Budget and Supervision Workshop
For New Chairs

May 15, 2017
Budget & Financial Processes
Financial Planning Office

- Sun Chyung – Director
- Prashanie Silva – Senior Budget Analyst
- Tania Inturrisi – Budget Analyst
Chairs Financial Responsibilities

- Budget Planning (Late spring-Summer)
- Budget Management (Year Round)
Budget Planning

- Budget planning is to align the upcoming year’s budget to where expenses are most likely to occur.
- Administrative Assistants have been trained to:
  - Provide reports on how the department budget was spent in prior years.
  - Transfer budget to the appropriate expense categories.
Budget Management

- Budget management encompasses:
  - Reviewing and Approving Expenses (on a timely basis).
    - Is this an approved expense?
    - Is this being charged to the appropriate smartkey?
  - Reviewing Budget v Actual Reports (at least monthly). Reports should be provided by the Administrative Assistants.
  - Bringing in a balanced budget by year-end.
Chart of Accounts

Example:

100  1095  100

FUND (3 digits)  DEPARTMENT (4 digits)  XXX (3 digits)

SMARTKEY

ACCOUNT

84500

7=Revenue
8=Expense
Commonly Used Fund Codes
Wesleyan Funds

Unrestricted Operating Budget:

100 - Unrestricted Operating Budget
101 - Grants in Support of Scholarship
104 - Academic Affairs Faculty-Student Internships
140 - Ploughback

Restricted Funds:

60X - Gifts
65X, 66X, 67X - Endowments

Capital:

131 Computing Capital
132 Non-computing capital
Commonly Used Fund Codes
External Funds

External Grants
50X
Wesleyan Financial System
Budgeting Levels

There are three budgeting levels in the University:

- **Smartkey** (i.e. 1001095100 = Finance)
- **Account subgroup** (i.e. 84500 = Travel)
- **Account** (i.e. 84505 = Airfare)

Most of the University including academic departments budget at the account subgroup level.
Wesleyan Financial System
Budget Checking #1

1. Is there enough budget in the Smartkey?
   - No - > Budget Error Will Be in Red
     - Error must be cleared in order to submit to workflow:
       - Must charge expense to a different smartkey that has enough budget and is appropriate for the expense OR
       - Transfer enough budget to smartkey being charged and re-budget check the transaction.
2. There is enough budget at the Smartkey. Is there enough budget at the Lower Level (account subgroup or account detail):

- No - > Budget Warning Will Be in Yellow
- Indicates that you are spending more than you planned in a specific expense category (i.e., travel).
- It is okay to approve expenses with budget warnings, but you may want to review and reallocate your budgets if your plans have changed.
Workflow & Approvals
General Concepts

- Workflow & approvals differ by fund.
- The greater the dollar amount, more approvals are needed for payment.
Workflow & Approvals
Who is the Primary Approver?

Wesleyan Funds -
• Unrestricted Operating, Gifts, and Endowments (excluding GISOS and Ploughback) -> Departmental Chair
• GISOS -> Academic Affairs
• Ploughback -> Individual Faculty Member

External Funds -
• External Grants -> Principal Investigator
Workflow & Approvals
What will Chairs Approve?

Departmental Chair will approve:

1) Expenses over $1,000
2) Payments to Individuals from the first $1
Workflow & Approvals

Pre-approvals

• For federal grants, purchases over $3,000 require a purchase order (PO) documenting at least three price quotes and the basis for vendor selection prior to making a purchase. Purchases over $150,000 require a formal bidding process that involves Olga Bookas, Director of Purchasing. (Please see http://www.wesleyan.edu/finance/grants/federal_purchasing.html for the formal policy).

• For Wesleyan funds, purchases of $5,000 or more require a purchase order prior to making a purchase.
Workflow & Approvals
for Unrestricted Operating, Gifts and Endowments
(excludes Grants in Support of Scholarship and Ploughback)

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Workflow & Approvals
for Grants in Support of Scholarship

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# Workflow & Approvals for Ploughback

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# Workflow & Approvals for External Grants

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WFS

- Workflow & Approvals
  - Email notification or Approval Inbox in WFS

- Budget v Actual Reports
  - Smartkey Summary and Other Inquiry Reports
  - Recurring reports (ask your Admin Asst to setup).

