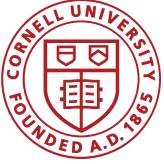


DFA Conversations: Cornell Office of the Treasurer

September 6, 2018

G-10 Biotech Building





DFA Conversations – Office of the Treasurer

Gerald Hector | *VP for Financial Affairs & University Treasurer*

Michelle Benedict-Jones | *Assistant Treasurer*

Carolann Saggese | *Director of Debt*

Debra Federation | *Director of Cash Management*

Kevin Mooney | *Assistant Director of Cash Management*

Ashley Minarski | *Cash Operations Assistant*

Taina Nilson | *Executive Staff Assistant*



DFA Conversations – Office of the Treasurer

Agenda

- Wire Transactions (incoming/outgoing)
- Options for Depositing Funds
- Loomis Armored Car Service
- Accepting Electronic Payments
- Treasury Consultation Services
- University private business use (tax-exempt debt)



Wire Transactions - Incoming

Cash Management receives about 9,200 wires annually

To get your funds as quickly as possible:

1) Complete a Notification of Expected Incoming Wire Form and send to Cash Management

- Find form at <https://www.dfa.cornell.edu/treasurer/cash-management/forms>
- Send to cashmanagement@cornell.edu

2) Make sure the Account and Object Code are noted on the Form

- Account = department
- Object code = classification of funds (income, expense, etc.)





Wire Transactions - Incoming

Unidentified Receipts process

- List sent out bi-monthly to Controller's List
- To claim funds, submit [Notification of Claiming Unidentified Receipts form](#) and send to Cash Management

Process for NYS Unclaimed Funds

- Treasury sends out claims to NYS Unclaimed Funds based on our Tax ID number
- When funds are received from NYS, Cash Management researches the information provided to see which departments could be owed funds
- Does your department/unit have any funds that have not been received? Please let us know.

Flywire – Receipt of funds from outside the United States

- Great tool for receiving foreign currency wires
- Customer enters payment in their home currency, you receive USD
- No fees assessed by Flywire for this service
- No claim forms needed!



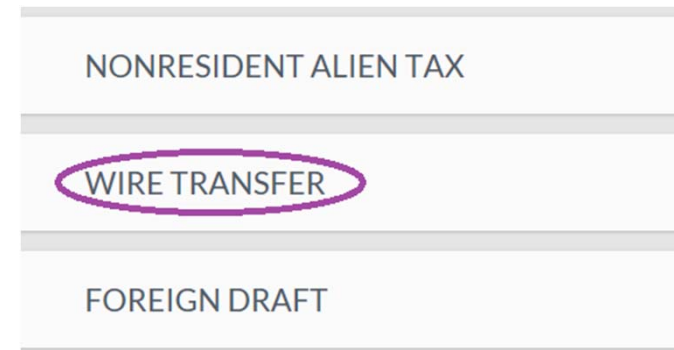
Wire Transactions - Outgoing

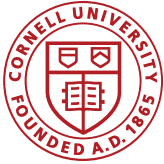
Verification process for accuracy of transaction information just got easier!

- Managers now have access to the Wire Transfer tab in DVs / PREQs
- This tab contains bank and account information about the wire transfer
- Account information should be thoroughly reviewed for accuracy before it gets to Cash Management

Importance of correct information on all transfers

- Greatly reduces the chances of a delayed or returned payment
- Fees are frequently incurred when payments are returned – cost is usually passed on to departments





Options for Depositing Funds

Remote Deposit

- About 65 remote deposit locations on campus
- Designed for departments with relatively low check volumes
- No cost involved with Tompkins Trust Co. remote capture scanner

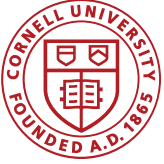
Lockbox

- Approximately 35 lockboxes in use by Cornell
- Ideal option for high volumes of checks
- Option to accept credit cards as well

Night deposit box

- Federal banking regulations require SSN, DOB, etc. of individuals making in-person deposits greater than \$10,000
- This applies to anyone making an in-person deposit on behalf of Cornell
- An alternative to an in-person deposit is the night deposit box
 - Deposit using either an envelope or a locking bag



