



FINANCIAL POLICIES and PROCEDURES HANDBOOK

FINANCE OFFICE STAFF

John Wilkinson
Vice President/Chief Financial Officer
Tammy Childs
Controller
Pamela Blankenship
Staff Accountant
Pamela Darnell
Purchasing Accountant
Jessica Jones
Payroll Specialist
Pamela Fellows
Accounts Payable

BUSINESS OFFICE STAFF

Carrie Maggert
Director of Financial Services & Operations
Sonya Campbell
Senior Student Account Associate
Lindsey Self
Senior Student Account Associate
Kristina Miller
Student Account Assistant
Lori Dearstone
Business Office Assistant

Finance and Business Office hours:
Monday – Friday 8:00am – 5:00pm

INTENT OF THE FINANCIAL PROCEDURES HANDBOOK

The purpose of this document is to assist the University employees in using the services provided by the Finance Offices. Although this handbook cannot address the myriad of situations in which employees must interact with these offices, it is intended to clarify policies and procedures for some of the most common of those interactions.

GENERAL INFORMATION

The fiscal year for Tusculum University begins July 1 and ends June 30.

The Business, Payroll and Accounts Payable Offices are located on the first floor in McCormick Hall. The Vice President/Chief Financial Officers (Vice President/CFO), Finance and Controller's Office is located on the second floor in McCormick Hall.

Tusculum University's billing address is: Tusculum University
P.O. Box 5100
Greeneville, TN 37743
Office: (423)636-7300 ext. 5060
Fax: (423)638-7166

Finance forms, including: **Budget Revision**, **Check Request**, **Contract Approval Transmittal**, **Copy Paper Requisition Form**, **Deposit Form**, **Fund Raising Event and/or Solicitation Form**, **Requisition for Purchasing Goods**, **Request for Travel Advance** and **Travel Expense Report**, may be accessed online at: <http://www.tusculum.edu/finance>.

**Incorrect or incomplete forms, or those lacking appropriate approvals or documentation, are subject to return to the originating department. It is the responsibility of each originating department to see that each submission is correct, complete, documented and approved.

In compliance with Section 504 of the Rehabilitation Act of 1973, Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972 and the Age Discrimination Act of 1975 as amended, and with its own policies and philosophy, Tusculum University does not discriminate on the basis of race, religion, age, sex, national origin, sexual orientation, military or veteran status, disability, genetic information, or any other protected discriminatory factor, in its employment practices or in the provision of, or access to, educational programs and services, except where sex, age, or ability represent bona fide educational or employment qualifications.

STATEMENT OF INTERNAL CONTROL

Tusculum University is committed to maintaining a system of internal controls sufficient both to safeguard the University's assets and to assure that transactions are properly captured, summarized, categorized and reported. We will conduct the financial accounting of the University in accordance with accounting standards applicable to the United States Generally Accepted Accounting Practices (GAAP). This handbook is not intended to describe the structure in place for the assurance of appropriate internal control, nor should it be considered a foundational document for the establishment of any internal control policies. Likewise, notwithstanding, anything included in this handbook and changes in policy may be made at any time, which will serve to strengthen the University's internal control structure. The content of this document is subject to change to reflect the most up to date practices available to our employees and the Tusculum community. Employees would be notified of policy and procedural changes via e-mail that updated materials are on the website.

All University employees have the responsibility to assure that assets are properly utilized, protected and maintained both, to enhance the asset's useful lives and to conserve the financial resources of the University.

CASH MANAGEMENT

Tusculum University's goal is to provide for the safe handling of all cash receipts and the prompt investment of cash into appropriate cash and cash equivalences.

Payments for billings and other items are made in the Business Office, where receipts are prepared and issued to the payers for each transaction. Cash and checks are also received in the Institutional Advancement Office, Enrollment Management Division, Bookstore, and, at certain times, the Athletic Office and Theater Box Office. Smaller sums of money may be received in many other campus offices, but must be transmitted and centrally deposited by the Business Office (See Deposit Form).

The Business Office is responsible for preparing a daily bank deposit of all receipts. Other offices receiving cash must take receipts to the Business Office as soon as practical as and no later than the end of the next business day. The depositor completes the Deposit Form, which accompanies all receipts. These other offices are responsible for safeguarding cash until taken to the Business Office. Any concerns about security of cash should be discussed with the Vice President/CFO.

