



# F & A UPDATE

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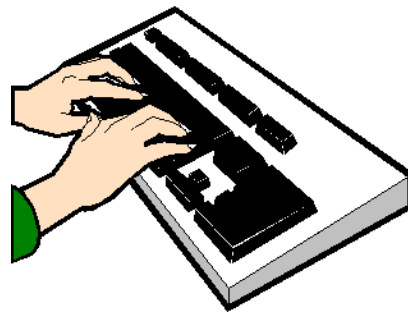
## Message from the Controller

Our fiscal year end is rapidly approaching, all current year E&G funds will expire at that time unless they are encumbered and certified forward. To certify forward funds, you must have encumbrances on file with this office on June 30<sup>th</sup>. To make the most of your department's E&G funds, it is important that you start reviewing outstanding POs, LPOs, OPS Contracts, TARS, etc. as soon as possible. Verify that the items listed are still outstanding, the amount is correct, blanket orders may need to be decreased/cancelled, etc. In the event you need to make adjustments, please advise F&A by memo or e-mail. Travel related issues should be directed to Ms. Theresa Tharp. Issues related to OPS contracts, LPOs, Purchase Orders, etc. should be directed to either Ms. Evelyn Ramirez or Mr. Oscar Canonizado. Year-end is always a very busy time in this office with all of the year-end activities – don't put this off! The sooner you begin this process, the more accurate your records and the less likely you will lose funds at year-end.

In addition to the certification process, we also go into a dual year processing mode on July 1<sup>st</sup>. For approximately two to three weeks, you will not be able to get the 98-99 on-line Report of Budget Position screens only the 97-98 screens. This is necessary to complete year-end processing. Please bear with us.

## F&A Website

F&A has a new website. On it, you will find useful information, including copies of current and previous



newsletters, Accounts Payable and Travel information, etc. The address is:

<http://pegasus.cc.ucf.edu/~cfufanda/>

We will be adding information and updating the website regularly. You will see it grow and grow, watch for these changes; let us know what you think; and if you have any suggestions for information to add.

## Petty Cash Funds

Petty Cash Funds are for departments that make several small expenditures such as express shipments, special postage charges on delivery and minor office supplies. They are to be used for making small expenditures for which the processing may be too costly to process individually. We establish both temporary and permanent petty cash funds.

- Temporary funds are set up for situations where the funds would not be needed for more than 30-days, at which time they are returned.
- Permanent funds are established for departments that have long-term needs. These funds are returned when this need comes to an end.

The following procedures must be adhered to when utilizing petty cash for purchases:

1. A paid receipt describing the goods or services bought and the account to be charged must be presented.
2. Salary, OPS, travel disbursements, food and refreshments, under the State Comptroller's policy must not be disbursed from Petty Cash Funds.
3. Personal checks or IOU's must not be put into the fund, and if found, could result in revocation of funds.
4. Under no circumstances should Petty Cash Funds be supplemented by the personal funds of University Employees.
5. Petty Cash Funds will not be used to avoid the ordinary requisitioning of goods and services.
6. Purchases should be limited to a maximum of \$50.00 per item and also should be in accordance with State Rules and Purchasing Guidelines.
7. The custodian should replenish the funds every 30 days or when 50% of the funds have been used, whichever occurs first. A copy of the receipts must be attached to the Reimbursement for Expenses other than Travel (ROTT, Form #C-676B) when replenishment is requested.
8. A reconciliation of the Petty Cash Funds is required quarterly and shall be submitted to the Controller's office within 15 days of the end of each quarter.

