



A publication of the University of Missouri System
Division of Finance and Administration

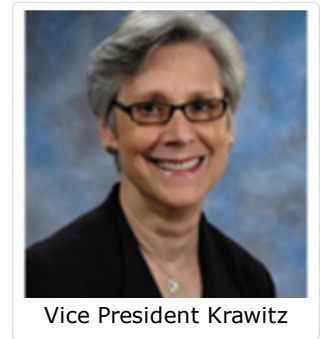
2012 – 4th Quarter

Printable version

Welcome to InFocus!

Among the Finance and Administration core values are honesty, trust, and ethics. We strive to live these values by cultivating professional relationships that are authentic and open and guided by the highest ethical and legal standards. Michael Josephson of the Josephson Institute said, "Honesty requires good faith intent to convey the truth as best we know it and to avoid communicating in a way that is likely to mislead or deceive." Our goal is to consistently operate every day with these values in mind so that our actions speak for themselves. Concentrating on building regular daily habits of integrity allows us to do our work with pride, to face challenges without fear, and to move towards growth with strength. As a division of the University of Missouri System, the way we conduct business reflects upon the University and ourselves. As we hold ourselves accountable to the highest ethical business standards and follow through with our commitments, we do our part to drive this great organization to true success and prosperity.

The goal of the newsletter is to enhance **our** customer service by providing information that will support the work that **you** do for the university. As always, we welcome your feedback and your contributions.



Vice President Krawitz

- **Natalie "Nikki" Krawitz**
Vice President for Finance & Administration

Office of the Controller

"Fundriver: Automated Investment Accounting"
By Ryan Rapp, Associate Controller

The University has over 5,000 endowment accounts. Each month Accounting Services in the Controller's Office posts the monthly investment returns to these accounts including investment income, realized gains/losses, and unrealized gains and losses. We receive the monthly bank statements from the endowment pool custodian each month which has the investment results for the entire endowment pool. Fundriver, a unitized investment accounting system allows the investment results to be automatically spread across the 5,000 endowment accounts. Fundriver has allowed the University to move from booking investment returns on a one-month lag to booking them in the current month. We were able to reduce the amount of time it takes to post the investment accounting activity to one day as a result of implementing Fundriver.

Fundriver is also used to calculate the monthly spending account distributions. It allocates 1/12th of the annual distribution that is determined in January of the preceding fiscal year. If you have questions or need further clarification please contact Ryan Rapp in the Controller's Office.



Forms W-2

"Provide your consent for Quicker Access to W-2"

By Brian Sanders, Director of Payroll

A new option will be available in January to employees and former employees to access their W-2 from myHR (myhr.umsystem.edu). Employees are familiar with viewing /printing their pay advice in myHR. This new option for Forms W-2 will be convenient and secure. Forms W-2 will be available in January but employees are encouraged to log in to myHR **now** to provide consent to receive their W-2 in electronic format. By providing consent before the end of the year, employees will be notified via email as soon as their W-2 is ready for viewing in myHR. Electronic access to your W-2 in myHR will be much quicker than waiting for a hard copy of your tax statement to arrive in your postal mailbox. The paper Form W-2 will be postmarked on or before January 31 in the event you do not provide consent or you withdraw consent before the end of the year.



Act now so you do not miss this important deadline before the end of the year. Log in now to myHR to navigate to Self Service > Payroll and Compensation > W-2/W-2c Consent.

If you provide consent and later wish to receive a paper copy of your W-2, you may withdraw your consent at any time prior to the end of the year.

Medicare Tax Increase

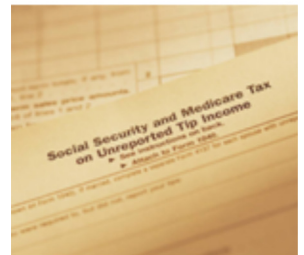
"Medicare Tax Increase for High Wage Earners in 2013"

By Brian Sanders, Director of Payroll

An added Medicare tax on wages in excess of \$200,000 a year will take effect starting January 1, 2013 as part of the Patient Protection and Affordable Care Act. There will be two tiers of withholding rates of Medicare tax in 2013. Wages up to \$200,000 will be taxed at 1.45 percent while amounts greater than \$200,000 will be taxed at 2.35 percent. There is no cap on the amount of Medicare tax.

