

# Financial Management Meeting

## February 24, 2016

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*Campus Rooftops*



**WISCONSIN**  
UNIVERSITY OF WISCONSIN-MADISON

# Agenda

## Welcome & Introductions

Service Center FY16 Considerations	Sue Adams	15 mins
Processing Non-Tax Reportable PIRs	Liv Goff	15 mins
Preliminary Closing Schedule	Lea Erickson	10 mins
Deferred Revenue	Amy Wilson	20 mins
Check Handling		
Travel Reimbursement Reductions	Rusty Haines Stefanie Merucci	10 mins
Internal Third Party Payments	Fariba Kiani	5 mins
Call for Pickup Form	Mark Domaszek	5 mins
General Q&A		



# Financial Management Meeting

## February 24, 2016

- The University of Wisconsin Service Center will*
- *Serve...the people of the University of Wisconsin System*
  - *Collaborate...by being supportive and constructive*
    - *Act with Integrity...always and in all matters*

# Fiscal Year End 2017 Preview

- What's New: Source for the Budget Import file will be the new Compensation Administration Tool (CAT)
- Budget Control Dates are a challenge
  - Funding ending 6/30/16 should not rollover, but need to be able to post as late as 7/22/16
- Goal for FY 2017 Funding: For payrolls crossing fiscal year, we hope to be able to use first day of pay period as effective date in June for H, S, V and C-Basis payrolls

# Fiscal Year End 2017 Preview

- Reminder: Best practice is to enter funding no more than 30-60 days in advance of effective date. It's too early to enter FY 2017.
- Fiscal Year End WISDM Posting Reference Guide will again be published
  - Provides clarification of funding source by fiscal year and WISDM posting dates by fiscal year
  - Provides information on funding source for prepaid insurances for C-Basis employees
- Schedule of fiscal year end activities is being finalized, but should be similar to last year

# Fiscal Year End 2017 Preview

- Salary Cost Transfers:
  - Ensure current funding is in place to prevent need for salary cost transfers.
  - Please keep current with processing. Volumes last year at fiscal year end were 20-25 times normal volumes which caused system overloads.
  - Second salary cost transfer processed on last summer's S-Basis and V-Basis payments cannot be processed until after 6M payroll final calcs
- Thank you - keep up the good work!!

# Processing Non-Tax Reportable PIRs

Liv Goff

Accounting Services



# Using Voucher Upload for Non-Tax Reportable PIRs

- Piloted Spring of 2015
  - 6 departments
  - Over 1100 PIRs since April of 2015
- Quickly create and upload PIRs into SFS
- Used only for non-tax reported account codes or de minimus payments (don't require vendor set-up)



# Using Voucher Upload for Non-Tax Reportable PIRs

## Pros:

- Only one document containing multiple PIRs (Excel Spreadsheet containing macro)
- One set of signature approvals on accompanying PIR form
- Extremely fast Accounts Payable processing
  - No vendor set-up
  - Much faster audit/review process
  - Uploaded into SFS, not keyed

## Cons:

- Voucher is not linked to image of PIR in WISDM
  - Documentation is still maintained in Accounts Payable, but link is not active
- If spreadsheet format is modified, upload process will fail

# Using Voucher Upload for Non-Tax Reportable PIRs

## How it works:

- Accounts Payable creates a reusable vendor number reserved for your unit
- Department can track payments to this vendor number in WISDM
- Accounts Payable provides Voucher Upload template to department (Excel spreadsheet with macro)
- Department completes spreadsheet and submits to Accounts Payable with summary PIR form, for audit and upload
- Original documents retained by Accounts Payable in ImageNow for audit purposes
- Maximum number of PIRs per form is limited only by Excel

