

THE BOTTOM LINE

Volume 4, Issue 2

YEAR END ISSUE

May 2002

Dear Colleagues,

It is difficult to believe that another academic year is winding down. The budget cycle was recently completed, graduation is upon us, the auditors are planning their visit, and we need to close the books at June 30.

I am pleased to report that the Board of Trustees approved the FY 2003 Operating Budget in the amount of \$134 million. The individual budgets have been loaded into Banner and may be queried on FGIBDST by putting "03" in the fiscal year field.

The Controller's Office is already preparing for the 2002 fiscal year end. Please take the time during the next few weeks to review your budgets for accuracy. The months of June and July are our busiest time of the year, and a good deal of time is spent re-classing expenses and moving budget to cover deficits. It will be a tremendous help to request adjustments before June 30th. This is the "Year End" edition of "The Bottom Line". Page 3 will give you a quick review of Year End procedures.

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.

Jenni Sauer

Associate Vice President and Controller
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UNIVERSITY OF RICHMOND
FOUNDED 1830

Did You Know.....

Effective May 1, the reimbursement rate for mileage is 34 cents per mile.

New redesigned Petty Cash forms are available in the Print Shop.

In the month of June, you will be able to access your Banner index from the web! Stay tuned to SpiderBytes for more details!

Purchasing Card usage generates almost 2 millions dollars in purchases!

The Controller's Office is working on new policies regarding moving expenses and gifts made to employees.

GENERAL ACCOUNTING OFFICE

BUDGET REFUNDS

Fiscal years do matter! If you get a refund or returned check for an amount expended in a prior year (FY01-02), but do not receive it until after the beginning of the next fiscal year (July 1, 2002), you may not deposit that money into the new year's budget (FY02-03). If this happens, please send the check with an explanation to the Associate Controller, Natolyn Quash.

NEW YEAR CARRYFORWARD 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 Natolyn Quash for approval. 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 for a specific purpose.

DEFICIT REPORTS - STUDENT AND OTHER ORGANIZATIONS

Indices that start with an "8" or a "9" begin receiving deficit reports in March, as the majority of these are handled by students who leave campus at the beginning of May. If you receive a deficit report for one of the indices that is your responsibility, the deficit report means that the revenue does not cover the expenses that have been incurred. These deficits must be cleared by June 30th of each fiscal year. You may clear your deficit by one of three ways:

- Deposit money into one of the revenue accounts within your index.
- Transfer specific charges in the index into another index, provided there are funds to cover the expenses.
- Credit funds from another index to your index.

The last two possibilities are done through journal entries sent to the Accounting Office. We will be monitoring these types of indices more closely during the coming months to ensure that they have positive balances.

GENERAL ACCOUNTING OFFICE

Continued

DEFICIT REPORTS - UNRESTRICTED BUDGETS

Deficit reports for indices that start with a number other than an 8 or a 9 are sent out in April, May and June of each fiscal year. If you receive a deficit report, it means that you have overspent your overall budget. This deficit **must** be cleared by June 30th of each fiscal year. Your deficit may be cleared one of two ways:

- Budget transferred into the index from another index.
- Transfer specific charges from the index into another index, if the charges are related or belong to the other index.

The Dean or Director of your area must approve the budget transfer or the reclassification, before forwarding to the Accounting Office. Any transfer request that does not have the appropriate approval signature will be returned.

MONTHLY BUDGET STATUS REPORTS

A *preliminary* budget status report as of June 30, 2002 will be mailed to the campus on Tuesday, July 2, 2002. Please review this report thoroughly for any expenses transfers, invoices or purchase orders that are incorrect. Contact Accounting, Accounts Payable or Purchasing with any discrepancies. The *final* financial budget status report as of June 30, 2002 will be sent out to the campus during the last week of July.

The last day for campus requests for journal reclassifications, budget adjustments, etc., for FY02 is Thursday, July 11, 2002.



STUDENT ACCOUNTS/CASHIER'S OFFICE

YEAR END INFORMATION

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 27, 2002. In the past our office has been inundated with deposits on the final working day of the fiscal year. The amount 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 smooth as possible.

