Finance Orientation

Module B

December 3, 2014
Agenda

- Introductions

**MODULE B**

- Procurement Services
- Accounts Payable
- Treasury Services
Cathy Wood  
VP Finance and Treasurer  
Administrative Staff: Carol Evans & Sarah Meyers

- Rosie Henderson – Interim Controller & Asst. Treasurer  
  - General Accounting  
    - Accounts Payable  
    - Tax  
  - Sponsored Accounting  
  - Treasury Services

- Debbie Jackson – Senior Director of Strategic Procurement and Contracting  
  - Procurement Services

- Matt McNally – Chief Information Officer

- Jerry Conrad – Associate VP Facilities Operations

- Maureen Brookbank – Associate VP of Human Resources

- Brian Johnston – Associate VP Institutional Research & Assessment  
  - Budget Office
Strategic Sourcing & Procurement
The Function of Strategic Sourcing & Procurement

What We Do:

- Serve as central procurement authority for CUA
- Assist departments with all of their product and services needs
- Ensures compliance of policies & procedures
- Facilitate the competitive bid process
- Manage the Pcard programs
- Administration of CUA operational contract agreements
- Proper vetting of vendors; handle vendor relationships & identification of preferred vendors
- Contract review and negotiations
- Coordination of required internal resources/cross-functional areas
- Strategic sourcing

How We Do It:

- Process all requisitions in PeopleSoft
- Ensure required documentation is collected, reviewed & analyzed, i.e. ICA’s; Justification; Bids; T’s & C’s. All vendor application and invoices are forwarded to Accounts Payable for processing
- Provide operational assistance to departments, i.e. answer questions & give guidance
- Meet with vendors & establish relationships
- Administer the RFI, RFP, RFQ process
- Negotiate on behalf of CUA
- Administrator for the Pcard programs-answer questions, monitor transaction activities, etc.
- Standardization Committee
- Identify continuous improvement opportunities
- Coordinate with all departments as needed
Procurement Policy

Contract Approval & Signature Authority

Procurement Card Policy

Corporate Travel Card Policy

Prohibited Transaction Policy

http://policies.cua.edu
Procurement Card (Pcard): A method for procuring, paying goods and limited types of services under $2,500.00

Purchase Requisition: is a precise document generated by an internal organization to notify the Procurement Services office of items it needs to order, their quantity, and the time frame. Once it passes “budget check” gives authorization to proceed with the purchase.

Purchase order: is a commercial document issued by the buyer (CUA) to a seller, indicating the type, quantities and agreed prices for products or services. Sending a PO to a supplier constitutes a legal offer to buy. Purchase Orders are issued with standard terms and conditions.

Contract: an agreement entered into voluntarily by two parties or more with the intention of creating a legal obligation. The contract captures negotiated terms & conditions, and covers the offer, acceptances and considerations.
The Procard/Pcard

- **Procurement card (Procard/Pcard):**
  - Shared responsibility on Cardholder and Manager
    - Electronic process:
      - Log into ESP (Enterprise Spend Platform)
      - Coding and approving transactions online
      - Scanning and attaching receipts
      - Complete all requirement within allotted timeframe ten (10) days of the transaction posted date

- Adhere to Procurement Card Policy, Procurement Policy, Unauthorized Purchase Policy
- Maintain receipts for 18 months
- Compliance – completeness/warning/suspend/revoke
- Audited - monthly
- Contact Teresa Chandler (chandler@cua.edu) for more information
Corporate Travel Card

- Corporate Travel Card
- Intended for those individuals who travel three or more times annually in support of university business and mission
- Adhere to University Corporate Travel Card Policy, Travel Policy
- Should be used only for business travel & entertainment
  - Airline tickets
  - Hotel
  - Rental
  - Meals

- Must be reconciled by the traveler
- Detail the nature of the expense
- Monitored carefully to detect abuse
A Need is identified by Requistioner

Original Invoice is sent to Accounts Payable and Payment is Made

Requistioner Creates a Receipt in PeopleSoft

Products/Services Delivered

Sourcing Processes and Requisition is Created in PeopleSoft or P-Card

PO is Created and Sent to Supplier
The following summarizes the revised procurement processes:

1. Enter Requisition (On-Line)
2. Perform Budget Checking (On-Line)
   - Budget Check Not Successful
     - Requisition Placed on Hold Until problems resolved
   - Budget Check Successful
     - Initiate Workflow by Approving Amounts and Chartfields
       - Amount Approval by Manager
       - Chartfield Approval by Central Accounting
     - Requisition Routed to Purchasing (Electronically)
       - Bids obtained (if required) and Vendor Selected
         - Purchase Order Issued (Via Fax or mail)
         - Items Received
         - Requestor Enters Receiving/ Shipment Data (On-Line)
       - Invoice Received And Voucher Entered
         - Matching Performed
         - Check Issued
Strategic Sourcing and Procurement Website
University Procurement Policy and Procedures

Signature Authority
University policy clearly states that, only the President, Provost, VP for Finance & Treasurer, and the Procurement Services Office delegated by the VP for Finance, have the authority to enter the Catholic University of America into a signed contract agreement. Departments and their employees do not have the authority to sign contracts or act as agents of the University, regardless of the dollar amount. An individual in violation of the above is personally liable for all commitments owed to the supplier, monetary and otherwise.

