

Portland State University Department Guide to Business Affairs

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Introduction

The Business Affairs Office mission is to support the mission of the University by striving for leadership in service which combines: accuracy with promptness; responsibility with responsiveness; efficiency with effectiveness; accountability with adaptability; tradition with innovation; and strives to incorporate friendliness, courtesy, and helpfulness while assuring the confidentiality of the individual and the security of the University.

The Departmental Guide to Business Affairs exists to assist in achieving this mission. Every effort is made to ensure that the information in this Guide is current. However, the dynamic nature of the University and the current technological and economic environment often dictate rapid change or elimination of systems and procedures. There are telephone numbers within the Guide to be used for assistance. Any suggestions for amendments, corrections or expansion of this Guide should be referred to the office of the Director of Business Affairs, campus mail code BO, telephone extension (503) 725-3443.

Functions

The functions of the various Business Affairs offices support the mission of the University by providing the fiscal services required to:

- 1 Receive, collect, record, allocate, and disburse funds coming into, or owed to, the University;
- 2 Procure and account for the equipment and supplies required for University operations;
- 3 Provide timely and accurate compensation for all University employees;
- 4 Develop and maintain a sound internal control structure;
- 5 Provide an accurate record of funds available for University operations, and to provide assistance with procedures and advice on policy to individual University areas for fulfilling their departmental bookkeeping responsibilities;
- 6 Provide accounting and other administrative services for the management of University gifts, grants and contracts;
- 7 Provide for the training of personnel to ensure a competent work force in the financial and administrative operations of the University;
- 8 Continuously improve its operations to ensure that its resources are used productively and effectively;
- 9 Provide box office and ticketing services for the University community;
- 10 Provide transportation and parking services for the campus community;
- 11 Ensure that the financial statement of the university is prepared in conformity with GAAP (Generally Accepted Accounting Principles); and
- 12 Perform other duties relating to fiscal management as assigned by the Vice President for Finance and Administration.

These function are prescribed and governed by Oregon Revised Statutes; the Administrative Rules of the Oregon State Board of Higher Education (OSBHE); the Financial Administration Standard Operating Manual (FASOM) of OSBHE, and pertinent policies of Portland State University.

Structure

The Director of the Office of Business Affairs reports to the Vice President for Finance and Administration. The Business Affairs unit includes the Director's Office, Departmental Accounting, Specialized Accounting Services, Research and Strategic Partnerships, and the Bursar's Office. Purchasing Department is included in this document but reports directly to the Vice President for Finance and Administration.

Director's Office

The Director's Office provides executive oversight, coordination and leadership to the Business Affairs unit. Additionally, this office functions as the University's contracting authority and provides risk-management services. This Office interacts with and serves all faculty, staff, students, and other interested publics of the University. In addition, the Office provides primary liaison services with OSSHE Offices, State oversight organizations, a myriad of contractors, and the Federal Government for grants, contracts and taxation issues.

Departmental Accounting

The Departmental Accounting Unit is located within the Business Affairs Office. This unit is responsible for: 1) audit and disbursement of University funds; 2) maintenance of accounting elements in the computerized finance system to ensure compliance with state and federal rules/regulations; 3) fiscal reporting/analysis; 4) training of University staff in internal controls and accountability; 5) processing of COP payments and reporting; 6) reconciliation and monitoring of University funds; 7) annual year-end closing of fiscal accounting records; 9) letter of credit cash draws and outgoing wire and ACH transfers; 10) processing assessments and interest distributions. 11) auditing procurement card activity. The unit reports directly to the Manager and is staffed by an Assistant Manager and five classified employees.

Accounting Chart Code Maintenance

Accounting Chart Codes are defined by the Oregon University System. Responsibility for updating the different tables is shared between the OUS Controller's Office and the individual institutions according to OUS Banner Standards Management policies. PSU's Business Affairs Office (BAO) Departmental Accounting unit has maintenance access to the Index, Fund, Organization, and Activity Codes tables.

Assessments

The following assessments are charged to PSU by the OUS Controller's Office and distributed to various fund groups per funding basis provided by OUS:

- 28003 Secretary of State Audit Assessment
- 28020 Central Government Service Charge
- 28036 DAS Geograph Info System Assessment
- 28037 ERET Economic Reinvest Team Assess
- 28060 Tort Liability Assessment
- 28061 Property Insurance Assessment
- 28101 Chancellor's Office Assessment

28003, 28020, 28060 and 28101 assessments are distributed to various funds based on that fund's share (within the fund group) of certain types of expenditures in the prior fiscal year. 28061 assessment distribution is based on capitalized property/equipment values as of June 30 of the prior fiscal year.

Chart of Accounts Code Request Form

The purpose of the PSU Chart of Accounts Code Request form is to make the request and document the purpose for the establishment of new index, fund, organization, or activity codes, or changes to the aforementioned codes. The form is available on the PSU Business Affairs website at www.bao.pdx.edu.

Compensated Absence Liability

Compensated absences liability refers to the amount OUS owes its employees for accrued vacation and compensatory leave balances as of the date of the financial statements. The liability is an estimate based, for each employee, on the leave balances applicable to compensated absences liability, multiplied by the employee's salary rate and an estimated percentage for other payroll expenses (OPE). The estimated liability is computed by the OUS Controller's Office and distributed prior to the year-end closing of the books, per OUS Fiscal Policy Manual 05.321. This is a non-cash entry. Adjustments are recorded as increases or decreases in account codes 10931 Accrued Vacation Leave, 10933 Accrued Compensatory Leave, and B1990 Compensated Absences Liability. An increase in leave balances will increase the fund's liability and current year expense.

Corporate Card Program

PSU maintains the US Bank VISA Corporate Card Program to minimize cash outlay for employees with duties requiring frequent University business travel. The card is in the employee's name; however, the Corporate Card is only to be used for reimbursable PSU travel expenses. *The employee is responsible for timely submission of documented travel claims to the BAO Specialized Accounting Services Travel office, as well as timely payment of charges to the bank.* The Corporate Card application and FAQ's are available on the BAO website, www.bao.pdx.edu. Contact the BAO Departmental Accounting Procurement Card Administrator for assistance.

FOAPAL

FOAPAL stands for the various accounting code tables in Banner FINANCE: Fund, Organization, Account, Program, Activity and Location. This acronym is somewhat analogous to, but does not exactly equate to either Index Code or Detail Code. FOAPAL (or FOAP, FOAPA) is often used when talking about accounting combinations in generic terms. Index Code represents a specific combination of accounting codes in Banner Finance as defined on the FTMACCI Account Index form. Detail Code represents a specific defined combination of accounting codes in Banner Student & A/R. Index codes and detail codes are not equivalent. Detail code combinations always include account code, as a detail code represents a very specific segment of income, such as a specific student fee. Index codes rarely use account code as most indexes record a wide variety of expenditures.

Fuel Cards

See Procurement Card Program.

Group Travel Cards

See Procurement Card Program.

Inter-Institutional Journal Vouchers

Accounting/payment transactions between institutions in the Oregon University System cannot be processed via the accounts payable system. Instead, payment is recorded via Inter-Institutional (“IIT”) Journal Voucher. Either institution may initiate the JV; however, access to the form is limited. Requests for input of IIT JV’s involving interdepartmental billings and payment of invoices, registrations, and similar transactions should be forwarded to BAO Departmental Accounting for processing.

Journal Vouchers

Journal Vouchers are used to distribute charges and revenue/service credits among FOAPALs (interdepartmental JV’s); to correct erroneous FOAPAL distributions appearing as revenue or expense on the OPAL ledger (correction JV’s); to reclassify or accrue month-end, quarter-end or year-end expenses or revenues; to transfer funds; to distribute budget to discrete account codes; and to clear encumbrance balances which did not liquidate in the payment process. Select Budget Adjustment journal vouchers route through departmental queues; all other journal vouchers route directly through central processing (Business or Budget Office) approval queues. Approved, posted journal vouchers may be viewed using Banner form FGIDOCR, Document Retrieval. For JV’s between PSU and other OUS institutions, see Inter-Institutional Journal Vouchers.

The comprehensive Journal Voucher Manual is located in the Help Center on Banner. The Help Center can be accessed as a link from any Banner Menu screen. The manual is beneath the PSU Banner Documentation header.

Leases – Capital

If the lease is non-cancelable and the fair market value of the asset or property meets or exceeds \$5,000 at the inception of the lease, and meets one or more criteria as specified in OUS Fiscal Policy Manual 05.281.200, the lease contract must be recorded, accounted, amortized and reported as a Capital Lease. Notify both Fixed Asset Accounting Desk in BAO Specialized Accounting Services and the BAO Departmental Accounting Contract Accountant immediately once the lease contract has been approved by a PSU Authorized contract officer, so the appropriate capitalization and accounting entries can be made upon inception of the lease.

Leases – Operating

If the lease is cancelable, or does not meet the criteria for a Capital Lease according to OUS Fiscal Policy Manual section 05.281.200, it is accounted for and reported as an Operating Lease Liability on the OUS Year-end Financial Statements.

Outgoing Wire Transfers

Occasionally a vendor will require payment via wire transfer. Though some wire transfers are domestic wires, most wire transfers are international wires. The outgoing wire transfer form is located on the BAO website (www.bao.pdx.edu), under Forms and Policies. Submit the completed form to BAO Departmental Accounting, along with normal invoice backup, AND evidence of banking information as provided by the vendor; also include specific vendor contact information. International payment may be made in either foreign currency (the preferred method), or US dollars. Exchange rate information is calculated by the Oregon State Treasury at the time of wire transfer.

Procurement Card Program

PSU offers the following types of cards for PSU departmental business use: Procurement Cards, Group Travel Cards, and Fuel Cards.

- a) Procurement Cards are issued to departments within the University to provide authorized faculty and staff with a cost-effective and convenient method of procuring small dollar purchases of regularly consumed supplies and other items under \$5,000.
- b) Group Travel Cards are issued to departments within the University to provide a more effective mechanism for procuring travel arrangements for Student Groups, Athletic Sport Groups and other departments who have travel which meets the guidelines of Group Travel.
- c) Fuel Cards are issued to departments within the University to provide a more effective mechanism to pay for fuel expenses. These fuel cards may only be used for University related travel and can only be used on rental cars or vehicles owned by Portland State University.

Policy, procedures, rules and regulations, and recordkeeping requirements are located in the Procurement Card Survival Guide, located on the Business Affairs Office intranet, <https://intranet.bao.pdx.edu/website/specialized-accounting>. Charges incurred via the three types of cards listed above are loaded to the Procurement Card module after nightly bank processing, and distributed by the department to the proper index and account code.

See also Corporate Card Program.

Revoking PSU issued credit cards

PSU encourages the use of P-Cards and Corporate cards to facilitate purchasing and employee travel. As a reminder, use of P-Cards and Corporate cards is strictly limited to payments for University business. Personal charges of any kind are not allowed. Each

designated employee is responsible for the proper use and management of PSU issued credit cards as described in the policy and procedures guide. PSU reserves the right to revoke card privileges for repeat offenses or abuse of the card guidelines.

Specialized Accounting Services

Specialized Accounting Services is responsible for the audit and disbursement of University funds in payment for goods or services received. This includes: 1) reviewing and approving payments for a wide range of expenditures; 2) verifying expenditure account code classifications on payments; 3) processing reimbursement requests and centralized billings; 4) monitoring and processing payments against contracts and personal services agreements; and 5) applying OUS and University rules and regulations to ensure that payments are accurately reflected in the University's financial ledgers. Other duties within this unit include centralized travel administration and centralized fixed asset management and inventory control. The unit reports directly to the Manager and is staffed by an Assistant Manager and eight classified employees.

Acknowledgments

Acknowledgments may be issued by vendors to acknowledge receipt of an order. Match the acknowledgement to order information on the Banner-FINANCE Purchase Order and in your pending file to verify that the vendor has recorded the order correctly. Note any discrepancies and vendor comments.

Acknowledgments usually show unit prices, but are never used as invoices. (Reminder: packing slips, work orders, quote sheets, etc. should not be submitted as invoices. These are documentation for departmental files.)

Address Changes

Forward all notifications of vendor remittance, correspondence, or order address changes to the Specialized Accounting Services office, e-mail address: baopur@pdx.edu. The vendor maintenance personnel will modify the Banner vendor file.

Advertising

There are two types of advertising, Classified and Display. Enough information should be on file to verify the ad contents and date(s) of publication. For display advertising, a tear sheet (printed copy of advertisement from publication) is required to document the advertisement charge.

Beware of con artists that without your knowledge or approval, reprint an ad that validly appeared in a different publication; then "invoice" for the bogus advertisement. PSU is under no obligation to pay for unsolicited advertising. Examples: Employee Digest, Military Digest, Opportunity News.

Alcoholic Beverages

Institution funds cannot be expended for alcoholic beverages. However, they may be served at banquets or other special group activities conducted as part of a workshop or by a self-supporting Auxiliary Enterprise department, **if full cost of such beverages is recovered**

through charges to the participants or sponsoring group. Income and costs are to be accounted for in Designated Operating Funds, Auxiliary Enterprise Funds or Agency Funds.

Approvals

Direct pay Banner invoices (form FAAINVE Invoice/Credit Memo) will route through approval queues to a department approver before routing to BAO Specialized Accounting for final approval. Banner invoices referencing a Banner PO on FAAINVE will route directly to Specialized Accounting Services after department input since the PO referenced was previously approved by a departmental approver.

Departmental approval queue routing is via organization code or fund code. All departmental approval queues should consist of at least two approvers; preferably more, to ensure that invoices and purchase orders can be processed on a timely basis. The same individual should never both input and approve the same Banner document.

Write the Banner-assigned invoice number in the upper right-hand corner of the vendor's invoice. Sign and forward the payable document to the BAO Specialized Accounting Services Office. The BAO SAS Office will audit for accuracy, compliance, etc., and give final approval to generate actual payment. Banner invoices with errors will be disapproved on-line and routed back to the Departmental approval queue for correction. The auditor will specify what needs to be corrected. Also see Invoice Tolerance.

Bankruptcy Notices and Assignments

Forward vendor bankruptcy and assignment notices to the BAO Specialized Accounting Services Office. The vendor maintenance staff will modify the vendor file. Bankruptcies and Assignments usually involve issuance of the payment to a financial intermediary rather than the vendor providing the goods and/or services.

Cancelled (Cashed) Check Copies

Cancelled (cashed) check copies are available upon request to provide proof of payment to the vendor. Contact the BAO Specialized Accounting Services Office for assistance.

Centralized Processing

Processing of certain high-volume vendor payments are handled centrally by the BAO Specialized Accounting Services Office. Invoices are received centrally. The vendor is paid with one check and charges are distributed by journal voucher prepared by accounting technicians in the SAS Office.

- a. **ARAMARK** - When placing a catering order with Aramark, give them the Index code that will be paying for the charges. If the total is over \$5,000 prepare a purchase order. ARAMARK will send the department an event confirmation. Twice a month ARAMARK submits a consolidated statement to BAO Specialized Accounting Services, documented with itemized invoices. A single payment is prepared to the vendor, and the charges are distributed to individual departments via journal voucher. A copy of the catering order, marked with the JV number, is routed to the

department. The confirmation and the paid invoice are matched and retained by the department for monitoring and ledger reconciliation.

- b. **B&B Print Source** – This vendor currently has the PSU contract to provide printing of business cards, envelopes, and letterhead for University staff. The orders are completed online by the department, at <http://www.pdx.edu/ucomm/>. On a weekly basis, vendor submits statements and forms to BAO Specialized Accounting Services. Payments are made to B&B Litho and then distributed by journal voucher per referenced Index code. A copy of the form is stamped with the JV number and routed to the departments. The department is responsible for contested charges and reconciling to the operating ledger.
- c. **Clean Copy** - Clean Copy, located on the ground floor of Parking Structure 2 on Broadway and Mill, is centrally billed. The customer completes the vendor's order form, indicates the Index code to be billed and signs for receipt of copied materials. If printing is delivered to the department, the order should be signed at that time by an authorized department representative. Clean Copy will submit a batched billing to BAO Specialized Accounting Services; a single payment will be made to Clean Copy and individual charges distributed by journal voucher per referenced Index code. A copy of the invoice stamped with the JV number is routed to the department, who monitors for JV entry posting to the operating ledger.
- d. **COSTCO** - Purchasing has a set of two cards for COSTCO, one for membership admission and the second for charging your purchase. If you need to go to COSTCO to make a purchase for the department, contact Purchasing to reserve the cards. This is on a first come, first serve basis. Pick up the cards at Purchasing and complete the required paper work, including the Index code of the department that will pay the charges. At COSTCO present one card for admittance and use the other card to charge the purchase. Upon your return to campus return the cards and the original cash register receipt to Purchasing. COSTCO sends a monthly bill which is paid by BAO Specialized Accounting Services. The charges are distributed by journal voucher to the respective departments. The original documents, marked with the JV number, are routed to the department. Retain these documents for monitoring, ledger reconciliation, and documentation.
- e. **Electric/Electronic Typewriter /FAX/Printer Maintenance Contract** – During the summer, the PSU Purchasing and Contracting Office sends the annual notice and instructions for the typewriter maintenance contract. Submit the work order form to the contract vendor, referencing all the specified information (i.e. department, location, make/model/serial/inventory number of typewriter, contact person) and the Index code before the deadline date. After the vendor performs the campus preventive maintenance visit, the vendor submits a consolidated invoice to the BAO Specialized Accounting Office for centralized processing. A copy of the form marked with the JV number distributing the charges is routed to the department.

