



**First Fridays**  
with the  
**University Budget Office**

February, 2022

# Agenda



- FY 23 Budget Timeline
- Payables update – Assoc Vice Chancellor Ron Brade
- Concur Updates
- Controller Update
- TX-RAMP Overview for UNT
- Announcements & Reminders

# FY23 Budget Timeline

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FY23 Planning	Responsible Party	Action
February 11, 2022	Campus Users	Deadline for Permanent ABA's to be approved and in Budget Office queue. (These transactions will be the ones to affect the FY23 seed budget in Axiom).
February 14-16, 2022	University Budget Office	UBO processes permanent ABA's
February 25, 2022	University Budget Office	Flat revenue estimates for tuition (central and differential) and fees (instructional and mandatory) to be used
February 21-25, 2022	University Budget Office/ System Admin	Loading of all permanent budgets from PeopleSoft over to Axiom. Loading of HRPD info for Labor Planning. UBO validates information.
February 21-25, 2022	University Budget Office	UBO pre-loads existing transfers budgets one for one basis.
February 25, 2022	Campus Users/ University Budget Office	Campus Budget FY23 Kickoff meeting (Feb 25) - Meeting to coordinate Campus Users with UBO guidelines/ deadlines.
February 28, 2022	Campus Users	Axiom opens for Campus Access. Individual departments receive instructions and guidelines from University Budget Office.
February 28 - March 31, 2022	Campus Users/ University Budget Office	Train campus on Axiom Budgeting. Offer 2-4 sessions per week (concentrate on beginning of period). Run formal trainings concurrently, with UBO staff available as needed for specialized assistance and one-on-one questions.
Early March	President/ Cabinet	<b>BUDGET HEARINGS: Axiom expense and Tech Use Fee (TUF)</b> - President's Cabinet
April 13, 2022	Campus Users	Axiom closes for Campus users
April 14 - June 3, 2022	University Budget Office	UBO balancing of funds and transfers, finalize revenue assumptions, validate campus inputs, prepare of narratives and slides.
June 6-24, 2022	University Budget Office	Report finalization, quarterly allocations.
June 24, 2022	University Budget Office/ System Admin	System close of Axiom. UNT System's Budget Office prepares analysis and compiles component unit budgets into the UNTS Consolidated FY23 Budget and prepares budget presentations.
July 1, 2022	University Budget Office	Narrative due to System
August, week 1	System Admin	UNT System's office posts FY23 budget in advance of the Board of Regents meeting.
August 11-12, 2022		UNT System Board of Regents meeting



# Procurement: AP Update UNT “First Friday”

(“Project Usain Bolt”)



# Background

- Historical practices were very manual
  - Procurement established contracts, input vendor information/accounts, and processed payments using manual processes (lack of tools)
  - These manual processes led to numerous challenges:
    - Significant number of redundant POs and contracts
    - Lack of safeguards on contractor information
    - Extremely high volume of transactions (over 17,000/yr)
    - Some payments processed for invoices as low as \$0.50
    - Significantly underutilized PCard usage
- CFO Council commissioned Procurement assessment conducted in 2020 identified numerous opportunities for improvement
  - Implementation of contract tools and automation
  - Increasing threshold on PCards to reduce volume and increase flexibility
  - Changes to the organizational structure
  - Many other recommendations were noted



# Accounts Payable Challenge

- Reduction-in-Force (MINOR FACTOR) – anticipated
  - As part of the overall improvement efforts, procurement re-organized and conducted a right-sizing RIF at the end of FY 2021
  - Due to the advanced notice of the RIF, most employees voluntarily left the organization before the final action in August
  - The payables organization leveraged student employees (as planned) and made payments on-time as expected in August and September
- Unanticipated employee losses (MAJOR FACTOR)
  - Procurement lost several key employees after the RIF who received higher paying positions in the market place
  - They attempted to replace the employees but the market place has been a severe challenge due to increasing salaries
- Electronic Invoicing
  - implementation of electronic invoicing was delayed due to ITSS availability, vendor implementation schedule, and to focus on working down the backlog (A/P staff need to be available to test and get training on new invoicing tool)



