Financial Management Office

Fiscal Administrator's Meeting

Thursday, January 30, 2014
Topics

- **Welcome New Director of Financial Management and Controller**
  - Howard Todo, VP for Budget and Finance/CFO

- **Budget and Finance Updates**
  - Howard Todo, VP for Budget and Finance/CFO

- **APM Update for Continuation Account**
  - Karen Morimoto, General Accounting & Loan Collection

- **KFS Updates**
  - Emily Jorgensen and Tammy-Lu Vandevender, Fiscal Services Office

- **UH WH-1 Annual NRA Assessment**
  - Alan Kimura, Disbursing Office

- **Data Governance/Data Sharing Overview**
  - Jodi Ito, Information Technology Security Officer

- **Account Code Attribute – Function Code Review and Change Project**
  - Susan Lin, Director of Financial Management and Controller
Budget and Finance Updates

• Welcome New Director of Financial Management and Controller
  ▫ Susan Lin

• Budget and Finance matter updates
Financial Management Office

Continuation Accounts

Presented by
Karen Morimoto, Director of General Accounting & Loan Collection
Introduction

• KFS and continuation accounts
• Purpose of a continuation accounts
• Able to assign or create continuation accounts
• Able to correct accounts with incorrect continuation accounts
Training Outline

• Lesson 1: Required Attributes
  ▫ All continuation account must have these specific attributes

• Lesson 2: Continuation Account - Example
  ▫ Example of the continuation account attributes for a federal extramural account
## Continuation Account – Required Attributes

<table>
<thead>
<tr>
<th>Account Code Attribute</th>
<th>Value</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Name</td>
<td>FOCode – CLEARING ACCOUNT (Fund Type)</td>
<td>039 – CLEARING ACCOUNT (FEDERAL FUNDS)</td>
</tr>
<tr>
<td>Closed?</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Account Purpose Text</td>
<td>FOCode – CLEARING ACCOUNT (Fund Type)</td>
<td>039 – CLEARING ACCOUNT (FEDERAL FUNDS)</td>
</tr>
<tr>
<td>Account Type Code</td>
<td>CL – CLEARING ACCOUNT</td>
<td>CL</td>
</tr>
</tbody>
</table>
## Continuation Account - Example

<table>
<thead>
<tr>
<th>Account Code Attribute</th>
<th>Account with Expiration Date</th>
<th>Continuation Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chart Code</td>
<td>LE – Leeward CC</td>
<td>LE – Leeward CC</td>
</tr>
<tr>
<td>FO Code</td>
<td>060</td>
<td>060</td>
</tr>
<tr>
<td>Account Name</td>
<td>2012 Gear Up</td>
<td>060 – CLEARING ACCOUNT (F)</td>
</tr>
<tr>
<td>Closed?</td>
<td>Yes or No</td>
<td>No</td>
</tr>
<tr>
<td>Account Purpose Text</td>
<td>2012 Gear Up</td>
<td>060 – CLEARING ACCOUNT (F)</td>
</tr>
<tr>
<td>Higher Ed Function Code</td>
<td>ECCG – STUD SVC, COUNSELING &amp; CAREER GUIDANCE</td>
<td>FFIS – INST SUPP, FISCAL OPERATIONS</td>
</tr>
</tbody>
</table>
### EXAMPLE – continued

<table>
<thead>
<tr>
<th>Account Code Attribute</th>
<th>Account with Expiration Date</th>
<th>Continuation Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Function Code</td>
<td>154 – FED C&amp;G, OTHER PURPOSE</td>
<td>351 – OTHER SOURCES</td>
</tr>
<tr>
<td>Account Type Code</td>
<td>EX – EXTRAMURAL ACCOUNT</td>
<td>CL – CLEARING ACCOUNT</td>
</tr>
<tr>
<td>Sub-Fund Group Code</td>
<td>FSPON1 – Fed Spons Proj</td>
<td>FADM0 – Fed Admin Conti Acct</td>
</tr>
<tr>
<td>Fund Group</td>
<td>12 – Current Funds Restricted</td>
<td>12 – Current Funds Restricted</td>
</tr>
<tr>
<td>Sub-Fund Group Type Code</td>
<td>F – Federal</td>
<td>F – Federal</td>
</tr>
</tbody>
</table>
EXAMPLE – continued

