Essentials of Departmental Financial Operations

Presented by:
Financial Services

Nov. 2017

UNC Charlotte
Objectives & Introductions

Financial Services: Five Offices

- \textit{Roles & Responsibilities}
- \textit{Core Functions}
- \textit{Resources}

Campus Departments

- \textit{Financial: Roles & Responsibilities}

Contacts
Objectives

Intended Audience:
● Those who work with or are responsible for overseeing departmental financial transactions, budgets, and reports

Our Goal:
● Provide a high-level introduction to Financial Services
  ○ Organizational Awareness - Get to know Us!
  ○ Resources/Policies/Procedural Guidance
  ○ Training Opportunities
● Get to know YOU!
● Answer Your Questions - Open Dialogue
Objectives

By the end of this training, you should:

- Be familiar with each office’s role within Financial Services and how they work together
- Understand why certain information is needed by specific offices and who all it impacts
- Know where to find resources, guidance, and detailed training on specific topics, such as fund type/usage, expense account use, and financial management practices
- Be equipped to contribute to the overall management of your department’s finances
Polling Questions

- This course will be interactive!
- We encourage everyone to participate.
- Answers are anonymous
- Get Started...

Online at PollEv.com/aliciabartos050

or

Text ALICIABARTOS050 to 37607

- If using text, and want to change your response, text CLEAR or UNDO, wait for confirmation, then respond again
Introductions

Share:

- Name
- Department
- How long you’ve been with the University
- Why you signed up for this workshop/What you hope to learn?
What do you hope to learn?

- **General Organizational Knowledge**
  - Refresher/stay current with financial services & developments/initiatives
  - “Formalize” and enhance knowledge -- Away from “Seek and Find” knowledge
  - New Financial Resources

- **Policies and Procedures related to:**
  - Spending: Use of Funds
  - Budgeting
  - Cash Handling & Payments
  - Financial Reporting
  - Administrative Systems
  - Purchasing

- **Best Practices for:**
  - Reviewing Transactions in Banner
Financial Services

Business Affairs

- TOPS
- Facilities Management
- Risk Mgmt, Safety/Security
- Human Resources
- Internal Audit

Financial Services

Anne Brown, Associate Vice Chancellor for Finance

Employees, Positions, Salary Adjustments, Benefits, Separations

Audit Reports, Internal Control Weaknesses, Compliance Hotline for Fraud, Waste, & Abuse

Dining & Parking Fee Adjustments, Sales & Services

Buildings, Grounds, Repair, Renovation, Maintenance, Housekeeping, Motor pool

Depend on information from all areas in order to provide services

Financial Services Organizational Chart

Thursday, November 2, 2017
Introduction to Treasury Services

Presented by

Ellen Harris
Assistant Director of Investments & Debt
Ext. 7-5809
Affiliated Organizations

- UNCC Foundation
  - Institute for Social Capital
- UNCC Athletic Foundation
- UNCC Investment Fund
- Facilities Development Corporation, and
- Ventureprise

- Provide *central accounting and treasury services*
Affiliated Organizations

- Deposit and *record gifts* & other payments *to affiliates*
- Disburse and *record UNCC contributions* & other payments *from affiliates*
- Provide *customized external reports* upon request
University **Supporting Programs**

- Exclusive of state appropriations, tuition, fees, auxiliaries, grants and contracts.
- Includes University *endowments* and *trust funds* from the affiliated organizations.

- Provide *financial management*, *administration*, and *departmental assistance*. 
University Supporting Programs

○ Review and create **new fund requests** as needed
  ● (exclusive of Grants & Contracts Fund Setup Process)

○ Monitor the **use of funds** (University Policy 601.8)
  ● Journal voucher review & approval
  ● Fund analysis & analytical reports

○ **Automatic coverage of cash deficits** in University funds from related Foundation funds

○ **Financial data** for department budget planning
  ● Combined Endowment Report
  ● New Scholarship Report

○ **On-site trainings** upon request
Polling Question #1

Your poll will show here

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Universities utilize **Fund Accounting**

- Analogy: money entrusted to a “Bank” to be spent according to the “**Customer’s**” guidelines & restrictions

Color based on **Purpose & Restrictions**

- Determined when money comes into the University.
- Cannot be changed by anyone within the University.
- Drives many accounting decisions.

- Existing & New Fund Requests
How to Create a New Banner Fund

Link to form: http://finance.uncc.edu/sites/finance.uncc.edu/files/media/Forms/NewBannerFundRequestForm.xlsx

See Instructions tab for documentation needed depending on source of funds.

Remember to:
• Attach requested support
• Complete Attachment A
• Have the form signed and approved
Unrestricted Funds

- **Institutional Trust Funds**
  - Unrestricted gifts
  - Unrestricted endowment income
  - Contract/grant residuals
  - Certain Conference residuals
  - F&A Funds (Overhead receipts)
  - Sales and Services (Recharge Units, Conference & Event fees)
  - Student Auxiliary funds
  - Student fees

- **State General Funds (Appropriated)**

- Tuition and General Fee Revenue

Overseen by the Budget Office
Institutional Trust Funds (ITFs)

**Definition**
- *Non-appropriated* Funds that aren’t General, Special, or Capital funds
- Not bound by **G.S. 143C State Budget Act**, but *same guiding principles apply* *
- Source determines *allowable use of funds*

**AKA**
- ITFs
- Trust Funds

*Still bound* by other **State Budget Manual policies** such as *travel, personnel regulations, etc.*

Restricted and Unrestricted ITFs can be Discretionary
Endowment Funds

- True Endowment Funds
  - Only created by outside party
  - Must be held in perpetuity
  - *Only the income can be spent* (i.e., spending policy)

- Quasi Endowment Funds
  - *Management/Board decision to treat funds as endowment*
  - Generally, only income is spent, but *principal can be divested upon management decision*
  - Restrictions determined by the source of funds

- Term Endowment
Definition
Non-appropriated Funds held in the Foundation or Athletic Foundation

Can be used for
• If Restricted, uses must be consistent with donor restrictions
• If Unrestricted, spend in accordance w/Foundation board approved budget

Examples
• Donor gifts – Restricted & Unrestricted (Chancellor’s Fund)
• 420396 Esther Fishel Art Scholarship (670396)
• 448575 EPIC Manf. Research (660575)
Discretionary Funds

- Can be **Restricted** or **Unrestricted**
  - For *restricted funds (Ask, for Who?)*, if the outside party *did not restrict* the funds to certain *account codes* (*Ask, for What?* - books, scholarships), funds can usually be labeled as discretionary
  - Still *must have a business purpose (Ask, Why?)* and follow University expenditures policies and procedures

- Identification of Discretionary Funds
  - New funds are marked “Disc” when created (if applicable)
  - Older funds will be reviewed at dept.’s request to see if they qualify for discretionary spending
Restricted Funds

- Must be determined by external parties
- Restricted Appropriations
- Institutional Trust Funds:
  - Restricted gifts - restricted by donor for the college/dept
    - Can be restricted to how you spend the funds (e.g., scholarships)
  - Restricted endowment income
  - Grants and contracts (Exchange transactions overseen by GCA)
Research & Economic Development

Academic Affairs

Colleges & Library

Enrollment Mgmt.

