RIT Finance Matters

June 2006 – Volume 9, Issue 2
Issued periodically by the Controller's Office

Fiscal Year-End is Just Around the Corner
Watch for the FY 2006 Year-End Memo

The end of RIT's 2005-2006 fiscal year is rapidly approaching. We are updating our annual year-end memo which is designed to familiarize and/or reacquaint you with RIT's year-end closing processes. The memo contains information about important year-end cut-off dates as well as an overview of year-end procedures including processing accruals and prepaid expenses. It will be sent to RIT Managers in early June (and also posted on the Controller's office web site). Watch for it! If you are new to RIT and have questions about year-end, please call either Lorraine McEvoy (ext. 5-2375) or David Castro (ext. 5-2237) in the Accounting Office.

Year-End Workshop

We'll be conducting our annual Year-End Workshop on Tuesday June 13th from 10:00AM – 11:30AM in the Carlson auditorium (Bldg 76). Please plan to attend to the workshop even if you've been through it all before – it will be a great review of RIT's year-end processes.

Why Account Reconciliations are Important

If you haven't kept up with your account reconciliations, including department statements, capital equipment statements, balance sheet accounts, etc., here are the top five reasons to tackle that project today:

1) Find transaction errors and make corrections.
2) Ensure that Institute, donor and sponsor funds are spent appropriately.
3) It's an important internal control. Department heads are responsible to ensure the accuracy and appropriateness of all transactions.
4) End the year with a balanced budget.
5) Improve the quality of RIT's financial statements.

To learn more about general ledger account reconciliations, refer to the document on the Controller's Office web site: http://finweb.rit.edu/controller/forms/generalledgeraccount.pdf

Annual Physical Inventory of Fixed Assets

The Controller's Office is asking for your assistance in performing the annual campus-wide inventory of all capital equipment (equipment with a value of $1,500 or more). The purpose of the inventory is to confirm the Institute's fixed asset inventory records and to update the records with changes to capital equipment information, including deletions and additions. A complete physical inventory contributes to the accuracy of RIT's external financial statements.

If you haven't completed your department's physical inventory and returned your updated inventory lists to the Property Control Office, please do it today! If you have any questions

about the inventory process, please contact Janie McGrath-Briggs, Fixed Asset Analyst, at ext. 5-4933 (e-mail: jfmcto@rit.edu), or Andrea Napoli, Manager of Accounting, at ext. 5-2911 (e-mail: alnatg@rit.edu).

Information from SPFMS – Processing EAF's for Summer Salaries

It's time to prepare Employee Action Forms (EAFs) for faculty who are working on grants and contracts during the summer quarter. Refer to the Controller's Office web site for detailed information about how to process Summer EAFs: http://finweb.rit.edu/controller/forms/summersalarymemofy2005.pdf. The Summer Salary EAF form is available on the Human Resources website: http://finweb.rit.edu/humanresources/forms/eafsummersalary.pdf

Confirmation of Temporarily Restricted Gift Account

If you are listed as the person responsible for your department's temporarily restricted gift (20000 – 29999 projects) or endowment spending accounts (60000 – 79999 projects), in mid-May you should have received a memo from Pricilla Schiffhauer, the Campaign & Financial Reporting Specialist. The purpose of the confirmation is to remind departments of the University's requirement to spend donor-restricted funds in accordance with the donor imposed restrictions. We also want to ensure that our records are up to date. If you are no longer the responsible person, please let us know who is and we'll update our information. If you haven't returned the confirmation to Pricilla, please do it today (GEM 2136).

Controller's Office News

Staff Updates

The Controller's Office is pleased to welcome the following new employees:

- ➢ Diana Apostolova (dsacto@rit.edu) – Financial Analyst/Debt & Deferred Giving
- ➢ Tammy Sharpstene (tlscto@rit.edu) – Sr. Accountant/SPFMS

Refer to the Controller's Office web page for a complete listing of all Controller's Office employees: http://finweb.rit.edu/controller/content/directory.html

New Procurement Card Approval Process

Monthly Certification

Effective with April procurement card statements, all cardholders will now complete a "Monthly Procurement Card review/Certification" form. The intent of the new form is to remind cardholders of their responsibilities. By signing the form, cardholders are certifying that:

- ✓ All purchases have been made in accordance with applicable Institute purchasing policies and procedures, according to the information outlined in the RIT Procurement Card Guide.
- ✓ All purchases are for official RIT business use and the business purpose is clearly indicated on the receipt including "who", "what" and "why".

The form is now available on the Controller's Office web site (in the Accounting section of the forms page): http://finweb.rit.edu/controller/forms.html.

