
FISCALLY FIT

News from the Controller

February 2008

FINANCIAL INFORMATION MANAGEMENT

AIRS Hierarchy

After meeting with departments and individuals across campus, Financial Information Management has made changes to the appearance and functionality of the hierarchy application in AIRS. Added capabilities include editable delegates, visual tree reporting structures, and other suggested changes.

Please check out the new and improved Hierarchy today!

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BURSAR

Bursar News

Priority enrollment for Summer and/or Fall begins **March 5th**. Enrollment hold notification emails were sent February 19th to provide sufficient time to clear financial holds prior to enrolling.

Enrollment Policy Reminder:
**Bursar accounts must be cleared
before enrolling in future semesters.**

Any outstanding balance could delay registration for the Summer and/or Fall Semester. If a student encounters enrollment difficulties, please direct him/her to check his/her bursar account for any outstanding charges. Confirm all payments, scholarships, and financial aid have been received. To check account balances online, visit the Student Information System (SIS) website at <http://prodosu.okstate.edu/>.

Information Security Concerns

It is imperative that everyone realize just how important it is to keep their OSU system User ID(s) and password (s) confidential. At no time is it acceptable to provide anyone outside the scope of your employment with your system User ID(s) and password(s). If you suspect someone knows your password, you should change it immediately. Additionally, and this can't be stressed strongly enough, it is extremely vital that all information gathered from **ANY** databank on this campus only be shared with others (in the scope of one's employment) on a "need to know" basis. At no time is it acceptable to divulge confidential information about another employee and/or student to anyone who does not have a legitimate business purpose need to know. It is also important to change your passwords periodically to prevent unauthorized access to confidential information.

The following website provides detailed information on appropriate computer use: http://www.okstate.edu/osu_per/news_use/May2007NYCU.pdf

Associate Vice President & Controller - 207 Whitehurst, Stillwater, Oklahoma 74078 - (405) 744-4188

PAYROLL

Calculating Gross Pay for a Particular Net Amount

Departments may wish to pay an individual a certain net amount for an award or for an incentive plan payment. This is usually supplemental pay requiring the flat tax rate and it is quite easy to calculate the gross pay needed to get the desired net pay.

A gross to net calculator for these situations has been provided for your convenience. Go to the Fiscally Fit Resource Center and click on the letter G, then Gross to Net Calculation. Or you can use the following link: <http://vpaf.okstate.edu/PayrollServices/Documents/Gross%20Up%20Net%20Pay.xls>.

Enter the desired net pay in the orange field and the spreadsheet will automatically calculate the gross pay and appropriate taxes to obtain the desired net pay. The desired net pay will not be exact because the State requires us to round state taxes to the nearest dollar. The net pay should be within a dollar.

Spring Break Payroll Processing

This year, Spring Break is scheduled for March 17 – March 21, 2008. It is not unusual for many employees to take that time off while children are out of school. During Spring Break, biweekly EAs will be due on March 17th and paper ENPs will be due on March 21st for the biweekly pay period March 8th – March 21st. Payroll will also be processing the March monthly payroll. The 2nd test for the monthly payroll is scheduled for March 17th. This payroll will final on March 18th. It is very important that your department has staff available during Spring Break to process EAs and ENPs for the biweekly payroll and to review the monthly payroll prior to the final. Your cooperation in this matter will ensure timely and accurate processing of pay.

Direct Deposit for Internationals without a Social Security Number

At the request of the Office of Personnel Management (OPM), OSU Payroll Services will no longer enroll employees in direct deposit prior to the receipt of a valid social security number (SSN). Employees hired without a social security number will receive paper checks until a valid SSN is received and input into HRS and the state direct deposit system.

Previously, employees hired without SSN's were assigned "dummy" SSN's by OSU Human Resources upon employment and then switched to valid SSN's when they became available. This practice has resulted in the reporting of wage records under duplicate SSN's making research difficult and manual corrections labor intensive at OPM.

All employees currently utilizing dummy SSN's will also be removed from the state direct deposit system. These employees will also receive paper checks until a valid SSN is received and input into HRS and the state direct deposit system. All paper checks will be mailed to employees at their home addresses, therefore, addresses should be updated immediately if a change has occurred since employment began.

Please continue to send the direct deposit form in with the payroll signup. Payroll will set up the direct deposit as soon as the employee's information is merged into the valid SSN. The employee should carefully review his/her payroll advice email which identifies whether the pay was direct deposited or was sent out by mail.

Direct Deposit Forms

Payroll Services will begin sending direct deposit forms to FIM for scanning. Scanning the direct deposit forms allows for better security and less paper having to be filed. In order to facilitate the scanning process, we are asking departments to make the following changes.

