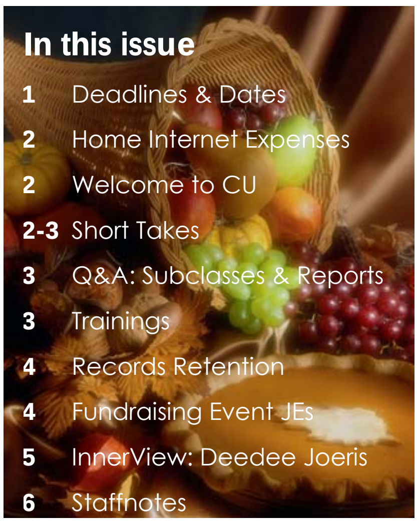
NOVEMBER 2007

By the Numbers

News to use and amuse **from Accounting and Business Support (ABS)**



In this issue

Note that blue text is a hyperlink

Deadlines & dates

Date	Day	Time[1]	Deadline Description
Nov 1	Thu		Budget Journal Entry cutoff for October. Arts & Science units should submit all budget change requests to A&S Budget Office by A&S deadline.
Nov 1	Thu	6:00	Gift fund expense calc to CUF for next Monday wire transfer.
Nov 2	Fri	6:00	Finance System closes for October. Do not create, validate or approve October journals after 6:00PM — they will not post & are deleted.
Nov 4	Sun	2:00am	Set clocks back one hour at 2:00 a.m. local daylight time, which becomes 1:00 a.m. local standard time.
Nov 5	Mon	4:00	All unposted October journals that were not copied and assigned a future date, deleted, or saved in incomplete status will be deleted by Systems or Data Control.
Nov 8	Thu	5:00	Time collection for the November 3 biweekly payroll. [2]
Nov 8	Thu	6:00	Gift fund expense calc to CUF for next Monday wire transfer.
Nov 13	Tue	5:00	Time collection for November end of month payroll. [2]
Nov 15	Thu	6:00	Gift fund expense calc to CUF for next Monday wire transfer.
Nov 20	Tue	5:00	Time collection for November 17 biweekly payroll. [2]
Nov 21	Wed	4:00	Lynda Reisinger to receive allocation changes and creates for current month business. Send to Lynda.Reisinger@colorado.edu or call 2-8646.
Nov 27	Tue	4:00	Data Control to receive INs for current month business. Send INs to Lynda Reisinger, Data Control, 579 UCB.
Nov 28	Wed	4:00	Creation, validation, and approval to post cost transfers and PETs for fund 30 projects and fund 34 gift journals for current month.[3]
Nov 28	Wed	6:00	Gift fund expense calc to CUF for end of month transfer.
Dec 3	Mon		Budget Journal Entry cutoff for November. Arts & Science units should submit all budget change requests to A&S Budget Office by A&S deadline.
Dec 4	Tue	6:00	Finance System closes for November. Don't create, validate or approve November journals after 6:00PM—they will not post and will be deleted.
Dec 5	Wed		All unposted November journals that you have not copied and assigned a future date, deleted, or saved in incomplete status will be deleted by Systems or Data Control. As month end nears, check for any unposted journals that you need to correct, approve, or that need additional info for SPA or gift approval.

[1]***Times*** *are p.m. unless otherwise noted. No time means the sooner the better.*
[2]***Payroll*** *deadlines must be followed so that funding distribution corrections from payroll suspense and/or changes are in place before the next payroll is run. The PBS website has the most current payroll calendar, including HR down times.*
[3]***Tips:*** *1) Don't mix fund 30/31 or 34 JEs with other funds or with each other in the same JE. This slows approval and delays non 30/31/34 lines from posting. 2) Plan for HRMS downtimes to meet PET dead-lines (see PBS website). 3) Contact SPA for project cost transfers & David Sayers, 2-2396 for gift journal approvals. 4) Make a habit of checking for unposted journals to correct, validate or approve, or that need documentation for SPA or Dave.*

NOVEMBER 2007

S	M	T	W	T	F	S
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4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Home internet expense? Just say No!

