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News from the Controller

August 2007

RISK MANAGEMENT

OSU Property Insurance

OSU Risk Management purchases insurance coverage for property on all campuses valued at over one billion dollars. To reduce the annual premium, a \$500,000 deductible or loss retention is selected. When an incident causing property damage occurs, all departments experiencing a loss in that incident share the financial burden of the first \$50,000. The remaining \$450,000 is funded by OSU Risk Management. Losses above \$500,000 are covered by various layers of additional insurance coverage.

Some departmental budgets would be severely strained if required to cover the first \$50,000 of a major loss. Optional property insurance is offered by OSU Risk Management which may be purchased at a nominal rate to reduce a department's deductible to \$1,000. Typically, this insurance policy is used to cover critical pieces of equipment which are either very costly or are critical to departmental research. However, many departments insure whole computer labs or expensive items such as farm tractors leased or on loan from a vendor.

If your department is interested in this additional coverage, you may contact OSU Risk Management at 405-744-8555.

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PAYROLL

Hiring Grad Students

When processing EA forms for graduate students, departments should remember to include the Health Insurance and Non-Resident Waiver Eligibility Certification Form. This form is required when appointing, reappointing, or changing the FTE of grad students in one of the following class codes. The form is not required for a rate change on a current graduate student employee.

Graduate Teaching Assistant	(1750)
Graduate Teaching Associate	(3770)
Graduate Research Assistant	(1749)
Graduate Research Associate	(3769)
Graduate Assistant	(1748)
Graduate Associate	(6592)

This form is used to verify and notify students that they are eligible for graduate health insurance and a non-resident waiver.

If a graduate student will have an assignment outside the academic department of study, the EA should also be signed by the academic department. This certification can be accomplished by a statement in the remarks field, "Assignment is related to academic program" and signature of department head or advisor within the academic department.

If you have questions regarding graduate student assignments outside the academic department, please contact your HR partner at (405) 744-7401.

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

Avoiding Overpayments

There have been an abundance of overpayments recently. In order to avoid overpayments, departments must review the monthly test calculation on the first or second day of the monthly payroll test. This can be done by checking the UC1 or UC2 Screens or by checking the OSU Confirmation Payroll Preliminary Reports on e~Print. These screens and reports indicate what employees will be paid for the month. If the department notices any discrepancies, they should notify Payroll Services immediately so corrective action can be taken before the payroll is finalized.

Prompt notification is critical for any monthly separation occurring late in the month. If you become aware of a monthly separation, please notify Payroll Services if it is after the monthly EA deadline. Payroll can take steps to keep an overpayment from occurring.

Sign-Up for New Employees

A new semester usually means new employees and the preparation of EA forms and payroll sign-up packets. To expedite processing, please make sure the sign-up information is filled out completely and forms are stapled together in the following order:

1. Most current version of the EA or ENP form on top (buff color);
2. Health Insurance and Non-Resident Waiver Eligibility Certification form, if applicable;
3. Copy of the employee's social security card, numident, or abbreviated numident (a form provided by the Social Security Administration clearly indicating an individual's name and social security number and substitutes for an individual's social security card should the individual not have the actual card in their possession);
4. Employee's Withholding Allowance Certificate (W-4);
5. Loyalty Oath;
6. International Work Clearance form, if applicable;
7. I-9 Employment Eligibility form;
8. Direct Deposit form with voided check attached or PayCard option selected; and
9. Personal Information form (PIF).

PURCHASING

Important Dates

- Board Dates
Requisitions requiring Board of Regents approval (greater than \$150,000) are due in Purchasing: August 22, 2007, for the September 14, 2007, Board Meeting.

- P/card Training – September 20, 2007, 9:00 AM, 408 Student Union.
- Purchasing Policies and Procedures Seminar – October 11, 2007, 9:00 AM, 408 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: osu-trng@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

GRANTS & CONTRACTS

OSU-University Multispectral Laboratories, LLC

Sensor research and development has been the focus of Oklahoma State University for several years and has placed OSU as one of the leading authorities of sensor technologies. However, the ability to expand sensor development is limited by the inability to improve the testing and evaluation of the sensor's performance. This need to improve testing capabilities of sensors has become increasingly important as other universities and organizations have entered into the sensor technology field. While the critical need exists to test the viability of the sensor, the need to test and evaluate sensors in an unbiased setting is paramount. Thus, the idea for the "honest agent" came about and the OSU-University Multispectral Laboratories, LLC (OSU-UML) became a reality.

