

# **The Ledger**

*A Newsletter of the University Controller's Organization*

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## **Importance of Internal Controls at the Department Level**

Why are internal controls important to me in my department? The answer to this question is that a good system of internal controls helps protect me in my daily job responsibilities as well as providing good stewardship of public funds. An example is segregation of duties. If the appropriate checks and balances are in place where one employee is not performing all the functions related to a financial transaction, errors and fraudulent transactions can be found and corrected as they happen or prevented before they happen. Such procedures, when properly implemented, also help to protect you from being falsely accused of theft or fraud. Important segregation of duties are listed below:

1. A supervisor should review the monthly p-card transactions and approve the fiscal employee's p-card reconciliation.
2. An employee other than the one who entered the wage time hours should review the payroll verification report to ensure that hours entered agree with employee time cards.
3. An employee other than the one handling cash receipts or the one making the deposit should reconcile the deposits to the monthly Banner transaction report.

## **Announcement of Accounts Payable Automation Project**

The Accounts Payable area of the Controller's Office has implemented an automated matching process effective September 9<sup>th</sup>. HokieMart receipts are electronically interfaced to Banner on a daily basis (this includes received and returned items only). Cancelled items on a HokieMart receipt are reported to the Purchasing Department so that the Banner PO can be cancelled or changed. Purchase orders, invoices, and receipts are electronically matched in Banner to expedite the payment process. The "matching" process will work only if the net quantity received in the HokieMart by departments is accurate (if the quantity received "matches" the quantity on the invoice). It is very important that correct quantities received and returned are entered timely so that invoices are paid correctly.

Please discontinue using a "cost receipt" in the HokieMart when a "quantity receipt" can be used. Cost receipts do not interface to Banner and the matching process must be handled manually by Accounts Payable when "cost receipts" are entered in the HokieMart.

Use the "cancelled receipt" function in the HokieMart instead of sending emails to [hokiemarket@vt.edu](mailto:hokiemarket@vt.edu) to have Banner purchase orders changed or cancelled. The cancelled receipts from the HokieMart are automatically reported to the Purchasing Department on a daily basis.

## **Mail Services Changes**

Mail services charges are posted to Banner in three categories: postage (lump sum), UPS (by transaction), and advance post (by transaction).

In the near future, departments will be able to access a report through the mail services website that will give more detailed information. The website for the detailed report will be provided at a future date when it is available. In the meantime, departments needing a detailed listing of charges can call Mail Services at 231-9907 for assistance.

## **Enhancements to the Encumbrance Aging Report**

Two enhancements have been made to the Encumbrance Aging Report. The finance web report now lists the vendor name and the 0-60 day aging category has been split. Aging categories of 0-30 and 31-60 are now displayed.

In addition to the changes listed above, an effort has been made to improve the performance of the report. The report should now run in 5 to 10 minutes or less.

If you have questions concerning the new report, please contact Stacy King at 231-8624 or [kings@vt.edu](mailto:kings@vt.edu).

## **Travel Voucher Submission**

In accordance with Procedure 20335v, all travel vouchers should be submitted to the departmental fiscal office within 30 working days after the completion of the trip, where overnight travel is involved, or in case of continuous travel, within thirty 30 working days of the last day of travel for which reimbursement is requested. The vouchers should be approved by the traveler's supervisor and submitted to the departmental fiscal office within three (3) working days of receipt from the employee. The fiscal office should submit the voucher to the Controller's Office within five (5) working days. The five (5) days includes processing and mailing. If travel reimbursements are not claimed within the prescribed schedule, the Controller's Office may require an explanation for the delay. The expenses will be paid by direct deposit usually within 10 days after being submitted to the Controller's Office.

**It is important to note that reimbursement requests that are not supported with a reasonable justification for late submission may be reported as taxable income on the employee's W-2, as per IRS regulation.**

Please refer to Procedure 20335v located at <http://www.co.vt.edu/Procedures/p20335v.html> for more information. If you have questions, please contact Jason Sayre, Travel Supervisor at 231-8551 or [jasayre@vt.edu](mailto:jasayre@vt.edu).

