Fiscally Fit

News from the Controller
January 2017

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WILAM Spotlight

Kaitlyn Surine
Administrative Assistant
Grants & Contracts
Financial Administration

Start date: Aug. 24, 2016

Responsibilities
- Processing of Reports
- Check In/Out Routings
- Assists in Multiple Areas of Office

Previous Experience
- Data Tech for Financial Aid
- Student worker for University Research Services office

Other interesting facts about you
- Loves to Read
- Plans to one day have a book published
- Would enjoy working in a library or bookstore

Nice to meet you, Kaitlyn

Each month one person will be randomly selected to spotlight as our WILAM Spotlight Employee. If you haven’t turned your form in yet, please submit it to Lynette Rhea, lynette.rhea@okstate.edu. Forms can be found here.
Tax Scams/Consumer Alerts
In recent years, thousands of people have lost millions of dollars and their personal information to tax scams and fake IRS communication. This page looks at the scams affecting individuals, businesses, and tax professionals and what to do if you spot a tax scam.

REMEMBER: The IRS doesn't initiate contact with taxpayers by email, text messages or social media channels to request personal or financial information. In addition, IRS does not threaten taxpayers with lawsuits, imprisonment or other enforcement action. Being able to recognize these tell-tale signs of a phishing or tax scam could save you from becoming a victim.

IRS-Impersonation Telephone Scams
An aggressive and sophisticated phone scam targeting taxpayers, including recent immigrants, has been making the rounds throughout the country. Callers claim to be employees of the IRS, but are not. These con artists can sound convincing when they call. They use fake names and bogus IRS identification badge numbers. They may know a lot about their targets, and they usually alter the caller ID to make it look like the IRS is calling.

Victims are told they owe money to the IRS and it must be paid promptly through a pre-loaded debit card or wire transfer. If the victim refuses to cooperate, they are then threatened with arrest, deportation or suspension of a business or driver’s license. In many cases, the caller becomes hostile and insulting. Or, victims may be told they have a refund due to try to trick them into sharing private information. If the phone isn't answered, the scammers often leave an “urgent” callback request.

Financial Tip of the Month
Provided by irs.gov/uac/tax-scams-consumer-alerts. The material is for informational and educational purposes only and should not be regarded as a recommendation or an offer to buy or sell any product or service to which this information may relate.
IRS-Impersonation Telephone Scams
-continued

Note that the IRS will never:

✓ Call to demand immediate payment using a specific payment method such as a prepaid debit card, gift card or wire transfer. Generally, the IRS will first mail you a bill if you owe any taxes.

✓ Threaten to immediately bring in local police or other law-enforcement groups to have you arrested for not paying.

✓ Demand that you pay taxes without giving you the opportunity to question or appeal the amount they say you owe.

✓ Ask for credit or debit card numbers over the phone.

Remember: Scammers Change Tactics -- Aggressive and threatening phone calls by criminals impersonating IRS agents remain a major threat to taxpayers, but variations of the IRS impersonation scam continue year-round and they tend to peak when scammers find prime opportunities to strike.

Surge in Email, Phishing and Malware Schemes
The IRS saw an approximate 400 percent surge in phishing and malware incidents in the 2016 tax season.

Scam emails are designed to trick taxpayers into thinking these are official communications from the IRS or others in the tax industry, including tax software companies. These phishing schemes can ask taxpayers about a wide range of topics. Emails can seek information related to refunds, filing status, confirming personal information, ordering transcripts and verifying PIN information.

Variations of these scams can be seen via text messages, and the communications are being reported in every section of the country.
Surge in Email, Phishing and Malware Schemes
-continued

When people click on these email links, they are taken to sites designed to imitate an official-looking website, such as IRS.gov. The sites ask for Social Security numbers and other personal information, which could be used to help file false tax returns. The sites also may carry malware, which can infect people's computers and allow criminals to access your files or track your keystrokes to gain information.

For more details, see:

IR-2017-03, Security Summit Alert: New Two-Stage E-mail Scheme Targets Tax Professionals
IR-2016-28, Consumers Warned of New Surge in IRS Email Schemes during 2016 Tax Season; Tax Industry Also Targeted
IR-2016-15, Phishing Remains on the IRS “Dirty Dozen” List of Tax Scams for the 2016 Filing Season

Email Phishing Scam: "Update your IRS e-file"
The IRS is aware of email phishing scams that appear to be from the IRS and include a link to a bogus web site intended to mirror the official IRS web site. These emails contain the direction "you are to update your IRS e-file immediately." The emails mention USA.gov and IRSgov (without a dot between "IRS" and "gov"), though notably, not IRS.gov (with a dot). Don’t get scammed. These emails are not from the IRS.

What do you do if you get these messages?

✓ Do not respond to the email or click on the links.
✓ Instead, they should forward the scam emails to the IRS at phishing@irs.gov.