- f. **Enterprise** – PSU contracts with Enterprise Rent-a-Car for vehicle rental services. All drivers must meet University guidelines. Reservations for PSU business must be made using the PSU Direct Bill Number and the departmental Index code. Charges are centrally billed to PSU and paid by BAO-Specialized Accounting Services. SAS distributes the charges via JV.
- g. **FedEx Office and Print Services (formerly Kinko's)** – The closest location for FedEx Office is at 1400 SW 5th Ave. The customer completes the vendor's order form, indicating Index code and phone number. The pink copy of the signed invoice is kept by department. On a monthly basis, vendor submits a statement and invoices to BAO Specialized Accounting Services. A single payment is made to FedEx Office; charges are distributed by journal voucher per referenced Index code. A copy of the invoice is stapled with the JV number and routed to the departments. The department is responsible for contested charges and reconciling charges to the operating ledger.
- h. **Office Supplies – Various Vendors** - Department logs on to vendor website and orders using pre-established user name and password for account. The vendor's Account Representative can assist with questions or with establishment of a new departmental business account (contact the Purchasing and Contracting office for a list of Account Representatives). The vendor sends a statement with supporting invoices to Specialized Accounting Services. SAS pays the vendor and distributes the charges via JV. All charges will be coded with account code 20102. Any contested orders must be resolved between the department and the vendor. Adjustments will appear in the next billing cycle.

The following office supply vendors have centralized billing arrangements with PSU:

- **Office Depot**
 - **Office Max**
 - **Staples**
 - **Staples Advantage (Corporate Express)**
- i. **Oregonian** - Advertising content/layout should be approved in advance by the Office of Human Resources for personnel recruitment ads, or by the Office of Marketing and Communication for other ads. Contact the PSU account representative in the sales office of the Oregonian, (503) 221-8296. The centralized monthly invoice is paid by SAS and distributed via JV to the departments.
- j. **PSU Bookstore** - When obtaining supplies from the PSU Bookstore or Powersource, give the Bookstore your Index code. Sign for the goods and retain invoice pink copy for department files. Do not initiate payment from this copy. The Bookstore submits a monthly consolidated statement with the original invoices to BAO Specialized Accounting Services, who prepares a single payment to the Bookstore. Charges are distributed to departments via journal voucher referencing bookstore invoice number. The department matches on-line JV posting with numbered pink copy. A copy of the invoice marked with the JV number is routed to the department to be matched with the pink copy of invoice received at the time of

purchase. Note: **Banner PO's are required by the PSU Bookstore when buying computers or equipment upgrades.** When an equipment purchase is made, the department is responsible for entering the invoice on Banner.

- k. **State Motor Pool** – The State Motor Pool is located in Salem. The department must have a State Motor Pool checkout card. All drivers must meet University guidelines. The Motor Pool invoice is centrally paid received and paid by Specialized Accounting Services, and charges distributed via JV.
- l. **Zipcar** – All Zipcar use for PSU business is by registered user only. All drivers must meet University guidelines. PSU Business accounts are available at <https://www.zipcar.com/portland/apply/signup?account%5fid=68889850>. All reservations must include the department name and index number. The Zipcar invoice is centrally paid, and charges distributed via JV.

Check Runs

Specialized Accounting Services runs just one physical check run per week, every Wednesday at approximately 1 PM. On the other hand, ACH (Automated Clearing House) payments are processed each afternoon.

Invoices requiring a physical check in the Wednesday check run must be delivered to Specialized Accounting Services by the end of the day on the preceding Monday, clearly marked for special handling. Departments are responsible for monitoring the invoice status on FOIDOC (Document History) and FGIDOCR (Document Retrieval) to ensure the invoice receives final approval and is posted to Banner Finance by Wednesday morning. Contact sasap@pdx.edu by 11 AM on check run day if the invoice does not show evidence of final approval and posting to Banner.

See also Payment - Check vs. ACH; Payment – Checks – Special Handling.

Closing Due Dates

Portland State University is allowed seven working days to close the period at the end of each month. In order for PSU administrative offices to meet this schedule, departmental document submission deadlines are as follows:

- Travel and Personal Reimbursements - 3rd working day of the month;
- Invoices and Journal Vouchers – 4th working day of the month.

The Month-End Closing Schedule for the fiscal year is published on the PSU Business Affairs website at www.bao.pdx.edu.

PSU's detailed Fiscal Year-End Closing schedule is announced in the spring once the Oregon University System (OUS) publicizes the current fiscal year deadlines and instructions. Compliance to the year-end deadlines is crucial to PSU's efforts in closing the fiscal year books.

Contributions

The State Board of Higher Education has no authority or obligation to make disbursements for voluntary contributions, donations or funds solicited for various causes.

Copiers (Rentals, Maintenance and Purchases)

Departments may issue Purchase Orders to price agreement vendors for new copier rental contracts or purchases. Use the header text field in PO to indicate the length of rental, model #, location, and rental rates. Indicate to the vendor that the contract is for multiple months (24 or 36, typically) while your PO only is for the current fiscal year (12 months or less). For subsequent years of the contract, departments should enter a Banner PO to encumber only **current** year expenses on a multi-year contract. Contact the Purchasing and Contracting Manager (5-3611) when acquiring a new copier or to renew your existing copier. Vendors will send invoices to each department, where data entry is made for payment. Route invoices to Accounts Payable for approval.

See also Leases – Capital, and Leases – Operating.

Credit Memos

Credit memos are issued by the vendor to adjust a previous invoice, to refund an overpayment, or adjust for returned goods/merchandise. The credit memo must be matched with the original invoice to determine whether the credit should be processed. When a credit is due PSU for a previously paid invoice, process as a direct pay invoice; however, flip the credit memo flag to Y yes; otherwise a check will result instead of a credit memo being taken. A cross reference to the original invoice should be noted in the text section on the Banner Invoice form. If a credit memo involves a previously discounted invoice, the credit memo should be reduced to reflect the original amount paid.

A credit memo should not be processed if the previous invoice was already adjusted with the original payment. Many vendors submit credit memos to balance their accounts receivable; in that situation, the credit memo is for our information only and should be retained in department files.

The credit memo will be posted to your operating ledger immediately (the offsetting entry resides on the fund balance sheet as a reduction of accounts payable liability, until the credit memo is satisfied by new invoices from the same vendor). Subsequent invoices must use the same VP address as the credit memo to apply against the credit.

If the vendor has not assigned a number to the credit memo, use the original invoice number with the letter CM as a suffix. For those vendors who use the original invoice number as the credit memo number, suffix the number with CM, otherwise the Banner system will consider it a duplicate invoice.

Delegated Authority

Delegated Authority pertains to physical signatures. In certain instances, the authority to sign certain documents is delegated to specific individuals.

Contract Officers have been delegated the authority to sign certain contracts on behalf of the University. The list of individuals with authority to sign contracts is located at http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/PSU%20Signing%20Auth%20Auth.pdf. Only these individuals can sign on behalf of the University.

The authority to sign Personal Reimbursements and Travel Reimbursements is delegated to the departments. Each department must have a Delegated Authority signature form on file with Specialized Accounting Services. While an individual may be listed as a Delegated Authority for a particular organization or fund, one may not sign off on a superior's reimbursement.

Discounts

Discount terms are usually counted from date of receipt of the invoice or receipt of the merchandise, whichever is later. Check each invoice and purchase order for discount terms and take the larger discount if there is a difference. Take discount only on items purchased, not on handling or transportation charges. Discounted invoices should be given priority processing.

Should a vendor disallow a discount previously taken, verify with original documents and Banner system information to see if original terms were met. Create a direct pay Banner invoice for the valid disallowed amount. Use the original vendor invoice number, adding a suffix DD. Explain in text the reason for payment.

Encumbrance Liquidation

Special care needs to be taken when processing transactions with open encumbrances. Open purchase orders should be liquidated by referencing the PO in the header on Banner Invoice form FAAINVE (Invoice/Credit Memo). If the payment input is for a partial payment, verify that the Final Payment Indicator is null. If the payment input is for the final payment on the PO, verify that the Final Payment indicator is "F".

If a partial payment fully liquidates a Purchase Order, either the Purchase Order must be reestablished with a new Purchase Order, or subsequent invoices will need to be paid as Direct Pay invoice payments. Cross reference the original PO number in Document Text.

If all invoice charges have been posted and the Purchase Order is still open, use Banner form FGIENCD (Encumbrance Detail History), to determine whether any liquidation has occurred. If no transactions have been processed against the PO, cancel the Purchase Order using form FPAPDEL (Purchase/Blanket Order Cancel). If partial liquidation has occurred, liquidate the remaining encumbrance via FGAVCD (Journal Voucher Entry). First verify item/sequence liquidation information on FGIENCD. Input the liquidation journal voucher using form FGAVCD; consult the Journal Voucher Manual for instructions.

Equipment Acquisition

Capitalized Equipment is defined as tangible, personal property which is not consumed in the normal course of business; having a unit value in excess of \$5,000 and a useful life of more than two years. Upgrades to existing inventory are capitalized if the value of the inventoried item increases. Replacement as maintenance or repair is not capitalized. All purchases of capitalized equipment must be initiated on PO form FPAPURR (Purchase Order), including modifications to existing inventory below \$5,000. See equipment help sheet for proper account code classification for equipment, minor equipment, data processing expenses, software and accessories. If pertinent information (i.e. serial number, make/model/manufacture or equipment) does not appear on the vendor's invoice, include the information as text on the Banner invoice payment. See also 6.056 Equipment Trade-In.

Equipment Disposal

All equipment must be disposed of through the Facilities Warehouse/Surplus office. This applies whether the equipment is traded in, surplus, broken, obsolete, scrapped, transferred, or otherwise requiring disposal. Record the transfer to Facilities Surplus on a Fixed Asset Transfer form. Facilities Surplus will document the disposition on a Property Disposition Request (PDR) form. See 11.150 Equipment Disposal; see also the Facilities Equipment Disposal Guidelines at www.fap.pdx.edu/surplus/.

Equipment Lease/Rental

A Banner PO is recommended for long term lease/rentals or when covered by a contract. Include the period covered and line item detail (rates, unit costs, accessories) for charges per terms of the agreement. Commodity amounts and accounting sequences on the PO should reflect only the current year's projection on multi-year rentals. Additional information should be included in Purchase Order Text. Also see Copiers (Rentals and Purchases).

See also Leases – Capital, and Leases – Operating.

Equipment Trade-In

Equipment traded in towards new equipment must be identified by PSU Inventory Number for removal of the item from the inventory records. The value of the trade-in is recorded as a credit memo, using clearing fund 095880. The accounting process for the removal of the traded-in asset will recode the income as a gain or a loss to the institution. The new equipment is capitalized at the gross purchase price (using account code 40101 [A8011 on proprietary funds]), not the net amount after trade-in. **Contact SAS/Property Control at 5-3109 before preparing the Banner PO for any orders involving trade-in of equipment.**

Flower Purchases

Flower purchases are not ordinarily considered an allowable expenditure. Some purchases are considered acceptable but must be documented with the business reason. Examples of acceptable flower purchases are: use in Biology classes, on theater sets, commencements and

convocations, and Student Activities' sponsored function (charged to student activities auxiliary fund).

FOB

FOB is the abbreviation for "free on board". FOB point designate when title passes from the seller to the buyer. Determine what the FOB point is when placing the order with the vendor. When obtaining comparison quotes, have the vendors quote FOB Destination.

If the terms state "FOB Shipping Point", title passes to the buyer when the shipment leaves the shipper's dock. The **buyer/department** is responsible for the shipping charges, and is also responsible for following up with the freight company if the merchandise is damaged in transit. If the terms are "FOB Destination", title passes to the buyer/department when the goods reach the buyer's loading dock. The **seller** is responsible for the shipping charges, and is also responsible for following up with the freight company if the merchandise is damaged in transit. Although FOB Destination is preferable from PSU's point of view, vendor terms are usually FOB Shipping Point.

Foreign Currency/Exchange Rates

Invoice payments to foreign vendors are paid in US dollars if paid through normal A/P invoice processing. *If the invoice is billed in a foreign currency, it needs to be converted to US dollars.* Use the foreign exchange rate listed on the World Wide Web at <http://www.oanda.com/cgi-bin/ncc>. Many vendors already include a conversion amount on the invoice. If the invoice is \$50.00 or less, use the vendor's conversion. If the invoice is greater than \$50.00, calculate the conversion. If the calculated amount is within \$20.00 or 5% (whichever is less) of the invoice amount, pay the invoice amount. If the difference is greater than \$20.00 or 5%, pay the calculated amount.

Watch for invoices in Canadian currency. If the remittance address is a Canadian address and the invoice doesn't state "Pay in US Funds" or similar, the invoice is most likely in Canadian currency. Compute the conversion.

For wire transfers, see Outgoing Wire Transfers. (Note: for International Wire Transfers, it is preferable to pay in the foreign currency rather than US Dollars).

Gratuities

Tips paid by OUS employees while on travel assignment are personal expenses and have been taken into account in the established allowable rates. When hosting group meals and service charge is automatically included in a restaurant bill, it may be paid or reimbursed. In situations where tipping is an expected custom rather than discretionary choice, then employee/host may be obliged to pay an appropriate gratuity. In these cases, a tip of up to 15% of the cost of meals may be reimbursed when included on an itemized receipt.

Also see Hosting Groups and Official Guests.

Hosting Groups and Official Guests (non-employees)

The University or an employee, in the normal conduct of a program/activity may serve as host for official guests of the institution paying for their meals, refreshments, transportation or other expenses. Hosted events/guests would include recruitment of candidates for positions, visiting dignitaries, Advisory Board meetings, commencement, meetings for community or public relations, open houses, etc. Sometimes, when interviewing job candidates or hosting official guests, the candidate or guest is accompanied by the spouse. In that case only it may be allowable to pay for the employee spouse's meals. Employee spouse meals are not normally reimbursable. Expenses for hosting official guests or group gatherings may be paid to the vendor providing the services, or reimbursed directly to an employee. Payment for the full amount of reasonable expenditures may be authorized, subject to documentation and exceptions summarized below:

OTHER STATE EMPLOYEES

One State Employee may not host another State employee, **unless**:

Meals

1. A planned inter-departmental or inter-institutional meeting is called to accomplish a specific purpose, **and**
2. The meeting has a formal agenda with meals included as part of the agenda

Refreshments

1. The meeting is a planned inter-departmental or inter-institutional gathering with a specific purpose or agenda, **and**
2. Will last for several hours, **and**
3. Convenient adequate refreshment facilities are unavailable, or using other facilities would excessively disrupt proceedings.

ALCOHOLIC BEVERAGES

Reimbursement of the cost of **alcoholic beverages** with State funds is **not** allowed. The only exceptions to this rule are:

- A. If the cost is charged to a gift, grant, or contract account and is expressly authorized by the terms of the gift, grant or contract, **or**
- B. If the full cost of the alcoholic beverages is recovered through charges to the participants or paid by an off-campus group.

GRATUITIES

In situations where a gratuity is usual and expected, reimbursement of a tip up to 15% of allowable meal charges will be permitted when hosting groups or guests. Tips on alcoholic beverage charges and other non-allowable costs will not be reimbursed.

EMPLOYEE MEALS

The full cost of an employee's reasonable meal expense may be reimbursed when hosting parties and guests provided the meal is not in conjunction with overnight travel. Thus, when hosting and no overnight travel is involved, employees may be reimbursed for actual reasonable costs though these exceed in-state travel per diem rates. Meal costs for employees' spouses are not normally reimbursed. An exception to this is hosting a candidate and a candidate's spouse accompanied the candidate.

