



University
of Colorado
Boulder

ABS NewsBriefs

News to use from Accounting and Business Support

January 2014

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(and thanks to those who already have)



"They always say time changes things,
but you actually have to change them
yourself."

Andy Warhol

JANUARY KEY DATES & DEADLINES

Date	Day	Time	Deadline Description
Jan 1	Wed		New Year holiday—campus closed.
Jan 2	Thu		Check for unposted Dec. journals to correct, approve, or delete.
Jan 2	Thu		BJE cutoff for December. A&S units: submit budget change requests to the A&S Budget Office by its deadline.
Jan 3	Fri	6:00	Finance System campus close for December. Do not create, validate, approve, or post Dec. journals after 6:00 pm—they do not post and are deleted (cutoff for fund 30, 31, 34 journals was 12/26).
Jan 6	Mon	10:00a	Unposted December journals that are not copied and assigned a future date or saved in incomplete status are deleted.
Jan 6	Mon		December allocations run.
Jan 7	Tue		CIW is now updated with month-end closing entries; December statements are ready for review and reconciliation.
Jan 7	Tue	6:00	Gift expenditure cutoff to make next Friday CUF wire transfer.
Jan 9	Thu	5:00	Time collection for biweekly pay period ending January 4.
Jan 14	Tue	6:00	Gift expenditure cutoff to make next Friday CUF wire transfer.
Jan 20	Mon		Martin Luther King holiday—campus closed.
Jan 21	Tue	4:00	Allocation changes and creates due for January business. Send to Maggie Young , or call 492-6375.
Jan 21	Tue	5:00	Time collection for monthly pay period ending January 31.
Jan 21	Tue	6:00	Gift expenditure cutoff to make next Friday CUF wire transfer.
Jan 22	Wed	5:00	Time collection for biweekly pay period ending January 18.
Jan 23	Thu	12:00	HRMS inquiry only while HR Production down for payroll processing.
Jan 28	Tue	6:00	Gift expenditure cutoff for Jan. 31 month-end CUF wire transfer.
Jan 28	Tue	6:00	Creation, validation, and departmental approval of cost transfers and PETs for fund 30/31 projects and fund 34 gift journals for this month. No exceptions.
Jan 30	Thu	5:00	Deadline for fully approved expense reports to upload this month.
Feb 3	Mon		Check for unposted Jan. journals to correct, approve, or delete.
Feb 3	Mon		BJE cutoff for January. A&S units: submit budget change requests to the A&S Budget Office by its deadline.
Feb 4	Tue	6:00	Finance System campus close for January. Do not create, validate, approve, or post Jan. journals after 6:00 pm—they do not post and are deleted (cutoff for fund 30, 31, 34 journals was 1/28).
Feb 5	Wed	10:00a	Unposted January journals that are not copied and assigned a future date or saved in incomplete status are deleted.

Calendar Footnotes

- **Times are p.m.** unless otherwise noted. No time listed means not applicable or the sooner the better.
- **Observe payroll deadlines** so funding distribution corrections from payroll suspense and/or changes are in place before the next payroll run. Plan for HRMS downtimes to meet PET deadlines. [Employee Services](#) has the most detailed payroll calendar.
- **JE 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) Contact [Nasrin Khoshand](#), 492-7213, for fund 30/31 PETs, [Jim Sheppard](#), 720-235-0572, for fund 30/31 cost transfer JEs and [Liz Spencer](#), 492-1071, for gift JEs.
- **Routinely check for unposted journals** that need correction, validation, approval, or additional information for Jim or Liz.

A fresh look at internal sales results in a new approach

What is this all about?

In July 2012, ABS and PBA began a comprehensive review of all interdepartmental sales and services on campus to survey and understand the business practices in use and to evaluate opportunities for improvement. The ABS/PBA study revealed a wide range of departmental practices and concluded that a repackaged approach to internal sales would provide improved guidance to departments, increase transparency, and help ensure compliance with federal rules and regulations.

Why is this important?

The focus on internal sales was critical because this activity is subject to federal regulations applicable to federally-funded sponsored projects, specifically 2CFR220 and 225 (formerly OMB Circulars A-21 and A-87, respectively). Regardless of sales to sponsored projects, consistent and correct accounting per GAAP and higher education accounting standards is a non-negotiable and reasonable benchmark.

What is internal sales activity?

An internal sale occurs when a campus department charges for goods or services that it provides to itself or to other departments, including those on other campuses. **Internal Sales Activity (ISA)** is a new term that applies to any activity (SpeedType) that engages in this type of transaction. It emphasizes **what** is occurring (internal sales) rather than **where** it takes place (Fund) or the type of **revenue** (IN, ID, etc.). While the particular Fund wrapper and revenue type are just as important as before, the key considerations are whether internal sales are occurring and, if they are, whether they are charged at a properly calculated billing rate.

