



Accounts Payable Asks You To... Use Current Forms

It's October 2005...do you know where your current forms are? When you submit out-of-date Payment Voucher (PV), Scope of Work (SOW), or Official Function (OF) forms, your payment is delayed. Accounts Payable needs the most current version of each form in order to process your request.

How do you know what's current? If you turn to the Procurement Service Center web site every time you need one of the PSC forms, you will ensure that you benefit from the most current version of the form. The form date is identified in the upper left corner of the form. For example, the three forms mentioned here should all indicate **Revised 09/2005**.

Include Documentation

Remember to send supporting documentation with your PV. With very few exceptions (e.g., for study subject payments), PVs must be accompanied by specific backup information. To pay an invoice, we need the original invoice and that invoice must identify the vendor as well as the billed transaction. To process a reimbursement request, we need the original itemized receipt and proof of payment.

Please clearly describe the payment. Your PV should say it all. For example, you are not just issuing a "Refund," you are issuing a "Refund for cancelled ABC Workshop."

Say NO to Phone Taxes

As you know, the University of Colorado (CU) is tax exempt. If you pay bills for **phone service** provided directly to CU, be sure that federal, state, and local taxes have not been added to the invoice. (A surcharge is allowed.) If the billed amount includes taxes, contact the vendor. You can reference our tax-exempt certificates: www.cusys.edu/psc/purchasing/vendor/exemption.html.

Reminder:

Stop by an Office Products Show

Don't forget: the Office Products Shows begin this week:

Boulder: Tues., 10/25/05, 11:00 a.m.–2:00 p.m., UMC 235

9th & Colorado: Wed., 10/26/05, 11:00 a.m.–1:30 p.m.,
Humphreys Lounge

Fitzsimons: Thursday, 10/27/05, 11:00 a.m.–1:30 p.m., Bldg.
500-Bruns Conf. Room

Colorado Springs: Tues., 11/1/05, 11:00 a.m.–1:30 p.m.,
University Center 116

Denver: Wed., 11/2/05, 11:00 a.m.–1:30 p.m., St. Cajetan's

Questions? Contact Ed Dinkins at 303.315.2791.

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Is it 1099...or Isn't It?

Correct Account Chartfield Use

The database believes you. When you use 1099-applicable Account chartfield values in your Payment Vouchers, Travel Vouchers, and so on, the Finance System flags those lines for reporting to the Internal Revenue Service (IRS). This enhancement – new with the upgraded finance software – works well when you work well. What happens otherwise?

Consider, for example, a reimbursement to an employee who needs to make business-related telephone calls while in travel status. If you separate this expense and designate it with the standard Telecomm Services Account chartfield value (482602), you flag this reimbursement as tax reportable. For the transaction to be reported, the vendor (payee) needs to be marked as a 1099 vendor. Since an employee should not be made a 1099 vendor for this reason, the payment remains on hold. *The payment cannot be made.*

On the other hand, if you simply include the telephone costs as part of the employee's general trip costs (e.g., out-of-state travel, 700200), then you treat this expense as part of the cost of doing business from somewhere other than the normal work site. If you prefer to separate the cost of these phone calls from the rest of the trip costs, you could instead use the Toll Charges Account value (482607), which is not 1099 applicable. In either case, the transaction is not marked as reportable and the vendor information is correct as is. *The payment can be made.*

As you classify your transactions with Account chartfield values, consider:

- **When should you use a 1099-applicable Account?** When you buy a service directly from the service provider. (Not when you reimburse an individual/employee who personally incurred an expense that the University ultimately wishes to cover. Note: as a general rule, we do not reimburse individuals or employees who personally paid for services.)
- **How do you know it is a 1099-applicable Account?** Look in the Finance System, under *General Ledger, ChartFields, Account*. Select the 3rd page (*GL Account CU*). The 1099 Applicable box will be checked, if appropriate.
- **Where do you go for help to determine the best Account chartfield value to use for a transaction?** Questions on how to record expenditures and other financial transactions should be directed to your campus controller or finance office staff.

Frequently Used 1099 Accounts

Would you like a quick review of commonly used 1099-applicable Account chartfield values? Go to the PSC web site, www.cu.edu/psc, and click on Payable Services, Accounts Payable.

In the upper right corner of the Accounts Payable page, you'll find a link to **Frequently Used 1099 Accounts**.

