



PLEASE JOIN US!

FOCUS ON FINANCE

FOUNDATION FUNDED CONTRACTS
DIVERSITY SPEND
FINANCIAL CONTROLS & ACCOUNTABILITY
NON-RESIDENT ALIEN TAX COMPLIANCE
AUDIT NOTES
PAYROLL ADJUSTMENT FORMS

THURSDAY, NOVEMBER 16, 2017
UNIVERSITY CENTER SENATE CHAMBER 1:30-3:00 P.M.



**FOCUS ON
FINANCE**





Welcome to Focus on Finance!

November 16, 2017

Presentations & Speakers

- **Foundation Funded Contracts – Billy Mueller**
- **Diversity Spend – Constance Montague**
- **Financial Controls and Accountability – George Ninan**
- **Non-Resident Alien (NRA) Tax Compliance - Giovanni Hickman**
- **Audit Notes – Vicki Deaton**
- **Tips & Tricks – Payroll Adjustment Form – Russ Teague**
- **What's New? Who Knew? What's Due?**

Procurement & Contract Services Important Information

**Billy Mueller, Assistant Director
Procurement & Contract Services**

Foundation-Funded Contracts

- **Effective immediately, University of Memphis Foundation-funded contracts will be issued by the University and must be submitted to Procurement & Contract Services.**

Definitions

- **A contract is an exchange of promises for the breach of which the law will provide a remedy.**
- **When two parties enter into an agreement, both parties bear responsibilities.**

Procedure

- The contracts must comply with University Procurement policies and procedures:
<http://bf.memphis.edu/bfguide/pur.php>.
- In order to process the request for purchase, the department shall request a transfer of funds from the Foundation to a University FOAP, enter a requisition in Tigerbuy attaching a Contract/Agreement Routing Form and contract to the requisition.

Value of Contracts

- For contracts not requiring TBR approval, the Director of Procurement and Contract Services has delegated authority to execute contracts on behalf of the University that do not exceed \$ 249,999.99.
- All proposed contracts of \$ 10,000 or more must be competitively bid unless adequate “sole source” justification is provided.

Authorized Signatory Authority

- **Director of Procurement and Contract Services signs contracts that do not exceed \$ 249,999.99.**
- **University President signs contracts of \$ 250,000.00 or more.**
- **Please see UM1571 Contracts and Signatory Authority.**

Warning

- If you sign a contract on behalf of the University and do not have the authority to do so, you may be personally liable!

Contract/Agreement Routing Form

- A completed and authorized Contract/Agreement Routing Form must accompany ALL contracts or amendments to contracts routed to the Office of Procurement and Contract Services.

Contact Information

- Please contact Procurement staff at purchasing@memphis.edu or telephone at 901-678-2265 if you have questions regarding the procurement process.

Questions



Diversity Spend



**Constance Montague Butts, Assistant Director
Procurement and Contract Services**

Diversity Spend

- **The University of Memphis has a commitment to increase our spend with our diversity suppliers. As diversity suppliers continue to grow in our supplier community, our spend should reflect this increase.**
- **The success of our diversity goal must be a campus wide commitment. Emails are forthcoming from our leadership team stating our diversity goal and our commitment. Procurement and Contract Services purpose today is to inform, provide resources and discuss the process.**

Diversity Suppliers

- Who are our diversity suppliers?
- Classifications Diversity Business Enterprises
 - ~Minorities – (AFA, ASA, HIA, NAA)
 - ~Veterans (SDV),
 - ~Women-Owned, and Small Businesses
- In our sourcing Tigerbuy (IonWave) System, we currently have 1,400+ diversity suppliers.

UofM has an opportunity to make a positive impact for these suppliers.

What's Our Role & How?

- Our Role?
 - **Stop & Change** our spend state of mind.
- Instead of continuing to use the same suppliers for same type of goods/services, now you will spend “Outside the box”.
- Think ‘Diversity’ for your < \$10k spend. Think Diversity for your Informal bids <\$50k spend.
- How?
 - Attempt to spend with a diversity supplier first. Lists of our diverse suppliers with commodities and classifications are available on the Procurement website.



