Provost Business Office January 2013 Newsletter

Budget Preparation – Organizational Cleanup

Last month we included a reminder to run, review and clean up your 6169 report in Flex. In that review it would be helpful to match your filled and/or vacant positions in PBC6169 with your organizational structure in PPOSE. Keep in mind that PBC6169 is organized by cost center on employee cost distribution and PPOSE is organized by hierarchy. If you have any questions about the reports, discover any discrepancies during review, or are not sure how best to clean up your organization please email the Provost HR Inbox (ProvostHR@uc.edu) and we will be glad to work with you and HR or UCFlex to resolve all issues.

Budget Formulation Preparation

It is that time of year again to start preparing for Budget Formulation. Here are a few helpful reports to run now; FM810: General Funds Budget, FM813 (3yr or 5yr): Budget & Actuals, FM957C: Fund Balance, PBC6169: Position Funding, and ZENDW_18: Endowment Data. Also, please take the time to review vacant positions and submit PMRs for any positions not needed.

New Timekeeping Implementation

We will now be monitoring the Derived Reports as well as the Unapproved Time Report in the Provost office. The importance of limiting or eliminating unapproved time is that approval defaults to the Payroll Department. In an audit of time approval, this would be flagged as an area of concern because the Payroll Department does not have knowledge of individual work time in order to properly approve. The importance of eliminating entries on the Derived Report is that these time entries do not get paid out until resolved by the appropriate Timekeeper. If you have difficulty understanding the issue with a derived entry, the payroll help line is 556-2451. If a role change needs to be made for any reason, please contact the Payroll Department and inform them of your change.

Mileage Reimbursement Rate Change

Effective January 1, 2013, the Internal Revenue Service has announced new standard mileage reimbursement rates effective January 1, 2013. The reimbursement rate for university business travel by automobile will be increased to **56.5 cents** (currently 55.5 cents) per mile. Also effective January 1, 2013, the reimbursement rate for non-taxable moving expenses will be increased to **24 cents** (currently 23 cents) per mile. Please consult the university's financial policy on Relocation Expenses for guidance.

Unpaid leaves & processing pay for two-semester faculty

Background: Questions have arisen regarding how pay will be processed for faculty who take unpaid leave in spring semester (or summer semester if summer is a Primary Semester for that individual). This applies **only** to faculty on two-semester appointments (formerly called 9-month appointments), not to faculty on 12-month appointments. This issue does not apply to those on 12-month appointments because they are paid each month for all of the work done that month. For example when a faculty member takes unpaid leave during the second of his/her primary semesters in an academic year (typically leave in spring after working in fall), he or she will have accrued 50% of his/her annual salary but will have been paid only 33% plus any 409(a) adjustments (September through December: 4 of 12 monthly payments). The following is how to pay the 17% accrued that has not been paid by the time the person goes on leave.

Guidelines: The dates for leave without pay in UC Flex must accurately reflect the actual period of leave approved by the Provost's Office. Assuming the leave is known in time to process additional pay at the end of December, a faculty salary override should be processed that totals the accrued pay due for the semester. Additionally, any 409(a) adjustments will be recovered by Payroll Operations. The additional pay will not have monthly benefits costs deducted; if the person on leave is eligible for benefits during the unpaid leave, the university will bill him/her for the amounts due during the leave. Keeping the person on active status and using January and February to pay out the accrued earnings is **not** an acceptable means of handling the pay issue.

Rationale: Following these guidelines accomplishes several desirable outcomes:

- The leave dates in UC Flex accurately reflect the actual leave dates. When UC Flex does not accurately reflect the true status of an employee, the university faces undesirable liability exposures.
- The leave dates in UC Flex match those approved by the Provost Office. Without the dates matching, offices may have difficulty determining the actual dates of leave, thereby undercutting the reliability of decisions that rely on those dates. For example, certain RPT deadlines may shift in relation to leave periods.
- The salary paid accurately reflects the amount earned for the work performed in the appropriate tax year.
- Accurate reporting enables the university's recovery of 409(a) advances. Those advances are based on the assumption that the faculty member will work two semesters, one each in two different tax years. Without accurate reporting of leave periods, the university could advance anticipated but unaccrued earnings that could not later be recovered—especially if the leave leads to the faculty member's separation from the university.
- Accurate reporting enhances the accuracy of payments at separation, especially if separation occurs during the period of the leave.

Please direct questions regarding these guidelines to Deborah deGroot-Osswald – 556-0373.

Information about Your 2012 Form W-2

The University of Cincinnati's 2012 Form W-2, "Wage and Tax Statement" will be mailed no later than January 31, 2013 to your home address, as maintained in Employee Self Service. Payroll Operations will accept inquiries regarding returned W-2's beginning on February 11, 2013 by calling 513-556-2451. Pick up for W-2's is not available prior to February 11, 2013. Additional information can be found http://www.uc.edu/content/dam/uc/af/controller/payroll/docs/W2Info.pdf

Local Fund Balances

Please be sure to regularly check your Local Fund balances. All Local Funds must be out of deficit by the end of the Fiscal Year, unless there is an approved plan on file in the Provost Office. In the near future, another list of your current funds in deficit will be distributed so our office can get a status update and/or plan for each fund.

Faculty Development Awards – Individual and Collaborative

The FY13 Faculty Development Awards have all been transferred. The Individual awards were transferred mid-December and the Collaborative awards were transferred early January. If you or your faculty members have any questions regarding these awards or their restrictions, please contact Tim Bybee.

Next BA meeting

The BA meeting on **Tuesday January 22nd, 2013 at 8:30am in 407 Teacher's College.**

Next Board of Trustees Meeting

The next Board of Trustees Meeting will be on **Tuesday February 19th, 2013 at 8:30am** at the Russell C. Meyers Alumni Center.