

Business Administrator Forum

February 19, 2019

9:00 – 10:30 a.m.



WAKE FOREST
UNIVERSITY

401 A/B Benson



Welcome

Administrative Procedure Overviews:

Contract Management

*Presenters: Carter Cook, Legal Counsel, & Johnny Trevino,
Contracts Administrator*

Spend Authority

Presenter: Allison Belton, Director, Accounts Payable

3rd Quarter FY19 Closing Process

Presenter: Marnie Matthews, AVP, University Controller

Invoice and Expense Transaction Status and Reporting

*Presenters: Allison Belton, Director, Accounts Payable &
Valarie Waddell, Assistant Director, Reports and Analytics*



Contract Management and Spend Authority Procedures

Allison Belton, Director of Accounts Payable

Carter Cook, Legal Counsel

Johnny Trevino, Contracts Administrator



Longstanding Board policies on contracts were not widely known, and were often confused with a 2005 University Authorization Approval Level chart.

Auditors sought clarity in contract management process.

October 2017: Board adopts new Contract Management Policy

March 2019: New procedures will take effect to implement the Contract Management Policy



DEFINITIONS

“Contract Authority” refers to the authority granted to an individual to execute a written contract with a third party on behalf of Wake Forest University. These individuals have the authority to enter, execute or bind Wake Forest University into contracts with third parties.

“Expenditure/Spend Authority” refers to the authority granted to an individual to approve and/or request payment from Accounts Payable for a Wake Forest University obligation in connection with the authorized procurement of goods or services.

IMPORTANT NOTE: An individual authorized under the Spend Authority Administrative Procedure to request payment of goods and services will not necessarily be the same individual who is authorized by the Contract Management Administrative Procedure to sign, execute or bind Wake Forest University by a contract with a third party.



Purposes:

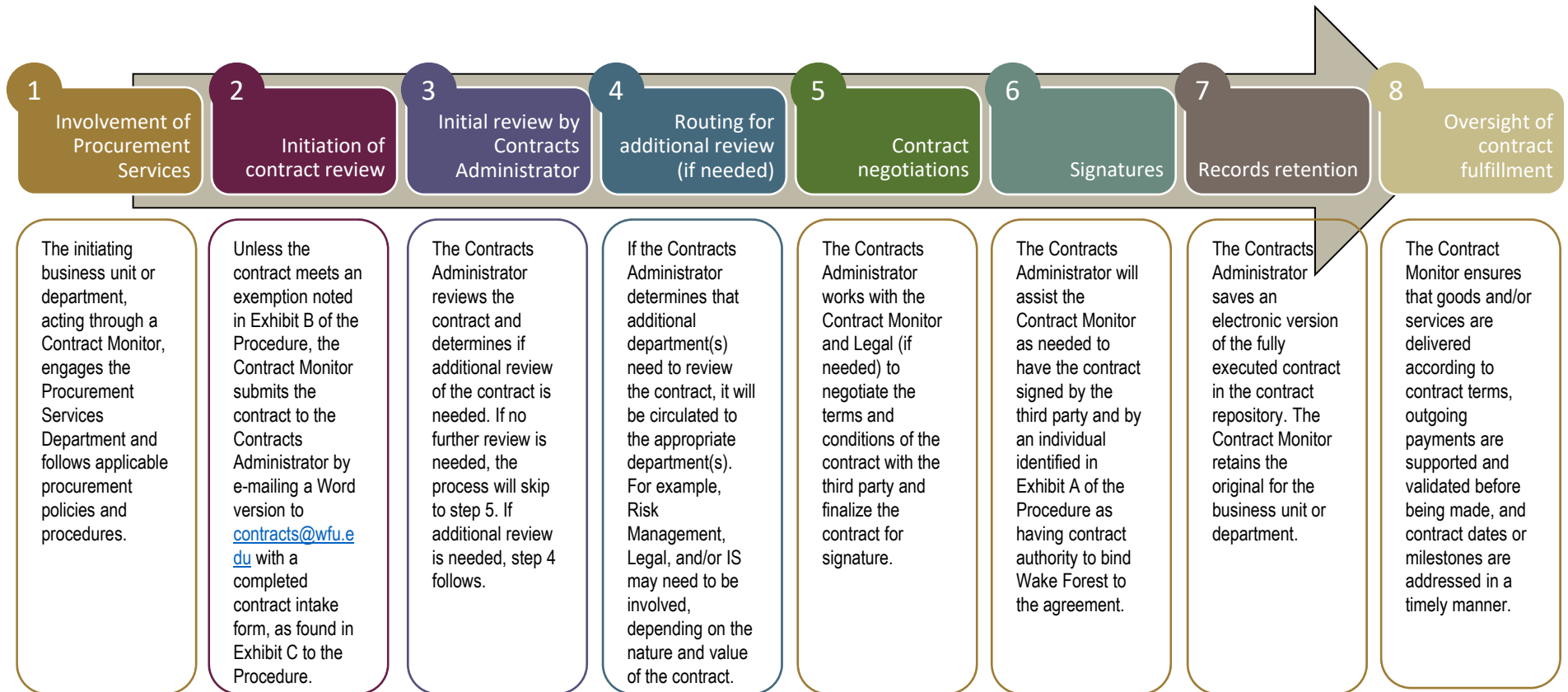
- Serves to implement the Contract Management Policy
- Establishes process regarding the oversight, review, execution, and storage of written agreements intended to create legally binding obligations of the University.
- Expands and provides clarity as to which staff and faculty positions can sign or execute contracts and at what dollar level.

