University Financial Services

February 2017

# UFS Advisor

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## *Treasurer's Message*


Susan I. Krauss

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*What's in a name? That which we call a rose,*
*By any other word would smell as sweet.*

--William Shakespeare

In this famous passage from Shakespeare's Romeo and Juliet, Juliet argues it doesn't matter that Romeo is a "Montague", from her family rival's House of Montague. Unfortunately we know how the story ends and that <u>names do matter</u>…which is why we've decided changing our name is important.

As background, the Office of the Treasurer completed its 2015-2020 Strategic Plan last year and developed the following mission statement:

> ***The OT's mission is to partner with the University community to ensure effective stewardship of resources in support of the University's mission through value-added guidance and service.***

***Customer Service***, ***Accountability***, ***Diversity and Inclusion*** and ***Innovation*** were selected by the management team as our guiding principles; and strategic objectives, strategic initiatives, actions steps and metrics were developed for each of these principles. The planning process included a full discussion of our responsibilities to safeguard University assets and promote compliance with laws and regulations. We understand we will only be successful with these responsibilities through service and partnership with the campus community. And we believe renaming the unit to **"University Financial Services"** sends a signal that service is a primary responsibility and that we exist to support the financial goals and needs of the University. The new name also reflects that our unit is made up of multiple departments and functions, requiring a team approach to service delivery.

*Continued – page 2*

# Treasurer's Message, continued

**University Financial Services**, or "**UFS**", has University-wide responsibilities for:

- Treasury, investments, endowments, debt, banking, payroll, accounts payable, travel management, research accounting, cost accounting, property records and student billing and collections.
- Accounting and preparation of internal and external financial reports, including the coordination and oversight of the annual external (independent) audits.

*Please visit the new UFS website at:*

*www.uky.edu/ufs*

*Provide feedback to Lexi Bugay at alexis.bugay@uky.edu*

Department names within UFS have also been revised to align with the unit's new name and mission, as follows:

| Old Department Name | New Department Name* |
|---|---|
| **Office of the Treasurer Administration** | **Financial Services Administration** |
| **General Accounting** | **Accounting and Financial Reporting Services** *(includes Captital Assets Accounting, Endowment Accounting, and Benefits Accounting)* |
| **Accounts Payable** | **Accounts Payable Services** |
| **Sponsored Projects Accounting** | **Research Financial Services** |
| **Payroll** | **Payroll Services** |
| **Student Account Services** | **Student Account Services** |
| **Travel Management Services** | **Travel Services** *(new department responsible for all travel needs, including managed travel program and travel reimbursements)* |
| **Treasury Services** | **Treasury Services** *(includes Merchant Card Services)* |

**** New department names shown in blue denote name change***

We hope you will take some time to explore the new UFS website, which includes more information on our strategic plan. The new website has been completely redesigned to be more user-friendly…like our name. Over the coming weeks, we will continue to improve the format and search features of the website. Please provide your feedback to Lexi Bugay at alexis.bugay@uky.edu or (859) 257-4758.

# UFS By-the-Numbers

**Research Financial Services** supports the invoicing and administration for the University's grant activity, which totaled **~$429 million** for FY16.

**Treasury Services** during FY 16 processed the following deposits & outgoing wires:

- **93,195** deposits totaling over **$2.3 million**
- **897** outgoing wires totaling ~ **$2.8 million**

**Merchant Card Services** supports over **200** merchant accounts, totaling **712,368** transactions and approximately **$112 million** annually.

**Student Account Services** provides billing and collections support for tuition and fees revenue of approximately **$544 million** and **42,000** accounts annually.

**Accounts Payable Services** processed **~310,000** payments in FY16 as follows:

- **216,000** payments for invoices
- **66,000** PRD's
- **22,000** travel vouchers
- **6,000** student payments

**Travel Services** supported the purchase of **12,736** airline tickets in FY16 covering **35.3 million** travel miles.

**Financial Services Administration** oversees:

- Operating/Capital cash & investments, with month-end balances averaging **$1.2 billion** during FY 16.
- The **$1.2 billion** Endowment Investment Program
- Bond issuance and administration with 18 bond issues outstanding, totaling **$945** million as of June 30th, 2016.

**Payroll Services** processes annual payroll totaling **1.4 billion** annually.

Monthly payroll for FY16 averaged **$114 million** and an average of **47,400** direct deposit transactions were processed each month.

Over **99%** of employees are paid via direct deposit.

