April 2004 Finance/Payroll Notes and News

INSIDE THIS ISSUE:

The In's and Out's of Payroll Encumbrances

There has been some confusion with regard to the differing amounts of payroll encumbrance released from month to month. Each pay period, the payroll office runs the encumbrance process to calculate the new encumbrance from the first day of the next pay period through the end of the fiscal year unless a termination row exists on the job data panel. The encumbrance process calculates the standard hours per week times the hourly rate on the compensation panel times the number of days remaining in the fiscal year or through the termination date. This calculation will include the longevity if it is paid locally. When the release process runs, it takes the newly encumbered amount, compares it to the last encumbered amount and releases the difference.

Why were encumbrance releases different in January than in previous months? Assume that at the beginning of the fiscal year, an employee was paid at one rate. On January 1, the employee received their merit and across the board raises and also had a longevity pay increase. When the new calculation occurred, it calculated the new encumbrance which was significantly higher than the last encumbered amount. It released the difference between the new encumbrance and the old encumbrance, which caused the release to be less.

<u>Encumbrance Calculation</u>

Peoplesoft calculates encumbrance based on a daily rate for the employee for the remaining fiscal year.

Encumbrance release is calculated following every pay period for the employee paygroups included in that payroll only.

The following are the formulas for calculating encumbrance for Bi-weekly and Monthly employees:

Monthly

Salary X 12 /365 = Daily rate X # of days left in the fiscal year

Bi-Weekly

Standard hours X Hourly rate X 52 Weeks / 365 Days X the number of days left for the fiscal year.

If there is a termination row to the position for an employee, the encumbrance will stop at that point.

If there is a new funding row on the department budget table to a new cost center on a given date, the encumbrance will follow those dates to the particular cost centers involved.

If the encumbrances for bi-weekly employees, (particularly student employees) is too high, check the standard hours on the job data panel for those employees to verify that their standard hours and FTE are showing correctly. If adjustments need to be made, contact the HR department for assistance.

The reason that the actuals and encumbrance amounts will not equal the final budget amount for monthly employees on the BOB report is because we pay monthly employees the same amount regardless of how many days are in any given month. When the encumbrance release is calculated, it only releases the encumbrance for the number of days in the current month, so the encumbrance release will vary. The actuals will not include longevity paid from state funds. Local fund longevity will appear on a separate line on the BOB report for the cost center.

If there are further questions regarding encumbrance releases please contact the Payroll office at 713.743.8770

State-Controlled Assets and Expensed Computer Equipment

The definition of the following accounts was recently updated to reflect changes in the State's definition of controlled assets and provide clarification.

Account: 54354

Description: EQUIPMENT-STATE CONTROL

Long Desc: ALL FIREARMS, REGARDLESS OF AMOUNT. ALL STEREO SYSTEMS, CAMERAS, VIDEO CAMERAS, VIDEO RECORDER/LASERDISK PLAYERS, CAMCORDERS, TELEVISION/VCR COMBINATIONS, TELEVISION SETS, VIDEO CASSETTE RECORDERS, COSTING FROM $500.00 TO $4999.99 AND HAVING A USEFUL LIFE OF ONE YEAR OR MORE.

Account: 54355

Description: COMPUTER EQUIP-STATE CONTROL

Long Desc: DESKTOP AND LAPTOP COMPUTERS, AND NON-PORTABLE PRINTERS COSTING FROM $500.00 TO $4999.99 AND HAVING A USEFUL LIFE OF ONE YEAR OR MORE.

Account: 54356

Description: TELECOM EQUIP-STATE CONTROL

Long Desc: FAX MACHINES AND TELECOPIERS COSTING FROM $500.00 TO $4999.99 AND HAVING A USEFUL LIFE OF ONE YEAR OR MORE.

Note: Account 54356 did not change, but is another category of state-controlled assets.

Account: 54358

Description: COMPUTER EQUIPMENT-EXPENSED

Long Desc: COMPUTER EQUIPMENT COSTING LESS THAN $5000.00, OR HAVING A USEFUL LIFE OF LESS THAN ONE YEAR, WHICH INCLUDES CD ROMS, CONTROLLERS, DOCKING STATIONS, HUBS, COMPUTER MOUSE AND MONITOR (WHEN SOLD SEPARATELY FROM A COMPUTER), SERVERS, MINICOMPUTERS, AND PORTABLE PRINTERS. THIS ACCOUNT IS <u>NOT</u> TO BE USED FOR <u>DESKTOP</u> OR <u>LAPTOP</u> COMPUTERS OR NON-PORTABLE PRINTERS COSTING $500.00 TO $4999.99 (<u>USE ACCOUNT 54355</u>).

The table below indicates common mistakes made in assigning accounts to equipment.