<table>
<thead>
<tr>
<th>Account Code Attribute</th>
<th>Account with Expiration Date</th>
<th>Continuation Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>UH Fund – Appropriation</td>
<td>F220 – DEPT OF EDUCATION</td>
<td>F222 – OTHER FEDERAL FUNDS</td>
</tr>
<tr>
<td>Non-imposed Fringe Indicator</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Budget Plan ID</td>
<td>009999</td>
<td>009999</td>
</tr>
</tbody>
</table>
Priority for Correction

- Federal and Trust accounts with RTRF continuation accounts
  - The ST (Salary Transfer) eDoc will not move vacation assessments
- All other accounts with old (non-future) expiration dates
Questions?
Financial Management Office

KFS Updates

Presented by
Emily Jorgensen, Fiscal Services Office
Tammy Vandevender, Director of Fiscal Services Office
SuperQUOTE Interface

• SuperQUOTE Interface to KFS Requisition in Production on 1/27/2014
• Works the same as in ePurchasing
• SuperQUOTE award data sent to KFS every 15 minutes
• SuperQUOTE data loads into Requisition
• Once the Requisition is saved, the SuperQUOTE award cannot be retrieved again
• All other Requisition processing remains the same
• Process document available on the website at: http://www.hawaii.edu/kualifinancial/?page=processDocumentsPurchasing&showSubMenu=procedures
PCard Implementation

- Implementation deferred to next fiscal year
- PCard will be the preferred method of procurement for purchases < $2,500
- Reallocation of PCard charges will be in KFS, not PVSNet
- CentreSuite will be used for PCard reference
- Departments need to verify PCard data for conversion
- Training for Cardholders and Support Staff will be forthcoming
Announcements

• Coming Soon
  ▫ Account Supervisor Delegate
  ▫ Account Supervisor Routing on the DV

• Training
  ▫ New trainer, Lynn Rathbun (lrathbun@hawaii.edu)
  ▫ Extended Basics training will be offered week of Feb 10

• Data Center Migration
  ▫ KFS and eThority will be down on Feb 8-9 while ITS moves the servers to the new ITC building

• Fiscal Services Office (KFS)
  ▫ New location as of Feb 10: 1406 Lower Campus Rd, Room 43
Questions?
Financial Management Office

UH WH-1 Annual NRA Assessment

Presented by
Alan Kimura, Supervisor of Accounts Payable, Disbursing Office
PURPOSE

- ANNUAL NRA ASSESSMENT REQUIRED

- DETERMINE IF INDIVIDUAL HAS BEEN IN THE USA TO QUALIFY AS RESIDENT ALIEN [IRS Substantial Presence Test]

- CHANGE STATUS OF INDIVIDUAL TO STOP TAX WITHHOLDING

- UPDATE ANY ADDRESS CHANGES
FOREIGN STIPEND/FELLOWSHIP RECIPIENT

- NON-RESIDENT ALIEN OR RESIDENT ALIEN

- UH WH-1 FORM
  - DIRECTIONS> ALL OTHERS> # 3, 4, 5, 7,
  - #3 PASSPORT ID PAGE, US VISA PAGE, I-94 FORM
  - #4 IRS FORM W8-BEN
  - #5 DS-2019 FORM  [J-1 VISA HOLDERS]
  - #7 I-20 FORM  [F-1 VISA HOLDERS]
UH WH-1 FORM

- USE VERSION DATED 11/22/13

- UH DISBURSING FORMS LOCATED AT URL:

  - [http://www.fmo.hawaii.edu/payroll/forms_disb.html](http://www.fmo.hawaii.edu/payroll/forms_disb.html)
ANNUAL NRA ASSESSMENT

