

Dear Colleagues,

The fall semester has been an exciting time. First and foremost, our National Champion football team continues to be unbeaten. While the construction around campus has certainly caused some difficulties for some with parking and noise, it is such an exciting time to see new buildings emerging from the ground. We will all benefit greatly from these fabulous new spaces as they are completed in the next year. Here in Business Affairs, we are so impressed with our new vice president, Hossein Sadid, as he joined the university in July with almost 30 years of experience in higher education. There is a great deal of activity on a vibrant campus like this...don't miss the excitement!

While FY 2008-09 was a volatile year, and we all continue to worry about many financial issues, the university remains strong. The financial statements report a positive increase in net assets for the 41<sup>st</sup> straight year, and the decline in endowment value was a modest -14%. While this was a very large sum of money to lose (more than an entire year budget), we are comforted by the fact that the net return was better than any other school with an endowment over \$1 billion.

This newsletter includes a great deal of information and I hope you will find it helpful. Our next issue will be early in the spring semester. As always, please let us know how we can help you.

**Jenni Sauer**  
**Associate Vice President**  
**and Controller**  
**isauer@richmond.edu**

### THE NEWSLETTER STAFF

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UNIVERSITY OF RICHMOND  
FOUNDED 1830

## Did You Know.....

If you have paperwork (for instance, a registration form) that needs to be mailed with a check, you must provide the original form, along with a copy of the form, with the check request you submit to Accounts Payable. In order to mail the original, a copy must be provided to go in the Accounts Payable files as supporting documentation.

If you have access to Banner, there is a form called the Vendor History Form (FAIVNDH) which employees may use to research whether a payment has been made to a vendor. Please contact Susan Galvin if you would like access to this form.

## ACCOUNTING

### **Leases**

Is your department leasing any items? If so, please contact Tammy Hicks, Director of Accounting, [thicks@richmond.edu](mailto:thicks@richmond.edu) or x8752 with the details. The Accounting Office needs a complete record of any leased items at the University for our annual audit process. We will also need a copy of your lease agreement.

### **Accounting and Budgeting Class**

The Accounting & Budgeting Classes have been very well attended. We started offering this class in December 2008, and we have had a class every month except July 09 and August 09 when we were busy closing the fiscal year. If you are new to the University, or if you would like a refresher class on the basics, please contact Tammy Hicks, [thicks@richmond.edu](mailto:thicks@richmond.edu) and she will sign you up for the next available class. If you would like more information about the class, please see this link: [http://controller.richmond.edu/accounting/acctg\\_budg.htm](http://controller.richmond.edu/accounting/acctg_budg.htm)

## GRANTS ACCOUNTING

### **Entering and Approving Time for Work on Grants**

If you are a student working on a federal, state or private grant during the academic year, you must enter your time into Banner Web Time Entry on a daily or weekly basis in order to be paid. For bi-weekly staff, this is a year-round process.

If you are a federal, state or private grant P.I. and have a bi-weekly paid student (during the academic year) or staff person working for you on your grant, it is your responsibility to approve your student or staff person's time on a bi-weekly basis.

When the student or staff person does not enter their time into Web Time Entry and/or the P.I. does not approve the time, Payroll cannot pay your student or staff person for the work they have performed on your grant.

If the student or staff person filled out their time on Web Time Entry, Payroll will contact the P.I. by e-mail to get approval before payment can be made. If a student or staff person did not

enter their time on Web Time Entry, they must then manually fill out a time card, which must be signed by the P.I., the student or staff person and the Grants Accounting Manager.

The time card method not only delays much needed payment to your grant student and/or staff person, but also involves more paperwork for everyone involved.

If your student or staff person has any questions about entering time into Web Time Entry or you as a P.I. have any questions about approving time, you may contact the Payroll Office or the Grants Accounting Manager.

## ACCOUNTS PAYABLE AND CORPORATE ACCOUNTS

### **New Vendors**

If you are submitting a request to pay a vendor your department has never paid before and you suspect the University has never used them before, please mark "NEW VENDOR" on the request, preferably in big **RED** letters. New vendors require extra steps in our processes before they can be paid. If we know upfront when we receive the request that the vendor is new, we will be able to start the process sooner to get the vendor set up in the system and paid.