For further information on Petty Cash Funds, contact John Shaw at 384-2028

## Overhead on Contracts & Grants

The Facilities and Administrative (Indirect Cost) rate agreement was recently negotiated with the Department of Health and Human Services. The current rates to be charged to contracts and grants are:

43.0%	On-Campus	Research
26.0%	Off-Campus	Research
42.0%	On-Campus	FSEC
29.0%	Off-Campus	FSEC
50.0%	On-Campus	Instruction
33.0%	Off-Campus	Instruction

These rates will remain in effect through 6/30/98. There will be a reduction in some rates for the next two fiscal years. Beginning 7/1/98 the rates will be:

42.5%	On-Campus	Research
26.0%	Off-Campus	Research

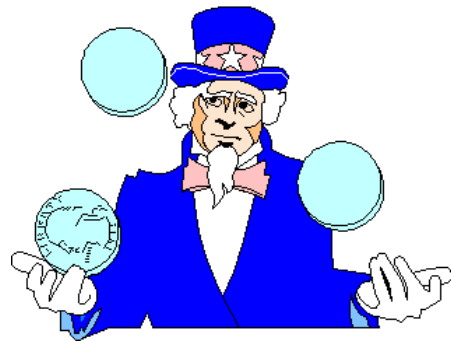
41.5%	On-Campus	FSEC
29.0%	Off-Campus	FSEC
50.0%	On-Campus	Instruction
33.0%	Off-Campus	Instruction

These rates are in effect through 6/30/2000.

If there are any questions about the rates or a further breakdown of components is required, please contact Randy Foster at 384-2012.

## Property

As of May 1, 1998, we were at 89.3% completed or 2,636 items unscanned compared with 91.3% completed and 1,946 unscanned this day last year. Don't wait until the last minute to reconcile these items, all inventories should be completed by 6/15/98. All transactions are to be done using the On-Line Property System. Training classes are being scheduled through Maxine Bowers, in Human Resources. We also offer one-on-one training for the On-Line Property System. This can be scheduled by contacting Mr. Jim Bray, at X3-2457.



## Lifetime Learning Tax Credits

In our Fall 1997 newsletter we explained the Hope Scholarship tax credit. A family may also claim a Lifetime Learning Credit that is targeted to adults who want to go back to school. This is a tax credit available to families that file a tax return and owe taxes. This means the amount of the credit is subtracted directly from the actual tax liability rather than reducing taxable income like a tax deduction. The taxpayer may claim a tax credit of up to \$1,000 per tax year until January 1, 2003, and \$2,000 per tax year after that date for the taxpayer, taxpayer's spouse, or any eligible dependents for an unlimited number of tax years. Taxpayers may claim 20% of up to \$5,000 of eligible expenses paid after June 30, 1998, and prior to January 1, 2003, and

20% of up to \$10,000 of eligible expenses paid after January 1, 2003. The actual amount of the credit depends on the income, the amount of qualified tuition and fees paid, and the amount of certain scholarships and allowances subtracted from tuition. This credit is family-based rather than dependent-based like the Hope credit.

### Who Qualifies?

**Taxpayer:** An eligible taxpayer must file a tax return and owe taxes to claim the credit. The taxpayer must also claim the eligible student as a dependent unless the credit is for the taxpayer or the taxpayer's spouse. The taxpayer is eligible for the maximum benefit with an Adjusted Gross Income of up to \$40,000 for a single taxpayer or \$80,000 for married taxpayers. The credit amount is phased out between \$40,000 and \$50,000 for single taxpayers and \$80,000 and \$100,000 for married taxpayers.

**Student:** A student must be enrolled at least half-time during the calendar year in an eligible program leading to an undergraduate or graduate degree at a qualified institution. In addition, a student may be enrolled at any level, in any course of instruction, at a qualified school, in order to acquire/improve their current job skills. The student may claim the credit if they are not claimed as a dependent by another taxpayer.

### How To Get The Credit

The taxpayer must report the amount of tuition and fees paid, as well as the amount of certain scholarships, grants, and untaxed income used to pay the tuition and fees. Current law specifies that schools will supply this information in the form of a "return" to individual taxpayers and to the IRS. More information about this will be available after the Treasury Department finalizes these regulations.

