Vendor Management Processes

FMO Town Hall Meeting

May 18, 2022

Sandra Furuto, UH Data Governance Director

Tracey Ohta, Associate General Counsel
What is Data Governance

“...a framework that enables us to effectively manage data”

• Defines how data are collected, stored, and used
• Defines who can access data, when, and under what conditions
• Establishes decision rights
• Establishes clear lines of accountability
• Gives a voice to all appropriate parties
• Provides a mechanism for conflict resolutions involving data
UH Data Governance Goals

Protect the privacy and security of “Protected Data” (all non-public data)

• Produce higher quality data for informed decision making
• Promote efficient use of resources
• Increase transparency and accountability
# EP2.214, Data Classification Categories

<table>
<thead>
<tr>
<th>Category</th>
<th>Definition</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public</td>
<td>Access is not restricted and is subject to open records requests</td>
<td>Student directory information, employee’s business contact info</td>
</tr>
<tr>
<td>Restricted</td>
<td>Used for UH business only; will not be distributed to external parties; released externally only under the terms of a written MOA or contract</td>
<td>Student contact information, UH ID number</td>
</tr>
<tr>
<td>Sensitive</td>
<td>Data subject to privacy considerations</td>
<td>Date of birth, job applicant records, salary/payroll information, most student information, PII responses on sensitive topics (e.g., illegal activities, addiction, sex, housing/food insecurity, etc.)</td>
</tr>
<tr>
<td>Regulated</td>
<td>Inadvertent disclosure or inappropriate access requires a breach notification by law or is subject to financial fines</td>
<td>FN or first initial/LN in combination with SSN, driver license number, or bank information; credit card, FAFSA information; health information</td>
</tr>
<tr>
<td>Category</td>
<td>Public</td>
<td>Restricted</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Student Data</td>
<td>No risk</td>
<td>Low risk</td>
</tr>
<tr>
<td>Name</td>
<td>UH email address / username</td>
<td>Address (street name, #)</td>
</tr>
<tr>
<td>Major field of study</td>
<td>Personal phone #</td>
<td>Personal phone #</td>
</tr>
<tr>
<td>Class (i.e., freshman, sophomore, etc.)</td>
<td>UH ID#</td>
<td>Banner PIDM</td>
</tr>
<tr>
<td>Student Data</td>
<td>ODS PIDM</td>
<td>Student &amp; Employee Data</td>
</tr>
<tr>
<td>Employee Data</td>
<td></td>
<td>Student Data</td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td>Student Data</td>
</tr>
<tr>
<td>Job title, description</td>
<td></td>
<td>Student &amp; Employee Data</td>
</tr>
<tr>
<td>Business address, phone</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education &amp; training background</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Previous work experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dates of first and last employment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Position #, type of appointment, service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>computation date, occupational group or class</td>
<td></td>
<td></td>
</tr>
<tr>
<td>code, BU unit code</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
EP8.200 Policy on Contracts and Signing Authority

• All contracts signed between UH/non-UH entities must comply with EP8.200
  • Examples of non-UH entities:
    • County, state, federal, and foreign governments
    • Educational institutions
    • Non-profit organizations
    • Financial institutions
    • Vendors, contractors, consultants
  • Section III.B.4(f) and (g) – related to Data Governance
    • OVPIT Non-compliant Terms (Shrinkwrap) Waiver
    • OVPIT Approval for IT procurement
    • Data Governance Process (DGP)
    • Online Tools for Classroom Use (currently not mentioned)
OGC review is not required for contracts that are <$25k.

Checklist provides guidance on what to look for in contracts, including non-compliant terms.
Most Common Non-compliant Terms (1)

**Indemnification**

- By state statute, UH cannot indemnify third parties (4 exceptions)
- Common language: “*UH agrees to indemnify, defend or hold VENDOR harmless from damages or injuries...*”
- To agree means UH will defend the vendor and pay for any monetary judgment
- Ask vendor to remove language or accept alternate language available at EP8.200, Attachment 12 (“University responsibility” on page 2)
- For signed contracts, if vendor refuses, this is a no go
Most Common Non-compliant Terms (2)

**Governing law**
- Strong recommendation not to accept another state or country’s laws
- To accept means that UH will be subject to that state or country’s laws
  - May be more difficult or need to hire outside counsel
- Ask vendor to change to Hawaii or remove language

**Binding arbitration (occasionally appears)**
- Strong recommendation not to accept arbitration
- To accept means that UH may be waiving certain defenses; oftentimes venue is not Hawaii and will require travel, possibly need to hire outside counsel
- Ask vendor to change or remove language
How to Proceed with Non-compliant Terms

• Identify and request vendor modify terms

• If vendor refuses, then program needs to make a business decision whether to proceed

