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**George Mason University**

*presents*

# **Fiscal Basics**

*An Overview of Fiscal Processes*

**Presented by Fiscal Services Training**

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## **INTRODUCTION**

This manual has been designed to provide an overview of Fiscal policies and procedures for employees who require knowledge of financial processes. It is also intended to serve as an introduction to Fiscal Services Department at George Mason University. Fiscal Services Training offers workshops throughout the year covering many of these processes in greater detail. Interested faculty and staff are encouraged to attend these workshops as often as schedules permit to become proficient in each fiscal topic. A training calendar and links to detailed descriptions of all workshops are available on the Training page of the Fiscal Services web site at <http://fiscal.gmu.edu/Departments/Training/Training.htm>. The following link should be used to register for all Fiscal Training workshops (including Banner Finance Self Service workshops):  
<http://ittraining.gmu.edu/workshops.cfm?function=calendar>

### **Fiscal Services Department points of contact:**

Purchasing and Accounts Payable	993-2580
Travel	993-2623
Accounting Operations	993-2634
Financial Reporting	993-2650
Equipment Management	993-4456
Central Receiving	993-2577
Surplus Property	993-2579
Student Accounts	993-2484
Cash Office	993-2495
Finance Administrative Systems Team	993-2661
Training Office	993-2089
Fiscal Policy and Communication	993-2620
Assistant Controller	993-3253
Associate Controller	993-2588
Associate Vice President and Controller	993-2660

The Fiscal Services web site is located at <http://fiscal.gmu.edu/> or it can be accessed from the George Mason home page at [www.gmu.edu](http://www.gmu.edu) by following the links to *Faculty/Staff*, then *Administration*, and then *Fiscal Services*. This web site contains many links to policies, procedures, forms, and contact information for each area of Fiscal Services. Since information on this website is updated regularly, departments are encouraged to visit this web site frequently to obtain the most current information available.

## **TRAVEL**

**Administrative Policy Number 2101** contains the University's travel rules. The policy requires advance approval for all travel, and imposes state limitations on amounts for transportation, lodging, meals and other travel expenses. The policy provides employees some flexibility when making airline reservations and paying for airline tickets.

The Travel Office processes reimbursements for out-of-pocket travel expenses. Meals and incidental expenses are paid on a per diem basis. Other expenses are reimbursed at actual amounts, subject to state limitations.

Travelers are required to use the *Travel Request System* at <https://travel.gmu.edu/> for planning travel and preparing authorizations and reimbursement requests. This web-based travel program is available to all faculty and staff, and incorporates current state and University policies, as well as current reimbursement rates for lodging, meals and incidental expenses, and personal vehicle mileage rates.

**Reimbursement rates** are also available through links in the Resources column on the Travel Office web site: [http://fiscal.gmu.edu/Departments/Travel%20Office/Travel\\_page.htm](http://fiscal.gmu.edu/Departments/Travel%20Office/Travel_page.htm). Authorizations and reimbursement requests may also be submitted using manual forms that can be printed from the Fiscal Services web site: <http://fiscal.gmu.edu/forms/index.html>.

The Travel Office is available to provide assistance with travel questions by calling ext. 3-2623. Travel workshops are offered quarterly and will be listed on the Fiscal Services Training website: <http://fiscal.gmu.edu/Departments/Training/Training.htm>

## **PURCHASING AND ACCOUNTS PAYABLE**

**Administrative Policy Number 2106** states the University's policy regarding purchases of goods and services. The policy allows authorized employees to purchase many goods and services costing less than \$2,000 by utilizing eVA, Virginia's web-based procurement system (<http://eva.virginia.gov>). Employees should check with their supervisor to determine whether they are authorized to purchase goods and services on behalf of their department. A username and password are required to access eVA. Access request forms for eVA are available on the fiscal services web site. A signed acknowledgement to the Acceptable Use Policy is required in addition to access forms. The Finance Administrative Systems Team (FAST) may be contacted for additional information on access requirements.

Purchases exceeding the authorized dollar limitations, in most cases \$2,000, must be processed through the Purchasing Department. The dollar threshold must not be circumvented by "splitting orders". "Splitting orders" is defined as awarding any one vendor multiple orders within a short time period so that the total goods or services purchased exceed the \$2,000 limitation.

Some items such as furniture and writing instruments must be purchased from designated sources under mandatory state contracts regardless of the amount. State rules also prohibit use of state funds for certain types of goods and services such as personal items or gifts.

The ***Purchasing Charge Card (VISA/P-Card)*** is the preferred way to make small purchases. The card may be used for purchases of authorized items costing less than \$2,000. Charges are posted to the appropriate departmental fund or org, and monthly statements are paid by Accounts Payable. Contact the Purchase Card Administrator at ext.2651 for information on obtaining and using the P-Card.

The ***Check Request*** form is used for certain goods and services costing less than \$2,000 that require payment in advance as well as for reimbursement requests. *Check Request* forms are available on the Fiscal Services web site at <http://fiscal.gmu.edu/>. Completed forms should be submitted to Accounts Payable at MS 3C1. Faculty and staff should allow ten business days to process a check request.

