# VPF STATEMENT

News from the Office of the Vice President for Finance (VPF) | Read this issue online | PDF version

## In This Issue

In this month's VPF Statement, we highlight a number of enhancements to our financial processes and services: a new version of the Atlas JV application, a new tool for conducting monthly Financial Review and Control, a streamlined supplier registration process and more.

Collectively, these changes are driven by a community-wide desire for continuous improvement in administrative processes, advances in technology, and evolving Institute priorities and compliance needs. Our partnership and dialogue with users of these services and processes shape each and every enhancement.

We hope these improvements make your work easier and, ultimately, MIT's impact even more transformative. And we look forward to collaborating with you on additional enhancements to come.

Best,
Glen Shor
Vice President for Finance

## Uniform Guidance and Sponsored Accounting: The Basics

A federal rule issued in 2013 known as Uniform Guidance established and reinforced requirements and deadlines for improved practices related to many aspects of sponsored awards management—from subawards to cost sharing to faculty disengagement. Below are highlights of the Uniform Guidance requirements related to sponsored accounting functions.



**Closeouts**
All reports related to a federal award are due no later than 90 calendar days after the end date of the period of performance. These include all technical, patent, financial (including subaward) reports and invoice payments. Federal agencies emphasize that they will not allow cash draws on awards after 90 days, except in exceptional cases, as approved by the agency.

- Learn more about this requirement
- To ensure compliance, follow the closeout best practices

**Computing Devices**
Computing devices can be direct charged to a federal award if they are essential and allocable, even if they are not solely dedicated, to the performance of the federal award. Purchasers, administrators, and PIs monitoring awards must ensure and document that computing devices are essential to the project and allocated appropriately among sponsored awards and discretionary accounts. Such documentation should be retained in the department, lab, or center (DLC). Learn more.

**End of Project Purchasing**
$5,000 is the threshold for an allowable maximum residual inventory of unused materials and supplies, including computing devices, at the end of a project. In general, purchases near the end of a project may be subject to additional scrutiny. Learn more.

**Group Meeting Costs**
Expenses for meetings, including food and beverages, may be allowable costs on a federal award unless the sponsor states otherwise. For the expense to be allowable, the meeting's primary purpose must be the dissemination of technical information beyond MIT. The meeting must also be necessary and reasonable for successful performance of the award. Learn more.

Uniform Guidance also includes requirements related to purchasing and travel practices under sponsored awards. Look for information on those requirements in the September VPF Statement.

A helpful breakdown of all Uniform Guidance requirements is available on the Office of Sponsored Programs website.

## Coming This Fall: New P-Cards

Bank of America this fall will begin replacing MIT Procurement Cards (P-Cards) with new cards that will be equipped with chip-and-PIN technology. Requiring the use of PINs instead of signatures, the new cards will provide greater security for in-person transactions.

Current P-Cards will be replaced on a rolling basis as they expire or need to be reissued. More information will be provided in the September VPF Statement, and cardholders will receive detailed instructions prior to their transition to the new card.

## Travel Tips

- Capture discounted hotel rates locally and around the world when you book through MIT's preferred travel agencies or the Concur online booking tool.

- Simplify your travel planning and make your hotel reservations at the same time you book your air or rail transportation

- Not sure where to stay? Need to make a change? Not sure if you need a passport or visa? The experts at MIT's preferred travel agencies can help with all your travel needs.

  - The Travel Collaborative, 617-497-7400
  - OT & T Travel, 781-890-9001

## Direct Deposit for Off-cycle Payments

As a reminder, HR/Payroll issues off-cycle payments by direct deposit when an individual is set up for direct deposits. Checks will only be issued when an individual has set a preference for check payments and when the off-cycle payment request notes specifically that a check is needed.

## Sponsored Accounting Tip: Practice Proper JV Etiquette

If you are creating a Journal Voucher (JV) that affects a cost object not associated with your department or profit center, please provide advance notice to the cost object owner. Otherwise, the JV could pose issues at the closeout of a sponsored award.

*This applies to JVs used to transfer funds across DLCs, not to those related to services provided by internal suppliers (like CopyTech).*

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## JV Application Makes Deposit Process Easier

An enhanced version of the Atlas Journal Voucher (JV) application provides MIT administrators with greater control over and visibility into the check and cash deposit process and more timely access to funds.



Launched in late July, the enhanced application makes it easy to submit a deposit-related JV. The application automatically inserts bank routing numbers into JVs, includes category lists, and provides a helpful document number upon submission.

Access the JV application

Along with this enhancement, Cashier Services is promoting a new preferred check and cash deposit process that offers the most efficient way to access funds. This process is as follows:

- Departments, labs, and centers are set up to make deposits directly into three banking locations
- After making deposits, administrators use the Atlas JV application to move the deposited funds into the appropriate cost object
- Cashier Services approves the JV, and the funds are available for use

Learn more about depositing checks and cash and email Cashier Services to adopt the preferred process.

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## Financial Review and Control Application Is Live

Starting in FY16, MIT community members can carry out their monthly account reconciliations using a new online tool. The Financial Review and Control (FRC) tool represents an exciting enhancement to the critical monthly reconciliation process. It both makes the process easier and more efficient for staff and extends the Institute's financial oversight and control capabilities.

