

UFS ADVISOR

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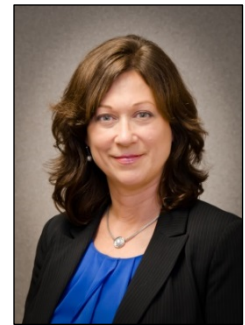
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Treasurer’s Message



Susan I. Krauss

Credit Reviews and Bond Sale

In last quarter’s newsletter, I shared with you Moody’s reaffirmed the University’s credit rating/outlook of Aa2/stable in conjunction with a credit review of all state institutions, following Moody’s downgrade of the State’s credit rating to Aa3. More recently, the University underwent credit reviews by Moody’s and Standard & Poor’s (S&P) in preparation for the January 17th bond sale to provide \$231 million of funding for the UK Healthcare, College of Law and Campus Modernization projects. I’m pleased to report Moody’s and S&P reaffirmed their ratings/outlooks of Aa2/stable and AA/stable, respectively, and we successfully completed the bond sale, achieving interest rates of 3.3% on the 30-year tax-exempt series and 2.8% on the 8-year taxable series. Completion of the bond sale provides critical funding, enabling the University to continue making progress on the infrastructure needs across campus.

Thanks to all staff members across the University that partnered with UFS in completion of the credit reviews and bond sale.

To review the credit opinions and official statement for the bond sale, please visit the UFS website at the following link:
<http://www.uky.edu/ufs/financial-statements-and-investor-information>.

*Treasurer's Message, continued***Impact of Federal Tax Reform**

EVPFA Eric N. Monday recently shared with you that Payroll Services is implementing new withholding tables released by the IRS to reflect the new tax rates approved in the 2017 Tax Cuts & Jobs Act. Here's a quick reminder of what you need to know:

- The withholding changes will be effective for the February 9th biweekly and February 28th monthly payrolls.
- As a result, taxes withheld will decrease and take-home pay will increase for employees who maintain existing work schedules and benefit selections.
- The IRS reports that employees do not have to do anything at this time as the new withholding tables are designed to work with existing W-4 forms employees have on file.
- A new withholding tax calculator and Form W-4 are under development by the IRS and are expected to be released by the end of February.
- The new withholding calculator and Form W-4 can be used by employees who wish to update their withholding in response to the new law or changes in their personal circumstances in 2018.

We encourage employees to review additional information about the [new withholding tables](#) and [answers to frequently asked questions](#) available on the IRS website.

Please contact Payroll Services at 859-257-3946 if you have questions.

Focus on Business Procedures

Recently Updated BPM's

BPM C-1-1 UK Bookstore – 12/15/17

Now references the *FacultyEnlight* software used to collect all instructional materials for the UK Bookstore. The policy also states the deadlines and responsibilities. Please share with faculty and others that must be aware of the policy.

E-5-1 Reimbursement of Travel Expenses - 01/02/18

Policy updated for the updated IRS standard business mileage rate of 54.5 as of January 1, 2018.

E-7-8 Relocation Expenses for Newly Hired or Transferred Faculty and Staff – 01/02/18 and 2/19/18

A major policy revision due to the recently passed tax reform, which has eliminated the exclusion for qualified moving expense reimbursements. Policy has been updated to only provide for payment of a cash allowance through payroll as amounts will always be subject to tax withholdings. Policy updated 2/19/18 to clarify payroll payment may be processed in advance of official start date through use of a temporary position. The option of direct payment of temporary housing expenses or direct payment of moving expenses has been eliminated as well as reimbursement to employee of qualified moving expenses.

Policy is effective immediately since IRS change is effective January 1, 2018 based upon date payments are made. Any outstanding reimbursements for moves made during 2017 must be processed also as cash payment through payroll. Accounts Payable will reject any PRD received.

E-7-9 Recruitment Expenses – 12/22/17

No substantive changes. BPM was only updated to current format and to indicate payment by PRD.

E-9-1 Research Subject Payments – 01/10/18

NIH has issued new guidance regarding [Notice of Changes to NIH Policy for Issuing Certificates of Confidentiality - Notice Number: NOT-OD-17-109](#).

In response to these changes the BPM E-9-1 Compensation to Research Subjects policy has been updated. The Office of Research Integrity will issue internal Certificates of Confidentiality (CoC) as required to protect research subjects at the University of Kentucky where deemed necessary. This internal CoC will replace the documentation formerly issued by NIH for internal documentation and reporting purposes.





