



Welcome to Focus on Finance!

April 20, 2017

Agenda

- **Sponsored Programs Advance Accounts – Heather Winters**
- **What's on the Menu? Meal Reimbursement – LaTisha Williams**
- **Non-Resident Alien (NRA) Tax Compliance– Giovanni Hickman**
- **Who Knew? What's New? What's Due?**

Sponsored Programs Advance Accounts

Heather Winters, Director of Research Administration

What is an Advance Account?

- **Provides the Principal Investigator/Project Director (PI/PD) an opportunity to begin incurring expenses on a sponsored project prior to acceptance of an award.**
- **Allows PI/PD's and departments to record and track expenditures and eliminate the need to charge other unrelated accounts and perform cost transfers at a later time.**

Division of Research and Sponsored Programs – Advance Accounts

More information about Advance Accounts can be found on our website:

http://www.memphis.edu/rsp/sponsored_programs/advance_account.php

Requesting an Advance Account

- The PI/PD initiates a request by submitting an Advance Account Request **Form (AARF) to the Office of Sponsored Programs (OSP)** through his/her department or school.
- All requests must have:
 - A valid submitted proposal through OSP
 - Appropriate compliance
 - A firm commitment that the project will be awarded.

Requesting an Advance Account

- The PI/PD initiates a request by submitting an Advance Account Request **via Cayuse**.
- All requests must have:
 - A valid submitted proposal through OSP
 - Appropriate compliance
 - A firm commitment that the project will be awarded.

Cayuse SP and Advance Accounts

Beginning in January 2017, the University of Memphis transitioned from a paper routing and low-tech tracking system to an integrated electronic research administration (eRA) software system. Evisions Research Suite, commonly called Cayuse, provides modules that track, route and manage all the steps of a sponsored project (e.g. a grant or contract).

We will start using Cayuse SP to request and approve Advance Accounts beginning May 2017.

Short training videos can be viewed for just-in-time information. Visit our webpage for more information.

Cayuse SP & Advance Accounts

This session will cover Cayuse basics for all users. Learn how to set up a proposal record, submit a record for electronic routing, and request an Advance Account for a pending award.

Mon., April 17, 2017 from 10:30 am--12:00 pm
Mon., April 24, 2017 from 1:30 pm--3:00 pm

Register for all courses via Learning Curve.

For Cayuse training videos, go to our website:
<http://www.memphis.edu/rsp/cayuse/index.php>

Join the VPR Listserv

- Get timely information on topics related to research, compliance and/or sponsored project activity at the University.
- RA Listserv will share information related to:
 - Policies and Procedures affecting sponsored projects and research compliance (research, public service and training)
 - Electronic systems updates, outages and changes (including Cayuse IRB/424/SP)
 - Forums, learning opportunities and office closures

Join the VPR Listserv

- Please ensure that you and your colleagues are subscribed to the RA Listserv to receive important communication from the Division of Research and Sponsored Programs.
- Please send an email to listserv@listserv.memphis.edu. Enter Subscribe RESADMIN-L in the body and nothing else (be sure to delete your signature line!)

Questions??



Heather Winters
Director, Office of Sponsored Programs
Division of Research and Sponsored Programs

901-678-3251

What's on the Menu? Meal Reimbursement

LaTisha Williams, Asst. Manager, General Accounting

**You are invited to join
Accounts Payable
For a Meal Reimbursement Form Update**

**Appetizer
Meal Reimbursement Form Requirements**

**Entrée
UM1311 - Purchase of Meals
Aramark
Holiday Inn/Fogelman**

**Dessert
Meal Reimbursement Do's and Don'ts
Properly Completed Form
\$\$\$**

UM1311 – Purchase of Meals

All hospitality and special expenses, such as meals, must withstand the test of public scrutiny. University officials authorized to approve the purchase of meals should exercise prudent judgment when determining whether an expenditure is appropriate. The following principles should be used as a guide when determining the appropriateness of the expenditure:

- The expenditure must support the mission and purpose of the University.
- If for an event, the event must be an authorized official University event.
- The expenditure should not be personal in nature.
- Expenses may be incurred only for those individuals whose presence is necessary to the business discussion.
- It should be apparent to the IRS that the expenditure is not additional compensation to the claimant.
- The amount expended should be reasonable.
- State funds may not be used for the purchase of alcoholic beverages.

