



Office of the Executive Vice President for Finance and Administration

## Office of the University Controller

# UCO Fiscal Officer Newsletter

Issue 27 | May 31, 2023

An Office of the University Controller (UCO) Publication

In this month's newsletter, meet the new Campus Controllers, review new and revised Accounting Standards, get up to speed on GASB 96 procedures, and more!

If you are a new fiscal officer (FO), archived newsletters can be accessed on the [Office of the University Controller's website](#) as well as at the link at the bottom of the newsletter.

*Have questions for a UCO unit? Contact a team using the [Contact Form](#).*

## Important Dates

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All deadlines are 10:00 pm on the date listed.

It is critical to approve ePTO timely to ensure the accuracy of our accounting records at year-end. Review department ePTO records to ensure that any lag in approval is

caught up by year-end. See more on the *Vacation & Sick Liability* story below.

Date	Event
June 23	May ePTO approvals due.
July 12	June ePTO approvals due.

[UCO Fiscal Officer Calendar](#) >

## Reminders

### **Restrictions to Accrual Voucher Transactions**

On June 1, 2023, UCO will implement significant restrictions to the Accrual Voucher (the technical name, Auxiliary Voucher) KFS document. The Accrual Voucher (AV) is used to record accrual, adjust, or recode entries to a prior posting period to facilitate preparation of accurate and timely financial reports.

After June 1, AV transactions must meet a minimum threshold of \$100,000 per document for processing. For any activities below this threshold, please discuss accrual entries with your Campus Controller. Each transaction recorded on an AV must represent a single accounting event and be fully supportable for audit purposes. Transactions for different accounting events or activities should not be combined on the same AV document.

[Review the Accrual Voucher Standard](#) >

### **KFS Document & Object Code Restrictions**

As part of a larger initiative to strengthen the internal controls surrounding transaction processing and financial reporting, UCO will incorporate the following KFS document and object code restrictions on June 1, 2023.

- Compensation, wages payable, and vacation/sick object codes will be restricted to system-generated, Salary Transfer (ST), Journal Voucher (JV),

and Non-Check Disbursement (ND) document types. These object codes will no longer be available on other KFS document types.

- KFS documents over \$5M will route to Campus Controllers and/or UCO as an FYI for review.
- All KFS transactions over \$5M must have supporting documentation for the transaction attached to the KFS document. See the Material Transactions IU Accounting Standard for appropriate supporting documentation.

If you have any questions regarding these changes, please contact University Accounting & Reporting Services (UARS) at [uars@iu.edu](mailto:uars@iu.edu).

[Access the Material Transactions Standard >](#)

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## Fiscal Year-End Closing Calendar

An updated FY2023 Year-End Closing Calendar has been posted to the UCO closing website.

For additional updates on year-end procedures related to Accounts Payable, Accounts Receivable, Capital Assets, Clearing Accounts, Contract & Grant Accounts, IU Foundation, Budget, and more, review the closing schedule.

[Visit the Closing Calendar >](#)

# Staffing Updates

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## Introducing: Your Campus Controllers

We are excited to introduce the university's four new Campus Controllers, who will provide campus leadership in all aspects of financial, accounting and controls compliance.

The Campus Controllers function as a liaison between the campus and their respective units and UCO. The Campus Controller is tasked with supporting all

financial, accounting and controls compliance, by facilitating the initiatives of the University Controller and aiding in the assurance of compliance activities. Their duties include policy and procedural interpretation, support for interim and annual closing activities, internal controls guidance, on-going monitoring, as well as expertise regarding financial systems and reporting. Campus Controllers also facilitate internal and external audit activities, conduct quarterly campus financial analysis in support of external financial and executive level reporting and provide support for the implementation of institutional financial efficiencies.

The following individuals serve as campus controllers:

## **Bloomington**

Sue Fleener serves as the Bloomington Campus Controller. She has 25 years of service at IU in a variety of finance and accounting roles. Sue graduated from IU and started her accounting career in small local firms and Bloomington city government. She has obtained the distinctions of CPA and CIA (inactive) as well as an MBA from IU. Contact Sue at: [fleener@iu.edu](mailto:fleener@iu.edu).

## **Indianapolis**

Christy Gelback-Diaz serves as the Indianapolis Campus Controller and has 13 years of experience working for higher education and non-profit organizations, including service as the Assistant Vice President of Finance & Controller for the Ivy Tech Community College System. She has a BS in Public Affairs and a MS in Accounting, both from IU's Indianapolis campus. Additionally, Christy is a CPA. Contact Christy at: [cgelback@iupui.edu](mailto:cgelback@iupui.edu).

## **Regional Campuses**

Melissa Hill serves as the Campus Controller for Regional Campuses (East, Kokomo, Northwest, South Bend, and Southeast) and has 18 years of service at IU in a variety of finance and accounting roles. She most recently served as the Director of Accounting for the IU Southeast Campus. She has a BS in Accounting and a MBA from IU. Contact Melissa at: [mhill02@iu.edu](mailto:mhill02@iu.edu).

## **School of Medicine**

JoLynn Bahr serves as the School of Medicine Campus Controller and has over 30 years of experience in a variety of finance and accounting roles primarily focused in higher education, healthcare, and non-profit organizations. She most recently served as the CFO for the Hoosier Cancer Research Network. Prior to that, she served in

fiscal roles with the School of Medicine and IU Health. She has a BS in Accounting from IU and is also a CPA. Contact JoLynn at: [jpbahr@iu.edu](mailto:jpbahr@iu.edu).

