

# UFS ADVISOR

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## TREASURER'S MESSAGE



[Penny D Cox](#)

### Technology Transformation

At the December 3, 2024 Board of Trustees meeting, a project was approved to “Improve Information Technology Systems.”

The addition of King’s Daughter and St. Claire created an opportunity to transform our technology infrastructure through Project Blue Connect to enable greater integration and reporting, improve clinical quality, and enhance the employee and patient experience. This project will implement an ERP system called Workday, EPIC as their electronic health record, and an identity management system called SailPoint. During the next 18-22 months, UK will also be migrating from the current version of SAP which is called SAP/ECC to S/4 Hana and several other sub-projects like procure to pay (P2P), Asset Works, etc.

Our existing instance of SAP/ECC implemented in 2004-2006 is heavily customized. Today we have many inefficient and ineffective manual processes. As part of the S/4 Hana planning, we have engaged with Deloitte for a review of the Chart of Accounts (COA) to position the IT transformations to support future enterprise growth, while at the same time protecting the base. That 12-week COA work kicked off in early January and is expected to be final by the end of March.

We expect that Deloitte will provide options with pros and cons – including recommendations that help the entire enterprise plan a future state to ensure that our COA decisions are optimized for the long-term to provide *maximum flexibility* for the future technology integration across multiple ERP systems (e.g. SAP S/4 Hana and Workday) to support data-enabled decision making and budget management.

I also wanted to share that UFS implemented several organizational changes effective February 1, 2025, in preparation for the technology transformations.

- ✓ Shan Wang has transitioned from Controller to Associate Treasurer, Audit Quality Assurance and Financial Systems. Technology Transformation Project business lead.
- ✓ Cara Nelson has transitioned to Accounts Payable Systems Business Lead. Cara’s effective date.
- ✓ HR executive recruiter, Mary Beth Bracken, is assisting us in the recruitment for filing the vacant Controller and AP Director positions.
- ✓ Gwen Conley promoted to Sr. Associate Controller.

There is much to be done and your ideas, suggestions, and sharing of pain points is greatly desired and needed. We’re better together! I appreciate each of you.

## ARTICLES

### Endowment Spending Distribution Utilization

When units utilize endowment spending distributions according to the donor's purpose, the resulting expenditures can have a powerful impact on students, faculty/staff members, programs, and the university. Beginning soon, stewardship letters to donors will include the amount of accumulated spending distributions. At this time, units should analyze their endowment agreements, make plans to spend down any accumulated distributions according to the donor's purpose, and work with Philanthropy and Alumni Engagement on those agreements that may need to be amended.

Why is appropriate spending distribution utilization important for the university?

- We must be good stewards of our generous donors' contributions.
- Because endowments provide an excellent source of perpetual funding, the donor's specified purpose can continue to be met year after year.
- Because the spending distributions occur consistently each year, it frees up other sources of funding that may have been used for the same purpose as the endowment. That other funding can now be used for further additional initiatives or objectives.

To ensure greater transparency for donors in regard to endowment spending, several steps have been taken to communicate the need for appropriate spending distribution management and to provide resources for units to review their endowment agreements and spending regularly.

- The Endowment and Gift Account Tracking System (EGATS) has been updated to include utilization plan functionality. With the increased focus on accumulated endowment spending distributions and the necessity of campus units to review their endowment fund spending regularly, EGATS editors can now add plans in the system with the following capabilities:
  - Drop-down menu for the different uses or holds on the spending distributions
  - Drop-down menu for possible amendment reasons if spending distributions cannot be utilized
  - Effective dates for the plan
  - Notes explaining the decisions made for the plan including a description of the possible amendment

Utilization reports can also be run in the system. Filters can be used to narrow down the data or to find specific plan information and notes. If needed, the report can be exported to Excel.

The EGATS – Utilization Plan quick reference guide (QRG) is also available on the EGATS [website](#) to assist users with the plan and reporting functions.