Faculty and staff with FICA wages under \$200,000 a year will not be affected by this increase in Medicare tax; the withholding rate will remain at 1.45 percent.

Employers are not affected by this increase in Medicare tax. The added tax applies to the employee share of Medicare tax. Employers will continue to pay 1.45 percent on all wages subject to Medicare tax.



PeopleSoft Accounts

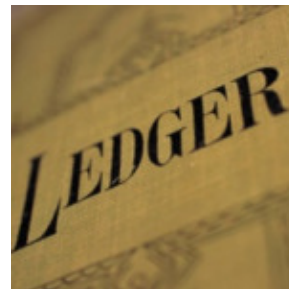
"PeopleSoft Accounts to be inactivated in FY 2013"

By Donna Johanning, Director Financial Information Systems

Over the past year, a review was done by the Budget and Accounting offices across the University System to analyze the list of PeopleSoft Accounts for the purpose of eliminating redundant and unnecessary accounts. This review was done in conjunction with the Hyperion Budgeting implementation and the end result should simplify the work done by users when creating budget and actual transactions.

The PeopleSoft accounts to be used in FY 2013 are listed on the Controller's web site at the URL <http://www.umsystem.edu/ums/fa/controller/peoplesoft> and have also been distributed by campus budget and accounting offices.

Accounts that are no longer on the list will begin to be inactivated October 1st. If you have questions regarding the proper account to use for a transaction, please contact your fiscal officer or campus accounting office.



Endowment Pool Spending Account

"Endowment Pool Spending Account Changes"

By Ryan Rapp, Associate Controller

The University recently changed the Endowment Pool Spending policy in the Collected Rules. There are several changes that include moving the measurement date for calculating the distribution from June 30 to December 31, going from annual to monthly endowment distributions, using a 28-quarter rolling average instead of a 12-quarter rolling average in calculating the distribution and gradually moving the endowment distribution percentage from 5.0% to 4.5%. The objective of these changes is to provide stable, consistent year over year growth in the endowment distribution while expanding the purchasing power of each endowed gift over time.

For those who are responsible for financial management and planning of the endowment spending account, they should expect to budget the exact amount of distributions on existing spending accounts for FY 2014. The spending distribution amounts will be calculated by the Treasurer's and Controller's Offices in January of the preceding fiscal year and should be available for budgeting purposes on or before February of the preceding fiscal year. The reduction in the spending rate over time will be accomplished through either smaller increases in the year over year spending distribution or flat distributions as compared to the prior year. It will not be accomplished through actual reductions in the spending distribution. Instead of receiving the entire spending distribution in August, it will be provided to the spending accounts in equal amounts on a monthly basis by the Controller's Office and negative investment income will not be charged to those spending accounts that go negative due to the timing of when funds are spent.



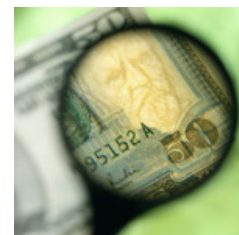
A-133 Audit

"The A-133 audit is currently underway. Are you ready?"

By Ryan Rapp, Associate Controller

The A-133 audit is currently underway for fiscal year 2012. We currently have four major programs that are being audited, including Student Financial Aid, Research and Development, and other smaller programs. If you handle federally-funded sponsored projects you may be contacted for documentation to support expenditures charged to federal programs during fiscal year 2012. If you have questions, please contact your campus Sponsored Programs Office.

As a friendly reminder, please ensure expenditures charged to federally-funded sponsored projects include only allowable costs and are in compliance with University and sponsor policies.