In last April's issue, we ran this one-liner: "As a reminder, the Boulder campus does not pay for internet expenses incurred in an employee's home or personal office even if used for university business." That single sentence generated the most feedback we have ever received. Boulder's position has historically been that the university pays for an internet connection at work and to pay for it at home represents a duplicate expense for the same service—excepting extraordinary circumstances. Due to the uproar, we held our line but backed off the pursuit. Separately, the issue was considered by the Office of University Controller who issued the following policy that becomes effective January 1, 2008:

> **"Home internet service is not an allowable expense. Exceptions can be requested from the appropriate Vice President or Vice Chancellor for Finance for reimbursement that is temporary in nature due to changes in job requirements or personal status (e.g., access from remote location home while on sabbatical). This authority can be delegated to one person (per campus) via a written memo to the University Controller."**

The reason for this is twofold. First, it ensures consistency among the campuses. Second, it recognizes that the IRS views this type of expense as personal in nature and therefore, if paid by the employer, it becomes reportable income to the employee.

For Boulder, AVC and Controller Steve McNally must approve all exceptions. Please review any current off-campus internet expenses that your department may have in order to bring those costs into compliance by January 1, 2008.

Welcome to CU

For years, ABS sent out emails to all new employees in order to welcome them, and to give a brief overview of the financial environment at the university and their fiscal responsibility. The Office of University Controller will assume this duty in the near future and has developed an online Welcome to CU tutorial to help acclimate new employees. The 10/5/07 issue of the *Communicator* newsletter featured this tutorial and you are encouraged to take a look. Even long time employees might learn something new and it offers a distillation of some of the most important things to know.

In addition to the initial welcome letter, all employees will receive an email on the anniversary of their hire date that congratulates them and reminds them about their fiscal responsibility.

Lastly, employees who transfer, i.e. who change their rostered department, will also receive an email that reminds them to be aware of any changes to their fiscal responsibility or access needs.

Short Takes

Don't post journals when?

The Systems office continues to be plagued with journals that post during the Finance System's actual close, which is the day after the campus close. The process of identifying and deleting these errant JEs consumes resources that are in short supply during the close. If this practice does not abate, **other methods of control may be instituted, i.e. unavailability of the Finance System during close**, akin to HRMS production downtime during payroll processing. What to do? Consult the deadlines on page 1 and do not post any journals for the closing month after 6:00pm on the date labeled "Finance System closes." For example, do not create, validate or approve **October** journals after 6:00pm on November 2. Similarly, do not create, validate, or approve **November** journals after 6:00pm on December 4. For more on this topic read this Q&A.

Subclasses need unique ST

Journal entries with subclasses will only be allowed if the subclass is part of the speedtype's FOPPS combination. Previously, the Finance System allowed users to enter a speedtype, and then allowed the addition of a subclass to the journal line. Departments that use this method to add subclasses must request new speedtypes for each FOPPS combination that uses a subclass. Email accounting@colorado.edu so that ABS can set up new speedtypes and move current year balances into them. Please contact Chris Zetterholm, (303) 735-6570, with any questions.

Reports on ice

The six primary reports will be "frozen" until August 2008 meaning no changes will be made. This is to improve speed, stability and performance. New enhancements will not be made during this time including the report that will have options to aggregate data on categories in addition to speedtype.

PSLite latest: 10_20_07

If you are a PSLite user, the latest version is always available on the ABS homepage.

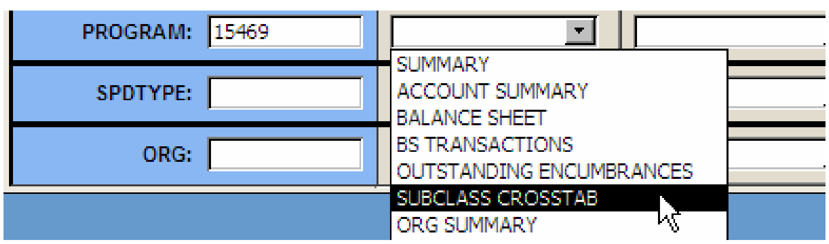
QUESTION & ANSWER

Q: **Our department uses subclasses extensively in our business. The Reporting System creates reports broken out by speedtype, which is fine if we want to look at that particular subclass. But we also need to look at the program as a whole that includes all the subclasses/speedtypes. Is there a report that does this?**

A: As you have noted, currently the Reporting System only breaks reports by speedtype. For example, a report run by program that has three subclasses will produce three separate reports as opposed to a single consolidated report for the program. There are plans to create a report that can aggregate data on categories other than speedtype, but that will not be available until next year.

If a report is not yet "live" in the Reporting System, it can still be run in the Finance System. For example, the Summary of Financial Transactions aggregates all the speedtypes in the program or project. The downside is that this takes time and it leaves off the Amount Available.