# Using Voucher Upload for Non tax reportable PIRs

F4    fx =CONCATENATE("PIR051315-",LEFT(DA4,20))    cells can contain formulas

	F	G	I	S	DA	GE	GG	IG	HI	HQ	ID	IG	IH	IL	IM	IN	IR	IS
1	Generate XML																	
3	Invoice Number	Invoice Date (MM/DD/YYYY)	Vendor ID	Gross Invoice Amount	Description	Acct	Dept	Fund Code	Prgrm Code	Project	Name 1 (SGLP only)	Country (SGLP only)	Address 1 (SGLP only)	City (SGLP only)	State	Postal (SGLP only)	Payment Message	Payment Handling Code
4	PIR051315-Farone, Samual	05/13/2015	0000643709	600.00	Farone, Samual	5709	340200	133	4	PRJ84VL	Farone, Samu	USA	1617 W. Columbia	Chicago	IL	60626	Vilas Travel Award	RG
5	PIR051315-Mei, Thersa	05/13/2015	0000643709	600.00	Mei, Thersa	5709	340200	133	4	PRJ84VL	Mei, Thersa	USA	153 Norfolk Avenue	Clarendon	IL	60514	Vilas Travel Award	RG
6	PIR051315-Tovey, Lane	05/13/2015	0000643709	600.00	Tovey, Lane	5709	340200	133	4	PRJ84VL	Tovey, Lane	USA	124 N Bready St	Madison	WI	53703	Vilas Travel Award	RG
7	PIR051315-Bye, Marianna	05/13/2015	0000643709	600.00	Bye, Marianna	5709	340200	133	4	PRJ84VL	Bye, Marianna	USA	9401 Nashville Ave.	Morton Gr	IL	60053	Vilas Travel Award	RG
8	PIR051315-Greggs, Sherie	05/13/2015	0000643709	600.00	Greggs, Sherie	5709	340200	133	4	PRJ84VL	Greggs, Sherie	USA	2918 Coho Street	Madison	WI	53713	Vilas Travel Award	RG
9	PIR051315-Hoang, Jocelyn	05/13/2015	0000643709	600.00	Hoang, Jocelyn	5709	340200	133	4	PRJ84VL	Hoang, Jocely	USA	867 Pope St	Lake Mills	WI	53551	Vilas Travel Award	RG
10	PIR051315-Mcmillon, Beatrice	05/13/2015	0000643709	600.00	Mcmillon, Beatri	5709	340200	133	4	PRJ84VL	Mcmillon, Bea	USA	530 West Main Stre	Madison	WI	53703	Vilas Travel Award	RG
11	PIR051315-Bolt, Loyce	05/13/2015	0000643709	600.00	Bolt, Loyce	5709	340200	133	4	PRJ84VL	Bolt, Loyce	USA	304 W. Wilson St.	Madison	WI	53703	Vilas Travel Award	RG
12	PIR051315-Canino, Kristi	05/13/2015	0000643709	600.00	Canino, Kristi	5709	340200	133	4	PRJ84VL	Canino, Kristi	USA	524 E. Johnson St.	Madison	WI	53703	Vilas Travel Award	RG
13	PIR051315-Tropea, Dominica	05/13/2015	0000643709	600.00	Tropea, Dominic	5709	340200	133	4	PRJ84VL	Tropea, Domir	USA	126 E. Wilson St.	Madison	WI	53703	Vilas Travel Award	RG
14	PIR051315-Bicknell, Farrah	05/13/2015	0000643709	600.00	Bicknell, Farrah	5709	340200	133	4	PRJ84VL	Bicknell, Farr	USA	1441 Donald Drive	Sun Prairi	WI	53590	Vilas Travel Award	RG

- Invoice Number (F) displays in the Invoice No. column in WISDM (30 Char Max)
- Description (DA) displays in the DESCR column in WISDM (30 Char Max)
- Payment Message (IR) - will appear on the check remittance (70 char Max)
- Payment Handling Codes (IS):
  - CP: Call for Pickup
  - RG: Regular Mail

# Using Voucher Upload for Non-Tax Reportable PIRs

Vendor # 643709 UW PAYMENT TO INDIVIDUAL REPORT Voucher # \_\_\_\_\_

Check Payable To: pir.052815.travel.2ndbatch U.S. Citizen: Yes  
 Invoice # PIR 052815  
 Tax ID # n/a  
 Transaction/Invoice Date: 05/28/2015

Type of Payment: Support - students, fellows, scholars and trainees  
 Payment Method and Currency: check, US Dollars

Mail check to: pir.052815.travel.2ndbatch Permanent Home Address (required)  
see spreadsheet see spreadsheet  
see, spread sheet USA see, spread sheet USA

Purpose of Payment: Research support payment for Professional Development travel award recipient. **31 @ \$600 = \$18,600.** Attached spreadsheet: pir052815.travel.2ndbatch



Funding for pir.052815.travel.2ndbatch:

	Amount	Acct	Fund	Dept	Prog	Class/Bldg	Budget Year	Project	Problem
	18600.00	5709	133	340200	4		2015	PRJ84VL	

Net Amt **\$18,600.00**

Mary Curran  
 Contact Name  
262-4949  
 Contact Number

PI/Dept Approval Mary Curran Date 5/28/15  
 Division/Dean Approval \_\_\_\_\_ Date \_\_\_\_\_

Financial Aids Approval \_\_\_\_\_ Date \_\_\_\_\_  
 Accounting Services \_\_\_\_\_ Date \_\_\_\_\_

**No additional forms need to accompany this form.**

- One PIR form with count and total dollars

# Using Voucher Upload for Non-Tax Reportable PIRs

## Comment from Mary Curran VCRGE Accounting:

“I REALLY like using this spreadsheet. I've had a ton of PIRs the past 2 weeks, with another big batch coming Thursday/Friday and this has helped so much.

My thanks to whoever came up with this -- making life a little better.

Mary”

# Preliminary Closing Schedule

Lea Erickson  
Accounting Services



# Preliminary Closing Schedule

## FY 2016 Timetable for Processing All Transactions DATES SHOWN BELOW ARE FOR RECEIPT IN BUSINESS SERVICES

<b>Transaction Type</b>	<b>Due Date</b>
<i>External Requisitions for FY 2016 with a dollar amount \$50,000 &amp; over must be received in Purchasing Services, Suite 6101, 21 N. Park St.</i>	April 1, 2016
<i>External Requisitions for goods and services expected to be delivered in FY 2017 may begin to be created for FY 2017 in the External Requisition Generator in <a href="#">My UW</a>.</i>	April 1, 2016
<i>External Requisitions for FY 2016 with a dollar amount \$5,000 - \$49,999 must be received in Purchasing Services, Suite 6101, 21 N. Park St.</i>	April 18, 2016
<i>Justification to Carryover Prior Fiscal Year POs. Campus can begin to justify PO rollover.</i>	May 2, 2016
<i>Orders after this date and expected to be received after June 30<sup>th</sup> must be charged to the new fiscal year, FY 2017.</i>	May 20, 2016
<i>Any external requisition for FY 2016 that</i> <ul style="list-style-type: none"> <li>• <i>is less than \$5,000</i></li> <li>• <i>is PO from a Delegated department</i></li> </ul> <i>Must be received in Purchasing Services, Suite 6101, 21 N. Park St.</i>	June 3, 2016
<i>Invoices from External Vendors must be received in Accounts Payable, Suite 5301, 21 N. Park St. - Invoices may be submitted after this date, but FY16 processing is not guaranteed.</i>	June 3, 2016
<i>Direct Payments (DP) &amp; Payment To Individual Reports (PIR) must be received in Accounts Payable, Suite 5301, 21 N. Park St. - Invoices may be submitted after this date, but FY16 processing is not guaranteed.</i>	June 3, 2016
<i>Refund of Receipt form for money deposited with the University as a receipt or sales credit must be received in Cash Management, Suite 6101, 21 N. Park St.</i>	June 3, 2016
<i>Encumbrance Management Forms for FY 2016 approved by your Dean's office must be received in Purchasing Services. Email forms to <a href="mailto:purch@bussvc.wisc.edu">purch@bussvc.wisc.edu</a>.</i>	June 10, 2016
<i>Check requests and Gift Routing Forms must be received by UW Foundation by June 10<sup>th</sup> in order to guarantee transfer to UW-Madison fund 233 accounts by the end of FY 2016.</i>	June 10, 2016
<i>Last Day to justify Carryover of Prior Fiscal Year POs.</i>	June 13, 2016
<i>Purchasing Card - All orders must be placed early enough to allow the vendor time to process the transaction and submit the charge to US Bank on or before June 17, 2016. The turnaround time varies by merchant. Orders placed the week of June 13, 2016 may or may not post to FY 2016.</i>	June 17, 2016
<i>Salary Cost Transfers (SCTs) processed through the Cost Transfer Tool for Fiscal Year 2016 must be fully approved by June 20, 2016 to guarantee entry into Fiscal Year 2016. After this cut-off date, SCT's and Direct Retros will be processed as time permits.</i>	June 20, 2016
<i>Internal invoices / Internal Work Order billings for supplies/services received before July 1, 2016 must be received in Accounting Services, Suite 5301, 21 N. Park St.</i>	June 20, 2016
<i>Internal billings for supplies/services received before July 1, 2016 must be received in Accounting Services, Suite 5301, 21 N. Park St.</i>	June 20, 2016

