



RUTGERS

## Treasurer's Town Hall

***J. Michael Gower***

*Executive Vice President, University Finance and Administration  
University Treasurer*

May 10, 2019  
401 Penn Street  
Camden, NJ

## **Finance Update**

Mike Gower

Kathy Dettloff

## **Procurement Initiatives**

David Fenkel

## **Ethics & Compliance**

Casey Woods

Miranda Alfonso-Williams



# 94,000 Attended the 11<sup>th</sup> Annual Rutgers Day





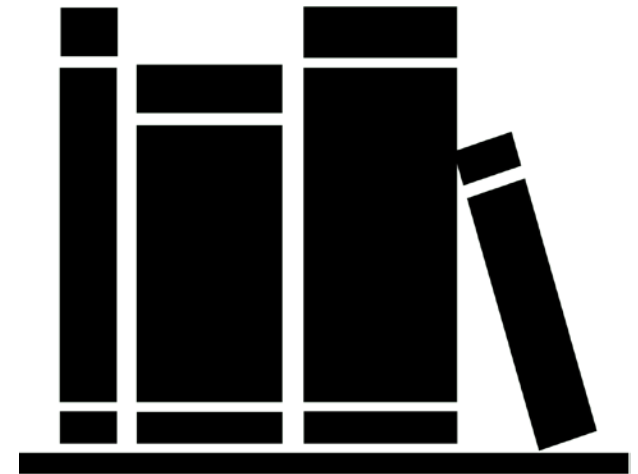
Explored ways to better serve the University through chart of accounts changes, improved controls and education, guidance, support, and policies to ensure best use of the COA.

## Goal

Improve how we support our operations by making the chart of accounts simpler to use, ensuring the data are accurate and easily reportable across the University, and making certain that the project ledger interacts seamlessly with the general ledger.

- ✓ Sponsored and non-sponsored **master project data** to ensure accurate and consistent projects-to-general ledger accounting
- ✓ **Sub-ledger accounting rules** to enable project cost and revenue transactions to follow project's U-D-O combination
- ✓ **Cross validation rules** to ensure use of only valid and correct chart segment combinations
- More intuitive **segment value descriptions**
- **Correct balances and delete invalid strings** after clearing balances in all 10 segments of the chart of accounts
- Accounting **procedures and guidance** on financial transactions

- **July 2018**
  - Funding Transfers
  - Expense Recovery
  - Faculty Funds
- **March/April 2019**
  - Educational Opportunity Fund
  - Internally Designated Funds – Fund 165
  - Salary and Wage, Fringe, FICA and Medicare
  - Prior Year Balances
- **Timing TBD**
  - Month-End Close
  - Strategic Funds
  - Internal Charging
  - Auxiliaries
  - RU Corporate and Corporate Pass-through Activities
  - Project Portfolio Management



**What is the biggest difference that you see between this year and last year?**

- First budget cycle near completion
- Your hard work with Workforce is paying off
- More accurate and understandable salary and wage budgets
- Fringe benefits aligned with prior year trends
- Significant difference in quality v. prior year practices



**How can we improve the budgeting process next year?**

<b>Description</b>	<b>Business Day</b>	<b>Date</b>
Accounts Payable Ledger Close	3	Friday, May 3, 2019
Account Reconciliations Complete and Recurring Central Adjustments Complete	8	Friday, May 10, 2019
Field Close*	10	Tuesday, May 14, 2019
Chancellor and Controller's Office Close	12	Thursday, May 16, 2019

\*Projects ledger will close at approximately 2:00 p.m. and the general ledger will close at approximately 4:00 p.m.

<b>Description</b>	<b>Business Day</b>	<b>Date</b>
Accounts Payable Ledger Close	3	Wednesday, June 5, 2019
Account Reconciliations Complete and Recurring Central Adjustments Complete	8	Wednesday, June 12, 2019
Field Close*	10	Friday, June 14, 2019
Chancellor and Controller's Office Close	12	Tuesday, June 18, 2019

\*Projects ledger will close at approximately 2:00 p.m. and the general ledger will close at approximately 4:00 p.m.

