

Fiscally Fit

News from the Controller

March 2014



- WILAM Spotlight
- Fraudulent Purchase Order Email Activity
- Board Approval Limit Increase
- OK Corral New User Training
- Important Dates
- What's in a Name?
- Wire Transfers – OSU Foundation Reimbursements
- Encumbrance Maintenance
- Enrollment for Summer and Fall 2014
- Holds – Financial and Academic Records
- Reminder: Inter-Agency Transfer/Wire Electronic Payments
- Identity Theft Tip
- Fringe Benefit Rates
- Payment Card Industry Compliance – User Access

[Bursar](#)

[FIM](#)

[Purchasing](#)

[University Accounting](#)

[Payroll](#)

[Risk/Property Management](#)

[Grants and Contracts](#)

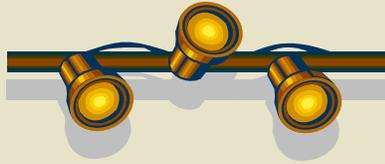
[F/A Compliance](#)

**Office of the
Associate Vice President
and Controller**



Oklahoma State University

207 Whitehurst
Stillwater, OK 74078
Phone: 405-744-4188
Fax: 405-744-6404
Email: avpc@okstate.edu
Website: <http://controller.okstate.edu/>



WILAM Spotlight



David Graves
Accounting
April 4, 2011

Nice to meet you David!

Responsibilities

- Accounts Payable Supervisor
- OK Corral guru for receipting, invoicing, and AP approval
- Review daily reports for errors and write entries
- Synchronize OSU accounts with OMES
- Daily and monthly reconciliations

Previous Experience

- UPS – Data Processing/Billing Supervisor
- Guardian Security – Accountant
- DIRECTV – Account Supervisor

Education

- BBA – University of Texas at Arlington

Other interesting facts about you

- The smirk is genetic.
- I’m the (young-feeling) grandfather of four.
- My beautiful wife, amazing son, and wonderful daughter-in-law also work at OSU.
- I’m a big sports fan. OSU and Dallas-Ft Worth area teams.
- I’m an automotive fan – I like off-roading in my Jeep and on-roading in my Mustang convertible.

Each month one person will be randomly selected to spotlight as our WILAM Spotlight Employee. **So if you haven’t turned your form in yet, please submit it to Cathy Gardner, cathy.a.gardner@okstate.edu . Forms can be found [here](#).**



Fraudulent Purchase Order Email Activity

We want to alert you to an active email scam involving purchase orders and request for product quotations that purport to originate from Oklahoma State University, but are in fact fraudulent. While the University cannot prevent this illegal activity, we are actively working with law enforcement to investigate these fraudulent email and fax contacts.



If a supplier believes that they have received a fraudulent purchase order email from Oklahoma State University, they should forward it to the Purchasing Department: purchase@okstate.edu to verify its legitimacy before responding to the email or filling the order. They may also contact the Purchasing Department by phone, 8:00 am to 5:00 pm at 405-744-5984.

Board Approval Limit Increased

Board approval was received March 7, 2014, to increase the Board approval limit from \$150,000 to **\$250,000** for the OSU System and from \$35,000 to \$75,000 for the A&M System.





OK Corral New User Training

May 12, 2014, 1:30-3:30pm, 403 Classroom Building

To sign up, please go to:

http://hr.okstate.edu/training/registration_form

Important Dates:

Requisitions requiring Board of Regents approval (greater than \$250,000 for the OSU System and \$75,000 for the A&M System) are due in Purchasing, April 2, 2014, 5:00pm, for the April 25, 2014 Board Meeting.





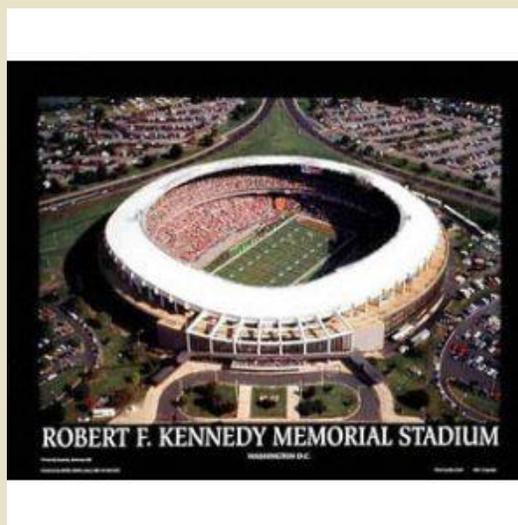
What's in a Name?