## **Lodging Rates at the Inn at Virginia Tech**

The Inn at Virginia Tech will offer University departments a special "VT rate" of \$92 when the state rate of \$77 is no longer available and the hotel is not in a sell out situation. Departments should ask for the "VT rate" when the state rate is not available. When the

hotel is sold out or almost sold out, the discounted rates are not available. There are two main reasons for the hotel to be sold out:

- A big conference or event has booked most of the hotel. This may or may not also impact rates at other Blacksburg hotels.
- The whole town is booked for a special event like Tech football games or graduation. Rates at all area hotels are impacted.

Departments should call 231-8000 first to make reservations; however, if departments run into difficulties or require additional information, they may call the Front Office Manager at 231-0777 or the Director of Sales at 231-0111, if the question relates to a group.

### **New Requirement for Reporting State Vehicle Fuel & Maintenance Data**

This is a reminder of guidance provided by the Associate Vice President for Facilities of the state's new requirement beginning July 1, 2008 to keep detailed information on all state vehicles. This requirement applies only to those state vehicles that are purchased by individual units within Virginia Tech (and not to state vehicles leased from Fleet Services). At the end of the fiscal year each department will need to provide their data to Fleet Services which will in turn provide the consolidated data to the Department of General Services (DGS) in Richmond. To better assist departments with this new requirement, Fleet Services is developing an online website where data on fuel, maintenance, and mileage can be entered for each vehicle. A preliminary site has been developed at [www.fs.vt.edu/vehicle](http://www.fs.vt.edu/vehicle). They hope to have the online site fully operational by September 30, 2008. Departments can enter fuel, maintenance and mileage at any time and as often as they like.

Departments that have questions about this new requirement or how to establish a vehicle maintenance program should contact Fleet Services at (540) 231-9927 or email: [fs@vt.edu](mailto:fs@vt.edu). Additional information about the management of state vehicles can be found at VT Policy 5500: <http://www.policies.vt.edu/5500.pdf> or at the website for the Office of Fleet Management Services; DGS: <http://fleet.dgs.virginia.gov>.

### **New Version of the Form I-9**

Please note that a different version of the Form I-9 has been published by the United States Citizenship and Immigration Services (USCIS). Please begin using the version of the I-9 available in the following link immediately - <http://www.co.vt.edu/Forms/i9.pdf>.

### **Payroll Pointers**

#### **Reminders Related to Entering Positions Into Banner and Completing Timekeeping Records for Wage Employees:**

**General** - Important information for ensuring that employees are paid on time and correctly

- Wage pay periods are as follows: 1<sup>st</sup> – 15<sup>th</sup> and 16<sup>th</sup> – end of month
- Pay periods and pay dates and associated deadlines are outlined in the schedules available on the Payroll website

[http://www.co.vt.edu/accounting\\_operations/Payroll/2008\\_Salary\\_Payroll\\_Schedule.pdf](http://www.co.vt.edu/accounting_operations/Payroll/2008_Salary_Payroll_Schedule.pdf)  
[http://www.co.vt.edu/accounting\\_operations/Payroll/2008\\_Wage\\_Schedule.pdf](http://www.co.vt.edu/accounting_operations/Payroll/2008_Wage_Schedule.pdf)

- Overtime is based on the workweek - which begins on Saturday at 12:00 AM and ends Friday at 11:59 PM
- Non-resident students are limited to working 20 hours in a work week by immigration. This limit includes hours worked in all positions.

**Position Set-up/Employee Timesheet/Timecard:**

- The job effective date in Banner must be the **1<sup>st</sup> day worked**. Be careful if you are entering the position in Banner after the begin date; the date will default to the day of set-up and if hours are worked prior to that date, they cannot be entered in the appropriate workweek on the timecard.
- Timesheets should properly reflect the hours worked by the employee and be completed on the day the hours are worked
- Any changes (or corrections) should be initialed by the employee and the supervisor
- Never complete a timesheet in advance – you cannot anticipate hours to be worked
- Supervisors should ensure that timesheets are submitted timely in an effort to avoid retro payments.
- If hours are paid retroactively, a copy of the timesheet documenting the retroactive hours must be faxed to Payroll (1-7221) for review.

If you have questions related to any Payroll issues, call 231-5201 and ask to speak to a Payroll Accountant.