

THE BOTTOM LINE

Volume 8, Issue 3

Fall 2006

Dear Colleagues,

The months continue to fly by and everyone on campus is as busy as ever! The academic year is more than half way through the first semester, the audit for FY06 is complete, and the budget for FY08 is in process.

FY06 was another great year for the university. Total assets were more than \$1.7 billion at June 30, which included the endowment market value of \$1.387 billion. The statement of activities reported an increase in net operating revenues of over \$9 million. The financial health of the university continues to be strong and the goals of the strategic plan are almost complete.

This newsletter is packed full of information and I hope you will find it helpful. Our next issue will be early in the spring semester.

This is an exciting time for the University of Richmond. As always, please let us know how we can help you.

THE NEWSLETTER STAFF

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<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>
<i>Tina Snellings</i>	<i>x8173</i>
<i>Nancy Colón</i>	<i>x6007</i>



UNIVERSITY OF RICHMOND
FOUNDED 1830

Did You Know.....

The current mileage reimbursement rate for personal vehicles used for University business is .39 per mile.

If your department purchases stamps routinely to have on hand for departmental use, you may use your departmental purchasing card and purchase the stamps online at www.usps.com.

The stamps will be mailed directly to your department and will save you a trip to the University Post Office.



GENERAL ACCOUNTING

Distribution List for Monthly Budget Reports

The Accounting Office is responsible for maintaining the distribution list for Monthly Budget reports. If you need to add or remove someone from your department, please contact Robert Plymale, rplymale@richmond.edu. Since these budget reports are sent electronically, we in Accounting no longer see the reports before they are sent out to the campus. So if you are receiving a budget report that has no activity and you no longer need the report or the index, please let Robert know. We do not remove any report until we are notified that it is no longer needed.

Saving Monthly Budget Reports

Where do you save your monthly budget reports that are sent every month? We ask that you create a folder on your desktop and move the budget reports to the folder each month. We have found that people who leave the reports in their email often delete the reports by mistake. We do have the ability to re-send the report if this happens, but we must involve our programmer in the process.

Sending Journal Vouchers to Accounting

Did you know that you can send your journal vouchers to the Accounting Office by email? You can go the Forms link on the Controller's Office website, fill out the journal voucher form, and then attach it to an email. Please send all journal vouchers to Robert Plymale, rplymale@richmond.edu, or Deanna Janss, djanss@richmond.edu.

Where did that charge come from on my Monthly Budget Report?

Charges on your budget can occur from many different departments on campus. In Banner, under FGIBDST, the "type" of entry is listed. The following list will give you the department to call for further information on the charge.

INNI = Invoice – Accounts Payable
FT01 = Journal Entry - Accounting
PSJV = Print Shop Journal Voucher
BKJV = Bookstore Journal Voucher
CAJV = Catering Journal Voucher
FSJV = Food Service Journal Voucher
POJV = Post Office Journal Voucher

TEJV = Telecom Journal Voucher
ACJV = Alumni Center Journal Voucher
PCJV = Purchasing Card Journal Voucher
(Accounts Payable)
PPJV = Physical Plant Journal Voucher

ACCOUNTS PAYABLE

ACCOUNTS PAYABLE STAFF:

Main Phone Number: 287-6363
Fax: 287-6080

Nancy Crowgey (287-6363) - vendor payments, stop payments

Linda Pembelton (289-8177) - vendor payments, gift reporting

Lynn Gibbons (289-8180) reimbursements, Pcard support

Kiesha Cheatham (289-8179) - reimbursements, travel payments

Jean Hines (289-8181) - Manager, Pcard administrator

Welcome, Kiesha!

Please welcome the newest member of our team, LaKiesha (Kiesha) Cheatham.

Kiesha joined our office in July as an Accounts Payable Specialist. She comes to us with several years of accounts payable experience. Please contact Kiesha (lcheatha@richmond.edu) if you have questions about reimbursements or travel related payments.

Meals (Names Please)

Always include the names of who attended a meal. This includes meals that are reimbursed and also meals placed on a departmental purchasing card. For the purchasing card, the names should be included in the "Transaction Notes" as part of the business purpose for the charge.

Timely Payments

It normally takes our office from 7 to 10 working days for items to be processed for payment. If you have time sensitive payments, please remember to allow at least this amount of time for your payment to be processed. This is especially true for registration fees, utility bills, and credit card payments, which all have due dates.

