

THE BOTTOM LINE

Volume 7, Issue 2

Year End 2005

Dear Colleagues,

It was such a cool spring this year that I thought that we would never get to warm weather. While I am now enjoying the beautiful blooms and warm temperatures, my sinuses are not! The academic year has closed once again, and it is time to plan for the fiscal year end closing. This issue of the Bottom Line Newsletter is packed with information to help you navigate the financial requirements of closing out the year.

The financial operations areas are the busiest during June and July. Please take the time during the next few weeks to review your budgets for accuracy. Adjustments and transfers may be requested anytime between now and early July, but the sooner the better.

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. We want this newsletter to be a resource for our campus constituencies.

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

THE NEWSLETTER STAFF

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UNIVERSITY OF RICHMOND
FOUNDED 1830

Did You Know.....

The Controller's Office Staff just completed a revised version of their web site. It contains valuable contact information, updated guidelines, and fiscal year end information. Take a moment to peruse the site and let us know what you think!

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

The deadline for submitting purchasing card documentation is always the 10th of the month. Cards can be suspended if documentation is not received in Accounts Payable by the deadline.

Sit-down meals (meals at restaurants) are not allowed on the purchasing card. Please review the Procurement Card Policies and Procedures <http://controller.richmond.edu/card/guidelines.htm> for other restrictions to the card.

Accounts Payable will no longer reimburse for receipts older than 90 days, as IRS regulations stipulate that expenses must be accounted for within a reasonable period of time.

GENERAL ACCOUNTING OFFICE

Accounting Tidbits Important Yearend Accounting Dates

June 30, 2005

If your unrestricted, 8 Ledger, or 9 Ledger index is in a deficit, you will receive a deficit report from the Accounting Office. The deficit **must** be cleared by June 30th. Please send a journal entry to the Accounting Office, Attn: Deanna Janss, to cover your deficit. For unrestricted indices only, you may also transfer budget, but the budget entry must have the approval of your Dean, Director or Department Head. Please call Deanna, x8169, for more information on clearing a deficit.

July 1, 2005

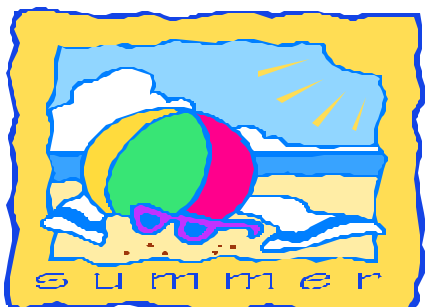
The Accounting Office will do a preliminary close for June 30th on July 1st. You will have until 2:00 PM to enter journal entries for the **Preliminary Monthly Budget Report for June 30, 2005**. These reports will be distributed by email by 5:00 PM on July 1st, so it is extremely important to finish your entries by 2:00 PM so we in the Accounting Office have time to complete our task for the preliminary close. Once you receive this preliminary report, Please review the report for errors and send corrections to the Accounting Office immediately.

July 11, 2005

The last day for campus journal entries will be Monday, July 11th. Your entries must be in our office on that day to be entered for fiscal year 2005.

July 31, 2005

Your **FINAL** Monthly Budget Report for June 30, 2005, will be emailed to you by the end of July. Please keep in mind that you will be receiving 2 reports for June, the preliminary on July 1st and the final by the end of July.



GENERAL ACCOUNTING OFFICE

Accounting Office Staff

If you have questions concerning yearend, please give us a call.

Deanna Janss x8169
Nancy Colon x8178
Tammy Hicks x8752



Interest Free Computer Loan Policy

As of April 1, 2005, there is a new interest free computer loan policy. The major changes to the policy include a maximum loan amount of \$2,500.00. The only acceptable purchases include a CPU, monitor, keyboard, mouse, speakers, printer, scanner, and software, excluding any game software. For further details concerning this new policy, you may contact Deanna Janss, x8169 or refer to the Controller's Office Website for a copy of the policy.



ACCOUNTS PAYABLE

Who's on First!

Don't know who to contact for your Accounts Payable questions? Below is a snapshot of who does what in the Accounts Payable Office. Please contact the staff for questions as follows:

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

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

- Vendors A thru L
- 1099 reporting, W9 processing and completion
- Gift reporting
- New vendor creation and address changes

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

- Vendors M thru S
- Purchasing card questions
- Training on Paymentnet (online purchasing card system)

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

- Vendors T – Z
- Direct Deposit set-up for reimbursement
- Stop Payments on 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



ACCOUNTS PAYABLE

Continued

Disbursement Guidelines

In 2001, the Controller's Office created Disbursement Guidelines to assist departments in completing forms and to help departments know what is required for their requests to be processed. These guidelines were recently updated and are now available on the website at <http://controller.richmond.edu/accounts/disbursements.htm>.

