The Campus Business Officer’s Group met on Thursday, February 11, 2016, at 8:30 a.m. in the President’s Conference Room, second floor, Sikes Hall.

Present: Mike Nebesky, Procurement Director, presiding; Jimmy Barnes, Business & Behavioral Sciences; Cynthia Barnes for Leigh Dodson, Agriculture, Forestry, & Life Sciences; Todd Barnett, University Facilities; Carla Bennett, Business & Behavioral Sciences; Regina Carroll, Health, Education, & Human Development; Tammy Crane, CCIT; Tony Dickerson, Student Affairs; Melissa Kelley, Public Service Activities; Sharon Littlejohn, Athletics; Takoma Peppers for Jacqui Stephens, Architecture, Arts, & Humanities; Amanda Powell for Carla Rathbone, CCIT; Stanley Richardson, Research; Jenna Smith for Mike Sulhan, Advancement; Erin Thomas, President/Board/Finance; Cathy Tillett, Director Internal Audit; Chris Wood, Academic Affairs

Staff Present: Virginia Baumann, Budget Director; Christina Bedenbaugh, Engineering & Sciences; Clint Carlson, Director Accounting for Related Organizations; Steve Crump, Associate VP & University Controller; Kayne Evans & Stephanie Barker, Cash & Treasury; Ami Hood, Payroll Director; Lisa Knox, Director Lean; Karen Lantigos for Roberta Elrod, Director Grants & Contracts Administration; Beverley Leeper, Cost Manager; Michelle Piekutowski, Chief Human Resources Officer; Kathy Regel and Jamie Byrne, Human Resources; Sherri Rowland, Director Accounting Services; Charles Tegen, Associate VP

I. Welcome & Introductions (Mike Nebesky)

Mike Nebesky called the meeting to order and welcomed business officers. Agenda item IV was moved to the first item of the meeting.

II. FTE Position Updates (Kathy Regel)

Kathy Regel presented the FTE & FTE Management project, a joint effort between the Budget Office, Provost Office, & Human Resources. Kathy reviewed the current state, lean event identified project improvements, and future state. With lack of visibility in FTE availability and resources to budget centers and departments, HR developed future improvements including, (1) developing standard, multi-year hiring plans, (2) administering FTE reviews at the front end of the process, prior to hiring, so departments know the exact amount of state approved FTEs, and (3) developing information and a proposal for prioritizing FTE needs. An immediate fix is sending “Monthly FTE Statements.” On Monday (April 18th) the first report, along with a guide & glossary of terms, will be sent out electronically to leadership, business officers, and HR partners. With these monthly statements, HR hopes to provide leadership with greater control and transparency to make informed decisions about where to assign FTEs, and eventually tie FTEs into the budgeting process. Per members’ questions, the report will separate out PSA FTEs from FTEs and the level of report is by division, but will also show department numbers. Michelle Piekutowski further explained the statements and will present this info to VPs and Deans. Call Michelle or Kathy with questions.

III. Budget Update (Virginia Baumann)

- The deadline for FY2017 budget submission is being extended from April 22nd to April 29th. Today business officers should receive the updated FY2017 fund balance/performance credit spending plan templates, which are due April 29th as well.
- The Budget Office anticipates loading FY2017 budgets into PeopleSoft by May 25th. Business officers will be notified when the load is processed so that they can check their budgets.
- The House version of the State Budget includes the following for Clemson:
  - $5M in recurring funding for Clemson for E&G funds
  - $2M in nonrecurring funding for outdoor lab facilities maintenance
  - $1M in recurring funding for agriculture & natural resources programming
CAMPUS BUSINESS OFFICERS
April 14, 2016
President’s Conference Room
Sikes Hall

- $750K in recurring funding for animal and infectious disease prevention
- $1M in nonrecurring funding for agriculture & natural resources field facilities
- $1M in nonrecurring funding for T. Ed Garrison Arena Education/Conference Center
- 2% cost of living, minor increase for health insurance, and retirement to go up by .5%

IV. Fiscal Year End Deadlines (Sherri Rowland)
The week of July 11 is the deadline for posting P-card charges and getting vouchers and departmental invoices processed. Thursday July 14th at noon is the deadline for clearing all budget errors for FY16. Guidance for processing prepaid expenses and deferred revenues will be included in the fiscal year end deadlines document. The document will be sent out through email and will be available on the CUBS website once final. Contact Sherri with any questions.

