

THE BOTTOM LINE

Volume 9, Issue 1

Spring 2007

Dear Colleagues,

I hope everyone is having a good semester. Hard to believe we just passed the halfway mark of the school year.

On January 19, 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 FY07, and continuing budget lines for FY08. The one-time total is \$406,414 and includes amounts for classroom upgrades, Student Development initiatives and various other items. With the third year of the tuition increase taking effect, we have \$5,828,115 being added to the continuing budget. Of that, \$2,555,281 goes directly to Financial Aid lines. There will be four new faculty lines and eight new staff lines. A notebook of all PI 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. Our next issue will contain all the important year-end information, so don't miss it! 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

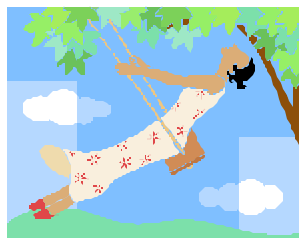
<i>Harlean Owens</i>	<i>x1523</i>
<i>Sharon Condrey</i>	<i>x8828</i>
<i>Susan Galvin</i>	<i>x8537</i>
<i>Tammy Hicks</i>	<i>x8752</i>
<i>Jean Hines</i>	<i>x8181</i>
<i>Suzanne Kallighan</i>	<i>x6562</i>
<i>Nancy Colón</i>	<i>X6007</i>



UNIVERSITY OF RICHMOND
FOUNDED 1830

Did You Know.....

Effective January 1, the current mileage reimbursement rate for personal vehicles used for University business is .43 per mile.



GENERAL ACCOUNTING

Journal Entry & Budget Reallocation Tips

Re-Classification of Charges:

Before sending your journal voucher to the accounting office with a charge you want re-classed, please look on **BANNER** to make sure the charge has actually hit your account line. We in accounting cannot re-class a charge that has not shown up on BANNER. Always include an invoice number or other document number, under the document reference column, associated with the charge you want re-classed.

Re-Allocation of Budget:

When moving budget from one account line to another, please make sure the account line has sufficient funds before making the entry and sending it to Accounting. We cannot enter an entry that will result in a negative budget amount. Also, please remember that for budget re-allocations we can only move whole dollar amounts.

Transfer of Funds:

When transferring money into an 8XXX or 9XXX index, unless you are covering an exact expense, please transfer the money into a 5XXX revenue account. If you are transferring the money to cover an exact expense, please be sure you include an invoice number or other document number, under the document reference column.

Please send all budget reallocation and journal voucher forms to Deanna Janss or Robert Plymale. You may attach these forms to an email rather than sending them through campus mail. Deanna and Robert will respond to your email once the entry has been entered into Banner.

A Change to the Interest Free Computer Loan Process

There has been a change in policy to the Interest Free Computer Loan Agreement form. This form, which is completed when an employee wishes to get approval to participate in the program, is now only valid for 30 days once approval has been given by Human Resources. If you do not purchase your computer within 30 days of receiving approval, you must submit another form to Human Resources and they must again give you approval to participate in the program. Please do not submit a form for approval until you are ready to purchase a computer within the month you submit the form.

Accounting Office Staff

Robert Plymale
Accounting Assistant
Extension 8178

Deanna Janss
Accounting Specialist
Extension 8169

Tammy Hicks
Accounting Manager
Extension 8752

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

Direct Deposits of Reimbursements

Effective March 2005, the University made it mandatory that all reimbursements issued to faculty or staff must be made by direct deposit. We have recently noticed that new employees are not aware of this policy. Please inform your new employees of this policy so their reimbursements requests are not delayed. If we do not have a direct deposit notification on file, the reimbursement will be held until we receive the information from the employee. The direct deposit authorization is available on our website at <http://controller.richmond.edu/forms/DirectDeposit.FS.pdf>.

1099 Forms

Accounts Payable is responsible for issuing the 1099-Miscellaneous forms to our vendors each tax year. If your vendor contacts you inquiring about their 1099-Miscellaneous form, please direct them to Linda Pembelton, lpembelt@richmond.edu, 289-8177.

ACCOUNTS PAYABLE

Continued

Change to Policy on Gifts/Prizes Purchases

If your department purchases gifts (or prizes) to be given to employees and/or university students, please be aware that we will only reimburse for items that have already been distributed. We will no longer reimburse for gifts/prizes purchased in advance to be given at a later date to unknown individuals. We must have the name and university ID of the individual receiving the item before a reimbursement can be issued.

Separate Honorariums and Reimbursements

Honorarium payments must be reported to the IRS as taxable payments; however, reimbursements do not have to be reported. Therefore, please do not combine payments and reimbursements on the same check request form for your independent contractors. A separate form should be completed for each. Appropriate supporting documentation must also accompany each request.