# Preliminary Closing Schedule (Page 2)

<b>Transaction Type</b>	<b>Due Date</b>
<i>All Shop@ UW orders must be shipped and invoiced by June 21, 2016 to ensure charges are applied to FY16 funding. Orders placed in June 2016 may or may not be billed to FY16 depending on product lead-time, receipt date and potential back-order status. Contact for Questions: Shop@UW Customer Service 608-497-4400</i>	June 21, 2016
<i>Emergency transactions (ET's) - Final ET's for June and FY 2016 will be processed on Tuesday, June 28, 2016 and distributed on Wednesday, June 29, 2016. No ET payments will be made on June 30, 2016 and July 1, 2016. The next day for processing will be July 5, 2016, unless there is an extremely urgent need.</i>	June 28, 2016 before 9:00 AM
<b>Last Day for AP Voucher Entry</b>	June 28, 2016
<b>Check Deposits - Must be received in Cash Management, Suite 5301, 21 N. Park St.</b>	June 29, 2016
<b>Expense reimbursement (GET/E-Reimbursement) - Expense reports not fully approved by 8:00 am on June 30, 2016 will not be processed for payment until July 5, 2016 and will be processed in FY 2017. No reimbursement payments will be made on July 1, 2016. The next day for processing will be July 5, 2016.</b>	June 30, 2016 Before 8:00 AM
<b>JET and Cost Transfer Tool – Last day for June FY 2016 (period 12) journal entries</b>	June 30, 2016
<b>JET and Cost Transfer Tool Opens for Period 13 - Accounting dates will change to July 1, 2016 (period 13) at 4:00 pm on Thursday, June 30, 2016. All JET and Non Salary Cost Transfers submitted in the Tool after 4:00 pm June 30, 2016 through July 6, 2016 at 4:00 pm will have an accounting date of July 1, 2016 recorded in FY 2016.</b>	June 30, 2016
<b>Department Bank Deposits - For FY 2016 postings, deposits must be picked up by armored car services or delivered to US Bank before end of day June 30, 2016.</b>	June 30, 2016
<b>Receipt/Sales Credit Transfers - Forms for FY 2016 must be received in Cash Management, Suite 6101, 21 N. Park St by June 30, 2016.</b>	June 30, 2016
<b>Freight - Departments who are currently using any shipping service must make sure that the funding line to be charged is valid for FY 2017. We encourage you to contact your current shipping providers to make sure the funding information has been changed. Please utilize the <a href="#">UPS CampusShip</a> portal to enter default funding strings in a valid funding string format. This will expedite UPS payment processing.</b>	July 1, 2016
<b>JET – Last day for JRR (Revenue), entries in JET for FY 2016.</b>	July 1, 2016
<b>Deferred Revenue - Completed forms to record deferred revenue for receipts collected in FY2016 for FY2017 activity must be received in Cash Management, Suite 6101, 21 North Park St. See <a href="#">Deferred Revenue policy</a>.</b>	July 1, 2016
<b>Non-Salary Cost Transfers processed through the Cost Transfer Tool must be approved by 4:00 PM July 6, 2016 to ensure entry for FY 2016.</b>	July 6, 2016
<b>JET – Last day JRB (Internal Billings) and JRT (Non-salary cost transfer) entries in JET for FY 2016.</b>	July 6, 2016
<b>JET &amp; Cost Transfer Tool Down - JET will be turned off from July 7, 2016 until July 13, 2016 to allow final clean-up for FY 2016.</b>	July 7-13, 2016
<b>PO Encumbrances (FY2017) will begin to occur and be visible in WISDM after this date.</b>	July 8, 2016
<b>JET - First day for JRR (Revenue), JRB (Internal Billings) and JRT (Non-Salary Cost Transfer entry</b>	July 14, 2016



# Preliminary Closing Schedule (Page 3)

<i>Transaction Type</i>	<b>Due Date</b>
<i>for FY 2017</i>	
<i>Cost Transfer Tool – First day for FY 2017 entry of Salary Cost Transfers or Non-Salary Cost Transfer in the Cost Transfer Tool.</i>	July 14, 2016