**Accounting and Financial Reporting Services** processes **~58,000** journal vouchers annually and creates approximately 2,000 new cost/funds centers and 600 funds.

**Accounting and Financial Reporting Services** produces annual and interim financial statements for the University, **four** organizational units and **seven** affiliated corporations.

# Focus on Business Procedures

Recently Updated BPM's

## E-1-1 Duties and Responsibilities of University Financial Services

| | |
|---|---|
| January 25, 2017 | Major revision to address new name of Office of Treasurer Division and related departments. |

*Name change to University Financial Services effective January 25, 2017*

## E-1-2 Requests for Exception to Business Procedures

| | |
|---|---|
| January 25, 2017 | Minor revision to address new name of Office of Treasurer Division and updated form. Prior update December 1, 2016 addressed certain travel policy related exceptions are no longer necessary as addressed specifically in E-5-1. |

## E-4 Journal Voucher

| | |
|---|---|
| January 25, 2017 | Minor revision to update format and department names. It includes a definition section, clarifies documentation requirements and is organized into general requirements and requirements for specific cost objects to enhance usability. |

## E-5-1 Reimbursement of Travel Expenses

*Federal mileage rate update to 53.5 cents*

| | |
|---|---|
| January 1, 2017 | Minor revision to update federal mileage rate to 53.5 cents. Prior updates October 10, 2016 and December 1, 2016 were more substantive to address TRIP functionality and address areas of compliance. Most significant change is related to the accountable plan section. Travelers are required to substantiate travel expenses within 60 days of business trip end date as evidenced by traveler's approval within TRIP. Enforcement will start July 1, 2017 with travel reimbursements taxed if not substantiated within the 60 day period. Travelers must also disclose plans in advance to combine personal with business travel as listed in traveler's responsibility section. |

*Updated student financial hold table*

## E-19-1 Student Financial Delinquency

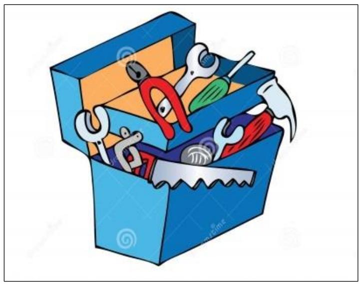
| | |
|---|---|
| December 19, 2016 | Minor revision to update Student Code section that states students expected to be financially responsible and not delinquent in financial obligations. Updated table of holds. |

*Limited time frame to submit fee changes*

## E-20-1 Tuition and Fee Policy

| | |
|---|---|
| January 10, 2017 | Major revision to update language for consistency to AR 8:7 and Kentucky Council on Postsecondary Education authority to set mandatory fees. Unit business officers are expected to submit requests during the University operating budget cycle only. |

# Business Officer's Toolkit



*Quick Facts and Tips to Help You Do Your Job*

*Do not use special characters for PRD and TRIP attachments.*

*Remember to use "Save and Send" on TRIP documents.*

*Take extra care with check boxes in the TRIP Attribute section.*

- Do not use any special characters when creating file names for PRD and TRIP attachments. The files will be saved but Accounts Payable and users will not be able to open files to review.

- Remember to use the Save and Send on final page of the TRIP document processing when your work is complete. The Save and Close will save the document but it will not move it along to the next approver. This is occurring most frequently when a document has been returned for a revision and user fails to use the "Save and Send" option to start workflow again.

- Take extra care in checking boxes in the TRIP Attribute section on the first screen. Be sure to only check the box the TRIP is subject to a pay only amount when appropriate and remember to enter a dollar amount. If the box is checked and amount is left blank, the amount to be reimbursed will be zero. The TRIP pdf clearly indicates amount to be reimbursed and approvers should review carefully.

- *Patty Brophy*
*Director*
*Travel Services*
pabrop2@email.uky.edu

# Student Account Services – Back to Roots

When the Agricultural & Mechanical College was "born" in 1865 as a division of Kentucky University, there were 190 students and tuition was $10.00 per year, paid to John Bowman, the University's Regent/Treasurer. In 1878, A & M) separated from the University, with James Patterson as President and James G. White, a mathematics professor, appointed to a dual role as Treasurer. At that time, tuition was $12.50 per year. 1908 brought a name change to State University and the creation of a Comptroller or Business Agent. The collection of tuition remained under the Controller's area, notably in Billings and Collections, along with the transfer of collection of campus-based student loan programs from Financial Aid in 1980, until the development of a new student information system in 1982 brought many changes. A new department, Student Billing Services, reporting to the Dean of Students, was created and moved from the Peterson Service Building to the Student Center. This new office was formed to deal exclusively with student account and student loan receivables, along with the addition of housing and dining fees. It opened with 8 staff members in the fall of 1982.

