

Campus Finance and Administration Representative Meeting

March 21, 2013



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- **Bringing Foreign Nationals to Wake Forest**

Presenter: Anne Davenport, Director, Tax

- **Human Resources Update**

Presenter: Gary Willis, Director, HR Solutions

- **CFAR Buddy System**

Presenter: Tiffany White, Program Assistant, Sustainability

- **What are Direct Pays? Which Forms Do I Use?**

Presenters: Angie Downing, Sr. Accounts Payable Representative

Allison Belton, Director, Accounts Payable

- **Update on Policies and Procedures**

Presenter: Sharon Anderson, Director, Strategic Initiatives

- **Upcoming Finance Training**

Presenter: Jennifer Rogers, Training & Communications Specialist

Financial & Accounting Services

Bringing Foreign Nationals
(Non-Resident Aliens)
to Wake Forest



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March 21, 2013

- Invitation to come to WFU (best if it describes any payments planned).
 - Legal visa/passport entry into the U.S.
 - Verification of eligibility to receive payment or benefit (lodging, honorarium; B vs. H-1B).
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- Every person from every country is going to be different.
 - As soon as you know someone is coming, call or e-mail the Tax Office.
 - We need to know the country, the Visa status, what the visitors are going to do here and how long they'll stay.
 - Figure out the payment process early and keep your visitors informed.
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- Paying an Honorarium documents that Services were provided to WFU.
 - Services provided allows the tax-free reimbursement of expenses that directly relate to WFU.
 - An honorarium is compensation and cannot be shifted to another person/org, but can be refused.
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- A bona fide volunteer is someone who performs valuable, professional, academic services, but is not paid an honorarium/fee.
 - A volunteer must agree to be a volunteer.
 - Invitation letter
 - Participation website
 - Call for papers and presenters
 - Only service providers can be given tax-free travel, lodging, meals or other benefits.
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- Foreign Nationals (FNs) usually do not have a U.S. "business," making them able to receive tax-free reimbursements if they perform services for WFU.
 - Travel expenses should be paid directly when possible. Reimbursements can be made with receipts or other documentation.
 - Travel expenses are tax-free only if they directly relate to WFU and are receipted.
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- **F-1 students from other schools cannot be paid honoraria unless they are on OPT (Optional Practical Training)**
 - **J-1 visitors from other schools must have a permission letter from their International Program Office to come to Wake Forest (SEVP rules)**
 - **H-1 visitors from other schools cannot be paid honoraria, but can volunteer and have their travel expenses paid.**
 - **Visa waiver, tourist and business visa holders may provide services for up to nine (9) days.**
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- All payments (cash or in-kind) to foreign nationals (NRAs) are subject to 30% federal tax withholding, unless an exception applies.
 - Service payments to foreign nationals (NRs) are subject to 4% North Carolina withholding, unless an exception applies.
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- Eliminates U.S. and NC withholding taxes.
 - Income information shared by U.S. with home country.
 - Eliminates the requirement to file a North Carolina tax return (possibly Federal as well).
 - Can be used anywhere in the U.S. up to 5 times per each 6 months.
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- Non-Resident Aliens from Tax Treaty Countries can claim treaty benefits on IRS Form 8233. The completed form must be signed by the Tax Office.
 - A person must have a U.S. issued Tax ID Number (SSN or ITIN) to claim a Treaty Benefit.
 - W-8BEN can provide treaty benefits only for non-compensation payments (royalties, scholarships).
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Information must be entered into the Foreign National software, Windstar, for analysis.