All card statements are due in Accounting within two weeks of receipt of the JPMorgan Chase statement. Here's the process:

- ✓ Attach all receipts to an 8 ½ X 11 sheet of paper.
- ✓ Indicate the business purpose including who, what, why & when.
- ✓ Complete the Monthly Procurement Card Review/Certification form and attach it to the front of you procurement card statement.
- ✓ Obtain the signature of your supervisor or department budget authority.
- ✓ Forward the statement to Accounting by the due date.

In addition to enhancing internal controls over the procurement card process, this new procedure will streamline the monthly review process conducted by Accounting. If you have questions about the new form, please contact Valerie Russell, Card Administrator at ext. 5-4491 (email: vdrcto@rit.edu).

Self Service Corner
View Your Payslip from Home
With summer vacations approaching, remember that you can access Employee Self Service from the comfort of your home. You can use Employee Self Serve to view your payslip, make banking changes, update your W-4 Form, etc. A VPN is not required. From your internet browser, simply log onto https://myinfo.rit.edu anytime day or night.

Student Self Service
Earlier this year student employees began to use the Self Service applications to view their payslips, make banking changes, view their W-2's and change their federal withholdings. Please remind your student employees that they can register online at http://finweb.rit.edu/controller/forms/studentselfservice.pdf to obtain a User ID and Password.

Kronos Timekeeping Information
A Reminder About New Badge Numbers
As a result of the Student ID Replacement Project, all regular employees (RIT staff member including full time, part time and RIT temps) must use their new RIT ID cards beginning Wednesday, May 31st. ***Student employees are not affected by this change.*** Whether you're punching at a clock or entering your time through the secure web site, in order for time to be recorded, you have to use the new badge number. Please call Sean Cartwright, Kronos System Administrator, at ext. 5-2819 (e-mail: stcfa@rit.edu) if you have questions about this information.

Journal, Transfer, or Budget Entry
Which one to use?
There are three ways for Oracle users to enter information into the general ledger: 1) a regular journal entry; 2) a transfer journal entry; and/or, 3) a budget entry. Read on for information about when to use each type of journal entry. More detailed instructions are available in the Accounting Practices, Procedures and Protocol Manual located on the Controller's Office web site: http://finweb.rit.edu/controller/content/accountingworkshops.html. Refer to chapters IV, V, and VI.

1) **Journal Entries** – For expense accounts (e.g. supplies, travel, etc.), a journal entry increases (debits) or decreases (credits) the account balance. A journal entry may be used to make corrections to account lines within a department or between two different departments. Chargeback journal entries are used when one RIT department charges another department for services they provide (e.g., FMS, Food Service, ITS, The HUB, Telecommunications).

2) **Budget Entries** – A budget entry is used to move budget dollars from one operating account (an account fund centrally by RIT with 00000 in the project segment) to another. A budget entry actually increases (debits) the available budget dollars on one operating account and decreases (credits) the available budget dollars on another operating account. Unlike journal entries, only the Budget Office can prepare budget entries online in the Oracle applications. Complete a Budget Change form, located on the Budget Office web site and forward it via e-mail to the Budget office (budget@rit.edu) for processing in Oracle. The web site is: http://finweb.rit.edu/budget/budget_change_form.html.

   NTID – Even though NTID uses budget entries the same way that RIT does, there are some differences.
   - Budget entries are requested through **"Program Change Memo" (PCM)**, rather than a budget change form.
   - Chairpersons and budget officers submit PCMs to the **NTID Planning and Budgeting Office,** not to the RIT Budget Office.
   - NTID departments are required to process PCMs to fund lines that are in deficit by **$50.00** or more. PCMs are requested in **$100.00** increments (i.e. NTID department has a deficit of $150.00 on their supply line – the department processes a PCM for $200.00).

   > Contact the NTID Planning & Budgeting Office at ext. 5-6407 or
   > ext. 5-6228 if you have questions about the NTID budget process, or initiating a budget reallocation.

3) **Transfer Entries** – A transfer entry is used to move funds from one project account to another, or from an operating account to a project account. The object code (3rd segment of the account number) for both the debit and the credit must be a transfer object code (e.g., 63001 – 63190). Like budget entries, transfer entries can only be processed by the Budget Office. The following are examples of transfer entries (the transfer object codes are indicated in **bold**):

   - The Physics department (67400) is moving funds from their operating account to a grant to fund cost share expenses (Debit 01.67400.**63030**.00.00000.00000 / CR 01.67450.**63001**.00.31234.00000).
   - The Controller's Office department (15000) is moving funds from their operating account to their capital equipment account to fund a capital equipment purchase (Debit 01.15000.**63184**.00.00000.00000 / CR 01.15000.**63101**.00.84200.00000).