To facilitate investing, all cash, except endowment, is consolidated into on demand deposit accounts. Payroll checks are written on a separate bank account, for which the funds to cover net pay are transferred from the operating account on the date of the payroll.

SAFEGUARDING CASH

Cash is most subject to loss or misappropriation.

The University employees whose responsibilities include handling, transferring, transmitting, or acting as a courier of cash are covered under the portion of the University's insurance coverage, which insures against employee theft.

Inter-fund Transfers: All transfers of funds among accounts must be approved by the Vice President/CFO in advance of execution if transfer amount is \$25,000 or more. The Vice President/CFO must review the supporting documentation, and initial and date the Transfer Entry as well as the actual entry being made.

Transfers by Wire: All wire transfers out of the University accounts must be specifically authorized by the Vice President/CFO in advance of the wire request to the bank. The Vice President/CFO must review the supporting documentation, and initial and date the Transfer Entry as well as the actual entry being made.

Escheat: Checks outstanding for a period of 240 days will be deemed "stale" and will not be honored by Tusculum University or its financial institutions. Checks outstanding for 180 days should be investigated by the Accounting Office, or other designated person, to determine if it should be voided and a stop payment issued. A replacement check will be generated if the issuant can be identified and notified. In

the case of a student refund check where Federal Title IV funds are involved and the student cannot be contacted, the check must be voided, funds placed on the student's account, and a return of the funds be made to the United States Department of Education immediately.

Cash Account Reconciliations: The Controller, or other designated person, will prepare the monthly reconciliations of University accounts. This reconciliation must be forwarded to the Controller for review upon completion.

USE OF AGENCY FUNDS

An Agency Fund may be established to capture and account for funds received from "exclusive" sources with the intention of using those funds for "exclusive" purposes.

Agency Funds are authorized by the University's administration. They are a part of the overall financial administration of the University, and fall under the audit umbrella of the University as a whole. Consequently, their use is governed by the financial procedures of the University as amended from time to time. These procedures include the requirement to obtain the appropriate series of approvals as outlined for any other University purchase.

The use of Agency Funds is NOT a means of funding activities that otherwise would fall outside approved University guidelines, nor is it a means of circumventing established purchasing policy. It also is not an alternative source of funds available to be dispensed for other than the "exclusive" purpose for which the Agency was established. All managers on campus are expected to maintain a level of control adequate to avoid the use of Agency Funds for other than the "exclusive" purpose.

Specific policies regarding agency funds include:

- . All funds received through the effort or use of University property, facilities, or employees (except bona fide charitable work approved as prescribed) are the property of Tusculum University, and must be accounted for in the Agency Fund.
- . No account may be opened in any bank or other institution with any funds so received, unless such account is opened in the name of the University, using the University's Taxpayer Identification Number, by an employee authorized by the University to open such an account.
- . Agency Funds, which are a subpart of the University's overall system of internal control, are subject to internal or external audit in the normal course of business. Consequently, each Fund must have assigned to it a key individual, who is responsible to clarify any questioned transactions and provide additional information, as necessary.
- . New Agency Funds may only be established after justification of the "exclusive" purpose, endorsement by the area's Vice President, and approval by the Vice President/CFO.
- . Requests for payments from Agency Accounts must be made in the format prescribed for purchases from any regularly-budgeted line item, and are subject to the same institutional guidelines and restrictions.
- . When the "exclusive" purpose for which the Agency was established is no longer appropriate or germane to University operations, the Agency Fund will be terminated, and any residual assets in the Fund will be subject to absorption into the general operations of the University.
- . Any uses of Agency Funds outside the "exclusive" purpose for which the Agency was established, will subject the Agency to dissolution and recapture of Agency assets to the University.
- . Questions or clarifications of these policies should be directed to the Controller.

FUND RAISING

All Tusculum University faculty, staff and students wishing to conduct a fund-raising event that involves seeking support for both monetary and in-kind gifts should complete the Fund Raising Event and/or Solicitation Form, which includes authorization in writing from his/her supervisor or advisor. The signed and dated form should be submitted to the Vice President, Institutional Advancement for final approval. Written consent from the Office of Institutional Advancement is required, and notification of approval must be provided to the event point person prior to the beginning of a fund-raising project.