<b>Description</b>	<b>Business Day</b>	<b>Date</b>
Accounts Payable Ledger Close	14	Friday, July 19, 2019
Account Reconciliations Complete and Recurring Central Adjustments Complete	19	Friday, July 26, 2019
Field Close*	24	Friday, August 2, 2019
Chancellor and Controller's Office Close	29	Friday, August 9, 2019
Year-End Reporting	39	Friday, August 23, 2019

\*Dates are tentative and subject to change.

Projects ledger will close at approximately 2:00 p.m. and the general ledger will close at approximately 4:00 p.m.

**Upcoming Planning Meetings**

- May 7 – IT Audit
- May 16 – Grants; Student Accounting
- May 17 – Treasury; Payroll/University Human Resources; Patient Services

**Scheduled Work**

- May 2019 – IT Work
- June 10-July 5, 2019 – Interim Financial Statement Work
- July 29-August 9, 2019 – Interim Single Audit Work
- August 26-November 6, 2019 – Final Financial Statement Work
- November 25, 2019-February 28, 2020 – Final Single Audit Work

## Direct Costs

*These are generally what people think about when it comes to federal support for research projects – they solely support the actual research that is about to take place.*

### Includes:



Laboratory supplies



Certain research equipment



Salary support for researchers and lab personnel



Travel for conducting research or disseminating research results

## Total Costs

## Facilities and Administrative (F&A)

*F&A covers a portion of infrastructure and operational costs related to federally-funded research that cannot be attributed to a single project (and that the university wouldn't have incurred if it weren't conducting research on behalf of the sponsor).*

### Includes:

#### Facilities

- Building depreciation
- Equipment depreciation
- Interest
- Operations and maintenance
- Library



#### Administrative

- General administration
- Departmental administration
- Sponsored projects administration
- Student administration and services





		PRIOR TO July 1, 2018	EFFECTIVE July 1, 2018 - June 30, 2023		
			7/1/2018 - 6/30/2019	7/1/2019 - 6/30/2021	7/1/2021 - 6/30/2023
ORGANIZED RESEARCH					
Rutgers		55%	55%	56%	57%
RBHS		59%			
INSTRUCTION					
Rutgers		53%	53%	53%	53%
RBHS		N/A			
OTHER SPONSORED ACTIVITIES					
Rutgers		37.2%	37.2%	37.2%	37.2%
RBHS		26.1%			
NATIONAL TRANSIT INSTITUTE (NTI)		14%	14%	14%	14%
OFF-CAMPUS (ALL)		26%	26%	26%	26%

- Open Sessions**

Location	Date	Time	Room
RBHS / NJMS (Newark)	May 13	1:00-2:30 p.m.	MSB B610
RBHS / RWJMS (New Brunswick)	May 21	10:00-11:30 a.m.	TBD
SEBS, ENG, SAS (New Brunswick)	May 23	2:00-4:00 p.m.	TBD
Rutgers–Newark	June 5	10:00 a.m.-12:00 p.m.	TBD
Rutgers–Camden	June TBD	TBD	TBD
Rutgers–New Brunswick (In Person and Webinar)	June TBD	TBD	TBD

- Training and education sessions being planned and will be available throughout FY19 and beyond**

- Inquiries**

Type of Question	Who to Contact
Proposal and Pre-Award	Chrissa Papaioannou at <a href="mailto:cp847@ored.rutgers.edu">cp847@ored.rutgers.edu</a> Diane Ambrose at <a href="mailto:ambrosdm@ored.rutgers.edu">ambrosdm@ored.rutgers.edu</a>
Post-Award	Lamar Oglesby at <a href="mailto:gca@ored.rutgers.edu">gca@ored.rutgers.edu</a>
General F&A	A. Chea Smith at <a href="mailto:cost@finance.rutgers.edu">cost@finance.rutgers.edu</a>



