Georgia Tech

2016 FINANCIAL SUMMIT

TUESDAY, OCTOBER 11, 2016

CLOUGH COMMONS AUDITORIUM, ROOM 144

9AM - NOON

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OPENING REMARKS

JEFF SCOTT

SENIOR VICE PRESIDENT FOR ADMINISTRATION & FINANCE
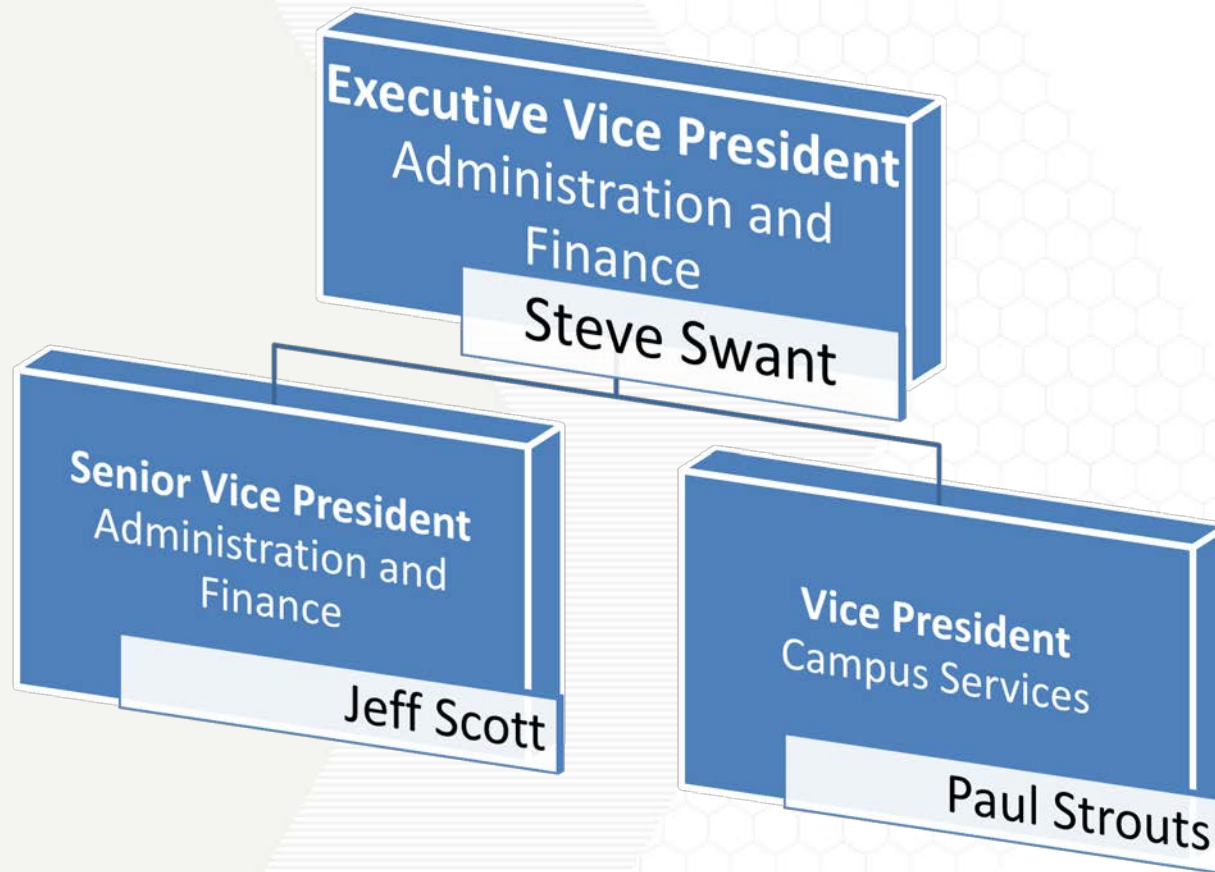
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AGENDA

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1. Workshop Format
2. Central Admin and Finance Organization
3. FMKD Training Series
4. Financial Systems Transformation
5. Year End Closing Checklist
6. Break
7. Group I – Budgets/Bursar-Treasury/Controller/Grants
8. Group II – Procurement and HR/Payroll
9. Wrap Up

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CENTRAL ADMINISTRATION AND FINANCE ORGANIZATION

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CAROL GIBSON

CONTROLLER

CENTRAL ADMINISTRATION AND FINANCE ORGANIZATION

Executive Vice President
Administration and Finance
Steve Swant

Senior Vice President
Administration and Finance
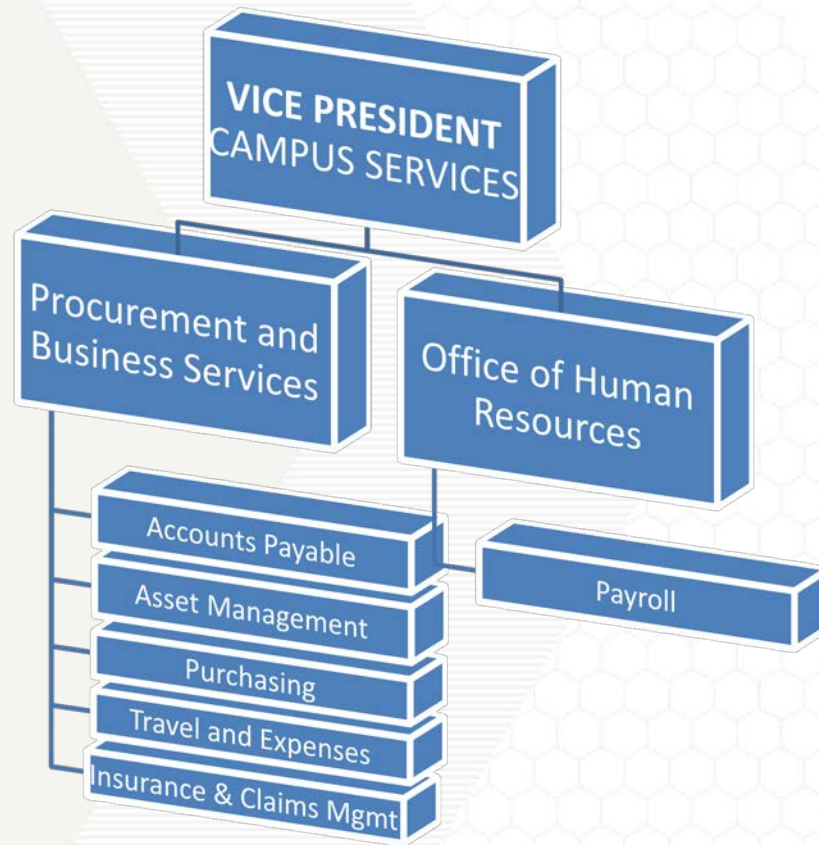Jeff Scott

Vice President
Campus Services
Paul Strouts

NOTE – *Finance and accounting responsibilities are distributed across campus*

CENTRAL ADMIN/FINANCE UNITS - SENIOR VP ADMIN/FIN

Georgia Tech

- SENIOR VICE PRESIDENT ADMINISTRATION AND FINANCE
  - Financial Services
    - Bursar and Treasury Services
    - Controller's Office
    - Grants and Contracts
  - Institute Budget and Planning and Administration
  - Institute Finance Support Team

**NOTE** – Finance and accounting responsibilities are distributed across campus

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***NOTE** – Finance and accounting responsibilities are distributed across campus*

FMKD TRAINING SERIES

JIM FORTNER

ASSOCIATE VICE PRESIDENT FOR FINANCIAL SERVICES

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FINANCIAL MANAGEMENT KNOWLEDGE DEVELOPMENT

- Goal – Develop consistent, accurate and thorough understanding of business operations & management

- Courses developed by subject matter experts & HR Training team

- Track 1 - Financial Fundamentals (FF)
  - ➢ <u>Thirteen</u> online courses
  - ➢ Staff with a financial management role

- Track 2 - Extramural Sponsored Programs (ESP)
  - ➢ <u>Six</u> online courses
  - ➢ Financial staff who manage sponsored projects

