

A GUIDE TO

FISCAL AND PERSONNEL

DOCUMENT PROCESSING

This guide was developed as a resource tool for new employees. It may also be used by existing employees as a refresher for CTAHR fiscal and personnel procedures or as a reference tool for those procedures that may not be familiar to the employee.

The guide seeks to explain the fiscal and personnel infrastructure of CTAHR and to describe in general how documents are processed. Reference is made throughout this guide to the University of Hawaii Systemwide Administrative Procedures Manual (APM). More detailed instructions described in the APM are cited throughout this guide as “A.....”. CTAHR follows the APM procedures as well as Federal Rules and Regulations. The APM is available on the University website.

We anticipate that this guide will be revised periodically. We welcome any comments or suggestions. Please contact us if you need to discuss a specific topic.

We thank those secretaries and chairpersons who have given their time to review this guide and have made worthwhile suggestions. We hope you will find this guide informative and helpful.

**Ruddy Wong
Director of Administrative Services**

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FISCAL AND PERSONNEL DOCUMENT PROCESSING

I. Fiscal Management

A. Overview

The CTAHR Fiscal Office is a unit within the CTAHR Office of Administrative Services and is staffed by administrative officers, accounting specialists, account clerks and student helpers. It is their responsibility to review, evaluate, and approve all purchases, payments, transfers of funds, and required fiscal transactions. They also participate in the negotiation/administration of contracts and grants and prepare financial reports based on University accounting records. CTAHR account clerks are assigned to handle all fiscal claims for specific units. All documents and questions about documents should first be directed to your unit secretary/clerks then to the fiscal office account clerk and finally to the fiscal officer.

The volume of work in the CTAHR Fiscal Office affects the time it takes to process documents. Over 25,000 transactions are processed through the CTAHR Fiscal Office each year. These documents must be posted to over 2,300 active account codes with an annual budget exceeding \$46 million. The busiest times of the year are in June and September because of the closing of the respective state and federal fiscal years.

All CTAHR operating units are electronically connected to the University's Financial Management Information System (FMIS), which is the official University revenue and expenditure ledger. Documents are created online at the department/county/unit level using the University of Hawaii ePurchasing System or the Research Corporation of the University of Hawaii (RCUH) purchasing system and transmitted to the CTAHR Fiscal Office. The documents are reviewed manually as well as electronically and if satisfactory as to correctness and availability of funds, they are approved by a fiscal officer. The ePurchasing System allows the CTAHR Fiscal Office to transfer the document to an electronic purchase order, Authorization For Payment or Interdepartmental Order and encumber the funds to the designated accounts in the University FMIS. The ePurchasing system also allows the CTAHR Fiscal Office to transfer the document to a Departmental Checking System for a check to be printed in the CTAHR Fiscal Office (utilities, postage, shipping, purchases and reimbursements under \$100). Documents are then sent to the vendor/department or transmitted to the UH Disbursing Office for payment or to the UH Office of Procurement and Real Property Management (OPRPM) for further processing.

B. Authority

The Board of Regents of the University of Hawaii has delegated authority to execute contractual documents to the Senior Vice President for Administration, who has further delegated this authority to the Director, Office of Procurement and Real Property Management (OPRPM). Only University personnel specifically granted purchasing authority by the Director, OPRPM, are authorized to commit the University contractually. CTAHR fiscal officers have been given this authority.

All University procedures are in compliance with State laws under Chapters 102, 103, and 103D, Hawaii Revised Statutes (HRS) and the Hawaii Administrative Rules (HAR). These procedures are set forth in the University of Hawaii, Systemwide Administrative Procedures Manual (APM).

C. Limitations

There are some items that cannot be purchased with University administered funds. These include such items as brief cases, desk clocks, library fines, medications, tips, personal type purchases, etc. Exceptions may be granted by OPRPM if there are extenuating circumstances, however, such exceptions are rare. Refer to A8.225.

Within CTAHR, only fiscal officers (which includes county administrators) have the authority to commit University funds. Prior approval must be obtained from a fiscal officer before a purchase is made. Any employee who procures goods or services without such authorization will be held personally liable for the cost of the procurement and any liability resulting from it.

D. Contracting for Services

Programs requiring specialized services that cannot be provided by existing employees may obtain such services on a contractual basis outside of the University. This alternative must be considered carefully because of the ramifications of federal and state laws as they pertain to employees versus services on a contractual basis. There are different tests to determine if a service is provided as an employee or an independent contractor. Planning lead-time is crucial for such services because of the various offices within the University that must review the request before services are rendered. Refer to A8.230.