Remember, the IRS does not initiate contact with taxpayers by email to request personal or financial information.
Tax Refund Scam Artists Posing as Taxpayer Advocacy Panel

According to the Taxpayer Advocacy Panel (TAP), taxpayers are receiving emails that appear to be from TAP about a tax refund. These emails are a phishing scam, where unsolicited emails which seem to come from legitimate organizations — but are really from scammers — try to trick unsuspecting victims into providing personal and financial information. Do not respond or click the links in them. If you receive an email that appears to be from TAP regarding your personal tax information, please forward it to phishing@irs.gov and note that it seems to be a scam email phishing for your information.

TAP is a volunteer board that advises the IRS on systemic issues affecting taxpayers. It never requests, and does not have access to, any taxpayer’s personal and financial information such as Social Security and PIN numbers or passwords and similar information for credit cards, banks or other financial institutions.
Collection efforts begin for non-student bursar accounts after drop/add, which is the latter part of January. Oklahoma law (Oklahoma Statute 68, Section 205.2) authorizes Oklahoma State University to file a claim with the Oklahoma Tax Commission against a state income tax refund and apply it to indebtedness to the University (referred to as the warrant intercept program). If accounts are placed with external collection agencies, the account holder is assessed collection costs (up to 33% of the original debt), legal costs, and attorney fees. Credit ratings are also impacted negatively if this occurs.

Oklahoma State University is required to annually furnish a Form 1098-T, Tuition Statement, which reports qualified tuition and related expenses associated with enrollment at OSU. In order for us to prepare the forms accurately, Federal law requires a correct taxpayer identification number (TIN). Generally, this number is a Social Security Number.

Student loan interest payments are reported on the IRS Form 1098-E, Student Loan Interest Statement. ECSI, the student loan servicer, provides a 1098-E if the interest paid in 2016 met or exceeded $600. Interest paid is indicated on the ECSI monthly billing statement and ECSI ebills for 3 months.

First bursar billing statements for the Spring semester generate the evening of January 31st.
# Purchasing Training Opportunities

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<tr>
<th>Date</th>
<th>Time</th>
<th>Course</th>
<th>Location</th>
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<tbody>
<tr>
<td>January 31, 2017</td>
<td>9:00 AM - 12:00 PM</td>
<td>“Building a Better Bid” (Faculty)</td>
<td>126 ITLE</td>
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<td>OK Corral New User Training</td>
<td>403 CLB</td>
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<td>March 21, 2017</td>
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<td>1:30 PM - 3:30 PM</td>
<td>OK Corral New User Training</td>
<td>403 CLB</td>
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AppXtender Icons for Query Result Page

The query result page is what is produced after inputting parameters of what document you are looking for. For example: If I am looking for a document with a certain date, I would input the date in the date index, select submit and the software produces a list of results that fits that query.

These icons appear after opening a document from the result set. The following icons allow users to navigate easily within a document and also to another document of the same query result page.

- **Close Window**: Closes the current window.
- **Next Document**: Moves to the next document in the result set.
- **Previous Document**: Moves to the previous document in the result set.
- **Document Index**: Displays the index of the current result set.
- **Toggle Document Thumbnail View**: Allows navigation through thumbnails of documents.

In AppXtender, this is the screen the user will see after opening a document from the query results page.

The **Previous and Next Document Icons** allow the user to view the previous or next document (file) listed in the query result. This allows the user to proceed to the next document without going back to the the query result page.

The **Document Index** icon allows the user to view the indexes for the viewed document.

The **Toggle Document Thumbnail View** icon allows the user to view thumbnails on a page and to also increase or decrease the thumbnail view size. This is also where a page in the document can be easily moved if it is out of order.
Mileage Reimbursement Rate Decrease for Calendar Year 2017

The Office of Management and Enterprise Services (OMES) has announced a decrease in the mileage reimbursement rate, effective January 1, 2017, to $0.47 per mile. This is a decrease from the $0.54 rate for 2016.

The information provided by OMES is below:
"In the 2016 session, the Legislature passed House Bill 2704 paving the way for Oklahoma to set a mileage reimbursement rate that is equitable but not excessive, in light of the cost of fuel and other mileage related expenses in Oklahoma. OMES considered rates of surrounding states, fuel and maintenance costs and other factors in setting the new rate at $.47 cents per mile. The new mileage rate will go into effect on Jan. 1. OMES also encourages agencies to investigate using OMES Fleet Services when appropriate for transportation needs."

Other important areas of interest regarding travel claims

The state is now requiring a physical address in the Duty Station on each travel voucher. This will help determine whether traveling to/from home is shorter than to/from the duty station. If the address in the Duty Station must remain confidential, it must be commented on the travel voucher that the address is confidential.

Travel preparers may round the mileage total to the next whole mile. This only applies to the mileage total for the entire claim. For example, if the one-way mileage shows 76.2 miles, do not round each way up to 77 miles. You may round the total of 152.4 up to 153.

