

- New Processes for P & T-Card Payments, Funding Plant Projects, Placing Orders with UH Dining Services and Ordering Lab Animals

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# Finance/Payroll

## Notes & News



OCTOBER 2006

### Trial Run for SDOL Entries

Accounts Payable will review all cost centers and accounts entered in SDOL for P-Card and Travel Card transactions before this information is downloaded to a voucher, so that departments will have an opportunity to make corrections before the download.

We will follow the timeline below for October:

- October 16, 12 Noon – Departments should have completed all initial entries to SDOL.
- October 17 – AP reviews cost centers and accounts in SDOL and provides feedback to departments:
  - Missing cost centers and accounts
  - Inactive or invalid cost centers and accounts
  - Insufficient budget on the budget node (e.g., B5009) for the cost center entered
- October 18-20 – Departments should correct any errors in SDOL reported by AP.
- October 20, 5 PM - Departments cannot make additional entries to SDOL for the October billing cycle.
- October 23 – AP will download information from SDOL to created vouchers. AP will replace any invalid accounts and cost centers with the appropriate liability account (20109 or 20110) and default cost center, and notify the department of these changes.
- Departments must submit a journal entry to reallocate any charges on the liability account and default cost center to the appropriate account and cost center.



**P-Card and T-Card  
Transaction Review**

The Trial Run is intended to reduce the need for departments to create journal entries due to invalid cost centers and accounts or insufficient budgets. However, AP cannot guarantee that all errors will be prevented, since the BBA may change between the Trial Run and the download to the voucher. Departments should ensure sufficient BBA exists for SDOL and other transactions.

During the August billing cycle, UH/UHSA charged \$1,122,505.50 to P-Cards and \$243,152.70 to Travel Cards, which places us in the top 10 by volume of all state agencies, local governments, independent school districts, and universities in Texas that use P-Cards and Travel Cards according to J P Morgan Chase. Every department is encouraged to use these cards for eligible transactions, instead of a voucher, to increase the efficiency of payment processing.

While the efficiencies we have gained by using these cards are important, it is even more important that our cards are used properly and well managed. All transactions must directly benefit the university, be documented by a receipt, reviewed and approved by the cardholder and certifying signatory by signing the Expense Report, and charged to the appropriate cost center and account.

We appreciate everyone's cooperation as we implement the new procedure for recording P-Card and Travel Card transactions in SDOL.

If you have any questions, please call Mike Glisson at x38706.

## Key Points for Entering Cost Center and Account into SDOL

Since information entered into SDOL (online credit card database) is downloaded directly into a voucher, it is very important that departments enter the correct cost center and account into SDOL. Here are a few points to remember about inputting to SDOL:

1. Verify the **account** (a) matches the expense and (b) is entered correctly. Use the Account List on the Finance page to find the right account: <http://www.uh.edu/finance/pages/References.htm>

Account	Account Description	Account Long Description	Account Type	Category
53900	OFFICE SUPPLIES	GOODS PURCHASED FOR ADMINISTRATIVE USE TO BE CONSUMED WITHIN THE YEAR EXCEPT TELECOMMUNICATIONS SUPPLIES (FAX PAPER), SHOP SUPPLIES, AND BOTTLED WATER.	Expense	Advertising and Promotion Art Cash and Discounts Construction and Renovation Contracted Services Copying and Printing Equipment Events and Meetings Fees and Taxes Finance Use Food and Beverage Freight Human Subject Payments Insurance Legal Library Items Moving Expenses Parts and Supplies Payroll P-Card
53902	RESEARCH AND TEACHING SUPPLIES	GOODS PURCHASED FOR USE IN RESEARCH FACILITIES, CLASSROOMS, SEMINARS, LABORATORIES, COLLOQUIA TO BE CONSUMED WITHIN THE YEAR. PURCHASES USING CONTRACT/GRANT FUNDS (LEDGER 5) RESTRICTED TO RESEARCH PURPOSES ONLY. PURCHASES OF ANIMAL FEED, ANIMAL CARE SUPPLIES, SHOP SUPPLIES AND TELECOMMUNICATIONS SUPPLIES TO USE SPECIFIC SUBCODES.	Expense	Parts and Supplies

2. Verify the **cost center** is (a) appropriate for the expense, (b) entered correctly (upper/lower case does not matter), (c) has not expired (if a grant), and (d) has enough budget in the budget node (e.g., B5009) associated with the expense account entered in SDOL. Also, (e) only local cost centers can be entered for local card transactions and only state cost centers can be entered for state card transactions. Run the 1063 report for your department at the Budget Account Summary level. The BBA (budget balance available) for the budget node associated with your expense accounts must be large enough to cover all of the transactions in SDOL for that cost center.