Graduate School

Budget & Personnel

Metropolitan Studies & Extended Acad Programs

Academic Services

Research & Economic Development (RED)

Robert Wilhelm, Vice Chancellor
Grants & Contracts Administration (GCA)

Valerie Crickard, Interim Director, Ext. 7-1862
Award Management, Compliance & Control, Grant Services

Nikki Simmons, Sr. Contracting Manager, Ext. 7-1885

Chea Smith, Cost Analysis Manager, Ext. 7-1875

Funds: 5XXXXX
Overseen by GCA
Agency Funds: 83xxxx

Definition

- UNCC acts as *custodian or agent* with a fiduciary relationship to an organization, club, etc. associated with campus activities

Examples

- Student Orgs
  - 830278, Phi Kappa Phi
- Funds donated for *benefit of faculty/staff*
  - Flower, coffee funds
- Residual conference funds that *do not* belong to UNCC
  - 830271, UNC Financial System Conf 2013)

Can be used for any expenditures that comply with agency restrictions
# Main Colors of Money (Fund Types) at UNC Charlotte

<table>
<thead>
<tr>
<th>Fund Types</th>
<th>Fund Range</th>
<th>Source of Money</th>
<th>Purpose Restrictions*</th>
<th>Oversight/Resource</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Funds</td>
<td>100000-119999</td>
<td>State Appropriations, Tuition &amp; General Fees, Surplus Sales</td>
<td>Unrestricted; Must be used by June 30</td>
<td>Budget Office</td>
</tr>
<tr>
<td>ITF: Overhead Receipts</td>
<td>12XXXX</td>
<td>Sponsored Programs F&amp;A Fees</td>
<td>Unrest; BOG Policy 500.5</td>
<td>Treasury Services</td>
</tr>
<tr>
<td>ITF: Special Student Fees</td>
<td>134XXX</td>
<td>E&amp;T, Application, Course Fees, etc.</td>
<td>Unrestricted</td>
<td>AA Budget Mgr.</td>
</tr>
<tr>
<td>ITF: Unrestricted</td>
<td>137000-139699</td>
<td>Research Residuals, RU Revenue, Unrestr. Gifts through Foundation</td>
<td>Unrestricted</td>
<td>Treasury Services</td>
</tr>
<tr>
<td>ITF: Auxiliary &amp; Student Fee</td>
<td>33XXXX</td>
<td>Auxiliary Services Fees/ Revenues</td>
<td>Unrestricted</td>
<td>Budget Office</td>
</tr>
<tr>
<td>ITF: Grants &amp; Contracts</td>
<td>5XXXXX</td>
<td>Awards from Research Agencies (Fed, State, Non-Profit, Industry)</td>
<td>Restricted consistent with grant or contract agreement</td>
<td>Grants &amp; Contracts Admin</td>
</tr>
<tr>
<td>ITF: Restricted Foundation (initially)</td>
<td>6XXXXX</td>
<td>Scholarships, Fellowships, Restr. Gifts through Foundation</td>
<td>Restricted per donor requirements</td>
<td>Treasury Services</td>
</tr>
<tr>
<td>Agency</td>
<td>83XXXX-84XXXX</td>
<td>Membership Dues, Non-University related contributions/residuals</td>
<td>Restricted to designation (University acts like a bank)</td>
<td>Treasury Services</td>
</tr>
<tr>
<td>Capital</td>
<td>88XXXX</td>
<td>State Appropriations, Debt Proceeds, Auxiliary, Student Fees</td>
<td>Restricted to designation</td>
<td>Budget Office, Controller</td>
</tr>
</tbody>
</table>

**General Rule:** Cannot transfer b/t *General & ITF*, nor b/t *Restricted & Unrestricted*
Polling Question #2

Your poll will show here

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Concept: Transferring money **from one fund to another** to support another department/fund/program (via Journal Entry).

Example: Deficit cash coverage for a program in another department.

General Rule: A transfer of funds to another fund **must** follow the **SAME RESTRICTIONS** imposed by the external parties.

Examples:
- **Cannot** transfer Restricted funds to Unrestricted funds.
- **Cannot** transfer General Funds out of the General Fund.
Forms:
- New Banner Fund Request (Note: Refer to Awards Management for Grant Fund Setup)
- Banner Fund Name Change

Reports:
- Scholarship Report (Endowed or Non-endowed)
  - Spending Fund Balance & Endowed Spending Distribution Amount
- Combined Endowment Report
  - Spending Policy Distribution, Endowment Fund Balance*, By Org, then Fund Type

Contact your College/Unit Business Officer or Treasury Services for access
*(FY17 based on 12/31/15 balances)
Treasury Services - Important Takeaways

- Treasury Services is responsible for providing *central accounting and treasury services to affiliated organizations* (e.g., foundations); and *financial management, administration, and departmental assistance to University supporting programs* (e.g., endowment, agency, & trust funds)

- Funds hold different *use restrictions* depending on the source

- *Discretionary* funds have the most flexibility in terms of use
University Programs

- Provide budget planning, execution, and reporting for **State General Funds** (e.g. state appropriations, tuition and general fees), **Auxiliaries**, and **Student Fee** funded operations.

- Plan budgets for **Capital Improvement** projects (e.g. new buildings, major renovations, and campus infrastructure).

- Provide position budget management for **all fund types**.
University Programs

- Ensure state funds are spent according to NC General Statutes set by the General Assembly, as well as, state budget guidelines

- Process Budget Revisions

- Reconcile the University's General Fund budgets internally, as well as, with external organizations, (e.g. Office of State Budget and Management, Legislative Fiscal Research Division, and UNC General Administration)
Budget Office - Functions

University Programs

○ Reconcile salary budgets in the accounting system to ensure position funding for permanent employees

○ Analyze auxiliary and fee-supported budgets upon request

○ Coordinate the approval process for student tuition and fee increases
Polling Question #3

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The University has been granted additional financial and administrative authority as a “special responsibility constituent institution” (SRCI) under G.S. 116-30.1.

- **Things we must do to keep this designation:**
  - Maintain appropriate administrative staffing, procedures and internal controls
  - Resolve significant audit findings within 3 months
  - Support the ability to carry out Board of Governors - defined educational mission with our (General Fund) GF budget
  - Obtain BOG approval to establish new academic, research, public service or financial aid programs in the GF
  - Measure impact on student learning and development
  - Submit monthly GF budget reports to governing agencies

If the University was negligent or non-compliant with how it spend funds, the University would lose this designation.
Types of Expenditures

Ordinary Business Expenditures
are routine, operational, and easily documented as those supporting the University’s mission:

1. Faculty/Staff Salaries
2. Classroom, Research, and Support Equipment and Supplies
3. Plant Operation and Maintenance

Unallowable Expenditures

1. Those that bestow a personal benefit
2. Non-operational expenditures
“In-Between” Expenditures

are occasional non-operational expenditures that appear to present a personal benefit, yet support the University’s mission; thus, require additional documentation:

1. Refreshments/Food & Beverages (e.g., Alcohol)
2. Non-Travel Business Meals, Entertainment
3. Excess costs over state subsistence (Travel)
4. Gifts (Amenities), Awards, & Prizes
5. Convenience Items, Gross Up Payments (Taxable Reimb.)