Action Plans

- **Diversity Advisory Council - consisting of 7 member, 3 internal + 4 external**
- **Internal sub-committee - leadership from your various departments**
- **Meeting with departments one-one through the campus**
- **RFP and awarded Contracts include diversity language. Contractors agreeing to use diversity suppliers sub-contractors.**
- **Quarterly reports required from contractors.**

External Resources

- **Mid South Business Council Consortium (MMBC) as resource for supplier connections**
- **Working with Governor's Diversity Office for supplier certification.**
- **Working with various organizations and government agencies to share successful ideas**
- **Attending and planning Match Maker Events matching Tier 1 contractors/suppliers with Tier 2 (minority sub-contractors)**

Procurement's Goal = UofM Goal

- **The goals are one in the same, increase our spend with diversity suppliers.**
- **Successful goals require full, 100% participation.**
- **Total commitment**
- **Putting commitment in action.**
- **Impacting the growth of our community one purchase at a time.**

Vendor Registration

- Procurement website, vendor registration
- <http://www.memphis.edu/procurement/tigerbuy/vendor.php>
- Should you wait until payment is due to request registration of a supplier?
- How early can you submit a request to register a supplier?
- What documents are required from supplier?

Embrace Diversity



Questions



Financial Controls and Accountability



George Ninan, Controller
Accounting Office

Financial Controls and Accountability

- **Financial Responsibility Certification**
- **IT Security Awareness Training**

Financial Responsibility Certification

- All Finance users with signature authority will be receiving and email with a attachment of the Financial Responsibility Certification on or about November 27th, 2017
 - Financial Managers
 - Designees
 - Approvers
- Due to be completed by December 8th, 2017

Annual IT Security Awareness Training

- **All Banner FI and HR users are required to take the IT Security Awareness Training each year**
 - **Year rolls on July 1**
 - **15 to 20 VERY short videos with a quiz after each one**
 - **Less than ONE hour**
 - **Certificate of Completion once all videos have been completed**

Questions



Nonresident Alien Tax Compliance



**Giovanni Hickman, Tax & Investment | AVP of
Finance Department**

POSTURE

Would you like to have posture when it comes to handling the paperwork on foreign persons?

Posture

- “belief in what you have regardless of external acceptance or approval”
- J-1 scholar performed services but withheld documents – tax residency status not verified
- B-1 scholar entered into a contest, invited to speak and won a prize but questioned submitting a photo id

NRA Tax Compliance

- **To Create a Vendor ID in Banner**
 - **Required: a completed W8-BEN and a copy of a valid photo id**
 - **Warning: if it's a new vendor setup, payment will not be issued w/o the above**
 - **Once the vendor is setup, I will then review paperwork.**
 - **These two documents submitted only, then the 30% withholding tax rate applies**

NRA Tax Compliance

- To potentially lower the tax liability then provide additional facts about the person to investigate whether or not that a tax reduction is possible.
 - Copy of visa (J or F, B-1 waiver)
 - History of all travel dates to the U.S. (set of entry and exist dates) with purpose of visit and visa at that point in time
 - BIG FACTOR, CAN CHANGE EVERYTHING!
 - WHY? Based on the persons set of travel dates and visa status
 - either subject to the tax laws of U.S. citizens or the tax laws for non-U.S. citizens
 - DID YOU KNOW?
 - if it's determined that the tax law of a U.S citizen applies then that ELIMINATES THE 30% TAX WITHHOLDING RATE!

NRA Tax Compliance

- Copy of passport
- SSN/ITIN – remember this...
 - Having a U.S. SSN OR ITIN CAN BE A TAX SAVINGS METHOD BUT
 - Only an estimated 68 countries have a tax treaty agreement that allows this.

TAX BREAK

FUN FACTS

- **Did you know, there are over 129 million books as of 2010**
- **Teddy Roosevelt read, on average, one book a day while juggling the presidential responsibilities**
- **The author, J.R.R. Tolkien typed the entire Lord of the Rings trilogy using just 2 fingers**

A True Story

- **13 travel reimbursement requests for foreign students who won travel grants to attend an annual event.**
- **The purpose of the event did not benefit the UOM**
- **Accountable Plan Rules do NOT apply.**
 - **WHY?**
 - **Must be employee or independent contractor performing work that benefits the institution**

Not a Happy Ending

- **What happened?**
 - **Majority taxed @ 30%**
 - \$700 travel granted awarded and paid \$210 in taxes
 - **Others were not**
 - Due to tax residency status of resident alien and taxed at the U.S. citizen rate
 - **Per the IRS rules, this is ordinary income, not travel reimbursement**

Questions



Audit Notes

Vicki Deaton

Interim Chief Audit Executive

Office of Internal Audit and Consulting

Conflict of Interest

- In our audits and investigations, we look for situations where an employee may appear to or actually allow his or her personal interests to affect their judgment.
- These situations are governed by UM1692 Conflict of Interest.
- The related Policy - UM1798 Disclosure of Financial Interests Related to Sponsored Research - will not be included today.