Travel procedures and other helpful information can be located at: http://travel.okstate.edu/. For additional information, please contact Charles McCoy at 744-5869.

Check for upcoming training dates at https://hr.okstate.edu/training-and-development.
Unrelated Business Income Tax (UBIT)

The UBIT Questionnaire and the annual request for information has been forwarded to the campus fiscal officers and others who may have operations where Unrelated Business Income may occur. The deadline to reply is January 30.

While Oklahoma State University is considered an “exempt organization” and is not subject to income tax, there are situations where an exempt organization can be subject to tax on certain activities. This is referred to as Unrelated Business Income Tax (UBIT), and Oklahoma State University, like many other colleges and universities, files a UBIT return each year. It is also important to note that Unrelated Business Income is NOT necessarily something to be avoided, but if we generate income unrelated to the mission of the University, we need to properly account for the activities in the annual 990 and 990-T tax filings.

There are exceptions and exclusions to UBIT. Investment income and royalties, rental income, and certain income for research activities may be excluded when determining UBIT. Also, Volunteer labor, a trade or business activity carried on for the convenience of its organization (in OSU’s case-convenience of students, faculty, and staff is an example), the selling of donated merchandise are exceptions.

1. Is the activity a trade or business,

   Trade or business generally includes any activity carried on for the production of income from selling goods or performing services. Activities of producing or distributing goods or performing services from which gross income is derived do not lose their identity as trades or businesses merely because they are carried on within a larger framework of other activities that may, or may not, be related to the organization's exempt purposes.
Unrelated Business Income Tax (UBIT)
-continued

2. Is the activity regularly carried on, and

*Business activities of an exempt organization ordinarily are considered regularly carried on if the activities show a frequency and continuity, and are pursued in a manner to, comparable commercial activities of nonexempt organizations.*

3. Is the activity NOT substantially related to furthering the exempt purpose of the organization?

*To determine if a business activity is substantially related requires examining the relationship between the activities that generate income and the accomplishment of the organization's exempt purpose. Trade or business is related to exempt purposes, in the statutory sense, only when the conduct of the business activities has causal relationship to achieving exempt purposes (other than through the production of income). The causal relationship must be substantial. The activities that generate the income must contribute importantly to accomplishing the organization's exempt purposes to be substantially related.*
W-2 Explanation Sheet

W-2

Box 1 Wages, tips, other compensation

Plus:
- Gross
- Life Insurance imputed Tax Benefit
- Add back Biometric Completion
- Add back Tobacco Free Credit
- Other Taxable Benefits from Box 14

Payroll Advice

Less:
- Dental Insurance
- Health Savings Account
- Employee (EE) Paid Medical Insurance
- Parking QTB
- Vision Insurance
- Voluntary 403b Contrib-TIAA (non-Roth)
- Voluntary 457b Contrib-TIAA
- EE Paid OTRS Contributions
- EE Paid OLERS Contributions

Box 2 Federal income tax withheld

Federal Income Tax Withheld

Box 3 Social security wages

Plus:
- Box 1
- Voluntary 403b Contrib-TIAA (Non-Roth)
- Voluntary 457b Contrib-TIAA
- EE Paid OTRS Contributions
- EE Paid OLERS Contributions

Box 4 Social security tax withheld

FICA Tax Withheld

Box 5 Medicare wages and tips

Plus:
- Same as Box 1
- Voluntary 403b Contrib-TIAA (Non-Roth)
- Voluntary 457b Contrib-TIAA
- EE Paid OTRS Contributions
- EE Paid OLERS Contributions

Amount not to exceed $118,500.00
W-2 Explanation Sheet
-continued

Box 6 Medicare tax withheld

Medicare Tax Withheld

Plus:

Additional Medicare Tax Withheld

Box 7

Tips received

Box 8 Allocated tips

N/A

Box 9

NA

Box 10 Dependent care benefits

Dependent Care Deductions Made

Box 11 Nonqualified plans

N/A

Box 12 See instructions for box 12

C=Life Insurance inputed tax benefit

D=Elective deferrals for federal employees

E=Voluntary 403b Contrib-TIAA

G=Voluntary 457b Contrib-TIAA

P=Reportable, non-taxable moving expense

W = EE and Employer (ER Paid H S A

BB=Designated Roth Contributions

DD= EE & ER Paid Medical Insurance

Box 13 If the Retirement Plan box is checked, special limits may apply to the amount of traditional IRA contributions you may deduct.

Box 14 Other (Taxable Benefits)

Other Taxable Benefits

Box 16 State wages, tips, etc.

Same as Box 1

Box 17 State income tax

Oklahoma State Tax Withheld

Boxes 18, 19 and 20 are NA

Note: It is not unusual for Boxes 1, 3 and 5 to be the same amount if there are no EE paid retirement deductions.
FOR MORE INFORMATION

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