In 1989, the department was transferred to the Vice Chancellor for Administration, Dr. Jack Blanton. In an effort to consolidate student services within one building, the office was moved to the Funkhouser Building in 1995. With the arrival of President Lee Todd, the department transferred once again in 2000 to the Associate Provost for Undergraduate Education. In 2007, Undergraduate Education was reorganized and Student Billing Services was transferred to Don Witt, Associate Provost for Enrollment Management. To reflect the myriad of services provided for students, other than simply billing, the department name changed to Student Account Services in 2008.

On October 1, 2015, Student Account Services went back to its roots when the reporting line pointed home to the Office of the Treasurer (now University Financial Services). Today, there are 16 staff members, enrollment has grown to more than 31,000 and the base tuition for a Kentucky freshman is $5,660! SAS major responsibilities now include collection of all student fees and campus-based student loans, refund disbursement, federal educational tax credit reporting, accounting, and reconciliation, along with active participation in events geared toward recruiting, retention, and graduation. Fall 2016 saw the inauguration of a formal tuition installment payment plan, in which nearly 3,000 students enrolled.

December 2016 brought the first space renovation since the 1995 move to Funkhouser. There are plans to hold an Open House at a future date, but feel free to stop by and visit SAS in 18 Funkhouser Building. Below are "before and after" shots of the front lobby space:

Before

After

- *Linda Smitha*

*Director*

*Student Account Services*

*linda.smitha@uky.edu*

# Coming Soon


## Project Based Payroll Confirmation

We are proud to announce the upcoming implementation of our new project based payroll confirmation process using **ecrt** software. This process replaces our current paper based effort certification process. The easy to navigate interface will enable our users and administrators to see all payroll expenditures associated with specific sponsored projects at varying increments of time. The payroll information will be updated after the close of every payroll cycle and is incorporated into the reporting functionality to allow maximum benefit to our campus community. This web based tool will allow business officers, principal investigators and administrators to access information anytime, anywhere through the myUK portal.

We wish to sincerely thank our steering committee members, as well as the many technical staff, faculty members and business administrators for the on-going support they have provided to this project over the past several months. Without their active involvement, informed feedback and participation in early testing, we would not be successful. We look forward to continuing to work with everyone throughout the implementation and go-live process over the next few months.

- *Erin K. Wallett*
*Director*
*Research Financial Services*
*erin.wallett@uky.edu*

*__ecrt__ software to replace current paper based effort certification processes*

*myUK portal access to see all payroll expenditures for specific sponsored projects*

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# Upcoming Training Opportunities

## Travel Services Training

| Training Class | Date | Day | Time | Location |
|---|---|---|---|---|
| **Concur Online Booking Tool** | 3/22/17 | Wed. | 10:30 am – 12:00 noon | W.T. Young Library – Room B-108A |
| Learn how to use Concur, UK's online travel reservation system. | | | | |
| **Travel Services** | 3/29/17 | Wed. | 10:00 am – 12:00 noon | Peterson Service Building – Room 307 |
| Learn the policy and procedures for making travel arrangements for UK official business travel. | | | | |

*Look for UFS training under your UK Employee Self Service tab.*

*Register for these courses on your myUK Employee Self Service Training page.*

*Hand in Hand We Learn – sharing ideas about business procedures & problem solving*

## Hand in Hand We Learn

**University Financial Services** will be leading sessions for the campus community to learn in more detail the why behind our Business Procedures and to provide a forum for sharing of ideas and problem solving. Business Officers or anyone involved in financial operations are welcome to participate. We have named the sessions 'Hand in Hand We Learn' to emphasize our goal of discussions. At the January 23, 2017 session, a list of priority topics was generated for our future sessions.

Please register through myUK ESS Training, Course name – Hand in Hand We Learn.

| Schedule | Room | Start Time |
|---|---|---|
| February 23, 2017 | Lexmark Public Room, 209 Main Building | 2:00 – 3:30 PM |
| March 16, 2017 | Lexmark Public Room, 209 Main Building | 2:00 – 3:30 PM |
| April 27, 2017 | Lexmark Public Room, 209 Main Building | 2:00 – 3:30 PM |

Additional sessions will be added later based upon the number of topics generated and response.