Welcome to Focus on Finance! Today's Agenda

- SRI Budget Model Overview – Kyle Blanco

- Got Effort Certification? Linda Heide

- 3+3 Summer Program - Lofton Wilborn

- Accounting Year-End Bucket List - Wendi Scott & Terrice Watson

- Change Is the Only Constant – Tigerbuy Update – Steve Lackey & Ed Antoniak

- Who Knew? / What's Due? / What's New?

Strategic Resource Investment (SRI) Budget Model Overview

Kyle Blanco – Huron Consulting Group, Inc.

Agenda

- The purpose of this meeting is to:
  - Recap efforts to-date
  - Detail ongoing implementation efforts
 - Answer questions regarding initiative progress

Initiative Timeline

FY15				FY16				FY17				FY18			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Partnership Year				Parallel Process				"Live" Model (Year 1)				"Live" Model (Year 2)		

Activities	
Partnership Year	• Academic Unit Engagement • Administrative and Auxiliary Unit Engagement • Model Development • Infrastructure Development (Governance, Tools/Reporting, Training) • Tweaks to allocation methods based on further analysis
Parallel Process	• Budgets Reflect Current Model • Back-end Reporting Conducted to Illustrate Impact Under New Model • Formalized Model Training Created and Provided • Tweaks to allocation methods based on further analysis
"Live" Model	• New Model Takes Effect

Model Development Overview

The SRI model and its allocation methodology were developed by the SRI Steering Committee and the deans; it is unique to the University of Memphis and different from models at other universities.

Model Development Contributors

| SRI Steering Committee | Deans (Colleges and Schools) | President |
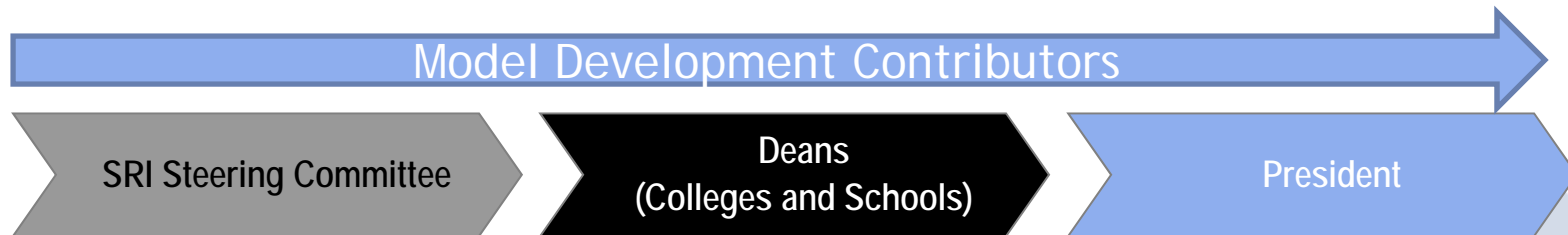
Model Development Activities (from September 2014 – February 2015):

- Over 60 hours of facilitated meetings with colleges and schools, engaging over 100 unique stakeholders

- Seven facilitated discussions with the SRI Steering Committee

- Budget Panel Discussion on 12/2/2014, attracting over 165 participants

- Two deans retreats and an additional deans meeting to refine the SRI Steering Committee's model proposal

