



# The Business Affairs Advisor

A newsletter by Finance & Administration

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## AP Unveils New Electronic Check Request

While the system is still considered to be in its infancy, the new electronic check request offers many exciting enhancements over the old paper check request. Advantages that include being able to view the exact time the request was approved by each approver and being able to view the payment information, including the check number and check date, for the request, once it has been processed. Other advantages include the inability for an electronic check request to be lost, and if an electronic request has to be returned, it is instantaneous. During its development, several departments served as beta-testers and their input was used to modify the system. Currently, over 1800 check requests have been processed on the electronic system for a dollar value exceeding \$3,100,000.00. While some limitations do still exist, sub-contract payments and out-of-state travel are not ready to be processed on the system, the electronic check request system speeds up the payment process by eliminating mailing time. Please contact Chuck Moore at (706) 542-2786 or [cmoore@uga.edu](mailto:cmoore@uga.edu) with any questions.

## Issues Related to Payments to Foreign Nationals (non US citizens)

All payments to non resident aliens are subject to income tax withholding and are reportable to the Internal Revenue Service (IRS). The University of Georgia must comply with IRS withholding requirements in order to avoid financial penalties.

The IRS implemented new requirements for preparing the W-4 (Employee's Withholding Allowing Certificate) that became effective January 1, 2006. This document provides employers with the information needed to appropriately withhold income tax from payees.

All new Foreign National employees must complete the UGA Tax Information Form for Internationals found at [http://www.busfin.uga.edu/forms/international\\_tax.pdf](http://www.busfin.uga.edu/forms/international_tax.pdf) or can be obtained through the Online Orientation for new employees. This form, along with copies of the passport, I-94 card, Visa and immigration document must be submitted to Susan Caldwell in the Payroll Office (204 Business Services Building).

Susan will provide the appropriate payroll withholding forms to the new employee for review and signature. New Foreign National employees should use the Form

## *Did You Know?*

The mileage reimbursement rate changed effective January 1, 2006. The new reimbursable rate is \$0.445 for trips occurring on or after January 1, 2006. The State Accounting Office has also reminded us that UGA faculty & staff should make every effort to utilize UGA owned vehicles for travel when they are available.

The rate of \$0.445 per mile should be used when it is determined that a personal motor vehicle is the most **advantageous** form of travel. State Travel Regulations require that if a personal vehicle is used when a UGA owned vehicle is available, the reimbursement rate should be reduced to \$0.285 per mile.

UGA faculty and staff are responsible for determining the appropriate reimbursement rate to be used. The travel expense form on the Administrative Forms website has been updated to reflect these changes.

W-4 prepared by Susan and not the Form W-4 from Online Orientation.

Departments should submit a new personnel form for the Foreign National employees when they receive a Social Security number. Pseudo numbers used for processing personnel reports and payroll vouchers assist with establishing a new employee in the system, but payroll payments will be withheld by the Payroll Department until the personnel form has been processed to change from the pseudo number to the Social Security number. Please contact Susan Caldwell at (706) 583-8193 or [susanc@uga.edu](mailto:susanc@uga.edu) with any questions.

## **The New G4**

Employees may notice a change in their paychecks in January 2006 for two reasons: employee raises are generally effective at the beginning of the new year and the new rules take effect regarding state income tax withholding.

The Georgia Department of Revenue recently changed the calculation method that employers must use to determine the amount of state income tax to withhold from payroll payments. This change will not affect everyone, but will result in a small change for those employees who claim married with more than two allowances or single with more than one allowance.

The University previously used the Federal W-4 Form (Employee's Withholding Allowance Certificate) to obtain employee allowance information for both Federal and State withholding purposes. Beginning in January 2006 new employees will be required to submit both the Federal W-4 form and the State G-4 form to comply with the new requirements. Current employees wishing to change their withholding status after that date will be required to submit both the G-4 and the W-4.

Whenever an employee's tax status changes resulting in a need to change their withholding status, the employee may use the worksheet included on the G-4 form to determine their appropriate filing status and may submit the completed form to Payroll to implement the change. The W-4 and the G-4 can be found at <http://www.irs.gov/pub/irs-pdf/fw4.pdf> (W-4) and <http://www.dtae.org/hr/2004-G4.pdf> (G-4). Please contact Julie Camp at (706) 542-3431 or [jcamp@uga.edu](mailto:jcamp@uga.edu) with any questions.

## **Minority Suppliers and Small Business Purchases**

The University of Georgia Procurement Office encourages departments to seek out and utilize minority and small businesses whenever possible. This is particularly important in the area of purchases under \$5,000 and p-card purchases as the Procurement Office does not seek competitive bids for these type purchases.

