District Staff Meeting

Business Operations Updates

UK Cooperative Extension Service

Extension Business Operations

Chris Shotwell, Assistant Director for Extension Business Operations
Tina Ward, College Business Analyst
Ty Back, Fiscal Compliance Officer (EKY)
Jeremy Teal, Fiscal Compliance Officer (WKY)

QuickBooks Online Updates

- QBO Implementation
  - Training and conversion has been paused for two primary reasons:
    - Inuit has changed the tiers offered
    - Slight delays in getting D1 and D2 converted and supported
  - Once the dust settles, we will pick up training and continue with implementation across the state
    - More info will be shared once we have updated our training plans

QuickBooks Online Updates

- QBO Plan Changes
  - QBO Plus was the top tier when we started this process
  - Intuit found that some companies were gaming the system and running hundreds of business in one instance of QBO Plus
  - Limits to CoA and Classes are being implemented in QBO Plus
    - These limits are going to affect many of our counties who are already using more accounts and classes than permitted

QuickBooks Online Updates

- QBO Plan Changes
  - New top tier has been added – QBO Advanced
    - Unlimited CoA and Classes
    - Improved reporting capabilities
    - No functional change to how system works
  - Details being finalized on additional costs for QBO Advanced
    - Working to find funds on campus to cover the additional costs
    - New price lock will be extended to us by Inuit

QuickBooks Online Updates

- Delays in D1 & D2
  - Budget process took us away from getting D1 converted as quickly as we would have liked
  - Numerous issues found while converting counties resulted in a slower process than expected
  - D1 & D2 are mostly converted and using the system
  - A handful of remaining issues are still being worked out
  - Working to develop better support for counties online

Travel Updates

- CONCUR
  - Tina Ward and Chris Shotwell are serving on the campus-wide team
  - First task was to update travel policies and procedures
    - Significant changes made to portions of the P&P
    - Written to serve us better once we are using CONCUR
    - Offers more streamlined and efficient procedures
    - Document goes from 17 pgs to 8 pgs

Travel Updates

- CONCUR
  - Draft implementation timeline:
    - <u>Now thru Early Fall</u>: Consultants will work on configuration of CONCUR (20 weeks)
    - <u>November thru December 2019</u>: Piloting of new system
      - We will ask for counties to pilot (1 per district)
      - Will help us to learn the system and to better prepare for training
    - <u>January 2020</u>: Go Live
  - Note: Timeline is subject to change

Travel Updates

- Policy Updates

  - A Blanket Business Procedure Exception request was recently approved by the Controller's Office (see email sent by District Director).

  - If a traveler has **no personal expenses that need reimbursed**, a travel expense report for **zero reimbursement** is **not required** in the UK TRIP system (e.g. county vehicle used and all other travel expenses were paid by the county).

  - If a traveler has **any personal expenses that need reimbursed**, a travel expense report **must be submitted** along with **all receipts and required documentation** regardless of who paid the expenses (e.g. 3rd party receipts).

Travel Updates

- Policy Updates
  - Cost comparisons are <u>**not required**</u> for airline tickets purchased from an alternate vendor when the ticket costs <u>**less than $500**</u>. A copy of the approved business procedure exception (see email) must be included with the employee's travel expense report if an alternate vendor is used and the ticket costs less than $500.
  - Cost comparisons are <u>**required**</u> for airline tickets purchased for trips that <u>**combine business with personal travel**</u> and the airline ticket must be <u>**paid for with personal funds**</u>. Care should be given to ensure the county does not pay for travel expenses related to the personal portion of the trip (personal lodging, meals, rentals, etc).

Travel Updates

- Professional Improvement: Updated Definition
  - These funds are only to be used for <u>dues, travel, subsistence, and registration fees</u> for involvement in the <u>approved state and national professional associations</u>.
  - PI funds should only be budgeted when all other obligations are met (staff salaries & benefits, program support, travel, office operations, etc).

Travel Updates

- Professional Improvement: Updated Definition
  - For annual budgeting purposes, PI is <u>limited to $3,500 per agent</u> and <u>$1,500 per support staff</u>.
  - For those agents who participate in Epsilon Sigma Phi, the county may allocate <u>up to $1,000</u> in additional PI funds.
  - Any other use of PI funds is prohibited without prior approval from the respective District Director.

Travel Updates

- Professional Improvement: Updated Definition
  - Fine Arts Agents do not have state and national associations like other program areas. Their district director and program area leader will help identify appropriate professional improvement opportunities.
  - Professional Improvement Funds **cannot be used** to pay for tuition of courses offered as college credit.
  - Likewise, PI funds **cannot be used** to pay for an individual's Rotary, Kiwanis or other professional, civic or association dues.