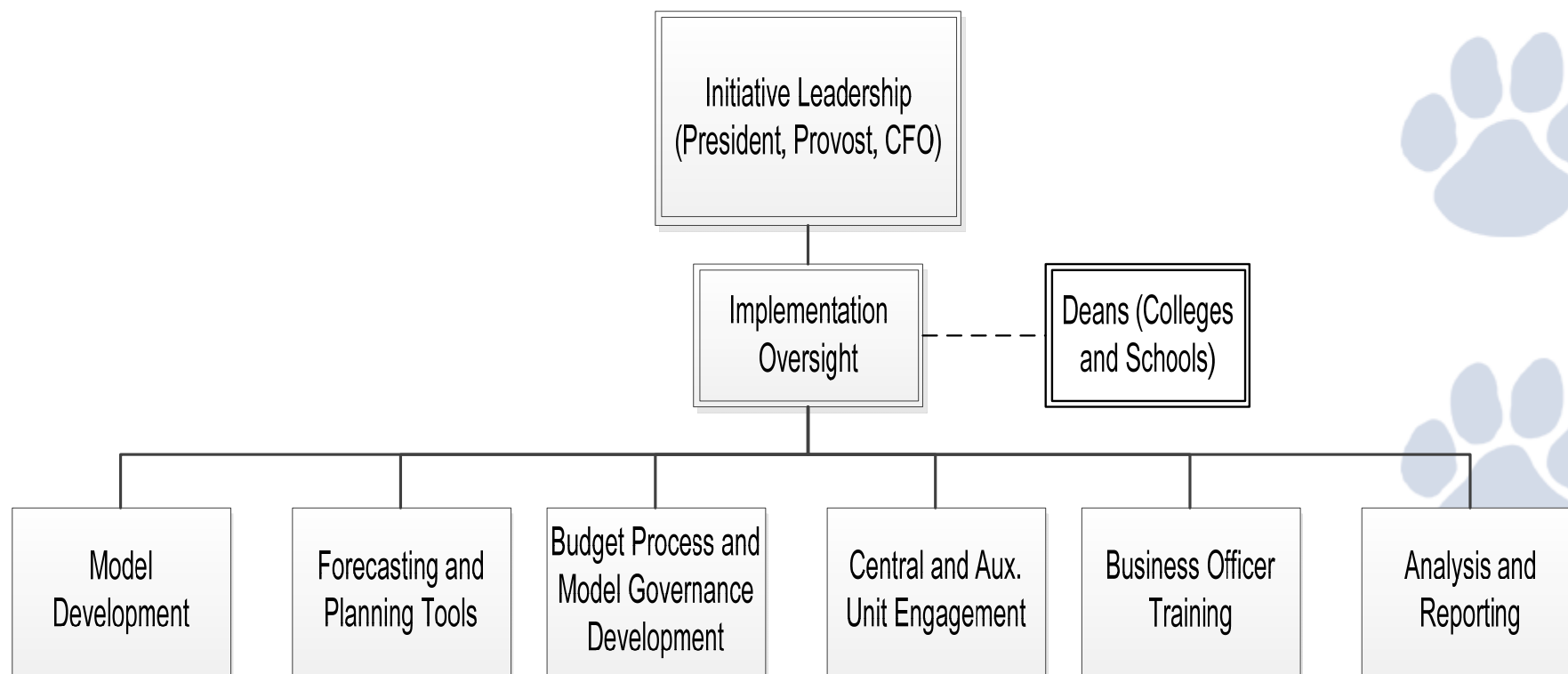- Collaboration with budget and finance representatives to build an initial model workbook