• For software and subscriptions purchases (no signed contracts), submit an OVPIT Non-compliant Terms (Shrinkwrap) Waiver
OVPIT Non-compliant Terms (Shrinkwrap) Waiver

Purpose: notate the existence of the non-compliant terms for low cost, low risk purchases

• Complete this form if ALL of the following apply:
  • Purchase of an online software / subscription;
  • Low cost, often between $0-$2,500;
  • No signed contract (“click-to-accept” terms);
  • No data OR Public and Restricted Data only (recent revision); and,
  • Non-compliant terms
    • E.g., indemnification, governing law, binding arbitration

• Examples: Adobe/Microsoft software not part of ITS site license (no data); Mailchimp (Public/Restricted data)

https://www.hawaii.edu/its/support-tools/
OVPIT Approval for IT procurement ($25,000 or more)

Applies to:

• Hardware and software purchases, $25k or more in aggregate, single or multi-year contract; or,

• Purchase of a product or service that requires integration with any ITS managed system
  • Applies to all computer, information and network systems and services owned/administered by UH
  • Includes servers, desktop computers, laptops, printers, smart TVs, software and IT related services, that will be connected to, or are required to interact or integrate with the UH’s IT infrastructure

• No data involved!

https://www.hawaii.edu/its/support-tools/
Data Governance Process (DGP)

- Assess and reduce risk involving Protected Data
- Protect
  - Security – review how data will be collected, stored, and used
  - Legal – ensure agreements have appropriate language that protects UH
- Inventory where Protected Data is coming/goi
When the DGP Applies

Activities involving the collection, management, sharing, exchange, use and/or release of Protected Data

• Applies to institutional (academic and administrative) and research data
• Can be internal or external to UH
  • If internal, often involves requesting data outside your normal purview
  • If external, then a DGP always applies
• Mainly applies to people data (personally identifiable and de-identified data)
APPENDIX 9

DATA SHARING PROTECTIONS AND REQUIREMENTS

1. Definitions

Agreement. “Agreement” refers to that agreement between the University of Hawaii ("University") and the Vendor (as hereinafter defined) to which these Data Sharing Protections and Requirements is attached.

Data. “Data” is defined as information or data elements that are created, received, maintained, and/or transmitted by the University in the course of meeting its administrative and academic requirements and includes, without limitation, non-public information, student data, metadata, and user content. Data may fall into one of four data classification categories, as set forth in the University’s Executive Policy EP 2.214, which definitions are incorporated herein by reference.

De-Identified Data. “De-Identified Data” is Data that excludes all direct personal identifiers such that the identity of any individual is not recognizable. At a minimum, all of the following personal identifiers must be removed to constitute De-Identified Data:

1. Names;
2. Geographic information (e.g., address, city, county, zip code, precinct);
3. Dates related to an individual (e.g., birth date, admission date, discharge date, death date, all ages over 89);
4. Phone number;
5. Fax number;
6. Email;
7. Social security number (SSN);
8. Medical record number;
9. Health plan beneficiary number;
10. Account numbers;
11. Certificate/license numbers;
12. VIN and license plate numbers;
13. Device IDs and serial numbers;
14. URLs;
15. IP address;
16. Biometric identifiers;
17. Full face photos and comparable images; and
18. Any other unique number, characteristic, or code.

PII. "Personally Identifiable Information” or “PII” is any information identified as
NEW Exception to DGP

No DGP is required if a request involves ALL of the following:

• It is an online software/subscription
• There is no signed contract (vs. click-through “I accept” purchases)
• Restricted Data only

*Instead of a DGP, submit a OVPIT Non-compliant Terms (Shrinkwrap) Waiver*

Examples of exceptions:

• Emails to students, no other data involved (e.g., MailChimp)
• Require setting up user accounts (e.g., access to library resource materials)
• Chatbots to field student services questions
Online Tools for Classroom Use

- Subscription or software purchases for instruction
  - Small utility programs or software applications
  - Generally free or low cost
- List of tools reviewed
  http://go.hawaii.edu/JyV
- If not on the list, submit request form
  https://www.uhonline.hawaii.edu/uhoic/resources/

Specifically for faculty purchasing or requiring students to use an online tool for class work

- Flipgrid (Video discussion board)
- OII (Otter.ai transcription/closed captioning)
- Nearpod (Create interactive lessons)
- Kahoot! (Learning games)
- Lucidchart (Chart and diagram collaborative tool)
Decision Tree for Institutional Data

http://go.hawaii.edu/Zqx
(revised)
When a DGP is Required for Research

Does your project involve **any** of the following:

1. **Health (medical record sourced/related) data (identified and de-identified)**
   - E.g., A study on COVID symptoms of individuals within the first two weeks of testing positive, setting up a telehealth service, or transferring de-identified datasets to partner institutions

2. **Social Security Number (even if it is the last 4 digits) or full birthdate (month/day/year)**

