

# Financial Management Meeting

February 14, 2017



**WISCONSIN**  
UNIVERSITY OF WISCONSIN-MADISON

# Agenda

## Welcome & Introductions

Welcome Checks	Fariba Kiani Carla Perez	20 minutes
Procurement Card Compliance Update	Rusty Haines	30 minutes
Fiscal 2017 Year-End Activities	Lea Erickson	15 minutes
HRS Upgrade	Susie Maloney	10 minutes
Deferred Revenue	Amy Wilson	20 minutes
Elimination of Date Stamping (Invoices/Payments to Individuals/ Direct Payments)	Liv Goff	5 minutes

# Welcome Checks

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CARLA PEREZ & FARIBA KIANI

BURSAR'S OFFICE

# Introduction

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## What are Welcome Checks

- Payments to newly admitted students generally in graduate programs
- For initial living expenses, travel, etc.

# New Process

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- Detailed in Student's Award Letter
- These payments will be refunded to the student and not used to pay tuition and fees
- July 1<sup>st</sup> will be the soonest we can begin processing payments for the Fall
- Refunding will be 1 time per week starting first week of August

# New Process Contd

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- Common Scholarship Application(CSA) will be used to process these payments
- If you don't have a CSA Account send an email to: [scholarship\\_support@em.wisc.edu](mailto:scholarship_support@em.wisc.edu)
- There will be training for CSA offered later in May
- You will also need a new item type set up for this process
- Please note the process for uploading through the Bursar's Office is only available to US residents

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# Questions?