ACCOUNTS PAYABLE

Continued

Top 10 Reminders for the New (and Not So New) Employees

Below are some items that you may not be aware of if you are a new employee of the University. Following these guidelines will ensure your requests are processed quickly. For detailed Accounts Payable policies and procedures, please review all of our guidelines on our website, <http://controller.richmond.edu/guidelines/>

1. **Due to IRS regulations, we do not reimburse for receipts older than 90 days.** Requests for reimbursement should be submitted within 30 days of the expense.
2. All check requests must have supporting documentation.
3. Requests for reimbursement require 2 signatures - the signature of the student or employee being reimbursed, as well as the approval signature of a department head, advisor, or officer of the organization.
4. An independent contractor checklist **must** be completed whenever a payment is made to an individual we have never paid before. The checklist should be attached to the check request form, along with back-up documentation, and forwarded to Human Resources for approval. HR will forward the paperwork to us for processing. (The form is available on our website.)
5. Receipts smaller than a 5x7 piece of paper must be taped or glued to an 8½ x11 sheet of paper for scanning purposes. Staples should **never** be used to attach your receipts to the paper.
6. **Never** highlight items or prices on a receipt. If you want to bring attention to an item, circle it. Highlighting makes the receipt unreadable when it is scanned.
7. If there is an attachment to be mailed with your check payment, attach an extra copy of the attachment for Accounts Payable files. **If you do not attach an extra copy, the attachment may not go with your check.**
8. Please provide proof of payment when requesting reimbursement. This could be an invoice marked "paid" or showing a zero balance, a receipt showing the item was charged to a credit card, a canceled check from your bank, or an email confirmation from the vendor. Credit card statements alone do not substantiate proof.

9. For companies, federal tax payer ID numbers are required before an item can be processed for payment. For payments to individuals, social security numbers are required. For reimbursements to employees or students, the University ID number is required. It is up to the department to get the correct ID number before submitting the request to Accounts Payable.
10. Accounts Payable staff have University travel cards that can be used for booking your travel arrangements. Contact Lynn Gibbons (lgibbons@richmond.edu, x8180) or Kiesha Cheatham (kcheatha@richmond.edu, x8179) to use the university travel card.

Holiday Check Run Schedule

There will be 3 major holidays before our next newsletter. The revised check run schedules for those holidays are listed below. Please plan accordingly.

- **Thanksgiving**

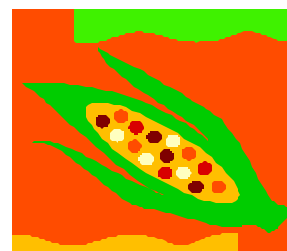
We will have only one check run the week of November 20th. Checks will be issued Tuesday morning, November 21st, for distribution that afternoon. If you must have a check by our November 21st check run, it is imperative that we receive your request by 5:00 Friday, November 17th. The request **MUST** be marked "RUSH", in order to ensure the check is issued on Tuesday.

- **Christmas**

We will have our normal 2 check runs for the week of December 18th. Due to the Winter Break, the Thursday, December 21st check run will be the last one for the calendar year. If you must have a check issued by December 31st (perhaps for tax reasons), we **MUST** have your request in our office by 5:00 Thursday, December 14th in order to ensure the check is issued in our December 21st check run. Please mark the request as "RUSH".

- **New Year's Day**

We will resume our normal Tuesday/Thursday check run schedule the week of January 1st.



ACCOUNTS PAYABLE

Continued

PURCHASING CARD PROGRAM

The University Purchasing Card program is growing. Each year we have increased the amount that is spent on the card. In FY05, a total of \$4.5 million was spent on the card. In FY06 \$8.1 million was spent. This was an 81% increase. A big "Thank You" to all for making the program a huge success!

Contact Information

As of July 1, Lynn Gibbons is our purchasing card specialist. Lynn should be contacted to add an index to the PaymentNet system, or for training on PaymentNet. Lynn can be reached at extension 8180 or by email, lgibbons@richmond.edu.

Contact Elaine Pierpont (epierpon@richmond.edu, x8161) to request a credit card application, dispute a charge, report a card lost or stolen, change a credit card limit, credit card restrictions or if your card was declined.

Contact Jean Hines (jhines@richmond.edu, x8181) for general PaymentNet questions, questions about allocating charges, credit card restrictions or violations. Jean may also be contacted to add an index to a card if Lynn is not available.

PAYROLL

Review your W-4 and State Withholding Allowances

This is a good time of year to review the number of allowances that you are currently claiming on your federal W-4 form and your state withholding form. If you need to make a change to marital status and/or number of allowances you are claiming, you can download the appropriate forms from <http://controller.richmond.edu/payroll/forms.htm> If you claimed "exempt" on your W-4 form for the tax year 2006, you must file a new form W-4 for tax year 2007 by February 15th. If Payroll does not receive a new tax form from you by the deadline, we are required to change your withholding allowances to the default status of single with 1 allowance.

