FINANCE/PAYROLL

NOTES & NEWS

SEPTEMBER 2006

Online Certification Process in FY07

Beginning September 1, the following annual certifications will be handled through online (WebCT) training instead of completing and routing offline forms:

Acknowledgment of <u>existing</u> petty cash and change fund by fund custodians.

- Fund custodian will complete two quizzes in the FY07 Petty Cash and Change Fund training. One quiz tests their knowledge of the training material. The other quiz requests information about the type of fund (petty cash or change fund), location of the fund, safeguarding methods, etc. Both quizzes should be completed by September 30.
- General Accounting will receive an email automatically with information from the second, informational quiz.
- General Accounting will email the UH College/Division Administrators a list of fund custodians that completed the quiz and the related information to confirm that it is correct and complete (there are no additional funds).
- This process replaces the annual completion of Addendum A and routing for signatures.

Acknowledgment of cash handling responsibilities by everyone who handles cash, including fund custodians.

- An additional true/false question will be added to the FY07 Cash Handling quiz that asks if the employee accepts his/her responsibility for handling cash in accordance with university policy.
- Cash handlers who complete the quiz and answer "yes" to the final question will satisfy the annual requirement.
- Administrators can verify who has completed the quiz by running the following query in HR: EM_STUDENTS_CLASSES_DEPT_PRMPT
- This process replaces the annual completion of Addendum A and routing for signatures.

Consulting and related party disclosure reporting:

- Full-time faculty and benefits-eligible staff will be enrolled in an online informational quiz October 2 for employees to complete by December 31.
- Customer Service will receive an email automatically with the information from the quiz, compile the information, and send summary reports to administrators.
- This process replaces the annual completion of the Consulting and Related Party Disclosure form and routing for signatures.

Sign up for online training at: http://www.uh.edu/hrms/signupFinancial.htm

If you have any questions, please contact Emily Messa at 713-743-8184.

Reviewing Fund Equity at Year-End

Year-End Closeout Procedures for Deficit Balances

"Departments can run the UGLC016B report themselves at anytime..."

SAM 03.G.01, Year-End Closeout Procedures for Deficit Balances indicates the following:

- Avoid deficit balances for fund groups 1, 2, 3, 4, 5, 6, and 7 for a department at year-end.

  Example: When you add the ending fund equity balances for all of the cost centers in fund group 1 (1000-1999) for a particular department (H0156), the total fund equity should not be a deficit.

- Avoid deficit balances for all fund 9 cost centers all of the time.

  Example: Individual fund 9 cost centers (00730-9001-H0156-F1234-NA) should not have a deficit fund equity balance at anytime during the fiscal year

- Departments should transfer expenses, revenue, and/or fund equity (where appropriate and allowed) to clear deficit fund equity balances in a fund groups 1, 2, 3, 4, 5, 6, or 7 at year-end and clear deficits in fund 9 cost centers at anytime during the fiscal year.

  Exception: If deficits in fund 5 cost centers are caused by the timing of delayed awards, no correction is needed.

- Departments that are unable to clear deficit fund group (1xxx, 2xxx, etc.) balances at year-end must request an exception from the campus Chief Financial Officer (Dr. John Rudley for UH) that explains why the department cannot clear its deficit balance at year-end and how it plans to correct its fund balance in the next fiscal year. UH department memos must be sent to Mike Glisson (mail code 0911) by October 31, who will forward them to Jim McShan and Dr. Rudley for review.

Finance provides periodic fund equity reports to UH College/Division Administrators at year-end that indicate fund balance for fund groups 1 to 7 and the fund balance for all fund 9 cost centers. However, departments can run the UGLC016B report themselves at anytime to obtain this information.

The UGLC016B report below was run for the entire College of Engineering (it can also be run for an individual department).

If you have any questions, please call Mike Glisson at 713-743-8706.

Dell Computer Tagging Process

As a reminder, when departments order computers and laptops using the Dell Premiere home page, these items are tagged at the Dell factory prior to being shipped to the department. Each Monday, Property Management receives a report from Dell, which they reconcile with the payment information.

When departments do not order their computers from the Dell Premiere home page, these items are not tagged at the factory. The equipment is shipped to the department and Property Management issues the tags for these items once Property Management receives the payment information.

Period 998 FAQs

998 Transactions

Q: WHAT is period 998?
A: The accounting period following period 12 used for year-end adjustments.

Q: What kind of transactions CAN be processed in period 998?
A: The following transactions:

- GL journals transferring expenses from one cost center to another, including state to local and local to state. Make sure the expense is allowed on the cost center receiving the expense (i.e., the debit cost center). Finance will prepare the voucher to transfer expenses between state and local cost centers. See **Creating 998 Journal Entries** under Year-End Procedures on the References page: http://www.uh.edu/finance/pages/References.htm

- GL journals transferring revenue from one cost center to another only where allowed.