FMKD TRAINING SERIES

FINANCIAL FUNDAMENTALS – 838 enrolled

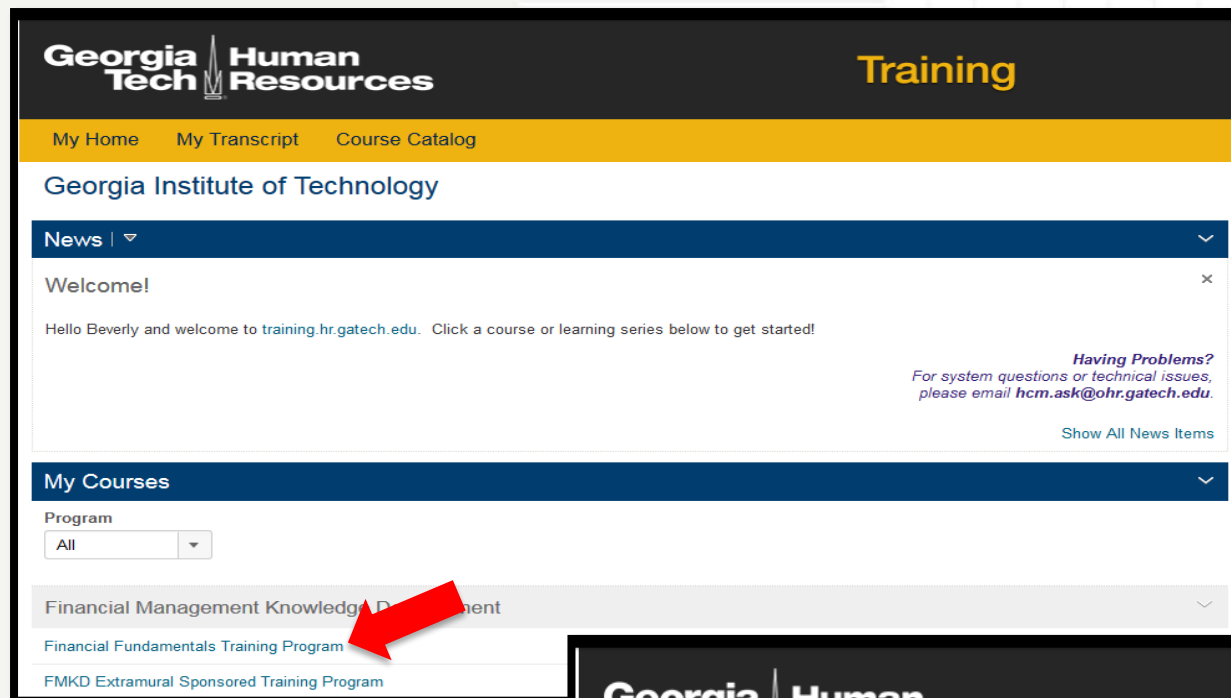| COURSE NAME	% of Enrolled Attempted	% of Attempted Complete 10/3/16	% of Attempted Complete 9/6/16	% of Attempted Complete 6/13/16	% of Attempted Complete 4/27/16
Financial Administration	55.37%	51.55%	51.14%	49.94%	48.79%
Basic Accounting	44.39%	40.45%	40.02%	39.66%	38.47%
Procure to Pay	29.95%	29.00%	28.67%	27.81%	26.46%
GTF and GTRC	29.47%	28.40%	27.96%	27.09%	25.24%
Salary Planning and Distribution	19.93%	19.09%	18.76%	17.65%	16.14%
Asset Management and Property Control	18.02%	17.90%	17.56%	16.08%	15.29%
Budget Administration	18.02%	17.42%	17.20%	15.84%	14.56%
Insurance and Claims Management	16.47%	16.23%	16.01%	14.51%	13.47%
Travel and Expenses	17.78%	16.47%	16.25%	14.15%	12.01%
Payroll Fundamentals	13.84%	13.48%	13.14%	11.49%	8.98%
Tax Compliance	13.13%	12.53%	12.07%	10.64%	8.13%
Bursar Operations and Cash Management	12.41%	12.05%	11.71%	9.43%	7.04%
Fiscal Year-End	11.93%	11.58%	11.35%	9.43%	5.95%

FMKD TRAINING SERIES

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EXTRAMURAL SPONSORED PROGRAMS (ESP) – 828 enrolled

COURSE NAME	% of Enrolled Attempted	% of Attempted Complete 10/3/16	% of Attempted Complete 9/6/16	% of Attempted Complete 6/13/16	% of Attempted Complete 4/27/16
Understanding the Regulatory Environment	9.06%	8.70%	8.46%	6.79%	4.38%
Departments and Systems	7.49%	7.37%	7.13%	6.18%	3.41%
Proposal Development	7.00%	7.00%	6.89%	5.94%	2.92%
Project Initiation	6.64%	6.64%	6.53%	5.58%	2.43%
Project Management	6.52%	6.52%	6.29%	5.21%	2.19%
Project Closeout	6.40%	6.40%	6.17%	5.21%	2.19%

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WHAT'S NEW

- Reference Library is now Live!

  ❑ Users can go back and review content for completed courses as needed

  ❑ Currently only for Financial Fundamentals Courses

  ❑ Extramural Sponsored Programs Courses in progress

- Reviewing previous financial certificate programs to determine disposition

FMKD TRAINING SERIES

FMKD TRAINING SERIES

ERP TRANSFORMATION AT GEORGIA TECH

GREG PHILLIPS

SENIOR DIRECTOR, ENTERPRISE RESOURCE PLANNING

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ERP AGENDA

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1 Background

2 GT Approach

3 Project Structure

4 Project Activities

5 Guiding Principles

6 Initial Challenges

7 Next Steps

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Process

People

Technology/ Systems

Institutional Effectiveness

Georgia Tech
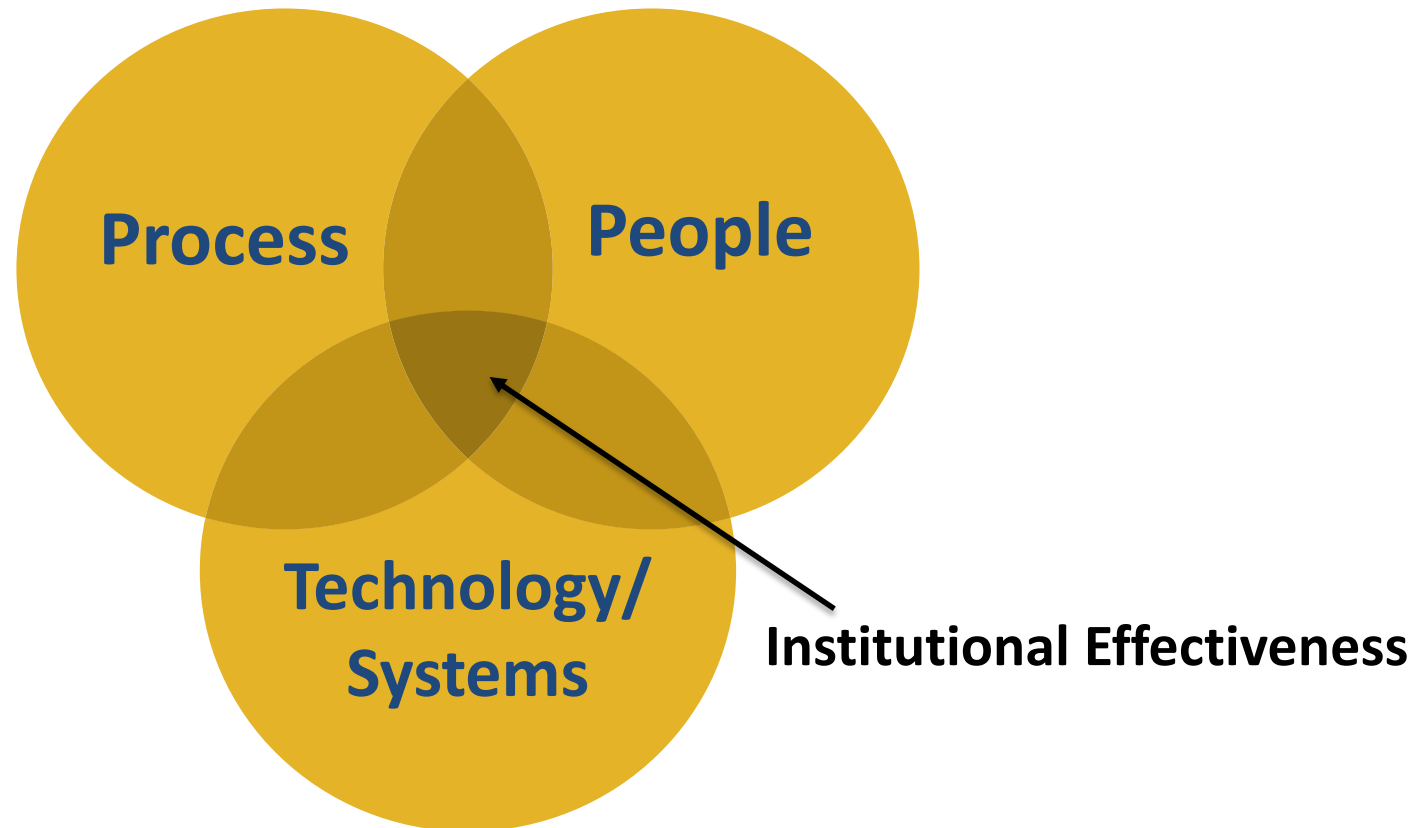
The Current Environment

Budget/Planning

Grants Mgt (PostAward)