3. **Student data originally collected or issued by UH for institutional purposes (i.e., related to the student’s education). This includes student contact information to identify or contact prospective human subjects.**
   - E.g., Request an email list of current students or using the UH Announce feature to invite students to sign up for a listserv to participate in research studies

4. **Surveys, interviews, focus groups, or observations that collect personally identifiable information (PII) on highly sensitive topics (e.g., illegal activities, addiction, sexual behavior and orientation, housing and food insecurity, etc.)**

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http://go.hawaii.edu/N3V
## Summary of 4 UH Processes Involving Vendors

<table>
<thead>
<tr>
<th>Data Governance Process (DGP)</th>
<th>OVPIT Non-compliant Terms (Shrinkwrap) Waiver</th>
<th>OVPIT Approval for IT Procurement</th>
<th>Online Tools for Classroom Use</th>
</tr>
</thead>
</table>
| • When Protected Data is being collected, managed, shared, exchanged, used and/or released  
  • May or may not involve third parties  
  • Any $ amount | • Small purchases (P-card)  
  • Software or subscriptions;  
  • No signed contracts (click through to accept terms | • Large purchases of IT hardware or software ($25k or more); or,  
  • Any hardware/software product or service that requires integration with any ITS managed system | • Small purchases required by faculty for use in the classroom (i.e., class assignments)  
  • Shrinkwrap waiver applies |

The purpose is to assess and reduce risk of Protected Data  
The purpose is to note problematic indemnification and governing law language  
The purpose is to alert ITS for better planning / efficiencies  
The purpose is to protect FERPA data/student privacy

Protected Data involved
**NEW Exception:** Online software / subscription, no signed contract, Restricted Data only  

**Revised:** NO data or Restricted Data involved  
NO data involved  
Mostly Restricted Data (email, account username/password); If education records involved, will be referred to DGP

[https://datagov.intranet.hawaii.edu/dgp/](https://datagov.intranet.hawaii.edu/dgp/)  
[https://www.hawaii.edu/its/support-tools/](https://www.hawaii.edu/its/support-tools/)  
[https://www.hawaii.edu/its/support-tools/](https://www.hawaii.edu/its/support-tools/)  
OIC list of faculty tools: [http://go.hawaii.edu/QPP](http://go.hawaii.edu/QPP)
How Often Do We Need to Submit These Requests?

DGP

• If you are doing a modification or contract renewal and your last submission was a Cognito form, please fill out the Kuali Build “DGP Request” form
  https://hawaii.kualibuild.com/app/builder/#/app/615c879318be89cd3983cc8b/run

• After that, complete the shorter “Revision to a Previously Approved DGP Request”
  https://hawaii.kualibuild.com/app/builder/#/app/617c976b53042c700fc77ca2/run

Shrinkwrap Waiver and OVPIT Approval for IT Procurement

• Every instance when you make a new purchase or renew your subscription, submit a new request
DGP Tips to Avoid Delays

• If we have all of the information we need, DGP approvals typically take 2 weeks for institutional data requests, 1 week for research requests
  • Abbreviated process for renewals is faster

• Before you fill out the DGP, have a good understanding of what your project entails (what data elements, roles/responsibilities, data flows)

• Address non-compliant terms in online terms and written contracts ahead of time
Best Practices for Third Party Agreements

• Read and understand the agreements (terms and conditions; privacy policies) before you sign or click ‘accept’

• If users need to create an account, inform them to not use their UH username and password, if possible

• Do not agree to language that gives the vendor rights to your data

• Do not sign agreements with vendors who sell or share your data with other third parties who aren’t their partners

• If Sensitive or Regulated data are involved, ensure there is language on security, breaches, and end of life data handling

• Do not forget about your data after the contract ends, especially if you have Sensitive or Regulated data
  • Re-read your contract before it expires; often, end of life data handling involves a written request to the vendor within 30 days to request data destruction or return
Questions?

Sandra Furuto, yano@hawaii.edu
Financial Management Office

FA Townhall Housekeeping

• WELCOME!
  • This session will be recorded and the slides and recording will be posted online for future reference
  • All attendees are on mute but can post questions in the Q&A button at the bottom of your screen.