Business Purpose (e.g., Student Activity, Conference, Training, Retreat, Reception, Recruitment, Relations, Development)
Use of Funds: Policies/Manuals/Guides

State Guidance:

  1. State Budget Act
  2. Budget Development
  3. Budget Execution
  4. Fiscal Policies and Regulations
  5. Travel Policies and Regulations
  6. Personnel
  7. Rule Analysis
  8. Reporting
  10. Glossary

University Policies:

- **601.8**, Appropriate Use of University Funds

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Budget Office  Treasury Services

UNC Charlotte - Financial Services  Thursday, November 2, 2017
## Standards & Allowable Fund Use Table - Allowable Expenses by Fund Type

*Partial View below*

<table>
<thead>
<tr>
<th>Type of Expense</th>
<th>Discretionary Funds</th>
<th>The General Fund</th>
<th>Special Funds</th>
<th>Institutional Trust Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Meals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(In Travel Status)</td>
<td>Subsistence (OSBM Budget Manual - 5.1.10-17)</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Exceeds Subsistence or Does Not Meet OSBM Requirements</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refreshments at Conferences &amp; Trainings</td>
<td>External (OSBM Budget Manual - 5.8.1-3)</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Internal (OSBM Budget Manual - 5.8.4-5)</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Food &amp; Beverage for Student-Oriented Activities (not in Travel Status)</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alcoholic Beverages and “Set-ups” (OSBM Budget Manual - 4.8.5)</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entertainment</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising, Marketing, and Promotional Items</td>
<td>X</td>
<td></td>
<td>Only if appropriated or received for this purpose</td>
<td></td>
</tr>
<tr>
<td>Articles of clothing</td>
<td>X</td>
<td></td>
<td>Only for safety/security need</td>
<td></td>
</tr>
</tbody>
</table>

Use of Funds

Thursday, November 2, 2017
Polling Question #4

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Budgets – General Guidelines

Principles are applicable to all fund types.

General Fund budgets are maintained by Budget Office and allocated annually at the divisional level. Division management establishes unit budgets at the fund level.

For all other fund types, budgets are the responsibility of Department Heads and Fund Managers.
Budgets should be:

- Tools to:
  - Define annual spending limits
  - Measure financial performance
  - Help discover errors
  - Detect substantial changes in business conditions
  - Help avoid unnecessary costs by ensuring that expenditures are reasonable, necessary, and adequately supported

- Realistic, reasonable, attainable

- Based on thorough analysis (of unit’s goals and objectives, etc.)
  - All budgets must support the University’s goals.

- Monitored against Actual financial results regularly
Think about your personal finances. When you cash your paycheck you put the cash in different envelopes (account pools) for expenses like mortgage, utilities, gas, food, and miscellaneous. Any time you need to change your spending plan, you would move cash from one envelope to another……..The same applies for departments’ budgets.

Budgets should be balanced each month using:

- **Report Central** (WebFocus Tool that uses Banner Tables)
  - **Departmental Financial Reporting** – Budget Availability
    - One year or Multiple Year Comparatives (FGIBDST) - **account** level
    - One year with Transaction Detail (FGITRND)

- **Banner Forms**
  - **FGIBAVL** – to see OL Balances at the **budget pool** level
Budgets – Resources

Forms:
- Budget Revision (BD606)
- Budget Flexibility Revision (BD607)
- EHRA Payroll/Personnel Action Form (PD-7)
- Temporary Staff Employment Authorization (PD-17)

Training & FAQs:
- Budget: Understanding the General Fund

Policies/Manuals/Guides:
- University of North Carolina (UNC) System  http://www.northcarolina.edu/
- Office of State Budget & Management (OSBM)
  http://www.osbm.nc.gov/library (for Current NC Budget Manual)
Important Takeaways

- Budget Office is responsible for budget planning, execution, and reporting for State General Funds, Auxiliaries, and Student Fee funded operations; budget planning Capital Improvement budgets; and Position Budget Management.

- The NC General Assembly sets the statutes that dictate how state appropriated funds can be used. ("State Budget Act" NCGS 143)

- Guidance, forms, and procedures in place to ensure the University maintains “special responsibility constituent institution” designation.

- Budgets should be realistic, reasonable, and attainable!

- Available Budget should be monitored at least monthly and Budget Revisions prepared as needed.
What did you learn?

Difference between:
Fund Types
  Appropriated, Trust, Agency, & Foundation Funds
  Restricted, Unrestricted, & Discretionary Funds

Use of Funds
  Ordinary, Necessary Business expense;
  Documentable expense;
  & Unallowable expense

Importance of Budgets:
  Tool that reflects strategic goals!
  Monitored/Revised regularly

Be back in 10 minutes!

UNC Charlotte - Financial Services
Food For Thought!

Think About:

- What services/programs does your department provide?
- What kinds of Funds support your programs? *Who is entrusting you?*
  - State appropriations, general tuition & fees (NC, Taxpayers, Students, Parents)
  - Auxiliaries & Student Fees (Students, External Customers)
  - Scholarships, Fellowships (Donors, Sponsors)
  - Grants & Contracts (Sponsors)
  - Restricted Gifts (Donors)
  - Unrestricted Gifts (Donors)
  - Recharge Unit (Customers)
- Who in your department manages the budget?
Introduction to Controller’s Office

Presented by
Formerly Compliance
Alicia Bartosch
Business Process Analyst
Ext. 7-5787

General Accounting
Amber Roberts
Reconciliation Accountant
Ext. 7-5787

Reporting & Fixed Assets
Wardell Kerson
Financial Reporting Accountant
Ext. 7-5785
Controller’s Office

- Business Affairs
  - Financial Services
    - Treasury Services
    - Budget Office
    - Controller’s Office
    - Financial Systems Support
    - Materials Management
Controller’s Office

Laura Williams, Controller

Vacant, Assistant Controller - Compliance
Heather Vetzner, Assistant Controller - Bursar
Ron Sanders, Associate Controller - Accounting & Disbursements
Tony Georges, Assistant Controller - Financial Reporting
Robyn Diehm, Assistant Controller - Tax & Payroll
Controller’s Office - Role & Responsibilities

All University Programs

○ Provides *direction and guidance* for *financial management* to campus departments, *monitors broad compliance* with accounting principles, and has *fiduciary responsibility* to ensure *accurate financial reporting* in accordance with *Financial and Governmental Accounting Standards Boards* (FASB and GASB) and state accounting requirements.

○ Provide *central business support and oversight* for *core business functions*. 
Controller’s Office - Core Functions

- **Accounting & Reconciliation**
  - Cash
  - Receivables & liabilities
  - Fixed assets

- **Cash Management**
  - Cashiering, e-commerce, & bank relations
  - Accounts receivable (primarily Student Accounts)
  - Tax & Payroll
  - Accounts payable, check writer, escheats
  - P-card
  - Travel and other business payments and reimbursements

- **Financial Reporting**

- **Business Process Management & Compliance**
The **General Accounting** department is a unit of the Controller’s Office charged with *preserving the integrity of the university’s general ledger* (assets & liabilities).

