



NOTABLE CHANGES

Two new Property Policies Approved by Board of Trustees

Two new Property Policies have recently been approved by the Board of Trustees. Both policies have been written in an effort to provide further clarification in the stewardship of University Property.

A campus-wide audit conducted by the University’s Internal Audit department in 2009 concluded that **Noncapital Equipment**, with original value between \$1,000 and \$4,999, was not consistently being inventoried and safeguarded in an appropriate manner. The audit provided recommendations for achieving better monitoring and control of Noncapital Equipment, and included a recommendation that where unclear, policies should be clarified.

As FBS approached **Policy 3-040, Property Accounting**, we wanted to strengthen and clarify other property issues in addition to answering audit recommendations. These efforts resulted in three new policies; please refer to the table below for revision dates of those policies affected:

Policy Number	Current Version	Effective Date	Policy Title
<u>3-040</u>	Rev.6	3/8/1999	Property Accounting
<u>3-041</u>	Rev. 0	4/13/2010	Accountability for Noncapital Equipment
<u>3-042</u>	Rev.3	12/10/2001	Property-Insurance Program
<u>3-043</u>	Rev. 0	2/9/2010	Accountability for Intangible Assets
<u>3-044</u>	Rev. 0	6/7/2010	Museum & Library Collections & Non-Museum Decorative Items
<u>3-045</u>	Rev. 0	1/1/1995	Equipment Inventory & Screening

What other changes are coming regarding Property Policies?

These three new Policies, **3-041**, **3-043** and **3-044** complete new policy documentation regarding different property categories. A significant effort to re-write **Policy 3-040, Property Accounting** will follow during the next year. The result will be that 3-040 will be scaled down to clarify principles only concerned with Capital Property, with original value over \$5,000.

What do the new policies say?

3-041, Accountability for Noncapital Equipment, approved April 13, 2010

This new policy is designed to communicate the University’s expectations regarding accounting for and safeguarding Noncapital Equipment, which is equipment with original value between \$1,000 and \$4,999 and having a useful life of at least one year. The creation of this policy sprung from recommendations from a February 2009 internal audit titled, “Audit of Accountability for Non- Capital Assets”. The audit found that existing policy requirements were not well understood and that this area of responsibility could be benefited by publishing further guidance.

Policy 3-041 outlines general responsibilities of departments and units, the principles surrounding disposal or transfer of such equipment, off-campus use of such equipment, security, loss, and verification of such equipment.

IMPORTANT: Although this policy supersedes Section III.K.3. of Policy 3-040, and requires only a biennial inventory of Noncapital Equipment, we will continue to expect annual [inventories](#) for Capital Property.

Other highlights of 3-041 include departmental responsibility for:

- Tagging Noncapital Equipment at purchase
- Maintaining inventory records, including location and condition, for Noncapital Equipment
- Maintaining records of Off Campus use of Noncapital Equipment
- Biennial inventory of Noncapital Equipment in service 5 years or less
- Disposition of Noncapital Equipment through University Surplus

Guidance and Forms used by departments with regard to Noncapital Equipment can be found with the [Information and Forms](#) link on the [Property Accounting](#) home page, or at [FBS Forms](#).

[Policy 3-044 Museum and Library Collections and Non-Museum Decorative Items](#), approved June 7, 2010

This new policy articulates the University's commitment to the preservation of art, artifacts, and rare books in the Museum of Fine Arts, the Museum of Natural History, and the University Libraries, as well as the education of the public on these items. This policy acts as an umbrella over more detailed internal policies and procedures regarding acquisition, display, and preservation, as prescribed by these entities' accrediting bodies.

While the major focus of the policy deals with collections as described above, it also addresses non-museum decorative items acquired for the purpose of providing an inviting and appealing environment to students, faculty, staff, patients, and visitors.

What do I need to know about Capital and Noncapital inventory procedures?