TRAVEL AND ENTERTAINMENT

Signatures on Travel and Entertainment Forms

The current Travel and Entertainment Form (T&E) has enough spaces to allow the recording of 7 days of expenses. If you have expenses that exceed the 7 days and need to have 2 or more pages of the T&E form to list all of your expenses, please be sure to sign all pages of the form and also have your approver sign all pages. Forms will be returned if they are not properly signed.

Listing of Expenses

When submitting your reimbursement requests, please separate each day's lodging and meal expenses on the Travel and Entertainment form. **Do Not** lump all of your lodging expenses and/or meals under one date. Failure to properly list your expenses may cause your reimbursement request to be returned and delay the paying of your reimbursement.

Names Needed for Meals

Please include the names of everyone who participates in a meal, whether purchased on a departmental purchasing card or submitted for reimbursement. Our auditors require that we provide this information.

For the purchasing card the names, as well as the business purpose for the meal, must be included in the Transaction Notes when you allocate your charges.

For reimbursements, please include this information on the check request form or as a separate attachment for the Travel and Entertainment form.

PAYROLL

W-2 information

W-2 forms were mailed Tuesday, January 30th 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 2006 and I received a W-2. Isn't this an error? If you are a faculty member who taught in the fall of 2005 but did not teach in 2006, you would have a W-2 reflecting wages paid to you on January 3rd, 2006 for the pay period of December 2005. 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

PAYROLL

Continued

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 earnings during that period 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.

Direct Deposit

We encourage all employees to take advantage of direct deposit, thus you will not have to worry about waiting on the mail, inclement weather or making a special trip to the bank to deposit your check. A direct deposit authorization form must be submitted to the Payroll Office in order to have your direct deposit begin. The direct deposit authorization is available to download from our webpage or please feel free to stop by our office (Maryland Hall G-12) to pick up a form. <http://controller.richmond.edu/payroll/forms.htm>.

GRANTS ACCOUNTING

New Contact Information

Tina Snellings, Grants Manager, retired December 31, 2006. Post-award grants are currently being handled by Christie D'Amour and Tammy Hicks until Tina's replacement is hired. Should you have any questions concerning your grant, please contact either Christie or Tammy :

Christie D'Amour
Director of Financial Operations
cdamour@richmond.edu
x 8162

Tammy Hicks
Accounting Manager
thicks@richmond.edu
x 8752

Time & Effort Reports

Time & Effort Reports for the fall semester, August 16th through January 15th, have been sent to all Principal Investigators. If you did not receive a report and should have, please contact Tammy Hicks immediately. All Time & Effort Reports are due by February 28th.

Summer Salary Request

Summer Salary Request forms will be mailed to all Principal Investigators in March. Please complete the form and return it to Christie D'Amour no later than May 1st.

Revising Your Budget or Program Plan?

Please keep in mind that even though principal investigators have expanded authorities, you are required to report a deviation from budget or program plan. Prior approval from the agency is needed when you plan to do any of the following:

- 1) Change in scope
- 2) Change in key personnel
- 3) Absence for more than 3 months or 25% reduction in time
- 4) Need for additional funding
- 5) No Cost Extension

INTERNATIONAL TAXATION

Visa Types and Payment Guidelines for Nonresident Aliens

The University of Richmond's Office of International Taxation must determine legal and tax consequences for all payments made to nonresident aliens (NRA). All arrangements for payment must be made in compliance with the laws and regulations of the Internal Revenue Service (IRS) and the US Citizenship and Immigration Services (USCIS – formerly known as INS). The following procedures will provide guidance in requesting payment for a nonresident alien.



INTERNATIONAL TAXATION

Continued

An NRA is an individual who is not a citizen of the United States and is not a resident alien for tax purposes, or a legal permanent resident ("green card" holder.) An NRA is admitted into the United States for a temporary stay and for a specific purpose (as identified on the forms DS-2019 or I-20).

Questions regarding a non-resident alien's eligibility to receive payment for service should be directed to the Office of International Taxation before services are engaged. Importantly, the host department must have knowledge of what visa type the NRA is traveling under. Once the visa information has been obtained, the Office of International Taxation should be consulted to verify that an honorarium and/or travel reimbursement can be paid. Further arrangements and paperwork will proceed after this step has been followed. Since an NRA's status can change, these procedures must be followed with each visit to the University.

Importantly, if an NRA is erroneously engaged for work and/or paid for services, the University is seen in the eyes of the IRS and USCIS as hiring an illegal alien. The University could be fined and the NRA could lose visa status and be deported.