DOCUMENTATION

- A. Receipts** – Meals, gratuities and alcoholic beverages should be separately itemized on the receipt. A “tear tag” showing only the total charges is not adequate. A statement on or attached to the receipt enumerating expense details and signed by the employee is acceptable when the employee is unable to obtain an itemized receipt.
- B. Other** – Personal claims should be prepared on a “Reimbursement Request” form BO-266. Requests to pay other vendors, i.e. catering and restaurants should be prepared using the Banner FINANCE invoice form FAAINVE. The dates, names of individuals hosted and the purpose of the hosting is required for each request. If hosting is **not** in conjunction with overnight travel, use account code 28612, Hosting Groups and Guests, or 28613, Public Relations/Fundraising

REASONABLE AMOUNTS DEFINES

For the purposes of this guideline “reasonable amounts” for meals will permit reimbursement of up to the following amounts:

Meal Reasonable Amount Including Tip

- Breakfast \$16.25 per person maximum
- Lunch \$16.25 per person maximum
- Dinner \$32.50 per person maximum

APPROVALS REQUIRED

All hosting expenses must be approved by the authorized FINANCE account approver. Personal claims should be prepared on a Reimbursement Request form BO-266. Vendor invoices are paid using invoice form FAAINVE if a purchase order was prepared to confirm the reservation. The dates, names of individuals hosted and purposed of the event are required for each request. Names are not required when hosing large informal group gatherings.

Meals, gratuities and alcoholic beverages should be separately itemized. A "tear tag" showing only the total charges is not adequate. Most restaurants now provide an itemized bill. A statement on or attached to the receipt enumerating expense details and signed by the employee is acceptable when the employee is unable to obtain an itemized receipt or invoice.

Interdepartmental and Inter-Institutional Charges

See: Inter-Institutional Journal Vouchers; and Journal Vouchers.

Interest Penalty on Overdue Accounts Payable

More and more vendors are billing finance charges on unpaid bills after 20-30 days. Interest penalty (finance charges) billed to PSU by vendors should be reviewed for validity and allowability per ORS 293.462. If the vendor bills interest charges, first contact the vendor.

The vendor will often be willing to forgive the interest charges. If the vendor demands payment, count the 45-day period **from the date the invoice is received to the date the check was issued in payment of the original claim. Interest may begin to accrue on the 46th day.**

Late payment charges are limited to 2/3 of 1% per month or 8% per year, and cannot exceed the usual charge assessed by the vendor. Date all invoices when received by the department to establish the date the invoice is received. *(Do not construe this to mean you have 45 days to initiate the payment process. Allow time for approval routing and check processing.)*. Use account code 28911, Late Charge Vendor Payments, to record interest penalty.

Internal Control

The five characteristics of effective internal control are:

- 1) Competent and trustworthy employees;
- 2) Clearly defined authority and responsibility;
- 3) Segregation of duties;
- 4) Sufficient records and documentation;
- 5) Physical control of assets and records.

Invoices

Date-stamp all invoices the date they are received. Scan invoices for payment terms to prioritize processing. Invoice payment is usually made from the vendor's original invoice. Recheck addition, extensions and totals for vendor invoices manually prepared. Pay from a duplicate copy only if you have verified that the original copy of the invoice was never received. Check FOIDOCH (Document History) to verify the PO history and FAIVNDH (Vendor Detail History) for vendor's payment history, and departmental pending and closed financial files.

Statements are rarely used to initiate payment. Statements usually do not contain the necessary itemization to support the charge.

Invoice Adjustments

Price discrepancies requiring alteration of the vendor's invoice should be documented. Common errors include extensions, overcharges on quotes, freight charged on FOB Destination orders, short shipments, returned merchandise, or damaged goods.

Invoice Tolerance

PSU has instituted an invoice tolerance level of 50% over the Banner PO; \$250 maximum tolerance per purchase order. All invoices exceeding the tolerance level require the Tolerance Override flag on the Commodity page of form FAAINVE for that particular payment changed to "Y" *by a department approver.*

Lost and Stolen Checks

If a vendor contacts the department to report checks which may be lost or stolen, ask the vendor to complete and sign a lost check statement. Lost Check Affidavit Forms are available online at: <http://www.bao.pdx.edu/forms/>. Forward the signed affidavit to Specialized Accounting Services. Lost checks require a 5 day waiting period to allow for normal bank processing. After this time, if the check is still outstanding, the original check will be cancelled, and SAS will coordinate replacement invoice approval/check processing with the department.

Meals Served at Meetings

State funds may be used, in certain circumstances, to pay for meals at an employee's official station. An example is a meal served at a convention, conference or training session in accordance with FASOM 11.02A, Meals and Incidental Expenses or FPM 56.100, Non-Travel Meals, Refreshments, and Hospitality Charges. Meal charges, in general, may be paid from state funds when a planned, interdepartmental or inter-institutional meeting is called for a specific purpose, *and* the meeting has a formal agenda with the meal(s) included as part of the agenda.

The full cost of the meal is paid when it is outside the employee's control. When the employee is free to order from a menu and can control the cost of the meal, reimbursement is limited to the in-state rates for travelers listed in 11.02, Meals, Lodging and Miscellaneous Expenses. Payment for meals from State funds may be appropriate in the following circumstances:

- a. The employee was directed to attend a meeting, including a local community or public relations meeting and the meal was part of the agenda.
- b. A catered meal was served during the meeting and the employee had no reasonable option to eat elsewhere.
- c. It was necessary to schedule the meeting through the meal period, with a meal served to attendees during the meeting, to complete the agenda during the work day.

Reimbursement for meal expenses would not be appropriate in the following cases:

- a. The employee arranged, or assisted in arranging, a meeting which included a meal.
- b. The meeting started less than one hour before, or ended less than one hour after, the mealtime. This does not apply to a conference, or public relations meeting, which the employee was directed to attend.
- c. The meeting was adjourned for the meal period, giving attendees an opportunity to eat elsewhere.
- d. The meeting was not adjourned for the meal at the attendee's election.

Memberships and Dues

OUS recognized the benefit to state agencies from membership and participation in certain governmental and professional organizations. The payment of membership dues for such

organizations may be approved by authorized personnel. Memberships are institutional rather than individual and should not remain with a staff member after termination.

In determining whether to authorized payment of dues, the agency head shall be guided by:

- a. Benefits to agency as opposed to the individual.
- b. Availability of funds.
- c. Number of paid memberships in agency.
- d. Agency membership in lieu of individual memberships.

No payment of membership dues may be authorized for organizations which discriminate in membership on the basis of race, religion, sex, national origin, age or handicap.

Professional Memberships, Institution Related - Account Code 28901. National Association of State Budget Officers and Purchasing Agents Association of Oregon are examples of institution related professional memberships. (Dues for personal memberships for specific professional fields, such as Oregon State Bar or CPA, are not allowable.)

Civic/Community Memberships - Account Code 28902. Supporting documentation must demonstrate adequate institutional benefit. Memberships in civic organizations, such as Rotary, Kiwanis, Lions, etc. are usually not allowable.

Parking Fees

Per OAR 580-40-025(4), institutional accounts are not to be charged for parking space furnished to employees for personally-owned automobiles. A charge may be made against a department, however, where parking space is furnished to a person with a privately-owned vehicle who is rendering service for the benefit of the department, with no compensation (volunteers).

Parking fees may be paid from operating funds when registration fees or a sponsor has covered parking for the event, such as a workshop. In this instance, the journal voucher should contain explanation in the text regarding the event.

Partial Payments

Extra care needs to be taken when making partial payments against purchase orders to reference the Banner PO number on Banner Invoice form FAAINVE. See also Encumbrance Liquidation.

Personal Service Contracts (PSC's)

PSC's which extend longer than 3 weeks, are greater than \$25,000, or contain a payment schedule (multiple payments) require a Purchase Order. PSC's with a one-time payment, under \$25,000.00, and less than 3 weeks duration into the future, are paid via direct-pay invoice. Final invoice approval by SAS is subsequent to the date scheduled for the services to be rendered.

Short and Long-form PSC forms and instructions are located on the Business Affairs webpage, beneath the Forms and Policies tab, in the Purchasing and Contracting section.

Payment – Checks vs. ACH

It is the policy of Portland State University to make payment via ACH (Automated Clearing House) whenever possible. ACH payment provides efficiencies over checks: faster payments, better cash management, e-mail documentation to vendors, and promotes sustainability. http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/PSU-%20W-9%20and%20ACH%20-%20final.pdf

Payment – Checks – Special Handling

The Special Handling Form may be completed and stapled to accounts payable disbursements when paying invoices where special check handling (i.e. remittance advice with enclosures, or departmental check pickup) is requested. This form communicates special handling and routing to Accounts Payable Technicians, and is particularly helpful when paying registrations where documentation must accompany the check. Checks are automatically mailed to vendors unless the department has a valid reason, as documented on the Special Handling form, to pick up the check. Check pickup must be during normal working hours, and by departmental personnel, not vendors; valid PSU ID must be displayed when picking up the check. Pickup of checks for personal or travel reimbursement is not allowed.

http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/BAO_Special_Handling.pdf

Prepaid Expenses

Prepaid Expenses are expenses paid in advance of the accounting cycle in which they are recognized. An example of a prepaid expense would be an airfare confirmed in April for a trip commencing in August. Special program codes 996xx are designated to capture prepaid expense detail. Use the prepaid program codes listed below:

If normal Program Code is:	Use:
0xxxx	99602
1xxxx	99620
2xxxx	99630
3xxxx	99640
4xxxx	99650
5xxxx	99660
6xxxx	99670

9xxxx	99670 (no separate prepaid in this category)
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Restricted Funds (Fund Types 30-39), such as grants/contract awards, do not use prepaid program codes.

Prepayments

Some vendors require advance payment before providing goods or services. All prepayments require documentation for audit purpose and clear communication to the vendor of the nature of the order. Documentation may be provided by one or more of the following items:

1. Vendor invoice specifying required prepayment
2. Purchase Order
3. Registration form
4. Vendor quote
5. Customer order form/work order/job order
6. Contract

Deposits that are partial payments for a larger order, reservation or contract require a purchase order to avoid fragmenting the order; the purchase order also provides an encumbrance and liquidation history on partial payments.

Whenever a purchase order is created, the subsequent invoice payment must be created as a regular pay invoice on FAAINVE to liquidate the Purchase Order. Registration forms, vendor quotes, order forms or contracts may be used to document a prepayment. In all of these cases, the subsequent invoice payment must be created on Banner FINANCE invoice form FAAINVE. Since a prepayment would ordinarily involve special handling, attach the Special Handling form and code the invoice as Grouping = 1.

Prices: Unit Costs and Extensions

Compare the quantity ordered, the unit price and the extended amount indicated on the Banner PO with the amount on vendor's invoice. There should be no price variance on quotes or price agreements.

If invoiced quantity or price is different than the Banner PO, alter the defaulted quantity and price accepted and approved for payment on Banner invoice form FAAINVE. See Invoice Adjustments and Invoice Tolerance.

Quotes

If a Purchase Order is issued, price quotes should be documented on the Banner PO with document text listing date and the name of the person providing the quote. Procurements involving services require contracts; all contracts must be signed by a PSU Contracts Officer.

Additional quotes are not required for procurements less than \$25,000.00. Procurements greater than \$25,000.00 require a Request for Quotes posted on the OUS Procurement

Gateway. Procurements greater than \$100,000.00 require an Invitation to Bid (ITB) or Request for Proposal (RFP) through the PSU Purchasing and Contracting office. Contact the Purchasing Office for further information about these processes, and all questions regarding procurements.

Procurements involving services require contracts; all contracts must be signed by a PSU Contracts Officer.

Receiving

Packing slips usually accompany shipments. Date the packing slips upon delivery of goods. Inspect goods immediately and compare to the items listed on the packing slip and the PO or the original order for quantities ordered and actually received. Any visible damage must be reported immediately. Packing slips often list back orders and other pertinent coded information about the order. Retain packing slips as part of your permanent file.

Payments are not ordinarily processed from packing slips as packing slips do not include full itemization, extension of unit costs and shipping costs. Some vendors (mostly publishers) send the original vendor invoice with the merchandise rather than as follow up billings. Look for the invoice with any book orders received and process for payment.

Records Retention Requirements

Oregon Administrative Rule Division 475, 166-475-0050 (2) requires PSU/Accounts Payable to retain disbursement documents for six years. *With the decentralization of Accounts Payable*, departments are responsible for retaining documents, including: Purchasing worksheet, quotes, receiving/packing list, copy of vendor invoices/credits, correspondence on contested claims, and any other pertinent information affecting vendor payment. It is recommended that documents be filed alphabetically and segregated by fiscal year. Retention period for grants may be different depending on the requirements of each grant. Call Research and Strategic Partnerships for assistance in determination of retention period for grant documents. General questions concerning records retention should be directed to PSU's Purchasing and Contracting Office.

Reimbursement Requests

Department prepares claimant's request or petty cash replenishment with receipts/documents showing proof of payment and forward to Purchasing. Accounts Payable audits request and inputs Banner direct pay to issue check to claimant or petty cash custodian to replenishment funds. Department should specify on petty cash replenishments, if check is to be picked up at BAO Specialized Accounting Services). Payments for routine reimbursements are always issued via ACH, or check mailed to the claimant.

Remittance Address

Remittance addresses (VP = Vendor Payment in Banner vendor file) are sometimes different than vendor order (VO in Banner vendor file) addresses. Read the fine print on the invoice. If you have questions about the remittance address on a specific invoice, call the BAO Specialized Accounting Office.

All Banner invoice payments must use VP addresses for the payment address. If the remittance address listed on the invoice is not included in the VP addresses established for the vendor, contact the vendor maintenance personnel in BAO SAS.

Remittance Copy

Vendors usually provide more than one copy on an invoice and one of the extra copies is often labeled as a remittance copy. Sometimes the vendor specifically requests that the remittance copy be returned with the check for proper crediting of the account. If PSU is making a routine invoice payment the remittance copy should not be sent with the check. The invoice number and date on the check skirt should suffice. It might be advisable to include remittance copies with payments to governmental agencies.

Restocking Charges

Some vendors will allow merchandise returns but charge a restocking fee. If PSU ordered the incorrect item, PSU pays the restocking fee. If the vendor provided the wrong item, or if the vendor advised the department to order the wrong item, PSU should not be responsible for any restocking fee. Restocking fees vary, but a typical figure is 20%. See also Returns Merchandise.

Returned Checks

Return the check to the BAO Specialized Accounting Services Office. Indicate the reason the check needs to be voided and whether the check needs to be reissued. The SAS Office will work with you on any additional action needed on your part.

Returned Merchandise

Most vendors require advance permission to return goods and merchandise. Obtain a Return Merchandise Authorization (RMA) number from the vendor. Ask the vendor for a UPS call tag. Obtain the signature of the person receiving the returned goods. If the item being returned is large, contact the Warehouse and/or PSU Purchasing office for advice. Send the original RMA (if provided by the vendor) along with the goods to the vendor; retain the copies with receiving and payable documents.

Statements

Statements reflect a running balance summarizing customer activity. Statements cannot be used to generate payment for outstanding amounts because there is no itemization of the charge. Monitor for any unpaid items more than 30 days old. Investigate and resolve any overdue, unpaid balances or open credits. Check your pending and closed vendor files; also, FOIDOC, Vendor Payment History-FAIVNDH and Check Payment History-FAICHH should be queried to determine payment status of processed vendor invoices.

Subscriptions

Savings generated by multi-year renewals are allowable except for grant funds with termination dates prior to subscription expiration. Do not renew more than 90 days in advance at fiscal year-end for annual subscription renewals.

Taxable Transactions (1099, 1042 and W-2 reporting)

Various account codes accumulate financial data used to prepare the Internal Revenue Service 1099 Miscellaneous Income and 1042 Non-Resident Alien tax forms. The proper use of account codes is very important since errors in coding could understate taxable income or erroneously report financial information to the IRS. Reference the expenditure account code listing located on the PSU Business Affairs webpage, www.bao.pdx.edu. Taxable codes are identified with an asterisk. Also see travel procedures for taxable moving expense. When in doubt regarding proper account codes, call BAO Specialized Accounting Services, 5-3098.

Tax-Exempt Status

The Oregon University System is exempt from federal income taxation pursuant to Section 115 of the Internal Revenue code and constitutional immunity accorded the revenue of integral units of state government. Refer any questions or requests for tax information from vendors to the Purchasing and Contracting Manager.

Taxes

Federal Taxes: State of Oregon agencies are exempt from paying Federal taxes on purchases of gasoline, oil, etc. Federal taxes are deleted on utility charges, but local city and county taxes are paid. When Federal taxes are deleted, a Notice of Invoice Change Form should be prepared to delete the tax and notify the vendor. When taxes are allowable, the account code applicable to the operating expense is used, not account code 28703. Employees are reimbursed for Federal taxes paid when making purchases in emergency situations or when payment of taxes is unavoidable, i.e. gasoline, telephone.

Sales Taxes: Governmental agencies are exempt from paying sales taxes from other states in most instances. If merchandise is purchased from a sales-taxing state but is used in Oregon, the sales tax is not paid. Out-of-state invoices should be scanned for sales tax charges. (A notice of Invoice Change should be prepared to delete the sales tax and advise the vendor of Oregon's sales tax exemption.) If an employee paid for a product and is seeking reimbursement, or the product was purchased and possession taken in another state, taxes may be paid when payment of the tax is unavoidable.

Local Taxes: County/City taxes are paid on utilities. Questions on county/city taxes for other purchases should be directed to the BAO Specialized Accounting Services Assistant Manager 5-9676.