- The [Noncapital Inventory Form](#), a spreadsheet template to be used for inventory tracking, is provided in the [Information and Forms](#) section of the [Property Accounting](#) website or on [FBS Forms](#). [Capital Inventory Forms A & B](#) can continue to be found at these sites as well.
- Noncapital Equipment must have a yellow property tag affixed when the item is put into service, while Capital Equipment continues to be tagged with red property tags.
- An inventory of Noncapital Equipment should be conducted at least biennially (every other year). [Noncapital inventory instructions](#) are provided in the [Information and Forms](#) section of the [Property Accounting](#) website or from the [Learn More](#) section of [FBS Forms](#).
- Capital Equipment will continue to be inventoried annually.
- Noncapital Equipment is to be inventoried for five years after purchase, while Capital Equipment continues to be inventoried from the time of purchase until it is retired.

- **The Off-Campus Authorization form** is to be completed and kept on file in the department for both Noncapital and Capital Equipment being used off-campus. Send a copy of the completed Off-Campus Authorization form to Property Accounting ONLY for Capital Equipment.
 - When no longer used or in service, both Noncapital and Capital Equipment will be disposed of by completion of a **Retirement/Transfer form** and scheduling a pick up by **University Surplus & Salvage**. A copy of the Retirement/Transfer form signed by Surplus is to be kept in the department as proof of Surplus pick up.
 - During periodic departmental audits conducted by the University's Internal Audit department, randomly selected Noncapital and Capital Equipment will be checked for the proper tag and inventory details.
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Travel Contracts – New Delta Discounts available for Airfare

The **Travel Department**, in conjunction with the State of Utah Travel Office, our Agency partner Christopherson Business Travel, and Delta Airlines has implemented contracts to provide better value to our University business travelers.



To maximize services and reduce costs, we recommend use of our Onsite Travel Agents to make appropriate use of all our contracts and vendor benefits; such as:

- Discounted Delta airfare available ONLY through our Onsite Agents:
 - 2% Delta discount on published domestic airfare.
 - Up to 7% Delta discount on published international airfare, varying by class of service.
 - Delta Discounts are typically lower than public internet fares found at Delta.com, and have the potential to save the University approximately \$100,000 this fiscal year.
- State Contracted airfare can be higher in price than regular published fares, but provides the following flexibility benefits:
 - Upgrades for our more frequent travelers
 - Schedule changes without penalty fees
 - Full refunds when travel plans change
- Group airfare benefits where 10 or more are traveling on the same itinerary; **Request a Call from a Travel Agent** for more information.
- Special hotel rates available through Christopherson affiliates when an Onsite Travel Agent is used to make the reservation.
- **Car Rental Contracts** which include appropriate insurances for use while on official University business:
 - Hertz, contract number: 0198552
 - National, contract number: XZ47075

We have changed the look of our **Step 1: AirSelect** emails to clarify airfare contracts for our travelers and our travel planners, see next page. Please share this information with all those who work with Travel.

For more information about **Step 1: AirSelect**, **Step 2: ON HOLD Reservations**, or **Step 3: Confirm Itinerary**, please refer to our **online learning module**.

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Tip: Check out the number of available seats to give you an idea on how quickly you should decide on your flight.

BRANDILYN TURNER Agency Locator: LS20DD

Requested Itinerary: Salt Lake City, UT (SLC) to San Diego, CA (SAN) - Lindbergh Intl
 San Diego, CA (SAN) - Lindbergh Intl to Salt Lake City, UT (SLC)

Maximum Options: 30 **Direct Only:** Yes

State Contracted Rates

Delta Air Lines	
Non-stop	\$471.40
1 stop	
2+ stops	

Non-Contracted Rates

Fares here do not include University negotiated Delta discounts. State Contracted fares are indicated at the top of the selection.

Delta Air Lines	
Non-stop	\$341.40
1 stop	

State Contracts are shown in the top table. State Contracts are refundable fares and may be changed without penalties, and are often more expensive.

Step 1 AirSelect: Non-State Contract fares **do not** reflect additional 2% – 7% Delta discounts. Discount will be taken when ticket is confirmed with Step 3.

Non-refundable penalty fares are shown in 2nd table.