Illustrative SRI Model Income Statement

The product of model development activities and decisions is represented in the SRI Model Income Statement and its accompanying allocation methodology.
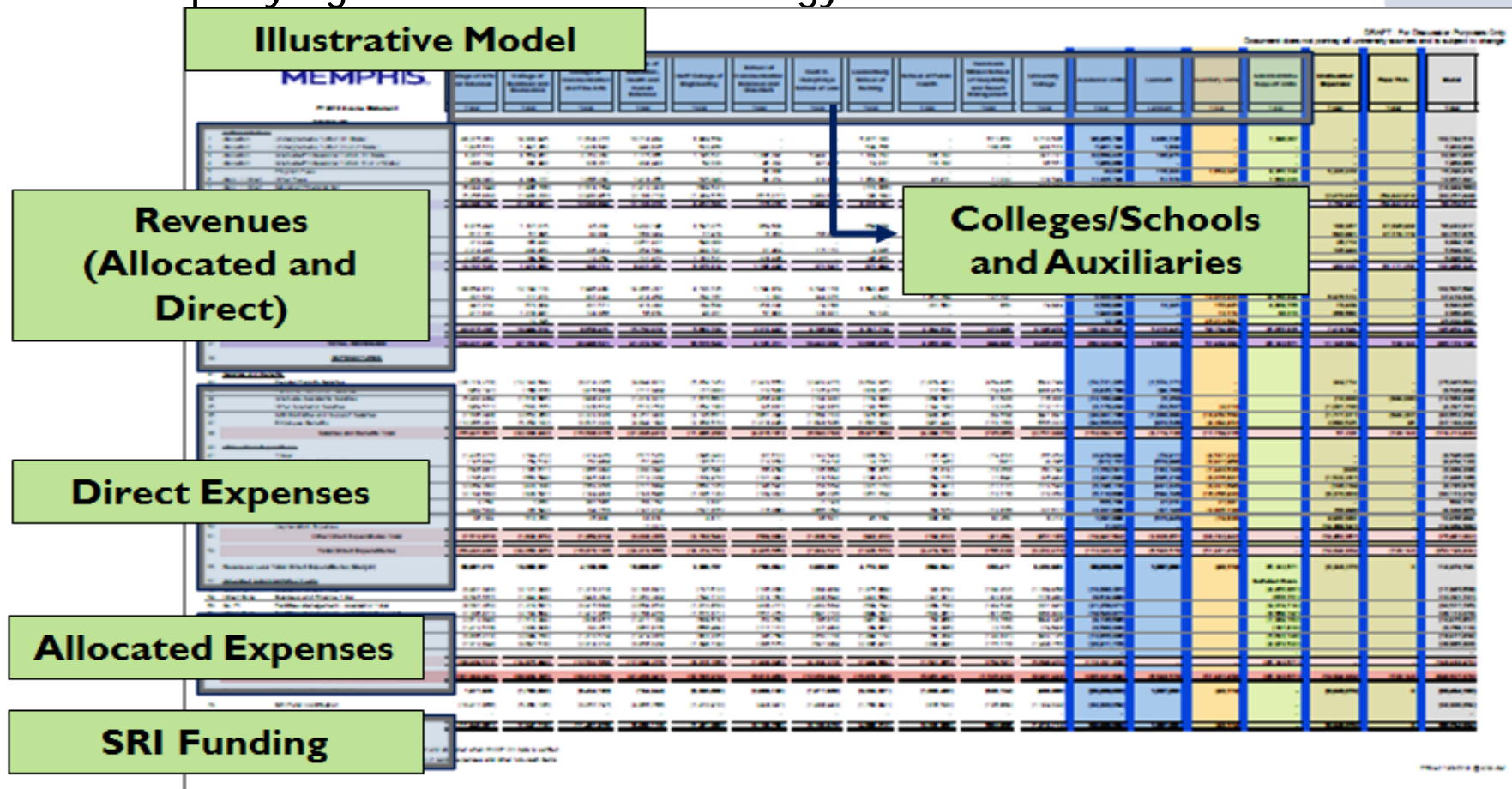
Implementation Committee Structure

Following President Rudd's preliminary approval of the SRI Model, implementation efforts began with the development of a committee structure.

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                    ┌──────────────────────┐
                    │  Initiative Leadership│
                    │ (President, Provost,  │
                    │        CFO)           │
                    └──────────────────────┘
                              │
                    ┌──────────────────┐         ┌──────────────────┐
                    │  Implementation  │ - - - - │ Deans (Colleges  │
                    │    Oversight     │         │  and Schools)    │
                    └──────────────────┘         └──────────────────┘
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Model Development	Forecasting and Planning Tools	Budget Process and Model Governance Development	Central and Aux. Unit Engagement	Business Officer Training	Analysis and Reporting

SRI Initiative Contacts

For additional information regarding the SRI Initiative, please contact the following individuals:

- Karen Weddle-West, Co-Chair
  kweddle@memphis.edu

- Jeannie Smith, Co-Chair
  jesmith@memphis.edu

- Deborah Becker, Project Champion
  dabecker@memphis.edu

- Dean Franklin, Project Champion
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- Jasbir Dhaliwal, Project Champion
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- Andrew Laws, Huron
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- Jaime Ontiveros, Huron
  jontiveros@huronconsultinggroup.com