Examples of Conflicts of Interest

- **Self-dealing – employee appears to or actually influences a UOM decision that personally benefits the employee or their family**
- **Inappropriate use of students or support staff**
- **Inappropriate use of State owned resources**
- **Failure to disclose intellectual property**
- **Nepotism**

Potential Conflicts of Interest Seen By UOM Internal Audit

- **UOM purchases from a vendor related to an employee or their family**
- **Acceptance of gifts/favors from vendors or possible vendors**
- **Related employees – supervision by a relative or approval of transactions involving self or family members**

What Does Internal Audit Do?

Internal Audit recommends compliance with UOM Policy UM1692:

Persons who believe that a conflict of interest may exist either for themselves or with respect to another person should make a written disclosure of the facts and circumstances on the Conflict of Interest Disclosure Form.

(A potential or actual conflict of interest does not necessarily mean that the conflict must be eliminated.)

UM1692 Disclosure Requirements

- **The Conflict of Interest Disclosure Form is completed and submitted to the Office of Legal Counsel.**
- **The University's Conflicts Review Committee reviews the information and makes a recommendation to the President's Office on managing or eliminating any conflict of interest.**

Contact Information:

**Office of Internal Audit & Consulting
271 Administration Building**

Vicki Deaton, CISA, CFE

Interim Chief Audit Executive

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Senior Information Technology and Network Security Auditor

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Senior Internal Auditor

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Questions



Tips & Tricks

Adjustment Time Sheets



Russ Teague
Director - Payroll

Adjustment Time Sheets

- **Used for Biweekly paid employees only**
- **Open using Internet Explorer**
- **Adjusts time submitted on the Web Time Sheet after the deadline or payroll has passed**
- **Submit time for a past payroll**
- **Total of top section must equal total of bottom section**
- **Top section tells type of earnings being adjusted and bottom tells hours by day**
- **Submit signed originals to the Payroll Office**

Adjustment Time Sheets

- Payroll ID is BW
- Payroll Number and the dates of the payroll periods may be found on the Payroll Schedules web site for the current Fiscal Year (2017-18)
(<http://www.memphis.edu/payroll/schedules.php>)
- E.C. to the far left hand side of form is used to enter an earnings code that is not already listed or one that is listed at the box on the lower right hand side
- Most common earnings codes:
 - 009 – Regular pay for benefit eligible employees
 - 014 – Graduate Assistant – Doctoral
 - 015 – Graduate Assistant – Master's
 - 019 – Hourly Temporary Employees
 - 025 – Work-Study Students
 - 026 – Regular Student Worker
 - 032 – Overtime 1.0 (Straight OT)
 - 035 – Overtime 1.5 (Premium OT)
 - 150 – Holiday
 - 152 – Inclement Weather
 - 170 – Annual Leave
 - 180 – Sick Leave
 - 420 – Leave without Pay

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Adjustment Time Sheet

Total Adjustment Hours

Payroll ID:	Hours Present			Hours on Leave With Pay		
Payroll No.:	Regular	Straight OT	Prem OT	Sick	Annual	Other
Dept.:		032	035	180	170	EC
Organization Code:						

Name:						EC:
UID:						
Position No.:	Suffix:					
Earnings Code:						Total: 0

Detailed Adjustment Hours

For the Pay Period Beginning: _____ Through: _____

	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours
Week 1 of Pay Period	(+)	(+)	(+)	(+)	(+)	(+)	(+)	0.0
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	0.0
Week 2 of Pay Period	(+)	(+)	(+)	(+)	(+)	(+)	(+)	0.0
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	0.0
	Total:							0.0

Earning Codes:

150 Holiday
152 Inclement Weather
165 Bereavement
230 Military Leave
310 Jury Duty
315 Voting Leave
420 Unpaid Leave - LWOP

I certify that supporting time card(s) and/or time clock document(s) signed by the employee and approved by the supervisor are on file in this department for the employee listed above.