The screenshot displays the UHS Finance system interface. On the left is a menu with options like 'Budget Summary (1063)'. The main area shows 'Run Control ID: 1063' and a 'Run' button. Below this are input fields for '\*Business Unit: 00730' and 'To FY/Period: 2007 2'. There are checkboxes for 'Only Print Active Cost Centers', 'Print multiple requests on same page', and 'Limit Results to Current Budget Ref'. A table shows 'Budget Summary', 'Account Summary', and 'Actual Account Summary' for Revenue and Expense. At the bottom, a 'Scroll Area' shows 'Request No: 1', '\*Fund: All', '\*Deptid: Some', and '\*Project: All'.

3. Verify that the **budget reference** (BP2007) is entered for ALL cost centers EXCEPT for fund 5 cost centers. The budget reference should be left blank for fund 5 cost centers.

Key Points...

“...a few points to remember about inputting to SDOL...”

# New Process for Funding Plant Projects—Effective October 4



**Renovations,  
Construction, or  
Other  
Substantial Building  
Changes**

When departments complete a Plant Operations Customer Work Request for renovation, construction, or other substantial building changes (i.e., check boxes 9B to 9F on the form), the following procedure is now in place:

- A department certifying signatory will **sign** the Request Form and then **scan** and **email** it to Plant Operations (csc@central.uh.edu). Signing, scanning, and emailing the Request Form will make it easier to use as backup for the fund equity journal prepared later by Plant Accounting. Departments can still email approval without signing and scanning for minor work requests (when box 9A is checked).

*“Departments can still email approval for minor work requests.”*

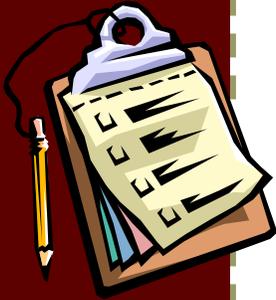
9) Full description of work: (attach supplement if necessary) (Check all that apply)	
<input type="checkbox"/>	
9A). <input type="checkbox"/>	Minor Cosmetic Repairs, Restorative Maintenance, Attached <a href="#">Key Request</a> // OTHER <input type="checkbox"/>
9B). <input type="checkbox"/>	Renovations to a Building, or an area of a Building (Minor / Major)
9C). <input type="checkbox"/>	New Construction / Expansions to Buildings
9D). <input type="checkbox"/>	Exterior Building Surroundings / Site Modifications (Major)
9E). <input type="checkbox"/>	Change of Use of Space / Naming of Facilities
9F). <input type="checkbox"/>	Additional Space Needs / Land Acquisitions / Leases / Rentals / Building Purchasing / Trailers / Etc.

**The new process applies when you select 9B, 9C, 9D, 9E, or 9F on the Request Form.**

- Plant Operations (Ruth Sustala) will create a project cost center for the request with an appropriate budget, but not transfer budget from the department cost center.
- Once every two weeks, Plant Accounting (Margaret Drew) will create a journal entry to transfer fund equity from the department’s cost center to the new project cost center. Plant Accounting will create one journal per request and attach the approved Request Form as backup.
- It is the department’s responsibility to determine if a budget journal should be processed. If current year budget will be used, the department must process two budget journals. A REVEST budget journal to decrease budgeted fund balance and an ORG budget journal to decrease expenditure budget(s).
- Departments should monitor their cost centers to determine if budget needs to be reduced following the transfer of fund equity to the project cost center. Normally, the budget balance available should not exceed fund equity less open and soft commitments. One way to monitor this is to run the UGLS033 report. Positive numbers in the Unbudgeted Fund Equity column indicate BBA that exceeds fund equity less open and soft commitments.

If you have any questions about the new process, please call Ruth Sustala at x38022 or Margie Hattenbach at x30655.

# Areas of Non-Compliance—University of Houston



Instances of non-compliance noted by Internal Audit

*“...use this information as an opportunity to provide additional training to your staff...”*

The below chart lists the number of instances of non-compliance in specific areas, noted by Internal Audit in their departmental reviews during FY06. The most frequent instances of non-compliance occurred in the areas of cash handling, contract administration, cost center management, fixed assets and payroll/human resources.

