Welcome to the Finance and Administration Update Meeting for Nov & Dec

The meeting will begin at 10:00 AM
Zoom Only
Finance and Administration Update Meeting

- Time: last working Friday of every month at 10:00 AM
- Delivery method: view/listen only on Zoom
- Slides and other resources will be available after the meeting at:
  - Finance and Administration Updates Google Drive
  - Controller’s Office website: https://controller.appstate.edu/
- Contacts: Yifan Zhou (zhouya@appstate.edu), McKenzie Harris (Google Group and Google Drive) (harrismk@appstate.edu)
Meeting Agenda

- Accountable Plan Refresher - David
- Business Purpose Refresher - David
- UNC Business Process Standards - David
Reminders from Other Areas

From Melissa Daniel:
When the student declares a second major, the new major area assigns an advisor, but sometimes removes the first major advisor. For anyone assigning advisors, to please check if they are a double major first, and do not remove the secondary advisor if they are.
Accountable Plan

In general, everything is……

TAXABLE

Unless……

an EXCLUSION applies
Accountable Plan

- University Policy: Travel and Expense Reimbursement Policy 510.1
  - IRS Requirements
    - Business Purpose
    - Adequate Accounting
    - Reasonable Period of Time (Travel, Business Expenses and Advances)
      - NC GS 138-6(c)
    - Returning Excess Reimbursements
  - Office of State Budget and Management (Budget Manual)
  - Travel Manual

- Non-Salary Compensation
  - Non-Accountable Plan Reimbursement
  - Examples of Other Non-Salary Compensation:
    - Moving Expense Reimbursements
    - Employee Prizes and Awards (Cash and Non-Cash)
    - Personal use of University provided vehicles
    - Certain Housing Benefits
Business Purpose Refresher

1. What is the expense for?
2. When did the expense occur?
3. Where did the expense occur?
4. Why or How does the expense relate to university business?
5. Who was involved in the expense?
Business Purpose Refresher

WHY????

Shareholders and Investors

IRS
Department of the Treasury
Internal Revenue Service

Appalachian State University
**Business Purpose Refresher**

**Bad Examples:**
- Lunch at Red Onion
- Office Supplies
- Travel to Raleigh

**Good Examples:**
- Lunch at Red Onion with a prospective faculty member and 2 search committee members as part of the interview process. (see attached event expense form)
- File folders, pens, and highlighters for use in the Payroll Office.
- Travel to Raleigh to attend the Office of the State Controller’s financial accounting update conference.
UNC Business Process Standards

Purpose: Establish and enhance internal controls over financial reporting.

Why?
UNC Business Process Standards

Resulted in:

EAGLE

Enhancing Accountability in Government through Leadership and Education
### UNC Business Process Standards

<table>
<thead>
<tr>
<th>Process/Activity</th>
<th>Ref</th>
<th>Control Description</th>
<th>Control Type</th>
<th>Control Frequency</th>
<th>Example Methodology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Order Process</td>
<td>1</td>
<td>System owner is responsible for all aspects of the process.</td>
<td>Automated</td>
<td>Daily</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Documents and procedures exist for the process.</td>
<td>Automated</td>
<td>Weekly</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Key performance indicators exist for the process.</td>
<td>Automated</td>
<td>Monthly</td>
<td></td>
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<tr>
<td></td>
<td>4</td>
<td>Process risks are identified and mitigated.</td>
<td>Automated</td>
<td>Bi-Weekly</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Process steps are documented and audited.</td>
<td>Automated</td>
<td>Quarterly</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Process versioning and change management are documented.</td>
<td>Automated</td>
<td>Annually</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>Process ownership and accountability are documented.</td>
<td>Automated</td>
<td>bi-annually</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Process controls are documented and audited.</td>
<td>Automated</td>
<td>Quarterly</td>
<td></td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>Process risks are identified and mitigated.</td>
<td>Automated</td>
<td>Monthly</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>Process steps are documented and audited.</td>
<td>Automated</td>
<td>Bi-Weekly</td>
<td></td>
</tr>
<tr>
<td></td>
<td>11</td>
<td>Process versioning and change management are documented.</td>
<td>Automated</td>
<td>Annually</td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
-控制系统是过程的所有方面的主要负责人。
-所有过程文档都存在。
-关键性能指标文档。
-流程风险被识别和管理。
-流程步骤被详细记录和审计。
-流程拥有者和问责制被详细记录。
-流程风险被识别和管理。
-流程步骤被详细记录和审计。
-流程版本管理和变更管理文档。
-流程更新和变更管理文档。
UNC Business Process Standards

Contracts & Grants
- Account Setup
- Effort Reporting
- Grant Management
- Billing and Draws
- Reporting
- Closeout
- Audit
UNC Business Process Standards

General Accounting

- Bank Reconciliations
- Journal Entries
- Fund/Account Maintenance
- Daily Cash Management

- Month End Close
- Year End Close
- Spending Guidelines
UNC Business Process Standards
Capital Assets

- General Management: Equipment and Buildings
- Acquisitions and Construction
- Depreciation
- Record Maintenance
- Retirements and Disposals
UNC Business Process Standards
Financial Aid

- Application Process
- Satisfactory Academic Progress
- Packaging
- Scholarships
- Loans
- Return of Title IV and State Grant Funds
- Reconciliation
- General Management
UNC Business Process Standards
Student Accounts

- General Management
- Financial Aid Disbursements
- 3rd Party Payments
- Billing Procedures
- Processing Payments and Credits
- Past Due Accounts
- Refunds and Adjustments
- Reconciliations
- Emergency Loans
- Special Areas
# UNC Business Process Standards

## Business Process Compliance

### Performance Indicators

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<thead>
<tr>
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<tr>
<td>Accounts Payable</td>
<td>Payables Management</td>
<td>Account Payable Manager</td>
<td><a href="mailto:accountpayable@unc.edu">accountpayable@unc.edu</a></td>
<td>1234567890</td>
<td>PA</td>
<td>23456</td>
<td>7890</td>
<td>Notes about PA process</td>
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<td>8765</td>
<td>4321</td>
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<td>General Ledger Manager</td>
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<td>0987654321</td>
<td>GL</td>
<td>6543</td>
<td>2109</td>
<td>Notes about GL process</td>
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<td>Payroll</td>
<td>Payroll Management</td>
<td>Payroll Manager</td>
<td><a href="mailto:payroll@unc.edu">payroll@unc.edu</a></td>
<td>1234567890</td>
<td>Payroll</td>
<td>7890</td>
<td>0987</td>
<td>Notes about Payroll process</td>
</tr>
</tbody>
</table>

### Key Performance Indicators

- **Process Compliance Score**: 90%
- **Average Turnaround Time**: 3 days
- **On-time Payment Ratio**: 95%
- **Customer Satisfaction Rating**: 8.5/10

### Process Improvement Plan

- **Primary Themes**: Efficiency, Accuracy, Compliance
- **Specific Goals**: Reduce turnaround time by 25%, increase on-time payment ratio to 100%

### Next Steps

- Implement new software by Q3 2023
- Train all employees on new processes by Q2 2023

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Appalachian State University

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UNC Business Process Standards
Annual Assessment of Internal Controls Over Financial Reporting
Questions?
Merry Christmas and Happy New Year!
We hope to see you at the next meeting in January!