To: Faculty in French & Italian

MEMO

From: Isabel Piedmont-Smith, Fiscal Officer

Re: Account Manager Guidelines

Date: September 2, 2014

Along with research funding comes responsibility for using those funds in compliance with University policies. This document is designed as a quick-reference guide and not a comprehensive statement of policy. For the full text of university financial policies, please see the following website:
http://policies.iu.edu/policies/categories/financial/index.shtml

I. Roles and Responsibilities
To provide a context for your role as account manager, the roles of fiscal officer and account supervisor are described as well.

According to IU financial policy I-1:
Each account will have a Fiscal Officer, an Account Manager and an Account Supervisor. Roles and responsibilities of these individuals are as follows:

- Fiscal Officer has an oversight role. (Isabel Piedmont-Smith)
- Account Manager has an operational role. (Faculty Member)
- Account Supervisor has a leadership role. (Department Chair)

Fiscal Officer:

1. Duties and responsibilities of the Fiscal Officer include providing daily oversight on how the funds are spent and managed. This oversight includes ensuring funds are budgeted (when necessary) that they are spent according to fiscal policy, that funds are spent in alignment with the account purpose, that processes and controls are in place, that the account is reconciled on a monthly basis, and that either the expenditures are in conformity with the budget, or appropriate budget changes have been made to reflect a change in the original budget. Signature authority on all financial transactions rests with the Fiscal Officer, and the Fiscal Officer is the only person who can delegate signature authority on an account.

2. Definition: The Fiscal Officer is a person who is trained and hired for the purpose of providing fiscal, policy, and internal control management of all funds in a unit. They are responsible for ensuring that processes and related controls have been established to achieve the mission and objectives of their organization(s).

Account Manager:

1. Duties and responsibilities: The Account Manager has the responsibility to ensure that the funds are being spent according to a budgeted plan and that the allocation of expenditures is appropriate to the function identified for the account.

Note: A budget is only required for accounts which have budgeted personnel (not temporary employees) and accounts with $30,000 or more in recurring operating expenses.

2. Definition: The Account Manager is the person who through their actions, their position, or the budgeting process of the Dean or Vice President has direct responsibility for how funds are spent and managed. Examples would be a principal investigator who received a grant or contract, an academic person who received internal research funds from the Dean, or a Director of a non-academic department.

Account Supervisor

1. Duties and responsibilities: The Account Supervisor is ultimately responsible for the fiscal integrity of the organization. This role will provide leadership, oversight and management philosophy to ensure that all funds are spent and managed according to the goals, objectives and mission of the organization. The Account Supervisor will also ensure that the fiscal officer has the education and training required to perform their assigned functions.

2. Definition: It is assumed that the Account Supervisor will be the "leader" of the organization in which the account resides. In an academic unit this would probably be the Dean, in an administrative unit it would be the Vice President. *Note: In departments within the College of Arts & Sciences, it is the department chair.*

II. Transfer of College Funds

If you have a funding commitment from the College of Arts & Sciences for a given fiscal year, please note that **these funds will only be transferred upon request** by the departmental fiscal officer. Please inform the fiscal officer when you are in need of the funds, and she will request that they be transferred into your account. Occasionally, it is necessary to submit documentation of the funding commitment in the form of a letter or e-mail message, in those cases when the College budget office has not kept such records on file.

III. Account Statements and Balances

Account statements are posted on a secure website within the first five days of the month for the previous month's transactions. If there have been any transactions affecting your account, the FRIT office staff will download and save your account statement. The fiscal officer or faculty secretary will check the transactions for accuracy, and will e-mail you if there are any transactions she cannot verify. You are welcome to check your account statements any time by request to the fiscal officer or faculty secretary. The fiscal officer can also create a clear report of income and expenses periodically upon request.

You may also look up your account balance yourself at any time in the KFS (Kuali Financial System): OneStart > Services tab > Financials (left column) > Balance Inquiries > Available Balances. The Chart Code is always BL. Object code 8000 will show the cash balance, and then you will have to subtract any encumbrances to get an accurate view of what is available to spend.

IV. Hospitality Expenses

Hospitality expenses are defined as expenses incurred to purchase or provide meals, refreshments or entertainment, or expenses incurred for promotional purposes. The university has strict guidelines as to what type of hospitality payments are allowed from IU accounts. Please see financial policy I-50 on the web at
http://policies.iu.edu/policies/categories/financial/accounting-administration/FIN-ACC-I-50-allowable-hospitality-expenses.shtml

When an allowable hospitality expense has been identified, a special web form must be completed by the fiscal officer before the expense is incurred. The account manager should provide the following information so that the form can be completed:

- Date, time, and location of function
- Purpose of function
- Whethere there was a fee to attend the function, and if so, how much
- Number of people attending, divided into 4 categories: faculty, staff, students, and those not affiliated with IU (these are estimates)
- For those attendees not affiliated with IU (usually the guest speaker, job candidate, etc), the affiliation must be indicated (university, business, etc)
- Name of the vendor (restaurant, caterer, etc) or person who will be seeking reimbursement for an out-of-pocket expense.

