AGENDA

AVP Update – Josee Larochelle
Fiscal Year End – Meg Deiss
Journal Uploads – Bradley Olin
Conflict of Interest – Josee Larochelle
CFO Survey – Ninh Pham-Hi
UPDATE ON FINANCE GOALS

Introduce New University Budget and Risk Management Director

Goals for fiscal year 2014/15

- Clear the following audit items; State Bureau of Auditors Continuing Education, CSU Executive Travel, and CSU Justice Studies. **COMPLETED**
- Establish a Campus Internal Audit Program including the hiring of a campus resource. **DELAYED**
- Budget Transparency **COMING SOON**
- Ensure a transition from end of life ImageSource Workflow Automation application to a new platform. **LED BY ITS – DEC 2015**
- Finance Hot Topics **PAYMENT DUE DATES AND CONFLICT OF INTEREST**
COMING SOON

CFS data warehouse enhancements/improvements

- New Dashboards
  - There will be two newly-designed dashboards – Financial Summary and Transaction Inquiry. These will replace the Manage My Budget, Operations, and Management Reporting dashboards.

- Structure and Presentation
  - Redesign the overall presentation of the dashboard to support a more standard approach.
  - Standardize transaction drills.
COMING SOON (CONTINUED)

CFS data warehouse enhancements/improvements

- **Timeline**
  - May 4, 2015      Begin Campus Testing of Redevelopment
  - November 30, 2015 Complete Campus Cutover to Redevelopment
  - February 26, 2016 Complete Development for New Content

Open.Gov

- Open.gov platform will provide San Jose State University a powerful transparent and business intelligence tool. The tool is web based and will enable any interested party to view our budget and expenses for the current period as well as the past two fiscal years data. Included will be operating fund and SSETF funds.
Accounts Payable and Contracts & Purchasing Services make every effort to ensure timely processing of procurement requests.

<table>
<thead>
<tr>
<th>Process Time</th>
<th>Subject</th>
<th>Process Time</th>
<th>Subject</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two Weeks</td>
<td>Direct Payment Requests</td>
<td>One Week</td>
<td>RapidReqs</td>
</tr>
<tr>
<td>Two Weeks</td>
<td>Employee/Student Reimbursements</td>
<td>Two Weeks</td>
<td>Change Order Requests</td>
</tr>
<tr>
<td>Two Weeks</td>
<td>Travel Reimbursements</td>
<td>Two Weeks</td>
<td>Requisitions &lt; $10K</td>
</tr>
<tr>
<td>Two Weeks</td>
<td>Registration Payment Requests</td>
<td>Four Weeks</td>
<td>Requisitions between $10K to $50K</td>
</tr>
<tr>
<td>Two Weeks or</td>
<td>e-Invoice (PO invoice Submit)</td>
<td>Six to Eight Weeks</td>
<td>Requisitions &gt; $50K</td>
</tr>
<tr>
<td>according to terms</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Departments ensure invoices related to fiscal year 14/15 processed as soon as possible as these invoices need to be reported in the fiscal year.
**REMINDERS AND TASKS**

In a Fiscal Year, Expenses for GoCard, ProCard, and recharges cover June to May

<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 as 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 Office. |
| GoCard, Office Max, ProCard      | GoCard, ProCard, and Office Max purchases made for the June 2015 billing cycle will be expensed in FY 15/16.                                                                                                      |
| Recharges                        | May 2015 recharges for UPD, Facilities, Travel Agent prepaid charges, copier meter readings, postage, and telephone expenses will be charged to FY 14/15 and are due to Accounting Services by Friday, June 5. Recharges for the month of June will be expensed in FY 15/16. |
# IMPORTANT DATES

