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# FISCALLY FIT

## News from the Controller

February 2011

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## UNIVERSITY ACCOUNTING

### Monthly Review of Pcard Transactions

When reviewing and approving Pcard transactions in the Bank of America Works system, it is critical that valid FRS account numbers be used so that the transactions will properly download to FRS. If an invalid account number has been entered, the user will be notified on the screen that the account is invalid. All account numbers should be corrected such that there are no remaining errors before the transactions are approved.

### Pcard Correction Forms

The Pcard correction form on the University Accounting website has been revised to contain a note indicating that Pcard corrections can only be made to transactions up to six months after the transaction post date in the Works system. This form can be found at the following address:

<http://vpaf.okstate.edu/UA/ProcurementCardCorrections.htm>

### Capital Projects

Prior to initiating any capital project; such as renovation, building construction, infrastructure, or non-structural improvement which shall be funded by expensing funds from a plant fund account, funding sources must be identified and a funding agreement in place. Cash must be available prior to payment of expenses.

### Food Purchases

OSU Policy 3-0201, Fiscal Procedures and Accounting Systems, was revised and approved February 2011. Changes have been made regarding food purchases on Campus Vendor Invoices. Section 8.05 explains the changes:

8.05 Invoices may be rejected for the following reasons:

A. Food sales on campus vendor invoices not meeting the following requirements/conditions:

1. Proper approval and written authorization for food purchases must be obtained from the department's dean or vice president. This written authorization, indicating compliance with OSU Policy and Procedure Letter 1-1204, Professional Development/Retreats, should be retained in the department. If the dean or vice president is sponsoring the event, then presidential approval and written authorization is required.

2. Purchase is for resale purposes in food sales areas (University Dining Services or Ranchers Club).

3. Food purchases are specifically included in a Ledger 5 grant or contract budget and approved by a sponsoring agency.

4. Food purchase is required for instructional and/or research purpose.

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

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5. Participants in a training, seminar, etc. pay a fee and the documentation specifically indicates the fee will cover the food/meal.

Food purchases were discussed in the Controller's section of the October edition of Fiscally Fit. The link for the article is: [http://controller.okstate.edu/images/FF/2010/october\\_2010.pdf](http://controller.okstate.edu/images/FF/2010/october_2010.pdf)

## RISK & PROPERTY MANAGEMENT



### Winter Weather Woes

Walking on ice and shoveling snow are two skills we seldom get the chance to practice. Yet they are frequently the cause of a lot of sprains, broken bones and heart attacks this time of year.

Shoveling snow should be approached as a major athletic activity. Don't eat or smoke before shoveling snow, and avoid caffeinated beverages. Stretch and warm up your hamstrings, calves, and upper back. Then watch your stance—keep your back straight and feet wide apart, and keep your hands at least 12 inches apart as you grasp the shovel. Drink plenty of water before, during, and after. Then do a cool down with the same stretches you did for the warm-up.

The lighter the shovel, the easier it will be to lift. If you buy a snow shovel, choose one with a plastic blade. If you use a regular shovel, use it to skim the top layers of snow and toss in front of you and slightly to one side. Never twist at the waist or knees to empty the shovel, and never toss the snow over your shoulder. Work in small sections, shoveling only what is necessary, and bend at the knees to avoid placing strain on your lower back. Stop shoveling if you experience pain of any kind. Take frequent breaks.

There are several things you can put on the blade of the shovel to keep the snow from sticking to it—silicon lubricant, WD-40, cooking spray, car wax, ski wax, and floor wax are all very good.

When walking on icy steps and sidewalks, it is easier to keep your balance if you aren't carrying anything in your hands. Walk slowly and take the time to test areas for slickness as you step. If you fall backward, make a conscious effort to tuck your chin so your head won't hit the pavement with full force. Use handrails if available and wear shoes or boots with non-skid soles. As you enter a building, try not to track in melting snow or ice because this can make the indoors as slick as the outdoors.