# Financial Internal Controls Initiative

## Purchasing Card Compliance Implementation

Rusty Haines  
Accounting Services

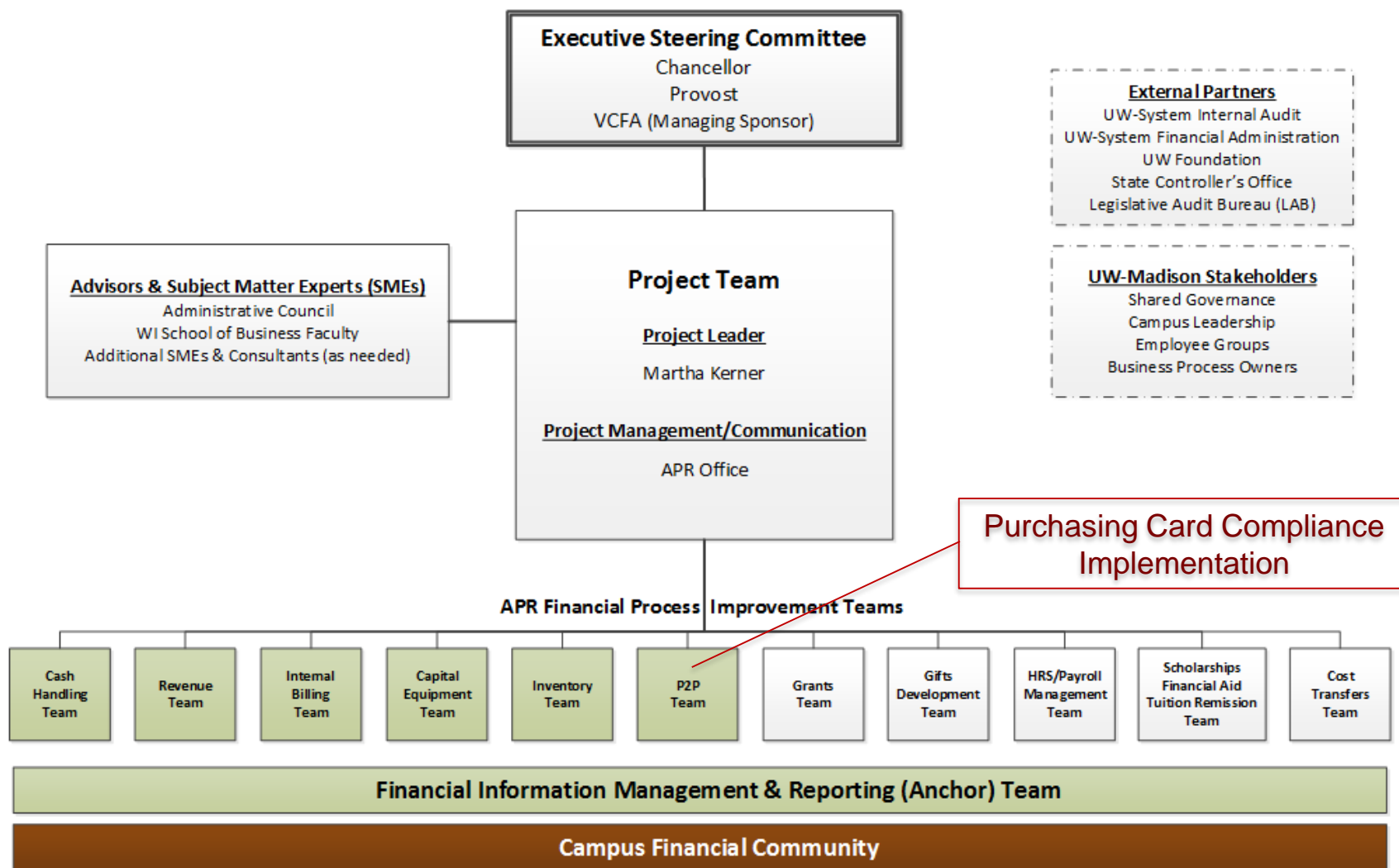




# Agenda



# Financial Internal Controls Project Structure



Updated January 2017

# Background

- The Procure-to-Pay (P2P) process improvement team submitted recommendations in June 2016, which were presented to the Administrative Council and VCFA Directors in July 2016  
[www.bussvc.wisc.edu/intcntrls/communications.html](http://www.bussvc.wisc.edu/intcntrls/communications.html)
- Recommendations included restructuring the Purchasing Card Program and developing new policies and procedures
- A team was launched in November 2016 to implement these recommendations

# Purchasing Card Compliance Implementation Overview

Objective: Stronger Internal Controls

## Phase 1

Address purchasing card compliance issues

## Phase 2

Move to a 1:1 purchasing card relationship

## Phase 3

Eliminate use of purchasing cards for internal purchases

# Compliance Errors

**Serial purchasing/split transaction:** Splitting purchases into several smaller transactions to circumvent single purchase limits and/or \$5,000 best-judgment purchase limit *Note: the majority of infractions are in this category*

**Lack of adequate business purpose:** Supporting documents lacking a clear business purpose

**Gift cards policy violation:** Gift card purchases out of compliance with policy or lacking required documentation

**Site Manager approval:** Cardholder statement missing site manager signature and/or date as verification of reconciliation

**Shipped to a personal residence:** Purchased items lacking justification for shipping to an off campus address

**Lack of shipping information:** Missing shipping documentation

# Phase 1: Address Purchasing Card Compliance Issues

## New 2-step process for noncompliance

- Establishes cardholder accountability for improper purchasing card use identified during auditing and monitoring
- Initially, the Purchasing Card Program Office will use results from UWSA internal audits to implement the new process
- The new process will begin May 1, 2017

1 <sup>st</sup> compliance error	Compliance error after written warning
Written warning	Revocation of purchasing card(s)

## Written Warning

Warnings will be kept on file in the Purchasing Card Program Office for two years.  
After two years, warnings will be expunged.

## Revocation

All purchasing cards issued to the cardholder will be revoked.  
The cardholder may reapply for a purchasing card one year after revocation.  
If the application is approved, training will be required.

