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News from the Controller

November 2008

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GRANTS & CONTRACTS

Court Upholds Ban on Academic Travel to Cuba

The U.S. Court of Appeals rejected a challenge to federal rules that barred short-term study trips to Cuba. The challenge, brought to the Court by the Emergency Coalition to Defend Educational Travel, argued the travel restrictions were governmental intrusions into a college or university's freedom to teach.

The current travel restrictions allow travel to Cuba under a general or specific license. A general travel license is available for official government business and defined circumstances for journalistic or professional research activities. Specific licenses are dispensed on a case by case basis. These cases include family obligations, religious activities, humanitarian projects, and cultural performances or exhibitions. Since 1999, U.S., degree granting institutions have been eligible to obtain a specific license in order to travel and participate in a structured educational program in Cuba. In 2004, executive orders tightened the restrictions. While some travel to Cuba is allowable under the current restrictions, the length of the trip must be 10 or more weeks in length—roughly a semester-length. The student must be enrolled in a degree program at the eligible institution. The restriction also prohibits one institution from admitting students from another institution for the purposes of Cuba travel. The person leading the Cuba travel for the institution must be a “full-time permanent employee” and “regularly employed in a teaching capacity at the eligible U.S. institution.”

Ref: (Fischer, Karin) *The Chronicle of Higher Education. Federal Appeals Court Upholds Ban on Academic Freedom.* November 10, 2008.

United States Court of Appeals for the District of Columbia Circuit. *Emergency Coalition to Defend Educational Travel v. U.S. Department of Treasury.* Decided November 4, 2008 #07-5317.

EPA Revises Procurement Rules for Disadvantaged Business Enterprise Program

The Environmental Protection Agency (EPA) issued revisions to their Minority Business Enterprise Program that could affect colleges and universities. The first change revision was the merger of the Women's Business Enterprise Program and the Minority Business Enterprise Program into the "Disadvantaged Business Enterprise" (DBE) program.

Five changes in the program will directly affect institutions of higher education:

1. A minority or women's business meeting the criteria of the Small Business Act, the 8(a) Business Development Program regulations, must seek certification from a federal agency or an independent private organization.
2. At least two contract administration requirements include prompt payment and the requirement of prime contractors to notify subcontractors prior to the termination of a Disadvantage Business Enterprise contract. Most of the administration requirements were put into place to prevent "bait and switch" tactics by prime contractors.
3. The prime contractor, if receiving an individual EPA award greater than \$250,000 or a combined total of greater than \$250,000 for multiple projects annually, is required to negotiate fair share goals for Disadvantage Business Enterprises. Fiscal year ending 2007, OSU had multiple EPA awards totaling nearly \$600,000.
4. Colleges and Universities must report Disadvantaged Business Enterprise program support to the EPA annually.
5. Colleges and Universities must also meet specific good faith efforts:
 - a. Making DBE's aware of overall contracting opportunities.
 - b. Providing information on specific contract opportunities.
 - c. Arranging time frames for contracts.
 - d. Allowing delivery schedules that encourage DBE participation.
 - e. Encouraging consortium opportunities with other DBE's for contracts too large for a single DBE.

REF: Federal Grants News (November 2008)

PURCHASING

Pcard Reissue

- The current expiration date on the OSU purchasing card is 01/09. JPMorgan Chase will issue new cards with an expiration date of 01/11 in late December or early January.
- If you received your pcard in the last few weeks, it may already have the new expiration date of 01/11. In this case you will not receive a new pcard.

- The new card will be sent to the address listed on your pcard application.
- If you do not receive your new card by January 22, contact the Pcard Administrator to make sure you receive your new card.
- When you receive your new card, contact JPMorgan Chase at the number listed on the front of the card to activate it.
- If the bank asks for the last 4 digits of your Social Security number or an identifying number, give them the last 4 digits of your campus wide ID.
- Destroy the old card.

Printing

A qualified list of printers has been established for printing services. Please note, purchases of \$5,000 or less may be made with the pcard and purchases greater than \$5,000 require the processing of a requisition through the Purchasing Department and may require a competitive solicitation by Purchasing. Check the Purchasing website at <http://www.purchasing.okstate.edu/Oshop.htm> for details.