Please feel free to use this information as an opportunity to provide additional training to your staff and to be alert to the most-common areas of internal control problems.

	Dean's/ Oper. Review	Dept Review	Total
<b>Cash Handling</b>			
Change fund not authorized.	1	1	2
Lack of procedures for the receipt of revenues or the reconciliation of funds received to financial system.		2	2
Pre-numbered receipts, cash log, or register tape not used to record cash receipts.		3	3
Checks not made payable to the University.		6	6
Checks not restrictively endorsed immediately upon receipt.		2	2
Cash receipts greater than \$100 were not deposited within one working day of receipt.	2	9	11
Cash receipts less than \$100 were not deposited within five working days of receipt.		4	4
Cash receipts not verified by two employees and/or signed by certifying signature.		1	1
Acknowledgement of Cash Handling Duties forms not on file for employees with cash handling responsibilities.	1	1	2
Gift Transmittal Form not signed by certifying signature.	1		1
<b>Contract Administration</b>			
Contract cover sheet not signed timely.		7	7
No confirmation of vendors' lack of indebtedness to the state of Texas.		8	8
Contract not fully executed prior to the start date.		10	10
Contract not submitted to the appropriate office timely.	2	6	8
Lack of competitive bidding or recommendation for award.	3		3
Contract did not have the appropriate approvals.	2		2
Contract cover sheet not signed by the College Business Administrator.	2		2

## Areas of Non-Compliance—University of Houston (Continued)

	Dean's/ Oper. Review	Dept Review	Total
<b>Cost Center Management</b>			
Checklist not used to ensure that all cost centers are verified.		2	2
Verifications not performed monthly.		3	3
Account Manager not reviewing and approving verifications.		5	5
Cost centers with deficit equity balances at fiscal year end.		1	1
Project/grant cost centers with deficit budgetary balances.		2	2
Lack of approval for deficit balances.		1	1
<b>Fixed Assets</b>			
Inventory Confirmation form not reviewed/approved by management or submitted to Property Management.		1	1
Asset did not have inventory tag.	6	1	7
Assets did not have a current "Request for Authority to Remove Equipment from Campus" form.	1	3	4
Assets were in a different location than on the property listing.	1		1
Stolen asset was not reported within 4 business days.	1		1
<b>Payroll/HR</b>			
Leave form not approved by supervisor.		1	1
Leave form copy not retained.		1	1
Leave use not reconciled to time and effort reports and/or the human resources system.		9	9
Time and effort reports not certified by employee.		14	14
Time and effort report was not submitted to Payroll in a timely manner.		6	6
Principal investigator not reporting reasonable estimates of the percentage of time spent on sponsored activities.		1	1
PAR not submitted timely.		3	3
Termination clearance form not prepared timely.		1	1
Annual evaluation not completed.	1		1

**“...use this information to be alert to the most common areas of internal control problems.”**



Placing Orders with  
UH Dining Services

“...federal  
regulations require  
Animal Care to  
keep track of all  
lab animals on  
campus.”

Purchasing  
Lab  
Animals



## New Process for UH Dining Services—Effective October 16

Effective October 16, all orders with UH Dining Services (ARAMARK) must be placed on a local fund P-Card, except for:

- Departments that do not have a local fund P-Card. They can pay with a local voucher as long as invoices are paid on time.
- Orders charged to foundation funds. They can pay with a foundation check as long as invoices are paid on time.

The process for departments with local fund P-Cards will be as follows:

- P-Card cardholder places order with UH Dining Services and gives UH Dining Services their P-Card number.
- UH Dining Services provides P-Card holder with Event Confirmation, including estimated amount, within 48 hours.
- UH Dining Services charges the P-Card after the event when the amount is finalized.
- Within ten (10) business days after event, UH Dining Services mails invoice to department stamped “Paid by P-Card” with the cardholder’s name on the invoice.
- Department uses invoice as backup to SDOL Expense Report.

This process will speed up payment to UH Dining Services and make payment processing easier and more efficient for UH departments.

If you have any questions, please call Emily Messa at x38184.