- Kyle Blanco, Huron
 kblanco@huronconsultinggroup.com

Effort Certification Reporting Schedule

Fall Effort	Due: January 31
Group	**Reporting Period**
Admin/Faculty 12 month	July 1 - December 31
Faculty 9 month	September 1 - December 31

Spring Effort	Due: May 31
Group	**Reporting Period**
Admin/Faculty 12 month	January 1 - April 30
Faculty 9 month	January 1 - April 30

Summer Effort	Due: July 5
Group	**Reporting Period**
Admin/Faculty 12 month	May 1- June 30

Summer Comp Effort	Due: October 31
Group	**Reporting Period**
Faculty 9 month	May 1 - September 30
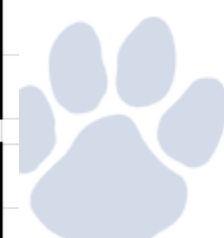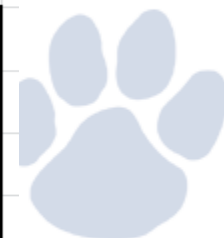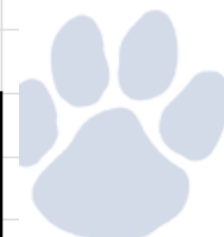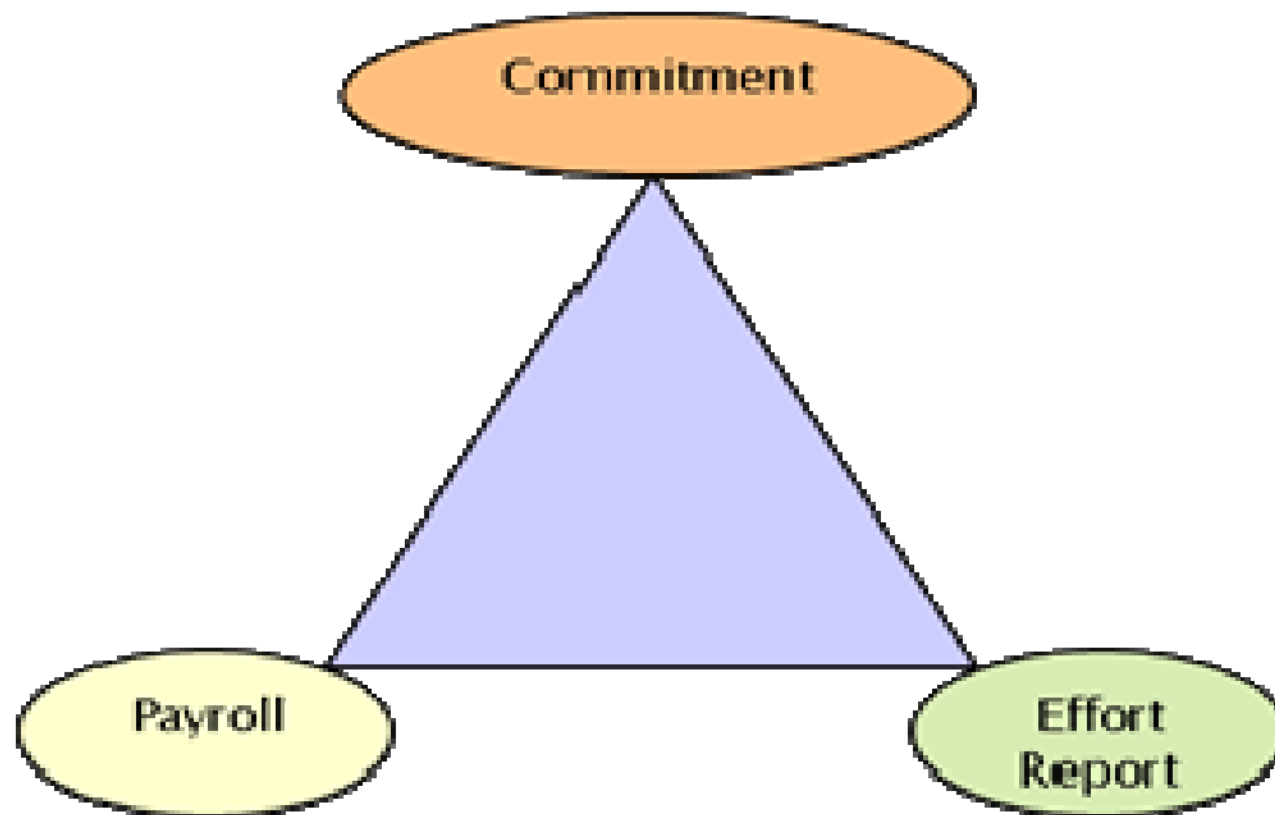
Key Effort Reporting Concepts

