

# The Ledger

## *A Newsletter of the University Controller's Organization*

Website: <http://www.co.vt.edu>

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### **Change in Equipment Dollar Amounts**

The university has just recently completed the negotiation of the new federal Facilities and Administrative Costs (or Indirect Cost) rates. As part of this process and to help decrease the administrative burden of accounting for equipment, we negotiated a change to the equipment dollar amount. **Effective immediately, the definition of equipment is as follows: "non-expendable tangible personal property having a useful life of more than one year, and an acquisition cost of \$2,000 or more per unit."**

All equipment or tangible personal property costing less than \$2,000 should be charged to the "Supplies" account code category- **specifically to account code 13123 called "Equipment Costing less than \$2,000"**. Items charged to this account code will be included in the expenditures earning overhead each month.

Remember, for large orders, only individual items meeting the dollar limit should be charged to the equipment account codes. For example, if one requisition was created to purchase 10 personal computers costing \$1,500 and 10 personal computers costing \$2,500 and all items were charged to fund 412345, then these items should be charged as follows:

412345 – 13123 (Equipment Costing less than \$2,000)                      \$15,000

AND

412345 – 22120 (ADP Processor Equip.)  
(Greater than or equal to \$2,000)    \$25,000

Account code 22222 "Educational Equip. – Less than \$2,000" in the Equipment account code range was terminated effective December 31, 1999. Should the Office of Sponsored Programs personnel need to make retroactive journal entries, they should use Account code 22220 "Educational Equipment", which will not be terminated until the next fiscal year.

This change relates to all federal funds and almost all non-federal funds. **The only remaining exception to the above rule is for equipment purchased with Equipment Trust Funds (ETF).** Because the State Council of Higher Education requires a complete accounting of each year's Equipment Trust allotment and because the equipment is collateral for bonds issued to pay for this equipment, we must still track these items regardless of the cost. Therefore all Equipment Trust Fund equipment must be charged to one of the equipment account codes. For example, if we had the requisition described above, but it was charged to ETF fund 111234 then the entire \$40,000 should be charged to 111234 – 22120.

### **January 2000 Checks Printed in 1999**

You Banner users are very observant! Some department personnel have called to ask about the checks Banner is showing with check dates of the first week of January 2000. Checks for invoices with due dates up through January 10, 2000 were written in advance.

The Controller's Office printed some checks early to provide a little time for correcting problems should there be any Y2K glitches with the Banner Finance System. The checks were printed on December 29, 1999 but were

not mailed. They were mailed on the date that they would have normally been mailed to the vendors. The checks were on the due date as normal. The only difference is that Banner reflected the checks sooner than you would normally expect to see them. We continued to run the check writing software the first week of January to pay invoices that were entered since December 29. We are happy to say that there were no Y2K problems with our accounts payable processes.

If you have questions, please contact Jeanie Quesenberry, Supervisor of Accounts Payable at 1-2544.

### **Printing Charges**

Effective July 1, 1999, network printing services provided by the Printing Services Department became chargeable to departmental funds. Departments utilizing these services were provided an initial budget to cover these costs.

As a reminder, network printing services include two types of printers.

1. Central printing charges are for high volume output printed on the Xerox DocuPrint operated by the Printing Services Department. Output directed to this printer is provided on a cost recovery basis and requires each user to have a valid Banner fund code established prior to submitting print requests. Printing charges are based on total anticipated volume and cost for materials that are applied on a per page basis.
2. Satellite printing charges are for printers located in departments on a lease basis by the Printing Services Department.

Printing charges will be posted to Banner Finance funds each month in summary form. The posted amount will include network printing charges described above along with any Interdepartmental Printing Requests (IPRs) that the Printing Services Department has completed during the previous month. The Printing Services Department will send

charges to Banner Finance and will send departments a monthly printing account summary statement around the 10<sup>th</sup> of each month. The statement will provide details for services rendered the previous month and will match the summary posting to Banner Finance. The statement will provide the number of pages printed for the month, the name of the printer that was used, and the total charges. In addition, the statement will include an itemization of any IPRs. A paid copy of the IPR will no longer be returned to the department in January because the detail report provides complete charging information.

Conversion –

The first monthly printing account summary sent out in January 2000 will include only IPR charges for services provided in December 1999.

The second monthly report sent out in February 2000 will include:

- 1) network printing charges for the period July 1, 1999 through January 31, 2000, and
- 2) the IPR charges for services provided in January 2000.

All subsequent reports will include both types of charges for the previous month.

If you have questions about this new process or the charges placed on your funds, please call Susan Fisher at 1-3061.

### **University Bookstore Purchases**

Department Heads authorize the purchase of supplies from the University Bookstore by signing a University Bookstore Ticket for another faculty or staff member to take to the bookstore. University procedure requires the person who receives the goods to acknowledge receipt by signing the bookstore ticket at the time the goods are picked up.

Occasionally, the purchases cannot be made using only one ticket because some of the items on the ticket are located on a separate floor. When the University Bookstore has to use two or more charge tickets, they reference

the original ticket on all subsequent tickets. In order to use public funds for the purchases, each ticket must be signed by the person receiving the goods. An original "received by" signature must appear on each University Bookstore ticket. This internal control is needed to document who actually took possession of the goods for the department. If the receiving signature is missing on any of the bookstore tickets, the University Controller's Office will return that ticket unpaid to the University Bookstore.