Training (Employees)

The Department of Administrative Services (DAS) now requires that certain training expenses be separately reported. OUS has established a series of account codes; see series 29000 for training services and supplies; 39x16 for training travel expenses.

Transportation/Freight/Shipping & Handling Charges

Payment of freight and transportation charges depends on the FOB terms of the order. See FOB. When the PO is FOB Destination, do not pay freight charges, whether reimbursing the vendor or paying a separate freight company. Prepare Notice of Invoice Change to deduct freight charges billed in error.

The exact amount of shipping and handling charges is not usually known at the time the order is placed. The actual freight is added to the original cost of the order using the same account code of the items purchased.

Freight account codes 225xx are only used when paying the freight or delivery charges directly to a freight company rather than to a retailer. Check the original order and related vendor invoices to verify that the FOB point is shipping point, and that the vendor did not also charge for the freight. Discount terms are taken only on merchandise; not on freight, shipping or handling charges.

Vendor Master File Maintenance

The Banner Vendor Master file (Form FTMVEND, Vendor Maintenance) is maintained by the Specialized Accounting Services Office. New vendors or changes to the records must be submitted to the vendor maintenance personnel. If your purchase preference is with a vendor not officially established as an active vendor on the Banner Finance system, the vendor must complete a W-9 (or W-8BEN for Non-Resident Alien) form; forward the completed form to SAS, baopur@pdx.edu; or FAX, 503-725-3400. The vendor must be activated in Banner before a PO can be completed or an invoice can be paid. Contact the SAS vendor maintenance personnel for questions regarding the Vendor Master File. Also see Remittance Address.

Voided Checks

See Returned Checks

Wire Transfers

See Outgoing Wire Transfers

TRAVEL

Frequently Asked Questions about Travel

Q. Do I need to submit receipts with my Travel Reimbursement Request?

A. For most overnight trips you'll be reimbursed for **per diems**, fixed amounts for meals and lodging. Per diems are quick and easy and you don't need receipts. See 7.010 and 7.011.

Q. Why am I limited to certain amounts for lodging and meals instead of submitting receipts?

A. PSU's travel rates are established by OUS (Oregon University System) for the entire system. We function under an "Accountable Plan," following the IRS tax code. Payments that exceed the established rates are considered miscellaneous income to the recipient by the IRS. We would be required to tax you for the difference that exceeds our rates. See 7.013 and 7.014.

Q. *Why do we have High and Low Cities for per diems?*

A. Under OUS's Accountable Plan, OUS chose the simpler plan, using federal tables that indicate which cities (e.g., New York and Chicago) are "High" with all other locations considered "Low." The High and Low City concept satisfies IRS rules. See 7.014.

Q. *What are the foreign per diem rates for particular cities?*

A. The meals and lodging rates vary by location and are found through the US Department of State web site. See 7.015 for the reference.

Q. *Am I allowed to use other vendors than the contracted travel agencies to buy airfares?*

A. PSU has three contract travel agencies that by contract will give you lowest fares and bill back to your index. If you can find a lower fare by 5%, through any source, document the quotes, book the ticket, pay with your Corporate Travel VISA Card or personal funds, and file for reimbursement after the fact. See 7.025.

Q. *Why must I pay my own hotel charges?*

A. While we will pay travel advances or pay advance lodging for student groups or athletic team travel, we require the traveler to pay for his or her lodging (using the PSU-supplied Corporate VISA Card works great) and receive reimbursement. See 7.011.

Q. *What are the advantages of using PSU's Corporate VISA Card?*

A. First, US Bank guarantees that anyone we request will receive a Corporate Card. Second, the Corporate Card is free; there's no annual fee to use it. Third, the Card provides primary automobile insurance for rental vehicles. This could save your program the \$2,500 deductible in case of an accident. Note: Personal charges are not allowed on a Corporate Card. See 7.008.

Q. *What Account Codes do I use?*

A. See 7.026c for a complete list of codes.

Q. *May I use my personal car to take an authorized trip, or am I required to use a State car?*

A. There must be an economic or convenience benefit factor in using your own vehicle over renting from Zipcar, Enterprise, Hertz or the State Motor Pool. Private vehicles must carry safety equipment such as first aid kit, flares, and fire extinguisher. See 7.018 for a full discussion.

Q. *Where do I find the Motor Pool to rent a State car?*

A. The State Motor Pool, operated by the State Department of Administrative Services, is located in Salem. All Portland locations are closed. Enterprise, Hertz or Zipcar are more convenient in most circumstances. See link: <http://www.oregon.gov/DAS/SSD/FLEET/offices.shtml>

Q. *What do I do if I'm in an accident while driving a State car, or a rental car from major car rental agencies?*

A. Your Motor Pool vehicle has an accident reporting kit in the glove box. Assuming you're still standing, use the kit to document the accident and exchange insurance information with the other

driver or property owner. Rental cars carry similar packets in case of accidents. Report all vehicle accidents to your department and to the PSU Risk Manager, johansed@pdx.edu, 5-5340.

Q. If I rent a car, should I accept CDW (Collision Damage Waiver) coverage?

A. Yes, since the increase of the agency deductible, you (as a PSU employee) should purchase the Limited Damage Waiver. If the Limited Damage Waiver is available and not purchased by the agency at the time of rental, the agency's current deductible amount will be doubled in the event of a loss. We now have a contract with Enterprise and National Car rental which include CDW coverage. Please use our corporate account (**DB46W68**) and your index number to make a reservation if rental is approved or it has a valid business purpose.

Q. If I use my own car for travel, can I charge maintenance costs on my reimbursement?

A. No. The reimbursement rate is intended to compensate the driver for all direct operating costs. These costs include fuel, tires, wear and tear, auto liability insurance, and depreciation. If your vehicle needs a new battery, for instance, that's an expense the driver must pay for out of his or her own pocket. For many employees, it is less complicated and less costly to rent a Zipcar, Enterprise or Hertz vehicle instead.

Travel Administration

PSU's travel policies are derived from travel rules established and authorized by the Oregon State Board of Higher Education (OSBHE) on behalf of the universities of the Oregon University System (OUS). OUS's travel rules are found in Section 11.01 of the Financial Administrative Standard Operating Manual (FASOM). FASOM allows each OUS institution to develop its own travel policies without exceeding the limits established in FASOM Section 11. FASOM can be accessed through the OUS home page, Fiscal Policy Manual, <http://www.ous.edu/cont-div/fpm/>. Scroll down through the alphabetical category listing to Travel.

It is OUS policy to pay for or reimburse employees and authorized non-employees traveling on official university business. Such payment or reimbursement is subject to all applicable statutes, regulations, bargaining agreements, contracts, policies, and budget availability. Questions about this set of travel policies should be directed to PSU's Travel Desk at ext. 5-3733 or travel@pdx.edu.

Basic Principles of Travel Policy

The university has several fundamental travel policies:

- a. University travel shall be allowed only when the **travel is essential** to the normal discharge of official duties.
- b. Travel is to be conducted in the most **efficient and cost-effective manner**, resulting in the best value to the university.
- c. Each department is charged with the responsibility for **determining the necessity and justification for travel**, including the selected method of travel.
- d. Departments shall make every effort possible to **minimize personnel time** spent on out-of-state travel.
- e. Departments and university personnel must **comply with all provisions** of this travel policy.

Methods of Payment for Travel Services

Authorized travel expenses may be paid in several ways:

- directly reimbursed to the authorized claimant (either an employee or authorized non-employee);
 - directly paid in advance or after-the-fact to the travel vendor through FIS;
 - or by direct payment to the travel vendor through either of PSU's contract travel agencies.
- a. **Procurement Cards for Group Travel (e.g. Athletic Team Travel, Geology Field Trips, Student Activities and Leadership Program, and the Travel Desk) may be used to charge travel services, including ATM access.** The Cards for these areas are associated with team and group travel, therefore, authorized to charge travel-related costs.
 - b. Other departmental **Procurement Cards** may be used for conference registrations. Except as explained in Section 7.011 regarding hotel reservations, **departments are not to use their Procurement Cards for other travel-related services or hosting.**

Payment of Personal Expenses Prohibited

Payment of personal expenses and travel to places of entertainment or for other personal pursuits using university funds or resources is not allowable. Reimbursement of personal expenses is not authorized.

Definitions of Common Travel Terms

These terms are used throughout this Policy:

- a. **In-State Travel** - Travel between locations in Oregon, and travel to Oregon.
- b. **Out-of-State Travel** - Travel from Oregon to a destination within the continental U.S. This may include travel between points outside of Oregon, where the trip does not originate from or return to Oregon.
- c. **Foreign Travel** - Travel to, from, or in foreign countries.
- d. **Outside the Continental United States (OCONUS) Travel** - OCONUS travel comprises travel in Alaska, Hawaii, Puerto Rico, and U.S. Possessions. Travel to Alaska and Hawaii uses out-of-state account codes. Use foreign account codes when traveling to Puerto Rico or the U.S. Possessions.
- e. **Commercial Travel** - Travel requiring overnight stay from employee's official station with expenses arising from the use of commercial lodging.
- f. **Non-traditional Travel** - Overnight travel using non-commercial lodging, e.g., camping in a park, using an RV, or a private home.
- g. **Official Station** - The city, town or other location to which an employee is assigned.
- h. **Per Diem** - Reimbursement amounts for lodging, meal and incidental expenses for a 24-hour period.
- i. **Incidental Expenses** - These expenses are combined with meals into a single rate. Incidental expenses include, but are not limited to: tips, gratuities, and fees for services such as waiters and baggage handlers; and laundry and dry cleaning expenses. The term does not apply to taxis, airport shuttles, telephone or fax calls; these are to be itemized and reimbursed at cost, with explanation of business purpose.
- j. **Unrestricted Air Travel** - Air travel for which no advance purchase or stay restrictions are placed on the ticket purchase. The state's **City-Pair** airline contracts are examples of unrestricted air travel.

Approvals - Travel and Expense Reimbursement

Travel expenses will be reimbursed provided the trip is approved in advance by authorized university personnel, usually the department head. Grants and contract projects may need to obtain current budget approval from Research and Strategic Partnerships before travel commences. **ALL OUT-OF-STATE AND FOREIGN TRAVEL FROM ALL FUNDS MUST BE APPROVED IN WRITING IN ADVANCE.**

- a. **In-State, Out-of-State, and Foreign Travel Approvals** - Authorizations for in-state travel without airfare may be verbal or written, subject to the policy of the department. Blanket authorization for a series of in-state trips may receive a single advance approval. Employees whose duties require frequent or continuous in-state travel, are considered to have advance approval when the required travel is within the usual limits of their duties.

Out-of-State and Foreign travel require advance approval in writing before booking or taking the trip.

- b. **Travel Authorization Form (TAF)** – The Travel Authorization Form is required for all Out of State, Foreign or In-State Travel with Airfare purchase. Written approval from your Department Head, Director, Dean, Chair, etc. is required.

The Travel Authorization Form must include a valid, approved business purpose and a daily itinerary, which specifically identifies personal days from business days. Attach additional sheets if needed.

The Travel Authorization Form (TAF) must be completed and approved PRIOR to booking any travel arrangements made on behalf of PSU.

- c. When **grant or contract funds** are used, Out-of-State travel requires the **advance approval** of the employee's Principal Investigator (PI). If the PI travels, their supervisor must sign as approval. Route a copy of the TAF to Research and Strategic Partnerships (RSP).

Persons Eligible for Travel Expense Reimbursement

The following may be reimbursed for official travel expenses:

- a. **Employees** - Employees of PSU or OUS, including faculty, staff, and students whose duties include official travel.
- b. **OUS Board Members and Unpaid Members of Advisory Committees** - OSBHE members or members of advisory committees may be approved for official travel.
- c. **Recruitment for Employment** - Candidates for positions may, with prior approval, travel to PSU or another site for interview in the course of recruitment.
- d. **Athletic Recruits** - Athletics may pay for the cost of travel for prospective athletes (recruits) to visit PSU
- e. **New Employees** - New faculty employees may be given funds (usually up to one month's salary) to travel to Portland to find housing or for moving expenses
- f. **Students** - Non-employee students may travel as part of an educational program, including athletics.
- g. **Employees of Other State Agencies** - These employees may travel on behalf of PSU.
- h. **Non-Employees and Volunteer Workers** - These include consultants, official guests, speakers, and volunteers. However, family members must pay their own way. Volunteers must be officially sanctioned through the Human Resources Center.
- i. **PSC Contract** - No expense or reimbursement may be paid separately unless it is clearly stated in the PSC.

Travel Advances Issued by Business Affairs and Corporate Travel Cards

A travel advance is only available for team and group travel or under special circumstances approved by the Director of Business Affairs. The amount is "advanced" to the employee, via a check, as an accounts receivable transaction. This transaction isn't encumbered, so it is vital to account for the advances issued to your department.

- a. **Travel Advance Eligibility** - Employees eligible for a travel advance may submit the Travel Advance form through the Director or Business Affairs and for grants through Research and Strategic Partnerships, under the following circumstances:
- A Foreign trip of extended duration.
 - A trip involving students or students groups.
 - Where there is a hardship, e.g., where an employee does not qualify for a corporate card. Choosing to not carry charge cards or not carrying a University-provided corporate card, which are personal choices, does not qualify the traveler for a travel advance. A Travel Advance request for a hardship situation must be directed to the Associate Director of Business Affairs for approval, two weeks prior to the date required.
 - An employee is ordinarily not eligible for a new TA unless the previous one has been cleared, paid off by submitting a Travel Reimbursement Request (TRR).
 - **A TA must be cleared by the 10th of the month following the end of the trip.**
- b. **Travel Advance Limits** - The dollar limits of a TA are:
- \$100 minimum (unless students are involved)
 - Maximum of 80% of estimated trip expenses (**individual**)
 - Maximum of 100% of estimated trip expenses (**student field trip or team**)
- c. **Clearing Travel Advances** - A completed Travel Reimbursement Request form clears the advance when the Travel Advance indicator is checked. If an additional amount is owed, please indicate the amount above the amount of the initial advance. If the claimant's travel costs less than the advance, the difference must be refunded. Attach a personal check, payable to PSU, to the travel reimbursement form.
- d. **US Bank Corporate VISA Card** - Employees are expected to apply through the BAO Departmental Accounting office for a US Bank Corporate VISA Card which is used to charge travel expenses. This card is available to any employee who may have reimbursable travel expenses. The card is **in the name of the employee who is solely liable for charges** made to the card. The full amount on the US Bank monthly statement is due upon receipt. US Bank assesses late charges in accordance with the charge card agreement. US Bank cards are valid only while cardholders are employees; a card becomes invalid on termination or retirement (unless the retired faculty member anticipates further business travel). Corporate Card cannot be used for any personal charges. Pcard department will check and monitor all non-business expenses and the cardholder will be subject to audit for non compliance.

Revoking PSU issued credit cards

PSU encourages the use of P-Cards and Corporate cards to facilitate purchasing and employee travel. As a reminder, use of P-Cards and Corporate cards is strictly limited to payments for University business. Personal charges of any kind are not allowed. Each designated employee is responsible for the proper use and management of PSU issued

credit cards as described in the policy and procedures guide. PSU reserves the right to revoke card privileges for repeat offenses or abuse of the card guidelines.

- e. **Cash Advances Using Corporate VISA Card** - Employees' Corporate VISA Cards may be used to obtain **cash advances** before or during the trip through a world-wide network of ATMs or by going to any bank and making a cash withdrawal.
- Corporate VISA cash advance **service charge** fees are equal to 2% of the cash advanced. This is an allowable travel expense to be itemized on the travel reimbursement
 - Cash advance limits are presently: up to \$300 per day, not to exceed \$1000 per seven day period. Different limits can be put on individual cards, please contact the Pcard Coordinator at 5-3734 or email pcard@pdx.edu

Travel Paid by Outside Source

Outside Entities may reimburse a campus department, pay a service provider directly, or reimburse an employee for travel expenses related to PSU business. If the service provider is paid directly, or if reimbursement is made to an employee, OUS rules require that documentation of the arrangement should be maintained in campus travel records. To do this, the traveler submits a Travel Authorization Form that outlines the trip, its purpose, and shows no cost to the university. If the outside party reimburses the department, it should be accounted for as a reduction of expense (not revenue) using the same account code(s) as the original charge.

Meal and Incidental Expense Reimbursement

Meal and incidental expenses are generally reimbursed at a per diem rate (See PSU Summary of Travel Reimbursement Rates and Travel References (http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/BAO_travel_codes_rates_2011.pdf)) without the necessity for actual receipts. These expenses may be reimbursed only if the traveler qualifies for lodging expense reimbursement, except as noted.