IMPORTANT NOTE: Students are not authorized to enter into contracts on behalf of Wake Forest University.



1. Contract Monitor (Initiator) should submit contract, in Word or other editable format, to **contracts@wfu.edu**.
2. Contracts Administrator will review, provide revisions, and assist in negotiation.
3. As necessary, Contracts Administrator will involve departments such as I.S., Legal, Finance, etc. for input;
4. Contracts Administrator will work with Contract Monitor to route finalized contract for signature.
5. If contract requires a payment, Contract Monitor should submit requisition into Workday.
6. Contract Monitor should ensure that a copy of the fully executed contract is sent Contracts Administrator to be stored in a central repository.

IMPORTANT NOTE: Contracts \$10K or above must be in writing and signed by both Wake Forest University and third party.



Updated 2/28/19



Category 1 (Section 3.b. of Contract Management Policy)

The President and the Executive Vice President can enter into contracts in the ordinary course of business in any amount.

Category 2 (Section 3.c.i. of the Policy)

The President can delegate – to anyone – the authority to enter into contracts in the ordinary course of business, in an amount to be determined by the President.

Category 3 (Section 3.c.ii. of the Policy)

The Provost, the Director of Athletics, and any VP or Dean from Category 2 can delegate authority to one person each.



Title	Authority Limit
Provost	\$1,000,000
Director of Athletics	\$1,000,000
Director, Office of Research and Sponsored Programs (for sponsored research and grant agreements)	\$750,000
Vice President of Innovation and Career Development	\$500,000
Senior Vice President & General Counsel	\$500,000
Vice President for Campus Life	\$500,000
Vice President for University Advancement	\$500,000
Chief of Staff	\$500,000
Vice President (Charlotte Program)	\$500,000
Vice President and Chief Human Resources Officer	\$500,000
Vice President, Facilities and Campus Services	\$500,000
Vice President for Finance	\$500,000
Vice President of Information Technology (Chief Information Officer)	\$500,000
Vice President, Strategy and Operations	\$500,000



Category 2 Authority (Continued)

(See Exhibit A of Procedure)

Title	Authority Limit
Dean of the College	\$250,000
Dean of the School of Business	\$250,000
Dean of the School of Law	\$250,000
Dean of the School of Divinity	\$250,000
Dean of Graduate Programs in Arts and Sciences	\$250,000
Dean of Graduate Programs in Biomedical Sciences	\$250,000
Dean of the Z. Smith Reynolds Library	\$250,000
Dean of Residence Life and Housing	\$250,000
Associate Provost for Global Affairs	\$250,000
Associate Provost for Research and Scholarly Inquiry	\$250,000
Associate Vice President, Hospitality & Auxiliary Services	\$250,000
Executive Director of Real Estate	\$250,000
Assistant Vice President, Financial Operations	\$100,000
Director, Maintenance & Utilities Operations (Facilities and Campus Services)	\$100,000
Senior Director, Procurement & Payment Services	\$75,000
In the case of procurement contracts and guest speaker or performer agreements, anyone with Expenditure Authority of \$100,000 or more as set forth in the Spend Authority Administrative Procedure	\$10,000



