



NOTABLE CHANGES

Introducing New Leaders within FBS

Financial and Business Services is pleased to introduce these new professionals to our leadership team:



Robert Muir
Director, International Operations & Financial Analytics

Robert joined Administrative Services and Financial and Business Services December 1, 2011, and provides dedicated resources to coordinate and address business and financial issues related to various initiatives for establishing a presence or programs for University of Utah activities in foreign countries. The U is currently considering a specific request to enter into an agreement with South Korea to establish a campus there. Rob will report to Associate Vice President Jeff West within FBS, but will participate in the larger Administrative Services areas under the direction of Vice President Arnold Combe. We welcome Rob into this role and give him our support as we undertake new and growing efforts to expand the outreach of the University beyond our traditional borders.



Bob Schirmer
Manager, Tax Services and Payroll Accounting

Bob joined our team January 4, 2012 - just in time to help guide the department through the busy tax season. He has replaced Laura Howat, who was promoted to Controller in October 2011. Bob attended Brigham Young University, earning both a Bachelor of Accounting and a Master of Accounting degree, and has over twenty years of business, accounting, tax as well as PeopleSoft experience at a variety of entities including nine years at Intel. Please contact Bob with your tax and payroll accounting questions and issues. He can be reached at 801-581-6699 or Bob.Schirmer@admin.utah.edu.

Repeal of 3% Required Withholding on University Payments

*contributed by Laura Howat
Controller, FBS*

The Tax Increase Prevention and Reconciliation Act of 2005 created a new withholding requirement for government agencies. The federal government, and every state and local government, including public institutions such as the University, would have been required to withhold income tax at the rate of 3% on payments to contractors for property or services, with some very limited exceptions. This provision was scheduled to go into effect for payments made after December 31, 2012.

The University, as well as other public institutions and state agencies, had significant concerns with this law. The law may have added significant implementation costs to all University purchases of goods and

services creating an uneven playing field compared to private colleges and universities. The law would have required programming changes, additions to financial and accounting systems, vendor registration, additional workload, postage, additional staff and possibly inflated bids by vendors to compensate for the withholding.

The University worked with other public institutions and [NACUBO](#) to ensure its concerns were considered. So with a great sigh of relief, we are glad that on November 21, President Obama signed into law the repeal of the 3% withholding.



Please use the [Controller Ask Us](#) if you have any questions.

NEW! General Stores Web Site

*contributed by Jim Davis
Manager, General Stores*



We listened to your requests and have created a whole new web site based upon your recommendations. The URL for [General Stores](#) remains the same (www.stores.utah.edu) but with the help of Carl Larson and the tireless efforts of the ACS team, the look, feel and functionality of the **Go to Store** pages has been drastically improved. This new site uses CIS login information, so there is no need to have additional passwords, and your login also allows for chartfield verification. We have also added pictures for every item and new functionality allows for shopping lists for those items you order frequently.

The screenshot shows the 'Office Supplies' category page. It features a navigation menu on the left with categories like Home, Breakroom Supplies, Chemicals, Compressed Gases, Custodial Supplies, and Electrical Supplies. The main content area displays a list of items with columns for Price, Item #, Description, and Quantity. Three items are visible: 'Air, Canned, OfficeDuster 3, S6-TX3507' for \$3.40, 'Binder, 3 Ring, Black, 1/2" Capacity, Vinyl, Economy.' for \$1.83, and 'Binder, 3 Ring, Red, 1/2" Capacity, Vinyl, Economy' for \$3.59. Each item has an 'Add to Cart' button. On the right, there is a 'Cart Summary' section showing 'Shopping Cart Empty' and a 'My Lists' section with a 'Save / Delete' button.

The new site is very user friendly using smart search technology and easy navigation by category or subcategory for convenient browsing. Additionally, you will now receive order confirmation by email.



If you find we do not have what you are looking for, let us know and we would be happy to find it and stock it for you at the best possible price – just [call](#) or submit an [Ask US](#) email. Don't waste your time searching for your needs when **we** can do all the work for **you**.

Whether you are a new or an existing customer, check out our new web site today and let us help you with all your material needs.



General Stores is a proud member of [UKIC](#), the keep it on campus initiative.