- Do not staple checks to the form – attach checks using tape over the "Attach Check Here" note. We are in the process of changing this to "Tape Check Here"
- If the employee has a copy of a check, do not send on a separate sheet of paper. The employee should cut around the check as if it was a real check and attach it to the direct deposit form with tape.
- Letters from banks will be scanned along with direct deposit forms. Be sure the name of the employee is on the letter from the bank.
- If the employee is NOT opting for the paycard, he/she should not sign the bottom left hand corner of the form which is reserved for paycard participants.
- Make sure the form is completely filled out, signed, and dated. This will ensure that direct deposits are set up as quickly as possible.

PURCHASING

Pcard Documentation for Shipping and Processing Fees

Shipping: Occasionally a supplier will add shipping to the amount listed on an invoice after you have authorized payment **or** the vendor will use a third party for shipping (such as FedEx or UPS). In either case, you may have charges on your pcard that have no documentation. The following points apply.

- The cardholder is responsible for confirming with the supplier if shipping charges are included in the price quoted or if a third party will be charging for the shipping.
- The cardholder must obtain a receipt which includes the shipping or a separate receipt for the shipping.
- There must be a receipt(s) for the total amount charged on the pcard.

Utility Payments: You may also be charged a processing fee by a utility company when paying by phone or by credit card. Some utility companies may use a third party to process phone or credit card payments. In either case, you may have charges on your pcard that have no documentation. The following points apply.

- Utility companies notify the public that fees will apply for credit card or phone payments. There is usually a statement to this effect on the bill.
- There should be documentation for the amount of the fee or the percentage rate for the fee.
- This can sometimes be found on the company's website and can be printed off or copied. A copy should be attached to the transaction log for documentation of the processing fee.

Note: There must be documentation for all charges.

Information Sent to Purchasing

The following information should be included on any information or documentation sent to Purchasing. This will help route information appropriately so it can be processed promptly.

Date

To: _____

From: Sender's Name and Department

Regarding: _____

Important Dates

Board Dates:

- Requisitions requiring Board of Regents approval (greater than \$150,000) were due in Purchasing: February 13, 2008, for the March 7, 2008, Board Meeting.
- Requisitions requiring Board of Regents approval (greater than \$150,000) are due in Purchasing: March 26, 2008, for the April 18, 2008 Board Meeting.

Pcard Training:

- March 19, 2008, 8:30 AM, 412 Student Union.

Purchasing Policies and Procedures Seminar:

- October 23, 2008, 9:00 AM, 412 Student Union

You may register for either of these sessions by calling Human Resources at X5374, on the Human Resources web site at http://fp.okstate.edu/hrosu/training_enroll.htm, or by Email: osutrng@okstate.edu.

The Purchasing Department is available to conduct purchasing training on an as needed basis to departments and colleges. Please contact Purchasing at X5984 to schedule a date.

Purchasing can be contacted at:

Phone: 405-744-5984

Fax: 405-744-5187

Email: purchase@okstate.edu Website: www.purchasing.okstate.edu

RISK & PROPERTY MANAGEMENT

Frequently Asked Questions:

- **Will the state liability insurance cover me while using my personal vehicle for OSU Business?**

If you are on "Official OSU Business & within the Scope of that Business" the state Tort Claims Act would cover damage to a third party as a result of your negligence. The State would not cover damage to your vehicle. See State Attorney General's Opinion No. 88-13 for 74 O.S. Supp. 1987, Paragraph 500.4(B). See also Oklahoma Governmental Tort Claims Act, 51 O.S. Supp. 1987, 151 et seq.

- **What does “Scope of Employment” mean?**

The definition of “Scope of Employment” in the Governmental Tort Claims Act is as follows: “Scope of employment: means performance by an employee acting in good faith within the duties of his office or employment or of tasks lawfully assigned by a competent authority including the operation or use of an agency vehicle or equipment with actual or implied consent of the supervisor of the employee, but shall not include corruption or fraud.”

Answers to other frequently asked Risk Management Questions can be found at, <http://vpaf.okstate.edu/RPM/FAQ.htm>.

TRANSPORTATION SERVICES

Alternative Fuels

A growing number of public and private fleets are moving to biodiesel as an alternative fuel solution. Transportation Services is looking into opportunities for providing biodiesel on campus as a move toward supplying a variety of renewable and alternative fuels. Any diesel-powered vehicle can run on B5 biodiesel, which is derived from waste or plant oils mixed with petroleum diesel. With the growing concern about the cost of fuel and dependency on foreign sources biodiesel provides a readily available renewable fuel. Biodiesel also addresses the increasing concern about the impact fuel emissions have on the environment by offering lower emissions compared to petroleum diesel. We will continue to update all departments operating vehicles about the availability of biodiesel and other plans to utilize alternative fuels in the university fleet. For more information on biodiesel visit The National Biodiesel Board website @ <http://www.biodiesel.org/> or contact Transportation Services at 744-7945.

