QUARTERLY BUSINESS OFFICERS MEETING

APRIL 2018
Congratulations Erin & Scott!
2018 Business & Finance Leadership Award

“Rising to the Challenge”

Erin Herting
Director of Business & Financial Administration
College of Liberal Arts
2018 Business & Finance Leadership Award

“Strategic Business Partner of the Year”

Scott Arneson
Associate Dean for Finance & Facilities
College of Dentistry
TODAY’S AGENDA

I. FY18/19 Budget Update  (Terry Johnson/Susan Klatt)
II. Skype for Business Implementation  (Tim Evans/Tracy Scott)
III. Migration of Forms to Universal Workflow  (Debby Zumbach/Selina Martin)
IV. Guidelines for Charitable Raffles  (Tom Peifer)
V. PayCV Application Timeline & Pilot  (Selina Martin)
FY18/FY19 BUDGET UPDATE

TERRY JOHNSON, CHIEF FINANCIAL OFFICER & TREASURER
SUSAN KLATT, DIRECTOR, FINANCIAL MGMT/BUDGET & UNIVERSITY SECRETARY
Traditional PBX end of life

Much of the existing copper infrastructure is also end of life.

Reduce copper investment in new buildings

Goal to invest in modern collaboration tools to increase productivity and provide a better user experience.
WHAT IS SKYPE FOR BUSINESS

- Instant Messaging and Presence
- Desktop Sharing
- Video Conferencing
- Online Meetings
- Telephony
- Unified Messaging (voice mail delivered to your email inbox)
BENEFITS OF SKYPE FOR BUSINESS TELEPHONY

- Make/receive calls from anywhere (e.g. home, hotel, another UI building, etc.)
- Eliminates most moves, adds and changes (and associated charges)
- Reduced IT Infrastructure and copper within buildings.
- Make/receive Skype calls on your smartphone.
- Integrated with the rest of Skype (e.g. presence, etc.)
- Softphone – integrated with many applications
Many classroom, conference room and certain shared phones will continue to use existing phone handset they have today
  - Technically not Skype for Business, will be delivered via an analog gateway
  - Limited feature set, no voice mail, etc.
  - Approximately 9% of phones fall into this category

Remaining NEC Telephones will not work with Skype for Business
  - Approximately 12,420 phones need to be replaced
  - Replacement costs can vary widely:
    - $30 for a standard solid USB headset
    - $150 for a recommended standalone handset
    - Much higher prices for wireless headsets or devices with other advanced features
TELEPHONY DEVICES

- Wide-range of devices available to Skype for Business
  - Headsets
  - Traditional Handset (what most people are use to)
  - Meeting Room Devices
  - Personal Speakerphones
  - Webcam (in conjunction with computer speakers)
  - Smartphones

- Industry best practice tells us that these new services, softphones on your computer and a headset are the best solution for 80-90% of users.
  - Headsets free both hands to use a computer
  - Improved ergonomics
  - Portable – headset can travel with you anywhere in order to make/receive calls
The end goal is to get each person the device they need and have the costs distributed fairly across campus.

Our interpretation of this is that a preponderance of the costs to meet actual needs are covered by this project, funded centrally and that costs that are driven more on individual preference are born locally.

Discerning “need” from “preference” is always a challenge.
PROPOSED BUSINESS MODEL

- Project provides a standard “credit” for each current handset that is in place that is used for the new headset or handset purchases.
  - This can be done by workgroup, department, college, org or any unit, and can be used within that unit for any combination of devices they choose.
- The credit would be $150 for each Dterm telephone and $30 for each standard telephone now in service
- **Benefits**: easy to understand and calculate, project funds the preponderance of the replacement costs, gives responsibility to local units to choose judiciously and control costs for UI
- **Downsides**: some people will not want to try the headsets, colleges could incur costs depending on choices
## RECOMMENDED DEVICES

| Plantronics C320-M USB Headset | $30 | Standard use – softphone – meets 80-90% of use cases |
| Polycom CX300 USB Handset      | $135 | Standard use – softphone – mostly preference for handsets – 10% of use cases |
| Polycom VVX 311 Ethernet-based phone | $150 | Specialize – no computer required, shared phone, complex telephony – 10% of use cases |
MIGRATION OF FORMS TO UNIVERSAL WORKFLOW

