THE BOTTOM LINE

Volume 8, Issue 1 Spring 2006

Dear Colleagues,

The months continue to roll by and we are well into 2006. I hope the year brings you all success and good health.

On January 12, the Board of Trustees approved the Program Improvements recommended by the President and the Planning and Priorities Committee. This includes some one-time expenditures for FY06, and continuing budget lines for FY07. The one-time total is $758,837 and includes amounts for Common Ground, TFUGE, classroom upgrades and various other items. With the second year of the tuition increase taking effect, we have $6,045,728 being added to the continuing budget. Of that, $2,422,047 goes directly to Financial Aid lines. There will be six new faculty lines and twelve new staff lines (four for Campus Recreation, three in Admissions, one in Alumni Relations and four related to Common Ground). A notebook of all requests has been placed at the Reference Desk of Boatwright Library.

As a reminder, the Controller's Office website contains a great deal of information which should be helpful to you. Let us know if there is anything in particular you would like addressed in our future newsletters.

Jenni Sauer
Associate Vice President and Controller
jsauer@richmond.edu

THE NEWSLETTER STAFF:

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Did You Know…………………..

The Disbursement Guidelines have been updated and are available on the Controller's Office website at http://controller.richmond.edu/accounts/disbursement.htm.

Accounts Payable is offering direct deposit for all vendor payments. Vendors may contact Nancy Crowgey (287-6363) for an authorization form.

March 15, International Tax Workshop, 5-7 pm, THC 346, for international students and scholars who need to complete the 8843 and 1040NR and 11040NREZ tax forms. For more information see page 5.

GENERAL ACCOUNTING OFFICE

Journal Entry v. Upload Entry

Do you enter journal entries for your department? Do you find yourself making repetitive entries that take awhile to enter each month? Do you wish there was a faster way to input your entries?

If you answered "yes" to the above questions, we can help! The Accounting Office has an "Upload Entry" which will make entering repetitive journal entries a breeze. Instead of manually entering each journal entry into Banner every month, the upload process uses an Excel spreadsheet that is completed by the user, and then uploaded into Banner in seconds by a programmer. The spreadsheet can contain all the indices and account codes that you normally charge or credit in a given month. It will also contain your index and account code as the offset. Once the initial spreadsheet is set up, you will only need to change the amounts to charge each index that particular month and the description should be changed to include the month of the current entry.

If you feel this is something your department could use to expedite the journal entry process, or if you just want to know more, please contact Tammy Hicks at extension 8752.

What is a Fixed Asset?

A fixed asset is typically a tangible item purchased with University or grant funds over a particular dollar amount. The University of Richmond's threshold for a fixed asset is **$5,000**. If you purchase an item for your department and it costs **$5,000** or more, please be sure to use one of the fixed asset account codes for that purchase. All large items purchased during the month are reviewed by the Accounting Manager in the Controller's Office to determine if the asset should be capitalized. By using the proper account code, the process of finding all fixed assets that need to be capitalized is a much quicker and more efficient process. A list of fixed asset account codes are as follows:

7211 Computer Hardware
7212 Computer Peripherals
7213 Computer Software
7214 Computer Networking
7215 Network Hardware
7216 Network Software
7217 Network Hardware Support
7218 Network Software Support
7219 Network Peripherals
7220 Ergonomic Furnishings
7221 Telecommunications Equipment
7222 Vehicles
7223 Copiers
7225 Carpet
7226 Furniture
7227 Tile & Other Floor Covering
7228 Printing Equipment
7229 Other Capital Equipment

There is a different set of account codes to use for the above type of expense if the amount is **less** than $5000.