College of Agriculture, Food and Environment

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Travel Updates

- Professional Improvement: Updated Definition

  Approved Agent Associations

  – KACAA & NACAA

  – KAE4-HA & NAE4-HA

  – KEAFCS & NEAFCS

  – ESP (State & National)

  – JCEP

  Approved Support Staff Associations

  – ChiES

Travel Updates

- Personal Vehicle Mileage Logs
  - In order to keep county travel and professional improvement separate in TRIP and to assist with separate accounting in the county, logs have been updated to provide a separate table for each.
  - If an employee has **both** in a given month, a **separate** "day trip" travel expense report **should be submitted** in TRIP for accounting of each separately budgeted line item.

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Travel Updates

- Personal Vehicle Mileage Logs
  - "Purpose of trip" code 00 – Collaboration/Meeting will be used for county travel
  - "Purpose of trip" code 01 – Conference/Training will be used for professional improvement
  - Overnight trips should not be affected.

Travel Updates

- County Vehicle Mileage Logs
  - As we continue to **increase accountability** and improve stewardship of **local public funds**, a county vehicle mileage log is being implemented **effective immediately**.
    - Starting with May travel which will be reviewed in June.
  - This new vehicle log will be kept in KERS and **must** be used by any employee driving a **county owned vehicle**.

Travel Updates

- County Vehicle Mileage Logs
  - Purpose for the new county vehicle log:
    - <u>Increase accountability</u> related to the use of county owned vehicles.
    - Document <u>destinations and business purposes</u> for all employee travel.
    - Ensure county vehicles are used solely for purposes related to <u>extension programming</u>.
    - Ensure <u>personal use</u> of county vehicles is handled appropriately as per IRS regulations.
    - Provide data to the district board regarding the <u>cost effectiveness</u> of the county owned vehicles.

Travel Updates

- ## County Vehicle Mileage Logs

  - ### Guidelines for county vehicles:

    - All UK employees and certified volunteers permitted to drive county vehicles must have a University of Kentucky **Motor Vehicle Record (MVR)** on file with UK Risk Management.

    - **Any personal usage** of county owned vehicles could be considered a **taxable fringe benefit** by IRS definition.

    - According to the IRS, personal use of a vehicle is all use that is not for your trade or business.

    - If necessary, a county may choose to invoke the IRS "commuting rule" for miles driven to/from home and work (see IRS regulations or consult you local tax professional)

Travel Updates

- County Vehicle Mileage Logs
  - Procedure for filling out the mileage log and for month-end review:
    1. County vehicle mileage records will be recorded in KERS using the new <u>Mileage Records County Vehicle</u> button.
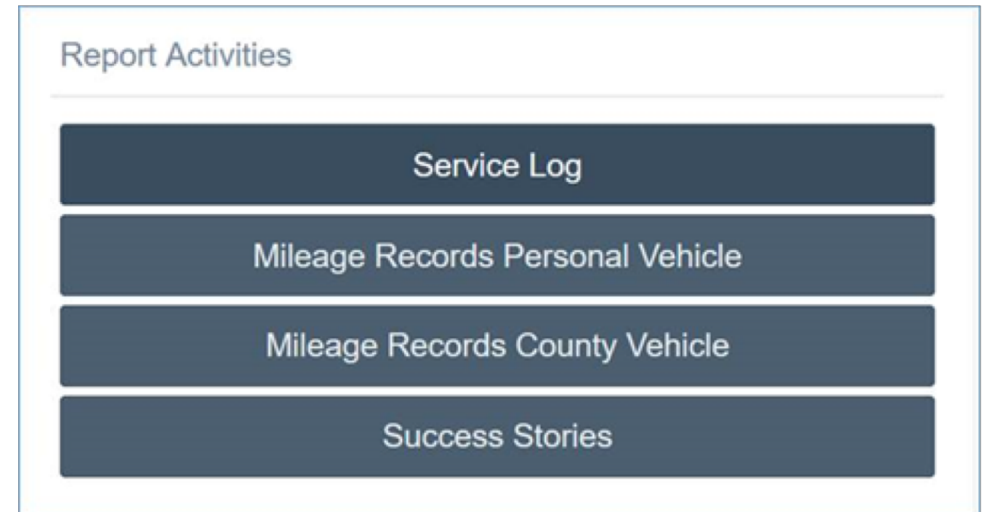
Report Activities

- Service Log
- Mileage Records Personal Vehicle
- Mileage Records County Vehicle
- Success Stories

Travel Updates

- County Vehicle Mileage Logs
  - Procedure for filling out the mileage log and for month-end review:
    2. At the end of the month, the County Vehicle Mileage Log will be <u>**printed and signed**</u> by the employee who drove the vehicle.

