

## 50.1 Financial Services

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**1. Purpose.** To operate as an educational entity, financial services are needed to ensure the institution serves its mission. Eastern New Mexico University-Roswell (ENMU-Roswell) provides the following financial services.

**2. Accounts.** Agency accounts are those funds held by ENMU-Roswell as custodian or fiscal agent for a third party. Examples of such funds are deposits made by student organizations and clubs. These funds may be used by the organization or club at any time through the requisition or department charge process.

School organizations and clubs are required to deposit into their own agency account at ENMU-Roswell and follow state guidelines for the purchasing process in order that ENMU-Roswell may produce audit records of income and expenses at year-end. No ENMU-Roswell organization may open a checking account.

Wire transfers require two (2) signatures as approved by the Board of Regents. The Board of Regents must approve all ENMU-Roswell checking accounts and signatories.

**3. Check Policy.** Cashiers in the Business Office or Bookstore will accept personal checks for charges and purchases. Checks must be made payable to Eastern New Mexico University - Roswell.

Personal checks can be cashed at the Cashier's Office for up to \$25. Third party checks (with the exception of checks from DVR) will not be cashed.

A return check fee will be assessed on all checks returned to ENMU - Roswell. Check cashing privileges are suspended until all checks are cleared and the return check fee is paid. The fee may be waived if the bank will notify ENMU-Roswell it made an error in returning the check.

After a student or employee has had two checks returned to ENMU-Roswell, the cashiers may not accept any checks from that person. All transactions must be cash or credit card.

**4. Departmental Charges.** Departments pay for purchases within ENMU-Roswell by a transfer of funds. These transfers are accomplished through the use of departmental charges. Departments that provide goods or services include the bookstore, motor pool, copy machine service, production printing, contracted food service vendor (Great Western Dining), Internet, and telephone services.

Supplies purchased at the Bookstore are recorded on a departmental charge in the Bookstore. This charge lists the products purchased and is signed by the purchaser.

Usage charges for the copy machine service, production printing, motor pool, and telephone are prepared in the Business Office on a monthly basis and applied against the appropriate accounts.

Contracted Food Service vendor (Great Western Dining) will invoice each department as needed. It is important that this document reflect the following detailed information:

**5. Investments.** ENMU-Roswell receives appropriation funds on a monthly basis from the State of New Mexico. Those funds that are not immediately required for payroll or general expenditures are invested in short term certificates of deposit (generally 30 day to 90 days) or in overnight repurchase agreements.

Each time funds are invested in a certificate of deposit, the State Treasurer's office is contacted to determine the bond equivalent rate for that day. Each bank is then asked to bid on the investment of \$XXX,XXX.XX and X days. The bank submitting the highest bid above the treasury rate is awarded the contract and issues the required certificate of deposit.

The bank is required to purchase pledges to secure all funds held by that bank in the name of ENMU-Roswell that exceed \$100,000. Total checking, savings, certificate of deposits minus \$100,000 divided by 2 equals the required pledge. The Board of Regents approves signatories for certificates of deposit.

**6. Paycheck Distribution.** Paychecks are distributed to students and employees as follows:

**Student Employees:** Student employees may pick up their checks at the Cashier windows on payday Friday between 7:30 AM and 12:00 Noon. A student ID must be presented to the Cashier.

**Faculty and Staff:** Employee checks will be direct-deposited to the employee's bank of choice or distributed to the employee's ENMU-Roswell mailbox by 10:00 AM.

**7. Petty Cash.** Expenditures through petty cash are those ordinary and necessary costs to carry out the mission of the department or project. They include costs for supplies and materials. Each purchase cannot exceed \$50. Receipts must be returned within a 24-hour period. Reimbursements/reconciliation is made by the Cashier's Office. Any single employee may use Petty Cash once in any 24-hour period. ENMU-Roswell cannot reimburse individuals for sale taxes. When making a purchase inform the vendor that the merchandise should not be taxed. ENMU-Roswell will pay tax for a service rendered.

Requirements for completion of Petty Cash Voucher:

- A. Date
- B. Vendor name from which services or merchandise was received
- C. Purpose of the merchandise (i.e., supplies, postage)
- D. Amount of the purchased item (Note: exclude tax on merchandise, include tax on services)
- E. Department account number to be charged and approved by Department Head
- F. Signature of individual requesting reimbursement and signature from the department head.
- G. Attach original receipt(s) showing item(s) purchased

With the exception of authorized travel, the general policy is that meals consumed on/off campus by ENMU-Roswell employees will not be reimbursed. The President or the Vice President for Business Affairs must approve exceptions (such as guests of ENMU-Roswell) to this policy. The purpose of the expense must be clearly stated on the Petty Cash Voucher. Additionally, there must be a benefit and/or

consideration commensurate to the expenditure for the institution. The individuals involved must be indicated on the receipt. Promotional expenses that exceed \$50 must be submitted on a requisition.