Documents required:

- Wake Forest Foreign National Information Form (FNIF), completed and signed.
 - Copies of the Visa or ESTA waiver and Passport should accompany the FNIF.
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Income Tax Treaties Relating to Honoraria/Contractor Fees

	Maximum Presence	Maximum \$ Amount	Artist/Athlete \$ Amount
Australia	183 days	No Limit	\$10,000
Austria	No Limit	No Limit	\$20,000
Bangladesh	183 days	No Limit	\$10,000
Barbados (1)	89 days	\$ 5,000	\$ 4,000
Belgium	182 days	No Limit	\$20,000
Bulgaria	No Limit	No Limit	\$15,000
Canada	No Limit	No Limit	\$15,000
China	183 days	No Limit	No Limit
Cyprus	182 days	No Limit	\$5,000
Czech Republic	183 days	No Limit	\$20,000
Denmark	No Limit	No Limit	\$20,000
Egypt	89 days	No Limit	\$400/day
Estonia	183 days	No Limit	\$20,000
Finland	No Limit	No Limit	\$20,000
France	No Limit	No Limit	\$10,000
Germany	No Limit	No Limit	\$20,000
Greece (1)	183 days	\$ 10,000	\$10,000
Hungary	183 days	No Limit	No Limit
Iceland	182 days	No Limit	\$20,000
India	89 days	No Limit	\$ 1,500
Indonesia	119 days	No Limit	\$2,000
Ireland	No Limit	No Limit	\$20,000
Israel	182 days	No Limit	\$400/day
Italy	183 days	No Limit	\$20,000
Jamaica (1)	89 days	\$ 5,000	\$ 5,000
Japan	183 days	No Limit	\$10,000
Kazakhstan	183 days	No Limit	No Limit
Korea, South (2)	182 days	\$ 3,000	\$ 3,000
Latvia	183 days	No Limit	\$20,000

	Maximum Presence	Maximum \$ Amount	Artist/Athlete \$ Amount
Lithuania	183 days	No Limit	\$20,000
Luxembourg	No Limit	No Limit	\$18,000
Mexico	182 days	No Limit	\$3,000
Morocco (2)	182 days	\$ 5,000	\$ 5,000
Netherlands	No Limit	No Limit	\$10,000
New Zealand	183 days	No Limit	\$10,000
Norway	182 days	No Limit	\$10,000
Pakistan (3)	183 days	No Limit	No Limit
Philippines (2)	89 days	No Limit	\$3,000
Poland	182 days	No Limit	No Limit
Portugal	182 days	No Limit	\$10,000
Romania	182 days	No Limit	\$3,000
Russia	183 days	No Limit	No Limit
Slovak Republic	183 days	No Limit	\$20,000
Slovenia	No Limit	No Limit	\$15,000
South Africa	183 days	No Limit	\$7,500
Spain	No Limit	No Limit	\$10,000
Sri Lanka	183 days	No Limit	\$6,000
Sweden	No Limit	No Limit	\$6,000
Switzerland	No Limit	No Limit	\$10,000
Thailand (2)	89 days	\$ 10,000	\$3,000
Trinidad and Tobago(1)	183 days	\$ 3,000	\$3,000
Tunisia (2)	183 days	\$ 7,500	\$7,500
Turkey	183 days	No Limit	\$3,000
Ukraine	No Limit	No Limit	No Limit
United Kingdom	183 days	No Limit	\$20,000
Comwlth of Ind States(4)	183 days	No Limit	No Limit
Venezuela	No Limit	No Limit	\$6,000

- (1) The exemption is not available at all if the dollar limit is exceeded.
- (2) Maximum Presence limit and dollar limit computations operate separately.
Total compensation can be exempt even if the presence limit is exceeded.
- (3) Treaty applies only if the services are performed for a resident of Pakistan.
- (4) Treaty with the Commonwealth of Independent States (former USSR) covers Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, and Uzbekistan.
- (5) Many countries have \$ per day limitations as well as annual limitations.

Note: Even though some treaties have “no limit” for the maximum presence, a lecturer or researcher or other Honorarium recipient (other than J-1) will become a Resident Alien after being in the U.S. more than 183 days.

Resident Aliens may not use a treaty for independent personal services.

Anne Davenport x 3760

davenpae@wfu.edu

Chris Jessie x 3309

jessiejc@wfu.edu

Human Resources Update

Gary Willis, Director, HR Solutions



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CFAR Buddy System

Tiffany White, Program Assistant, Sustainability



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What are Direct Pays? Which Forms Do I Use?

Angie Downing, Sr. AP Representative

Allison Belton, Director, AP



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Direct Pays—What are they?



