UBIT Workpapers – Getting Forms Together, Risk Management and Audit Preparedness

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Agenda

- ▶ Timeline of 990-T prep
  - ▶ What are the keys dates in 990-T prep?
- ▶ Institutional Approach to the 990-T
  - ▶ Any materiality approach to UBIT?
  - ▶ Workpaper tools
  - ▶ Expense allocation method(s)
  - ▶ Discussions with management on approach to 990-T
- ▶ Overcoming Fear of Audits
  - ▶ Acceptability of workpapers
  - ▶ Workpaper retention policies

Timeline of 990-T prep

- UCF (6/30 year end; decentralized accounting)
  - FY17 – 23 UBI generating activities
  - Activities include rentals, sponsorships, sales to non-members, etc.
  - Actual start of Form 990-T prep begins when financial statements are close to finalized. Usually around end of October
  - October through mid-March workpapers are prepared and return is in first draft completion
  - Mid-March through May 15, return is summarized for higher levels of review

Timeline of 990-T prep

- MIT – 6/30 year end, external preparer of investments
  - FY17 – 18 UBI generating activities
  - Activities include rentals, advertising, outside use of equipment and utilities, investments, etc.
  - August – Actual start of Form 990-T prep begins when financial statements are finalized – MIT strives to complete this early, by early August
  - August through October – MIT calculates campus activity UBTI, reviews and finalizes by end of December
  - January through April – External firm calculates investment income and consolidates info for MIT review and finalization in April - May

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