

Highlights of the Auxiliary Organization Association's Annual Conference

The Auxiliary Organization Association (AOA) held its annual conference this week and there were several presentations relating to financial services.

Sedong John, Director of System Financial Standards & Reporting presented the new policy regarding the selection of audit firms from the Integrated CSU Administrative Manual (ICSUAM). This policy facilitates auxiliary organizations in the selection process by developing standards to ensure auxiliary organizations are contracting with audit firms that possess industry specific proficiencies and experience to best evaluate management's assertions in the financial statements. The expectation with this new policy is to bring all components of the CSU financial statements to equal standards and improve consistency across the system.

Greg Dove, Audit Manager Information Technology insights into the auditing procedures he will perform surrounding PCI (Purchasing Card Industry) Compliance. Greg focused his presentation on "what evidence" can we provide that demonstrates we are in compliance with PCI.

Lori Redfearn, Assistant Vice Chancellor for System Wide Advancement, was part of a panel discussion and presented the results of the NACUBO Common Fund Endowment Study. This presentation reviewed various aspects of the Study including a comparison of the asset allocation of the CSU endowments to all participating Colleges and Universities. I am proud to say that Cal Poly Pomona's endowments increased the most over the prior year as a percentage due in part to the return on investment of approximately 24% but more importantly due to the Kellogg Legacy Endowment pledge payment of \$8.0 million.

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Chancellor Reed and Karen Finley



David Prenovost awarded the John W. Francis Service Award

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WHAT YOU SPEND ON CAMPUS ... STAYS ON CAMPUS.

Surplus funds generated by all Cal Poly Pomona Foundation operations go back to the University to provide financial and facility resources to benefit students, faculty and staff.

For more information visit our website at www.Foundation.CSUPomona.edu

Grant and Contract Quick Reference Guide

Detailed below is a quick reference guide for the administration of grant and contract accounts:

1. A **Disbursement Voucher Form** must be completed to pay for supply, equipment, and outside service companies (not individuals). Original documentation including original invoices must be submitted with the form. Please indicate your Foundation project number and related budget code on all items submitted to Foundation. All referenced forms indicated in this memo are located on our website at: <http://www.foundation.csupomona.edu/financial/forms.aspx>

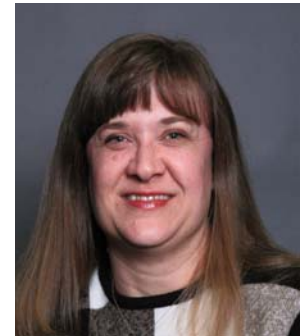
2. Foundation requires a **Request for Purchase Order Form** for all supply/equipment orders where the total amount paid to one vendor will exceed \$10,000. This form must be submitted prior to placing the order with the vendor. You must attach a written quote to the form before it is submitted to Foundation for processing. If your supply order for your grant does not exceed this dollar amount, you are not required to process this form.

3. For supply/equipment orders where the total amount paid to one vendor will exceed \$25,000, three written bids or a **Sole Source Memo** must also be attached to the Request for Purchase Order Form prior to placing the order with the vendor. An example of the required contents of the Sole Source Memo can be found on our website. Keep in mind, you cannot split orders to one vendor to avoid this policy.

4. If you are interested in obtaining a Foundation issued credit card, please complete the **Purchasing Card Application Form** found in our website and submit to Pauline Anongdeth in Foundation Financial Services. If you have questions, please call her at x2907.

5. If you have a Foundation issued credit card, a Foundation account number and related object/budget code for all items charged to your credit card during the billing period must be entered into the web-based credit card system and the monthly transaction log and related original invoices/receipts for all items must be submitted to Foundation Grants and Contracts no later than the 25th of every month. Foundation will revoke the credit card if the log is turned in late.

6. If your Foundation Credit Card gets lost or stolen, please report it immediately by calling 1-800-932-0036. Outside of the United States, call collect 1-415-243-1935. We recommend having these phone numbers nearby and possibly add them to your cell phones for immediate access. You must call the credit card company immediately. Fraudulent charges made to your credit card between the time it is lost/stolen and the time you report the credit card stolen with the credit card company will need to be paid from Foundation nongrant accounts.



Debbie Linthicum



Financial Facts



7. Sales tax is required to be paid on all tangible items consumed within the State of California. When purchasing tangible products outside California, sales tax is required to be paid on the taxable amount of the purchased item. The current sales tax rate is 8.75 percent. If the vendor does not include sales tax on their invoice, we must increase the amount charged to your account by 8.75 percent to account for this use tax.

8. For services that are being performed for your project, if the amount paid from your grant to an individual consultant exceeds \$5,000 during any one year, an **Agreement for the Performance of Consultant Activity for Services In Excess of \$5,000** must be completed and submitted to Foundation Employment Services for their approval prior to hiring the individual.

