipts must be taped to a separate 8-1/2 X 11 sheet of paper. The receipts should include the detail of what was purchased. When using petty cash for a restaurant, we would need the receipt that shows what was ordered.

Petty cash **may not** be used for the following:

- 1) Receipts over 30 days old
- 2) ATM fees
- 3) Mileage and gas receipts
- 4) Cash Advance fees
- 5) Gift Cards/Certificates

As always, if you have any questions about what petty cash can and can't be used for please call the Cashier's office at X8769.



## GRANTS ACCOUNTING

### **Budget Status**

External grants have their own beginning and ending dates, and thus are not affected by the fiscal year end. However, this is a good time for Principal Investigators to really look at their Monthly Budget Status reports for June 1.

- Are there any budget lines that have deficits? Is this because an expense was incorrectly coded with the wrong account code?
- Are all grant expenses ones that were listed in your proposal or considered to be within the scope of proposal? If not, the program officer of the funding agency should be contacted for approval of these expenditures. Please send the Grants Accountant a copy of the formal approval for the grant file.
- Is the period of your grant about to end? Have you encumbered funds, i.e., P-card orders or purchase orders, so the funds will be spent before the ending date?
- Should fringes under account code 6799 be charged to your grant? The Grants Accountant checks this budget line quarterly, but it's always helpful to receive word if there are fringe charges that need to be re-classified.

### **Grant Expiration**

If your grant is about to expire and you are working on a follow-on grant or a No-Cost Extension, please copy the Grants Accountant on your correspondence with Diana Vincelli.

### **Faculty Summer Salary Requests**

The Grants Accounting office has received a record number of Faculty Summer Salary requests. For those of you who have yet to complete the form, here's a copy:

<http://controller.richmond.edu/forms/faculty%20summer%20salary%20request.pdf>.

Please remember that Human Resources and Payroll need at least two weeks prior to the monthly pay period to process these requests.

## BUDGET MANAGEMENT

### **New Year Carry Forward of Old Year Funds**

Funds may be carried forward from the old fiscal year to the new fiscal year if there is a charge that belongs to the old year, but the invoice or the check request will not be received and processed by Accounts Payable until the New Year. You must send a detailed description, of what the carried forward funds will be used for, to Susan Galvin for approval.

## **BUDGET MANAGEMENT**

Continued

This description should include information such as the vendor name, the items purchased, and the total cost. **The minimum amount that will be carried forward is \$200. Also, we cannot just carry forward the balance of money that is left in an index.** We must have a total dollar amount in the request and a specific purpose.

### **Fiscal Year 2007 Budget**

The University's budget for fiscal year 2007 can now be accessed using Banner or Banner Web for Finance. When using Banner, go to screen FGIBDST and change the fiscal year code to 07. Then put in your department's index number and perform the "next block" function. You will see the budget numbers for the next year. If you have any problems or questions, please contact Susan Galvin at X8537 or by email at [sgalvin@richmond.edu](mailto:sgalvin@richmond.edu).

If you would like to use Banner Web for Finance, you may either create a new query and use 2007 as the fiscal year, or you may use one of your saved queries, (you'll just need to change the fiscal year to 2007). You can permanently change your saved query so that it will always pull up fiscal year 2007 by resaving your query and retyping its name exactly as it was before. If you type a different name, it will save it as a different query. Please keep in mind that you can't delete an old query when you are done with it, so you may want to wait until the start of the new fiscal year before you permanently resave your query with fiscal year 2007 in it. If you have additional questions about how to use Banner Web for Finance, you can contact Kerri Chapman at X6866 or by email at [kchapman@richmond.edu](mailto:kchapman@richmond.edu).

## **INTERNATIONAL TAXATION**

### **Changes in the Office of International Taxation**

There is a new face in the Office of International Taxation. Nancy Colòn has taken the position of International Tax Specialist. Nancy previously worked in the Accounting Office. Nancy is looking forward to meeting our international visitors and assisting the campus with all of the taxation issues associated with international students, faculty and visitors. Cindy Lloyd, who was previously the International Tax Specialist, moved to a position in Human Resources.

The location of the office has changed as well and is now located in Maryland Hall Room G-13. The hours of operation for the office are 8:00 to 2:30.

