

Disbursements, Working Fund, And Foreign Wires

Presenters:

Cindy Lyons, Manager – Policies and Procedures

Kenyatta Woolridge, Acting Manager – Disbursements

February 27, 2019

Agenda

- Introduction
- State Regulations, R*STARS, Policies, and Procedures
- Working Fund
- Foreign Wire Transfers
- Quantum Financials
- Upcoming Events – **Special SPP Workshop in April**

State Regulations

State of Maryland Regulations

- R*STARS - - Relational Standard Accounting and Reporting System
 - State of Maryland General Ledger used for reporting, budgeting, etc.
- UMB Financials
 - UMB General Ledger

State of Maryland Regulations

- R*STARS and UMB Financials are two separate systems
 - Disbursements reviews UMB department payment requests for compliance
 - Disbursements processing includes sending paper documents to the State and sending electronic files to the State
 - UMB Disbursements transactions must be translated to conform to R*STARS “chartstrings”

State of Maryland Regulations

- R*STARS and UMB Financials are two separate systems
 - State personnel audit UMB payment requests before final payment approval
 - Sometimes adjustments are made by the State
 - Sometimes the State requests additional information

State of Maryland Regulations

- R*STARS and UMB Financials are two separate systems
 - R*STARS ledger must match UMB Financials (and vice-versa)
 - General Accounting is the UMB unit that reconciles R*STARS and UMB Financials monthly

State of Maryland Regulations

- What does all this mean?



State of Maryland Regulations

- According to State Regulations: The Comptroller of Maryland has authority over all State financial matters.
 - The General Accounting Division was established to oversee financial transactions of State agencies.
 - **Agency fiscal personnel will be held accountable for the accuracy and content of their financial information in R*STARS.**

State of Maryland Regulations - Invoices

- Original or Certified Original
- Not previously paid
- Include date received by UMB (on campus, department, Disbursements)
 - 25 days allowed for UMB processing and submission to the State
 - 25-day clock begins when the invoice is received by UMB

State of Maryland Regulations - Invoices

- No sales taxes
- Supporting documentation for reimbursements (e.g. lodging, airfare, etc.)
- Personal expenses that are not reimbursable – The State is clear on certain expenses such as flowers, gifts, food, etc., but may reject other expenses that are deemed personal.
 - Therefore, substantive documentation to support a business expense is critical

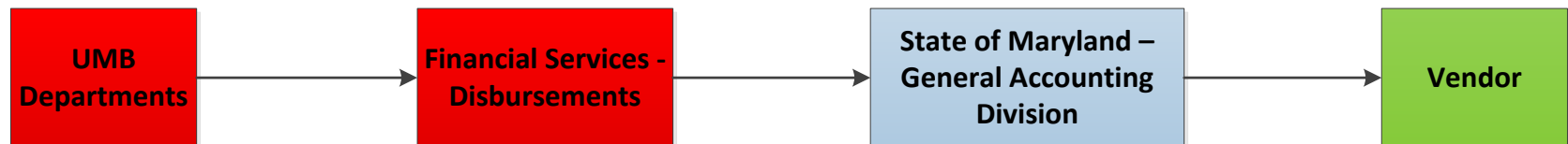
State of Maryland Regulations - Invoices

- No alcohol, fines, or punitive charges are reimbursable or may be paid directly to a vendor
- Working Fund transactions endure additional scrutiny because these checks are created and distributed within the university
 - The funds for Working Fund checks are “advanced” from the State
 - When UMB needs to replenish the Working Fund, UMB submits a payment request to the State
 - The State reviews the payments that were made through the Working Fund for compliance before agreeing to replenish our Working Fund
 - The State has less control over the funds before they are expended
 - After the fact – that is, the recipient has already received the funds and it is more difficult to retrieve funds
 - It is up to UMB to recover any funds that the State has deemed unacceptable

State of Maryland Regulations - Invoices

- Travel transactions and Research Study Participant Payments also endure additional scrutiny because of the volume and potential for fraud.
- Other:
 - Social Security Numbers and current mailing address are required
 - Timeframes for stop payments, reissues, inquiries, etc. are up to the State

State of Maryland Regulations - Summary



“Agency fiscal personnel will be held accountable for the accuracy and content of their financial information in R*STARS.”

