



MONTHLY BUSINESS  
MANAGERS' MEETING

“FISCAL YEAREND SEMINAR”

Tuesday, May 13, 2014

9:30 am – 11:00 am

LSU Student Union, Atchafalaya Room

*Presented by Accounting Services*



# Office of Accounting Services

***Donna K. Torres, CPA***

Associate Vice Chancellor for  
Accounting and Financial Services

# Announcements

- Introduction of Sally McKechnie,  
Director of Procurement & Property Management
- June 10, 2014 Meeting Topics – **103 Design Building**
  - Daniel Layzell, Vice President for Finance and Administration/CFO
  - Introduction of LSU's new performance evaluation process by HRM
- No meetings in July and August; resume in September



# Office of Budget & Planning

***Tommy Smith***

**Acting Executive Director**

# Beginning Unrestricted Operating Budget by Source

<b>Fiscal Year</b>	<b>State Funds</b>	<b>% of Total</b>	<b>University Self-Generated</b>	<b>% of Total</b>	<b>Total</b>
2009	260,738,592	57.8%	190,537,234	42.2%	451,275,826
2010	226,160,314	52.5%	204,357,234	47.5%	430,517,548
2011	215,161,989	48.6%	227,964,234	51.4%	443,126,223
2012	171,655,664	38.9%	269,621,486	61.1%	441,277,150
2013	151,699,565	34.1%	293,689,234	65.9%	445,388,799
2014	131,940,908	29.1%	321,098,673	70.9%	453,039,581

Since January 2009 LSU has had a reduction of over \$122M (52%) in state general fund direct - \$234M to \$112M

**LSU IS ALREADY LEAN**

**SREB FOUR-YEAR 1 INSTITUTIONS**

	2012-2013	2012-2013	Total	
	State General	Undergrad. Resident		Difference
	Appropriations/	Tuition & Required	Appropriations	From
	FTE Student	Fees	+ Tuition	LSU
University of Maryland College Park	\$12,436	\$8,908	\$21,344	\$9,951
University of Texas at Austin	\$10,273	\$9,790	\$20,063	\$8,670
North Carolina State University	\$11,621	\$7,788	\$19,409	\$8,016
University of North Carolina at Chapel Hill	\$10,880	\$7,693	\$18,573	\$7,180
University of Georgia	\$7,886	\$9,842	\$17,728	\$6,335
University of Delaware	\$5,690	\$11,682	\$17,372	\$5,979
University of Louisville	\$7,595	\$9,662	\$17,257	\$5,864
Texas A & M University	\$8,752	\$8,480	\$17,232	\$5,839
University of Texas at Dallas	\$5,554	\$11,592	\$17,146	\$5,753
University of Kentucky	\$7,281	\$9,816	\$17,097	\$5,704
University of Virginia	\$4,188	\$12,006	\$16,194	\$4,801
Clemson University	\$3,170	\$12,674	\$15,844	\$4,451
University of North Carolina at Greensboro	\$9,610	\$6,136	\$15,746	\$4,353
University of Tennessee, Knoxville	\$6,637	\$9,092	\$15,729	\$4,336
Georgia State University	\$5,658	\$9,664	\$15,322	\$3,929
Auburn University	\$5,639	\$9,446	\$15,085	\$3,692
Texas Tech University	\$5,302	\$9,714	\$15,016	\$3,623
Virginia Tech	\$4,077	\$10,923	\$15,000	\$3,607
University of Houston	\$4,633	\$9,352	\$13,985	\$2,592
Oklahoma State University Main Campus	\$6,227	\$7,442	\$13,669	\$2,276
University of South Carolina-Columbia	\$3,138	\$10,488	\$13,626	\$2,233
University of Memphis	\$5,390	\$8,234	\$13,624	\$2,231
University of Alabama	\$4,323	\$9,200	\$13,523	\$2,130
University of North Texas	\$4,350	\$9,144	\$13,494	\$2,101
University of Oklahoma Norman Campus	\$6,099	\$7,341	\$13,440	\$2,047
George Mason University	\$4,172	\$9,620	\$13,792	\$2,399
University of Texas at Arlington	\$4,034	\$9,292	\$13,326	\$1,933
Old Dominion University	\$4,866	\$8,450	\$13,316	\$1,923
University of Arkansas, Fayetteville	\$5,511	\$7,553	\$13,064	\$1,671
University of Southern Mississippi	\$5,570	\$6,336	\$11,906	\$513
<b>Louisiana State University</b>	<b>\$4,404 (25/38)</b>	<b>\$6,989 (29/38)</b>	<b>\$11,393 (31/38)</b>	<b>\$0</b>
Mississippi State University	\$4,923	\$6,264	\$11,187	-\$206
Florida State University	\$4,503	\$6,403	\$10,906	-\$487
University of South Florida	\$4,240	\$6,334	\$10,574	-\$819
University of Florida	\$3,704	\$6,143	\$9,847	-\$1,546
Florida International University	\$3,341	\$6,414	\$9,755	-\$1,638
University of Central Florida	\$3,229	\$6,247	\$9,476	-\$1,917
West Virginia University	\$2,907	\$6,090	\$8,997	-\$2,396
Average-Excl. Louisiana			\$14,558	\$3,165