If winter weather is getting you down, remember Spring is just a few weeks away! Unfortunately, that means the beginning of tornado season. ***This year there are only two buildings on***

***campus that will be opened after business hours for the general public's use as areas of refuge: Ag Hall and Engineering South.*** Check the weather forecast more often during storm season and be aware of the possibilities of each day's weather. Storm sirens are difficult to hear when you're inside a large, insulated building. When the storm sirens sound, stay in the building and go to the lowest floor, in a small interior room away from glass. If the sirens sound again, it means more warning. The all-clear announcement will be made on local radio or cable-TV stations.

Go to the Environmental Health & Safety web site for more information on severe weather safety: <http://ehs.okstate.edu>

## PURCHASING

### Scams - Word of Warning

Please be cautious if you receive a call from a company asking that you try their product. A lot of these companies will mislead you into ordering products that are not needed or are very expensive. They will then harass you into paying the bill. Pricing on these orders are usually a lot more than the price that we have in place by existing contracts.

Some common scams are:

- Toner at "special offer" pricing. The pricing is more expensive than what is available through existing contracts. Usually a lot more expensive.
- A free resource like a manual or journal. Charges apply after a period of time and the resource is typically quite expensive.
- Buy this and we will send you a gift. If they have to entice you there is usually a reason. Also, University employees cannot accept gifts from vendors.

Contact the Purchasing Department if you need help with one of these companies. You can also forward telemarketing calls to the Purchasing Department for assistance or vendor assessment.

Reminders:

- Never blindly trust an outside party when they tell you they were referred by someone inside the organization. Check with the reference first.
- Always check with Purchasing to see if there is an existing contract in place for the item that is needed.
- Never obligate the University to a contract. Departments do not have the authority to obligate the University to a contract.
- Never give your credit card information to someone who contacts you over the phone.

## Important Dates

### Board Dates:

- Requisitions requiring Board of Regents approval (greater than \$150,000) were due in Purchasing: February 2, 2011, for the February 25, 2011, Board Meeting.
- Requisitions requiring Board of Regents approval (greater than \$150,000) are due in Purchasing: March 30, 2011, for the April 22, 2011, Board Meeting.

### Purchasing Seminars:

- Purchasing Policies and Procedures, February 16, 2011, 9:00 – 11:00 AM, 107 Willard
- Ethics in Purchasing, March 8, 2011, 9:00 – 11:00 AM, Location TBA

You may register for any of these sessions by calling Human Resources at X5374, on the Human Resources web site at [http://fp.okstate.edu/hrosu/training\\_enroll.htm](http://fp.okstate.edu/hrosu/training_enroll.htm), or by Email: [osu-trng@okstate.edu](mailto: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](mailto:purchase@okstate.edu)*

*Website: [www.purchasing.okstate.edu](http://www.purchasing.okstate.edu)*

## FINANCIAL INFORMATION MANAGEMENT

### Password Security

One of the most important topics for any computer user is that of password security. Here are some helpful tips to follow when dealing with computer-related passwords.

- Do not write your password down and leave it unsecured. Instead use a password vault program if you have difficulty remembering all of your passwords to different systems. Your PC support group can recommend one that will fulfill your needs and assist with its installation and configuration.
- Never share your passwords with anyone. If a co-worker or supervisor needs access to files that you use, store them on a network drive that can be accessed from their own account. If someone needs access to your e-mail, you can grant that access through Outlook, without sharing any passwords.
- Do not use personal information in your password, such as names of children, significant others, or pets.

A person who knows you well can often guess your password easily.

- Use different passwords for the different systems and websites that you use. If your password for one site was to be compromised, the person would then not be able to use it to access other services like your online banking account or your email account.
- Use complex passwords, made up of capital and lowercase letters, numbers, and symbols. Make sure that it is at least eight characters long. Avoid the use of dictionary words, as they are easily cracked.
- Do not reply to e-mail messages requesting that you verify your account name and password, even if they seem legitimate. No reputable site will request you to confirm your account information in this manner.

For further reading view this link.

