

**UNIVERSITY OF ARKANSAS AT PINE BLUFF
FINANCE AND ADMINISTRATION
BUSINESS PROCEDURES MANUAL**

CONTROLLER'S OFFICE

Overview

The primary purpose of the Controller's Office is to provide accountability of the University's assets, obligations, revenues, expenditures, and funds held for other purposes by the institution. The major objective of the office is to control expenditures within the budgets, to safeguard institutional financial assets, to record and report financial data periodically, and to provide assistance to management and other users.

The department is divided into four units: general accounting, sponsored projects accounting, accounts payable, and cashier's area. The office is managed by the Controller who reports directly to the Associate Vice Chancellor for Finance and Administration. Authority has been given to the Controller to receive and disburse all funds appropriated for expenditures by the State of Arkansas. Managing the cash flow is an essential element in the process.

Financial Reporting

One of the major responsibilities of the Controller's Office is reporting financial information to users to aid in the decision making process and the review and appraisal of past performance. The first group of end users is Executive Management consisting of the Chancellor, Vice Chancellors, Director of Development, Director of Research and the U of A System Internal Auditors. The reports are prepared directly by the Controller and are disbursed by the 15th day of each month. The reports consist of financial notes, graphs, and financial statements of each respective area or division.

The second and third group of users include deans, department chairpersons of academic units and sponsored grant programs, as well as, other budget officers. The reports are prepared by staff in the offices of General Accounting and Sponsored Projects and are distributed by the 15th of each month. All reports are distributed once a month and should be carefully reviewed by the user to verify accuracy of the information.

General Accounting

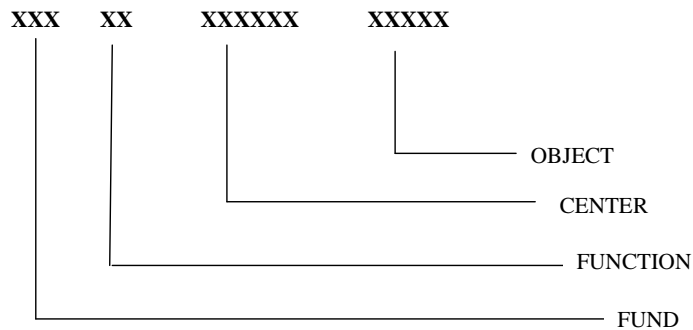
The office of general accounting maintains the general ledger. The unit is supervised by the Assistant Controller who oversees a staff of two. The Assistant Controller is also responsible for monitoring other units in the area during the absence of the Controller.

In addition to maintaining the general ledger, the General Accounting unit is responsible for the daily input of financial data and handling of departmental financial reports and

for distributing a complete set of "GL" trial balance reports to the Controller by the 10th day of each month. Other duties include: balancing of Treasurer's cash accounts with the General Ledger; distributing monthly financial reports; preparing journal entries and interdepartmental transfers; balancing the subsidiary ledgers with the general ledger accounts; reconciling of bank statements; explaining and interpreting accounting reports; assisting the Controller with preparation of annual financial reports; reviewing and analyzing of accounting data and maintaining the University's chart of accounts.

The general ledger account number identifier is a 18 digit combination (xxx_xx_XXXXXX_XXXXX) divided into four separate parts that identify the fund, function, department/cost center and object code where the financial information is maintained.

General Ledger Account Number format



Part One: Fund Number



A fund number is a three-digit code, which is earmarked for a specific fund having various sources (monies) for an identified purpose. The first digit of the fund number is called the Fund.

The first group identifies various fund numbers having similar purposes. The fund number detail consists of the remaining two digits of the fund number further identifying the fund group.

Fund Numbers:**1XX Current Unrestricted Funds**

- 110 General Operating Funds
- 111 Grant Matching Program
- 112 Cost Sharing/Federal
- 113 Cost Sharing/State
- 119 Restricted Gifts
- 120 Auxiliary Enterprises
- 121 Athletic Fund
- 160 Unrestricted/Designated Funds
- 170 Continuing Education Program
- 171 Continuing Education/Distance Learning Program
- 172 Non-Credit Course
- 175 North Little Rock Site
- 190 Unrestricted Gifts

2XX Current Restricted Funds – Federal Programs

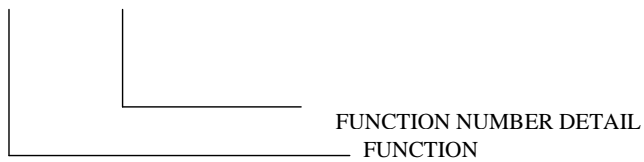
- 200 Federal Fund Administration
- 201 Federal Accrual
- 205 Department of Education (ED)
- 215 Agency for International Development (AID)
- 220 U.S. Department of Agriculture (USDA) CSRS
- 221 U.S. Department of Agriculture (USDA) 1890
- 222 U.S. Department of Agriculture (USDA) Basic
- 223 U.S. Department of Agriculture (USDA) Stren
- 224 U.S. Department of Agriculture (USDA) FMHA
- 229 U.S. Department of Agriculture (USDA) Other
- 230 U.S. Department of Energy
- 240 U.S. Fish and Wildlife Service (USFWS)
- 250 Department of Health & Human Services (DHHS)
- 251 National Institute of Health
- 252 Arkansas Game and Fish Commission
- 253 National Science Foundation
- 254 American Chemistry Society
- 260 U. S. Army
- 261 Department of Defense (DOD)
- 270 SEADD
- 299 Miscellaneous Federal Programs