Brief Summary of the Appropriation Bill  
 FY 2014-2015

		<u>Change</u>	<u>Op Budget Total</u>
<b>State General Fund Direct</b>			
MOF Swap Gen. Fund with Stat. Dedicated SELF Fund	(\$446,440)		\$62,823,923
MOF Swap Stat. Dedicated Overcollections Fund with State General Funds	\$45,172,475		
Cain Center funding for the Quality Science and Mathematics Council	\$250,000		
Subtotal State General Fund Direct		\$44,976,035	\$107,799,958
<b>Statutory Dedicated Funds:</b>			
Means of Financing Swap SELF Funds	\$446,440		\$62,325,088
MOF Swap Stat. Dedicated Overcollections Fund with State General Funds	(\$45,172,475)		
Remove One-time LSU System Appropriation Funding (\$708,220 Vet Med)	(\$4,358,658)		
Subtotal Statutory Dedicated		(\$49,084,693)	\$13,240,395
<b>Interagency Transfers</b>			
Lab School MFP Funding	\$281,983		\$6,791,897
Subtotal Interagency Transfers		\$281,983	\$7,073,880
<b>Self-Generated Revenue:</b>			
LA Grad Act - 10% Tuition Increase (based on current enrollment)	\$22,300,000		\$321,098,673
Net Nonres Fee Adj - 2.2% increase in total tuition & fees (based on current enrollment)	(\$800,000)		
Veterinary Medicine LA Grad Act - 10% Tuition Increase	\$785,000		
Subtotal Tuition & Fee Increase	\$22,285,000		
Veterinary Medicine SREB Contract Fee Increase	\$135,000		
Veterinary Medicine Self-Generated Increase	\$150,000		
Other Self Generated Increases (e.g. Lab School, Cont. Ed, Exec MBA)	\$4,135,000		
Subtotal Self-generated		\$26,705,000	\$347,803,673
<b>Grand Total</b>		<u>\$22,878,325</u>	<u>\$475,917,906</u>

# WISE Funding (\$40M)

## Workforce and Innovation for a Stronger Economy Initiative

- Targets State's current and future workforce needs
- Focuses on degree and/or certification production and research in high demand fields determined by workforce demands
- Requires private non-state or non-federal match of 20%