- All individuals paid from or with effort committed to a sponsored project are required to complete an effort report, per federal regulations.

- Effort reports should be approved by:
  - The employee, or a Principal Investigator/other responsible official with first-hand knowledge of <u>all</u> of the employee's effort, or
  - An individual who used suitable means of verifying that the work was performed.

- What are suitable means of verification?
  - The individual should have some documentation of how the time was spent that is certified.
  - Documentation could be in the form of a calendar, project reports, time cards.

Certifying Effort or Payroll?

- UM effort reports have pre-populated total percentages of payroll distributions for a starting point, since it is often assumed that payroll distribution is monitored and revised based on effort expended.

- However, these percentages may need to be revised during certification based on **actual expended effort**. UM Salary Redistribution Request Form must be submitted by the requesting department. Changes after effort has been certified will require effort recertification via the Effort Recertification Form. (Refer to UM1720 Cost Transfer)

- This after-the-fact confirmation is necessary for compliant effort reporting.

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Effort Certification

Need help?

| Summary | Detail | Grants | Administration | Approvals | Logged in as: ktillis (Administrator) |

Suppress Codes

Effort Summary for:
Fiscal Year: 2012

Fund	Org	Program	Account	Activity	Expensed %	Certified %	Expected Approver	Approved By/Date
110001 Undesignated E and G	222000 Economics	2000 General Academic Instruction	61210		18	18	Not Required	
110001 Undesignated E and G	278000 Bureau Business Economic Research	3300 Institutes and Research Centers	61210		53	53	Not Required	
228784 Reemployment Eligibility Assessment	278000 Bureau Business Economic Research	2600 Individual and Project Research	61210		7	7	Gnuschke, John	jgnuschk 06/06/12 15:20
114500 Cost Share	278100 BBER J Gnuschke	2600 Individual and Project Research	61210	228758 Customer Service Survey 2012	5	5	Gnuschke, John	jgnuschk 06/06/12 15:20
228671 Reemployment Eligibility Assessment	278100 BBER J Gnuschke	2600 Individual and Project Research	61210		2	2	Gnuschke, John	jgnuschk 06/06/12 15:20
228758 Customer Service Survey 2012	278100 BBER J Gnuschke	2600 Individual and Project Research	61210		5	5	Gnuschke, John	jgnuschk 06/06/12 15:20
228759 Workforce Technical Assistance	278100 BBER J Gnuschke	2600 Individual and Project Research	61210		5	5	Gnuschke, John	jgnuschk 06/06/12 15:20
249727 City of Memphis Forecasting	278100 BBER J Gnuschke	2600 Individual and Project Research	61210		5	5	Gnuschke, John	jgnuschk 06/06/12 15:20
Total					**100**	100		

Tabs: Summary, Detail, Grants, Approvals

- Summary- provides Fund, Program, Expensed%, Certified%, Expected Approver

- Detail- provides the month, account code, fund, org, and activity percent

- Grants- list of individuals on grant(s) by fund

- Approval-Forms awaiting approval

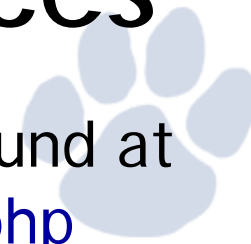# How Do We Certify Effort of Hourly Employees?

