What’s Up? Spring 2013 Presentation
Finance Service Group
Agenda

- Josee Larochelle
  - AVP Update
  - Update on Efficiencies
  - Fiscal Year End 2012/13
- Gail Finney
  - Hospitality
- Valorie Gale
  - Blanket Order Process
- Marna Genes
  - Revenue-Generating Activities
AVP Update

- Update Business Process Improvements
  - FTS Enhancement
  - On-Line Forms
  - PO to Pay
- Update Efficiencies
- Year-End Update
Business Process Improvements

- **FTS Enhancements- May 2013**
  - Specific date to be announced the beginning of May
  - Screen improvements such as date fields, processing icon, etc.
  - Updating the security to be more flexible
    - For example: Allowing users to have differing roles (requestor or approval) for departments

- **On-Line Forms Development- Suspended**
  - Developing an on-line form that includes workflow for approvers and automated email communication
    - Change Order Form
    - e-Market Application

- **PO to Pay- Still to Come**
Efficiencies

- Recently Announced – February 20, 2013
  - IT Voice and Data Services

<table>
<thead>
<tr>
<th></th>
<th>State Support</th>
<th>Self-Support</th>
<th>Auxiliaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 2013 – June</td>
<td>Billed at the February amount</td>
<td>Billed at the February amount</td>
<td>No Change</td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 1, 2013 forward</td>
<td>No Charge</td>
<td>Billed for baseline services</td>
<td>Billed for baseline services</td>
</tr>
</tbody>
</table>

*Rates for FY 2013/14 for Self-Support and Auxiliaries are under development and will be provided as soon as available – target end of May.*
Efficiencies- Completed

- FD & O Recharge Policy
- Events no longer charged for Risk Management
- HR recruitment advertising- no charge
- GoCard

January 2012

- Elimination of Spreadsheet Budgeting

May 2012

- Self Service UPS through CampusShip and ProCard
- Expand the use of ProCard and other Procurement Pathways
- OfficeMax ImPress for printing

September 2012

- Bookstore purchases charged to Campus Student Accounts
- On-line International Student Fee payment

Fall 2012 Student Services
Fiscal Year End 2012/13
Accounts Payable and Contracts and Purchasing Services make every effort to ensure timely processing of procurement requests.

<table>
<thead>
<tr>
<th>Accounts Payable</th>
<th>Purchasing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Process Time</strong></td>
<td><strong>Subject</strong></td>
</tr>
<tr>
<td>Two Weeks</td>
<td>Direct Payment Requests</td>
</tr>
<tr>
<td>Two Weeks</td>
<td>Employee/Student Reimbursements</td>
</tr>
<tr>
<td>Two Weeks</td>
<td>Travel Reimbursements</td>
</tr>
<tr>
<td>Two Weeks</td>
<td>Registration Payment Requests</td>
</tr>
</tbody>
</table>
### Reminders and Tasks

<table>
<thead>
<tr>
<th>Subject</th>
<th>Description</th>
</tr>
</thead>
</table>
| **Reconcile Accounts**        | Departments should review their Data Warehouse reports throughout the fiscal year to reconcile financial activity posted to their accounts as well manage Purchase Order encumbrances.  
As we near year-end, more attention should be given to these transactions. Identified errors can be corrected through an Expense or Budget Transfer in FTS. Purchase Order encumbrances can be modified through a Change Order Request submitted to the Purchasing Services. |
| **GoCard, Office Max, ProCard** | GoCard, Office Max, and ProCard purchases for the June 2013 billing cycle will be expensed in FY 13/14.                                                                                                       |
| **Recharges**                 | May 2013 recharges for UPD, Facilities, Travel Consultants, copier meter readings, postage, and telephone expenses will be charged to FY 12/13. Recharges for the month of June will be expensed in FY 13/14. |
## Important Dates

