

**Business Administrator Services**

**Forum Minutes**

**April 11, 2012 9:00 a.m. to 10:15 a.m.**

**Kent Student Center Governance Chambers**

**Tammy Slusser, Controller**

**Introduction of New Accounts Payable Manager**

Emily Hermon was introduced as the new Accounts Payable Manager. Emily is not new to Kent State University. Emily began working for Kent State in 1998 as a financial accountant in the Comptroller’s office and then became the Senior Business Manager in Libraries and Media Services. She left Kent State in 2008 and went to NEOMED (formerly NEOUCOM) as their Senior Accounting Manager overseeing their Payroll and Accounts Payable departments.

We welcome Emily back to Kent State.

Emily is still settling in and becoming familiar with current processes. She is working with various testing involving the upcoming Banner upgrade and also with the various aspects of PaymentNet, JPMorgan Chase’s web-based application used to facilitate administrative tasks associated with the p-card program.

**Karen Watson – Employee and Labor Relations Manager and Staff Ombudsman**

**Performance Evaluations**

March 15 through May 15 has been designated as the time to conduct the 2012 on-line performance evaluations for classified employees. The period of April 9 through June 6 has been designated for unclassified employees.

Classified Employee Access: To access the classified performance evaluation employee homepage go to <http://www.kent.edu/hr/employee/performance-evaluation-classified-employees.cfm> for information and resources. Various training aids are available under “Resources” found on the right side of the screen. The self-evaluations are accessible by selecting ‘Go to the Evaluation Homepage’ tab on the right side of the screen.

Classified Supervisor Access: To access the classified performance evaluations go to <http://www.kent.edu/hr/employee/performance-evaluation-classified-managers.cfm> for information, resources and training aides.

Unclassified Employee Access: To access the unclassified performance evaluation employee homepage go to <https://www.kent.edu/hr/employee/performance-evaluation-unclassified.cfm>

for information and training aids. Discuss with your supervisor which form the department will be using.

Unclassified Supervisor Access: To access the unclassified performance evaluations go to <https://www.kent.edu/hr/employee/performance-evaluation-unclassified-manager.cfm> for information, resources and training aides.

You can also view the different unclassified evaluation forms by going to the following web site <https://www.kent.edu/hr/forms/performance/index.cfm> and selecting the model you wish to view under ‘Unclassified Forms and Information’.

There are several updates to the 2012 classified performance evaluations which have been designed to make the process more user-friendly.

* My Performance Log
	+ Employees will have access to ‘My Performance Log’ that will be available throughout the year to add important information regarding performance, special projects and notable accomplishments
	+ Can attach a document referencing the comments included in the performance log
	+ Can view all of the items added to the performance log with the ability to update/delete throughout the year
	+ Only the employee has access to add or delete information to the performance log. Administrators and supervisors can see the performance log but they cannot make changes to it.
* The evaluation program is completely independent from FlashLine.

If you have questions regarding any portion or process of completing the employee evaluations contact either Karen Watson or Sandra Cole. The HelpDesk cannot assist with problems or technical issues involving this process.

If you have never accessed the evaluation process you will need to contact Karen or Sandra to establish a temporary password. If you have forgotten your password follow the instructions on how to recover your password found under “Resources”.

A 30-minute webinar regarding accessing evaluations was presented on April 12. A recording of the webinar is available at <http://www.kent.edu/hr/employee/performance-evaluation-classified-managers.cfm> for Classified Managers and <https://www.kent.edu/hr/employee/performance-evaluation-unclassified-manager.cfm> for Unclassified Managers.

If you would like additional information or instruction on how to complete the evaluation process, mini sessions can be held within your department.

Any questions regarding employee evaluations and processes can be directed to Karen Watson at 2-4636 or Sandra Cole at 2-7501.

**Paul Albert – Executive Director, Educational Technology and End User Services**

**E-mail Migration**

Kent State University has embarked on a multi-step, multi-year process to improve communication and collaboration tools used throughout the university.

An important step in this process is upgrading the university’s email system for faculty and staff. The new cloud-based version of Exchange, referred to as Microsoft’s Office 365, will improve web email access and enhance the web interface. Also, the cloud-based version works equally well on Windows and Mac. The migration will take place April through October 2012. The migration schedule is available under the April 11, 2012 forum minutes located on the BAS website at [www.kent.edu/bas](http://www.kent.edu/bas).

