

# **BUSINESS AFFAIRS OFFICERS COMMITTEE**

**Agenda-August 1, 2018**

**1:30 – 3:00 p.m.**

**4339 FAB**

## **Call to Order**

Shelley Clifton  
Angela Strickland

5 minutes

Meeting called to order at 1:31pm

- No previous meeting minutes to approve (previous meeting was a working meeting)

## **New Business**

Tamaka Butler introduced Bryan Dadey as Sr. VP Finance & Deputy CFO, Office of AVP & Controller

Fiscal Year End Information - Tamaka Butler / Carol Malewich / Tony Miller / Naresh Bhatia

It's important if you have received a good or service in fiscal year 2018 that the receiver is approved by September 30<sup>th</sup>. We want to make sure that if receivers are put in at September 30<sup>th</sup>. The auditors do ask for these receivers and they review the process and if we are documenting when receivers are done. October 4 is the last day to submit cash receipts. Date of cash receipts should reflect the date the cash showed up on campus. Example if check is dated 9/30/18 but shows up on 10/2 it should be recorded as 10/2. Preliminary close is October 7<sup>th</sup>, starting October 8<sup>th</sup> we will be in period 14, and October 8<sup>th</sup> is the final deadline to submit Journal Vouchers for FY18.

Reminders, please do not hold invoices on desk in drawers, get those processed. Change orders and receivers need to be done through the complete system. If you need help navigating WayneBuy there are job aides out there to help you search for documents based on your criteria. With these you can search info, export info, to drill down and find out what the status is of an invoice, this allows you to work with people in your area to make sure they are complete.

As we get closer to 9/30/18 we will start looking at the transactions to see if things are put in the correct bucket of 18 or 19. So we have some audit rules in place to help us look to see that things are feeding in the correct year. Any questions on running reports or pulling data feel free to give us (Disbursements a call).

Payroll memo was mailed out in July with 50 percent accrual for bi-weekly pay period 21.

Prepaid expenses general accounting review at above 25K. If you are looking to book a lower amount let General Accounting know so they can work with you. Generally we will want to keep continuity in place and if a prepaid occurred in FY17 and the amount is lower than \$25K we will book again in FY18 if we determine it is feasible.

All accruals of expenses will be reviewed at 25K and above and which goods and services

are received in FY18 but are expensed in FY19. So if you have any invoices not in the system please let General Accounting know of disbursements and we will take a look to see if this is an invoice to be accrued.

Unbilled receivables Tamaka has indicated if we have not received the invoices which the amount is material accounting will need to book the receivable.

Also if we receive petty cash in October related to September services then those should be recorded as unbilled. Obviously everything has a threshold but if you do have large deposits let us know. One of things the auditors like to do is look at October bank statements.

Write offs, we write off over 2 years these will be posted September 6<sup>th</sup>. Bad debts are more than one year old and they will be posted September 20<sup>th</sup>. All collections over 6 months with no payment plan will be sent to collections as of September 6<sup>th</sup>. We will send you the list on August 6<sup>th</sup> and request your reply by the 13<sup>th</sup> of August. If plans have been made please let us know so we don't send them to collections.

We will add contact information to presentation and send to Shelly and Angela.

## **FBO Mission, Vision, Values**

**Ken Doherty / Sharon Tse**

Along with the Wayne State Strategic plan coming out over the last 2 or 3 years now. FBO created values aligning to the Universities strategic plan called Mission Vision Values (MVV) within FBO. So the extended management team under FBO came up with their own values to align with the university. The team included the Universities 5 core values and added an additional 3, continuously learning, service and courage. A MVV steering committee was formed from employees across FBO at all levels to create an awareness, engagement and then integration. With this we have created Town halls, dialogues for issues, progress, and innovation of ideas. We have events once or twice a quarter that focus on each one of the values to help move the culture. One of the ways in which we do this is through reward and recognition and creating that model of excellence. The recognition program is through you shine awards that can be done by anyone, writing a note, checking the value and stick on their computer, gator, locker. It can also be done electronically as well. Second step we take these a step further and when people have given "You Shine" awards and provided what the individual has done and how it may be impactful on our business results. These are called impact awards in which a team of people who have been nominated before review the impact awards anonymously for whom a winner is chosen. These are done three times a year. Winners are given a pen, certificate, and a dining voucher for two. Ultimately we want to will move toward a pinnacle award which is connected to innovation and improvement that yield some tangible results which will have metrics and criteria around them based on innovation. This is looking to launch in 2019. We are currently working across campus with Libraries and School of Medicine to integrate this type of program. You may see in some of these communications already as a dotted line to FBO, you yourself are eligible to be nominated and to nominate others across FBO. We also reward and recognize those that nominate because taking the time to nominate is a behavior we want to recognize. This is one of the top drivers in employee engagement which leads to innovation, collaboration and getting results.