<table>
<thead>
<tr>
<th>Due Date</th>
<th>Subject</th>
<th>Description</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friday, June 26</td>
<td>Petty Cash</td>
<td>Expenses submitted for reimbursement before or on this date will be charged to 14/15 fiscal year. Expenses submitted after this date will be charged to FY 15/16.</td>
<td>Bursar’s Office Window 1</td>
</tr>
<tr>
<td>Friday, June 26</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>Budget Office/Accounting Services</td>
</tr>
<tr>
<td>Friday, June 26</td>
<td>Journal Upload Request</td>
<td>Last day to submit journal upload request to Accounting Services.</td>
<td>Accounting Services</td>
</tr>
<tr>
<td>Monday, June 29</td>
<td>Deposits</td>
<td>Deadline is <strong>3 PM</strong> on this last day to make cash deposits at the Bursar’s Office. Deposits received after this deadline will be posted to the 15/16 year.</td>
<td>Bursar’s Office Window 1</td>
</tr>
</tbody>
</table>
YEAR END INFORMATION

Finance management is a daily function not a year-end task!

2014/15 Year End Guide
## FTS OR JOURNAL UPLOAD?

<table>
<thead>
<tr>
<th>Type</th>
<th>FTS</th>
<th>Journal Upload</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expense</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Budget</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Chargeback</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>HR/Payroll Expense Transfer</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
UPLOAD REQUIREMENTS

Documentation
Completed upload template*
Detailed request including justification for transaction
Copy of Data Warehouse report:
  To show where the expense/revenue is currently recorded
  Display intended result

*All transactions should balance
EXPENSE & BUDGET TRANSFER JOURNALS

Large Volume (transfers exceeding 10 lines)
Expense accounts not available in FTS

***Remember: You CAN add lines to your FTS transactions***
REVENUE TRANSFER JOURNALS

***Revenue Adjustments Processed by Accounting Services***

Revenue corrections
Revenue account distribution
Revenue transactions cannot be performed in FTS
COST RECOVERY

Collect funds from multiple departments for services rendered

Cost Recovery Journal Upload Best Practices
1. Charge departments only after costs are incurred
2. Adhere to character limit within template fields
3. Use appropriate project codes related to reimbursement from Auxiliary organizations
JOURNAL UPLOAD BEST PRACTICES

1. Use primarily for complex or large volume error corrections (multiple chartfields or deptIDs)
2. Understand your local trust fund agreements before submitting requests
3. Provide thorough documentation
4. Original chartfield used in error should be reflected in corrected string
HELPFUL LINKS

http://www.sjsu.edu/finance/policies_guidelines/

http://www.sjsu.edu/finance/policies_guidelines/cost_recovery_funds/

http://www.sjsu.edu/finance/policies_guidelines/journal_upload/

http://www.sjsu.edu/finance/policies_guidelines/web_transfers/

Finance Connect
Phone: 4-1558
Email: financeconnect@sjsu.edu
CONFLICT OF INTEREST

JOSEE LAROCHELLE
CONFLICT OF INTEREST

- As a State agency, SJSU operates in the interest, and for the benefit of, the people.
- SJSU employees are obligated to act with integrity and fidelity and may not exploit their official position for private benefit in violation of the public trust. This includes use of public information for personal gain.
- All CSU employees are subject to Conflict of Interest laws and regulations that prohibit public employees from personally benefiting at the expense of the public interest.
- We are accountable to the public. Willful violation of these principles is a misdemeanor and involvement in the corrupt performance of contracts is subject to felony penalties.

(Public Contract Code §§ 10422, 10423 & 10425)
CONFLICT OF INTEREST

As a CSU employee you are prohibited from

• Receiving compensation from a CSU contract for activities or employment outside your normal job duties, and
• Independently contracting with CSU
• These restrictions do not apply to employees with teaching or research responsibilities unless the employee is involved in the University’s decision to enter into that contract.