**Vice Chancellor for Finance,  
Rutgers University–New Brunswick**

Chief Business Officer, leader and change agent for financial management and planning for RU-NB

Directs and facilitates financial strategy, management, and planning

Develops strategies that ensure the University's financial well-being and promote efficient operation

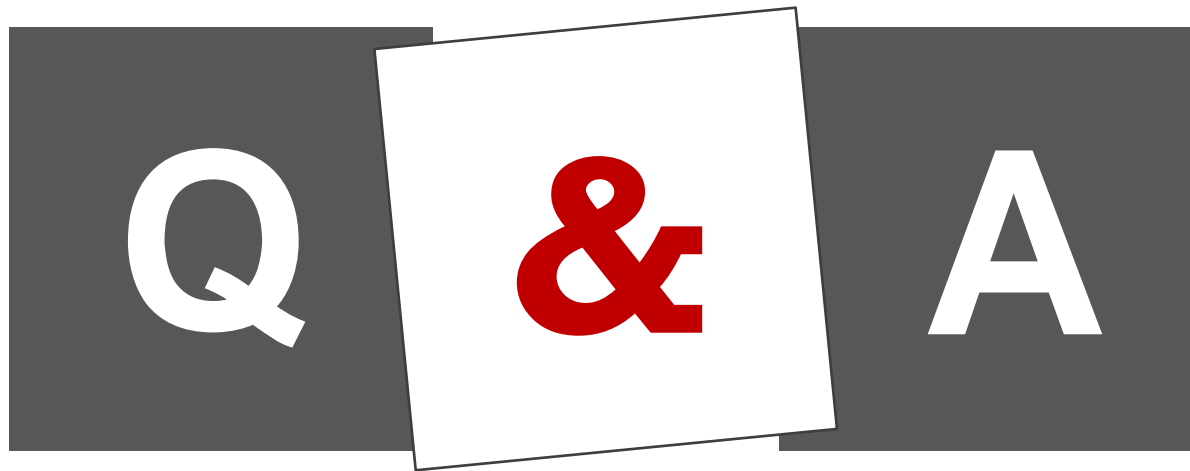


**Senior Vice Chancellor for  
Administration and Economic  
Development and Chief Financial  
Officer, Rutgers University–Newark**

Leader and change agent for financial management and planning for RU-Newark

Develop and implement best practices, cultivating strong relationships throughout the City of Newark

Coordinate activities of campus planning and facilities, real estate, information technology, EMS, parking services, and business and budget matters.



# **QUESTIONS & ANSWERS**



RUTGERS

# Procurement Initiatives

***David Fenkel***

*Director, University Procurement Services*



## Access to Communications and Marketing Experts (ACE)

- University Communications and Marketing, and University Procurement Services
- Vendors trained on Rutgers brand standards, communications and procurement policies
- **More than 60** ACE suppliers including firms of various sizes, capabilities, price points and locations, as well as freelancers

Website  
Design and  
Development

Market and  
Audience  
Research

Advertising  
Strategy &  
Media Buying

Comms.  
Messaging  
and Strategy

Graphic  
Design

Marketing  
Campaigns

Public  
Relations

Video /  
Filming

Photography

Writing /  
Editing

## Self-service and collaboration with suppliers in the cloud

**60,000+ Suppliers**



**Multiple Handoffs**



**40K+ suppliers with missing or outdated data**



**60K+ duplicate or inactive accounts**



**7-10 days to onboard new suppliers**



### Supplier Management Project Vision

*A simple Supplier Information Management tool aimed at increasing efficiencies, data accuracy, and risk compliance, while decreasing cost, manual effort, and duplicate records*

#### What are we doing?

Procurement is implementing a new **supplier self-service portal** to:

- Improve supplier data management
- Reduce manual effort and errors through rekeying
- Provide better supplier controls, allowing them to update their profile
- Reduce erroneous or duplicate records

#### How are we doing it?

Procurement, with the support of Accounts Payable and Vendor Management, contracted with PaymentWorks, a leading provider of Supplier Information Management solutions.