3XX Unrestricted Designated Funds**4XX Current Restricted Funds – State**

- 401 State Accrual
- 405 Arkansas Humanities

410	Arkansas Science & Technology Agency (ASTA)
415	National Endowment for the Humanities
498	State Other Special Programs
499	Other State Supported Programs
5XX Current Restricted Funds – Private	
501	Other Accrual
580	Scholarships
590	Gifts
599	Private Sponsored Programs
6XX Loan Funds	
610	Federal Loan Programs
615	Federal Student Guaranteed Loan
630	State Loan Programs
650	Other Loan Programs
7XX Endowment Funds	
710	True Endowments
720	Quasi Endowment
730	Term Endowments
731	Term Endowment
732	Term Endowment
733	Term Endowment
8XX Plant Funds	
801	Accrued Expense/unexpended
812	Cost Sharing/Federal
820	Renewals & Replacement
830	Retirement of Indebtedness
890	Net Investment in Plant
9XX Agency Funds	
901	Accrued expense/agency
910	Student Activity Funds
950	Other Agency Funds (Deposits)
960	UAPB Agency Fund
970	Delta Student Housing Complex

Part Two: Function

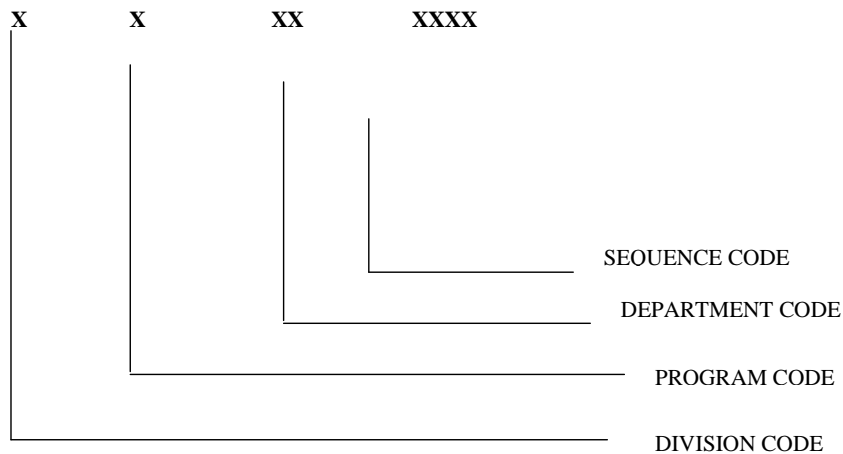


Function Code

Every expenditure account is categorized as to its functional category. The function code is the first position of the function number. Following are the function numbers and their meaning:

- 1 = Instruction
- 2 = Research
- 3 = Public service
- 4 = Academic support
- 5 = Student services
- 6 = Institutional support
- 7 = Operation & maintenance of plant
- 8 = Student financial assistance (scholarships and fellowships)
- 9 = Auxiliary enterprises
- 0 = Function code not required

Part Three: Departmental Cost/Center Number



Program Code

The program code represents the College/School/Major Division of the University.

When the Program Code = 1, INSTRUCTION, the following Program Code values and descriptions apply:

- 11 = School of Agriculture, Fisheries and Human Sciences
- 12 = School of Business and Management
- 13 = School of Education
- 14 = School of Liberal and Fine Arts
- 15 = School of Science and Technology
- 16 = Unassigned
- 17 = Other Divisions
- 18 = University College
- 19 = Reserve Officer Training

When the Program Code = 2, RESEARCH, the following Program Code values and descriptions apply:

- 21 = Research Center
- 22 = Research Incentive
- 23 = Research Support
- 24 = International Programs

When the Program Code = 3, PUBLIC SERVICE, the following Program Code Values and descriptions apply:

- 31 = Public Service
- 32 = Broadcast Media

When the Program Code = 4, ACADEMIC SUPPORT, the following Program Code Values and descriptions apply:

- 41 = Library
- 42 = Organized Activities Related to Instruction
- 43 = Learning Resources
- 45 = Ancillary Support
- 46 = Deans

When the Program Code = 5, STUDENT SERVICES, the following Program Code values and description apply:

- 51 = Student Services

When the Program Code = 6, INSTITUTIONAL SUPPORT, the following Program Code values and descriptions apply:

- 61 = Campus Administration
- 62 = Finance and Administration
- 63 = General Administrative Services
- 64 = Technical Services
- 65 = Logistical Services
- 69 = Other Institutional Support

When the Program Code = 7, OPERATION AND MAINTENANCE OF PLANT, the following Program Code values and descriptions apply:

- 71 = Plant Administration
- 72 = Building Maintenance
- 73 = Grounds
- 74 = Custodial Services
- 75 = Purchased Utilities
- 77 = Campus Security
- 79 = Facilities Cost Fees

When the Program Code = 8, STUDENT FINANCIAL ASSISTANCE, the following Program Code values and descriptions apply:

- 81 = Scholarship & Fellowships
- 82 = Tuition Waivers

When the Program Code = 9, AUXILIARY ENTERPRISES, the following Program Code values and descriptions apply:

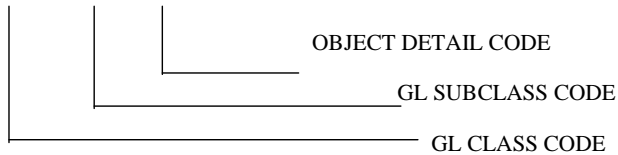
- 91 = Intercollegiate Athletics
- 92 = Residence Halls
- 93 = Faculty Housing
- 94 = Food Service
- 95 = Student Union
- 96 = Bookstore
- 99 = Other Auxiliary Enterprises

Department Code (GL.Dept.)