## New Process for Ordering Lab Animals—Effective October 16

Laboratory animals are currently ordered by and delivered directly to the department. However, federal regulations require Animal Care to keep track of all lab animals on campus. Therefore, Animal Care, the Research Division, several departments that purchase lab animals, and Finance developed a new procedure for purchasing lab animals. In addition, Animal Care can expedite delivery because Animal Care is familiar with the requirements for ordering all types of animals, as well as vendor shipping schedules and deadlines for ordering.

### Current Process

1. Department submits a purchase requisition to Purchasing with Addendum B approved by Animal Care.
2. Purchasing creates a Blanket PO.
3. Department places order with vendor to purchase animals.
4. Vendor sends animals and invoice to department.
5. Department creates a PO voucher to pay vendor.

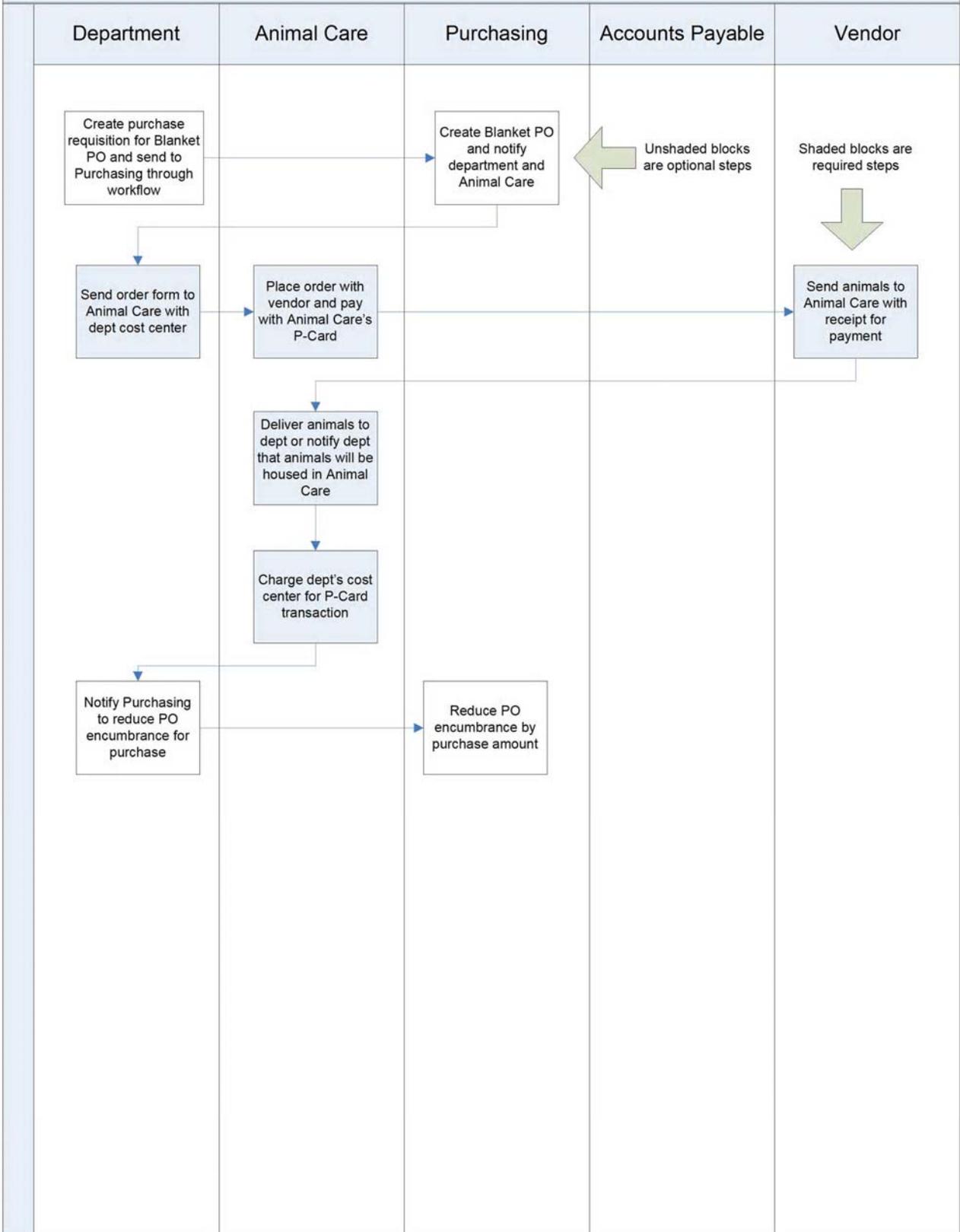
### New Process – Effective October 16

1. Department submits a purchase requisition to Purchasing (without Addendum B) if department wants to encumber animal purchases (optional).
2. Purchasing creates a Blanket PO (optional).
3. Department completes Animal Purchase Request form, which can be found at [http://www.research.uh.edu/Online\\_Forms](http://www.research.uh.edu/Online_Forms) (Research Forms page) or <http://www.uh.edu/finance/pages/forms.htm> (Finance Forms page), including the cost center to charge, obtains certifying signature, and faxes (713-743-9200) the form to Animal Care.
4. Animal Care places the order with the vendor and pays with Animal Care’s P-Card.
5. Vendor sends animals and receipt for payment to Animal Care.
6. Animal Care delivers animals to department or notifies department that animals are housed in Animal Care.
7. Animal Care charges department’s cost center through P-Card payment process.
8. Department notifies Purchasing to release encumbrance on Blanket PO for amount purchased (optional).

The flowchart on the next page describes the new process. Any alternative process for purchasing animals that requires departments to place orders directly with the vendor after hours or on weekends, must be pre-approved by Animal Care.

If you have any questions about the new process, please contact Dr. Terry Blasdel at [tblasdel@uh.edu](mailto:tblasdel@uh.edu) or Erica Leday at x39199 or [erleday@uh.edu](mailto:erleday@uh.edu).

Animal Purchases – Process in Effect October 16, 2006





Mr. and Mrs.  
2-Way  
Communications

*“Our company is known for making sure that you are outfitted with the right product the first time.”*

Vendor  
Special  
Offers