Please note that an individual cannot be reimbursed for payment to a caterer. The caterer must be paid directly by IU.

V. Purchasing

Account managers may make appropriate purchases from their research accounts in several ways. Office supplies, printers, furniture, computing equipment and peripherals MUST be paid directly from an IU account if IU funds are used. No reimbursements can be given for these items. IU negotiates contracts with vendors with the understanding that the low prices from the vendor will mean IU employees will use that vendor exclusively for a specific type of product. Books, CDs and DVDs may be purchased from any vendor you choose, and these receipts may be submitted for reimbursement with IU funds.

It is your responsibility to ensure that there are sufficient funds in the account prior to making any purchase. You may ask the fiscal officer at any time for an up-to-date account balance, or look it up yourself (see section III.).

1. Using IU Procurement Services contracts through FRIT staff

> **a. Office supplies**: Faculty may request that the faculty secretary order office supplies through the Guy Brown or other catalogs via the on-line purchasing system (KFS), which provides low prices negotiated between IU Procurement Services agents and the vendor companies. The account manager should provide the faculty secretary with a detailed description of what he/she would like to order and with the research account number. Such office supplies are generally delivered for free within 1-2 days. Faculty **MUST** use the IU contracts to purchase office supplies if they are using IU funds. The P-Card cannot be used, and out-of-pocket payments cannot be reimbursed. In order to get the good prices from the contract vendors, IU must ensure all purchases go through them.
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> Note that standard office supplies used for teaching are provided by the Department and do not have to be paid from faculty research funds.
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> **b. Printers, scanners, laptops, and other equipment**: IU Procurement Services has negotiated contracts for office machines and computer accessories as well. In fact, such major purchases **MUST** be made through the IU Procurement Services, via the fiscal officer, if you intend to use an IU account. The account manager should tell the fiscal officer exactly what equipment is needed, and she will proceed with an automatic purchase order through the KFS on-line purchasing system. Recommendations for printers and computing equipment can be obtained from the College Information Technology office by submitting a CITO help request via the Web. Such equipment is generally delivered in 5-7 days.

2. Using an IU Purchasing Card (P-Card)

Account managers can apply to receive an Indiana University US Bank Visa credit card, which can be used to make certain types of purchases. This method is used by faculty who make frequent purchases of books and films, and who prefer not to go through the step of getting reimbursed. Information about the Purchasing Card program can be found on the following website: http://www.indiana.edu/~purchase/pcard/pcard.shtml (click the options on the left after reading the "Overview" section).

Before applying for a purchasing card, an account manager should carefully read the guidelines. The web link to apply for the card will take you through some basic information, and then by submitting the application you are certifying that you have read the guidelines.

Once an account manager begins using the Purchasing Card, the following procedure ensues:

- Every time the credit card is used, an electronic document is created in the Kuali Financial System (KFS) for the fiscal officer to approve.
- The account manager must give the fiscal officer the original receipt from the transaction within one week so that the fiscal officer can approve the electronic document. Electronic receipts (emails or web print-outs) are acceptable.
- Once a month, the account manager will receive a statement of account from the credit card company listing all transactions. This should be checked and then given to the fiscal officer, who must submit the statement, along with a scan of all original receipts, to the Accounts Payable office.
- The fiscal officer retains the original receipts in the P-card file for one year, and the electronic copies indefinitely.

The IU Purchasing credit card cannot be used like a personal credit card. It may be used only for purchases that are allowed under the appropriate policy (see above website), and continued use will only be allowed if the account manager and fiscal officer follow the procedures outlined above in a timely fashion.

You are not allowed to use an IU p-card to purchase items for which IU Procurement Services has a contract with specific vendors. For example, office supplies, computer accessories, furniture or printers may not be purchased with the p-card. The p-card may also not be used for travel expenses, except for conference registration fees.

3. Direct charges via IU service providers

An account manager may charge appropriate purchases made through offices and auxiliary units of the university directly to their research accounts. These include purchases through:

- Document Services (http://www.document.indiana.edu), for example
    - Copy machine charges
    - Business card printing
- Surplus Stores (used furniture and computers)
- Office of Creative Services (website and brochure design)
- Lilly Library digital copies

Simply tell the cashier or service provider that you would like to charge to an IU account **before** the charge is processed. The account manager should then submit the receipt to the fiscal officer so that she can check it against the monthly account statement.