- a. **Meals on One-Day (non-overnight) Trips** - When a traveler departs and returns the same day, **meal expenses are usually not reimbursed** except in the following examples:
- When traveling as an OUS board member or unpaid member of an advisory committee.
 - When a meal at a convention, conference, or meeting is part of the agenda. Usually, the meal is paid for as part of the workshop fee.
 - When directed or required to attend mealtime business meetings, including community or public relations meetings.
 - Trips by athletic teams and student groups; in-state rate; coach meal is taxable per IRS.
 - When employees leave their official station two or more hours before their regular work shift, they may claim the breakfast allowance only (in state rate - taxable per IRS).

- When employees return to their official station two or more hours after their regular work shift, they may claim the dinner allowance only (in-state rate; taxable per IRS).

b. Proration of Meals for Partial Days on Overnight Trips:

Initial Day of Travel – Leave	Prior to 7:00 AM	7:00 AM to 12:59 PM	1:00 PM and after
Meal Allowance	Breakfast, lunch, dinner	Lunch, dinner	Dinner
Final Day of Travel – Return	Prior to noon	12:00 Noon to 5:59 PM	6:00 PM and after
Meal Allowance	Breakfast	Breakfast, lunch	Breakfast, lunch and dinner

Applicable meal and incidental expense per diem may not be claimed if a meal is provided at a hosted function, e.g., when a registration fee includes a meal. The per diem rate for a full day's meal and incidental expenses is apportioned:

- breakfast 25%
- lunch 25%
- dinner 50%

c. Actual Meal Expense Reimbursement - Reimbursement for meals at actual expense is only allowed for:

- **Hosting official guests and groups** (hosting are: \$16.25 breakfast; \$16.25 lunch; \$32.50 dinner. All prices include tips and gratuities.)
- Athletic team and student group meal expenses (actual, but per person rate is to be within per diem limits).
- OUS board members and unpaid members of advisory committees.
- For these meals, a gratuity of up to 15% may be claimed.
- These reimbursements require **itemized receipts**. In addition, the claim must separate meal cost and gratuity paid. When a single reimbursement is submitted for multiple employees, all employees and guests names should be identified on the reimbursement. **Note: expenses for alcohol are not reimbursed.**

Lodging

Lodging expenses are normally reimbursed when authorized campus personnel determine that the traveler would not reasonably be expected to return to his or her residence between work shifts. Generally, lodging under OUS's Accountable Plan (i.e., meeting IRS rules) is paid at per diem rates (See PSU Summary of Travel Reimbursement Rates and Travel References

(http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/BAO_travel_codes_rates_2011.pdf). These flat rates do not require lodging receipts. **Exceptions to the per diem rate concept** are conferences and workshops where the traveler stays at the conference site hotel, where the lodging rate could exceed the per diem rate allowance. In the case of an

exception, lodging is reimbursed at actual and reasonable rates with conference brochure and lodging receipts required.

- a. **Hotel Reservations** - Departments may make hotel reservations for their travelers and guarantee the first night's deposit by using their department's VISA Procurement Card (only if deposit is not prepaid); however, we prefer that you use your own personal card or your PSU Corporate travel card. The traveler can charge the lodging expenses to his/her Corporate VISA Card at checkout. (See 7.008b to obtain a Corporate VISA Card.) The department Procurement Card **is not to be used to pay the traveler's hotel bill, merely to guarantee** the initial reservation.
- b. **Lodging Receipt Requirements** - In the instance, usually for lodging at a "conference site", where lodging receipts are required to reimburse claimants' actual lodging expenses, the receipts must show:
 - traveler's name
 - date(s) of lodging
 - room number
 - number of guests
 - single room rate (if not printed, traveler may enter this and sign receipt)
 - actual amount paid
- c. **Lodging Taxes** - Taxes on lodging are not included in the per diem rate. If actual costs are reimbursed, the amount itemized for lodging should be the total lodging expense including taxes.

Miscellaneous Expenses

Necessary business-related expenses are normally reimbursed. Personal expenses are not reimbursed. **Miscellaneous expenses must be itemized for reimbursement.**

Necessary miscellaneous business-related expenses are not reimbursed using a per diem; rather, if the travel has incurred a miscellaneous business expense as outlined below, that expense is reimbursable at the actual cost.

- a. Checked Baggage (receipts required if over \$25 per item):
 - Up to 2 standard-weight bags (standard weight as defined by the airline used).
 - Additional baggage (more than 2 bags) or overweight baggage may be reimbursed only when approved by authorized institution personnel; receipts are required.
- b. **Expenses Normally Reimbursed** - These items of expense need to be itemized; no receipt is needed unless a single transaction exceeds \$25.
 - ATM cash advance transaction fee, up to 2% as charged by US Bank for the Corporate VISA Card.
 - Business-related telephone and facsimile charges.
 - Postage or express charges.

- One long-distance call to a family member on the first day of travel and alternating days thereafter. Cost and time limits: \$8.00 or 15 minutes per personal call. Cost must be shown on the traveler's hotel bill.
 - The cost of buying traveler's checks.
 - An emergency purchase of materials and supplies.
 - Visa and passport expenses.
 - **Mileage to and from PSU to Portland Airport is 12 miles one-way only.**
 - Miscellaneous transportation costs such as bridge and turnpike tolls, ferry fares, and parking charges (economy rate at PDX \$10.00/day).
- c. **Expenses Not Reimbursed** - Expenses for these items are not reimbursed unless specifically identified as reimbursable. These include:
- Home to office travel.
 - Deviation from the most direct and usually traveled route.
 - Expenses incurred because traveler is accompanied by a spouse or family member.
 - Parking at PSU.

In-State Meals & Incidental Expenses and Lodging

- a. **Meals & Incidental Expenses**
 All Oregon cities are currently classified as "low". In-state travel meals and incidental expenses will be reimbursed at the rates (See PSU Summary of Travel Reimbursement Rates and Travel References (http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/BAO_travel_codes_rates_2011.pdf)). **No receipts are required for meals.** However, meals that are part of the conference registration package (see Exceptions) must be deducted from the meal per diem.
- b. **Lodging Expense Rates**
- In-State meals and lodging rates are NO LONGER determined by "**High**" and "**Low**" cities. (All Oregon is considered Low).
 - In-State Lodging: Generally, lodging is reimbursed up to the per diem rates (See PSU Summary of Travel Reimbursement Rates and Travel References (http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/BAO_travel_codes_rates_2011.pdf)) **no receipts required when using per diem.** **Taxes** for lodging are reimbursed and you may lump it into travel account codes.
 - **Exceptions:** The primary lodging exception is for stay at a **Conference Site Hotel**. This allows lodging to be reimbursed at "actual and reasonable" cost. **Lodging receipts are required when the conference site exception is used.** Other exceptions are reviewed on a case-by-case basis.
- c. **Portland Lodging Rate**
All guests, candidates, recruits, consultants, etc. where the university is paying for lodging in Portland must use University Place at PSU. All

lodging/conference events should be held at University Place. If an exception is needed, provide a written memo to the General Manager of University Place Hotel, for approval prior to booking any other accommodations.

Please visit <http://www.aux.pdx.edu/> for reservation information.

d. Account Codes - Use In-State account codes.

- 39415 – Employee (Program) In-State Travel
- 39416 – Employee (Training) In-State Travel
- 39445 – Non-Employee In-State Travel
- 39446 – Group travel In-State Travel

e. Non-Commercial Lodging

The intent of the non-commercial lodging per diem is to reimburse travelers using non-commercial facilities (e.g., travel trailer, motor home, or staying with friends or family members) and should result in an economic benefit for the university. For short or long-term travel, in or outside of Oregon, refer to the PSU Summary of Travel Reimbursement Rates and Travel References

http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/BAO_travel_codes_rates_2011.pdf, for the daily per diem rate. It is intended that the non-commercial lodging rate apply for any overnight stay away from home that does not take place in a commercial lodging establishment and which is provided for the employee.

Out-of-State Meals & Incidental Exp and Lodging

a. **Out-of-State Meals** (including incidental expenses) and lodging rates are determined by IRS rules involving "**High**" and "**Low**" rates by location (city/county). A list of the high cost locations in the continental U.S. is available from the Travel Desk, from BAO's web site <http://www.pdx.edu/bao/>, or from <http://www.ous.edu/content/fasom/sec11/sec1104.php>

- Out-of-State meals, Low City: **\$52** per person per day. No receipts are required.
- Out-of-State meals, High City: **\$65** per person per day. No receipts are required.

These rates also apply when an exception is made (i.e., **conference site**) for lodging at actual and reasonable cost. Again, no receipts are required for meals. However, meals that are part of the conference registration package (see Exceptions) must be deducted from the meal per diem on a pro rata basis. For example, if a banquet is part of the registration package, a dinner amount (50% of the per diem rate) is deducted for that day.

b. Out-of-State Lodging

- Low City: Refer to PSU Summary of Travel Reimbursement Rates and Travel References
http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/BAO_travel_codes_rates_2011.pdf) for low cost city rate; no receipts are required.
 - High City: Refer to PSU Summary of Travel Reimbursement Rates and Travel References
http://www.pdx.edu/sites/www.pdx.edu.bao/files/media_assets/BAO_travel_codes_rates_2011.pdf) for high cost city rate; no receipts are necessary.
 - **Exceptions:** The primary exception is to stay at the **Conference Site Hotel**. The traveler can receive reimbursement of actual and reasonable costs. Submit original lodging receipts showing **occupant's name, room number, dates of stay, number of persons occupying the room, room rate, lodging taxes, the actual amount paid, and payment method**. A brochure listing conference hotels is also required for reimbursement. **Regardless of the city, if the conference site exception is used, meals are reimbursed at the high city rate**
- c. **High Cities nationally include**, but are not limited to - Boston, Chicago, Key West, New York City, Philadelphia, San Francisco, and Washington DC. The revised table is available online at: <http://www.ous.edu/cont-div/fasom/sec11/sec1104.php>.
- d. **Account Codes** - Use Out-of-State account codes
- 39515 – Employee (Program) Out-of-State Travel
 - 39516 – Employee (Training) Out-of-State Travel
 - 39545 – Non-Employee Out-of-State Travel
 - 39546 – Group travel Out-of-State Travel

Foreign Rates for Meals & Incidental Expenses, Hosting, and Lodging

Foreign travel to foreign countries, including Canada and Mexico; does not include travel in Alaska, Hawaii, Puerto Rico, and U.S. Possessions. Rates for reimbursement follow per diem rates specified by the federal government by country and city. There are no blanket rates; the rates vary by country and city. No receipts are required unless a conference site exception is claimed.

- a. **Foreign Meals and Incidental Expenses** - The per diem rates are determined using the Federal Maximum Travel Per Diem Allowances for Foreign Areas (FASOM 11.05, links to the US State Department webpage which is updated monthly; current rates are at: http://aoprals.state.gov/content.asp?content_id=184&menu_id=78 . In the State Department web site, you have a choice for month within year. The first column shows maximum Lodging; the second column shows maximum Meals and Incidental Expenses (e.g., dry cleaning); and the third column shows the total of the first two or the maximum per diem for that location. Try checking the rates for the location(s) visited or call the Travel Desk (5-3733) or e-mail travel@pdx.edu for assistance in finding the rates.
- b. **Foreign Hosting** – Hosting occurring in countries outside the United States follow the meal per diem rates set by the federal government and follow current split of travel per diem rates at 25% breakfast, 25% lunch and 50% dinner.

- c. **Foreign Lodging Rates** - The lodging rates by country and city are from the same table used for meals, see above. For example, London (United Kingdom) has a lodging allowance of \$300, meals of \$153, total daily allowance of \$453 as of 2/1/10; Cambridge (also in UK, but not listed; therefore use “Other”) is given \$169 for lodging, \$101 for meals, \$270 total per day as of 2/1/10. All rates include tax. If using the per diem rates, no receipts are needed. Conference site hotels are authorized exceptions with receipts and brochures listing conference hotels are required to complete reimbursement.
- d. **Travel to Canada or Mexico** - The Federal Maximum Travel Per Diem Allowances for Foreign Areas includes travel rates to Canada or Mexico by city.
- e. **Account Codes** - Use Foreign account codes 39615, 39616, or 39645.
 - 39615 – Employee (Program) Foreign Travel
 - 39616 – Employee (Training) Foreign Travel
 - 39645 – Non Employee Foreign Travel
 - 39646 – Group travel Foreign Travel
- f. **Currency Conversion Site:** <http://www.oanda.com/convert/classic>

OCONUS - Alaska, Hawaii, Puerto Rico and U.S. Possessions

Travel to these parts of the United States, Puerto Rico and U.S. Possessions is handled similarly to foreign countries - a table is used to derive the meal and lodging rates by location.

- a. **Meals and Incidental Expenses** - Per diem meal rates are found by location in the Federal Maximum Travel Per Diem Allowances for Alaska, Hawaii, Puerto Rico and U.S. Possessions (FASOM 11.06. See the Department of Defense web site for Non-Foreign Rates at (<http://www.defensetravel.dod.mil/perdiem/perdiemrates.html>)). No receipts are needed.
- b. **Lodging Rates** - Lodging rates follow the same tables used for meals, see above. The rates include tax and no receipts are required unless the traveler uses a conference site hotel exemption to claim higher lodging rates. If claiming an exception, provide a receipt and a brochure showing conference hotels.
- c. **Account Codes for Alaska and Hawaii** - Use Out-of-State account codes, 39515, 39516, 39545 or 39546.
- d. **Account Codes for Puerto Rico and U.S. Possessions** - Use Foreign account codes, 39615, 39616, 39645, or 39646.

Transportation

Transportation expenses incurred while traveling on official business is allowable, and may be reimbursed. However, personal expenses, such as repairs, maintenance, or collision damage to private vehicles, may not be reimbursed. Policy clarifies that the state does not pay for physical damage to private cars, trucks, boats, airplanes, etc. used for state business.

The following transportation expenses may be reimbursed to the traveler or paid directly to a service provider:

- Private vehicle mileage allowance
- Common carrier fares
- Necessary fees for taxis, limousines, airport shuttles, rental vehicles
- Parking and garage fees

The method of transportation must be authorized either verbally or in writing in advance from within the department. Normally the method of transportation that is the least costly determines the choice. Other factors may enter the decision, including available time of personnel, productive time lost, cost of personnel, possible overtime, cost of extra lodging and meals, public image, etc.

Transportation is classified by type of transportation: private vehicles, mileage allowance and insurance; state-owned vehicles; rental vehicles and insurance; loaned vehicles; and common carriers.

Private Vehicles

Use of a private vehicle is allowable when it is more practical because of cost, efficiency, or work requirements than the choice of a common carrier or using a state vehicle. The drivers of the private vehicles must be in compliance with all State of Oregon Motor Vehicle laws.

The policies and procedures specified in the Internal Management Directive for Vehicular Safety, Operation and Maintenance apply to all drivers, including volunteers, of vehicles used for university business.

- a. **Passengers in Private Vehicles** - Employees driving vehicles must complete a certification form. Drivers must receive certification before passengers may be carried. Reimbursement is for the use of the vehicle regardless of the number of passengers carried. The master file for PSU driver's registration is maintained at the Travel Desk (5-3733).
- b. **Highway and Local Mileage Reimbursement** - Mileage using standard mileage guides or the most direct route is used for reimbursement. Substantial deviations from standard distances or usual routes and actual odometer reading should be explained. Travel by indirect routes will be reimbursed using the common or direct route. When a trip starts at the employee's residence, use the shorter of the residence-to-destination or official-station-to-destination distances.
 - **Private Auto Mileage (personal vehicle only)** – must include address of destination traveling to and from employee official working station.
 - **Driver Registration Form** – should be on file with the Travel Office before claiming mileage reimbursement. The form is available at <http://www.pdx.edu/bao>.
 - Miles in excess of OUS mileage chart will need justification. Indicate actual odometer reading or print out Mapquest mileage of official work station to destination. Indicate area miles and address of destination.

Effective January 1, 2011, mileage rate is .51 cents per mile.

Local travel for official purposes while at overnight destination is allowable, including travel between lodging and restaurants for a traveler's sustenance and health comfort. Travel for personal purposes or entertainment is not reimbursable.

- c. **Insurance on Private Vehicles** - Employees or others authorized to use their private vehicle on official business must maintain a current valid automobile insurance policy covering the vehicle driven and driver. This insurance with limits conforming to Oregon law is considered **primary**. The driver's insurance pays first if there's an accident that causes damage or injury to a third party. Under state insurance rules, the state will cover liability claims above the limits of the driver's policy to the limits of state coverage in ORS 30.260-30.300. The state does not provide coverage for physical (collision) damage to the private vehicle nor for uninsured motorist and personal injury protection. **Drivers of private vehicles used for official business should verify their automobile insurance coverage with their insurance carrier or agent.**

State-Owned Vehicles

State Motor Pool vehicles may be checked out for official business trips. However, the State Motor Pool has closed all locations except for the Salem Motor Pool (1100 Airport Road SE, Salem, OR), making it less viable as an option for most trips originating in Portland. To use a Motor Pool vehicle, the department must apply for a Motor Pool Check Out card. State vehicles including university owned vehicles may be used only for official business - personal use is not allowed. Use of state vehicles is not authorized when costs are charged to Agency Funds, except for use of Student Organizations or for other legitimate state business as approved by the university's Director of Business Affairs. Motor Pool charges are billed back to the using department by the Travel Desk. Damage due to accident, misuse, neglect, or negligence to a Motor Pool vehicle is chargeable to the department of the driver. Even with state collision insurance, the deductible cost of \$2,500 is charged to the renting department.