- **UMB Financial Services is charged with developing policies and procedures that govern university financial transactions.**

Policies and Procedures

Policies and Procedures

- Disbursements Procedures:
 - About UMB
 - Policies and Procedures
 - Visit the Library
 - » VIII. Financial Affairs
 - Procedures
 - Expenses – Operating
- Links to related Policies and Procedures are provided within the Disbursements Procedures

Policies

- VIII-7.11(A) UMB Code of Ethics and Conduct
 - Act as good stewards of the resources entrusted to UMB's care, and comply with financial requirements and internal controls applicable to funds and property managed by them and under their oversight.

VIII-7.11(A) UMB Code of Ethics and Conduct

(cont'd.)

- Comply with all laws, rules, regulations, policies, procedures, and professional standards, including the Maryland Public Ethics Law, applicable to their employment and their UMB responsibilities, and cooperate with training and continuing education initiatives of UMB to make them aware of their responsibilities.
- Comply with their assigned or assumed responsibilities to fulfill UMB's obligations under contracts, grants, and other legal agreements.

VIII-7.11(A) UMB Code of Ethics and Conduct (cont'd.)

- Disclose and avoid improper or unlawful conflicts of interest and conflicts of commitment.
- Report known or reasonably suspected wrongdoing; refrain from retaliating against those who report known or reasonably suspected wrongdoing; and cooperate fully with authorized investigations of reports of wrongdoing.

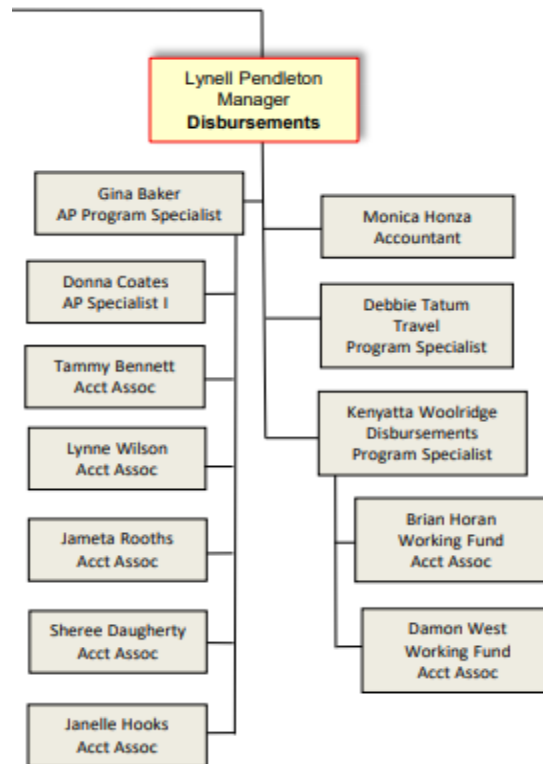
Policies

- [VIII-7.11\(A\) UMB Code of Ethics and Conduct](#)
- [VIII-11.00\(A\) UMB Policy on Business Travel for UMB Employees and Nonemployees](#)
- [VIII-14.00\(A\) UMB Policy on Approval, Payment, and Reimbursement of Personal Business-Related Expenses of UM Employees](#)
- [VIII-99.00\(A\) UMB Food and Business Meals Expense](#)
- [VIII-99.00\(B\) UMB Research Study Participant Payments](#)

Procedures

- Disbursements for Standard Procurements
- Food and Business Meals
- Interagency Transfers
- Miscellaneous Disbursements
- Processing Tuition Reimbursement Payments to Employees
- Research Study Participant Payments
- Travel
- Working Fund
- Payments to Foreign National Independent Contractors

Disbursements – Organization & Functions



Contact Info: <http://www.umaryland.edu/financialservices/disbursements/accounts-payable/about-accounts-payable/contact/>

Disbursements

- Accounts Payable
- Travel
- Working Fund/Gift Card System

Working Fund

Policies and Procedures

- [University Policies and Procedures Library](#)
 - [Working Fund](#)
 - [UMB Research Study Participant Payments](#)
 - [How to Use the Gift Card System](#)
 - [UMB Policy on Approval, Payment and Reimbursement of Personal Business-Related Expenses of UMB Employees](#)