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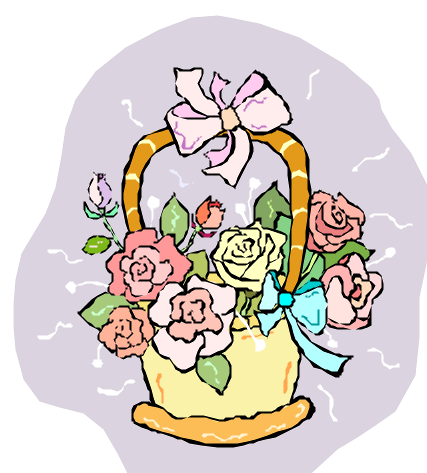
Maryland Hall Postage Meter

The Maryland Hall postage meter is maintained by the Accounting Office. Each month the meter is read by someone in accounting and an entry is entered to charge each department for the postage they used for that month. If you would like to use the meter, your index number must first be entered into the meter by someone in the Accounting Office. The meter stores approximately 100 indices. Once the limit is reached, indices that have not had any activity for awhile will be removed from the meter so other indices can be entered for a mailing. If you find that your index has been removed, please see someone in Accounting and they will re-enter your index into the meter. If you have a large mailing, we ask that you contact Nancy Colon, x8178, ahead of time so she can check the meter to ensure there are enough funds on the meter for you to complete your mailing. Also, if you have any difficulty when using the meter, or if you would like a demonstration on how to operate the meter, Nancy can help you with that as well.



ACCOUNTS PAYABLE OFFICE

Contact Information

Departmental Phone Number: 289-8179
Departmental Fax: 287-6080

Linda Pembelton, lpembelt@richmond.edu (ext 8177) – Taxation Specialist

- Vendor payments
- 1099 reporting, W9 processing and completion
- Gift reporting
- New vendor creation and address changes

Ginny Emigh, vemigh@richmond.edu (x8179) – Procurement Card Specialist

- Vendor payments
- Purchasing card questions
- Training on PaymentNet (online purchasing card system)

Nancy Crowgey, ncrowgey@richmond.edu (x6363) – PT Accounts Payable Specialist

- Vendor payments
- Direct Deposit set-up for reimbursement
- Stop Payments on checks
- Copies of cancelled checks

Lynn Gibbons, lgibbons@richmond.edu (x8180) – Travel Specialist

- Travel related payments to vendors
- Travel Reimbursements
- Moving Expense Reimbursements

Jean Hines, jhines@richmond.edu (x8181) – Accounts Payable Manager and Co-Administrator of the Purchasing Card program

Processing Time

There is approximately a 10 business day turnaround for processing reimbursements and invoices in Accounts Payable. In order to ensure your requests are processed within the time that you need it, please have your requests to us at least 2 weeks before the date you need the item paid. Review our Disbursement Guidelines (http://controller.richmond.edu/accounts/disbursements.htm) to ensure you are providing all the information we need in order to process your request.

Payments to Vendors

To aid us in getting your requests processed as quickly as possible, please include the company's federal ID number on all invoices or check requests sent to us. If you do not provide the number and we have to search on the system for it, your requests may be delayed in being processed. Also, if you are paying for membership, registration fee, or any other type of payment that requires documentation be sent with the check, you must provide the original documentation and a copy. We must keep documentation for our records and if an additional copy is not sent with the request, documentation may not be sent with the check.

Reimbursements

Always include a "business purpose" for the reimbursement, original receipts, and a list of who was included for meal purchases. For hotel stays, please list each day's lodging costs separately on the T&E form.

As always, approval signatures are required and the accounting distribution must be given. If any of these items are missing, requests may be returned which may cause an additional 2 weeks delay in processing.

University ID Number Required

When sending in check requests and Travel and Entertainment Expense Reports, please provide the employee's or student's University ID number on the request. ***Do not put the social security number on the request.***

If you pay independent contractors and have questions about what number is needed, contact Linda Pembelton (lpembelt@richmond.edu or ext. 8177) for assistance.

Settling Advances

All advances must be settled within 30 days of completion of a trip or event. Advances that are not settled may be deducted from an employee's paycheck, added to an employee's W2, or cause the loss of the ability to get other advances. For students who do not settle advances in a timely manner, a "hold" may be placed on student grades, transcripts and registration.

If money is being returned from the advance, you must complete a deposit receipt form and carry the money to the Cashier's Office in Sarah Brunet Hall; **do not bring it to Accounts Payable**. In the description section of the deposit form, please include the name of the person who received the advance. Please deposit the money back into the index that was originally charged and either account code 7169 (for travel advance) or 7999 (for cash advance). Contact Lynn Gibbons (x8180) if you have questions about which index/account to deposit the money into.