- Reconciliation and transmission of *accounting data* between the university and the North Carolina Office of the State Controller (OSC) on a *monthly* basis.
- Reconciliation of *bank accounts, subsidiary ledgers, balance sheet accounts* and accounting for *long term debt (i.e. bonds)*.
- We serve a critical role in the *year end closing* process, the *conversion to accrual basis accounting*, and the *preparation of the university’s financial statements*.

*As opposed to the operating ledger (revenue & expense), which campus departments monitor.*
Polling Question #5

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Preserving the integrity of the university’s general ledger also involves the **review and final processing of Journal Entry, Book Receipt, & Book Disbursements.**

- We work collaboratively with central offices across campus, to ensure all necessary fund/account approvals are in place before entries are posted.

- *All submitted by using the Financial Transaction Request (FTR) eForm!*

- See full [Journal Entry Guidelines](#) on General Accounting website
Checklist made easier with new FTR form:

✓ **Effective Date** (defaults to *Current date*)
✓ “**Journal Entry**” Type (*direct link* to the FTR Transaction Type will be provided)
✓ **Chart of Accounts** (defaults to *Chart 1 - University*)
✓ **Preparer** (*authenticated* with login credentials)
✓ **Approver** (defaults to *supervisor; or* another valid 800#)
✓ **Fund** and **Account** (*titles pre-populate* from Banner tables when valid codes are entered)
✓ **Description** (*required* per line, limited to 35 characters)
Checklist Reminders:

☐ **Check Banner** to ensure …
  - Fund balances available for *institutional trust funds* (FGITBSR)
  - Budget availability for *general funds* (FGIBDST)
  - Correcting entries have *not already* been *initiated*

☐ **Corrections/reclassifications** - include *Document Number* of the original transaction (e.g., I0529728)

☐ **Two-sided entry** - “Net Total” should be $0; **debits equal credits**!
  - Transfer *In/Out account codes* must be used to move cash between funds

☐ **Explanation** - *Clear, concise, and relevant*

☐ **Supporting Documentation** (e.g., screen print FGITRND and highlight the original transaction)
If you start to feel sick, remember to go to the ER.
P-card Transactions:

- **Corrections** and **reclassifications** should be made...
  
  *First, within Bank of America Works* during review and approval steps.
  
  *Second, a Journal Entry* must be completed **AFTER** the billing cycle reconciliation date or the transaction will not have posted to Banner.

Unpaid Encumbrances:

- You **cannot** correct expenses that have not occurred.
  
  - Contact your Purchasing Agent for encumbrances >$1
To investigate Journal entries, Travel documents, and Direct pay requests, a department can now login to Perceptive Content (formerly ImageNow) and search AP, TCP, and GA FTR documents using the Document #, or other filters. Purchase orders and related invoices can be researched in 49erMart. Below is a matrix maintained by FSS that contains frequently used Document Types (Banner Rule Codes) and the associated contact, if additional information is needed.

<table>
<thead>
<tr>
<th>If the Doc Type is:</th>
<th>Doc Type category</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>BDxx</td>
<td>Budget entries</td>
<td>Budget Office – Hong Vu</td>
</tr>
<tr>
<td>B11, B12, B14, B15, BCB, BAB</td>
<td>Budget entries</td>
<td>Budget Office – Kara Killough</td>
</tr>
<tr>
<td>CS1</td>
<td>Cash payments</td>
<td>Cashiers – Nicole Haire</td>
</tr>
<tr>
<td>INEI, INNC, INNI, CNNI</td>
<td>Invoice, A/P related</td>
<td>Accounts Payable – Jerri Painter</td>
</tr>
<tr>
<td>JNA, JEF, JEP</td>
<td>Internal charges</td>
<td>Accounts Payable – Melanie Sischo</td>
</tr>
<tr>
<td>JN6</td>
<td>Journal entries</td>
<td>General Accounting - Alice LaRocca</td>
</tr>
<tr>
<td>JFL, JFI</td>
<td>Mass Journal Entry</td>
<td>FSS - Paula Boettcher / Reporting - Wardell Kerson</td>
</tr>
<tr>
<td>JTV</td>
<td>Travel documents</td>
<td>Travel &amp; Complex Payments – Julie Hughes</td>
</tr>
<tr>
<td>POxx</td>
<td>Purchase Order related</td>
<td>Materials Mgmt – Dept Purchasing Agent</td>
</tr>
</tbody>
</table>
Polling Question #6

Your poll will show here

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Preserving the integrity of the university’s most liquid asset involves **Monitoring, Initiating, and Approving Cash transactions.** “It takes a village”

**Receipts:**
- **Certify Daily Deposits**

**Disbursements:**
- **Submit Daily Requisitions**
- **Research Vendor Payments**
  - Escheat Unclaimed Payments to the State
- **Transmit Wire Payments**
- **Administer Petty Cash & Change Funds**
Receipts

- **Use Diligence in Collecting**
- **Provide Internal Controls over Cash**
  
  Pre-numbered Receipt Book - “a receipt should be provided upon payment” when receiving cash or check. Bring with every deposit at Cashiers
  
  - If lost or stolen, privileges to collect monies will be revoked until found

- **Expedite Cash Movement**

  The Daily Deposit and Reporting Law (G.S. §147-77) *require the depositing of all funds on a daily basis and to report the same on a daily basis.* An *exemption* may be granted provided the funds to be deposited *do not exceed* $250.00 and that they are deposited *at least once per week*.

  - Receipts under $250 must be kept in a *secured, locked drawer/box* until deposited.
  - *Payment (credit/debit) card* transactions must be deposited regardless of amount.
Office of State Controller Objectives

Disbursements

- Use Diligence in Spending
- Provide Internal Controls over Cash

49er Mart Matching: Purchase Order, Receiving, & Invoice
Department Approval before Payment
How Cash Operates in North Carolina

Cash Management Control System (CMCS)
State Record Keeping Software System

Allows the university to **certify** receipts (i.e. tell the State Treasurer which bank deposits belong to UNCC) and **requisition** for disbursements (i.e. tell the State Treasurer how much cash we need to pay our expenses)

Certain funds are held in specific “banks” (i.e. Budget Codes)
- General Funds (1XXXXX-119999) = Bank AB
- Trust Funds (12XXXX-999999) = Bank ST
How Cash Operates in North Carolina

- **Deposits** - money received through the Cashiers Office is deposited with the State Treasurer and **certified daily** based on the Fund posted to Banner, and it’s associated “bank”.