How did we manage this before?

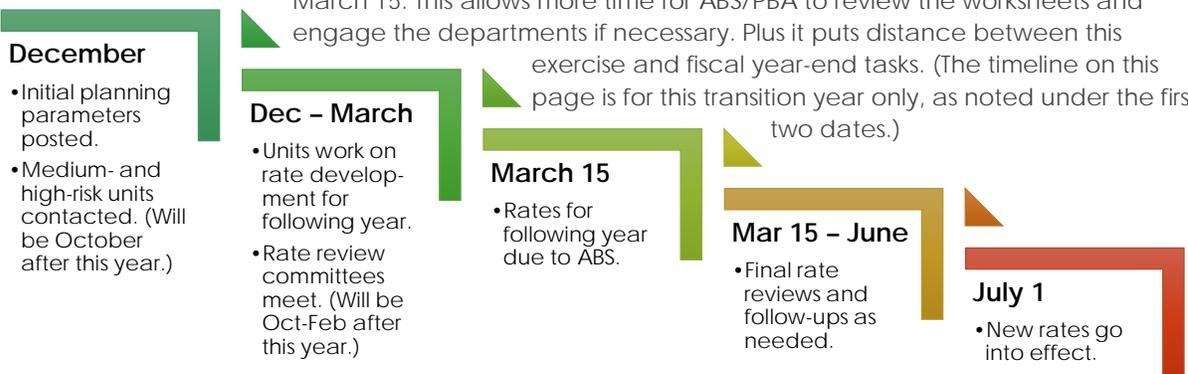
In prior years, we required Internal Service Centers in Fund 28 to complete a rate sheet and submit it to ABS by June 30. This was a rigid one-size-fits-all approach at a terribly busy time of the year. In addition, it did not adequately capture internal sales activity that took place in non-Fund 28 FOPPS.

What's different now?

An important thing to keep in mind is that nothing has changed in terms of our obligation to properly record internal sales in compliance with GAAP and federal guidance. What *has* changed is our approach to meet that obligation, as explained below in several key areas.

Risk factor – The new model incorporates a risk framework that is built around the premise that risk rises with greater total sales as well as with higher sales volume to grants and contracts. Our business practices will now complement risk realities by identifying three risk categories—low, medium, and high. These are assigned to ISAs based on annual revenue and whether there are sales to sponsored projects. The risk level determines what's required by the department, the level of annual review, and oversight needed. As you may surmise, low risk=fewer requirements and high risk=more oversight. For example, low-risk ISAs don't require a submitted rate sheet, while medium-risk ISAs do require a rate sheet to be submitted, but only biennially.

Timeline – The due date for Internal Sales Activity rate sheets has been moved up from June 30 to March 15. This allows more time for ABS/PBA to review the worksheets and engage the departments if necessary. Plus it puts distance between this exercise and fiscal year-end tasks. (The timeline on this page is for this transition year only, as noted under the first two dates.)



Account codes – A new account code, 390123, was created and should be used for ID Sales to Grants/Contracts. IN sales to Grants/Contracts should continue to use 380101.

Rate Review Committee – High-risk units require a rate review committee to evaluate proposed rates and provide feedback. [Read more.](#)

Who does this affect?

The new procedures apply to any Boulder campus unit that sells goods or services to any CU department, including those on another campus.

What ISA resources are available if I have questions or just want to learn more?

This article just presents a quick overview. The following guidance and resources go into greater depth.

- [Fee-for-Service Practices & Policies](#) on PBA website. #1 place to go to learn more.
- [Internal Sales Activities Chapter 13](#) of *The Guide*. Completely rewritten with a broader focus on all Internal Sales Activities rather than just Internal Service Centers.
- [ISA Rate Sheet](#). All new with embedded guidance. Due by March 15, 2014.
- There is a deep bench of one-on-one assistance ready to help you. Feel free to contact your [Area Accountant](#) or anyone in the [Budget Office](#).
- For general inquiries about internal sales, contact InternalSales@colorado.edu.
- [Brown Bag Informational Sessions](#)—six total and all in **UMC 425 from 12:00-1:00 pm** on these dates:

JANUARY	Tuesday, January 7	Friday, January 17	Thursday, January 23	Monday, January 27
FEBRUARY	Tuesday, February 4	Wed, February 19		

NSF to conduct monitoring visit on campus this April

As part of the National Science Foundation’s ongoing award monitoring program, our campus has been selected for a monitoring visit in April 2014 by NSF’s Cost Analysis and Audit Resolution staff. NSF conducts on-site monitoring activities at awardee institutions to ensure that federal funds, particularly those provided by NSF, are appropriately expended and well managed. The purpose of the review is to evaluate the effectiveness and efficiency of our business practices and systems as they relate to the administration of NSF awards. Monitoring visits usually take three to five business days.