Kent State is taking steps to optimize email storage and performance with a standardized email attachment limit. The 25MB attachment size has become the de-facto standard among large email providers and is the new limit for the Office 365 Exchange Email system. An email was sent out to exchange users who were identified as a user with items in their mailbox that would be affected by the 25MB maximum. Items exceeding the 25MB limit were removed and are now stored as a .PST file on a secure website. For information on downloading and accessing .PST files see:  <http://goo.gl/Rv0U5>.

There are two options for sharing large files. One option is to use KSU’s Google Apps; this is primarily for use within the university. You can upload the file to Google and then share the file with others on campus. While it is possible to share files from KSU’s Google Apps site with people outside the university, setting this up is a bit more difficult.

Information on using KSU’s Google Apps to share files can be found by going to:

<http://support.kent.edu> and typing “Sharing Files Google” into the search field.

The second option is to use Accellion. Accellion is a web based system used for sending and receiving large files. For Windows Outlook there is a plug-in that allows files to be sent and received directly from Outlook.

Information on getting started with Accellion can be found by going to: <http://support.kent.edu> and typing Accellion into the search field.

Documents scanned and emailed may need to be divided into smaller sections to avoid exceeding the file size limits. Unfortunately file size is not determined just by the number of pages in the file; file size is also determined by resolution, file type, graphics etc.

For those people who have shared calendars or who access shared calendars, the permissions may need to be re-established. In some cases, it was determined that the permissions had not transferred during the migration process.

Information Services will provide dedicated support during the migration process. An Email Migration Team will be available in each building to assist faculty and staff with any issues that might arise; team members can be easily identified by their green tee-shirts with the cloud design. The team will focus on helping users set up their PCs, mobile phones and tablets for the new system. Access to the migration guide and self help reconfiguration of mobile devices can be found at <http://office365.kent.edu>.

All Kent State Exchange users will receive an email reminder before their email is to be migrated.

**Paula DiVencenzo, Tax Manager**

**Tax Information Reporting**

Paula’s presentation to the group focused on awareness of the tax reporting rules for both U.S. and non U.S. payees. Forum members are urged to seek guidance on the tax reporting issues before arrangements are made for purchases of products or services to be rendered.

Payments to foreign providers have increased in both the number of payments and the amount of the payments. The rules surrounding foreign payments can be quite complex and are dependent on the facts and circumstances of each payment. Although you may not currently pay foreign vendors we all need to be aware that there are rules and tax reporting requirements that differ from payments made to a U.S. vendor or provider.

Every payment has to be reviewed to determine the appropriate tax reporting. In order to determine whether the payment is reportable, we need to know who, what, where, when and why.

Who: The answer to “who” indicates which set of rules we need to follow. Is it a U.S. company, a U.S. individual or is it a U.S. tax exempt organization? Or is it a foreign person or foreign individual?

A U.S. company who provides a proper W-9 is exempt from tax reporting as is the tax exempt organization. Accounts payable requests the W-9 and verifies the tax ID number against IRS records before the payment is released. We are required to obtain updated W-9s every 2 years.

It is often difficult to determine if a company is a U.S. company or a foreign company simply by looking at an invoice. There may be a division that the payment is made to but the payment may be sent to a foreign address or the vendor may be a foreign vendor but the payment is being mailed to a U.S. address. Who is the contract with? Foreign companies have their own set of rules and are not exempt like U.S. companies.

What: Is payment for goods such as equipment, food, etc? If so, the payment could be exempt from reporting as long as there isn’t any service that is associated with the product received. If there is an installation or a service attached to the product then that adds complexity as the service becomes tax reportable. If the payment is for a license it may be reportable as a royalty. If the payment is for computer products it must be determined whether the payment is for a service, for royalties, licenses or considered a payment for goods.

Where: The answer to “where” is important for foreign individuals and foreign companies to determine whether the payment is reportable at all. The where doesn’t matter for citizens and residents of the United States.

When: When did the sale or service take place? The date determines the year of reporting. Probably not as important but it can be especially when the tax laws change.

Why: Why are we making this payment? This goes along with the “what” because someone rendered a service, gave a gift or sometimes gave aid to a student for their studies.