If you have questions about this procedure, please contact Debbie Carden (1-8612) in the University Controller's Office.

### **Moving and Relocation funded by the Virginia Tech Foundation**

Most faculty moving and relocation expenses are paid from University funds; however, department heads sometimes authorize the Virginia Tech Foundation (VTF) to pay all or a portion of those expenses. With reimbursements and third-party payments coming from two different sources, some taxable and some not taxable, it gets very confusing for the new faculty member to keep up with the reimbursements. The Common paymaster rule requires the VTF to report all payments made to or on behalf of a faculty member to the University so that the proper tax treatment can be applied to the transaction.

We have decided to streamline the process to help the new employee and to help the administrators track the full amount of the payments. Effective, January 1, 2000, the university will make all of the payments to and on behalf of the new employee. The VTF will reimburse the university when departments request a share of the expenses to be paid by their VTF funds. The procedures for the departments to use are:

1. Complete a University Travel Voucher form for reimbursements. Complete an Accounting Voucher (Combo) form for third-party payments to common carrier companies.

2. Attach a copy of the Moving And Relocation Tenure Agreement form.
3. Attach a copy of the Employee Moving and Relocation Expense Summary.
4. Attach all required receipts.
5. Enter the fund numbers (including the VTF funds) to be charged at the bottom of the voucher in the accounting grid.
6. Obtain payment approval signatures from each department head and/or authorized user for each fund being charged.
7. Send the voucher and attachments to the Controller's Office.

The Controller's Office will review the voucher, obtain VTF approval for any charges that are to be funded by the VTF, and will make the payment to the new employee or to the moving company. Taxable reimbursements must be made through the payroll system so that appropriate taxes may be withheld. Non-taxable reimbursements are paid directly to the employee through the accounts payable system. If you have questions about this new procedure, please contact Valerie Jones at 1-8617 or Roger Thomas at 1-8551.

### **Centralized Student Services**

Centralized Student Services for Spring 2000, coordinated by the Bursar's Office, will be at Squires Saturday, January 15 and Sunday, January 16, from 1:00 - 5:00 and Monday, January 17, from 8:00 - 5:00.

See our website for CSS information  
<http://www.bursar.vt.edu/css.asp>  
Dates, times and maps available on-line.

### **W-2's**

The Payroll staff is in the process of preparing the W-2 Forms for all employees and we expect these forms to be in the mail within a few days. All salaried employees will receive a memo with an example of how taxable income is calculated.

If a W-2 is destroyed or lost, it will be necessary for the employee to give our office a written request for a replacement W-2. The

request must include their name, address, social security number, year requested, the reason for the request, and their signature. **In order to allow the U.S. Postal Service adequate time to deliver the initial mailing of W-2's, please do not request a replacement W-2 until after February 15.**

### **Upholstery Services Contract**

A contract with Blue Ridge Upholstery has been established to provide upholstery services. It includes: furniture repair, refinishing and reupholstering. These services are for all styles, types and manufacturers of furniture, which may include, but are not limited to, sofas, secretarial chairs, conference room chairs and lounge furniture.

The upholstery contract, which is in effect through November 30, 2000, is available to all university departments.

For more information, look at our Virginia Tech contracts page (<http://www.purch.vt.edu>).

### **New Contract for Lab Supplies**

The laboratory apparatus and supply contract with Fisher Scientific has been established through a cooperative effort by UVA, Virginia Tech and VCU. This contract is intended for the use of all university departments and is in effect through December 14, 2002. Several unique features of this contract are: on-line ordering, a hot list of 125 items deeply discounted, a discount from list pricing structure, and acceptance of the American Express Purchasing Credit Card. To be set up for on-line ordering with an account number, please contact our Fisher Scientific representative, Martin Hamilton at 800-955-1333, ext. 3915. For more information on the contract, please see our web page [www.purch.vt.edu](http://www.purch.vt.edu) or call Heather Hall, 1-7852 or email [hehall@vt.edu](mailto:hehall@vt.edu).

### **Introduction To Banner 4.0**

You have been hearing about it and now it is finally here, Banner 4.0! The month of February has been set aside as the time for all employees to be introduced to Banner 4.0 and its new look. In addition to the new look of Banner 4.0, there have been enhancements in some areas and these will be introduced. Banner 4.0 will go '**LIVE**' on February 28, 2000.

Please plan now to attend one of the introduction sessions. The sessions will be held in the Donaldson Brown Center auditorium. During each session there will be a demonstration of Banner 4.0, someone to answer your questions and a handout to assist the user when they return to their office.

The dates are:

February 2	9:30 - 11:30 AM
February 7	2:00 - 4:00 PM
February 9	9:30 - 11:30 AM
February 14	2:00 - 4:00 PM
February 16	9:30 - 11:30 AM
February 21	2:00 - 4:00 PM
February 23	9:30 - 11:30 AM
February 28	2:00 - 4:00 PM

Sign-up is not required. If you need additional information, please contact Ken Williams at 1-6506 or e-mail [kenw@vt.edu](mailto:kenw@vt.edu). We look forward to seeing you there.