Flight Options

Option 1: \$471.40 per person = \$418.60 + 52.80 taxes & fees [Contract Rate](#) [Back to Matrix](#)

[Request this Option](#)

Delta Air Lines Flight: 1235	Departs: Mon, Jul 12 08:44 AM - Salt Lake City (SLC) Arrives: Mon, Jul 12 09:36 AM - San Diego (SAN)	Stops: 0 Avail. Seats: 9
Delta Air Lines Flight: 2378	Departs: Wed, Jul 14 01:05 PM - San Diego (SAN) Arrives: Wed, Jul 14 03:55 PM - Salt Lake City (SLC)	Stops: 0 Avail. Seats: 9

Option 2: \$471.40 per person = \$418.60 + 52.80 taxes & fees [Contract Rate](#) [Back to Matrix](#)

[Request this Option](#)

Delta Air Lines Flight: 1595	Departs: Mon, Jul 12 04:43 PM - Salt Lake City (SLC) Arrives: Mon, Jul 12 05:36 PM - San Diego (SAN)	Stops: 0 Avail. Seats: 9
Delta Air Lines Flight: 2378	Departs: Wed, Jul 14 01:05 PM - San Diego (SAN) Arrives: Wed, Jul 14 03:55 PM - Salt Lake City (SLC)	Stops: 0 Avail. Seats: 9

Contract Rates are identified when available.

Don't forget to use "Request this Option" button which opens Step 2 with flight information pre-populated to save you time!

Travel Documentation: Reminders & Requirements

New Documentation Requirements

Beginning with trips where the return date is after July 1, 2010, Travel Accounting will begin requiring copies of brochures or registration materials as part of the final reimbursement documentation.



We understand that departments typically keep a copy with their Purchasing Card (PCard) receipts, and we are requiring an **additional** copy be submitted with the Final Reimbursement. PCard auditors will continue to require a copy be kept with the PCard statement when registration fees are paid for using the PCard.

Travel Accounting is implementing this change to address concerns raised by the Internal Auditors who have recommended we better document:

- Names and dates of conferences, meetings, or other functions when attendance at those functions is a primary purpose of the travel.
- Dates required for travel and University business vs. any interim periods of time scheduled primarily for the convenience of the traveler, including side trips, layovers, and late returns that are not necessary to the conduct of University business.

The Travel Department is currently working on programming changes to direct departments in better business purpose documentation. Changes to the online Register Trip and Final Reimbursement pages will be implemented during Fall Semester.

Documentation Reminders

In accordance with [Travel Policy](#) and IRS Guidelines, Travel Accounting is only able to reimburse an employee traveler for his/her own expenses. We are unable to reimburse persons other than those identified on the attached, original receipts. We will not reimburse University employees for another employee's expenses. Each University employee should pay for his/her own hotel, meals, transportation, and other travel related expenses for themselves, and should submit a Final Reimbursement request with a unique Travel number for reimbursement and to close the trip. Students being paid through University Payroll are considered employees under this policy.



We encourage departments to  when they have a question.

PROCESS SPOTLIGHT

Disposal of University Assets; Using University Surplus and Salvage

The [University Surplus and Salvage Department \(Surplus\)](#) sells excess University property and handles lost and found property for the University. If you love shopping at swap meets or Saturday yard sales then surplus is a great spot to purchase that one of a kind chair, desk, or purchase that second computer for your home.

Surplus is located in a warehouse built in 1906 by the Army. It is a long block south of the Heritage Center, see [map](#).

To turn in equipment to Surplus, department personnel first need to complete a Retirement / Transfer Form (RT) listing descriptions, makes, models and serial numbers. A department would then contact Surplus, through the [Surplus website](#), to request pickup of old equipment, or the department may drop the equipment off at Surplus. Most of the year, equipment is removed within a week. The busiest time of the year for orders is the end of July, August and September. Departments should keep copies of signed RTs for inventory control and audits.



Property waiting for pick-up from Surplus should be stored in a secure location so those assets listed on the form do not get "redistributed" by people who may not understand Surplus guidelines. Surplus is unable to pick-up assets unless the Retirement form is complete and accurate.