• Agenda
  • Vendor Management Process
  • Fiscal Year End
  • Travel Advance Update
  • PostDoc and Fellow Policy Status
  • Student accounts: Completed projects and what’s to come
Financial Management Office

Fiscal Year 2022 Accrual Process Information

Karen Morimoto, Director of General Accounting and Capital Asset Accounting
**Presentation Instructions**

- Questions can be submitted to uhgalc@hawaii.edu
- Presentation will be posted to UH FMO website:
  - [Financial Management Office website](#)
Agenda

- FY2022 Year End Close Key Milestones
- KFS Service Date Requirement
- Need for Accounting Accruals
- Types of Accounting Accruals/Adjustments
  - Fiscal Administrator Initiated Adjustments
  - Central Office Initiated Adjustments
- Submission of JV Worksheets
- GASB 87
FY2022 Year End Close Key Milestones

• Changes from prior year and key items
  ▫ KFS will be disabled on 7/1 at 7pm **DO NOT PROCESS ANY TRANSACTIONS IN KFS ON 7/1/22 EXCEPT FOR FY22 BANK DEPOSITS/RECEIPTS AND FY22 BANK DEBIT/CREDIT MEMOS**
  ▫ Record Clearing/Continuation account adjustments by 6/23/2022 (G Funds) and 6/29/2022 (all other funds)
  ▫ In Concur – PCDOs (through billing cycle 6/14/22 will be auto-submitted on 6/16/22 and auto-approved on 6/19/22 by PCard Admin.
  ▫ New fiscal year is scheduled on open in KFS on July 6, 2022, prior to the posting of, beginning account balances on July 7, 2022
FY2022 Year End Close Key Milestones continued

- Changes from prior year and key items continued
  - Outstanding invoices for goods/services received on or before 6/30/2022 should be paid by 8/1/2022
  - Accounts payable accrual will be based on vendor and sub-recipient invoices paid through 8/1 with service dates on or prior to 6/30/2022 in the UH KFS AP system
  - Special instructions for construction and Bookstore MIT invoices
  - Record A/P over $100,000 not paid by 8/1/2022 via L-11 JV Worksheet
  - Record ALL construction A/P as of 6/30/2022 (including retainage) via L-11 JV Worksheet
  - There will be no De Minimis for recording construction invoices
FY2022 Year End Close Key Milestones continued 2

• Capital Asset Reminders
  ▫ Annual Inventory Verification Reports will be available on PageCenterX - New FAs will need to be sure they have access to their appropriate mailbox by submitting the KFS Security Form (FSO-40). The form and instructions can be accessed on the FMO website: Financial Management Office Financial Systems Forms
  ▫ Asset edits, loans, transfers, retirements, etc. should be in “Action List Approve” in KFS for CAAO on 6/9/2022 to ensure that updated information is captured for the FY22 Annual Inventory Verification Report
FY2022 Year End Close Key Milestones continued 3

• Reminders
  ▫ Funds for fiscal year 2023 must not be encumbered or expended prior to 7/1/2022
  ▫ No General fund or Payroll encumbrances
  ▫ Ask vendors and sub-recipients to submit outstanding invoices as soon as possible
KFS Service Date Requirement for Disbursements

• **What**
  • Provide accurate service date information regardless of when a bill is being paid
  • If you have questions on the appropriate service date to use, please email your question to uhgalc@hawaii.edu

• **Why**
  • Improve AP information in KFS
  • Throughout the closing process, analytics are performed on payment data
  • Incorrect service date information impacts the effectiveness of the analysis
  • Enhance completeness and timeliness of AP accruals and prevent unrecorded liabilities
# Service Dates for Fiscal Year-End Payment Processing

<table>
<thead>
<tr>
<th>SERVICE DATE SCENARIO</th>
<th>Date to enter in “Goods/Services Rec’d” date field</th>
<th>OTHER ACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  Service period entirely within FY 2022</td>
<td>Last day of service</td>
<td></td>
</tr>
<tr>
<td>2  Majority of service in FY 2022</td>
<td>06/30/2022</td>
<td></td>
</tr>
<tr>
<td>3  Majority of service in FY 2023</td>
<td>Last day of service</td>
<td></td>
</tr>
<tr>
<td>4  Goods received</td>
<td>Actual date received</td>
<td></td>
</tr>
<tr>
<td>5  Payment for future services</td>
<td>Last day of service</td>
<td></td>
</tr>
<tr>
<td>6  Utility bills paid using DV when service period includes FY 2022 and FY 2023</td>
<td>06/30/2022 and last day of service</td>
<td>Pro-rate amounts on separate accounting lines. Attach pro-ration worksheet to DV</td>
</tr>
<tr>
<td>7  Utility bills paid using PREQ when service period includes FY 2022 and FY 2023</td>
<td>06/30/2022</td>
<td>Attach pro-ration worksheet to PREQ</td>
</tr>
</tbody>
</table>
Reminder

- Fiscal Year 2022 Year End Closing Schedule has been posted on the FMO website for your reference:
Why We Have to Record Accounting Accruals

The accounting matching principle and concept is the primary driver for the recording of accounting accruals and adjustments for our fiscal year end financial statements.
Matching Principle

• Requires an entity to match revenues with related expenses so profitability during a specified time interval is accurately stated
  • Revenues are recognized when earned
  • Expenses are recognized when incurred