Type of Purchase	Mistakenly Charged To	Should Be Charged To
Computer or Laptop $500-$4,999.99	Account 54358	Account 54355
Computer Monitor purchased Separate from a Computer $0-$4,999.99	Account 54355	Account 54358
Projector for a Computer $0-$4,999.99	Account 54354 or 54358	Account 54361 (Tools, Furnishings, Equipment)
Non-Portable Printer $500-$4,999.99	Account 54361	Account 54355
Portable Printer $0-$4,999.99	Account 54355	Account 54361

If you have questions about which account to use for equipment purchases, contact Samantha Yurus, Accounts Payable Director, at 713-743-8721.

Account Description Changes Related to SAM 3.D.06, Taxable Fringe Benefits

Account	Description	Summary of Change
54812	Employee Stipends, Non-Taxable	Support employee research/community service. Previously, included financial aid payments to non-employee students.
54900	Employee Tuition Not Related to Job, Taxable	Reimburse tuition to employee for class not related to employee's job (taxable). Previously, for job-related and non-job tuition.
54902	Non-Employee Awards, Taxable	Taxable non-employee awards of cash or cash equivalent (any amount) or non-cash awards greater than $50 in value. Previously, for taxable and non-taxable non-employee awards.
54904	Employee Awards, Taxable	Taxable employee awards of cash or cash equivalent (any amount) or non-cash awards greater than $50 in value. Previously, for taxable and non-taxable employee awards.

<u>Complete Account Description</u>

Account: 54812

Description: EMPLOYEE STIPENDS

Long Desc: NON-TAXABLE PAYMENT TO AN EMPLOYEE TO SUPPORT RESEARCH OR COMMUNITY SERVICE WHERE NO SERVICES ARE REQUIRED AS AN EXPRESSED OR IMPLIED CONDITION OF PAYMENT. NOT A PAYMENT OR REIMBURSEMENT FOR TUITION AND FEES.

Account: 54900

Description: TUITION-REIMB, NOT JOB RELATED

Long Desc: TUITION REIMBURSEMENT BY UNIVERSITY TO AN EMPLOYEE FOR TRAINING THAT IS NOT RELATED TO THE EMPLOYEE'S CURRENT POSITION. TAXABLE AS A FRINGE BENEFIT.

Account: 54902

Description: NON-EMPLOYEE AWARDS

Long Desc: COSTS RELATED TO CASH OR CASH EQUIVALENT AWARDS, PRIZES, OR GIFTS OF ANY AMOUNT OR NON-CASH AWARDS, PRIZES, OR GIFTS GREATER THAN $50.00 IN VALUE TO NON-UNIVERSITY EMPLOYEES IN RECOGNITION OF THEIR SPECIAL OR MERITORIOUS SERVICES OR CONTRIBUTIONS TO THE UNIVERSITY COMMUNITY. CONSIDERED TAXABLE INCOME TO THE RECIPIENT AND REPORTED ON A 1099-MISC FORM, IF THE AWARD, PRIZE, OR GIFT AND OTHER TAXABLE PAYMENTS EQUAL OR EXCEED $600.00 FOR A CALENDAR YEAR.

Account: 54904

Description: EMPLOYEE AWARDS

Long Desc: COSTS RELATED TO CASH OR CASH EQUIVALENT AWARDS, PRIZES, OR GIFTS OF ANY AMOUNT OR NON-CASH AWARDS, PRIZES, OR GIFTS GREATER THAN $50.00 IN VALUE TO UNIVERSITY EMPLOYEES IN RECOGNITION OF THEIR SPECIAL OR MERITORIOUS SERVICES OR CONTRIBUTIONS TO THE UNIVERSITY COMMUNITY. CONSIDERED TAXABLE INCOME TO THE RECIPIENT AND REPORTED ON THE EMPLOYEE'S W-2.

If you have any questions regarding taxable fringe benefits, contact Keith Gernold, Tax Director, at 713-743-8710.

New Accounts Related to SAM 03.D.06, Taxable Fringe Benefits

Account: 54819

Description: NON-EMPLOYEE STIPENDS

Long Desc: NON-TAXABLE PAYMENT TO A NON-EMPLOYEE TO SUPPORT RESEARCH OR COMMUNITY SERVICE WHERE NO SERVICES ARE REQUIRED AS AN EXPRESSED OR IMPLIED CONDITION OF PAYMENT. NOT A PAYMENT OR REIMBURSEMENT FOR TUITION AND FEES.

Account: 54907

Description: EMPLOYEE NON-TAX AWARDS

Long Desc: NON-CASH AND NON-CASH EQUIVALENT AWARDS, PRIZES, OR GIFTS TO EMPLOYEES WORTH $50.00 OR LESS. ALSO INCLUDES NON-TAXABLE LENGTH OF SERVICE AND SAFETY AWARDS TO EMPLOYEES (SEE SAM 03.D.06, ADDENDUM A, FOR CRITERIA). THESE AWARDS, PRIZES, OR GIFTS ARE NON-TAXABLE.