Departments initiating purchases of \$2,000 or more should submit a ***Purchase Requisition*** form to the Purchasing Office at MS 3C5. One of the buyers in Purchasing will use the information on the requisition form to identify and select a vendor and will prepare a purchase order to obtain the requested item or service. Pre-printed, multi-part *Purchase Requisition* forms may be ordered from the Supply Room Companies through eVA.

Buyers in the Purchasing Office are also available to help with smaller purchases, including vendor selection for eVA orders, P-Card purchases, and other aspects of the purchase process.

Faculty and staff may purchase goods and services from the **University Bookstore** and **Patriot Computers** using a properly authorized *Purchase Requisition* form. The University Bookstore will also accept the P-Card.

**Accounts Payable** processes payments for all purchases of goods and services at the University. State rules require payments to be made within 30 days of receiving the goods or services or the invoice, whichever is later. Departments are responsible for forwarding all documents required for payment to Accounts Payable in a timely manner. Technicians in Accounts Payable are assigned to process payments according to alphabetical groups of vendors. Questions regarding Accounts Payable should be directed to ext. 3-2580.

Purchasing workshops, which review various methods for making purchases, are offered quarterly. Basic eVA purchasing workshops, which review the procedures for making purchases under \$2,000, are offered twice per month. These workshops will be listed on the Fiscal Services Training website: <http://fiscal.gmu.edu/Departments/Training/Training.htm>.

## **FOOD AND BEVERAGES EXPENDITURES**

Purchasing food and beverages for University functions is a specialized type of purchasing. [Administrative Policy Number 2102](#), "*Food and Beverages Expenditures*", contains the

University's rules regarding food and beverages expenditures. The policy identifies five types of functions at which it is considered appropriate to pay for food and beverages using state funds. These include:

1. Business functions
2. Student Academic functions
3. Student Club functions
4. Internal Training functions
5. Other Internal functions

The policy also requires advance approval by a Senior Approving Official, and certain limitations are imposed on dollar amounts and types of items. *Food and Beverages Authorization* forms are required for most of these purchases. The forms are available online on the Fiscal Services forms page at <http://fiscal.gmu.edu/forms/index.html>.

Workshops on Food and Beverage Expenditures are offered quarterly to review policies and procedures related to food and beverage purchases. These workshops will be listed on the Fiscal Services Training website: <http://fiscal.gmu.edu/Departments/Training/Training.htm>.

Questions regarding expenditures for food and/or beverages should be addressed to Accounts Payable at ext. 3-2580.

## **EQUIPMENT MANAGEMENT**

Administrative Policy Number 2104 -[Inventory Control of Office and Educational Equipment and Furniture](#) provides for the accountability of equipment at the University. Equipment with a unit cost of \$2,000 or more, laptop computers with a cost of \$1,000 or more, and all equipment purchased through the Equipment Trust Fund (ETF) is identified with a bar code label and recorded in the University's central inventory records. An annual physical inventory count is performed on all equipment in the database.

The **Equipment Program Administrator**, under the Director of Financial Reporting and Tax Accounting maintains the central equipment inventory database, records all changes in status or location of equipment, and provides reports and assistance to departmental equipment liaisons. Working with designated departmental equipment liaisons the Equipment Program Administrator also conducts the annual inventories.

Departments are responsible for managing and safeguarding all equipment assigned to them. Each department chair or director designates an employee as **equipment liaison**. This person is responsible for maintaining documentation and reporting changes in the status of equipment to the Equipment Program Administrator. The liaison also assists with the annual inventory.

The state provides funding for certain equipment purchases through the **Equipment Trust Fund (ETF)**. Equipment purchased through the ETF program must cost at least \$1,000 (\$500 for computers and laptops) and is subject to stringent controls required by the state.

Requests to purchase ETF equipment must be included in the budget request process in the spring preceding the beginning of the fiscal year. Contact the Equipment Coordinator at ext. 3-4456 for more information regarding the ETF program.

Administrative Policy Number 2104 imposes a deduction from the department's operating budget for equipment listed on departmental records that cannot be located during the annual inventory. The deduction will be made for missing equipment with a book value of \$2,000 or more (\$1,000 or more for laptops). The Equipment Program Administrator will make every effort to assist liaisons in locating missing equipment before the budget reduction is imposed.

The University's **Surplus Property Office**, which is part of Central Receiving, serves as a clearinghouse for excess or obsolete equipment. University policy prohibits employees from disposing of unwanted equipment. Departments with surplus equipment must contact Surplus Property at ext. 3-2579 to pick up such items. Surplus Property will re-distribute the surplus equipment to departments on request. There is no charge for Surplus Property items.

All changes in the status or location of equipment must be recorded in the University's central inventory database using the appropriate form. Detailed procedures and forms are available online via the Fiscal Services web site at <http://fiscal.gmu.edu/>. Questions regarding equipment should be addressed to the Equipment Program Administrator at ext. 3-4456.

Equipment Management workshops are offered once per year in December and will be listed on the Fiscal Services Training website: <http://fiscal.gmu.edu/Departments/Training/Training.htm>.