If you receive fiscal year 01-02 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. July 5th 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.**

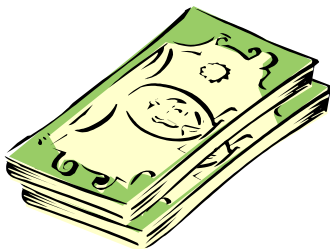
PETTY CASH

Please remember that all petty cash receipts must be taped to a separate 8 ½ X 11 sheet of paper. The receipts should include the detail of what was purchased. When using petty cash for a restaurant reimbursement, we will need the detailed receipt along with the credit card or total receipt.

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 petty cash please call the cashier's office at X8769.



OLD YEAR VS NEW YEAR EXPENSES

The determination of whether an invoice is to be paid in the "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 1st. Any exceptions must be cleared through Natolyn Quash, Associate Controller.

PREPAID EXPENSES

Expenses (or purchases) that are made now, but are to be charged to the new fiscal year, 2002-2003, are considered "prepaid expenses". If you are making purchases now, that need to be charged to the new fiscal year, please make sure to indicate this on the check request form. Our new check request form has a place for you to indicate which fiscal year to charge. For purchases made now, but being charged to the new budget, please indicate FY03 on the check request form, and mark your request "PREPAY". This will help us ensure your budget is charged correctly. Prepayments will be processed through June 28th.

PURCHASE ORDERS

University Services (Purchasing) must receive "Old Year" purchase requisitions by June 20, 2002. Purchasing will be glad to assist with any product specifications or price quotations for "Year End" purchases. Please contact their office by June 1st for these specific items.

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 FY02 budget and will credit your FY03 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 fiscal year 2001-2002 budget, the invoice must also be paid from fiscal year 2001-2002 funds. If you want your invoice to be paid out of the fiscal year 2002-2003 budget, please have Purchasing cut your purchase order from that budget.

ACCOUNTS PAYABLE CHECK SCHEDULE

Invoices received between June 30th and July 12th will be processed as FY03 transactions, **unless you specifically state otherwise on the invoice or check request form.** During the "Year End" processing period, our check run schedule will be altered. The check processing dates for this period are as follows:

Processing Date

Monday, June 24th
Thursday, June 27th
Wednesday, July 3rd
Monday, July 8th
Thursday, July 11th

Check Date

Tuesday, June 26th
Friday, June 28th
Friday, July 5th
Tuesday, July 9th
Friday, July 12th

ACCOUNTS PAYABLE

ARE YOU USING THE CORRECT FORM?

Our check request form was last updated in January. If you have not yet started to use this new form, or if the form you are using was updated prior to January, please use our new form. If you need the form, you may find it on our website or contact us and we will get you to the correct link on the web so that you can download it.

SIGNATURES ON REIMBURSEMENTS

If a University employee or student is being reimbursed for a purchase, please have that person sign the check request. We have created a "Payee" line on the check request form, specifically for that purpose. If the signature of the person being reimbursed is not on the check request form, the form will be returned for the signature.

WILL YOUR PURCHASE PASS THE TEST!

When using University funds, please ensure your purchases will withstand scrutiny. Even though it is each department head's responsibility to make sure funds are used appropriately, Accounts Payable also reviews reimbursement and purchase requests to ensure funds are spent appropriately. If we notice an item that does not appear to be an appropriate purchase, we will call you for an explanation of the purchase and then make a determination of whether or not the item can be purchased or, if already purchased, if the purchaser can be reimbursed.

If you want to purchase items such as candy (for office candy jars), coffee (for staff), medicinal supplies such as band aids, aspirin, Tylenol, etc (for the office), please use personal or restricted funds. The purchase of such items is not reimbursable from university budgets.

PAYMENTS FOR SERVICE

Please remember, Accounts Payable does not pay students, staff, or faculty for service. We only pay outside vendors and provide reimbursements for members of the University community. If you want to "pay" a member of the University, please submit your request to the Payroll Office (for faculty and staff) and Student Employment Services (for students).

ACCOUNTS PAYABLE continued

CLEARING YOUR ENCUMBRANCES

Year-end is quickly approaching and Accounts Payable is busy trying to resolve Purchase Order (PO) purchases. As we are preparing for year-end, we will be sending out more of our "little blue forms", asking for your signed purchase order. 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. You do not have to wait for us to contact you.