- **Direct Pays**

- Invoices for items that are listed exclusions in the Procurement Policy
- Honorariums and stipends
- Performance or speaker fees

- **Submitting Direct Pays to Accounts Payable**

- **Invoice:**

- Document business purpose
- Obtain approvals
- Write budget code information on the invoice
- Send interoffice mail to AP at the UCC building

- **Without an Invoice**

- Determine which form to complete
 - Complete the form in its entirety
 - Attach original receipts / supporting documentation
 - Complete the steps as outlined above for invoices
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Which Form Should I Complete?



- **Expenditure Voucher Form:**
 - **Non-travel business related expenses purchased with personal funds, such as:**
 - Supplies
 - Books
 - Subscriptions
 - **Request for payment to an outside entity when there is no invoice available, such as:**
 - Speaker fees
 - Honorariums
 - Athletic Officials

•Items paid with the University Procurement Card should NOT be submitted with this form



- **Travel and Entertainment Form:**
 - **Travel and Entertainment expenses**
 - Local Meals and meals while traveling
 - Conference registration
 - Airfare
 - Transportation
 - Lodging
 - Mileage
 - This form can be used for employees or independent contractors
- Items paid with the University Procurement Card should NOT be submitted with this form***
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How Do I Complete the Form(s)?



- Expenditure Voucher Form

Wake Forest University
Financial and Accounting Services

Expenditure Voucher

ALL CHECKS WILL BE MAILED DIRECTLY TO YOUR HOME/LOCAL ADDRESS

Make Payable To:
(Full Name) John Demon Deacon

Home/Local Address:
121 South Basketball Street
Winston Salem, NC 27109

Check One
☐ Employee WFU ID #
☒ Student WFU ID # 01234567
☐ Other -Need TIN#/SS#
 (if other please provide TIN/SS#)

Campus/Phone # 336-XXX-XXXX

Delivery Method:
 Check One
☒ US Mail
☐ Hold for Pick-up

Are you a US Citizen?
 Check One
☒ Yes ☐ No

Please include the following:

Account Number	*Signature of Payee	*Itemized/Detailed Receipt of Purchase(s)
Dept. Number/Proj/Grant#	*Detailed explanation of charge(s)	*Added Correctly
Authorized Approval Signature	*Original receipt(s)/Proof of Payment	*Specific detailed business purpose

Business Purpose	Fund	Dept	Acct	Activity/ Location	Amount
Pizza for Wingate Residence Hall students					
welcome back from winter break 01/11/2013	111111	129XXX	54018		125.46
Book "How to be a Great Resident Advisor"					
to assist with new advisor role for Residence					
Hall	111111	129XXX	55510		35.25
Total					160.71

"I certify that the above charges are true, just, and were incurred for school related business, and no part of these expenditures have been or will be reimbursed by a third party, external organization, or individual." (By signing below, you agree to this statement.)

Payee Signature:	Date:
Approval Signature:	Date:

PLEASE STAPLE ALL RECEIPTS & PROPER DOCUMENTATION

- Travel and Entertainment Form (page 1):

Wake Forest University Travel & Entertainment Voucher <small>*See back for travel guidelines*</small>															
<small>Detail of entertainment expenses, including but not limited to meals and mileage, must be explained on the back or with supporting documentation.</small>															
Name (Print/Type): <u>Sally Deacon</u>				Home Address: <u>1834 Deacon Drive, Winston Salem, NC 27106</u>											
Date: <u>3/19/2013</u>		<input checked="" type="radio"/> Employee <input type="radio"/> Student <input type="radio"/> Other				SS# or Wake ID: <u>06061834</u>				Campus Phone: <u>x 1834</u>					
Destination city/state: <u>Philadelphia, PA</u>				Purpose of Trip: <input type="radio"/> Conference/Seminar <u>Advancement Technology Conference</u> <small>(Name of Conference/Seminar)</small> <input checked="" type="radio"/> Other <u>cultivation visits with W. Forest ('70) & Joe Donor ('85)</u> <small>(Describe)</small>											
Trip Dates: <u>March 4-7, 2013</u>															