### **BANNER FINANCE SYSTEM**

Banner is a comprehensive information system that integrates the Finance, Student and Human Resources functions at the University. The finance module of this administrative software is used to record financial information resulting from transactions at the University. It stores data in an Oracle relational database, and users view information via a web based self-service system, the e-Print standardized reports or by using the Oracle Discoverer query and reporting tool.

Prospective users must have a G number and submit an access request form signed by their supervisor and the department's Banner Liaison. The access request form is found after logging on to Patriot Web Self Service page <https://patriotweb.gmu.edu/> and selecting the Request Access to Banner Products link in the Employee Services tab. Users are strongly encouraged to attend a Banner Finance Self Service workshop. These workshops are offered once per month and are listed on the Fiscal Services Training website: <http://fiscal.gmu.edu/Departments/Training/Training.htm>.

## **Chart of Accounts**

The **Chart of Accounts** is the numbering system used by Banner to capture financial transactions and facilitate retrieval of information and financial reporting. At George Mason University, there is only one Chart of Accounts in Banner, and it is defined as number 1.

The chart of accounts structure in Banner is composed of six elements: Fund, Organization, Account, Program, Activity, and Location (**FOAPAL**). Each element of the Chart of Accounts is described below.

**Fund:** The fund element is used to specify the funding source. Examples of funds include: Educational and General, Grants and Contracts, Auxiliary Enterprises, Financial Aid, and Indirect Cost Recovery. Each grant or contract in Banner is assigned a separate fund code to identify the funding source. When performing budget queries for inception-to-date information on grants, the fund code becomes the grant code.

Fund number is the identifying number for all transactions involving sponsored projects, agencies or capital projects.

**Organization:** The organization code is used to identify the organizational unit that is responsible for financial activity captured within the code. Organization codes are arranged in a hierarchy to allow for summary level reporting. Each organizational unit is assigned a unique organization code.

Organization number is the identifying number for all transactions except those transactions involving sponsored projects, agencies or capital projects mentioned in the Fund section above.

**Account:** The account code is used to classify transactions by type. Revenue account codes begin with a "0" and identify the type of revenue received, such as tuition or auxiliary sales revenue. Expenditure account codes identify the type of expenditure, such as salaries or supplies. Labor account codes begin with the number 6 and direct expenditure account codes begin with the number 7.

**Program:** The program code is used to identify the major purpose of expenditures. Program codes accumulate expenditure information into major categories such as instruction, research, and academic support.

**Activity:** The activity code is an optional number that may be used to capture information for a specific event or major activity or to capture cost sharing commitments on sponsored projects. Activity codes are assigned to transactions involving multiple organizations or funds that share responsibility for a common event or activity.

**Location:** The location code is used to specify the assigned physical location of an asset being purchased or the location of a transaction that is different from the normal location

of the organization. This code is optional and will be used primarily for fixed asset expenditures.

### **Banner Financial Reports**

Financial reports for academic and support service departments are available via the University's Patriot Web Page. Access to the reports is restricted to those individuals authorized by their supervisor. Users log on to the administrative system by entering an identification number and PIN number. There are three types of reports available, Self Service, E-Print Standard Reports, and Discoverer reports.

**Self Service** budget queries are updated in real time and include transaction and balance information on budgets, collections, disbursements and commitments for all Organizations and Funds. The queries include a drill-down feature that allows users to extract increasing levels of detail. For example, the first screen in a query may display summary amounts by account code. Clicking on the amount retrieves individual transactions in the account code. Drilling further allows the user to view details from the source document (e.g. Journal voucher, Invoice, Chargeback feed) that created the transaction.

**E-Print Standard Reports** are static reports available for viewing in pdf or text format. The Budget Status report is updated twice monthly and displays summary budget expenditure and revenue information. The Detail Transaction report itemizes the actual transactions that update the Budget Status Report and is run daily to allow users a timely reconciliation tool for their budget information. Grant expenditure information is available from the Grant Inception to Date report, updated twice monthly. Other financial reports including those related to Payroll charges can be accessed through this system as well.

Oracle's **Discoverer** software is used to view reports written against the Banner data using a query system based on the chart of accounts structure. The data can be viewed, printed, or extracted into various file formats for further manipulation in another application, such as Excel. Data available for Discoverer reporting is updated daily, so while it is not real time as in Self Service, it is more up to date than that in the e-Print reports. The query system also allows a limited drilldown capability.

To view or create Discoverer reports, you must be granted access to a specific data mart area and establish a connection to that data mart. For more information on data mart access, contact the responsible Banner Security Officer.

**PI Reports** are Discoverer reports that summarize financial activity for sponsored programs providing a high level summary for each project with the ability to "drill" for details. PI Reports workshops are offered monthly by Fiscal Services.

Questions about FOAPAL information or Direct Expenditure transactions should be directed to Accounting Operations at ext. 3-2634. Questions about budgetary transactions should be addressed to the Budget Office at 3-8824. Questions about salary and wage transactions should be directed to the Payroll Office at 3-2600.