Oklahoma State University is the sole member of the OSU-University Multispectral Laboratories, LLC (OSU-UML). This simply means the OSU-UML is a component unit of Oklahoma State University and exists to support the University in various research, development, testing, and evaluation (RDT&E) activities. The primary focus of the facility is to serve as the "honest agent" in sensor testing. The OSU-UML will also perform multiple programs and operate laboratories capable of performing research, development, testing, evaluation, validation, and verification of sensors and other technologies for use in chemical, biological,

radiological, nuclear, and explosives (“CRBNE”); command, control, communications, computers, and intelligence for surveillance and reconnaissance (“C4ISR”); and other assorted disciplines in support of the global war on terrorism; homeland security, and other national requirements. Additional areas for sensor RDT&E will include agricultural, commercial, and medical technology. Dr. Stephen McKeever serves as executive director of the OSU-UML. Dr. David Bosserman and Mr. Charles Drake also serve on the OSU-UML’s Board of Directors.

The OSU-UML is located at the ConocoPhillips complex in Ponca City, Oklahoma and at the Richmond Hill facility in Stillwater. OSU hired Applied Marine Technology Inc. (AMTI) as the contractor responsible for the day-to-day operations of the facility. AMTI was subsequently acquired by SAIC, but the function of the contractor remains the same.

The OSU-UML officially began operations in May of 2006 and is currently outfitting the ConocoPhillips facility and Richmond Hill facility with additional laboratory space and equipment enhancing the testing capabilities. The future shows considerable promise as the OSU-UML has secured a major contract with the Navy.

Conflict of Interest

With the recent news surrounding federal student loans and the “preferred lender” scandals affecting many schools across the country, it seems imperative to remind ourselves that conflicts of interest can occur. Oklahoma State University has a conflict of interest policy (OSU policies and procedures 4-0130) that states:

“A conflict of interest exists when a Significant Financial Interest could substantially compromise an employee’s judgment in the performance of University duties. A conflict of interest depends on the situation and not on the character or actions of an individual.”

While the University’s policy may seem geared toward faculty members engaged in research, the policy is applicable to all OSU faculty and staff.

FINANCIAL INFORMATION MANAGEMENT

Archiving and Deleting Mail

To help make email management easier and more efficient, a FAQ has been created to address common issues. The first four entries in this FAQ are concerned with archiving and deleting mail. Check it out and feel free to offer suggestions or your “tips & tricks.”

<http://www.vpaf.okstate.edu/fim/OutlookFAQ.htm>

FRAUD DETERRENCE & COMPLIANCE PROGRAM

Asset Misappropriations

The term “asset misappropriations” may be defined as “any scheme that involves the theft or misuse of an organization’s assets.” Asset misappropriations are by far the most common form of occupational fraud and include cash receipt schemes, fraudulent disbursements, and theft of inventory and other non-cash assets. Findings from the 2006 ACFE Report to the Nation on Occupational Fraud and Abuse indicated the asset most often targeted was cash (currency, checks, and money orders). Of the 1,038 cases of asset misappropriation in the ACFE study, 87.7% of those involved the misappropriation of cash.

Sources: 2006 ACFE Report to the Nation on Occupational Fraud & Abuse
2006 Fraud Examiners Manual

3-0331 – Collection, Deposit and Control of Cash or Checks Received in the Name of Oklahoma State University

Policies and procedures for the collection, deposit and control of cash and checks are outlined in OSU Policy and Procedures statement 3-0331.

The following requirements are included in this policy:

- Funds received should be deposited on the same banking day as received.
- Departments must provide for adequate safekeeping and control over the funds.
- No disbursements are to be made from the funds until they have been deposited.
- All checks are to be restrictively endorsed immediately upon receipt.
- A receipt should be written for all cash received, with one copy of the receipt retained by the department.

ALL personnel receiving cash, depositing cash, and/or recording or accounting for cash transactions are required to take annual leave each year in a manner that at least five consecutive working days are taken at one time.