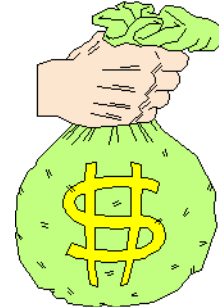
### Multiple Benefits

A family may claim a Lifetime Learning Credit, Hope Scholarship tax credit, and an exclusion from gross income for certain distributions from qualified state tuition programs or education IRA's. In order to qualify, the same student must not be used as the basis for each credit or exclusion and the family must not exceed the Lifetime Learning maximum per family.

### Payment Deadline

Fee payment deadline for summer 1998, is May 15, 1998, for Sessions A/B/C/D. Payment deadline for

Sessions B is June 26, 1998. The Summer B payment deadline applies only to courses registered for during the Summer B registration period of June 22-26. Remember classes begin May 12, 1998.



### Do you Approve Payments?

All departmental personnel involved in initiating or approving expenditures of State funds are required to comply with FI St 215.422. Departmental personnel are allowed five (5) days to approve goods and/or services that vendors provide to the University. Further, F&A is allowed twenty (20) days (including the department's five days), to send payment requests to the State Comptroller. If the department and F&A do not get the voucher to the Comptroller within 20 days, the University is rated as being non-compliant with this statute. Approximately 45 State Agencies are rated monthly and quarterly under this rule.

F&A depends on departmental personnel sending approved invoices within the required 5 days so that they may be submitted to the State Comptroller within mandated time limits. If you are involved in approving purchases for your department, please do your part by sending approved invoices to F&A and by responding to our "Expeditors", without delay.

Travel reimbursement vouchers are subject to the same time limits. F&A must record the date the traveler's supervisor signs the Travel Reimbursement Voucher as the beginning of the 20 day period. If you date the voucher at any time other than the actual date of approval (i.e. date prepared) you may be hurting the University's compliance rate. Please be sure to send travel vouchers to F&A immediately after dating and approval.

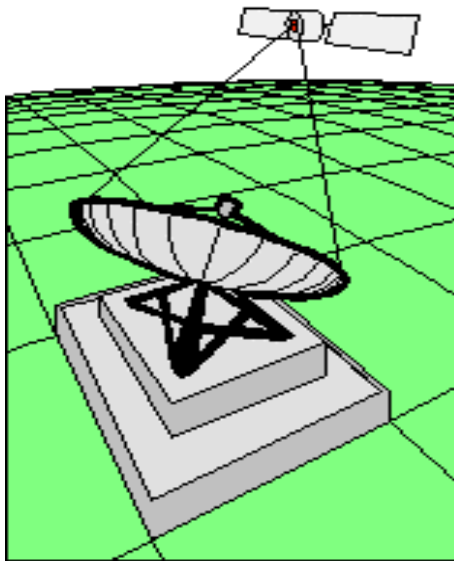
### Payment Authorization Requests

Effective immediately, the Payment Authorization/Short Invoice form (41-556) is being replaced. The new form has been increased in size to a

full 8 1/2" X 11" to aid in the optical scanning process. In order to comply with federal regulations relating to payments to international individuals (honorariums, stipends, etc.), we have added the question, "is this individual a U.S. Citizen?" Please make sure you answer this question for all payment requests to individuals. In addition, we have added a space on the form for your departmental +4 zip code. Did you know that if you use this number, the mail is delivered faster and more accurately? In case you didn't know, the +4 zip code for F&A is 0975, please use it for all intercampus mail.

Previous versions of this form may be used until exhausted; please include on the form: 1) your department's +4 zip code and 2) the statement "U.S.Citizen" or "Non U.S.Citizen" (whichever is appropriate) for payments to individuals.

Supplies of the new form are available in the Cashier's office, Adm.111, or in F&A, Research Pavilion, Suite 300. If you have any questions, contact Mr. Jim Horne at 384-2024.