The time sheets completed in the Web for Time reporting system by bi-weekly employees - students, hourly/temporary employees – charged to restricted accounts or related cost share are considered as their effort certification. Bi-weekly employees do not have to complete the Effort Certification form.

What Happens If The Effort Certification Is Not Completed?

Failure to provide accurate effort certifications or failure to comply with the University's effort reporting requirements may result in financial penalties, expenditure disallowances and could negatively impact future external funding opportunities for the University. Research incentive will be held.

Effort Certification Resources

Instructions for completing the effort form can be found at
http://bf.memphis.edu/finance/accounting/effort.php

Why Offer The Summer 3+3 Scholarship?

- The reason for this initiative is to help students stay on the pathway toward a 4-year graduation.

- It awards eligible students the equivalent of free-tuition on up to 3 additional credits of coursework during the summer 2015 term, provided they take and pay for 3-credits on their own or through financial aid.

Who Is Eligible?

To be eligible, students must have:

- Applied for, been admitted, and enrolled as a First-Time, First-Year freshman for either the Summer 2014, Fall 2014, or Spring 2015 semester.

- Students must be currently enrolled during the Spring 2015 semester.

- Students must be in Good Academic Standing at the end of the Spring 2015 term.

How Does It Work?

- The scholarship in the amount of $882.00 is already posted on the students myMemphis account

- The scholarships will automatically apply to the second course registration once students pay for one 3-credit course in full plus the program fee and any departmental fees of the second course.

- Only tuition is covered by the scholarship. Student fees (e.g., program service fees, course fees, etc.) are not covered by the scholarship.

- Students must register for a minimum of two (2) on-ground courses for a total of 6-credit hours.
(Online courses do not apply)

Dropping A Course

- If dropped within the refund period, a credit would be applied to the student's account to be applied to a later summer course (if applicable). Any additional costs for the later course would be the student's responsibility.

- If it is dropped after the refund period, but during the withdrawal period; the student would not receive a credit.

  Note: If students do not utilize this offer, no funds can be applied to the fall semester.

Questions

Accounting Year-End Bucket List

Terrice Watson – Manager, General Accounting

Wendi Scott – Manager, Financial Reporting

Seven Things To Do Before FY-15 Rolls Over

1. Complete All Travel Claims.

2. Settle Supply Advances.

3. Review and Request Deobligation of Purchase Orders. (Travel and Goods/Services)

4. Ensure that all invoices for Goods and Services are forwarded to Accounting.

5. Request Your Future Year Travel Purchase Orders.

Seven Things To Do Before FY-15 Rolls Over

6. Review FGRODTA – Transaction Detail Report (ePrint Report)

7. Ensure FY-15 Fixed Asset Purchases are Properly Tagged.

Bucket List Resources

- Accounting Forms
http://bf.memphis.edu/forms/finance.php#accounting

- Review Open Encumbrances & ePrint Reports
https://my.memphis.edu

- Fixed Assets
http://bf.memphis.edu/finance/accounting/fixedassets.php

Change Is the Only Constant – Tigerbuy Update

Steve Lackey – Controller

Ed Antoniak – Procurement Specialist

Changes for Procurement and Contract Services Policies

Background:

- State audit finding regarding an inadequate segregation of duties for purchasing transactions.

- $15 million of the $36 million in Tigerbuy purchases were initiated and approved by the same individual.

- A process improvement team was formed to address the audit comment and identify a new process.

Changes for Procurement and Contract Services Policies – Con't

Key Process changes:

- We came to the conclusion that fraud risk is elevated to level that is not acceptable.

- The individual creating the purchase requisition cannot be the same person who approves the requisition.

- The Tigerbuy system will be modified to systematically prevent the requester and approver from being the same individual.

- The Banner roles of financial manager, designee, or approver can play any of the 3 Tigerbuy roles. The Banner approver role in Tigerbuy has approval authority only up to $5,000.

- The requester and receiver roles are for Tigerbuy only. (System Access form modified).