# Current Status

- In late October, Procurement started working a priority for payments after discussions with the CFO
  - HEERF, Caruth Police Inst, Athletics, Construction, Utilities, Individual guests, Suppliers or others noted as key partners
- Payments per month have risen since September
  - On average, procurement processes 3,071 invoices each month with roughly 2,400 remaining for payment based on a typical 30 day cycle
  - At the end of December, procurement processed 3,302 invoices with 4,628 remaining (2,740 were normal) leaving a backlog of 1,888
  - The current backlog represents ~2.45 weeks of backlog
- Progress so far
  - At the end of December, procurement had reduced the backlog by roughly 500 invoices or 10% leaving the remaining backlog of 1,888 to be completed

Months impact	Payments
Jul 2021	3,220
Aug 2021	3,436
Sep 2021	2,437
Oct 2021	2,545
Nov 2021	3,053
Dec 2021	3,302

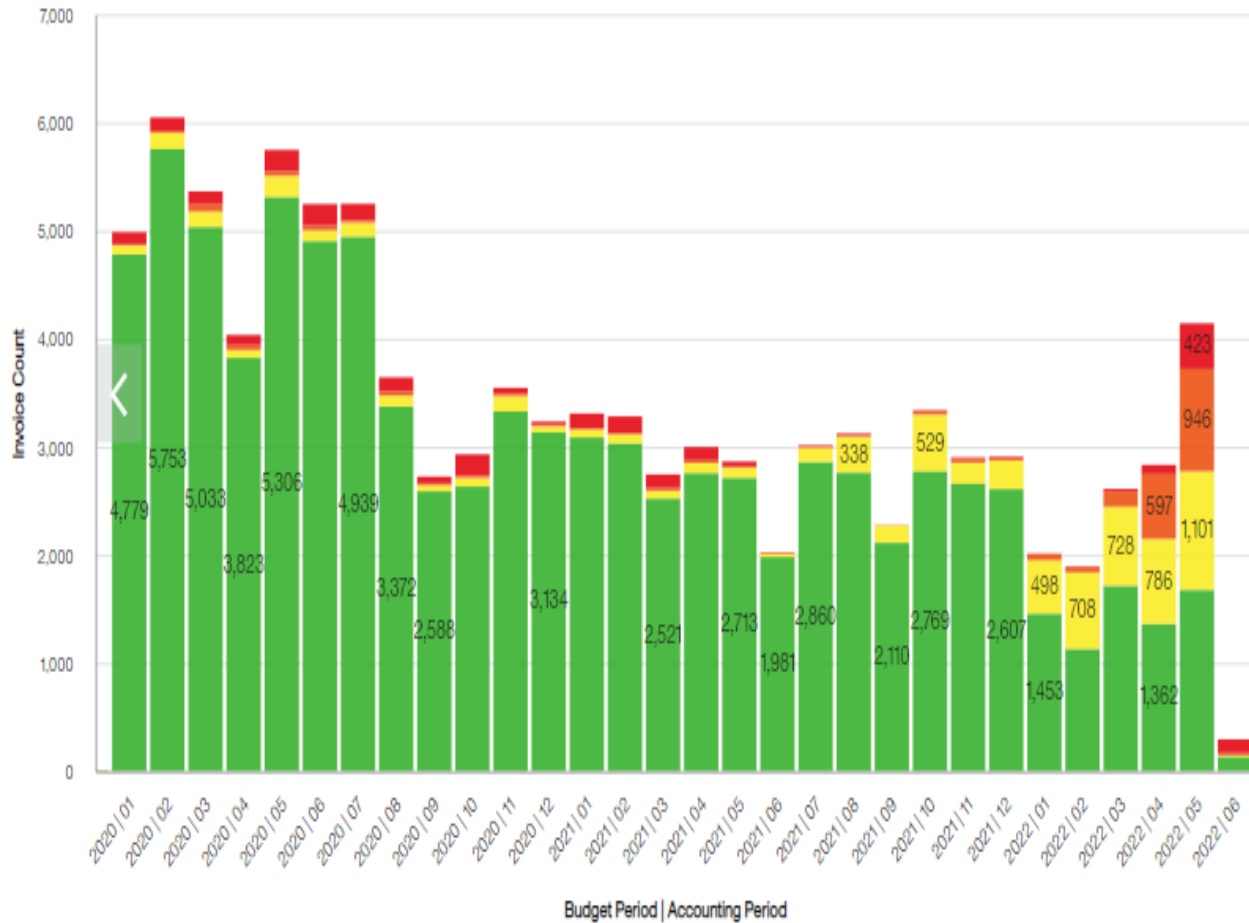




# January '22 Focused on Significantly 'Aged' Invoices

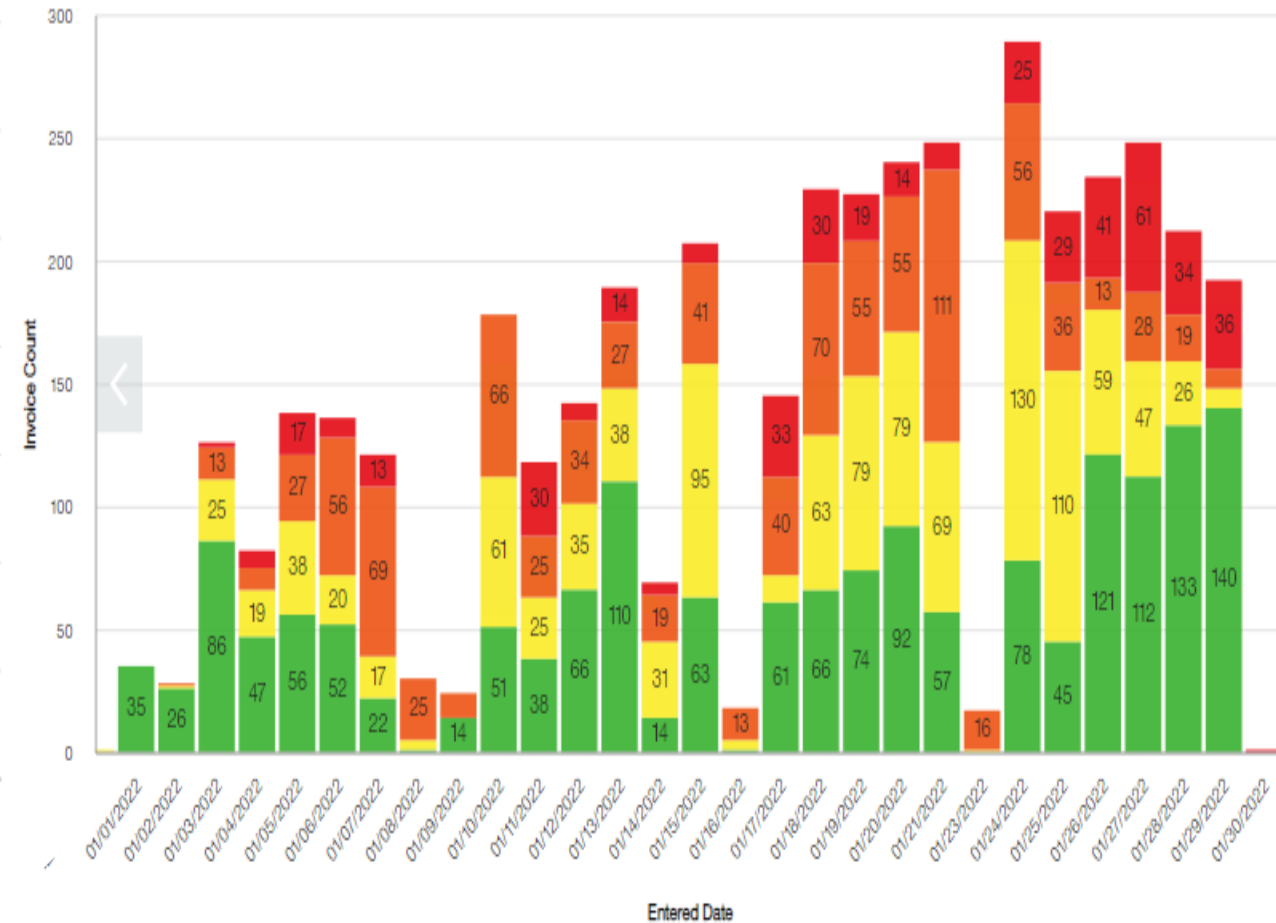
Invoice Turnaround (Inv Rcpt Dt to Appr)