- **Requisitions** - all payments disbursed through A/P checkwriter must be requested (requisitioned) by 10am **daily**, using our **Budget Codes**, so we can release checks.
University Policies:

- **101.15**, Additional Compensation for Professional Services to the University
- **101.18**, Gifts, Awards, and Prizes
- **311**, Information Security; Security Incidents
- **602.1**, Direct Deposit of Pay
- **602.3**, Petty Cash Fund and Change Fund
- **602.4**, Handling Cash, Checks, and Other Receipts
- **602.7**, Travel Authorization & Reimbursement

University Manuals/Guidance/Procedures:

- Requirements for Payment Card Processing
- Payment (Credit/Debit) Card Processing Procedures
- “How To” Guides
- Purchasing Card (P-Card) Manual; Allowable/Non-Allowable Expenses; Procedures
- Traveler's Guide: Know Before You Go; Travel Manual
- Petty Cash/Change Fund Procedures
Receipts & Disbursements – Resources

Forms:
- Cash & Check Deposit, Receipt Book Request, **Payment Book Receipts** (Interest Form)
- Vendor Information (W-9), Foreign Entities (W-8BEN-E), Foreign Persons (W-8BEN)
- Vendor Maintenance
- Direct Deposit Authorization for Vendors, “How to enroll” for Students & Employees
- Travel Forms, Mileage & Parking Only, Moving Reimbursement, Direct Pay Request
- Wire Transfer Direct Pay Request Form ($40 fee)
- **Payment Research Request (PRR)**
- Purchasing Card (P-card) Application & Agreement, Bank of America Works
- **Financial Transaction Request (FTR)** - Journal Entry, Book Receipt, Book Disbursement & Interdepartmental Invoice
Receipts & Disbursements – Resources

Trainings, Workshops, & FAQs:
● Paying for Travel at UNC Charlotte
● Complex Payments & Tax Guidance
● Purchasing Card Program Training & e-Commerce Training
Controller’s Office has *fiduciary responsibility* to provide *direction, guidance, and oversight* of *central business operations* to ensure *accurate financial reporting* and *compliance* with accounting principles.

General Accounting *preserves the integrity* of the university’s *general ledger through accounting, reconciliations, and cash management oversight*.

*Best practice is to deposit cash and check receipts daily, regardless of amount.*

Cash Management requires working cross-functionally with various departments within the Controller’s Office, as well as, across offices with Financial Systems Support.
Reporting & Fixed Assets

Tony Georges, Assistant Controller - Financial Reporting

Kim Seamans, Sr. Financial Reporting Accountant

Wardell Kerson, Financial Reporting Accountant

Kendra Chalmers, Sr. Plant Fund & Reporting Accountant

Cynthia Autenrieth, Plant Fund & Reporting Accountant

Aaron Helfenberger, Fixed Assets Officer

Karen Worthy, Fixed Assets Accounting Technician

Debbie Richard, Capital Projects Accounting Technician

UNC Charlotte - Financial Services
Thursday, November 2, 2017
The **Reporting & Fixed Asset** department is a unit of the Controller’s Office responsible for *external financial reporting and fixed asset accounting*.

- Coordination and preparation of annual financial statements.
- Management of the annual financial report audit.
- Oversight of the annual property inventory process.
- Respond to internal and external inquiries on university financials.
Polling Question #7

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Supports **Good Decision Making**

Demonstrates **Accountability** to Stakeholders

Measures **Financial Health & Performance**

Various Reporting needs:

- **Financial Statements**
- Contributors (e.g., NCAA, Donors, etc.)
- Regulators (e.g., Bond Issuers, Bond Rating)
- Management (Ad Hoc Reports/Projects)
  - Budget Revisions
  - Tuition Rates/Fees
  - Capital Finance Requirements
  - New Program Requirements
- Governing Bodies (Legislature, BOG, OSBM, OSC)
Financial Reporting - Understanding Your Role

Banner Finance Terminology...

- Org = Organization Code (Five Levels)
  - Organization = L1
  - Division = L2
  - College/Admin Unit = L3
  - Department = L4
  - Sub-Department = L5

FTMFUND - Search for Funds by Org

- Program = Purpose Category

Note 10 - Operating Expenses by Function

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>$190,818,194</td>
</tr>
<tr>
<td>Research</td>
<td>21,692,525</td>
</tr>
<tr>
<td>Public Service</td>
<td>2,539,732</td>
</tr>
<tr>
<td>Academic Support</td>
<td>40,061,047</td>
</tr>
<tr>
<td>Student Services</td>
<td>22,162,636</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>34,437,783</td>
</tr>
<tr>
<td>Operations and Maintenance of Plant</td>
<td>51,790,666</td>
</tr>
<tr>
<td>Student Financial Aid</td>
<td>35,229,300</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>84,751,933</td>
</tr>
<tr>
<td>Depreciation/Amortization</td>
<td>24,731,108</td>
</tr>
</tbody>
</table>

Total Operating Expenses                         $ 508,214,964
Financial Reporting - Understanding Your Role

Banner Finance Terminology...

- **Fund** = Office/Purpose
  - Every Fund is linked to a **Fund Type, Org Code, Program Code (FTMFUND)**
Banner Finance Terminology...

- **Fund Type** and **Program** determines **Net Position Category**!

**NET POSITION**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Investment in Capital Assets</td>
<td>692,328,641</td>
</tr>
<tr>
<td>Restricted:</td>
<td></td>
</tr>
<tr>
<td>Nonexpendable:</td>
<td></td>
</tr>
<tr>
<td>Scholarships and Fellowships</td>
<td>5,136,770</td>
</tr>
<tr>
<td>Endowed Professorships</td>
<td>29,114,153</td>
</tr>
<tr>
<td>Departmental Uses</td>
<td>3,949,735</td>
</tr>
<tr>
<td>Loans</td>
<td>2,120,435</td>
</tr>
<tr>
<td>Other</td>
<td>215,998</td>
</tr>
<tr>
<td>Expendable:</td>
<td></td>
</tr>
<tr>
<td>Scholarships and Fellowships</td>
<td>3,926,585</td>
</tr>
<tr>
<td>Research</td>
<td>55,637</td>
</tr>
<tr>
<td>Endowed Professorships</td>
<td>11,755,157</td>
</tr>
<tr>
<td>Departmental Uses</td>
<td>3,732,678</td>
</tr>
<tr>
<td>Capital Projects</td>
<td>22,218,093</td>
</tr>
<tr>
<td>Debt Service</td>
<td>562,597</td>
</tr>
<tr>
<td>Other</td>
<td>981,319</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>181,239,349</td>
</tr>
<tr>
<td>Total Net Position</td>
<td>$ 957,337,147</td>
</tr>
</tbody>
</table>

**Digit 1:**
- 'U' - UnRestricted - fund type 10-19, 30-39, or NETASSET attribute = U
- 'R' - Restricted - All others

**Digit 2-3:**
- 'NX' - NonExpendable - fund type 40-49 or if NETASSET attribute = P
- 'EX' - Expendable - All other funds

**Digits 4-5 is the program type as follows:**
- 00 - no program
- 01 - Program 10x00 - Instruction
- 10 - Program 11000 or 40100 - Research
- 20 - Program 20x00, 21x00, 22x00 - Auxiliary
- 30 - Program 23000 - Financial Aid
- 40 - Program 14X00 - Public Service
- 50 - Program 15X00 - Academic Support
- 60 - Program 16x00 - Student Services
- 70 - Program 17X00 - Institution Support
- 80 - Program 18X00 - Operations & Maintenance
- 90 - Program 25x00, 27x00, 70x00, 99000 - other
Financial Reporting - Understanding Your Role

Banner Finance Terminology...

- **Account** = Type of Activity or Balance reported in financial statements!

