



Momentum

Quarterly Newsletter for Financial & Business Services at the University of Utah

A stack of US dollar bills, including a \$5 bill and a \$10 bill, is shown. A silver chain is wrapped around the stack, and a yellow padlock is attached to it.

CRUCIAL PURCHASING CHANGES

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Avoid criminal behavior by becoming informed
Submitted by Glendon Mitchell, Purchasing

News of upcoming changes to purchasing processes, based upon new state law, has spread across the University. Mandates include more stringent limitations regarding both small dollar transactions purchased without competitive bid as well as the acceptance of gifts from suppliers. Many additional changes include restrictions upon the total annual amount spent by an employee or department with a supplier that has not been awarded a contract through a competitive bidding process. Other changes are coming, among which modify the bid and RFP procedures as well as new sole source purchase requirements.

Since some of the changes to state law include criminal penalties for non-compliance, please invest in the time with your friends at Purchasing to become informed. Important training sessions are available for various dates and times in February and March.

Who should attend training? When and where is training available?
See page 10 for more details



Notable Changes

Default Chartfields now Required

Submitted by Ken Erickson, Grants & Contracts Accounting

Grants and Contracts Accounting is developing procedures to gather REQUIRED chartfields with unrestricted ACTIVITIES as part of “standard” closeout procedures.

The University of Utah requires the establishment of a default chartfield string at EACH DEPARTMENT level (or the equivalent to a department – e.g. an INSTITUTE). These will facilitate/expedite the closing out of each over-expended project (within the time frame designated by our sponsoring agencies). This change is coming and we are developing the method of collection for each of the individual default chartfields over the next 3 – 6 months. We need your assistance and cooperation.

Please plan and BEGIN NOW to identify the default chartfield that you will use for YOUR DEPARTMENT / INSTITUTE. When you determine your default chartfield, please provide that information to the Manager of Grants and Contracts Accounting ([Gary Gledhill](#)) and the Assistant Manager of GCA ([Sally Petersen](#)) via e-mail correspondence.



- Each department or institute must provide GCA with their specific default chartfield and a contact person.
- This default chartfield is an unrestricted ACTIVITY, NOT a project.
- Funds will be transferred to/from the “department or institute default chartfield” if the PI fails to designate a preferred ACTIVITY within the three-week deadline. (see “Changes - New Procedures”, next page.)
- A notification will be sent to the principal investigator, project liaison, department chair, and the dean’s office stating the dollar amount (\$XX,XXX) of the over expenditures (for principal investigator, project, department and sponsor) that were transferred to the default chartfield string provided by the department / institute. The journal ID will also be included (if known), as will the date of the transfer.
- This will result in the final financial reports being processed (as mandated by the sponsor).

CURRENT PROCEDURES

Currently, Grants and Contracts Accounting (“GCA”) notifies the applicable Principal Investigator (“PI”) that the award is approaching the end of the currently funded period. A letter/e-mail is sent within 90 days of the award end date. That letter is distributed for each award and contains information about the steps required to “close out” the award. Those “steps” include a required review of expenditures for compliance and removing expenditures if and when the award/project is overspent.

In the majority of instances, faculty members make arrangements to transfer any over expenditures and the closeout process is completed in a timely manner. However, the “excess” transactions are NOT managed in a timely manner in approximately 25% of the projects. For those specific awards, the closeout process is not completed in the time defined by the sponsor and the University of Utah is deemed non-compliant in its submission of financial reports. Further, some sponsoring agencies may refuse to pay an award when billing deadlines are not met.

Default Chartfield...(continued)

CHANGES – NEW PROCEDURES

The university's central research administrative offices have recommended that GCA be allowed to process an authorized "transfer" of "outstanding excess expenditures" to a specific "default" department (or its equivalent – e.g. an institute) chartfield string; then the final financial reports can be processed (as mandated by the sponsor). EACH DEPARTMENT / INSTITUTE is now expected to provide GCA with their specific "default chartfield" and a "contact person" to answer any questions about the chartfield. This chartfield must be an unrestricted ACTIVITY, NOT a project.



The following steps are now part of the central office closeout process and specifically apply to over-expended projects:

1. GCA will prepare and distribute the "90 day notice" (this project is ending) letter to principal investigators and others (as requested), including the Project Liaison. This applies to all projects, including those that are over-expended.
2. GCA will review the project after the project end date, with the following considerations:
 - a. When is the deadline for the final billing or financial report?
 - b. Have all expenses been gathered and entered in the general ledger?
 - c. Is the project over-expended?
3. If the project includes over-expenditures, a notification will be sent to the principal investigator and the project liaison, stating:
 - a. The total over-expenditures;
 - b. Information about final invoicing and final financial report requirements; and
 - c. A reminder to provide a "PI – designated transfer activity"; the preferred chartfield string to use for the transfer of those transactions/amounts.