Grants Mgt (PreAward)

SciQuest Purchasing

Contracts Acctg (Post)

PeopleSoft Financials (8.8)
- GL
- AP
- Assets
- Receivables

Capital Projects

Data Warehouse

TARGETED NEEDS

Replace system (PeopleSoft v8.8) implemented 10 years ago

Standardize streamline, automate, and simplify business processes

Support decision-making with improved reporting capabilities

Provide mobile access to financial data from anywhere

Reduce Integration Complexities

Reduce total cost of ownership for IT systems

Enable a scalable, flexible, more upgradable infrastructure

UNIFIED AND STREAMLINED

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USG

Unified Financial System
*General Ledger*Procurement*Payables*Expenses*Grants
*Contracts Mgt *Project Mgt & Acctg *Receivables*Analytics

Enterprise Data Warehouse/BI

GTRI (Classified Research) Contract Acctg
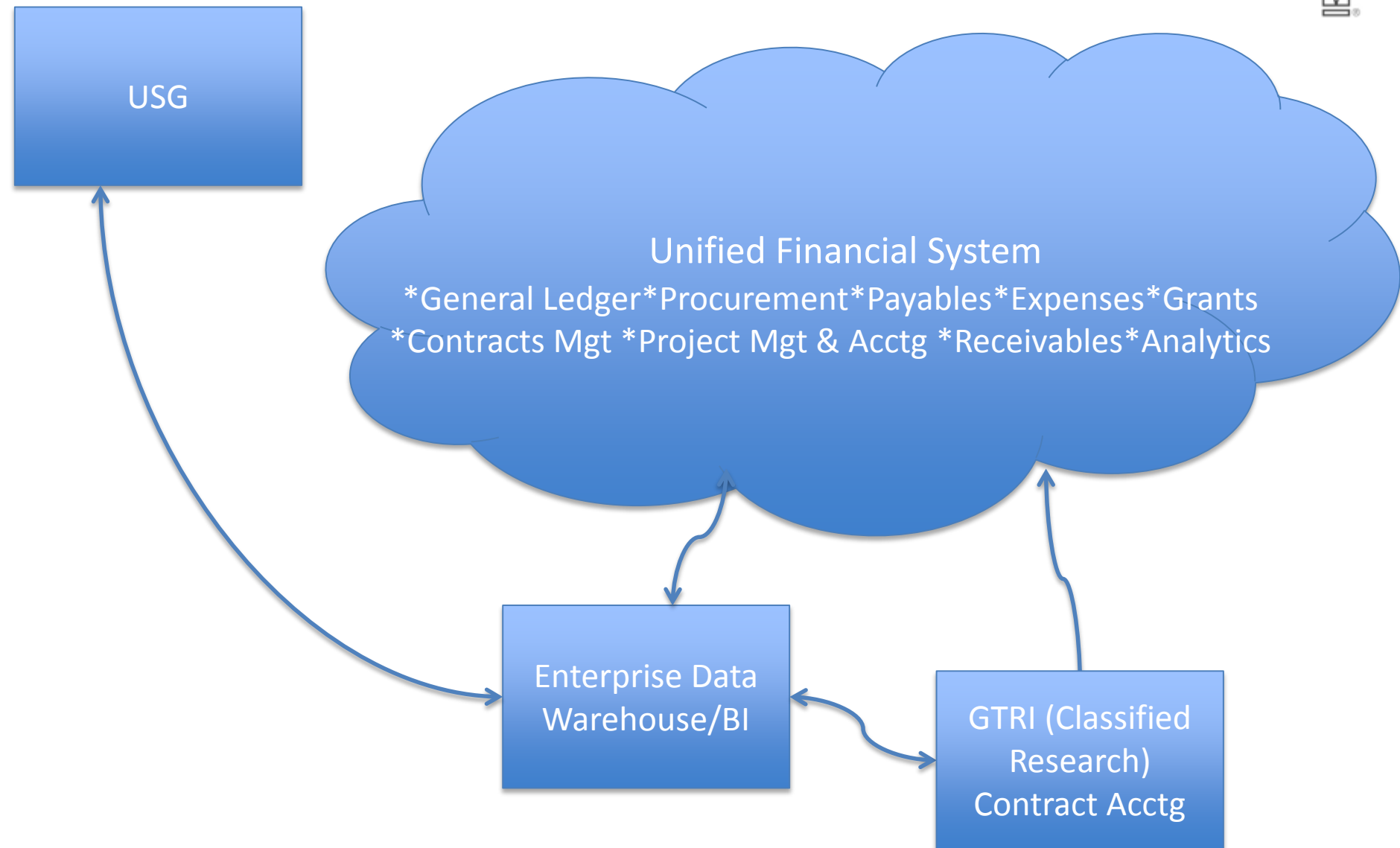
PROJECT OBJECTIVES

- Serve as Financial/IT innovator for USG and peer Institutions
- Ensure financial data transparency/commonality with USG & peers
- Establish best in class, unified, and scalable processes and systems
- Simplify/standardize processes related to the financial system of record
- Foster rapid adoption and collaboration
- Minimize the challenge of implementing technical change in the future
- Provide a more stable IT investment environment long term
- Establish strong project governance to promote adoption and acceptance

Institutional Effectiveness

Innovation Center: Enterprise Systems, Other GT Executive Sponsorship

Georgia R-1 Institute Leadership

University of Georgia
Georgia State University
Augusta University
Regional Comprehensive TBD

USG Leadership

IMPLEMENTATION PROJECT STRUCTURE

Executive Leadership Team
Rafael Bras
Steve Cross
Steve Swant

USG

Executive Project Sponsors	**Steve Swant**

Steering Committee	**Jeff Scott**	Senior Vice President for Administration & Finance
	Paul Strouts	Vice President for Campus Services
	Mark Hoeting	Interim CIO
	Susan Cozzens	Vice Provost, Graduate Education and Faculty Development
	Jim Fortner	Associate Vice President, Financial Services
	Jilda Garton	Vice President and General Manager, Georgia Tech Research Corporation
	Gary May	Dean, College of Engineering

Portfolio and Project Mgmt.	**Greg Phillips**	Senior Director, Enterprise Resource Planning

Functional Team	**Representatives from academic units** **Representatives from research units** **Representatives from central administrative units**
Technical Team	**OIT and academic/research unit system support representatives**

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REQUEST FOR PROPOSAL (RFP) DEVELOPMENT TEAM

AREA OF FOCUS	TEAM LEAD(S)
General Ledger	Carol Gibson / Veronica Stokes
Grants Management	Sandy Mason / Don Cochran / Jennifer Camp
Fixed Assets	Tom Provancher
Receivables	Terry Fair
AP and Travel & Expenses	Frans Barends
Procurement	Ajay Patel
Budget and Planning	Lisa Godfrey
Projects (Contracts/Costing)	Rebecca Caravati / Michelle Powell / Sandy Mason / Gary LaRue
Projects (Capital)	David Goldfarb
Institutional Impact	David Moore / Emily Howell / Raj Vuchatu

