

Assorted Payments

Presenters:

Cindy Lyons, Policies and Procedures

Kenyatta Woolridge, Disbursements

October 24, 2018

Agenda

1. Introduction
2. UMB Funds
3. State Regulations
4. Policies and Procedures
5. Assorted Payments
 - a. Table 1 – Reimbursements
 - b. Table 2 – Payments to Vendors
6. Forms
7. Questions/Discussion

1. Introduction

1. Introduction

- FY 2018 Activity

| Type | Account Code | Number of Transactions | Amount |
|--------------------------|--------------|------------------------|--------------------|
| Honorariums | 3110 | 686 | \$835,000 |
| Post Doc Fellow Stipends | 3135 | 345 | \$1,034,100 |
| Studies & Consultants | 3726 | 1,493 | \$4,762,050 |
| Total | | 2,524 | \$6,631,150 |

2. UMB Funds

Official Definition of UMB Funds

- Developed by UMB Legal Counsel:

All funds administered by UMB, regardless of fund source. UMB funds include State-appropriated general funds, tuition, fees, and other income, as well as auxiliary funds, revolving/discretionary funds, Designated Research Initiative Funds, gifts, contract or grant revenues, and other restricted funds.

UMB Funds

- What does all this mean?

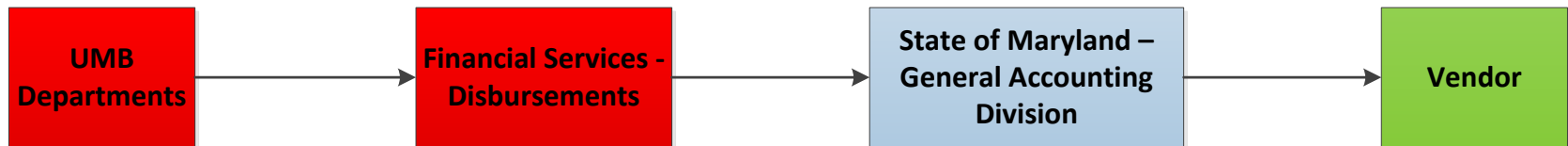


3. State Regulations

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 - Summarized



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

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

4. 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

5. Assorted Payments

Assorted Payments – 2 Categories

- Reimbursements
 - E-Z Payments
 - PUR02s
 - eTravel, Working Fund, & Gift Card System are discussed in individual workshops
- Payments to Vendors - See Definitions on Next Slides
 - PUR01
 - PUR02

PUR01

Standard Purchase Order

A PUR01 is the method established in the UMB financial system to process transactions for payments that are subject to standard State procurement procedures
(See [UMB Purchasing Guide](#)).

PUR01

Standard Purchase Order

Beginning on page 5 of the UMB Purchasing Guide:

1. Purchases less than \$5,000
 - a. P-Card or
 - b. PUR01

 2. Purchases equal to, or greater than \$5,000, require a PUR01.
-

PUR01

Standard Purchase Order

Important:

- All purchases that require a signed contract must be submitted to Strategic Sourcing and Acquisition Services (aka SSAS, Procurement) regardless of dollar amount or the method of purchase (P-card or requisition).

Only SSAS is authorized to sign a contract on behalf of UMB.

- Read the Financial Services Procedure on how invoices are processed here: <https://www.umaryland.edu/policies-and-procedures/library/financial-affairs/procedures/financial-services/disbursements-for-standard-procurements.php>
-

PUR02

Payment Request

*A PUR02 is the method established in the UMB financial system to process transactions for payments that are **NOT** subject to standard State procurement procedures.*

PUR02

Payment Request

- Financial Services Procedure on Miscellaneous Disbursements:

<https://www.umaryland.edu/policies-and-procedures/library/financial-affairs/procedures/financial-services/miscellaneous-disbursements.php>

PUR02

Payment Request

- UMB Tutorial for processing a PUR02 is available in the myUMB portal:

UMB Systems Tutorials Browser>eUMB
Financials>Managing Requisitions

- The Requisitioner Role is required to process a PUR02.
-

e-Z Payment

- Honorarium
 - One-time payment to an individual for a service, such as a speech, lecture, or demonstration.
 - May include consideration for expenses such as travel, meals, etc.
 - Recipient cannot be a UMB employee.
 - Recipient cannot be a business entity. A business entity can be identified by the name of the payee or by the tax identification number (TIN). If the TIN begins with two numbers (e.g. 52-), the recipient is a business.
 - Recipient cannot be a consultant or other professional whose primary source of income is generated from the service provided to UMB.

e-Z Payment

- Stipend
 - A payment, or series of payments, to an individual (e.g. trainee, intern) that represents an allowance for the cost of living while the individual performs research, training, or other activity covered by a grant or contract.
 - Recipient cannot be a UMB employee.
 - Recipient cannot be a business entity. A business entity can be identified by the name of the payee or by the tax identification number (TIN). If the TIN begins with two numbers (e.g. 52-), the recipient is a business.
 - Recipient cannot be a consultant or other professional whose primary source of income is generated from the service provided to UMB.

e-Z Payment

- FLSA 6-tier test for Stipends vs. Wages
 - The training, even though it includes actual operation of the facilities of the employer, is similar to that which would be given in a vocational school;
 - The training is for the benefit of the trainee;
 - The trainees do not displace regular employees, but work under close observation;
 - The employer that provides the training derives no immediate advantage from the activities of the trainees and on occasion the employer's operations may actually be impeded;
 - The trainees are not necessarily entitled to a job at the completion of the training period; and
 - The employer and the trainee understand that the trainees are not entitled to wages for the time spent in training.