Really? The naming of a building financed with tax-exempt bonds is restricted by the IRS?

The IRS limits private use at facilities financed with debt that is not taxable (tax-exempt) by the federal government. Since a naming right is a "special legal entitlement" it can generate a private "use."

A naming right is the bargained for right of a person or entity to require a facility to be referred to by a certain name. Name recognition and advertising are benefits of having your name on a building that have a monetary worth. Naming rights are valued over the term of the bonds at the fair market value of the private business use of the facility, compared to the fair market value of the facility itself.

The IRS applies a facts and circumstances test whereby naming rights held by a person or entity not involved in a trade or business should not create private business use. Thus the naming of FedEx Field, the Washington Redskins' home football field, presents a private use issue, but the Washington National's baseball field, Robert F. Kennedy Memorial Stadium, does not.





Wire Transfers - OSU Foundation Reimbursements

Beginning in March 2014, the OSU Foundation is changing the method of processing the payments for reimbursement to OSU. Instead of issuing paper checks, the reimbursements will be processed as wire transfers.

When sending vouchers to the Foundation please include the FRS account number on the voucher and the Foundation will then provide the account numbers to University Accounting in order to properly record the deposits.

Encumbrance Maintenance

Please review the encumbrances on your FRS accounts to be sure they are still valid and that the amounts are correct. It is important to review encumbrances before the end of the fiscal year so that invalid encumbrances do not roll forward to the next fiscal year. If you find encumbrances that are no longer valid or need to be adjusted, please send an email to Dorothy McLaughlin (dorothy.mclaughlin@okstate.edu).



BURSAR

Enrollment for Summer and Fall 2014

Remember bursar accounts must be current to enroll in future semesters and to continue charging items on campus to your account. Please verify all anticipated financial aid has been disbursed. Federal financial aid regulations prohibit the use of current-year funds to satisfy prior year charges. With the federal regulation prohibiting the use of federal aid to cover a past due balance from a previous academic year, the University is taking proactive initiatives in managing the accumulation of bursar balances. Financial aid disbursements are intended to provide for the current semester educational expenses. Pay your account online at <http://prodosu.okstate.edu>. The Bursar Financial Counselor is available to assist with payment arrangements.



Holds- Financial and Academic Records

Federal regulations encourage contact with loan recipients as the borrower's last day of attendance approaches. Exit counseling notifications will be emailed by ECSI to loan recipients that dropped below 1/2 time, or withdrew from the University, or are scheduled to graduate this spring. Borrowers will have an academic record hold and enrollment hold until the exit information is completed.

Office of the Bursar
Oklahoma State University
113 Student Union
Stillwater, OK 74078

Phone: 405-744-5993
Fax: 405-744-8098
Email: bursar@okstate.edu
Website: <http://bursar.okstate.edu/>

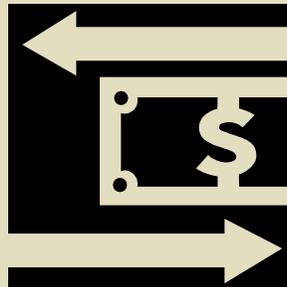


Reminder: Inter-Agency Transfer/Wire Electronic Payments

HB 1086: "Payments disbursed from the State Treasury shall be conveyed solely through an electronic payment mechanism. The State Treasurer may provide an exemption from the provisions of this subsection, with cause, provided the number of exempted payments and a corresponding list of causes shall be published in a regularly updated report which is featured prominently on the State Treasurer's website."