E. Competitive Sealed Bidding

University policy requires that all contracts of \$25,000 or more for goods or services and construction shall be awarded by competitive sealed bidding. OPRPRM Form 68, Information Required for Formal Bid should be completed and sent to the fiscal officer along with the technical specifications. Lead-time of several months is necessary due to the requirement for specific technical specifications and advertised bids. Refer to A8.235.

F. Small Purchases

University procedures provide that any procurement of goods or services of less than \$25,000 may be considered as *small purchases* and are not subject to public notice or public bid opening. Most purchases in CTAHR occur in this category. Adequate and reasonable competition is required by State law and University policy. The following schedule shall be used as a guideline for soliciting quotations:

<u>Dollar Amount</u>	<u>No./Type of Quotations Solicited</u>
0 - \$2,499.99	No minimum number of quotations required.
\$2,500 - \$14,999.99	Three or more verbal quotations; however, written quotation should be obtained from vendor submitting lowest verbal quotation.
\$15,000 - \$24,999.99	Three or more written quotations.
\$25,000 or more	Formally advertised procurement or sole source purchase.

See A8.250 for guidelines.

G. Emergency Procurement

A CTAHR fiscal officer may authorize emergency procurement. Approvals will be given for the expenditure of funds within the fiscal officer's purchasing authority if it is required to protect the public health, safety, or welfare. Situations of an emergency nature should be immediately discussed with a CTAHR fiscal officer. Routine purchases that are processed at the last minute are not considered emergency in nature and will not be handled as priority. Refer to A8.260.

H. Account Code

The account code is a six digits, randomly computer selected set of numbers given to us by the University Central Accounting Office. This same account code is expanded to fourteen (14) digits for all personnel transactions. Since the numbers are random, it is important to keep a listing of account codes and titles for ready reference. All fiscal documents must have a six digits account code before they are processed. All personnel documents must have a fourteen digits account code.

All research and extension work conducted in CTAHR must have a project number assigned to it. This project number is used to report progress and results to the US Department of Agriculture (USDA) and *should not* be confused with the account code.

I. Object and Source Code

Object codes (commonly referred to as object symbols) are four digit numbers (from 2000 to 9999) assigned by secretaries to describe University expenditures, disbursement and transfers. Each fiscal document must have an object code to properly classify the item in the University accounting records.

Source codes are four digit numbers (from 0001 to 1999) normally assigned by fiscal officers to describe University revenues and receipts. Each revenue/cash transaction must have a source code to properly account for the donor in the University accounting records. Refer to A8.615.

J. Processing Department or County Fiscal Documents

See Attachment A for guidance on the preparation and approval of fiscal documents from the departments or the counties.

K. Account Balances

Department Chairmen and County Administrators are responsible for keeping the fund balances for general and special tuition funds. Principal Investigators are responsible for maintaining balances in their extramurally funded accounts. Assistance can be requested from the chairperson and clerical staff in the operating units. Fiscal officers from the CTAHR Fiscal Office are available to assist in the planning of contracts or grants and in resolving fiscal problems. They will also give advice and recommendations on the maintenance of fund balances.

II. Fiscal Documents

A. Overview

Most fiscal documents must be entered electronically into the FMIS at the county/department/unit level. A copy of the document is printed and transmitted electronically and mailed to the CTAHR Fiscal Office. The average time to process a fiscal document through the CTAHR Fiscal Office is 2 to 3 days if the originating unit correctly prepares the document. *RUSH* processing will be considered, if discussed with and approved by a fiscal officer.

B. Forms

FMIS forms are available on the UH Website:

www.fmo.hawaii.edu/fmis/formfair.html

Travel forms are available on the UH Website:

www.fmo.hawaii.edu/fmis/travel3/travelmenu.jsp

Procurement forms are available on the UH Website:

www.hawaii.edu/svpa/apm/a8200.html

RCUH forms are available on the RCUH Website under policies and procedures:

www.rcuh.com

CTAHR's website has other useful fiscal information, updates, and FAQs:

www.ctahr.hawaii.edu

Unit secretaries and the CTAHR Fiscal Office can assist those who do not have access to these websites.

III. Contracts and Grants

A. Overview

The University has restructured its organized research support under a single administrative entity. The Office of Research Services (ORS) consolidates the former Office of Research Administration (ORA) and the former Contracts and Grants Management Office (CGMO). ORS is responsible for all phases of contract administration once the documents have left CTAHR. ORS also awards seed money and travel grants to new faculty as part of the University's portion of the return of overhead funds. These awards will usually be given a new account and the faculty member's unit will process the paperwork.