In addition, The Vice President for Finance & Treasurer has authority to execute and deliver any and all deeds, leases and contracts arising out of the normal business operations of the University and for which funds are available in the approved budget.

Competitive Bids
University procurement policy requires that competitive bids must be obtained for purchases of goods or services in excess of $2,500. For purchases between $2,500 and $5,000, a minimum of two bid quotes are required. A minimum of three written bid quotations are required for purchases of $5,000 or more. Exceptions to this procedure may be granted by Procurement Services if acceptable written justification for a single- or sole-source is submitted and approved.

Conflict of Interest
University trustees, officers, faculty, and staff are expected to avoid even the appearance of impropriety when performing their duties and must not use their positions or knowledge gained on the job to improperly influence decisions for their personal advantage or for the advantage of their families or their friends.

Further, an employee may not purchase or influence the purchase of goods or services for University use from a firm or organization, if the employee or his/her family would receive financial gain, without disclosing such interest in writing to their immediate supervisor and to the Procurement Services Office.

Procurement Questions
Email: askprocurement@cua.edu
Procurement Website

http://treasurer.cua.edu/business-services/ProcurementService.cfm

Finance Policies:  http://policies.cua.edu/
  Procurement Policy
  Contract Approval & Signature Authority
  Procurement Card Policy
  Corporate Travel Card Policy
  Unauthorized Purchase Policy
  Standardization Policy
  Prohibited Transaction Policy
Accounts Payable
* Vendor split by analyst changes every May 1 (beginning of fiscal year)

Office Staff:

Email - CUA-AccountsPayable@cua.edu

- Lisa David, AP Director –x5854
Accounts Payable

- Controls the disbursement of all non-payroll University checks
- Processes employee reimbursements
- Checks printed Monday, Wednesday and Friday
- Forms, policies, FAQ, etc. on website:

http://treasurer.cua.edu/accounts-payable/index.cfm
General AP Guidelines

- Make sure account chartfield is complete and correct
- Make sure you have adequate funds in your General Expense budget to cover the payment
- For new vendors, ensure Vendor Application is attached
- Appropriate approval is required
  - Fund managers approve vendor payments
  - Supervisor of the fund manager approves reimbursements for the fund manager’s expenses
- Avoid duplicate receipt submission
  - Only originals
  - Many vendors provide two copies; only submit one
  - Ensure receipt hasn’t been paid via another Direct Pay or another payment method (e.g. American Express or University credit card)
- Staple all receipts to 8 ½” by 11” paper
Methods of paying for goods or services:

- **Direct pay form**
  - Payment of honoraria, contributions, memberships or non-travel employee reimbursements
  - Must be authorized by org financial manager (and supervisor for employee reimbursements)
  - Attach original receipts

- **Pay invoice from previously established Purchase Requisition**
  - Required for transactions not paid for by Procurement Card or Direct Pay form
  - Once PO is established, receive item in PeopleSoft and submit invoice to AP – record receipt # on the invoice
  - Write “final invoice” on invoice if you want AP to liquidate/close out a PO

- **Travel Expense Report**
  - Must be used for all travel expenses
Travel

• All travel expenditures must be submitted on Travel Expense Form
• Policy, procedures, form and other travel links on AP website
• Business purpose and attendees must be included
• Include original receipts attached to 8 ½” by 11” paper
• Requires traveler’s supervisor approval – no exceptions
• Expense reports due 15 business days after travel
• Traveler’s responsibility to be familiar with University Travel policy before trip
• Foreign travel – traveler converts expenses to US$ as of day of purchase (link on AP website to OANDA.com)
Meal reimbursement – Per Diem or Actual

- Cannot combine both methods in one trip
- Group business meals are considered separately
- Incidentals (tips) included in Per Diem rate
- Government rates used
- Cannot use Corporate/Procard for meals and request Per Diem
- See travel policy for full information including rules for partial Per Diem
Think of your org like a checkbook…

You have bought certain items, such as procurement card purchases, that might not appear in your org yet.

However, like a check that hasn’t cleared, those funds have been spent and can’t be used for other things.