The notice will state that there is a three week response deadline.

4. If the "PI – designated transfer activity" preferred chartfield has not been received after two weeks, then a "final notice" will be sent to the principal investigator, project liaison, department chair, and the dean's office. This "final notice" will state that GCA requires the "preferred chartfield" by the end of that specific week; if it is NOT supplied, then the over-expenditure will be moved to the DEPARTMENT/INSTITUTE DEFAULT CHARTFIELD.
5. If the requested "PI – designated transfer activity / the preferred chartfield" is not received by GCA within the three-week deadline (see Item # 3 above); and if the funds were transferred to the "DEPARTMENT/INSTITUTE DEFAULT CHARTFIELD" (see Item # 4 above), then a notification will be sent to the principal investigator, project liaison, department chair, and the dean's office stating the dollar amount (\$XX,XXX) of the over expenditures (for principal investigator, project, department and sponsor) that were transferred to the default chartfield string provided by the applicable department / institute office. The journal ID will also be included (if known), as will the date of the transfer.



FICA Changes, Insurance Reporting

Submitted by Bob Schirmer, Tax Services

Social Security Tax Rate Increase

The two percent employee FICA Social Security tax cut provided in the Tax Relief Act of 2010 expired December 31, 2012. As a result the employee FICA Social Security tax rate will be restored to 6.2%, effective January 1, 2013. This increase will be reflected on the January 7, 2013 paycheck.



Federal Income Tax Withholding Rate Table

Due to uncertainty at the federal level, at this time no changes have been made to the federal income tax withholding tables for 2013 based on changing income tax rates. The tables may change at a later date.

The University is required to implement changed tax tables by the timeframe outlined in regulations and therefore, employees may see a difference in the amount of federal income tax withheld from 2013 paychecks at a later date.

Changes to your W-2

The Affordable Care Act requires employers to report the cost of coverage under an employer-sponsored group health plan. Reporting the cost of health care coverage on the Form W-2 does not mean that the coverage is taxable. This reporting is for informational purposes only and will provide employees useful and comparable consumer information on the cost of their health care coverage.

The value of the health care coverage will be reported in Box 12 of the Form W-2, with code DD to identify the amount.

Controller's Corner

Laura Howat, as the University of Utah Controller, is focused upon tailored communication to our Deans, Chairs and Directors as they are the leaders who can shape the 'tone at the top' for better internal controls across campus. As part of this focus, she initiated a direct and periodic publication called the Controller's Corner in August 2012. We encourage all levels of administrative support staff to review this publication.



“ Maintaining good accountability and control in our large, diverse, decentralized organization is challenging and complex. One of my goals is to be a resource to Deans, Chairs, and Directors for business infrastructure so that we can all work together to be better stewards for the University funds entrusted to us, improve the effectiveness of our business operations, have reliable financial information to comply with policy and laws.”

[See what Laura published in December, 2012 about:](#)

- *PAM Updates*
- *PAM Orientation*
- *Financial Statements*

PAM Update

Project Administration & Management (PAM) Update

Submitted by Bob Turner, PAM Initiative

The PeopleSoft Grants Implementation went very smoothly, exceeding our expectations. We appreciated the University community's patience during the period when the financial systems were down.



Here are a few points we all need to remember as we move forward:

1. As new projects are awarded to the University, OSP will set up an award budget under the following conditions:
 - a. When a post award budget is received from the applicable department
 - b. *Without* Department approval:
 - i. Within one week of the finalized review of the Conflict of Interest (COI) if . . .
 1. The award amount is within 10% of the proposal budget
 2. The award provides the budget categories.
2. For all Cost Share Projects, the new Fund Code will be 5999.
3. All deposits to sponsored projects will be made by GCA (except those that have been specifically approved by GCA to be made by departments).
 - a. Any sponsored project funds that are received directly by departments should be forwarded to GCA for processing.
4. PI's and Liaisons will now be receiving e-mail notifications throughout the grant process, including: initial setup of the award; award modifications; and during the closeout of the award.