● Stage 1 (0-29 Days) ● Stage 2 (30-59 Days) ● Stage 3 (60-89 Days) ● Stage 4 (>90 Days)



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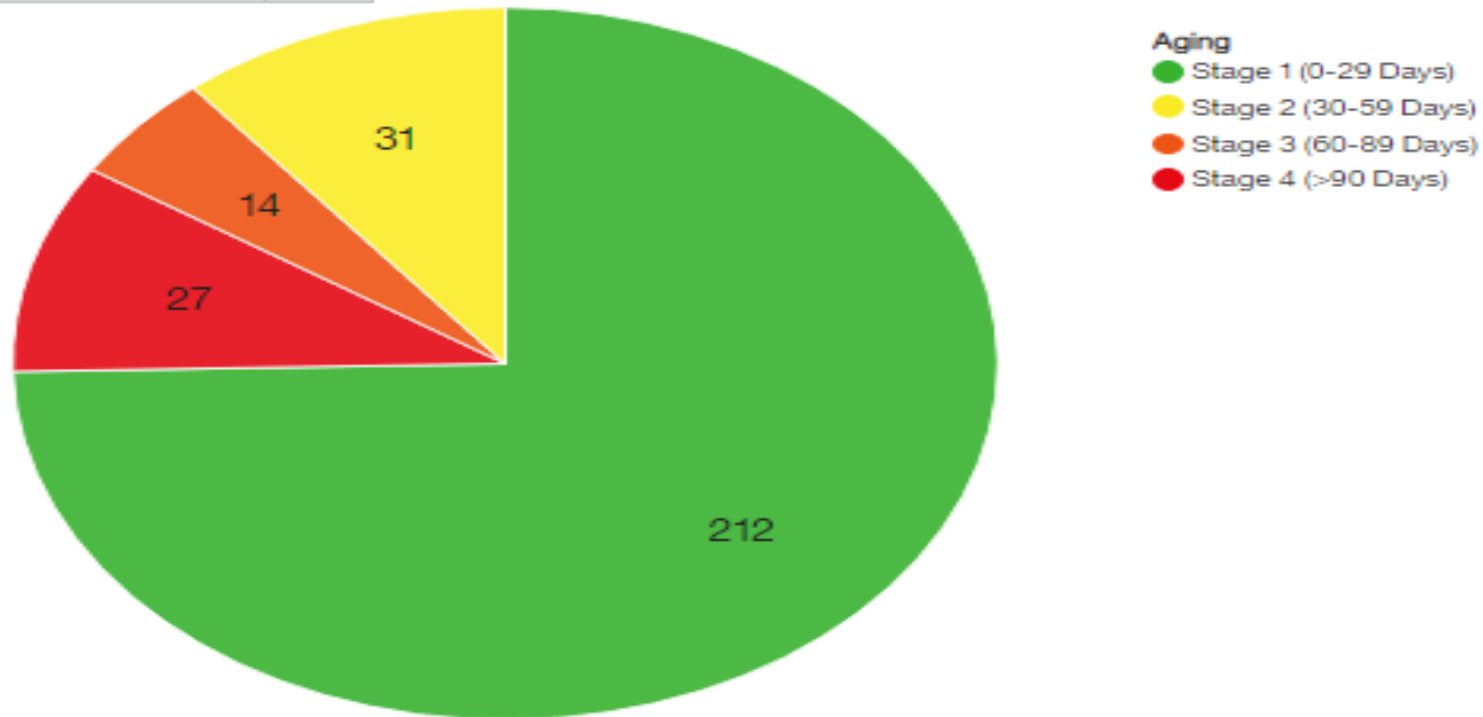
● Stage 1 (0-29 Days) ● Stage 2 (30-59 Days) ● Stage 3 (60-89 Days) ● Stage 4 (>90 Days)