## Employee Reimbursements By EFT

The State Comptroller, in an effort to improve efficiency and cut costs, has begun paying employee reimbursements by Electronic Funds Transfer (EFT). Travel reimbursements and ROTTs (Reimbursements Other Than Travel) are part of this program – Class C meals are not included (yet) but will continue to be paid by state warrant.

This is not an optional program. If you are currently participating in the EFT program for salary payments, your reimbursements will be deposited into the SAME BANK ACCOUNT.

Reimbursements from local funds (Revolving, Agency, etc.) will continue to be paid by check.

Contact Jim Horne at 384-2024 if you have any questions.

## OPS Contracts

Several months ago, a task force was appointed to study the myriad of rules and complexities surrounding the OPS Contract form (41-562) and a recommendation was made that we eliminate the form entirely. We are making plans to implement a new process in place of the OPS form beginning July 1, 1998, at which time the OPS contract will no longer be used. In its place, the following may be used:

- Limited Purchase Order (LPO) for the purchase of services under \$500 from an independent contractor;
- Purchase Order (PO) for those services over \$500 performed by an independent contractor; or
- Authorization for Payment of Personal Services form from Human Resources for those services performed by individuals who do not qualify as an independent contractor.

The Purchasing Department, Human Resources, and Finance and Accounting will hold training sessions (Professional/Personal Services Payment Workshop) for departments on the implementation of this new procedure. It is highly recommended that a representative from each area attend this training. Please call the Human Resources Training Department at 275-4301 to schedule a date for the workshop. The dates, times and locations are as follows:

<u>Date</u>	<u>Time</u>	<u>Location</u>
May 14	1:00	Stu. Union, Key West Rm. 1-A
May 20	10:00	Stu. Union, Key West Rm. 1-A
May 22	10:00	Res Pavilion, Room 170

Please refer any questions that you may have to Sharon Ekern (Purchasing) 823-5346; Colleen Kimbrough (Human Resources) 823-2771 or Jim Horne (F&A) 384-2024. Please make others in your area aware of the changes that will take place on July 1.

## Purchasing Approval

Don't forget that LPO's, OPS Contracts (FY 97-98), Short Invoices and ROTT's must be sent to Purchasing for approval prior to being sent to F&A for payment. If F&A receives your payment documents without Purchasing's approval it will be delayed while we forward it to that office and they return it to F&A.

## Perquisites

Human Resources must approve perquisites, otherwise the State Comptroller will not allow payment for clothing items, such as T-shirts. If your department believes it is beneficial to have your staff or student assistants wear identifying T-shirts or similar garments, you can assure payment of the invoice if you first obtain perquisite approval. In addition, the State Comptroller does not generally approve payment from State funds for trophies and plaques unless the award falls within the guidelines of Florida Statute 240.2111 which discusses awards for longevity or appreciation. If you are contemplating awards to staff that do not meet the requirements of this Statute, you may need to consider using a concession or foundation account.

## Airline Tickets & Gas Credit Cards

The following are the University's policies for disbursing Airline tickets and Gasoline Credit Cards in the Cashiers office:

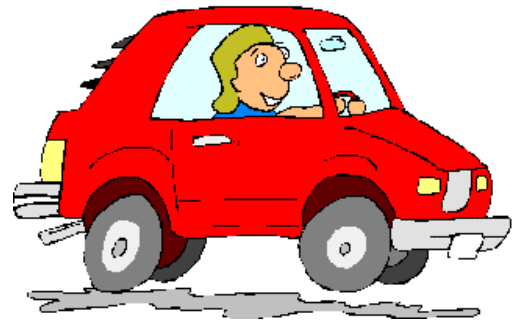
1. Individuals picking up Airline Tickets, passenger receipts, and rental car vouchers must present a photo I.D. and be authorized on the Departmental Authorization List (DAL) on the account from which the ticket is paid.
2. If the person is not on the DAL, a signed authorization from an authorized individual must be presented. (Code 5 on the departmental authorization list signifies such authorization).
3. No authorization is necessary when picking up a boarding pass or itinerary.
4. The same procedures are required for issuing gas credit cards. However, a copy of the TAR must also accompany the request.