V. Payroll Update (Ami Hood)
-Kronos Timekeeping Manager Roles & Responsibilities – Ami Hood presented results from Kronos’ FY16’s internal audit plan (see attachment 1, Kronos Timecard statistics). Key findings include a 37% time approval rate directly by a manager, with the rest being approved by someone other than a manager (22%) or no one at all (41%). Unapproved timecards are across all employee types including hourly, salary, and nonexempt. Supervisors must review and approve employee timecards. Recommendations from the office include increasing controls related to timecards, ensuring all supervisors have been trained, offering reminders to review and approve time, evaluating methods to require supervisors’ approval if it will not hinder employees’ regularly scheduled pay period, and implementing monitoring to follow up on unapproved timecards. The payroll office will develop monitoring reports to identify noncompliants; these individuals will be notified, offered additional training, and subsequent payrolls monitoring will be conducted. Continued noncompliance will result in notification to division VP or Dean and progressive discipline through HR. Plan of Action: (1) Provide Report as awareness: Email notifications will be sent to HR Partners and supervisors later this month. (2) Send Recurring Reminders to Approve Timecards: Will be sent out to CBOG members, HR Partners, and supervisors on a pay period basis. (3) Engage: Could include mandatory training for noncompliants. Per Virginia Baumann’s question, Payroll can provide this information by department. Let Ami know if you want your area’s individual statistics.
- Steve Crump added information about audit comments regarding employees remaining on the payroll and Kronos. His office is still working on a policy update while looking at options to be more aggressive with these types of employees. Will provide the group with a definitive answer at a later date. Michelle added to this by asking for the group to identify position exceptions (“seasonal” employees that are leaving, but returning later). Ami to follow up, present plan, reach out, and request feedback on reasons employees should stay active or be put on a holding type status so they do not appear on timecards.
-Institutional Base Salary Policy – (see attachment 2, available on research website). Impacts 9-month faculty summer pay, which is driven by uniform guidance. The two biggest impacts are includable and excludable supplements. The office officially kicked off the summer payroll process and the deadline for data entry is May 13. HR partners are actively participating with department chairs and faculty to gather data about summer employment at Clemson. If a faculty member has an active sponsor program or capacity funding (Fund 20, 11, 17) earnings will be capped at 33.3% with no exceptions.
VI. Procurement Update (Mike Nebesky)

- Chip & PIN PCARD rollout- today is last training session. Currently trained 900/980 cardholders. Individuals will get a message about card suspension if they have not completed training. More info to come tomorrow or early next week.
- Requisitioner Certification in Buyways- completion deadline was end of March. Notifications were sent and Buyways roles have been taken away from individuals who did not complete the online certification.
- Enterprise Invoices- $44,000 in overdue invoices. If individuals get an invoice notification, they must be paid to “EAN/Enterprise.”
- Travel Partner- Working with company to rollout a travel program. There will be a central website to set up travel, reservations, etc. Over the summer will have a soft launch, if interested in volunteering let Scott Pigeon know. Can now use new online form for group reservations.
- Updated PCARD policy (attachment 3)- Mike proposed to implement. This policy gives more definition and allows flexibility. He asked members to review and provide for more feedback, if not it will be implemented as a part of the larger PCARD policy.
  o Tony asked if receipts need to be original or if copies of receipts are ok? Mike responded that they need to be paper receipts, emails do not count. They need to be printed and signed, but making a copy is fine. The office is hoping by end of the year to rollout Bank of America Works where receipts can be uploaded.
  o Amanda Powell asked if electronic signatures were appropriate? Mike responded no, that there’s no way to authenticate who authorized the electronic signatures. Will need to discuss the CCIT exception. Cathy Tillett discussed current methods and processes.
  o Amanda also asked who is going to keep track of different offenses and who should that be turned in to? Mike responded that it’s outlined in policy and to report issues to Lynn.
- Non-travel reimbursements- After reviewing feedback, Mike asked if members wanted to clarify/update the "personal reimbursements while discouraged are allowed and here’s how you do it" policy statement?
  o Charles suggested looking at this from a process/kaizan perspective instead of only informal feedback. The policy could differ based on departments.
  o Mike asked for ideas and suggested to leave it at “make your own policy.”