Another option is to use the various PSLite reports and run them at the program or project level. You can also try the Subclass Crosstab report, which shows the program total along with the subclass totals. You should plan on exporting this report to Excel to use it effectively (TOOLS→OFFICE LINKS→ANALYZE WITH EXCEL).



Bear in mind that the Reporting System is the official system of record for the university. Any other reports should be considered adjunct management tools. They are not substitutes for official financial statements.

If any of our readers would care to share their subclass reporting strategy, please contact Barry Northrop, (303) 492-7119.

Upcoming trainings

ABS offers training and education to the campus using formally scheduled group classes and individual instruction by request. Register early by email to ABSTraining@colorado.edu or call **Diana Vidal** at 492-8648 for more info.

To learn about all of our training opportunities and to get complete class descriptions, the latest information and any requirements, visit our training webpage. Trainings marked below with ● are special limited offerings and details appear on the ABS homepage under Current Announcements.

DATE	DAY	TRAINING	LOCATION
Nov 1 9:00-12:00	Thu	**Financial Statement Reading** How to access & read your statements	**ARC 248** 3100 Marine Map
Nov 13 8:30-4:30	Tue	**Finance System** Day 1 includes finance and budget	**RL6, room W179** 3215 Marine Map
●**Nov 14** 8:30-11:00	Wed	**Intro to Sponsored Project Administration** RSVP Lyn.Schubert@colorado.edu, 2-3192	**ARC 620** 3100 Marine Info
Nov 15 9:00-12:00	Thu	**Financial Statement Reading** How to access & read your statements	**ARC 248** 3100 Marine Map
Nov 16 8:30-4:30	Fri	**Finance System—Procurement** Day 2 of Finance System training by PSC	**RL6, room W179** 3215 Marine Map

MORE SHORT TAKES

Co-PIs getting reports

The PI and all co-PIs on sponsored projects should each be receiving statements delivered to their portal (this means financial reports, not ePERS reports). If you learn that a co-PI is not getting a report, please let your SPA accountant know so that it can be investigated and resolved.

@CU or @CUSYS?

Have you ever wondered if email addressed to the System offices should use @cusys or @cu? Turns out, either one gets there. But take a hint: @cu is the one used on the email addresses that are listed on System websites.

Fiscal staff expansion pack

Changes to the Finance System fiscal staff roles on speedtypes are in the works. In addition to being able to identify up to five fiscal staff, the role itself will have three types: expense transaction authorized **A**pprovers (A) (when the Expense System goes live, the A's will be included as an approver choice); receive **R**eports (R); or **B**oth (B). Current fiscal staff will default to R. More details will be released soon.

Sponsored project training

OCG & SPA are offering an *Introduction to Sponsored Project Administration* workshop November 14. See *Upcoming Trainings* or click for more information.

Time must have a stop

Turn your clocks back one hour on **Sunday, November 4**. The *Energy Policy Act of 2005* changed daylight saving time starting in 2007 to begin on the second Sunday in March and end the first Sunday in November.

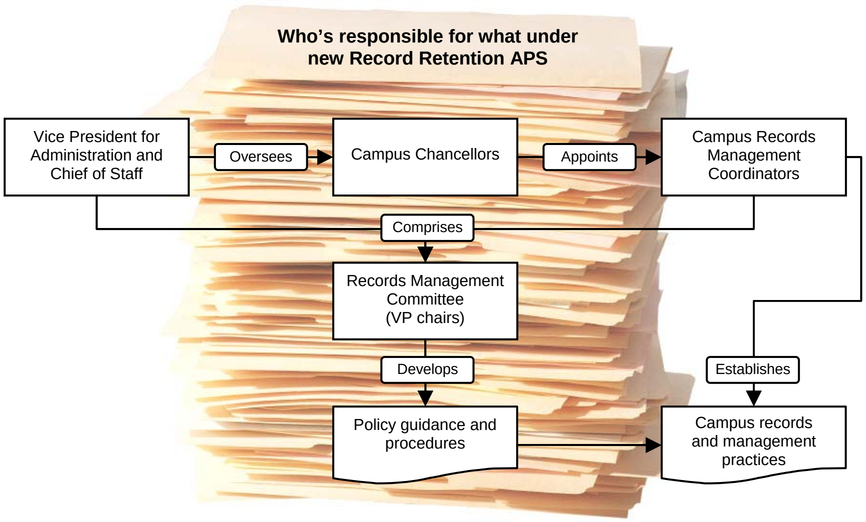
"To me every hour of the light and dark is a miracle." *Walt Whitman*

Retention of University Records

The *Retention of University Records* APS became effective July 1, 2007. It is not the usual *Fiscal* APS that most of us are accustomed to, but rather falls under the *Personnel* APS category. As such, the responsible office is the Vice President for Administration and Chief of Staff.