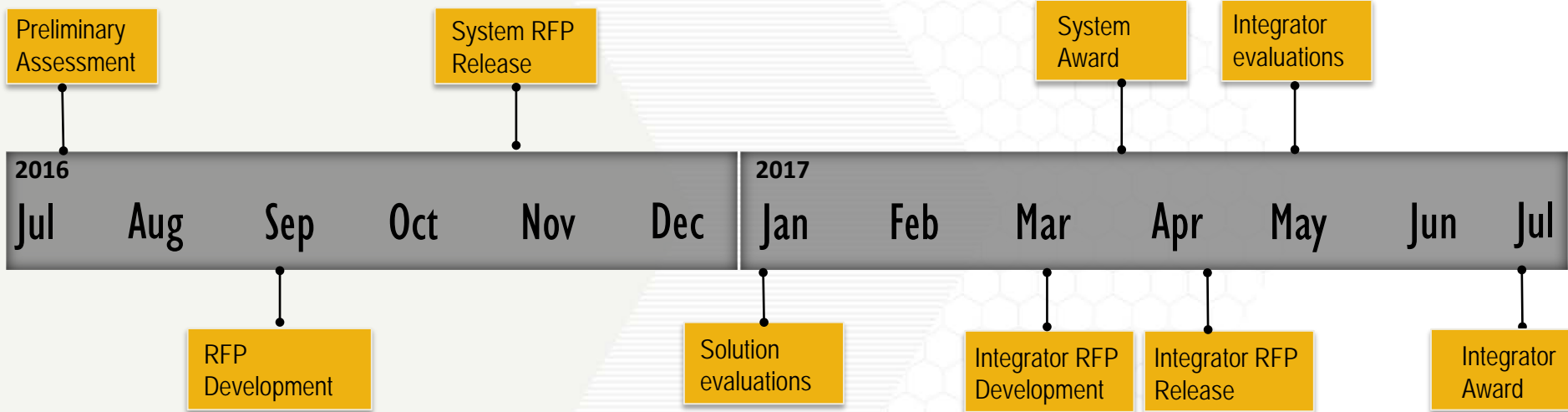# GUIDING PRINCIPLES

- Advance an Enterprise approach, with a unified system of record focus

- Prioritize strategies/decisions based on key business objectives/needs

  ➢ While achieving a unified technical system

  ➢ With minimal technical complexity

- Adhere to strong project governance

  ➢ With an emphasis on continuous improvement and efficiency

- Promote open communication and collaboration

GT APPROACH

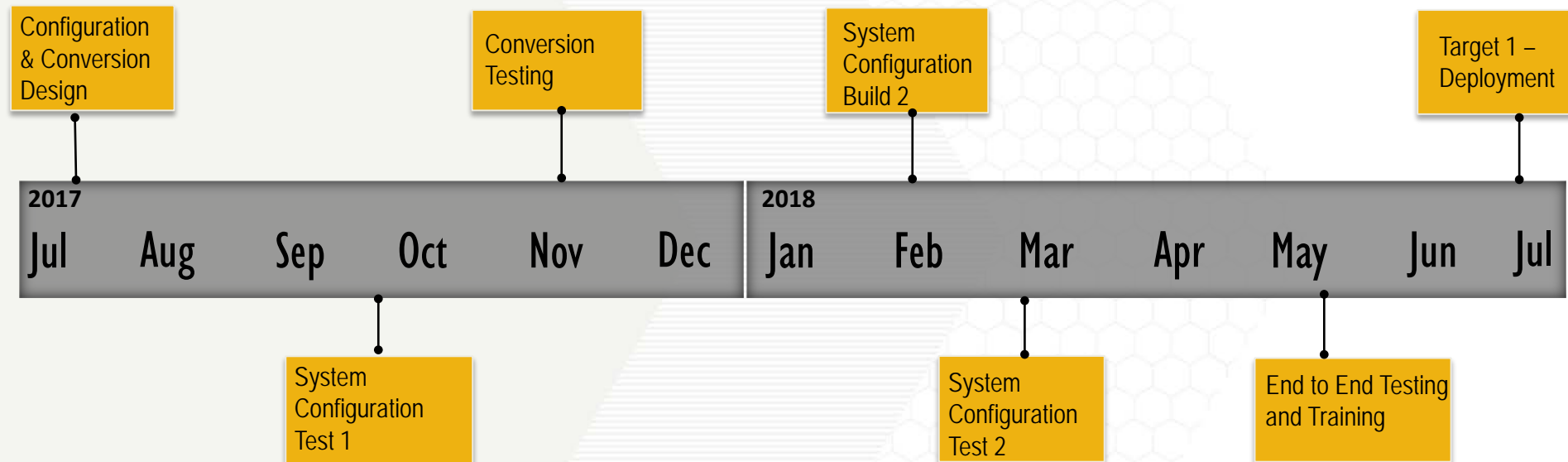## FOCUS ON READINESS AND COLLABORATION

- USG and DOAS participation in system identification, procurement, and implementation process

- Chart of Accounts redesign (coordinated with OneUSG initiative)

- Unit requirements related to current "gap" systems

- Resource planning and backfill

- General implementation strategy (ERP and EDM)

- Structured change management framework for rapid adoption

PROCUREMENT/MOBILIZATION

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Preliminary Assessment

System RFP Release

System Award

Integrator evaluations

2016						2017						
Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul

RFP Development

Solution evaluations

Integrator RFP Development

Integrator RFP Release

Integrator Award

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DESIGN / ARCHITECT / DEPLOY

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Configuration & Conversion Design	Conversion Testing	System Configuration Build 2

Target 1 – Deployment

2017

Jul	Aug	Sep	Oct	Nov	Dec

2018

Jan	Feb	Mar	Apr	May	Jun	Jul

System Configuration Test 1

System Configuration Test 2

End to End Testing and Training

NEXT STEPS

- Continue coordination with USG

- Complete system RFP development

- Establish ERP organization

- Enhance change/adoption activities

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YEAR END CLOSING CHECKLIST

TEISHA ALSOBROOK
INSTITUTE FINANCE PARTNER

YEAR END CLOSING CHECKLIST

CHECKLIST SUBMISSION

- 88 checklists were submitted in FY16
- 42 checklists were submitted in FY15
- 76% of FY16 checklists submitted by the 7/13/16 deadline
- 24% of FY16 checklists submitted a week later or Financial Services received advance notification of late submission

CHECKLIST UPDATES

- Fillable PDF format option
- Yes/No answer options
- Explanation/Disclosure

✓	N/A

Yes	No

Explanation/Disclosure:

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Top 4 items with the most N/A answers

i.   Has information for goods and services sold to external entities as of June 30, 2016 been reported to the Non-Student Accounts Receivable unit in the Office of Bursar and Treasury Services for billing purposes?

b.   Department/unit expenses related to goods or services received after July 1, 2016 that required an advance payment (*e.g. conference registrations, airfare, and training*) have been classified as prepaid expenses. Prepaid expenses are created using one of the following forms: AP Payment Request, Employee Payment Request, & Wire Transfer Request.

c.   Any/all pre-paid expenses from the prior fiscal year and applicable to FY2016 have been properly moved from the liability account to an expense account.
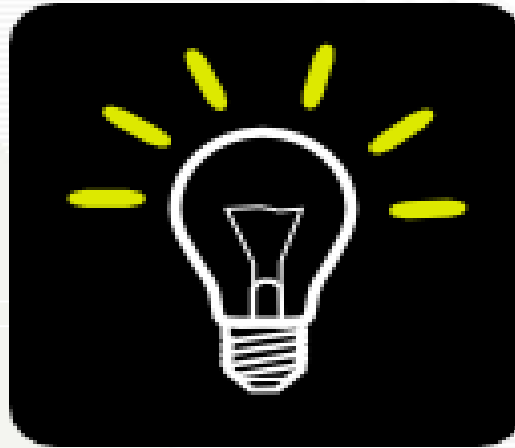
a.   The Payroll Office has been notified of all known employee salary overpayments for the department/unit.

To eliminate confusion, these items will be reworded for FY17

COMMON THEMES

UNCHECKED ITEMS

- 58% - Colleges/Units skipped over this item and entered a response in the follow-up question

a.	Does your department receive revenue? <u>If yes</u>, please answer the question below.
i.	Department/unit revenues are consistent with budgeted amounts and have been routinely reviewed and reconciled throughout the fiscal year.