  - **Operating Ledger (Activity)**
    - Revenues = 1XXXXX
    - Expenses = 9XXXXX
    - Transfers In/Out = 8XXXXX

  - **General Ledger (Balances)**
    - Assets = G1XXXXX
    - Liabilities = G2XXXXX
    - Net Position = G3XXXXX

When choosing an account code, Ask **WHAT?**
(Not Why!)
Financial Reporting - Understanding Your Role

Capital Assets
The expense account chosen when purchasing *equipment*, *furniture*, and *other assets* also has a direct impact on reporting.

The Capital Assets footnote is compiled from expense transactions posted to capital accounts.

```
NOTE 5 - CAPITAL ASSETS

A summary of changes in the capital assets for the year ended June 30, 2015, is presented as follows:

<table>
<thead>
<tr>
<th>Capital Assets, Nondepreciable:</th>
<th>Balance</th>
<th>Increases</th>
<th>Decreases</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and Land Improvements</td>
<td>$7,452,329</td>
<td>$3,635,885</td>
<td>$0</td>
<td>$11,088,214</td>
</tr>
<tr>
<td>Art, Literature, and Artifacts</td>
<td>$30,458,181</td>
<td>$1,144,636</td>
<td></td>
<td>$31,602,817</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>$78,254,915</td>
<td>$100,091,967</td>
<td>92,364,171</td>
<td>$85,982,016</td>
</tr>
</tbody>
</table>

| Capital Assets, Depreciable: |
|--------------------------------|---------|-----------|-----------|---------|
| Buildings                      | $871,360,351 | $82,221,769 | 2,030,207 | $953,582,120 |
| Machinery and Equipment        | $105,328,197 | $7,617,855 | | $111,115,845 |
| General Infrastructure         | $212,959,470 | $8,709,189 | | $220,768,659 |
| Computer Software              | $7,489,059 |            | | $7,489,059 |
| Total Capital Assets, Depreciable | $1,156,237,077 | $90,748,813 | 2,030,207 | $1,282,955,683 |

Less Accumulated Depreciation/Amortization for:

<table>
<thead>
<tr>
<th>Building</th>
<th>Machinery and Equipment</th>
<th>General Infrastructure</th>
<th>Computer Software</th>
<th>Total Accumulated Depreciation/Amortization</th>
</tr>
</thead>
<tbody>
<tr>
<td>$131,841,350</td>
<td>$56,142,110</td>
<td>$29,139,796</td>
<td>$657,574</td>
<td>$217,780,786</td>
</tr>
<tr>
<td>$15,516,090</td>
<td>$5,761,787</td>
<td>$4,306,194</td>
<td>$444,448</td>
<td>$26,028,519</td>
</tr>
<tr>
<td>$1,724,611</td>
<td></td>
<td></td>
<td></td>
<td>$1,724,611</td>
</tr>
<tr>
<td>$242,084,706</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Capital Assets, Depreciable, Net | $978,456,279 | $72,720,294 | 305,566 | $1,050,670,777 |

Capital Assets, Net | $1,094,621,704 | $177,592,744 | $92,670,313 | $1,179,544,135 |
```
Capital Assets

● Capital v. Non-capital Thresholds
  ○ $5,000 for each piece of equipment/furniture
  ○ $100,000 for each item of software
  ○ Items whose costs are equal to or greater than these thresholds are considered *capital* and will be depreciated over their estimated useful lives

● What’s included in the cost of each item?
  ○ Purchase price + **all costs necessary to place the asset in service**, including: Shipping and delivery costs, setup and installation costs, legal fees, sales tax
  ○ Allocate if multiple items purchased with one shipping charge.

● Don’t lump total costs if separable items and services are being purchased.
● Include internal notes with a full description of what is being purchased.

Importance of Using Correct Accounts

Every time you choose which **FUND & ACCOUNT** to use, you determine the reporting category.

If expenses are **coded incorrectly**, it may result in **bad information**.

**Bad information** may result in **bad decisions**!

Your Decisions
Make a Difference!!!
Monthly Monitoring & Analysis

- **Review** revenues and expenses in summary, as well as a sampling.
  - Identify trends, areas of concern/interest, and training needs
- **Research** causes of significant errors, deviations, or exceptions
- **Reconcile** departmental records and/or subsystems to the administrative system of record (Banner).
- **Take Action** on errors or exceptions before the next cycle ends
- **Document, Document, Document!!**
Importance of Reviewing Transactions

It’s more than just the right account code!

A *monthly “Checklist”* of procedures is a great way to review your transactions and balances to support a *List of Assertions*.
Polling Question #8

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Review Revenue, Expense, & Transfer accounts:

- Occurrence – Did the transaction that was recorded actually happen?
- Accuracy—Is the amount, account, and other data recorded correctly?
- Classification—Are transactions recorded in the proper type of accounts?
- Completeness—Is all revenue and expense activity captured?
- Cutoff – Are transactions recognized in the correct period (June 30 Only)?

Reconciling Items may indicate:
- Timing Differences/Processing
- Loss/Theft
- Errors (Wrong Fund, Account, and/or Amount, Missing or Duplicate postings, Processing Errors)

Reminder: Transactions should be recorded Timely…(in line with Cash Management)

- Receipts should be deposited daily (Book Receipts submitted when electronic payment received)
- Invoices paid by due date
- Corrections made as soon as discovered (e.g., Journal Entry)
Using the “Checklist” to...

Review Revenue, Expense, & Transfer accounts in Banner:

By Organization, Program, and/or Fund

Report Central (WebFocus Tool that uses Banner Tables)

Departmental Financial Reporting – Budget Availability

One year or Multiple Year Comparatives (FGIBDST) - account level

Look for Possible RED FLAGS

✓ “Other” or “Miscellaneous” accounts; Transfer accounts (8XXXXX)

One year with Transaction Detail (FGITRND)

✓ Format, Sort, Sum, Search, Utilize VLOOKUP; Sample Transactions

✓ Find Function (Ctrl+F); Data: Sub-total By Account, Fund, Document #, etc.

Banner Form

FGIBDSR – Executive Summary: Shows Account, Title, Adjusted Budget, YTD Activity, Commitments, Available Balance for all individual accounts, and Net Total for all accounts.
Reviewing for Encumbrances

Reviewing for open encumbrances at least monthly will assist departments when reconciling internal balances to those posted in Banner.

How encumbrances are closed/liquidated:

- Normally, encumbrances are liquidated when an invoice related to the PO is entered into 49er Mart, matches the PO and Receipt(s) and integrates to Banner.
- Any open encumbrances should be closed out as they are determined to be no longer needed.
  - Encumbrance balances $\leq$ $1$ will be eliminated automatically every Friday night.
  - For encumbrance balances $>$ $1$, departments must review their funds to determine how to close out the encumbrance.

To close the PO, email your Purchasing Agent. (A comment can be emailed directly from the PO in 49er Mart; this helps for future reference purposes.)
Review Encumbrances in Banner:

By Organization or Fund

Report Central (WebFocus Tool that uses Banner Tables)

Departmental Financial Reporting – Open Encumbrances Report (ePrint FGROPNE): Displays header information and remaining encumbered or reserved balance amounts for open purchase orders, requisitions, and general encumbrances.