DEBBY ZUMBACh, ASSOCIATE VICE PRESIDENT
SELINA MARTIN, ASSOCIATE CONTROLLER
MIGRATION OF FORMS TO UNIVERSAL WORKFLOW
PROTRAV
PROTRAV UNIVERSAL WORKFLOW CHANGES

- Auto Signing
  - Auto signs if you’ve already approved (except Supervisor)
- Supervisor from UHR System
  - PCard and TEV’s require supervisor signature
- SubDepartment
  - Actual MFK subdepartment routing enabled
- Delegation Rules
- Out of Office Rules
- Escalation Rules
PROPOSED TIMELINE

- Copy Routes – April 16
- Org Review – April 16-30
- Go Live May 1st
PREQS FUTURE CHANGES

- PREQs Under $5000 changed to Under $10,000
- PREQS $5,001-$25,000 changed to $10,001 to $50,000
- PREQS Over $25,000 changed to Over $50,000
MIGRATION OF FORMS TO UNIVERSAL WORKFLOW

ACCOUNTING & FINANCE
# Forms Migration to Universal Workflow – AFR & CAM

<table>
<thead>
<tr>
<th>Green = Completed</th>
<th>Blue = In Progress</th>
<th>Black = Not Started</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Systems</strong></td>
<td><strong>Cash Handling Forms</strong></td>
<td><strong>Capital Assets Forms</strong></td>
</tr>
<tr>
<td><strong>Access Request Forms</strong></td>
<td><strong>Research Subject Cash Handling Procedures</strong></td>
<td><strong>Asset Additions</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Annual Cash Advance Verification Form</strong></td>
<td><strong>Asset Deductions</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Request for Approval of Change Fund or Cash Advance</strong></td>
<td><strong>Asset Update</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Reimbursement of Cash Advance</strong></td>
<td><strong>Internal Transfer</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Return of Change Fund/Cash Advance</strong></td>
<td><strong>Title Transfer</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Off-campus Use</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Federal Letter of Certification</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Inventory Letter of Certification</strong></td>
</tr>
</tbody>
</table>
## FORMS MIGRATION TO UNIVERSAL WORKFLOW – OTHER

<table>
<thead>
<tr>
<th>Grant Accounting Forms</th>
<th>Treasury Operations Forms</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Residual Balance Closeout</td>
<td>• Bank Website User Request</td>
</tr>
<tr>
<td>• Direct Cost Justification</td>
<td>• One-time Credit Card Processing Request</td>
</tr>
<tr>
<td>• Cost Transfer Justification</td>
<td>• Treasury Wire Transfer Request</td>
</tr>
<tr>
<td>(multiple forms for grants/non-grants, salary/general expense)</td>
<td>• New Merchant Account Application</td>
</tr>
<tr>
<td></td>
<td>• eDeposit User Access</td>
</tr>
<tr>
<td></td>
<td>• Endowment Account Request</td>
</tr>
</tbody>
</table>