U.S. Reporting

* U.S. companies and tax exempt organizations – no reporting required
* Goods – no reporting required
* 1099 – reporting for individuals (U.S. citizens and resident aliens) and partnerships for services, rents, royalties, licenses, prizes and awards
* May be subject to the Independent Contractor determination process
* Payments with payment cards (pcards) are reportable by the pcard provider (MasterCard, Discover, American Express etc)
* Back up withholding on some payments may apply (failure to remit W-9)

Foreign Reporting

* Nonresident aliens – includes foreign corporations and nonresident aliens
* Foreign corporations do not have same exemption as U.S. corporations
* Goods – no reporting required
* Services rendered outside of the U.S. by non U.S. citizens/companies are not reportable. Documentation is required.
* 30% withholding for services rendered in the U.S. and for licenses and royalties used in the U.S. unless a tax treaty applies
* Tax treaty application requires the vendor to have a valid U.S. identification number and a properly completed Form W-8
* If the payment could be subject to tax, specify upfront that the liability is on the provider and payment will be net of tax
* Software and electronic media can be the most difficult to determine; obtain as much information as you can get so that the proper determination is made.
* Services by foreign individuals or entities outside of the U.S. must be documented. The best place to document is in the agreement. The agreement must specify that the provider is not a U.S. company, resident or citizen and that the services will be rendered outside of the United States.

In some cases it can be easily determined that the payment is to a foreign provider. Examples may include: Entities formed outside of the U.S. often have SA at the end of their name whereas LLC is used in the U.S.; often invoices relate to short trips abroad. In any case, it is better to have the documentation or status of the entity spelled out.

Payment Process

* Accounts Payable has to determine if the payment is reportable and that proper documentation has been provided to make the determination.
* If it is unclear as to whether the payment is taxable, the documents are given to Paula for review and final determination.
* Foreign wires and payments are reviewed by Paula. Once the determination has been made, subsequent like payments do not require additional review.

If it is unclear as to the taxable determination, either the requesting individual or the company will be contacted for additional information.

More information and guidance will be provided at future BAS forums and on the tax website at [www.kent.edu/tax](http://www.kent.edu/tax).

Tax questions can be sent to tax@kent.edu; pdivence@kent.edu or by calling Paula directly at 330 672-8622.

**Mark Vlacovsky – Treasury Manager**

**Electronic Payments**

Incoming electronic transactions

A new form has been created to aid in the proper crediting of incoming electronic payments. Many companies are beginning to send payments electronically but the description accompanying the electronic payment lacks sufficient information to properly determine the recipient of the funds.

Departments are requested to complete a “[Department Incoming ACH/Wire Notification Form](http://www.kent.edu/about/administration/business/bas/forms/upload/Department-Incoming-ACH-Wire-Notification-Form-v-3-15-12.pdf)” whenever they are expecting a payment to be received electronically. This form should provide ample information to allow treasury to identify and link incoming payments to the appropriate department. The form requires banking information, type of currency, amount and expected date the funds should be received. It also specifically identifies the index and account code that the incoming funds should be credited to.

The details that accompany ACH payments are generally very short and non descriptive whereas wire transfers allow a more descriptive, detailed explanation of payment and beneficiary.

Outgoing Wire Transfers

Below is a listing of the more widely purchased currencies and the required wire transfer instructions for each:

* British Pounds (GBP)
	+ Beneficiary name
	+ IBAN (International Banking Account Number) or account number
	+ Sort Code (6 digits, absolutely need to have if IBAN isn’t available)
	+ SWIFT Code
	+ Any reference you would like to add
* Euro (EUR)
	+ Beneficiary name
	+ IBAN
	+ Swift Code
	+ Any reference you would like to add
* Indian Rupees (INR)
	+ Full beneficiary name
	+ Full beneficiary address
	+ Account number
	+ Swift Code
* Swiss Francs (CHF)
	+ Beneficiary name
	+ IBAN or account number
	+ Swift Code
	+ Any reference you would like to add
* Payments sent to Australia in USD
* Swift
* Account number
* Payments sent to Australia in AUD
* BSB number
* Account number

Payments sent to China (Chinese Yuan – CNY) are converted back to U.S. currency before they arrive in China. It is suggested that contracts with Chinese vendors be written to show payment due in U.S. dollars and that invoices be billed in U.S. dollars whenever possible. This will eliminate the purchase and surcharge of the foreign currency from the onset and the conversion of the currency back to U.S. dollars when it arrives in China. Payment is made based on the data supplied on the wire request form and the contracted agreement.

Any questions regarding university banking and electronic payments should be directed to Mark Vlacovsky at mvlacovs@kent.edu or directly at 2-8632.

NEXT BAS FORUM MEETING

WEDNESDAY

JUNE 13, 2012

KENT STUDENT CENTER

ROOM 204

9:00 A.M. – 11:00 A.M.