You can search on your Org for all open encumbrances, and use this for Encumbrance clean-up!

Banner Form - FGIENCD – Detail Encumbrance Activity: Displays encumbrance details. (i.e. invoices that have been applied against the encumbrance) Accessible via FGROPNE.
Using the “Checklist” to...

Review Encumbrances in 49er Mart:

By Document

Query on your department’s POs (‘Partially Matched’ or ‘No Matches’)
Can customize and save search criteria
Using the “Checklist” to...

Review Asset accounts and Fund Balances:

- **Existence**—Does the equipment actually exist and is it still in your possession?
- **Completeness**—Has all equipment you have acquired been recorded?
- **Rights and Obligations**—Does the University hold or control rights to all equipment reported? (if not, notify Reporting & Fixed Assets Department)
- **Valuation or Allocation**—Is equipment recorded at appropriate values and not damaged or obsolete?

Physical Assets

- A physical inventory of all equipment must be conducted on an annual basis. All discrepancies must be promptly reported and investigated.
Using the “Checklist” to...

**Review Asset accounts and Fund Balances in Banner:**

By Organization, Fund Type, Fund

Report Central (WebFocus Tool that uses Banner Tables)

**Departmental Financial Reporting – Trial Balance**

One year or Multiple Year Comparatives (FGITBSR) - **Summary**: Shows Current Fund Balance, Beginning and Current Account Balances within a Fund/ Fund Type and/or Account /Account Type.

One year with Transaction Detail (FGIGLAC) – **General Ledger Activity**: Shows transactional history for a specific Fund and Account combination. Accessible via FGITBSR and FGITBAL.

**Net Position (Fund Balance) – Should be monitored Regularly**
The resources we look to and the process that occurs when you ask us an account question:

- OSC’s Chart of Accounts for NC Accounting System (NCAS)
  Our Banner accounts are linked to these accounts
- UNC System Chart of Accounts
- Our internal UNC Charlotte documents

OSC NCAS (NC Accounting System) Data Elements - Account Listings: [http://www.osc.nc.gov/sigdocs/sig_docs/sigNCAS_Data_Elements.html](http://www.osc.nc.gov/sigdocs/sig_docs/sigNCAS_Data_Elements.html)


UNC Charlotte Account Code Resources On Financial Reporting website
- List of Expense Account Codes (most commonly needed/used)
- Expense Account Code Descriptions (all accounts)
- FAQs on Account Code Use
Financial Reporting - General Rules

  
  Updates will be communicated to BusinessOfficers-group@uncc.edu, FundAdministrators-group@uncc.edu, & Admin-Chat-Room-group@uncc.edu

- NOT an exact science!
  - Goal = **Consistency**

- Remember, Account = **What**, Fund = **Why**

- Consult **Reporting & Fixed Assets department**

- Avoid using “**Other**” or “**Miscellaneous**” accounts for recurring expenses
  - If you do not see a description that fits your situation, **ask**! We may need to revise an account description or create a new account.
Decisions are only as good as the information used to make them. *Bad Information* → *Bad Decisions*!

- *YOU* are the source of the information in Banner.

- Transactions and budgets should be monitored on a regular basis.

- Look for *RED FLAGS* (“Other" or “Miscellaneous” expenses; Large Variances).

- Ask *What*, not *Why* when determining account codes.
  - Fund indicates the *Why*.
  - *Goal = Consistency*

- Know your Resources.
How Are Your Review & Analytical Skills?

Quick Activity: Let’s practice your attention to detail by counting the number of times the letter f (or F) appears in the box below.

How many 'f's?

FINE POINT
It is easy to miss the finer points in life. Folk are frequently guilty of falling into this trap.
What did you learn?

Controller is responsible for:
- Cash Management
- Financial Reporting
- Compliance

Importance of Accounts:
- Bad Information = Bad Decisions
- Consistency is Key!
- Ask Why?
- Monitored regularly
- Correct with journal entry

It Begins with YOU!
- Organizational Awareness
- Policy/Procedures/Guides
- Training
- Relationships

Be back in 10 minutes!
Introduction to Financial Systems Support

Presented by

Elizabeth Palian
Assistant Director & Senior Systems Support Analyst
Ext. 7-0282
Financial Systems Support (FSS)

Heather McLendon, Director

Elizabeth Palian, Assistant Director

Lloyd Tiamfook, Business Systems Analyst

Derik Screen, Financial Services Reporting Analyst

Paula Boettcher, Financial Systems Application Technician

LaTonja Miller, Financial Systems Security Administrator

Donna Cochran, Kronos System Administrator

Denice Ferguson, 49erMart System Administrator

Richard John, Business & Technology Applications Analyst

Thursday, November 2, 2017
Polling Question #9

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Polling Question #10

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University
- Support and train users of core university administrative systems
  - (e.g., Banner Finance/HR Position Control/Accounts Receivable/Grant Billing modules, 49er Mart (eprocurement), Kronos (time/leave reporting), and other ancillary applications)
- Prepare and monitor Banner financial job production schedules to ensure accurate and effective data administration.
- Administer access to administrative system via security procedures.
- Serve as liaison between Financial Services, Technical Operations and Planning (TOP), and Information and Technology Services (ITS)
  - Prioritize new development, projects or modifications to existing system processes for Financial Services and work with ITS to develop requirements, test, and implement results.
Financial System Support - Resources

Forms:
- Banner Finance/49er Mart Access Request
- Banner Request for Position Control Access
- Banner Request to Change Financial Manager
  - Banner Organization Code/Financial Manager Chart

Charts/Tables:
- Chart of Accounts: Account Types
- Chart of Accounts: Fund Hierarchy
- Chart of Accounts: Fund Types
- Chart of Accounts: Range of Expenditure Account Numbers and Budget Pools
- Departmental ePrint Reports
Financial System Support - Resources

Trainings, Guides, & FAQs:

- Banner Finance/49er Mart Training
- Banner Finance Quick Reference Card
- ePrint User Guide
- Kronos Customer Support (Timekeeping Project)
- Banner Web Time Entry
  - (Timekeeping for student and temporary employees)
- Electronic Personnel Action Form

FSS is available for one-on-one or group training by request for Banner Finance, 49er Mart and possibly other applications if needed.