Day	Date	Meals & Entertainment (see back)				Air Fare	Registration Fees	Hotel (excluding food/bev)	Telephone	Taxi, Parking, Tolls	Auto Rental	Mileage (detail on 2nd tab)	Gas	Other- (detail on 2nd tab)	Totals by Date
		Breakfast	Lunch	Dinner	Entertainment										
SUN															
MON	3/4/2013		12.80	75.50		324.50	350.00	101.60		12.00		18.65		24.50	919.55
TUE	3/5/2013		35.60	25.50				101.60		12.00		-	22.30	3.50	200.50
WED	3/6/2013			19.00				101.60		12.00		-			132.60
THUR	3/7/2013		6.95							28.00	268.40	18.65	18.34	3.00	343.34
FRI												-			-
SAT												-			-
Totals		-	55.35	120.00	-	324.50	350.00	304.80	-	64.00	268.40	37.29	40.64	31.00 (1)	1,595.98

FUND	DEPARTMENT	ACCOUNT	ACTIVITY/LOCATION	AMOUNT
IG, ER, RC, A, P, CG, SU	505003	54010		771.48
or 111111	112301	54010	U01834	150.00
111111	112301	51012	U01834	350.00
Total Amount				1271.48

LESS: Advance(s)		
LESS: prepaid by Univ credit card		
LESS: Other (Describe)		
Subtotal (2)		1,595.98
Due University (Line 2-Line 1)		
Due Employee (Line 1-Line 2)		1,595.98

I certify that the above charges are true, just and were incurred for University related business. No part of these expenditures have been or will be reimbursed by a third party, external organization or individual.

By signing below you agree to the above statement

Sally Deacon, Executive Dir. Alumni & Donor Services

Employee Printed Name & Title _____

Employee Signature _____

Approval Signature _____

3/19/2013

Date _____

3/19/2013

Date _____

William Supervisor

Approver Printed Name _____

x3481

Campus Phone _____

3/20/2013

Date _____

- Travel and Entertainment Form (page 2):**

Explanation of Reimbursed Automobile Expense							
Explanation	SUN	MON	TUE	WED	THUR	FRI	SAT
drove from home to GSO airport		33					
drove from GSO airport home					33		
Auto Mileage Total	0	33	0	0	33	0	0

Explanation of All Business Meals, Entertainment, and Other Expenses					
No.	Date	Place	Name of Individual(s) and Relationship (occupation, title)	Business Purpose	Amount
1	3/4/2013	Flowers R US	for Mr. & Mrs. W. Forest ('70)	hostess gift for Mrs. Forest for inviting me to their home	\$24.50
2	3/5/2013	Kinko's		copies of materials regarding scholarship fund given to Joe Donor ('85) during cultivation visit	\$3.50
3	3/4/2013	Lonestar Steak House	Mr. & Mrs W. Forest ('70)	dinner with donors - cultivation	\$75.50
4	3/5/2013	Kathy's Café	Joe Donor ('85)	lunch with potential donor for cultivation	\$35.60
5	3/7/2013	Hilton Hotel		tip to porter at hotel upon checkout	\$ 3.00



How Can You Help Expedite Payments?

- **10 tips to ensure prompt payment:**

1. Business Purpose—a good business purpose answers:

- Who—relationship of the people involved is required
- What
- Where
- When
- How / Why

- Example 1:

- Professor Sally Deacon (who), Chemistry Professor (relationship), traveled to Chicago, IL (where) to attend the Biochemistry Technology Symposium (what) to learn about the newest technology in Biochemistry (why) held March 2 – 5, 2013 (when)

- Example 2:

- Purchased a computer (what) for Professor Sally Deacon (who) to use in the department (where for use) for job related duties. A University laptop was not assigned to her (why). (note: the date & location should be evidenced by the receipt)
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- **10 tips to ensure prompt payment:**