Inter-agency transfer/wire electronic payments process:

- ✓ Continue normal process with University Accounting
- ✓ Add invoice # to the bursar description when possible
- ✓ Bursar accounts new process:
 - E-mail bursar.epayment@okstate.edu with the following information
 - Name of the Account/Entity
 - CWID (account number)
 - Amount of Expected Payment
 - If known, invoice #





Identity Theft Tip- Don't Fall for the Dirty Dozen Tax Scams

The Internal Revenue Service issued its annual "Dirty Dozen" list of tax scams, reminding taxpayers to use caution during tax season to protect themselves against a wide range of schemes ranging from identity theft to return preparer fraud.

The Dirty Dozen listing, compiled by the IRS each year, lists a variety of common scams taxpayers can encounter at any point during the year. But many of these schemes peak during filing season as people prepare their tax returns.

"Taxpayers should be on the lookout for tax scams using the IRS name," said IRS Commissioner John Koskinen. "These schemes jump every year at tax time. Scams can be sophisticated and take many different forms. We urge people to protect themselves and use caution when viewing e-mails, receiving telephone calls or getting advice on tax issues."

Illegal scams can lead to significant penalties and interest and possible criminal prosecution. IRS Criminal Investigation works closely with the Department of Justice (DOJ) to shutdown scams and prosecute the criminals behind them.

We want you to be safe and informed – and not become a victim. Taxpayers who get involved in illegal tax scams can lose their money, or face stiff penalties, interest and even criminal prosecution. Remember, if it sounds too good to be true, it probably is. Be on the lookout for these scams.



Identity Theft Tip- Don't Fall for the Dirty Dozen Tax Scams – Continued

Identity theft. Tax fraud using identity theft tops this year's Dirty Dozen list. In many cases, an identity thief uses a taxpayer's identity to illegally file a tax return and claim a refund. For the 2014 filing season, the IRS has expanded efforts to better protect taxpayers and help victims. Find more information on the [identity protection page](#) on IRS.gov.

Pervasive telephone scams. The IRS has seen an increase in local phone scams across the country. Callers pretend to be from the IRS in hopes of stealing money or identities from victims. If you get a call from someone claiming to be from the IRS – and you know you owe taxes or think you might owe taxes, call the IRS at 1-800-829-1040. If you get a call from someone claiming to be from the IRS and know you don't owe taxes or have no reason to think that you owe taxes, then call and report the incident to the Treasury Inspector General for Tax Administration at 1-800-366-4484.

Phishing. Phishing scams typically use unsolicited emails or fake websites that appear legitimate. Scammers lure in victims and prompt them to provide their personal and financial information. The fact is that the IRS does not initiate contact with taxpayers by email to request personal or financial information. This includes any type of electronic communication, such as text messages and social media channels.

False promises of "free money" from inflated refunds. The bottom line is that you are legally responsible for what's on your tax return, even if someone else prepares it. Scam artists often pose as tax preparers during tax time, luring victims in by promising large tax refunds. Taxpayers who buy into such schemes can end up penalized for filing false claims or receiving fraudulent refunds. Take care when choosing someone to do your taxes.



Identity Theft Tip- Don't Fall for the Dirty Dozen Tax Scams – Continued

Return preparer fraud. About 60 percent of taxpayers will use tax professionals this year to prepare their tax returns. Most return preparers provide honest service to their clients. But some dishonest preparers prey on unsuspecting taxpayers, and the result can be refund fraud or identity theft. Choose carefully when hiring an individual or a company to do your return. Only use a tax preparer that will sign your return and enter their IRS Preparer Tax Identification Number (PTIN). For tips about choosing a preparer, visit www.irs.gov/chooseataxpro.

Hiding income offshore. While there are valid reasons for maintaining financial accounts abroad, there are reporting requirements. U.S. taxpayers who maintain such accounts and do not comply with these requirements are breaking the law. They risk large penalties and fines, as well as the possibility of criminal prosecution. The IRS has collected billions of dollars in back taxes, interest and penalties from people who participated in offshore voluntary disclosure programs since 2009. It is in the best interest of taxpayers to come forward and pay their fair share of taxes.

Impersonation of charitable organizations. Taxpayers need to be sure they donate to recognized charities. Following major disasters, it's common for scam artists to impersonate charities to get money or personal information from well-intentioned people. They may even directly contact disaster victims and claim to be working with the IRS to help the victims file casualty loss claims and get tax refunds.