The University may deny reimbursements for meal expenses that lack sufficient documentation or a clear business purpose. Gatherings that are primarily social in nature, such as holiday events, do not qualify for payment or reimbursement as business meals.

Meal Reimbursement Form Requirements

- **Attendee Classification**
 - Guest(s) – Employee – Non-Employee Group Meals
 - Documentation
 - Attendees (Guests/Students – Section 1 / Employees - Section 2) (**Section 1 & 2 or Attached**)
 - Detailed Business Purpose (**Section 3**)
 - Itemized Receipt or Invoice (**Attached**)
- **Account Code – 74983**



Meal Reimbursement Request for:

☐ Guest Meals ☐ Employee Meals ☐ Non-employee Group

Meal(s)

☐ Breakfast ☐ Lunch ☐ Dinner ☐ Other (specify):

Guest(s):

Section 1

University Personnel:

Section 2

Event, Date, Purpose and Comments:

Section 3

Make Payment or Reimbursement to:

Banner UID:

U

Total Number of People in Group:

Department Name:

Date:

Index Number/Account Code:

Amount of Request \$

This expenditure is approved for payment in accordance with University Operating Policy UM1311 Purchase of Meals

The following signatures are required for all meal reimbursement requests:

Prepared By (Please Print):

Date:

Email/Ext:

Claimant's Signature:

Date: _____

Department Head/Higher Authority Signature:

Date: _____

Department Head/Higher Authority Name:

Aramark/Tiger Dining

Each Aramark invoice must have a Meal Reimbursement Form attached, please review each form for the following:

- **Ensure that each section of the form is completed. (Valid Business Purpose, no parties)**
- **Ensure that Guest and University Personnel names are listed or attached.**
- **Ensure that tips do not exceed 20%.**
- **Ensure that appropriate approvals are included on the form.**
- **Retirement events are limited to \$3 per person (Please refer to the Disbursement of Funds Policy.)**

Holiday Inn/Fogelman Executive Conference Center

- **Group meals can not be charged to the visitor's room.**
- **Please provide a completed and approved Meal Reimbursement Form to the cashier at Holiday Inn. (Dollar amount may be left blank.)**
- **Please include the FOAPAL or PO Number for payment processing.**
- **Ensure that tips do not exceed 20% and NO alcohol.**
- **If you know the Chair/Professor is having a lunch meeting, please provide Holiday Inn with the completed Meal Reimbursement Form.**

Meal Reimbursement Form

Do's & Don'ts

“Do's”

- Tips 20% or Less
- List **all** attendees (Sign-in sheet preferred)
- Campus-Wide/Public Event
 - Email Invitation
 - Flyer
- If request is denied, (usually, employee only events)
 - Request reimbursement through Foundation Account
 - Request reimbursement from participants
- Ensure that event meets University Policy **prior to submitting to Aramark**
 - Send all documentation. (Meal Reimbursement Form, Agenda, Attendees)

“Don'ts”

- Request reimbursement for employee's spouse/children
- Request reimbursement for baby showers, wedding gifts, employee promotion, etc.
- Attach multiple invoices to one Meal Reimbursement Form
- Non-Food Items (Cash Reimbursement Form)
- Submit reimbursement requests for alcohol
- Forget your agenda/flyer and list of attendees
- Forget to obtain appropriate signatures

Meal Reimbursement Request for:

☐ Guest Meals ☒ Employee Meals ☐ Non-employee Group

Meal(s)

☐ Breakfast ☒ Lunch ☐ Dinner ☐ Other (specify):

Guest(s):

N/A

University Personnel:

L. Jones, C. Beasley, M. Watson, S. Williams (Accounting Staff) - List of Business Officers Attached.

Event, Date, Purpose and Comments:

Year- End Financial Management Training. Travel, Inventory Confirmation, Fixed Assets, Invoices, Purchase Orders. 8:30 AM - 1:30 PM Agenda Attached.