VII. Response to Internal Audit Report on Fixed Asset Inventory (Steve Crump)

Looking over 15 departments, Steve reported no major findings from the central examination, but a series of smaller other findings. One suggestion is to consider a central observation over one fiscal year. The office is planning to hire two part-time employees who will visit all areas and look at inventory, physical verification, unused equipment, items not on inventory, etc. The objective is to clean up the baseline and ensure good records by the end of next year by effectively updating and revising inventory reports and providing signed off recount documents back to departments. The office is also considering other long-term technology options (radio frequency tags) and updating the policy. Cathy Tillett added that this plan and new technologies will make it easier for inventory liaisons.

VIII. Other Matters

The next CBOG meeting is June 9th
There being no further business, the meeting was declared adjourned at 9:43am.
KRONOS TIMECARD STATISTICS: 3/31/2016 Payday

Kronos for Timekeeping recently underwent an audit review by Internal Audit. Directly below is a chart showing timecards approved by managers, someone other than the manager and not approved by anyone for the 3/31/2016 payday.

<table>
<thead>
<tr>
<th>Department</th>
<th>Total Employees</th>
<th>Timecards Approved by Manager</th>
<th>Timecards Approved by Other</th>
<th>Timecards not approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Affairs</td>
<td>322</td>
<td>99 (30.75%)</td>
<td>32 (9.94%)</td>
<td>191 (59.32%)</td>
</tr>
<tr>
<td>Athletics</td>
<td>558</td>
<td>181 (32.44%)</td>
<td>126 (22.58%)</td>
<td>251 (44.98%)</td>
</tr>
<tr>
<td>BBS</td>
<td>392</td>
<td>40 (10.20%)</td>
<td>216 (55.10%)</td>
<td>136 (34.69%)</td>
</tr>
<tr>
<td>PSA</td>
<td>546</td>
<td>306 (56.04%)</td>
<td>155 (28.39%)</td>
<td>85 (15.57%)</td>
</tr>
<tr>
<td>County Extension</td>
<td>247</td>
<td>144 (58.30%)</td>
<td>97 (39.27%)</td>
<td>6 (2.43%)</td>
</tr>
<tr>
<td>Economic Development</td>
<td>291</td>
<td>4 (1.37%)</td>
<td>264 (90.72%)</td>
<td>23 (7.90%)</td>
</tr>
<tr>
<td>CURF</td>
<td>15</td>
<td>1 (6.67%)</td>
<td>0 (0.00%)</td>
<td>14 (93.33%)</td>
</tr>
<tr>
<td>Finance</td>
<td>185</td>
<td>52 (28.11%)</td>
<td>0 (0.00%)</td>
<td>133 (71.89%)</td>
</tr>
<tr>
<td>Library</td>
<td>144</td>
<td>131 (90.97%)</td>
<td>8 (5.56%)</td>
<td>5 (3.47%)</td>
</tr>
<tr>
<td>President</td>
<td>57</td>
<td>10 (17.54%)</td>
<td>5 (8.77%)</td>
<td>42 (73.68%)</td>
</tr>
<tr>
<td>Provost</td>
<td>882</td>
<td>314 (35.60%)</td>
<td>37 (4.20%)</td>
<td>531 (60.20%)</td>
</tr>
<tr>
<td>Research</td>
<td>86</td>
<td>2 (2.33%)</td>
<td>0 (0.00%)</td>
<td>84 (97.67%)</td>
</tr>
<tr>
<td>Secretary to Board</td>
<td>3</td>
<td>2 (66.67%)</td>
<td>0 (0.00%)</td>
<td>1 (33.33%)</td>
</tr>
<tr>
<td>Student Affairs</td>
<td>1412</td>
<td>602 (42.63%)</td>
<td>187 (13.24%)</td>
<td>623 (44.12%)</td>
</tr>
<tr>
<td><strong>Overall Summary</strong></td>
<td><strong>5140</strong></td>
<td><strong>1888 (36.73%)</strong></td>
<td><strong>1127 (21.93%)</strong></td>
<td><strong>2125 (41.34%)</strong></td>
</tr>
</tbody>
</table>

**IA Findings:**
- According to the Employee Time Sheets Policy and Kronos Manager Training Documentation, supervisors should review and approve employees' time cards. Based on a three month review of salary non-exempt Kronos time records, approximately 32% of time sheets were not approved by the employees' supervisor.
- The internal control questionnaire for the external audit indicates, “the accuracy of regular and overtime pay is certified by the employee’s supervisor and reported to the Department payroll personnel.”
- Allowing payroll to be processed without supervisory approval violates policy and weakens control over accuracy of reported time.