• SUBMIT HARD COPY WH-1 WITH SPT DOCS TO UH DISBURING OFFICE

• REQUIRED TO MAINTAIN HARD COPY FORMS FOR IRS AUDIT

• NEED CURRENT MAILING ADDRESS FOR 1099-MISC & 1042-S

• IRS FORM 1099-MISC ISSUED AFTER 01/31/14

• IRS FORM 1042-S ISSUED AFTER 03/15/14
Questions?
Information Security Update

Thursday, January 30, 2014

Jodi Ito,
UH Information Security Officer
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(808) 956-2400

www.hawaii.edu/infosec
Information Security Program

- [http://www.hawaii.edu/infosec/infosecprogram.html](http://www.hawaii.edu/infosec/infosecprogram.html)
  - Data governance & oversight
  - Information Security Risk Assessments
  - Policies & Procedures
  - Identity Management & Access Controls
  - Information Security Training & Awareness
Information Security Projects Update

- Information Security Training and Awareness
- Server Registration
- UH Policy & AP Updates
- Updating Data Classification Categories
- PII protection: Rollout of Identity Finder for desktops
Acknowledgements and CERtifications

http://www.hawaii.edu/its/acer

Tracks required acknowledgements and certifications

- UH General Confidentiality Notice
- UH Information Security Training

Work in progress
Welcome to ACER, the University of Hawaii Acknowledgements and Certifications online service. ACER is a component of the UH Information Security Awareness Training initiative.

ACER provides a list of the Acknowledgements and Certifications that you may need in order to access some of UH’s online services. If you need one of these for a particular online service, the service will provide you instructions and a link to ACER.

Why ACER, why now? UH has been strengthening its policies and practices related to information security through a number of initiatives. One of the key initiatives is to increase the availability of information security awareness training and education. ACER can help ensure that those that work with online applications that contain sensitive data are well informed and are better prepared to use sensitive information appropriately.

ACER provides two components that address security awareness training and education. The first is for Acknowledgements; the second is for Certifications.

Acknowledgements (read and click). Acknowledgements provide access to online resources such as published policies and procedures that can be used to review UH expectations and requirements. After you have read the provided materials, clicking the checkbox completes the training.

Certifications (read and pass the test). Certifications provide training and testing to ensure that UH expectations have been read, reviewed, and internalized. After you have read the provided materials, passing the test completes the training. Tests can be taken as many times as needed.
<table>
<thead>
<tr>
<th>Title</th>
<th>Acknowledge/Certify</th>
</tr>
</thead>
<tbody>
<tr>
<td>UH Information Security Awareness Training Certification</td>
<td>Review Certification, Re-certify</td>
</tr>
<tr>
<td>University of Hawaii General Confidentiality Notice</td>
<td>Review Acknowledgment, Re-acknowledge</td>
</tr>
</tbody>
</table>

Acknowledgements and Certifications Service
Server Registration Update
# Server Registration Stats
*October 23, 2013*

<table>
<thead>
<tr>
<th>Campus</th>
<th>Total Registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>UH - Manoa</td>
<td>438</td>
</tr>
<tr>
<td>UH – Hilo</td>
<td>46</td>
</tr>
<tr>
<td>UH – West Oahu</td>
<td>40</td>
</tr>
<tr>
<td>UH - System</td>
<td>59</td>
</tr>
<tr>
<td>UH - Maui</td>
<td>39</td>
</tr>
<tr>
<td>Kapiolani CC</td>
<td>56</td>
</tr>
<tr>
<td>Hawaii CC</td>
<td>27</td>
</tr>
<tr>
<td>Honolulu CC</td>
<td>24</td>
</tr>
<tr>
<td>Kauai CC</td>
<td>11</td>
</tr>
<tr>
<td>Leeward CC</td>
<td>31</td>
</tr>
<tr>
<td>Windward CC</td>
<td>32</td>
</tr>
<tr>
<td>Other</td>
<td>37</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>840</strong></td>
</tr>
</tbody>
</table>
Next Steps

• Conducted Random Audit – selected registered servers were compliant
• January 21, 2014: conducted a network scan to find servers (ftp, dns, ntp, web)
  – Over 5500 “servers”
  – Map against registered servers
  – Begin blocking unregistered servers (timeline not yet established for blocking)
• Annual server registration update to begin Sept. 2014
Policy & AP Updates
Family Educational Rights and Privacy Act (FERPA)

Revisions to University of Hawaii Policy A7.022
What does FERPA do?