<http://onemansblog.com/2007/03/26/how-id-hack-your-weak-passwords/>

## GRANTS & CONTRACTS

### March 1<sup>st</sup> is the deadline for 2012 Store Rate Submission

All major **Store Operations** should submit rate calculations for FY 2012 to the Grants and Contracts office by March 1, 2011. This will allow for review and approval of the calculation by May 1, 2011 thus allowing departments requiring Store services to incorporate the new rates into their budgets for the upcoming fiscal year.

A 2012 rate approval is required whether or not the rates change. ***Any store that does not have an approved rate by May 1 will not be allowed to use the campus vendor system for billing purposes effective July 1, 2010.*** In order to facilitate the review process, please remember to send the pertinent documentation that supports your rate calculation.

Stores policy and procedure can be referenced from the OSU Policies and Procedures web site at the following link (Policy Number 4-0140):

<https://stillwater.sharepoint.okstate.edu/Policies/Shared%20Documents/Forms/AllItems.aspx>

### Store Operations (A Primer) Excerpts from OSU Policy and Procedure 4-0140

A **Store** (also referred to as a service center) is defined as an operating unit (Motor Pool, Telecommunications, etc) providing services, a group of services, or products to users principally within the University for a fee. Often, these services cannot be provided effectively or efficiently by outside sources. A Store Operation develops a rate for the activity/service based upon actual *incurred costs* and charges users for their *actual usage*.

## Stores and A-21 Compliance

A stores operation must comply with federal cost principles. OMB Circular A-21 contains the cost principles used to determine amounts that may be recovered from federal grants and contracts. The principles of Circular A-21, with regard to rates based on cost and nondiscriminatory pricing, apply to the determination of store rates used for *all* billings at OSU.

Rates charged to *the OSU Community* must be nondiscriminatory, and all campus users must be billed for services received. "Nondiscriminatory" means that an individual store will charge *all campus users at the same rate for the same level of services or products purchased in the same circumstances*. Therefore, rates should not differentiate between users *within* the OSU community. The use of special rates, such as for high volume work and less demanding nonscientific applications, is allowed; but must be *equally* available to all users who meet the criteria.

### Billing for Store Services

Store Services must be billed at the time the service has been rendered. Since Stores operate in accordance with the University's fiscal year, the Store should treat year-end billings consistently to ensure that twelve months of revenues are associated with twelve months of expenses.

### Breakeven Concept

Store rates are generally based on budgeted projections of operating expenses and projected volume of the services or products to be provided. The goal of the store is to calculate a rate which will ensure that revenues reasonably offset expenses. "Operating at breakeven" means there is no significant profit or loss as a result of charging users for the services provided in any particular period, and no profit or loss over the long run.

### Working Capital

All stores operations need working capital to manage their cash flow. Therefore, each store may establish and maintain through its charges a working capital reserve, in addition to full recovery of its actual costs. OSU has established that a store's working capital *should not exceed 60 days*.

### Long-term Breakeven Points

In unique situations, when a store requires a multiple-year period in which to recover or spread out operating costs, a long-term breakeven agreement may be negotiated. This usually occurs when operations require large initial capital equipment and building costs. However, such agreements must be negotiated by Grants and Contracts with the *cognizant agency (Office of Naval Research)*.

## Equipment Purchased with General or Departmental Operating Funds

Equipment for a stores account purchased with general university or departmental operating (non-Federal) funds, can be depreciated in recharge rates. The store must take possession of the equipment and use it for the store's intended purpose.

## PAYROLL

### Spring Break Payroll Processing

This year, Spring Break is scheduled for March 14 – March 18, 2011. 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 Monday, March 14 and biweekly paper ENPs will be due on Friday, March 18 for the biweekly pay period March 3 – March 18. Payroll will also be processing the March monthly payroll during Spring Break. The 1st and 2nd tests for the monthly payroll are scheduled for March 16 and March 17. 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 on March 18. Your cooperation in this matter will ensure timely and accurate processing of pay.