Contracts

The following contracts are not mandatory contracts but were established to assist in expediting the purchasing process. Just a reminder, purchases of \$5,000 or less may be made with the pcard, while purchases greater than \$5,000 require the processing of a requisition through the Purchasing Department prior to the purchase.

Document Shredding

Beginning November 21, 2008, a new multiple award document shredding contract will be available for the OSU System and the A&M Institutions. Check the Purchasing website at <http://www.purchasing.okstate.edu/Oshop.htm> for details.

Travel for Student Groups

Marathon Travel is a newly listed travel agent. This contract was established by the National Association of Educational Procurement-Educational and Institutional Cooperative (NAEP-E&I Cooperative) and satisfies bidding requirements. Some of the contract highlights are:

- One stop shopping for all required services with one requisition/purchase order
- Ability to make arrangements for all itinerary requirements (airfare, travel, hotel, interpreters, tour guides, etc.)
- Regions – all countries with the exception of Cuba
- 24-Hour emergency travel services, 365 days/year
- Live travel emergency assistance
- Translator/Interpreter services available by phone
- Repatriation
- Assistance with obtaining ISIC card
- Agent works directly with the faculty member

Check the Purchasing website at <http://purchasing.okstate.edu/travel.html> for more details.

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

Important Purchasing Dates

Board Dates:

- Requisitions requiring Board of Regents approval (greater than \$150,000) were due in Purchasing: November 12, 2008, for the December 5, 2008 Board Meeting.

Pcard Training:

- November 25, 2008, 8:30 AM, 412 Student Union

Purchasing Policies and Procedures Seminar:

- February 4, 2009, 2:00 PM, 416 Student Union

Purchasing Ethics:

- April 8, 2009, 9:00 AM, 412 Student Union

You may register for any of these sessions by calling Human Resources at 744-5374, on the Human Resources web site at http://fp.okstate.edu/hrosu/training_enroll.htm, or send an email to 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 to schedule a date.

FRAUD DETERRENCE & COMPLIANCE PROGRAM

Initial Detection of Fraud Schemes

Historically, tips have been identified as the most common means of detection of occupational frauds. Over 46% of the fraud cases included in ACFE's 2008 Report to the Nation on Occupational Fraud and Abuse were initially detected by a tip. Internal controls were credited with catching the fraud in around 23% of the cases. Other detection methods identified in the study were by accident, internal audit, external audit, and notification from the police.

Where tips were instrumental in the detection of fraud, the investigators were asked to identify the source of the tip. Almost 58% of the tips came from an employee of the victim organization. Tips also came from external sources such as customers (in 17.6% of the cases) and vendors (in 12.3% of the cases).

Are the employees in your department trained to understand what constitutes fraud? Do they understand how fraud harms a victim organization? Do they know how to report fraud, and are they encouraged to do so?

Source: *ACFE 2008 Report to the Nation on Occupational Fraud & Abuse*

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

Reporting Fraudulent Activity

Fraudulent financial activity or suspicion of fraudulent financial activity is to be reported to the Office of the Associate Vice President and Controller (OAVPC). This activity can be reported directly to the OAVPC (207 Whitehurst, 405-744-4188) or reported confidentially through EthicsPoint.

PAYROLL

End-of-Year Pay Reminders

Please remind employees of the following year-end payroll items:

- IRS Form W-5, *Advanced Earned Income Credit Payment Certificate*, expires December 31, 2008. A new W-5 must be completed by December 21, 2008, for biweekly employees to receive earned income credit effective on their first pay check in 2009. Monthly employees will need to submit a new W-5 form to Payroll Services by January 9, 2009. As soon as the 2009 W-5 form is released by the IRS, it will be made available on the Payroll at <http://vpaf.okstate.edu/PayrollServices/Documents/fw5.pdf>
- Employees who wish to claim exempt from state and federal tax withholding can do so for only one year at a time. To claim exempt from state and federal tax withholding for 2009, employees must complete a new W-4, *Employee's Withholding Allowance Certificate*, by January 26, 2009. The new W-4 form will be made available on the Payroll Services website as soon as the IRS releases the 2009 form and updates are made to the OSU version.
- Tax treaty forms expire December 31, 2008. IRS Form 8233 is available in the International Students and Scholars Office, 076 Student Union.

These reminders will also be included in the employee's December payroll advice email.

