March 19, 2002 Town Meeting

I. Welcome and Announcements, Janice Bradley, Department of American Studies

II. Administrative Updates

A. Faye Godwin, Human Resource Services-Upcoming move to North Office Building
They will move in about three weeks to 27th and Wichita — ironically, near where they started. The actual moves will take place April 10-12, and will incorporate all HRS services into one building (including those offices currently housed in Wooldrige Hall, recruiting and staff services, and EO offices)

They will send a UT-all message about the move; phone numbers will be the same. All HR services will now be at mail code J5600. Parking will be limited, but the site is accessible via the West Campus shuttle and some parking in PG 6.

B. Barbara Carlson, Office of the Controller- Insurance for U.T. equipment. Visit our web page:
http://www.utexas.edu/business/busmgr/FRI.html#equipment insurance
The equipment insurance enrollment period will be in June/July. Departmental users will be offered trainings, (not yet scheduled), and announcements will be sent out campus wide.

Since offices and departments are currently conducting their Inventory,
this sorting may be useful to identify items for insuring later on during enrollment.

Premiums and deductibles will increase due to the shock of 9/11 and the June 2001 Houston floods. Right now, we do not know what the increases will be; changes will be published as soon as they are known.

Handouts:

Decision Tree Diagram: should I use DEFINE or paper?
Equipment Insurance Fact Sheet
sample Form - equipment insurance
sample DEFINE NVE screenprint
Controlled Items List

These handouts help explain the procedures for everyone.
Barbara pointed out number 3 on the Fact Sheet:

* Departments can request an Excel list of ALL items currently insured, By ACCOUNT, from the Office of the Controller.

* The NVE module in DEFINE can provide a report By UNIT CODE of all insurance the department has entered: access with your PF15 key.

The new minimum for inventoried items is now $5,000 however Controlled Items will remain in Inventory (DEFINE) regardless of value. See handout. This means that all non-Controlled items under $5,000 will have disappeared from Inventory, (but are still insurable using the paper form). You would not insure an item that is worth less than the deductible, currently $1500.

It's important to re-evaluate all currently insured items for accuracy because insurance in DEFINE will rollover exactly as it appears on 8/31, to the new FY.

During Annual Enrollment period, departments are electronically authorized to update their NVE screens in DEFINE. The unit code must be entered into MISC field to get the information to come up. Fill in "Insure Amt" and "Insure Acct" to get an item insured. Delete data to remove insurance. In the upper-right hand corner of the screen, there's a toggle to view all items Insured or all Uninsured. After Enrollment, the NVE screen becomes View Only and departments cannot enter or change data.

You may always insure items using the paper forms.
For example, on NEW items purchased mid-year, send the form. Items insured via the form are recorded only on Controller's Excel database and will not appear in DEFINE. Send us long lists by Excel attachment.

Be on the lookout for double-billing which can happen when two different means are used to get the same thing insured. To avoid this, keep your insured items lists up to date.

Barbara pointed out the definitions for annual and temporary insurance. See handout. Temporary means shorter term and a higher rate, e.g. the Music Dept. may insure a $20,000 instrument for a weekend. Also, the temporary rate applies to OLD items added after the annual enrollment period ends.

Insurance is not required by the University. However, departments may require insurance on certain items because of a contract, e.g. for a grant.

Q: What about insuring items under the $5000 minimum?
A: Departments can insure items under the $5000 minimum by using the paper form. A $3000 item insured this year for that amount will not rollover in DEFINE to the next FY, unless it is Controlled. To re-insured a non-Controlled item for the new FY use the paper form.

Barbara encouraged everyone to call her for help when they need it.
(471-4503). The Office of the Controller will distribute information on insurance closer to enrollment.

C. Michael Parks, Associate Director, Office of Accounting-New policy and procedures for inventory reporting

Inventory classes cover state mandates and changes in UT's policies and procedures and describes forms, the best way to meet the requirements, etc. Classes are currently scheduled for 4/18, 5/2, 5/16, 5/30. In order for a department's inventory to be certified, the responsible inventory contact must attend a class. This is a requirement. So far, 34% have attended.

Missing items: state agencies are required to report the value of any property lost or missing to comptroller and that office has to withhold funds equaling 50% of the value. If your department is missing inventory that exceeds 2% of the department's entire inventory, the department will be charged 50% of that value. Departments are charged whether or not the University as a whole is charged. The funds go into an equipment reserve fund.