# Financial Summary – FY 15 Outlook

9

FY 14 Budget	=	\$453.0M
<u>PROPOSED FY15 BUDGET</u>	=	<u>\$475.9M</u>
<b>FY 15 vs. FY 14 Budget Growth</b>	=	<b>\$22.9M</b>
Estimated Unfunded Mandates	=	(\$3.3M)
Exemptions for Hardship and Other Scholarship Programs	=	(\$6.9M)
Self-Generated Revenues for non-general fund units	=	(\$4.4M)
Campus Fixed Cost Increase <u>and Other Adjustments</u>	=	<u>(\$7.9M)</u>
<b>Direct Student Impact (DSI)</b>	=	<b>\$0.4M</b>

# Institutional Priorities

- New Faculty Positions (25 @ \$150K=\$3.8M)
- Retention-Faculty/Staff Pay Raises(1%=\$2.6M)
- ORP (Keep at FY 14 level of 5.18% = \$2.2M)

## Unknown Resources??

- WISE Funds
- Additional State or Self-generated resources
- Additional Efficiencies (Risk Mgt., Purchasing)

# ORP

	BUDGET <sup>1</sup> FY 2014 EMPLOYER CONTRIBUTION			ACTUAL FY 2012 EMPLOYER CONTRIBUTION			ACTUAL FY 2010 EMPLOYER CONTRIBUTION			ACTUAL FY 2008 EMPLOYER CONTRIBUTION		
	Normal	UAL	TOTAL	Normal	UAL	TOTAL	Normal	UAL	TOTAL	Normal	UAL	TOTAL
LASERS	2,920,720	12,864,262	15,784,982	3,373,586	9,516,534	12,890,120	3,877,663	7,119,110	10,996,773	4,384,852	7,830,389	12,215,241
TRSL	4,668,910	19,183,971	23,852,881	5,165,260	15,340,043	20,505,303	5,009,688	8,471,242	13,480,930	5,597,599	7,810,790	13,408,389
ORP	7,597,406	31,216,798	38,814,204	8,764,359	26,028,824	34,793,182	8,811,357	14,899,760	23,711,117	9,782,990	13,651,012	23,434,002
TOTAL:	15,187,037	63,265,030	78,452,067	17,303,204	50,885,400	68,188,605	17,698,708	30,490,112	48,188,820	19,765,441	29,292,191	49,057,632

	EMPLOYER CONTRIBUTION FY 2013 RATES			EMPLOYER CONTRIBUTION FY 2012 RATES			EMPLOYER CONTRIBUTION FY 2010 RATES			EMPLOYER CONTRIBUTION FY 2008 RATES		
	Normal	UAL	TOTAL	Normal	UAL	TOTAL	Normal	UAL	TOTAL	Normal	UAL	TOTAL
LASERS <sup>2</sup>	5.80%	25.55%	31.35%	6.70%	18.90%	25.60%	6.56%	12.04%	18.60%	7.32%	13.08%	20.40%
	5.1839											
TRSL	%	21.30%	26.48%	5.97%	17.73%	23.70%	5.76%	9.74%	15.50%	6.93%	9.67%	16.60%
	5.1839											
ORP	%	21.30%	26.48%	5.97%	17.73%	23.70%	5.76%	9.74%	15.50%	6.93%	9.67%	16.60%

	EMPLOYER CONTRIBUTION BY SHARE OF COST			EMPLOYER CONTRIBUTION BY SHARE OF COST			EMPLOYER CONTRIBUTION BY SHARE OF COST			EMPLOYER CONTRIBUTION BY SHARE OF COST		
	Normal	UAL	TOTAL	Normal	UAL	TOTAL	Normal	UAL	TOTAL	Normal	UAL	TOTAL
LASERS	0.1850	0.8150	1.0000	0.2617	0.7383	1.0000	0.3526	0.6474	1.0000	0.3590	0.6410	1.0000
TRSL	0.1957	0.8043	1.0000	0.2519	0.7481	1.0000	0.3716	0.6284	1.0000	0.4175	0.5825	1.0000
ORP	0.1957	0.8043	1.0000	0.2519	0.7481	1.0000	0.3716	0.6284	1.0000	0.4175	0.5825	1.0000

July 1, 2013 ←—FY June 30,  
2014—→ 2014

July 1, 2011 ←—FY June 30,  
2012—→ 2012

July 1, 2009 ←—FY June 30,  
2010—→ 2010

July 1, 2007 ←—FY June 30,  
2008—→ 2008

# POSITIVES OF LSU'S CURRENT BUDGET

- Over the past several years, LSU was facing a \$50 to \$70 million negative DSI at this point in the legislative process.