If we have your signed PO in our office, but we have not yet received the invoice from the vendor, we may contact you to verify you actually received the merchandise. We have had instances where the merchandise was received, the signed PO was sent to AP, but then the item was returned. The vendor doesn't send us an invoice, because we don't owe anything, but AP still has your signed PO in our drawer. We will be trying to resolve items like this, so if we start calling you about your PO's please bear with us. We want to get these items cleared before the end of the fiscal year, so that the money does not have to come out of your new year budget. We also want to ensure that our vendors are paid in a timely manner, so that the University maintains good standing.

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.

HOLIDAY CHECK RUN SCHEDULE

There will be three major holidays, before our next newsletter. Our holiday check run schedule is listed below. Please plan accordingly.

Memorial Day

We will have our normal two check runs the week of May 27th. Checks will be issued on Tuesday, May 28th and Thursday, May 30th.

4th of July

There will be only one check run the week of July 1st. We will run checks on Friday, July 5th. If you need your requests to be included in our July 5th check run, please mark your requests as "RUSH" and have your requests to us by 5 p.m. on Tuesday, July 2nd.

Labor Day

There will be only one check run the week of September 2nd. We will run checks on Thursday, September 5th. If you need your requests to be included in this check run, please mark your requests as "RUSH" and have your requests to us by 5 p.m. on Tuesday, September 3rd.

TRAVEL

2002-2003 TRAVEL EXPENSES

When purchasing airline tickets, paying registration fees or making deposits for events that will take place **AFTER** June 30, 2002, please mark your requests "**NEW YEAR**". If you have budgeted for this event in the current fiscal year please indicate "**OLD YEAR**" and a brief explanation on the request. If your request does not indicate which fiscal year to charge, your "**NEW YEAR**" budget will be charged.

PURCHASING CARD

NEW YEAR/OLD YEAR PROCEDURES

The purchasing card file will be downloaded on June 26, 2002. Individual PCJV's will be created using the processing date of June 30, 2002. **ALL** charges on the **June 24, 2002 statement** will be charged to the "**OLD YEAR**" budgets, even if you approve it during the month of July. If you have some charges for the "**OLD YEAR**" and some for the "**NEW YEAR**", **DO NOT APPROVE THE JV YOURSELF!** Forward your statement to Lynn Spencer and she will post them accordingly.

If all of your charges are for the "**NEW YEAR**", notify Lynn and she will change the date of the document to July 1, 2002. You may proceed with the approval or send it to her for completion. Any charges made after the cycle ends on June 24, 2002 will be charged to the "**NEW YEAR**". If ordering items now that will not be shipped or billed until the July 24, 2002 cycle date, and you have the funds to pay for it in the "**OLD YEAR**" budget, please let Lynn 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 that we do not carry forward less than **\$200.00**.

INAPPROPRIATE EXPENSES

Using University funds to purchase candy, snacks, birthday cakes and other party-type food and supplies for everyday consumption is inappropriate. It is also inappropriate to purchase items such as aspirin, band-aids or other types of medicine or medical supplies. If you wish to supply your office with candy or other snack foods, medicines or supplies not available from University Facilities, you must use personal or restricted funds to pay for it. If you are unsure what restricted funds are, please call the Accounting office for clarification. Reimbursements for petty cash expenses and purchasing card charges will be reviewed for this type of expense.

RECEIPTS

When taping receipts to 8 ½ x 11 paper, it is **NOT** necessary to **HIGHLIGHT** the amount of the receipts. Highlighting makes the dollar amounts disappear or turn black when copied or imaged into our filing system. If you wish to make the amounts prominent, please just circle them with a pen. Also, please remember to tape around the edges of the receipt. Taping over the amounts/dates or names on the receipts will make the words invisible.

TAX

Is your bottom line a little light this year? Try looking at your last few US Bank Purchasing card statements and see if you have been paying tax on goods and supplies for your office. The University of Richmond is exempt from paying State Sales Tax and there is a tax- exempt sticker on the back of your purchasing card as a reminder. Make sure that you let the merchant know that we are tax-exempt before the sale is processed. With little or no increase in budgets in the new fiscal year, we should all be more aware of what we are spending our budget dollars on. Don't give your money to the state of Virginia if you don't have to!

BOOKSTORE CHARGES

Once again, this is a reminder that using your US Bank Purchasing card at the Bookstore, Modlin Center Ticket Office or the Robins Center Ticket Office costs the University money! We pay a percentage fee to VISA for every transaction processed with a VISA card.

If you need to purchase tickets or supplies for you office, you may request a departmental charge. Just give the cashier your department index and account code and the transaction will be debited to your budget.