## Estimated Impact of New Warning and Revocation Process Based on Past Audits

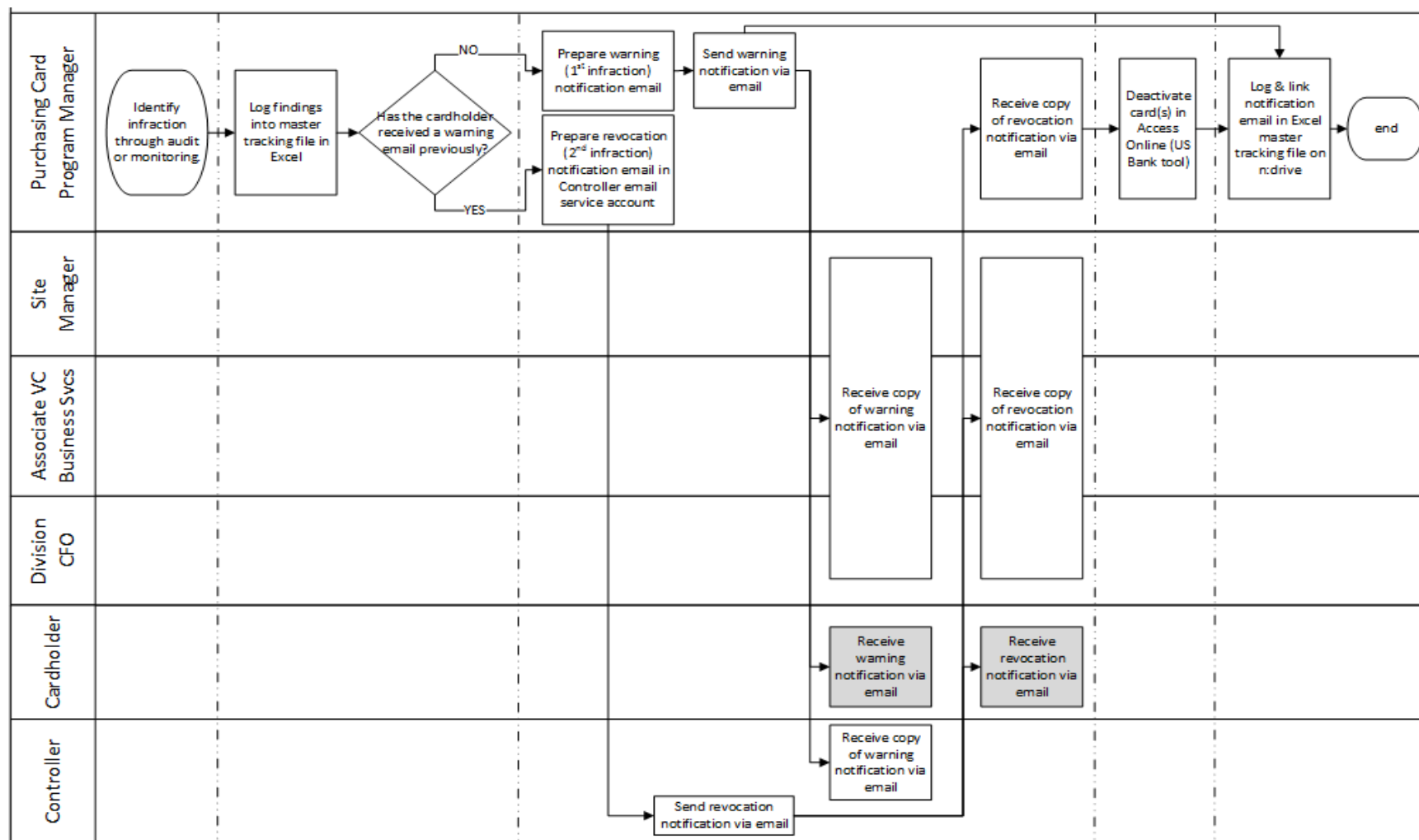
Division	Division Name	Warnings	Revocations
2	GENERAL SERVICES	4	0
7	COLLEGE OF AGRICULTURAL & LIFE SCIENCES	6	0
10	DIVISION OF INTERNATIONAL STUDIES	1	0
17	SCHOOL OF EDUCATION	3	0
19	COLLEGE OF ENGINEERING	2	1
34	VC FOR RESEARCH AND GRAD EDUCATION	2	0
45	LAW SCHOOL	2	0
48	COLLEGE OF LETTERS AND SCIENCE	4	2
53	SCHOOL OF MEDICINE AND PUBLIC HEALTH	4	0
54	SCHOOL OF NURSING	1	0
63	OFFICER EDUCATION	1	0
71	FACILITIES PLANNING AND MANAGEMENT	1	0
85	UNIVERSITY HOUSING	2	0
87	SCHOOL OF VETERINARY MEDICINE	1	0
88	WIS VETERINARY DIAGNOSTIC LABORATORY	3	0
96	WISCONSIN UNION	1	0
	<b>Campus Totals</b>	<b>38</b>	<b>3</b>