**Recommendations from IA:**
- To increase controls related to time cards, ensure all supervisors have been trained and are reminded of their duty to review and approve time. Evaluate methods to require supervisor approval that would not hinder an employee’s regularly scheduled pay period. In addition, implement monitoring to follow up on unapproved time cards.

**Payroll Response:**
- The Payroll Department will develop reporting to monitor non-compliance. These reports will readily enable the Payroll Department to identify supervisors who are not approving time cards. Non-compliant supervisors, and their Division’s HR Partners and Business Officers, will be contacted by the Payroll Office.
and Supervisors will be offered additional training if needed. The Payroll Office will monitor subsequent payrolls for these individuals. Continued non-compliance will result in notification to the Division Vice President or Dean, and progressive discipline through Human Resources.

Plan of Action:
The information provided above is our first report to bring awareness to this issue.

1. Later this month, Payroll will communicate with all supervisors in regards to roles and responsibilities relating to timecards in Kronos and any paper timesheets still in use. The communication will include Kronos refresher documents.

2. Once the roles and responsibilities have been delivered, Payroll will start monitoring for compliance.
   a. Monitoring reports similar to the one above will be shared with CBOG members and HR Partners on a pay period basis.
   b. Additionally, supervisors will be contacted directly to remind them of their responsibility.

3. Payroll will engage with Business Officers and HR Partners regarding supervisors showing repetitive non-compliance.
MEMORANDUM

TO: Business Officers, HR Partners, OSP Support Centers, College Post-Award Offices

FROM: Robert Jones
Provost

DATE: April 8, 2016

SUBJECT: Institutional Base Salary Policy

New federal regulations effective December 26, 2014 require institutions of higher education to implement an Institutional Base Salary (IBS) Policy that ensures the appropriate charging of salaries for work performed on all sponsored awards. Specifically, OMB Uniform Guidance (UG) 200.430 (h) (2) states:

"Charges for work performed on Federal awards by faculty members during the academic year are allowable at the IBS rate...in no event will charges to Federal awards, irrespective of the basis of computation, exceed the proportionate share of the IBS for that period....IBS is defined as the annual compensation paid by an institution for an individual's appointment, whether that individual's time is spent on research, instruction, administration or other activities. IBS excludes any income that an individual earns outside of duties performed for the institution...Charges of a faculty member's salary to a Federal award must not exceed the proportionate share of the IBS for the period during which the faculty member worked on the award."

Clemson University's Institutional Base Salary Policy defines IBS to include 1) regular annual base salary, 2) administrative supplements, and 3) endowed supplements. Excluded from IBS are temporary supplements, summer salary, dual employment, overload pay, bonuses and awards, salary paid from other organizations, and outside consulting. Attached are examples to illustrate these various scenarios.

This policy will become effective July 1, 2016. To clarify:

- For faculty on a 9-month contract, IBS is based on the 9-month base salary; no annualization is permitted. Faculty whose appointment specifies a 12-month appointment use the 12-month salary as the Institutional Base Salary.

- Effective immediately, faculty on nine-month appointments and receiving any funding for externally-sponsored activity are prohibited from earning summer pay in excess of 33.33% of their 9-month academic year Institutional Base Salary, even if the academic year funding includes no salary support. Overload pay and income an individual is permitted to earn outside of their University responsibilities such as outside consulting, is not summer salary. Overload pay, which is earned and paid during the academic year, remains capped at 30 percent of base period salary.

Implementation of the Institutional Base Salary Policy on July 1, 2016 will involve adjustment of some existing processes and procedures. However, as the UG governs summer earnings, special monitoring will take place to ensure compliance during summer 2016. Most important, relevant department and college administrative staff need to be prepared to respond quickly and accurately to questions regarding the application of IBS to summer salary calculations. Training for all HR Partners, Business Officers and Grant Administrators will begin in April.