This is a two-digit code, which represents the specific organizational entity or university department. For example, the department value of "01" when used in conjunction with the Program Code of "11" represents the Agricultural Science Department.

Part Four: Objective Code

X XX XX



General Ledger object Detail (GL.OBJECT)

The last two positions of the OBJECT CODE are the object detail. This code further defines the G/L SUBCLASS Code. For example, if the G/L CLASS is "1" and the G/L is "10" the object code of "10" represents cash in the bank. If the Object Detail Code were "20" it represents petty cash. If the G/L CLASS Code is "2" and the G/L SUBCLASS CODE is "10" and the object detail code is "10" this represents accounts payable.

Request for New Department/Center Numbers (Except for Sponsored Programs)

Individuals requesting a New Department/Center Number must complete a Request for Department/Center Maintenance Form and submit it to the Office of the Controller. The following information should be included on the form: purpose, source of funds, proposed cost center name and the effective date of the action. After the form is reviewed and approved, the requester will be notified of the approval and the form will be forwarded to General Accounting for processing.

Sponsored Projects Accounting

The Office of Research and Sponsored Programs (ORSP) is service-oriented and directed by the values of the University. It is dedicated to assisting the faculty and staff in seeking and administering funds for research and sponsored programs. ORSP facilitates research at UAPB by: **identifying funding sources, assisting in finalizing proposals; reviewing budget accuracy; negotiating agreements; obtaining and interpreting guidelines, and promoting compliance of grant applications and contracts with sponsor and university policies and requirements.** The office ensures financial accountability for external funding and research support. For complete information about ORSP see www.uapb.edu "Research and Sponsored Programs" under "Chancellor."

ORSP has responsibilities in the area of Finance and Administration and in the area of Research. Following are the major areas of responsibility of OSRP that fall under Finance and Administration:

1. Approving complete proposal package, including proposal budget, prior to submission to agencies.
2. Reviewing and processing contract awards. Issuing sub-award agreements under sponsored projects.
3. Designation of new account numbers for the establishment of projects/cost centers in accordance with restrictions imposed by outside sources as to use of funds.
4. Maintaining award files that include: a copy of the proposal; the signed agreement; the approved budget; invoices; close-out documents (added after the end of the award). All

files and accounting records for sponsored projects are made available for on-site audits by Federal or Non-federal auditors.

5. Preparing reports on sponsored funding awarded to the University, including the Federal Assistance Schedule, Arkansas State Clearinghouse Reports, reports to the management and outside agencies.
6. Examination of requisitions, interdepartmental invoices, personnel action forms (PAFs) and other documentation to ensure that accounts are properly spent. Monitoring compliance with special provisions of awards.
7. Preparing invoices, specialized billing; interim and financial reports per outside funding agency requirements. Collecting accounts receivable for grants.
8. Preparing electronic requests for funds from sponsored programs.
9. Recording Fringe Benefits and Indirect Cost journal entries to the General Ledger.
10. Testing accuracy of payroll charges to projects by comparing Personnel Action Forms to the actual charges. Inform payroll and personnel of any discrepancy and make entries to correct any inaccurate charges. Preparing and processing Time and Effort Certification Reports for individuals paid from federal sponsored projects and matching accounts for federal projects.
11. Organize internal training sessions on grant administration and compliance. Provide individual consultations and answer requests from Principals Investigators.
12. Delivering monthly reports to Principal Investigators.
13. Closing out awards and General Ledger accounts.

Treasurer

Two major responsibilities of the Treasurer is collections and cash receipts. In addition, the Treasurer's Office deposits all monies received for payment of tuition, fees, fines, etc. This function includes accurately crediting funds to the appropriate accounts and making daily deposits at the financial institutions selected by the University.

The Treasurer oversees the daily operation of two Cashiers. Each cashier is responsible for handling an assigned amount of cash daily to operate a cash drawer. All monies are distributed to the cashiers by the Treasurer who verifies all cash accounted for by each cashier with the daily deposit and secures the cash in the vault at the close of each business day.

Deposit Transmittals

Cash for deposits are received in the following manner:

Generally, all cash or checks that are mailed to the University are received by the Office of the Vice Chancellor for Finance and Administration, the Controller's office or the office of Student Financial Services. These monies are forwarded to the Treasurer attached to a transmittal form listing the name and the address of the sender, amount of the money item, and the purpose for which it was sent.

1. The funds listed on the transmittal are verified and signed for by one of the cashiers or the Treasurer.
2. Payments that are received from grants, gifts or other reimbursements are crosschecked with the Accounting Office or with the Grant Accounting Supervisor to assure accurate posting to the account. Payment received from Student Financial Services are verified through that office.
3. Cash receipts that are deposited at the Cashier's window are required to have the following information:
 - (a) Name of person or payee to whom the receipt should be written
 - (b) Social Security number or Student ID is required for students or staff
 - (c) Description of payment for receipt
 - (d) Account number when deposits are made for university departments
 - (e) Amount of deposit

Checks presented for payment must meet the following requirements:

- (a) be payable to the University
- (b) contain the current date
- (c) legible writing
- (d) be written in ink, not pencil.
- (e) must be signed.
- (f) payee's physical address must be listed, including driver's license and telephone number
- (g) not be torn or mutilated.

Money orders or travelers checks must be endorsed in the presence of the cashier and must include a form of identification.

Personal checks presented at the cashier's window must be verified with the bank for approval by Telecheck to determine the balance before the check can be receipted.

