POLICY

Policy on Fabricated Equipment

Fabricated equipment is a unique item needed to conduct research that is not available “off the shelf.” The Fabricated Equipment Policy describes how fabricated equipment purchased with sponsored research funds needs to be proposed and recorded to meet the sponsor and University requirements.

The policy provides a complete definition of fabricated equipment, details procedural requirements from the initial request to closeout, lists the various roles and responsibilities, and includes request forms. Beyond the requirements for sponsored research, the Fabricated Equipment Policy promotes the good stewardship of University property.

If you have any questions about the policy, please contact your Office of Research and Project Administration (ORPA) representative.

POINTS OF INFORMATION

New Chart of Accounts will Enhance Financial Stewardship

The first phase of a multiyear effort to transform our financial practices, reporting, and systems is now complete. By unpacking the existing project grant code into distinct chartfields - such as Account, Fund, and Department ID - the new chart string will improve reporting capability and minimize customizations in our PeopleSoft financial environment. Thank you to the chart of accounts project team and the many academic and administrative departments who participated in the design effort! To find out more about the new chart of accounts, please visit the project website.

In the coming months you will hear more about the next phases of this effort. Beginning this fall, we will meet with every department to discuss your future financial structure, your financial information needs, as well as how the chart of accounts will impact departmental systems. Thank you in advance for your time and collaboration.

If you have any questions or feedback in the interim, please contact Mark Dingfield at mdingfie@princeton.edu or 258-3873.

GLOSSARY

Account chartfield:
A field in the new chart string that classifies the accounting nature of financial transactions (assets, liabilities, revenues, and expenses). Examples include: Travel, Materials and Supplies, and Tuition.

FEATURE

Policy Update Log provides a complete list of policy changes.
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PEOPLE
Steve Semenuk

Position: As Associate Budget Director, Semenuk works with colleagues in Finance and Treasury and the Office of the Provost to develop and monitor the University’s $1.5 billion operating budget. His particular area of expertise at the University is the management of endowed funds including the distribution of quarterly endowment payout. Semenuk came to Princeton University from the University of Pennsylvania almost eight years ago. Prior to his career in higher education, Semenuk worked in the U.S. Office of Management and Budget and the state of Delaware Finance Division.

A complex, modern University: Steve is an active participant in many campus committees and projects. The past year was particularly busy as Steve participated in the project to revise the endowment distribution timing and the chart of accounts design team. The chart of accounts effort drew on Steve’s experience with funds management at the University as well as his prior experience. “I enjoy working with departmental and central staff,” Semenuk says, “to facilitate decision-making and understanding of the University’s activities.” Semenuk is enthusiastic about his role in broadening the knowledge base and increasing transparency of what he calls “the complex operations of this modern research-oriented University.” Semenuk adds, “The University has a great team of people applying technology in a more interactive way to meet the increasing stewardship, compliance, and analytical needs.”

When Not At Work: Semenuk enjoys reading history, listening to music, spending time outdoors, and working with wood and metal. Notably, Semenuk built a small single-engine airplane by himself, which he routinely flies to Maine to visit family.

NOTE

BEST PRACTICES FOR PROJECT GRANT CLEANUP

We have prepared a list of best practices to help departments review and clean up their project grants in preparation for a smooth year-end closing. Click here for best practices.

PwC Engaged as the University’s External Auditor

Princeton University’s new external auditing firm PwC (PricewaterhouseCoopers) has begun work on the financial audit of fiscal year 2012. The recommendation to hire PwC was accepted at the January meeting of the Princeton University Board of Trustees following an extensive request for proposal and interview process. PwC will be responsible for conducting the main audit of the University’s consolidated financial statements and six ancillary audits including those having to do with athletics and sponsored research. If you have any questions about PwC or the financial audit process, please contact Jen Treichler at jtreichl@princeton.edu or 258-0288.

New Budget Planning Tool Available: Financial Projection Template

The Office of the Provost and the Office of Finance and Treasury, working with a number of academic and administrative departments, have developed a new planning tool that will help department managers monitor financial activity and prepare estimates of spending authority, expenses, and balances in their departments. This Financial Projection Template, an Excel-based tool, will be delivered to departmental financial managers who attend an introductory training session. The next session is set for Sept. 5, 2012.

In addition, the Offices of the Provost, Finance and Treasury,

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NOTE

The Financial Projection Template will help managers monitor and project financial activity.

POINTS OF INFORMATION
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and Information Technology have developed a training session covering the template, including the Excel techniques required for its effective use. This class is available to departmental financial managers who attend the introductory training session. Employees can register for any of these sessions by using the Employee Learning Center.

MarketPlace Purchases Can Be Split

To comply with sponsored research requirements, costs must be distributed – or “split” – among benefiting functions using a reasonable allocation basis like personnel count, head count, or square footage. All MarketPlace orders can be split to multiple project grants. Once you load your shopping cart in the MarketPlace, continue to the checkout page and click the edit button. You will be able to add the project grants, account codes, and percentages to split the order. You need to make sure that the total order equals 100 percent before you submit it for approval. If you have any questions or require additional information, please contact the Financial Service Center at 258-3080 or finance@princeton.edu.