Provides three primary rights to students

• Inspect and review their education record

• Have some control over the disclosure of information from their education record

• Seek to amend incorrect education records
Other Important Policies Governing Sensitive Information

• E2.214 Security and Protection of Sensitive Information
  – Establishes guidelines for the identification and proper maintenance of sensitive information by the University of Hawaii.

• E2.215 Executive Policy on Institutional Data Governance
  – Establishes guidelines for the use and dissemination of information collected and maintained by the University of Hawaii.
  – The language in A7.022 has been amended to refer the E2.215 for resolving requests for access to data

• E2.216 Institutional Records Management and Electronic Approvals/Signature
  – To establish institutional requirements for the responsible management of University records.
  – To establish institutional requirements for the acceptability of electronic approvals/signatures.
University of Hawaii policies A7.022, E2.214, E2.215, E2.216 are being aligned to ensure that sensitive information is collected and maintained by the University in an acceptable manner; protecting the rights provided to students under FERPA and protecting the information in compliance with local, state and federal regulations.
Major Revisions to UH FERPA Policy

• Reflect revisions to the federal regulations revised in 2010
  – Allowing restricted dissemination of directory information
  – Clarifying the allowance of release of information for research and Longitudinal Data Systems

• Conforming with E2.214 and E2.215
  – Adding in the role of Data Stewards
  – Adding in the role of the Data Governance Committee

• Other Clarifying Changes
  – Clearly defining University Officials and their roles
  – Clearly describing Legitimate Educational Interest
  – Clarifying restriction on re-disclosure of student information
Records Management

• New Records Management Policy: E2.216
  – Incorporate data governance considerations
  – Include digital considerations
  – Standardize/clarify definitions

• Updating A8.450: Records Management Guidelines and Procedures
  – Consistent records retention schedule
Data Classification Categories
Draft Enhanced Data Classification Categories

• As of Jan. 23, 2014

• Currently E2.214: Security and Protection of Sensitive Information defines two categories: “public” and “sensitive”

• FERPA policy revision & regulatory compliance necessitates additional categories

• Categories:
  – Public, Restricted (new), Sensitive, Regulated (new)
Purpose

• Expand UH’s institutional data classification categories from two (2) to four (4)
• More granularity to better protect and manage UH Institutional Data with increasing levels of security as dictated by risk & penalties
• All Institutional Data should be managed and protected in accordance with:
  – UH Executive Policy E2.214: Security and Protection of Sensitive Information
  – UH Executive Policy E2.215: Institutional Data Governance
Public Data Category

- **Definition:** Institutional Data where access is not restricted and is subject to open records requests.
  - Includes student directory information as defined in A7.022
  - Includes public employee information as defined in Hawai‘i Revised Statues 92F-12
- **Restricted Use:** No
- **Level of Risk:** None
- **Security Requirements:**
  - Physical: None;
  - Technical: No encryption, basic security configuration (systems patched regularly, antivirus installed & updated regularly)
- **Notes:**
  - UH will not release lists of student directory information per A7.022, except under the terms of an established memorandum of agreement or contract.
  - Student record data that is not listed as either ‘public’ or ‘restricted’ is considered sensitive.
  - Excluding student record data, if a particular data element, data description or set of data is not listed in any category, it is considered public.
# Public Data Elements