I hereby certify that the time in attendance, hours worked, and leave time reported above is true and accurate and in compliance with provisions of the fair labor standards act and University policy and procedures. All services were performed for the benefit of this budgetary unit. All work assignments for CWSP students have been performed in a satisfactory manner.

Department Head Signature: _____ Date: _____

Adjustment Time Sheet Examples

- Regular employee, John Doe, reported time as Regular but actually was out on sick leave

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Adjustment Time Sheet

Total Adjustment Hours

Payroll ID: BW	Hours Present			Hours on Leave With Pay		
Payroll No.: 22	Regular	Straight OT	Prem OT	Sick	Annual	Other
Dept: Testing		032	035	180	170	EC
Organization Code: 123456						

Name: John Doe	-7.50			7.50		EC:
UID: U12345678						
Position No.: 002900 Suffix: 00						
Earnings Code:						
<input type="button" value="Clear Information"/>						Total: 0 <input type="button" value="Clear Hours"/>

Detailed Adjustment Hours

For the Pay Period Beginning: 10/14/2017 Through: 10/28/17

	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours
Week 1 of Pay Period	(+)	(+)	(+)	(+)	(+)	(+)	(+)	0.0
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	0.0
Week 2 of Pay Period	(+)	(+)	(+)	(+)	(+)	(+)	(+)	7.5
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	7.5
								-7.5
Total:								0.0

Earning Codes:

150 Holiday
 152 Inclement Weather
 165 Bereavement
 230 Military Leave
 310 Jury Duty
 315 Voting Leave
 420 Unpaid Leave - LWOP

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Department Head Signature: _____ Date: _____

Adjustment Time Sheet Examples

- Student worker, Jane Smith failed to turn in time for the BW21 pay period, but did work.

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Adjustment Time Sheet

Total Adjustment Hours

Payroll ID: BW	Hours Present			Hours on Leave With Pay		
	Regular	Straight OT	Prem OT	Sick	Annual	Other
Payroll No.: 21						
Dept: Admissions		032	035	180	170	EC
Organization Code: 654321						

Name: Jane Smith	40					EC:
UID: U67891234						
Position No.: 019289 Suffix: 00						
Earnings Code: 026						
Total:						40

Clear Information Clear Hours

Detailed Adjustment Hours

For the Pay Period Beginning: 09/30/2017 Through: 10/13/17

	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours
Week 1 of Pay Period	(+)	(+)	(+) 4.0	(+) 4.0	(+) 4.0	(+) 4.0	(+) 4.0	20.0
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	0.0
Week 2 of Pay Period	(+)	(+)	(+) 4.0	(+) 4.0	(+) 4.0	(+) 4.0	(+) 4.0	20.0
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	0.0
Total:								40.0

Update Total Clear Details

Earning Codes:

150 Holiday
152 Inclement Weather
165 Bereavement
230 Military Leave
310 Jury Duty
315 Voting Leave
420 Unpaid Leave - LWOP

I certify that supporting time card(s) and/or time clock document(s) signed by the employee and approved by the supervisor are on file in this department for the employee listed above.

I hereby certify that the time in attendance, hours worked, and leave time reported above is true and accurate and in compliance with provisions of the fair labor standards act and University policy and procedures. All services were performed for the benefit of this budgetary unit. All work assignments for CWSP students have been performed in a satisfactory manner.

Department Head Signature: _____ Date: _____

Adjustment Time Sheet Examples

- Hourly temporary employee, Alex Fall, stayed over to help with project after BW22 time was submitted and approved. Overtime was not reported.