- a. **Private Use Prohibited** - Using a state-owned vehicle for personal or private use or allowing another person to do so is against state law (ORS 283.385) and punishable upon conviction by fine (ORS 283.990). State vehicles may be driven only by university employees, students, or volunteers with a good driving record and with a valid driver's license. Employee spouses and other persons whose travel is directly related to the required business travel may be carried as passengers, not as drivers. No other family members are permitted in the vehicle. No children are permitted except as wards of the state. No hitchhikers or pets are allowed in the vehicle.
- b. **Overnight Parking at Employee's Residence** - A state vehicle may be kept overnight at a driver's residence when doing so is approved in advance by the driver's department head. Remember: the public is always curious about who's using a state vehicle and why it is being used.

- c. **Driver Safety** - Drivers of state vehicles must obey all road and traffic laws and stay within the posted speed limits. Vehicles are to be driven in a manner conducive to safety, economy, and good public relations. Members of the general public are prone to report speeding and unsafe state vehicles. These reports can form the basis of reprimand or discipline against an errant driver.

Rented Vehicles

Rental costs of vehicles (cars, trucks, boats or aircraft) may be reimbursed or direct billed. Rental should be considered only when regular means of transportation are unavailable or inappropriate for the particular use intended. Rental cars may be used in conjunction with travel by common carrier when use is reasonable and authorized in advance. Example: Flying to a city and renting a car to visit recruits and their families would be allowable. When flying to a city for a conference at the conference site hotel where the hotel has free or nominal shuttle service, the cost of renting a car would appear to be a personal benefit and not reimbursable.

- a. **Size of Vehicles** - Rental cars should be economy or compact size. Larger vehicles are justified for groups of three or more. The cost of upgrades to large or luxury vehicles or to accommodate family members is a personal expense, not reimbursable from PSU funds. Athletics, because of the size of personnel and recruits, is allowed to rent mid-size cars as their nominal vehicle.
- b. **Rental Car Companies** - Rental rates vary between rental car companies and by city. Call several to obtain the best rates for the particular destination. **PSU has a contract with Enterprise Rent-A-Car /National Car Rental and Hertz, which is centrally billed through PSU using your index number. The PSU Corporate Account number with Enterprise is DB46W68 and with Hertz is CDP #221255. These contracts covers CDW coverage; therefore, when renting through Enterprise or Hertz, do not buy extra.** Please provide this corporate account number, **index number** (authorization code for Hertz) and **contact information** when making reservations if rental is approved and with a valid business purpose. If the traveler uses his or her Corporate VISA Card for payment of the rental contract, liability or collision damage will be covered through VISA.
- c. **Insurance on Rented Vehicles** - If rented for official business and renting a vehicle that is not part of a master price agreement that includes insurance, you are encouraged to purchase the Limited Damage Waiver (LDW) or Collision Damage Waiver (CDW). If the LDW or CDW is available and not purchased by the agency at the time of rental, the department's current deductible amount will be doubled in the event of a loss. However, if a vehicle is for personal use, the driver carries the insurance through his/her personal automobile insurance policy. **Drivers of rental vehicles should check their own auto policies before planning to rent.**

Travelers should rent vehicles using their US Bank Corporate VISA cards because the CDW is primary when renting with this card. The traveler whose rental car is involved in an accident must report the accident (this is potential liability to the state) to the Business Affairs Office, 5- 5340, immediately; and if you are using

your US Bank Corporate Visa Card, the accident report must be filed with US Bank within 20 days.

Loaned Vehicles

Use of loaned vehicles may be authorized when it benefits the university. Loaned vehicles must have a safety check before being used - this is especially important with use by student groups. The state provides liability and collision coverage on the loaned vehicle only if the university has agreed in writing to accept responsibility for liability and damage to the vehicle. The loaned vehicle must be used for official business. For additional information, contact the Risk Coordinator 5-5340. If any use of the vehicle is personal (day care, grocery store), the driver's personal auto insurance becomes primary. **Drivers should check first with their own auto insurance before driving a loaned vehicle.**

Common Carriers

Transportation by means of common carrier is the usual choice when it is more appropriate and economical than travel using state or private vehicles. Common carriers are usually preferred for out-of-state travel. Actual cost is paid or reimbursed for rail, bus, or airline fares.

- a. **Railroads** - Maximum fares on U.S. trains are regular first-class fares. A roomette is allowed when an overnight Pullman accommodation is needed. A bedroom is allowed if no roomette is available or if special accommodations are approved because of the trip's nature or the traveler's health requires it. Receipts are needed.
- b. **Buses** - Scheduled or charter buses may be used. Receipts are required, except city buses and subways.
- c. **Taxis, Limousines, and Airport Shuttles** - All may be used. The cost for each must be itemized for reimbursement. Receipts are not required unless the fare is over \$75 for one-way transportation outside of the Portland Metro Area. Maximum reimbursable amount within Portland Metro Area is \$40, no receipt required. The table below lists one-way cab fares from Portland State University to Portland International Airport.

Cab Company	Telephone No.	Rate from the University to PDX (one way) AS OF January 1, 2011	Additional Fees (added to the fare)
Radio Cab Company	503.227.1212	\$40	\$ 1each addtl person
Broadway Cab Company	503.227.1234	\$40	\$ 1each addtl person
Green Cab	503.252.4422	\$40	\$ 1each addtl person
New Rose City Cab Company	503.282.7707	\$40	\$ 1each addtl person
Portland Taxi	503.256.5400	\$40	\$ 1each addtl person

Company			
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Airlines

Airline travelers are expected to choose the lowest cost flight and airline (including all cost factors) that meet the schedule needs of the traveler.

- a. **Awards** - All employees are required to travel using routes, schedules and airlines that provide the lowest rates and most efficient travel. The traveler cannot prefer one carrier over another to gain awards. OUS does not require recapture of airline bonuses awarded employees for frequent flyer miles; the cost of record-keeping outweighs any monetary benefit. Frequent flyer bonuses may be used by employees as they choose unless contrary to the terms of a grant or contract. Employees are encouraged to use any bonuses in conjunction with official business.
- b. **Payment in lieu of Air Travel** - A traveler may choose, with advance approval, to drive to the business destination rather than fly. The cost of reimbursement is the **cheaper** of the two methods.

For example, a traveler choosing to drive to San Francisco (636 miles) could be reimbursed the lesser of mileage cost: $636 \times 2 \times \$0.36 = \457.92 versus airfare: $\$95 \text{ City-Pair} \times 2 = \190 (+ tax & ticket fee). In other cases private vehicle mileage might be the cheaper method to determine the amount to reimburse.

- c. **Split Billings** - The cost of travel, usually airfare, can be split by the amount paid by PSU and the remaining share paid by the traveler. Often, departments have limited travel budgets and can provide only partial support of the trip's cost. The travel agents used by PSU can assist the traveler in arranging a split payment. The traveler has to deliver a personal check to the travel agent or use his or her personal credit card when the ticket is booked. This also applies when the traveler is accompanied by a spouse or companion; the spouse or companion's ticket must be paid for personally - never charged to the department. See also City-Pair Fares, 7.024c., below. http://oregon.gov/DAS/SSD/SPO/docs/travel/2010_CityPairPrices.pdf

Contracted Travel Agencies

PSU has contracted with three travel agencies to provide travel services to our travelers. We offer three so using departments have an option or choice of which to use. All are contracted to provide a full range of services. The agencies have been instructed to offer our travelers the lowest available fares, given the limitations of departure and arrival time frames. To book air travel, give the agent your Index Code and Account Code, approved by departmental head. Each department should have an updated Department Authorized Airfare Approval on file at the Travel Desk.

The travel agencies are **Azumano/Away Travel**, **Journeys Travel** and **Uniglobe Spectrum**. These contracts are administered through Purchasing; call 5-3733, or e-mail travel@pdx.edu if you encounter any problems or questions in using these agencies. All

travelers, including candidates and reimbursable contractors, should utilize any of the contract travel agencies.

Contract Travel Agency	Phone	Toll free	After hour	Fax	Contact/ reps	Fees
Azumano	866.291.0460	866.291.0460	877.840.0187	800.713.5432	Tony Fuerte	\$29.00
Journeys Travel	503.226.7200	866.440.1072	800.664.8594; Client Access Code A1AU9		Linda Lane	\$32.50
Uniglobe Spectrum	503.620.0620	800.544.2575	800.787.3997	503.624.0987	Michelle Maldonado	\$25.00

Buying Airfares

Call any of the contracted agencies with a proposed itinerary. The agent should offer you several choices of routes, airlines, departure and arrival times, and prices. Travelers are expected to travel by the most economical method. This usually means accepting the lowest available airfare. Travelers are not allowed to prefer one airline over another unless the separate fares are equal or the routing saves time. Obviously, if one airline offers a direct flight at the same fare that a second airline charges for a two-segment route with a stop to change planes, the first airline would be preferred. First Class fares are not allowed.

- a. **Competitive Fares** - Use any of our three agencies to provide fare quotes. Don't hesitate to call a second agency to see if you can obtain a better quote. **Warning: Airfares change without warning.** It isn't uncommon to have fares change from the time the quote was obtained to when the ticket is booked. Therefore, one agent may give a different fare quote than another. Be sure to ask for a quote based on the same specifications - the day and approximate time of departure and the needed arrival time being the most important. There are two ways to compare fares: First, compare only with "apples to apples" where the same specific times and same airline are compared between the travel agents. Second, you may find comparing the cost of using a different airline and routing through different hubs to give still better pricing. This compares "apples with oranges."
- b. **Using Other Travel Agents** - Besides the three contract travel agencies, travelers may obtain fare quotes from other travel agencies, the airlines themselves, or from internet sources. However, either Azumano Travel or Journeys or Uniglobe Travel must be contacted as well to offer a quote on the same itinerary as the outside agency. If the outside agency quotes at least 5% lower than any our contract agencies, the department may book the ticket and the traveler pays using his or her Corporate VISA Card. Be sure to document the other quotes on the TAF or the travel reimbursement form. Other exceptions: **International Travel** (try to call Azumano, Journeys, or Uniglobe initially for one quote); group travel (as few as 5 or more); and **charter groups**.

WARNING: if using non-contracted agency, PSU will not be liable for the cancellation of the reservation, itinerary changes, and all other charges.

- c. **City-Pair Fares** - Through a series of state contracts with various airlines, we have the ability to buy **unrestricted** airfares to various cities - called "City-Pairs" - from or to Portland (PDX), Boise, Eugene, and Medford. These fares allow the traveler to book a ticket up to the day of the flight, fly with no Saturday night stay, and cancel or rebook the ticket - all without a penalty. Normally, excursion coach fares require up to 21-day advance purchase, a Saturday night stay, and little or no allowance to cancel the ticket. A list of the city-pairs can be obtained from the Travel Desk. These special fares **are only available from our three travel agencies**. A new list of city-pair fares becomes available each fiscal year, for travel beginning in August.

Note: The travel agents will not split-bill these fares. Spouse or companions accompanying University travelers may not buy City- Pair tickets; only persons engaged in official University business may use the City-Pair state contracts. The City-Pair fares are issued under a State Department of Administrative Services (DAS) contract. DAS indicates that contractors, receiving payment for consulting or other services, cannot use the City-Pairs.

- d. **Booking Airfares** - Once you have determined the best route, itinerary, and price, commit to the purchase by booking the flight with the travel agent. The ticket is paid for by telling the agent your Index Code and FIS Account Code. Reservation will be booked upon approval of the departmental head. Traveler should verify all bookings
- e. **Airfare Reimbursements** – Airfare will be reimbursed upon completion of trip along with other expenses. Reimbursements to the traveler require either:
- 1) A copy of the on-line documentation showing the payment method and the itinerary, and/or
 - 2) Documentation showing the traveler paid the airfare (i.e. a credit card statement with the charge highlighted) and the itinerary. Document the other quotes on the TAF and attach written documentation to the Travel Reimbursement Form.

Travel Reimbursements

Following each trip, the traveler (**it's presumed the traveler is claiming costs for himself/herself**; if claiming payments on behalf of others, actual receipts must be shown and the others must be named and certify they received the meals) should complete an expense report listing the allowable expenses by item. The reimbursement should be turned in within 60 days (or sooner at fiscal year-end, or at the end of a grant) after completion of the trip. After 60 days, a written explanation is required

- a. **How to Complete the Form** - The PSU Travel Reimbursement Request can be filled from the Business Affairs web site that the traveler (claimant) completes within 10 days (or current to 6/30/XX at fiscal year-end) following a trip. For background, every claimant (faculty, student, guest or contractor) has to be a vendor in FIS before a reimbursement ACH or check can be produced.

Therefore, the name, address, and PSU ID/vendor number must be accurate.
SEE THE FOLLOWING PAGE:

b. **Routing of TRR** - Retain a copy in the department and route the original copy to the Travel Desk in Specialized Accounting Services. For Grant, TRR should go to Research and Strategic Partnerships first for approval.

c. **Account Codes for Travel** - Travel uses unique account codes in the 39XXX series. The codes basically are broken down for **program-related travel** between employee and non-employee and between in-state, out-of-state and, foreign destinations. Also, there are three codes for **employee training travel** - sending an employee to a workshop to learn a new process, for instance, as opposed to travel to an annual professional meeting that may offer discussion of particular topics (program). The basic account codes are:

- **28601 Conference Registration** - registration fees for employees to attend conference where training is not the primary intent of the conference; non-employee training coded here.
- **29040 Employee Training Tuition/Registration** - fees to PSU or other OUS schools
 - **29051 Employee Interagency Training** - training from other Oregon state agency
- **29052 Employee Outside Training** - training from outside: PCC, L&C, consultant
- **39415 Employee (Program) In-State Travel** - costs of meals, lodging, transportation
- **39515 Employee (Program) Out-of-State Travel**
- **39615 Employee (Program) Foreign Travel**
- **39416 Employee (Training) In-State Travel**
- **39516 Employee (Training) Out-of-State Travel**
- **39616 Employee (Training) Foreign Travel**
- **39445 Non-Employee In-State Travel**
- **39446 Group travel In-State Travel**
- **39545 Non-Employee Out-of-State Travel**
- **39546 Group travel Out-of-State travel**
- **39645 Non-Employee Foreign Travel**
- **39646 Group Travel Foreign Travel**

c. **Who Signs?** - The traveler (claimant) must sign to present a claim for expense reimbursement against the university. To validate the expense against the department's index and to indicate approval for the trip(s), the traveler's departmental approver must also sign. Original signature will be required and the updated Department Authorized Signatures should be on file at the Travel Desk. Research and Strategic Partnerships approval is required for all Grant index code.

Employee Moving Expenses

PSU can reimburse or pay vendors directly on behalf of new employees for their moving expenses. These rules are consistent with IRS rules. Some expenses may be reimbursed

under the travel rules (accountable plan) with no tax consequences, while other expenses are considered taxable and reported as miscellaneous income (1099) or paid through payroll with deductions. Call the Travel Desk (5-3733) or email travel@pdx.edu beforehand.

Questions?

Questions about travel policy, rules, rates, and interpretation: Questions to Travel Desk, Ext. 5-3733 or travel@pdx.edu .

PROPERTY CONTROL GUIDE

Objective

Rules and regulations of the State of Oregon prescribe a Property Control system which must meet the following objectives:

1. Safeguard state property against unauthorized use or removal.
2. Provide an essential part of the accounting record.
3. Provide a basis for property insurance.
4. Define the property responsibilities of state officials.
5. Assist administrators in the effective management of property and equipment.
6. Account for property purchased with federal funds.

Property Classification

Personal property is grouped into several general classifications:

Expendable Supplies

1. Supplies which are consumed or destroyed in the normal course of operation, such as stationery or fuel.
2. All materials or parts used in repair work, such as building materials or machine parts.
3. Items that have a useful life of less than two years.
4. All items not classified as equipment as defined below.

Equipment

Capitalized Equipment - Personal property with useful life of more than two years and a unit cost of \$5,000 or more (vehicles, scientific equipment, major computer purchases, etc). All equipment over \$5,000 must be capitalized and recorded on the University's fixed asset inventory records. OUS uses straight-line depreciation with zero salvage value, and useful lives that vary depending on the type of asset. Use account codes 40101 (non-proprietary funds) or A8011 (proprietary funds).