## HUB Vendor of the Month

**Who:** MR. 2-WAY COMMUNICATIONS, INC.  
President and CEO: Ed Brannon, Jr.  
Selling Motorola products for over 25 years

**What:** MR. 2-Way is an authorized Motorola dealer.  
We sell, service and rent radios. We are also a cellular dealer for different carriers.

**How to Contact:**

**Office:** 713 675-2929

**Fax:** 713 675-3172

**Email:** [mr2way@swbell.net](mailto:mr2way@swbell.net)

**Web:** [callmr2way.com](http://callmr2way.com)

For additional info, please call Emma at 713 675-2929

**One Thing About Our Company We Would Like UH to Know:**

Our company is known for making sure that you are outfitted with the right product the first time. If you are not fully satisfied, then we have not performed to your expectations or to our standards. We do two-way the right way.

**Interesting Fact About the Company:**

Family owned! Dad is CEO, wife is in charge of customer service, daughter Erin is in charge of administration, and son Warren is the techno geek!

Mr. Two-Way Communications is the baby of our CEO, Ed Brannon. He has succeeded in providing excellent customer service to all his clients and by adding a personal touch to ensure that the client knows he values their patronage. Mr. Brannon also sells cell phones for different carriers as a service to his customers for a one stop shopping experience. MR. 2-Way is certified with the State of Texas, City of Houston, Port of Houston and Metro.

For further information on this or other HUB vendors contact the University of Houston HUB Operations Department.

Sandra G. Webb - (713) 743-5662

E-mail: [sgwebb@central.uh.edu](mailto:sgwebb@central.uh.edu)

**Please be sure to check out Vendors Special Offers by visiting the HUB Home Page at**

**<http://www.uh.edu/hub>**

# Who's Who in Finance



**Who:** Mary Stackhouse  
Accounts Payable Analyst

*“I’ve been with  
the University  
for 27 years.”*

**Years of UH Service:** 27 Years!

**Department:** Administration and Finance  
Accounts Payable

**How to Contact Me:** 713.743.8742 or [mstackhouse@uh.edu](mailto:mstackhouse@uh.edu)  
I’m in Outlook Global too.

**Where to Find Me:** UBP2 - Room 229

**When to Call Me:** You can call me with any questions  
regarding Accounts Payable.

**What I Like Best  
About My Job:** I like the job itself. And I like the  
people I work with.



**UNIVERSITY of HOUSTON**  
DIVISION OF ADMINISTRATION & FINANCE

## CustomerServiceCenter

325 McElhinney Hall

MC: 5011

[www.uh.edu/finance/CSC/CustService.html](http://www.uh.edu/finance/CSC/CustService.html)

Phone: 713.743.3988

Fax: 713.743.5596

E-mail: [CSC@uh.edu](mailto:CSC@uh.edu)

**A point of contact...**

...when you don't know who to call about  
finance, payroll or human resources questions.