Transaction Types

- Payroll advances/promissory notes
- Membership dues to academic and professional associations
- Subscriptions to academic and professional publications
- Study participant payments (incentives & bus tokens)
- Catering
- Deposits in relation to purchase orders for event space
- Conference booth rentals and related costs
- Dental clinic refunds
- Miscellaneous emergency payments
- Reimbursement of payroll promissory notes
- Split postage checks from the State
- Registration fees for conferences and seminars
- Publications up to \$499
- Reprints of articles
- Licensing renewal fees
- Commencement awards
- MTA transaction for Parking
- Interlibrary loans

General WF Request

Catering (contact Strategic Sourcing and Acquisition Services (also referred to as SSAS or Procurement) for approval details to submit WF request)

- Agenda
- List of attendees
- Invoice/Contract (signed by the vendor, department, and Procurement)
- [Policy](#) and [Procedure](#) on Food and Business Meals

Deposits (i.e., commencement, convocations, conferences, catering, and seminars)

- Purchase Order reflects the deposit (in the body of Purchase Order)
- Supporting documentation:
 - Agenda
 - List of attendees
 - Invoice (Payee name, address, amount, details description)

WF Request Forms

- [Signature Authority](#) form
- Form
 - How to fill out a WF request form
 - Supporting documents needed

*****Double-check your chart string before you submit the request*****

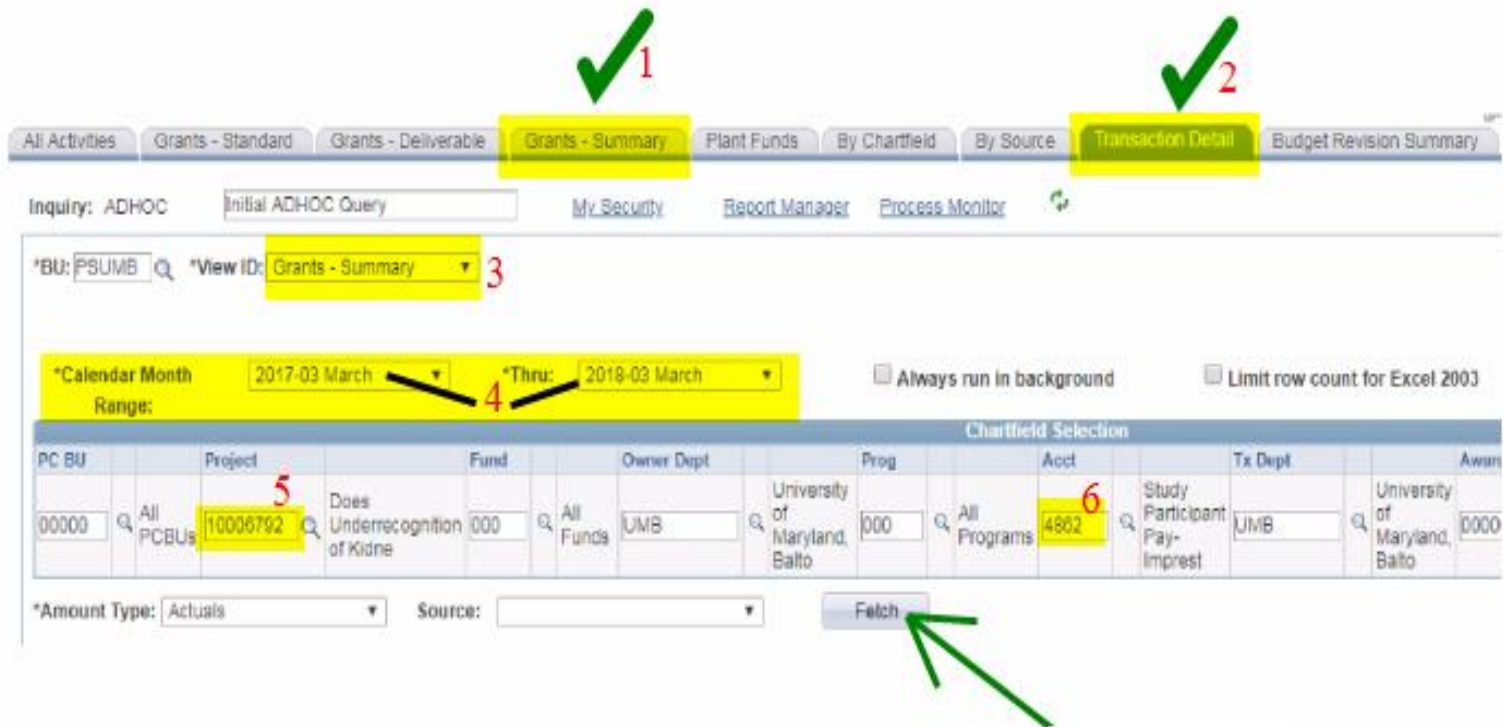
*****Write the full name of the payee (no nicknames) *****