### **PAYMENTS TO INDIVIDUALS FOR SERVICE**

Before a payment can be made to an individual for a service, it must be determined what "type" of individual is receiving the payment. Payments to non-UR individuals more than likely must be paid by Accounts Payable. Payments to UR related individuals, such as employees or students, more than likely must be paid by Payroll.

### **Non-UR Employees (Independent Contractors)**

If you are submitting a request to pay an individual you have never paid before for a service, please remember that before Accounts Payable can issue a payment a determination must be made by Human Resources on whether or not the person should be paid as an employee or as an independent contractor. To



# **ACCOUNTS PAYABLE AND CORPORATE ACCOUNTS**

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make the determination, HR requires that the Independent Contractor Checklist <http://controller.richmond.edu/forms/IndContChecklist.pdf> be completed and forwarded with the check request and payment documentation to Kim Wilson in HR. Once Kim makes the determination of whether the person should be paid by the Payroll Office or Accounts Payable, she will sign the Independent Contractor Checklist and forward it to the correct department for processing.

Please do not submit your check request and Independent Contractor Checklist to AP without HR's approval signature. If you submit the request directly to AP, AP will then have to forward the paperwork to HR before we can process the payment. This will substantially slow down the processing of your request.

## **Payments to Students**

If you need to make a payment to an individual for a service and you know the person is a UR student, please remember that the check request and supporting documentation must be sent to the Student Employment Office for approval. Student Employment will then forward the request to the Payroll Office for processing. Accounts Payable cannot pay students for services. We can only reimburse them or issue them a payment for a prize or award.

## **Payments to Employees**

If you know that an individual you need to pay for a service is a UR employee, please send the check request to the Payroll Office. Accounts Payable cannot make service payments to employees; we can only **reimburse** employees. If the employee is not getting reimbursed for expenses they have incurred, then it is likely the payment is for service and should be sent to Payroll for processing.

## **Expense Reimbursements and UR Credit Cards**

Employees **may not** submit receipts for reimbursement for items purchased on a University-paid purchasing card or travel card. University-paid cards are cards the University, not the cardholder, is responsible for paying the credit card statement each month. The cardholder turns in their statement and receipts to Accounts Payable. Submitting a receipt for reimbursement for something that was purchased on a University-paid card may be viewed as fraud.

## **Travel Costs**

Travelers frequently believe airfare is the most expensive part of their travel cost; however, in many instances hotel costs are frequently the most expensive part of a trip. The next time you are making travel arrangements or are submitting a request for reimbursement, take a moment to look at the costs of lodging compared to the transportation costs. You may be in for a surprise.

With this information in mind when planning business trips, please choose hotels carefully. Travelers should choose good quality, but reasonably priced hotels, whenever practical, especially if the travel *does not* involve a conference or conference hotel.

## **Sam's Club and Sales Tax**

Because the University is exempt from paying sales tax on purchases, when you make your purchase using our Sam's Club corporate membership, please make sure you notify the cashier that the University is tax exempt. Please review your receipt to make sure no tax has been charged before you leave the warehouse.

## **HOLIDAY CHECK RUN SCHEDULE**

The revised check run schedule for the holiday season is listed below. Please plan accordingly.

### **Thanksgiving**

We will have only one check run the week of November 23<sup>rd</sup>. Checks will be issued Tuesday morning, November 24<sup>th</sup>, for distribution that afternoon. If you must have a check by our November 24<sup>th</sup> check run, it is imperative that we receive your request by 5:00 pm Friday, November 20<sup>th</sup>. The request **MUST** be marked "RUSH" in order to ensure the check is issued on Tuesday, November 24<sup>th</sup>.

### **Winter Break**

We will have only one check run the week of December 21<sup>st</sup>. Due to the Winter Break, the Tuesday, December 22<sup>nd</sup>, check run will be the last one for the calendar year. If you need an item paid before we leave for Winter Break, it is imperative that you have your request to us no later than Tuesday, December 8<sup>th</sup>, and the item must be marked "RUSH".