How far down does FBO extend to everyone to this room? Started with FBO and not sure if it is on the docket to expand university wide but we know we are being a pilot. So for all of you with the dotted line and interactions with FBO those are great opportunities to expand that culture. Then secondary do we want to move this down into other organizations across campus that would be a next level. But I don't have an answer to that question. Right now it is everyone who is invited to the town hall meetings.

## Overview of APPM procurement policy revisions - Ken Doherty / Gail Ryan

Federal OMB uniform guidelines in particular the procurement standards updated in 2014 that were supposed to go into effect 2016 across the nation were postponed until 2018. Effective 2019 anytime we are spending dollars that are the result of a federal award we not only have to abide by university policy but by OMB guidelines. So we created a specific policy in procurement for procurement standards related to the OMB and then modifications we made to general procurement, contracts and initiating a request and how it flows through the entire process. The other policies regarding procurement card and travel will only take about 30 seconds.

OMB guidelines municipality's state governments and universities had two different set of rules and OMB felt they should all be the same. So the two things that affect us is the bid limit and we have to have a code of conduct, which not only covers conflict of interest, but gratuities, favors and anything of monetary value. Today I am talking about the bid limit part. It is applying when we are spending on a federal award. Whether we are the primary grant or subcontractor to someone else who is the primary. It commences on anything after FY2019 but NSA is applying it to anything after 3/1/18. They define in the guidelines simplified acquisition threshold which originally was \$150,000 which is now \$250,000 and for things that are \$250,000 or less we have this micro purchase threshold that says things below \$10,000 don't have to have documented bids. But above \$10,000 does have to have some kind of documented process. It can be simple, it can be informal. Ken calls these RFQ's, where we will put something out and receive 3 or 4 emails, but its not like an RFP or construction bid. So everyone is aware of our \$25,000 threshold has a new set of rules. The great debate is still whether to apply this uniformly or to just those federal awards. In 2014 and 2015 everyone said one set of rules made sense. In 2016 and 2017 we couldn't get our peers to tell us what they were doing, which made WSU believe they were going to have to decide it on their own. One of the reason is our \$25,000 limit is considered very liberal as compared to our peers who are below \$10,000 and so the impact is much lower. Otherwise sealed bids which is everyone has a document to fill out and the lowest qualified bidder wins. Subjective award you assume everyone who bids are exactly to your specifications. Unless disqualified based on cost. The RFQ's create scorecards are weighed on more than just the cost. The radical shift for us is the lowering to the \$10,000. One of the penalties for none compliance is the ECFR they could disallow all or part of an expense so if we renovated a lab and didn't bid, OMB could chose not to pay that expense and/or deduct that from your grant. They could do more where they could suspend or terminate part or all of the grant for failure to follow OMB guidelines. Other penalties include suspend or debar WSU or they could disallow us from any future awards.

In the policy there is a link to OMB uniform guidelines 203.7 – 203.26 where all of this is contained. We covered bid limits, bid waivers for someone who has an \$11,000 bid and think its scientific judgement and can't be bid it is the same as we have for those over \$25,000. And OMB actually spells it out as well. In procurement we built a special approval process so we don't just hope that you and our buyer will look at every single purchase requisition and try and figure out which set of rules apply. Instead we will be working with Gail's office based upon fund will have an additional set of approvals in procurement to look at it with a different set of glasses to see if it needs to be looked at as a \$10,000 vs a \$25,000 bid limit. So there's going to be basically two sets of rules one if its federal funding source and one if it's not. However, that doesn't mean that you can purchase something on a non-federal funding source and then transfer it back to a federal funding source later. Because when we process any type of transfer from a start-up fund or Indirect Cost if it's going to be transferred onto the federally sponsored project we're going to have to verify that it went through that extra set of eyes that Ken just referred to and if it did not we are not going to be able to allow the cost

on the federal project. So not only is the original funding source important but if you possible every believe you are going to put that on an award that is forthcoming you need to put it through that extra set of eyes as well.

Question: On bid waiver in the past the majority of the ones that come in over \$25,000 always say it's on a federal grant and it was approved at this amount they don't have to bid it, that's generally the rationale. So is this going to be communicated that they need to either well document scientifically why they need a bid waiver. Answer: so basically the sole source comes down to that level it reduces to \$10,000. In the scenario if the award speaks to the research has to be done with this piece of equipment then the sole source is identified as part of the grant. The federal government however, will be looking at proposals to see if that is being put in as a way to sneak in a piece of equipment or is it truly necessary to use that piece of equipment.

This goes in effect for awards received after 10/1/2018, any PI that applying for a federal grant should know the new guidelines. But we will be going out to the research and administrators group in September, and we've been talking about this for 4 years.

For interviewers that the value of the service is between \$10K and 16K, these will fall up under the federal guidelines of over \$10K. If this is grant money, then it now meets the criteria. State funding does not, but if it is federal flow through then again it meets the criteria. So should we have procurement look for other organizations that could do the interviewing. This would need to be on a case by case basis.

