I am grateful for the multitude of expertise and wise voices we have within UFS and across the University of Kentucky. It’s been a rough fiscal year as the campus confronted the Covid-19 pandemic. Yet, I hope you will agree that collectively we have much to be proud of as each unit was able to adjust to provide continuation of core campus services. University Financial Service units work most closely with business officers within and outside the university to support the University of Kentucky’s mission.

The University is currently preparing a new Strategic Plan, building on the extraordinary progress from years prior. The plan considers the current operating context for higher education and focuses on five strategic principles that support our role as Kentucky’s indispensable institution:

• Putting Students First
• Supporting Our People
• Inspiring Ingenuity
• Ensuring Greater Trust, Transparency and Accountability
• Many People; One Community

Since we have several new staff joining the University over the past 18 months, I wanted to share a few highlights of our UFS’s responsibilities that support strategic principle number four -- **Ensuring Greater Trust, Transparency and Accountability**:

• University Financial Services has responsibility for banking services including the deposit of checks and cash, acceptance of payment cards, and receipt of electronic funds. In addition, we assist departments with the implementation of new financial products and services and compliance with regulatory requirements. We are also responsible for managing cash, the liquidity of university investments, and overseeing short and intermediate term investment of operating funds. We coordinate debt funding of university capital projects, including all health system projects. Additionally, we strive to provide financial
leadership and strong internal controls and compliance. We aid the university community with understanding and recording of financial transactions, accounting needs, tax compliance, internal control, and fiscal responsibilities. We are responsible for financial reporting, payroll, fixed asset and cost allocation accounting, research financial services, accounts payable, travel services, endowment accounting, and student account services.

Below is a graphical representation of the foundations of compliance that is helpful to consider as we move forward with you to fulfill our joint responsibilities.

Our goal is that the resources and information shared in this edition of the UFS Advisor will help campus departments as we continue to navigate together. We have provided several articles that give additional information on key initiatives.

- Multi-State Employment/Tax
- New SmartAHD Deposit Kiosks
- Non-Capital Equipment Tracking Recommendations
- Required Procurement Card Holder Training
- Upcoming Financial Administration Training opportunities

Thank you for what you do and for your ongoing support. Our UFS team members want to be your partner as well as the campus experts and critical team members that continue to make the University great.

I am honored to work with each of you and want to thank you for your support in my first 18-months as Treasurer.

Penny Cox, Treasurer
Multi-State Employment/Tax

The University recently released a new remote/hybrid work policy which provides employees, who receive approval, the opportunity to perform some or all of their work off site on a regular basis. While the University is committed to offering flexibility, remote work outside of the United States will not be approved. We will review the three types of employee work schedules and discuss the unique tax scenarios of a remote or hybrid schedule, employee action needed and the University’s commitment to employment/tax compliance.

Due to the Covid-19 pandemic and the successful adjustment of the University and employees changing processes for remote work, there has been an increase in employees working at various locations across the state and the country. We can no longer assume an employee’s standard work location is a University work site. There are three types of employee work schedules: 100% University work site, 100% remote, and hybrid.

100% University Work Site: Employees who perform their work 100% of the time at a University work site.

Employees will have Kentucky state income tax and the appropriate city and/or county tax, withheld from their paycheck, based on their University work site location within Kentucky. Employees who travel to various cities and counties across Kentucky must have tax withheld for each locality based on the percentage of time worked in each city and/or county. Payroll Services maintains a Local City Tax Form – Work Location, which should be completed by the employee and signed by their Supervisor or Business Officer upon a change in work location(s). Employees must maintain accurate Work and Remote Address information in Employee Self Service. The Work Address must reflect the University work site address and the Remote Address, if previously entered, should be ended.

100% Remote Work Site: Employees who receive approval to perform 100% of their work at a Non-University work site within the United States.

Employees in this category may work 100% of their time in one state or multiple states should their job require travel. Employees, who work in Kentucky, but outside Lexington, may need to complete a Local City Tax Form – Work Location to have the correct Kentucky local tax withheld. Employees who work outside Kentucky must ensure through ESS, their Remote AND Work Addresses reflect their current primary remote work site. They should also use the Secondary Work Address to list their secondary work location should they have multiple work sites.

The University is currently setup to only withhold Kentucky state and local tax. If your primary work site is in a state other than Kentucky please reach out to your Payroll Analyst to discuss your tax situation.

Hybrid Work Sites: Employees who receive approval to perform a percentage of their work at a University work site and a percentage at a Non-University work site.

Employees on a hybrid schedule will pay taxes to multiple localities based on the percentage of time worked in a location. Employees, who work in Kentucky but outside Lexington, need to complete a Local City Tax Form – Work Location to have the correct Kentucky local tax withheld for each location. Employees
who work outside Kentucky must ensure through ESS, their Remote Address reflects the Non-University work site and the Work Address reflects the University work site. They should also use the Secondary Work Address to list their secondary work location should they have multiple work sites.

The University is currently setup to only withhold Kentucky state and local tax. If your primary work site is in a state other than Kentucky please reach out to your Payroll Analyst to discuss your tax situation.

The University of Kentucky is embarking on a multi-state employment/tax project, which will maintain University compliance with state and local governments and provide employees in other states the same tax service we currently provide employees working in Kentucky. University Financial Services contracted with BKD to provide a matrix of employment requirements by state. We are partnering with Human Resources in this endeavor as employment benefit such as workers compensation and unemployment are required by states. We are requesting assistance from departments in gathering work location data for employees who potentially work outside the state of Kentucky. Once we receive the data we will evaluate and create a project plan to implement multi-state employment/tax.

