



OPERATIONAL SERVICES DIVISION

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**NOTICE OF POLICY CHANGES TO
FY2019 UFR Audit and Preparation Manual**

The Operational Services Division (OSD) of the Executive Office for Administration and Finance has made the following changes (highlighted in yellow below) to sections of the UFR Audit and Preparation Manual (UFR Manual).

Please note that the following are excerpts of those sections in the UFR Manual that will be changed. This is not the complete UFR Manual.

Compensation to Principals

Enter the name, title and all compensation furnished to the filing entity's principals from the filing organization and its parent organization, related parties, and affiliates (most senior individuals first). Hospitals, Colleges and Universities should disclose compensation for the twenty five (25) highest paid and compensated principals. **Compensation should be disclosed for all persons who are responsible for achieving the objectives of the enterprise and who have the authority to establish policies and make decisions by which those objectives are to be pursued.** Compensation consists of salaries, fees and bonuses, severance, and all other items included as personal income. Including benefit packages, all forms of deferred compensation, and all payments by your organization to employee benefits plans and retirement plans, including, examples such as health insurance, vehicles, consultant payments, loans, and other items identified as employee compensation in IRS Publication 525 Taxable and Nontaxable Income of the Internal Revenue Service. *Preparers should initially use the lines available on Schedule A for disclosure and when those disclosure lines are insufficient utilize the appropriate worksheet in the template (ExecCompADD) for the additional required disclosures. The Division cannot accept off-template supplemental schedules for meeting these disclosure requirements. Filings that continue to utilize off-template supplemental schedules to disclose Principal's Information in lieu of the added template worksheets will be considered deficient* For the purposes of this disclosure the definition of management as contained in FASB 57/Codification which includes management, members of the board of directors and officers of the organization is used to define Principals. Management is defined by FASB 57/Codification as follows:

26E.) Vehicle Expenses. Any expense with the exception of depreciation that is associated with the purchase, operation and maintenance of vehicles owned and leased by the organization for the transport of clients and to fulfill program needs rather than for administrative purposes. Provide a separate schedule that lists passenger and sport utility vehicles used by the organization. The schedule should identify the purchase or lease price and date, make, model, model year, primary use of vehicle (ex. client transportation, administration, and maintenance vehicle) and location vehicle is garaged at night if different than program or administrative office location. The schedule should NOT include busses, **seven** persons and greater passenger vans and vehicles such as dump trucks, pick-up and panel trucks that are used by plant and facility maintenance staff. **Effective 7/1/18, Program Vehicle insurance (formerly in 208 Client Transportation) must be reported in UFR line number 26E, Vehicle Expenses.**



34E.) Non Charitable Expenses. Expenses related to activities that are not consistent with the charitable purpose as stated in the not-for-profit organization's articles of organization. Effective 7/1/18, please report Non-Reimbursable expenses in UFR line number 54E or 55E.

35E.) Other Expenses. Miscellaneous expenses. Identify type and amount of expense on separate schedule if over \$5,000.

37E.) Management Fees. Expenses related to contracted general management services such as accounting, bookkeeping, payroll, and billing services (does not include management advisory or consulting services). Effective 7/1/18, please consolidate the following and report the total on UFR line number 37E Management Fees: 37E Management Fees; 41E Management Consultant.

39E.) Legal Fees. All fees or compensation paid by the organization for the legal services of an attorney (does not include lobbying). Effective 7/1/18, please consolidate the following and report the total on UFR line number 42E Other Professional Fees and Other Administrative Expenses: 39E Legal Fees; 42E Other Professional Fees and Other Administrative Expenses.

41E.) Management Consultant. All fees for management consultant services. Effective 7/1/18, please consolidate the following and report the total on UFR line number 37E Management Fees: 37E Management Fees; 41E Management Consultant.

42E.) Other Professional Fees and Other Administrative Expenses (including Legal Fees). All fees or compensation paid by the organization for the services of professionals that do not provide management services and other administrative expenses that have not been disclosed elsewhere. Identify amount and type professional and administrative expense on separate schedule. All fees or compensation paid by the organization for the legal services of an attorney (does not include lobbying). Effective 7/1/18, please consolidate the following and report the total on UFR line number 42E Other Professional Fees and Other Administrative Expenses: 39E Legal Fees; 42E Other Professional Fees and Other Administrative Expenses.

45E.) Administrative Vehicle Expense. Any expense with the exception of depreciation that is associated with the purchase, operation and maintenance of vehicles owned and leased by the organization that are used primarily for administrative purposes rather than for use in fulfilling program needs and to transport clients. Provide a separate schedule that lists passenger and sport utility vehicles used by the organization. The schedule should identify the purchase or lease price and date, make, model, model year, primary use of vehicle (ex. client transportation, administration, and maintenance vehicle) and location vehicle is garaged at night if different than program or administrative office location. The schedule should NOT include buses, seven persons and greater passenger vans and vehicles such as dump trucks, pick-up and panel trucks that are used by plant and facility maintenance staff.