All departments that handle cash (currency, checks, and/or money orders) should periodically review their procedures to make certain they have adequate controls in place to safeguard the assets of the University and to ensure compliance with policy 3-0331.

Contact Brenna Dixon, CFE, Fraud & Forensic Accountant (744-2296, Office of the Associate Vice President and Controller, 207 Whitehurst) for additional information, comments, or questions about fraud deterrence and compliance issues.

TRANSPORTATION SERVICES

Vehicle Auction

Transportation Services will be conducting the annual vehicle auction Saturday, September 29, 2007 at the OSU Transportation Services complex. Departments interested in utilizing the auction for disposing of vehicles will need to contact Asset Management with the necessary information.

State Vehicle Contract

The state vehicle contract for '08 model vehicles will be available soon. Transportation Services works with departments to define the vehicle requirements based on intended use and will assist in preparing specifications for departments interested in purchasing or leasing a new vehicle. Departments interested in purchasing used vehicles can utilize the OSU vehicle surplus list or contact Transportation Services for available vehicles.

Vehicle Leasing

The Motor Pool has added John Deere Gators to the lease fleet. These low-speed vehicles are intended for on campus use only and are available for daily, weekly, and monthly rental. Other vehicles available for rental include: sedans, minivans, passenger vans/buses, pickup trucks, cargo vans, specialty trucks, and ADA compliant vans. The vehicle rental program is available for University business use only and is paid through departmental recharge. For more information on vehicle leasing and other services visit our website at <http://home.okstate.edu/homepages.nsf/toc/ts> or Transportation Services @ 744-7945.

BURSAR

Direct Deposit of Bursar Account Credit Balances

The Direct Deposit Program provides quicker access to a refund when the Bursar account has a credit balance. For participants in the Direct Deposit program, refunds will be transferred to their checking accounts within 48 hours after the credit balances become effective on their Bursar accounts. For students wishing to participate, it is important to apply now! To sign up for Direct Deposit, please contact our office for the appropriate forms or visit our website <http://bursar.okstate.edu/forms.html>. If students have previously signed up for direct deposit, the Direct Deposit Program would still be in effect for refunds.

Remember, direct deposit is the fastest and easiest way to receive a bursar refund!

Bursar Billing – No more paper cuts!

Billing statements are viewable and payable electronically. When the bursar bill is ready to be viewed, an e-mail notification is sent to the OSU “O-Key” e-mail account. Parents can receive a copy of the same e-mail notification that their student receives by having the student update the E-MAIL BILLING ADDRESS on SIS at <http://prodosu.okstate.edu>. While this e-mail will not give parents the ability to view the bill, it reminds parents to obtain a copy of the bill from their student or to encourage their student to utilize the feature described in the following paragraph.

Use your O-Key Login to the secure site <https://bursar.okstate.edu/login.asp> to view the bursar monthly billing statement. A new feature has been recently added to **allow a guest login** creation to provide a third party (parents) access to the bursar billing information.

Bursar Web Account Access

Anyone with an activated O-Key Login can access their bursar billing statement. Once an account holder logs into their account via O-Key, a guest login may be created with the “Manage Guest Login” option. Account holders can limit the guest access to any/all/none of the following:

- Billing Statement
- 1098T Information
- Phone Statement

The First bursar billing statement for Fall semester will be generated September 1, 2007.

Monthly Payment Plan

In efforts to assist our students in meeting financial obligations, Oklahoma State University offers an in-house administered payment option plan (POP) as an alternative to the traditional lump-sum payment method. This plan provides an opportunity for families and students to pay University-billed expenses in regular monthly payments either by the semester or annually. No finance charges or enrollment holds are associated with the payment option plan if payments are made as promised.

Visit our website link for the POP application: <http://bursar.okstate.edu/forms/osupop.pdf>

Also available online is the handbook describing bursar information. Check it out: <http://bursar.okstate.edu/forms/BursarCatalog.pdf>

ENVIRONMENTAL HEALTH & SAFETY

How Could This Accident Been Prevented?

Everyone who reports an accident to Broadspire that involves injury to anyone on the OSU payroll must be prepared to answer a lot of questions. What is the person's name, address, age? What day did it happen? What happened and what was the injury? Were there any witnesses?...and so on. But towards the end of all this inquiry, there is a very important question, "How could this accident have been prevented?"