## Operating Budget DSI's:

- FY 13-14 - (\$25.7M) DSI (included a merit program)
- FY 12-13 - (\$33.5M) DSI
- FY 11-12 - (\$22.5M) DSI
- FY 10-11 – (\$40.0M)DSI



# Office of Budget & Planning

***Helen Reaux***

**Assistant Director**

# Operating Budget

- LaCarte Card Audit Recommendation
  - FY 2013 – 2014 Adjustments by Object Code
  - FY 2014 – 2015 Permanent Realignment
- Yearend Budget Adjustments Processed by Budget & Planning
  - Classified & Unclassified Salary Object Codes
  - Self-generated Revenue Closeout



# Accounts Payable & Travel

***Patrice Gremillion***

**Director**

# APS Check Run



## ➤ **June 30, 2014**

- Final APS check run for fiscal year 2014



# Direct Charge

## ➤ **June 27, 2014**

- Last day for direct charge invoices to be sent to Accounts Payable without an accrual JV

# PRO

- Create the PRO Electronic Receiving Reports for merchandise received or services rendered by **June 30**
- **July 1 & 2** - Last two days to create Electronic Receiving Reports for goods received and/or services rendered on or before June 30
- Accruals for PRO purchase orders will be system-generated based upon the merchandise received or services rendered as of **June 30** and not paid as of **June 30**
- Accrual entries will be available in GLS on **July 3** (after 3pm)

# LSU GeauxShop

- No system-generated accruals will be processed for LSU GeauxShop purchase orders.
- LSU GeauxShop invoices must be approved by SCIINVAPPROVERS on or before **June 30** in order to be charged to FY 14 budgets.
- FY 14 invoices not approved by SCIINVAPPROVERS by **4:30 pm** on **June 30** will be charged to FY 15 budgets **unless an accrual JV dated 6/30/2014 is processed by the department.**
- A copy of the LSU GeauxShop invoice should be attached to the accrual entry. The accrual JV should be processed only for invoices with a “Matched” status.

# LSU GeauxShop Supplier Matrix

Supplier	Standard Delivery Time	Invoice Turnaround
Agilent Technologies Inc.	2 days	1-3 days
Bio Rad Laboratories Inc.	1-2 days	1-11 days
CDW Government Inc.	1-3 days	1-7 days
Dell	5-7 days	1-4 days
Economical Janitorial & Paper Supplies Inc.	Next day delivery (M-F)	1-7 days
Fisher Scientific Co LLC	1-3 days	1-2 days
Frost Barber Inc.	4-8 weeks	67-69 days
Grainger Industrial Supply	1-3 days	1-9 days
Graybar Electric Co	Depends on the time and availability of items	1 day
Hewlett Packard Co	3 business days (3 <sup>rd</sup> party item - 3 weeks)	1 day
Life Technologies Corporation	2 days	1-2 days
NOTOCO INDUSTRIES	Next day delivery	6 days
Office Max	24 hour delivery	2-7 days
QIAGEN Inc.	2 days	1 day
SIGMA ALDRICH INC	1-3 days	1-2 days
Thomas Scientific	3 days	1-7 days
VWR INTERNATIONAL	1-2 days	1-2 days

# Travel

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## ➤ **June 20, 2014**

- Final date to submit Travel Expense Reimbursement Requests without an accrual JV