Briefly, the policy requires the Chancellor to appoint a Campus Records Management Coordinator who is responsible for establishing records management practices on the campus. The various campus Coordinators and VP for Administration comprise the Records Management Committee, which develops guidance and procedures for implementing this policy.

ABS used to have responsibility over financial records disposition for the Boulder campus, but this new policy supersedes the ABS policy and includes all types of records, not just financial. Therefore, until new procedures are in place, ABS recommends that departments review the new policy and related Retention Schedule and identify those records that qualify for disposal, but hold on to them pending the release of official procedures.



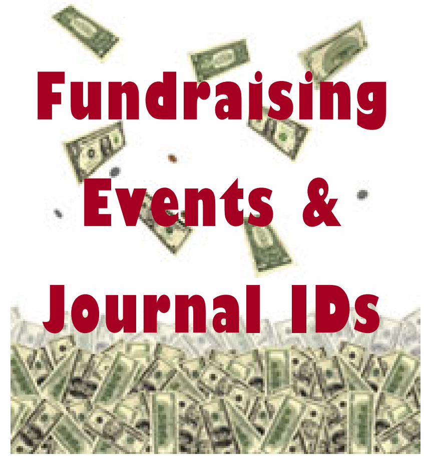
JE approval in a one-person office

Last September we published the following information in preparation for the elimination of incompatible access, i.e. the ability to create *and* approve JEs. With incompatible access now drastically reduced (thank you all), ABS has received inquiries from departments on how to get JEs approved.

Units unable to approve JEs due to limited staff, vacations, etc. must seek approval outside the department (i.e. ***backup approval***) per the procedures established by their VC office. The following shows the progression of backup approval by Division for those units that are unable to approve JEs in-house.

Chancellor:	Department ➔ PBA or ABS
SVC:	Department ➔ PBA or ABS
VCA:	Department ➔ VC ➔ ABS
VCAA:	Department ➔ Dean ➔ VC ➔ ABS
VCSA:	Department ➔ VC ➔ ABS

If your JE needs backup approval, contact the office first in line (VC or Dean). Don't skip them or you will be referred back. Work with your VC office if you have questions about this process or other requirements. More info.



Fundraising events are set up in Gift Fund 34 and generally require budgets in order to conduct business under Expenditure Control. This is because expenses occur before event revenue is earned. Departments are responsible for developing budgets and entering them in the Finance System. The Office of University Controller (OUC) must approve this budget journal, so once you have entered the budget into the Finance System, notify the Fundraising Events Compliance Coordinator.

At the conclusion of the event, a cash transfer is made from the Fundraising Event speedtype to the designated Gift ST from which the net proceeds may be spent. This transfer journal needs OUC approval. If the event ends up in deficit, a cash transfer from another ST into the event ST must be created which also needs OUC approval.

Both the budget journal ID and the transfer journal ID must begin with the letters "**FE**" (Fundraising Event), for example FExxxxxx. This alerts the campus budget office and accounting office *not* to approve these journals. Only the OUC can approve them as explained above. If you are responsible for a Fundraising Event, please use the letters "FE" as the leading characters on budget journal and transfer journal IDs associated with the event.

Drafts of the Fundraising Events Administrative Policy Statement and Finance Procedural Statement are available online however revisions will likely be made before this is signed during the first week of November, retroactive to November 1. For further information or assistance, contact the Fundraising Events Compliance Coordinator, Karen Ichiba, at (303) 315-2084 or karen.ichiba@cu.edu.

This interview is a bit longer than usual because it is also a kind of mini-lesson on how some of our most critical rates are determined.

Deedee Joeris

Deedee's backyard photo

ABS INNERVIEW

Deedee Joeris

Deedee, how long have you worked here?
I started working for UCB in the Bursar's Office, Accounting Control Unit, in 1985 and moved to ABS in 1987 as the Assistant Cost Accountant. I became the Cost Accountant nine months later and have been in that position ever since.