**The PaymentWorks tool:**

- Integrates with Oracle Fusion
- Allows suppliers to keep their vendor status up-to-date in real-time
- Keeps the frontend supplier request process remotely unchanged and eliminates the need for Supplier Maintenance Forms

#### When are we doing it?

**Oct 2018** – Completed RFP request, review and selection process

**Feb 2019** – Kicked off Supplier Management project with PaymentWorks

**Jul 2019** – Begin using PaymentWorks to onboard new suppliers

**Dec 2019** – Fully deployed and migration of existing suppliers initiated

### Why are we doing it?



*Reduced cost and inefficiencies resulting from multiple manual handoffs and improved onboarding time*



*Increased security of sensitive data such as social security numbers and bank accounts*



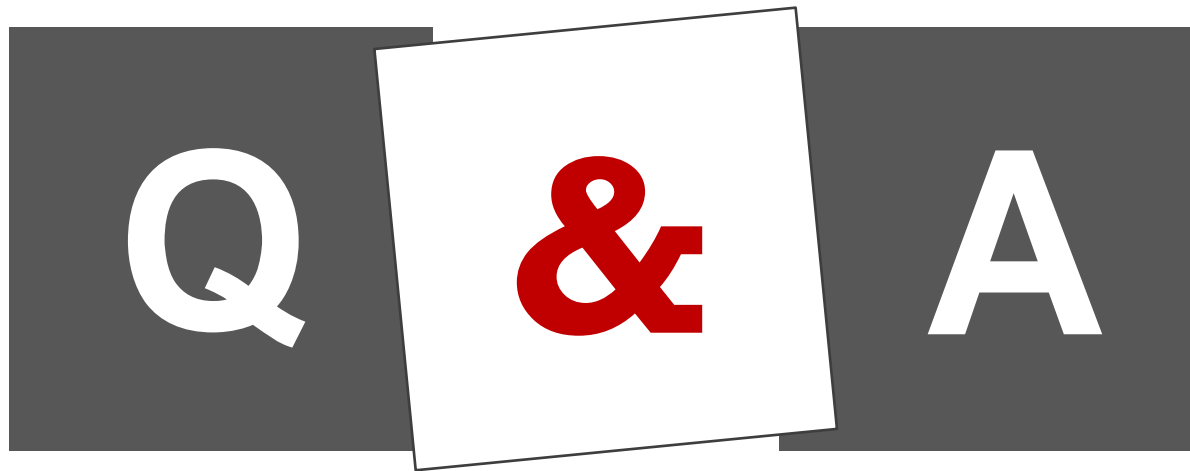
*Suppliers own their information, allowing them to view / update information in real-time, greatly improving the accuracy and completeness of supplier data*



*Reduced internal and external compliance risk as a result of automatic IRS or OFAC validation*



*Reduced inquiries to our help desk due to direct visibility to suppliers for payment inquiries*



# QUESTIONS & ANSWERS



# RUTGERS

## Ethics

**Casey Woods**

*Interim Director of Ethics, Training, Investigations and Public  
Records, Ethics Liaison Officer/OPRA Custodian  
University Ethics and Compliance*

Phone: (973) 972-1887

Email: [ethics@uec.rutgers.edu](mailto:ethics@uec.rutgers.edu)

University Ethics and Compliance  
[uec.rutgers.edu](http://uec.rutgers.edu)

Rutgers Ethics Armor Program  
[ethics.rutgers.edu](http://ethics.rutgers.edu)



@RutgersEthics



RU Ethics

integrity Athletics  
compliance Enterprise Risk  
reputational  
financial Management  
organizational risks Healthcare

Title IX  
Research  
OPRA  
Privacy

The Mission of University Ethics and Compliance is to support Rutgers, The State University by analyzing and mitigating ; providing support and education to help meet complex compliance requirements; promoting an environment focused on respect and ; and enhancing the operational, , strategic, and goals of our Rutgers partners.