Make Payment or Reimbursement to: Mary Watson

Banner UID: U91119111

Total Number of People in Group: 25

Department Name: Accounting

Date: 04/17/2017

Index Number/Account Code: 111211/74983

Amount of Request \$ 170.35

This expenditure is approved for payment in accordance with University Operating Policy UM1311 Purchase of Meals

The following signatures are required for all meal reimbursement requests:

Prepared By (Please Print): Lana Jones

Date: 04/18/2017

Email/Ext: X2271

Claimant's Signature:

Lana Jones

Date:

4/17/17

Department Head/Higher Authority Signature:

Shay Williams

Date:

4/18/17

Department Head/Higher Authority Name: Shay Williams

What Would Accounting Do? (WWAD)

- Thanksgiving/ Christmas (Holiday) Lunch
 - Deny
- Lunch Meeting Woodshop Dept “Welcome Baby Joe!” Shower
 - Deny
- Staff Meeting/Training 12:00 – 1:00 PM
 - University officials authorized to approve the purchase of meals should exercise prudent judgment when determining whether an expenditure is appropriate.
- Quarterly/Annual Staff Training 12:00 – 4:00 PM (Detailed Agenda and Employee Sign-in Form Attached.)
 - Approve

Questions??



Non-Resident Alien (NRA) Tax Compliance

Giovanni Hickman, Tax and Investment Coordinator

Overview

- ☐ Income subject to withholding
- ☐ Withholding of tax
- ☐ Reporting obligations

Income Subject to Withholding

Categories of Income Generally Paid by Educational Institutions

Income Category	Description	Sample Payment Labels
Compensation (dependent)	Services Required (employee)	Wages, Salary
Compensation (independent)	Services Required (Independent contractor)	Consulting Fees, Guest Speaker Fees, Honoraria
Scholarship/Fellowship	No Services Required	Tuition, Required Fees, Room/Board, Book Allowance
Royalty	Passive Income for Use of Intangible Goods	Royalty – Copyright License Fees – Software License Fees - Database
Other Income	No Services Required	Prizes, Awards, Human Subject Participant Fees

Excerpt from Arctic International LLC 2015

Withholding of Tax

Summary Tax Withholding Table

Type of Income	Tax Rate
Compensation (Employees)	Standard Graduate Rates (Based on Completion of Form W-4)
Compensation (Independent Contractors)	30%
Scholarship/Fellowship	14%
Royalty	30%
All Other Payments	30%

Excerpt from Arctic International LLC 2015

Reporting Obligations

Type of Income	Form (Nonresident Alien)	Form (Resident Alien)
Compensation, Taxes Withheld	W-2	W-2
Compensation, Tax Treaty Exempt	1042-S and W-2	1042-S and W-2
Compensation, Independent	1042-S	1099 (if \$600 or more)
Scholarship/Fellowship (Non-Service)	1042-S (for non-qualified amounts)	No reporting
Royalty	1042-S	1099
Other Income	1042-S	1099 (if \$600 or more)

Excerpt from Arctic International LLC 2015

Nonresident Alien Tax Compliance

- A separate set of tax rules & regulations apply to non-U.S. citizens and foreign entities.
- Information gathered from the foreign person and foreign entity documents are pertinent to the tax process we have to follow. Else be subject to the tax withholding statutory rate at 30%.
- First and fundamental question is whether the “individual” will be treated as a U.S. resident or a nonresident alien for tax purposes.