Where did you work before the university?
Before coming to the University, I worked at a local credit union as their Controller. Before that, I worked as a CPA in Louisiana and Texas.

As the ABS Cost Accountant, what do you do?
I prepare the GAIR rates as well as the F&A rate and fringe benefit rate proposals. In addition, I also prepare annual cost studies for the Research Building System and Planning Budget and Analysis as well as prepare the DAICR study that is used to return part of the Indirect Cost Recoveries to the Academic Departments. Both the F&A rates and the fringe benefit rates have to be approved by the federal government. The fringe benefit rates have to be approved annually while the F&A rate agreement is usually a multiple year agreement. However, in order to keep abreast of what the F&A rates are doing I prepare an F&A rate proposal every year. This also helps me keep up with the specialized software I use to prepare the proposal.

What is F&A and is it the same as Indirect Cost?
The Facilities and Administrative rate is based on the actual costs incurred by the campus for the facilities and administrative support provided to the grants and contracts. F&A is the new name for Indirect Costs. Facilities and Administrative Costs are the two main categories of Indirect Costs. The federal government decided to change the name in order to make the composition of the Indirect Cost Rates more apparent.

What is ICR?
ICR stands for Indirect Cost Recoveries, which is the revenue the University receives back from the grant and contract sponsors when the University charges the F&A rates to the grant and contract projects.

How do you actually calculate the F&A rate?
I would love to go into great detail on how the F&A rates are calculated. I really enjoy the process, which is why I have been doing it for so long. However, I don't think there is room in this newsletter to go into that much detail. To greatly summarize the process, the proposal that I prepare includes financial system data contained in the general ledger as well as year-end reports prepared by the rest of ABS & SPA for the annual financial statements and specialized financial reports prepared by other departments. In addition to financial data, I also use other types of data like FTE of students, faculty and staff as well as data on space usage within each room on campus. Some of these reports are used to create adjustments to the raw data that are necessary to abide by the federal regulation on calculating F&A rates contained in OMB Circular A-21. All of this data is entered into the specialized software I use called CRIS, the Comprehensive Rate Information System.

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INNERVIEW *CONTINUED*

WHAT ABOUT DEEDEE

Grew up where? Born in New York City but grew up in North Little Rock, Arkansas.
Where do you live now? North Boulder in a house my husband designed and finished.
Brothers or sisters? Two younger sisters.
Married? Yes.
Kids? No.
Pets? Not at the moment but plan to have a dog in the future. It has been fun watching all the wildlife take over since we haven't had a dog in the yard.
Movie you saw recently? *Blood Diamond*, which did not get the recognition it deserved.
Books recently opened? *No Shortcuts to the Top: Climbing the World's 14 Highest Peaks* by Ed Viesturs; *The Last Ridge* about the 10th Mountain Division troops during World War II, by McKay Jenkins.
TV shows you like? *Masterpiece Theater*, *Two and a Half Men*.
Favorite comfort food? Apple pie
Favorite place to shop? REI – I love their return policy and the cash dividends.
Favorite cartoon character? Donkey in *Shrek*.
Place you'd like to live? A ranch with horses in the San Juan mountains.
Dream job? Wildlife photographer.

In order of importance:
1 humor
2 internet
3 coffee
4 traveling
5 money
6 accounting
7 politics
8 World Series
9 sleep

Could the way the Finance System captures or records data be changed in some way to make your job easier?
The best way to make my job easier would be to create consistent numbering conventions among all of the databases used by the University as explained below.

What's a "cost pool" and how is it used in your work?
Cost Pools are just another way to organize financial data. The cost pools that I use are specific to the F&A proposal requirements. The federal regulation OMB A21 determines the way various facilities and administrative costs should be allocated to the various functions of an educational institution. The allocation methods can be based on Total Cost or Space Usage or FTE, etc. depending on which group of costs are involved, e.g. General Administration or Departmental Administration or whether Maintenance costs are spent in a building or for landscaping, etc. Therefore, the expenses incurred by the University are grouped according to the allocation method that has been assigned by A21. These groups are called Cost Pools.

If it's a "negotiated" rate, where does the negotiation part come in? As long as the costs are properly categorized, don't the results speak for them self?
The federal regulation, OMB A21, *Cost Principles for Educational Institutions*, is not a step-by-step guide for calculating F&A rates. This leaves a lot to interpretation and the federal government tries to interpret the rules in their favor, i.e. to negotiate rates that are less than the proposed rates. For example, the negotiators usually say our depreciation lives are too short so we are including more depreciation expense in the proposal than they think we are entitled to. Agreeing on what the lives should be and recalculating the proposed rates with the "agreed" upon longer lives is one example of where the negotiation occurs.