High Risk Minor Equipment (Non-Capitalized) – Personal property and equipment that is under the \$5,000 threshold for capitalization and is portable by nature or easily misplaced or stolen is tracked by individual departments using an Excel spreadsheet (template provided by BAO Property Control Desk). It is the responsibility of the department to track High Risk Minor Equipment by serial/model number of item. High Risk items are neither capitalized nor depreciated in Banner Fixed Assets The High-Risk Minor Equipment guidelines can be found at

www.pdx.edu/bao. Account codes vary dependent on the high risk minor equipment. Please see Section 11.160 *Account Codes for Equipment, Computers, and Other Property*

Non- Inventoried Equipment under \$5,000 (Other than High Risk Minor Equipment) - Personal property with a unit cost under \$5,000 is NOT inventoried. Instead, items in this category are included on department's supplies inventory records.

All books and related items carried in Libraries - All library purchases are capitalized and added to Investment in Plant at fiscal year end. Entries are made via journal voucher to record 1) purchases, 2) gifts and donations, 3) removals from library holdings. The subsidiary inventory file for library assets is also adjusted at fiscal year end. Library personnel provide data for gifts and removals. Library purchases (account code 40190) are tracked through the operating ledgers.

Note: Certain minor equipment, **whether High Risk or Not**, and supplies may need to be tracked and monitored pursuant to specific requirements under Certificates of Participation (COPs) or specific requirements from a federal or non-federal sponsoring agency.

Property Accountability and Responsibility

Members of the PSU staff and faculty are responsible for the safeguarding and proper care of the equipment provided them. Each employee is expected to take reasonable precautions to protect that property from unauthorized removal or use. Employees are also responsible for exercising reasonable care in operation and maintenance of University equipment. In each University department the Dean, Department Head, or Director is accountable and responsible for the property and for any changes in location of equipment. Accountability includes responsibility for the **care** of departmental equipment and tracking of high risk minor equipment. The accountable department official is also responsible for the proper use of departmental equipment until relieved of that responsibility in writing. Individuals in charge of an organized storeroom (Duplicating, Smith Center Store, Health Service, Physical Plant, etc.) are accountable for all property under their control.

Accountability: A person who is accountable for property must maintain current records of the location of all inventory carried on the fixed assets records and high risk minor equipment for the department. Location changes, additions or equipment disposal must be tracked and reported along with monitoring subsequent additions or adjustments.

Responsibility: Individuals must have the property assigned to them in their care and possession, or have evidence, in the form of a written receipt, that responsibility for the equipment has been transferred to another. A person responsible for property may be held financially liable for any missing items.

Equipment Loan to Faculty and Staff

Equipment Loan Agreement form must be completed whenever faculty or staff members use PSU-owned equipment (laptops, digital cameras, etc) off campus for educational or research purposes. This form releases the borrower from personal liability for the loaned equipment. Staff members should not borrow PSU equipment without a signed agreement because, in the event of loss or damage to the loaned property, the borrower may be personally liable. State property should not be used for personal gain, unlawful purposes, or activities inconsistent with PSU's

mission. When equipment cost exceeds \$5000, it should be placed on the departmental inventory and included within the Fixed Asset System. All high risk minor equipment should be tracked and recorded in accordance with the High Risk Minor Equipment Guidelines. At the end of loan term, equipment must be returned to PSU in the same condition as it was at the time of a loan. If employee is terminated, loaned equipment should be returned to PSU and Property Control Clerk notified (ext. 5-3109).

Equipment Loan Agreement is available on the Business Affairs website www.pdx.edu/bao/. The following information must be provided on form:

1. Name, off-site address, and telephone number of borrower. The off-site address is required for tracking and insurance purposes.
2. A list of equipment to be loaned, including description, model, serial numbers, inventory numbers, replacement value of each item, condition at time of loan, date of purchase, fund #.
3. Name, department, and phone number of the individual who will be responsible for the property.
4. Loan term (date when property will be borrowed, date it will be returned to PSU).
5. Signatures of the borrower, department head, V.P for grant-funded equipment.

Original should be sent to Property Control Clerk (mail code BO-SAS)

Acceptance of Loaned Property from Private Parties

From time to time, private individuals and local businesses will offer to loan or lease property to the University. In order to protect the lender and the University and clearly define the extent of liability applicable to each party, a contract must be completed **before** the loaned property arrives on campus. *Miscellaneous Personal Property Loan Agreement* must be completed by the lender and PSU department accepting the loan.

If for some reason, the lender does not wish to sign a Loan Agreement, a *Waiver of Responsibility* (form BAO-PUR402) must be completed. This form releases the University from liability for the loaned property. In other words, the lender assumes all risk involved in the loan. Staff members should not accept loaned property without a signed contract or a waiver because, in the event of loss or damage to the loaned property, the individual who accepted it may be held personally responsible.

In most cases loaned property will be placed on the departmental inventory if the loan period exceeds 90 days. Works of art loaned for display in one of the University's three galleries, or for display at locations other than the galleries, may be covered under the Optional Coverage section of the State of Oregon's property insurance fund, a self-insurance program. Departments contemplating the loan of personal property should contact Property Clerk for the proper forms. Be prepared to provide the following information:

1. Name, mailing address, and telephone number of lender.
2. The date the property will come into University possession.
3. The date the property will be returned to the lender.

4. A list of the property to be loaned, including description, model numbers, serial numbers, value of each item, date of acquisition.
5. Name, department, index code, and extension number of the individual who will be responsible for the property.

It is important to remember that, in the event of a loss of loaned property, the University will be unable to pay any difference between the value of the property and the insurance payment (i.e., applicable \$2,500 deductible), if there is no signed agreement on file.

Donated Equipment and Gifts

Gifted or donated equipment received by the University should be acknowledged by the receiving department. *A Report of Gift or Grant* (form BABO-019) must be completed by the department and routed to Property Control Clerk. Items identified as "High Risk" should be added to the department's Minor Equipment inventory spreadsheet maintained by the department and those valued over \$5,000 should be added to Banner Fixed Assets. The current market value or replacement value for used equipment should be determined when item(s) are received. Disposition of property acquired as a gift will be in accordance with the Internal Revenue Code and any restrictions applicable to the property.

Please see the BAO Donated Equipment & Gifts Guidelines available on the web at www.pdx.edu/bao.

Master Inventory Records

Master inventory records for equipment are stored and updated in Banner Fixed Assets by Property Control Clerk. High Risk Minor Equipment inventory will be stored and updated within the individual departments. Each department's Fixed Assets inventory records can be retrieved online through the GQL Data Warehouse.

Property Related to Sponsored Projects

Ownership rights and title to property funded through sponsored projects will be specified in the individual award documents and/or sponsoring agency's policies and regulations. If according to the award documents, title to property acquired with the funds vests in the grantee, the equipment becomes Portland State University property and is assigned to the department of the principal investigator. If according to the award, title vests in the sponsor, the University acts as custodian of the equipment. The University also acts as custodian of the equipment when the equipment is furnished by the sponsor and the sponsor retains title.

Property purchased with sponsored project funds or on loan from a sponsoring agency must follow all the same requirements for acquisition and receipt as all State property (see Business Affairs Guide Chapter 10).

TITLE AND OWNERSHIP OF PROPERTY

1. Federally-funded Awards Exempt Property

Exempt property is tangible personal property acquired in whole or in part with Federal research funds, the title to which is vested in the University without further obligation to the Federal government, unless the sponsoring agency explicitly

reserves the right to transfer title and issues disposition instructions within 120 days after the end of the Federal support of the project for which the property was acquired.

Federally-owned Property (non-exempt property)

Federally-owned property is acquired by either charging the cost directly to a Federal grant or contract with applicable Federal-title property clauses or by acquiring it through a loan agreement with a Federal agency.

Procurement of Property: To insure that all Federal equipment is promptly recorded on the University's inventory records, all Purchase Orders for equipment from Federal funds must designate in the "FOATEXT" field the ultimate owner at the end of the grant/contract (the University or the Federal Sponsoring agency).

Loaned Personal Property: Research and Strategic Partnerships must be notified if Federal supplies & equipment are loaned either to or from the University. The Federal Office of Management and Budget has requirements for reporting annually on federal property used by the University or our subcontractors. Research and Strategic Partnerships prepares and submits all closing and annual property reports in coordination with the investigator for clarification and assistance.

Non-inventoried Low-cost Items

In cases where the terms and conditions of an externally funded grant or contract require tracking of non-inventoried low cost items acquired through or on loan from the awarding agency, PSU Research and Strategic Partnerships will advise Principal Investigators on an appropriate practice for tracking and reporting these items in accordance with the award requirements. Tracking will be performed on an award by award basis within the department or center in which the sponsored project is housed (as indicated by grant org). Minimum data requirements for tracking include item name, quantity, physical location, and an indication as to whether the item(s) is expendable or is to be maintained and returned to the awarding agency. Responsible departmental officials and Principal Investigators will conduct manual inventories as required to meet award-specific reporting requirements.

Restrictions on Use of University-titled Equipment Acquired with Federal Funds

The University must use equipment acquired with Federal funds on the project or program through which it was acquired as long as it is needed, regardless of whether

or not the project or program continues to be supported by Federal funds. In addition, the University shall not encumber the property without the prior approval of the Federal awarding agency. "Program" is defined in broad terms as the research program in which the investigator is engaged over a long period of time. When no longer needed for the original project or program, the recipient shall use the equipment in connection with its other Federally-sponsored activities, in the following order of priority: (i) activities sponsored by the Federal awarding agency which funded the original project, then (ii) activities sponsored by other Federal awarding agencies.

During the period of time equipment is used on the project or program for which it was acquired, the Principal Investigator and Department Head shall make it available for use on other projects or programs if such other use will not interfere with the work on the project or program for which the equipment was originally acquired. Preference for such other use shall be given to other projects or programs in the following order of priority: (i) activities sponsored by the Federal awarding agency which funded the original project, then (ii) activities sponsored by other Federal awarding agencies.

2. Non-Federal Awards

Under non-Federal awards, title to and disposition of any equipment purchased with sponsor funds should be specified within the terms of the award. Questions pertaining to property related to externally sponsored projects should be directed to your assigned Grant Accountant within the Research and Strategic Partnerships unit.

RECORDS

To insure that all Federal equipment is promptly recorded on the University's inventory records, all Purchase Orders (PO's) for equipment from Federal funds must designate in text the eventual owner at the end of the grant/contract (the University or the Federal sponsoring agency). This is generally dictated within the terms of the specific grant/contract.

When the equipment is delivered to the department, the person in the department receiving the order matches the delivered equipment to the original order. Quantities received should be verified and serial numbers, if any, should be noted on the packing slip. If the delivered equipment matches what was ordered, the person receiving the order approves delivery by signing the packing slip and forwards the paper work to the departmental administrator. The department administrator should match the packing slip with the PO and the vendor's invoice. The packing slip should be retained in the department's records as indication to an auditor that

the goods actually were received. The University may use Federal property only for the approved purpose, as outlined above. Departments must contact their Research Accountant to report any change in use.

PHYSICAL INVENTORY OF PROPERTY

As a recipient of Federal grants and contracts, PSU is required to be in compliance with the Office of Management and Budget (OMB) Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations.

OMB Circular A-110 states in part: "A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The recipient shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment." See [OMB Circular A-110, Property Standards, Section 34 \(f\) \(3\)](#).

Property purchased, loaned, or acquired through sponsored project funds requires the collection of descriptive and identifying information by the receiving department or unit, Property records will include the following information:

1. A description of the item
2. The manufacturer's serial number, model number and PSU inventory asset tag number
3. Fund source of equipment, including sponsoring agency award number
4. "Owner" with whom title is vested (Entered on Purchase Order in "FOATEXT" field.)
5. Item acquisition date
6. Information for determining the calculation of Federal participation in cost of item
7. Location and condition of equipment and date the information was last reported
8. Unit acquisition cost of the item
9. The ultimate disposition data, including the date of disposal

Equipment and other property purchased with Federal funds or on loan from a Federal entity will be maintained according to the classification type outlined in PSU's Property Control Guide section 11.020: Property Classification. Personal property with a unit cost under \$5,000 generally is not inventoried unless the property has been identified as "high risk". Items in this category are typically expendable and included on individual departments' supplies inventory records. This category includes property on loan to the institution from external sponsors, including the Federal Government, that do not meet the capitalized equipment and High Risk minor equipment classification thresholds.

REPORTS

Award-specific requirements:

Recipients shall submit an inventory listing of federally-owned property in their custody to the Federal awarding agency according to the requirements in the award document. In some cases, Federal awarding agencies require an annualized inventory listing. Upon completion of the award or when the property is no longer needed, the recipient shall report the property to the Federal awarding agency for further Federal agency utilization.

Government-owned Property Control System Analysis

The Office of Naval Research (ONR) is the cognizant agency for property procedures and rates the university on its ability to protect, preserve, account for and control Government-owned property. ONR regularly conducts reviews of PSU's property control system, (a Property Control System Analysis (PCSA)), to assess its capability of controlling, protecting, preserving and maintaining Government property in its custody. ONR performs PCSAs at all Institutions that are in custody of Government titled property under awards that have been delegated to ONR for administration.

PSU is required to notify ONR upon completion of its biennial inventory and provide them with:

- 1) A listing that identifies all discrepancies disclosed by the physical inventory, and
- 2) A signed statement that a physical inventory of all or certain classes of Government property was completed on a given date and that the official property records were found to be in agreement except for discrepancies reported.

Research and Strategic Partnerships staff will coordinate with the PI and departmental staff to ensure this requirement is met and submit the required reports.

RELIEF OF STEWARDSHIP/RELEASE OF RESPONSIBILITY

PSU's responsibility for managing Federal property extends from the initial acquisition and receipt of property, through stewardship, custody, and use until formally relieved of responsibility by authorized means, including delivery, consumption, expending, disposition, or via a completed investigation, evaluation, and final determination for lost, damaged, destroyed, or stolen property. This requirement applies to all Government property under PSU's stewardship, possession or control, including its subcontractors. Stewardship of Federal property is a shared responsibility of the PI, departmental staff, and Research and Strategic Partnerships staff, as well as the Fixed Assets (Inventory Control) unit within Business Affairs, as appropriate.

DISPOSITION OF FEDERALLY-OWNED PROPERTY:

The disposition of equipment at the end of the grant or contract period is determined by the Federal awarding agency. If the federal government retains title to the property at acquisition, during closeout Research and Strategic Partnerships may ask the agency to give title to the property to the University for use on additional research projects. If they do not give the title to the University, the agency may direct the University to:

- 1) Return the equipment to the sponsoring agency or other designated site;
- 2) Dispose of or sell the equipment. Research and Strategic Partnerships credits the net proceeds of any such disposal or sale to the award or pays it to the Government; or
- 3) Continue to use the equipment on additional research within the University while the Federal agency retains title to the equipment.

Identification of Equipment

Each piece of inventoried property must be labeled with the assigned inventory number for identification. An adhesive label bearing PSU identification is affixed at the time the equipment is accepted by the department. This inventory label shall under no circumstances be altered, obscured or removed. Worn or illegible inventory labels should be replaced by reporting this fact to Property Control.

Inventory Reporting Requirements

A formal annual physical inventory is no longer required by each department. However, it is recommended that departments continue to track any equipment in their custody. Biennial Fixed Assets inventory reporting is required for all equipment over \$5,000. Property Control Clerk will distribute an inventory report to departments. Staff in each department must physically locate items listed on the inventory report and verify that each asset has an inventory sticker affixed to it. Any changes to item location or responsible organization should be noted on the inventory report and Fixed Assets Transfer Form should be completed along with the report. Missing items must be reported to the Property Control Clerk. Updated inventory report along with Fixed Assets Transfer Form should be signed by the Department Head and routed to Property Control Clerk for record update.

Use of Institutional Property

All University property (scientific and technical equipment, motor vehicles, office equipment, etc.) is limited to official institutional use and may not be used for private purposes. Under no circumstances may property be removed from campus without *Equipment Loan Agreement* form.

Physical Inventory of Organized Storerooms

At the close of each fiscal year, organized storerooms of the University must take inventory of supplies and materials on hand. Forms and instructions are provided at the time inventory is requested. Organized storerooms are those facilities with an inventory in excess of \$15,000 or those making annual purchases in excess of \$150,000 or are designated as organized storerooms by the institution.

Supplies Inventory

Every other year a complete physical inventory is required for supplies in departments other than organized storerooms. Otherwise, supplies on hand are estimated each year in April. Departments are sent a printout with full instructions. The estimated amount of supplies on hand is based on the last complete inventory plus a "replacement cost factor" applied each succeeding year to the original value. The accuracy of the total supplies evaluation is critical to the

processing of future insurance claims through the department of Risk Management. Personal items should not be included on supplies inventory unless they have been officially loaned to the university and a *Miscellaneous Personal Property Loan Agreement* has been submitted to Property Control Clerk.

Transfer of Equipment

Transfer of inventoried equipment from one department to another normally requires a journal voucher to record the internal sale and reimbursement in the financial ledgers. A *Fixed Assets Transfer Maintenance form* should be completed and forwarded to the Property Control Clerk.