Nonresident Alien Tax Compliance

- **Paying foreign entities can be complicated and several questions must be addressed.**
 - **Does the entity have a U.S. office?**
 - **Is the entity conducting regular business in the U.S.?**
 - **What is the type of entity – exempt organization, government, corporation?**
 - **Is the payment for goods or services?**
 - **What is the type of income – royalty, independent compensation?**
 - **Where the services performed outside the U.S.?**

Nonresident Alien Tax Compliance

The most critical component of determining the taxability of payments to both foreign persons and foreign entities is...

WHY is the payment being made?

Goods or Services?

Forms & Documents

- **Foreign Persons**
 - W-8BEN Form
 - I-20 or DS2019
 - Visa & Passport
 - Social Security Card or Taxpayer Identification Number
 - employment Authorization Card
 - U.S. entry & exit dates
- **Green Card Holders (Permanent Resident)**
 - Copy of front/back of card
 - W-9
- **Foreign Entities**
 - W-8BEN-E Form

**Exemption From Withholding on Compensation
for Independent (and Certain Dependent) Personal
Services of a Nonresident Alien Individual**

OMB No. 1545-0795

► See separate instructions.

**Who Should
Use This Form?**

Note: For definitions of terms used in this section and detailed instructions on required withholding forms for each type of income, see **Definitions** on pages 1 and 2 of the instructions.

IF you are a nonresident alien individual who is receiving . . .**THEN**, if you are the beneficial owner of that income, use this form to claim . . .

Compensation for independent personal services performed in the United States

A tax treaty withholding exemption (Independent personal services, Business profits) for part or all of that compensation and/or to claim the daily personal exemption amount.

Compensation for dependent personal services performed in the United States

A tax treaty withholding exemption for part or all of that compensation.
Note: Do not use Form 8233 to claim the daily personal exemption amount.Noncompensatory scholarship or fellowship income **and** personal services income **from the same withholding agent**A tax treaty withholding exemption for part or all of **both** types of income.**DO NOT Use
This Form. . .****IF** you are a beneficial owner who is . . .**INSTEAD**, use . . .Receiving compensation for dependent personal services performed in the United States **and** you are **not** claiming a tax treaty withholding exemption for that compensation

Form W-4 (See page 2 of the Instructions for Form 8233 for how to complete Form W-4.)

Receiving noncompensatory scholarship or fellowship income **and** you are **not** receiving any personal services income **from the same withholding agent**

Form W-8BEN or, if elected by the withholding agent, Form W-4 for the noncompensatory scholarship or fellowship income

Claiming only foreign status or treaty benefits with respect to income that is **not** compensation for personal services

Form W-8BEN



Form **W-8BEN-E**

(Rev. April 2016)

Department of the Treasury
Internal Revenue Service**Certificate of Status of Beneficial Owner for
United States Tax Withholding and Reporting (Entities)**

- For use by entities. Individuals must use Form W-8BEN. ► Section references are to the Internal Revenue Code.
► Information about Form W-8BEN-E and its separate instructions is at www.irs.gov/formw8bene.
► Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do NOT use this form for:

- U.S. entity or U.S. citizen or resident W-9
- A foreign individual W-8BEN (Individual) or Form 8233
- A foreign individual or entity claiming that income is effectively connected with the conduct of trade or business within the U.S. (unless claiming treaty benefits) W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (unless claiming treaty benefits) (see instructions for exceptions) . . . W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming that income is effectively connected U.S. income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (unless claiming treaty benefits) (see instructions for other exceptions) W-8ECI or W-8EXP
- Any person acting as an intermediary W-8IMY

Instead use Form:**Part I Identification of Beneficial Owner****1** Name of organization that is the beneficial owner**2** Country of incorporation or organization**3** Name of disregarded entity receiving the payment (if applicable, see instructions)**4** Chapter 3 Status (entity type) (Must check one box only):☐ Simple trust☐ Grantor trust☐ Corporation☐ Complex trust☐ Central Bank of Issue☐ Tax-exempt organization☐ Private foundation☐ Disregarded entity☐ Estate☐ International organization☐ Partnership☐ Government

If you entered disregarded entity, partnership, simple trust, or grantor trust above, is the entity a hybrid making a treaty claim? If "Yes" complete Part III.