Examples
  • #1 - Fall 2022 tuition and fee revenue should match the salary and other related expenses incurred to support Fall 2022 semester. Therefore, we may have to re-allocate the fall revenue to fiscal year 2023 because the semester has not started
  • the accounts receivable to fiscal year 2023 because the amount is not yet due from students
  • #2 – Goods or services have been received but have not been paid for by the end of the fiscal year
  • #3 – Inventories (e.g. supplies) have been paid for but have not been consumed
Types of Accounting Accruals/Adjustments

- Receivables
- Payables
- Unearned revenue
- Prepaid expenses
- Inventories
- Eliminations
Fiscal Administrator Initiated Adjustments

- Accounts Receivable (non-KFS A/R)
- Allowance for Doubtful Accounts (non-KFS A/R)
- Inventory
- Prepaid Expenses
- Accrued Payroll
- Unearned Revenue
- Certain Accounts Payable
- Tuition and Housing waivers
- RCUH G,R,S Account Adjustments
# Fiscal Administrator Initiated Adjustments

## Accounts Receivable (non-Banner, non-KFS A/R)

<table>
<thead>
<tr>
<th>JV Type</th>
<th>Purpose</th>
<th>De Minimis</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-01</td>
<td>A/R Revenue earned on or prior to June 30, 2022</td>
<td>$5,000</td>
<td>Detail list</td>
</tr>
<tr>
<td>A-02</td>
<td>A/R G Fund expense reimbursement as of June 30, 2022</td>
<td>None</td>
<td>Detail list</td>
</tr>
<tr>
<td>A-03</td>
<td>A/R Reimbursement of expenses for services (REX) provided on or prior to June 30, 2022</td>
<td>$5,000</td>
<td>No inter-departmental or G fund amounts</td>
</tr>
<tr>
<td>A-04</td>
<td>Allowance for doubtful accounts for A/R balances aged over 180 days</td>
<td>$5,000</td>
<td>Detail list</td>
</tr>
</tbody>
</table>
### Fiscal Administrator Initiated Adjustments

**Accounts Receivable (non-Banner, non-KFS A/R) continued**

<table>
<thead>
<tr>
<th>JV Type</th>
<th>Purpose</th>
<th>De Minimis</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-05</td>
<td>A/R CC Destiny Next FY A/R Adjustment – To reverse Destiny A/R balances that pertain to classes that begin after June 30, 2022</td>
<td>None</td>
<td>Detail list</td>
</tr>
<tr>
<td>A-06</td>
<td>Allowance for doubtful accounts for Destiny A/R balances aged over 180 days as of June 30, 2022</td>
<td>None</td>
<td>Detail list</td>
</tr>
<tr>
<td>A-10</td>
<td>Short Term Loan receivable allowance for loan balances aged over 180 days</td>
<td>None</td>
<td>Detail list</td>
</tr>
</tbody>
</table>
# Fiscal Administrator Initiated Adjustments

## Inventory, Prepaid Expenses, Accrued Payroll

<table>
<thead>
<tr>
<th>JV Type</th>
<th>Purpose</th>
<th>De Minimis</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-08</td>
<td>Inventory – Merchandise / Supplies on hand at June 30, 2022. Items that will be used or charged to others as a part of departmental operations.</td>
<td>$5,000</td>
<td>Detail list</td>
</tr>
<tr>
<td>A-09</td>
<td>Prepaid Expense – Goods and services that were paid for but will be used in a fiscal period after June 30, 2022.</td>
<td>$5,000</td>
<td>Detail list</td>
</tr>
<tr>
<td>L-02</td>
<td>Accrued Payroll – Employee services rendered on or before June 30, 2022, but not paid on the July 5 or 20, 2022 payroll.</td>
<td>$5,000</td>
<td>Detail list</td>
</tr>
</tbody>
</table>
### Fiscal Administrator Initiated Adjustments

#### Unearned Revenue

<table>
<thead>
<tr>
<th>JV Type</th>
<th>Purpose</th>
<th>De Minimis</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>L-03</td>
<td>Unearned Revenue (Non-Banner) – Payments received by June 30, 2022 for goods or services that will be rendered in a future accounting period. If the revenue for services crosses fiscal years, the amounts should be prorated and recorded in the appropriate fiscal year.</td>
<td>$5,000</td>
<td>Detail list</td>
</tr>
</tbody>
</table>
# Fiscal Administrator Initiated Adjustments

## Accounts Payable

<table>
<thead>
<tr>
<th>JV Type</th>
<th>Purpose</th>
<th>De Minimis</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>L-11</td>
<td>Accounts Payable (Construction) – Amounts owed for construction projects for goods and services received through June 30, 2022. Include amounts owed for construction retainage.</td>
<td>None</td>
<td>Invoice copies. Use projections if actual amounts not available.</td>
</tr>
<tr>
<td>L-11</td>
<td>Accounts Payable (&gt;$100,000 Not paid by 8/1/2021) - Amounts due to vendors for goods and services received through June 30, 2022. Please inform General Accounting of significant unrecorded liabilities discovered between 8/2/2022 – 11/15/2022</td>
<td>$100,000</td>
<td>Invoice copies. Use projections if actual amounts not available.</td>
</tr>
</tbody>
</table>
## Fiscal Administrator Initiated Adjustments