- GL journals transferring fund equity from one cost center to another only where allowed. See **Fund Equity Transfers** under Transaction Processing on the References page: http://www.uh.edu/finance/pages/References.htm

- GL journals to clear P-Card liability (20109) and Travel Card liability (20110) balances. These balances should be zero at all times under the new SDOL procedure, but must be zero at year-end.

- Payroll reallocations and payroll suspense (16100) clearing for FY06, which must be completed in FY06.

Q: WHEN can I create and submit period 998 transactions?
A: From September 1 to September 15 (noon).

Q: What type of transactions CANNOT be processed in period 998?
A: The following transactions:

- Cash deposit journals. Cash received by August 31 should be deposited in period 12.
- Vouchers and SC vouchers.
- GL encumbrance journals.

Q: What ADDITIONAL transactions will be posted to department cost centers in period 998 by Finance?
A: The following transactions:

- Accrual journal entries for vouchers posted Sept 1-15 with a Goods Received Date prior to Sept 1. These journals will increase expense in FY06. Finance will run the UHS_AP_VOUCHERS_TO_ACCRUE query to determine the accruals.

- Short-term interest income allocated to certain cost centers, which will increases revenue.

- Administrative Service Charges for transactions posted in period 998 on auxiliary (fund 3) cost centers. These journals will increase expense.

- Indirect Cost expense and encumbrance journals for transactions posted in period 998 on sponsored project (fund 5) cost centers. These journals increase expense.

These FAQs are also on the References page under Year-End Procedures: http://www.uh.edu/finance/pages/References.htm

If you have any questions, please call Mike Glisson at 713-743-8706.

How Do I………

Process a Professional Membership / Request Membership List Addition?

To process the payment or reimbursement of a Professional Membership fee using **state** funds, the organization must first be placed on the approved University list. This list can be found at http://www.uh.edu/finance/Doc_Ref/General_Ref/ProfOrgMemb.htm.

If the professional organization is not on the approved list, it can easily be added. Click on the link Membership List Addition Request Form located on the Professional Membership Organization Lists website and complete the attached form. It must be approved by the department business administrator as well as the college or division vice president. Once all the information has been gathered and all the appropriate signatures have been obtained, forward the request to the Division of Administration and Finance's Department of Business Services at mail code 5011. Requests are reviewed and added to the Professional Membership list as needed.

Only when the membership is going to be paid with state-appropriated (Fund 1) funds, should the organization be added to the approved list. For further information refer to MAPP 04.01.03 – Vouchers Addendum A at http://www.uh.edu/mapp/. (NOTE: Federal regulations prohibit directly charging memberships to federally funded sponsored projects.) *If payment on non-state funds is required, it is not necessary to add the organization to the approved list.*

Questions regarding the process can be directed to the Division of Administration and Finance's Customer Service Center at 3.3988.

Key Points to Remember about PO Vouchers

1. Always use the "Copy PO" button to create PO vouchers.
2. Never use the SpeedChart on a PO voucher to enter cost centers. (It's okay to use SpeedChart on regular vouchers.)
3. Never delete a PO voucher line. Change the amount of the voucher line to zero if there will not be a payment for that line on the voucher.
4. When changing a PO voucher line amount, change "Dist by" to "Amt" instead of "Qty." This will allow you to change the amount.
5. Do not finalize a PO unless all of your PO vouchers combined will be less than the total PO amount (i.e., an encumbrance will be left after all voucher payments).
6. Run the PO Status Report to review the status of your PO before finalizing.
7. You can finalize a PO voucher before it's posted or anytime after it's posted.
8. You can finalize all of the lines of the PO at one time or individual lines of the PO.
9. Always save and budget check the PO voucher after clicking the finalize button.
10. Run the PO Status Report to review the status of your PO after finalizing.

Instructions for finalizing a PO to release the encumbrance are located under **PO Finalize Instructions** on the References page under Transaction Processing: http://www.uh.edu/finance/pages/References.htm

If you have any questions, please call Mike Glisson at 713-743-8706.

Procedure for New or Modified Petty Cash or Change Fund

- A justification memo is prepared and approved by the college/division business administrator to include:

  a. Detailed explanation of need for cash fund
  b. Justification for the infeasibility of alternative methods of procurement
  c. Estimated activity level (e.g., estimated number of transactions per day, week, or month)
  d. Name of proposed fund custodian
  e. Description of safeguarding methods that will be used to secure fund

- A Request for Establishment or Modification of Departmental Cash Fund/Acknowledgment of Receipt of Funds and/or Cash Policies and Procedures form (Addendum A, MAPP 05.01.01) is completed.

- The Request for Establishment / Acknowledgement (AddendumA), and justification memo is submitted to the Treasurer's Office for an approval signature.