To assist in the identification of minority suppliers, please utilize the below link to the Athens Area Chamber of Commerce. From this link you can identify local and state wide minority suppliers. If you need assistance in identifying a minority supplier or small business, please contact the Procurement Office at (706) 542-2361. [http://www.athensga.com/chamber\\_page.php?page\\_ID=1135878590](http://www.athensga.com/chamber_page.php?page_ID=1135878590)

## W-2 Distribution

Payroll will distribute W-2s to University departments at 7:30am on Tuesday, January 24, 2006. They will be distributed in the same manner as payroll checks are distributed. A person in your department authorized to sign for payroll checks must come to the Payroll Department to pick up the W-2s.

A distribution sheet will be included with the W-2s for each distribution code. The distribution sheet will have the W-2s listed in alphabetical order.

Departments will be responsible for distributing the W-2s to their active and inactive employees. The Payroll Department will mail W-2s for employees shown as terminated in the payroll system.

W-2s are time sensitive and should be distributed immediately. Any W-2 that cannot be quickly distributed to an employee should be mailed to the employee. The deadline for mailing W-2s is January 31, 2006. Each department must

## Faculty Disclosure Presentations

The Accounting and Contracts and Grants Departments are currently scheduling and delivering campus-wide department presentations for faculty. The purpose of these presentations are to outline and inform faculty of the recent policy and procedure changes resulting from the recent University disclosure statement filing with our Federal Cognizant Agency, Department of Health and Human Services (DHHS). Faculty should be aware of these policy changes due to the impact of direct charging expenses on restricted grant and contract accounts.

If faculty within your department receives funds from external sponsoring agencies, please make arrangements to have us present within your area. Contact Tracy Walters in Contracts and Grants, by email address [twalt01@uga.edu](mailto:twalt01@uga.edu) or by telephone (706) 227-7223, to schedule an appointment to present this important information to your faculty. Presentations, along with questions and answers, run approximately one to one-and-a-half hours. Training courses for departmental business managers and administrators will be announced in February with detailed information on dates and venues.

### ***Controller's Corner: Spotlight On George Bush***

For the past 10 years, George Bush has climbed the stairs of the Business Services building to reach his office in the Procurement department. He has filled his days with the activities that surround the bidding and buying of commodities for the University of Georgia. Obtaining the proper Procurement requirements for placing a purchase order can involve lengthy time on the phone with vendors and campus departments, handling faxes, and reviewing bids, among other activities. However, these busy days are quickly approaching their end, as George will retire January 31, 2006.

We're sure that George will keep himself busy in his retirement. He is an avid spectator of various sports. He lists football, baseball, and basketball among his favorites. He is a proud Bulldog fan, and you may have interacted with him on football game days down at Sanford Stadium. In his spare time, he also enjoys woodworking, as well as being an active member in his church. He likes listening to Quartet Gospel music and the Statler Brothers.

George lists his wife, Helen, and his sons George III (Skeeter) and Charles Allen (Chip) as some of the people that he most admires. For those of us here in the Controller's Division, we admire George Bush. Upon his retirement, he will be sorely missed throughout the campus. Yet, the employees of the Controller's Division would like to wish him all of the best that retirement has to offer. He deserves it!

### **Upcoming Training Opportunities!**

Training and Development has worked with Finance & Administration to coordinate a variety of classes that will be beneficial to campus business professionals. Classes discuss policy and procedural topics and many include question and answer sessions. These classes are great opportunity to obtain hands

use their own account number and mailing slip. Departments should immediately return any W-2s to Payroll if circumstances prevent the department from quickly distributing to the employee. Please contact Payroll at 542-3431 with any questions.

## Hot Info!

For the most recent version of HR News, [click here!](#)

## In The Next Edition...

Information on determining whether to pay a service provider as an employee or an independent contractor

Information on the debut of the new Finance & Administration Frequently Asked Questions website

Information from the Bursar's Office

## In The Future...

*Do you have a suggestion for The Business Affairs Advisor? If so, please email it to Jennifer Collins, [jfinch@uga.edu](mailto:jfinch@uga.edu). It could be used in a future edition!*

on training from specialists here on campus. We look forward to seeing you there!