Transfer of equipment from operating funds to budgeted funds will not be allowed except in the following circumstances:

1. The original entry was in error and the equipment's cost is to be charged to the budgeted funds account.
2. The equipment is fully depreciated, i.e., the equipment is over ten (10) years old.
3. The equipment is "sold" to the budgeted operations with a corresponding transfer of funds between funds. If sold at no cost, the operating account is charged a loss on disposal of equipment.
4. The operating account was terminated.

Equipment Disposal

OUS has established stringent rules regarding disposal of surplus property. All broken, worn-out and irreparable equipment must be disposed of through PSU Warehouse/ Surplus. No individual or department may dispose of equipment; all items must be transferred to Facilities Surplus using the transfer form located on the BAO website www.pdx.edu/bao. All property which is deleted from inventory from surplus sale, scrapping, theft, transfer, or trade-in, must be documented by a *Property Disposition Request* form (PDR). This form will be completed by Facilities Surplus and a copy sent to Property Control. PDR should contain the following information:

1. Description, including serial number and inventory number
2. Department name and organization code
3. Acquisition year (equipment should be fully-depreciated at the time of disposal)
4. Signature of accountable person and signature of department head
5. Disposition instructions (surplus, scrap, lost or stolen, trade-in, other)

Completed form should be forwarded to Property Control Clerk (mail code BO-SAS).

Please see the Facilities Equipment Disposal Guidelines available on the web at www.fap.pdx.edu/surplus/.

Equipment Not Reassigned

PSU will use a method of disposal that is cost-effective, taking into account the costs of disposal and the potential for financial return.

1. Disposal methods include, but are not limited to:
 - a. exchanges,
 - b. trade-ins,

- c. auctions,
 - d. sealed bid sales,
 - e. scrapping,
 - f. fixed price retail sales,
 - g. donation to other state agencies, Oregon political subdivisions, public non-profits, web-based auctions or sales and,
 - h. for scrap, transfer for no valuable consideration.
2. No current or former employee or agent for such will be granted any benefit or opportunity not granted the general public in acquisition of items through the disposal process.
 3. All property is conveyed "AS-IS, WHERE-IS" with no warranty, express or implied, of merchantability or fitness for a particular purpose, or any other warranties or guarantees. A purchaser or disappointed bidder will have no recourse against the State of Oregon, the Oregon University System, PSU, or any of their officers, employees, or agents. All sales will be final.
 4. PSU may provide that payment may be made by credit card, cash, cashier's check, personal check, wire transfer, or money order.
 5. Surplus property paid for, but not claimed with the time specified in the sales terms and conditions will be conclusively considered the property of PSU and may be disposed of in compliance with these rules.
 6. Title to surplus property or scrap is transferred to the purchaser when PSU makes the item available to the purchaser either by the purchaser, purchaser's agent, or purchaser's or institution's designated shipper taking possession of the item. Surplus property must be paid for in full before PSU will make it available to the purchaser. Purchaser assumes all responsibility, including risk of loss or damage, for the item when title is transferred.

Expenses of such a sale are the responsibility of the department and must be authorized and paid for out of departmental funds. Expenses will include required advertisements in a local paper and may include other expenses such as printing and duplicating.

Disposal of Computer and Other Electronic Storage Devices and Media

Prior to disposal of any computer, computer peripheral, software, electronic storage device, or storage media device, PSU will, as applicable, completely erase or otherwise render unreadable all information, data, and software residing on the device, unless the information, data, or software is to be conveyed and may be conveyed lawfully. Disposal fee of \$10 will be charged for disposal of each computer monitor.

Department should contact PSU Warehouse *5-4921 for equipment pick up. More information can be found on PSU Surplus website www.fap.pdx.edu/surplus/

Environmental Standards

Disposal of surplus property and scrap will be accomplished in accordance with all state, federal, and local regulations regarding environmental health and recycling. If ownership of surplus property or scrap is transferred to another party, PSU must document passing of title. The acquiring party assumes environmental responsibility when title transfers.

IN CASE OF THEFT OR ACCIDENT INVOLVING STATE PROPERTY

The reimbursement claim to Risk Management is the replacement amount invoiced to PSU minus the insurance deductible (**\$2,500.00** for State-owned equipment or building.)

- 1) Contact Campus Public Safety Office CPSO extension # 5-4407 and request that an Incident Report be filled out detailing the address, time and circumstance of the loss. Please be very specific describing the lost item(s). Provide inventory number, serial number, color or any available detail that can help identify the lost item(s).
- 2) Notify either Dee Wendler, Associate VP for Finance & Controller extension 5-3752 or Eric Blumenthal, Director of Business Affairs extension 5-2845
- 3) Submit, ***as soon as possible***, to the PSU Business Office-Risk Management, attention: Don Johansen (ext. #5-5340, mail code: BO-DO, e-mail: johansed@pdx.edu) the following:
 - Copy of the Incident Report from Campus Safety Office
 - Memorandum listing:
 - Description of each individual lost item with inventory number and cost;
 - Cost of replacement item; if not available at this time send in the above information so the claim can be opened
 - Index code to receive the reimbursement from Risk Management.
 - Copy of the Purchase order and Vendor's invoice, if replacement item(s) have already been purchased
- 4) Send a copy of Memorandum above (with inventory number) to Specialized Accounting.

According to the State of Oregon's Risk Management Division failure to submit the claim in a timely manner will result in no coverage and no payment for the loss. Once the reimbursement amount is received at PSU Cashiers it will be kept in the Restoration Account until a Journal Voucher credit is created to the department's FOAP.

If you have any questions regarding this procedure please call Don Johansen.

Account Codes for Equipment, Computers and other Property

ACCOUNT CODE

	TITLE	DESCRIPTION
20105	Data Processing Supplies	Expenditures for data processing supplies only (for purchases of data processing services, see account code 24503 - Data Processing Service).
20200	Minor Equipment (not inventoried)	Electronic equipment with unit value under \$5,000.
20201	Computers (not inventoried)	Laptops, desktops, expenditures for computer hardware, including monitors, CPU's, keyboards, hard disk upgrades, external modems, memory upgrades with unit value up to \$4999.99 .
20202	Software	Expenditures for computer software
20203	Printers (not inventoried)	Expenditures for printers with unit value under \$5,000.
20204	Other IT Related Peripherals	Expenditures for IT related peripherals, such as routers, switches, hard drives, DVD burners, etc.
20210	Office Equipment (not inventoried)	Expenditures for office equipment and furniture with unit value under \$5,000.
20215	Special Equipment (not inventoried)	Expenditures for specialized equipment, such as medical and scientific equipment with unit value under \$5,000.
20216	Sports Equipment (not inventoried)	Expenditures for sports equipment with unit value under \$5,000.

20250	Parts – Auto & Equipment	Expenditures for parts used to repair vehicles or equipment (see also account code 23523 - Data Processing/ Electrical Equipment Parts).
23504	Data Processing Equipment Maintenance/ Repair	Expenditures for repair and servicing of data processing equipment including computers and printers.
23510	Contract Maintenance/ Repair – Equipment	Expenditures for equipment maintenance covered by maintenance contracts. Contract services are generally performed by non-institutional personnel, either as individuals or as representatives of a commercial firm. This code covers expenditures for maintenance contract materials and outside labor billed on the same invoice.
23513	Software Maintenance Contracts/ Services	Payments to a vendor for a contract for data processing maintenance and repair or for maintenance and repair services. Maintenance and repair services may or may not be covered by a contract.
23514	IT Hardware Maintenance Contracts	Expenditures for IT Hardware maintenance covered by maintenance contracts. Contract services are generally performed by non-institutional personnel, either as individuals or as representatives of a commercial firm. This code covers expenditures for maintenance contract materials and outside labor billed on the same invoice.
23523	Data Processing/ Elect. Equipment Parts	Expenditures for data processing and Information Technology related electrical equipment parts for repair and maintenance.
24002	Data Processing Equipment Rent & Lease	Expenditures for rental or lease of all electronic data processing equipment and accessories.
24003	Software Lease Costs	Expenditures for the use of data processing software obtained from a vendor through a rental or lease/license agreement. In a license agreement, if the vendor replaces software due to a catastrophic event, title to the software does not pass to the purchaser, and the software does not become a capitalized item.
24503	Data Processing Service	Expenditures for data processing services purchased from others.

24526	Web Design Services	Expenses for contractual web design services.
40101	Fixed Assets Equipment (inventoried)	Equipment is defined as non-expendable personal property with useful life exceeding 2 years and value of \$5,000 or more. This equipment is capitalized and depreciated in Banner Fixed Assets (for purchases from proprietary funds see A8011 - Equipment).
40103	Artworks/ Collection Items (inventoried)	Artwork/Collection items that are not permanently attached to buildings and that can be moved from one area to another (e.g., paintings). Includes museum collection procurements and purchases of non-depreciable Library special collection items. This account code is for artwork located inside a building and not attached to it (for purchases from proprietary funds see A803x - Collections).
40104	Vehicles (inventoried)	Purchase of a motorized vehicle that is registered for road use. For vehicles not registered for road use or for non-motorized vehicles (i.e. trailers, lawn tractors or farm implements), use account code 40101 – Equipment (for purchases from proprietary funds see A8012 - Vehicles).
40201	Vessels (inventoried)	Expenditures for the purchase of vessels, including any materials and supplies used in the improvement of the vessels themselves or equipment on board the vessel. A vessel is defined as a boat, ship or craft that is made to float or travel upon the water and is greater than 25 feet in length. It may or may not be powered by a marine engine. For anything less than 25 feet (e.g., canoes or rafts), use 40101 - Equipment (for purchases from proprietary funds see A8015 - Vessels).

Research and Strategic Partnerships

The Research and Strategic Partnerships office is responsible for ensuring compliance with all financial accountability requirements of research and sponsored program activity at the University. This includes: 1) providing information and fiscal reports for project directors; 2) ensuring timely submission of financial reports and requests for payment to sponsoring agencies; 3) monitoring compliance with applicable federal, state and University regulations and policies. The activity of this department involves several hundred grants and contracts with annual expenditures and cash flow of approximately \$20,000,000. The unit reports directly to the Associate Director of Business Affairs and is staffed by eight classified and one or more student employees.

Purchasing

The Purchasing Office procures, or assists in the procurement of goods and services for faculty, staff and student groups, and provides training programs to campus personnel. This Office primarily serves the faculty and staff of the University, however, it also interacts with student groups, State oversight agencies and the vendor community in the discharge of its responsibilities.

Bursar's Office

The Bursar's Office includes the Cashiering, Student Accounts, Student Collections, and Student Identification Card functions. This office receives records and deposits all University monies; and disburses student financial aid.

The office receives, collects, records, allocates and disburses funds coming to, or owed to the University, including the Perkins Loan (NDSL) Program, short term emergency loans and manages deferred billing programs. This office audits and reconciles all cash receipt transactions ensuring that cash received is recorded and that bank deposits balance with detail receipts. This Office serves the students, faculty and staff of the University.

Student Accounts/Collections

GENERAL ACCOUNTS RECEIVABLE INFORMATION

The Accounts Receivable Office is responsible for the collection of sums owed the University.

Any person, organization or agency that incurs charges, fines, or penalties at Portland State University establishes an Accounts Receivable at PSU which is subject to the terms and conditions below. An account becomes past due if payment is not received within 30 days of the bill date. Payment due dates are stated on each bill. Specific payment deadlines for students are listed in the Schedule of Classes. The option to pay the unpaid balance in full always exists. A copy of the Revolving Charge Account Agreement can be found at: http://www.bao.pdx.edu/rcap_web.pdf.

Definitions

- a. Student: Any person who is currently, or has been in the past, enrolled at PSU.
- b. Debtor: Any person or entity having an unpaid Accounts Receivable balance at PSU.
- c. Due Date: Date set by PSU for payment, as specified on the billing statement or other form of notification such as the Schedule of Classes.
- d. Future Balance: Amounts shown on the account which are due at a future date not in the current billing cycle.
- e. Grace Period: The time period between posting charges to an account and the date on which interest accrual begins.
- f. Outstanding Balance: Total amount of account balances at any given time.
- g. Past Due: Amounts are considered "past due" when not paid by the due date, and are subject to interest and penalties.
- h. Previous Billed Balance: the total of past due amounts, including fees, charges, prior interest and penalties, less payments and credits received to date. The "previous billed balance" does not include any new charges added to the account since the last billing or to charges assigned future due dates.

i. Delinquent Account: Any account on which the required payments have not been received.

Interest Charges PSU charges interest on account balances not paid within the grace period.

- a. Interest is charged at an annual rate of 12 percent, this is a daily rate of .0003288 (i.e., 0.03288%).
- b. PSU Computes the interest charge on an account by applying the daily rate, multiplied by the number of days since the previous billing date, to the "previous billed balance" remaining on the account on the billing date. Interest charges are calculated and applied monthly.

Penalties PSU will impose penalties on delinquent accounts as follows:

- a. Registration will be denied.
- b. The extension of credit, provision of services, transcripts, and diplomas will be withheld.
- c. Telephone services will be disconnected or denied when past due accounts relate to telecommunication charges.
- d. In-house collection fee will be assessed.
- e. Accounts will be referred to the Oregon Department of Revenue and/or outside collection agencies, and/or the Oregon Department of Justice.
- f. Accounts will be referred to the Oregon Department of Revenue for state tax refund offset.
- g. The status of the account may be reported to credit reporting bureaus.

Collection Costs Accounts referred to collection will be assessed all costs and charges incurred in the collection of any amount unpaid when due, including, but not limited to, Oregon Department of Revenue charges, collection agency charges, reasonable attorney's fees, including attorney fees on appeal, and court costs.

Address Updates Until all outstanding account balances are paid in full, the debtor is solely responsible for immediately notifying the Office of the Registrar of any change in address or name.

Repayment Through Financial Aid It is the policy of PSU to use any financial aid, including but not limited to, Stafford, SLS or Perkins Loan proceeds to pay in full all accounts receivable debts and other current term charges before releasing any remaining financial aid to the recipient. Students wishing to decline the automatic crediting of Title IV aid to prior terms' unpaid institutional charges or to current charges other than tuition and mandatory fees must communicate their declination in writing to the Accounts Receivable Department in the Office of Business Affairs no less than 21 days before the first day of classes for the new term.

Billing Rights Summary In case of errors or questions, a student may challenge a charge within 60 days after the first billing statement on which the suspected error or problem appeared, by directing his/her inquiry to the office initiating the charge. If an error occurred, affected charges will be adjusted. (See also Section 1.010 regarding Hearings.)

Notification of Changes PSU may amend these Terms and Conditions as it sees fit. PSU will notify debtor of any changes in interest, charges or fees in advance of the change. The option to pay in full always exists. If unpaid, debtor is bound by the changes.

From OAR 577-72-0020 (formerly 0015) Statutory Authority: ORS Ch. 351.070 and OAR 580-40-0041
Statue Implemented: OAR 580-40-0041

Hearings It is the policy of Portland State University to grant a hearing to individual debtors requesting

information or expressing concern about an amount owed to the University or circumstances related thereto.

Procedure:

a. The debtor must contact the University's Accounts Receivable Office to request information or express concern about amounts owed or related circumstances.

b. If Accounts Receivable is unable to respond to the satisfaction of the debtor:

(1) The debtor may submit a hearing letter or request to schedule a hearing with the Bursar to review the debtor's concerns. The hearing letter or request to schedule a hearing with the Bursar must be presented in writing to: Portland State University Bursar PO Box 202 Portland, OR 97207

(2) The hearing letter or request for a hearing must include:

1. Name and address of the debtor.
2. Social security number of the debtor.
3. Amount and nature of indebtedness.
4. The basis for the hearing.

(3) If a hearing letter is submitted, it will be reviewed by the Bursar, Assistant Bursar, or the Director or Associate Director of Business Affairs.

(4) If an in-person hearing is requested, written notice of the time, date, and place for the hearing will be provided to the debtor as promptly as possible.

- c. The debtor will receive a written response to questions or concerns presented by the hearing letter or at the scheduled hearing within fifteen (15) days of the hearing or hearing letter review.

Authority: ORS 351, OAR577-72-005(4)

Short Term Loans Accounts Receivable may award short term student loans of up to \$400 to eligible students. Repayment of these loans must be made to Cashiers within the 60 days or upon availability of Financial Aid, whichever comes first.

All other loans are awarded by the Office of Financial Aid.

Perkins Loans (NDS Loans)

Perkins (NDS) Loans are awarded by the Office of Financial Aid. Accounts Receivable is responsible for administering repayment of these loans. Repayment is normally scheduled to begin nine months after a student leaves the University. Details of the Perkins loan program can be obtained at PSU's website www.pdx.edu and searching on the word "Perkins." Non-Perkins loans awarded by the Office of Financial aid, such as Stafford and PLUS loans, are administered by the lender.