PROCESS SPOTLIGHT

Accounts Payable...Process Improving

*contributed by Perry Hull
Manager, Accounts Payable*

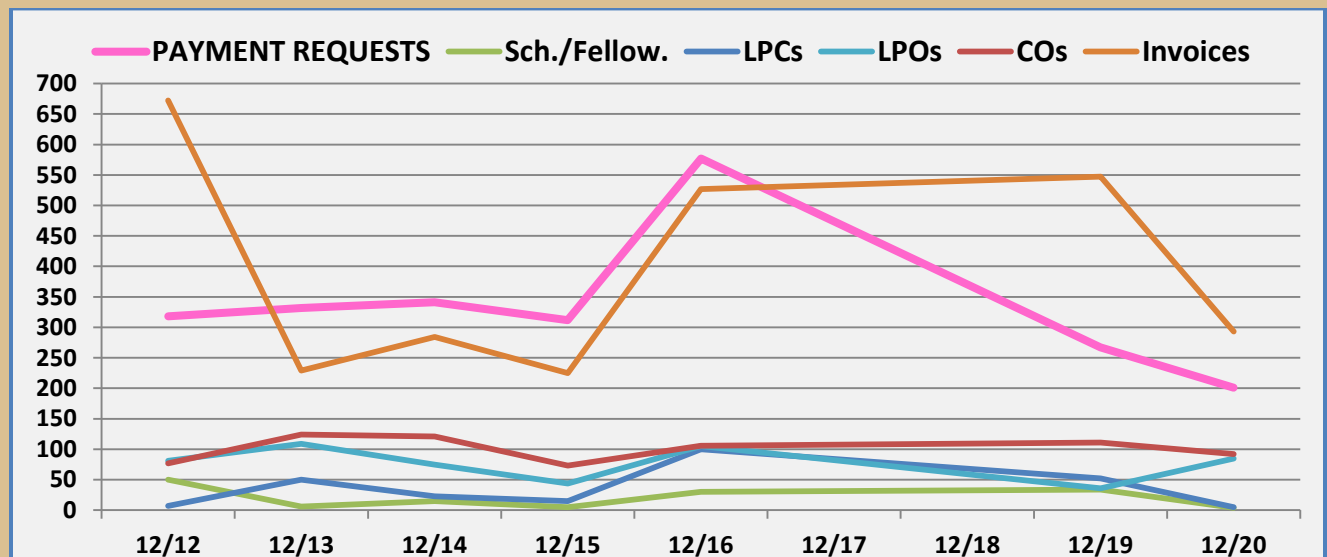
It has been eighteen months since the reorganization of Accounts Payable which was driven by an emphasis on improved communications with campus departments, and the separation of expenditure review from data-entry. We would like to offer the following report on the changes and progress we've made.

We receive positive feedback as we implement changes based in part on suggestions we've received from campus departments. Clear lines of communication enable you to provide ideas for improvements you'd like to see. We find that when communication and feedback loops are working properly, we are more likely to realize a successful outcome. We continue to find need to clarify the roles and responsibilities of the two teams—Accounts Payable and Payables Production.

Here is a table summarizing the responsibilities of Accounts Payable:

ACCOUNTS PAYABLE RESPONSIBILITIES				
Expenditure Review	Communications & Training	Business Process Analysis	Assist with Policy Development and Compliance	Maintain signature cards and review signatures
Scholarship & Fellowship - <i>new</i>	Distribute Hardcopy Forms LPO's, LPC's, Campus Orders	1099 tax reporting and analysis	Moving expense calculations and tax reporting	Wire Transfers - <i>new</i>

Of these tasks, Expenditure Review is where we spend the majority of our efforts. As part of Expenditure Review, we first sort the documents we receive each day by approximately 20 different types. These types include invoices associated with Purchase Orders (POs), Limited Purchase Orders (LPOs), Payment Requests, Campus Orders, etc... This chart illustrates the large volume of different documents types received in part of December, 2011:



Like many departments on campus, we have finite resources available to process an increasing work volume. Once these documents are sorted, invoices associated with both Purchase Orders and Limited Purchase Orders are delivered directly to Payables Production for processing. All other documents undergo Expenditure Review, which includes:

- **Completeness of documents,**
- **Ensuring compliance with University Regulations, and**
- **Determining if the payment requires update of our vendor master files.**



NOTE: Updates to the vendor are required if Accounts Payable has not paid the vendor previously, or if the information we have on file, such as address, is different than what appears on the vendor invoice.