- The Treasurer's Office will review the justification and approve or disapprove the request based upon the individual facts and circumstances.

- If the request is approved, Treasury will return a copy of the documentation noting approval and the amount approved to the requestor, and send a copy to General Accounting.

- A voucher is prepared by the department, payable to Student Financial Services (vendor 0000007916) address 21 using the approved documentation as back up. The voucher should be marked SH (Special Handling) and request the check be picked up by the named custodian. Please provide a telephone extension. The preparer scans the voucher and back up into workflow and routes to AP. The preparer notifies Treasury of the voucher number.

- The check is issued and returned to Treasury (Room 10, E. Cullen) who will then notify the custodian to pick up the check.   The custodian provides Treasury with a valid photo ID and signs the voucher coversheet acknowledging receipt of the check. The check may be cashed at the Student Financial Services window, Rm 6, E. Cullen.

If you have any questions, please call Anne Montgomery in Treasury at 713-743-8782.

Non-Benefits Eligible E-mail Account Set-Up

Many non-benefits eligible employees do not have a business e-mail address in PeopleSoft HR, as they have not had a UH e-mail alias created for them. This has caused the employees problems when they are trying to log into PASS. In order for employees to access PASS they must have a business email address, a date of birth and a social security number in PeopleSoft HR, if one of these items is missing, a PASS profile will not be created for the employee.   To facilitate this process, the Customer Service Center will run a query of all non-benefits eligible employees hired since 9/1/05. If an e-mail alias has not been established in PeopleSoft, Customer Service will work with IT to ensure this is created, similar to the weekly process followed to create e-mail aliases for benefits-eligible employees. Once the e-mail alias as been created, we will enter this into their profile in PeopleSoft and also communicate this to the appropriate business administrator. We will also provide information to the administrator that they can provide their employee to re-direct their e-mail alias to another e-mail account.

After this process is completed, Customer Service will run weekly queries to pick up new, non-benefits eligible employees, who have not had a UH e-mail alias created for them. We will run this process in tandem with the set up for new, benefits-eligible employees to keep them consistent. If you have any questions, please feel free to call Customer Service at 713-743-3988.

Voucher Payments to the Comptroller

Beginning September 1, 2006, when UH, UHD, and UHV departments create local vouchers to pay vendor 0000026730 (Texas Comptroller), they should select one of the following addresses on the Payment page of the voucher:

- Address 006, Refund to State UH
- Address 007, Refund to State UHD
- Address 008, Refund to State UHV

Each address has been setup with unique direct deposit information, so that the <u>payment is transferred electronically to a campus account in the State Treasury</u>, rather than issuing a physical check.

The Comptroller's Office will send an email to the designated campus representative in State Accounting when deposits are made to these accounts. The campus representative will then transfer the funds to another account within the State Treasury, if necessary.

Vouchers created by UHCL and UHSA departments to vendor 0000026730 should continue to use addresses 001, which will generate a physical check. When the banks used by UHCL and UHSA are ready to begin issuing direct deposits for AP payments, a separate address will be created for UHCL and UHSA as well.

If you have any questions, please call Mike Glisson at 713-743-8706.

FY06 Fraud Risk Survey

Beginning October 2, UH departments will complete the FY06 Fraud Risk Survey to determine which internal controls were in place and working within their department in FY06 and which need to be implemented or improved to prevent the risk of fraud.

Highlights of the FY06 survey include:

- The survey will be completed on the web instead of in an Excel spreadsheet. Designated employees (normally the department business administrator) will be provided a password to complete the survey for their department.
- Several questions have been revised or eliminated based on department feedback.
- A Financial Certification section has been added, which deals with cost center verification, review, and related adjustments.
- Comment boxes will be provided for each "No" answer, so that the department can explain when it plans to implement the control or how it uses other controls to reduce fraud risk.
- Once the survey is completed online, departments will print the survey results, including comments, and the department business administrator and department head will sign it.
- Completed and signed surveys should be mailed to Irma Perez in Finance at mail code 0911 by October 31.
- Finance will compile survey results for management review.

If you have any questions, please call Mike Glisson at 713-743-8706.

Salary and Wage Accounts on Grant Cost Centers

Beginning in FY07, all UH sponsored projects should use the new salary and wage expense accounts, which were first used by non-project cost centers in FY06. As a reminder, the new accounts are listed below.

