

# INTERNAL CONTROL NEWS

## DECEMBER 2008

The purpose of this quarterly newsletter is to provide departments with articles on good business practices, internal controls, and responsibilities. Through articles intended to promote educational and professional development opportunities for employees, this newsletter seeks to raise awareness across state government on the importance of internal controls. We hope that by providing this array of information, we can keep you informed of internal control related activities, and help you implement and maintain effective controls in your areas of operation.

### Viewing Your Pay Advice with Employee Self Service



The December 4<sup>th</sup> pay date marked a milestone for employees whose paychecks are directly deposited into their bank account. The State of Vermont joins other states, universities and corporations who use technology to provide direct access to pay data and reduce the need to print and distribute pay advices. Currently, Employee Self-Service is used to view job postings and apply on line and also to view pay advices for past pay dates going back to 2001. In the future, additional features will be added to self-service which will increase the benefits of this one stop shop.

#### Important reminders about passwords:

- Set up “My System Profile” information so that if you forget your password a new password can be emailed to you.
- Your account is locked after three unsuccessful login attempts. (You do not get three tries each day, you only get three tries total.)
- If you have two unsuccessful attempts, click on the “I forgot my password link” so that you can access your account without requiring the HR Help Desk to unlock your account.
- Passwords expire every 90 days.
- When changing your password, you will have to enter your current password, create a new password and then confirm the new password. Don’t forget to click the “Change Password” box.

#### How to get help:

- There are many documents with step-by-step instructions on the login page. They include instructions on what to do when you have forgotten your password, how to set up “My System Profile”, how to interpret the information on your pay advice, etc. The login page is accessible by navigating to [www.vermontpersonnel.org](http://www.vermontpersonnel.org), clicking on “State Employee Center” at the top of the page, and then “Employee Self-Service” on the left-hand menu.
- Your department’s HR Administrator is able to answer most questions.
- If you need help accessing your Self-Service account, email [VISION-Helpdesk-HR@State.vt.us](mailto:VISION-Helpdesk-HR@State.vt.us)

# Multi-Use Attachment C

On December 5, 2008 the Secretary of Administration issued a multi-use Attachment C (Standard Grant/Contract Provisions) for immediate use in all grants and contracts subject to Agency of Administration Bulletins 3.5 (Contracting Procedures), 5.0 (Single Audit Policy for Subgrants) and 5.5 (State Funded Grants). This new document is intended to eliminate the confusion of having separate Attachment C documents for each bulletin, each containing similar provisions.



In addition to creating common terminology pertinent to all bulletins, it contains the latest liability insurance provision and makes the wording consistent for all other provisions. The new Attachment C can be found on the [Finance & Management](#) website and also on the Buildings & General Services website.

Please refer questions to Susan Zeller, Deputy Commissioner of Finance & Management at [Susan.Zeller@state.vt.us](mailto:Susan.Zeller@state.vt.us) or (802) 828-6448.

## Progress on PeopleSoft Expansion Project, Including Time & Labor

For years you have heard bits and pieces about the “Time & Labor Project” that will change the way that employee time and expense information will be captured and processed. Here is brief update on what has been accomplished to date and what’s coming next.

Over the course of many months, completed preparations include:

- Survey to understand each department’s procedures and to gather ideas for improvement.
- Completion of a needs assessment that evaluates the current use of the Human Capital Management (HCM) and Financial systems and recommends how these systems could support more efficient operations.
- Evaluation of alternative solutions for processing time and expenses.
- Documentation of existing business processes and rules governing pay, leave and benefits.
- Upgrades to hardware and software in anticipation of future infrastructure requirements.
- Assessment of different partners to assist the State with this project.
- Identification of Project Team members and team structure.
- Development of a plan for Phase 1, upgrade HCM to the newest version and to implement new functionality.

In addition to continuing the progress being made on the required pre-work, the next step is to develop a funding strategy. For past implementations, funding has come from a special development fund and then billed back to departments over time. Given the current economic and fiscal climate and the many demands on the State’s resources, the administration is exploring alternate funding models before beginning the design and implementation of Phase 1 of the project.

The VISION Human Capital Management and Financial systems are typical enterprise applications. Oracle/PeopleSoft is constantly upgrading these systems and adding new functionality. The complexity and scope of these applications require diligent planning and evaluation at every step of the way.



## New Grant Pre-Spending Notification Form

The Department of Finance & Management (F&M) has issued a new form at the request of the Joint Fiscal Committee (JFC) for notification of pre-spending of *state funds* related to the acquisition of federally or privately funded grants.

When a state agency or department receives a new grant award, it must obtain authorization to accept and spend it from the JFC by submitting a Request for Grant Acceptance (Form AA-1). Existing rules prohibit expense or obligation of any part of the award prior to receiving this legislative approval. However, there are occasions when pre-spending is necessary in order to acquire a grant. For instance, some federal programs require training sessions before funding will be approved. In other instances, complicated proposals must be submitted, resulting in significant time and expense. For this reason, a new form, Grant Spending Pre-Notice (Form AA-1PN) was created and is available on the [Finance & Management](#) website. All anticipated expenses of state funds, above and beyond basic application preparation and postage costs must be reported on Form AA-1PN which is submitted directly to the JFC. If a grant award is subsequently received, Form AA-1 must then be submitted before additional funds can be obligated or expended. The signature block of the AA-1 has also been revised to allow for spending reported on this new form.

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## “R” is for Refund

When entering a direct journal deposit for a **refund of expenditure** make sure to select the **Deposit Type** of “R”. A recent review of cash deposits found the most common VISION data entry mistake for refunds is misclassifying the transaction by not selecting the correct Deposit Type. For more information on processing refunds of expenditures refer to the VISION training manual for [Direct Journal Deposits](#).

The screenshot shows the Oracle VISION system interface for a Regular Deposit. The 'Deposit Type' field is highlighted with a red circle and contains the letter 'R', indicating a Refund. A red arrow points from the text above to this field.

Unit:	01110	Deposit ID:	9999999999	<a href="#">Delete Deposit</a>
*Acctg Date:	12/08/2008	Control Currency:	USD	
*Bank Code:	HOWR1	Format Currency:	USD	
*Bank Account:	002	Rate Type:	CRRNT	
*Deposit Type:	R	Exch Rt:	1.00000000	