This policy is in place to avoid multiple constituents at Tusculum University calling on the same donor at the same time, requesting either in-kind donations or monetary support and to ensure that the donor receives appropriate acknowledgement. This will also assist to guarantee that everyone's fund-raiser is as successful as possible while avoiding several fund-raisers taking place at one time.

Research, Grants, Foundations

The Office of Institutional Advancement, specifically the Vice President of Institutional Advancement and/or Grants Writer, should be notified when a grant application or submission is made. Information should include name of the grant, its requirements, definitions, purposes and deadline, as well as signatures by the submitter and his/her supervisor. This notification will allow the University to track grant funding application, funding, grant activity and reporting. If the grant requires matching funds, the Vice President/CFO will need to review if funding is available and make a recommendation to the President. Any grant requiring matching funds must be approved by the University President prior to submission. Grants which do not require a financial commitment from the University should be approved by the appropriate Vice President. Documentation of approval should be housed in the Office of Institutional Advancement. This office will report funding applications, funds received and monitor to ensure the appropriate reports are filed to funding agencies in a timely manner. The primary investigator or originator of the grant must work with the Office designee on such reports.

All questions should be directed to the Vice President of Institutional Advancement and/or Grants Writer or to their designee.

STRATEGIC PLANNING & BUDGETING

Annual Budget

The budget process begins in the fall for the next fiscal year as the school directors, department chairs and unit heads are notified of the schedule and due date for budget requests. School directors, department chairs and unit heads meet with their faculty and/or staff members to determine the budget requests to be submitted to their respective Vice President or Athletic Director. The Cabinet members meet individually with the Vice President/CFO and then collectively review the expenditure requests and revenue projects in order to assure there is sufficient revenue to meet expenditure requests.

Tuition and housing rates are proposed to the Finance Committee of the Board of Trustees at the October meeting. The complete budget is submitted in May, first in the meeting of the Financial Committee of the Board of Trustees, to the Executive Committee of the Board of Trustees and then to the full Board of Trustees. The University annually adopts a budget that provides reasonable estimates of revenues and expenditures, including all funds, educational and general activities, auxiliary enterprises, all sponsored program activities, and capital projects. The budget plan is updated each year to accommodate any changes that were implemented or planned during the previous year for the purpose of meeting the University's proposed goals and objectives.

At each meeting of the Financial Committee, projected revenues and expenses are presented based on the most up-to-date information. These reports include explanation of variances from the budget.

Budget Request Procedure:

- . The preliminary budget will contain appropriate increases for pay raises determined by the University administration and approved by the Board of Trustees.
- . There are also planned increases for utilities and insurance.
- . Detailed requests for equipment and capital items showing item, description, quantity, and cost.
- . Departmental budgets should include all office supplies, computer paper, toner, reference manuals, and the like, used within the department. Budgets for all computer hardware items in excess of \$5,000 will be included in the Capital Budget.

BUDGET ADJUSTMENTS

Budget managers are empowered to make intra-department adjustments to budget amounts in all non-Personnel, non-fixed lines within their department's budget. Monthly budget reports will be provided by the Controller or the Finance Office. No charge will be made against any budget if that charge will exceed the remaining budget authority for that account unless authorized by the Vice President/CFO or Controller. Only budget adjustments approved by the area Vice President or Athletic Director and the Vice President/CFO will be allowed. No transfer will be made from fixed line Items (salary, benefits, etc.) to non-fixed. Budget adjustments must be submitted by completing a budget revision request and submitting it to the Finance Office.

CAPITALIZATION & DEPRECIATION OF ASSETS

For purposes of appropriate control and orderly replacement, the University maintains an inventory of all of its capital property. Any department which acquires property that by its nature and value, classifies as capital property, must report the acquisition to the Controller.

Tusculum University will capitalize the following:

- . All purchases or donations of land.
- . All building additions/improvements and land improvements, but not repairs, maintenance, or alterations below \$5,000. The normal source document will be construction contracts.
- . Individual furniture and equipment items with a cost of \$5,000 or more, or furniture or equipment-like items with an aggregate cost of \$5,000 or more, with a useful life exceeding one year.

- Individual computer items with a cost of \$5,000 or more, or a computer or software like items with an aggregate cost of \$5,000 or more, with useful life exceeding one year.

Property and equipment is recorded at cost when purchased and is depreciated using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	80 years
Building Improvements	20 years
Real Property improvements	10 years
Furniture, Equipment and Vehicles	7 years

It is the University's policy to expense plant assets with initial cost of less than \$5,000.