...when you have a problem or concern with getting a  
financial, payroll or human resources item processed.

...when you have an idea for improving/streamlining  
university business processes.

...when you need help navigating **PASS Employee Self  
Service** to make changes to your direct deposit and  
**W-4**, or reprint your **W-2**

For more information contact **Sandra, Sara, Bobbie or  
Arturo** at 3.3988.

# Checklists and Matrices on the Web

The following checklists and matrices summarize key information related to financial transactions.

1. GL Journal Checklist

### GL Journal Workflow Information

- **GL Journal Checklist** --- Quick reference to key journal creation steps and backup document requirements.

2. P-Card and Travel Card Matrix

### P-Card and Travel Card Information

- **P-Card and Travel Card Matrix** --- Summarizes the use, restrictions, and payment process for all types of P-Cards and Travel Cards.

3. Service Center and Auxiliary Business Process Matrix

### SC Voucher Workflow Information

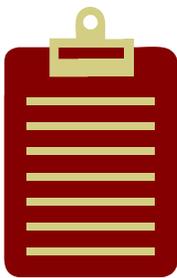
- **SC Voucher Creators and Approvers** --- List of UH operators who create and/or approve SC vouchers in workflow.
- **SC Voucher Online Training** --- Register for online SC Voucher workflow training.
- **SC Voucher Workflow Handout** --- Training material used in online SC Voucher Workflow training.
- **Service Center and Auxiliary Business Process Matrix** --- Business process used by each UH service center and auxiliary for accepting orders and processing payments.

4. Voucher Checklist (also a good reference for P-Card transactions)

5. Voucher Workflow Matrix for Scholarships and Tax-Related Payments

### Voucher Workflow Information

- **Voucher Checklist** --- Quick reference to voucher processing rules, including approval and backup requirements.
- **Voucher Creators and Approvers** --- List of UH operators who create and/or approve vouchers in workflow.
- **Voucher Online Training** --- Register for online Voucher workflow training.
- **Voucher Workflow Handout** --- Training material used in online Voucher Workflow training.
- **Voucher Workflow Matrix for Scholarships and Tax-Related Payments** --- The matrix indicates which workflow path to choose (Scholarships or Tax) based on (1) the account used and (2) the classification of the payee (student, employee, etc.). This information is also provided in a different format on pages 3 and 4 of the Voucher Workflow Handout.



**Summarize  
Key  
Information  
Related to  
Financial  
Transactions**

All of the above checklists and matrices are located on the Finance Reference page:

<http://www.uh.edu/finance/pages/References.htm>

# OCTOBER 2006

**Sun                      Mon                      Tue                      Wed                      Thu                      Fri                      Sat**

<b>1</b>	<b>2</b> 3:00 Property Management Custodian  Monthly Pay Day	<b>3</b> 9:00 Basic Finance	<b>4</b> 9:00 HR View  10:30 PAR Training	<b>5</b> 9:00 Payroll/ Finance Reconciliation	<b>6</b>	<b>7</b>
<b>8</b>	<b>9</b> 9:00 Sponsored Projects Inventory	<b>10</b> 9:00 Basic Finance  2:00 Leave Reconciliation Training	<b>11</b> 9:00 HR View	<b>12</b> 9:00 HR Query Basic	<b>13</b> Bi-Weekly Pay Day	<b>14</b>
<b>15</b>	<b>16</b> 9:00 Payroll/ Finance Reconciliation	<b>17</b> 9:00 Basic Finance	<b>18</b> 9:00 HR View  10:30 PAR Training	<b>19</b>	<b>20</b>	<b>21</b>
<b>22</b>	<b>23</b>	<b>24</b> 9:00 Basic Finance  2:00 Leave Reconciliation Training	<b>25</b> 9:00 HR View	<b>26</b> 9:00 HR Query Basic	<b>27</b> Bi-Weekly Pay Day	<b>28</b>
<b>29</b>	<b>30</b>	<b>31</b> 9:00 Basic Finance				

**Daylight Savings Time Ends** 

**Happy Halloween!** 