*****Print and sign the department head's name*****

Raven Report (4862 GL account)

- Purchasing *gift cards* or distributing *cash* will be charged to the project ID using account 4862- Study Participant Pay- Imprest.
- On a monthly basis, a journal entry must be created to credit (reduce) this account and debit (charge) account 3125- Study Participant Pay- Group for the amount of cash or gift cards
- The log will be the backup and basis for the journal entry.

Raven Report sample



The screenshot shows the Raven Report interface with several key elements highlighted and annotated:

- 1**: A green checkmark above the **Grants - Summary** tab in the top navigation bar.
- 2**: A green checkmark above the **Transaction Detail** tab in the top navigation bar.
- 3**: A yellow box around the ***View ID:** dropdown menu, which is set to **Grants - Summary**.
- 4**: A yellow box around the ***Calendar Month Range:** section, showing **2017-03 March** and ***Thru:** **2019-03 March**.
- 5**: A yellow box around the **Project** field in the **Chartfield Selection** table, containing the value **10006792**.
- 6**: A yellow box around the **Acct** field in the **Chartfield Selection** table, containing the value **4802**.
- A green arrow points to the **Fetch** button at the bottom right of the interface.

Chartfield Selection Table:

PC BU	Project	Fund	Owner Dept	Prog	Acct	Tx Dept	Amount
00000	All PCBU's 10006792	Does Underrecognition of Kidne 000	All Funds UMB	University of Maryland, Balto 000	All Programs 4802	Study Participant Pay-Imprest UMB	University of Maryland, Balto 0000

Void Form

- Informing participant not to cash check after reissue has been submitted.
- Returning checks

Gift Card System

- [Gift Card System](#) webpage
- [How to Use the Gift Card System](#)
- How to fill the Gift Card Request form
- Supporting documents
- Raven report (4862 GL account)

Processing Timeline

- 3-5 business days for WF checks or gift card
- 7-10 business days to restock GCS
 - (Large volume order may increase timeline)

WORKING FUND “No-No List”!

(Affects 1099 Reporting, too)

- Do not type First name, Last name
- No nicknames (i.e. Mike or Kimmy vs Mikael or Kimberly)
- No handwritten details (Name, address, chartstring, etc...)
- Do not type 30+ characters in Memo description or study details (Stroke research,)
- Sign in the box, Print in the box, Date in the box, etc...

		X	
Principal Investigator Signature		Principal Investigator Name (Please print/type)	
Date			
		X	
Department Administrator (or Designee) Signature <small>(Signatory Authority Form must be on file in Financial Services)</small>		Department Administrator or (Designee) Name <small>(Please print/type)</small>	
Date	X	Title	X

“No-No List” cont.