☐ Yes☐ NoTHE UNIVERSITY OF
MEMPHIS

Nonresident Alien Tax Compliance

- The premise is payments made are taxable until proven excluded. And, the tax is due at the time of payment.

What rate should taxes be withheld if income is taxable? 30% if facts are not known at time of payment.

Exceptions:

- Income Tax Treaty Agreements - the individual's country of citizenship could have a tax treaty with the U.S., allowing the tax exemption when certain qualifications are met, and the appropriate forms are filed timely.
- Foreign Source Income – services performed outside the U.S.

Pulling it all together for tax compliance sake!

- 1. What are the facts of the situation?**
- 2. What is the tax residency status?**
- 3. What type of income is being paid?**
- 4. What is the source of the income?**
- 5. Is the payment subject to tax withholding?**
- 6. At what rate should tax be withheld?**
- 7. Is an income tax treaty exemption possible?**
- 8. Is the payment reportable and how should it be reported?**

Questions??



Who Knew? / What's New? / What's Due?



Who Knew?

<i>Workshops</i>	<i>Date</i>
Travel Workshop - SSB Travel Purchase Order ADMIN 178	Friday, May 19, 2017 9:30 - 11:30 AM

What's New?

- **Staff Changes**

- New Manager, General Accounting – May 1st
- New Controller – May 15th
- Transition Wendi Scott, Manager, Financial Reporting – Include Terrice Watson (twntfield@memphis.edu) on all emails until May 18th. After May 18th, send emails directly to Terrice Watson.

What's Due? - Bursar

<i>Activity</i>	<i>Deadline</i>
GA Contracts due to Graduate School.	Friday, April 21, 2017
3rd Installment Fee Payment Deadline (4:30 p.m.) for students who utilized the Installment Payment Plan for the Spring 2017 semester.	Sunday, April 30, 2017
First day UofM, TBR, UT and state employees (PC191) fee waiver participants may register for Summer courses. First day students using the Permanently Disabled or Senior Citizen Reduced Tuition for Credit (Seniors 65 years old)/Tuition Waiver for Audit (Seniors 60 years old) may register for Summer courses. NOTE: Students who register prior to this date will be denied the opportunity to use a space-available fee waiver program for this semester.	Tuesday, May 02, 2017
FEE PAYMENT DEADLINE: UG and GR students who register ONLY for Pre-Summer OR Pre-Summer and any other Summer PART-OF-TERM (POT) course from April 3 - May 5.	Friday, May 5, 2017 by 4:30 p.m.
eRefunds Law-Summer direct deposit refunds will begin to post to students' bank accounts.	Friday, May 19, 2017
LAW FEE PAYMENT DEADLINE: Law students who register from April 3 - May 19.	Friday, May 19, 2017
eRefunds UG/GR-Summer direct deposit refunds will begin to post to students' bank accounts.	Friday, May 26, 2017
FEE PAYMENT DEADLINE: UG and GR students who register for summer Part-Of-Term courses (Full, Full TNeC, 1st,1st Teach, 2nd, 2nd Teach) from April 3 - May 26.	Friday, May 26, 2017 by 4:30 p.m.

What's Due? – Current Year Procurement

Deadlines for Current Year (FY2017) Purchase Requisitions

- April 14, 2017:** FY17 requisitions that require bidding (≥\$10k) and award of contract before July 1. *Notes: 1) All contracts that require a signed University-approved agreement, regardless of the dollar or bid thresholds must be submitted to Procurement and Contract Services for approval prior to the contract start date. 2) Any purchases/contracts requiring TBR approval (≥\$250k) must be completed and submitted to TBR by June 1, 2017, if the effective contract start date is July 1, 2017. 3) Any purchases/contracts requiring Fiscal Review approval (≥\$250k, sole source, and a term of more than 1 year) must be submitted to TBR 75 days in advance of the start date.*
- June 23, 2017:** FY17 requisitions that do not require bidding. Emergencies will be reviewed on a case-by-case basis.
Reminder: For purchases initiated in the current year (FY17), accrued expenses will be processed as follows:
- *If goods/services are received on or before June 30, 2017, the expense will be posted in FY17*
 - *If goods/services are received after June 30, 2017, the expense will be posted in FY18*
- June 23, 2017:** Cancel, adjust or deobligate remaining balances on FY17 purchase orders. Review open purchase orders and enter a Change Order Request form in Tigerbuy to cancel, adjust or deobligate purchase orders.