<table>
<thead>
<tr>
<th>Description of Data</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Student</td>
</tr>
<tr>
<td>Name</td>
<td>X</td>
</tr>
<tr>
<td>Major field of study</td>
<td>X</td>
</tr>
<tr>
<td>Education level (i.e., freshman, sophomore, etc.)</td>
<td>X</td>
</tr>
<tr>
<td>Fact of participation in officially recognized activities and sports</td>
<td>X</td>
</tr>
<tr>
<td>Weight and height of members of athletic teams</td>
<td>X</td>
</tr>
<tr>
<td>Dates of attendance</td>
<td>X</td>
</tr>
<tr>
<td>Most recent educational institution attended</td>
<td>X</td>
</tr>
<tr>
<td>Degrees and awards received</td>
<td>X</td>
</tr>
<tr>
<td>Enrollment status (full-time and part-time)</td>
<td>X</td>
</tr>
<tr>
<td>Compensation (for executive/managerial and faculty only; salary ranges for all other employee groups)</td>
<td>X</td>
</tr>
<tr>
<td>Job title</td>
<td>X</td>
</tr>
<tr>
<td>Business address</td>
<td>X</td>
</tr>
<tr>
<td>Business phone number</td>
<td>X</td>
</tr>
<tr>
<td>UH email address</td>
<td>X</td>
</tr>
<tr>
<td>Job description</td>
<td>X</td>
</tr>
<tr>
<td>Education/training background</td>
<td>X</td>
</tr>
<tr>
<td>Type of appointment</td>
<td>X</td>
</tr>
<tr>
<td>Service computation date</td>
<td>X</td>
</tr>
<tr>
<td>Job code/occupational group/class code</td>
<td>X</td>
</tr>
<tr>
<td>Collective bargaining unit code</td>
<td>X</td>
</tr>
<tr>
<td>Department code/description</td>
<td>X</td>
</tr>
<tr>
<td>Island of employment</td>
<td>X</td>
</tr>
<tr>
<td>Past employees in a specific position</td>
<td>X</td>
</tr>
</tbody>
</table>
Restricted Data Category

- NEW CATEGORY!
- **Definition:** Institutional Data that is used for internal UH business only and will not be distributed to external parties.
  - Also known as “restricted directory information” for student data.
  - Restricted data will be released externally only under the terms of an established memorandum of agreement or contract
- **Restricted Use:** Yes
- **Level of Risk:** Limited
- **Security Requirements:**
  - Physical: Limited
  - Technical: No encryption, basic security configuration (systems patched regularly, antivirus installed & updated regularly)
## Restricted Data Elements

<table>
<thead>
<tr>
<th>Description of Data</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Student</strong></td>
</tr>
<tr>
<td>UH email address</td>
<td>X</td>
</tr>
<tr>
<td>Address</td>
<td>X</td>
</tr>
<tr>
<td>Personal phone number</td>
<td>X</td>
</tr>
<tr>
<td>UH ID number (may be referred to as Student or Employee ID number)</td>
<td>X</td>
</tr>
<tr>
<td>Banner PIDM</td>
<td>X</td>
</tr>
<tr>
<td>ODS PIDM</td>
<td>X</td>
</tr>
</tbody>
</table>
Sensitive Data Category

• **Definition:** Institutional Data that is subject to privacy considerations or has been classified as confidential and subject to protection from public access or inappropriate disclosure.

• **Restricted Use:** Yes

• **Level of Risk:** High

• **Security Requirements:**
  – Physical: media/devices must be physically secured*
  – Technical: No encryption required if systems are secured with proper security configurations (systems patched regularly, antivirus installed & updated regularly, user accounts and passwords implemented in accordance with UH password requirements, etc.) or if secured via an “approved” security plan (approved by Information Security Team)
*What is “Physically Secured”?*

- “Physically Secured” means:
  “System, electronic media, or paper that contains sensitive information must be physically secured in a non-public, controlled area (room should be locked if no one is in the room, cannot be a freely accessible area such as a classroom or lab area, area is only accessible to a trusted, known group of individuals)”
## Sensitive Data Elements