The University accepts the following credit cards for payment: VISA, MasterCard, American Express, and Discover. Upon receipt of a credit card the following steps are taken:

- (a) The Telecheck terminal scanner checks for expiration date.
- (b) The Telecheck terminal scanner also checks to determine if the card is stolen or invalid
- (c) The card is scanned for a payment approval number on the bankcard terminal or called in for an approval number for the amount to be receipted.
- (d) Telephone authorizations are also accepted for bank or credit card payments. The above procedure is followed and the receipts are mailed to the customer.

Cash receipts should be voided when the following occurs:

- (a) at the customer's request for return of money that was paid in error.
- (b) at the customer's request due to the wrong name or incorrect description on the receipt.
- (c) at the cashier's request due to an error in posting that has the cash drawer out of balance.
- (d) at the Treasurer's discretion due to an error that is recognized from the daily reports or from the Accounting office.

All voided receipts must be signed by the Treasurer and/or the customer. If the customer is not available, the cashier should write a statement on the receipt giving the reason for the void.

Procedures for Deposits Dropped Off

Listed below are the procedures that were developed effective October 8, 2007 to handle deposits that are dropped off.

Log In Procedures:

- a. List the date, department name, verify the amount of the deposit, and the Cashier name
- b. Process the deposit (receipt money). Log in the date of receipt/receipts, and enter in the general ledger, the name of the Cashier that processed the receipts.
- c. Make a copy of the transmittal, envelope, etc. and file in the appropriate file or folder.
- d. If the receipts are not picked up in two days, contact the department
- e. have the employee who dropped off the deposit to sign their name and the date the receipt was picked up on the general ledger.

Usual departments dropping off deposits:

- 1. Athletics
- 2. Agriculture
- 3. Student Financial Services (the department uses a separate procedure)
- 4. Print Shop
- 5. Public Safety
- 6. Registrar's Office
- 7. Residential Services
- 8. Student Activities
- 9. Student Union
- 10. All student organizations, clubs, etc.
- 11. Grant Accounting

A copy of the Log Ledger form is included in this manual.

Record of Deposits

All cash receipts must be reconciled and deposited daily. At the end of each business day, the cashiers reconcile their cash drawers in accordance with the following procedure:

1. Count all cash listing the coins and currency on tape.
2. Run separate tape on checks and bank card payments
3. Add cash, checks, and/or bankcard payments and subtract receipts. The difference should be the operating change.
4. The daily bank deposit summary form is completed listing the information as stated above. The balance tape is attached.
5. Each cashier prepares the cash and checks that make up the deposit.
6. Each cashier turns into the Treasurer, the money for deposit and the cash drawer.
7. The Treasurer verifies the money and prepares deposit tickets.
8. The cashiers' drawers are checks and locked in the vault overnight.
9. Each cashier runs four (4) closeout reports at the close of each day. The reports are: session; bank deposit; general ledger register and general ledger posting.
10. Deposits are taken to the bank and the deposit slips are submitted to the Accounting Office.
11. The office copy of cash receipts is filed for auditing purposes.
12. Deposit reports are generated and verified with deposit slips.

Note: If a cashier is out of balance, the Treasurer examines the drawer for errors. If the error is not found and the cashier is over, an over-deposit with a written statement is prepared by the cashier. If the drawer is short, the deposit is shortened with a written statement by the cashier. Any shortage in excess of \$100.00 is referred to the Controller in the event an investigation is necessary. All shortages under \$100.00 are handled at the Treasurer's discretion.

13. Daily deposit reports are generated for office purposes.
14. Weekly cash flow reports are submitted to the Controller.
15. Monthly Deposit Fund Reports are submitted to the Department of Finance and Administration, and a detailed monthly report of all funds are submitted to the Controller for cash analysis.

Check Cashing

Check cashing is a privilege that is provided by the University to assure that employees and students who are in need of small amounts of cash are not inconvenienced by having to leave the campus. Although this service is available, the following restrictions apply:

Employees

1. May cash personal checks up to \$50.00. Any check above \$50.00 must be approved by the Treasurer.
 2. Generally, no two-party checks are cashed.
 3. University I.D. and telephone numbers are required.
 4. A fee of \$25.00 is charged for each returned item.
- Check cashing privileges are withdrawn from employees who have consistent returns.

Students

1. Not permitted to cash personal check for any amount.
2. May cash cashier's checks, money orders and traveler checks in an amount not exceeding \$50.00 that are made payable to the student.
3. Are required to show a current picture I.D.

Returned Checks

The University requires that all personal checks that are returned for any reason be recorded and reconciled monthly with the general ledger for accounting purposes. When an item is returned by the bank, the following procedures are followed:

1. The Treasurer maintains a ledger of all returned checks listing the check writer, date returned, amount and date of re-deposit.
2. If a check returns, a copy of the check with a debit memo is sent to student accounts for the service charge. The service charge for return checks is \$25.00.
3. At the same time, provided that all the information that TELECHECK requires is on the check, the check is forwarded to TELECHECK for collection.
4. If TELECHECK is unable to collect the funds for the check, the check is returned to the University and the Treasurer forwards the check to student accounts and to the Assistant Controller to charge the account where the check originated.
5. At the end of the month, a returned check report reflecting returns, re-deposits, and charge-backs to the accounts, is reconciled with the Accounting Office ledger.

Check Disbursements

The Cashier's Office is the primary distribution center for checks issued by the University. This procedure is recommended by NACBUBO (National Association of Colleges and University Business Officers) and for means of safeguarding assets.