- Salaries & Benefits
  - Salaries & Benefits for staff are now centralized
  - If overtime or additional pay is needed, please contact Academic Affairs for pre-approval. If approved, the departmental budget will need to pay for it.
Why do we need to worry about how we handle expenses?

- Non Profit Corporation
- Federal Government Oversight
- Audited Financial Statements
- Internal Control Report
- Reputational Risk
Expense Reimbursement

- **Travel**
  - Actual expenses incurred up to $75/$100
  - No Per diem. Per diem would be less.

- **Business**
  - Dinner $50, Lunch $25, Breakfast $20
  - Employees only: clear and compelling reason
  - Receptions: up to $10 per person; cabinet approval required if total cost exceeds $500
  - non-University personnel: reasonable

- **Timeliness**
  - Within 30 days/IRS rules are 60 days.

- **Special Year End rules**
  - must be charged to the year in which it occurs

- **Rules apply regardless of funding source.**
Valid Documentation – non taxable payments to individuals have a high burden of proof. Ordinary and necessary in field, not excessive or luxurious.

NOT VALID

VALID - Both

App – Smart Receipts
Payments

- **Students**
- **Non Resident Aliens**
  - Highly regulated
    - H-1B and F-1 Visas may only accept payment from Visa sponsor
    - J-1 requires an approval letter
- Complete the Foreign National Information Form (FNIF)
- Visit Christine Rodrigue when on campus
- Resource: NRA Visitor Payment Checklist
Resources

- Monthly Newsletter
- www.wesleyan.edu/finance
- Dept Admin Assistants – Meet monthly
Supervising Staff for Chairs

May 2017
Role of Chair as Supervisor

Maintain balance between *governance and advocacy*

- Establish a collaborative relationship
  - Discuss transition from previous Chair or Director
  - Communicate expectations and changes
  - Discuss employee challenges and motivations
- Ensure union and non-union employees follow contract and policies
  - Review and approve time and time-off of employees
- Recognize, review performance and manage performance expectations
Employee groups

Office/Clerical and Administrative Staff

• Most departments have one or more staff members, who are members of the Office/Clerical Union typically with the title administrative assistant.
  – Includes ~115 administrative assistants, secretaries, department assistants, postal clerks, property specialists, accounting specialists and library assistants
  – Organize and bargain collectively over wages, benefits and working conditions

• Some have other non-represented personnel (administrative staff), e.g., research associates, facility managers, budget/grants coordinators.
# Office/Clerical and Administrative staff comparison

|                        | Office/Clerical Staff                                                                                                                                                                                                 | Administrative Staff                                                                                                                                                                                                 |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| **Hours of Work**      | Normal full-time workweek based on 35 hour schedule, or 1820 hours per year. Workweek can be adjusted to include longer hours during academic year and shorter hours in summer and still remain full-time                                                                                      | Normal full time workweek is based on 37.5 hour schedule. Variety of alternate work schedules available                                                                                                                                  |
| **Overtime**           | All hours in excess of schedule, must be approved in advance. Eligible for overtime after 40 hours in a workweek. Under strict conditions, compensatory time may be an alternative                                                                                     | Most are salaried staff and ineligible for overtime                                                                                                                                                                                                                                                   |
| **Timesheets**         | Required to complete accurate weekly timesheets                                                                                                                                                                       | Salaried employees required to record paid time off usage only. Any hourly administrative staff required to complete accurate weekly timesheets                                                                                                                                 |
| **Paid Time off**      | Vacation, Personal, Sick time, Floating holiday                                                                                                                                                                       | Vacation and Floating Holiday. No personal time or sick time (unlimited sick for casual absences)                                                                                                                                              |
| **Pay Frequency**      | Weekly                                                                                                                                                                                                               | Either semi-monthly or monthly                                                                                                                                                                                                               |
| **Pay increases**      | Negotiated general wage increases                                                                                                                                                                                   | Merit based increases from annual performance review process                                                                                                                                                                                    |
| **Performance reviews**| Optional but encouraged – employees cannot complete self-assessment or annual goals                                                                                                                                 | Required. Basis for salary increases.                                                                                                                                                                                                         |
| **Bargaining unit status** | Union                                                                                                                                                                                                             | Non-union                                                                                                                                                                                                                                       |
| **Policy Resources**   | “Contract” – Agreement between Wesleyan University & Office & Professional Employers International Union Local 153                                                                                                    | Wesleyan University Handbook of Policies and Procedures for Administrative Staff                                                                                                                                                              |
|                        |                                                                                                           | [http://www.wesleyan.edu/hr/wesleyan_handbook.pdf](http://www.wesleyan.edu/hr/wesleyan_handbook.pdf)                                                                                                                                          |
Role of Academic Affairs