# Deferred Revenue

## Check Handling

Amy Wilson  
Accounting Services



# Deferred Revenue

## UW System Administration Policy

(effective 4/2/2015)

### Processing Guidelines for Advance Fee Collections Future Year Receipts collected before July 1.

- Cash must be deposited in current fiscal year (Within 5 business days of receipt)
- All advanced fees must be recorded as Deferred Revenue in the general ledger by end of current fiscal year
- No amounts can remain in a revenue account at the end of the current fiscal year

# Deferred Revenue


## What is Deferred Revenue?

Advance payments or unearned revenue, recorded on the recipient's balance sheet as a liability, until the services have been rendered or products have been delivered. Deferred revenue is a liability because it refers to revenue that has not yet been earned, but represents products or services that are owed to the customer. As the product or service is delivered over time, it is recognized as revenue on the income statement.


*Source: "Deferred Revenue Definition | Investopedia." Investopedia. n.p., 25 Nov. 2003. Web. 13 Apr. 2015. <<http://www.investopedia.com/terms/d/deferredrevenue.asp>>.*

# Deferred Revenue


## Campus Examples

 **A department is holding a conference in August 2016. External conference attendees send payments for fees starting in June 2016.**

- Cash – Must be deposited in current FY, within 5 business days.
- Revenue – Not earned until Conference occurs in FY 2017. Receipt is recorded as deferred revenue in FY 2016

 **A department will be providing a service to an external customer in July 2016. The customer sends us a check for the services in May 2016.**

- Cash – Must be deposited in current FY, within 5 business days,
- Revenue – Not earned until the service is provided in FY 2017. Receipt is recorded as deferred revenue in FY 2016.

 **A department will be providing services to another UW department in August 2016 and pre-bills for the services in June because there are GPR funds to be spent.**

- In general it is not appropriate to pre-bill when the customer is internal.

# Deferred Revenue

## Deferred Revenue Timeline Conference Example



### Receipt of Conference Fees

- Cash Must be Deposited in Current FY
- We have incurred a liability because activity has not occurred. Deferred Revenue needs to be recorded

Debit: Cash  
Credit: Deferred Revenue

### Conference Occurs

- Liability has been eliminated
- Revenue needs to be recognized

Debit: Deferred Revenue  
Credit: Revenue

# Check Handling

## New Cash Management Procedures

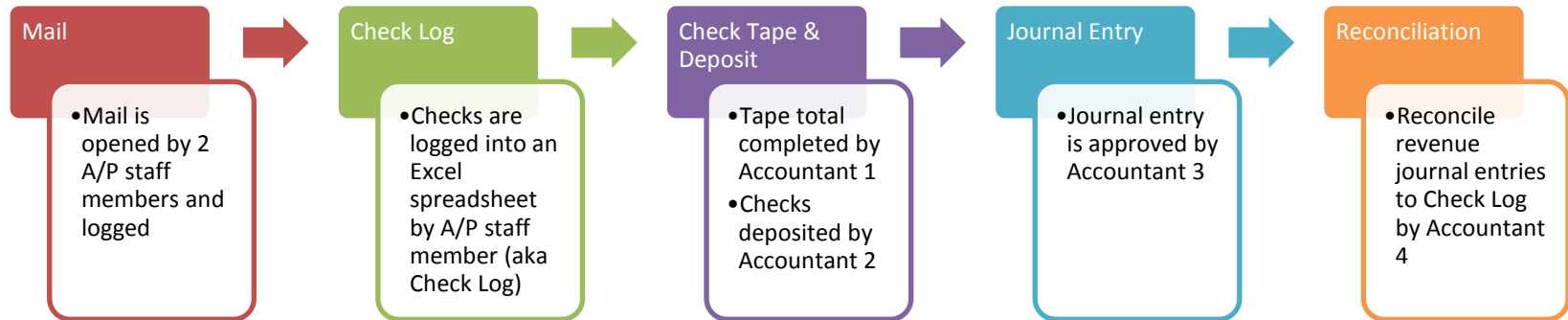
(effective 12/11/2015)