Work is continuing on several other projects or processes including:

1. The Self-Service Liaisons Application has been down since the implementation. Work is continuing to bring this back up, but there is not a firm date.
2. The Effort Distribution Report (EDR) - for viewing effort distributions and making payroll reallocations within a quarter - is still "in process and development"; an estimated release date should be announced soon.
3. We are currently developing the process to gather specific default activities from each department, so GCA can speed up the closeout process on each award.
Updates on that process will be coming shortly (See default chartfields article, page 2).

For more information, view the [Latest PAM Updates](#)



Process Spotlight

General Stores & the U Supply Initiative

Submitted by Sophia Mortensen, General Stores

The University of Utah's General Stores is proud to announce the creation of "U Supply", a new collaboration between General Stores and Campus Stores (formerly the Bookstore). U Supply is part of the "Keep it on Campus" movement. We hope to supply our campus departments with needed products while saving University funds, and making our campus a greener place. We are pleased to be working toward a shared goal - the success of the University.

General Stores has a long-standing reputation for saving the University money. Our loyalties and services are exclusively devoted to supporting University of Utah's departments. We work closely with local vendors, to ensure campus departments are getting the best prices on your supply needs.



We pride ourselves on quick delivery and our ability to bring in special order items at a savings to the requesting department. Enjoy same day delivery for stock items! We are committed to a healthy and sustainable environment, working closely with the Office of Sustainability.

Some of the green initiatives we are working on include:

having more environmentally friendly/recycled products on hand, reducing our carbon footprint by limiting vendor trucks on campus, and recycling ink and toner cartridges. Join us in making this campus a Greener place.

We encourage you to check out our [website](#). If you don't see what you are looking for, give us a call @ (801) 581-8671, we are happy to provide a quote for special order items.



Go to cart



Purchasing Card

Need to Update PCard Information? Use Revised Forms *Submitted by Jane Scott, Purchasing*

Recent data center moves and PeopleSoft upgrades have made it more difficult to support our web application for the PCard Update form. In response, we've created new forms which are linked to the Purchasing Card website as well as through CIS. There are now separate forms for each type of update. Select the appropriate form, enter the information, print the form and have it signed. Then fax the signed form to the Purchasing department. Requested changes are usually completed within 24 hours.

Reallocators, are you using the "Department Reference" field when entering reallocation information?

The screenshot shows the 'Purchasing Card Reallocation' form from the University of Utah. A callout box titled 'Select Chartfields' points to the 'Dept Reference' field. The form includes a table for selecting transactions to reallocate and a 'Submit' button.

Purchasing Card Reallocation
Financial & Business Services
THE UNIVERSITY OF UTAH

Purchasing Card
Card Owner: 00

Current Transactions Reallocations

Reallocate Selected To: ☐ ☒ ☐ ☐ ☐

Select	Reallocate	Amount	Merchant	Error
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	\$190.71	SIGMA ALDRICH US	
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>			

Select Chartfields

Default Chartfield:

Set All To :
Default BU - OrgID - Fund - Activity - Account - A/U 1
Dept Reference

Can add an optional Dept Reference

Amount **Merchant** **Error**
\$190.71 SIGMA ALDRICH US

You can add an optional Dept Reference that will show on the printed Monthly Statements. This can be an order number, invoice number or description up to 30 characters long. However, if you have multiple transactions, they will all have this same Dept. Reference.

Click the Submit button to complete the reallocation.

While this is an optional feature, it can be very helpful to provide additional information about a transaction. For instance, when making a purchase with a vendor that has a State or University contract, you could enter the contract number. This would help confirm that a purchase which appears to be a split transaction with multiple charges, exceeding transaction limits, is an appropriate transaction.

The Department Reference is printed on the monthly PCard statements and can be a quick reminder of the purpose of the purchase or other details that help identify the transaction. This field also shows in queries that we use in managing the PCard program and could help in verifying that charges were made properly.

You may want to use the Department Reference field for all of your PCard transactions or decide that it is only necessary for purchases that need an extra note of explanation. We encourage departments to consider using this field as an easy way to clarify or support your documentation.



Small Business Spotlight

University of Utah Small Business Program

Submitted by Randi Ruff, Purchasing

The Small Business Reform Act in 1978 (Public Law 95-507) requires the University to provide maximum practicable opportunities in its acquisitions to small disadvantaged businesses. The University is required to comply with this federal law in order to maintain our status as a Federal Prime Contractor. Failure to comply would result in millions of dollars in lost contracts to the University.

Since 1981, the Small Business Program ensures compliance with federal law campus wide, increases procurement of good/services from small businesses, and instills awareness of the Small Business Program University-wide. Another main objective of the Small Business Program is to provide the small businesses the maximum practicable opportunity to compete for procurements of goods and services on campus.



