Fiscal 2008 Annual Financial Audit

Each year the University undergoes a financial audit of its accounting system and financial statements. The audit is performed by the State of Arizona Office of the Auditor General (AG Office). The audit is typically done in two phases, preliminary work (before we close the fiscal year being audited) and final work (after fiscal year close). The AG Office has begun preliminary work on the fiscal 2008 financial audit. They will be on campus until early July, and then will return in early September to finalize the audit.

Included as part of the preliminary work is a review of the PeopleSoft student and human resources systems, as well as Advantage. The document sample for preliminary work related to the financial audit will include both financial and payroll documents. Financial Services provides the documentation on file related to the financial document sample. The Human Resources Payroll department is the initial contact for the payroll document sample. Other departments may be asked to provide additional support/clarification for transactions if the information on file in Financial Services or Human Resources does not fully answer questions asked by the AG Office.

If your department is contacted by Financial Services or Human Resources for additional documentation related to the audit, we ask that the requested information be provided in a timely manner.

If at any time you have questions about an information request, please contact Yung Briner in Financial Services at 5-7403. Thank you for your cooperation.

June Payroll Expenses

Fiscal year 2008 transactions in Advantage should reflect all activity for the period July 1, 2007 through June 30, 2008. The recording of payroll expenses in Advantage does not always coincide with the actual month when the time was worked. For example, payroll expenses for the period June 16 through June 30 will be recorded as fiscal 2008 activity in Advantage, even though the related pay will not be received by employees until July. This will require departments to estimate payroll expenses while they are working through fiscal year close. In addition to employee salaries and wages, departments should consider all other payroll related expenses including student wages, additional compensation, vacation payouts, and locally funded employee related expenses.

- Payroll expenses for the July 3rd payday (time worked June 16 through June 29), should interface to Advantage as fiscal 2008 expenses by July 7th.
- Time worked on June 30th will be paid on the July 18th payday. One day (June 30) of the July 18th pay period relates to fiscal year 2008 and nine days relate to fiscal year 2009. Approximately 1/10 of the payroll expenses paid on July 18th will post to fiscal year 2008 and 9/10 will post to fiscal year 2009. If an employee started after July 1, the entire expense would post to fiscal year 2009. The payroll expenses for June 30 are expected to interface to Advantage on July 17.

If amounts posted in Advantage for June 30th payroll expenses appear incorrect, please contact your Financial Services accountant immediately.

Fiscal year close is currently scheduled to occur on Friday, July 18th so any issues related to the June 30th interface must be communicated immediately. The actual closing date will be reassessed once the June 30th expenses have posted. Once the closing process has occurred, no adjustments will be made to fiscal 2008 accounts.
**New Airline Charges** - Airlines around the world have been hit hard by skyrocketing jet fuel prices. The higher prices have prompted airlines to institute fare increases, surcharges and fees for services that previously had been free. Most airline carriers are now charging for extra baggage. Extra baggage charges are not reimbursable by the University unless there are extenuating circumstances such as a trip lasting more than one week. To receive reimbursement, justification of the additional charges approved by the Authorizing Travel Official (ATO) and an original receipt should be submitted to the Travel Department with the travel claim. The Travel Department, at their discretion, may request an additional approval by the appropriate provost/vice provost/vice president.

Another new charge arising with the airlines is a charge for checking in a passenger’s first bag. The University will reimburse airline charges incurred for a traveler’s first bag charge with an original receipt. No justification is required. If additional charges are incurred with the first bag other than a first bag charge, please follow the procedures for extra baggage charges listed above.

**Air Travel** - Air travel to and from a foreign country under sponsored project awards must be on a U.S. flag carrier. If a carrier other than a U.S. flagship is used, the airfare may be disallowed on the grant and the traveler or department may be responsible for the cost. For more information on air travel or travel on other common carriers, see FIN 512, “Transportation.” For more information on air travel to and from a foreign country under sponsored project awards, see the Research and Sponsored Projects Policies and Procedures Manual—RSP 504-01, “Sponsored Projects Travel for ASU Employees.” Note: You may contact the Office of Research and Sponsored Projects Accounting to determine an airline’s flagship status.

**Mileage Reimbursement Rate** - In response to the rapid increase in the cost of gas for personal cars, ASU’s Travel Department has been in contact with the State of Arizona’s General Accounting Office regarding the state mileage reimbursement rate. The state mileage reimbursement rate is 44.5¢ per mile. At this time, the University is required to follow the same reimbursement rate as the State. Therefore, no increase in ASU’s mileage reimbursement rate is anticipated in the near future.

If you have questions or need clarification regarding any ASU travel policies or procedures, please contact the ASU Travel Department at 965-3111.