Our ongoing communication strategy continues to be well-received as we address the following priorities:

1. **Respond to questions or inquiries in a timely manner, and with consistent answers**
2. **Manage [AP website](#) content to meet your needs**
3. **Meet with departments individually**
4. **Consider multiple training approaches**
5. **Utilize [AP Blog Posts](#) to communicate AP-specific updates**
6. **Promote subscription to [FBS News](#)**



Accounts Payable facilitates University payments to vendors. That's what we do, but how do our customers perceive our services?

Departments may see Accounts Payable as an obstacle, inconsistently applying policies, making payments difficult to complete. Our goal, however, is to support University departments making payments and provide efficient procedures to ease the process.

We've been working to identify and implement changes to existing processes, and as part of our efforts, we realize inefficiencies within the Payment Request process provides us with the greatest opportunities for improvement, reducing the time it takes to process forms we receive. The specific areas of the Payment Request we plan to address are:

- **Finding ways to ensure forms are complete when submitted**
- **Make improvements to Reimbursement transactions**
- **Address Low Median dollar for transactions**

To improve form completeness, we propose that we make more fields on the Payment Request form required. Many departments have provided us with feedback that they welcome this change as it will speed the whole process (more information will be forthcoming). These proposed required fields will help eliminate processing delays:

- **Payee Name**
- **Handling Method**
- **Yes or No response to Non-Resident Alien question**
- **Preparer/Contact Info**
- **Chartfield**
- **Debit Amount**

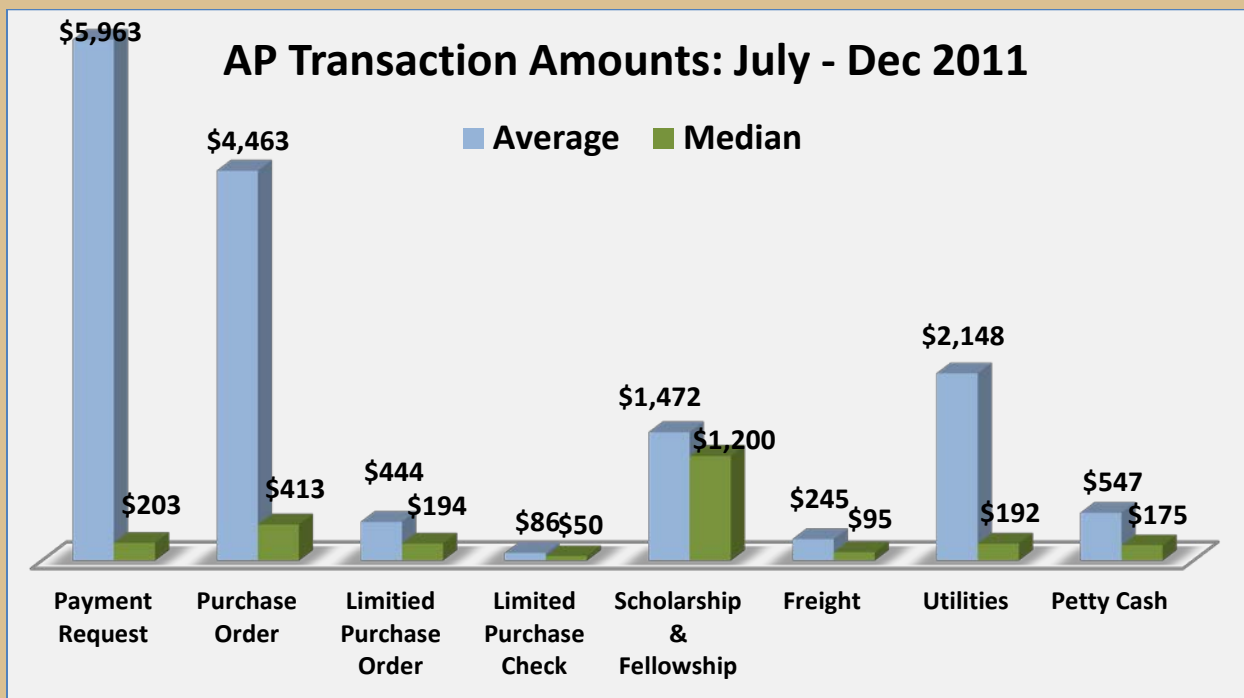
Regarding Reimbursements – Half of the Payment Requests we receive are for reimbursements. These transactions present the following inefficiencies:

- **Sales tax is included on nearly every reimbursement**
- **Vendor updating is often required prior to payment**
- **University purchasing discounts not used**



These reimbursements are often for purchases that should have been made with a direct University procurement method.