4. Reimbursement for out-of-pocket expenses

Appropriate purchases of up to $500 made by the account manager from his/her own funds may be reimbursed from a faculty research account. Reimbursement cannot be made for items that are covered through IU Procurement Services contracts, including office supplies and computing equipment. Such items must be purchased through the IU Procurement Services office with the help of the FRIT fiscal officer, even if the total is less than $500. For office supplies, see item 1.a) above.

Reimbursement requests should be directed to the fiscal officer or to the faculty secretary. Original receipts must be submitted, and an explanation of what was purchased must be made. Please be sure the receipt indicates the item was paid; an invoice or cost estimate is insufficient.

TIME LIMIT: Receipts must be submitted for reimbursement within 60 days of the purchase date.

VI. Other Common Account Charges

1. Photocopies

If a faculty member would like to have funds from his/her IU research account placed on his/her ID card to make photocopies, he/she can send a request to the fiscal officer. The fiscal officer forwards the request with all necessary information to the Copy Machines office, and funds will be available in one or two days.

If a professor charges copies directly to her/his research account, which is possible in some campus offices such as the Kinsey Institute or the IU Archives, he/she should bring the receipt to the fiscal officer so she can check the next monthly account statement.

2. Postage

Mailings that are directly related to research should be paid for with funds from faculty research accounts. Mailings related to conference organization should be paid from the dedicated conference account. To charge a mailing to a certain account, simply write the account number in the upper right corner of the envelope and place it in the outgoing US mail box in the main office. For mailings not described above and still related to IU business, simply place your mail in the outgoing mail box and the “default” general fund account of FRIT will be used, provided the FRIT return address is given.

There is no way to accurately track postage charges on account statements. The staff will ask the account manager about any postal charges over $5, but will assume lesser charges are correct.

If an account manager would like to send a mailing via FedEx, s/he may request that the fiscal officer or faculty secretary prepare the mailing request on the appropriate website. FRIT has an account with FedEx, but the sender’s specific IU account will be charged. For all such requests, the phone number as well as the address of the recipient must be given. The mailing label is printed in the FRIT office, and the mail is then picked up by the FedEx courrier at no extra charge. DHL is also an option for international shipments.

3. Temporary employees

An account manager who wishes to hire a temporary hourly employee to assist with research must complete a "Request to Appoint Temporary Employee" form, available from the fiscal officer. The prospective employee must then complete an Employment Application Form, which includes the permission to run a background check. A background check is now required for all new temporary employees, even if they are already employed in a different capacity with the university. When the individual passes the background check and the "Request to Appoint" form has been given to the fiscal officer, the fiscal officer will enter the appointment into the university's human resources system. The fiscal officer will also inform the employee about the procedure for completing on-line time sheets in the Kuali TIME system. These time sheets must be approved by the employee's supervisor once every two weeks through OneStart.

Please be sure the temporary appointment is fully processed before the hourly work begins.

Note that international students are limited to 20 hours of work per week, which is the number of hours for a standard AI position. They cannot be hired for additional hourly work without special permission. See the fiscal officer for advice.

4. Travel

Travel expenses may be charged directly or reimbursed from IU accounts only if the traveler has submitted a Travel Authorization e-doc through the Travel@IU system in OneStart. Please see the Faculty Travel Guidelines on our website for details: www.indiana.edu/~frithome/resources/faculty.shtml.

5. Publication Subventions

If the publisher of your scholarly book requires a subvention, or author's contribution to the cost of publication, you can pay this with your IU research account. The publisher will have to be set up as a vendor in the KFS system and then paid through a Purchase Order (PO). The fiscal officer can send the vendor the appropriate forms. After the vendor is entered into the IU vendor database, the fiscal officer will initiate a purchase requisition based on the price quote provided by the vendor. Then IU Procurement Services creates a PO and sends the PO number to the vendor, who submits an invoice to Accounts Payable.

6. Honoraria

Honoraria for guest speakers are generally not paid from faculty research accounts, but faculty members organizing conferences should know the following general guidelines:

- Honoraria less than $1,000 may be paid by Disbursement Voucher and do not require a contract
- Honoraria $1,000 or more require a speaker contract through IU Procurement Services
- Foreign speakers can only receive honorarium payments under certain circumstances related to which visa they have when travelling to/entering the United States. IU faculty hosts should work with the fiscal officer to determine which visa, if any, is required. Note in particular that scholars who are in the US on an H-1B visa sponsored by another institution may NOT receive an honorarium payment from IU.

VII. New Accounts

If you are organizing a conference, you should establish a separate conference account to handle the income and expenses of your event. Please consult with the fiscal officer as you begin planning for any conference or colloquium which will have support from various sources as well as significant expenditures. Any conference with registration fees must have those fees collected through IU Office of Conference and Event Registration Services (OCERS - http://ocers.indiana.edu/).