**Integrity**

**Reputation**


**Accountability**

**Transparency**




**We are a public university; we answer to the public.**





# RUTGERS Ethics Armor



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[JAQ Staff Policy](#)  
[JAQ RBHS Policy](#)  
[JAQ Faculty Policy](#)

## Rutgers Ethics Armor Program


The new Ethics Armor provides a streamlined ethics reporting system. From the menu on the left, faculty and staff will be able to access the policies that drive the program and FAQs on certain requirements. Faculty and staff are able to access each of the required forms on the system and complete each one electronically. Tutorials on the use of the program are available at the ethics website: <http://erm.rutgers.edu/departments/rutgersEthics.html>

Rutgers, the premier public research university in New Jersey, is a steward of the public trust. As a university and public employees, we must take care to exhibit the highest ethical standards of conduct in carrying out our duties and to avoid rigorously any conduct that might produce even the appearance of the misuse of our Rutgers positions to further our own personal interests.

The New Jersey Conflicts of Interest Law, which is generally applicable to all Rutgers employees, emphasizes the need to educate public employees in ethical standards. Accordingly, Rutgers has introduced this Ethics Armor platform to assist faculty and staff in complying with the State's requirements and all faculty and staff are urged to cooperate and participate in this effort.

**NOTE: A system maintenance window is scheduled for Fridays after 5:00 pm EST. Rutgers are encouraged to plan accordingly to avoid that maintenance window as the system may be unavailable.**

**If you have questions about the program please contact the Ethics Office at [ethics@ca.rutgers.edu](mailto:ethics@ca.rutgers.edu).**



- Integrity and reputation of public employees
- Conflicts of interest concerns
- Operational concerns
- Your Outside Activity Questionnaire is not public
- We will never ask for your personal political or religious affiliations
- Nepotism: You are not allowed to hire, fire, or supervise a relative
- Do not use university time or resources for personal gain

Any compensated activity that you perform in addition to your University employment

Examples:

- Per diem
- Consulting
- Part-time
- Family/Personal business



If you are in a leadership position with a volunteer organization please disclose that affiliation

Examples:

- Executive Board Member
- Appointed to a Board or Commission
- Treasurer for a charitable organization











Gifts between colleagues are acceptable

Use your best judgment: nothing excessive or inappropriate



- University staff should **not accept gifts** from the public
- However, if the gift is delivered or you don't wish to offend, please let us know
- Return the gift if possible – we can provide an explanation letter
- If it is a perishable item, please donate to a local charity





## The Conflict Courier

"All the conflicts  
to fit  
your interest."

VOLUME 1
RUTGERS DAY 2016
GRATIS

# ETHICS HERO

## SCARLET KNIGHT DOES RIGHT

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The New Jersey Conflicts of Interest Law, which



faculty and staff are urged to cooperate and participate in this effort.

The university has a "Code of Ethics" which has been approved by the State. The university also has policies which underscore that ethical behavior is a basic requirement of faculty and staff in all aspects of the conduct of their duties.