Faculty/Staff Payroll

1. Issued twice a month, the 15th and the last working day of the month.
2. Sorted individually and grouped by departments
3. Disbursed to the designated staff representing the department.
4. Checks are mailed only upon written request by the employee.
5. Early disbursement may be granted by the Vice Chancellor for Finance or the Controller in emergency situations.

Student Payroll

1. Work-study or other program checks are issued at the same time faculty and staff payroll checks are disbursed.
2. Students are required to pick-up individual checks using a current picture I.D. card.
3. Checks are mailed by request.

Student Loans & Scholarships

1. Students are required to show a current I.D. and present the loan counseling film permit before receiving loan checks.
2. Complete a loan check receipt that is forwarded to the office of Student Financial Services.

3. Endorse the loan check so that a receipt can be processed to the student's account.
4. Students requesting scholarships must present a current I.D. Card.
5. Endorse the scholarship for a receipt to be processed.
6. Students having credit balances from overpayment due from these checks are placed on the refund list and receive their checks at the designated time.

Refund Checks

All students receiving refund checks from the University must follow these procedures:

Present a current picture I.D. Card

1. Write a letter of consent when a second party will be picking up the check. The second party will also be required to present an I.D. such as a Driver's license.
2. Refund checks are mailed upon request, or if a student fails to pick up the check.
3. Checks may be processed payable to a second party with pre-approval and consent in writing from the student and the Treasurer.
4. Checks will be made payable to the parents for overpayment of a student account that is paid with a Parent Plus-Loan check.
5. All checks are processed and disbursed weekly.

Bank Transfers

Cash

The Treasurer is responsible for transferring all institutional funds requiring bank transactions. When transfers are necessary, these procedures are followed:

1. In special cases, the Controller attaches a transfer memo with disbursement documentation authorizing transfer of cash funds and submits it to the Treasurer. Routine transfers are processed daily by the Treasurer.
2. The transfer information is entered on the personal computer and submitted. The Controller transmits the wire for posting to the University's bank account and to the outgoing bank.
3. A transfer memo is prepared listing the transfer information by bank account name and amount.
4. Transfers are submitted electronically on-line with the bank.
5. A copy of the transfer memo is submitted to General Accounting, along with a copy of the electronic debit and credit confirmation form.
6. Once the transfer debit and credit slips are received from the bank, the original copy is given to General Accounting and a copy is retained by the Treasurer and attached to the original copy of the transfer memo.

Wire Transfers (Education and Human Services)

Wire requests are received from the Grant Accountant for call-down of federal funds that are due to the University from the U. S. Department of Education and the U. S. Department of Human Services. In order for federal funds to be received, the following steps must be taken:

Education

The Treasurer prepares a call-down request memo listing the information that is required for Cash Transfers HUD wires only. A 1-800 number is called giving the fund type, account number, password and amount of the request. Each time the Treasurer will confirm the deposit with the bank. Copies of the wire data is forwarded to General Accounting for recording purposes.

Human Services

All wires are processed on line by the Grant Accountant.

Private Gift Scholarships

Scholarship checks that are received directly at the Cashier's Office are processed in the following manner:

The checks are copied and listed on a transmittal with the student's I. D. number and the name along with the amount and name of the donor.

The copies are scanned and e-mailed directly to the Student Financial Services office, or the copy may be picked up by a representative of that office for processing.

The Cashier post the check (s) to the student's account for the current semester, and use the OPS Code on the description line for identification to indicate that the payment is for a scholarship. If part of the is for a different semester other than the current semester, the AR type is changed to OS and the designated term is changed and the scholarship is posted to the 580 scholarship account listing the donor's and student name.

Checks that are received by the Student Financial Services Office are submitted to the Cashier's Office by transmittal. The Cashier signs out the check, makes copies of the documents and post the scholarships in the manner above.

Only designated scholarships such as those from the military or other governmental agencies are forwarded to the Accounting Office for verification of accounts and resubmitted to the Cashier's Office on transmittal and for processing.

Athletic Revolving Fund Travel Advance

In accordance with Act 676 of 1979, the University has approval to institute the Athletic Revolving Fund. The fund may be utilized to make advances of the total anticipated travel expenses for the following purposes:

1. Anticipated meals and lodging costs of the authorized traveler
2. Anticipated mileage expense when an individual is required to use his own vehicle for official travel at the rate provided by law – currently the amount is \$.34 per mile.
3. Anticipated taxi fares
4. Anticipated meals and lodging for students when escorted by a state employee

To receive a travel advance, the employee must have an approved purchase order accompanied by an authorization to travel form to submit to the Treasurer.

The advance request is processed for 100% of the travel funds, if cash is available. During peak periods when several sports are making requests, the funds requested may be reduced in order to accommodate all the travelers.

When the traveler picks up the advance check, a repayment agreement is signed authorizing the University to withhold payroll funds in case the advance travel funds are not replaced within thirty days.

Employees who have not filed for travel reimbursement within thirty days after the return of their trip are contacted by telephone as a reminder. If the traveler fails to submit the reimbursement form within the thirty days, their next payroll check is pulled and held by the Treasurer until the forms are submitted.

Advance Travel reimbursement checks that are processed for employees who have received advances are forwarded to the Treasurer.

When the employee refunds money received from the advance account, a receipt is written and the money is deposited.

A ledger is maintained by the Treasurer who balances the monthly bank statement with the ledger. The statement reconciliations are reviewed and signed by the Controller.

Monthly reports are maintained and filed for audit purposes.