Title	Authority Limit
Assistant Provost for Budget & Planning	\$250,000
Senior Associate Director & CFO of Athletics	\$250,000
Executive Director, Operations & Finance (Advancement)	\$250,000
Associate Vice President, Finance & Operations (Campus Life)	\$250,000
Assistant Vice President & Controller	\$250,000
Assistant Dean for Finance and Administration	\$100,000
Chief Administrative Officer, School of Business	\$100,000
Budget Director, School of Law	\$100,000
Director, Financial Services (Graduate Programs in Arts and Sciences; School of Divinity)	\$100,000
Director, Graduate School of Arts and Sciences, Biomedical Sciences	\$100,000
Associate Dean, Z. Smith Reynolds Library	\$100,000
Associate Vice President and Executive Director, Office of Personal and Career Development	\$25,000



Contracts that **DO NOT** need to be submitted to or reviewed by the Contracts Administrator prior to execution, but should continue to be routed through their normal review processes, include:

- Real estate contracts (but signed agreement should go to Contracts Administrator);
- Employment contracts;
- Contracts documenting the receipt of gifts;
- Agreements involving the sale, license or assignment of intellectual property; and
- Sponsored research or grant agreements.



Additional contracts that **DO NOT** need to be submitted to or reviewed by the Contracts Administrator prior to execution include:

- Purchasing contracts and guest speaker/performer contracts at or below \$10,000;
- Certain contracts regarding library materials, as detailed in Exhibit B of the Procedure;
- Agreements on pre-approved University contractor or consulting agreement templates at or below \$250,000;
- MOUs between one or more subsidiaries, schools, departments, or operating units of the University; and
- Contracts that generate \$10,000 or less of revenue for the University during the term of the agreement.

Note: The fully executed version of each type of contract noted on this slide should be sent to the Contracts Administrator for records retention purposes.



Anyone with Expenditure Authority of \$100,000 or more as set forth in the Spend Authority Administrative Procedure can sign the following agreements:

- Procurement contracts with a value at or below \$10,000
- Guest speaker or performer agreements with a value at or below \$10,000



- **Journey to where we are today:**
 - Dr. Hatch's 2005 spend level memo
 - 2017 Draft Contract Management Administrative Procedure
 - 2019 Spend Authority Administrative Procedure
- **Defining Contract Authority vs. Spend Authority**
 - Defining who can approve expenditures for payment at the University.
 - Provides foundation of Internal Controls within automated workflow.



- **Spend Authority Procedures as Defined in Current Draft:**
 - Department identification & approval of appropriate approvers
 - Communication of requests to Financial Services
 - Financial Services review of the request for compliance with Spend Authority Administrative Procedure.
 - Update of roles in Workday



- **Feedback and Questions on Spend Authority Draft Procedure to date:**
 - How many individuals can hold a CCM role in a cost center?
 - Definition of a “reasonable” amount of time for delegations.
 - Interim role assignments
 - Delegations and their impact
- **Other comments/questions?**



1. Both procedures are scheduled to take effect on March 1, 2019;
2. Both procedures will be published on the Accounts Payable and Procurement websites;
3. Training materials are being developed; and
4. Vendors will be invited to bid their Contract Management Software to electronically automate the contract routing process.



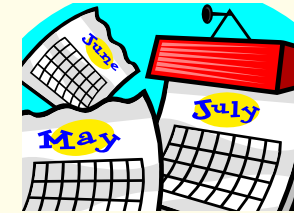


3rd Quarter FY19 Closing Process

Marnie Matthews



Key Dates for March 2019 Close Departmental Close



- March 29th** * All deposits to cashier before 12PM
- April 1st** * All March receiving completed by 12PM
* Final Invoices in Accounts Payable (AP) by 5PM
- April 3rd** * Journal entries submitted in Workday by 5PM
- April 4th** * Payroll reallocations and redistributions in Payroll by 5PM
- April 8th** * Final day to send accrual documentation to AP by 12PM