# Warning and Revocation Communication

- Cardholder
- Site Manager
- Division CFO
- Controller
- Associate Vice Chancellor for Business Services
- Purchasing Card Program Manager

# The New Process Map



# Implementation Team's Next Steps

- Email new process notification to cardholders, CFOs, Deans, Directors and site managers in February 2017
- Share new policy draft with stakeholders in April 2017
- Begin sending warning letters May 1, 2017

# Your Next Steps

- Familiarize yourself with the information you received today
- Reinforce communication within your division at staff meetings and via other channels when the opportunities arise
- Continue to help frame this new process as part of the overall Financial Internal Controls initiative supported by the VCFA

Reminder – the full list of active purchasing cards is on the website at [http://www.bussvc.wisc.edu/acct/purchcd/Active%20Card%20List\\_01-24-17.pdf](http://www.bussvc.wisc.edu/acct/purchcd/Active%20Card%20List_01-24-17.pdf).

# Questions?

Information on the Financial Internal Controls initiative is available at  
<http://www.bussvc.wisc.edu/intcntrls/intcntrls.html>

# Fiscal 2017 Year-End Activities

Lea Erickson  
Accounting Services



# February 13, 2017 - DRAFT

## FY 2017 Timetable for Processing All Transactions

### DATES SHOWN BELOW ARE FOR RECEIPT IN BUSINESS SERVICES

<b>Transaction Type</b>	<b>Due Date</b>
<i>External Requisitions for FY 2017 with a dollar amount \$50,000 &amp; over must be received in Purchasing Services, Suite 6101, 21 N. Park St.</i>	March 31, 2017
<i>External Requisitions for goods and services expected to be delivered in FY 2018 may begin to be created for FY 2018 in the External Requisition Generator in <a href="#">My UW</a>.</i>	March 31, 2017
<i>External Requisitions for FY 2017 with a dollar amount \$5,000 - \$49,999 must be received in Purchasing Services, Suite 6101, 21 N. Park St.</i>	April 17, 2017
<i>Justification to Carryover Prior Fiscal Year POs. Campus can begin to justify PO rollover.</i>	May 1, 2017
<i>Orders after this date and expected to be received after June 30<sup>th</sup> must be charged to the new fiscal year, FY 2018.</i>	May 19, 2017
Any <b>external requisition for FY 2017</b> that <ul style="list-style-type: none"> <li>• is less than \$5,000</li> <li>• is PO from a <b>Delegated</b> department</li> </ul> <b>Must be received in Purchasing Services, Suite 6101, 21 N. Park St.</b>	June 2, 2017
<b>Invoices from External Vendors must be received in Accounts Payable, Suite 5301, 21 N. Park St. - Invoices may be submitted after this date, but FY17 processing is not guaranteed.</b>	June 2, 2017
<b>Direct Payments (DP) &amp; Payment To Individual Reports (PIR) must be received in Accounts Payable, Suite 5301, 21 N. Park St. - Invoices may be submitted after this date, but FY17 processing is not guaranteed.</b>	June 2, 2017
<b>Refund of Receipt form for money deposited with the University as a receipt or sales credit must be received in Cash Management, Suite 6101, 21 N. Park St. - Forms may be submitted after this date, but FY17 processing is not guaranteed.</b>	June 2, 2017
<b>Encumbrance Management Forms for FY 2017 approved by your Dean's office must be received in Purchasing Services. Email forms to <a href="mailto:purch@bussvc.wisc.edu">purch@bussvc.wisc.edu</a>.</b>	June 9, 2017
<b>Check requests and Gift Routing Forms must be received by UW Foundation in order to guarantee transfer to UW-Madison fund 233 accounts by the end of FY 2017.</b>	June 9, 2017
<b>Last Day to justify Carryover of Prior Fiscal Year POs.</b>	June 12, 2017