New University Corporate Plans for Mobile Telephony

The University is beginning new agreements with Verizon and AT&T Wireless that will save departments money on their mobile bills. The new plans will include unlimited domestic calling and text messaging. Smart phones will be assigned data plans appropriate to their current usage. On average, mobile bills will be reduced by more than 20 percent. The new plans will go into effect in the new fiscal year.

Administration of mobile device contracts and billing will also be significantly simplified with access to a consolidated online view of charges, and no more need to process paper invoices. Detailed information about the administrative changes will be sent to telephone coordinators and mobile plan administrators.

Please note that individuals who have mobile devices covered by the University’s corporate plan must have a valid business need as outlined in the University’s Mobile Communication Devices Policy.

If you have any questions about these changes, please call the OIT Mobile Technology Center at 258-CELL (2355).

Earn Rebates and Discounts by Using Contracted Suppliers

The Purchasing Department has negotiated a number of earned incentives and rebates with certain contracted suppliers and purchasing programs. Rebates generally range from 1-4 percent and are offered by the following contracted suppliers: Apple, Dell, Cooney Brothers, Sigma Aldrich, Newark-In-One, CDWG, Grainger, and Edward Don. In addition, most purchases made with a departmental credit card are eligible for a rebate.

Starting this month, departments will begin to see those rebates reflected as credits in their project grant statements. Rebates are generally received on a quarterly or annual basis (depending on the supplier) and are based on the total University purchases made during that time period. When the rebate is received from the supplier, we will return a prorated amount to the project grant where the original expense was incurred.

In addition to this rebate program, and other negotiated incentives such as free shipping and next-day delivery, many other contracted suppliers offer discounts that are taken at the point of sale or when a payment is made. To ensure that you receive the appropriate discounts and pricing, please purchase from our contracted suppliers using the University’s preferred purchasing tools, which include the MarketPlace, PeopleSoft, and the departmental credit card. To better understand which purchasing method to use, please see Determine the Best Purchasing Method Step-by-Step.

If you have any questions about this new program, please contact the Financial Service Center at 258-3080 or finance@princeton.edu.

Changes to the University Home Ownership Programs

On July 1, the University will put into effect some changes to its home ownership programs. The changes impact the mortgage, tenancy-in-common, and purchase plan programs. Here are some highlights:

• Eligibility for the programs has been revised. A detailed eligibility chart is available.
The mortgage application fee will be discontinued.

The target standard mortgage rate is still 1.5 percent below the prevailing local commercial banks, but it cannot go lower than the monthly IRS long-term applicable federal rate (AFR).

Loans will be either 30- or 40-year terms.

For participants in the tenancy-in-common program, the minimum capital investment for major improvements has been lowered to 5 percent of the appraised value of the property or $50,000, whichever is less.

The Princeton Faculty Residential Purchase Plan will encompass all 140 properties in the former Gray Farm and Broadmead programs. All properties in the PFRPP will be governed by the terms, conditions, and restrictions of the former Broadmead program.

By July 1, the University will provide information about local financial institutions that have expressed interest in providing mortgage-related products and superior customer service to any University faculty and staff who are exploring home financing options. While the University is pleased to provide contact information for these banks, all financial terms will be determined strictly by the respective banking institutions.

We encourage you to consult our web pages for more important details. For information about staff eligibility, please see this Housing and Real Estate Services page.

Enhancements to Buying & Paying Processes

Finance and Treasury is pleased to announce several enhancements to buying and paying processes that will allow more flexibility and reduce administrative burden. These changes respond to customer feedback, recognize the need to make procedures consistent across all platforms, and align with best practices. The following changes will take effect on July 1:

- The limit for express/direct purchase orders will increase from $1,000 to $2,500. Orders of $2,500 or less will no longer require review by the purchasing department before being dispatched to the vendor (unless there are special requirements or restrictions) allowing orders to reach the vendor more quickly.

- Purchase orders for goods of $2,500 or less will no longer require receiving by the department in PeopleSoft Financials. If the invoice received by Accounts Payable matches the purchase order, payment will be issued.

- MarketPlace users will have access to all participating suppliers.

- The standard single transaction limit for departmental credit card purchases will be raised from $1,000 to $2,500. This increase will allow departmental credit cards to be used for higher-cost purchases, such as international airfare, without the need to request credit limit increases. Those cardholders with limits currently higher than $2,500 will not be affected. At the same time, the standard monthly credit limit will be raised from $5,000 to $10,000.

Specific information for users regarding these purchasing tools will be made available in the coming weeks. If you have any questions or comments, please contact the Financial Service Center at 258-3080 or finance@princeton.edu.