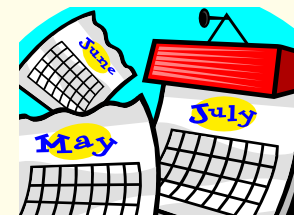
Key Dates for March 2019 Close Departmental Close

**April 9th -
April 11th**

*** Accruals, deferrals and adjustments posted by
Financial Services (including expenditure
vouchers and employee travel expense reports)**

April 15th

*** FINAL Departmental Close – Reports available
after 5PM**





Invoice and Expense Transaction Status and Reporting

Allison Belton & Valarie Waddell



- **Requisitions**

- A requisition is a request to purchase goods or services
- While the requisition is in workflow is it a pre-encumbrance called a ***commitment***
- After the requisition is completely approved, it is ready to become a purchase order
 - At this point it is considered an encumbrance called an ***obligation***

- **Invoices**

- Draft – status if the invoice is saved and not processed
 - Has no impact on the obligation
- Approved – status after AP approval
 - Relieves the obligation, moves transaction to Actual Status



← EU - Operating Summary by Account Actions

Company [Wake Forest University](#) Cost Center / Cost Center Hierarchy [Cost Center: 129039 Amnesty International](#)

Period [FY2019 - 08- February](#)

Wake Forest University

Report Name: EU - Operating Summary by Account

Fiscal Period: FY2019 - 08- February

Cost Center: 129039 Amnesty International

9 items

	Budget	February FY2019 Actuals	FY2019 Year to Date	Current Available	Reserved Journals	Obligations	Commitments	Available Balance	% Available
Supplies, Equipment & Furnishings	\$0.00	0.00	0.00	\$0.00	0.00	0.00	\$500.00	(\$500.00)	0.00%
54300:Supplies	\$0.00	0.00	0.00	\$0.00	0.00	0.00	\$500.00	(\$500.00)	0.00%
<i>Subtotal Non-Personnel</i>	<i>\$0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>\$0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>\$500.00</i>	<i>(\$500.00)</i>	<i>0.00%</i>
Total Operating Expense	\$0.00	0.00	0.00	\$0.00	0.00	0.00	\$500.00	(\$500.00)	0.00%
Net Operating Surplus/(Deficit)	\$0.00	0.00	0.00	\$0.00	0.00	0.00	(\$500.00)	(\$500.00)	

- Requisition for office supplies costing \$500 entered
- Funds are committed



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54300:Supplies	\$0.00	0.00	0.00	\$0.00	0.00	\$500.00	\$0.00	(\$500.00)	0.00%
<i>Subtotal Non-Personnel</i>	<i>\$0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>\$0.00</i>	<i>0.00</i>	<i>\$500.00</i>	<i>\$0.00</i>	<i>(\$500.00)</i>	<i>0.00%</i>
Total Operating Expense	\$0.00	0.00	0.00	\$0.00	0.00	\$500.00	\$0.00	(\$500.00)	0.00%
Net Operating Surplus/(Deficit)	\$0.00	0.00	0.00	\$0.00	0.00	(\$500.00)	\$0.00	(\$500.00)	

- Requisition approved
- Funds are obligated, commitment is removed



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Total Operating Expense	\$0.00	0.00	0.00	\$0.00	0.00	\$500.00	\$0.00	(\$500.00)	0.00%
Net Operating Surplus/(Deficit)	\$0.00	0.00	0.00	\$0.00	0.00	(\$500.00)	\$0.00	(\$500.00)	

- Invoice entered, saved, not processed
- Funds are still obligated, no change



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Total Operating Expense	\$0.00	\$500.00	\$500.00	(\$500.00)	0.00	\$0.00	\$0.00	(\$500.00)	0.00%
Net Operating Surplus/(Deficit)	\$0.00	(\$500.00)	(\$500.00)	(\$500.00)	0.00	\$0.00	\$0.00	(\$500.00)	

- Invoice approved by Accounts Payable
- Funds are considered "Actual"
- Invoice Payment status not a factor
- If February period was closed, invoice would post to next available open period