<table>
<thead>
<tr>
<th>Description of Data</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Student</td>
</tr>
<tr>
<td>Date of birth</td>
<td>X</td>
</tr>
<tr>
<td>Address</td>
<td></td>
</tr>
<tr>
<td>Personal phone number</td>
<td></td>
</tr>
<tr>
<td>Non-UH email address</td>
<td>X</td>
</tr>
<tr>
<td>Job applicant records (names, transcripts, etc.)</td>
<td>X</td>
</tr>
<tr>
<td>Confidential salary information</td>
<td>X</td>
</tr>
<tr>
<td>Access codes, passwords, and PINs for online information systems</td>
<td>X</td>
</tr>
<tr>
<td>Answers to “security questions,” such as “what is the name of your favorite pet?”</td>
<td>X</td>
</tr>
<tr>
<td>Confidential information subject to attorney-client privilege</td>
<td>X</td>
</tr>
<tr>
<td>Detailed information about security/information systems (physical and/or network)</td>
<td>X</td>
</tr>
<tr>
<td>Information made confidential by a collective bargaining agreement</td>
<td>X</td>
</tr>
<tr>
<td>Other student record data that is not considered directory or restricted information</td>
<td>X</td>
</tr>
<tr>
<td>UH research data or other UH intellectual property</td>
<td>NA</td>
</tr>
<tr>
<td>Any information protected by contracts, legal agreements, MOU/MOA/NDA, etc.</td>
<td>NA</td>
</tr>
</tbody>
</table>
Regulated Data Category

• NEW CATEGORY!
• **Definition:** Institutional Data where inadvertent disclosure or inappropriate access requires a breach notification in accordance with Hawai‘i Revised Statutes §487N or is subject to financial fines.
• **Restricted Use:** Yes
• **Level of Risk:** Very High
• **Security Requirements:**
  – Physical: media/devices must be physically secured
  – Technical:
    • Encryption of the protected data element(s) required.
    • Systems must be secured with applicable regulatory security configurations (PCI-DSS, HIPAA, etc.,
    • Monthly vulnerability & PII scans & remediation,
    • Systems patched regularly,
    • Antivirus installed & updated regularly,
    • User accounts and passwords implemented in accordance with UH password requirements, etc.)
    • Or secured via an “approved” security plan (approved by Information Security Team).
# Regulated Data Elements (or Regulation)

<table>
<thead>
<tr>
<th>Description of Data</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>An individual's first name or first initial and last name in combination with any one or more of the following data elements, when either the name or the data elements are not encrypted:</td>
<td></td>
</tr>
<tr>
<td>• Social Security Number</td>
<td>X</td>
</tr>
<tr>
<td>• Driver license number or Hawai‘i identification card number</td>
<td>X</td>
</tr>
<tr>
<td>• Account number, credit or debit card number, access code, or password that would permit access to an individual's financial account</td>
<td>X</td>
</tr>
<tr>
<td>Payment Card Industry Data Security Standard (PCI-DSS)</td>
<td>X</td>
</tr>
<tr>
<td>Health information, including anything covered by the Health Insurance Portability and Accountability Act (HIPAA)</td>
<td>X</td>
</tr>
</tbody>
</table>
Identity Finder for Desktops

• 4000 licenses; currently using less than 1000
• License – “per person”
• Determine “high risk” categories
  – e.g. units that handle sensitive information as part of daily business operations
• Install & run IDF on those computers on a regular basis
Questions?

jodi@hawaii.edu
(808) 956-2400
Financial Management Office

Account Code Attribute – Function Code Review and Change Project

Presented by
Susan Lin, Director of Financial Management and Controller
Topics

• Function Code Usage
• Challenges
• Function Code Value and Definition Recommendations
• Feedback from Budget Planning Group
• Next Steps
UH Chart of Account Structure

Fund Codes

- Classification of resources for reporting
  - General Funds
  - Federal Funds
  - Special Funds
  - Revolving Funds
  - Trust Funds
  - Agency Funds
  - Bond Funds

Account Code

- Smallest unit of activity or lowest level of responsibility at which accounting data are collected and maintained.
- Attached rich reporting attributes

Organization Code

Account Responsibility Center (revenue or cost center, for example, Applied Technical Education, Biological Science, Office of Mauna Ke Management.)