Grant Proposal Approval

"Workflow approval for Grants and Contracts is going Electronic"

By Ryan Rapp, Associate Controller

Development of electronic workflow approval for Grants and Contracts proposal submissions is currently underway. If you administratively oversee the proposal process for your department you should be contacted by your Campus Sponsored Programs office for a list of approvers. Begin looking for updates on progress of the project from your campus Sponsored Programs Office in November. Go-Live is currently targeted for early calendar year 2013. If you have questions or concerns, please contact your campus Sponsored Programs Office.



Workplace Injuries & Supervisors

"Supervisors are a key piece in the managing the workplace injury puzzle"

By Leigh Hollinger, Administrative Associate Risk & Insurance Management

Supervisors are essential in managing the workplace environment and the process of injuries in the workplace. Your involvement greatly impacts your staff and the outcome of the injury. It's important to understand the process of handling and directing employees that may experience workplace injuries.

Here are a few best practices supervisors can apply in managing a workplace injury and improving their involvement in the management process.

Report All Injuries Immediately. Upon notice of an injury by the employee complete the First Report of Injury and submit it to your campus contact. If you have any questions about the report or process contact your [campus contacts](#). Don't worry about evaluating compensability. The form for reporting an injury can be obtained through your campus contact or found on the [Risk Insurance Management \(RIM\) website](#).

Provide timely and appropriate medical treatment to an injured employee. Missouri statute designates the employer to direct medical treatment of a work injury. Each campus has a list of authorized providers and facilities for treatment. You can find this list on the 2nd page of the [Report of Injury](#), at the RIM website or again by contacting your campus contact. It is advantageous to provide your entire staff with a list of authorized medical providers and facilities. Employee directed medical treatment is not covered.

Contact the claim adjuster or campus contact when there are questions. Be attentive to patterns or trends producing a delay in employees return to work. You should also ensure the injured individual adheres to any modified duties or restrictions as a result of the workplace injury. If you notice a problem, make contact with your campus contact or [CCMI adjuster](#) immediately. If you hesitate to recognize issues surrounding the claim or ignore the employee's behaviors, their return to work could be delayed or increase the chance of a poor outcome. If you find yourself avoiding confrontation or not involving yourself in the management of the injury contact the claim adjuster or the [campus contact](#) for a solution to handling the circumstances.

Assist the adjuster/campus contact in managing the return to work process. This may be as easy as ensuring the individual works within the job description limits. Failure to support the injured worker in the workplace can cause the worker to feel they are not a productive member of the team and delay their full return to work. Keeping a positive attitude about the return to work program will not only show support of the injured individual in the workplace but create a culture of value and respect for the employee and their job.

Maintain confidentiality about the injury. Do not discuss the injury or circumstances surrounding the incident with anyone other than those individuals directly involved in the management of the claim. If confidentiality is not maintained it may adversely affect the claim outcome.

Provide meaningful work assignments. Understand the work restrictions. If you or the injured worker doesn't understand them contact the CCMI adjuster. By respecting the work restrictions and emphasizing the importance their transitional work has on the department, you can improve the chance the individual has a full recovery and favorable return to the workplace.

Keep an updated job description on all employee duties. Not knowing the physical responsibilities, requirements and scope of the injured worker's job can negatively impact their release to duty, claim costs, and increase litigation. If you do not have a job description, contact Human Resources to obtain one. For workers' compensation you need the actual and transitional job descriptions. The descriptions become a valuable tool for the treating physician to evaluate return to work timetables and reasonable accommodations. The job descriptions provide important information when providing work accommodations or restrictions as indicated by the treating physician.

Treat all employees with work injuries consistently. By managing the work environment, following best practices for being involved in the management of the work injury and the University's workers' compensation program, you will increase the chances of a positive outcome for the employee, reduce lost time away from work and possibly limit losses



occurring in the workplace.

By following these best practices, you can impact the outcome for your staff that experience workplace injuries. It's important to be proactive and understand the process of handling and directing employees when they experience workplace injuries. If you have questions about workers' compensation, the reporting process or handling of claims please contact your campus coordinator or take a look at our [website](#).

