

The Ledger

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Travel Authorization (TA) Form for Airline Tickets Eliminated

Please share this new procedure with any faculty, coaches, administrators, or others within the department who may have made their own airline travel arrangements previously so they will be aware of the following changes.

On September 30, 2005, the state Division of Purchases and Supply is canceling the contract for the Air Travel Card (ATC). The ATC has been used to facilitate the charging of departmental airline expenses for tickets purchased through the contract travel agencies. When this contract expires, Virginia Tech departments will not have the TA process available for purchasing airline tickets. Departments must find some other means of paying for airline tickets for departmental travelers. The options for payment are:

- 1) American Express Corporate Purchasing Card (P-Card) (Preferred Method)
- 2) American Express Corporate Travel Card
- 3) Traveler's own personal credit cards.

While options 2 and 3 are available, they require the traveler to purchase the airline tickets and to wait until **AFTER** the trip occurs to ask for reimbursement. Therefore, we are not encouraging these options; they should only be used as a last resort. Instead we strongly recommend option 1 to be the primary means of purchasing air travel services when the TA/ATC travel process is eliminated. Option 1 is preferred because it does not require a reimbursement and because it ensures that airline travel is approved before the costs are incurred. Departments are encouraged to begin purchasing airline tickets using their departmental P-Card as soon as possible. All departments should be using their P-Card by August 1, 2005. The P-Card may be used for purchasing airline tickets from the university contract travel agencies, from airlines directly, or from Internet sites.

From a fiscal standpoint, there are some advantages to the new process. In the current environment, faculty and staff sometimes commit to the purchase of airline tickets without having their TA form completed. The travel agencies, departmental business offices, and the Controller's Office frequently spend significant amounts of time trying to determine who actually purchased the airline ticket. In the new procedure, the travel agencies will require the cardholder to provide the credit card number within a few hours of holding the ticket. **Remember that cardholders CANNOT share their P-Card number with faculty and other staff members.**

Procedure for Purchase of Airline Tickets using AMEX P-Card

- 1) Airline travel expenses must be in accordance with the university Air Transportation procedure
<http://www.controller.vt.edu/procedures/p20335e.html>
found on the Controller's Office web site.
- 2) Traveler requests department head's approval to travel using normal travel approval procedures. The traveler's department reviews the travel itinerary to determine if there are any legs of the trip that may be personal in nature. If there is a personal piece to the trip, the department is required to keep documentation showing the total expense of the trip and the expense of the trip if there had been no personal travel involved. The traveler is required to reimburse the departmental fund for any amount exceeding the cost of the business travel expenses.
- 3) Traveler or the departmental representative contacts the travel agency, airline, or the Internet to make travel arrangements.
- 4) When the final flights are agreed upon, the cardholder provides the card number to purchase the airline ticket. If the individual making the arrangements is not the cardholder, the travel agency or other vendor places a "hold" on the flight itinerary when the final flights are agreed upon. Please note that a "hold" on the reservation does not guarantee the price--only issuing the actual ticket guarantees the price. The individual making the arrangements notifies the department AMEX P-Cardholder that they have reserved a flight. The cardholder calls the travel agency and provides the AMEX card number to charge. Tickets must be purchased within 24 hours of booking.
- 5) If a charge exceeds the cardholder's P-Card limit, the cardholder must e-mail the card administrator (currently Debra Reed, dbales@vt.edu) in the Purchasing Department to ask that the limit be raised. All airline charges exceeding \$5,000 must be approved by the Controller's Office before requesting Debra to raise the limits on the card.
- 6) The department must secure a paper copy, facsimile, or e-mail notice of the itinerary from the travel agency, the airline, or the Internet to file in their AMEX records.
- 7) The cardholder keeps the traveler's travel approval form and the trip itinerary in their AMEX Purchase records. (Note the traveler must still attach a copy of the travel approval form to the travel voucher when the total cost of the trip exceeds \$500 or lodging exceeds the allowable guideline rate.)
- 8) At the end of the AMEX billing period, the cardholder receives the AMEX bill and codes each trip to the appropriate Banner fund and account using normal AMEX reconciliation processing.
- 9) The Department Head or designee reviews the American Express Payment Certification Form and approves it. It is this signature that certifies to the Controller's Office that all travel on the attached AMEX monthly statement is for university business and that all personal and Virginia Tech Foundation expenses have been reimbursed to the departmental funds. No other travel approval forms have to be attached to the monthly certification form except as follows.
- 10) If the Department Head or the designee approving the monthly certification form has travel expenses in the monthly statement, the cardholder must attach

a copy of the Department Head's travel approval form (approved by the Dean or Vice President) to meet the university's requirement that anyone receiving anything of value using public funds must have that approved by the "next higher level of supervision." Additionally, if the Department Head's designee approves the certification form AND has travel expenses in the monthly statement, the cardholder must attach a copy of the travel approval form (signed by the Department Head) to the certification.

Moving and Relocation Limits Raised

Effective July 1, 2005, the \$7,500 limit for moving and relocation expenses for new employees is being raised. The new limit will be \$11,000 **plus** the cost of a common carrier and storage of household goods for up to 30 days.