# February 13, 2017 - DRAFT

## FY 2017 Timetable for Processing All Transactions

### DATES SHOWN BELOW ARE FOR RECEIPT IN BUSINESS SERVICES

<b>Transaction Type</b>	<b>Due Date</b>
<b>Purchasing Card</b> - All orders must be placed early enough to allow the vendor time to process the transaction and submit the charge to US Bank on or before June 16, 2017. The turnaround time varies by merchant. Orders placed the week of June 12, 2017 may or may not post to FY 2017.	June 16, 2017
<b>Shop@UW Order Deadline</b> – All purchases made through Shop@UW and MDS Verona warehouse must be place by end of business day June 16, 2017 to ensure that the charges are applied to FY17 funding. Orders placed after June 16 may or may not be billed to FY17 depending on product receipt date and potential back-order status.	June 16, 2017
<b>Salary Cost Transfers (SCTs)</b> processed through the <b>Cost Transfer Tool</b> for Fiscal Year 2017 must be fully approved by June 19, 2017 to guarantee entry into Fiscal Year 2017. After this cut-off date, SCT's and Direct Retros will be processed as time permits.	June 19, 2017
<b>Internal invoices / Internal Work Order</b> billings for supplies/services received before July 1, 2017 must be received in Accounting Services, Suite 5301, 21 N. Park St.	June 19, 2017
<b>Internal billings for supplies/services received before July 1, 2017</b> must be received in Accounting Services, Suite 5301, 21 N. Park St.	June 19, 2017
All <b>Shop@ UW</b> orders must be shipped and invoiced by June 26, 2017 to ensure charges are applied to FY17 funding. Orders placed in June 2017 may or may not be billed to FY17 depending on product lead-time, receipt date and potential back-order status. <b>Contact for Questions: Shop@UW Customer Service 608-497-4400</b>	June 26, 2017
<b>Emergency transactions (ET's)</b> - Final ET's for June and FY 2017 will be processed on Wednesday, June 28, 2017 and distributed on Thursday, June 29, 2017. No ET payments will be made on June 30, 2017. The next day for processing will be July 3, 2017, unless there is an extremely urgent need.	June 28, 2017 before 9:00 AM
<b>Last Day for AP Voucher Entry</b>	June 28, 2017
<b>Check Deposits</b> - Must be received in Cash Management, Suite 5301, 21 N. Park St.	June 29, 2017
<b>Pre-Posting Allocation Tool (PAT) cutoff</b> – Please note this is different from the standard NOON deadline.	June 29, 2017 before 10:00 AM



# February 13, 2017 - DRAFT

## FY 2017 Timetable for Processing All Transactions

### DATES SHOWN BELOW ARE FOR RECEIPT IN BUSINESS SERVICES

<b>Transaction Type</b>	<b>Due Date</b>
<b>Expense reimbursement (GET/E-Reimbursement)</b> - Expense reports not fully approved by 6:30 pm on June 29, 2017 will not be processed for payment until July 5, 2017 and will be processed in FY 2018.	June 29, 2017 Before 6:30 PM
<b>JET and Cost Transfer Tool – Last day for June FY 2017 (period 12) journal entries</b>	June 30, 2017
<b>JET and Cost Transfer Tool Opens for Period 13</b> - Accounting dates will change to July, 1, 2017 (period 13) at 4:00 pm on Friday, June 30, 2017. All JET and Non Salary Cost Transfers submitted in the Tool after 4:00 pm June 30, 2017 through July 6, 2017 at 4:00 pm will have an accounting date of July 1, 2017 recorded in FY 2017.	June 30, 2017
<b>Department Bank Deposits</b> - For FY 2017 postings, deposits must be picked up by armored car services or delivered to US Bank before end of day June 30, 2017.	June 30, 2017
<b>Receipt/Sales Credit Transfers</b> - Forms for FY 2017 must be received in Cash Management, Suite 6101, 21 N. Park St by June 30, 2017.	June 30, 2017
<b>Freight</b> - Departments who are currently using any shipping service must make sure that the funding line to be charged is valid for FY 2018. We encourage you to contact your current shipping providers to make sure the funding information has been changed. Please utilize the <u>UPS CampusShip</u> portal to enter default funding strings in a valid funding string format. This will expedite UPS payment processing.	July 3, 2017
<b>JET – Last day for JRR (Revenue), entries in JET for FY 2017.</b>	July 3, 2017
<b>Deferred Revenue</b> - Completed forms to record deferred revenue for receipts collected in FY2017 for FY2018 activity must be received in Cash Management, Suite 6101, 21 North Park St. See <a href="#">Deferred Revenue policy</a> .	July 3, 2017
<b>Non-Salary Cost Transfers</b> processed through the <b>Cost Transfer Tool</b> must be approved by 4:00 PM July 6, 2017 to ensure entry for FY 2017.	July 6, 2017