- A Utilization Manual is now offered on the Endowment and Gift Accounting [website](#) that includes topics such as:
  - Guidelines for usage and planning
  - Calculation of the number of years of accumulated spending distribution
  - SAP and EGATS tools for making utilization decisions
  - Faculty appointment resources
- The development of a Finance and Administration Specialized Training (FAST) web-based module for spending distribution utilizations has begun and should be ready in the fall.

- In partnership with Philanthropy and Alumni Engagement, endowment training meetings will be held with colleges and other units over the next few months to discuss utilization topics and to demonstrate the enhancements to EGATS.

## AFRS Reminders

The University's fiscal year-end will be here before you know it. This is the time to catch up on any reconciliations and other account clean up that may be behind. Watch for upcoming information, such as the 2024-25 Fiscal Year Closing Schedule with key deadlines, instructions, and contacts, as well as requests from AFRS for March 31<sup>st</sup> reconciliations for clearing accounts, unearned revenues and accounts receivable.

## Maximize Savings and Security: Why UK Travelers Should Book Through UK Travel Services

For University of Kentucky faculty, staff, and departments, business travel is a crucial part of advancing research, academic collaborations, and professional development. While booking travel independently might seem convenient, utilizing UK Travel Services offers a wide range of benefits that ensure cost savings, convenience, and traveler security. Whether you're booking a domestic trip or an international trip, UK Travel Services provides the best travel experience while making sure departments maximize their budgets.

### Your Travel, Your Choice: Three Easy Booking Options

UK travelers can choose from three booking options to fit their needs:

1. **AAA Corporate Travel** – A full-service travel agency that can book airfare, hotels, rental cars, and group travel.
2. **Avant Travel** – Another full-service travel agency with agents ready to assist with all aspects of business travel.
3. **Concur Online Booking Tool** – Available through myUK, this self-service tool allows employees to book flights, hotels, and rental cars at their convenience.

Whether you prefer personal assistance or a do-it-yourself approach, UK Travel Services ensures a seamless booking experience.

### Why Book Through UK Travel Services?

By booking through UK Travel Services, travelers and departments gain access to exclusive savings, security, and support that aren't available when booking independently.

#### 1. Risk Management & Traveler Safety

UK Travel Services provides 24/7 traveler tracking, meaning the university knows where travelers are in case of an emergency. This ensures rapid response and support when needed.

#### 2. Exclusive Cost Savings

Through UK Travel Services, travelers benefit from negotiated discounts with major airlines, hotels, and rental car companies:

✓ **Airfare Discounts** – Special rates with Delta, American, United, and Southwest Airlines saved the university \$254,000 in FY 2024.

- ✓ **Car Rentals** – Discounted rates with Enterprise, National, and Hertz help reduce department expenses.
- ✓ **Hotel Discounts** – Preferred rates at IHG Hotels & Resorts nationwide.
- ✓ **FareSaver Technology** – This software searches for lower fares within the 24-hour void window and automatically rebooks tickets, saving UK travelers over \$18,000 in the last 8 months alone.

### 3. Complimentary Flight Insurance

All flights booked through UK Travel Services come with \$200,000 in accidental death insurance at no additional cost.

### 4. 24/7 Expert Support

Both AAA Corporate Travel and Avant Travel provide round-the-clock support, ensuring travelers receive assistance with rebooking, cancellations, or unexpected travel disruptions.

### 5. International Travel Expertise

For complex international trips, UK Travel Services has dedicated international travel agents who specialize in coordinating multi-leg flights, visas, and travel regulations—ensuring a smooth experience.

### Is UK Travel Services Required for Booking?

While international flights must be booked through UK Travel Services, domestic airfare, rental cars, and hotels do not require UK Travel Services—but using it is highly recommended for cost savings, convenience, and security.

### Make the Smart Choice – Book Through UK Travel Services Today!

When planning your next business trip, maximize savings, security, and support by booking through AAA Corporate Travel, Avant Travel, or the Concur Online Booking Tool.

📍 **Get started today:** Visit [Travel Services](#) or contact UK Travel Services at [travelservices@uky.edu](mailto:travelservices@uky.edu) for assistance!