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Adjustment Time Sheet

Total Adjustment Hours

Payroll ID: BW	Hours Present			Hours on Leave With Pay		
Payroll No.: 22	Regular	Straight OT	Prem OT	Sick	Annual	Other
Dept: Landscape		032	035	180	170	EC
Organization Code: 987654						
Name: Alex Fall						EC:
UID: U897256401		2.50	3.0			
Position No: 004897						
Suffix: 00						
Earnings Code: 019						
Total:						5.5

Clear Information

Clear Hours

Detailed Adjustment Hours

For the Pay Period Beginning: 10/14/2017 Through: 10/28/17

	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Total Hours
Week 1 of Pay Period	(+)	(+)	(+)	(+)	(+)	(+)	(+)	0.0
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	0.0
Week 2 of Pay Period	(+)	(+)	(+)	(+)	(+)	(+)	(+)	5.5
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	0.0
Total:								5.5

Update Total

Clear Details

Earning Codes:

150 Holiday
152 Inclement Weather
165 Bereavement
230 Military Leave
310 Jury Duty
315 Voting Leave
420 Unpaid Leave - LWOP

I certify that supporting time card(s) and/or time clock document(s) signed by the employee and approved by the supervisor are on file in this department for the employee listed above.

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Department Head Signature: _____ Date: _____

- **Student worker, Emily Johnson, reported and turned in time that she was going to be at work on the 2nd Friday of the time period, but she did not show up for work.**



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Questions



Who Knew?



What's New?



What's Due?



Who Knew?

<i>Workshops</i>	<i>Date</i>
Budget Basics Administration Bldg 178	Tuesday, January 30, 2018 9:30 - 11:00 AM
Accounting Basics Administration Bldg 178	Wednesday, January 31, 2018 1:30 - 3:30 PM

Who Knew?

Equipment Account Codes

- 74500 Supplies (Not Tagged – Used for Equipment under \$1,500)

Tagged Equipment

- 74504 Controlled Equipment under \$1,500
- 74511 Computers (\$1,500 - \$4,999)
- 74510 Sensitive Equipment (\$1,500 - \$4,999)

Tagged Capital Equipment

- 78110 Office Equipment
- 78111 Furniture and Fixtures
- 78120 Operational Equipment
- 78130 Instructional Equipment
- 78190 Other Equipment
- 78195 Works of Art

What's New?

- The Travel Rate Schedule and CONUS Rates were updated effective October 1st. Please be sure you print a copy of the updated Travel Rate Schedule.
- <http://www.memphis.edu/accounting/travelmenu.php>



What's Due?

Activity	Deadline
Last Accounts Payable Check Run Prior to Thanksgiving Holiday <i>(In order to ensure payments are processed. Documentation should be received at least two weeks prior to deadline, Nov. 8th)</i>	Tuesday, November 21, 2017
Time Sheet for BW24 Biweekly Payroll (Nov. 11th - Nov. 24th)	Wednesday, November 22, 2017
Time Sheet for BW26 Biweekly Payroll (Dec. 9th - Dec. 22nd)	Friday, December 15, 2017
Last Accounts Payable Check Run of Calendar Year <i>(In order to ensure payments are processed. Documentation should be received at least two weeks prior to deadline, Dec. 7th.)</i>	Thursday, December 21, 2017

What's Due?

Activity	Deadline
Registration Holds were placed on students account for outstanding balances for Fall 2017 and Prior semesters	Friday, November 10, 2017
Spring 2018 Registration Began	Monday, November 13, 2017
2018/2019 Fee Request due to the Bursar's Office	TBD
Graduate Assistant Contracts for Spring Due to Graduate School	Monday, November 27, 2017
Fee Payment Deadline for the final payment for the Fall 2017 Installment Payment Plan (IPP)	Thursday, November 30, 2017
Dining Dollars Refund Request Period-Fall 2017	Monday, December 4-Friday, December 15, 2017

What's Due?

Activity	Deadline
First day UofM, TBR, UT and state employees (PC191) fee waiver participants may register for Spring classes	Tuesday, December 19, 2017
Departmental Fee Waiver Deadline for Spring	Friday, January 5, 2018
Law School Spring Fee Payment Deadline	Tuesday, January 9, 2018
Law School Spring First Day of Class	Wednesday, January 10, 2018
UG/GR Spring Fee Payment Deadline	Friday, January 12, 2018
UG/GR Spring First Day of Class	Tuesday, January 16, 2018

Next Focus on Finance

**January 18, 2018
1:30 – 3:00 PM
UC Memphis Room 340**

- Comments or suggestions?
Email: bffin@memphis.edu
- Focus on Finance website:
<http://memphis.edu/focusonfinance>