We will resume our normal Tuesday/Thursday check run schedule on Tuesday, January 5<sup>th</sup>, 2010.

# **ACCOUNTS PAYABLE AND CORPORATE ACCOUNTS**

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## **Purchasing Card Program**

The Purchasing Card program has its own newsletter, The Card Connection. Please look out for a SpiderByte announcement as to when the next The Card Connection newsletter becomes available.

## **CASH MANAGEMENT**

### **Payments received via Electronic Funds Transfer**

Are you expecting payment from a state or federal agency or from someone who indicated they would "wire funds" or make payment via ACH?

**OR**

Does your Department invoice outside agencies/vendors (including State and Federal agencies) for goods or services provided? If so, please make note of the following:

Both the Commonwealth of Virginia and the Federal government now make payments to the University of Richmond almost exclusively via Electronic Funds Transfers. These include wire transfers and ACH payments. In addition, many businesses are now choosing to remit payments exclusively through the ACH (automated clearing house) processes.

These payments are automatically deposited into our main bank account at Bank of America. To ensure that the correct department on campus gets credit for these deposits, we ask that you do the following:

1. Send a copy of the invoice to Val Cemprola, Cash Manager, at the time the invoice is prepared, via one of the following:
  - a. Campus Mail – 201 Maryland Hall
  - b. Fax – (804) 287-1222
  - c. E-Mail – [vcemprol@richmond.edu](mailto:vcemprol@richmond.edu)
2. Indicate the index and account code where you wish to have the payment credited.

When payment is received, a journal entry will be made to credit your department with the payment. A copy of the invoice with the pertinent payment information noted will be sent

to you upon request. The payment will be reflected on your monthly Banner printout.

**Thank you for following the above instructions. As more and more payments are received in this manner, having a copy of the invoice in advance will reduce the amount of detective work required to track down which department on campus is expecting these payments.**

## **INTERNATIONAL TAXATION**

### **Explanation of a Tax Treaty**

The United States has entered into income tax treaties with a number of foreign countries. Under these treaties, residents of foreign countries are taxed at a reduced rate, or are exempt from US income taxes on certain items of income they receive from sources within the United States. These reduced rates and exemptions vary among countries and specific items of income. If a treaty exemption applies to a particular person, and the proper documents are presented, the person will be exempted from the IRS' NRA withholding requirement.

In order to be granted a tax treaty, an individual must have an SSN (social security number) or an ITIN (individual taxpayer identification number.) For a non-resident alien to avail himself of the benefits of a tax treaty between the United States and his home country, he must first be a "resident" of that home country.

How a treaty benefit is determined:

- o Is there an income tax treaty between the home country and the US?
- o Does the individual's US tax residency status qualify under the treaty for a possible exemption? (IRS policy requires that an individual reestablish residency and physical presence in the treaty country and be absent from the US for one year -- 365 days -- before allowing treaty benefits a subsequent time.)
- o Does the treaty contain an article that relates to the individual's primary purpose of presence in the US? (The primary purpose in their supporting immigration documents determines the primary purpose for a treaty benefit.)
- o Is the type of income paid to the individual covered in the applicable article of the tax treaty?

# INTERNATIONAL TAXATION

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- o Does the individual meet the specific qualifications set forth in the applicable tax treaty article? Most tax treaties specify a time limit or dollar limit for which the treaty benefit is allowed. Several income tax treaties contain language stating that the benefits provided under a particular article may not be allowed at all if an individual exceeds the time limit or dollar limits set forth in the treaty article. These particular treaties require retroactive taxation to dollar one if the limit is exceeded.)

If the answer is no to any item above, then the individual does not qualify for the tax treaty benefit and taxes will be withheld. If the answer is yes to all items listed above, then the individual will generally qualify for the tax treaty benefit.