### All: No Approval AND No Check to Vendor

Stage 4 (>90 Days)	27
Stage 3 (60-89 Days)	14
Stage 2 (30-59 Days)	31
Stage 1 (0-29 Days)	212
<b>Total</b>	<b>284</b>



This reflects invoices in EIS only; does NOT account for invoices being processed in Perceptive Content



# Mitigation strategies to eliminate the backlog

- Temporary Support
  - Hired 10 temp employees to eliminate the backlog; will remain on board until the new system is fully stable
  - Other employees across the system being leveraged to eliminate the backlog
- Additional Hours
  - Overtime authorized in November and numerous employees worked during the Winter Break
  - AP employees+ mandated to work a minimum of 10-hrs overtime/week in January
- Batch Payments
  - Procurement worked with the Finance Team to batch FY21 (and older) invoices and batch-paid using a PCard
- Reporting
  - Procurement has been providing weekly updates on backlog to CFO Council
- Vendor Relations
  - AVC/Chief Procurement Officer reached out personally to numerous vendors; additionally, he will be sending a letter out to our impacted vendors apologizing for any inconvenience we may have caused and assuring our vendor community this occurrence was temporary



# Post Backlog – Ensuring continued success

**The following actions are enacted to prevent any future occurrence**

- **Electronic Payments (BIGGEST factor for future success)**
  - The new system will enable timely, accurate, and automated payments with increased transparency that will help prevent such occurrences in the future; temp employees will remain on-board until the team is stable in the new system
- **Bundled Invoices**
  - The process for paying very low-dollar invoices will be changed working with our vendors to use PCards, EFT, and other mechanisms that allow bundled payments reducing time and workload
- **Chief Audit Executive Assessment Changes**
  - AVC/CPO asked Chief Audit Exec (Internal Audit) to further evaluate current practices post-remedy to ensure proper controls were followed and identify potential further opportunities for enhancement through “AP Transformational Readiness Review”
- **Compensation Study**
  - Human resources will be re-evaluating payment specialist pay to adjust for current market conditions leading to loss in key personnel



# Long-term Changes to Improve Operations

- Numerous improvements completed in FY 2021
  - Implemented a contract management tool (Jaggaer)
  - Implemented a vendor onboarding system (PaymentWorks)
  - Identified electronic payment system (EDICT); later replaced by Jaggaer module
  - Increased threshold on PCards leading to doubling rebate from \$350k to \$650k
  - New strategic sourcing approach saving over \$2M for the institutions
- Additional enhancements initiated in FY 2022
  - Implementation of IT tools aimed at automating several processes including AP
    - Complete PaymentWorks implementation, implement Jaggaer Invoicing/OCR, implement Jaggaer eProcurement, implement Oversight credit card auditing software
  - Advancement of strategic sourcing and contract consolidations
  - Pursue 'OneCard' initiative to consolidate travel card and PCard