New Node	**New Account**
B5034	**S&W TENURE TRACK FACULTY**
	50140 RANKED FACULTY SALARIES
	50141 ADMINISTRATIVE STIPENDS, FACULTY
	50142 CHAIR/PROFESSOR STIPENDS, FACULTY
B5035	**S&W NON TENURE TRACK FACULTY**
	50150 VISITING FACULTY SALARIES
	50151 CLINICAL FACULTY SALARIES
	50152 INSTRUCTIONAL FACULTY SALARIES
	50153 RESEARCH FACULTY SALARIES
B5036	**S&W ADJUNCT FACULTY**
	50160 LECTURER SALARIES
	50161 CONTINUING EDUCATION INSTRUCTOR SALARIES
	50162 SUMMER SALARIES
B5037	**S&W GRADUATE ASSISTANTS**
	50170 INSTRUCTIONAL ASSISTANTS SALARIES
	50171 TEACHING ASSISTANTS SALARIES
	50172 TEACHING FELLOWS SALARIES
	50173 RESEARCH ASSISTANTS SALARIES
	50174 GRADUATE ASSISTANTS
B5038	**S&W EXEMPT STAFF**
	50180 PROF & ADMIN STAFF SALARIES, EXEMPT
	50181 OTHER SUPPORT STAFF SALARIES, EXEMPT
	50182 RESEARCH STAFF SALARIES, EXEMPT
	50183 STIPENDS & OVERLOAD
B5039	**S&W NON EXEMPT STAFF**
	50190 ADMINISTRATIVE STAFF SALARIES, NON EXEMPT
	50191 OTHER SUPPORT STAFF SALARIES, NON EXEMPT
	50192 RESEARCH STAFF SALARIES, NON EXEMPT
B5040	**S&W STUDENT EMPLOYEES**
	50200 COLLEGE WORK STUDY WAGES, FEDERAL
	50201 NON COLLEGE WORK STUDY WAGES
	50202 COLLEGE WORK STUDY WAGES, TEXAS

Though non-grant cost centers must budget according to these categories using budget nodes B5034, B5035, etc., sponsored projects can continue to budget using the broader salary and wage budget nodes, such as B5006 (level 3 budgets), B5011 (level 4 budgets), and B5017 (level 5 budgets).

However, sponsored projects must use the new salary and wage expense accounts above (50140, 50141, etc.) on their position requests for FY07.

Who's Who In Finance

Who:　　　　　　　　　　　　**Laura Castro**
　　　　　　　　　　　　　　　Accountant 2

Years of UH Service:　　　　Almost 4 years

Department:　　　　　　　　Administration & Finance
　　　　　　　　　　　　　　　General Accounting

How to Contact Me:　　　　Email is Best: lcastro@central.uh.edu

Where to Find Me:　　　　　UBP2—Room 130

When to Call Me:　　　　　Call with any questions related to Student Accounting (ABC). I run financial reports for student scholarships, tuition & fees, etc.

What I Like Best About My Job: I'm outgoing so it's just a pleasure meeting so many people in so many different areas around campus.

HUB VENDOR OF THE MONTH

WHO:

Moore Transportation Services
2600 West Loop South #630
Houston, TX 77054

WHAT:

Moore Transportation specializes in same day local and out of town deliveries, including hot shots, mail runs, and general courier services.

HOW:

Delivery services can be arranged by calling 713-668-0500 24 hours a day or by fax to 713-668-0507. Contact Antwan Moore for more information or to set up an account.

ONE THING ABOUT OUR COMPANY THAT WE WOULD LIKE UH TO KNOW:

We strive to provide fast and friendly on-time delivery service *every* time. Our goal is to provide excellent customer service.

INTERESTING FACTS ABOUT THE COMPANY:

Founded by Antwan Moore in 2000 to serve the needs of one client, Moore Transportation is one of Houston's hardest working delivery companies. Since 2000, Moore Transportation has grown from a one man operation into a company with over 15 drivers. At Moore, we have worked hard at building a company with integrity, honesty, and dependability at its core. We strive for exceptional service on a daily basis, while maintaining affordable prices.

We treat all of our drivers as family, and when we work with other businesses we include them as family too. We have achieved success by functioning this way.

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

"We strive for exceptional service on a daily basis, while maintaining affordable prices."

Please be sure to check out Vendor Special Offers by visiting the HUB Home Page at: http://www.uh.edu/hub and selecting the Vendor Special Offers link.

September 2006

SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4 **Holiday**	5 1:00 Payroll/ Finance Reconciliation **3:00 Property Management Custodian**	6 9:00 Basic Finance	7 10:00 HR View	8 10:00 PAR Training	9
10	11 9:00 Sponsored Projects Inventory	12 9:00 Basic Finance **2:00 Leave Reconciliation Training**	13 10:00 HR View	14 9:00 HR Query Basic	15 Bi-Weekly Pay Day	16
17	18 9:00 Payroll/ Finance Reconciliation	19 9:00 Basic Finance	20 10:00 HR View	21 10:00 PAR Training	22	23
24	25	26 9:00 Basic Finance **2:00 Leave Reconciliation Training**	27 10:00 HR View	28 9:00 HR Query Basic	29 Bi-Weekly Pay Day	30