URI Controller’s Office

Financial Administration Meeting
November 28, 2012
Audited Financial Statement Highlights

- The University’s financial statements received an unqualified opinion from the independent auditor.
- The University’s financial statements were completed on time, Sept 30th.
- Audited Financial Statements on the Controller’s web site – Financial Reporting
- A–133 Single Audit due November 30th
Internal Audit

Maria DiSano
Internal Audit

- New Internal Auditor hired
- Ethics Hotline
  - Implementation December 2012
  - www.uriethicsline.com
  - 855-236-1845
  - Awareness materials distribution
- Updated Office of Internal Audit website
Accounting

Accounts Payable/Travel

Trish Casey
Associate Controller
Accounts Payable Update

Reminders:

- Send in receiving report when goods/services have been received in full
- Receiving reports can be scanned to aprec@etal.uri.edu
- Consulting Services – can not use LVPO, you must go through purchasing using a CR
- Vendors paid by ACH – Direct Deposit
Car Rental Agencies:
- Enterprise and National have been added to the approved car rental agencies and are direct billed to URI
- The rates on Cliqbook include all the necessary insurance coverage – additional coverage go through Safety and Risk
- Car Rental Justification is required
- Reminder, TAR must be approved prior to booking travel
Travel mixed with Personal Travel
• The TEV must include a quote from Shorts Travel indicating what the flight cost would be without the personal travel
• The URI Car Rental Agencies do not cover you under insurance while traveling for personal reasons

Cliqbook
• Reminder, domestic travel can be booked using the on-line Cliqbook portal
• Make sure that a TAR is approved prior to booking travel
From the PCard Office

Active PCards as of October 1 409

Avg. dollar amount per transaction $197

Most frequent violations:
  Inadequate receipts
  TAR copies missing from packet
  Late reconciliation packages
Questions???

Please don’t hesitate to contact any of us with questions, concerns...

New fiscal staff – call us for training on paper processing
Payroll
Jim Cacciola
Assistant Controller
Separate W–2s for State and PeopleSoft payrolls.

ADDRESSES

• Address changes need to be in system by 1/1/13
  • State payroll – Form USP–5 processed HR
  • PeopleSoft – On–line.
Union Contracts

Grad Retro
- Paid 8/31/12.
- Distribution to 100 and 110 Fund CFSs.
- Processing transfers from 110 to 500 Fund CFSs.
- FICA problem resolved.

PSA/PTAA Retro
- New rates in system as of 10/26/12 pay day
- Some pay rates were incorrect – will be corrected next payperiod
- Retros – January 2013

NCNU – ? After PSA/PTAA
PeopleSoft Production Issues

W-4 – On-line
• Access problems with upgrade.

Direct Deposit
• Access problems with upgrade & tools fixed
• Shut off on processing Tuesday

Time Cards
• Access problems with upgrade & tools fixed
• Late submission of hours
Salary Payroll Advice Online

Working with State to provide on-line direct deposit pay advices

- State Secure file transfer
- PeopleSoft development & set-up
- Develop process and procedures
- Employee will need to “OPT-IN” for paper
- Historical pay advice on-line
W–2 Internal Payroll Online

Researching the ability to produce on–line W–2s for PeopleSoft (URI’s EIN) employees.

• Initially be used to process requests for duplicate W–2s.
• Conversion from paper to on–line W–2 forms is being reviewed. EE would need to “opt–in”.
Questions???
Financial System Management

Dave Hansen
Associate Director
Reporting

Schedule of reports:

- YTD Detail, PO Summary and Overhead reports are run daily
- Statements are run once a week on Friday night
- Project reports are run every other day and are available using the reporting ID
- Month-end reports are run around the 10th of the month for the prior month end.
- Final year end reports for FY12 were run in mid-October
PeopleSoft 9.1 Fix Cycle 1

First Fix Cycle since going Live on 9.1 in Feb
  • Targeting Martin Luther King Jr. weekend January 19–21

Why do we need to do this? Because we are required contractually to stay current with Bundles and Fixes in order to maintain support agreement with Oracle.
9.1 Process Improvements