Business Officer's Toolkit

Quick Facts and Tips to Help You Do Your Job



Travel and TRIP Reminders

Over 60 Day Enforcement

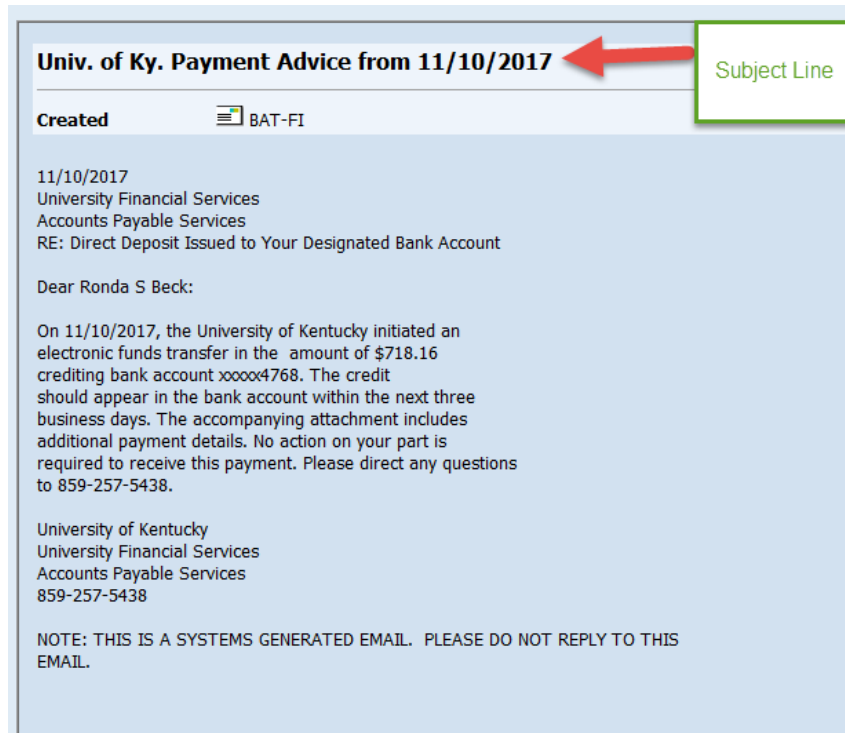
As dictated by IRS accountable plan rules, BPM E-5-1 requires employees to complete and approve TRIP travel expense report for all business expenses within 60 calendar days of the date when business travel ends. Due to report limitation, the University has not been enforcing this rule during the TRIP implementation phase. We now have reports to identify those TRIP documents not approved by traveler within the 60 day period and plan to use the next few months to educate campus of non-compliance. Taxation of travel reimbursement requests over 60 days will begin for those Travel Documents submitted as of July 1, 2018.

The reports indicate we have approximately 3% of the documents not approved by the traveler within the 60 days. Almost 40% of those over 60 days fell between 61-79 days, so reimbursement processing for those individuals doesn't have to change much. But another 40% were over 100 days from the last travel date, indicating the reimbursement process will need to respond to avoid taxation.

Reminder warnings are provided during the TRIP document preparation, so traveler should be aware of the issue. Taxation will be based upon the traveler approval, so the time for approvals by supervisor and business officer doesn't impact the day count. Individuals that rely upon a proxy for the TRIP document will need to monitor proxy timely completion of the document upon their return from travel to ensure their approval occurs within 60 days. If that occurs, the traveler may complete the [Request for an Exemption from Taxation form](#) and attach to the TRIP document when submitted to Travel Services. FMLA absence of traveler would also be a valid exception.

ACH Notification

TRIP reimbursement uses the payment method, ACH or check, used for the employee paycheck. Employee's primary bank account for payroll is used to process ACH payment for the TRIP. The employee will receive an email notification when document has been processed. Some employees have been concerned the message was SPAM and hesitant to open the email or the attachment. The sender name will be apach@uky.edu, which stands for Accounts Payable Services ACH Payments. The subject line on the email will state: Univ. of Ky. Payment Advice from mm/dd/yr. The body of the document will indicate the University has initiated an electronic funds transfer to bank account xxxxxxxnnnn. Below is an example of the notification. The attachment provides the TRIP document number, the SAP posting document number, amount and the travel dates and location. See next page for a sample email notification. This same message is also used for the vendor payments made by ACH.



TRIP Approvals – Important Reminders for Substitutes (Delegates)

Please be sure to observe the approval level needed for a TRIP document in your universal workflow list (UWL). Documents appearing in your UWL that are at the Traveler Approver level have been created by your traveler's proxy, and must be approved by the traveler. These documents clearly show the needed approval is the Traveler, and you as the substitute must not take action on these documents.

In the example below, supervisor Leslie Duty assigned Patty Brophy as her substitute. Lorrie Caird (userid LLWIGH2) created TRIP document 17947 on behalf of Leslie. Lorrie also created TRIP document 17944 for herself and it routed to Leslie for supervisor approval. As Leslie's substitute, Patty's UWL shows these two documents. Patty should not approve document 17947 as it needs Traveler approval, but she can approve document 17944 as Supervisor.

