
FISCALLY FIT

News from the Controller

May 2009

INSIDE THIS ISSUE

- 1 CWID Numbers on Travel Vouchers
Year-End Processing Schedule/Deadlines
American Express Card
- 2 Timeline for Processing Payments
Salary Deferral Program
Address Changes for Departing Employees
Fraud in Today's Economy
Reporting Fraudulent Activity
- 3 Requisitions/Purchase Orders (AIRS)
Equipment List for Maintenance/Lease
Agreements
Promotional Items (Order Incentives)
Pcard – Year End Expenditures
Pcard – Grant Accounts
Important Purchasing Dates
Off-campus Storage
- 4 Remote Desktop Connection Changes
Upcoming
Retroactive Cost Transfers Relating to
Sponsored Agreement
Bursar News
Annual Bad Debt Write Off
FTC Announces Three-Month Delay of
Enforcement of 'Red Flags' Rule

UNIVERSITY ACCOUNTING

CWID Numbers on Travel Vouchers

It is very important that the CWID number that is provided on a travel voucher is correct in order for the reimbursement to be deposited in the employee's bank account. If the CWID number is incorrect, then the direct deposit of the reimbursement could be placed in the wrong bank account and will delay the reimbursement to the employee.

Year-End Processing Schedule/Deadlines

A memo was distributed on April 27, 2009, that provided information in order for departments to coordinate the processing of transactions prior to the closing of the fiscal year-end. All travel vouchers, small order invoices, and receiving reports must be received in University Accounting by 5:00 pm on June 18, 2009, to ensure that claims will be processed prior to the year-end closing. Paper campus vendor invoices must be received in University Accounting by 9:30 am on June 24, 2009, to ensure processing prior to year-end. On-line CVI's must be entered by 5:00 pm on June 28, 2009, to be included in FY09 processing.

The year-end closing process will begin at the close of business on Tuesday, June 30, 2009. Therefore, the FRS system will not be available on July 1 or July 2, 2009. The FRS system should be available for use beginning on Monday, July 6, 2009.

American Express Card

American Express has notified the University of the following change to the Oklahoma State University American Express Corporate Card.

As of August 4, 2009, American Express U.S. Commercial Card is moving exclusively to electronic ("online") statement delivery for U.S. American Express Corporate Card accounts.

Cardmembers will be advised of this important change in their June and July statements which will provide them with information and support on how to access their billing statements online. If a Corporate Cardmember does not have access to the Internet or does not have an e-mail address, please call American Express at 888-800-8564 no later than May 14, 2009, to discuss options to meet the Cardmember's needs.

The Oklahoma State University American Express Corporate Card is the responsibility of the individual Cardholder. Each Cardholder must ensure they receive their statements monthly.

Timeline for Processing Payments

All vendor payments (including honorariums) are required to be processed through the Office of State Finance. This process takes three days from the date that the invoice is keyed into the FRS system. It takes an additional two days for processing if the vendor is new and does not already exist in the vendor file. Therefore, please plan appropriately when submitting invoices to allow enough time for the payment to be processed through the state system.

PAYROLL

Salary Deferral Program

Please share the following information with faculty in your area.

The salary deferral/payback program is a method used to redistribute an employee's pay over a longer period than his/her contract or normal working period. The salary deferral/payback program is typically used by faculty members who are employed for nine months (September – May) but wish to be paid over twelve months. OSU offers two salary deferral/payback options that pay over ten months and four salary deferral/payback options that pay over twelve months.

According to IRS regulations, the salary deferral/payback election must be made prior to the beginning of the employee's work period. Current employees must make elections or changes to existing elections prior to the first working day of the new plan year (July 1 for OSU). Employees hired after the beginning of the plan year have thirty days to make their salary deferral/payback election.

If a current faculty member wishes to enroll in the program or wishes to change or cancel his/her election for next year, he/she must do so by July 1. If a current faculty member previously enrolled in the program using the "until further notice" option wishes to continue under the same plan, he/she does not need to do anything.

To obtain the complete program and an enrollment form, faculty members should visit the following link and click on Salary Deferral/Payback Program:
<http://vpaf.okstate.edu/PayrollServices/DownloadGuidesAndForms.htm>.

Address Changes for Departing Employees

As the school year comes to a close, many employees will be leaving OSU. Please remind departing employees that they need to change their address in **all** OSU systems (HRS and SIS) in order to receive important, future mailings, like their W-2 forms. Employees should also be reminded to update their addresses with any retirement plans they may have participated in during their employment at OSU.