Any questions regarding the appropriate classification of any item should be directed to the Controller.

JOURNAL ENTRIES

Journal entries are generated by the Controller's Office or the Finance Office when a department head and budget manager needs to correct an error or transfer expense incurred to another account. Journal entries are also used when one department provides services at a cost to another department.

Journal entries are initiated by sending a written communication to the Controller or Finance Office describing the situation or event that requires an entry. All documented journal entries require the signature of the Controller.

TRAVEL EXPENSE

Tusculum University will reimburse reasonable expenses incurred by an employee while traveling on properly authorized University business, when those expenses are fully documented, submitted in a timely manner, and the travel has been approved in advance by the appropriate Vice President or Athletic Director.

All employees traveling for University business are expected to exercise sound judgment in selecting destination, modes of travel, and lodging and in controlling expenses while traveling.

Automobile Rentals

The University maintains a dedicated fleet of vehicles that are regularly available for University business needs. Requests for a fleet vehicle must be submitted to Facilities Management at least 10 days in advance of travel. Only if a University fleet vehicle is unavailable will Tusculum University allow a vehicle to be rented at a third-party business, which must be reserved in the name of Tusculum University. Automobile rentals should be limited to situations where other means of transportation are not practical, economical, or available, and to emergency situations. The most economical car will be required for each rental based upon the occupancy size. Failure to obtain the most economical rental car based upon occupancy size will result in future rentals being denied by the University. The University has a corporate account with Enterprise Holdings that offers discounted rates on vehicle rentals. Departments must utilize Enterprise Holdings for vehicle rentals if no fleet vehicle is available from the Facilities Department.

Personal Automobile Travel

Reimbursement for use of personal automobiles by employees traveling on University business will only be approved after prior approval from the Vice President and CFO. Reimbursement rates will be based on the current rates of the mileage reimbursement rate at the date of travel. If a University fleet vehicle was available for use but a personal vehicle was utilized, reimbursement rates will be based accordingly as set forth by the current rates of mileage reimbursement. The reimbursement rate per mile will be significantly less if an employee chooses to drive their own personal vehicle if a University fleet vehicle was available, so it is important to keep that in mind when making travel arrangements for University business. Gas, oil, insurance premiums, collision and liability insurance, repairs, or other costs presumed included in the mileage rate will not be reimbursed. Fines for automobile violations, traffic citations, damages, or personal misconduct will not be reimbursed.

USE OF UNIVERSITY-OWNED VEHICLES

The University maintains a limited fleet of vehicles which are available for use by approved drivers on University business.

Employees wishing to reserve a University van should schedule that use at least 10 days in advance of the need, except in emergency situations. Vehicle scheduling is maintained on the Greeneville campus by the Administrative Assistant in the Facilities Management Office. Each department vehicle is scheduled within that department.

If the projected trip is cancelled, it is the responsibility of the employee making the reservation to cancel the reservation in advance of the scheduled pick-up time. Failure to properly cancel a vehicle reservation may result in a revocation of vehicle privileges.

Vehicle(s) will be inspected before departure and upon return. Users are responsible to check the vehicle for trash and other items that need to be removed, to close all windows, and to lock all doors. Any maintenance or repair needs noted by the user (i.e.; service items, mechanical problems, nicks, dents, scratches, tire problems, and etc.) should be listed on the mileage log sheets and reported to the scheduler. Mileage log sheets must be filled out completely, signed by the designated person, and returned with the vehicle and keys. Vehicle(s) should be left with a full tank of gas, clean, and in good repair. Failure to do so will/may inhibit future use.

The University will not pay or reimburse for any fines for automobile violations or traffic citations. It is the employee's responsibility to pay for any fines, violations or citations that are incurred while using the vehicle. Failure to adhere to any of the provisions regarding vehicle operation will subject the employee to disciplinary action, up to and including, termination. While driving during the course of his/her performance of University business, employees are expected to maintain control of their vehicles at all times, obey all traffic laws and safe driving practices, and report any mechanical difficulties to the Facilities Management department or to the Campus Safety department after hours. If any fine, violation or citation is incurred, the employee must report the incident to the Human Resources Office.