Direct Deposit

We encourage all employees to take advantage of direct deposit, thus you will not have to worry about waiting on the mail or making a special mailing request to Payroll during this holiday season. A direct deposit authorization form must be submitted to Payroll by December 9th in order to have your first direct deposit occur on December 30th. The

direct deposit authorization is available for download from:

<http://controller.richmond.edu/payroll/forms.htm>

Holiday Check Information

The holidays always bring questions regarding changes to deadlines and the distribution of checks for staff as well as student employees. Please take note of the following:

Thanksgiving

Students -- The week of Thanksgiving is a student payroll week. Student checks will be dated Friday November 24th. Student checks will be mailed to student's campus box or local address as they normally are. Student direct deposits will be effective Friday, November 24th.

Hourly Staff -- We will ask staff to submit timesheets early (whether paper cards or Web time) on Wednesday November 22nd. As always employees who will be working over the holiday or on Saturday, November 25th, can turn their time cards in no later than 10 a.m. on the following Monday.

Winter Holiday Break

Students: Students and Student Supervisors are encouraged to submit student timecards as soon as the student has finished working before the coming winter break and no later than Friday, December 15th. Students who work on Saturday, December 16th must submit a time card no later than 10:00 a.m. on Monday, December 18th. Student checks and direct deposits will be dated Friday, December 22nd. Checks will automatically be mailed to the student's permanent address unless a self addressed envelope is provided to the Payroll Office no later than December 15th. The checks will be mailed on December 21st. We encourage all students to take advantage of direct deposit, thus the student will not have to worry about waiting on the mail or informing Payroll of a different mailing address. A direct deposit authorization form must be submitted to Payroll by December 1st in order to have the first direct deposit occur on December 22nd.

Hourly Staff: The Payroll Office will be asking staff to submit timesheets in advance due to the winter break holidays. Timesheets for the pay period of December 10th – December 23rd must be submitted in advance on Friday, December 15th. As always, employees who use the Kronos time punch system are not affected by this request. Facilities, Police Department, and Dining Services should check with their departments regarding paycheck pickup. For all other hourly staff, checks will be sent via campus mail on Tuesday, **January 2nd** unless the Payroll Department receives a written request to mail the

PAYROLL

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check. The request must be received no later than Monday, December 18th. If you do not participate in direct deposit currently, you may wish to consider direct deposit as an option that ensures your check is received in your account without delays caused by holidays and mail.

Monthly Paid Employees: All check requests to pay monthly employees for services must be received by the Payroll Department by December 11th.

New Years Day

Monthly Paid Employees: We must date the first monthly check of 2007 with a 2007 date for W-2 purposes; therefore, even though January 1st is a bank holiday, we will not date the checks for the preceding Friday. The first monthly check of the year will be dated and effective on January 2nd. Direct Deposits also are effective on the January 2nd date. Checks will be sent out in campus mail the morning of January 2nd.

GRANTS ACCOUNTING

The attention that principal investigators are paying to monthly status reports is greatly appreciated. This has helped in the tracking of expenditures and accurate financial reporting. It cannot be stressed enough how important it is for PI's to be proactive in monitoring their grant activities.

Purchasing card charges for grants still continue to show up on departmental purchasing cards. This creates extra work for departments, Accounts Payable, and Grants Accounting. Departmental purchasing cards should **not** be used for grant purposes. The PCard is offered and encouraged for all external grants and easily obtained through the Procurement Office. In lieu of a PCard and in place of using a departmental PCard, the PI should seek reimbursement by submitting a Check Request form and receipts to the Grants Accounting office.

Grants are awarded for a specific period. As a reminder, a grant's ending date is located in the upper right hand corner of the Monthly Status Report. It's crucial that principal investigators be aware of this date to allow enough time to encumber funds [purchase order or purchasing card purchase]. If it's deemed that funds cannot be spent before the ending date, a PI should contact the Office of Foundation, Corporate and Government Relations to request a no-cost extension.

NOTICE: Time and Effort Certification Reports for the fall will be sent to principal investigators in January.



INTERNATIONAL TAXATION

Honorarium Payment

An honorarium payment is a common way of compensating self-employed individuals (i.e. non-University of Richmond employees) for lecture-type services conducted for the benefit of the University of Richmond. Under normal circumstances, and in relation to US citizens, an honorarium payment is a straight forward business contraction between UR and the payee.

However, nonresident aliens (NRAs) are subject to US immigration law and IRS regulations that govern the specifics of who can be paid and how they can be paid an honorarium.

The law states "... any alien admitted under section 101(a)(15)(B) may accept an honorarium payment and associated incidental expenses for a usual academic activity or activities (lasting not longer than 9 days at any single institution) as defined by the Attorney General in consultation with the Secretary of Education if such payment is offered by an institution or organization described in subsection (p)(1) and is made for services conducted for the benefit of that institution or entity and if the alien has not accepted such payment or expenses from more than 5 institutions or organizations in the previous 6-month period."