Object Code

- Accounting classification
  - Expense
  - Revenue
  - Asset
  - Liability
  - Net Asset

Flexifields Project Code

School or department designated field for tracking special purpose
Function Code

- Is one of 90 attributes on Account Code
- There are four levels of Function code
  - Lowest level that is tied to Account code - Higher Education Function Code
  - Three Rollup Levels
    - University Budget Office Function Code
    - AICPA Function Code
    - Federal Function Code
Function Code (cont.)

- Function code drives number of Account codes that need to be created.
  - For example, one project/funding may need to create five Account codes when expenditures need to be categorized by each function code

<table>
<thead>
<tr>
<th>Account Code</th>
<th>Function Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Instruction – Departmental Research</td>
</tr>
<tr>
<td>2</td>
<td>Instruction – General Academic</td>
</tr>
<tr>
<td>3</td>
<td>Instruction, Sponsored Instruction</td>
</tr>
<tr>
<td>4</td>
<td>Academic support, Computing Support</td>
</tr>
<tr>
<td>5</td>
<td>Academic Support, Academic Admin</td>
</tr>
</tbody>
</table>
Challenges

- Currently there is no APM defining the purpose or usage of Function codes
- We have too many Function codes
- Chart Manager assigns a Function code attribute to an Account. And the Function code is not transparent to Account users. Therefore the user may charge expenditures, for example, for instruction - departmental research to Account that has Academic Support Function code.
- Consequently expenses were categorized into the “wrong” bucket, which caused issues for the following reports:
  - Integrated Postsecondary Education Data System (IPEDS)
  - Management and Planning Support (MAPS) expenditure reports,
  - Cost of Education studies
  - Cost allocation for facilities and administrative proposals
  - Others.
Case in Point

• **KFS Stats**
  1. # Active account codes (i.e., closed flag = No) : 50,102
  2. Expired account codes prior to 7/1/2013 : 11,687 (includes #3)
  3. Expired accounts codes prior to 7/1/2012 : 9,080
  4. Expired accounts codes prior to 7/1/2013 with balances : 819
  5. Converted accounts with no activity : 22,688
Recommendations

• Simplify, simplify, simplify.
• Look for other accounting chart fields, either single or combination of chartfield, that can serve the same purpose
• Provide clear definition of each function code
• Provide training to chart managers and fiscal administrators
Function Code Definition

• Purpose/Use:
  ▫ A department or project might perform multiple functions. Since Function Code is an attribute that is attached to Account Code, Account code has to be created for each function code in order to separate expenses by the major type of spending and source of funding (e.g. Instruction, Organized & Sponsored Research, Institutional Support, etc.). Function code also facilities internal mission-based reporting if needed.
Proposed Function Code Values

- Instruction
- Academic Support
- Organized & Sponsored Research
- Departmental Research
- Libraries
- Public Service
- Other Sponsored Activities

- Institutional Support & General Administration
- Auxiliary Enterprises
- Student Financial Aid
- Operation & Maintenance of Plant
- Student Services
Input Process about the Proposed Function Codes

- Collaborated with ORS and Budget Office to develop the proposal
- Presented the proposal to the Budget and Planning group
- Present it to fiscal administrators
- Will present it to FMO Steering Committee
- Review the proposed values and the definitions to determine if it meets your business needs.
- Provide feedback to Susan Lin, Director of Financial Management and Controller as the point person for FMO, Budget Office, and ORS.
Next Steps

- Obtain feedback on the business requirements for function codes
- Before the conversion...
  - Option 1
    - De-activate or close out expired account codes that have an expiration date prior to 7/1/2013 and the KFS converted accounts with no activity – total accounts: 34,375, including 819 accounts with balances.
    - Then schools to review and update 15,727 account codes
  - Option 2
    - Convert without de-activation or closeout expired account codes.
      - Schools to review and update 50,102 account codes.
- KFS Co-Directors (Kathy Cutshaw, Michael Unebasami, Susan Lin, and Tammy-Lu Vandevender) agreed that we close out expired accounts code and FMIS converted accounts with no activity.
Questions?
Thank You for attending the Fiscal Administrator Meeting

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