All contracts over \$650,000 are required to have a Small Business Subcontracting plan. Every contract has to meet minimum small business requirements. Federal Reports are submitted to the Federal Government and the Small Business Administration twice a year. For questions about the small business program at the University, please contact [Randi Ruff](#) 1-7450.

To be considered a Small Disadvantaged Business (SDB), the company would have to:

- Employ less than 500 employees, or
- Be minority-owned, women-owned, or veteran-owned, or
- Be considered a HUBZone businesses, or
- Be at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged.

SBD status makes a company eligible for bidding and contracting benefit programs involved with federal government.

Small Business Spotlight: Hands On Promotions

Hands On Promotions specializes in fulfilling the promotional product and brand merchandising needs of companies and institutions in Utah and Nevada. The company's niche is working with clients to proactively and creatively determine what types of brand merchandise will add value to the customer's marketing, promotional, and advertising objectives. Hands On Promotions focuses on developing relationships with the departments that are in need of creative enhancement to their promotional product packages. In essence, Hands On Promotions becomes an extension of a department and strives to become a partner in adding promotional value to its clients. Hands On Promotions is a women-owned local business



Peak Travel Season – Talking points for Travelers and Travel Planners

Nearly half of all airfare purchased by the University is booked between February and May. Take this helpful information and share in your next staff meeting!



Travel policy requires departments to choose airfare with the **lowest logical cost**.

- Direct flights are allowed if the schedule is the most logical for the business purpose.
- Travelers are allowed to choose an upgradable class of service – when it **DOES NOT** increase the cost of the flight.
 - o Upgrades are based upon availability and the traveler's individual status, and are most often automatically applied by the airline prior to departure.
 - o Travelers are usually aware of their status and upgrade opportunities so try to make agents aware of their preference early in the booking process.
- Travelers are allowed to fly Business Class when flight time exceeds 8 consecutive hours, and should use OnSite agents to ensure they do so at the **lowest logical cost**.

University Discounts and Contracts - Available **ONLY** through OnSite agents:

- Delta Discounts (Domestic) – NO booking fee
 - o 2 – 8% discounts applied to published Delta fare
 - o Discount applies to non-University companions traveling with employee
- Delta Discounts (International) - \$30 booking fee
 - o 2 – 10% discounts applied to published Delta fare
 - o Discount applies to non-University companions traveling with employee
- State Contracts (Domestic and International) - \$30 booking fee
 - o Contracts available to most frequently traveled cities
 - o Contract fares are refundable, and as such may cost more than a non-refundable fare
 - o Recommended for visitor travel or when we anticipate changes may be necessary
 - o Upgradable based upon traveler status
 - o Available for University employees only

The University of Utah's Onsite Travel Agency

In collaboration with Christopherson Business Travel, we have a team of experienced travel agents who are committed to meet the business travel needs of University faculty and staff.

There are often University, State, and Federal Policies that affect business travel decisions. Use the onsite agency to avoid missing important information.

We are available to meet with individuals or visit your next departmental staff meeting to answer questions or provide procedural training.

Call Amy Johnson @ 801.587.9005 to make an appointment.

What does "status" mean?

- Airlines award miles or points and assign a "status" to their frequent customers
- Travelers sign up for frequent flyer programs offered by each airline
- Status-based upgrades are awarded directly by airlines to the passenger



University travelers should consider setting up a Traveler Profile to get frequent flyer credit for bookings made by our agents



Agents are available weekdays
7:00 a.m. - 5:00 p.m.
www.travel.utah.edu

CHRISTOPHERSON
BUSINESS TRAVEL



Crucial Purchasing Changes - Training opportunities (Continued from front page)

*Training will last 2 hours including a
30-minute Q&A session for questions.*

Who should attend?

As some of the changes apply to both those who make purchases as well as those who participate in the procurement process such as making purchase or award recommendations, etc., the following are invited to attend one of these sessions: buyers, administrators, all administrative support staff who may be involved with a procurement, those who have delegated purchasing authority such as custodians of Limited Purchase Orders or PCard holders, etc. Those who attend will be certified as being trained in university procurement. The State will require it's employees with delegated purchasing authority, including small dollar purchases, to be trained before they can purchase (effective 5/1/13). It has yet to be determined if this training requirement will extend to employees at State Universities.



