

# The Ledger

*A Newsletter of the University Controller's Organization*

Website: <http://www.controller.vt.edu>

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Vol. E, No. 176

March 1, 2021

## Processing Utility Invoices

In a continuing effort to streamline invoice processing, effective March 1, 2021, departments will no longer send **utility invoices** to [vtinvoices@vt.edu](mailto:vtinvoices@vt.edu) or send paper invoices to the Controller's Office. Instead, departments will apply the same process used for UPS, FedEx, DHL, Nike USA, and GOBI Library Solutions from EBSCO (formerly Yankee Book Peddler Inc.) described below.

### What is a utility expense?

A utility expense is for electricity, gas, water/sewage, garbage, or phone services. Internet service is defined as a subscription and is **not** included under this new process. Internet service is processed using direct pay category E5.

### New process for utility invoices beginning March 1<sup>st</sup>

- HokieMart enterers must select the A1 direct pay category when creating the requisition and upload the invoice as an external attachment. These actions are necessary as Accounts Payable queries for newly created purchase orders with an A1 direct pay category. Payment of the invoice could be delayed if the wrong direct pay category is selected resulting in noncompliance with prompt pay requirements. Nonpayment can be detected by reviewing the MicroStrategy Encumbrance Aging Report.
- The requisition should be created with the total invoice amount as a single line item with a quantity of one. To pay more than one invoice on a purchase requisition, each invoice must be a separate line item. For example, if the department wishes to process invoices A123, B456, and C789, the purchase requisition should have three lines, with each invoice being a separate line. All three invoices must be attached as external attachments.

The Controller's Office continues to evaluate other vendors for this payment process. Please contact Brandon Webb, Accounts Payable Manager, via email [bwebb13@vt.edu](mailto:bwebb13@vt.edu) or phone 540-231-8554 with questions regarding invoice processing.

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## Facilities Charges - How should they be paid?

All Virginia Tech Facility charges must be paid from university Banner fund(s) to ensure proper accounting of projects. Departments may not process facility charges directly to Virginia Tech Foundation funds.

If necessary, the department can supplement the cost by submitting a request to the Virginia Tech Foundation transferring funds to the university and post a recovery to the appropriate university fund.

## Travel Advance in Chrome River

Chrome River users can now create and submit request for travel advances by submitting a preapproval request. Currently, travel advances will be paid via direct deposit, international wire or declining balance debit card. Instructions are available on the Chrome River website under Training.

<https://www.controller.vt.edu/resources/travel/chrome-river.html>

Additional travel advance options will be available soon (e.g.; foreign currency, the ability to split the payment between foreign currency and declining balance debit card, etc.).

Please contact Heidi Bucher, Accounts Payable Supervisor ([hleeson@vt.edu](mailto:hleeson@vt.edu) or 540-231-8551) or the travel helpline ([travelvt@vt.edu](mailto:travelvt@vt.edu)) with questions regarding travel advance functionality.

## Use of Personal Vehicle for Business Travel

Virginia Tech reimburses for mileage **or** gasoline for the use of your personal vehicle during business travel but not both. Programming logic has been added to the Chrome River system to prevent reimbursement of mileage **and** gasoline. If both of these expenses are included on the expense report, Chrome River will require correction before submission.

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## Mileage Rate for the Use of Personal Vehicle

Effective January 1, 2021, the IRS decreased the mileage rates for the use of a personal vehicle for business travel from 57.5 cents to 56 cents per mile. If you created a preapproval travel authorization requesting mileage before January 1, 2021, for travel commencing on or after January 1, 2021, you need to edit the amount when importing the pre-approval into the expense report. To edit the date of the transaction, click the calendar icon and select the date the mileage took place and the system will automatically change the reimbursable amount per mile from \$.575 to \$.56. You must click the save button to preserve these edits.

## Business Meals and Refreshment's Procedure Update

The Controller's Office has updated Procedure 20310a: Business Meals and Refreshments to reflect guidance on meals and/or refreshments for virtual events as follows:

*Employees and students are not restricted by location during virtual meetings and are free to make food arrangements before or after the event. Thus, meals/refreshments should not be delivered/provided to these attendees nor should they be provided gift cards or promotional codes to allow attendees to order meals/refreshments. Virtual meal/refreshments may be appropriate if participant fees generate private funds to cover the cost of the expense (e.g. Continuing Education Conference participant fees) or VTF funds may be used.*

The updated Meals and Refreshment's Procedure can be found on the Controller's Office website, by clicking [here](#).

Please contact Brandon Webb, Accounts Payable Manager, via email [bwebb13@vt.edu](mailto:bwebb13@vt.edu) or phone 540-231-8554 with questions regarding business meals and refreshments.

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## New Travel Agency Contracts

The Controller's Office, in conjunction with Procurement, has implemented new university travel agency contracts. The Travel Agency Authorization form in HokieMart has been refreshed to accommodate the changes below.

New travel vendor contracts

- AAA Corporate Travel (formerly Martin Travel)
- Covington Travel
- Omega World Travel

Effective February 1, 2021, Virginia Tech no longer contracts with

- Christopherson Business Travel
- CI Azumano Travel
- Fellowship International
- Short's Travel, and Ulti-Max Travel

Please contact Heidi Bucher, Accounts Payable Supervisor, via email [hleeson@vt.edu](mailto:hleeson@vt.edu) or phone 540 231-8551 with questions regarding travel agency contracts.

## Revisions to Policy 3255: Cost Transfers on Sponsored Projects

As a recipient of federal funding, Virginia Tech is committed to the fiscal stewardship of university funds and routinely reviews fiscal policies to ensure business practices comply with federal, state, university and sponsor guidelines. Principal Investigators and department research administrators are encouraged to review the [full policy](#) posted in the university's policy library ([policies.vt.edu](http://policies.vt.edu)). Below is a summary of the revisions:

- Strengthens the language indicating that all costs charged to a sponsored project must comply with university [Policy 3240, Costing Principles for Sponsored Projects](#).
- Authorizes departments to transfer salaries and wages within 90 days of the original posting date. The Office of Sponsored Programs (OSP) will review labor requests submitted 60 days or more after the original charge.

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OSP will review requests greater than 90 days past the original posting date with scrutiny and require further justification and additional approvals.

- Authorizes departments to transfer operating expenses within 90 days of the original posting date. An analysis of operating expense transfers on sponsored projects indicates the risk associated with transfers less than \$2,000 is minimal. Therefore, instead of reviewing every journal entry to transfer operating expenses on or off a sponsored project, OSP will only review journal entries involving transfers equal to or greater than \$2,000. OSP will conduct risk-based post-audit reviews on cost transfers below \$2,000. As necessary, OSP will consult with departments about transfers violating Policy 3255: Cost Transfers on Sponsored Projects and work with the department to transfer unallowable or unallocable costs to a non-sponsored fund.
- Identifies transactions that are not considered a cost transfer (i.e. routine allocation of service center charges from default fund to the sponsored project and reassignment of expenses from main fund and sub-funds because the expense remains on the same award).