Air Travel

Air travel will only be reimbursed by Tusculum University after obtaining prior approval from the department Vice President, and the CFO. The approved airfare is limited to coach fare, except for the instances noted below. An employee may upgrade his or her travel class at any time by paying the incremental cost.

Transportation To and From Hotels and Terminals

Whenever practical, the most economical mode of transportation should be used to and from hotels and terminals (air and rail). These expenses (including gratuities) will be reimbursed. Many hotels provide complimentary shuttle service to and from airports. The traveler should inquire about this service when making hotel reservations with the travel agent.

Lodging

Lodging rates covered by Tusculum University will be based on the current rates of the GSA (U.S. General Services Administration) Per Diem Rates, based on the date of travel and the respective location where the University business was conducted. Maximum lodging rates covered by Tusculum University will only include the maximum daily Per Diem Rate for lodging. Any amount over the daily Per Diem Rate will be subject to approval by the CFO and President, which may be denied. For current Per Diem Rates, visit <https://www.gsa.gov/travel/plan-book/per-diem-rates>.

Entertainment

Reimbursement will *not* be made for entertainment expenses not related to University business, such as, but not limited to, in-room movies, theater, or optional conference-related side trips.

Meals and Incidental Expenses (including gratuity)

Meals and incidental expenses will be reimbursed by Tusculum University based on the current rates of the GSA (U.S. General Services Administration) Meals and Incidental Expenses (M&IE) daily rates based on the date of travel and the respective location where the University business was conducted, up to the actual cost of the meal, including tip, or the daily M&IE rate, whichever is lower. Itemized receipts are **required** for all expenditures. Names of guests and their professional affiliation, as well as the business purpose, must be included on the expense report. Any amounts over the daily M&IE rate will be subject to approval by the CFO and President, which may be denied. For current M&IE rates, visit <https://www.gsa.gov/travel/plan-book/per-diem-rates>.

Travel with Companion

The University will not reimburse personal, spouse, or companion travel and other travel-related expenses. The employee is responsible for allocating only his/her portion of expenses on the travel expense report and for identifying them on the hotel, restaurant, transportation, and other receipts. The University will pay only the single rate at hotels unless documented that two employees are traveling together for work purposes.

Authorized Travel for Non-University Individuals

When travel is approved by a Vice President or Athletic Director for an individual who is not an employee of the University, reimbursement will be provided in accordance with the University's general travel policies. The department authorizing travel should make all transportation and lodging arrangements. Prior approval is required in advance of the travel.

Expenses that may NOT be included:

- Travel insurance. The University carries an accident policy that insures employees traveling on University business.
- Insurance on rental cars.
- Movies (in Hotel).
- Gasoline costs if mileage reimbursement is used. Cost of mileage beyond the amount that would be required to travel by coach-class air.
- Personal telephone calls.
- Alcoholic beverages.
- Dry cleaning or laundry service.
- Costs for meals, travel, lodging for spouses or other personal guests.
- Excessive tips.

Advance Payment of Travel Expenses

When a registration or similar fee related to the purpose of an employee's travel requires payment in advance of the travel date, a "Request for Travel Advance" should be submitted with documentation attached. The University will then remit payment directly to the applicable organization.

When it is necessary that fares for transportation be paid more than five days prior to a scheduled trip, this fact should be noted on the Request for Travel Advance and the University will make payment for the transportation portion of the advance directly to the travel agency, and the remainder of the advance will be given to the traveler shortly before the trip.

If the estimated cost of an approved expense exceeds \$500, the Accounts Payable Office will provide the employee an advance of up to the estimated cost, provided the advance is requested on an approved Request for Travel Advance form submitted to the Accounts Payable Office no later than five working days prior to the date the check is needed. Travel advances will not be released more than five working days before the travel is to begin.

Substantiation of Expenses

Receipts for expenses incurred by the employee must be attached to the Travel Expense Report that is submitted for reimbursement. Receipts are also required to substantiate all travel advances, regardless of whether the actual expenses incurred were less than, or more than, the amount of the advance. Receipts are required for expenses except mileage for use of personal vehicles. However, total miles traveled must be submitted when claiming expenses for use of personal vehicles. Unless otherwise approved, mileage will be reimbursed based upon the University's established per mile rate.

The signed Travel Expense Report, the receipts, and any other substantiation must be submitted to the Accounts Payable Office no later than as indicated on the form after returning from a trip, or the advance will be payroll deducted.

