• AVP Update – Josee Larochelle
• Travel – Josee Larochelle
• Employee Reimbursements – Valorie Gale & Gail Finney
• Managing Scholarship Funds with Data Warehouse – Shauna Rios
• Audit Compliance – Ninh Pham-Hi
Goals for fiscal year 2014/15

- Clear the following audit items; State Bureau of Auditors Continuing Education, CSU Executive Travel, and CSU Justice Studies
- Establish a Campus Internal Audit Program including the hiring of a campus resource.
- Budget Transparency
- Ensure a transition from end of life ImageSource Workflow Automation application to a new platform.
- Finance Hot Topics
As a result of a systemwide risk assessment conducted by the Office of Audit and Advisory Services during the last quarter of 2013, the Board of Trustees, at its January 2014 meeting directed the Office of Audit and Advisory Services to conduct an Executive Travel Audit. San Jose State University was selected as the first campus to undergo this new audit.

The Audit was conducted from April 14 through May 16, 2014. The subsequent slides identify the areas of improvement that are needed.
The SJSU Travel Guide states that travelers must obtain documented authorization to travel prior to embarking on a trip and/or making non-cancellable travel arrangements. The audit found that some travel had occurred prior to the authorization, some authorizations were not approved by the required party, and some authorizations were never completed.

- Travel authorizations are required to be completed, appropriately approved prior to travel, and maintained on file.
Travel paid for by third parties may be subject to conflict-of-interest reporting on the annual statement of economic interests form;

a) It is the responsibility of each individual to make sure that their reporting is complete.

b) Please visit the Conflict-of-Interest website for more information.
The SJSU Travel Guide states that the traveler is responsible for submitting travel reimbursements requests within 30 days from the return of the trip, and that the request should include any pre-paid expenses made by the University.

The audit found that some travel reimbursements did not include cost of all directly billed airline or rental car expenses as pre-paid and that some direct bill expenses did not have a corresponding travel reimbursement.

- Reimbursements should include the cost of all directly billed airline or rental car expenses as pre-paid expenses, along with itemized receipts for the expenses;
- Reimbursements should be processed for all directly billed transactions.
The audit identified the following policy requirements that were not always adhered to:

- **Itemized receipts must be submitted for any reimbursable item costing $25.00 or more.** An itemized receipt demonstrates the cost (shows what was purchased) and provides proof of payment (how it was paid).

- **All travel expense reimbursements should be submitted to Accounts Payable within 30 days after the end of a trip.**

- **Travel expense lodging should not exceed the in-state and out-of-state lodging rate for the campus and chancellor’s office of $175.00.** Expenditures above the cap are the responsibility of the traveler unless pre-approved in advance in accordance to CSU policy. When submitting an authorization, requests for lodging greater than $175.00 must be specifically requested and authorized with a business justification.
When personal leave is taken while on official travel status, the number of personal days must be specified on the authorization and reimbursement and should match your absence reporting.

Transportation expenses shall be reimbursed based on the most economical mode of transportation.

All travel expense reimbursements should be approved by the appropriate Administrator/approving official.

Changes or cancellations to travel arrangements must have an explanation of the business reason for the change or cancellation.

For help and understanding the Travel Guide or Travel Authorization process, please contact FinanceConnect at 408-924-1558 or visit an open lab.
The Standard Exclusions are the guidelines that should be used to determine the correct Procurement Pathway for each procurement. The Standard Exclusions are located at:
http://www.sjsu.edu/finance/financeconnect/resources/pathways/standard_exclusions/
The Standard Exclusions include only four instances in which Employee Reimbursement would be the appropriate Procurement Pathway. These are:

- Food/Catering in compliance with Hospitality Guidelines
- Gifts in compliance with Hospitality Guidelines
- Software in compliance with licensing requirements
- Wireless/Cellular Devices & Accessories in Compliance with Wireless Device Allowance Program
TOP 10 REASONS WHY EMPLOYEE REIMBURSEMENT IS NOT ALWAYS THE BEST PROCUREMENT PATHWAY