2. **Proof of Payment**—verification that an expense was paid and the method of payment
 - If not evident on the receipt or invoice submitted for reimbursement that the good or service was paid then you should provide one of the following:
 - a credit card statement,
 - a copy of cancelled check
 - a copy of bank statement, or
 - a signed statement showing cash was received by the company or individual
3. **Original Detailed Receipts**—are required for purchases regardless of whether you are submitting a reimbursement or submitting an invoice for payment
 - Exception: Receipts are not required for travel related expenses while in travel status (overnight stay required) if \$50 or less

- **10 tips to ensure prompt payment:**

- 4. Missing Receipts

- If a receipt cannot be obtained then the Missing Receipt Affidavit should be completed or the equivalent information provided on the documentation submitted to AP (including the signature level required on the MRA)
 - Lodging, auto rental, and airfare receipts must be provided and are obtainable from the supplier—please contact the supplier prior to sending documentation to AP

- 5. Approvals

- Make sure proper approval(s) are provided on the documentation sent to AP for all budget codes used
 - One-up approval is required for:
 - Cell phones
 - Travel
 - Meals—one-up approval for highest level person in attendance
 - Conference Registration
 - Memberships to professional organizations
-

- **10 tips to ensure prompt payment:**

- 6. International Travel Form

- This form must be completed and submitted to Center for International Studies prior to incurring any expenses for an international trip
 - Information on the ITF can be found at <http://cis.wfu.edu/international-travel-forms/>

- 7. Missing W-9 / W8BEN for new suppliers

- Before a payment can be processed a supplier must be:
 - vetted to ensure we can do business with the supplier
 - setup correctly with legal name and TIN to avoid any potential penalties for incorrect filing of 1099 forms, and
 - prevent duplication of payments because of duplicate supplier setup

- 8. 60 / 30 day rule— to keep reimbursements tax free for employees and students documentation should be submitted to AP within 60 days from the purchase date or 30 days from return of trip, whichever is later



- **10 tips to ensure prompt payment:**

- 9. Reimbursement for services paid to a 3rd party

- Payments to a service provider should be paid directly by WFU
 - Information needed regardless of the form of payment:
 - Form W-9 / W8BEN,
 - Copy of contract and invoice

- 10. Non-allowable Expenses—requests for items listed in our policies as non-allowable should not be submitted for reimbursement or payment.

- Please refer to the Non-Allowable Expense Schedules in the Travel, Meals and Entertainment Policy and the Business Expense Policy
 - Examples
 - Laundry services for travel less than 7 days
 - Items purchased for birthday and wedding celebrations
 - Animal sitting / boarding services
 - Toiletries
 - Insurance for domestic travel
 - Mini-bar charges, unless in lieu of a meal
 - Upgrades for airfare, hotel or rental car
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Update on Policies & Procedures

Sharon Anderson, Director , Strategic Initiatives



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- Tax Treatment and Reporting of Complimentary University Event Tickets
 - Gifts, Prizes, Donations, and Awards from University Funding Sources
 - Fraud Prevention, Awareness, and Importance of Internal Controls
 - Charitable Contributions Made by the University
 - Petty Cash and Change Funds (Domestic)
 - Unallowable Costs Policy
 - Departmental Deposit Administrative Policy and Procedures
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- Capital Projects Planning and Approval
 - Student Disbursements Policy and Procedure
 - Business Purpose Policy
 - Tax-exempt Debt Post-issuance Compliance Policy
 - Raffle Winnings
 - Agency Fund
-

Finance Training Updates

Jennifer Rogers, Training & Communication Specialist



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University Credit Card Training

Tuesday, March 26 th	9:00 am
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NOVAtime

Tuesday, March 26 th	Non-Exempt Staff & Students	2:00 pm
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Tuesday, March 26 th	Supervisors	3:00 pm
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Deacon Depot

Wednesday, March 27 th	New Release Lunch & Learn	11:30 am
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Wednesday, April 3 rd	New Release Lunch & Learn	12:00 pm
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- **Evolution of a Journal Entry**

- Elements of a journal entry
- Proper preparation
- Supporting documentation
- Reporting deadlines
- Approval process

- **Grants Training**

- Coming in mid-April

- **Cognos Training Enhancements**

- Survey to Cognos users
 - Beneficial topics
 - Delivery methods
-