FRAUD DETERRENCE & COMPLIANCE PROGRAM

Fraud in Today's Economy

It is difficult to determine the true cost of fraud at any given time. Fraudsters will typically go to great lengths to conceal their misdeeds; therefore, frauds may go undetected for a long period of time, or may never be detected. In addition, when frauds are discovered, some businesses are hesitant to report fraud cases because of negative publicity.

Situations that are common during an unstable economy can lead to an influx of occupational fraud. The Association of Certified Fraud Examiners (ACFE) surveyed randomly selected Certified Fraud Examiners in February and March 2009 in an attempt to gain insight into the correlation between economic downswings and fraudulent activity. The results of the survey were compiled and the findings recently published in the report *Occupational Fraud: A Study of the Impact of an Economic Recession*.

More than half of the survey respondents indicated the number of frauds they encountered from early 2008 through early 2009 had increased compared to the number of fraud they had seen in prior years. Almost 49% of the respondents reported observing an increase in the dollar amount lost to fraud during the same period and 28.8% reported observing approximately the same dollar amount. The data reported by these anti-fraud professionals provides a good indication that fraud is on the rise. In fact, when questioned about the level of fraud expected during the next 12 months, 88% of the respondents indicated they anticipate either a slight or a significant increase in fraudulent activity while only 2% expect any type of decline.

ACFE President James D. Ratley stated in the report:

"Desperate people do desperate things. Loyal employees have bills to pay and families to feed. In a good economy, they would never think of committing fraud against their employers. But especially now, organizations must be vigilant during these turbulent times by ensuring proper fraud prevention procedures are in place."

Source: 2009 ACFE Report *Occupational Fraud: A Study of the Impact of an Economic Recession*

Reporting Fraudulent Activity

Fraudulent financial activity or suspicion of fraudulent financial activity is to be reported directly to 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.

PURCHASING

Requisitions/Purchase Orders (AIRS)

For requisitions and purchase orders that require special handling, please indicate what is needed in AIRS. For example, if the purchase order needs to be faxed to the supplier, a note to this effect with the supplier's fax number should be included when the requisition is submitted by the originator.

Remember that the delivery address indicates where the product or service is to be delivered and the receiving report address is department name and address where the Receiving Report processing takes place.

Equipment List for Maintenance/Lease Agreements

- Equipment Lists (EL) and agreements have been sent to suppliers for maintenance and lease of equipment. A copy of each document may be downloaded from the Purchasing Department website at www.purchasing.okstate.edu. Click on the link to Notices, and then on the link to Maintenance, Lease and Rental Agreements.
- If you are unable to obtain an Equipment List from a supplier, for documentation of pricing you may submit a copy of the original pricing agreement with the requisition. In your description indicate year of agreement. Example: Year 2 of 3.

Promotional Items (Order Incentives)

If promotional items are offered as an incentive for placing an order or buying a particular product, be advised that, if received, these items become property of the University and should remain with the University until such time they no longer serve a purpose within the department and are sent to surplus. Do not allow a supplier to send these items to your home address. Standard disposal procedures should be followed regardless if the item is on inventory or not and regardless of the cost of the item.

Pcard – Year End Expenditures

As the fiscal year ends, departments may try to ensure they have spent all available funds. Be aware that any purchase or combination of purchases that total more than \$5,000 must be processed on a requisition.

Pcard – Grant Accounts

Many grant accounts expire at the end of the fiscal year. Remember to change the account number on pcards that have an expired grant account as the default. Process a Commercial Card Cardholder Account Form marked "Change" through the Purchasing Department to change the default account number.

Important Purchasing Dates

Board Dates:

- Requisitions requiring Board of Regents approval (greater than \$150,000) are due in Purchasing: May 27, 2009, for the June 19, 2009, Board Meeting.

Pcard Training:

- May 19, 2009, 1:30 PM, 412 Student Union

Purchasing Seminars:

- Ethics in Purchasing, October 27, 2009, 2:00 PM, 412 Student Union
- Purchasing Policies and Procedures, August 4, 2009, 9:00 AM, 412 Student Union
- Purchasing and Purchasing Card Refresher, October 13, 2009, 9:00 AM, 412 Student Union

You may register for any of these sessions by calling Human Resources at 405-744-5374, on the Human Resources web site at http://fp.okstate.edu/hrosu/training_enroll.htm, or by email at 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.

