

**Business Procedure Changes
Fiscal Year 2012**

The following is a summary of *significant* changes that were made to KCTCS' Business Procedures (BP) during Fiscal Year 2012. *KCTCS changes are reflected in BP documentation located on thePoint at thepoint.kctcs.edu. BCTC adopted all of the changes, noted, below.*

BP 1.9	<u>Cellphones Issued to Employees</u>
BP 7.1	<u>Cancellation (VOID) of Student Refund Checks</u>
BP 8.1	<u>Travel</u>
BCTC	<u>Contracts</u>

BP 1.9 Cellphones Issued to Employees

KCTCS Change: In the past, an employee's personal use of an employer provided cellphone was considered taxable. Internal Revenue Service (IRS) Notice 2011-72, issued on September 14, 2011, indicates that, for taxable years beginning after 12/31/09, an employee's personal use of an employer provided cellphone is no longer taxable and is considered an excluded fringe benefit.

BCTC Change: Same as above.

BP 7.1 Cancellation (VOID) of Student Refund Checks

KCTCS Change: For students with a credit balance on their account due to undeliverable checks, an item type has been created to bring the account to zero.

For students who currently have a credit balance and NOR (No Refund Service Indicator) on their PeopleSoft account, due to an undeliverable student refund check we have created an adjusting Item Type to bring the balance to zero.

Students who have a credit balance due to an undeliverable refund check can complete a Student Post using Account Type TUT and the Item Type 80XXXXX17200 for the amount of the refund.

This Item Type will debit the college student receivable account (12100) and then credit Business Unit 21000 chart string of 44300-01-700020-01000-00.

BP 7.1**Cancellation (VOID) of Student Refund Checks (continued)**

In the future if a student address is located colleges need to work with Student Records to ensure the address table is updated. The college then will complete Charge Reversal on the Item Type 80XXXXXX17200, which will place the credit back on the account.

The college will then need to remove the NOR and complete a Student Refund for the credit balance. This refund will be processed in the weekly student refund run on Wednesday evening.

BCTC Change: Same as above.

BP 8.1**Travel**

KCTCS Change: Mileage Rate:

Effective January 1, 2012, reimbursement for authorized use of a privately-owned vehicle shall be made at the rate of forty-seven cents per mile (\$0.47).

In the past, the mileage rate was forty-five cents per mile (\$0.45).

BCTC Change: Same as above.

BCTC**Contracts**

All contracts, *including those for catering*, must be approved by KCTCS Purchasing.

After obtaining KCTCS Purchasing approval, BCTC President or CFO must sign the contract. No other employees are authorized to sign a contract on behalf of BCTC.

Because contracts are sometimes difficult to interpret, BCTC has made the following change:

BCTC Change: BCTC will not approve any contracts that indicate minimum amounts (or contingency language) as part of the estimate of costs. Any such contracts will be returned to the vendor and said language removed or a new vendor selected. In the event that a new vendor cannot be located, BCTC will request assistance from KCTCS purchasing in interpreting the contract.