PCard Program's Top 10 Reminder List

"Check out the Top 10 Reminder List"

By Jennifer Alexander, Director of Procurement Operations

The University of Missouri's PCard program has been an effective tool used for many years throughout the system. This low-cost processing tool provides users the ability to make small dollar transactions as they are needed. Procurement has developed a Top 10 Reminders list, which highlights cardholder and department responsibilities for the program. Links to this list and all information regarding the program can be found on the Procurement website: <http://www.umssystem.edu/ums/fa/procurement/card>. The complete copy of the program Policies and Procedures and information on how to access the short on-line tutorial used for training is available to all University employees through MyLearn or can also be found through this link. As always, Procurement Operations is here to help departments maintain a healthy PCard program. If one has questions or needs assistance, he or she may contact the [Procurement Hotline](#). Numbers and e-mail addresses for each campus are located on the department website.



Disaster Planning Tip of the Month

"Digital Disaster Planning: Get the Picture before Losing the Picture"

By Willie Jones, UM Records Analyst

The following is a guest post by Chelcie Rowell

Frequency of occurring? Rare. Impact of occurring? Huge. I'm talking about digital disasters.

Stewards of digital content, like stewards of analog/paper content, must plan for a catastrophe in advance in order to minimize loss and recover quickly. True, digital disasters may occur infrequently. But at the scale that institutions collect digital content and for the length of time that institutions wish to preserve digital content the risk of a disaster is non-trivial.

Disasters may be natural (such as tornadoes and earthquakes) or failures of infrastructure (such as power failures). Disasters may result from intentional human action (such as cyber-terrorism) or simply human error (such as accidental deletion).

A digital disaster negatively impacts an institution's digital content. What distinguishes many catastrophes that threaten digital content from those that threaten analog/paper content is that digital disasters may be much less visible. Bit rot is a one-in-a-million occurrence, for example, but when it happens special tools are needed to seek it out and prevent a digital disaster.

The following is an experience related by Pixar:

Pixar faced a digital disaster of comparably catastrophic impact involving the film *Toy Story 2*. As described by a Pixar technical editor, an accidental deletion wiped the working files before the film was finished. What audiences experience as an animated film is actually a complex digital object that contains thousands upon thousands of smaller files. Combined, these files are rendered into frames—including animation, set, and lighting data—that sequentially make up the moving image.

As the accidental deletion unfolded, pieces of that complex digital object were removed from disk, seemingly before the makers' very eyes. As Oren Jacob, the film's assistant technical director, put it "Woody's hat disappeared. And then his boots disappeared. And then as we kept checking, he disappeared entirely. Woody's gone."

Fortunately, the studio was able to quickly restore the film from back-ups. But after the back-ups were revealed to be corrupt, the only recourse was to inventory different versions of the back-up and perform human-intensive quality reviews to stitch together enough valid data to render a relatively complete film. Jacob recalled, "In the end, human eyes



scanned, read, understood, looked for weirdness, and made a decision on something like 30,000 files that weekend.”

**** July 19th, 2012 by Bill LeFurgy, Digital Initiatives Manager, Library of Congress ****

Both these episodes raise the issue of risk tolerance. When an institution manages unique digital materials, it needs to seriously consider what steps have to be taken for disaster prevention and mitigation.

(Permission to use or re-print) July 20, 2012

Vital Records Protection Programs 2012

"What is the Vital Records Policy?"

By Willie M. Jones, UM Records Management Analyst

What are vital records?

Vital records include records needed to:

- operate the organization during a disaster
- re-establish the organization's functions after a disaster, and
- establish and protect the rights and interest of the organization and its employees, customers and stakeholders.



Disaster Recovery (DR) and Preparedness for Information Protection

A vital records program identifies and protects records containing vital information necessary for an organization to continue its key functions and activities in case of an emergency/disaster.

How are vital records managed?