<table>
<thead>
<tr>
<th>JV Type</th>
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<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>P-02</td>
<td>Non-Banner Student Tuition/Fee/Housing Discounts and Allowance (Waivers)</td>
<td>$5,000</td>
<td>Detail list</td>
</tr>
<tr>
<td>P-03</td>
<td>Non-Banner Employee Tuition/Fee/Housing Discounts and Allowances (Waivers)</td>
<td>$5,000</td>
<td>Detail list</td>
</tr>
<tr>
<td>P-05</td>
<td>Other Fee Waivers/Discounts</td>
<td>$5,000</td>
<td>Detail list</td>
</tr>
</tbody>
</table>
# Fiscal Administrator Initiated Adjustments

## RCUH G,R,S Account Adjustments

<table>
<thead>
<tr>
<th>JV Type</th>
<th>Purpose</th>
<th>De Minimis</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-07</td>
<td>Due from RCUH - Unexpended balances of “7232” advances to RCUH as of June 30, 2022. Enter RCUH project number in Org Ref ID column</td>
<td>None</td>
<td>Detail list Supporting document RCUH BSR/BCR</td>
</tr>
<tr>
<td>L-07</td>
<td>Due to RCUH – Amounts due to RCUH for payments made by RCUH as of June 30, 2022 Enter RCUH project number in Org Ref ID column</td>
<td>None</td>
<td>Detail list Supporting documents RCUH BSR/BCR</td>
</tr>
</tbody>
</table>
### Fiscal Administrator Initiated Adjustments

**RCUH G,R,S Account Adjustments Continued**

<table>
<thead>
<tr>
<th>JV Type</th>
<th>Purpose</th>
<th>De Minimis</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>P-01</td>
<td><strong>RCUH Expense to Proper Object Code - Reclassify expenditures made by RCUH from 7232 RCUH EXPENSE/ADVANCE to the proper expense object code</strong>&lt;br&gt;Enter RCUH project number in Org Ref ID column&lt;br&gt;For accounts that maintain inception to date balances, you will need to do a DI for the same reclassification in the new fiscal year (2023). Include the FY21 DI edoc number in the explanation field of the P-O1 worksheet.</td>
<td>None</td>
<td>Detail list Support RCUH BSR/BCR</td>
</tr>
</tbody>
</table>
Central Offices Initiated Accruals/Adjustments

• Accrued Payroll and Fringe Benefits
• Accrued Vacation
• KFS A/R Allowance for Doubtful Accounts
• KFS FMIS A/R (8366) Allow for Doubtful Accts
• Non Imposed Fringe Benefits
• Inter-Departmental Eliminations
• Sponsored Projects Revenue Recognition
• Banner Transaction Adjustments (as needed)
## JV Worksheet

**Description**: A-01 XXX A/R-Revenue

**Explanation**: Record A/R as of June 30, 2022

**Organization Document Number**: A-01

<table>
<thead>
<tr>
<th>Chart</th>
<th>Account</th>
<th>Sub-Acct</th>
<th>Object</th>
<th>Obj Type Code</th>
<th>Sub-Obj</th>
<th>Project</th>
<th>Line Description</th>
<th>Org Ref ID</th>
<th>Debit</th>
<th>Credit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CC</td>
<td>NNNNNNN</td>
<td>Optional</td>
<td>0NNN</td>
<td>Leave Blank</td>
<td>Optional</td>
<td>Optional</td>
<td>Optional</td>
<td>Optional</td>
<td>5,000</td>
<td>6,000</td>
<td>AR Revenue or Customer Name</td>
</tr>
</tbody>
</table>

- **Purpose**: To record accounts receivable as of June 30, 2022

- **FA**: Enter accounting line information for (credit to) revenue only
- **DO NOT INCLUDE INTER-DEPARTMENTAL REVENUES**
- **De Minimis threshold**: $5,000

- **Genl Acctg**: Complete accounting lines for object code 8371
- **Convert format to "Text" and delete the header rows, the "Total" row and below, and columns after the "Credit" column before saving your document in .csv format for importing to KFS**

### A-01 A/R-Revenue

**Debit**: 8371 Year end only, A/R, Other

**Credit**: Revenue

**Total**: - 11,000.00
Submission of JV Worksheets

- 2022 Templates are posted to the FMO website
  - Financial Management Office General Accounting
- If possible, please consolidate your JVs by JV type
- Do not include multiple JVs in one Excel workbook
- Do not change the formatting of the Year End JV worksheet
- Do not delete or hide any columns even if you do not use them
- Additional columns can be added anywhere after the last column
- The “Project” column is only for actual project numbers set up in KFS
- Sub-accounts must be set up in KFS
- Sub-object codes and the accrual sub-objects must be set up in KFS
GASB 87 Accounting for Leases