Green = Completed  Blue = In Progress  Black = Not Started
<table>
<thead>
<tr>
<th>Category</th>
<th>Form</th>
<th>Status</th>
<th>Institutional Role Approvers (Business Officer Category)</th>
<th>Other Approvers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems Access Request Forms</td>
<td>GLJE Access Request</td>
<td>Migration Completed</td>
<td>Department Administrator</td>
<td>AFR</td>
</tr>
<tr>
<td></td>
<td>Web CV Access Request</td>
<td>Migration Completed</td>
<td>Business Officer</td>
<td>AFR</td>
</tr>
<tr>
<td></td>
<td>PayCV Access Request</td>
<td>Migration Completed</td>
<td></td>
<td>AFR</td>
</tr>
<tr>
<td>Cash Handling Forms</td>
<td>Research Subject Cash Handling Procedures</td>
<td>Migration in Progress</td>
<td></td>
<td>Department Research Administrator, AFR</td>
</tr>
<tr>
<td></td>
<td>Annual Cash Advance Verification Form</td>
<td>Not started</td>
<td></td>
<td>To be determined</td>
</tr>
<tr>
<td></td>
<td>Request for Approval, Reimbursement or Return of Change Fund or Cash Advance (currently 3 forms)</td>
<td>Not started</td>
<td></td>
<td>To be determined</td>
</tr>
<tr>
<td>Other Forms</td>
<td>New Chartfields &amp; WhoKeys Request</td>
<td>Migration Completed</td>
<td></td>
<td>AFR, GAO, HR Analysis &amp; add optional routing per default/custom office routes</td>
</tr>
<tr>
<td></td>
<td>Cost Transfer Justification (multiple forms)</td>
<td>Not started</td>
<td></td>
<td>To be determined</td>
</tr>
<tr>
<td></td>
<td>Annual Financial Sub-certification</td>
<td>Not started</td>
<td></td>
<td>Deans</td>
</tr>
<tr>
<td>Capital Assets Forms</td>
<td>Asset Additions</td>
<td>Migration in Progress</td>
<td></td>
<td>Custodian, CAM</td>
</tr>
<tr>
<td></td>
<td>Asset Deductions</td>
<td>Migration Completed</td>
<td></td>
<td>CAM</td>
</tr>
<tr>
<td></td>
<td>Asset Update</td>
<td>Migration Completed</td>
<td></td>
<td>CAM</td>
</tr>
<tr>
<td></td>
<td>Internal Transfer</td>
<td>Migration Completed</td>
<td></td>
<td>New Custodian, CAM</td>
</tr>
<tr>
<td></td>
<td>Title Transfer</td>
<td>Migration in Progress</td>
<td></td>
<td>CAM</td>
</tr>
<tr>
<td></td>
<td>Off-campus Use</td>
<td>Migration Completed</td>
<td></td>
<td>Custodian, CAM</td>
</tr>
<tr>
<td></td>
<td>Federal Letter of Certification</td>
<td>Migration in Progress</td>
<td></td>
<td>Inventory Contact, CAM</td>
</tr>
<tr>
<td></td>
<td>Inventory Letter of Certification</td>
<td>Migration in Progress</td>
<td></td>
<td>Inventory Contact, CAM</td>
</tr>
<tr>
<td>Grant Accounting Forms</td>
<td>Residual Balance Closeout</td>
<td>Migration Completed</td>
<td></td>
<td>Department Contact</td>
</tr>
<tr>
<td>Treasury Operations Forms</td>
<td>Bank Website User Request</td>
<td>Migration Completed</td>
<td></td>
<td>Ad-hoc unit Supervisor, Treasury Operations</td>
</tr>
<tr>
<td></td>
<td>One-time Credit Card Processing Request</td>
<td>Migration Completed</td>
<td></td>
<td>Controller, Treasury Operations</td>
</tr>
<tr>
<td></td>
<td>Treasury Wire Transfer Request</td>
<td>Migration Completed</td>
<td></td>
<td>Terry Johnson, Treasury Operations</td>
</tr>
<tr>
<td></td>
<td>New Merchant Account Application</td>
<td>Migration Completed</td>
<td></td>
<td>IT Security Office, Controller, Treasury Operations</td>
</tr>
<tr>
<td></td>
<td>eDeposit User Access</td>
<td>Migration in Progress</td>
<td></td>
<td>To be determined</td>
</tr>
<tr>
<td></td>
<td>Endowment Account Request</td>
<td>Migration in Progress</td>
<td></td>
<td>Terry Johnson, Treasury Operations</td>
</tr>
</tbody>
</table>
GUIDELINES FOR CHARITABLE RAFFLES

TOM PEIFER, TAX MANAGER
GUIDELINES FOR CHARITABLE RAFFLES

- Guidelines document to assist campus

- Raffles are considering gambling – regulated and licensed by the State, annual reporting required

- Definition of raffle – a lottery in which each participant *purchases* an entry for a chance to win a prize, with the winner determined by a random method, and the winner is not required to be present to win

- Drawings are not raffles – if donations are *recommended, but not required* to participate, raffle complications are avoided
GUIDELINES FOR CHARITABLE RAFFLES

- So you want to hold a raffle…

- Contact Paul Braem or Jamie Jorgensen to discuss raffle details

- Timing of raffle might require coordination
  - Multiple raffles can’t run concurrently
  - Gambling license allows for one “large raffle” each calendar year (prize value between $10,000 - $100,000)

- Training on cash handling may be required for individuals involved
GUIDELINES FOR CHARITABLE RAFFLES