Seating is limited so please register early

Wed. 2/20/13	2:00 - 4:30	SFEBS 1110 (Auditorium)	Spencer Fox Eccles Business Building
Fri. 2/22/13	1:30 - 4:00	FMAB Auditorium	Film and Media Arts Building
Wed. 2/27/13	2:00 - 4:30	SFEBS 1110 (Auditorium)	Spencer Fox Eccles Business Building
Thur. 2/28/13	1:30 - 4:00	SK H Skaggs Auditorium	L.S. Skaggs Pharmacy Building (upper campus)
Fri. 3/1/13	1:30 - 4:00	FMAB Auditorium	Film and Media Arts Building
Fri. 3/8/13	1:30 - 4:00	FMAB Auditorium	Film and Media Arts Building

Please use university shuttle services where possible.

[Register here](#)



Parking locations are as follows:

FMAB: Permit parking (A) and pay lot 6 are south of the Campus Store.
Permit parking (A & U) and pay lot 12 are south of the Business Building.

SFEBS: Permit parking (A & U) and pay lot 12 are just across the street, south of the building.

SK H: Pay lot 64 in the covered terrace east of Biomedical Polymers Research Bldg (BPRB) or permit parking (A & U) in the general health sciences area.

If you have any questions, please contact [Jo Rudd](#) at (801)-581-8472.

Training Opportunities

PAM: For those who missed the earlier orientations/trainings for PI's and Business Officers, there will be two other opportunities to receive this training:

- Jan 14, 10:00 am - 12:00 noon, Human Genetics Auditorium (1st Floor Eccles Institute of Human Genetics Building)
- Jan 15, 9:00 am - 11:00 am, Union Saltair Room (Union Building)

[You can also view this recorded orientation presentation](#)

In addition there will be continued opportunities for learning with the [Research Administration Training Series \(RATS\)](#).



Upcoming WACUBO workshops

Las Vegas, NV	<u>Higher Education Budgeting</u>	February 25-26
Tucson, AZ	Process Mapping	March 7-8
Portland, OR	Accounting: Beyond the Basics	April 15-16
San Francisco, CA	Business Continuity	April 22-23



***Does your
department
receive
cash?***



Best Practices for Cash Control

There is a NEW training module available online to review the University's Best Practices for Cash Control

**Check it out
here**

**Please join us in congratulating the following FBS employees
for their length of service:**

5 Years

Kim Stringham (April 14); Administrative Program Coordinator, *Income Accounting*

10 Years

Katie Fotsch (March 25); Buyer, *General Stores*

15 Years

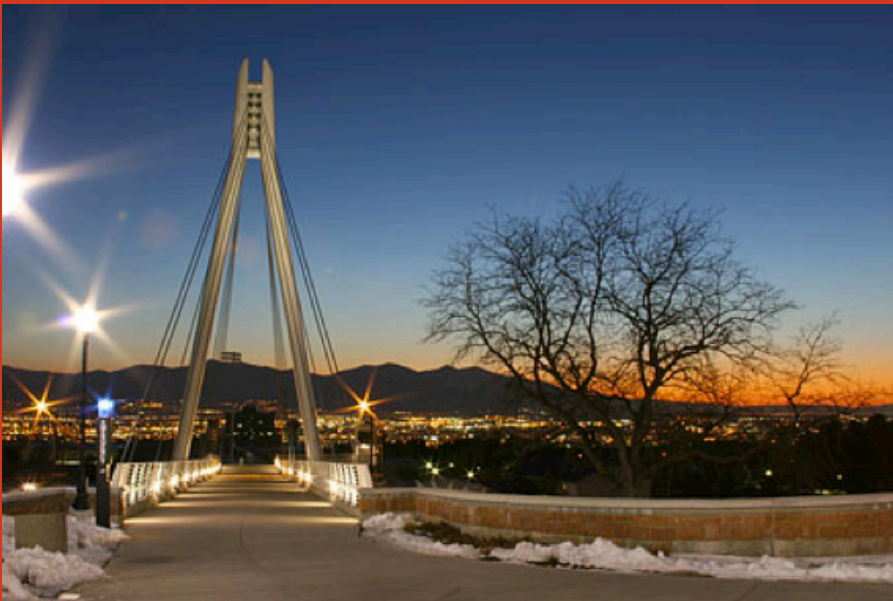
Jim Davis (March 25); Manager, *Stores & Receiving*

20 Years

Perry Hull (January 4); Manager, *Accounts Payable*

25 Years

Sally Petersen (February 1); Assistant Manager, *Accounting*
Jennie Hale (March 1); Accounting Clerk, *General Accounting*



Communicating with U



FBS Serves U

- Commitment to Communication
- FBS Training
- FBS Regulations
- Mission, Vision & Values
- Momentum Newsletter
- Org Chart

Tools for U