Please note one significant change to these guidelines is that we will no longer process receipts for reimbursement that are older than 90 days, as IRS regulations stipulate that expenses must be accounted for within a reasonable period of time.

Important Accounts Payable Year End Dates

With our fiscal year end quickly approaching, below are some important dates to keep in mind. More details about these dates are throughout the Newsletter:

- June 17th**- last day to charge items on the pcard for FY05
- deadline for having requests to AP for the June 30th preliminary budget reports
 - last day to submit requisitions to Purchasing for FY05 purchases

June 24th – deadline for having requests to AP to be charged to FY05 budgets

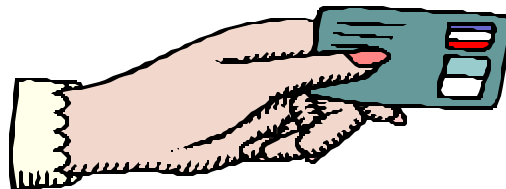
June 27th – last purchasing card statement for FY05 available for download

July 1st – last check run before the preliminary June 30th budget reports

July 8th – last check run for FY05 (Old Year) budgets

July 11th – deadline to have purchasing card documents to Accounts Payable

July 15th – purchasing card charges will be downloaded into Banner



ACCOUNTS PAYABLE

Continue

Year End Check Run Schedule

Our check run schedule will be altered during the last 2 weeks of the fiscal year end period. The check run dates for this period are as follows:

Tuesday, June 28th

Friday, July 1st (last check run before the preliminary June 30th budget reports)

Tuesday, July 5th (1st check run that will include items charged to "old" (FY05) and "new" (FY06) budgets)

Friday, July 8th (last check run to include "old" (FY05) budgets)

We will resume our normal Tuesday/Thursday check run schedule on Tuesday, July 12th.

If you want your charges to appear on your **Preliminary** June 30th budget reports, have your Payment requests to Accounts Payable by Friday June 17th to ensure your request is processed by the July 1st check run.

To guarantee your FY05 charges hit your "old year" budget, you must have the requests to Accounts Payable by Friday, June 24th. The request will be paid on our July 8th check run (the last check run for FY05 budget).

Clearing Your Encumbrances

Accounts Payable is busy trying to resolve Purchase Order (PO) purchases before the close of the fiscal year. 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.

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.

ACCOUNTS PAYABLE

Continue

Prepaid Expenses for Invoices or Purchasing Card Charges

Expenses (or purchases) that are made now, but are to be charged to the new fiscal year, 2005-2006, are considered "prepaid expenses". If you are making purchases now that must be charged to the new fiscal year, please make sure to indicate this on the check request form or invoice. For purchases made now, but being charged to the new budget, please indicate FY06 on the check request form or invoice, and mark your request "PREPAY". This will help us ensure your budget is charged correctly. Prepayments will be processed through June 30th. **After June 30th**, please indicate FY05 or FY06 on your check request or invoice. We will be able to directly charge these items to the fiscal year you indicate.

For purchasing card charges, if you have items that appear on your May 25th statement that you want charged to your FY06 budget, please write "PREPAY" beside each item on the statement that you want charged to your New Year budget. The Accounts Payable office will ensure these items are charged to your New Year budgets when the charges are downloaded into Banner.

Accounts Payable Year End Processing

Between July 1st and July 8th Accounts Payable will be able to pay invoices / check requests out of either FY05 or FY06 budgets. When submitting requests for payment, please clearly specify which fiscal year's budget should be charged. If you need an item to be charged to your New Year budget, please check FY06 on the check request form and also write NEW YEAR on the request. If you are submitting an invoice for payment and there is no check request attached, please write NEW YEAR on the face of the invoice if you need it charged to your New Year budget. During this "dual year" processing period, if you do not specify which fiscal year to charge, Accounts Payable will make the determination. The determination of whether an invoice is to be paid as "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.

ACCOUNTS PAYABLE

Continue

Please watch your budget reports closely to make sure your budget has been charged correctly for these items. If you notice a mistake, please contact Jean Hines at x8181, immediately.

Travel Old Year vs New Year Expenses

If you are making reservations or deposits now for events that will occur after July 1, please indicate on your invoice or expense reimbursement request, which fiscal year to charge. From July 1st through July 8th, if there is no fiscal year indicated, we will charge to the appropriate fiscal year, based on the dates of your trip. **Please watch your budget reports closely to make sure your budget has been charged correctly for these items. If you notice a mistake, please contact Jean Hines at x8181, immediately.**

Purchasing Card Charges for FY05

The last purchasing card statement for FY05 will be available for download on June 27th. To ensure your charges will appear on this statement, please place your orders by June 17th. This will allow your merchants one week to post the items to your card; the cycle ends on June 24th.