### Why

- Improved internal controls and financial stewardship
- Separation of duties from record keeping vs. actual processing of checks
  - Segregation of duties between the individual who logs checks and the individual who deposits checks
  - Segregation of duties between the individual who deposits checks and the individual who approves the revenue journal entry
  - Segregation of duties between the individual who approves and submits the revenue journal entry and the individual who reconciles the check log to the journal entry

# Check Handling

## New Cash Management Process



### Step-by-Step Process

- All checks are routed to 21 North Park Street, Suite 5301
- Accounts Payable has 2 individuals responsible for opening mail and logging checks into a Check Log
- Checks are delivered to Cash Management for processing
  - Check Tape is prepared and compared to Check Log
- Checks are electronically scanned for deposit
- Journal entry is prepared and approved
- Reconciliation is completed between journal entry and Check Log



## Other Cash Management Items

- **Accounting Services Unidentified List**

<http://www.bussvc.wisc.edu/howto/acct/claimunidentifieddeposits.html>

- **Forms**

- ✓ Check Deposit Form - Used for routing checks to Cash Management for deposit
- ✓ Cash Deposit Form – Used for routing cash to Bursar's Office

# Check Deposit Form



## Check Deposit Form

[See Processing Instructions Here](#)

Remit to: Cash Management , 21 N. Park St. Suite 5301, Madison, WI 53715-1218

Prepared By: <input style="width: 90%;" type="text"/>	Department Name: <input style="width: 90%;" type="text"/>	Dept ID: <input style="width: 80%;" type="text"/>	Date Prepared: <input style="width: 80%;" type="text"/>
<i>Required</i>	<i>Required</i>	<i>Required</i>	<i>Required</i>
Phone No: <input style="width: 90%;" type="text"/>	E-mail Address: <input style="width: 90%;" type="text"/>	No. of Checks: <input style="width: 80%;" type="text"/>	Receipt: <input type="checkbox"/> Refund of Expense: <input type="checkbox"/>
<i>Required</i>	<i>Required</i>	<i>Required</i>	
Reason for Deposit: <input style="width: 100%; height: 40px;" type="text"/>			

CREDIT:												
Dept <small>(6 digits)</small>	Fund <small>(3 digits)</small>	Prog <small>(1 digit)</small>	Project <small>(7 digits)</small>	Act ID <small>(leave blank)</small>	Account <small>(4 digits)</small>	Tax Code	County Tax Code Name	Deposit Amount or Gross Sale <small>Enter as negative (-) amount.</small>	Description - <b>REQUIRED FIELD</b> <small>(Limit to 30 Characters)</small>	PO No. or Journal ID <small>(10 digits max.)</small>	Check No. <small>(10 digits max.)</small>	Invoice No. or Voucher ID <small>(12 digits max.)</small>
Total Deposit:								\$0.00				

Preparer	Approval Required					Received by CM
Preparer's Signature	Department's Signature	Date	Printed Name	Phone Number	Initials & Date	

Remit to: Cash Management, 21 N. Park St. Suite 5301, Madison, WI 53715-1218



# Travel Reimbursement Reductions

Rusty Haines/Stefanie Merucci  
Accounting Services



# Bursar's Office Third Party Billing

Cathy Stamm

[thirdparty@bussvc.wisc.edu](mailto:thirdparty@bussvc.wisc.edu)

608-262-3612



# Call for Pickup Form

Mark Domaszek  
Accounting Services



# Why a new form?

- No standardized format for Call for Pickup Information
- Payments can be missed and the check mailed in error
- Our goal: eliminate the variability and make it clear to the processor the payment needs to be flagged as a call for pick up

- Form available on website
- Tested with a trial group and had good results
- Clarification: Pickup Contact is who AP should call, not necessarily the courier sent to retrieve
- A copy of the form should be attached to every unique payment request

## Payment

### Call for Pickup

UW Madison Business Services – Accounting Services

Attach this form in addition to each unique Invoice, DP or PIR.

Attachments to be included with check

If you require an emergency transaction, please submit an ET form instead.

Prepared By:
Department:
Email:
Phone Number:

Please fill out the information below if the pickup contact is different from the preparer.

Pickup Contact:
Department:
Email:
Phone Number:

Comments:



# General Q&A



**Thank you for attending.**

## **Future Financial Management Meetings**

Rooms 1106 & 1108, 21 N Park Street

9:30 am - 11:30 am

**2016**

April 14

June 16

August 11

October 13

December 15