In translation, the IRS tax code (and the Customs and Immigration Service) have created a very narrowly defined area where NRAs are allowed to receive honorariums and concomitant travel reimbursements. The University of Richmond, in order to keep within the law, must abide at all times with these regulations. Exceptions cannot be made.

University professors and department employees who invite NRAs to campus should be aware of the following:

1. B visa holders and Visa Waiver (VW) holders may be paid an honorarium. Only in very unusual circumstances is

INTERNATIONAL TAXATION

Continued

it possible to pay an honorarium to an NRA in another visa status.

2. Travelers should declare "business" when entering the United States, not "tourist". This will be stamped on the I-94 card that is stapled into their passport by customs officials.
3. An honorarium is subject to 30% withholding and Form 1042-S reporting. This amount may be grossed up to cover the taxes, if the department wishes.
4. The tax withholding may be reduced by a tax treaty. However, the NRA must have a social security or individual tax payer identification number to be eligible to receive a treaty exemption. Form 8233 will be used to offer the tax treaty.
5. Form W-8BEN is required as a certificate of foreign status for an honorarium. This must be signed by the NRA before an honorarium check can be released.
6. B or VW visitors from any country who intend to earn honorarium income must follow the 9/5/6 Rule:
 - a. 9 Days: Limit of days at any single institution
 - b. 5 Institutions: Limit of number of institutions that can pay honoraria
 - c. 6 Months: Limit of time period within which to receive honoraria

(Note: The foreign visitor can sign this form upon his arrival at UR.)

- ii. Employee- Independent Contractor Classification Checklist: The form is found at <http://controller.richmond.edu/forms/IndContChecklist.pdf>
- iii. Foreign Nationals Information Form: The form is found at <http://controller.richmond.edu/forms/ForeignNational.pdf> (Note: This form can be faxed to me at 804-287-6080 by the foreign visitor.)
- iv. Nonimmigrant Visa Waiver Checklist (if appropriate)
- v. Check Request Form

2. Make an appointment for the NRA to meet with Nancy Colón (International Taxation Specialist) to sign paperwork.
 - a. The meeting should take 10 – 20 minutes (the more complete the forms, the faster the meeting will go)
 - b. Documentation the NRA must bring to the meeting
 - i. UR department invitation letter, or contract, with dates and purpose
 - ii. Passport
 - iii. Visa
 - iv. I-94 Card (with Customs Board Protection entry stamp)
 - v. Social Security Card (if appropriate)
 - c. Forms to be signed by the NRA in the meeting
 - i. Form W8-BEN
 - ii. Form 8233 (if tax treaty is allowed)

University professors and department employees who invite NRAs to campus must take the following steps to ensure that an honorarium will be paid in a timely manner to an NRA when visiting campus:

1. Pre-Visit Procedures
 - a. Complete the following forms and bring them to the Office of International Taxation (OIT) **30 days before the NRA's arrival on campus**:
 - i. Compliance Statement Form: The form is found at <http://controller.richmond.edu/forms/NRACompliance.pdf>



STUDENT ACCOUNTS

Cashier's Office

The holidays are fast approaching. The Cashier's office will be closed for the Thanksgiving Holiday on Thursday, November 23rd and Friday, November 24th. For the Winter Break we will be closed from Monday, December 25th thru Monday, January 1st. Please note these dates. We will be happy to accommodate any requests for extra change due to these closures.

University Deposits

- All information on the Cash Receipt Form should be printed clearly with all blocks filled in. **Please use pen only.**
- A receipt cannot be processed without the department or organization's index and account code.
- Each department/organization needs to endorse their checks. "Deposit Only" stamps can be purchased from OfficeMax and should include:
 - University of Richmond
 - Department/Organization Name
 - For Deposit Only

The only situation where money would not be deposited in a timely fashion is when pertinent information is missing or incorrect on the Cash Receipt Form. Cash Receipt Forms can be ordered from the print shop. Any questions should be directed to Kerrie Clarke at X8143 or kclarke@richmond.edu.

What's new in the Cashier's Office

The cashier's office has recently started two new procedures:

- 1) Whenever you make a deposit to your University of Richmond index/account you will receive your receipt via e-mail. We will still stamp your 3-part deposit form and give you back the pink copy, but the receipt that shows where it has been processed in Banner will be e-mailed to you. Please write your e-mail address on the deposit form when you bring it to the Cashier's office.
- 2) With the advent of new banking regulations, the Cashier's office has begun using a new service called Remote Deposit. This allows us to scan the checks and submit them to our bank via the internet rather than having

them delivered to the bank. What this means for the University of Richmond is that checks received by our office are transmitted to the bank the same day, rather than having to wait a day or two for delivery and processing by the bank.