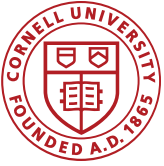


Loomis Armored Car Service

On campus pick up of cash for deposit at Tompkins Trust Co

- Checks should not be delivered via Loomis
- Most expensive deposit option
- Notify Cash Management of any cash pick up or drop off needs
- Cash Management needs at least 24 hours notice to make a change to a scheduled stop
- Most areas on campus are on-call – pickups are not made unless they are requested by department
- Contact Cash Management with Loomis requests at cashmanagement@cornell.edu





Credit Cards

Credit cards are processed in one of three ways:

In-person

- In-person payments are handled through Point-to-Point Encryption (P2PE), the highest level of security on the market

Phone or Mail

- P2PE devices should be used to process these orders

Internet

- Hosted payment page (HPP) from FreedomPay
- Third-party processors
- PayPal

- Please attend quarterly PCI-SIG meetings that provide education and information - next one is Wednesday, 9/12
- Stay in touch via PCI-DSS-L listserv and pci-help@cornell.edu





PayPal

Parent/Child Relationship

- Department creates a PayPal business account
- Account is linked to parent account (administered by Treasury)
- Funds are swept out of child accounts each night
- Lump sum is posted to bank and distributed to departments via DI e-doc
- No MID is needed for a PayPal account

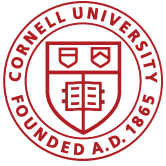
Payflow

- PayPal's gateway can be used with ecommerce solutions to process payments
- MID is required for Payflow accounts
- Pro / Link versions available
- Monthly fee (\$10) for this service – assessed through DI
 - Transactional fees may also apply

Storefront

- Shopping cart built by PayPal partner 3DCart
- Used with a 'child' PayPal account
- Monthly fee (\$30) – Pcard will be needed





Treasury Consultation Services

The Treasury Team is happy to meet with you to discuss current or future needs, pain points, best practices or other cash management and debt items such as:

- Cash handling procedures
- PCI compliance
- Credit card devices
- Efficiencies in payment processing





University Private Business Use

Overview

- Cornell University issues tax-exempt debt to finance capital projects
- The benefit to the University is the interest expense on tax-exempt debt is lower than taxable debt:
 - 10 year tax exempt rate = 2.44%
 - 10 year taxable rate = 2.89%
- Bondholders also receive a benefit: interest income on tax-exempt debt is not taxable on their income taxes
- Extra benefits = more compliance! Internal Revenue Service wants to ensure only non-profit organizations and municipal entities receive this benefit.



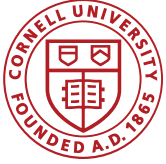
University Private Business Use

What is Private Business Use?

The use of tax-advantaged bond-financed property by a business or person (external party) that is not a non-profit or municipal entity.

Examples:

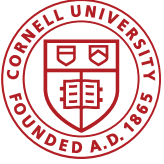
- Gimme Coffee café leases space in a building on campus
- Corporations using Cornell equipment on campus (Wilson Labs)
- Wedding reception or corporate conference/camp in a building on campus



University Private Business Use

Exceptions to the rules:

- Short term leases less than 50 days
- Rental to the general public at no charge or at uniform rates
- Contract for maintenance (elevator repair) or incidental (cell tower)
- The contract must not provide the service provider with a share of profits
- The University must exercise control over the property



University Private Business Use

What happens if you have private business use in your unit?

- Complete bi-annual Private Business Use Questionnaire
- Contact Treasurer's Office with any questions

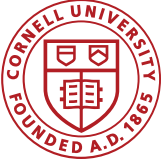


DFA Conversations – Office of the Treasurer

Questions

Treasury forms:

<https://www.dfa.cornell.edu/treasurer/cash-management/forms>



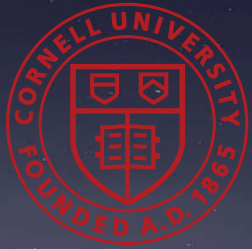
Contact Us

For ACH / wire / Loomis / general questions:
cashmanagement@cornell.edu

For credit card-related questions:
pci-help@cornell.edu

For debt-related questions:
cdj4@cornell.edu

Treasury phone:
607-254-1590



Thank you!