Travel Updates

- County Vehicle Mileage Logs
  - Procedure for filling out the mileage log and for month-end review:
    3. The signed log is then provided to the **County Fiscal Contact** for review (documented via signature).
    4. Once reviewed by the County Fiscal Contact, the log will be scanned and submitted to the respective **District Director** who will review, approve (via signature) and return a copy of the fully reviewed log to the county office.

Note: The County Vehicle Mileage Log will **not be submitted in TRIP** as these miles are **not reimbursed to employees**.

Travel Updates

- As per UK year-end Deadlines:
  - Travel Expense Reports for <u>June (or previous) travel</u> must be submitted by <u>July 3rd</u> to ensure posting to <u>"Old Year"</u>
  - Ensures travel is posted to "Old Year" in University records for <u>accounting and billing purposes</u>
  - Ensures travel is posted to "Old Year" in County records for <u>accounting and budgeting purposes</u>
  - Any expense reports for June travel that are <u>not posted to "Old Year"</u> in UK's system will be included in the <u>Q1 billing for FY20</u> (to be sent in Oct) and ultimately charged to <u>"New Year"</u> budgets.

Compliance Updates

- Trainings & Presentations Website
  - In an effort to keep training materials and presentations updated, we have made some changes to our website:
    - Specific subject area training materials and presentations provided
    - Updated list of trainings and presentations completed over last 2 years
    - Prevents UKIA from finding conflicting or outdated information
    - http://cafebusinesscenter.ca.uky.edu/training-qrg

Trainings & Presentations

1. Business Operations 101
2. Cash Handling
3. Purchasing & Disbursements
4. Travel Reimbursements
5. Equipment Inventory
6. QuickBooks Online
7. County Budget Process
8. Volunteer Groups
9. Meetings & Presentations

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Compliance Updates

- Business Operations Manual
  - Draft has been submitted to leadership for review and revision
  - It will eventually be incorporated into one Extension Manual
    - Used existing guidelines and procedures
    - Updated existing guidelines and procedures
    - Added some new guidelines and procedures
  - District Directors will be given opportunity to review
  - UKIA and DLG will also be given opportunity to review

Compliance Updates

- Standardized Forms
  - New forms **must be used** effective July 1, 2019
    - Payment Voucher
    - Daily Receipts Log
    - Safekeeping Device Log
  - Used numerous sample forms from counties along with forms used on campus to develop new forms
  - New forms can be found on websites
  - http://cafebusinesscenter.ca.uky.edu/efo_forms

Training Topic

Payment/Reimbursement Voucher

- 2 Versions to choose from
  - Electronic Version – to be completed online and printed
  - Printed Version – to be completed by hand
- 4 Sections to be completed
  - Section 1 – Basic Purchase Info
    - Who, What, When, Where and How
  - Section 2 – Authorization and Approval
    - Authorization from EDB (IF NEEDED)
    - Approval Signatures
  - Section 3 – Accounting Information
    - Mainly for bookkeeping purposes
    - To make sure that the items purchased are recorded in the correct GL/Line Items
  - Section 4 – Line Items
    - Reminder of GL/Line Items

Training Topic – Payment Voucher

Purchase Date: Enter the date of purchase.

Purchaser Name: Enter the name of the individual who made the purchase.

Vendor Name: Enter the name of the vendor where the purchase was made (e.g. Wal-Mart, Lowe's, etc.)

Amount: Enter the amount of the purchase (total amount shown on receipt or invoice)

Person Submitting Form: Enter the name of the individual who is submitting the form (in some cases this may be an agent completing the form on behalf of a volunteer).

Paid By: Enter the source of funds covering the expense (EDB, 4-H, etc.).

Check Payable to: Enter the name of the individual or company to which this payment is due.

Method of Payment: Select the box most pertinent to the nature of this purchase.

Items Purchased: Enter a brief list of the items purchased (avoid using general terms such as supplies; and add specific detail, especially for higher end items or services)

Business Purpose: Enter a brief description justifying the need for the purchase to explain how the goods/services will be used in Extension.