# Other Innovations Being Considered to Improve Operations

- Pursuit of PCards to pay invoices (e.g., cylinder gases, internet service) acquired via PO/Contract
- Identify 'low-risk' goods/services to identify for possible 'AutoPay' concept via PCard (e.g., cylinder gases, internet service)
- Explore aligning each individual copier account to dept/office PCard and apply 'AutoPay' concept
- Apply "Account Executive" approach for Contract Administrators to 'manage' relationship with key Strategic Business Partners
- Modify "acceptance" process to give campus customers 3 business days to 'reject' product/service/invoice; absence of formal response connotes acceptance for processing invoice
- When PCard is acceptable method of payment, redirect vendors to submit invoices to campus Customers



# What Departments can do to Help

- Comply with 2020 CFO Council approved mandatory PCard usage (<\$5K)
- ATF actions should be processed via PCards
  - Within current PCard restrictions for 'controlled' items
- 'Accept' goods in EIS as quickly as possible
  - AP returns invoices to vendor if not 'accepted' by Department
- Encourage vendor to submit ONE consolidated invoice per billing cycle



Concur Updates  
02/04/22  
Budget Office First Friday



# Updated Travel Guidelines

- Updated Travel Guidelines found at [untsystem.edu/travel](https://untsystem.edu/travel)
- Goal to update annually at end of calendar year.
- COVID guidance still at the campus level - [healthalerts.unt.edu](https://healthalerts.unt.edu)





# New Concur User Interface

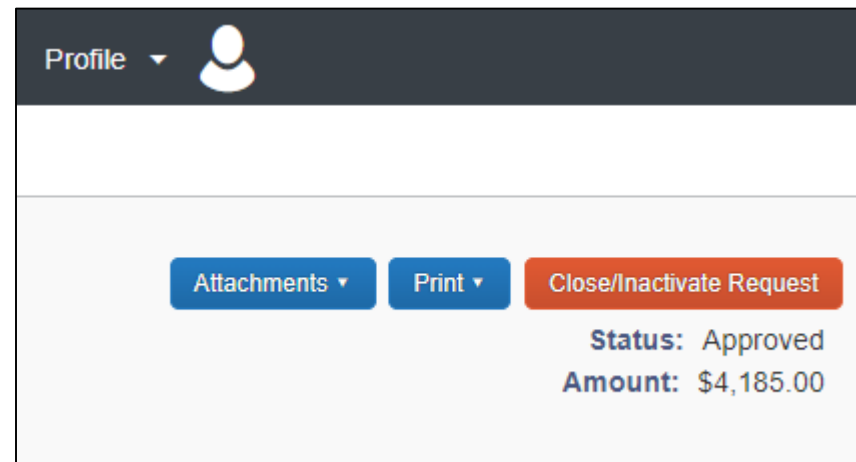
- Go Live Wednesday 06/01/22
- [finance.untsystem.edu/newui](https://finance.untsystem.edu/newui) UNT System webpage for New UI resources & updates
- Other resources
  - [New UI Info Page](#) SAP Concur webpage for New UI
  - [New UI FAQ](#)
  - Join the [Concur User Group](#) in Microsoft Teams
- 02/14/22 – New Feature! On Screen Help [Info video](#)





# Concur Travel Request Encumbrance Roll Forward

- Starting in FY22, unused Concur Travel Request encumbrances will roll forward
- How-to: [Close and Inactivate a Concur Travel Request](#)
- To identify open encumbrances, access the report [FIN022 - Concur Encumbrance Summary \(Budgetary/Non-Budgetary\)](#)
- Contact [travel@untsystem.edu](mailto:travel@untsystem.edu) to close Concur Travel Requests for travelers no longer employed with the University
- Questions? Contact [travel@untsystem.edu](mailto:travel@untsystem.edu)