Managing vital records involves:

- identifying and documenting vital records
- finding measures to protect them, and
- ensuring they are priorities for salvage in a disaster.

This management regime is effectively an 'insurance policy' against disruption to critical operations.

A vital records program is an essential component of a **counter disaster program**, which aims to prevent disasters or enable the organization to attain business continuity or quick recovery.

Scope

Vital records may be found in any part of the organization and in records created in the course of administrative and core functions.

Example: Types of vital records Client licensing records for a software firm may be considered vital because they establish the rights and interest of customers. Likewise, personnel records are vital because they protect the rights and interest of the organization's employees.

Policy
VITAL RECORDS POLICY
 All University records designated as vital or essential to the operation of the University and which if destroyed would seriously impair or disrupt normal University affairs, or which by their loss might place the University in a state of legal or fiscal jeopardy, are to be secured, either by microfilm or other comparable duplication or suitable backup method of protection.
 University departments have the primary responsibility to keep records designated as vital records safe and secure on a continuing basis regardless of the media format in which it is stored. Departmental responsibility for vital records is defined in the Business Policy Manual under the guidelines of Records and Records Management, Policy #907.

COMPASS Project

"What is the status of the COMPASS project?"

By Renee Riley, Technical Writer, University of Missouri

The Commitment, Planning and Support Systems (COMPASS) project is proud to report significant progress since the implementation of the first component of Hyperion Planning System, Financial, back in July. The next two components, Long Range Planning and Human Capital Planning, are scheduled to be available to employees beginning in November and January, respectively.



A large part of COMPASS's success has come from utilizing a talented group of individuals to develop, test, and implement the Hyperion application, COGNOS (Data Warehouse) reporting tools, and the new PeopleSoft Budget Maintenance System. Working together as a team, their honest feedback and dependable experience have paved the way to developing a remarkable application. The university has placed significant trust in this group of professionals to deliver a tool that will enable us to accurately and efficiently report key financial data to allow for more in-depth analysis of our organizational needs.

For more information about COMPASS and the Hyperion Planning System, please visit the [COMPASS website](#)

Policy and the Prevailing Wage**"The University of Missouri is no exception to the issues relating to prevailing wage"**

By Butch Garrett, Prevailing Wage Coordinator

Issues relating to prevailing wage permeate the public works construction industry on a national basis. The University of Missouri is no exception. University policy states that, "The prevailing wages in the community where construction takes place shall be required to be paid on all construction projects for construction work" (70.060 of the Collected Rules and Regulations). Butch Garrett is the Prevailing Wage Coordinator with Facilities Planning and Development and is responsible for policy enforcement throughout the UM System. This article provides a brief historical perspective on prevailing wage, illuminates the university's policy as well as the role of the coordinator at the university.



The prevailing wage is the wage rate predominately paid for a particular construction job in each county in Missouri. Currently, the Missouri Division of Labor Standards determines the prevailing wage with wage data from projects done in the previous year. The nation's first prevailing wage law was passed in Kansas in 1891. The federal prevailing wage law, Davis-Bacon, was not passed until 1931. Missouri established its prevailing wage law in 1957. Some believe that prevailing wage increases the cost of construction; however, researchers at the Department of Economics, University of Missouri – Kansas City, reported findings to the contrary. In *The Adverse Economic Impact from Repeal of the Prevailing Wage Law in Missouri*, Michael P. Kelsay, Ph.D., L. Randall Wray, Ph.D. and Kelly D. Pinkham, M.S., found that "There were no statistically significant differences in construction costs across thirteen different structure types in the Great Plains states as a result of a state having a prevailing wage statute for the period 1993-2002". One possible explanation is that although prevailing wage sets minimum labor rates; construction projects are still subject to fierce competition among bidding contractors on other factors such as productivity.

