



Council of the University of Idaho Business Officers
Summary Notes
April 7, 2016

New Employee Moves – Julia McIlroy

Julia McIlroy, Director for Contracts and Purchasing, covered household moves. At this time all move requests will continue to be routed through Julia but Cynthia Adams, Purchasing and Contracts Administrative Coordinator will begin to provide support in this area also. A request to please update offer letters to remove the phone number and replace it with the email juliam@uidaho.edu. Offer letters including information regarding move costs should only be 10% of base salary – this is a state rule. Please send all offer letters and successfully completed background check information to initiate the process, if moving expenses are included in the offer. Reminder that if there are multiple moves they should be treated as separate events. New hires should be reminded that there are taxable and non-taxable moving expenses and the more efficient use of funds is on non-taxable items.

Restricted Gift Funds – Shawna Lindquist

Shawna Lindquist, Director of Endowment & Gift Administration, joined by Kayla Casey, Accountant and Candis Glassey, Assistant Director of Finance, from the University of Idaho Foundation, Inc. Shawna presented a high level overview on the history of the Foundation and its mission to secure, manage and distribute Restricted Gift Funds to advance the University of Idaho. This presentation was in follow up to a prior discussion on the VandalWeb verification process by university units on their use of restricted gift funds. Under the current Operating Agreement between the Foundation and University, UI colleges and departments are required to verify that they are using gifts (funds from private sources such as individual donors, corporations and foundations), in accordance with the donors' intent and purpose as outlined in gift use instruments (agreements). These agreements are located on the DFA shared drive. Currently, development officers and other university staff with "a need to know" also have access.

It was noted that often gift budgets are unrestricted or provide discretionary gift funds for the beneficiary unit, but are still classified as "restricted gift funds" by the University. Some gift budgets are governed by more extensive stipulations that may limit how the gift revenues may be expended. Shawna also mentioned that units do not have to verify the use of scholarship funds since Student Financial Aid is responsible for ensuring that only qualified students who meet the donor's scholarship criteria have been awarded.

Also discussed were the mechanisms by which gift revenues flow to the University from the Foundation:

- 1) Current Use (or expendable) gifts - The Foundation receives gifts which are immediately made available to the University unit beneficiary through a monthly budgeting process to appropriate university gift accounts. Fiscal officers can view the amount of available budgeted funds after expenditures, transfers, and encumbrances on FGIBAVL. Once funds are expended which create a deficit fund balance in the gift budget, the Foundation will reimburse or deposit gift revenues to the budget to make it whole again (zero out the deficit balance).
- 2) Distributions from Endowments - Endowments are part of the Consolidated Investment Trust (CIT), a pooled fund with more than 1470 separate endowments. The Foundation distributes income from the CIT via a cash deposit to university gift and scholarship accounts annually in mid-July for use in the new fiscal year.

The Foundation encourages all fiscal officers to contact them with questions or for additional training.

Contact the Foundation at 885-4000 for assistance:

- Candis Glassey (cglassey@uidaho.edu) – To attain an accounting of gift budgets and one on one help understanding the gift budgeting and reimbursement process
- Kayla Casey (kcasey@uidaho.edu) – To request approval of transfers between gift accounts and/or scholarship accounts. Requests for new gift budgets.
- Shawna Lindquist (shawnal@uidaho.edu) – To request query access to gift use agreements on the Shared Drive. For general questions with regard to gift budgets, scholarship accounts, or Foundation Operations, etc.

Year End Calendar – Vicki Cooper

Presented the 2016 Year End Calendar. This can be found on the Controller and General Accounting's webpage. Questions or concerns can be directed to General Accounting at gnrlacctg@uidaho.edu.

When is it Allowable to Pay Sales Taxes – Vicki Cooper

The University of Idaho should be tax exempt. If an employee purchases something for the U of I, no sales tax should be collected. I believe Linda Keeney has a copy of the U of I ST-101, as it needs to be provided to prove tax exemption. That being said, different states have different rules. Some states, such as Idaho, require out of state businesses to have an Idaho State sales tax exemption form but other states will allow the business to just provide the exemption form from the businesses home state.

As for collection sales tax from students/patrons, while the U of I is sales tax exempt, the students are not. In order for the U of I to NOT collect sales tax on a normally taxable sale, we must get a copy of their ST101. If a taxable sale is made, sales tax is not collected, and we do not have this form, the tax will be backed out of the revenue.

Other Items and Announcements: Discussion from the Group

Budget Office Updates:

Reminder that CEC information has been released and that the \$12.02 minimum and the pay grade table have not been adjusted. Changes in compensation methodology are pending due to the hiring of an Executive Director for Human Resources so it didn't make sense to alter these elements if they will no longer be relevant starting next year.

Most elements of the CEC are formulaic based on meeting expectations, completion of the required training, promotion in rank and years of service – these elements are not at the discretion of the department. They will be managed centrally and communicated on April 13th via spreadsheets. At that time units may propose additional increases using departmental funds which will be routed through the appropriate Deans and Vice Presidents to be submitted to the budget office. Final approval will be done by the Provost/EVP and the President.

Discussion in regards to the 27th pay period. Information related to budgeting for the 27th pay in non-Gen Ed/Centrally allocated budgets will be provided via a master spreadsheet showing the total salary including the extra pay. The Budget Office will research to verify whether salary encumbrances will reflect the 27th pay. Salary letters/agreements and permanent salary budgets will not reflect the 27th pay since this is a one-time anomaly.

A reminder to check incomplete documents and that local service/other revenue generating budgets are due to Janice Todish May 13th.

Other Announcements:

New Faculty Orientation will be August 15th and 16th and all new faculty are strongly encouraged to attend.