This question is designed to make the caller, usually a supervisor, stop and think. It catches many people off guard. A lot of accidents seem to "just happen." But with a little thought (hindsight), we begin to see what should have been done. Sometimes the answers are simple; "She should have been going slower," or "He should have asked for help." Other cases require more thought and further action.

Is there any way this task could be done differently so it doesn't pose such a risk? Was the injured person wearing proper protective clothing or gear (shoes, goggles, gloves)? Is specialized training needed? Remember, it is the supervisor's responsibility to see that an employee is not only well trained and is doing the job safely, but that the work area and the job itself are designed properly. The supervisor has several options:

- Use accidents to provide ideas on future topics for Quarterly Safety Training.
- Call EHS (744-7241) to schedule in-depth safety training.
- Call EHS to request an ergonomic audit of a job task or work area.
- Report any unsafe conditions to EHS (call us or use Ethics Point Confidential Reporting)

Together, we can greatly reduce the number of accidents and injuries that are reported on OSU's campuses. For more safety information as well as a link to Ethics Point, go to the EHS website at www.pp.okstate.edu/ehs.

UNIVERSITY ACCOUNTING

Lodging Reimbursement Limited to Authorized Rates

In an effort to provide clarification regarding the lodging reimbursement rates, the Office of State Finance has printed the following in their most recent newsletter:

"State law does not allow for actual cost even when a hotel room for the authorized rate is not available. The Travel Act establishes the lodging rate at the federal amount of \$60.00 plus tax for most locations, with some exceptions by city/state.

The only exception to the federal rate is where state law allows for designated lodging. In order for a hotel (room rate) to be considered designated lodging it must meet at least one of the following criteria (Title 74 § 500.9).

- 1) Event held at the hotel (full "single" rate paid if no reduced rate is available)
- 2) Sponsor obtained special (lower) rate
- 3) Sponsor obtained blocking of rooms

The State Travel Reimbursement Act (74 § 500.1 et seq.) is not designed to grant total reimbursement for all official state business travel. If that was the case the law would have been written for "actual & necessary" expense reimbursement in all travel. Since the law sets restrictive rates for most travel and also allows "actual & necessary" expenses in some cases, reimbursement or direct payments are made subject to said rates."

Updated Travel Forms for Direct Purchase of Lodging

The out-of-state travel request and the travel voucher forms have been updated to include boxes that can be checked to indicate the use of a departmental purchasing card for the payment of lodging. These forms can be found on the University Accounting web site at: <http://vpaf.okstate.edu/UA/TravelPoliciesPage.htm>.

Direct Purchase of Lodging with the Purchasing Card

The payment of lodging with the OSU Purchasing Card, in compliance with State of Oklahoma Travel Policies and Oklahoma State University Policies and Procedures, will be available for cardholders after the completion of training and approval from the OSU Purchasing department. The training will encompass the policy, procedures, and completion of forms regarding the direct purchase of lodging with the purchasing card. If the election is chosen on the Commercial Card Cardholder Account Form to become an authorized direct lodging purchaser or approver, the cardholder and the approver are required to attend training. The training must be completed before using a new or existing purchasing card to purchase lodging. The training will be combined with the training for the purchase of direct commercial airfare with the purchasing card.

The procedures for direct purchase of lodging are available on the University Accounting website:

<http://vpaf.okstate.edu/UA/Forms/directlodgingproc.doc>

The travel reimbursement forms and the out-of-state travel requisition have been updated to reflect the addition of this procedure and should be downloaded to replace existing forms. The new Direct Purchase of Lodging with Purchasing Card Worksheet and the updated Airfare/Lodging Transaction Log are also available on the University Accounting website.

The following is the schedule of dates for the Direct Purchase of Commercial Airfare and Lodging with the Purchasing Card Training with enrollment through the Human Resource Training site:

Wednesday, September 5, 2007	9-10 a.m.	408 SU
Wednesday, September 19, 2007	9-10 a.m.	408 SU
Thursday, October 11, 2007	2-3 p.m.	416 SU
Tuesday, November 13, 2007	9-10 a.m.	408 SU
Wednesday, December 5, 2007	2-3 p.m.	408 SU