Below is a partial list of common visa types and payment restrictions:

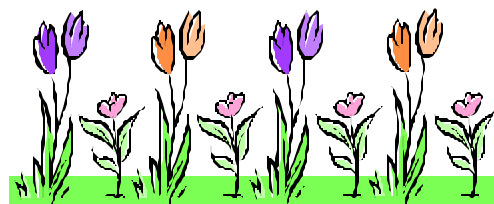
1. **A-1; A-2 (Diplomatic personnel and their dependents):** Principal A visa holders may only work for their foreign diplomatic entity. Dependents with EADs (Employment Authorization Document) have limited work authorization.
2. **B-1, B-2 (Visitor for Business or Pleasure):** The B-1 (business) visa holder may be paid an honorarium and be reimbursed for travel expenses. The B-2 (tourist) visa holder may be paid an honorarium, but travel expense reimbursement is restricted. Payments are based on the 9-5-6 rule:
 - a. 9 Days: Maximum length of stay at any one institution
 - b. 5 Honoraria: maximum number of honoraria received from all institutions
 - c. 6 Months: Maximum length of stay in the United States

3. **Canadians:** Not required by law to present a passport or visa to enter the US. However, if they are going to be paid or reimbursed, an I-94 Departure Card is required. It is obtained at a cost of \$6.00, and purchased from US Customs at the point of entry.
4. **F-1 (Student):** May be employed on campus up to 20 hours with written authorization of Responsible Officer (contact the University's Office of International Education). Employment forms must be completed in the Office of International Taxation before a non-resident alien student may begin working.
5. **F-1 (Exchange Visitor):** May pay honoraria to visa holders who consider UR their home institution. NRA's whose home institution is not UR may only receive payment if they are in OPT status (Optional Practical Training).
6. **H-1B (Temporary Professional Worker in a Specialty Occupation):** May pay honoraria to visa holders who consider UR their home institution. NRA's whose home institution is not UR may only receive payment with written permission of their home institution and if UR pays their home institution the honorarium (i.e. not paid to the individual directly). Employment forms must be completed in the Office of International Taxation before a non-resident alien may begin working.
7. **J-1 (Exchange Visitor – Student):** May be employed on campus up to 20 hours with written authorization of Responsible Officer (contact the University's Office of International Education) and a Form DS-2019. Employment forms must be completed in the Office of International Taxation before a non-resident alien student may begin working.
8. **J-1 (Exchange Visitor – short term scholar, professor, researcher, or specialist):** Eligible to receive compensation payments and travel reimbursements from the institution that sponsored the visitor. If an institution other than the sponsoring institution wishes to pay this visitor, prior written approval must be received from the

9. sponsoring institution. Employment forms must be completed in the Office of International Taxation before a non-resident alien student may begin working.
10. **O-1 (Extraordinary Ability):** Must demonstrate an extraordinary ability in their field (business, accounting, arts, media, sciences, and athletics). May be employed only by sponsoring employer or through a sponsoring agency.
11. **P (Internationally Recognized Athlete, Artist or Entertainer):** Employment authorized only with sponsoring employer or through sponsoring agency.
12. **TN (Trade NAFTA):** For citizens of Canada and Mexico. May be employed by the sponsoring employer, through whom the status was obtained. Not valid for payments to independent contractors, i.e. honoraria, speaker, performer, lecturer, etc.
13. **WT, WB (Visa Waiver National on Visa Waiver List):** The WB (business) visa holder may be paid an honorarium and be reimbursed for travel expenses. Follow the rules of B visa holders.

employ, and whenever there is any concern about access.

- **Only paid University employees** should be handling cash.
- **Deposit all funds received.** Do not hold checks waiting to make one deposit. Most checks are only good for a certain amount of time and holding them reduces the chances of collecting the funds. Don't use collected funds for reimbursing expenses.
- **Make deposits no less often than weekly** and whenever the amount exceeds \$500. Remember that **mailing deposits is risky to you**; delivering them to the Cashier's office and walking away with a receipt shifts the responsibility to us.
- If you ever experience a robbery, do not make any attempt to chase or apprehend the suspect! Note any details you can, call University Police and follow their instructions.



STUDENT ACCOUNTS

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 Resources for each course taken. **You will receive a tuition bill until the tuition remission form has been processed.**

Basic Cash Handling Procedures

- Cash should be locked up and **out of sight and out of reach**. This includes counting a drawer at the beginning or end of a shift, and any other time cash is being counted.
- Cash should be locked in a file cabinet or a safe – **with the key and/or combination not shared or in plain site!** Keys and combinations should be changed when employees with access leave the University's