- Implementing G/L and A/P attachment functionality
- Positive Pay Layout change
  - Will increase number of vendors paid via ACH
  - Decrease the number of checks cut
- Automating Voucher Feeds:
  - State fleet vehicle maintenance
  - Facilities – Credit statements
  - Bookstore vendor payments
9.1 Process Improvements—Continued

- Signature Authorization
  - Digital Signatures and Mass maintenance functionality
- Budget Transfers
  - Working on de-centralizing budget transfer functionality.
- Responsible Person Workflow
  - Grants Level 3 Routings will be based on Departmental team routings instead of responsible person on Grant.
Questions???
Sponsored & Cost Accounting

Michele Wood
Assistant Controller
Project Close Out Issues

- Close-outs continue to be problematic; late payroll and other late adjustments are increasing – which results in:
  - increased time spent in reviewing transactions, emails, correcting transactions, issuing multiple invoices, correcting reports, etc.
  - final invoices and reports not being issued on time
  - late invoices and reports jeopardize final payment and future awards to URI
# Project Close Out – 90 Day period

## Example of Sponsored & Cost Accounting’s Internal Timelines Affecting Project Close-Outs

<table>
<thead>
<tr>
<th>Project end date</th>
<th>Budget definitions end date</th>
<th>January grants close completed</th>
<th>Final invoice to be generated by S&amp;CA</th>
<th>Cash to be received on final invoice</th>
<th>SF-425 Federal Deadline</th>
</tr>
</thead>
</table>

- Transactions posted month following project end date for final payroll, encumbrances, etc.
- F&A is posted to project for January transactions
- After close is completed, the expenditure data is summarized by invoice and sent to agency with any requested supporting documentation
- Typical cash receipt terms are net 30 days; letter of credit draw is normally completed within 15 days of billing cycle
- Per SF-425 instructions, final SF-425 forms are due 90 days after the project/grant end date

<table>
<thead>
<tr>
<th>End date +</th>
<th>30 days</th>
<th>40 days</th>
<th>45 days</th>
<th>75 days</th>
<th>90 days</th>
</tr>
</thead>
</table>
ARRA Grants Update

- Currently 44 active ARRA awards
- Most will end within next 12 months
A–133 Audit Results

• Audit fieldwork completed last week
• Findings—cost share requirement not met on 2 of the 6 projects selected
  • URI identified 1 prior to audit, because the requirement was not met, it is still a finding
• URI Cost Sharing policy 97–01 states any disallowance will be funded by department’s overhead account. Department/PI is responsible for monitoring cost sharing.
Office of Management and Budget is due to release a proposed new Circular A–21 at any time

- typically would involve a 60 day public comment period

OMB wants to combine A–21, A–122, and A–87

- effort reporting, administrative requirements, computer supplies, etc may be part of changes
Office of Inspector General – HHS

- HHS audit plan NIH awards (including ARRA):
  - admin/clerical issues
  - equipment claims
  - construction awards made under ARRA
  - cost sharing
  - extra service compensation payments made by educational institutions
  - inappropriate salary draws from multiple universities
  - compliance with cost principles
  - audit work associated with the Affordable Care Act could ramp up significantly which could divert resources from other areas
Recent NIH audit at Florida State– had findings in areas of:

- Inadequate oversight to ensure consistent compliance with Federal regulations
- Although its finance and accounting procedures often incorporated text from the circulars, the compliance and interpretation was left with individual colleges, departments and principal investigators
- Clerical and administrative costs treated as direct
- General-use supplies treated as direct
- Inadequate documentation for effort reporting and supplies
- Excess compensation for graduate students
- Utilization of fellowship funds for non-award purposes
- Transactions deemed not reasonable (purchasing more computers than in the proposal)
- NIH the findings of the questioned transactions totaling $300k – extrapolated to $3 million of findings (including F&A)
Office of Inspector General – HHS

- HHS audit plan NSF award is not available as of October 2012
- Recent NSF audit at University of California/Santa Barbara – had findings in areas of:
  - overcharged summer salaries
  - Excess federal cash disbursements resulting from cost share requirements not met
  - Inappropriate cost transfers
  - Indirect cost overcharges
  - Unallowable costs
  - Utilization of fellowship funds for non-award purposes
Questions???

Please do not hesitate to contact me
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