- 25% - Colleges/Units indicated there were no FY2016 prepaid items in the explanation/disclosure section

b.	Department/unit expenses related to goods or services received after July 1, 2016 that required an advance payment (*e.g. conference registrations, airfare, and training*) have been classified as prepaid expenses. Prepaid expenses are created using one of the following forms: AP Payment Request, Employee Payment Request, & Wire Transfer Request.
c.	Any/all pre-paid expenses from the prior fiscal year and applicable to FY2016 have been properly moved from the liability account to an expense account.

COMMON THEMES

BALANCE SHEET ACCOUNT RECONCILIATION

- 209 balance sheet accounts (assets and liabilities) not managed by the Controller's Office were reviewed

- 22 Colleges/Units responsible for reconciliations

  - ✓ 19 colleges/units confirmed reconciliations on the checklist

CHECKLIST DISCLOSURE HIGHLIGHTS

- 95% of checklist disclosures required no further action

- Examples of checklist disclosures

  - ➢ FY16 invoices received in FY17

  - ➢ FY16 invoices received after the Accounts Payable close-out deadline were held until FY17

  - ➢ FY17 conference registration paid in FY16 on the PCard

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FY17 Year End Checklists available March 2017

Email - fy.review@gatech.edu

Phone - Financial Services: 4-7894

PANEL GROUP I

BUDGET OFFICE
BURSAR AND TREASURY SERVICES
CONTROLLER'S OFFICE
GRANTS AND CONTRACTS

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BUDGET OFFICE

Georgia Tech

JIM KIRK

EXECUTIVE DIRECTOR, INSTITUTE BUDGET, PLANNING AND ADMINISTRATION

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FISCAL 2017 BUDGET – SOURCES AND USES

Georgia Institute of Technology
Revenue Budget by Source
FY 2017

- Sponsored Operations 34%
- State Appropriations 16%
- Auxiliary Services 9%
- Other General 4%
- Departmental Sales and Services 3%
- Indirect Cost Recoveries 11%
- Student Tuition 23%
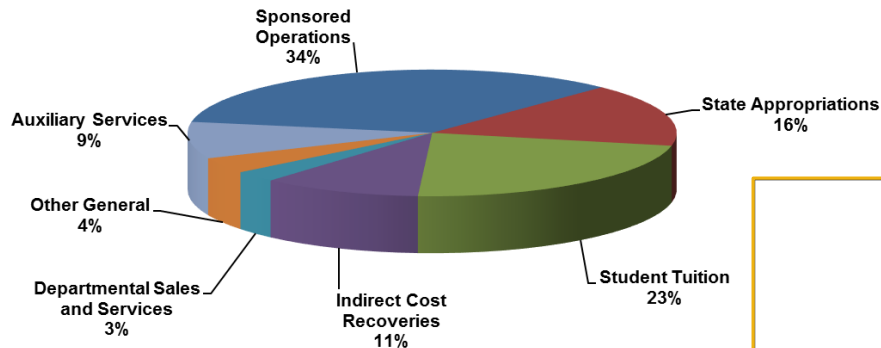
Total Georgia Tech Revenue Budget: $1,664,958,323

Georgia Institute of Technology
Expenditure Budget by Function
FY 2017

- Instruction 19%
- Research 46%
- Auxiliary Services 8%
- Scholarships & Fellowships 3%
- Operation of Plant 10%
- Institutional Support 5%
- Student Services 2%
- Academic Support 4%
- Public Service 3%
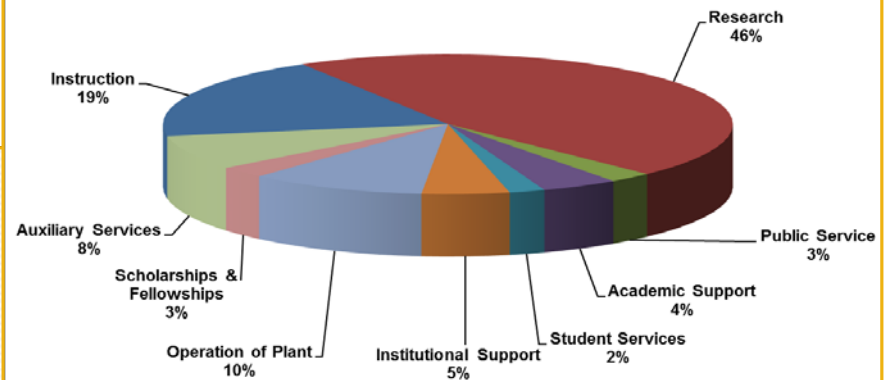
Total Georgia Tech Expenditure Budget: $1,640,718,783

Recap of FY17 Approved Budget: Link to Budget Office Website

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Resident Instruction = total budget except GTRI, EI2, Auxiliaries, and Student Activities

Building Blocks of Georgia Tech's FY17 Resident Instruction Budget

$1.10B

- Sponsored ($320M)
- Dept Sales/Svces ($38M)
- Fees/Other General ($49M)
- Indirect Cost Recovs ($50M)
- State ($220M)
- Student Tuition ($360M)
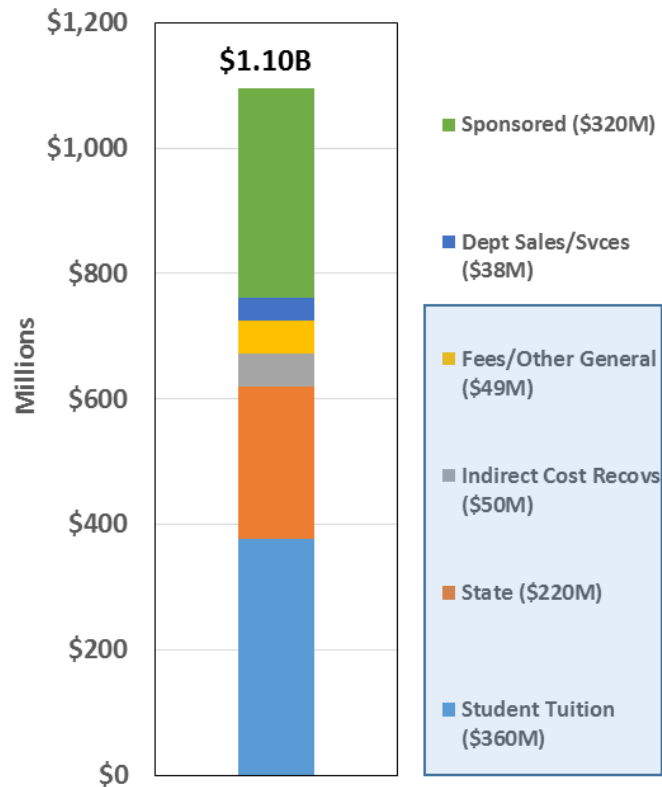
Building Blocks of Georgia Tech's FY17 R.I. "Gen Ops" Budget

$724.9M

- Fees/Other General ($49M)
- Indirect Cost Recovs ($50M)
- State ($220M)
- Student Tuition ($360M)

FY2017 BUDGET STATUS

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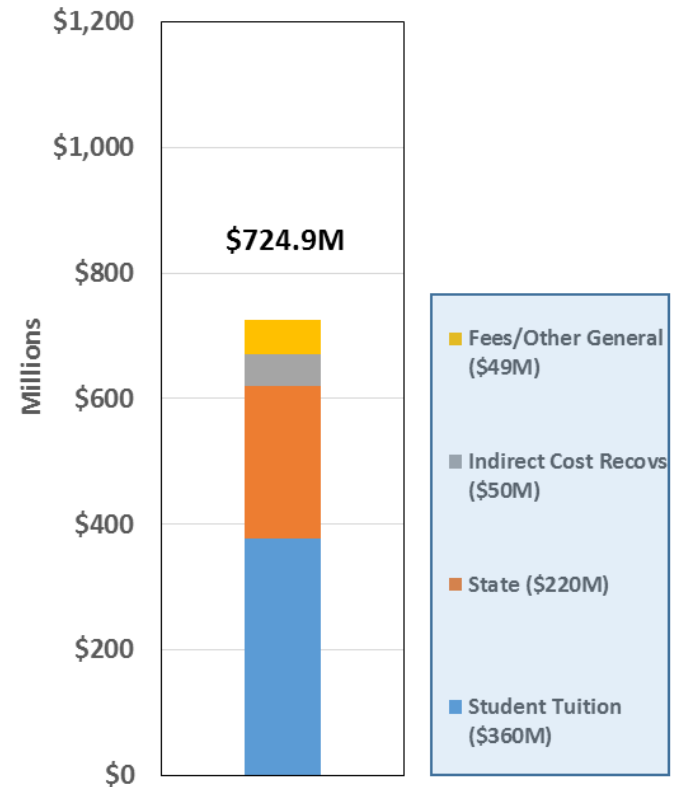
MODEST REVENUE GROWTH