False income, expenses or exemptions. Falsely claiming income you did not earn or expenses you did not pay in order to get larger refundable tax credits is tax fraud. This includes false claims for the Earned Income Tax Credit. These taxpayers often end up repaying the refund, including penalties and interest or faces criminal prosecution.



Identity Theft Tip- Don't Fall for the Dirty Dozen Tax Scams – Continued

Frivolous arguments. Frivolous schemes encourage taxpayers to make unreasonable and outlandish claims to avoid paying the taxes they owe. The IRS has a [list of frivolous tax arguments](#) that taxpayers should avoid. While taxpayers have the right to contest their tax liabilities in court, no one has the right to disobey the law or ignore their responsibility to pay taxes.

Falsely claiming zero wages or using false Form 1099. Filing false information with the IRS is an illegal way to try to lower the amount of taxes owed. Typically, fraudsters use a Form 4852 (Substitute Form W-2) or a “corrected” Form 1099 as a way to improperly reduce taxable income to zero. The fraudster may also submit a false statement denying wages and taxes reported by a payer to the IRS.

Abusive tax structures. These abusive tax schemes often involve sham business entities and dishonest financial arrangements for the purpose of evading taxes. The schemes are usually complex and involve multi-layer transactions to conceal the true nature and ownership of the taxable income and assets. The schemes often use Limited Liability Companies, Limited Liability Partnerships, International Business Companies, foreign financial accounts and offshore credit/debit cards.



Identity Theft Tip- Don't Fall for the Dirty Dozen Tax Scams – Continued

Misuse of trusts. There are reasonable uses of trusts in tax and estate planning. However, questionable transactions also exist. They may promise reduced taxable income, inflated deductions for personal expenses, the reduction or elimination of self-employment taxes and reduced estate or gift transfer taxes. These trusts rarely deliver promised tax benefits. They primarily avoid taxes and hide assets from creditors, including the IRS.

Tax scams can take many forms beyond the "Dirty Dozen". The best defense is to remain vigilant. Get more information on tax scams at IRS.gov.

Links:

- [IRS Releases the "Dirty Dozen" Tax Scams for 2014](#)
- [Special Identity Theft page](#)
- [Phishing Scams](#)
- [IRS Offers Advice on How to Choose a Tax Preparer](#)



Fringe Benefit Rates

The fringe benefit proposal for FY15 was submitted this past January. However, the proposal remains to be audited by DCAA prior to its finalization. As of this date, DCAA has not scheduled the audit. However, during the last Fringe Benefit negotiation cycle, ONR did issue a "provisional" rate for FY15. So until the new rates are issued, please use the FY15 "provisional" rates for any grant/contracts proposals until the FY15's rates are confirmed. The approved rate schedule is available at:

http://gcfa.okstate.edu/sites/default/files/documents/fy14_fb_rate_agreement.pdf

While we do expect the rates to change at some point, the ONR-approved provisional rate schedule will support any FY15 grant/contract proposed budget submitted during the remainder of this fiscal year.



Payment Card Industry Compliance- User Access

In an effort to better monitor access to the centralized online payment solution, Marketplace, employees must use access forms. The forms must be submitted before access is granted. Store Managers are no longer allowed to create users within the application. Also user accounts are locked every 90 days for inactivity. If your account has been locked and you need access, please email pci@okstate.edu for someone to assist you. The forms can be found on the following website under forms: ecommerce.okstate.edu.

It is extremely important that as a department, we remember to follow the procedures and keep every credit card number secure.

If you have any questions about credit card security, please contact the University's E-Commerce/PCI Coordinator Andrea Hendricks at pci@okstate.edu or andrea.hendricks@okstate.edu.





FOR MORE INFORMATION

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
Website: <http://faac.okstate.edu/>



OK Corral

Oklahoma State University
1224 North Boomer Road
Stillwater, OK 74078

Phone: 405-744-5985
Email: OKCorral@okstate.edu
Website: <http://airs.okstate.edu/okcorral/guides.html>



Payroll Services

Oklahoma State University
409 Whitehurst
Stillwater, OK 74078

Phone: 405-744-7337
Fax: 405-744-7888
Email: payroll.services@okstate.edu
Website: <http://payroll.okstate.edu>