Available in Canvas: https://canvas.uncc.edu/
FSS - Important Takeaways

- Banner & 49erMart *training* is available through [Canvas](http://finance.uncc.edu/about-us/financial-systems-support)
- Access Request Forms available on the FSS website under “*Forms*”
- Get to know “The Man Behind the Curtain”
- For Banner Questions, contact [finsystems@uncc.edu](mailto:finsystems@uncc.edu)
Introduction to Materials Management

Presented by
Salima Iskra
Purchasing Agent
Ext. 7-7324
Materials Management - Role & Responsibilities

- University
  - Responsible for all *purchases* and *business contracts* with the University
  - Manage the *procurement process*
  - Provide a multipurpose source of *supplies* and *equipment*
Materials Management - Core Functions

- University
  - Provide central *purchasing authority & assistance*
  - We are the representative of the North Carolina division of Purchase & Contract
  - Review requests to ensure *compliance* with state procurement laws
  - Conduct the *formal solicitation* process for all Bids and Proposals
  - Review and secure authorized signature for all *business contracts* with companies and individuals
  - Educate campus users on the *procurement process*
Polling Question #11

Your poll will show here

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Polling Question #12

Your poll will show here

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or
Open poll in your web browser
UNC Charlotte has delegated authority from state Purchase & Contract and must follow their rules:
- University delegation is $500,000
- Purchasing rules applied *regardless of fund source*
- *Grant* purchases follow the *same rules as state* funds
- Competition is *required* once the bidding threshold is reached
- The state sets the rules that UNC Charlotte must follow and they are applied to all purchases

**Statewide Guidance:**
- North Carolina Department of Administration (NCDOA) - [Purchase & Contract; Debarred Vendors; Surplus](#)
State Competitive Bidding Requirements

- Competition is required if requests exceed $5,000
- Procurements up to $25,000 can be informally conducted by collecting competing quotes
- Formal solicitations are required at $25,000+
  - Posted to the Interactive Purchasing System (IPS)
- Competition requirements may be waived on a case by case basis
  - Waiver of Competition justification from the department must be submitted to Purchasing
  - Requests may NOT be split to avoid bidding requirements
State Competitive Bidding Requirements

○ An Invitation for Bid (IFB) is conducted to secure prices for known items
  ● Award made to lowest bidder meeting specifications

○ A Request for Proposal (RFP) is conducted when we know the needed result but ask vendors to propose overall best value process solutions
  ● Award made to the highest scoring firm on the evaluation representing the overall best value
Contracts are *required* every time the University engages with a *company* or an *individual* (special rules govern Consultants)

- State’s competition rules still apply
- Establishing the document protects both parties by defining the scope, terms, and liabilities
- Individuals require an Independent Contractor Checklist

- Templates available
- Review required to ensure compliance with North Carolina law
  - Purchasing Office will *review* and *negotiate* contracts provided to departments by Contractors
  - Purchasing will also verify we have a copy of the Contractor’s liability insurance on file
- Must be *signed* by both parties
Materials Management - Resources

University Policies:
- 601.10, Surplus Property Procedures
- 601.11, Purchasing Policy
- 601.15, Control and Management of University Equipment and Other Property
- 603.1, Authority to Sign Contracts and Other Official Documents

University Manuals/Guidance/Procedures:
- Purchasing Manual
- Contract Checklist
- Independent Contractor/Employee Checklist
- “How To” Guides
- Purchase Order Terms & Conditions or General Contract Terms & Conditions
Forms:
- Contract Template
- Personal Services Agreement Template
- Pre-payment Authorization Form (For Goods & Services)
- Pressing Need Form
- Return Goods Notice
- Waiver of Completion Justification
- Fixed Asset Forms

Trainings, Workshops, & FAQs:
- Materials Management & Accounts Payable 101
- Purchasing 201: The Competitive Solicitation Process (Request for Proposals)
Materials Management - Important Takeaways

- All purchases and business contracts must be reviewed by the Purchasing Office.
- Must have competing quotes for purchases over $5,000.
- Procurements over $25,000 must go through a formal solicitation process.
- Individuals require an Independent Contractor Checklist.
See how Departments within Financial Services Work Together
Department Financial Activity

Presented by

Formerly
Alicia Bartosch
Business Process Analyst
Ext. 7-0950
Roles and Responsibilities

Dept. Head

Fund Managers/ Business Officers

Financial Support Staff/ Fund Administrators

Fiduciary Responsibility... to those entrusting you

Manages designated funds

Adhere to policies applicable to job duties
Delegation Criteria

Dept. Heads who delegate responsibilities to a Fund Manager (“Financial Managers”) or additional personnel, depending on dept. size & complexity, must:

Prior to delegation --
- **Consider the circumstances:** condition of funds, competence of potential fund managers, and degree of supervision that will be required.
- **Communicate** clearly and completely.
- **Verify the delegate’s understanding** of responsibilities.

During delegation --
- **Retain fiduciary responsibility** for accuracy and compliance and retain management-level decision making.
- **Retain open communication** with delegate.
- **Regularly monitor and assess** each delegate’s performance.
Each University department requires *financial resources* to perform its role according to the University’s mission of education, research, and public service. Therefore, departments are responsible for meeting financial objectives on an *ongoing* operational basis to ensure *proper stewardship* of University resources.

1. Planning
   - Strategic Goal Alignment (Mission/Vision)
   - Cost/Benefit Analysis
2. Transactions, Corrective Actions, & Proper Controls
3. Training and Competence
Department Responsibilities

Reasons we require department level management and analysis:

1. Provide accurate financial reporting
   ● Recording transactions

2. Spend money wisely in accordance with the University’s goals

3. Safeguard assets
   ● All thefts of University assets, including cash, must be reported to the police.

4. Safeguard confidential and sensitive information

5. Manage finances effectively
   ● Maintain adequate levels of cash to meet operational and capital requirements. Most related responsibilities remain with Financial Services.

6. Avoid financial penalties & fraud
   ● Sufficient knowledge of and compliance with applicable financial and control policies, standards, and regulations to foster an environment where financial penalties are avoided and fraud is prevented.
Department level financial management and analysis must be completed at least monthly for the following reasons:

- Banner output is used as the **basis for management decisions**.
- Accounting must be accurate and timely in order for management to **evaluate the status of budgets, funds, cash flow**, etc.
  - Accuracy, timeliness, and obtaining proper approvals will also minimize the need for correcting entries.
- Budgeted labor and expenditure balances by fund and account must remain positive to ensure that reporting and certifications are submitted on time to the state and **budgeted cash flow is not disrupted**.
- Cash flow problems may have a **negative impact on vendor relationships** and create complications that affect multiple departments.
- Monthly analysis and validation enable **more efficient month-end and year-end close processes** since corrections and other entries are made timely.
Other Financial Resources

University Policies:
● 102.2, Conflicts of Interest and Commitment

Financial Management Guidelines:
● P.19 - Other Banner and ePrint Forms and Reports that may be helpful
● P.21 - Overview of Banner forms and reports related to financial management
● P.25 – Appendix 1: Contacts for Fund Use Guidance
● P.28 – Appendix 2: Budget Pool Accounts
● P.29 – Appendix 3: Components of Internal Control

Internal Controls

Business Updates
Important Takeaways

- Departments are responsible for meeting financial objectives on an **ongoing** basis to ensure **proper stewardship** of University resources, which are needed to carry out the University’s mission.

- It all begins with YOU!
  1. Planning
  2. Transactions, Corrective Actions, & Proper Controls
  3. Training and Competence
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<tr>
<th>Topic</th>
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<td>New Fund Setup (non-GCA) &amp; Trust Fund Use</td>
<td>Treasury Services</td>
<td>Sonja Austin, <a href="mailto:slaustin@uncc.edu">slaustin@uncc.edu</a></td>
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<td>Endowments</td>
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<td>General Fund Setup, Budgets, &amp; Use</td>
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<tr>
<td>Equipment, Furniture, Other Asset Purchases</td>
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<td>Administrative Systems (Banner, 49erMart, etc.)</td>
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Thank you!

Financial Services website:

finance.uncc.edu