The \$11,000 limit includes all gross reimbursements, i.e., actual reimbursements paid to the employee, costs incurred when an employee chooses to move himself/herself, all payroll taxes relating to the reimbursements, and the employer's share of FICA taxes. The \$11,000 limit does **not** include the cost of the common carrier and temporary storage of furniture for 30 days. A maximum limit is not placed on costs related to the use of a common carrier for transportation and storage. However, these expenses must be reasonable and necessary in order to be approved for payment by the University Controller's Office. If a university contracted common carrier is not selected for the move, quotes from three common carriers must be included with any request for payment of common carrier expenses.

Prior to July 1, 2005, the Executive Vice President and Chief Operating Officer has approved all exceptions to the \$7,500 limit. Effective July 1, 2005, depending on each department's internal policy, the Department Head, Dean, or Vice President is responsible for approving moving and relocation agreements up to the maximum limits mentioned earlier. If a department has access to Virginia Tech Foundation funds and desires to exceed the limits stated above, they may request an exception to these dollar limits from the Executive Vice President and Chief Operating Officer. Note that all payments made with VTF funds are subject to payroll taxes and are paid through the Payroll Section of the University Controller's Office.

If you have questions about these new limits or the correct approval authority, please contact Roger Thomas at thomasr@vt.edu or 231-8551 or Valerie Jones at jonesvl@vt.edu or 231-8617.

"Virginia Tech ID" Numbers Must be used on Reimbursement Vouchers

The Banner Finance system has been modified so that employees no longer use their Social Security Numbers (SSN) on travel and other reimbursement vouchers. Employees must begin entering their "Virginia Tech ID Number" (VT ID) on travel vouchers and DOPP reimbursement forms. There are many security reasons for this change including 1) paper forms should not be found on people's desk with a person's name, address, and social security number in full view, 2) copies of this

information should not be mailed through campus mail, and 3) department copies of vouchers currently have to be shredded when being destroyed because of the SSN listed on the form.

The Controller's Office continues to receive reimbursement vouchers with either SSN or no numbers listed on the forms. Now that the Controller's staff cannot look up an individual's VT ID number by using the social security number, it is very important that the travelers provide their VT ID on the travel voucher. Without the individual's name and VT ID number printed on the form, it is sometimes difficult for the person who is entering the payment into the Banner Finance system to be certain they are paying the correct person. When there are multiple people in Banner with the same name, it is difficult to locate the correct person when the SSN is not available and the traveler has not provided their VT ID number.

Additionally, to help us safeguard against paying the wrong person, please use the legal name on travel and reimbursement vouchers. In the past, it was fairly easy to be assured we were paying the correct person when we could match the SSN to the voucher, even when the name was slightly off, i.e., Bill Jones rather than William T. Jones. Please help avoid improper payments by asking your faculty to enter their full name and Virginia Tech ID number on all reimbursement vouchers.

The Controller's Office will not return vouchers that do not bear the VT ID number on them at this time unless we cannot identify the payee. In February 2006, all Virginia Tech employees will be required to have VT ID numbers and we will begin returning vouchers to the travelers when their private social security number is printed on the forms. We must make every effort possible to safeguard against identity theft. For employees who have not yet gotten a VT ID number, the SSN must still be included in the Virginia Tech ID field on the forms to help safeguard against paying the wrong individual. If you have questions, please do not hesitate to contact us.

Daily Payment of Employee Reimbursements

Effective June 21, 2005, the Controller's Office began paying employee reimbursements (including travel reimbursements) on a daily basis. We are pleased to enable this change because it will allow University employees to receive reimbursements faster than in the past. Previously, reimbursement checks were written and direct deposit files were sent to the bank only twice per week. This schedule had been chosen when most reimbursement payments were by paper check to employees. By issuing checks only twice a week, there were lower mailing costs, fewer checks produced, and only two days of higher check-processing volume in the Bursar's Office, thereby reducing the overall time and cost of processing checks. Frequent travelers sometimes had their reimbursement trips consolidated onto fewer checks thus reducing their chances for lost checks and number of trips to the bank to deposit the funds.

With nearly all of the reimbursements being sent by direct deposit to employee bank accounts, the Controller's Office and the Bursar's Office worked with the university's bank to modify internal procedures that would permit us to send the payments daily.

While this does create a small amount of additional administrative time for the processing of the e-mail notices to the recipients, we believe the benefits of faster deposits to travelers' bank accounts easily justifies the extra administrative task.

New Foreign National Training Schedule

We are updating and changing the training that we provide departments that employ or pay foreign nationals. As a result, we will now have three (3) training sessions monthly beginning in July. The training sessions are as follows:

- 1) Completing Form I-9 for Employment Eligibility Verification at Virginia Tech
-- the third Tuesday of the month, 10:00 am to 11:30 am
- 2) Employing Foreign Nationals at Virginia Tech
-- the third Wednesday of the month, 10:00 am to 12 noon
- 3) Foreign National Non-Employee Payments (Guest Speakers, Honoraria, Invoices, Prizes/Awards, Accounts Payable)
-- the third Thursday of the month, 10:00 am to 11:30 am

Training will be held in Room 155 Southgate Center. For class descriptions, visit <http://www.training.vt.edu/index.php?list=dept&details=3&summary=on>
Contact Sandra Jones at sajones3@vt.edu to register.

Remember, the Payroll trainers are always available to answer your individual questions or to offer assistance. Contact Jackie Hester at 231-5201, hesterj@vt.edu or Janet Kunz at 231-3754, jakunz@vt.edu .