- Additional approval authority will be provided through the approval hierarchical levels of authority in Banner/Tigerbuy, when needed.

- We also need to emphasize and strengthen the review role of the financial manager. Their oversight is a critical part of the control environment.

- Tigerbuy training will not be mandatory but strongly encouraged.

- UM policies 1303 and 1507 and have been updated.

Changes for Procurement and Contract Services Policies – Con't

Transition / Implementation plan:

- March: Brief heads up presentation to Focus on Finance Group and Academic Business officers
- March: Presentation to VP B & F and AVPs, President's Council and Deans and obtain approval
- April: Presentation to Process Management Group
- April: Approval of policies by Policy Review Board
- April: Test system with Committee members
- April: Email notification of policy changes
- April and May: Attend various meetings across campus to communicate
- April: Update "System Access for Regular Employees" form
- May: Update where necessary documented procurement procedures
- May and June: Provide Tigerbuy training opportunities
- June: Send final email to financial managers to remind them of changes
- Go Live with new Tigerbuy policies – July 1, 2015

Questions

Who Knew? Training

Workshops	*Date*
Accounting Travel Workshop (SSB Travel PO) UC – Senate Chamber Room 261	Friday, May 22, 2015 2:00 - 3:30 PM
Fixed Assest Workflow UC – Senate Chamber Room 261	Mid-May 2015

What's New? Accounting Forms

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Supply Advance Reconciliation
Return to: Accounting, Admin Rm. 275

Today's Date:

Requestor's Information:

Name:

UID #:

Telephone #: **Advance Amount:** $ -

Index # & Account #: **Returned to Bursar:** $ -

Department: **Reconciliation Amount:** $ -

IRB #, if research: **Advance Balance (Due to Requestor):** $ -

Reconciliation Transactions – Please ensure that all detailed documentation is attached.

Supply Advance Reconciliation

<u>Reconciliation Transactions</u> – Please ensure that all detailed documentation is attached.

Date	Vendor	Amount	Description/Purpose
**Continued from Multiple Pages			
Total		$ –	

"Use additional spreadsheets if necessary.

_____
Signature of Requestor

_____
Date

_____
Signature of Approver

_____
Date

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Supply Advance Reconciliation
Return to: Accounting, Admin Rm. 275

Today's Date:

Requestor's Information:

Name:

UID #:

Telephone #:   **Advance Amount:** $ -

Index # & Account #:   **Returned to Bursar:** $ -

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Date	Vendor	Amount	Description/Purpose
Continued from Multiple Pages			
Total		$ -	

Use additional spreadsheets if necessary.

_____   _____
Signature of Requestor   **Date**

What's Due? – Bursar's Office

Activity	Due Dates
GA contracts due to Graduate School	Friday, May 01, 2015
Deadline for Departmental Fee Waivers to be received in Bursar's Office for payment	Monday, May 04, 2015
First day State, UT and TBR employees, using PC191 fee waiver program and students using the Disabled or Senior Citizen Reduced Tuition/Tuition Waiver may register for /Summer classes	Monday, May 04, 2015
Fee Payment Deadline for Students who register ONLY for Pre-Summer OR Pre-Summer and any other Summer part-of-term course(s) from April 6 to May 8	Friday, May 8, 2015 by 4:30 p.m.

What's Due? – Accounting Office

Activity	Deadline
Inventory Confirmations Due	**Wednesday, April 15, 2015**
Online Budget Revisions between Program Codes (i.e. Instruction, Research, Public Service etc.)	**Friday, April 17, 2015**
Book Airfare Reservation via Travelennium for Travel in FY-15	**Monday, June 08, 2015**
Complete Staples Purchase Orders (FY-15)	**Thursday, June 25, 2015**
Settle Travel/Supply Advances for FY-15	**Friday, June 26, 2015**
Submit Claims for Petty Cash Reimbursement	**Friday, June 26, 2015**
Deobligate Remaining Balances of Completed FY-15 POs (Travel - Email/Tigerbuy - Change Order)	**Wednesday, June 24, 2015**
Time Sheet for BW13 Biweekly Payroll (June 13th - June 26th) - EARLY!!	**Thursday, June 25, 2015**
Online Budget Revisions between Account Pools (i.e. Salaries, Travel, Operating, etc.)	**Friday, June 26, 2015**