B. Preparation and Submittal of Proposals

Program narratives should be discussed in general with the CTAHR grant writer and the department chairperson. Budgets should be discussed with a CTAHR fiscal officer prior to final submittal. Any problems should be resolved prior to the proposal deadline to the granting agency.

Proposals are submitted by principal investigators (PI) and attached to an ORS Form 5, "University of Hawaii Proposal Coordination Record." The form is reviewed, approved by the department chairperson, the fiscal officer, and the dean and transmitted to ORS. Refer to A8.910.

C. Indirect Cost

Indirect costs or *overhead* are costs that cannot be readily identified with the sponsored project and are costs that are normally considered as part of the infrastructure to operate the university. These costs include lighting, air conditioning, grounds and building maintenance, accounting, purchasing, departmental administration, college administration, library services, etc. University policy requires that all proposals include indirect costs as a line item on extramural contracts and grants. The Vice President for Research must approve exceptions to this policy. Very few requests for an exception are being approved due to the cutback in state funds. PI's should be advised not to count on the exception being approved. Current indirect cost rates are listed in A8.927 and are routinely emailed to all units as updates are received from ORS.

D. Research Corporation of the University (RCUH)

RCUH acts as a purchasing and payment processing entity and is responsible for processing all extramural project expenditures for the UH. In addition, RCUH may be utilized by issuing an internal service order or by establishing an RCUH revolving fund.

State and special funded projects must qualify under certain conditions before approval is given to issue an Internal Service Order to RCUH. Those conditions are listed on the back side of the Internal Service Order Form (obtainable from the ORS website). The form must be completed and sent to the Dean, ORS, and RCUH for approval prior to incurring any expenses on the project. RCUH has different fiscal and personnel forms from the University and any form needed for purchases on the project should be acquired from RCUH.

An RCUH revolving fund requires a different form to establish the fund. Once approved by the Dean, ORS, and RCUH, the fiscal and personnel forms to use may be obtained from RCUH. Revolving funds require the maintenance of accounting records such as annual income statements and balance sheets. The principal investigator, not RCUH or the CTAHR Fiscal Office, must prepare these reports. Refer to A8.930.

A Designated University Official (DUO) must sign all fiscal and personnel documents on internal service orders and revolving funds. For CTAHR, the DUO is the fiscal officer and the director of administrative services. This means that all RCUH forms must be routed to the CTAHR Fiscal Office for proper review and approval by the DUO before they are sent to RCUH.

E. Cost Sharing

Cost sharing or matching or offset are contributions from non-federal sources applied to meet the objectives of the federal project. Contracts or grants that require cost sharing should follow certain guidelines.

- (1) Only non-federal funds may be used to share costs.
- (2) Commitments should be conservative and never more than the amount required
- (3) Limit the commitments to those items that can be easily documented and verified e.g. salaries, wages, and fringe benefits.
- (4) If the granting agency negotiates a reduced proposal amount, the cost sharing commitments should also be reduced proportionately.

Refer to A8.947

F. University of Hawaii Foundation

The University of Hawaii Foundation (UHF) is a private entity separate from the University of Hawaii. It functions under its own board of directors and is not a part of the University of Hawaii system.

CTAHR utilizes UHF as a depository for gifts and donations. Any funds transmitted to UHF as a gift or donation, must have the proper UHF transmittal forms and must not have any requirements as a condition of the donation. Currently, there is an administrative fee charged by UHF. After the initial establishment of an account at UHF, the principal investigator conducts all fiscal and personnel transactions directly with UHF.

G. Forms

ORS forms are available on the UH Website:

www.hawaii.edu/ors/

IV. Personnel Management

A. Overview

The CTAHR Personnel Office is a unit within the CTAHR Office of Administrative Services and is staffed by personnel officers and student helpers. It is their responsibility to administer the personnel management system of the college by developing, implementing, directing, and evaluating the appointment, classification and compensation, training, contract renewal, health benefits, employment verification, leaves (with and without pay), and vacation and sick leave systems.

They handle over 9,000 personnel documents each year covering approximately 600 employees. Their busiest times are in June to August for collective bargaining adjustments and the hiring of new faculty, graduate assistants and lecturers.

All employees are covered under collective bargaining agreements if they are working one half time or more and three months or longer. CTAHR has employees in several of the collective bargaining units (Units 1,3,4,7, & 8). By law, employees must be a part of a collective bargaining unit, for which dues are collected but, are not required to join the union that has exclusive representation rights for that bargaining unit. In most cases, collective bargaining agreements supersede University policies and procedures.

The dean or his designee must approve all appointments to CTAHR. The effective date of an appointment should be subsequent to the dean's signature. CTAHR considers an individuals' salary to be very important. Care should be taken to process all personnel documents correctly and by the designated cutoff dates.