Direct procurement methods, such as the PCard or LPOs avoid state sales tax, from which the University is exempt, as well as saves time spent by both AP and campus departments processing reimbursements. Additionally, direct procurement takes advantage of negotiated or contract pricing from many suppliers. When employees are making their own direct purchases, they are not leveraging the purchasing power of the University.



The chart above shows a six month average and median dollar amount for different transaction types. Noteworthy is the median dollar amount for Payment Requests at \$203.

Each Payment Request document is handled by the originating department, campus mail, Accounts Payable and Payables Production, and additional re-handling if information is missing.

The document handling costs associated with this processing exceeds this median dollar amount.

Voucher Payment Search Improvements

Using this application, found on the Financial & Business Services pagelet on CIS, to search for processed transactions will become even more valuable as we reduce the time required to process payments. A recent improvement to this form was made so the Document Number search box allows for a string of numbers. Previously, a valid number for a processed transaction returned no results if the exact number of digits was not entered, and there was no way to know how many digits to enter. You can now enter a

portion of the transaction number and if the payment has been processed, you'll see your payment in the results.

Business Unit:
01-University of Utah

Enter search criteria for ONE of the following search methods:

Taxpayer ID:

Vendor Name:

PO Number: Voucher Number:

Vendor Number: Invoice Number:

Check Number: Check Type:

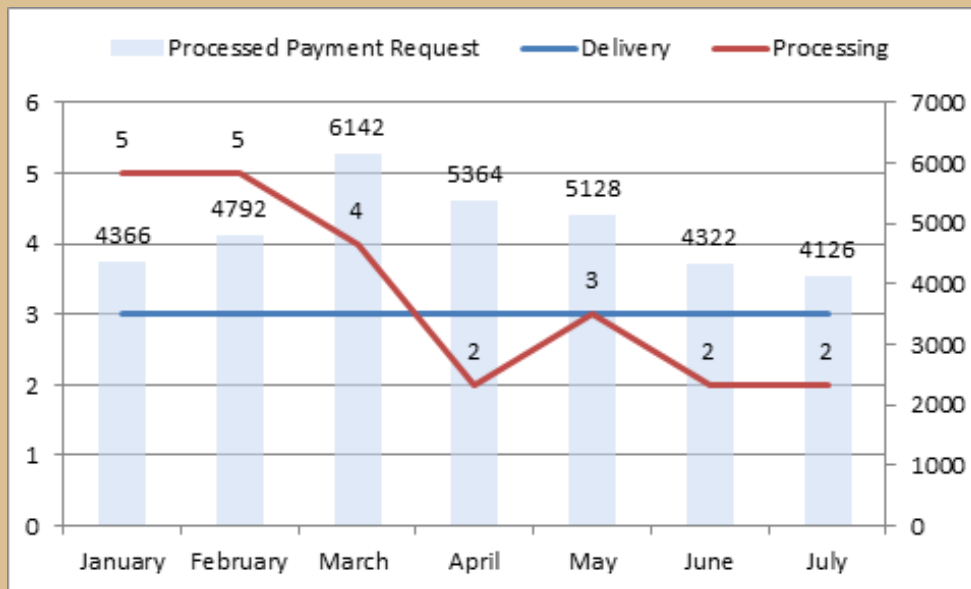
*NOTE: Check search does not use business unit

Vendor and Invoice Number: Vendor Number: Invoice Number:

Prefix:

Source Document:

Another part of our analysis is to select a sample of transactions after processing for further review, and make observations about the process. We randomly select a percentage of all transactions processed and analyze them according to multiple criteria, including delivery and processing days. The chart below shows the total number of Payment Requests processed for each month, and then for the sample selection, how many days for both delivery and processing. As you can see, we're making good progress on reducing processing time for these transactions.



As we proceed into 2012, the University continues to expand, and we all seem to have more work to do, which makes it even more critical that we identify any opportunities to improve efficiency, and make all of our jobs easier.



Please continue to provide us feedback, using [Ask Us](#), suggesting the changes you would like to see in Accounts Payable.