# LaCarte

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## ➤ **June 30, 2014**

- Final FY 2014 LaCarte/CBA entries will be made available to the departments

# Accruals

## ➤ **July 8, 2014**

- FY 14 LaCarte/CBA entries must be in RAPS status
- Accrual JVs for Direct Charge Invoices
- Accrual JVs for PRO POs and LSU GeauxShop
- Accrual correction JVs for PRO PO Accruals
- Accrual JVs for LaCarte/CBAs
- Accrual JVs for Travel Expense Reimbursement Requests

# Training Resources



- ✓ Online FYE 2014 Accrual Procedures Training
- ✓ FYE 2014 Accrual Procedures Manual
  - ❖ Both will be updated and available by June 15





# Bursar Operations

***Larry Butcher, CPA***

Bursar

# One Very Important Date

**Friday, June 30, 2014**

- Deposits → Effects on Cash Management
- Accounts Receivable
- Petty Cash Transactions

## **Vault Hours**

**10:00 am – 11:45 am and 12:30 pm – 4:00 pm daily**



# Financial Accounting & Reporting

***Elahe N. Russell***

**Director**

# Important Yearend Dates

Date	Description
<b>July 1</b>	1 <sup>st</sup> 6/30 GLS Cutoff
<b>July 2</b>	June Online Ledgers Available
<b>July 23</b>	FINAL 6/30 GLS Cutoff
<b>July 24</b>	FINAL June Online Ledgers Available

# Reconciliation

- Perform on a **monthly** basis
- Reconciliations with supporting documentation should be maintained according to an established record retention policy
- Transactions must be:
  - Appropriate
  - Valid
  - Reasonable
  - Funded
  - Accurately recorded
  - Supportable
  - Recorded timely

# Reconciliation Checklist

- ✓ Review changes in budget
- ✓ Verify revenues
- ✓ Monitor encumbrance balances
- ✓ Ensure account is not in an overdraft status
- ✓ Review tentative transactions
- ✓ Match supporting documentation to detail transactions on ledger
- ✓ Reconcile supporting documentation to identify items that have not yet hit the ledger
- ✓ Investigate/correct errors
- ✓ ***Look beyond the transaction***

# Reporting Tools Updates

- University Subsidiary Detail Ledger
  - Current
  - Tentative
  - Combined
- Combined Subsidiary Ledger (*Coming Soon*)
  - Summary
  - Detail
  - Tentative
  - Outstanding Order Summary

# Source of Funds

## Unrestricted

- “0” in 6<sup>th</sup> digit of account number
- Funds must be spent by June 30
- Accruals required for all goods or services received by June 30

## Restricted

- Unspent funds carry forward from year to year
- Accruals required for all goods or services received by June 30



# Restricted Accounts

- June 2013 Board of Supervisors Meeting
  - Fees collected for space usage
- July 2013 Board of Supervisors Meeting
  - Registration fees for training, academic orientation sessions, camps, professional development, and conferences
- AS505: Request for Restricted Self-Generated Account

# Internal Transactions

- Used to bill another department, account or campus for service
- Rendering departments should credit **expenditure** object code **3890**
  - Auxiliaries should credit revenue object 0940 or 0945
- Verify all appropriate documentation is attached

**Final Deadline for FY14 ITs is June 30, 2014**

# Internal Transactions

<b>Due Date</b>	<b>For Services Rendered</b>
<b>June 2</b>	Through May 31
<b>June 16</b>	June 1 - 13
<b>June 30</b>	During FY 14

# Inventory

- Merchandise for resale
- Inventory procedures
  - Due to Accounting Services by June 17
  - Include planned method of inventory
  - Dates of expected count
- Ending inventory reported to Legislative Auditors
- Contact Hope Response at [hope@lsu.edu](mailto:hope@lsu.edu)