### UK Travel Services by the Numbers (FY 2024)

- ◆ **\$254,000** in savings from negotiated airline contracts
- ◆ **99%** of airline tickets purchased through UK Travel Services were covered by these discounted contracts
- ◆ **\$10,000** in direct savings from FareSaver rebooking technology.

## Updated Service Center Rate Sheet

Research Financial Services recently rolled out an updated version of the service center rate sheet to be utilized for development and submission of service center rates for FY 2026. The updated version of the consolidated rate sheet is intended to be more intuitive, user friendly, efficient, and effective for capturing the necessary details for service center rate calculation. RFS spent extensive time gathering input from our campus partners related to challenges they had encountered with the prior version of the rate sheet and working jointly to find viable solutions to improve the tool. A few notable improvements include:

- Segregation of expenses into separate tabs by expense category
- Incorporation of sections to include supporting details of expenses to ensure compliance
- Automated warnings to notify the end user of large variances and/or potentially non-compliant expenses.

An accompanying training session was held on December 5, 2024, to walk through each element of the revised rate sheet and address any questions. An additional training session is planned for late April/early May 2025, prior to the final rate sheet submissions for FY 2026.

RFS would like to thank the various partners across campus who took the time to provide input that informed these updates; performed testing of several iterations of the revisions and provided feedback; and attended the training sessions to ensure their comfort with utilizing the updated version going forward.

## Change in Accounting for Charitable Grants

Effective January 01, 2025, a revision was made to the process for accounting for charitable grants. Previously, separate cost objects were required to be established for charitable grants and charitable gifts. This accounting practice was developed based upon past guidance from external auditors. However, University Financial Services (UFS) recently researched current accounting standards and found there is no specific requirement to distinguish charitable grants from charitable gifts in an accounting structure. UFS consulted with external auditors for their opinion, and they do not require a separate accounting structure. Also, benchmarking of peer institutions did not indicate that separate cost objects are required.

Therefore, new non-endowed charitable contributions will now be set up as 1215 cost centers. Cost centers already established as charitable grants may remain in the 12158 series. In cases where a charitable grant account and a charitable gift account for the same purpose were previously established, a department has the flexibility to either utilize both cost centers or combine the activity into one of the cost centers and close the one no longer being used. Additionally, it is no longer required to use charitable grant general ledgers 427005 and 426305 when a charitable grant is deposited. This change is anticipated to create efficiencies in the University's administration of charitable contributions, including fewer required cost objects to track charitable contribution revenues and expenses and less time spent on the establishment of cost objects.

## Concur/Travel Additional Training Opportunities

Training Class	Date	Time	Location
Concur Online Booking Tool	04/23/2025	8:30am-10:00am	Virtual
Concur Online Booking Tool	06/11/2025	10:30am-12:00pm	Virtual
Concur Online Booking Tool	08/27/2025	8:30am-10:00am	Virtual
Concur Online Booking Tool	10/22/2025	8:30am-10:00am	Virtual
Concur Online Booking Tool	12/10/2025	8:30am-10:00am	Virtual
Advanced Concur Online Booking Tool	04/23/2025	10:30am-12:00pm	Virtual
Advanced Concur Online Booking Tool	08/27/2025	10:30am-12:00pm	Virtual
Advanced Concur Online Booking Tool	12/10/2025	10:30am-12:00pm	Virtual
<b>In addition to the scheduled training classes, we also have the below on-demand trainings.</b>			
Introduction to Concur Travel & Expense Management	On-demand	On-demand	Virtual
Concur: Create a Travel Expense Report from a Pre-Approved Travel Request	On-demand	On-demand	Virtual
Concur: Creating a Travel Expense Report without a Travel Request	On-demand	On-demand	Virtual
Concur: Creating a Travel Request	On-demand	On-demand	Virtual
Concur: Expense Reporting for Procard Transactions	On-demand	On-demand	Virtual
Concur: Review and Complete User Profile Settings	On-demand	On-demand	Virtual
Cash Handling Basics	On-demand	On-demand	Virtual
Procurement Card	On-demand	On-demand	Virtual

For more information or to register for these courses visit your **myUK Employee Self Service Training** page.