Questions about the policy may be directed to Sheila Lischwe, Ph.D., Director, Office of Sponsored Programs at slischw@clemson.edu.
## PURCHASING CARD PROGRESSIVE DISCIPLINE GUIDELINES

<table>
<thead>
<tr>
<th>Offense</th>
<th>1&lt;sup&gt;st&lt;/sup&gt; Offense</th>
<th>2&lt;sup&gt;nd&lt;/sup&gt; Offense</th>
<th>3&lt;sup&gt;rd&lt;/sup&gt; Offense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missing receipts*</td>
<td>Written warning and liable for all undocumented purchases</td>
<td>Suspension of card privileges from 3 to 6 months and liable for all undocumented purchases</td>
<td>Revocation of card privileges and liable for all undocumented purchases</td>
</tr>
<tr>
<td>Splitting of purchase over $2500</td>
<td>Written warning</td>
<td>Suspension of card privileges for 3 months</td>
<td>Revocation of card privileges</td>
</tr>
<tr>
<td>Inappropriate purchases outside scope of fund mission</td>
<td>Written warning and possible fund reimbursement</td>
<td>Suspension of card privileges for 3 months and possible fund reimbursement</td>
<td>Revocation of card privileges and reimbursement of fund</td>
</tr>
<tr>
<td>Unauthorized purchase</td>
<td>Written warning and possible fund reimbursement</td>
<td>Suspension of card privileges for 3 months and reimbursement of fund</td>
<td>Revocation of card privileges</td>
</tr>
<tr>
<td>Allowing use of card by another without permission</td>
<td>Suspension of card privileges for 6 months</td>
<td>Revocation of card privileges</td>
<td></td>
</tr>
<tr>
<td>Failure to comply with departmental approval process</td>
<td>Written warning</td>
<td>Suspension of card privileges for 3 months</td>
<td>Revocation of card privileges</td>
</tr>
<tr>
<td>Use of card for personal gain</td>
<td>Revocation of card privileges, liable for personal purchases and referral to Human Resources for disciplinary action</td>
<td>Suspension of card privileges for 3 months</td>
<td>Revocation of card privileges</td>
</tr>
<tr>
<td>Other non-compliant or inappropriate card use&lt;sup&gt;1&lt;/sup&gt;</td>
<td>At discretion of Director of Procurement with Chief Financial Officer approval</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* In the event that a Cardholder loses or misplaces a receipt, it is the Cardholder’s responsibility to obtain a duplicate receipt within a reasonable period of time or reimburse Clemson University for the amount expended. The above-indicated actions in response to specific offenses are to be used as a guide and are not intended to be all-inclusive. At the occurrence of any of the listed offenses, or any that are not listed, the appropriate discipline shall be determined after the particular circumstances of the case have been carefully considered.

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<sup>1</sup> Only applicable when internal controls are in place.
Inappropriate, Unauthorized or Fraudulent use of the PCard
The following guidelines are established for various types of PCard infractions or exceptions. Administrators should review these guidelines so they are aware of the range of disciplinary standards and what possible disciplinary actions may be taken against employees and be able to pass that awareness on to their employees.

Guidelines
The circumstances surrounding an offense, such as the severity of the infraction, the number of times it has occurred and any previous counseling, will suggest what action should be taken. A record of this action will be placed in the PCard Policy Violation file maintained by the PCard Administrator. The individual circumstances of the charge and the Cardholder’s history will be taken into account by the PCard Administrator to determine an appropriate disciplinary action. At management’s discretion, individual offenses calling for counseling and written reprimands could cumulatively result in suspension or termination of card privileges.

Disciplinary Action Process
The first violation of the PCard Compliance Policy could result in written notification sent to the cardholder, department liaison and department administrator, notifying him/her of the infraction, except where otherwise stated. The notification will be placed in the PCard Policy Violation file and the department’s compliance file. For subsequent or more serious first-time violations, the PCard Administrator will investigate the circumstances surrounding it and make a recommendation for appropriate discipline to the Director of Procurement based on the PCard Progressive Discipline Guidelines and the PCard Program Policy. The Director will determine what action will be taken up to suspension of card privileges. Should stronger disciplinary action be deemed appropriate it will require approval by the appropriate Vice President with the PCard Administrator initiating such action. A written notice of action taken will be sent to the Internal Auditor and the appropriate Dean or Department Head.