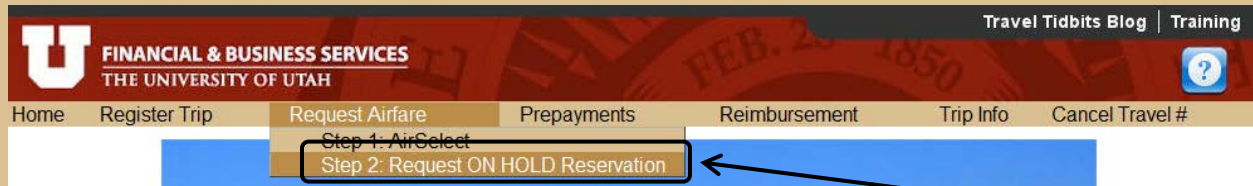
Coming Soon – Step 2 Enhancements

*contributed by Kori DeHaan
Manger, Travel, FBS Policy and Training*

We are in the testing phase of a change to the Step 2 airline reservation request, moving it to TTWeb (the online Travel Accounting System) to improve efficiency for our Travel Planners. Changes will include:

- Utilizing data entered by the Trip Planner when the trip is registered
- The ability for Travel Planners to upload a desired itinerary for our agents to book airfare charging centrally billed credit cards – reducing requests for Early Reimbursements

When our agents book airfare, we can help departments to maximize savings and the appropriate use of contracts



This change will be implemented in the coming weeks - watch for an announcement and an additional link to become available on the menu (see above) in TTWeb. Please continue to provide your valuable feedback and ideas.

Small Business Program

*contributed by Randi Ruff
Manger, Purchasing*

This summary is provided to present information regarding the purpose, progress, and future goals of the Small Business Program at the University of Utah.

Responsibility

- Due to the Small Business Reform Act of 1978 (Public law 95-507) the University is required to provide for the maximum practicable concerns of veteran-owned business, HUBZone business, minority-owned business and women-owned business.
- The University is required to comply with the 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.

Establishment and Requirements

- In 1981, the Small Business Program was established in ensure compliance with federal law campus wide, increase procurement of goods/services from small business, and instill awareness of the Small Business Program University-wide.
- 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 (April and October).
- Summary of Performance for 2006-2010
- Through 2006 to 2010, the University has received contracts from the following agencies:
 - National Institute of Health (NIH) and Health & Human Services (HHS)
 - Department of Defense (DOD)
 - Department of Transportation (DOT)
 - Department of Energy (DOE)
 - Environmental Protection Agency (EPA)
 - National Aeronautics and Space Administration (NASA)
- Our largest agency is the National Institute of Health and Health & Human Services. Over the past five years, we have increased our contracts with the NIH an HHS.

Advice for Hiring Service Providers

*contributed by Mary Louise Hughes
Senior Buyer, Purchasing Department*



From time to time it becomes necessary for various University departments to hire service providers. Such services vary widely, from labor to professional services. In striving to obtain the best value for the University, departments would do well to consider the following list of recommended qualifications when selecting a service provider:

- **A valid business license.** It is appropriate to request a copy of a vendor's current business license and W-9 form to ensure that they are a viable business entity.
- **Financial Reports.** To determine a vendor's financial stability, they may be required to furnish a current audited (or unaudited) financial report for the company's most current fiscal year.
- **Adequate Business Insurance.** Insurance requirements will vary for different industries, and for different assignments given to a service provider across campus. It is wise to ensure that labor providers carry adequate Workers Compensation Insurance.
- **Background Check.** Some services may be of a sensitive nature which would require obtaining a record of past criminal activity. Examples would be those whose employment would give them access to personal medical records protected under HIPAA, access to large amounts of money, or access to credit card information
- **Conflict of Interest Form.** When a University employee has a material interest in a company, a Conflict of interest form must be completed and filed electronically with the Electronic Research Integrity & Compliance Administration, or [ERICA](#). Questions should be directed to the Conflict of Interest Officer, [Jahn Barlow](#), or see the [Conflict of Interest policy](#) for the details of this requirement.
- **Other Applicable Permits.** Each industry has unique regulatory requirements for permits, certifications, and licensure. You can research the specific requirements for the provider you would like to hire by going to the [Department of Commerce, State of Utah](#) website. Some of these requirements include:
 - Transportation (Ground, Air, Charter) - Certificates of Liability Insurance, permits
 - Food Services – Food handlers permit
 - Healthcare – Licenses, certifications, permits
 - Legal Services – License, certifications
 - Contractors or Laborers – Licensed, bonded, insured
- **Marketing** (promotional item vendors) - must be registered with University Trade Marks and Licensing, contact [Tiffany Bell](#) to see if a vendor is registered.
- **References.** Ask the vendor for references of clients who have work done similar to your required work. Keep in mind that they will give you the contact information of clients who have been pleased with their work. You may check with the [Better Business Bureau](#) to see if any complaints have been filed against a particular vendor. You may also talk to other departments on campus that have utilized similar services and get their recommendations. Another good reference is the [Supplier Directory](#) found on the [Purchasing home page](#).