Work On: My Items Items on Behalf Of Duty, Leslie All Items

Tasks (701 / 702) Alerts Notifications SAPoffice Mails Tracking

Show: New and In Progress Tasks (701 / 702) Select a Subview ... New Create Task

Subject	From	Sent Date	Priority	Due Date	Status
APApproval for trip 0000014661	Knight, Jennifer L	Today	Medium		New
APApproval for trip 0000017917	Williams-Moellman, Nicole R	Today	Medium		New
APApproval for trip 0000017641	Kizewski, Amber L	Today	Medium		New
APApproval for trip 0000010225	Seals, Jacqueline	Today	Medium		New
Traveler Approval for trip 0000017947 Submitted by USLLWGH2	Caird, Lorrie L	Today	Medium		New
APApproval for trip 0000017832	Reed, Matthew	Today	Medium		New
Supervisor approval for trip 0000017944 from USLLWGH2	Caird, Lorrie L	Today	Medium		New
APApproval for trip 0000014491	Hites, Patricia L	Today	Medium		New
APApproval for trip 0000017621	Wobbekind, Erin M	Today	Medium		New
APApproval for trip 0000017857	Embry, Judy E	Today	Medium		New

You can also recognize that you are approving as the TRAVELER (by mistake) if you only have the option to Approve Travel document or Withdraw Travel Document. The SUPERVISOR and BUDGET OFFICER approver has the options of Approve Travel Document, Reject Travel Document or Revise Travel Document.

Attachments:

Type	Title	Created On	Created By
	Employee Trip: 0000036451		

Traveler Approval for trip 0000036451 Submitted by USBTPE222:

No Option to Revise

Approve Travel Document Withdraw Travel Document

BPM E-5-1 Reimbursement of Travel Expenses states a traveler must not delegate approval for his/her own TRIP travel expense report. Under IRS accountable plan rules, the traveler must approve his/her own travel as the only individual with first-hand knowledge of the expense and its business purpose. Please assist in ensuring that the traveler approval step occurs.

Uniform Guidance Procurement Rules in Effect 07/01/18

After a long grace period, the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) Procurement standards (2 CFR 200.317-.326) will go into effect on all Federal and Federal flow-thru awards July 1, 2018.

These standards describe purchases as falling into five categories:

- 1) Micro-purchases
- 2) Small purchases
- 3) Sealed bids
- 4) Competitive proposals
- 5) Sole Source

These five categories will be defined and purchasing policies will be revised to support these new standards. To learn more about the standards and changes to support UK compliance, please plan to attend one of the following town halls:



Faculty focused presentations:

Date	Location	Time
March 28 th	Ag Cameron Williams Auditorium - Goodbarn	9 to 11 AM
April 4 th	115 College of Nursing	2 to 3:50 PM
April 13 th	Gatton Auditorium	10 to 11:50 AM
April 18 th	WT Young UKAA Auditorium	9 to 11 AM

Staff focused presentations:

Date	Location	Time
June 1 st	Gatton Auditorium	9 to 11 AM
June 11 th	WT Young UKAA Auditorium	9 to 11 AM
June 20 th	Ag Cameron Williams Auditorium - Goodbarn	9 to 11 AM
June 26 th	220 Multi-Disciplinary Science Building	2 to 3:50 PM

Upcoming Training Opportunities



All of the materials presented at the Hand in Hand Sessions can be found on the UFS website under resources and information

Hand in Hand We Learn sessions for Spring 2018 will be held in Gatton Classroom 233 & 257 2:30-3:30 and virtual sessions will also be available. You may now schedule your attendance through myUK ESS. Courses are listed under University Financial Services.

We are seeking your input on future topics for the sessions. Just click on the [feedback link](#) to submit your suggested presentations or questions to be addressed. Or you may email Lexi Bugay your ideas.

Training Class	Date	Time	Location
Cash Handling Operations	3/20/2018	1:00pm-4:30pm	Peterson Service Bldg.- Room 307
Cash Handling Operations	4/25/2018	8:30am-12:00pm	Peterson Service Bldg.- Room 307
Cash Handling Operations	5/23/2018	1:00pm-4:30pm	Peterson Service Bldg.- Room 307
Concur Online Booking Tool	3/21/2018	10:30am-12:00pm	Peterson Service Bldg.- Room 307
Concur Online Booking Tool	5/23/2018	8:30am-10:00am	Peterson Service Bldg.- Room 307
Advanced Concur Online Booking Tool	5/23/2018	10:30am-12:00pm	Peterson Service Bldg.- Room 307
Hand in Hand We Learn-Capital Asset Management	3/1/2018	2:30pm-3:30pm	Gatton Classroom 233 & Virtual
Hand in Hand We Learn-Discretionary Policy E-7-10	3/15/2018	2:30pm-3:30pm	Gatton Classroom 233 & Virtual
Hand in Hand We Learn-Purchasing Overview	3/29/2018	2:30pm-3:30pm	Gatton Classroom 257 & Virtual
Hand in Hand We Learn-New Payroll BPM's	4/12/2018	2:30pm-3:30pm	Gatton Classroom 257 & Virtual
Hand in Hand We Learn-UBIT and Sales Tax	4/26/2018	2:30pm-3:30pm	Gatton Classroom 257 & Virtual
Hand in Hand We Learn-Research Subject Payment revision for new gift cards	5/10/2018	2:30pm-3:30pm	Gatton Classroom 257 & Virtual
Hand in Hand We Learn-Uniform Guidance Purchasing Rules	5/24/2018	2:30pm-3:30pm	Gatton Classroom 257 & Virtual
Travel Services	3/28/2018	10:00am-12:00pm	Peterson Service Bldg.- Room 307
Travel Services	4/3/2018	10:00am-12:00pm	Peterson Service Bldg.- Room 307

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