# Controller's Update



# TX-RAMP General Overview for UNT

January 24, 2022



# Overview

- A new cybersecurity law, TAC 202.77, is now in effect for cloud computing services.
- Beginning January 1, 2022, the Texas Department of Information Resources (DIR) must certify all cloud computing services before the university may use the cloud computing service/product.
- Certification is provided through a DIR service called “TX-RAMP”, Texas Risk Authorization Management Program.
- This law affects all New and Renewed Cloud Computing Services. These services must be assessed by DIR for compliance with NIST 800-53 (Security and Privacy Controls for Information Systems and Organizations).
- IT computing services (including those that are out-of-scope of TX-RAMP) must be assessed by Information Security for all other data protection laws, implementation of cybersecurity baseline controls, and accessibility, i.e., TAC 202, TAC 206, TAC 213, FERPA, HIPAA, GLBA, etc..
- Cloud Computing Services that are Not Subject to TX-RAMP:
  - See DIR’s Out-of-Scope List - [Texas Risk and Authorization Management Program Manual, https://dir.texas.gov/sites/default/files/2021-11/TX-RAMP%20Manual\\_0.pdf](https://dir.texas.gov/sites/default/files/2021-11/TX-RAMP%20Manual_0.pdf)
  - Amendments to existing non-expired contracts that are not new agreements or renewals
  - Adding licenses to existing non-expired contracts that are not new agreements or renewals



# Certification Process

- Vendors must submit certification requests to DIR based on the level assigned by IT Compliance. Requests must be submitted by the vendor to DIR at the correct level.
- Service/Product will be certified by DIR as Level 1, Level 2, or Provisional
  - Level 1- Service/Product that does not process or store confidential data; criticality is low impact; 36-month certification if approved by DIR
  - Level 2- Service/Product that will process or store confidential data; criticality is medium or high impact; 36-month certification if approved by DIR
  - Provisional- Vendor submits completed UNT System security risk assessment form to IT Compliance and form is submitted to DIR; limited to services that cannot undergo Level 1 or Level 2 certification; 18-month certification if approved by DIR
- FedRAMP, StateRAMP, and other state certifications can be accepted by DIR to satisfy baseline TX-RAMP criteria if the university is acquiring services/products at the level that is certified.
- IT Compliance will provide risk assessment results and TX-RAMP certification results to the requesting department.
- A list of certified products can be found on [TX-RAMP](#) website.
- Vendors must remain compliant with TX-RAMP criteria in order to remain certified.
- Products are monitored by DIR for compliance.



# Responsibilities of the University

- Confirm that vendors that wish to go under contract with the university to provide cloud computing service are certified through TX-RAMP prior to entering or renewing a cloud computing services contract on or after January 1, 2022.
- Require vendors that provide cloud computing services to the University to maintain compliance and certification with TX-RAMP throughout the term of the contract.





# References

- [TX-RAMP](#) (website)
  - TX-RAMP Overview for State Agencies
  - TX-RAMP Overview for Vendors
  - Texas Risk and Authorization Management Program Manual
  - TX-RAMP Security Control Baselines
  - TX-RAMP Certified Cloud Products
- [UNT System Information Security Handbook](#)
- [Technology Risk Assessment Program](#) (website)



# Assistance and Support

Direct questions and requests for assistance to  
[ITCompliance@untsystem.edu](mailto:ITCompliance@untsystem.edu)

# Announcements & Reminders

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- **Telecom Charges**

- Monthly service charges for Teams and Digital phone lines will be paid centrally through allocation charges to the Institution
- ITSS and UBO will work on transitioning Analog billing
- **Cellular, pager, circuits, equipment, project costs, and data wiring will** continue to be billed by Telecom. These bills can still be viewed in Pinnacle and Cognos

- **Out of State Teaching Fee (OSTF)**

- Overhead Distribution for Spring will include a true-up from Fall
- To increase the accuracy of overhead distribution

# Announcements & Reminders

- **Funding Program, Purpose, Sites used in FY22 Planning**
  - Axiom allowed budgeting for program, purpose, and site codes; transfer process is targeted for completion by Friday, February 11th
  - UBO will be making adjusting entries to fund program, purpose, and site codes used for FY22 Budget Planning on funds that roll forward to ensure KK and GL are in alignment
- **FY23 Permanent ABA Deadline for Central Funds**
  - **Deadline was Friday, February 11<sup>th</sup>** end of business

Questions?