- **Expense Reports**

- Non-expensed –
 - Pcard transactions only
 - Not recorded on an expense report
 - Not recorded on end-user reports
- Draft –
 - Saved by the initiator
 - Not in workflow
 - Not recorded on end-user reports
- In-Progress –
 - Entered workflow
 - Recorded on end-user reports as “*reserved*”
 - This happens after the Initiator submits the expense report and it passes budget check



- **Expense Reports**
 - Approved –
 - Expense report approved by AP
 - Recorded on end-user reports as “*actual*”



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<i>Subtotal Non-Personnel</i>	<i>\$0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>\$0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>\$0.00</i>	<i>0.00%</i>
Total Operating Expense	\$0.00	0.00	0.00	\$0.00	0.00	0.00	0.00	\$0.00	0.00%
Net Operating Surplus/(Deficit)	\$0.00	0.00	0.00	\$0.00	0.00	0.00	0.00	\$0.00	

- Expense report not yet entered OR entered and saved as draft
- Amounts are not recorded



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Travel, Entertainment & Memberships	0.00	0.00	0.00	0.00	\$145.00	0.00	0.00	(\$145.00)	0.00%
54000:Travel - Domestic	0.00	0.00	0.00	0.00	\$145.00	0.00	0.00	(\$145.00)	0.00%
Supplies, Equipment & Furnishings	\$0.00	\$500.00	\$500.00	(\$500.00)	0.00	\$0.00	\$0.00	(\$500.00)	0.00%
54300:Supplies	\$0.00	\$500.00	\$500.00	(\$500.00)	0.00	\$0.00	\$0.00	(\$500.00)	0.00%
<i>Subtotal Non-Personnel</i>	<i>\$0.00</i>	<i>\$500.00</i>	<i>\$500.00</i>	<i>(\$500.00)</i>	<i>\$145.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>(\$645.00)</i>	<i>0.00%</i>
Total Operating Expense	\$0.00	\$500.00	\$500.00	(\$500.00)	\$145.00	\$0.00	\$0.00	(\$645.00)	0.00%
Net Operating Surplus/(Deficit)	\$0.00	(\$500.00)	(\$500.00)	(\$500.00)	(\$145.00)	\$0.00	\$0.00	(\$645.00)	

- Expense report submitted, budget check passed, await manager approval
- Amounts are reserved



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Total Operating Expense	\$0.00	\$500.00	\$500.00	(\$500.00)	\$145.00	\$0.00	\$0.00	(\$645.00)	0.00%
Net Operating Surplus/(Deficit)	\$0.00	(\$500.00)	(\$500.00)	(\$500.00)	(\$145.00)	\$0.00	\$0.00	(\$645.00)	

- Expense report approved by manager, awaiting AP review
- Amounts are still reserved



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54000:Travel - Domestic	0.00	\$145.00	\$145.00	(\$145.00)	0.00	0.00	0.00	(\$145.00)	0.00%
Supplies, Equipment & Furnishings	\$0.00	\$500.00	\$500.00	(\$500.00)	0.00	\$0.00	\$0.00	(\$500.00)	0.00%
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<i>Subtotal Non-Personnel</i>	<i>\$0.00</i>	<i>\$645.00</i>	<i>\$645.00</i>	<i>(\$645.00)</i>	<i>0.00</i>	<i>\$0.00</i>	<i>\$0.00</i>	<i>(\$645.00)</i>	<i>0.00%</i>
Total Operating Expense	\$0.00	\$645.00	\$645.00	(\$645.00)	0.00	\$0.00	\$0.00	(\$645.00)	0.00%
Net Operating Surplus/(Deficit)	\$0.00	(\$645.00)	(\$645.00)	(\$645.00)	0.00	\$0.00	\$0.00	(\$645.00)	

- Expense report approved by Accounts Payable
- Funds are considered “Actual”
- Expense report payment status not a factor
- If February period was closed, expenses would post to next available open period



May 15, 2019

9:00 – 10:30 a.m.

401 A/B Benson University Center

Preliminary Agenda

- Fiscal Year End Closing Process
- Deposits: review process and how to reconcile to subsystems
- Chart of Accounts

Your input is essential as we continue to collaborate and discuss items of interest so that we can improve how we do business at Wake. So, please continue to send along suggestions, questions, and topics you want to hear about, know about, or discuss with others. (My e-mail is anderssc@wfu.edu). I would love to hear from you!