Federal vs non-federal. Anything that started out with federal dollars under new guidelines. If it is private grant it does not apply. Most state and local we will air on the side of caution.

So in APPM 2.1 under general guidelines we put something in there that references OMB policy 2.9. We indicated that it applies to the PI or the end user which makes it clear. Copies to policy follow.

In the new APPM structure that Allison Martin group put out (OECI) they now have all the definitions at the front, so we added the definition for WayneBuy which get used throughout the policy but was never defined. That you will find in 2.1.

2.2 All we did was make it confirm to the current policy only so that 2.2.1 in here we updated to talk about new special approval specifically to federal awards. We also took a couple out that no longer apply like mailing service that used to require mailing approval.

2.4 Policy which talks about bid limit there is a cross-reference to the federally funded awards.

These next two policies. Procard policy 2.7 has been updated to be in compliance with the new outline policies, all we did is changed the prohibition of printing and promotional.

Travel policy 7.1, 7.2 made it right so it flowed. How is the RFP for travel going? We are sticking with Concur, it came down to the ability to be able to do the payment side, so Concur it is.

Can you change the wording on the procard to let the cardholders know that they don't have 10 days to approve transactions? They tend to wait until the 10<sup>th</sup> to reallocate charges which leaves no time for the Coordinator or the BAO to review and approve. Ken thought the policy allowed for the three different dates one for the approver, one for the coordinator, one for the BAO. Ken got three volunteers to work with him to update the policy.

## **University Policy 2015-01 finalization**

I worked with a subcommittee to get something through the policy committee in June or July, then it went to the cabinet and got approved in July. So this is a quick refresher, the policy itself, the financial document transaction approval. The purpose is just guidelines to have a document on how financial approvals are structured. It applies to supply requisition, DPR's, special payment request, SPA's, IRB's and bid waivers. What changed from 2015 at the request from OGC, whenever there is a discrepancy university code prevails, followed by contract signature, and followed by the internal financial document. There is now a subdelegate down one level, but not up. You can set up your approval queues in WayneBuy to work this way. Approvals has been changed by function not title. DPR no longer has a \$10,000 limit. On the supply requisitions if you want to delegate the final authority with the person that keys in the supply req's with recommend that at \$2,000. BAO's, unit heads, and divisional VP's all have different limits. This will be in the policy and slides that I send out. The majority of the transactions activity are requisitions and DPR's. Majority are under \$500,000. With the assistance of Joe Coleman in BTS we will be putting together a spreadsheet that will have everyone broken down by org's or tabs on the one drive. Here's what I want to change or add, and this will be done on a 6 month rollout and we can come back and revisit and if we think someone is missing from the queue, we will come knocking to see if they need to be added.

## **One Stop Dashboard- Student/Employee Inquiries**

**Liz Godwin & Ben Vallerand**

We want to demo a dashboard we implemented in the one card, service center in the last month. It is a great tool and I thought it was worthwhile to share with the BAO in case someone had a need for it. At the beginning of the year when we all knew we were going to Banner 9, we had to take a look at our business processes. At the one card office we are staff with student employees. They work the desk, they issue the cards, and they sell the permits. I would say 65% of the time the information is imported from Banner. But for the 35% of the time that it is not, we have to verify they are a current employee, current student, guest group, there's all these parameters we have to take a look at. So we had students using banner and I would say they would have to go through about 8 to 10 screens, learn banner, know how to navigate the pages, know how to try and find the information. Which was problematic because I always had concerns about security and an employee on the student level. So we took a look at the business process and someone said C&IT might be able to help us. So we put in a project request. And what we came up with is a wonderful dashboard which we are going to demonstrate. We have gone from the students going from 8 or 9 pages which they can't remember to everything on one seamless page. Page has name address, telephone number, person is an employee, current employee, past employee, dates to go along with all this. It's all one stop shopping, and the thought that this may be necessary for other areas across campus. This eliminates the need for giving access and removing access, every time a student comes and goes. Whether or not this is useful this was to showcase that we can pull a collection of data together to suit a business need. So because Liz is the administrator she can add and remove very simply. I'm getting the feeling that they don't have to have banner access form filled out. This is true. But they are responsible to sign the code of responsibility. So what's not on here is the FERPA verification but it is in a separate screen. And from a service point of view it has cut our response time, because they are not flipping screens or are confused as to what screens to navigate to. Does HR capture when a person passed their background check. It would be helpful to know. This substitutes the need to train students that come and go in our organization on the banner system. Looks like we are going around the systems access request. But Liz is still the person that would sign off on the information to grant access. So, what is the difference except C&IT has the form. If the program is added to the Banner access form that may solve the security issue that Warren was concerned for.

## **BAO Co-Chair Nominations for FY19**

**Angela & Shelley**

We going to talk about BAO nominations – since most have left can we just email Angela and Shelley with nominations.

Meeting adjourned 3:14