The bottom line is: Buyer Beware. The level of value you obtain when hiring service providers depends in great part on the research you do before you hire.

Going Green: Options for W-2 Forms

*contributed by Carl Larson
Business Analyst, Financial Solutions*

Receive your W-2 electronically and view W-2s back to 1999

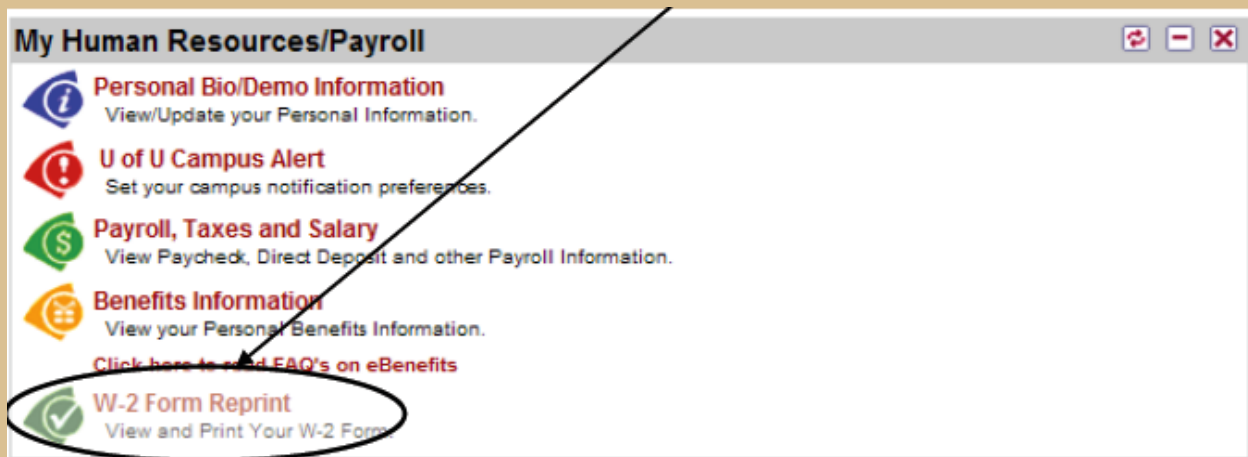
The University of Utah encourages employees to elect to receive their W-2 Form electronically, instead of receiving a paper copy. Employees are now able to view W-2's back to 1999 as well. Employees must log into CIS by January 15, to elect a paperless W-2.



This choice has several advantages:

- Employees will be able to access their W-2 Form a couple of days earlier, because they will not have to wait for it to be delivered in the mail.
- Sensitive personal information will not be sent through the mail.
- For employees eligible to file a tax return electronically with the IRS, no paper copy of the W-2 is required so natural resources are saved by not printing and mailing W-2 forms.
- In these tight budgetary times, this will have a positive impact on the University's budget.

Here's how to sign up now to take advantage of this opportunity:



1. Sign on to the Campus Information System, or **CIS**, locate and select the **W-2 Form Reprint** link, at the bottom of the **My Human Resources/Payroll** pagelet:
2. Select **Click here to elect to consent to receive your W-2 electronically**.
3. Follow the instructions, make selection to receive W-2 electronically, and save.

In addition, you now have the ability to access at any time your W-2 forms back to 1999. To view your past W-2 forms:

1. Follow Step 1, above, then
2. Select year, and click "Continue."



For additional information, contact **[Tax Services & Payroll Accounting](#)**.

Effort Report Training

*contributed by Deb Larson
Manager, Management Accounting*

During a 2007 National Science Foundation (NSF) audit of an NSF funded research award, the University was cited for not providing Effort Report Training. As a result, the University established Effort Report Training beginning Fall Semester, 2008. The training is mandatory for anyone who receives a [Personnel Activity Report \(PAR\)](#) for certification. If an employee is paid from sources not requiring certification, they will not receive a PAR.