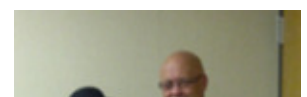
The Prevailing Wage Coordinator not only enforces the policy on each campus construction project; the policy also covers any construction work done by non-university personnel to any property the University owns or leases. Similarly, the Prevailing Wage Coordinator conducts worker interviews on jobsites, reviews certified payroll reports, conducts audits of contractor payrolls and fringe contributions, interviews contractor apprenticeship standards, attends pre-bid and pre-construction conferences. He also provides clarification of state and federal regulations, resolves conflicts and assists university construction management system wide. The Prevailing Wage Coordinator adds value to the university by "obtaining maximum value for each UM construction dollar".

Please contact Butch Garrett, Prevailing Wage Coordinator, with prevailing wage questions or compliance issues at garrettab@umsystem.edu or 573-884-7079.

Top Hat Award**"Congratulations to Francesca Oleski!"**

By InFocus Editor

Francesca Oleski has defined the term shining star since her arrival on the job a little over 2 years ago. During her interview for the Drivers position we could tell that she was someone special we needed to add to our great team. These positions require a lot of interaction with customers while performing multiple duties throughout the HealthCare system. Some of



these duties include the pickup & delivery of charts, specimens, sterile instrumentation, mail, linen and supplies. Her work ethic is contagious. To meet her is to like her; it doesn't take long to realize she is special. Francesca's caring attitude, permanent smile and commitment to our organization and team is unrivaled. Francesca has a tremendous drive to promote and participate in fund raisers and community events, whether it's volunteering at the "Roots & Blues" festival or participating in the department "T-shirt" fund raiser. Francesca is involved and rallying the troops to do the same. Her customers and co-workers truly appreciate her "off the hook" persona that they see without fail each and every day. Our team is fortunate to have her as a teammate, coworker and friend and we are very excited to submit her to be considered for the elite "Top Hat" Award.



Cuba Plain Celebrates her 30th Anniversary with MU

"Congratulations to Cuba Plain who celebrated her anniversary on October 18th"

By InFocus Editor

Cuba Plain, Assistant Vice President Budget Planning and Development, has been involved in higher education administration at the University of Missouri System since 1982. She holds a B.S. in Agricultural Economics and Accounting from Oklahoma State University; 1981, M.B.A. from the University of Missouri-Columbia; 1989, and is a CPA. Her thirty years has been spent with various titles/duties but all related to finance administration and her entire career with the University of Missouri has been in University Hall.

Cuba has been involved in many of the software upgrade systems through her years of service: a few of you may have been around long enough to remember FRS (*Financial Records System*) software; then the startup of (PS) PeopleSoft; followed by the second round of PeopleSoft. Moving to current day....Hyperion/Hyperion Planning Budget is now live. She and her staff have been at the forefront of getting it implemented and realized.



Cuba had a brief stint as Interim Controller in 2003 at UM System and previously was employed at Williams, Keepers, Oliver, Payne, and Rackers, CPA firm. Cuba is active in professional development organizations – both local and national; her community; and her church.

CACUBO Best Practice Award 2012

"Congratulations to the T & E project team!"

By Jane Closterman, Controller, University of Missouri System

Congratulations to Bobbi Walker, Ben Canlas, and Paul Toler, along with the T & E project team, for winning the very prestigious CACUBO Best Practice Award 2012 for the University of Missouri. It is outstanding that their submission titled "Travel and Expense – The Road to a Streamlined and Efficient Implementation" and their efforts in leading change at the University of Missouri are recognized at such a high level. Please extend congratulations to everyone that participated in this very important project.



Wisdom's Corner

"Featuring Challenging and Inspiring Thoughts"

By Memoree Bradley, Secretary to the Vice President of Finance & Administration

"To laugh often and much; To win the respect of intelligent people and the affection of children; To earn the appreciation of honest critics and endure the betrayal of false friends; To appreciate beauty, to find the best in others; To leave the world a bit better, whether by a healthy child, a garden patch, or a redeemed social condition; To know even one life has breathed easier because you have lived. This is to have succeeded."



—Ralph Waldo Emerson (1803-1882) American Essayist & Poet



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