Modeled on the FRC Monthly Review Report in Cognos, the tool is the result of collaboration between MIT community members, Information Systems & Technology (IS&T), and VPF. To help transition community members to performing monthly FRC with the new tool, VPF's Financial Accounting and Reporting team will offer demos throughout August and September. Additional information will be provided by email and in the September VPF Statement.

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## Diversify Your Suppliers

MIT is committed to providing an inclusive environment, and that commitment extends to small businesses and diversity suppliers.



The Supplier Diversity Program connects MIT community members with diverse suppliers of goods and services at competitive pricing. The program works to maintain a supplier base that reflects the diversity of MIT and our community and provides a valuable resource for upholding MIT's values through purchasing decisions.

Departments, labs, and centers are strongly encouraged to consider small businesses and diverse suppliers for all purchases. Learn more and email the Supplier Diversity Program with questions or for assistance.

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## New Supplier Registration Process in Place

Launched in July, a new process for registering suppliers of goods and services to MIT is focused on making registration easier for MIT community members and suppliers and ensuring compliance. Under the process, new suppliers fill out either a domestic or an international supplier registration form. The international form includes a series of questions that help determine whether a tax form is required and, if so, which one(s).



A key change from the previous process is that VPF only requires a W-8 form when international suppliers meet certain criteria.

The overall steps in the process are as follows:

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Coordinated and issued outside the normal payroll process, off-cycle payments are used when a cutoff deadline has been missed or a special payment is requested. Submit requests for off-cycle payments to payroll@mit.edu and make sure to note when the payee wants a check.

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## VPF Training Opportunities

Register now for VPF training classes. These classes provide valuable information and guidance concerning VPF policies, procedures, and services.

All classes are held in NE49-3100 (600 Technology Square, 3rd floor) in the Grand Cayman Conference Room. The instructors are members of the VPF staff who support DLCs in these areas.

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| Introduction to Sourcing and Procurement | September 15, 9-10:30 am |
| Introduction to Travel and Expense | September 15, 10:45 am-12:15 p.m. |
| Accounting Fundamentals | October 7, 8:30 am-12 pm |
| Fundamentals of Financial Mgmt. | November 17-18, 9 am-12 pm (daily) |
| Fundamentals of Financial Mgmt. | February 3-4, 2016 9 am-12 pm (daily) |

**More Ways to Learn**

VPF staff members are available to provide customized training to members of the MIT community. Request a customized training session.

MIT training resources for administrators are just a click away.

- VPF online and in-person courses
- Environment, Health & Safety training
- Learning and development offered by Human Resources
- IS&T training
- Office of Sponsored Programs training
- Join the MIT Yammer Network for training updates

Lynda.com is another great option for training. MIT community members have access to over 1,000 online courses.

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## Whose Money Is It? Help Us Solve a Mystery and Win $25 in TechCash!

VPF sometimes receives wires and ACH payments without enough information to

- Community member provides forms to new supplier
- Supplier completes the appropriate form (domestic or international) and sends it, along with the necessary tax form, to community member
- Community member attaches the supplier registration form and tax form(s) to the requisition
- If additional information is required:
    - If supplier contact information is available, VPF will contact supplier directly by email and cc community member.
    - Otherwise, VPF will contact community member
- VPF sets up new supplier in the supplier database and processes the requisition

Learn more about the new process and access forms and resources. Please contact procurement@mit.edu with questions.

## AdminConnect

Stay connected with AdminConnect, an online resource for MIT administrators that includes:

- Administrative News
- "How To" articles
- Initiative overviews
- Guide to offices
- Administrative directories and committee listings

## HR/Payroll Key Dates

- Late Distribution Change Requests: August 17
- Employee Transactions (Monthly; including grad students): August 21, 5 pm
- eSDS Cutoff (Weekly): August 24, 5 pm
- eSDS Cutoff (Monthly): August 28, 5 pm
- EDACCA Certification: September 30 for Q4 FY2015

For complete details regarding the timing of HR/Payroll monthly closings and important dates, visit the online schedule.

## Important Links

- SmartBuy: Buy from MIT's preferred and partner vendors
- eCat online ordering system
- Atlas
- Roles Database
- Ask VPF a question, offer feedback
- VPF Statement email list

## Financial and Administrative Service Areas Within VPF

Accounts Payable — 253-2750 | Email | Web
Accounts Receivable — 253-2758 | Email | Web
Budget & Financial Analysis — 253-2766 | Email | Web
Cashier Services — 253-5426 | Email | Web
Financial Accounting and Reporting — 253-2760 | Web
HR/Payroll Services— 253-4255 | Email | Web
Journal Vouchers — 253-4035 | Email | Web

Merchant Services— 253-2758 | Email | Web
Property Accounting— 253-2776 | Email | Web
Sourcing & Procurement — 253-7241 | Email | Web
Sponsored Accounting — 258-8483 | Email | Web
Tax and Global Operations — 452-4532 | Web
Travel Services— 253-8366 | Email | Web

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