B. Types of Positions

Faculty – Faculty are covered under collective bargaining unit 07. The exclusive bargaining agent for faculty is the University of Hawaii Professional Assembly (UHPA). Faculty in CTAHR may be classified as a professor, researcher, specialist, or county extension agent. Instructional professors are either 9-month or 11-month. 11-month instructional faculty have at least 50% of their F.T.E charged to other than an instructional account or are the designated chairperson for the unit. Researchers, specialists, and county agents accumulate vacation/sick leave. Instructional staff accumulate sick leave but not vacation.

APT – Administrative, Professional, and Technical (APT) employees are covered under collective bargaining unit 08. The exclusive bargaining agent for APT's is the Hawaii Government Employees Association (HGEA). APT's are classified into four broadbands. Refer to the OHR website for more information on broadbanding. Most APT's are in support positions with faculty or administrators as their supervisors.

Civil Service – Civil Service employees are covered under Collective Bargaining Units 1 (Blue Collar), 3 (White Collar Non-Supervisors), and 4 (White Collar Supervisors). The exclusive bargaining agent for blue collar employees is the United Public Workers (UPW). The exclusive bargaining agent for white collar employees is the Hawaii Government Employees Association (HGEA). Unit 3 is the unit that is comprised of secretaries, clerks and agriculture research technicians. All civil service classifications are reviewed and approved by the UH Office of Human Resources (OHR).

Executive/Managerial – Executive/Managerial (E/M) employees are not covered under a collective bargaining unit. In CTAHR, the dean and director, the associate deans/directors, the director of administrative services and the county administrators are E/M employees. E/M appointments must be approved by the President or the UH Board of Regents. Refer to A9.260.

Lecturers – Lecturers are temporary faculty type employees appointed each semester. They are paid on a credit hour basis and are under the supervision of the academic unit. Personnel forms must be processed each semester to place them on the payroll and remove them from the payroll.

Graduate Assistants – Graduate Assistants (GA) are employees hired by a program while enrolled in an academic program for a higher degree. Many GA's are hired on a specific contract or grant and report to the principal investigator. GA's have their own salary scales that are maintained by the Graduate Division.

Casual – Casual employees are temporary short-term faculty or APT type employees whose periods of appointment and conditions of service do not warrant using regular appointment and payroll procedures. Civil service type employees cannot be hired as casual employees. Casual appointments that are anticipated for three days or longer must also be advertised for at least 24 hours at the State Employment Service. Refer to A9.480.

Post-Doctoral Fellows – “Post Docs” have earned their advanced degrees and are continuing their training under a faculty’s extramural contract or grant. These training positions are advertised and the individuals are selected by the principal investigator. They are paid a stipend from the stipend range salary schedule. Their paychecks are processed through the CTAHR Fiscal Office since a check must be prepared for them outside the personnel appointment system. Post Docs are responsible for their own medical coverage and taxes. If the individual is a non-citizen, a Statement of Citizenship and Residence for Tax Purpose is required. Refer to A8.856 and A8.867.

Visiting Colleague- This is a non-compensated appointment used for scholars from other institutions who will spend some time on the University of Hawaii campus. They are given limited courtesy services such as library privileges, a parking permit, and if available, the use of an office or laboratory. The visiting colleague does no teaching. A written request must be sent to the dean along with a description of the individual’s intended program and vitae. When approved by the dean, a personnel action form should be submitted to place the individual on official status.

C. Recruitment, Selection, & Appointment

CTAHR’s procedures for filling faculty positions are in compliance with University of Hawaii policies and procedures (See Attachment B). APT, Lecturer, and Graduate Assistant positions are filled in accordance with University of Hawaii policies and procedures. Refer to A9.540, A9.550, and A9.560.

All recruitment, selection, and appointment forms must be completed by the originating unit and processed to the CTAHR Personnel Office. See Attachment A for guidance on processing personnel documents from the departments or the counties. It is expected that all required employment forms be submitted at least a few weeks before the effective date of appointment. Use the CTAHR Checklist For New Hires to verify that all documents are completed (See Attachment C). Individuals cannot begin employment prior to the approval of the Dean. Refer to A9.540 and A9.570.

D. Employee Training

Employees (E/M, faculty, APT, lecturers, and civil service) are allowed to enroll in seminars, workshops, or conferences to further their professional development. Training programs normally have a registration fee that may be reimbursed. Graduate students are normally not covered unless they are attending a meeting out-of-state. The rationale is that they are short term employees for which the training will have little lasting benefit for the University of Hawaii.