Any charges that hit your account after the June 24th cycle will be charged to your New Year budget. If you are ordering items now that will not be shipped or billed until after the June 24th cycle date, and you have the funds to pay for it in the Old Year budget, please email Susan Galvin (sgalvin@richmond.edu) 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, we do not carry forward less than \$200.

Purchasing Card Old Year / New Year Procedures

Purchasing card statements will be available for download on June 27th. Individual PCJV's will be created using the processing date of June 30th. All charges on the June 27th statement will be automatically charged to the Old Year budgets unless you indicate otherwise on your statement (even if you approve your charges during the month of July).

ACCOUNTS PAYABLE

Continue

If you have some charges for the OLD Year and some charges for the NEW Year, please indicate on the actual **statement** which fiscal year to charge. Forward your statement to Jean Hines and she will post your charges to the year you indicated on your statement, when the charges are downloaded into Banner.

If all the charges are for the NEW Year, please indicate that on your statement and we will date your PCJV transactions with a date of July 1st to post the charges to your NEW year budget when the charges are downloaded into Banner.

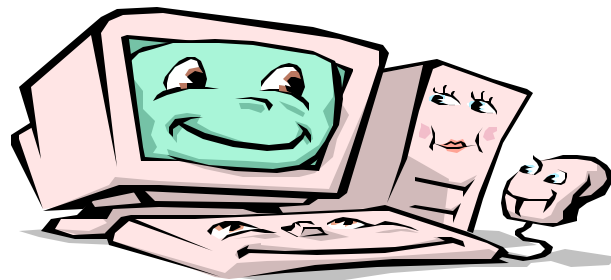
All June 27th statements must be received in Accounts Payable by July 11th. All charges will be downloaded into Banner on July 15th.

Purchase Orders

June 17th is the last day to submit requisitions to Purchasing for 2004-2005 purchases. The purchasing staff will gladly assist you with product specifications or price quotations needed for these purchases. Because they receive a high volume of these requests, ***they ask that you send these requests to Purchasing as soon as possible but no later than June 1st.*** The Purchasing Office cannot guarantee that they can assist with product specifications after that date.

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 FY2004-2005 budget and will credit your FY2005-2006 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 FY05 budget, the invoice must also be paid from FY05 funds. If you want your invoice to be paid out of the FY06 budget, please have Purchasing cut your purchase order from that budget.



PAYROLL

Summer Student Payroll

Checks for students working in the summer will be mailed to the permanent address unless an alternate address is supplied in writing to payroll@richmond.edu. All active student employees were notified of this by email earlier this spring. Student supervisors should inform all newly hired student employees of the summer distribution method.

As a reminder, with the end of the last academic payroll period on April 22nd, all students' wages are now subject to FICA taxes, regardless of when they actually worked. If a timecard is submitted to payroll for time worked during the academic year after we have switched the FICA tax on for the summer, the wages will have FICA tax withheld. Additionally, no federal work study wages are processed during the summer; all student earnings are funded from the University Work program funds.

Important Dates for the Student Payroll:

Student Payroll #13 (Start Date June 5 ...End Date June 18) is the last student payroll of the fiscal year.

Student Payroll #18 (Start Date August 14 ...End Date August 27) is the last summer payroll.

Lump Sum Payments to Students

One-time payments often cause an undue tax burden for the students. The payments are taxed according to a biweekly tax table that looks at the earnings as if they are going to be paid consistently on a biweekly basis. Spreading the payments over the course of the work is a better indication of the amount of time required to perform the work for which they are being compensated and it corrects the adverse tax implications of a lump sum payment.



PAYROLL

Continued

IMPORTANT PAYROLL DATES! MARK YOUR CALENDARS

June 15th (noon)

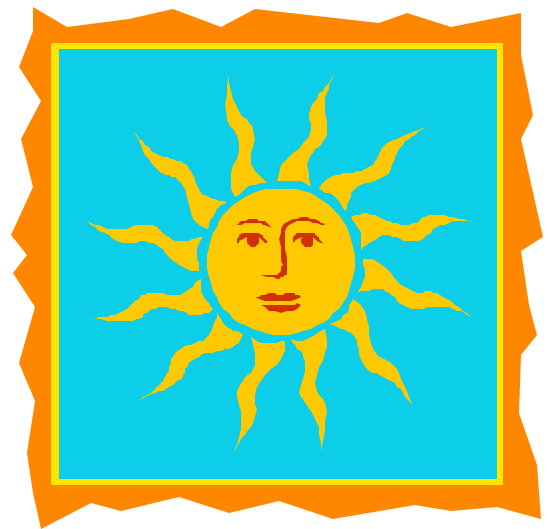
Monthly Staff ---- Deadline for check requests for "services rendered" for monthly paid employees in order to be paid on July 1st, which will be the last monthly payroll of fiscal year 05.