Please provide updated lease information on a timely basis when requested from

- Capital Asset Accounting – Equipment leases
- Office of Strategic Planning and Development – Property leases
Financial Management Office

AP 8.851 Travel Advance Update

May 18, 2022
Exploratory Committee

• An exploratory committee met with various departments, units and campus organizations including:
  • FAs
  • Business Offices
  • Faculty Senate
  • Staff Senate
  • Researchers

• Participants were asked to provide the impact of the proposed restrictions to travel advances
Based on feedback, Proposed Changes to AP 8.851

• Must be signed up for ePayment and not have any outstanding advances within 30 days
• Standardize advances for Lodging and M&IE up to the Federal Allowable Rate (FAR)
• Carve outs for “Unconventional Travel Expenses”
• Interim trip completions for travelers on extended trips
• Encourage use of PCards and POs for allowable expenditures
Likes

• Straight forward, easier and faster to process advances
• Better efficiency
• Advances up to FAR would cover majority of expenses
• Utilizing PCards for other major costs
• Encourages travelers to submit their completions in a timely manner
Dislikes

• Interim travel completions could add workload to fiscal officers and back office staff
• Financial hardship for GAs and Junior Faculty, creates financial inequities
• Penalizes everyone rather than only those who do not follow the AP
• PCard restrictions and inconsistent accessibility
• POs time consuming, need to be set up as a vendor in KFS.
Feedback and Comments

• Desired Use of Travel Agency
• Travel Card
• Traveler’s choice to use their personal CC
• Paperwork is submitted by traveler on time, but sits “on someone’s desk for months”
• Need better access to travelers own grant monies
• Personal preference applied vs Policy
• Use price indexing to determine comparable rates for airfare and lodging
• Have a corporate account with a Car Rental company
Feedback and Comments

• Allow advances for rental cars, conference fees?
• Airfare and conference fees are purchased months in advance to take advantage of better pricing, yet traveler needs to wait months before being reimbursed
• Enforce AP policy: Report as income any unused advance amounts not returned within 60 days of return date to the IRS
• Way to request for exceptions if not part of policy?
• Some do not agree with issuing more PCards to appease travelers
Feedback and Comments

• Will RCUH follow UH’s policy on advances?
• When changes are adopted, can we look back after 6 months to see if additional adjustments need to be made?
Next Steps

- Circle back to focus group members to present overall feedback and comments regarding newly proposed changes
- Resubmit AP 8.851 to unions for comment
Financial Management Office

Fiscal Administrator Town Hall Mtg: PostDoc and Fellow Policy Status

May 18, 2022
Objectives of this presentation:

- Inform Fiscal Administrators about the proposed executive policy on hiring and payment practices for postdoctoral scholars.
- Understand the definition of various postdoctoral individuals.
- Understand the changes in proposed executive policy for postdoctoral individuals.
Definitions of Postdoctoral types

1. Postdoctoral Scholar

Individual who has received a doctoral degree and is engaged in a temporary and defined period of mentored advance training and supervision.

2. Postdoctoral Fellow

Individual who has received a doctoral degree and has directly applied for and received a competitive and prestigious fellowship from a recognized organization and can only be provided as a stipend paid directly from the organization to the individual, or paid from the organization via UH to the individual. Typically, individuals are supported by a private foundation or individual, non-profit charitable organization, federal training grant or fellowship, or other source.

3. Postdoctoral Associate

Individual who has received a doctoral degree and is supported on a stipend via a UH administered extramural award/funding awarded to a UH faculty member.
Payment Practices

1. Postdoctoral Scholar

Receives salary for UH required duties. Standard recruitment and evaluation conducted in accordance with university policies and procedures and collective bargaining agreement provisions.

2. Postdoctoral Fellow

Supported by funding within the original term of the fellowship award only.

3. Postdoctoral Associate

Receives stipend via a UH administered extramural award/funding awarded to a UH faculty member.
Proposed Changes to Executive Policy

- **Postdoctoral Associates**
  - Current practice: stipend will be paid until completion of their projects without change, for up to three years.
  - Tax reporting may change by January 1, 2026
  - Principal investigator shall consult with school/college/unit administrative office to ensure proper budgeting and inform the respective individual no later than July 1, 2025.
  - Proposals written after July 1, 2022, should reflect proper accounting and paying stipends to postdoctoral associates will not be approved.
Proposed Changes to Executive Policy (cont’d)