E. Leaves

Vacation – Faculty (except for 9 & 11 month Instructional), APT, Civil Service, and E/M employees earn vacation leave at the rate of one and three-quarter working days or 14.00 hours for each month of service. Vacation unused at the end of the calendar year is carried over to the new calendar year with certain limitations. Individual balances are now available on the Web and can be accessed from the OHR Homepage. Requests for vacation must be submitted and approved on the Application for Leave of Absence (UH Form 1) prior to the taking of such leave. Nine-month faculty do not earn vacation. They work nine months and have three summer months off. Refer to A9.380 or respective bargaining unit contract.

Application for Leave of Absence (UH Form 1) must be submitted as soon as possible upon return to duty. If the absence is five days or more, a physician must sign a certificate verifying the sickness.

Sick – Faculty, APT, Civil Service, and E/M employees all earn sick leave at the rate of one and three-quarter working days for each month of service. If the absence is longer than five days, a physician must sign a certificate verifying the sickness and the employees ability to return to work. Refer to A9.380 or respective collective bargaining unit contract.

Sabbatical – Only tenured Faculty at Rank 2 or above may be eligible for a sabbatical leave after six years of full-time creditable service with the University. The term of the sabbatical leave may be for a period of twelve months at half pay or six months with full pay. Refer to UHPA agreement. Refer to A9.400 for instructions and request form. A unit Leave Plan is also required to be attached to the sabbatical leave form. Civil service employees also have similar language on sabbaticals in their contract. Refer to respective collective bargaining unit contracts.

Professional Improvement – APT's are allowed professional improvement leaves that are essentially the same as faculty sabbatical leaves. Refer to A9.430.

LWOP – Faculty may take leave with out pay either for professional improvement or for personal reasons. Refer to A9.420 for instructions and request form.

Family Leave – Employees may be eligible for up to twelve weeks of unpaid leave upon the birth of a child of an employee or the adoption of a child or to care for the employee's child, spouse, or parent with a serious health condition. See OHR website for more details.

Others – Faculty and staff are also eligible for Parent – Teacher conference and other leaves that are classified as administrative leaves.

F. Health Benefits

Open enrollment occurs during one month of the year (usually March). Instructions are sent by the CTAHR Personnel Office and should be routed to all unit employees by their chairs or secretaries. Refer to A9.690.

G. University Health and Safety Program

When an employee is injured on the job, he or she has a right to file for workers' compensation. It is crucial that an accidental illness and injury be reported in a timely manner. Failure to file the required forms and to notify the doctor may jeopardize the management of the employee's case. In some injury cases, late filing may be subject to a monetary penalty. The unit health and safety officer is responsible for seeing that the proper forms are completed accurately and transmitted to the CTAHR Personnel Office. Refer to A9.750 for filing of appropriate forms.

H. Tax Deferred Annuity Program (TDA)

Any faculty or staff of the University who is paid through the regular payroll may choose to participate in the TDA program. Refer to the list of available companies in the Administrative Procedures Manual. Since CTAHR is not responsible for this program, all inquiries (forms, calculations, tax consequence, etc.) should be referred to the agent of the annuity company or

the plan administrator, Plan Compliance Group (PCG)
www.plancompliancegroup.com/. Refer to A9.740.

I. Equal Employment Opportunity/Affirmative Action (EEO/AA)

The University is an EEO/AA employer. CTAHR will not tolerate discrimination against anyone on the basis of race, color, religion, national origin, sex, sexual orientation, age, or disability. These issues are sensitive to individuals and should be handled with care. Please call the CTAHR Personnel Office or the UH Equal Employment Opportunity/Affirmative Action Office if assistance is needed. Refer to A9.890.

V. Personnel Documents

A. Overview

Most CTAHR departments are not familiar with the University of Hawai'i PeopleSoft personnel database and must submit a Standard Form 5B (SF-5B) to appointment a new employee or make changes. All documentation originates in the units and is processed to the CTAHR Personnel Office for review. After information is inputted into PeopleSoft by the personnel office, a Payroll Notification Form (PNF) is generated for each appointment or change. Personnel documents recommended for approval by the Dean are sent forward for the proper University signatures. Since there are numerous personnel forms in the University system, only a few of the forms more frequently used are listed here. If you have questions, please contact the CTAHR Personnel Office for more assistance.

B. Forms

Most personnel forms will be completed by your unit secretary. Forms may also be obtained on the UH website: www.ohr.hawaii.edu. If you are not familiar with the website, please contact the CTAHR Personnel Office. A copy of the CTAHR Checklist For New Hires (Attachment C) and a copy of the Checklist For Casual/Overload Appointments (Attachment D) are also attached for your use. Submit only the originals for each form. Copies are not required.