Third-Party Reimbursements, Rebates, Promotions

When an employee's travel has or will be paid by the University and the employee's travel costs are also reimbursed by a third party, such as the federal government, the third-party reimbursement becomes property of the University unless prior approval from the Vice President or Athletic Director states otherwise.

Similarly, any discounts, rebates, promotions, or similar benefits resulting from travel paid by the University become University property. Examples of such items include, but are not limited to the following:

- . Free or reduced future airfare, or other travel costs
- . Cash rebates or similar benefits for staying at a particular hotel or motel

Cell Phone/Smart Phone Reimbursement Policy

Tusculum University will allow cell phone or smart phone reimbursements for key personnel that are required or is necessary to utilize a University cell phone or smart phone. Approval must be obtained from the Vice President and CFO prior to a cell phone/smart phone being issued or reimbursed.

University covered cell phone/smart phone

If an employee chooses to utilize a University-paid cell phone or smart phone, the University will purchase a specific cell phone or smart phone based upon the current models approved by the University. If an employee wishes to utilize a model not supported by the University, it is the employee's responsibility to pay for the excess expenditure of the phone beyond the cost initially covered by the University.

Monthly service charges for the cell phone or smart phone will be paid for by the University. However, if there are any additional fees incurred, including overages, additional insurance fees, upgrades, or additional purchases, the employee will be solely responsible for paying those costs.

The cell phone or smart phone will be for University business only and no personal use of the device, data, minutes or service will be allowed. At such time that the employee leaves the University or the Vice President or CFO determines the employee no longer needs to conduct University business by cell phone or smart phone, the service on the device will be terminated.

Cell Phone/Smart Phone stipend reimbursement

If an employee chooses to utilize their personal cell phone or smart phone for conducting University business rather than being issued a University cell phone or smart phone, the University will reimburse the employee through a monthly stipend of \$25 per month. In order to receive the stipend reimbursement, the employee must notify the Accounts Payable Office after being granted approval by the Vice President and CFO. At such time that the employee leaves the University or the Vice President or CFO determines the employee no longer needs to conduct University business by cell phone or smart phone, the monthly stipend will be terminated.

USE OF PURCHASING CARDS (UNIVERSITY –ISSUED CREDIT CARDS)

See Purchasing Card Policy located at the business office or online at (www3.tusculum.edu/finance/)

PURCHASING

When a department determines a need to make a purchase, the appropriate party should submit a Requisition for Purchase, which can be found online in the Finance Documents and Forms tab. The requisition must be submitted electronically to requisitions@tusculum.edu. Once approved, a purchase order number will be assigned to the requisition and returned to the department. The approved requisition with assigned purchase order number serves as permission to purchase items, goods, or services for your department based on the availability of budget funds and a determination of necessity, timing, etc.

Departments **MUST** have an approved purchase order number before making any purchases. Failure to do so may result in the invoice being denied by the University.

The assigned purchase order number then becomes the tracking number for purchases made by the University. All respective invoices generated from purchases through the requisitions process must be submitted electronically with the requisition to invoices@tusculum.edu.

The following are general guidelines regarding purchasing at Tusculum University:

- All orders are to be delivered to the originating department, verified, and evidence of receipt signed.
- Vendors must be instructed to send bills to the originating department. Forward the bill with the approved purchase order number to the Accounts Payable Office.
- All purchases are subject to restrictions which can arise in the course of the normal budget cycle. Annual expenditure budgets are contingent on the production of the projected revenue upon which they were based.
- Any calls or other inquiries received regarding payment on an invoice must be directed to the Controller for disposition.
- All new vendors must complete a W-9 before payment will be made.

COPY PAPER ORDERS

The University will requisition copy paper orders through a centralized receiving system monthly. Departments will need to submit their anticipated copy paper order for the next month's supply. A copy paper requisition will need to be submitted to requisitions@tusculum.edu at the end of each month. A centralized order will be placed once per month for all of the University's paper needs and each department's order will be delivered to the appropriate departments once per month after the order has been processed. It is important that departments plan ahead for their copy paper needs.

CONTRACT APPROVAL TRANSMITTAL

The department requesting approval of a contract for goods and service (non-personnel related) fills out a Contract Service Approval Transmittal form and attaches the contract (agreement). It is then distributed to the Supervisory Vice President or Athletic Director and the Office of Finance for approval.