The hours of operation for the Cashier's office are:

Monday & Thursday 8:30am - 7:00pm  
Tuesday, Wednesday & Friday 8:30am - 4:00pm

If you have any questions contact the Cashier's Office at 823-2669.

## Conference Agendas



If you attend a conference or convention where there is a specific agenda established, be sure to provide a copy of the agenda with your Travel Reimbursement Voucher. This is necessary in order for F&A to determine the amount of the traveler's meal reimbursement. The State Comptroller will not approve payment for a conference or convention without an agenda.

## Hotel Payments

In case you missed a recent announcement in the Purchasing Bylines, we would like to point out that departments no longer need advance approval to directly pay three nearby hotels, since Purchasing has arranged a special price agreement with the Courtyard Marriott, the Holiday Inn Select and the Ramada Limited. Check it out!

## Travel Questions & Answers

Q - When do I submit travel reimbursements to F&A, Travel Section?

A - Florida Statutes 215.422 requires that Travel Reimbursement Vouchers shall be submitted within five (5) working days of the end of travel period.

Q - Who may approve a TAR when a department does not have an official chair?

A - The actual supervisor or next level supervisor must sign the travel reimbursement voucher, certifying the purpose of the travel and that it is for Official State of Florida business (Office managers are not professors' immediate supervisors).

Did you attend a conference or convention? Don't forget to attach a copy of the program/agenda and a copy of the registration form to your travel reimbursement voucher in order to expedite its processing.



## Training Seminars

### Please mark your calendar!

#### Travel Procedures – The Basics (Wed., May 13, 1998)

This class provides basic procedures in processing travel vouchers and is recommended for those who travel often, are relatively new to UCF, or who prepare travel documents.

#### Travel Procedures – Advanced (Wed., May 20, 1998)

This class provides more detailed information on the complex facets of travel, including foreign travel, and how to assure that reimbursement is processed quickly.

#### TARS On-Line System – (Wed., May 27, 1998)

This class shows you how to save many hours of time and effort by using the on-line system to process and monitor travel authorization requests directly from your departmental computer.

#### F&A On-Line – (Fri., June 5, 1998, Tues., June 23, 1998 & Tues., July 7, 1998)

This class offers hands-on instruction in the various on-line systems that F&A provides. Including the on-line Report of Budget Position, PROMS, etc. This is useful for office managers and directors alike.

#### Paying the Bills – The Basics – (Thurs., May 7, 1998)

This class provides basic information needed when dealing with vendors, Purchasing, F&A and other departments to pay the bills. This class also provides useful information to office managers, as well as administrative staff who are not directly involved in

paying the bills but have a need to understand the process.

#### Paying the Bills – Beyond The Basics – (Thurs., May 14, 1998)

This class provides information on what to do and what not to do in preparing documents and how to follow-up to assure prompt payment to vendors. This class also provides guidelines on what to do in extraordinary cases relating to budget balances, disallowed purchases and special circumstances.

#### Departmental Ledgers – (May 15, 1998)

This class provides information on how to understand these reports; the source of charges; interpreting the data; who to contact in specific situations. etc. We recommend F&A On-Line prior to/subsequent to attending this class.

Please note: In order to use these systems, you must have a computer with CICS access, a valid CICS userid and be authorized by your dean, director, or chair to update the system. You may obtain a CICS userid by contacting Dr. Dan Coleman in Institutional Research and Planning at 823-2307. Your dean or director can authorize you to use the system using a Departmental Authorization List update form (41-566A)

## Statistics

Did you know through March, 31st the Travel Section processed 6,552 reimbursements; 380 advance requests; 3,986 payments to the travel and car rental agencies; and processed 5,745 manual TARS and 1,163 on-line TARS. The Accounts Payable Section processed 40,067 invoices for payment to vendors, students and staff. Further, the check desk distributed 90,177 checks. We've been very busy!!