The conflicts of interest law provides principles that are generally applicable to all employees as well as standards and prohibitions to guide public employee conduct. The statute

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@RutgersEthics



RU Ethics



RUTGERS

# Privacy

***Miranda Alfonso-Williams***

*Director of Privacy*

*University Ethics and Compliance*





Privacy  
is a  
Right





# Unlike EU, US Privacy Law Is Sectoral



Electronic	Health	Children & Education	Financial	Government
<p>Electronic Communications Privacy Act (ECPA) of 1986</p> <p>Computer Fraud and Abuse Act of 1986 (CFAA)</p> <p>Federal Information Security Management Act (FISMA)</p> <p>Cable Communications Policy Act of 1984 (Cable Act)</p> <p>CAN-SPAM Act of 2003</p> <p>Telecommunications Act of 1996</p> <p>Video Privacy Protection Act of 1988</p>	<p>Health Insurance Portability and Accountability Act of 1996 (HIPAA)</p>	<p>Children's Online Privacy Protection Act of 1998 (COPPA)</p> <p>Children's Internet Protection Act of 2001 (CIPA)</p> <p>Family Education Rights and Privacy Act of 1974 (FERPA; also know as the Buckley Amendment)</p>	<p>PCI Data Security Standard (PCI DSS)</p> <p>Gramm-Leach-Bliley Financial Services Modernization Act of 1999 (GLBA)</p> <p>Electronic Funds Transfer Act (EFTA) Summary</p> <p>Fair and Accurate Credit Transactions Act (FACTA) of 2003</p> <p>Fair Credit Reporting Act of 1999 (FCRA)</p>	<p>Privacy Act of 1974</p> <p>Federal Trade Commission Act (FTCA)</p> <p>Electronic Freedom of Information Act of 1996 (E-FOIA)</p> <p>Telecommunications Act of 1996</p> <p>Telephone Consumer Protection Act of 1991 (TCPA)</p> <p>Information Technology Management Reform Act of 1996</p>

-

**Quantitative**

**Qualitative**

**4-Factor**

**RISK  
ASSESSMENT**

# Inadvertent Disclosures

## Improper Disposal

## Unsecured Protected Health Information

## FERPA





## HIPAA Civil Penalties

Violation Category	Each violation	All such violations of an identical provision in a calendar year
(A) Did Not Know	\$100–\$50,000	\$1,500,000
(B) Reasonable Cause	\$1,000–50,000	\$1,500,000
(C)(i) Willful Neglect-Corrected	\$10,000–50,000	\$1,500,000
(C)(ii) Willful Neglect-Not Corrected	\$50,000–1,500,000	\$1,500,000