## BURSAR

Priority enrollment for Summer and/or Fall begins **March 9<sup>th</sup>**. Enrollment hold notification emails (February 16<sup>th</sup>) 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. Please encourage students to check bursar accounts for any outstanding charges and confirm all payments, scholarships, and financial aid have been received. To check holds and account balances online, visit the Student Information System (SIS) website at <http://prodosu.okstate.edu/>.

- ✓ **Payment Option 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 are associated with the payment option plan or enrollment holds placed if payments are made as promised. Access the POP application: <http://bursar.okstate.edu/forms/osupop.pdf>
- ✓ Collection efforts commenced for non-student past due bursar accounts with the first letters mailed early February.
- ✓ 1098-T and 1098-E statements were mailed in January. 1098-T's were mailed to all calendar year 2010 OSU (including CHS) student ID numbers to the student's local address if they were a full-time, ½ time, or graduate. This is required by federal law. Refer questions to the IRS web site, [www.irs.gov](http://www.irs.gov) and specifically to Publication 970, Tax Benefits for Education, available online at <http://www.irs.gov/pub/irs-pdf/p970.pdf>. Log into the bursar website <https://bursar.okstate.edu/BursarLogin/login.aspx> to view the 1098-T information online.

### **Red Flags Rule**

Oklahoma State University Policy 3-0540, Red Flags Rules and Identity Theft Prevention, was developed pursuant to the Federal Trade Commission's (FTC) Red Flags Rules. The Red Flags Rules requires campus training about OSU's Identity Theft Prevention Program.

Learn how to detect the warning signs – or 'red 'flags' - of identity theft in your day-to-day operations by attending a session on February 16 from 1:30 - 2:30 at 105 Willard. Enroll at <http://hr.okstate.edu/hr/training/training.php> or email [osu-trng@okstate.edu](mailto:osu-trng@okstate.edu). Get practical tips on spotting the red flags of identity theft, taking steps to prevent identity theft, and measures to take if suspicious patterns are spotted.

You can also learn more online by visiting <http://bursar.okstate.edu/RedFlagRules.htm>

## **FISCAL & ADMINISTRATIVE COMPLIANCE**

### **FRAUD DETERRENCE AND COMPLIANCE PROGRAM**

#### **Fraud Prevention**

Fraud prevention requires a system of controls that minimize the likelihood of fraud occurring while maximizing the possibility of detecting any fraudulent activity that may occur.

*Do you have the right controls in place? And, are they working as intended?*

#### **Reporting Fraudulent Activity**

ALL fraudulent financial activity or suspicion of fraudulent financial activity is to be reported directly to the Fiscal and Administrative Compliance section of the Office of the Associate Vice President & Controller or confidentially through EthicsPoint. A report can be filed through the EthicsPoint website or by calling toll-free 866-294-8692. The website can be found at:

[https://secure.ethicspoint.com/domain/en/report\\_custom.asp?clientid=10933](https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=10933)

### **PCARD ADMINISTRATION AND COMPLIANCE**

#### **Reminder**

Our contract with JPMorgan Chase ended on December 31. Access to PVSnet will end on/around **February 28<sup>th</sup>**. Make sure you have all information you need downloaded before that time.

#### **Conflict of Interest – 2 Separate Forms to Meet Requirements**

**OSU Policy and Procedures Statement 4-0130 (Conflict of Interest)** – This policy requires the Conflict of Interest form found at the end of the policy statement be completed by the individuals identified in section 9.01 of the policy.

**Pcard Guidelines** – Prior to the development of a Conflict of Interest form specifically for Purchasing Cardholders, cardholders were asked to use the form attached to OSU Policy and Procedures statement 4-0130. A separate Conflict of Interest form was developed for cardholders, and as cardholders migrated to the new Pcard contract, they were required under new Pcard Guidelines to complete a separate Conflict of Interest form. Per Pcard Guidelines:

### **Conflict of Interest Form**

*When applying for a pcard, the Application Form for Pcard or Works User Access must be accompanied by a copy of the Conflict of Interest Reporting Form. Any outside financial interest which may affect purchasing decisions must be disclosed on this form. The cardholder must fill out a new form by October 1 of each year or at the time an interest becomes reportable. This form is to be kept on file by the department and made available for review by Fiscal and Administrative Compliance.*

The Conflict of Interest form to be used by cardholders to comply with Pcard Guidelines is found at <http://faac.okstate.edu/index.php/p-card>.