Personnel and staffing related requests are coordinated through the Office of Academic Affairs and require approvals:

• Temporary and permanent vacancies
• Requests for overtime and additional hours
• Training including monthly informational meetings
• Performance management
WesPortal Resources

• Supervisor/Manager Resources
  – Employee and position data
  – Review employee time reporting and time off
  – Approve annual vacation accruals
  – Review previous years’ performance reviews
  – Resources related to new employees and leaving employment

• Careers@Wesleyan
Recognition and employee performance

You can’t pay employee “bonuses” (all staff pay must be managed from HR and negotiated for union members) but recognition happens in many ways...

• Service awards (at 5 year service increments)
• Cardinal Achievement Awards (supervisory nomination based award)
• Annual reviews (union employees can be reviewed but cannot participate in goal setting or self assessments)
• Letter to personnel file
• Informal recognition

Professional development
• On-campus/off campus training, usually not a dept. cost
• Tuition assistance
Performance reviews

• Performance review process measures employee’s work against core responsibilities, competencies, and attainment of annual goals
• Chairs can complete reviews and view past reviews in the “Manager’s toolbox” in portfolio
• Non-union employees encouraged to complete self assessments
• Compensation increase tied to final rating
• Union employees can receive performance reviews. Rating is not tied to compensation. Union employees cannot be asked to complete self assessments or goals.
Performance Management

Counseling is used when an employee’s problems impact performance and is intended to mitigate any further action, including formal corrective action. The employee should solve the problem and your role is to be positive, supportive, and encouraging in that process.

Recommendations at this stage:
• Come to a common understanding of the problem
• Seek employee ownership of the issue, and hopefully avoid any further action.
• Establish your expectations as the supervisor
• If relevant, Employee Assistance Program may be helpful
Performance Management (cont.)

If problems persist, additional counseling and formal documentation may be needed...

- There should be a meeting with the employee clearly outlining the problem, the desired result, and the consequences of not correcting the problem. The conversation should be documented for the employee’s personnel file in HR.
- Proper documentation – should reference the appropriate stage (see below), be *timely* and *detailed* but not “over-documented”.

Office/Clerical, “Discipline and Discharge”
- The Employer has the right to discipline or discharge Employees for *just cause*. When disciplining Employees the Employer will follow progressive discipline, which may include *counseling, oral warning, written warning, suspension without pay, or discharge* depending upon the misconduct or performance deficiency and the Employee’s work record (Article II).
- Employees have the right to union steward representation at disciplinary meetings

**The process will determine the outcome**
## Calendar summary of role

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<thead>
<tr>
<th>End of the Calendar Year</th>
<th>Approve carryover of vacation for administrative staff. Approve carryover of personal time for office/clerical staff if applicable</th>
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<tbody>
<tr>
<td>End of the Fiscal Year</td>
<td>Performance review processes Merit increase recommendations (for administrative staff)</td>
</tr>
<tr>
<td>Ongoing</td>
<td>Balance governance and advocacy Be mindful of union/non-union statuses Clarify expectations and job descriptions Provide feedback – recognize and coach Monitor time and time off Liaise with academic affairs for personnel and staffing related needs</td>
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