• **Postdoctoral Scholars**
  - No changes for current postdoctoral scholars who are currently hired as UH faculty researcher employees at rank 2 or 3 (R2 or R3).
  - New postdoctoral scholars supported from funding submitted after July 1, 2022 shall be hired as UH or RCUH employees with an established employer-employee relationship and afforded benefits, if eligible.
  - Such individuals shall not be paid via stipends.
Proposed Changes to Executive Policy (cont’d)

• **Postdoctoral Fellows (as stated in proposed EP)**
  - Should be afforded a non-compensated BOR appointment within their home department to provide affiliation and status within the University system. Employment benefits are not afforded to postdoctoral fellows.
  - Shall be paid via stipend either directly from the organization to the individual or from the organization via UH Disbursing to the individual, in accordance with the fellowship terms.
Next steps

• Proposed executive policy will provide clarity on payment method and tax reporting for each type of postdoctoral individuals at UH.
• Be able to identify the type of postdoctoral fellows you are handling and apply the proper process for them when the change happened.
### Tool to Determine Tax Treatment - Matrix

<table>
<thead>
<tr>
<th>Type</th>
<th>Source of Funding</th>
<th>Reporting Process</th>
<th>Future Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Postdoctoral Scholar</td>
<td>Extramural Funding</td>
<td>Salary reporting on W-2</td>
<td>New postdoctoral scholars supported by funding after July 1, 2022 share be hired as UH or RCUH employee.</td>
</tr>
<tr>
<td>Postdoctoral Fellow</td>
<td>From prestigious fellowship from a recognized organization</td>
<td>Form 1099-Misc or Form 1042-S</td>
<td>No change. Same process.</td>
</tr>
<tr>
<td>Postdoctoral Associate</td>
<td>Extramural Funding</td>
<td>Form 1099-Misc or Form 1042-S</td>
<td>Tax reporting will change by January 1, 2026. New proposals paid via stipends after July 1, 2022 will not be approved</td>
</tr>
</tbody>
</table>
Financial Management Office

Student Accounts

Completed projects and what is to come!
Banner Baseline

• Completed projects
  ▫ Detail Code Restructuring
  ▫ Future Effective Dating
  ▫ Fee Assessment
  ▫ Title IV Authorization
  ▫ Consortium Agreement
  ▫ Automated Financial Holds
  ▫ Utilization of Contract Form
Importance of Detail Codes

- Priority is given for each category within the Banner system.
- A priority number is given to show how items will be paid in order by Tuition, Housing, and Fees.
  - Numbers range from 000-999
  - Highest priority code is paid first
  - Tuition is set to priority of 998
  - Housing & Meal Plans are set to priority of 997
  - Fees are set to priority code 996 with exception of IDAP charges 992
Future Effective Date

- Implemented Spring 2021
- Eliminated the need to make manual year end adjustments to unearned revenue
- Assisted with automated financial holds process
- Assisted with the Non-Payment drop process
Automated Holds

- July 2021 F1 and F2 holds began to go on/off student accounts automatically
- F1 hold allows student to register if account balance is $200 or less
- F2 hold restricts everything
- Holds are updated Monday-Sunday at the top of each hour
- Description of financial hold can be viewed in STAR
- Hold is visible on MyUH
Title IV Authorization & Consortium Agreement

• What is Title IV Authorization?
  ▫ Gives a student the choice to pay non-institutional charges
  ▫ Gives a student the choice to pay prior year balance of $200 or less
  ▫ Student approves or rescinds authorization
  ▫ System will see student’s response and decision will be effective that day and forward
  ▫ Currently available to students of West Oahu and all Community Colleges

• What is a Consortium Agreement?
  ▫ An agreement between all campuses within the system to allow for financial aid to pay across campuses
Interactive Digital Access Program (IDAP)

- IDAP is a charge for course materials and e-books
- IDAP charges are assessed at course level
- IDAP visible on course at time of registration if professor has approved use and contacted the bookstore
- IDAP charges are included on the E-Statement
- No longer a need for a manual upload into Banner and managed by the Book Store
Touchnet

• Past Due Installment Plans
  ▫ 3, 6, 12, 18-month plans
  ▫ Bi-Weekly payments or Monthly Payments

• Instant Verification
  ▫ ACH verification is done at the time student submits information
  ▫ TouchNet customer service notifies students if there is an issue with bank information and will assist students with problems
What’s to come!

- Write-Off Student Balances in Banner owed from Fall 2008 to Summer 2012
- Parent Plus eRefunds
- International Student eRefunds
- Library fines input into Banner
- Review of Banner Baseline process for Refunds
- Write-off of credit balances on student accounts less than $1
- Unclaimed funds submission to State of Hawaii: Dept. Of Unclaimed Funds
Thank you for attending the Spring FA Townhall.

The link to the recording and slides will be shared in the June FMO What’s New in Financial Management.

Watch for a future announcement for the next FA Townhall in October 2022.