**February 13, 2017 - DRAFT**  
**FY 2017 Timetable for Processing All Transactions**  
**DATES SHOWN BELOW ARE FOR RECEIPT IN BUSINESS SERVICES**

<b><i>Transaction Type</i></b>	<b><i>Due Date</i></b>
<i>JET – Last day JRB (Internal Billings) and JRT (Non-salary cost transfer) entries in JET for FY 2017.</i>	July 6, 2017
<i>JET &amp; Cost Transfer Tool Down - JET will be turned off from July 7, 2017 until July 13, 2017 to allow final clean-up for FY 2017.</i>	July 7-13, 2017
<i>PO Encumbrances (FY2018) will begin to occur and be visible in WISDM after this date.</i>	July 7, 2017
<i>JET - First day for JRR (Revenue), JRB (Internal Billings) and JRT (Non-Salary Cost Transfer entry for FY 2018</i>	July 14, 2017
<i>Cost Transfer Tool – First day for FY 2018 entry of Salary Cost Transfers or Non-Salary Cost Transfer in the Cost Transfer Tool.</i>	July 14, 2017



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# Human Resource System (HRS) Outage

Susie Maloney  
Accounting Services



# Impacts on HRS Core Users

- Complete Outage from noon Wednesday, Feb 22 until Monday, Feb 27
  - HRS Access – Human Resources, Benefits, Payroll, Funding, Time and Labor, Absences
  - Funding – Direct Retro Entry
  - EPM – Data warehouse reports
  - OIM – Security requests/approvals
  - CAT – Funding entries



# Funding/Direct Retro Entry

- *The last date to process Direct Retro Funding for February will be Tuesday, February 21st. Funding entry in HRS will stop at noon on Wednesday, February 22nd.*



# Funding/CAT


- *Funding entries made in CAT between February 19<sup>th</sup> and February 27<sup>th</sup> will have an edit status of "unverified" as the link to the SFS edits tables will be inactive during that time period.*
- *CAT itself will be unavailable from noon Wednesday, February 22<sup>nd</sup> until Monday, February 27<sup>th</sup> while the HRS upgrade occurs.*



# HRS 9.2 Readiness Page

<https://uwservice.wisconsin.edu/hrs/upgrade-readiness>

[Home](#) [My UW System Help](#) [Forms/Publications](#) [HRS Administration](#) [UWSC](#)



**Related Topics**  
[UW HRS KnowledgeBase \(KB\)](#)  
[Return to Administration page](#)

## HRS Upgrade Readiness


[Updates](#) [Processing Calendar](#) [Impacts](#) [Learning Resources](#)

### Most Recent Updates

Full HRS Outage February 22 - February 27, 2017 (Details Enclosed)  
*Posted on Jan 18 2017 by Jinsoo (Jeffrey) Hwang*

The upgrade of HRS from PeopleSoft version 9.0 to version 9.2 will take place over the weekend of February 23rd-27th. An HRS outage is required to make the version upgrade. The target date to make HRS available again is Monday, February 27th (time TBD).

In order to start the HRS 9.2 upgrade steps as early as possible and target making the upgraded HRS system available on Monday, we will be making several HRS processing and schedule changes. Our goal is to minimize the impact of the upgrade steps on HRS users, UW employees and Service Center staff, as well as to minimize the period when HRS will not be available.



### HRS 9.2 UPGRADE STATUS TRACKER

**19** days  
Until outage starts

**Known Upgrade Issues**

- No known issues.

To report a problem that is not listed, please [contact us](#).