Property is offered to federal agencies, state agencies, University departments, and public education institutions first and finally to the general public. Federal, State, and Public Education agencies may purchase surplus property as soon as it is displayed in the Surplus warehouse. The public, University employees and students are welcome to purchase property after the government surplus cycle expires. (Utah Code 63A-9-802) Presently, this cycle is fifteen days.

Remember that Surplus minimizes what ends up at the landfill by sending your e-waste and scrap metal through approved contactors.

For more information regarding the disposal of secure data on University computers and other disposal guidance, you may review the [memo](#) issued by Jeffrey J. West, Associate VP of Financial and Business Services, on June 22, 2007.

Procurement – Don't miss a Step!

With over 400 departments on campus, there are varied approaches to ensuring internal procedures are properly controlled. Some departments have hundreds of monthly transactions and several factors that add to the complexity of their processes while other departments operations are more simple and straightforward. You may work in a smaller area or in a highly specified environment, your department may be staffed with persons very knowledgeable about University policy, or you may work with many newer employees. Regardless of your environment, there are several considerations for good business practices and internal controls related to procurement procedures.

Every department should have internal procedures to ensure controls are in place for each of the following procurement steps:

- **Request for Authorization:** Is it okay if I purchase...?
- **Authorization Approval:** How do I know it is okay that I purchase...?
- **Placing Orders:** How and from whom do I order...?
- **Receiving:** How do we document shipment verification?
- **Vendor Payment:** How do we pay the vendor? Who authorizes payment? Do we scan invoices?
- **Reconciliation:** How do we document that expenses appearing on our Management Report reflects completion of these steps?

It is also important to consider compliance issues during the procurement process. Prior to placing an order, be sure answers to the following questions results in appropriate procurement actions:

- Who is the **contracted supplier** for this purchase? Is there an opportunity to use a **Small or Minority Owned Vendor**?
 - Does this purchase total over \$5,000? If so, what is the formal **bid process** I must follow?
 - Does this purchase comply with guidelines for the funding source, especially for state and federal money?
 - Is this transaction Travel-related? Should I work with Travel to complete this transaction?
 - Is this a **gift or incentive purchase**? What are the income tax implications?
 - Does this purchase involve an item on **Restricted List for General Purchasing** or the **Purchasing Card restriction list**?
 - Does this purchase involve risk management consideration?
 - What are the **forms of payment** allowed for this purchase?
-

Keep it on Campus... and WIN PRIZES

Many campus departments are working together to encourage students, faculty and staff to keep budget dollars on campus by supporting local departments with their business. Their collective efforts have given rise to UKIC (U Keep it on Campus).

The University is facing difficult economic challenges today and on-campus departments are committed to offering good value and competitive pricing. Partnering with on-campus departments will help all of us by:

- Supporting the University community
- Reducing the U's carbon footprint by reducing off-campus trips
- In many instances, saving campus dollars with available on-campus rates and discounts

Please visit the new [U Keep it on Campus website](#) to learn more about the on-campus services available to you, and why it's important to keep campus dollars local during these tough economic times.



Every month, members of the campus community can enter to win prizes from participating departments by taking a short informative quiz found by clicking the "enter to win" button on the left navigation bar from the [UKIC home page](#).

**We congratulate three lucky winners who have recently won:
Sandra Coon, Agnes Kirchgasler, and Kirsten Brown**

INTERNAL CONTROLS CORNER

Financial reconciliations and reviews are internal control procedures designed to verify the accuracy and reliability of accounting data and other management information. University regulations require that Management Reports be reviewed and approved each month by the person responsible for the Activity or Project. At a minimum, the review should include the following:

- Review all transactions to make sure the proper account code was used and also investigate transactions expected to be posted that have not yet been posted.
- Are there expenses from any unusual vendors (i.e. shoe store, Pay Pal, etc.) or, are there any unusual expenses (i.e. pet food, etc.)? If so, inquire about the nature of the transactions and whether they are for a valid business purpose.
- Are there any differences between departmental records and the Management Reports? If so, resolve these differences promptly.
- Are there any unusually large or small expenses in relation to the budget, prior months trends, or other expectations?
- Do you see any unallowable costs based on University procurement regulations (i.e. improper recording of equipment or salaries)? If so, have corrections been initiated?
- Do payroll records agree with the amounts reported?
- Finally, determine the cash position of the Activity or Project and address any deficits.