- **State formula funding**
  - ➤ Strong formula earnings for GT for Fiscal 2017 based on Fiscal 2015 enrollment
  - ➤ No state funding for health insurance/retirement increases

- **State share of merit raise costs**
  - ➤ Minimal FY15 & FY16 state funding toward total costs
  - ➤ FY17 state funding share = 70% of total for average 3% merit raises

- **Tuition and fees**
  - ➤ No tuition increases and only one mandatory fee increase
  - ➤ Modest enrollment increases
  - ➤ No further shift resident to non-resident (currently 60% resident/40% non-resident)

- **ICR/F&A revenue in R.I**
  - ➤ Beginning to rebound after 2- year decline

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FY2017 BUDGET STATUS

KEY RESOURCE ALLOCATIONS

- Internal redirection of $4.1M to high priority items

- Over $20M for pay and fringe increases
  - $4.1M fringe increases not covered by BOR
  - Merit pay cost of nearly $13M

- Academic allocations to colleges
  - New TTK faculty funding $1.3M
  - Non-tenure track (TTK) teaching support of $1.4M
  - College support staff for faculty and students of $1.0M
  - Faculty retention and strategic hire funding of $600K

- Campus-wide requirements/commitments:
  - Legal compliance requirements: student conduct, fraud detection/ prevention, sponsored research audits, ADA
  - Campus security
  - Lease increases to cover Coda (HPC) and other lease increases

FY2018 PROCESS REVIEW

PROCESS AND CALENDAR

- Continuation of reduction/redirection proposals from units – January/early February

- Division-level strategic planning meetings with President and Executive Leadership Team – early to mid-March

- BOR approval of tuition, fees, allocations – mid-April

- Allocations to divisions – late April

- Original Budget submission – 1st week in May

Preliminary FY18 Calendar:

http://www.budgets.gatech.edu/Calendar

FY2018 PROCESS REVIEW

KEY ISSUES

- Tuition and fee levels

- New faculty to accompany enrollment increases

- Employee merit and retention pay

- IT and research equipment refreshment

- Faculty start-up commitments

BUDGET PREPARATION AND MANAGEMENT

REMINDERS AND ADVICE

- Communication
- Communication
- Communication

BUDGET SYSTEM UPGRADE

BUDGET SYSTEM UPGRADE

- Conversion of Internet Budgeting Solution (IBS) to "oneBudget"
- November implementation
- Campus user groups in place

SELECTED NEW FEATURES

- Multiple department view and rollups
- Multiple request for a project
- Analytics section

NOTE: Demo site with live data and instructions to be available to users for October Budget Amendment

BURSAR & TREASURY SERVICES

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JIM PIERCE
SENIOR DIRECTOR, BURSAR AND TREASURY SERVICES

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CREDIT CARD PROCESSING & PCI COMPLIANCE

- What is PCI compliance, and how is that coordinated on campus?

- How does a dept make the decision to accept credit cards?

  - Is there a market need? Will you lose business by not taking a credit card?

    - Please <u>note</u> – no PCards can be processed for on-campus purchases
    - Card transactions are limited to "non-campus" customers

  - Can the department afford the cost? A credit card terminal can cost between $340 for a standard Chip & PIN type to $700 for a wireless, and fees can be 2% of every transaction.

- How do departments initiate a request to accept credit cards?

- Where do departments obtain credit card terminals or other hardware to process cards?

- What is Georgia Tech's position on "Square?"

CREDIT CARD PROCESSING & PCI COMPLIANCE

CONCLUSION

- All credit card processing requests must be initiated through the Bursar and Treasury Services office

- No outside or third party processors are allowed

- No hardware other than what is provided by Bursar and Treasury Services or BuzzCard Center is authorized. (Including Square...)

- PCI compliance is very serious – help us protect the campus

CONTROLLER'S OFFICE

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CAROL GIBSON
CONTROLLER

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Run the Expense Ledger in CSV format and download to Excel

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Schedule the Expense Ledger to run at a future time or date

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Add the Expense Ledger and Report Manager as Favorites

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Set Up Multiple Run Controls – Use Your 30 Characters!!!

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REMEMBER

- All reports remain in Report Manager for 10 working days

- The GL team can dig into the **Source Code** on the Expense Ledger for certain journal entry transactions and tell you exactly who posted the transaction to the ledger

- Please also remember to use the GL Adhoc Reporting Tool for downloading ledger data

- Email gl.ask@business.gatech.edu anytime you have questions

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BEFORE CLOSING A PY PO

- Review it thoroughly on the Prior Year PO Report (306)

- Review the Open Encumbrance Report (262) for Outstanding PO's to the same vendor

- Check the Expense Ledger (38) to see if payments were made to the same vendor via PO or Pcard in the current year

  - ➢ Especially check for matching amounts!

HELPFUL HINTS – PRIOR YEAR PURCHASE ORDERS

REMEMBER TO

- Reconcile your encumbrances often

- You cannot spend more than the original PY encumbrance

- You cannot encumber additional funds in the PY

- Send an email to purchasing.ask@business.gatech.edu if you are having trouble with the vendor supplying the goods or services

- Send an email to gl.ask@business.gatech.edu with any additional PY PO questions

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WHY DO CHARGES POST TO INACTIVE PROJECTS?

- Accounting transactions from external ERP systems

  ❑ Banner, Payroll, SPD , etc.

- Accounting transactions from modules within Financials

  ❑ Travel, Purchasing and Accounts Payable

- These systems, whether external or within Financials, house detailed accounting records

  ❑ If the Project ID is changed when transactions are posted to the ledger, reconciliation issues occur

CHARGES TO INACTIVE PROJECTS

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WHY DO CHARGES POST TO INACTIVE PROJECTS?

- Journal Entries are posted in batch each evening
  - ❑ When one project ID is inactive, it prevents the entire journal entry from posting to the ledger
  - ❑ Activating the project ID allows the transactions to be posted more timely to the ledger

- Timeliness matters most at month end and year end close

CHARGES TO INACTIVE PROJECTS

HELPFUL HINTS

- Confirm project numbers are active and valid for the current FY
  - ❑ Project ID Lookup
    - ✓ TechWorks > My Work > Fin PTP Rsch Admin > Financials Frequent Links
- Pay close attention to project ID's especially in July
- Don't request for a project ID to be inactivated if there are pending transactions that need to post to the ledger

Institute Annual Financial Report (AFR)

- FY2016 Reporting Change
  - ➢ GTAA, GTF, GTFI, GTRC data will be included

Affiliated Organization Financial Statements and Schedules

- GT, GTAA, GTF, GTFI and GTRC (component units of the state)
- GATV and GT Alumni (limited data provided)

President's Annual Report

- Institute and affiliated organization data provided
- GT, GTAA, GTF, GTFI, GTRC, GATV and GT Alumni

FY16 STATE AUDIT UPDATE

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Information Technology Audit

- Fieldwork is complete
- Key areas of focus
  - ✓ Password Settings
    - ➢ DUO
  - ✓ Disaster Recovery Plan
  - ✓ Backup/Recovery Testing

Financial Audit

- Fieldwork nearing completion
- How can you Help?
  - ✓ Annual Inventory
  - ✓ PCard Transactions
  - ✓ Prior Year Purchase Orders
  - ✓ Transaction Documentation

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GRANTS AND CONTRACTS

SANDY MASON
SENIOR DIRECTOR, GRANTS AND CONTRACTS ACCOUNTING

DON COCHRAN
ASSOCIATE DIRECTOR, REPORTING AND COMPLIANCE SYSTEMS

CONTINUOUS CONTROLS MONITORING

What Is Continuous Controls Monitoring?