**Past Updates**

- None available

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# HRS 9.2 Readiness Page

SERVICE CENTER

Updates Processing Calendar Impacts Learning Resources						
All TAM HR Benefits Payroll Time & Absence Finance HRS/EPM/OIM						
< >		today		Feb 19 – 25, 2017		week 2 weeks
Sun 2/19	Mon 2/20	Tue 2/21	Wed 2/22	Thu 2/23	Fri 2/24	Sat 2/25
	Missed Payroll Request deadline for Tuesday printing (noon)	Last Direct Retro entry & processing	HRS Outage (noon)	HRS Outage		
	Payline and retro load (overnight)	Missed Payroll Request deadline for Wednesday printing (noon)	EPM Outage (noon)	EPM Outage		
	Payline request deadline (4:30 p.m.)	Absence event entry recommended due date (8:00 p.m.)	OIM Outage (noon)	OIM Outage		
		FICA deadline (noon)	eBenefits (Self Service) unavailable (noon)	eBenefits (Self Service) unavailable		
		02B & Retro Legal Holiday Entry deadline (8:00 p.m.)	Funding/Direct Retro Entry Locked out	Missed Payroll / Check Correction Request unavailable		
			Last JEMS feed to HRS	Self Service Time reporting unavailable		
			Missed Payroll / Check Correction Request unavailable (noon)	Timesheet Entry unavailable (noon)	Timesheet Entry unavailable	
			Final calc/confirmation (noon)			
			Self Service Time reporting unavailable (noon)			





# HRS 9.2 Readiness Page

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**Related Topics**  
[UW HRS KnowledgeBase \(KB\)](#)  
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## HRS Upgrade Readiness

[Updates](#) [Processing Calendar](#) [Impacts](#) [Learning Resources](#) [Past Updates](#)

TAM

HR

Benefits

Payroll

Time & Absence

**Finance**

**CAT**

- Funding entries made in CAT between February 19th and February 27th will have an edit status of "unverified" as the link to the SFS edits tables will be inactive during that time period. CAT itself will be unavailable from noon Wednesday, February 22nd until Monday, February 27th while the HRS upgrade occurs.

**Funding / Direct Retro Entry**

- The last date to process Direct Retro Funding for February will be Tuesday, February 21st. Funding entry in HRS will stop at noon on Wednesday, February 22nd.
- Service Center Payroll and Finance teams will coordinate with the HRS and SFS batch teams regarding these schedule changes.

HRS/EPM/OIM

# Deferred Revenue

Amy Wilson  
Accounting Services



# Deferred Revenue

## UW System Administration Policy

(effective 4/2/2015)

Processing Guidelines for Advance Fee Collections Future Year Receipts collected before July 1.

- Cash must be deposited in current fiscal year (Within 5 business days of receipt)
- All advanced fees must be recorded as Deferred Revenue in the general ledger by end of current fiscal year
- No amounts can remain in a revenue account at the end of the current fiscal year

# Deferred Revenue

## What is Deferred Revenue?

Advance payments or unearned revenue, recorded on the recipient's balance sheet as a liability, until the services have been rendered or products have been delivered. Deferred revenue is a liability because it refers to revenue that has not yet been earned, but represents products or services that are owed to the customer. As the product or service is delivered over time, it is recognized as revenue on the income statement.

*Source: "Deferred Revenue Definition | Investopedia." Investopedia. n.p., 25 Nov. 2003. Web. 13 Apr. 2015. <<http://www.investopedia.com/terms/d/deferredrevenue.asp>>.*

# Deferred Revenue

## Campus Examples



**A department is holding a conference in August 2017. External conference attendees send payments for fees starting in June 2017.**

- Cash – Must be deposited in current FY, within 5 business days.
- Revenue – Not earned until Conference occurs in FY 2018. Receipt is recorded as deferred revenue in FY 2017



**A department will be providing a service to an external customer in July 2017. The customer sends us a check for the services in May 2017.**

- Cash – Must be deposited in current FY, within 5 business days,
- Revenue – Not earned until the service is provided in FY 2018. Receipt is recorded as deferred revenue in FY 2017.