Why is this important? Consider this – our programs and activities are carried out with limited resources. Review and reconciliation of the monthly financial Management Reports presents a timely and valuable opportunity to catch errors or, in the worst case, fraud – both of which result in fewer resources being available to carry out important programs.

\$Y\$ - HAPPENINGS

FBS Departments now have News Blogs

The Financial & Business Services web site was designed from the beginning as a News Blog, and over 280 News Posts have been distributed since the website started. Many of the news post still contain pertinent information, even though they were published some time ago. FBS wanted to present this information to users in a way that did not require a news post search. A “News Blog” has been created on the sidebar of each FBS department’s web page to make important news posts easy to find regardless of how long ago they were posted.

To see an example, check out the [News Blog for Management Accounting](#).

Check out News Blogs by visiting any FBS department’s website and clicking on the “News Blog” link on the left sidebar. Each department’s News Blog is different and contains valuable historical information.

We also encourage our campus customers to subscribe to receive our news by email or receive an RSS News feed. [Click here](#) for details about FBS Communicast.

Tuition Calculator

We have recently introduced a Tuition Calculator on the website. This calculator makes it possible to *estimate* tuition costs for prospective or existing students. The tuition calculator includes standard fees for different majors, but due to varied departmental fees, amounts calculated should be interpreted as just an estimate of final tuition costs.

The tuition calculator can be found on the [“Tuition Rate”](#) web page. Links to the tuition calculator have also been placed on various tuition pages throughout the website.

Share your department’s success stories for future newsletters!



FBS COMMUNITY

Please join us in congratulating the following FBS employee for her length of service:

35 Years

Lisa Zaelit (September 15), Associate Director, Income Accounting

UPCOMING EVENTS

WACUBO Professional Development Opportunities

The Western Association of College and University Business Officers (WACUBO) offers valuable and affordable training opportunities for administrative staff throughout our campus community. Two specific summer institutes are offered each year and offer week-long sessions where participants improve job skills and build important relationships with peers from other institutions.

University of Utah participants enjoy “member” registration fees under our institutional membership, and can register for either summer institute at the Professional Development section of the [WACUBO website](#).



August 1st through August 6th, 2010
University of California, Santa Barbara Campus

Experience a week of intensive professional development on important topics presented by nationally known faculty with years of experience in their respective areas. The Business

Management Institute (BMI) is perfect for higher education managers, supervisors, academic officers, staff, and other mid-level personnel who perform administrative and business functions.

The Institute’s four-year progressive curriculum offers an opportunity for mid-level professionals to enhance technical skills, expand and improve management practices, hear updates on important issues, and meet new colleagues. Senior-level administrative officers and Institute graduates may attend the Continuous Learning program and take courses from the Institute curriculum or return to hear favorite faculty. Evening special events provide fun, relaxation, and a chance to get to know your colleagues.



August 7th through August 12th, 2010
University of Southern California Campus

The ELMI’s mission is to offer participants a premier experience in leadership development within the culture and circumstances of higher education institutions. It is a “total immersion” experience for five solid days --a time for in-depth thought about each person’s style of leadership, while providing a balance of study, intensity, and fun.

The ELMI attracts a wide diversity of institutions, and it’s “Alumni” include: senior-level leaders, middle managers, those new to higher education, and faculty members.

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

Important fiscal Year-End dates are available on the Calendar, and more in depth Year-End info can be found on the Resources and Forms section of the General Accounting web site, [click here](#).

U FINANCIAL & BUSINESS SERVICES
THE UNIVERSITY OF UTAH

a to z index | search | directory

HOME • **CALENDAR** • CIS • COMMUNICAST • FORMS • HELP • INDEX • NEWS • RULES • \$S-EVENTS • TRAINING

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