New Online W-2 Available for 2008

Please share the following information with employees in your area:

In previous years, OSU employees have received paper copies of their Form W-2s. Beginning with calendar year 2008, OSU employees may elect to receive their Form W-2 online (no paper copy) through the Web for Employees portal. This election must be made by January 10, 2009. If an employee does not elect to receive the online version of the Form W-2, a paper Form W-2 will still be provided. For more information, employees can go to Web for Employees <http://webemp.okstate.edu/>, and click on the Payroll Services tab, or click on the following link for information regarding the online W-2

<http://vpaf.okstate.edu/PayrollServices/Documents/Online%20Form%20W-2%20Notification%202.doc> .

W-2 Forms, Address Updates, and Assignment Updates

All OSU employees who have active assignments effective **January 31, 2009**, (at the time of the printing of the W-2s) will receive their 2008 Form W-2 *Wage and Tax Statements* by campus mail or by online delivery. Former OSU employees will receive their Form W-2 at their home addresses as reflected in HRS.

The last payroll advice can be used to approximate salary and taxes paid in 2008 if employees are ready to start working on their income taxes before they receive their Form W-2. W-2 forms will also be available online through Web for Employees as soon as they are ready. All employees can review their Form W-2 online. W-2 forms will be mailed by January 31, 2009. W-2 reprints will begin February 6 and will only be done on Fridays since employees can reprint their own W-2 through Web for Employees.

If you receive address changes for current or former employees, please forward the information to OSU Human Resources, 106 Whitehurst. Employees may also change their address in HRS by using Web for Employees, <http://webemp.okstate.edu/>. Changes to an employee's HRS address will not affect other OSU address records or vendor records.

It is important that departments complete a separation EA form for all employees who separate from OSU. This measure will ensure that the Form W-2 is sent to the home address instead of to the department when an employee leaves OSU. If you get a W-2 for a former OSU employee, please forward the W-2 to the employee at their HRS address or return the W-2 to Payroll Services, 409 Whitehurst, as soon as possible. Officially separating all employees is required to give accurate employment verification information to child support and garnishment agencies.

December and January Pay Dates and Processing

The December monthly payday is scheduled for December 23, 2008. The December and first January biweekly paydays are scheduled for December 12, December 23, 2008 and January 9, 2009.

December 31, 2008 and January 2, 2009 are mandatory leave days for employees, not a paid holiday. Remind employees to include annual leave when planning for the holiday break and when completing their time sheets.

Biweekly payroll 4R12 which covers December 13 through December 26 will test the night of December 23, 2008. Make sure all time input and ENPs have been input and approved by 5:00 pm on December 23, 2008. This payroll will be final the day we get back for the holiday break, January 5, 2009. Be sure to get any corrections or adjustments to Payroll Services by 3:00 pm on January 5th.

Remember, departments are not allowed to estimate time for workstudy students. Time and pay for these students will need to be adjusted on the next pay period as a prior period adjustment. It is also a good practice to wait and pay estimated wages to other students in the same manner.

Social Security Wage Base Increase

The maximum annual earnings subject to the Social Security rate of 6.2% will increase from \$102,000 to \$106,800 in 2009. There is no limit on wages subject to the Medicare rate of 1.45%.

UNIVERSITY ACCOUNTING

Holiday Deadline Memo

A memo was distributed on October 27, 2008 that provided information in order for departments to coordinate processing of transactions prior to the holidays. All travel vouchers, small order invoices, and receiving reports must be received in University Accounting by 5:00 pm on December 12, 2008, to ensure that claims will be processed prior to the holidays. Campus vendor invoices must be received in University Accounting by 5:00 pm on December 18, 2008, to ensure processing prior to the holidays.

Board Approval Requirements on Out-of-State Travel Requests

Board approval is required on all out-of-country travel (employees and non-employees). Out-of-country travel includes official travel to areas outside of the contiguous United States; thus travel to Hawaii, Alaska and other possessions of the U.S. would be considered as out-of-country travel. In addition, all travel requires Board approval in situations where the traveler is coming from another country into the United States.

Changes to Airline Tickets Purchased Through International Tours

If an airline ticket is purchased through International Tours and needs to be changed, International Tours should be contacted to make the change. In most instances, International Tours charges an additional \$28 for changing a ticket. If another source is used, extremely high penalties or fees may be charged for making the changes.