We are very fortunate to have them on the UCO team and know that their experience and knowledge will help strengthen controls and processes at the university.

## Accounting Updates

### University Accounting & Reporting Services Vacation & Sick Liability

As part of the annual fiscal year closing process, UCO calculates and records a vacation and sick liability accrual for all staff benefit hours eligible for payout upon termination or retirement from Indiana University. The calculated amount relies on salary, job funding, and benefit information in HRMS, as well as accrued benefit hours in Kuali Time and ePTO.

In preparation for the accrual, FOs should work with their Human Resources Business Partner (HRBP) to ensure all Kuali Time and ePTO balances are current, as defined by policies [FIN-PAY-020](#) and [HR-05-70](#). FOs and/or HRBPs can use the [ePTO Balance IUIE Report](#) to identify the last ePTO approval date. May ePTO should be submitted and approved prior to **June 23**. To the extent possible, June ePTO should be submitted and approved on or before **July 12**.

The vacation and sick liability, for FY 2023, will be posted the first week of July.

FOs and HRBPs are encouraged to run the ePTO Balance Report on a regular basis to ensure current balances are maintained. If any access changes are needed, each user will need a separate IUIE Access Request form completed by the supervisor or department head.

[Request IUIE access updates](#) >

## Capital Assets

### New: GASB Statement No. 96

The Government Accounting Standards Board (GASB) issued *GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs)*, which is effective this fiscal year for IU. This new standard establishes uniform accounting and financial reporting requirements for SBITAs similar to GASB 87, Leases. GASB 87 pertains to equipment and real property where GASB 96 pertains to SBITAs.

A SBITA is a contract that conveys control of the right to use another party's IT asset as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of SBITAs include **Software as a Service, Platform as a Service, and Infrastructure as a Service**.

Previously, these contract payments were expensed, but now the contract payments will be set up as a liability (object code 9612 Subscription IT Obligations) with a corresponding right-to-use asset (object code 8635 SBITA Asset) at the beginning of the contract. As payments are made, the liability will be reduced.

Indiana University has implemented a threshold for this standard of \$100,000. This means any contract with payments totaling less than \$100,000 for the entire contract term is excluded from reporting. Short-term contracts are also excluded. A contract is considered short-term if the maximum possible non-cancellable term is 12 months or less. In other words, there is no change in reporting for annual contracts or contracts under \$100,000 – these will continue to be expensed.

If your organization is paying for the right to use (licensing) a SBITA for over 12 months and the total amount due under the contract term is \$100,000 or more, then these payments should be coded to 4696 in BUY.IU. These payments will be reclassified on a Journal Voucher (JV) document to reduce the liability with a portion of the payment posting to interest expense.

If you have questions on your IT contracts and how this standard will affect your financials and budgets, please contact Capital Asset Management at [capasset@iu.edu](mailto:capasset@iu.edu).

A new standard covering the use of an accrual vouchers has been published in the IU Accounting Standards. Please review the new standard and reach out to UARS with any questions at [uars@iu.edu](mailto:uars@iu.edu).

[Access the Accrual Voucher Standard >](#)

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### **Revised: Accrual Accounting Standard**

Updates have been made to the accrual accounting standard to reflect the restrictions being put in place for the accrual voucher. Please review the standard and reach out to UARS with any questions at [uars@iu.edu](mailto:uars@iu.edu).

[Review the Accrual Accounting Standard >](#)

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### **Revised: Recharge Standard**

An updated standard outlining unallowable purchases on Recharge Center accounts has been posted. If you or your staff are involved in the rate setting process, please review this new standard and reach out to Recharge Accounting with any questions at [rates@iu.edu](mailto:rates@iu.edu).

[Access the Unallowable Expenses Standard >](#)

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## **University Tax Services Donations and Contributions to Other Entities**

[Uniform Guidance](#) establishes rules that disallow making donations and contributions to other entities with university funds as a direct or indirect cost charged to grants and contracts.

Due to this, IU policy FIN-ACC-80, states that “Donations and contributions to other entities cannot be made utilizing an Indiana University or Indiana University Foundation account.” As such, departments should not make charitable contributions from IU or IUF accounts.

An example of a disallowed donation would be giving IU money to an external 501(c)(3) organization that would be considered a charitable contribution for any reason.

Should any questions arise, please submit them through the [UCO Contact Us page](#).

[Read Policy FIN-ACC-80](#) >

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## Payroll

### Calculating Partial Pay

Please review PSOP 21.0: Calculating Partial Pay to learn how to calculate partial payments for employees who do not work a complete pay period.

[Access PSOP 21.0](#) >

## Other Updates

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### Financial Training & Communications

#### P-Card Training

Launch of the new, required online P-Card training, *P-Card Essentials*, has been delayed until **Monday, July 3**. The reason for the delay is to allow cardholders and FO to wrap-up fiscal year end activities.

FOs and cardholders required to complete the training were notified by email on May 22. Contact the Financial Training & Communications team at [estc@iu.edu](mailto:estc@iu.edu) with any questions about the training.

### Web Updates

The UCO website continues to evolve. Web updates, such as new accounting standards, service pages, and more are posted on the web updates page by the 15<sup>th</sup> of each month.

[Review the latest updates](#) >



[UCO Home Page](#) | [FO Reporting Tools](#) | [Publication Archive](#)

*This newsletter is published by the Financial Training & Communications team in conjunction with University Accounting and Reporting Services (UARS).*

*Contact UARS by emailing [uars@iu.edu](mailto:uars@iu.edu).*

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