CONTRACTUAL SERVICE PAYMENTS (W-9)

The University is required by the Internal Revenue Service (IRS) to report non-payroll expenditures to Non-corporate entities, individuals, and partnerships for personal services. Payments for merchandise are not reportable. University employee's wages are reported through the payroll system.

Payees must complete IRS forms prior to receiving a check from the University. Payees who fail to provide the required information for IRS form W-9 will not be paid. The form requires name, address, and taxpayer identification number (Social Security or partnership number) for each individual or partnership receiving payments.

For payment of the Contracted Service, a Check Request with attached invoice and applicable W-9 is submitted to the Accounts Payable Office. It must be furnished to the Accounts Payable Office before the check can be released.

Examples of service payments include honoraria, computer services, speakers, tutors, and etc.

The Accounts Payable Office maintains records of all payments and submits the necessary report to the IRS. Information is mailed to recipients of such payments after the end of the calendar year.

MOVING EXPENSE REIMBURSEMENT

All, or some portion, of the moving expenses of an employee may be reimbursed by the University through payroll. The employee must obtain at least multiple quotes (3 if possible) for the moving expense and present to the supervisory Vice President or Athletic Director. The President has the discretion to make any changes as needed.

Moving expense reimbursements will be subject to the following restrictions:

- . Moving expense reimbursements are at the discretion of the University and should be established as a part of the employment agreement.
- . Agreements to reimburse moving expenses require the prior approval of the President and shall be reviewed by the Office of Finance for the source and availability of funds.
- . Expenses in excess of the specified reimbursement limit as stated in the employment agreement shall be the liability of the employee.
- . Personal liability insurance shall not be paid by the University. Additional personal property insurance over and above that supplied by the mover to cover fair market value of goods shall be the employee's responsibility.
- . Upon completion of the move, the employee shall submit receipts to the supervisor.
- . The supervisor will turn the request for reimbursement with attached/approved receipts to HR.
- . HR will add a one-time stipend for the approved amount. This amount will be paid on the next applicable pay period.

If an employee fails to fulfill his/her contract or appointment obligation after having been reimbursed for moving expenses, the employee will be required to repay a prorated portion of the reimbursement.

INVOICE PAYMENTS

Invoices approved for payment are input online daily by the Accounts Payable Office for recording transactions and computer check preparation on Friday of each week. Approved invoices must be received in Accounts Payable by 5pm EST Tuesday for Friday's check preparation. Variations from this schedule due to holidays, etc., will be announced by the Finance Office.

Original invoices received from vendors by departments, along with the respective approved purchase order number, must be sent promptly to the Accounts Payable Office so that they may be processed and paid. Vendor invoices are processed for payment after the department verifies that the materials or services have been received. All respective invoices generated from purchases through the requisitions process must be submitted electronically with the requisition to invoices@tusculum.edu.

The University is exempt from sales tax. A sales tax exemption certificate may be obtained from the Controller, as needed. The sales tax exemption certificate must be presented to the vendor at time of purchase.

CHECK REQUEST

Check Request forms may be obtained from the Accounts Payable Office. This form is to be used for the payment of services rendered, and prepayments as listed below. This form should not be used for the purchase of merchandise, travel/expense reimbursements or travel/expense advances.

When to use the check request forms (examples):

- . Honorariums and fees to speakers (not University employees)
- . Postage

When to use the requisition for purchasing:

- . Merchandise
- . Goods
- . Services

A complete address is required for payment. When paying a private contractor, such as a consultant or speaker, his/her Social Security or Federal Identification Number is required for tax reporting on the W-9 form. Backup is required for payment: receipts, enrollment form, or an invoice.

PETTY CASH

A petty cash fund of \$500 is available in the Business Office for campus emergencies. Authorization must be obtained from the Director of Financial Services & Operations in the Business Office or the Office of Finance prior to any disbursement.

NEW ACCOUNT REQUEST

Budget or Program Managers who need additional general ledger accounts to account for revenues and expenses must request a new account from the Controller.

New general ledger accounts will be available only after a thorough review by the Controller. The person(s) responsible for the new account will be notified after the account has been created by the Controller.

AMENDMENTS AND REVISIONS

These policies and procedures may be amended or revised from time-to-time as the need arises. Such amendments and revisions will be approved by the President's Executive Cabinet and disseminated electronically and posted on the website.