Change fund

Agencies that receive cash for sales or services find it necessary to establish a Change Fund. The fund at the University of Arkansas at Pine Bluff is used to make change for the daily operation in the Cashier's area. The fund is verified daily and all overages and shortages properly documented. No expenditures are made from the Change Fund. The procedures for establishing and adjusting a Change Fund are the same as those for establishing and adjusting a Petty Cash Fund.

ACCOUNTS PAYABLE SECTION

The Accounts Payable unit reports directly to the Controller and is supervised by the Accounts Payable Supervisor who oversees a staff of three. The primary functions of this unit are: 1) to

determine the validity of claims submitted to the University and, 2) to print all checks for payment such as agency fund withdrawals, debt service (including capital leases, loan payments, and plant funds), payroll related deductions, operating expenses (including utilities, supplies, and equipment), private gifts, refunds, stipends and travel reimbursements.

Invoice Processing

An invoice is the billing from a vendor for goods and services rendered. All invoices should be sent to the address below:

University of Arkansas at Pine Bluff
Office of the Controller
1200 N. University Drive, Mail Slot #4984
Pine Bluff, AR 71601

The University will not pay an obligation from a statement unless it meets invoice requirements or when the actual invoice is attached to the statement.

It is imperative that invoices received by departments/individuals are forwarded to Accounts Payable immediately after verifying the receipt of goods in order that prompt payment can be made to the vendor. Delays in receipt of the invoice from the department may cause late payment of legitimate obligations. In addition, it could cause the vendor to refuse to accept University purchase orders in the future.

Invoice Requirements

The invoice must be billed to the University, not to an individual. It must be submitted in duplicate, and must provide the following information before it can be accepted for payment:

- a. The complete name and address of the vendor
Note: If the vendor name is not printed on the invoice, the invoice must be signed by the vendor.
- b. Invoice Date
- c. Invoice Number (if possible, but is not a requirement for payment)
- d. Purchase Order Number
- e. Detailed listing including: description of merchandise and/or services purchased, unit price and extended line total.
- f. Name and location of requesting department

An invoice received in Accounts Payable directly from a department must be signed verifying receipt of goods and/or services. The department should keep a copy for their records and send the original and two copies to Accounts Payable. If the invoice is an emergency situation, a letter of justification must be attached before an emergency check is printed.

Invoices Requiring Special Handling

Invoices will only be paid from the cost/center number as shown on the Purchase Order. If a department needs to change the cost/center number from the one that is shown on the Purchase Order, a memorandum should be sent to Accounts Payable. The memorandum should contain the cost/center number, voucher number of the original charge, and the new cost/center that should be charged. This information will be reported on the next monthly Departmental Budget Report. All charges for any one-month are placed on one memorandum corresponding to that month.

GASOLINE CREDIT CARDS – All gasoline credit charge tickets must show the signature of the driver and the vehicle license number. Tickets without either of these items will be returned to the departments. University gasoline credit cards may not be used to purchase gasoline for privately owned vehicles.

MULTIPLE PAYEES – List of individuals to be paid for scholarship, awards, stipends, etc. must be submitted on a TYPED memorandum, TRIPLE SPACED and in ALPHABETICAL ORDER.

Payment of Invoices

The normal time frame for processing invoices is 30 days from receipt of the invoice.

When a department is requesting information on the "status" of an invoice, the following information would help expedite the response: 1) purchase order number; 2) vendor name and remittance address; 3) invoice number; 4) invoice amount; 5) invoice date. Each department will receive a Monthly Budget Report showing payments made to a vendor. A thorough review of a Departmental Budget Report is recommended prior to making inquiries about an invoice.

Accounts Payable Correspondence

Any correspondence received in Accounts Payable will be answered promptly in order to provide timely payments to the Vendors.

Petty Cash Fund

A petty cash fund is generally a relatively small fixed amount of cash on hand or in the bank to be used for minor disbursements. Petty cash vouchers, cash or cash and petty cash vouchers must at all times equal the total amount fixed for the petty cash fund. The petty cash custodian is responsible for accounting for the fixed amount at any time and disbursements from the fund must be authorized by someone other than the custodian. The petty cash fund may be established from either Treasury or agency bank funds. To establish a Petty Cash Fund, a request must first be submitted to and approved by the Chief Fiscal Officer of the State. A similar request must be submitted and approved to change the amount of the existing Petty Cash fund.

It is impossible to compile a list of acceptable petty cash expenditures. However, typical petty cash purchases consist of items such as postage, freight and express. In general, petty cash should be used to purchase:

- 1) items requiring prompt payment, or,
- 2) items on which the cost of using regular disbursing channels would offset any savings that could be realized by immediate purchase and payment.

Under no circumstances may petty cash be used to circumvent purchasing regulations, make payroll advances, make travel advances, or reimburse travel expenses. All petty cash vouchers must be supported by a receipt, sales slips, etc.

Accounting for and Replenishing Petty Cash

The Petty Cash vouchers must be entered in a Petty Cash Journal, a copy of which must accompany the general expense voucher to replenish the fund. The individual Petty Cash vouchers are not required to accompany the general expense voucher but must be filed for audit purposes. The general expense voucher is always made for the amount of actual expenditures and not for the fixed amount of the fund.

In order to properly control a petty cash fund, the following restrictions and regulations should be established and maintained. The basic requirements are:

1. one person is to be responsible for the fund
2. one person other than the custodian shall authorize disbursements.
3. petty cash vouchers should be pre-numbered and accounted for.
4. the custodian does not have access to bank accounts, cash receipts, and/or general accounting records.
5. checks and notes payable (I.O.U's) are not accepted.
6. petty cash fund should be reconciled periodically

Travel: General Information and Guidelines

The Chief Fiscal Officer of the State is authorized by ACA 19-4-901 to promulgate rules and regulations with respect to travel and travel allowances and prescribe the forms and procedures for reporting, approving and paying such travel allowances for all officers and employees of state government or for other persons who are authorized to carry out official duties in connection with the business of the state.