Use drilldowns to examine what expenses are in your org.
Treasury Services
Who We Are – Treasury Services

- Renell Lewis, Director of Treasury Services – lewis@cua.edu; x6445
- Pat Hartline, Treasury Analyst – hartline@cua.edu; x6707
- Helen Huntt, Account Analyst – hunth@cua.edu; x5595

Cashiers:
- Vera Covington, Cash Accountant – covington@cua.edu; x5048
- Peggy Rockefeller, Cash Accountant – rockefeller@cua.edu; x5048
Role of Treasury Services

- Cash handling
  - Processing cash deposits
  - Administer petty cash program
- Administration of bank accounts
  - Reconciliations
  - International Wire Transfers
- Investment management
  - Endowment Payout
  - Asset Allocation
- Financial interface for contributions
- Split interest arrangements
  - Annuity processing
➢ Cash handling
  • All deposits must be kept secure (locked).
  • Departments can accept cash, checks, credit cards.
    o No “starter” checks (checks with numbers below 100, or checks without name imprinted on them)
    o If the phone number is not pre-printed on the check, please ask for it and write it on the check. With this the individual can be contacted if the check is returned.
    o Types of credit cards currently accepted through terminal and online transactions—Visa, Master Card, Discover, AMEX
Treasury Services

- Bank accounts
  - Only the Vice President for Finance and Administration can authorize the opening of a new bank account.
  - No University organization should have an outside bank account that contains University funds without prior approval from the Vice President for Finance and Administration.

- Written departmental procedures
  - All departments must have written procedures for the handing of cash in that area.
  - These procedures must be approved by Treasury Services
Deposit Tickets

- Deposit forms can be downloaded at the following internet address: http://treasurer.cua.edu/forms.cfm
- All checks deposited should be made payable to The Catholic University of America (CUA).

Preparing deposits

- Deposit tickets should be filled with complete chartfield information prior to arriving at the Cashiers Office.
- When making a deposit, be specific in describing the purpose of the deposit and have complete detailed attachments in case there are future inquiries.
- All credit card transactions (deposits and refunds) should have back-up information attached.
Preparing deposits (cont’d)

- Departments should keep copies of their deposit tickets as well as the receipts generated from the Cashier’s Office.
- All receipts should be reconciled monthly with Cardinal Financials (nVision Reports) to ensure org accuracy.

Making deposits

- All deposits should be made at the Cashier’s Office. Please do not send deposits through Campus Mail.
- Cashiers Office located in Leahy Hall Rm 155
- Cashiers Office is open daily from 10am – 4pm
- All individuals making deposits that contain cash must wait at the window for a receipt.
Petty cash

- A reimbursement fund which makes cash conveniently available for expenditure at local levels, in small dollar amounts, for official purposes of the University.
- Petty Cash funds should not be used for awards, personal services, royalties, personal loans, or salary advances.
- No single expenditure from a petty cash fund may exceed $75.

Requesting Petty Cash

- An email should be sent from the department head to the Director of Treasury Services requesting the petty cash fund.
- The email should include the following: the name of the manager and custodian, the dollar amount of the fund (default is $200), and the purpose of the fund.
Petty cash reimbursement

- The fund should be balanced at least monthly. There should be a log of all transactions.
- When the cash on hand is depleted, prepare a direct pay form and provide all backup documentation, including accounting information.
- Provide the direct pay form to the Accounts Payable Department.
- AP will issue a reimbursement authorization form to the custodian.
- The custodian will give the reimbursement authorization form to the Cashier, who will provide the cash reimbursement.
International Wire Transfers (Outgoing)

- Process a purchase requisition first
  - Ensures compliance with budget and contract rules
- Wire transfer forms can be downloaded at [http://treasurer.cua.edu/forms.cfm](http://treasurer.cua.edu/forms.cfm)
- All information on wire transfer forms must be filled in completely. Back-up documentation must be attached.
- Please allow Treasury Services 2-3 days to process wire transfer requests, if there’s a completed purchase order.
- International wire transfers settle within 2-3 business days.
Domestic and International Wire Transfers (Incoming)

- Notify the Cashiers Office if you are expecting to receive an international or domestic wire transfer.
- Provide the Cashiers Office with the correct chartfield to credit the deposit.

Unclaimed Checks

- Please return any unclaimed checks Payroll or Accounts Payable has delivered to your department in a reasonable amount of time to allow for follow-up.

Check Cashing

- The Cashier’s Office will not cash checks under any circumstances. This includes check written off of University accounts.
Top 10 Applicable Financial Policies

➢ Use these policies as a reference for your questions

➢ All on CUA Official Policy Site (http://policies.cua.edu)

• Cash Handling Policy
• Contract Policy
• Financial Transaction Authority
• Grants and Contracts Policy
• Petty Cash Policy
• Procurement Policy
• Procurement Card/Corporate Card Policy
• Prohibited Transactions Policy
• Travel Policy
• University Budget Policy
- Orientation slides located at http://treasurer.cua.edu/Controller/FinOrient.cfm

- Next Module A session:
  - To Be Announced Soon

- Areas covered in Finance Orientation Module A include:
  - CUA Account Chartfield
  - Common Reports
  - Budget Office
  - General Accounting

- Finance mailing list

- Monthly Accounting/Procure to Pay Q&A Sessions
  - To Be Announced Soon