- Systematic management review of transactions using criterion tests or rules

How Are We Doing This?

- Using tools similar to those used by Federal and other auditors

- Verify allowability on Extramural Sponsored Projects

AUDIT UPDATE AND LESSONS LEARNED…SO FAR

Topics from NSF-OIG Internal Control Interviews

- Effort reporting

- Cost transfers

- Budget vs. Actual Expenses

- Participant Support Costs

- NSF 2 month salary rule process

- NSF Award Cash Management System procedures

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NSF-OIG Focus - Transaction Sample and Follow-Up Questions

- Late term and past term charges

- Salaries

- Subrecipient Monitoring

- Travel

- Allocation methodology

- How did "it" benefit the award? (i.e., business purpose)

Additional Audits

- DCAA – monthly voucher reviews, rate studies

- Annual Federal Single Audit

- Georgia Department of Audits and Accounts

- Sponsor Specific reviews/desk audits (i.e., Sandia, NSF, etc)

COST TRANSFERS

- Any transfer of costs after initial posting regardless of process used (SPD, CPC, ECT, Journal Entry)
- Typically an area of focus in audits
- Consider in the context of Internal Controls

  - ✓ Reasonable assurance of effectiveness and efficiency of operations

  - ✓ Reliability of reporting for internal and external use

  - ✓ Compliance with applicable laws and regulations

COST TRANSFERS

FY 2016 Resident Instruction Sponsored Extramural Transactions

Value

Legend:
- Transfer (orange)
- Original (blue)

Non Personal Services: Original 84.9% $93M, Transfer 15.1% $17M

Personal Services: Original 74.8% $104M, Transfer 25.2% $35M

BOTTOM LINE…

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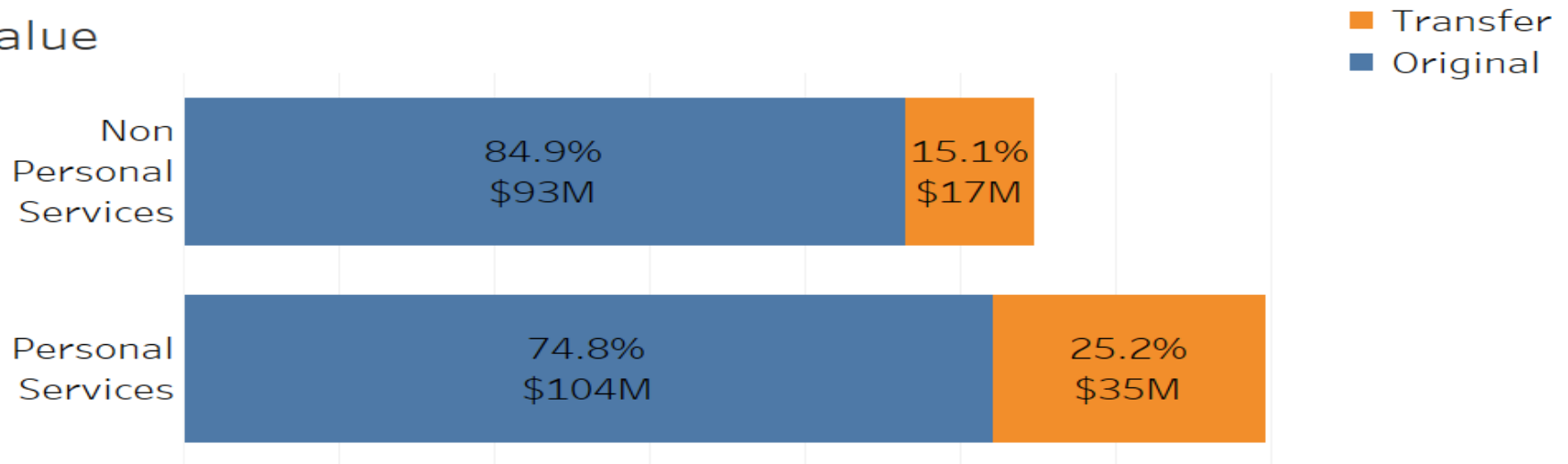
Dance like no one is watching; email like it may one day be read aloud in ~~a deposition.~~ **an audit.**

PANEL GROUP I Q&A

QUESTIONS FROM AUDIENCE

PANEL GROUP II

PROCURE TO PAY
HUMAN RESOURCES/PAYROLL

PROCURE TO PAY

Georgia Tech

FRANS BARENDS

SENIOR DIRECTOR, PROCUREMENT AND BUSINESS SERVICES

VERONICA STOKES

DIRECTOR, FINANCIAL SYSTEMS MANAGEMENT

RFID PROJECT

PHASE I

- Tagged Items 25,732
- Training Classes are ongoing on using RFID for the FY17 Inventory
- Georgia Southern and BOR are also implementing RFTrack

PHASE II

- GTRI Federal Tracking (FY17)

PHASE III

- Non-Asset Inventory (FY18)

FY16 ANNUAL INVENTORY RESULTS

Georgia Tech

- ✓ Asset Items   27,349   Purchase Value $500M
- ✓ Missing Items   1,190   Purchase Value $14.3M (2.8%)

                                  Net Book Value $819K

Action Plan

- Departments with more than 50 items and 5% or > missing were required to submit corrective action plans (19)

Target to reduce old inventory. Primary focus - Old Computers!!

PROCURE TO PAY – CONCUR TRAVEL

EFFECTIVE THURSDAY, OCTOBER 6TH

- Concur online travel booking is **only accessible** via TechWorks using Single Sign On (SSO)

- Login to TechWorks using your Georgia Tech user ID and password

- Click on the Concur Travel Booking resource icon to book travel arrangements

NOTE

- The Travel Inc. and direct links are no longer available

Concur PCard Proposed Process

Georgia Tech

Delegates *can be set up to complete all information on a report*

3 Day Window *(cardholder unable to submit for approval)*

Additional approvers can be added *manually by the cardholder or any approver*

Oct 28th

Nov 27th

Dec 30th

Oct 30th

Nov 7th

Card Holder Submits

Approver(s)

Finance Approver

Final transactions sent to GL
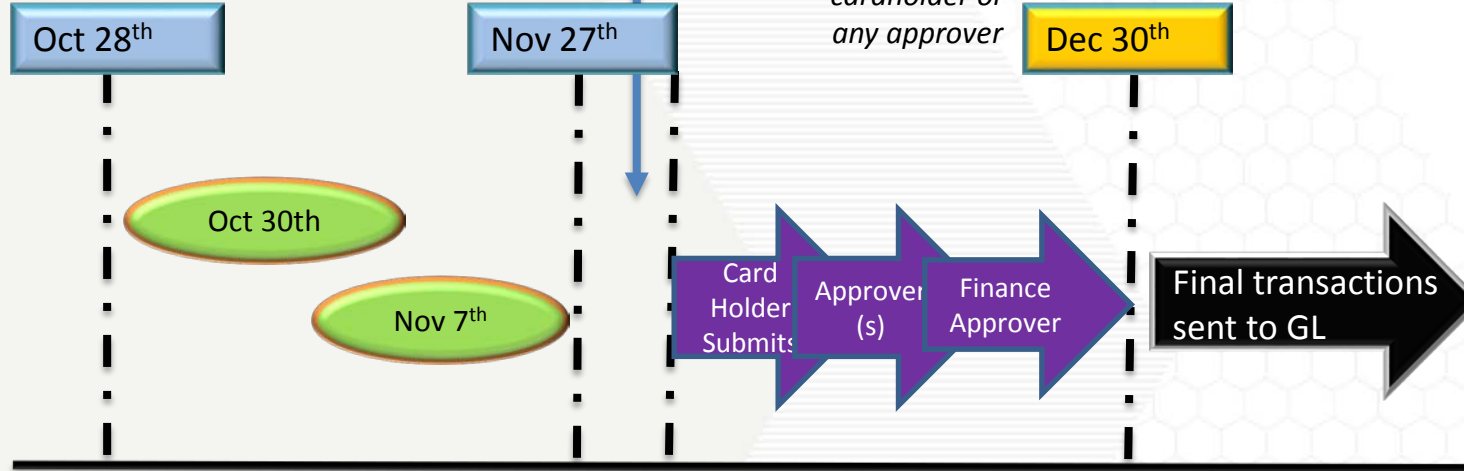
10 Days *after a transaction posts, it is sent to the GL*