Expenditures not accepted for reimbursement on the Petty Cash Voucher include:

- A. Salaries and wages
- B. Travel claims
- C. Items for personal use (i.e., tissue, coffee, etc.)
- D. Per Diem (meals and/or lodging of employees)
- E. New Mexico sales taxes on merchandise

**8. Purchase Orders.** Accounts Payable will follow all purchasing guidelines. Purchase Orders (POs) will be paid when (1) an invoice is in Accounts Payable and (2) the requesting department has submitted their approval to Accounts Payable by signing the blue copy of the PO certifying the merchandise/service has been received.

Accounts Payable will contact the requesting department upon receiving an invoice for the departments approval of payment of the PO. The requesting department may not take the original PO out of the Business Office.

Invoices will be verified against the PO for differences that may result in a revised invoice, credit memo, or debit adjustment. Completed PO's are stamped with date, amount paid, check number, and filed in the completed PO file.

A traveler's signature on the Travel Voucher certifies approval for payment and is used in lieu of an invoice. Before vouchering invoices, financial totals are verified, taxes are justified, discounts are applied, quantities received and prices are compared to PO lines. An item with a variance of 10% of the PO price requires a supplemental requisition. A change of less than 10% will be accepted by the system. In addition to traditional POs, the following are other means that are approved for conducting business:

A. Issue Check: Requisitions marked "Issue Check" are to be used when a purchase order is not required. The regulations regarding Issue Check Requisitions are covered in *55.1 - Purchasing*.

B. Mini Purchase Order: Mini Purchase Orders are used to expedite purchases of non-recurring items/services or immediate, across-the-counter purchases. The regulations regarding Mini Purchase Orders are covered in *55.1 - Purchasing*.

The IRS requires ENMU-Roswell to report payments to a person for rent, services (including parts and materials), and other remuneration or income payments. A person is defined as an individual, trust, estate, partnership, association or company. Items subject to Form 1099 reporting include non-employee entertainers, honorariums, and consultants (including per diem, motels, food, travel, and associated expenses). A corporation is not required to be reported on an IRS Form 1099. Payments to a person not employed by ENMU-Roswell must be reported on a Form 1099 if the payments total \$600 or more in a calendar year. Payments for salaries and wages by ENMU-Roswell payroll office are reported on a Form W-2.

Four conditions define non-employee compensation and determine if the activity is reportable on a Form 1099.

- A. The payment is made to someone who is not your employee.
- B. The payment is made for services in the course of ENMU-Roswell's trade or business.
- C. The payment is made to someone other than a corporation (an individual or partnership).
- D. The payment is at least \$600 during the calendar year.

**9. Accounts Receivable.** Students cannot register if prior accounts are not cleared. Students under sponsored programs (JTPA, VA, 3<sup>rd</sup> Party Billing, etc.) may register if the program may be used to clear the account.

Title IV students may apply current funds to a prior year balance providing:

- A. The student will have a credit balance after applying current year educational costs to current year funds.
- B. The student authorizes payment to the prior year charges.

Students are required to pay all tuition and fees at the time of registration unless the student falls into one of the following categories:

- A. **Deferred Payment Plan:** Students may defer a portion of their tuition by signing a deferred payment contract. This contract requires a payment of 25% of the tuition (rounded to the next full dollar). The balance of tuition is due by the end of the semester. No bookstore charges are allowed.
- B. **VA Students:** Students who are eligible for VA educational benefits and have completed the necessary paperwork in the Admissions and Records office may defer a portion of their tuition by signing a deferred payment contract. This contract requires a payment of 25% of the tuition (rounded to the next full dollar). The balance of tuition is due by the end of the semester. No bookstore charges are allowed.
- C. **Grant/Scholarship Recipients:** Students receiving grants or scholarships may charge tuition and bookstore charges up to the amount of the grant/scholarship. If the grant/scholarship is withdrawn for any reason, the student becomes responsible for all charges.
- D. **Students with Third Party Sponsors:** A third party sponsor is an outside business or agency which authorizes, in writing, ENMU-Roswell to bill that business or agency for the educational costs of the student. Students with sponsors may charge tuition and other costs up to the amount of the authorization.

**Faculty and Staff:** Faculty, professional, and support staff may charge tuition, bookstore purchases, etc. to their accounts receivable. When the balance reaches an amount equal to or more than 50% of the employee's regular net bi-weekly pay, no further charges will be accepted until the account is reduced to less than 50% of their net by-weekly pay.

Employees must make regular monthly payments or make arrangements for a bi-weekly payroll deduction of at least 10% of the balance due.

Upon termination of employment, the full amount in accounts receivable becomes due and payable. The final accounts receivable will generally be deducted from the employee's final paycheck.