***The Conflict of Interest forms are 2 separate forms to meet 2 separate reporting requirements. One is not intended to take the place of the other.***

### **New Subcode**

Accounting has added a new subcode, 5481 – Travel-Pikepass, which is to be used when making direct payments to the Oklahoma Turnpike Authority using requisitions, small orders, or the Pcard. The use of this subcode includes payments for Pikepass toll collection fees.

### **Works Training**

Fiscal and Administrative Compliance has conducted several Works training sessions over the last few weeks. The purpose of these sessions was to share knowledge and insight on the Works system and to answer any questions. The classes were well attended and the feedback was positive. We want to thank everyone who attended, asked questions, shared tips, and brought up issues we needed to address. We learned a great deal from those who attended and appreciate your participation. Additional sessions will be scheduled, and dates and times will be sent out on the listserv.

### **Office of the Bursar**

Oklahoma State University  
113 Student Union  
Stillwater, OK 74078

Phone: 405.744.5993  
Fax: 405.744.8098

Website: <http://bursar.okstate.edu/>  
Email: [bursar@okstate.edu](mailto:bursar@okstate.edu)

### **Financial Information Management**

Oklahoma State University  
334 & 335 Student Union  
Stillwater, OK 74078

Phone: 405.744.7457  
Fax: 405.744.7872

Website: [www.fim.okstate.edu](http://www.fim.okstate.edu)  
Email: [fim@okstate.edu](mailto:fim@okstate.edu)

### **Fiscal & Administrative Compliance**

Oklahoma State University  
306 Whitehurst  
Stillwater, OK 74078

Phone: 405.744.2296 (Fraud Deterrence)  
405-744-8408 (PCard Administration)  
Fax: 405.744.6404

Email: [fraud.deterrence@okstate.edu](mailto:fraud.deterrence@okstate.edu)  
Website: <http://faac.okstate.edu/>

### **Grants & Contracts**

Oklahoma State University  
401 Whitehurst  
Stillwater, OK 74078

Phone: 405.744.8239  
Fax: 405.744.7487

Website: <http://vpaf.okstate.edu/gcfa/>

### **Associate Vice President & Controller**

Oklahoma State University  
207 Whitehurst  
Stillwater, OK 74078

Phone: 405.744.4188  
Fax: 405.744.6404

Email: [avpc@okstate.edu](mailto:avpc@okstate.edu)  
Website: <http://controller.okstate.edu/>

### **Payroll Services**

Oklahoma State University  
409 Whitehurst  
Stillwater, OK 74078

Phone: 405.744.6372

Fax: 405.744.4149

Website: <http://vpaf.okstate.edu/payrollservices/index.htm>

Email: [payroll.services@okstate.edu](mailto:payroll.services@okstate.edu)

### **Purchasing**

Oklahoma State University  
1224 North Boomer Road  
Stillwater, OK 74078

Phone: 405.744.5984

Fax: 405.744.5187

Website: [www.purchasing.okstate.edu](http://www.purchasing.okstate.edu)

Email: [purchase@okstate.edu](mailto:purchase@okstate.edu)

### **Risk & Property Management**

Oklahoma State University  
618 North Monroe  
Stillwater, OK 74078

Phone: 405.744.7337

Fax: 405.744.7888

Website: <http://vpaf.okstate.edu/rpm/index.htm>

### **University Accounting**

Oklahoma State University  
304 Whitehurst  
Stillwater, OK 74078

Phone: 405.744.5865

Fax: 405.744.1832

Website: <http://www.vpaf.okstate.edu/ua/>