10. Equipment/Asset purchases (> $5000) must be tracked, tagged and reported
9. Many goods and services require agreements that must be reviewed for legal and CSU compliance before authorization of the purchase
8. Many goods require inventory control, certification and/or safe storage
7. Printing and engraving requires proofing prior to purchase approval
6. Many goods and equipment must be reviewed by FD&O for safety compliance
5. Independent purchases cannot take advantage of volume pricing so the University does not receive the best value for the purchase

4. Warranty and return policies for individual purchases may differ from those offered to the University

3. The University may lose rebates for purchases

2. Purchases may exceed the $1000 limit for Employee Reimbursements

1. Employees should not have to pay out of their own pocket for work-related purchases
EXAMPLES OF IMPROPER USE OF EMPLOYEE REIMBURSEMENTS

• Start up Cost purchases
• Rental Agreements
• Chemicals
• Printing
• Furniture/Appliances

• Employees may be held personally responsible for such purchases not allowed by the Standard Exclusion (reimbursements may not be approved).
• Departments should facilitate purchases whenever possible to assure that appropriate Procurement Pathways are utilized.
Managing Scholarship Funds with the Data Warehouse
Shauna Rios
MANAGING SCHOLARSHIP FUNDS

• Who’s managing your scholarship funds?
  – SJSU
  – Tower Foundation
  – Don’t Know?

• Contact the Financial Aid and Scholarship Office for:
  – Details about your scholarship funds
• Review both in the Data Warehouse!
  – Scholarship funds are not included in your department/college budget
  – Tower Endowment information in the Data Warehouse only show the interest distribution (what’s currently to available award)
• Operations Dashboard
  – Ledger Summary by Organization (2 columns)
### Scholarship Funds – Know Your Balance

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NEED MORE INFORMATION?

• Financial Aid and Scholarship Office
  – Carolyn Guel, 4-6083 or carolyn.guel@sjsu.edu

• Tower Foundation
  – Lani Rasmussen, 4-1161 or lani.rasmussen@sjsu.edu

• FinanceConnect
  – FinanceConnect@sjsu.edu (4-1558)
  – Come to an Open Lab (every other Friday, 9:00-11:00am in CL505)

What's Up? Fall 2014
Compliance Reminders
Ninh Pham-Hi
• As a State agency SJSU operates under numerous regulations
• Regulations are like a road map that steers us clear of confusion and chaos
• We get in trouble if we don’t follow regulations
• We are accountable to the public:
  – Transparency in reporting
  – Freedom of information act
• Chancellors Office is focusing on cost and risk of financial irregularities in 2015

• One stated goal is “to avoid negative publicity even from unintentional reporting error”.
Following is a quick 6-point reminder to help you avoid non-compliance to regulations.

Included are the references which are hyperlinked to the source documentation of the requirements on SJSU’s websites.

Please make sure you understand and follow them.
1. **Additional compensation**
   - Stipends
   - Overload appointments

   Determined by Collective Bargaining Agreement, please contact your [HR Representative](#) and [Faculty Affairs](#).

2. **Contracting & Procurement Guidelines**
   (a) Requisitions must have complete information as required
   (b) Conflict of interest: disclosure and one-up approval
   (c) Agreements must be approved before work begins
3. **Travel Reimbursements**

– Total travel expenses reported for trip should include all expenses.

– Completeness: Receipts, funding sources, prepaid expense information, direct bill information, beginning and ending dates of travel, personal time taken during trip

– Timeliness: Within 30 days after end of trip

– Completed Travel Authorization

All documentation to support your trip must be uploaded to support your Travel Reimbursement in FTS.
4. **Hospitality Guidelines**

5. **Absence Reporting**
   - For more information please contact your HR Representative and Faculty Affairs.
6. **Handling of State Funds (ICSUAM 3101)**

- Do not keep funds outside of SJSU, Tower Foundation, or Research Foundation
- One-up approval for all expenditure requests (delegation of authority guidelines)
- Business related project and/or program fundraising must be with campus approval, and proceeds must be deposited with the campus, or TF, or RF.