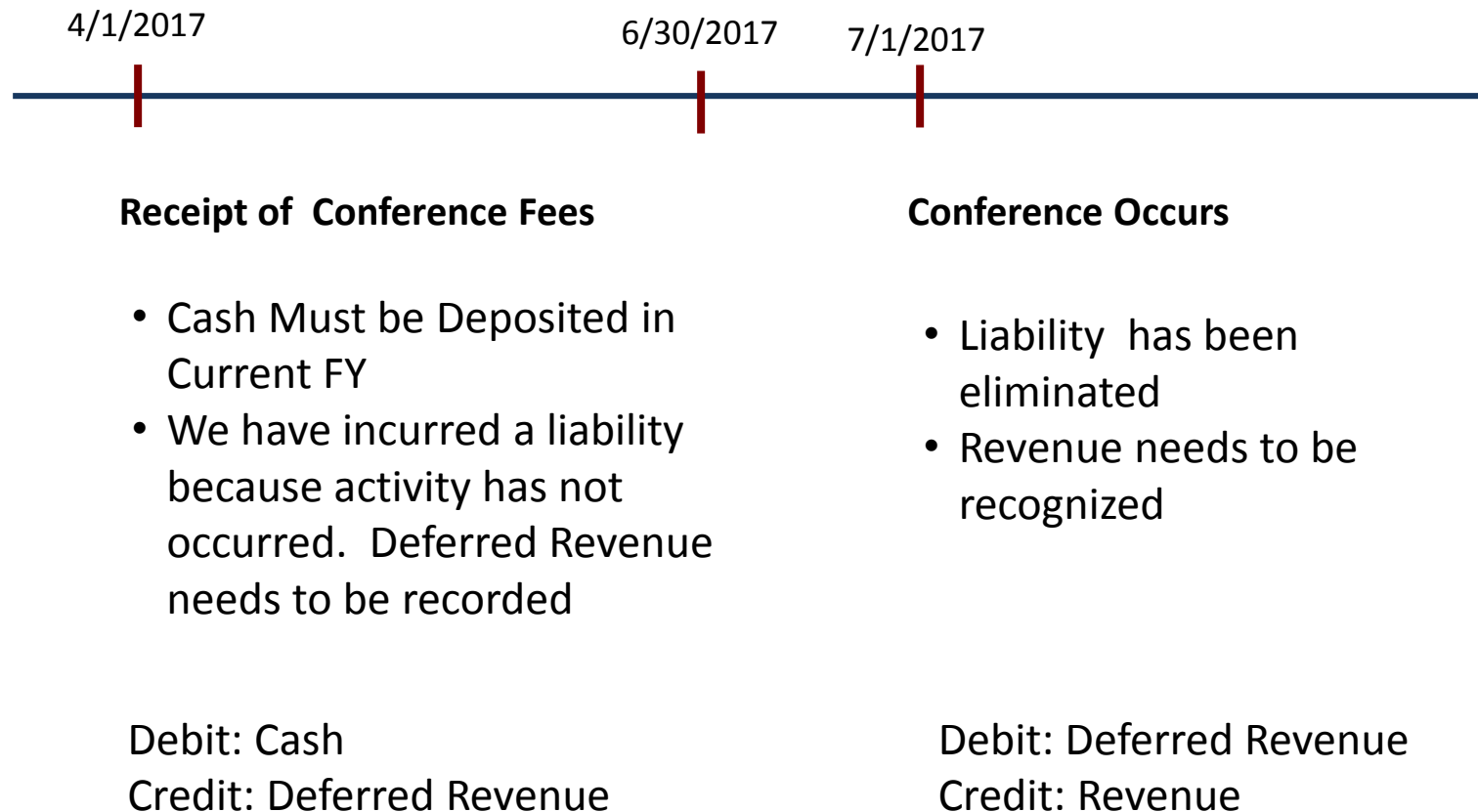


**A department will be providing services to another UW department in August 2017 and pre-bills for the services in June because there are GPR funds to be spent.**

- In general it is not appropriate to pre-bill when the customer is internal.

# Deferred Revenue

## Deferred Revenue Timeline Conference Example



# Elimination of Date Stamping

## (Invoices/Payments to Individuals/Direct Payments)

Liv Goff

Accounting Services



Thank you for attending.

## Future Financial Management Meetings

Rooms 1106 & 1108, 21 N Park Street

9:30 am - 11:30 am

April 11, 2017

June 13, 2017

August 8, 2017

October 10, 2017

December 12, 2017



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