A PAR contains a University employee's percent of effort distribution funded by sponsored projects (research) and organized activities (teaching and departmental) for each of the four quarters in the calendar year. At the end of every quarter, PARs are printed and distributed to employee home departments so that each employee can certify that the percent of effort distribution shown on the PAR is correct.



Effort Report Training explains the PAR process and provides guidance for PAR review and certification. The training is offered through:

- the [Research Administration Training Series](#) (RATS) 3 times during both Fall And Spring Semester
- on-line at any time through the [University's Web-CT](#) program
- presentations to specific departments that manage large amounts of PARs

An employee completing the training through RATS can count the training toward the RATS Pre-Award and Post-Award Certification programs and can receive CME credits.

Any questions or concerns please use [Management Accounting Ask Us](#).



FBS encourages departments to "[Ask Us](#)" when they have a question. Look for this icon to link to an easy to use form in all our communications.

PURCHASING CARD

Payment for Professional Development Courses

*contributed by Jane Scott
Purchasing Card Manager*



Conferences, seminars and all off-campus classes that will help an employee in their current job are considered professional development and are allowed on the purchasing card.

All classes offered by the University of Utah, however, including AOCE non-credit classes that will be used as professional development training, should be paid with the [Tuition Authorization process](#) and not with the purchasing card.

Even though the funds may be designated for professional development, the payment by the department is considered tuition. We recommend the registration process be completed by:

1. Calling the [Continuing Education Office](#) and they will direct you to the appropriate individual who will register you for the class. This is only if your department is paying for the other half of the class.
2. Participants should complete the [Application for Reduced Tuition](#) which is for our [Employee Tuition Reduction Benefit](#) and fax the completed form to the Benefits Department. (This is the form that reduces the tuition by 50% and is a benefit for qualified University Employees.)
3. Access to the Tuition Authorization online forms is granted upon completion of training with Income Accounting conducted by [Brenda Borg](#). For more information, refer to the [training description](#). You can also call Brenda Borg at 585-5738.

\$Y\$ - HAPPENINGS

Continuing on with PAM

*contributed by Bob Turner
Project Manager, P.A.M.*

The Project Administration and Management (PAM) project is a campus initiative to review the post-award accounting and management tools available to researchers, staff, and administrators with the primary goal of decreasing the administrative burden on researchers.

The PAM initiative is in full swing in the following areas:

- Complete:
 - A major PeopleSoft Financials Upgrade: This was needed to implement the PeopleSoft Grants Modules
 - The Self Service Liaison project: This allows the campus to automatically change the liaison on any project or activity. This is important because various notices will be sent to PIs and administrators using the contacts from the account executives and liaisons on projects.
 - The fit/gap phase of the implementation of the PS Grants Suite modules: The next phase is the analysis of how to configure the new modules to meet the needs of central administration and the campus in general.
 - The Salary Encumbrance project: This enables departments to encumber salary on Projects for the entire Project period, even for future fiscal years. Click [here](#) to see the January 6 FBS News Post for more detail.
- Other projects that are underway:
 1. Possible reorganization of the different research support departments
 2. Payroll reallocations
 3. Several ways to book expenses on a project more accurately and timely (BEAT Project)



Watch for future updates and progress reports as we move forward with this initiative.



Share your ideas for our next newsletter!

FBS COMMUNITY

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

5 Years

Eric Christensen (Jan 16); Vehicle Operator, General Stores and Receiving
Brooke McDaniels (Feb 20); Accounting Clerk, Income Accounting
Jane Scott (Mar 7); Manager, Purchasing

15 Years

Suzanne Bradley (Mar 17); Office Assistant, General Stores and Receiving
Laurel Martinez (Mar 31); Associate Accountant, Income Accounting

35 Years

Gary Gledhill (Apr 1); Manager, Grants and Contracts Accounting

UPCOMING EVENTS

WACUBO Professional Development Workshops



The Western Association of College and University Business Officers ([WACUBO](#)) welcome you to register for low cost Higher Ed specific Professional Development! Participants will have an opportunity to network with peers from other institutions while learning valuable job skills.

Las Vegas, NV	Process Improvement	March 1-2, 2012	Registration open
San Diego, CA	Higher Education Accounting and Reporting-Beyond the Basics	March 22-23, 2012	Registration not open
Pacific Northwest	Strategic Planning & Budgeting	April, 2012	Registration not open

Don't forget to check the [FBS Calendar](#) for other FBS events.

 **FINANCIAL & BUSINESS SERVICES**
THE UNIVERSITY OF UTAH

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