ENVIRONMENTAL HEALTH & SAFETY

OSHA Makes Changes to Personal Protective Equipment Rules

On November 14, 2007, the Occupational Safety and Health Administration (OSHA) announced changes to the rules on employer-paid personal protective equipment (PPE). While these changes do not require the employer to pay for all PPE, they may make it necessary

for managers and supervisors to change their existing departmental policies regarding furnishing of PPE to employees.

Under the newly published rules, employers are not *required* to pay for safety-toed footwear, ordinary prescription safety glasses or weather-related gear. *Most* other types of PPE that are identified as being necessary for protection of employees from workplace hazards are required to be furnished at no cost to the employee. Questions regarding whether or not a type of PPE is required to be furnished at no cost to the employee should be directed to the OSU EHS Department.

Please remember that workplace surveys should be conducted to identify where hazards that necessitate wearing of PPE exist and that all employees should wear PPE while working in those places. Failure to do so could result in serious injuries or worse.

UNIVERSITY ACCOUNTING

Taxability of Gift Cards, Certificates, and Coupons

The Office of State Finance has provided clarification regarding the taxability of gift cards, certificates, and coupons as follows:

“Gift cards, certificates, and coupons given to employees are to be included in the employee’s taxable income. They are considered by the Internal Revenue Service to be cash or a cash equivalent and do not meet the requirements to be excludable as a de minimis fringe benefit. Even when an employer provides gift cards, certificates, or coupons to purchase a turkey, ham, or other nominal value property, these are considered wages and are subject to income and employment taxes (even when the card restricts the items purchased, the time to use the coupon, and any unused portion is forfeited) because cash equivalents do not meet the de minimis fringe benefit requirements. However, giving such gifts to employees is restricted and should only be given as part of a formal employee recognition program pursuant to Oklahoma Statutes, Title 74, Sections 4121 and 4122.”

When processing payments for employee incentive awards, please refer to OSU Policy and Procedure 3-0256 (Employee Incentive Awards).

GRANTS & CONTRACTS

Qui Tam: False Claims

In John Grisham's book, *The Partner*, a former government contractor of unscrupulous reputation orchestrated a False Claim case against his former employer. Of course, the book turned into a misadventure for all involved, including the law firm handling the contractor's case. However, the book discussed Qui Tam, or False Claims Act for those of us not familiar with Latin. Qui Tam, *Qui tam pro domino rege quam pro se ipso in hac parte sequitur*, is interpreted as "he who sues for himself as well as the king in this matter."

During the Civil War contractors were continuously providing goods and services that were less than adequate. Qui Tam laws were enacted in order to stem the practice. It was, and is, a clever process of allowing a person who discovers fraudulent practices in government contracting to share in the recovery of any monies recovered from the fraudulent scheme. The person bringing the case to government's attention can receive between 10% and 25% of the funds recovered. Since 1986, the government has recovered more than \$20 billion because private citizens brought fraud to the attention of federal agencies.

In Qui Tam cases, the whistleblower must have specific knowledge of the fraud. Thus most whistleblowers are employees or former employees. While most may believe Qui Tam cases are primarily in the major defense contractor or in Medicare and Medicaid programs, colleges and universities have been caught as well.

Ref: Levin, E.M. (2008). Federal Grants Management (February 2008) Issue 08-02.

US Department of Education Included Two New Programs to Audit Guide

The US Department of Education will include two new aid programs in their agency's audit guide. The Academic Competitiveness Grant and the National Science and Mathematics Access to Retain Talent Grant programs will be the subject of the revised guidelines.

If the institution is a Pell Grant participant but does not participate in the new program(s), auditors will be asked to determine if the institution has students who would otherwise be eligible for the programs and then report the item as a finding.

Ref: Single Audit Act Information Service (October 2007) Issue 274

OSU Fringe Benefits FY 2009

The proposed 2009 fringe benefits rates for Oklahoma State University:

PROPOSED FY 2009 RATE SCHEDULES						
Segment	Faculty	Non-Retirement Faculty	Staff	Temp	Graduate Student	Student
Job Codes	A,C	B	E,G,I,J,P,Q	D,N,V	O*	O*,U*,W
General University	30.34%	12.03%	38.51%	10.59%	7.92%	1.67%
Ag Exp. & Coop Ext	35.03%	21.28%	41.39%	11.23%	6.67%	2.52%
Veterinary Medicine	30.22%	22.50%	39.55%	10.30%	4.69%	2.43%
Okmulgee	37.20%	-	39.73%	10.34%	-	0.52%
Oklahoma City	35.99%	-	38.89%	10.55%	-	1.03%
Center for Health Sciences	19.95%	-	33.55%	10.49%	1.83%	0.25%
Tulsa	-	-	33.73%	12.44%	-	3.55%

*Employee type as determined by the job class master (screen 61 - Employee Report Category) determines the employee category.