

The Ledger

A Newsletter of the University Controller's Organization

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Local Sales Tax Change for Food Purchases

In the June 13, 2016, edition of *The Ledger*, we reported that the Virginia Department of Taxation issued Tax Bulletin 16-3 effective 4/22/16, which changed sales tax requirements regarding meals & catering purchased by governmental entities. Since that article was published, there have been questions regarding whether Virginia Tech should pay Virginia local (county and city) food sales tax on these purchases.

Our university legal counsel has provided guidance which states that Virginia Tech is exempt from Virginia local food sales tax. University departments should not pay local food sales tax in situations where they are exempt from state sales tax in accordance with the Virginia Department of Taxation's Tax Bulletin 16-3.

The external vendor should exempt the food sales tax (both state and local sales tax) by the university department submitting the university's Government Exemption Certificate, Form ST-12 which can be found on the Procurement Department website at the following link:

http://www.procurement.vt.edu/Department/Forms/st12_09011_new.pdf.

Please contact Wendell Vest, Associate Controller (vest@vt.edu) or Brandon Webb, Accounts Payable Manager (bwebb13@vt.edu) with any questions regarding this change. These changes are effective immediately.

Holiday Closing for Controller and Bursar Offices

The Controller and Bursar Offices will be closed on December 23, 2016, and will reopen at 8:00 a.m. on January 3, 2017. The Controller's Office month end close for December 2016, will occur on the afternoon of December 22, 2016. The December 2016 fiscal period will remain open until midnight on December 31st, which will allow department employees to continue processing HokieMart orders and budget transfers through the end of December.

Deposits and payments will need to be received at the Bursar's Office located at 150 Student Services Building before 2:00 p.m. on December 21, 2016, to ensure the payment is applied in the current calendar year. Students, authorized payers, faculty, and staff, may continue to make payments on-line during the winter break.

For employees not on direct deposit, the Bursar staff will be available to distribute paychecks for **one hour on December 30th beginning at 9:00 a.m.** Direct deposit

enrollment is available online through HokieSpa or the completion of a paper form found on the Bursar's web site <http://www.bursar.vt.edu/forms/> (look for Direct Deposit Form).

MicroStrategy Finance – Monthly Reports

The Controller's Office will offer auditorium style training in January 2017 for MicroStrategy reports that replace the Finance Web Reports. The majority of the finance web reports have been converted to the MicroStrategy environment. All Banner Finance users will automatically receive access to the new reporting system. Below is a list of the reports currently available in MicroStrategy.

- | | |
|-------------------------------|---------------------------------------|
| Fund by Account | Posted Transactions by Document ID |
| Snapshot by Organization | Account by Fund |
| Transaction Detail | Snapshot by Fund |
| Encumbrance Summary | Department Overhead Earnings |
| Encumbrance Aging | OSP Fund Listing by Fund End Date |
| HokieMart Encumbrances Detail | Activity Code Listing by Organization |
| Local Cash Balance | Fund Code Listing |
| General Ledger Reports | |

Below is screenshot of the new MicroStrategy Finance Reporting Menu:



Finance users will be notified once dates and locations are established for the January training. No date has been established for expiring the existing finance web reports.

Please direct any questions to Stacy King, Director of General Accounting (kings@vt.edu or 231-8624).

Payroll Reminder

All employees should review their tax withholding status and mailing address in preparation for the new year. Changes can be made online via the Hokie SPA.

New Journal Voucher Form

A new version of the Banner Finance Journal Entry (Transfer) Form is available on the Controller's Office website at http://www.co.vt.edu/Forms/journal_entry.xlsx. The new form does not use MACROS which were problematic in the old version of the form, and the certification language on the new form has been updated. Please use the new form when processing journal entries. The journal entry form is used by departments to record routine journal entries, make corrections, and transfer actual expenditures (not budget items). Below are some reminders for creating and processing journal entries.

Journal Entry Do's:

- Supporting documentation such as month-end reports or Banner screen prints must be attached to the journal entry form, and the explanation section of the form must be completed. In some cases where there is no Banner documentation, an email with a verbal agreement between both departments will do.
- There must be at least two signatures on every journal entry, one by the preparer and one by an authorized approver for the department receiving the charge. Do not use a signature stamp.
- If a journal entry involves a sponsored project, it must have an OSP administrator's signature in addition to the preparer and the approver.
- The form should be printed and mailed to the Controller's Office. (MC 0312)

Journal Entry Don'ts:

- All salary, wage, and summer school payroll transfers must be handled through the labor redistribution system and are not processed as journal entries.
- Leave payouts (11971) should also be handled through the labor redistribution system and are not processed as journal entries.
- Tuition remission (funding) transfers should be made within that system instead of by journal entries. If the tuition remission system has been closed for a particular semester, and the charge needs to be taken off of a sponsored fund, it can be done with a journal entry if it is being transferred to another OSP fund or an overhead fund (it cannot be transferred to an E&G fund, 999xxx, or 997xxx).

- Fellowship expenditures (account 14210) cannot be transferred to E&G or overhead funds.
- Federal Work Study wages (account 11460) cannot be moved with a journal entry. They must be moved through the payroll system with a P-10.

If you have additional questions related to journal entry processing, contact Debbie Carden in the Controller's Office at 231-8571 for cardenda@vt.edu.