Attach original itemized receipt/invoice

Training Topic – Payment Voucher

Pre-Authorization Section

In certain circumstances, unbudgeted/emergency purchases must be made. **<u>These purchases must be made according to existing Board/Council policies.</u>** Pre-authorization should be documented for these situations via signature from the associated Board Chair or Treasurer.

Approval Signatures Section

Purchaser Signature: Signature of the individual who purchased the goods/services.

Supervising Agent Signature: Signature of the supervising agent for purchases made by a program assistant (if applicable).

Fiscal Contact (or Delegate) Signature: Signature of the fiscal contact for the office, or delegate in his/her absence.

Training Topic – Payment Voucher

Accounting Information Section

- This sections provides detailed areas for items to be listed and coded to their specific G/L Account (Line Item); Class (i.e. EDB General) and the specific amount tied to individual item for receipts, bills, or invoices which must be split.

- The Additional Info (serial#, model#, etc) box gives the option to record detail on higher cost items, **especially those which should be inventoried or tracked**. Examples could be IPad/tablets, GPS units, etc.

ACCOUNTING INFORMATION

Item(s)	G/L Account (Line Item)	Class (Program)	Amount
Supplies for 4-H Afterschool	4-H Prog. Support	EDB General	53.28
		Grand Total:	53.28

Additional Info as Needed (building #, location, serial #, model #, etc):

Training Topic – Payment Voucher

Line Items Section (right side of form)

- Information provided on the right side is provided to **aid in assigning the proper G/L Accounts** for Accounting Purposes.

- Fiscal Contact should review the payment voucher to ensure the proper G/L is selected.

- Staff Assistant entering transaction into accounting system should also review to ensure the proper G/L is being used.

Line Items

Program Support
- ☐ 4-H
- ☐ ANR
- ☐ FCS
- ☐ Other _____

Travel
- ☐ 4-H
- ☐ ANR
- ☐ FCS
- ☐ Other _____

Prof Improv
- ☐ 4-H
- ☐ ANR
- ☐ FCS
- ☐ Other _____

Contracted Svcs
- ☐ Prof Services
- ☐ Maint & Repair
- ☐ Rents & Leases
- ☐ Insurance
- ☐ Equipment Repair
- ☐ Vehicle Insurance
- ☐ Vehicle Repair
- ☐ Electric
- ☐ Gas
- ☐ Water
- ☐ Sanitation/Sewer
- ☐ Telephone
- ☐ Internet
- ☐ Cable
- ☐ Other _____

Materials & Supplies
- ☐ Mkt & Spec Prog
- ☐ Supplies & Svcs
- ☐ Postage
- ☐ Publications
- ☐ Janitorial Supplies
- ☐ Other _____

Administration
- ☐ Dues & Subscrip
- ☐ Board Expense
- ☐ Bookkeeping
- ☐ Cell Phones
- ☐ Other _____

Capital Outlay
- ☐ Equipment
- ☐ Vehicle
- ☐ Other _____

Training Topic – Payment Voucher

- ## Authorization of Purchases & Disbursements
  - The Fiscal Contact authorizing a purchase or expenditure is responsible to assure funds are available for payment of all obligations made under this authority.
    - **Each Payment Voucher should be reviewed and signed by the Fiscal Contact before the check is written**
    - When reviewing the voucher,
      - Is the expenditure **allowable & reasonable**?
      - Is the expenditure **coded to the correct line item**?
      - Are there **adequate funds budgeted** to cover the expense?

Training Topic – Daily Receipts Log

Daily Receipts Log (Cash and Checks)

- Form should be dated and used for any Extension account.

- Record the name of payee and their receipt number.

- All Cash and Checks (w/check number) should be recorded in their respective column.

- Each entry should be initialed by the person filling out the form.

- Cash and Checks should be totaled and a grand total will be included for the sheet.

- The total from previous sheet section should be used for days when deposits will not all fit on one page.

- Signatures are required for the preparer and the fiscal contact.

Training Topic – Safekeeping Device Log

Safekeeping Device Log:

- Log should be kept with the safekeeping device to record all openings and closings.

- Log would be referenced in the case of a discrepancy.

- Two people should be present each time the safekeeping device is accessed.

- Log should be completed with the following information at each opening: Date; Time; Initials for the two people present at opening; amount entered or removed; and purpose for entry.

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Safekeeping Device Log

County _____

Note: When the safekeeping device is accessed, there must be two people present and both must initial the log.

Date	Time	Individual #1 Initials	Individual #2 Initials	Amount (+/-)	Purpose for Entry

Questions