What's Due? – Accounting Office

Activity	Deadline
Ensure Receipts posted for all FY-15 POs.	**Thursday, July 02, 2015**
Preliminary Reports Available on E-Print	**Thursday, July 02, 2015**
Deliver Invoices and Travel Claim Reimbursements to Accounting (FY-15)	**Thursday, July 02, 2015**
Submit Transfer Vouchers (FY-15 Corrections) to Accounting	**Monday, July 06, 2015**
Time Sheet for Split BW14 Biweekly Payroll (June 27th - July 10th)	**Friday, July 10, 2015**

Year End – Procurement
Current Year (2015) Purchase Requisitions/Orders

Deadlines for _Current Year_ (FY2015) Purchase Requisitions

April 15, 2015: FY15 requisitions that require bidding (≥$10k) and award of contract before July 1.
Notes: 1) All contracts that require a signed University-approved agreement, _regardless of the dollar or bid thresholds_ must be submitted to Procurement and Contract Services for approval prior to the contract start date. 2) Any purchases/contracts requiring TBR approval (≥$250k) must be completed and submitted to TBR by June 1, 2015, if the effective contract start date is July 1, 2015. 3) Any purchases/contracts requiring Fiscal Review approval (≥$250k, sole source, and a term of more than 1 year) must be submitted to TBR 75 days in advance of the start date.

June 23, 2015: FY15 requisitions that do _not_ require bidding. Emergencies will be reviewed on a case-by-case basis.
Reminder: For purchases initiated in the current year (FY15), accrued expenses will be processed as follows:
- If goods/services are received on or before June 30, 2015, the expense will be posted in FY15
- If goods/services are received after June 30, 2015, the expense will be posted in FY16

June 24, 2015: Cancel, adjust or deobligate remaining balances on FY15 purchase orders. Review open purchase orders and enter a Change Order Request form in Tigerbuy to cancel, adjust or deobligate purchase orders.

Year End - Procurement
Future Year (2016) Purchase Requisitions

Deadlines for *Future Year* (FY2016) Purchase Requisitions

April 15-May 5, 2015:	FY16 requisitions (≥$10k) that require <u>bidding</u> with an effective contract start date of July 1, 2015, to allow sufficient time for the bid process. *Note: All contracts that require a signed University-approved agreement, <u>regardless of the dollar or bid thresholds</u> must be submitted to Procurement and Contract Services for approval prior to the contract start date.*
May 6, 2015 or after:	FY16 requisitions that do not require bidding with an effective contract start date of July 1 may be entered any time on or after May 6, 2015; however, resulting purchase orders will not be released and sent to the vendor until the start of the new fiscal year (on or around July 1, 2015). If a vendor requires early notification that a purchase order is forthcoming on July 1, advise Procurement & Contract Services so that a Letter of Intent can be sent to the vendor. *The following process applies to entering future year (FY16) purchase requisitions mentioned above:* 1. *Access Tigerbuy e-Procurement System* 2. *From April 15 – June 30, under the "Billing Options" section, change "Accounting Date" to July 1, 2015. On July 1, allow system to default to "no value." Notice will be posted on the Tigerbuy Message Board and via email to active users indicating that the Accounting Date field can default to "no value."*
July 1, 2015 or after:	All other FY16 requisitions.

<u>**Note:**</u> Pursuant to accounting and auditing standards, requisitions for maintenance, service, & license agreements must be charged to the year in which they are effective. Example: If a software license agreement is effective July 1, 2015 to June 30, 2016, the requisition must be entered and charged to FY16.

Questions?

Next Focus on Finance
May 21, 2015
1:30 – 3:00 PM
UC Memphis Room 340

Comments or suggestions?
Email: bffin@memphis.edu

Focus on Finance website:
http://bf.memphis.edu/finance/focus