<table>
<thead>
<tr>
<th>Due Date</th>
<th>Subject</th>
<th>Description</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thursday, June 27</td>
<td>Petty Cash</td>
<td>Expenses submitted for reimbursement before or on this date will be charged to 12/13 fiscal year. Expenses submitted after this date will be charged to FY 13/14.</td>
<td>Bursar’s Office Window 1</td>
</tr>
<tr>
<td>Friday, June 28</td>
<td>Deposits</td>
<td>Deadline is <strong>3 PM</strong> on this last day to make cash and check deposits at the Bursar’s Office. Deposits received after this deadline will be posted to the 13/14 year.</td>
<td>Bursar’s Office Window 1</td>
</tr>
<tr>
<td>Friday, June 28</td>
<td>Budget &amp; Expense Journals</td>
<td>Last day to complete and approve FTS budget and expense journals and HR expense journals.</td>
<td>Accounting Services</td>
</tr>
</tbody>
</table>
Finance management is a daily function not a year-end task!

http://www.sjsu.edu/finance/docs/Fiscal%20Year%20End%202012-13%20Guide_Final.pdf
Hospitality
Gail Finney
SJSU defines Hospitality as-

“Hospitality is the provision of food, beverages, and other expenditures related to activities, or special events for the purpose of promoting and furthering the mission of the university.”
Hospitality Guide

- Refer to the guide before requesting or making any purchases

- Things to consider
  - Is this a hospitality event?
  - Are the expenses allowable or prohibited?
  - Who are the intended beneficiaries of the hospitality?
  - What Funds are allowed to be used?
Hospitality Expense Justification Form

- Submit form with all Procurement Pathway requests
## Funding Sources Matrix

<table>
<thead>
<tr>
<th>Hospitality Expenses</th>
<th>CSU Operating Fund</th>
<th>Continuing Education Revenue Funds (CERF)</th>
<th>Other University Trust Funds</th>
<th>Auxiliary Organization Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meals and Light Refreshments (other than alcoholic beverages) for meetings attended by only employees.</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Meals and Light Refreshments (other than alcoholic beverages) associated with professional development training activity attended only by employees.</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Meals and Light Refreshments (other than alcoholic beverages) associated with events for the benefit of employee morale, such as formal (documented) employee recognition program, Awards and Service Recognition, and retirement or farewell gatherings for employees with at least 5 years of service.</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Meals and Light Refreshments (other than alcoholic beverages) for meetings and other events attended by official guests.</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Generally Acceptable Occasions

- All funding sources permitted (prohibited expenses still applies) and serves a clear university business purpose per guidelines
  - Commencement/convocation activities
  - Events for the benefit of students
  - Conferences (business organizations or learned society/organizations)
  - Documented employee morale or recognition programs
Generally Unacceptable Occasions

**Examples**

- Employee only staff meetings
  - Including student assistants do not make this an acceptable hospitality event
- Staff lunch with a new employee
- Donating to or sponsoring a fundraising event on behalf of employees in order to attend
- Gifts to employees

**Unacceptable due to**

- Funding source restriction
- Prohibited expense
- Serves no clear university business purpose per guidelines
- Or any combination of these reasons
Summary

Guidelines for planning or approving hospitality

- Importance of the event in terms of the costs to be incurred
- Benefits to be derived from such an expense
- Reasonableness of the expense
- Availability of funds to support the expense
- Equally effective alternatives to accomplish the desired objectives
Hospitality Guidelines

For more information, refer to

- SJSU Hospitality Guidelines-
  http://www.sjsu.edu/finance/policies_guidelines/hospitality/index.html

- Chancellor’s Office ICSUAM Policy 1301.00
  (Hospitality Payment or Reimbursement of Expenses)
  http://www.calstate.edu/icsuam/sections/1000/1301.00.shtml
Blanket Order Process

Valorie Gale
What is a Blanket Purchase Order?

The CSU defines a Blanket Purchase Order as

“…primary source agreements which are designed to supply goods or services on an ongoing basis for a designated period of time. The agreement generally established prices, terms, conditions and the period covered. Quantities or minimum sales are not required.”
The most effective use of a BPO occurs when all of the following criteria are met:

- Purchase is for goods (or approved services) within established, not-to-exceed dollar limitations
- Ongoing (more than one) receipts
- Designated period of time (less than one year)
- Total order amounts exceeds $1,000
Purchase Order Type Decision Chart