In accordance with ACA 19-4-904, the limitations for rules placing limits on meals and lodging expenses shall not be applicable to the constitutional or elected officials and their employees and official guests of the state. The provisions of this regulation shall not be used to supersede or set aside the provisions of law providing for fixed allowances, established amounts for per diem, or to special

travel privileges provided for by ACA 19-4-903 and other law for specific purposes where such allowances exceed those authorized in this regulation.

Officials and employees may be paid travel expenses when required to travel away from their “official station” on state business. “Official Station” is the geographical location or “address” where the employee normally reports for duty and/or spends the majority of his/her productive time and must be designated as such in writing by the employer. An employee’s “residence” shall be the city or town in which the individual has an abode or dwelling place. An employee whose resident city is a location other than his/her “official station” shall not be allowed mileage to travel between them except as provided under the Special Authorizations section of this policy.

Claims for travel reimbursements will be allowed only for such items of actual expenses incurred in connection with the official duties of the traveler. Within the limits and restrictions of these regulations, all claims for travel reimbursements must be made by the traveler, and then payment will be approved and made only upon the basis of personal reimbursements. One employee may not include on his travel payment request the expenses of another employee. No expenses for meals and lodging will be allowed within the city or town of the employee’s “official station” unless “special authorization” under ACA 19-4-903 are authorized by the agency head or travel administrator.

Miscellaneous expenses, whether directly or indirectly connected with travel (such as postage, small emergency supplies, etc.) may be allowed with adequate justification when necessary for the performance of official duties. Receipts are required.

Expenditures for personal entertainment, tips, flowers, valet service, laundry, alcohol beverages, cleaning, movies or other similar services are not reimbursable. Communication expenses shall be allowed only when necessary for the transaction of official business and when properly receipted.

Petty cash funds can not be used to make travel advances or reimbursements. Incidental expenses incurred by the traveler such as postage and procurement of minor supplies essential to the performance of state business may be reimbursed from Petty Cash funds upon presentation of proper receipts.

Travel reimbursement is **NOT** a per diem, and is to be claimed for **ACTUAL EXPENSES FOR MEALS AND LODGING NOT TO EXCEED THE MAXIMUM ALLOWABLE RATES AS LISTED IN THE FEDERAL TRAVEL DIRECTORY PLUS APPLICABLE SALES TAX.**

Reimbursement for meals is allowed only in connection with overnight travel whether in-state or out-of-state unless “special authorizations” under ACA 19-4-903 are authorized by the agency head or travel administrator. The maximum full day meal allowance will be the Federal Per Diem rate depending on the destination location. For partial days, meals charged must be in proportion to the time in travel status and may not exceed the maximum for applicable meal(s) stated in the Federal Travel Directory for the location(s). Although receipts are not required by this rule, the administrative heads of agencies, department and institutions may require them. The Federal Per Diem site is <http://www.polyworks.gov/main/mt/homepage/mtt/perdiem/travel.shtml>.

Reimbursement for lodging is limited to the single room rate. If a room is occupied by more than one person, the single room rate must be noted on the receipt. The maximum daily allowance will be limited to the Federal-Per-Diem rate depending on the location both in state and out of state travel. A full calendar travel day for meals and lodging shall commence at 6:00 a.m. and shall include breakfast, lunch and dinner and one night's lodging and shall end the following morning at 6:00 a.m. Lodging costs exceeding the rates in the Federal Travel Directory may not be paid without a letter of authorization by the Chancellor and must include a justification as to why it was in the best interest of the state to exceed the standard reimbursement rate.

For each full calendar day in travel status, when breakfast, lunch, dinner and lodging are included, the maximum daily allowance will be limited to the following:

<u>Locality</u>	<u>Lodging</u>	<u>Meals</u>
Little Rock/Pulaski County	\$72.00	\$34.00
Hot Springs/Garland County	\$60.00	\$30.00
All other cities	\$55.00	\$30.00

Comment [J1]:

Transportation may be achieved by plane, train, bus, taxi private vehicle/aircraft, rented or state-owned automobile, whichever method serves the requirements of the state most economically and advantageously. Reimbursement for out-of-state travel will be the lesser of coach class airfare or the established rate of private car mileage, based on map mileage when driven. Effective June 1, 2004, private car mileage is reimbursable at **thirty-four cents per mile(.34)**. Whenever private automobile mileage is claimed for "official business" travel, the following policy must be followed: the shortest distance to the destination should be claimed. If the shortest distance is from the "official station" that distance should be listed on the **Travel Reimbursement Form**. If the shortest distance is from the employee's residence, that distance should be listed on the **Travel Reimbursement Form**. The question of whether to claim mileage from one's "official station" or "place of residence" only occurs in those instances where employees live in a location that is not the same as the city listed as their "official station." In some instances, those employees travel directly to an assigned destination from their place of residence.

The Travel Reimbursement instructions form (TR-1) may be obtained by going to the UAPB web site, Administrative forms and selecting the Controller's Office. This form is also to be used for itemizing any miscellaneous expenses incurred by the traveler. A recapitulation of all expenses incurred by the claimant will appear on this form.