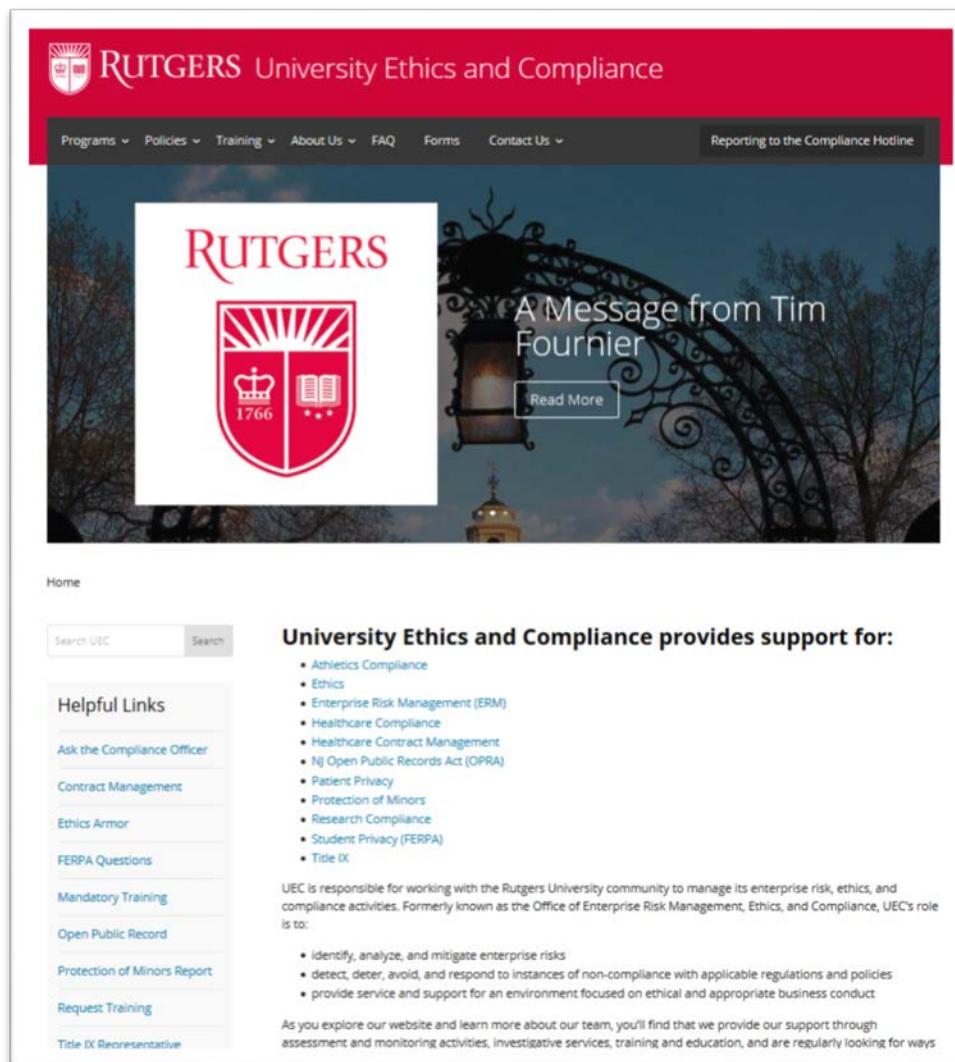
Criminal Penalties Can Also Apply

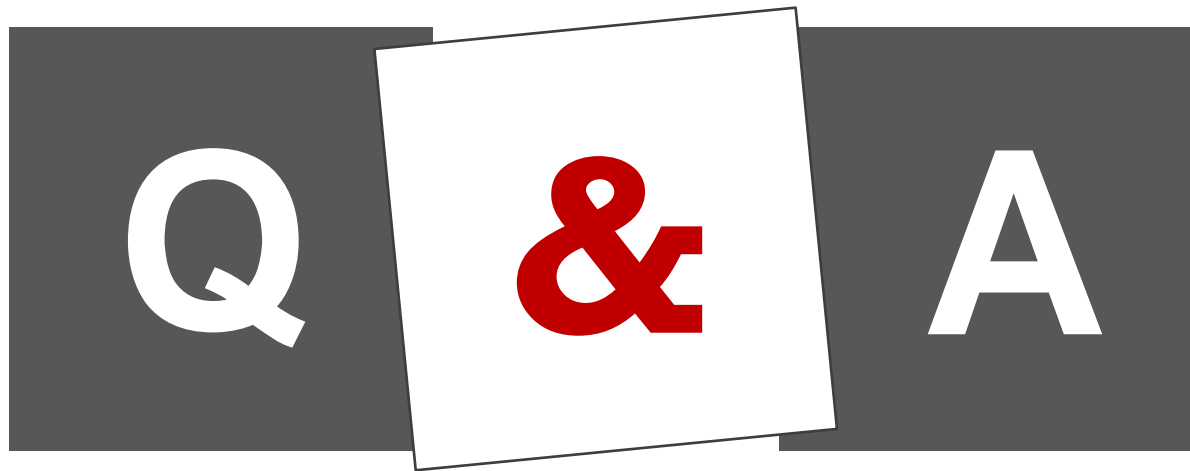
## University Ethics and Compliance Website

<https://uec.rutgers.edu/frequently-asked-questions/>

## University Ethics and Compliance Email

[privacy@uec.rutgers.edu](mailto:privacy@uec.rutgers.edu)





# QUESTIONS & ANSWERS





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***J. Michael Gower***

*Executive Vice President, University Finance and Administration  
University Treasurer*

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