Tax treaty forms:

- Form 8233: independent & dependent compensation income
- Form W8-BEN: non-compensation income (i.e. non-qualified scholarship), royalty income, etc.
- Form W-9: resident alien with dependent compensation

IRS Publication 901 has the full content of all tax treaties negotiated between the US and the following countries: Australia, Austria, Bangladesh, Barbados, Belgium, Bulgaria, Canada, China (Peoples Republic of), Commonwealth of Independent States, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Kazakhstan, Korea (Republic of), Latvia, Lithuania, Luxembourg, Mexico, Morocco, Netherlands, New Zealand, Norway, Pakistan, Philippines, Poland, Portugal, Romania, Russia, Slovak Republic, Slovenia, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Thailand, Trinidad & Tobago, Tunisia, Turkey, Ukraine, United Kingdom, Venezuela.



# 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 in 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 2009, you must file a new form W-4 for tax year 2010 by February 12<sup>th</sup>. 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 so you will not have to worry about waiting on the mail or making a special mailing request to Payroll during this holiday season. The direct deposit authorization is available for download from our webpage [http://controller.richmond.edu/forms/DirectDeposit\\_FS.pdf](http://controller.richmond.edu/forms/DirectDeposit_FS.pdf)

## **Holiday Check Information**

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

## **Winter Holiday Break:**

### **Students—**

Pay period ending **December 12<sup>th</sup>** -- BannerWeb Timesheets for this pay period are due on the normally scheduled day, Monday, December 14, at 10 a.m. However, students and student supervisors are encouraged to submit BannerWeb timesheets as soon as the student has finished working prior to the winterbreak.

Pay period ending **December 26<sup>th</sup>** --

Payroll is requiring that these BannerWeb timesheets be submitted in advance of the end of the pay period. These timesheets must be submitted no later than noon on Wednesday, December 16<sup>th</sup>. If a student is working between December 20<sup>th</sup> and December 26<sup>th</sup>, the student will need to enter his scheduled hours for that time frame and submit. If adjustments need to be made, they can be

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handled on the next payroll. Any adjustments will need to be sent to Payroll by the student's approver.

## **Distribution of Student Checks during Winter Break --**

Checks dated Friday, **December 18<sup>th</sup>**, will automatically be sent to the student's permanent address unless the student contacts the Payroll Office to make other arrangements. Students who participate in direct deposit will receive an email notice when the pay stub information is available on BannerWeb. 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 with an attached voided check must be submitted to Payroll by December 11th in order to have the first direct deposit occur on December 18th.

## **Hourly Staff**

### **Pay Period Ending December 19<sup>th</sup> --**

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 6<sup>th</sup> – December 19<sup>th</sup> must be submitted in advance by noon on Wednesday, **December 16<sup>th</sup>**. As always, employees who use Time-Pro are not affected by this request. Facilities, Police Department, and Dining Services should check with their departments regarding paycheck pickup.

### **Pay Period Ending December 26<sup>th</sup> --**

For all other hourly staff, checks will be sent via campus mail on Monday morning, January 4<sup>th</sup>, unless the Payroll Office receives a written request to mail the check to another address. The request must be received no later than Friday, **December 18<sup>th</sup>**. 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 in the Payroll Office by Thursday, December 10<sup>th</sup>.

## **New Year's Day**

### **Monthly Paid Employees**

We must date the first monthly check of 2010 with a date of 2010 for W-2 purposes; therefore, even though January 1<sup>st</sup> is a bank holiday, we will not date the checks for the preceding Thursday. The first monthly check of the year will be dated and effective on Monday, January 4th. Direct Deposits also are effective on January 4th. Checks will be sent out from the Payroll Office on the morning of Monday, January 4<sup>th</sup>.

## **STUDENT ACCOUNTS**

### **Cashier's Office**

The holidays are fast approaching. The Cashier's office will be closed for the Thanksgiving Holiday on Wednesday, November 25<sup>th</sup>, Thursday, November 26th and Friday, November 27th. For the Winter Break we will be closed from Thursday, December 24th thru Sunday, January 3rd. Please note these dates. We will be happy to accommodate any requests for extra change due to these closures.

### **Petty Cash**

Please remember that all petty cash receipts must be taped to a separate 8 1/2X11 sheet of paper. The receipts should include the detail of what was purchased. When using petty cash for a restaurant, we 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.