ACCOUNTS PAYABLE

Continued

1099 Processing

The Accounts Payable Office is responsible for sending out the 1099 tax forms to the vendors we pay for the University. The forms are always sent out by January 31^{st}. If you receive a call from your vendor regarding the 1099 form, please direct them to Linda Pembelton at 289-8177.

PURCHASING CARD PROGRAM

A laminated “Purchasing Card Guidelines at a Glance” cheat sheet was distributed to all cardholders and supervisors. These guidelines give a snapshot of the Purchasing Card manual that is distributed to each new cardholder. The “Guidelines at a Glance” should prove a valuable tool for all cardholders. If you did not receive your copy, please contact Jean Hines (x8181) or Elaine Pierpont (x8161).

PAYROLL

W-2 information

W-2 forms were mailed Friday, January 27^{th} to employees’ permanent addresses. Requests for a duplicate W-2 copy must be made in writing to the Payroll Office and must include the following information: name, last four digits of your SSN, current address and date of request. Reprints of W-2s are processed on Fridays.

Frequently Asked Questions:

The amount in Box One is less than my total wages for the year. Is my W-2 incorrect? The figure that appears in Box 1 is your federal taxable gross. Your taxable gross can be less than your total gross if you take advantage of any pre-tax benefits such as health insurance, retirement, medical reimbursement, dental, disability, and dependent care reimbursement. The amounts deducted from your checks for these benefits reduce your taxable income.

Why are my Social Security wages and Medicare wages different from my Federal taxable wages? Federal taxable wages are reduced by retirement deductions. Retirement deductions do not reduce Social Security and Medicare wages.

I am a faculty member who has not worked In 2005 and I received a W-2. Isn’t this an error? If you are a faculty member who taught in the fall of 2004 but did not teach in 2005, you would have a W-2 reflecting wages paid to you on January 3^{rd}, 2005 for the pay period of December 2004. Wage reporting is based upon the date that wages are received.

What are the codes in Box 12? The codes used in Box 12 are identified on the back of your W-2.

I am a student employee. I have noticed that my Social Security and Medicare taxable wages are less than my Federal taxable wages. Why is this? Student Employees are exempt from social security and Medicare taxation for wages earned during the academic year at the educational institution which they attend. (Students must be enrolled at least half time to qualify for the exemption.) Summer earnings are not exempted from taxation. Occasionally pay periods will cross the end or beginning of an academic year and will be treated as taxable.

If you have questions regarding your W-2 that are not addressed above, please contact the Payroll Office at 289-8171 or by email at payroll@richmond.edu.

Familiar Faces in New Places

Alisia Jones Stone will be joining the Payroll Department as of March 6^{th}. Alisia currently is working in the Development Office and has previously worked in the Accounting Office. Her Banner and accounting experience will make her a wonderful addition to the Payroll team!

Office of International Taxation

The Office of International Taxation will be going through a transition as Cindy Lloyd will be leaving her position as International Tax Specialist to fill a new position in the HR department. In the interim, Sharon Condrey will be handling questions and performing necessary day-to-day operations until the position is filled.

Important Dates:

Feb 10: Forms 1042-S were mailed to non-resident employees and scholars on Feb 10. The forms were sent to campus or local addresses for individuals still at the University and to the permanent addresses for individuals no longer on campus. It is important for the individual to retain this form as it is used by the individual to file a tax return (1040-NR or 1040NR-EZ.)

March 15: International Tax Workshop, THC 346, 5-7 pm. UR international student alumna Mary Assouan ('05, Ivory Coast) is an accountant at Deloitte & Touche and will hold a workshop for international students and scholars who need to complete the 8843 and 1040NR and 1040NREZ tax forms.

Individuals will need to bring with them the following:

- Form 1042-S Employees who are exempt from taxation or a scholarship recipient whose scholarship exceeded the cost of tuition and books received Form 1042-S.
- Form W-2 Employees whose wages are not exempt from taxation received Form W-2.
- Both a W-2 and a Form 1042-S Employees who have both tax exempt and nonexempt wages due to a tax treaty limit will receive both a 1042-S and a W-2. Also scholarship recipients who also work on campus could receive both a 1042-S and and W-2.
- Documents Individuals should bring all documents pertaining to their U.S. visit such as Passport, Visa and I-20.
- Pencils and Calculators!

