

Policy Review Committee

July 26, 2018 | 10:00 – 11:30 am
Pleasants Family Assembly Room
Wilson Library

AGENDA

Meeting goals:

- Discuss how to best incorporate University Counsel review into the policy process
- Begin discussions regarding how best to approach a comprehensive policy review
- Discuss updates to University policies and procedures
- Share updates and/or concerns on current or pending policies

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| I. | Opening and Introductions (5 minutes) | 10:00 – 10:05 |
| II. | Incorporating OUC into Policy Review – Discussion/Q&A (15 minutes) | 10:05 – 10:20 |
| III. | Policy Review Strategic Planning (30 minutes) | 10:20 – 10:50 |
| IV. | Policy Discussion Forum (30 minutes) | |
| | a. Procedure on Determining Vendor Documentation | 10:50 – 11:00 |
| | b. Purchasing Card (see exec summary for affected policy/procedures) | 11:00 – 11:10 |
| | c. Responsibility for University-Purchased Goods/Services/Equip. | 11:10 – 11:20 |
| V. | Policy Liaison Updates (5 minutes) | 11:20 – 11:25 |
| VI. | Wrap Up and Close (5 minutes) | 11:25 – 11:30 |

Next Meeting: Thursday, August 30, 2018, 10:00 – 11:30 am, Pleasants Family Room, Wilson Library

[Upcoming Training](#) (registration via links below)

Extreme Makeover: UNC Policy Edition
[Wednesday, August 15, 9:00 AM – 10:30 AM](#)

University Policy Management System (PolicyStat) Training
TBA following new PolicyStat UI release

Ethics & Policy

AT CAROLINA

Executive Summary

Policy Title: 1218.1 UNC Chapel Procedure on Determining Vendor Documentation

Responsible Unit: Accounts Payable

Issuing Officer: Janet Rupert

Month Submitted for Review: July (For July 26 meeting)

Policy Summary

To establish a vendor in ConnectCarolina, users must include supporting documentation, including:

- a certification form of the outside party (1218.1.1f) and
- direct deposit authorization form (1218.1.2f) if the vendor chose to receive his/her payments electronically.

Proposed Revisions

The University will now require all new campus vendors to complete form [1218.1.2f - Direct Deposit Authorization Form for Vendors \(ACH Form\)](#) in order to establish an electronic payment method. The University requires payees to receive payments electronically, unless the vendor is a student who does not own a bank account, then a check payment option is available.

Formerly, vendors could choose to receive payments electronically or by check. This change in policy is to ensure a timely method of payment and reduce costs of check generation for campus payments.

For 1218.1, a statement to the effect that the form is required will be added to the procedure.

Interpretation/Implications of the Revisions

This new requirement will substantially increase payment efficiency as well as payment documentation and verification of appropriate receipt of funds, which was often problematic with a check-based option.

Relevant Policies and Procedures also affected by this change, and details on the changes necessary to update all financial policies to align with this change:

708.1 UNC Chapel Hill Procedure on Independent Contractor Predetermination Process. Stipulation of ACH requirement will be added to the procedure statement.

1218.1.2f - Direct Deposit Authorization Form for Vendors (ACH Form): form directions will be updated to reflect requirement of this option.

708.1.1rd - Domestic Vendor Workflow Process - add ACH Form requirement to workflow; add to the flow chart of forms needing to be completed by the individual.

708.1.2rd - Foreign Vendor Independent Contractor (IC) Workflow Process- add ACH Form requirement to workflow; add to the flow chart of forms needing to be completed by the individual.

Stakeholders Impacted by the Revisions

- All campus vendors
- All employees and students receiving a paycheck from the University
- Business officers who must file/create vendor within the Connect Carolina System
- HR Staff
- Departments across the university that may have relied on check payments to pay vendors in the past
- Accounts Payable

Review History

Finance Policy Subcommittee. University Counsel has not been consulted.

Ethics & Policy

AT CAROLINA

Executive Summary

Policy Title:

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|-----------|---|
| 1252 | Small Order Purchase via P-Card |
| 1252.1 | Procedure on Obtaining a Purchasing Card |
| 1252.2 | Procedure on Using a P-Card |
| 1252.3 | Procedure on Reconciling a P-Card |
| 1252.1.1f | P-Card Application |
| 1252.1.2f | P-Card Account Maintenance |
| 1252.1.3f | P-Card Violation Warning |
| 1252.1rd | Purchasing Card Handbook |
| 1252.2RD | P-Card Misuse/Abuse Form/Letter of Notification |
| 1252.3.1f | Missing Receipt Affidavit |
| 1252.3.2f | Disputed Item |

Responsible Unit: Procurement Services

Issuing Officer: Jessica Hwang-Strickland

Month Submitted for Review: July 2018

Policy Summary

Purchasing Services administers the University's Purchasing Card (P-Card) program according to the regulations established by the State of North Carolina Division of Purchases and Contracts. The P-Card can be used to procure any goods or services allowable under the Small Order Policy and provides an efficient means of acquiring and paying for these goods and services.

Proposed Revisions

The Procurement Services' P-Card system is currently an in-house system which will be replaced by a web-based vendor application called WORKS with user-friendly and efficient solutions effective August 16, 2018. Meanwhile, Procurement Services is implementing a new handbook, new forms, new training materials and easing up some of the restrictions on the P-Card Purchase Policy.

We have proposed to allow the following previously restricted categories for P-Card purchases,

- Equipment and Space Rental (requires T&C purchasing review)
- Athletic Team Travel and Student Travel
- Business Related Membership Due and Subscription
- All Conference Registrations
- Share Rides for Clinical Trial Studies

Interpretation/Implications of the Revisions

Procurement Services invited 9 focus groups to test the vendor application WORKS and received very positive feedback. Several presentations were delivered, and communications have been issued to ensure all the stakeholders were informed of the proposed changes. All the questions raised by the focus groups have been addressed in the new P-Card handbook. Policy changes included in P-Card redeployment enable the University to move low-value purchases out of campus voucher and purchase order methods and into the P-Card system for increased efficiency.

Stakeholders Impacted by the Revisions

All 28 MOU stakeholders in the Carolina Community will be affected by the proposed revisions.

Review History

The proposed changes were reviewed by the Finance Subcommittee in May and June 2018

Ethics & Policy

AT CAROLINA

Executive Summary

Policy Title: Policy on Responsibility for University-Purchased Goods, Services and Equipment

Responsible Unit: Procurement Services

Issuing Officer: Travis Henderson

Month Submitted for Review: July 2018

Policy Summary

This policy establishes responsibility for internal controls over University purchases after the purchase has been made and delivered.

Proposed Revisions

Added language clarifying that responsibility for ensuring purchased goods and services meet and continue to meet the agreed upon specifications, terms & conditions lies with the administrative head of the University's school, department, division or principal investigator of a sponsored research project.

Interpretation/Implications of the Revisions

Additional language was added per the findings of a recent IT audit which found that University departments were not ensuring purchased software performed at the levels committed to by the supplier in the contract.

Stakeholders Impacted by the Revisions

Any management stakeholder who purchases goods, services or equipment at the University

Review History

ITS, Finance Policy Subcommittee, Office of University Counsel