Once report is approved, final transactions are sent to GL and any accounting changes made

Key:
Blue Boxes – Statements
Green Circles – Transactions
Orange – Report Deadline
Purple - Workflow

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CONCUR PCARD IMPLEMENTATION

Georgia Tech

KEY DATES

- Email notifications/communications will be sent throughout the month

- 10/17   Online PCard training available for all users

- 10/20   In person training for PCard Coordinators

- 10/25   In person training for PCard Coordinators

- ***10/28   GO LIVE – Concur available for PCard management***

- 11/3   Bank of America Works no longer used by cardholders

    ***Post go live - Drop in sessions for hands on training twice a week through December (711 Marietta Street)

PCARD POLICY

- Under State directive, DOAS has issued a new draft PCARD Policy and it is currently being reviewed

PCARD REDISTRIBUTION CHANGES

PCARD REDISTRIBUTION

- Concur allows 28 calendar days to approve & redistribute PCard charges
  ***This is the preferred method for PCard redistribution ***
- After payment cycle ends, approved transactions are extracted from Concur and posted to the ledger

CAMPUS PCARD (CPC) JOURNAL ENTRIES

- Provides an additional 60 days after the ledger posting date for redistribution
- Once the 60 day window has passed:
  - ✓ **Sponsored/Cost Share/GTF Funds** – Submit Cost Transfer Form to Grants/Contracts
  - ✓ **All Other Funds** – Submit a Standard Journal Entry form to the Controller's Office
- CPC JE's cannot cross fiscal years and you cannot redistributed more than original posted amount

PCARD REDISTRIBUTION CHANGES

KEY DATES

- 11/3   Last day WORKS transactions will post to the Ledger

- 11/23   Last day to redistribute WORKS transactions via CPC JE (6pm)

- 11/23   6pm CPC Journal Entry access will be removed

- 12/1   CPC Journal Entry Access is restored

- 12/1   CPC Journal Entry redistribution resumes for Concur charges

ELECTRONIC COST TRANSFER (ECT) JOURNAL ENTRIES

- Changes related to Concur PCard implementation are under review

HUMAN RESOURCES/PAYROLL

KEVIN MERKEL

SENIOR DIRECTOR, PAYROLL AND TOTAL REWARDS

ZACH ROGERS

DIRECTOR, HR FINANCIAL OPERATIONS

EXTRA COMPENSATION POLICY

Extra Compensation may be paid to employees for tasks performed after normal business hours for duties not included in normal job responsibilities, provided the following three criteria are met:

1. Tasks must be outside of the employee's regular department
2. Departmental Agreement Form must be completed and signed by appropriate department heads
3. Employee must meet at least one of the criteria listed below (criteria from Official Code of Georgia Annotated Section 45-10-25)

Chaplain	Fireman	Dentist
Certified oral or manual interpreter for deaf persons	Registered Nurse	Licensed Practical Nurse
Physician	Psychologist	Teacher or Instructor (evening/night courses)
Program professional with Doctoral Degree from an accredited college or university	Program professional with Master's Degree from an accredited college or university	Part-Time Employee

EXTRA COMPENSATION POLICY

WHAT'S NEW?

- To ensure additional duties do not interfere with performance of normal job responsibilities, total extra compensation for sponsored and non-sponsored activities shall <u>typically not exceed</u> 30% of employee's expected regular annualized compensation.

- Pay rates for Retired but Working (RBW) employees should be established and approved based on specific duties to be performed during the stated period.

USG Policy

http://www.usg.edu/business_procedures_manual/section5/C1235/

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SUPPLEMENTAL/SPECIAL EMPLOYEE PAYMENTS

Supplemental/Special Employee Payments are….

NOTE

- Policy currently under development
- Contact Kevin Merkel (kevin.merkel@ohr.gatech.edu) if you would like to join the task force
- Final Policy expected to be released by June 2017

FINANCIAL MANAGEMENT ASPECTS OF FLSA

BOTTOM LINE

- Units may have significantly more non-exempt employees to manage with:

  ➢ No increase in budget

  ➢ No additional financial resources

- Budget management and review become extremely critical

- Frequency of reconciling budget to actuals will need to increase

EFFECTIVE DATE OF TRANSITION

- October 17, 2016 – Time reporting for new non-exempt

- November 4, 2016 – First bi-weekly pay date

<div align="center">

http://ohr.gatech.edu/flsa

</div>

FIN MGMT ASPECTS OF FAIR LABOR STANDARDS ACT (FLSA)

Georgia Tech

COMMUNICATION IS KEY

- Financial managers should have a list of new non-exempt employees (see HR Reps/Contacts)

- Encourage leadership to discuss workload needs of converted staff – financial manager should participate

- Update financial projections and ensure leadership understands projected available funding to cover any overtime needs (if any)

- Discuss paths to cover overtime needs with leadership

- Monitor personal services budget closely, and provide real-time feedback to department leadership

- Ensure employees understand they must have supervisor authorization to work overtime

- Communicate travel compensation rules to non-exempt employees

Overtime

- \> 40 hours "worked" in a work week (Thursday – Wednesday)
- Employee paid 1.5 times regular rate for additional hours
- Straight time is paid (hourly rate) if holiday, sick or vacation time results in greater than 40 hours
- Overtime is charged at the same fringe rate as regular pay

Compensatory Time

- Time off provided to employee at 1.5 times hours worked >40 hours in work week
- Employee and manager must agree and document this arrangement
- Remaining comp time balances <u>must be</u> paid out to employee at end of the FY (transferred employees immediately)

PATH'S TO COVER WORKLOAD NEEDS

Flex Time

- Employees work 40 hours within a work week, but daily hours will vary

Other

- Hire additional staff (including temp staff)
- Delay filling vacant positions (temporary solution)
- Escalate critical resource needs outside of budget through leadership channels

NOT ALLOWED

- Ask non-exempt staff to work "off the clock," including answering emails, phone calls or text messages

- Cutting hours of full-time non-exempt employees to less than 40 hours

- Shifting additional work to existing exempt workforce

FINANCIAL MANAGEMENT ASPECTS OF FLSA

OTHER ITEMS

- Vacation payouts (up to 56 hours) for new non-exempt staff will be covered by central funding

    - This is a one time request

- Currently, salary encumbrances are overstated in the SPD system and thus, on the ledger

    ➢ This issue will self-correct when the first bi-weekly payroll is processed after the FLSA transition

PANEL GROUP II Q&A

QUESTIONS SUBMITTED VIA SURVEY

PROCURE TO PAY

- Which travel transactions will now be required to be processed in Concur? Travel Authority Requests, Expense Reports, Travel Booking, etc.

- Will campus users be required to keep hard copy PCard documentation after Concur is implemented?

FLSA

- When will all bi-weekly use the new Tech Time system?

- Will non-exempt employees be compensated for answering phone calls and responding to emails after hours?

- What is the status of the official/formal process for tracking comp time?

- Could someone explain the rationale for disadvantaging staff eligible for non-FLSA related reclassifications by freezing the normal reclassification process until March? This has a significant, negative financial impact on our employees whose titles do not reflect their current assignments and need to be reclassified.

- What is the appeals process for staff members now classified as non-exempt due to staff FLSA but the unit/department feels they should not be?

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FLSA

- Why can't the same pool of funds being made available to increase the salaries for employees to qualify them for non-exempt status?

- Why can't funds be made available to assist new FLSA non-exempt employees with their salary shortage that will occur from October 17th to December 31st ?

- If an employee's salary is over the FLSA non-exempt status why it necessary to create other tests to see if the employee qualifies as non-exempt, especially if the employee doesn't work a significant amount of overtime over a fiscal year period?

- Could you please provide any updates or changes concerning FLSA to those staff members who attended the earlier workshops?

HUMAN RESOURCES

- Do you have any statistics on telecommuting and how it is working at Georgia Tech?

- Can you provide some guidance on relocation and housing reimbursements for new faculty?

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PANEL GROUP II Q&A

QUESTIONS FROM AUDIENCE

WRAP UP

THANK YOU!!!