**Accounting Procedures at UGA**-Feb. 14, 9am-noon

**Accounts Payable: Navigating the New System**-March 21, 8:30-noon

**Admin. Report Retrieval Over the Web (ARROW) Training**- Feb 15, 9-11am

**Budget Amendment Form Processing Using WebDFS: Beginner**-Feb 9, 9am-noon

**Budget Amend. Form Processing Using WebDFS: Intermediate**-Feb 23, 9am-noon

**Budget Development Using WebDFS**-March 9, 9am-noon & March 23, 9am-noon

**E-Payroll & E-Leave System**-Feb. 14 & 22, 9am-noon

**Fiscal Management @ UGA: My Responsibility**-Feb. 13 or 16, 9:30-11:30am

**IMS & QMF for the UGA Budget System**-Feb. 15, 9-11:30am

**IMS for the UGA Purchasing/Campus Entry System**-March 28, 9am-noon

**IMS & QMF for UGA Financial Accounting**-March 7, 9am-11:30am

**Personnel Report & Budget Amendment Preparation**- Feb. 1, 8:30-11:30am

**Purchasing at UGA: Managing the Red Tape**-March 14, 9am-noon

If you are interested in enrolling in one of the classes listed above, please use the secure electronic registration form on the Training & Development website: <http://www.hr.uga.edu/registration.cfm>.

## Faculty on Academic Contracts (9 month) May Choose Twelve Monthly Payroll Checks

The Faculty Benefits Committee determined that there was support for changing the existing payroll procedures to provide faculty on academic contracts (9 month) the option of electing to receive their salary in either 10 or 12 monthly payments. The proposal was made and approved at the University Council's March 24, 2005 meeting. As a result, the 12 month payroll payment option will be offered for fiscal year 2007. There will be an open enrollment period from **February 1 thru February 28**, 2006 to allow regular University of Georgia faculty on academic contracts the option of electing the new 12 month payment plan. If the 12 month option is selected, it will remain in effect for the entire academic year. You will be able to change your election the following year if you decide that you prefer the 10 month option. For your convenience, a web page <https://employee.uga.edu> will be used for the selection process. If you wish to continue receiving payment for your services in 10 monthly paychecks, **no action on your part is necessary**. Please note that temporary and part-time faculty who are not on contracts are not eligible to select the 12 month payment option.

Faculty selecting the 12 monthly payment option will have the same appointment begin and end dates; however, the payment dates will be the last business day of each month beginning with August 31, 2006 and ending with July 31, 2007. Pay dates for faculty electing the 12 month payment option will coincide with the monthly pay dates ([http://www.busfin.uga.edu/payroll/monthly\\_payroll\\_calendar\\_05.pdf](http://www.busfin.uga.edu/payroll/monthly_payroll_calendar_05.pdf)). If the faculty member leaves UGA during the fiscal year, the salary will be prorated based on the daily rate of the semester. Pay raises that go into effect on dates other than July 1, will be prorated accordingly and will not be reflected in the paycheck until the following month. Summer school paychecks will not be affected by the election. Please remember to consider how a 12 month payment

## Contact Information

If you would like more information regarding any of the divisions within the Finance & Administration unit, please select the division below, and you will be redirected to their website!

[Auxiliary & Administrative Services](#)

[Budget Division](#)

[Controller's Division](#)

[Environmental Safety](#)

[Human Resources](#)

[Physical Plant](#)

[University Architects](#)

[Real Estate & Space Management](#)

election might impact your personal income tax situation and contact a tax professional if needed. If you have a question about the election process, please contact the Payroll Department: [payroll@uga.edu](mailto:payroll@uga.edu) or 542-3431.

### PAYMENT SAMPLE

Schedule of payments for a faculty member earning \$60,000.00 per year and receiving a 3% raise effective January 1, 2007. Please note: The following pay dates are sample pay dates, and intended for illustration purposes.

10 Month Option		12 Month Option	
Pay date	Amount	Pay date	Amount
08/31/06	\$6,000.00	08/31/06	\$5,000.00
09/29/06	\$6,000.00	09/29/06	\$5,000.00
10/31/06	\$6,000.00	10/31/06	\$5,000.00
11/30/06	\$6,000.00	11/30/06	\$5,000.00
12/14/06	\$6,000.00	12/21/06	\$5,000.00
01/31/07	\$6,180.00	01/31/07	\$5,000.00
02/28/07	\$6,180.00	02/28/07	\$5,150.00
03/30/07	\$6,180.00	03/30/07	\$5,150.00
04/30/07	\$6,180.00	04/30/07	\$5,150.00
05/08/07	\$6,180.00	05/31/07	\$5,150.00
		06/29/07	\$5,150.00
		07/31/07	\$5,150.00
<b>Total Annual</b>	<b>\$60,900.00</b>		<b>\$60,900.00</b>

**Please note: Under the 12 month option in this example, the first paycheck reflecting the 3% salary increase is the February 2007 check.** The raise affects half of the payments for the fiscal year and begins after five payments under the 10 month option (January) and after six payments under the 12 month option (February). **Also note that the monthly gross pay is less (\$5,000.00 versus \$6,000.00) under the twelve month option.** The total gross pay for the year is the same under both options.

**THE SIGN UP DEADLINE FOR THE TWELVE MONTH OPTION IS FEBRUARY 28, 2006.** The 12 month option can be selected at: <https://employee.uga.edu>