Account: 54908

Description: NON-EMPLOYEE NON-TAX AWARDS

Long Desc: NON-CASH AND NON-CASH EQUIVALENT AWARDS, PRIZES, OR GIFTS TO NON-EMPLOYEES WORTH $50.00 OR LESS. THESE AWARDS, PRIZES, OR GIFTS ARE NON-TAXABLE.

If you have any questions regarding taxable fringe benefits, contact Keith Gernold, Tax Director, at 713-743-8710.

How Do I Research Vouchers Processed for Vendor Payment?

Problem: You've received a statement from Boise for unpaid invoices and you need to reconcile your Boise payments.
A vendor or employee is asking you to research the total payments made to them for a certain period.

Solution: Public Query – UHS_AP_Vouchers_By_Vendor (FSPRD and FSRPT)

Navigation:

View-Navigator Display-Query.
Then, scroll to find above query.
Right click on query and run to Excel.
Enable Macros.
Key in business unit, vendor id, fiscal year, accounting period and dept id (% can be used as a wild card for all departments).
You can reconcile by invoice number, voucher number, amount and cost center.
The output will tell you which vouchers have been approved by AP.
Payments are issued according to schedule due date on vouchers.

If you experience difficulty running this query, please contact Sandra Medellin (3-5753) or Emily Messa (3-8184) for help.

If there are business problems in your area that you believe could be resolved with a query in PeopleSoft, please contact Sandra or Emily and we will work with you to find a current public query or see if an existing query can be modified to extract the data.

Customer Service Update

The Customer Service Center completed its second month of operation in March with the following highlights:

- 366 W2 reprints processed by the Payroll Customer Service Representative
- 23 problems were called into the Customer Service Center and resolved by the Finance Customer Service Representatives.
- Completed 14 college or division trainings in PeopleSoft Finance 8 and conducted six small group or individualized trainings in the Finance System.

Additional highlights included:

- Welcoming three new Human Resource Customer Service Representatives (see sidebar article).
- The establishment of the Business Services Advisory Group, which held its first meeting in March. This group will serve in an advisory capacity to the Customer Service Center as well as provide feedback regarding improvements in university business practices.
- Completion of the analysis of the Administration and Finance FY2004 Survey. Survey Results are available at http://www.uh.edu/af.

In the Works:

- *The Business Manager's Survival Guide*, a web and hard-copy manual to assist university employees. It is envisioned that this guide will have interactive functionality as well as a search tool. Stay tuned for future developments!
- A Customer Service mini-training room, which will be used to provide weekly New Employee Training on the Finance and Payroll/HRMS modules. As a result, employees will obtain their operator ids quicker as well as have quicker access to processing documents in PeopleSoft. This training will be offered on campus to make it more convenient for new employees. More details will be available soon!

Remember the Customer Service hotline is: 3-3988

The HR Customer Service representatives are here!

Cynthia Gibbs, **Felicia McKnight** and **Tashawna Wilson** are the new faces in the HR branch of the Customer Service Center. Each one of these representatives will serve as the HR rep for a group of colleges and divisions. The Customer Service representatives will be the link between the HR operating units and the business community and employees. They are very excited to be part of this new branch in the Customer Service Center and look forward to serving you in these roles. Here is the list of colleges and divisions with the Customer Service contact information for each college/division.

Cynthia Gibbs **713-743-6885**

cygibbs@central.uh.edu

Office of the Chancellor/President
Athletics
VC/VP, University Advancement
Provost's Office
Business Administration
Honors College
Law
Optometry
Pharmacy
Grad School of Social Work
VC/VP, Research & Int Prog Mgmt

Tashawna Wilson **713-743-6880**

tcwilson@central.uh.edu

Liberal Arts & Social Sciences
Natural Sciences & Mathematics
VC/VP, Student Affairs

Felicia McKnight **713-743-6889**

fmcknigh@central.uh.edu

VC/VP, Admin & Finance
Assoc VC/VP, Finance
Assoc VC/VP, Plant Operations
VC/VP, Information Technology
Architecture
Education
Engineering
Hotel & Restaurant Management
Technology
Library

They are temporarily being housed in room 321 McElhinney and will move with the rest of the Customer Service Group to room 325 McElhinney later this spring.

We appreciate your use of the Customer Service Center and look forward to working with each of you to resolve any concerns that arise in your areas.

Finance PeopleSoft 8 FAQ's

Can we email vendor information to Accounts Payable?