June 27th---(10:00 a.m.)

Biweekly Staff--- Deadline for BW#13 time cards, which will be the last biweekly payroll of fiscal year 05. Any special check requests for biweekly paid employees that should be paid in fiscal year 05 must also be submitted at this time.

June 20th---(10:00 a.m.)

Student Staff---- Deadline for ST#13 time cards, which will be the last student payroll of fiscal year 05. Any special check requests for student employees that should be paid in fiscal year 05 must also be submitted at this time.



STUDENT ACCOUNTS/CASHIER

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 Tuesday, June 28, 2005. 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 04-05 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. **Friday, July 8th 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 1/2X11 sheet of paper. The receipts should include the detail of what was purchased. When using petty cash for a restaurant, we would 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.

GRANTS ACCOUNTING

Important Dates

Grant holders, please mark on your calendar the following dates to send forms to Tina Snellings:

Time & Effort Certification, Spring 2005 June 28, 2005 or sooner	Student Summer Logs, Summer 2005 August 31, 2005
Time & Effort Certification, Summer 2005 September 15, 2005	

Purchase Orders

Some of you may have noticed that the Grants Accounting office has been returning the payment authorization of purchase orders and requesting the grant holder's signature. Whereas it is acceptable for your administrative assistant to okay the invoice for payment, we will still need to have the Principal Investigator sign off on the actual purchase order to acknowledge the equipment has been received.

Grant End Dates

Many of you have grants that will end in June. Here are some helpful suggestions for Principal Investigators to follow for any grant that is about to close, especially if it's near the end of the fiscal year:

1. Always look over the Monthly Budget Status reports, but pay special attention to the report a month before the grant end date to give yourself enough time to order supplies and/or equipment and to request transfers.
2. Has the Grants Accounting office transferred grant funds meant to cover FY05 salaries, i.e., salaries of replacement faculty hired for your released time? It's imperative that these types of transfers take place before June 30 when the fiscal year ends.
3. If you find it helpful, additional Monthly Budget Status reports can be sent to you as your grant ending date nears.
4. In addition to a narrative report, if a financial report is also needed, please contact Tina Snellings who will be glad to prepare the final financial report for you.



BUDGET MANAGEMENT

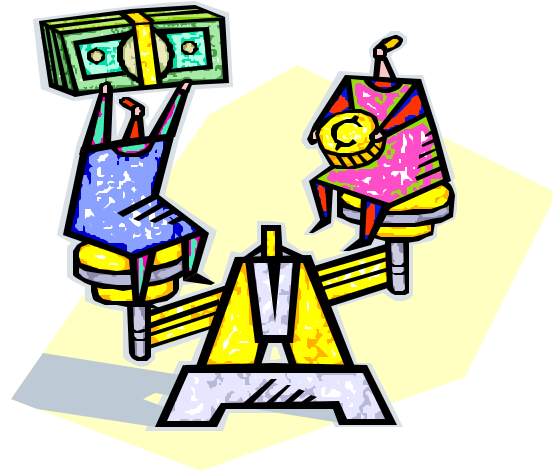
New Year Carryforward of Old Year Funds

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 Susan Galvin 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 carryforward the balance of money that is left in an index.** We must have a total dollar amount in the request and a specific purpose.

Fiscal Year 2006 Budget

The University's budget for fiscal year 2006 can now be accessed using Banner or Banner Web for Finance. When using Banner, go to screen FGIBDST and change the fiscal year code to 06. Then put in your department's index number and perform the "next block" function. You will see the budget numbers for the next year. If you have any problems or questions, please contact Susan Galvin at X8537 or by email at sgalvin@richmond.edu.

If you would like to use Banner Web for Finance, you may either create a new query and use 2006 as the fiscal year, or you may use one of your saved queries, (you'll just need to change the fiscal year to 2006). You can permanently change your saved query so that it will always pull up fiscal year 2006 by resaving your query and retyping its name exactly as it was before. If you type a different name, it will save it as a different query.



Please keep in mind that you can't delete an old query when you are done with it, so you may want to wait until the start of the new fiscal year before you permanently resave your query with fiscal year 2006 in it. If you have additional questions about how to use Banner Web for Finance, you can contact Kerri Chapman at X6866 or by email at kchapman@richmond.edu.