Any vicinity mileage claimed should be listed separately from the "To and From" mileage on the TRI form. If more than one traveler is transported in the same vehicle, only the owner can claim mileage reimbursement. The State will reimburse for official miles driven only. The State assumes no responsibility for any maintenance, insurance, operational cost, accidents, or fines incurred by the owner of the vehicle while on official business for the State. The Travel Administrator is responsible for determining if the traveler is properly insured while using a privately owned vehicle on official

business. This requirement covers state officials, employees, guests, board members, and other State associated persons unless otherwise prohibited by law.

Travelers by commercial air shall utilize coach accommodations, except in those instances where first class accommodations would be more economical for the state. Instances where first class fare is utilized a detailed justification must be approved by the travel administrator.

When a Common Carrier (airplane, rail, car or bus) is used by employees traveling on University business, he/she should prepare and submit, in a timely manner, a purchase requisition and travel authorization form for the use of the Common Carrier so that the University will be invoiced for the cost rather than the individual using personal funds and then claiming reimbursement. The purchase order, along with the Authorization to Travel form, should be submitted to the Accounts Payable office for processing. However, if this is not possible, the traveler may make, pay for the arrangements and request reimbursement, after the travel has occurred.

Transportation charges for storage and handling of baggage in connection with articles used in official business of the University (other than personal) will be allowed.

Special Travel Authorizations:

Occasionally, it may become necessary for an employee to perform unanticipated duties outside the normal work schedule. In the event that such duties require the employee to commute from his residence to the place of performance of the duties and back via private vehicle, the employee may be paid mileage reimbursement. A written statement signed by the employee's supervisor shall be retained in the file, attached to the applicable TR-1 stating that the time worked was authorized, and the reasons the time was worked and travel authorized as well as the consequences had the duty not been performed .

Regulation and Restrictions

- A. Major oil company credit cards issued to a State Agency **are not** to be used to pay for meals and lodging.
- B. In cases where a traveler travels to a destination where the intended activities require extensive travel, a car may be rented. Trips involving transportation to and from the airport, and to and from the place of lodging do not usually justify "car rental." It shall be the responsibility of the Travel Administrator to authorize the mode of transportation that is most economical before the travel occurs. If it is determined that alternatives such as "taxi" are more economical due to the limited number of miles to be traveled that should be authorized.
- C. Receipts are required for lodging, commercial travel, registration fees and all other incidentals. Reimbursement for lodging is limited to the single room rate. If a room is occupied by more than one person, the single room rate must be noted on the receipt. University employees occupying the same room must divide the cost of the room if the total charge exceeds the single room rate.
- D. For out of state travel, the mileage reimbursement shall be the lesser of coach, airfare, or the rate of thirty-one (.31) cents per highway mile. Reimbursement for out-of-state meals and lodging shall be limited to actual expenditures not to exceed \$65.00 per day, provided 450

- miles or more are traveled per day. For example, a trip covering 1,350 miles allows the traveler to be reimbursed for a maximum of three (3) days while traveling to his destination.
- E. Expenses will not be allowed for entertainment, decorations, rental of space, or other arrangements in connection with banquets held solely for the benefit of employees.
 - F. Payment will not be approved when claims are made in the name of the hotel or Claimant other than the traveler.
 - G. Expenses in connection with moving of household goods or personal effects for any employee, or any prospective employee will not be allowed.

Use of University Vehicles

A Request for Use of Motor Vehicle Form is necessary in order to obtain the use of a University vehicle. This request form should be completed and attached to a copy of the approved Authorization to Travel Form and forwarded to the Motor Pool Supervisor for motor vehicle approval.

The usage rates for University vehicles are as follows:

Vehicle	Cost Per Day	Per Mile
Cars	\$25.00	.50
Trucks/Vans & S/W	\$25.00	.50

The request for a **CDL driver** costs \$15.00 per hour. Vehicle requests should be submitted two weeks prior to the date of travel. The forms may be picked up from the Motor Pool Building located at the S. J. Parker Experiment Station on the UAPB Farm.

The telephone number at the Motor Pool is 870/543-8834 or 543-8672, which is also the number of the fax machine. The mail slot number is 4775.

Vehicle Insurance

University vehicles are covered by liability insurance and all accidents must be reported promptly to the Controller's Office. All employees traveling on University business are strongly urged to maintain comprehensive and collision insurance coverage on their vehicles. In the event the employee is involved in an accident while engaged in University business, the employee's insurance is primary in handling the claim and the University's insurance provider is secondary. If the employee only has liability insurance on his vehicle, the University as the secondary provider, will not pay any of the physical damage claim on the employee's vehicle. Frequent travelers are strongly advised to adhere to this policy. Accident reports and any questions regarding this matter should be forwarded to the Risk Management coordinator located in the Controller's office.

Insurance coverage for full-time employees and students on official travel status are covered by liability insurance with regard to loss of life, dismemberment, or total disability, excluding travel by privately-owned aircraft or when an employee acts as a pilot or member of the crew.

Current salary will be provided by the University when employees are temporarily incapacitated through accidental injuries while traveling on official University business as stated in the insurance coverage.

With regard to disability, death and contested claims, all awards will be determined by the Workman's Compensation Commission.

See the UAPB web page for the following forms

Agency Withdrawal form
In-house invoice form
Non-State Employee form
TR-1
Travel Authorization
Walk Through form
Reimbursement Claim form (out of pocket expenses)

The form used to establish a petty cash fund; change fund; athletic revolving fund; and travel advance form can be obtained in the Finance Office, room 314 of the Administration Building.

Attached is a copy of the UAPB Cashier's Office Log Ledger.