- If you are not the PI on the study, do not sign (***)
- If you do not have a Signature Authority form on file... do not sign
- Do not forget supporting documents
 - Consent form with purpose of the study, payment to participant, and the period of the study
 - Receipts

Foreign Wire Transfers

Foreign Wire Transfers

- Foreign Wire Transfers vs ACH Transfers
- When submitting a payment for a wire transfer:
 - Invoice (billed to the University of MD)
 - Purchase Order
 - Receipt must be entered before submitting a payment
 - X9 Wire Transfer Form
 - Verbal Confirmation letter

Invoice and X-9 Wire Transfer Form

- Vendor Name & Address
- Bank Name & Address
- Swift code and account number
- IBAN number
- Correspondent Bank
- Foreign Currency vs US Dollars
 - [Currency Converter](#)

Invoices, Travel Expenses, Refunds (SPAC)

- An invoice must have
 - Vendor name, address, amount, bank name, address, name on bank account, swift code, account no., IBAN no., corresponding bank details
- A travel expense/refund form must have
 - Letter from the vendor's bank or vendor with bank name, address, name on bank account, swift code, account no., IBAN no., and correspondent bank details

Foreign Wire Transfers

- Correspondent Bank
 - A financial institution where the transaction (wire payment) is routed prior to sending it to the vendor's bank (main bank in section II of the X-9 form)
 - The vendor is responsible for any fees related to the return/rejection when the correspondent is incorrect or not provided

Verbal Confirmation Documentation

- Verbal Confirmation Documentation (letter or email)
 - UMB Employee Name
 - The date of the call took with vendor
 - Vendor contact name (first & last name)
 - Example: I John Smith(UMB) spoke to Joe Bell from (international company name) on Nov. 28, 2018 and confirmed all bank details on the X-9 form are correct.

Foreign Wire Transfers Processed 11/17/17-11/16/18

- 659 Wire Transfers
- Over \$100 million



Contacts

When emailing a wire transfer to AP subject line must have WIRE TRANSFER only.

ap_finsvc@umaryland.edu

Questions?



Quantum Financials

Quantum Financials

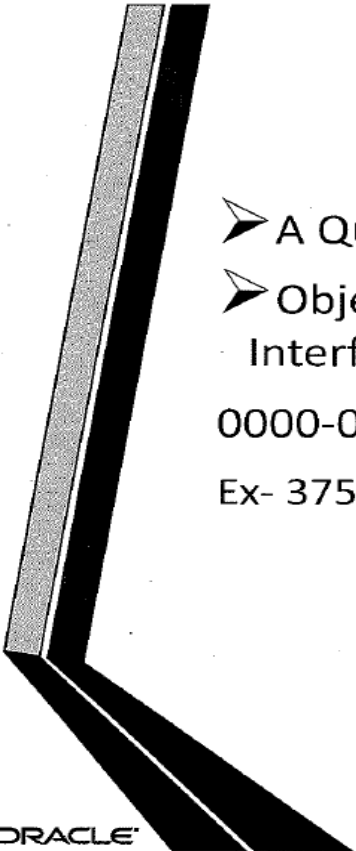
- New financial accounting system to replace eUMB Financials
- Implementation in October, 2019
- Website:
<https://www.umaryland.edu/quantum/>

Quantum Financials

- Begin to learn the Chart of Accounts and Account Combo structure here:
 - <https://www.umaryland.edu/quantum/chart-of-accounts/>
- Subscribe to the Elm Weekly for announcements and training sessions:
 - <https://www.umaryland.edu/cpa/web-communications/about-the-elm/>

Quantum Financials

General Ledger- COA

- 
- A Quantum Account will be in this format:
 - Object-Source-Org-Activity-Purpose-Function-Unit-Future-Interfund

0000-000-00000000-000000-00000000-000-00-00000-000

Ex- 3752-105-06203000-000000-00000000-620-00-00000-000

Upcoming Events

- Travel Professionals Group Meeting
 - Thursday, March 14, 2019
 - 10:00 AM – 12:00 PM
 - School of Nursing, Room 130

Next Disbursements Workshop

Wednesday, March 27, 2019

10:00 AM – 12:00 PM

School of Pharmacy, Room N211

Subject: Gift Card System

April Disbursements Workshop

Wednesday, April 24, 2019

10:00 AM – 12:00 PM

School of Pharmacy, Room N211

Subject: Research Study Participant Payments – This workshop includes **placeholder**

Please send your questions/topics of interest to kwoolridge@umaryland.edu or to clyons@umaryland.edu

Please submit by March 15 so that we can present your questions to the research administration staff.