- Raffle Rules – should be clearly written and address the following topics
  - Identify specific beneficiary of raffle proceeds
  - Disclose ticket price, discounts for multiple tickets, value of prizes, dates for the duration of ticket sales, date and location of drawing
  - Permissible payment methods – cash, check or debit card is allowed. Credit card payments prohibited
  - Winner need not be present to win
  - Describe how prize winner will be notified, where/when prize claimed, contingencies if not claimed
  - Eligibility rules – entrants at least 18 and may not be involved in administration of raffle
GUIDELINES FOR CHARITABLE RAFFLES

- Tax Consequences
  - Sales of raffle tickets are subject to sales tax. Net raffle proceeds will be reduced accordingly.
  - Federal and state income tax reporting – Form W-2G, Certain Gambling Winnings
    - Reporting required when the value of the prize is valued at $600 or more and the payout is at least 300 times the value of the raffle ticket purchased, or the value of the winnings minus the wager is more than $5,000
  - Federal withholding – required when value of prize exceeds $5,000
  - State withholding – required when value of prize exceeds $600
  - Form 945, Annual Return of Withheld Federal Income Tax
GUIDELINES FOR CHARITABLE RAFFLES

- Example: A raffle prize valued at $1,250 is awarded resulting from raffle tickets sold for $5.
  - No federal reporting is required – value of prize is only 250 times the cost of the ticket and prize < $5,000
  - No federal withholding is required – value of prize < $5,000
  - State withholding is required since value of prize > $600

- Unusual reporting situation
  - State withholding required on federal form not required to be reported to IRS
  - Form W-2G provided to raffle winner in order to claim withholding on state income tax return although the W-2G is not filed with the IRS and Iowa Department of Revenue.
  - This happened a few years ago.
GUIDELINES FOR CHARITABLE RAFFLES

- Income Tax Withholding on Non-cash Prizes

- Two options
  - University pays the tax on behalf of the raffle winner and grosses up the prize value (expensive)
  - Winner pays required withholding to University before prize delivered.
    - “Congratulations! You just won a motorcycle valued at $12,000! Please give us a check for $3,480.”
GUIDELINES FOR CHARITABLE RAFFLES

- Net Available Proceeds Example
- Assume a non-cash prize valued at $15,000 is going to be raffled and the University generously agrees to pay the federal and state income taxes on behalf of the winner. Tickets are $5 and 5,000 tickets are sold.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Proceeds</td>
<td>$25,000</td>
<td>(5,000 x $5)</td>
</tr>
<tr>
<td>Less: 6% sales tax on tickets sold</td>
<td>($1,415)</td>
<td>(25,000 – (25,000 / 1.06)) sales tax included in $5 ticket price</td>
</tr>
<tr>
<td>Less: 29% income tax gross-up</td>
<td>($6,127)</td>
<td>(15,000 / 1 - .29) – 15,000</td>
</tr>
<tr>
<td>Net Proceeds</td>
<td>$17,458</td>
<td></td>
</tr>
</tbody>
</table>

Winner receives W-2G showing raffle prize won of $21,127 (prize and income taxes withheld)
PAYCV APPLICATION
TIMELINE & PILOT

SELINA MARTIN, ASSOCIATE CONTROLLER
DEVELOPMENT OF PAYCV APPLICATION

Document specs for existing application → Develop specs for new application → Create prototype / wireframe → Develop new EFR/EFTx Security model

Develop new application in .net → Alpha build releases / module testing → Present to / solicit feedback from stakeholders → Conduct user acceptance testing

Pilot Production Release! → Campus Wide Production Release!
PAYCV ANTICIPATED TIMELINE

LOOKING FORWARD...

User Acceptance Testing (AFR, GAO & Payroll/Benefits)
April & May 2018

Pilot Production Release
August 2018

Campus-Wide Production Release
September 2018
I deas for future topics...

✓ LEAN Practitioner Community
✓ FM Services Guide & Fee Schedule
✓ IDUG BI Tools
✓ Administrative Credits
✓ F&A Cost Recoveries

**2018 Meetings:**

1st Quarter  
January 29th  
9:00-11:00, UCC-2520D

2nd Quarter  
April 6th  
10:00-12:00, CDD-Rembolt

3rd Quarter  
June 1st  
2:00-4:00, UCC-2520D

4th Quarter  
October 30th  
10:00-12:00, CDD-Rembolt