We are excited about this project and the new level of service we will provide to our employees.

New SmartAHD Deposit Kiosks

Treasury Services would like to introduce new 3-East SmartAHD Deposit Kiosks located in our previous locations in the Funkhouser and Ag North Buildings, as well as a new kiosk installed just inside the northeast entrance of the Gatton Student Center near UK Federal Credit Union (pictured below).

The new deposit kiosks will allow you to enter the deposit details directly from your desk workstation and reduce the amount of time spent at the kiosk to 30 seconds or less. The new kiosks are now operational and ready for your cash and check deposits.

For information on how to use the SmartAHD Deposit Kiosk system, please visit the Quick Reference Guide section of the Treasury Services webpage (https://www.uky.edu/ufs/treasury-services#QRC). Here, you will find the following instructions and training videos:
• SmartAHD Deposit Kiosk - Quick Reference Card
• SmartAHD Deposit Kiosk - Instruction Manual
• SmartAHD Deposit Kiosk - Video: How to Sign Up for Access to the SmartAHD System (2:00 minutes)
• SmartAHD Deposit Kiosk - Video: Pre-Staging and Making a Deposit (5:30 minutes)

Please review the above-mentioned information prior to attempting to make a deposit at one of the SmartAHD Deposit Kiosks. For any questions or issues, please contact Treasury Services at (859) 257-1983 or Treasury.Services@uky.edu. We would also appreciate any positive (or negative) feedback regarding the new SmartAHD Deposit Kiosks.

Non-Capital Equipment Tracking Recommendations

As a result of the COVID-19 pandemic, many areas have transitioned to remote or hybrid work locations, and the following recommendations have been compiled to assist the university community with tracking and protecting non-capital equipment (items below a cost of $5,000). It is the responsibility of the individual unit/department to develop processes/procedures that best suit that area’s unique circumstances in the interest of safe-guarding the university assets in its possession.

The following sections in the Business Procedures Manual (BPM) should be utilized by units in developing their non-capital equipment policies:

- BPM E-12-1 encourages the tracking (tagging, other procedures) of non-capital equipment.
- BPM E-12-3 details the use of ‘N-tags’ for the tracking of “high risk” items that are non-capital (such as computers).
- BPM E-12-4 details the regulations, policies and procedures pertaining to the handling of both capital and non-capital equipment (any assets of the university) that are no longer of use to the department that originally owned the equipment.

Below are some suggested best practices that could be utilized to help units abide by the requirements and guidelines set forth in the above BPMs and in the Interim Remote and Hybrid Work Guidelines developed by UK Human Resources (https://www.uky.edu/hr/work-life/flexible-work/interim-remote-and-hybrid-work-guidelines):

- Starting point: Any employee taking any equipment (capital or non-capital) off campus for at-home use completes and signs an ‘Off-Campus Equipment Report’ detailing each item being taken.
- On-going tracking: The preferred method of annual validation would be for the employee to bring their equipment back to campus so the asset tags could be scanned. If this is not feasible, employees with university owned equipment at home should use an alternative method of validation such as requiring the employee to take a picture of the asset which includes identifying information (asset tag) where applicable and a post-it note with that day’s date hand-written on it. The photo would then be emailed to the area’s inventory coordinator.
- End of employment OR equipment life-cycle:
The ‘Off-campus Equipment Report’ that was initially completed would need to be signed and dated by the appropriate unit representative certifying that the equipment was returned by the employee.

When an employee is leaving the department or university or retires, ALL equipment in the possession of that employee MUST be returned to the unit head to be repurposed or surplused.

Any equipment that has reached the end of its useful life, including those items which are used remotely, MUST be returned to the unit head to be repurposed or surplused.

See BPM E-12-4 (linked above) for additional details regarding disposition of equipment.

Some additional resources that could be of some assistance in the area of equipment inventory can be found on the Capital Assets Accounting website: https://www.uky.edu/ufs/capital-assets-accounting.

Below is a screen shot from this site, with the more relevant links outlined in red.

Required Procurement Card Holder Training

As part of the Finance and Administration Training Transformation Program, and as part of UK’s ongoing commitment in ensuring a greater sense of trust, transparency and accountability, all procurement cardholders will be required to participate in a formal procurement card training that will launch Sept. 1.

The training will consist of one web-based course available via myUK Learning and is about 30 minutes in length. Cardholders will have six months to complete the training for maximum flexibility. Failure to complete the training within this period will result in temporary suspension of your procurement card, pending course completion.

This training has new content and is intended for all procurement card holders. No cardholders will be grandfathered into the new requirement. However, procurement card holders who have already completed the Financial Foundations coursework will not need to repeat this course.

Additional information can be found on the Finance and Administration Training Transformation Initiative website, and questions can be emailed to FandATraining@uky.edu.
# Training Opportunities

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<th>Location</th>
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<td>8/26/2021</td>
<td>8:30am-10:00am</td>
<td>Virtual</td>
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<tr>
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In addition to the scheduled training classes we also have the below on-demand trainings.

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<th>On-demand Training Class</th>
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<tr>
<td>Concur: Create a Travel Expense Report from a Pre-Approved Travel Request</td>
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<td>Concur: Expense Reporting for Procard Transactions</td>
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<td>Concur: Review and Complete User Profile Settings</td>
<td>On-demand</td>
<td>Virtual</td>
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<tr>
<td>Cash Handling Basics</td>
<td>On-demand</td>
<td>Virtual</td>
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<tr>
<td>Procurement Card</td>
<td>On-demand</td>
<td>Virtual</td>
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For more information or to register for these courses visit your myUK Employee Self Service Training page.