**Final Inventory Counts due by July 8, 2014**

# Auxiliary Yearend Meeting

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**Wednesday, May 21, 2014**

**208 Feliciana Room**

**LSU Student Union**

**2:00 p.m.**

# The Year in Review...

- Review cash management procedures
- Ensure ITs have the correct supporting documentation
- Record deposits in a timely manner
- Equipment management and inventory verification
- Review student payroll procedures





# Payroll

***Donna Dewailly, CPA***

**Director**

# Chancellor's Student Aid & Work Study

- Last Day for Charges is **May 16, 2014** – Graduation Day
- Students will be programmatically separated
- Overages will be charged to unrestricted department account
- Timesheets for final charges due **May 27, 2014**



# Personnel Forms

- **June 20, 2014** is the deadline
- Should be in RPAY status by this date
- Check ledgers for transfers and contact Payroll
- Check HRS for FY 2014 pending forms
  - Transfers will not create
  - Consider deleting/canceling and reloading pending forms
  - Clean up forms in INIT/INC status

# Wage Accruals

## ➤ **Voucher 015-15**

- Ends June 27, 2014
- Will post to FY 2014
- Timesheets due **10:00 am on June 27, 2014**

## ➤ **Accrual Voucher 145-03**

- Will be 10%
- Accrual will reverse on July ledger

# Student Accruals

## ➤ **Voucher 125-27**

- Ends June 20, 2014
- Timesheets due **10:00 am on June 20, 2014**

## ➤ **Accrual Voucher 145-03**

- Will be 60%
- Accrual will reverse on July ledger

# Final Supplement Payroll

Date	Description
<b>June 20</b>	Timesheets due <b>4:30 pm</b>
<b>June 30</b>	Payment date



# Sponsored Program Accounting

***Patricia Territo, CPA, CRA***

**Director**

# SPA Accounts – General

- Any account with a 4, 5, or 6 in the sixth digit of the account number and their associated program income and cost sharing accounts
  - Review ledger for completeness and accuracy – do not forget about drop digit cost sharing accounts
  - Use Reporting Tools to see overdrafts
  - Accounts with large unexpended balances should be reviewed

# Agency Imposed Deadlines

- Invoices for June expenditures on source 4 (state) accounts must be submitted by July 15 (agency imposed deadline)
  - **July 2** - Hand carry or e-mail monitoring reports to 336 Thomas Boyd
  - Provide SPA contact with copies of any accruals or reconciling items for all source 4 accounts and/or final invoices

# Agency Imposed Deadlines

- For agreements expiring on June 30, 2014, goods and services must be received on or before **June 30**
- Secure fully executed agreements for source 4 (state) tentative account numbers to ensure LSU complies with invoicing and reporting deadlines



# Accruals

- Provide SPA contact with copies of accruals for all source 4 (state) accounts, especially those expiring on June 30, 2014
  - Include any receiving reports in PRO that have not been paid by LSU
  - For subcontracts, only accrue the invoices received

# Cost Transfers

- Avoid them by processing charge on the correct account number
- Request a tentative account number
- Review ledger monthly with PI
- Process cost transfers as soon as the error is discovered but within 90 days
- Cost transfers must be documented and include a completed AS226 if applicable
- FY14 cost transfers are due **June 26**

# Cost Transfers

- Appoint employees to the correct accounts as soon as they begin working
- FY14 personnel forms are due to Payroll (in RPAY status) by **June 20** with justification on AS227
- Due to spending freeze, cannot process transfers to source 0 accounts unless approved exemption.
- Cannot transfer expenditures off of BOR chair & professorship accounts (source 6 & 7) unless true error, i.e., vacant position or overdraft in Foundation project id #.

# Cost Sharing

- Review commitments; use Reporting Tools
  - Cost Sharing Detail by Account
  - Cost Sharing Detail by LSUID
- Certify and return PARs; do not forget to document cost sharing with like functions
- Ensure non-salary cost sharing is documented
- Ensure in-kind cost sharing certifications are received
- Cost sharing must be met by the end date of the agreement



Q & A