Answer: To setup companies and contractors paid a fee for services, Accounts Payable requires a W-9 or UHS Vendor Setup Form (on the Forms page of the Finance website) that is signed by the vendor. W-9 and Vendor Setup Forms can be faxed to Accounts Payable at 713-743-8709. To setup employees, prospective employees, students, and other individuals who will only be reimbursed or refunded, the department can email the UHS Individual Setup Form to vendorid@uh.edu or fax it to 713-743-8709. Vendor setup questions can be emailed to vendorid@uh.edu or you can call 713-743-8746 (Mike Mahanay) or 713-743-8745 (Tri Nguyen).

Where can we look up account description information in PS8?

Answer: Navigate as follows: Setup Financials/Supply Chain – Common Definitions – Design Chartfields – Define Values – Chartfield Values

Can run controls be shared in PS8?

Answer: Run controls cannot be shared with other people. Run controls from 7.5 will be brought over to 8.4 and you will have the ability to delete the ones you do not want to keep.

How can we look up values for Chartfield 1 in PS8?

Answer: You can look up values in the Chartfiled 1 Department Values page, which will show you the corresponding values and definitions. The navigation is: Setup Financials/Supply Chain – Common Definitions – Design Chartfields – Define Values – Chartfield 1 Department Values. You can also see them when entering a journal, voucher, or requisition.

Can you use multiple business units in your PS8 voucher?

Answer: No, you cannot use multiple business units in your voucher. If you do, the voucher accounting entries will not be correct.

Can you change the ship to address on a PS8 requisition?

Answer: Yes. If the ship to address for a UH requisition is different from the requestor address, change the ship to address to H + mail code of the ship to address. For example, if someone in the Natural Science and Mathematics Dean's Office placed an order but wanted the delivery to be to the Physics Department (mail code 5005), the requester would change the ship to address to H5005.

Is there a web browser minimum requirement for PS8?

Answer: Any browser will work, but it is recommended that you use internet explorer 6.0 or higher.

Where will the 1063 report be housed in PS8?

Answer: The 1063, 1064, 1065 (or an equivalent report with a different name) will all be housed in the Custom Reports Section. A complete list of custom reports with instructions will be provided prior to the upgrade.

HUB VENDOR OF THE MONTH

WHO:

Southwest Business Machines

President and CEO: Jerry Horn

Independent locally owned company under the same management for 26 years.

WHAT:

Southwest Business Machines is an office equipment repair company. Our services include repairing laser printers, paper shredders, fax machines, typewriters and date stamp machines.

Clients: University of Houston, Harris County, Fort Bend County, etc.

HOW:

Orders can be placed:

By phone; 713-728-0921, or by fax; 713-728-3811

Contact Jacquelyn Horn at 713-728-0921 for additional information

ONE THING about our business that we would tell UH is that "We provide excellent service to our customers."

INTERESTING FACT ABOUT THE COMPANY:

Southwest Business Machines is a family owned business that has operated for 26 years. We are a member of the Houston Minority Business Counsel and a long time supporter of the community.

For further information on this or other HUB vendors contact the University HUB Operations Department:

Dick Nill – (713) 743-5670 e-mail: danill@central.uh.edu

Sandra Webb – (713) 743-5662 e-mail: sgwebb@central.uh.edu

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Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20 9 –12 Credit Card Transactions UBP Bldg 3 rm. 145 1—4:30 Payroll/ Reallocation PS7 UBP2 –224	21 9 –12 Journal Entry PS 7 UBP2-224 1:30—5 Payroll/ Reallocation PS7 UBP 2-224	22 2—5 Online Requisition Entry PS8 UBP 2-224	23	24
25	26	27	28 9 –5 Query/ Crystal Basic PS7 UBP 2-224	29 1:30—3:30 HR View PS7 UBP 2-224	30	

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Sun	Mon	Tue	Wed	Thu	Fri	Sat
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2	3	4 1:30—3:30 Travel Voucher Audit PS7 UBP 2-224	5 9 –11 HR View PS7 UBP 2-224	6	7	8
9	10	11 9—10:30 Cash Handling & Petty Cash HR Training Room	12 9—12 Journal Entry PS7 UBP 2-224 1:30—5 Payroll/ Reallocation PS7 UBP 2-224	13 9—11 AP Fast Start PS7 UBP 2-224 2—4 Online Requiaition Entry PS8 UBP 2-224	14 9—11 GL Orientation PS7 UBP 2-224	15
16	17	18 9– 12 Credit Card Transactions HR Training Room	19 9 –5 Query/Crystal Basic PS7 UBP 2-224	20 9 –11 Travel Requsts & Vouchers PS 7 UBP 2-224 2 –5 Online Requisition Entry PS8 UBP 2-224	21 9—11 Payables Adv. Vouchers PS 7 UBP 2-224	22
23	24	25	26 1:30—3:30 HR View PS7 UBP 2-224	27 9—11 PO Vouchers & Encumbrances PS7 UBP 2-224	28	29
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