CSU Conflicts of Interest © LawRoom
RESTRICTIONS ON CONTRACTS

• CA Government Code § 1090 prohibits CSU employees from having a financial interest in ANY CSU contract they make.
  o “Making” a contract isn’t just being part of the final decision. It can include:
    ➢ Preliminary discussions
    ➢ Negotiations
    ➢ Compromises
    ➢ Reasoning
    ➢ Planning
    ➢ Soliciting bids

• It is not enough to disqualify yourself from the process after you have discovered your interest. If you have financial interest in the contract and were involved in the contract at any stage, then the contract will be void, and you may be subject to penalties.
EXAMPLES OF CONFLICT OF INTEREST

- An SJSU employee completes a Single Brand justification favoring a company in which the employee is a paid member of the company’s Board of Directors.
- An SJSU employee with a personal interest in a company agrees to sit on a bid solicitation evaluation committee thereby influencing the committee’s award in favor of that company.
- An SJSU employee who participates in a department’s decision to use a spouse’s business to provide goods or services to the employee’s department.
  - If the employee completely recuses him/herself from the decision making process (including participation in departmental discussions), this scenario is not considered to be a conflict of interest.
OTHER EXAMPLES OF CONFLICT OF INTEREST

• An SJSU Employee that accepts round trip airline tickets from a vendor and does not report it.

• An SJSU Employee allows a vendor to pay for an expensive dinner and does not report it.
  o Hosted meals are not exempt from the restrictions on gifts, even if you conduct official business while eating.

• SJSU employees who sign official documents when they have not been formally granted signature authority. Examples of documents:
  o Software licensing agreements
  o Sales Orders
  o Terms & Conditions or General Provisions
REMEMBER . . .

- As an SJSU employee you should disqualify yourself from any decision making process which may result in personal financial gain.
- It is crucial to avoid even the appearance of impropriety.
- If you have a question as to whether a situation is or is not a conflict of interest – ASK!
  - University’s Human Resource Department
  - Supervisor

SJSU Human Resources Page: http://www.sjsu.edu/hr/cp/conflict/index.html
Now to the survey results . . .

(Total of 408 Responses)
QUESTION 1

Are you aware of any unauthorized bank account in your department?

- 19 “yes”

Note 1: ICSUAM 3101.01

Note 2: Departments are definitely no longer allowed to own a bank account.

Any question or issue for discussion?
QUESTION 2

Are you aware of any money collected for University business that is not deposited into a University account with the Bursars’ Office, or an SJSU auxiliary organization?

- 14 “yes”

Example: Proceeds from departmental fundraisings stored in a department drawer for weeks ...

Any question or issue for discussion?
QUESTION 3 & 4

Are you aware of unreported irregularities involving funds in the last 6 months? (loss, theft, fraud, embezzlement...)

- 3 “yes”

Are you aware of unreported loss of properties in the last 6 months? (loss, theft, fraud, embezzlement...)

- 1 “yes”

Note: It is the responsibility of managers to do this type of reporting, and they are not required to inform staff as to how she/he resolves the incident. However, it’s fair practice for concerned staff members to inquire about departmental issues.

Any question or issue for discussion?
QUESTION 5

Are you aware of any non-compliance to procurement policies? (such as approving invoices before receiving goods/services, or submitting requisitions after receipt of goods/services)

- 11 “yes”

Note: In your opinion, what is a good way for the campus to ensure that procurement policies are adhered to?

Any other question or issue for discussion?
QUESTION 6

Are you aware of any financial conflict-of-interest in your department?

3 “yes”

Definition: A conflict of interest is a situation in which a person derives personal benefit from actions or decisions made in their official capacity, including self-dealing.

Tough question: A department employee owns a bakery and sells cakes to a department fundraising at cost (no profit) - is that a conflict of interest?

Any other question or issue for discussion?
QUESTION 7

Are you aware of any new hires beginning to work before their official employment start date?

Note: There are 3 risks here

- HR compliance
- Financial risks in terms of incorrect payroll accounting, and thereby possibly legal risks also.

Any question or issue for discussion?
QUESTION 8

Do you understand and feel comfortable with university procurement policies and methods?

➢ 366 “yes”

Any question or issue for discussion?
Thank You!