Additional information regarding filing a tax return can be found on the International Tax website at http://controller.richmond.edu/tax/aliens.htm. Please be advised that **neither** the Payroll Office nor the Office of International Education can offer assistance in the filing of the 1040NR/1040NR-EZ form. Therefore we strongly encourage individuals to attend the information session.

April 15th: Deadline for filing tax return 1040NR or 1040NR-EZ.

GRANTS ACCOUNTING

Questions from Principal Investigators (PI's) and Program Directors are welcomed by the Grants Accounting office. Here are answers to a few of these questions that may help all of you.

1. If you wish your grant to pay a University of Richmond student for work that does not involve a regular hourly schedule, simply send a completed check request to the Grants Accounting office. **However, Student Employment must approve a student for work on campus.** This rule is crucial when it involves international students. The PI should first check with the student to see if he/she has *not* worked on campus. If this is the case, the student must go to Student Employment to complete forms. You should not have the student begin work until you have a Release to Work form from Student Employment.

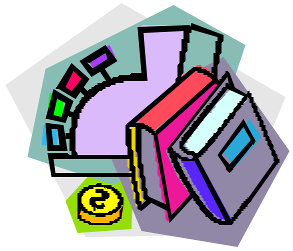
2. If you wish your grant to pay a University of Richmond student for work that does involve a regular hourly schedule during the academic year, please complete a Job Approval Form and **send it to the Grants Accountant** for authorization. This is a new step that is being implemented. In the past, PI's simply returned the form to Student Employment, but now the Grants Accountant will see that this is done.

3. The signature of the PI or Program Director is required on the payment authorization copy of purchase orders or on an invoice submitted by the vendor under a purchase order. This is especially important for capital equipment purchased with Federal grant funds.

4. If your grant expires or you are awarded a new grant, this affects your Purchasing Card. Call Ginny Emigh, Procurement Card Specialist, at ext. 8179 to have her remove a grant index number or add a new one.

5. Computer, peripheral, and software orders should be placed by Wendy Burchard, Procurement Coordinator in IS, not by the PI. Review the IS Services and Support webpage http://is.richmond.edu/aboutis/equipment.htm for helpful information. Wendy's involvement "… ensures you will get the best available pricing, a quality product with proper warranty coverage and your order is tracked and received efficiently."

6. PI's are reminded of the importance of the University procurement policies and procedures which must be followed when purchasing equipment with grant funds. Please refer to the Procurement Guidelines on University Services' webpage http://oncampus.richmond.edu/administration/uservices/procurement/procurement_policies.pdf. Remember that whenever equipment to be purchased is **$5,000** or more, Procurement Services must **always** be involved as price quotations are required before requisitions can be sent to vendors and purchase orders can be cut.



STUDENT ACCOUNTS/CASHIER

Welcome
The Bursar's office would like to welcome Kerrie Clarke, the newest addition to the Cashier's Office. Kerrie joined our office in November. Many of you may recognize Kerrie, as she previously worked in the dining hall. Kerrie will be handling the deposits for the University. Her extension is 8143. Please join us in extending a warm welcome to Kerrie!

Cash Receipts
It is the intent of the Cashier at the University of Richmond to receipt all monies in a timely fashion. To expedite this process, please fill out **all** information on the Cash Receipt Form. This helps the cashier's office with timely processing of deposits.

All information on the Cash Receipt Form should be printed clearly with all blocks filled in.

- 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

Deposits are receipted in the order they are received. Therefore, depending on work-flow, all offices should receive a receipt within 3 working days of delivering their deposits. If a Cash Receipt has not been received within 5 working days, it is the department's responsibility to contact Kerrie Clarke at (804) 289-8143. 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.

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 1/2X11 sheet of paper. The receipts should include the detail of what was purchased. When using petty cash for a restaurant, then we would need the receipt that shows what was ordered.

Petty cash may not be used for the following:

1. Receipts over 30days 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 cannot be used for, please call the cashier's office at X8769.

If you have any questions, please do not hesitate to call Suzanne Kallighan at X6562.