Source:

https://www.dol.gov/whd/opinion/FLSANA/2004/2004_05_17_05FLSA_NA_inter_nship.htm

Payments to Foreign Nationals

- Disbursements cannot process a payment to an individual who is not a U.S. Citizen or a U.S. Permanent Resident.
- All requests for payments to individuals who are Foreign Nationals must be sent to DL-BFNRAHelp@umaryland.edu

5a. Table 1: Reimbursements

Table 1. Employee/Nonemployee Reimbursements – An individual purchases goods or services on behalf of UMB and requests reimbursement.

| Type | Description | How to Process | Processing Unit(s) | Related Policy/Procedure |
|--|---|------------------|-------------------------------|---|
| Business Travel | Individual travels on behalf of UMB to conduct UMB business | eTravel System | Travel Coordinator | UMB Policy VIII-11.00(A) and Financial Services Procedure |
| Business Meals | Involves one or more non-UMB employees and the business purpose is clearly identified. May be a reimbursement or a payment for catering services. | eTravel System | Travel Coordinator | UMB Policy VIII-99.00(A) and Financial Services Procedure |
| | | PUR02 | SSAS, General Accounting, A/P | |
| | | Working Fund | Working Fund | |
| | | P-Card | N/A | |
| Office Expenses | Supplies, flyers, etc. | PUR02 | A/P | State General Accounting Division Manual and Financial Services Procedure |
| Research Study Participants and Participant Expenses. Expenses include travel, meals, and supplies as authorized by the grant and directly related to the participants. | Individuals receive payments for participating in studies/clinical trials as ordained by the UMB IRB and grant documents. | Working Fund | Working Fund | UMB Policy VIII-99.00(B) and Financial Services Procedure |
| | | e-Z Payment | A/P | |
| | | PUR02 | SSAS, General Accounting, A/P | |
| | | Gift Card System | A/P | |
| Other Reimbursements Moving lab equipment Membership Deposit | Individuals seeking reimbursement for purchases that do not fall into one of the above categories. | PUR02 | A/P | State General Accounting Division Manual and Financial Services Procedure |

5b. Table 2: Payments to Vendor

Table 2. UMB Issues a Payment Directly to a Vendor. A vendor may be an individual or a business entity.

| Type | Description | How to Process | Processing Unit(s) | Related Policy/Procedure |
|-------------------|--|--------------------------------------|-------------------------------|---|
| Membership | UMB has agreed to pay for specific membership dues on behalf of an individual. | PUR02 | SSAS, General Accounting, A/P | State General Accounting Division Manual and Financial Services Procedures |
| | | Working Fund | Working Fund | |
| Honorarium | One-time payment usually for a speaker. May include expenses, such as travel, in addition to the speaker fee. | e-Z Payment | A/P | Financial Services Procedure |
| | | PUR02 | SSAS, General Accounting, A/P | |
| Stipend | One-time payment or a series of payments. An allowance for expenses incurred to conduct UMB research, training, etc. Expenses may be living, travel, education, etc. | e-Z Payment | A/P | Financial Services Procedure |
| | | PUR02 | SSAS, General Accounting, A/P | |
| PUR01 Invoices | Related to a purchase order issued pursuant to State procurement regulations. | PUR01 - - Requisitioner Role in eUMB | SSAS, A/P | UMB Purchasing Guide and Financial Services Procedure |
| Deposits | Deposit for conference space, catering | PUR01 | SSAS, General Accounting, A/P | State General Accounting Division Manual , UMB Purchasing Guide , and Financial Services Procedures |
| Royalties | Payments to individuals. | PUR02 | SSAS, General Accounting, A/P | UMB Purchasing Guide and Financial Services Procedure |
| Staff Development | Payments to individuals. | PUR02 | SSAS, General Accounting, A/P | UMB Purchasing Guide and Financial Services Procedures |

6. Forms

Upcoming Events

November Disbursements Workshop: Using Foreign Wire Transfers for Payments to Vendors

Wednesday, November 28, 2018

10:00 – 12:00

School of Pharmacy, Room N111

Upcoming Events

4th Quarter Travel Professionals Group Meeting:

Wednesday, December 5, 2018

10:00 – 12:00

School of Nursing, Room 130

Questions?



Contacts

1. Kenyatta Woolridge,
Acting Disbursements Manager
410-706-2155
kwoolridge@umaryland.edu

Contacts

3. Monica Honza, Accountant
Disbursements
410-706-6796
mhonza@umaryland.edu

4. Gina Baker, Supervisor
Accounts Payable
410-706-7763
gbaker@umaryland.edu