- Multiple receipts over time from single supplier?
  - No → Under $5,000?
    - Yes → On Pro Card List of Exclusions?
      - No → Order with Procurement Card
      - Yes → Generate a requisition for a standard purchase order
    - Yes → Total requirement over $1000?
      - Yes → Generate a requisition for a blanket purchase order
      - No → Insure that appropriate information to meet criteria is included on requisition
      - Submit requisition to Purchasing Department

- Submit requisition to Purchasing Department
Blanket Purchase Orders

- BPOs are
  - **NOT** blank checks
  - Opened for a maximum period of one year
    - If there is a remaining balance at the end of the period, Purchasing Services will close the order to disencumber any unused balances

- Changes (i.e., amount increases, additional items) to blanket purchase orders should be made via the change order process and documented with notes explaining the change
BPO Line Items

- Blanket purchase orders can contain more than one line, each with its own timeframe, and not-to-exceed amount
- Like goods or services (i.e., monthly rentals, supplies, equipment or furniture for a specific project phase) should be grouped on a single line
Below is an example of a line item that was correctly entered on a requisition for a blanket purchase order:

<table>
<thead>
<tr>
<th>Line-Sch</th>
<th>Quantity</th>
<th>UOM</th>
<th>Description</th>
<th>Unit Price</th>
<th>Extended Amt</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3,462.35</td>
<td>EA</td>
<td>Blanket Order for Recruiting Notecards and Envelopes</td>
<td>1.00</td>
<td>3,462.35</td>
<td>06/30/2012</td>
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</table>

November 14, 2011 - June 20, 2012
Not-To-Exceed: $3500.00
Blanket Purchase Order

The requisition below does not contain enough information.

<table>
<thead>
<tr>
<th>Line-Schd-Dist Distribution</th>
<th>Description</th>
<th>Account</th>
<th>Fund</th>
<th>Dept</th>
<th>Category</th>
<th>Quantity</th>
<th>UOM</th>
<th>Price</th>
<th>Extended Amt</th>
<th>Dist Amt</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Vendor: 0000008733 SUGGESTED VENDOR</td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>1-1</td>
<td>Labor</td>
<td></td>
<td>57800</td>
<td></td>
<td></td>
<td>6,500.00</td>
<td>EA</td>
<td>1.00</td>
<td>6,500.00</td>
<td>03/11/2013</td>
<td></td>
</tr>
<tr>
<td>1-1-1</td>
<td></td>
<td>613001</td>
<td>70000</td>
<td>1285</td>
<td></td>
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<td></td>
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<tr>
<td>Line Total:</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td>6,500.00</td>
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<tr>
<td>2-1</td>
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<td>2,000.00</td>
<td>EA</td>
<td>1.00</td>
<td>2,000.00</td>
<td>03/11/2013</td>
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<tr>
<td>2-1-1</td>
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<td>660003</td>
<td>70000</td>
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<td>2,000.00</td>
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<tr>
<td>Line Total:</td>
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<td>2,000.00</td>
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<tr>
<td>Total Requisition Amount:</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>8,500.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FY12/13 Blanket: lighting consulting on campus bldgs, exterior walkway & wall pack lights.
Success!!

- There are several Procurement Pathways (methods) that have been developed to streamline the purchasing process.
  - The Blanket Purchase Order is just one option for departments to use

- Clear communication to the supplier through the BPO assures
  - The requestor will get the expected product at the expected time
  - The supplier is paid for their shipment in a timely manner
Revenue-Generating Activities

Marna Genes
Revenue-Generating Activities

➢ Finance’s Goals: Support your revenue-generating activities through
  ▪ Supporting your business needs
  ▪ Helping you navigate applicable policies

➢ New guidelines available on Finance website
  ▪ [http://www.sjsu.edu/finance/policies_guidelines/revenue_generating/](http://www.sjsu.edu/finance/policies_guidelines/revenue_generating/)
Revenue-Generating Activities

- Supporting your business needs
  - Prepares all invoices to external clients
  - Processes all chargebacks to on-campus units
  - Process all contracts with suppliers/service providers
  - Offers e-Market for online revenue collection
  - There may be more services available…just ask!
Revenue-Generating Activities

- Helping you navigate applicable policies
  - We strive to be experts
  - We are committed to finding a way if it exists