9. If services by an outside individual consultant are being performed for your project and the payment will not exceed \$5,000 during any one year, a **Payment of Individual Services Less Than or Equal To \$5,000** can be completed. Please note, this form does not require the completion of a Disbursement Voucher Form when submitted to Foundation

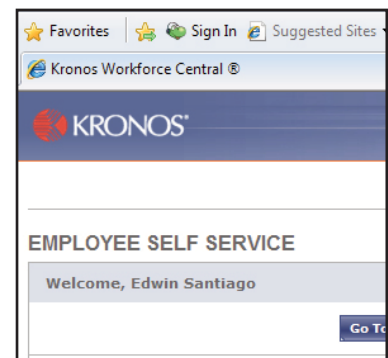
10. As soon as you have knowledge that you will be paying a stipend or outside service payment to a foreign individual, please consult Edward Shore, Tax Specialist at ewshore@csupomona.edu before submitting this expenditure paperwork to Foundation. According to the Internal Revenue Service (IRS) tax regulations, income tax is imposed on certain payments made to individuals who are not considered United States citizens or residents. Edward needs to review these payments prior to processing by Foundation.

11. All individuals affiliated with Cal Poly Pomona (faculty, staff, and student) must be compensated as a Foundation employee through **Foundation Employment Services**. These individual cannot be paid as outside consultants.

12. If your grant project will be hiring Foundation employees, you must contact Foundation Employment Services at x2953 prior to having the individuals work for your project. Under no circumstances should individuals, who will be paid from your grant as Foundation employees, be working on your project and not be established as a Foundation employee.

13. All Foundation employee hours (faculty/staff/student) must be logged into the Kronos Time Keeping System in a timely manner during the periods in which the hours were worked. It is not acceptable to submit hours late for time worked on the project and paper timesheets will not be accepted.

14. Scholarships paid to Cal Poly Pomona students must be processed through the University via Financial Aid. No scholarship payments will be made directly to the student.





Financial Facts

15. A **Travel Authorization Form** must be submitted to request reimbursement for all travel expenditures. Original documentation must be submitted with the form for all items claimed with the exception of meal costs if per diem is being claimed. If you are attending a conference, the conference agenda documentation must be attached to the Travel Authorization Form. The current mileage rate is 50 cents a mile.

16. A completed Travel Authorization Form must be submitted for each individual traveling on behalf of your project. Do not combine the reimbursement for multiple individuals onto one form. Each traveler must account for their own travel related expenditures and be reimbursed accordingly.

17. If travel expenditures are paid via a Foundation issued credit card, the Travel Authorization Form is required to be submitted within seven (7) days after return itemizing all travel related costs.

18. If your grant has been awarded by a federal agency, you must fly a U.S. Flag Carrier if traveling internationally or it cannot be paid from your grant account. If you are not sure if your grant is a federal grant, please give Debbie a call at x2961.

19. Meal reimbursements require the name of every person attending the meal and exactly what business was discussed documented on the receipt. The business discussion documentation must be detailed enough to determine the purpose of the business meal. It is not acceptable to give a one line description for the purchase of the meal.

20. As you approach the ending date of your grant project, all supply/equipment items must be ordered and received prior to the last day of your project. If the supply/equipment items have not been received prior to the last day, they cannot be paid from your grant project. This includes services performed by outside consultants. If the services have not been completed by the last day, services performed subsequent to the ending date of the project cannot be paid from your grant project.



21. All expenditures incurred prior to the grant deadline must be liquidated 45 days after the ending date of your grant project. As a result, we will need all expenditure documentation submitted to Foundation Grants and Contracts no later than 35 days after the ending date in order to process all items in time reconcile the account and prepare the final expenditure reimbursement to the agency.

22. All Foundation employees working on your account must be terminated by the last day of the project. **Employee Transaction Forms (ETF)** must be submitted to Foundation Employment Services no later than 10 days prior the end of the project terminating all employees so that final checks can be issued on



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Mike Calderon, Interim Senior Director from the University Auditor of the Chancellor's Office gave an update on the compliance audit and I am proud to say that over the last four audits Cal Poly Pomona had the least audit compliance findings of a medium size campus. We are now beginning the fifth round of compliance audits and the University Auditor's Office is committed to improving the auxiliary audit process with changes in the scoping methodology and their continued efforts to refine the audit program. Information Technology will continue to be an increased area of the audit. In an effort to reduce the number of compliance audit findings, there will be a compliance audit checklist developed and distributed this summer.

If you are interested in reviewing any of the presentations that were provided, following is the link to the AOA Annual Conference at <http://www.csuaoa.org/conference/program.asp>. If you have any questions please contact David Prenovost at ext. 2948 or by email at dfprenovost@csupomona.edu.



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Grant and Contract Quick Reference Guide

the last day of the grant.

23. With regards to computer purchased with grant and contract funds, please review the campus policy relating to the appropriate use of information technology which can be found on the University's website at: http://www.csupomona.edu/~policies/information_technology/Appropriate_Use.html

All policies, procedures, and forms relating to Grant and Contract Accounts can be found on Foundation's website at: <http://www.foundation.csupomona.edu/financial/>. The full copy of the project administration guide can be found under Financial Services Form Number **FS04102D**.