Signature Requirements on Out-of-State Travel Requests

Out-of-state travel requests must contain two separate signatures in addition to the traveler. Therefore, all travel requests, including those for the department head, must contain the appropriate number of signatures.

Imprest Cash Reimbursements – Online Requisitions

With the use of the online requisition, the custodians/departments are now responsible for maintaining the original receipts and documentation to support the disbursements made with imprest cash funds. This documentation should be kept in accordance with the established retention schedules.

BURSAR

Bursar News

- Cancellation of spring enrollment will occur December 5, 2008, for accounts that have not made payment arrangements and show a past-due bursar balance.
- Fall bad debt assessment calculations and entries are prepared in November.
- Departmental deposits are needed by noon December 23, 2008, for inclusion in December activity. Please contact Cindy Buford at 744-7790 if you have questions.

Changes in Credit Card Usage for Bursar Payments

In order to address a \$1.5 million annual drain on its budget, OSU is making changes in the way credit card payments are accepted for bursar accounts. This change does not impact the various other ways you can currently make bursar payments.

OSU paid more than \$1.5 million last year in convenience fees to credit card companies for students and employees to use credit cards to make bursar payments. The University can no longer absorb that cost.

Therefore, we are passing the cost of the credit card convenience fee along to those using the service. Beginning January 1, 2009, those who choose to use an accepted credit card to make bursar payments will be assessed a 2.5% convenience fee. The sole purpose of the fee is to cover charges from the credit card companies. All but two other Big 12 universities currently charge a convenience fee.

The following changes **begin January 1, 2009:**

- A 2.5% convenience fee will be added to all credit card bursar account payments (MasterCard, Discover, or American Express);
- Visa cards will no longer be accepted for bursar account payments, as they are unwilling to participate at this time; and
- Credit card payments can only be made via the web (at <http://prodosu.okstate.edu/>), no longer in person at the teller stations.

To avoid the convenience fee, students and employees should consider several other options. Bursar payment options with no additional cost to payer:

- Online by Web Check/ACH at <http://prodosu.okstate.edu/>
- Mail checks, cashier checks or money orders to:
OSU Office of the Bursar
PO Box 1583
Stillwater, OK 74076-1583
- In person by check, money order, or cash at the Office of the Bursar, 113 Student Union. Hours 8 a.m.-5 p.m. Monday-Friday. After-hour payments can be placed in the secure depository slot adjacent to the Bursar Office Windows.

OSU works diligently to keep costs down while maintaining high-quality academic programs and services. This change will allow OSU to significantly reduce costs, while still providing various bursar payment methods, including several no-cost options.

Your understanding and support during this transition is greatly appreciated.

FINANCIAL INFORMATION MANAGEMENT

Remote Access to OSU Computers

According to a recent IT Announcement, beginning December 17, 2008, all people attempting to log in to their work PC from off campus will be required to use the OSU VPN client, which can be downloaded from the IT Software Distribution Center website at <https://app.it.okstate.edu/sdc/login.php>. After logging in to that site, the link is listed as “Windows – Cisco VPN Version 5.0.03.0560.” Users with Apple Macintosh computers at home should download the appropriate VPN client for their operating system. Instructions for installation are included with the download.

This program will need to be installed on the user’s home computer or OSU issued laptop. No extra software will be required on the machine at work.

In order to access their work PC, the user will be required to first launch and then log in to the VPN client using their current O-Key credentials. This will create a secure connection with the OSU network. After that connection is complete, the Microsoft Remote Desktop Connection can be used as normal.

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

Environmental Health & Safety

Oklahoma State University
120 Physical Plant Services Bldg.
Stillwater, OK 74078

Phone: 405.744.7241
Fax: 405.744.7148

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

Financial Information Management

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

Phone: 405.744.7457
Fax: 405.744.7872

Website: <http://www.vpaf.okstate.edu/fim/>
Email: fim@okstate.edu

Fraud Deterrence & Compliance Program

Oklahoma State University
207 Whitehurst
Stillwater, OK 74078

Phone: 405.744.2296
Fax: 405.744.6404

Email: brenna.dixon@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/>

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

Purchasing

Oklahoma State University
1224 North Boomer Road
Stillwater, OK 74078

Phone: 405.744.5984
Fax: 405.744.5187

Website: www.purchasing.okstate.edu
Email: purchase@okstate.edu

Risk & Property Management

Oklahoma State University
C070A Bennett Hall
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/>