In FY13, CU-Boulder received 377 NSF awards totaling \$82M. This is an opportune time to remind departmental administrators and PIs responsible for NSF awards to review their projects’ allowable costs, including participant support costs, time and effort reporting, and subawards. Also, be sure that project reporting requirements are current, including annual project reports, final project reports, and project outcome reports. Any past due reports should be submitted as soon as possible. If you have any questions, please contact your NSF Grant Accountant ([Bev Baran](#) or [Karen Stiner](#)) as identified on the Cognos statements.

Cost Sharing policy revised

The campus [Cost Sharing policy](#) was revised effective December 4, 2013. This policy is a shared effort between ABS and OCG and was approved by Steve McNally, Senior Associate Vice Chancellor for Budget, Finance and Enrollment Services, and Stein Sture, Vice Chancellor for Research.

CU-Boulder commits to cost sharing only when required by the written policies of the sponsor or the specific

TRAINING & EVENTS — Click on the **Info** links below for registration details.

Date/Time	Description	Info	Location
Jan 7,17,23,27 12:00-1:00	Internal Sales Brown Bags (4 this month) Find out about the new ISA process	Info	UMC, room 425 1669 Euclid Ave
Wed, Jan 15 9:00-Noon	m-Fin Financial Statements Training How to run and understand m-Fin reports	Info	Marine St. Science Center, room W179 3215 Marine St., East Campus
Tue, Jan 21 1:30 start	Research Administrators Meeting Export Controls	Info	ICS, Muenzinger Psychology Building , room D430,

terms of an award and/or when it is in the best interests of the University. The policy lays out the details of cost sharing requirements, approvals, sources, budgeting, documentation, reporting, and management. The revised policy received a head-to-toe freshening including standardized terminology, new guidance on how reduced budgets may impact cost sharing, and unrecovered F&A as a source of cost share. Look forward to an updated Cost Share form in the coming months.

Property Management training cycle begins February 11

ABS Property Accounting is hosting Session 1 of its 3-part certification training for staff responsible for managing capital equipment, i.e., equipment that costs \$5,000 or more. This includes purchasing, inventory, transfers, and disposal—the entire life cycle. The session will be held on **Tuesday, February 11** in ARC (3100 Marine Street), room 620, 9:00 am to Noon. It will highlight the best practices for the above activities, explain the rationale for campus guidelines, and show you where to get answers to all your capital property questions. If you have questions, please email property@colorado.edu or call Greg Roers at 492-6376. To register, please send your name, employee ID number, and phone number to abstraining@colorado.edu. This training will be uploaded to your HRMS Training list when completed.

New Colorado sales tax certificate available

If your department has sales activity and collects sales tax using the ABS campus license, it's time to [print and post the renewed license](#). This one is good through 2015 (the old one expires on 12/31/13). Please contact [Maggie Young](#), 492-6375, with all your sales tax questions or check out our [sales tax page](#). **Remember, new sales tax rates go into effect January 1, 2014.**

Mileage rate decreases a penny

On January 1, 2014, mileage reimbursement rates decrease 1¢ because the IRS mileage reimbursement rate decreased to 56¢. Per CRS 24-9-104, state employees shall be allowed business mileage reimbursement of 90% of the prevailing IRS rate and 95% of the prevailing IRS rate for four-wheel drive vehicles if the nature of the trip and road conditions warrant 4WD. Rates and calculations are built into Concur's travel reconciliation expense report and the Non-Employee Reimbursement form. If vehicle travel spans 2013 and 2014, break the trip into two mileage segments, one for each year.

Two-Wheel Drive	50¢	2014 MILEAGE REIMBURSEMENT RATES	Four-Wheel Drive	53¢
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CUSP 2014 now open for business

The CU Shared Practices (CUSP) recognition program re-opens for submissions on January 1. The next four months – through April 30, 2014 – are your opportunity to share the efficiencies you've engineered and the good ideas you've put in action. Improving processes throughout CU System is what CUSP is all about. Check out the [CUSP website](#).

ABS People

Patti Newton was recently hired as SPA's Effort Reporting Accountant and fills the position vacated by Nasrin Khoshand who was promoted to Compliance Manager in SPA. Patti joins us from Boulder County where she worked as a staff accountant. Welcome, Patti!

Liz Spencer and **Stefanie Furman** are the most recent recipients of the ABS Quarterly Award for service above and beyond. **Liz** is an Area Accountant and received the external award from campus constituents. The nomination comments report that "Liz has always been able to understand the question and respond in a timely and efficient manner. She...goes above and beyond to get the answers." **Stefanie** is Assistant Director Plant Fund, Cost Accounting, and Technical Operations and received the internal award from her ABS coworkers. "Stefanie continues to go above and beyond, and assists other areas with her expertise. She brings such positive energy and intelligence to ABS that the entire campus benefits." Congratulations to both!