Michael stressed the need for correct reporting. Not doing so can ultimately cost a department. An internal audit will be conducted on reports. Non-compliant reporting can result in a penalty. Please don't just submit a form.

Ownership and unit codes: An item is assigned to the unit code associated with the account used to make the purchase. Even if another unit scans the item, ownership does not transfer.

Items transferred to surplus: turn around time for removal from inventory is long. They are working on new programming so that scanning at Surplus does remove an item from a department's inventory. They're hoping for this upgrade in about a month.

Inventory descriptions: staff takes the description from the PO. Departments that want a more detailed description need to put that description down on the PO. Eventually, descriptions will be tied to commodity codes. This is an enhancement.

Q: Is the 2% threshold based on dollar amount or number of items?
A: Dollar amount, specifically the depreciated value.

Q: Is training mandatory even when staff have been trained recently?
A: Not if the training occurred in the past 2 years. Still, there are changes, so it doesn't hurt to go again. But they do have records of who's attended recently.

D. Floyd Self-Purchasing Office, Legislative changes regarding the procard
The VP7 document is the approved way to pay pro card charges, PROCARD HOLDERS MAY NOT APPROVE THEIR OWN VP7 DOCUMENTS. UT will be audited by the state. All office managers must check to see that there is someone other than the card holder who can approve VP7s. If not, then the card holder will lose card privileges - no second chance, no warning period. Floyd asked for everyone's help to check out those VP7s to make sure that whoever does the approving is not the card holder.

Point Plus System: This is for small Purchase Orders for non-competitive purchases. The old PBO document, under $5000, is now on the web. They want to phase out the PBO entirely by the summer. Use your EID to access the screens, which are easier than the define module . Eventually the competitive process will be on the web. DEFINE will never go away, but it is possible to move some functions to the web. They will provide training. Use their home page: www.utexas.edu /admin/purchasing/. From there click on Point Plus System using your EID

The Office of General Accounting at the UT System have been offering training for people about contracts and how to initiate a contract. Naturally, this affects purchasing. Training also includes the rudiments of contract law and solicitation even before the contract is generated. Floyd thinks this class will be helpful. They will schedule more classes. Please contact Floyd if you're interested in this class. Since two attorneys do the presentation, scheduling is a bit "iffy".

Q: On the pro card, will transactions be available almost in real time?
A: Not currently, but higher education hopes to get its own pro card contractor in order to make this happen. They are unsatisfied with the current vendor, and hope for a separate contract by next year which will enable real time reporting and web based functions.

E. Linda Sorber, Office of Internal Audits-Compliance Training Program Update

Status of compliance program and its future: On March 8 everyone got an e-mail about the compliance program with the net result that about 6,200 staff members have taken their training. So far, the glass is about half full. There are still 5,000 out of 11,000 benefits-eligible employees who have not taken the training. Eventually, everyone will participate, but benefits-eligible employees hav been the first priority. Linda encouraged everyone to go back into their departments and help get the glass even more full. Faculty are about 900 out of 2,500.

It's important to get all training done now as there will be more modules coming in the fall. Departments will get reports on compliance, alphabetically by name of employee. The list will show everyone in the unit: faculty and staff; the list will detail who has taken which (if any) modules. Faculty training differs from staff training. Programming cannot distinguish between faculty and staff and the list is based on modules. For faculty, it's an all or nothing proposition. If they read the faculty compliance document, then they get credit for all modules. Staff can do the training modules one at a time. These reports will go out in the next 10 days so everyone can assess where they stand. Even the President's Office has done the training. More frequent e-mails will be going out to non-compliant individuals.

Q: What is the threshold for work study students?
A: Is there expectation of continuing employment? If the answer is yes, and they work 10+ hours/week, then they need the training. If they are about to graduate or accept a job outside the university, then no. No paychecks will be withheld.

Q: For faculty there's a link for them to click to say they've read the information. If they click that, do they show "complete" even if they don't open any of the links?
A: Yes. They are done with the requirement. Voluntarily, it would be nice if they took some training. They might even learn something.

Q: What about staff without computers or without access to computers?
A: There are classroom trainings in English and Spanish. Departments can request a classroom training. There's a notebook format, which is printed version of modules on computers in both English and Spanish.

Q: Will reports be sent by e-mail or paper?
A: Paper. E-mail would be too long. There is a contact person for compliance and that will be the recipient of the report and it's up to them to distribute it from there. This is done by unit code.

III. Closing-Janice Bradley. Next month will be Parking and Transportation.