What's the hardest part of calculating the F&A rate?
CRIS requires that all of the data files it uses have consistent field contents like department numbers as one example. Since the data comes from a number of different sources, the field contents often do not use the same numbering conventions. For example, the general ledger, equipment database and space database all use different department numbering systems. I have to make sure that the department numbers in all the databases have the same numbering convention before CRIS will work properly. Therefore, I have to create crossover tables that change the department numbers in each database to match the department numbers in the CRIS master department number table.

Do you have much contact with departments?
I could not do my job without the extensive support I get from a number of departments that provide the special reports I use to prepare the F&A Rate proposal as well as all of the other cost studies that I prepare. Some of the other departments that provide the additional financial and non-financial data that I use include Facilities Management, PBA, ITS, Faculty Affairs, Mailing Services, the Distribution Center and PBS, to name just a few. My other main interaction with departments comes from setting up or modifying the Organization Code Table and answering questions about the DAICR

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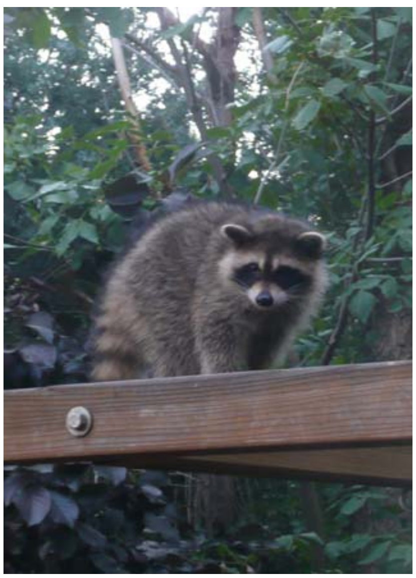
INNERVIEW *CONTINUED*



Deedee's backyard wildlife photos

allocations and fringe benefit rates. Just to let you know, tables were recently added to the ABS website to help answer some of the fringe benefit questions, but I always welcome any questions the departments have concerning any of the rates I calculate.

How about fringe benefits rates? What's the basic process?
A fringe benefit rate proposal has to be submitted to the federal government for approval every year by December 31. The process for preparing the fringe benefit proposal starts with the actual salary and fringe benefit costs for the preceding fiscal year. These must be reconciled to the general ledger, which includes a number of benefits that are not included in the fringe benefit rates like the year-end compensated absence accrual, for example. In addition, I have to reconcile the fringe benefit allocations to the total salaries times each fringe benefit rate. Any differences, like the LASP adjustment because they already have their own vacation and sick leave rate, have to be accounted for. The fringe benefit rates also include projections of salaries and fringe benefit costs so I work closely with the Budget Office who calculates the projections based on current estimates of salary and benefit cost changes.

Your job seems so specialized. Where did you learn how to do this?
There are a number of organizations that specialize in training University personnel on how to follow the federal regulations. I have been fortunate to be given the opportunity to attend a number of their training sessions over the years. The federal regulations seem to be changing constantly so it has been a continuous learning process the entire length of my career in Cost Accounting.

What do you like to do outside of work?
I originally moved to Colorado for the outdoor life that is so popular here. I still enjoy it after living here almost 30 years. I spend as much time as I can in the mountains and on the local bike paths. I enjoy hiking, camping, mountain biking and lake paddling in the summer and cross-country or downhill skiing in the winter. I have skied into most of the Tenth Mountain Division Huts as well as camped in a snow cave. I love hot springs and visit as many as I can. I have climbed several fourteeners and hope to do a few more before I get too old. I also like to watch and am starting to photograph birds and other wildlife plus I also enjoy live theater, particularly musical comedies, light opera and the ballet.

Deedee, thanks for your time.

Staffnotes

Diane Przygocki and **Diana Vidal** are recipients of the ABS employee quarterly award for service above and beyond. Congratulations to D& D and thank you all for participating in this official ABS recognition program.

Linda Kasey has temporarily retired from retirement and is assisting as an area accountant for all areas. You can reach Linda at (303) 492-0794 or by email Linda.Kasey@colorado.edu. Welcome back Linda!

Click here for the latest on who's who, who's where, and who to call at ABS.

By the Numbers is published by
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