RISK & PROPERTY MANAGEMENT

Off-campus Storage

Many OSU Departments are storing equipment, records and supplies in off-campus storage facilities. Typically, those items are not insured in off-campus facilities and are located in rather inconvenient locations away from campus. According to owners of these storage facilities, many of their customers store items they will never use and often times simply forget they have them stored, yet continue paying for the storage month after month. OSU Rental Property recently constructed a 20,000 square foot storage facility on Western Street to help departments eliminate their need for off-campus storage.

OSU Rental Property has been tasked to contact all departments utilizing off-campus storage to determine the following:

1. Does the department still need the items being stored and is there still a need for the off-campus storage facility?
2. Are the items stored in these off-campus facilities insured?
3. If the items are still deemed valuable and worth storing, should they be moved to the new on-campus facility?

If your department would like to take a proactive approach and contact OSU Rental Property before they contact you, please review your storage needs and contact Mr. Chuck Fleischer at 744-3855.

FINANCIAL INFORMATION MANAGEMENT

Remote Desktop Connection Changes Upcoming

OSU/IT has announced that direct connection to computers on campus from off campus locations through the Remote Desktop Protocol (RDP) will be restricted as of June 1, 2009. Many OSU employees currently are able to access their work machines from home through this type of connection.

OSU/IT has provided several ways for people to utilize RDP from off campus in a more secure fashion.

The first option is through use of the OSU VPN client, which is available to all OSU employees for free download at the OSU Software Distribution website, <https://app.it.okstate.edu/sdc/login.php>. This program allows you to create a secure IP connection to the campus infrastructure, and will let you use RDP after logging onto the network through the VPN client. Many users may already have installed this software for remote access to the campus mainframe system (i.e. 3270, FRS, HRS, SIS).

The other main option is a new website that has been set up by OSU/IT, <https://tsgateway.okstate.edu/ts/>. Using the Internet Explorer web browser, you will be able to launch a RDP connection to your work machine. If you are a Firefox browser user, you will have to install the IE Tab extension for this site to function properly.

More detailed instructions and step-by-step walkthroughs will be provided on the FIM website, located at <http://vpaf.okstate.edu/FIM>.

GRANTS & CONTRACTS

Retroactive Cost Transfers Relating to Sponsored Agreement

Sponsored program accounts, or project accounts, differ from most University accounts in that Project Accounts are established for the life of the sponsored program, and other University accounts are established each fiscal year. If, however, retroactive cost transfers must be made to a sponsored agreement, it is a prudent practice to make sure that transfers of this nature are made within the same fiscal year. As the fiscal year draws to an end, special attention should be taken to make any necessary retroactive cost transfers prior to the 2009 close-out date.

(continued – top of next column)

A retroactive cost transfer may become necessary for any number of reasons such as; 1) clerical and data entry errors; 2) transfers between a continuation grant and a new project; 3) authorized pre-award costs; or 4) changes in information following the award. Regardless of the reason of the cost transfer, the rationale for the transfer should be documented and the transfer should be done as soon as the issue requiring the transfer is discovered.

BURSAR

Bursar News

All summer classes for enrolled students will be billed **June 1, 2009** payment is due prior to **June 15, 2009**.

Excitement is in the air. Students and families will be here for New Student Orientation beginning May 19th throughout the summer. Wear **Orange** and a welcoming smile...show your welcoming spirit!!

Annual Bad Debt Write Off

Bursar accounts without charges or payments for a period of three years are written off annually each May. Departments are notified of annual bad debts charged to their allowance or revenue accounts. In addition, bad debts are written off periodically throughout the year as situations require (bankruptcies, death, etc.). Every attempt to collect the account prior to the write off is made and collection efforts continue even after the account has been written off. Bad debt write off memos should be noted before a department engages in future business with the customer. Academic holds (i.e., transcript release, diploma release, enrollment etc.) are also in place.

FTC Announces Three-Month Delay of Enforcement of 'Red Flags' Rule

On Thursday, April 30, 2009, the Federal Trade Commission (FTC) announced it will delay the enforcement of the new "Red Flags Rule" until August 1, 2009, to give creditors and financial institutions more time to develop and implement written identity theft prevention programs. For entities that have a low risk of identity theft, such as businesses that know their customers personally, the Commission will soon release a template to help them comply with the law.

FTC Chairman Jon Leibowitz said, "Given the ongoing debate about whether Congress wrote this provision too broadly, delaying enforcement of the Red Flags Rule will allow industries and associations to share guidance with their members, provide low-risk entities an opportunity to use the template in developing their programs, and give Congress time to consider the issue further."

To view the full announcement visit:
<http://www.ftc.gov/opa/2009/04/redflagsrule.shtm>

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

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: fraud.deterrence@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
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/>