In this month's newsletter you will find important updates regarding fiscal year 2023 (FY23) year-end, the extension of the F&A rate, and Chrome River reconciliations for out-of-pocket reimbursements.

If you are a new subscriber, 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

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

Visit the UCO Fiscal Officer Calendar to review all upcoming events.
Reporting Updates

New or updated reports in the Controller's Office Reporting Tool.

<table>
<thead>
<tr>
<th>Report Name</th>
<th>Description</th>
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<tbody>
<tr>
<td>Forecast Summary Worksheet</td>
<td>View actual revenues, expenses, and encumbrance balances. Adjust values and review their impact.</td>
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**New Forecast Summary Worksheet**

UCO has developed a new Forecast Summary Worksheet. The Forecast Summary Worksheet is a management tool that allows the user to view actual revenues and expenses, remaining fiscal year encumbrance balances, and an adjustable projection column. It is unique compared to other reports in the Controller’s Office Reporting Tools as it enables the user to manipulate financial data outcomes.

The projection column enables the user to adjust final projected balances to test how business decisions or operational changes may affect financial outcomes. This report is important for internal control compliance through monitoring and keeping expenditures under their budgeted dollar amount. It is a key tool in goal setting and helps project the financial position in which the entity is projected to finish.

Review the Forecast Summary Worksheet Instructions on the UCO website and contact University Accounting & Reporting Services (UARS) at uars@iu.edu with any questions, comments, or concerns.

**Forecast Summary Worksheet Instructions**
As part of fiscal year 2023 (FY23) external financial audit procedures, the university's external auditors (Plante Moran) will begin conducting interim testing of transactions during the month of May. Please be aware that UCO staff may contact you directly during that time to request documentation related to this testing.

The FY23 Year-End-Closing Schedule has been posted to the UCO closing website.

Access the Closing Schedule  Print the Closing Schedule

Accounting Updates

University Accounting & Reporting Services
Accrual Voucher Change

As announced in the March UCO Fiscal Officer Newsletter, new Accrual Voucher (AV) restrictions will be in place as of June 1, including a minimum document threshold of $100,000. Due to these changes, users of the AV document may need to alter their processes beginning in May when initiating new AV documents.

If you are using an AVAD document type, any adjustments after June 1 under the $100,000 threshold will require the use of a General Accounting Adjustment (GEC) in the current period or a year-end (YEGEC) document. If your organization has balance sheet balances under $100,000 which were previously manually recorded using an AVAD, we suggest clearing those prior to June 1.

As a best practice, UCO recommends that AV users select the Accrual (AVAE) document type, which automatically reverses the balance in a future period, instead of utilizing the adjustment (AVAD) and recode (AVRC) document types, which require manual adjustment.

If you have any questions regarding your AV documents or the upcoming restrictions, please reach out to your Campus Controller or UARS at uars@iu.edu.
University Accounting & Reporting Services

Extension of the Facilities & Administration Rate

UCO negotiates federally approved facilities and administrative (F&A) rates every four years. The university’s approved rates were recently extended for another four years to 6/30/2027. Please find the approved rate documentation on the Office of Research Administration’s website.

Visit the IU Rates page

University Tax Services

Out-of-Pocket Reimbursements

Employee out-of-pocket expenses must meet the three required criteria detailed in the Accountable Plan policy to be tax-free:

1. Have a business connection

2. Be substantiated within 120 days

3. Return any excess amount of substantiated expenses to IU

Substantiation in Chrome River means the expense report must be submitted within 120 days of when the purchase was made. Please encourage your teams to reconcile their out-of-pocket purchases regularly.

Per IRS rules, if the business expense is not substantiated and reconciled in this time frame, it is to be considered taxable to the individual. Please reference Tax Standard Operating Procedure (SOP) 9.02 for additional guidance.

Staff with questions about this process should submit any questions through the UCO Contact Us page.

Review Tax SOP 9.02

Payroll

Changing Work Area Timekeeping Methods
Please review PSOP 20.0 – Changing Work Area Timekeeping Methods to review the process for changing the timekeeping method of a work area.

**Access PSOP 20.0**

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**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 15th of each month.

**Review the latest updates**

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**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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