47E.) Director & Officers Insurance. Professional liability insurance that is acquired to support directors and officers in their board governance and oversight responsibilities. Including Liability insurance for administrative professional staff and other forms of insurance such as cyber, crime, and umbrella. Please note this line does not include Vehicle, Property or General Liability and Auto.

Effective 7/1/18, please consolidate the following and report the total on UFR line number 47E Director & Officers Insurance: 47E Director & Officers Insurance; 49E Professional Insurance.

49E.) Professional Insurance. Liability insurance for administrative professional staff and other forms of insurance such as cyber, crime, and umbrella. Please note this line does not include Vehicle, Property, or director and officers insurance. Effective 7/1/18, please consolidate the following and report the total on UFR line number 47E Director & Officers Insurance: 47E Director & Officers Insurance; 49E Professional Insurance.

CATEGORY 1: DIRECT CARE / PROGRAM STAFF

Category 1 includes direct care staff/program staff required to provide direct care or deliver other primary program services. (Components 101-151)

The following applies to Components 101 through 104:
Effective 7/1/18, please consolidate the following and report the total on UFR line number 2S Program Function Manager 101: 2S Program Function Manager 101; 1S Program Director 102; 3S Assistant Program Director 103; 4S Supervising Professional 104.

101 Program Function Manager (See above)

An individual who has overall responsibility for the management, oversight and coordination of a programmatic functional area within or across programs as in the case of "Medical Director", "Residence Director", "Clinical Director", "Education Director", etc. (Compensation for individuals whose primary responsibilities are administrative and cut across several programs should be classified under 410 - "Agency and Program Administration and Support" component.)

102 Program Director (See above)

An individual who has overall responsibility for the daily operation of one or more individual programs.

103 Assistant Program Director (See above)

An individual, who reports directly to the Program Director, acts for the Program Director in his/her absence and functions as an advisor/assistant to the Program Director.

104 Supervising Professional (See above)

A credentialed professional (Physician, Psychiatrist, Social Worker, Nurse, etc.) whose primary responsibility is the supervision of fellow credentialed professionals in the daily performance of their programmatic functions. A professional whose duties chiefly entail supervision of nonprofessionals or paraprofessionals should be classified under 133 - Direct Care/ Program Staff Supervisor. Supervisors assigned to this component may also provide incidental direct client care.

The following applies to only UFR line numbers 36S and 37S of Component 138, Program Support, Housekeeping, Maintenance, Janitorial, Groundskeeper, Driver, Cook (Program housekeeping, maintenance and janitorial staff, ground keepers, drivers or cooks, and staff who carry out direct program activities for client health and safety):

Effective 7/1/18, please consolidate the following and report the total on UFR line number 36S Maintenance, Housekeeping, Cook: 36S Maintenance, Housekeeping, Cook and 37S Direct Care/ Driver Staff.

CATEGORY 2: OTHER DIRECT CARE/PROGRAM RESOURCES (Components 201 - 216)

Category 2 includes resources, other than direct care staff/program staff, required to carry out direct client care or support the delivery of other primary program services.

The following applies to Components 201 and 202:

Effective 7/1/18, please consolidate the following and report the total on UFR line number 18E Direct Care Program Consultants 201: 18E Direct Care Program Consultants 201; 19E Temporary Help 202.

201 Direct Care Program Consultants (See above)

Individuals possessing specialized experience or expertise in matters of individual service plan design, program design, program management or operation and who are engaged to provide technical assistance on matters of appropriate client care, program design, etc.

202 Temporary Help (See above)

Individuals, in some cases, possessing specialized skills or expertise in client care and treatment, engaged on an "as needed", "on call", "standby" or "specialist" basis, to provide client care or treatment. This component includes contracted relief staff services furnished by individuals or organizations.

208 Client Transportation

The resources (other than staff compensation) associated with transportation of clients to, from or among program sites as a routine part of program participation. This component shall include Provider owned vehicles (depreciation and finance charges) or leased vehicles, all associated operating, maintenance, non-owned auto insurance costs, contracted transportation, etc. **Effective 7/1/18, program vehicle insurance must be reported in UFR line number 26E, Vehicle Expense 208.**

137 Program Secretarial, Clerical Staff

Program secretarial and clerical staff required carrying on direct program clerical activities such as program or client record keeping. Accounting/Billing Staff. Staff assigned not assigned to a program but to duties related to functions of administration and overall direction of the agency are included as part of the Agency and Program Administration & Support component (Component 410).

Non reimbursable expense detail on schedule A_OSI and B_PSI:

Effective 7/1/18, please consolidate the following and report the total on UFR line number 3N, Direct Other Program/Operating Expense: 3N, Direct Other Program/Operating Expense and 6N, Direct Other Expense. Please note that these expenses must be disclosed separately in the supplemental schedule.