What's Due? – Future Year Procurement

Deadlines for Future Year (FY2018) Purchase Requisitions

April 14-May 5, 2017: FY18 requisitions ($\geq \$10k$) that require bidding with an effective contract start date of July 1, 2017, to allow sufficient time for the bid process.
Note: All contracts that require a signed University-approved agreement, regardless of the dollar or bid thresholds must be submitted to Procurement and Contract Services for approval prior to the contract start date.

May 8, 2017 or after: FY18 requisitions that do not require bidding with an effective contract start date of July 1 may be entered any time on or after May 8, 2017; however, resulting purchase orders will not be released and sent to the vendor until the start of the new fiscal year (on or around July 1, 2017). If a vendor requires early notification that a purchase order is forthcoming on July 1, advise Procurement & Contract Services so that a Letter of Intent can be sent to the vendor.

The following process applies to entering future year (FY18) purchase requisitions mentioned above:

1. Access Tigerbuy e-Procurement System
2. From April 14 – June 30, under the “Billing Options” section, change “Accounting Date” to July 1, 2017. On July 1, allow system to default to “no value.” Notice will be posted on the Tigerbuy Message Board and via email to active users indicating that the Accounting Date field can default to “no value.”

July 1, 2017 or after: All other FY18 requisitions

Note: Pursuant to accounting and auditing standards, requisitions for maintenance, service, & license agreements must be charged to the year in which they are effective. Example: If a software license agreement is effective July 1, 2017 to June 30, 2018, the requisition must be entered and charged to FY18.

What's Due? – Current Year Accounting

<i>Activity</i>	<i>Deadline</i>
Inventory Confirmations Due (Overdue)	Friday, March 31, 2017
Time Sheet for BW11 Biweekly Payroll (May 13th - May 26th) EARLY!!	Thursday, May 25, 2017
Effort Certification (Grants Accounting)	Wednesday, May 31, 2017
Book Airfare Reservation via Travelennium for Travel in FY-17	Friday, June 09, 2017
Deobligate Remaining Balances of Completed FY-17 POs (Travel - Email/Tigerbuy - Change Order)	Friday, June 23, 2017
Time Sheet for BW13 Biweekly Payroll (June 10th - June 23rd)	Friday, June 23, 2017
Complete Staples Purchase Orders (FY-17)	Monday, June 26, 2017
Submit Claims for Petty Cash Reimbursement	Monday, June 26, 2017
Online Budget Revisions between Account Pools (i.e. Salaries, Travel, Operating, etc.)	Monday, June 26, 2017
Settle Travel/Supply Advances for FY-17	Monday, June 26, 2017

What's Due? – Future Year Accounting

<i>Activity</i>	<i>Deadline</i>
Ensure Receipts posted for all FY-17 POs.	Wednesday, July 05, 2017
Preliminary Reports Available on E-Print	Thursday, July 06, 2017
Deliver Invoices and Travel Claim Reimbursements to Accounting (FY-17)	Friday, July 07, 2017
Submit Transfer Vouchers (FY-17 Corrections) to Accounting	Friday, July 07, 2017
Time Sheet for Split BW14 Biweekly Payroll (June 24th - July 7th)	Friday, July 07, 2017

Next Focus on Finance

May 18, 2017

1:30 - 3:00 PM

UC Memphis Room 340

Comments or suggestions?

Email: bffin@memphis.edu

Focus on Finance website:

<http://memphis.edu/focusonfinance>



THANK YOU!

www.memphis.edu/finance