



13.0 Financial Management and Information Systems

Introduction

University System of Georgia (USG) institutions employ several financial management and information software systems to perform daily finance and business functions. Historically, all USG institutions, except for the four research universities, have used common systems.

Of these four, the University of Georgia operates its own legacy systems for finance, payroll, human resources, and student information. The Georgia Institute of Technology, Georgia State University, and the Medical College of Georgia use a combination of legacy systems and new client server systems. Each of these three institutions now uses PeopleSoft for finance and/or human resources, and uses, or plans to use, BANNER for student information.

Note: Information regarding the systems in use at the University of Georgia, the Georgia Institute of Technology, Georgia State University, and the Medical College of Georgia may be obtained from those institutions.

The 31 teaching institutions that make up the balance of the University System of Georgia have implemented BANNER as their student information system and operate it independently, although plans are currently underway to initiate centralized hosting of database management and to create a single application model. PeopleSoft financial and human resources systems were implemented at these 31 institutions, along with the Skidaway Institute of Oceanography and the University System Office (USO), under the project name “GeorgiaFIRST” beginning in January 1998. These systems are centrally hosted, and all institutions that participated in this project use a single application model.

Topics in this section include:

- ❑ Implementation of Software Changes to Financial Accounting Systems
- ❑ Third Party Software Policy
- ❑ GeorgiaFIRST Institutions



- ❑ Description of Georgia*FIRST* PeopleSoft Financial Software Modules
- ❑ Georgia*FIRST* PeopleSoft HRMS
- ❑ BANNER Student Information System
- ❑ Financial Reporting System/Data Warehouse



13.1 Implementation of Software Changes to Financial Accounting Systems

Institutions using computer applications for maintaining financial accounting systems and wishing to make changes in software presently in use or wishing to implement new software, are to advise the Vice Chancellor for Fiscal Affairs and Treasurer of the Board of Regents (BOR) of such plans. This advice should ensure that all accounting systems are in compliance with specifications set forth in this manual.

Upon receiving this information, the Vice Chancellor for Fiscal Affairs and Treasurer of the Board of Regents will request the state Department of Audits and Accounts to perform a study and review of the proposed changes. No changes are to be implemented prior to receiving approval from the state auditor. The basic objectives of the state auditor's study and review are to determine whether the proposed financial accounting system (revised or new):

1. Contains adequate internal controls,
2. Is auditable, and,
3. Is operated in an environment that provides adequate security to the data.

This procedure applies to the main financial accounting system and to any other software system that maintains subsidiary records that supports the main financial accounting system.



13.2 Third Party Software Policy

The University System Office receives requests for the addition of third party software packages into the suite of centrally supported software. Central support is made practical when the software is utilized by a significant number of the 32 centrally supported sites. This generally results in costs lower than the cost of each institution providing their own support.

Institutions may individually procure third party software packages as long as the proper notifications and approvals are received, as noted in Section 13.1 of this manual. Specifically, any third party product that interfaces with USG supported software, regardless of cost, requires prior approval of the Vice Chancellor for Fiscal Affairs and the Vice Chancellor for Information Technology [Chief Information Officer (CIO)].

Additionally, such software may be interfaced with centrally supported systems only if:

1. The design and specifications of the interface are submitted to and approved by OIIT; and,
 2. The development of the interface is accomplished by the institution or the third party vendor.
- Neither the USO nor OIIT will develop interfaces for third party software in this situation.

A group of institutions may request that OIIT assist in selecting and negotiating with a vendor the best site license for a third party software package. If at least 50% of the centrally supported institutions participate in the purchase, they may request that OIIT provide central support for the package. The participating institutions will share the costs of purchasing and supporting the third party software package.

In this situation, interface(s) between the third party software and centrally supported systems may be developed by OIIT if such an interface is deemed practical and institutions support the cost of development. The software support agreement between the OIIT and the participating institutions must document the circumstances that may cause the termination of central support; e.g., withdrawal of participating institutions, termination of support from the vendor, etc.



13.3 Georgia *FIRST* PeopleSoft Institutions

Institutions within the Georgia *FIRST* project utilize PeopleSoft Financials for financial processing and reporting, and PeopleSoft HRMS for payroll and human resources processing and reporting. These applications are centrally hosted at OIIT in Athens. OIIT maintains a separate database for each institution and application, and distributes all software upgrades and releases.

For internal control purposes, access to modules, processes, and approval functions are limited based on a person's security role(s). These roles are independently set and maintained by each institution's security administrator and should be periodically reviewed for control weaknesses.

Along with the University System Office, institutions in the Georgia *FIRST* project that utilize the centrally hosted PeopleSoft applications are:

- Abraham Baldwin Agricultural College
- Albany State University
- Armstrong Atlantic State University
- Atlanta Metropolitan College
- Augusta State University
- Bainbridge College
- Clayton State University
- Coastal Georgia Community College
- Columbus State University
- Dalton State College
- Darton College
- East Georgia College
- Fort Valley State University
- Gainesville State College
- Georgia College & State University
- Georgia Gwinnett College
- Georgia Highlands College
- Georgia Perimeter College
- Georgia Southern University
- Georgia Southwestern State University
- Gordon College
- Kennesaw State University
- Macon State College
- Middle Georgia College
- North Georgia College & State University
- Savannah State University
- Skidaway Institute of Oceanography
- South Georgia College



- Southern Polytechnic State University
- University of West Georgia
- Valdosta State University
- Waycross College



13.4 Description of Georgia *FIRST* PeopleSoft Financial Software Modules

The Georgia *FIRST* PeopleSoft Financials application model is a fully integrated, Oracle-based technology suite of software applications managing the financial data that meet BOR and USG institutional needs for information used in decision-making. A brief overview of the modules in this model is presented in the following sections.

13.4.1 Accounts Payable

Functions of the Accounts Payable module include processing and managing vouchers, and processing payments, including express checks, which are checks that are not initiated through the Purchasing module. This module interfaces with the Asset Management and General Ledger modules.

13.4.2 Accounts Receivable

The Accounts Receivable module is used to enter and maintain customer information, process invoices and receivables, create dunning letters, and register payments and cash receipts*. Information related to COBRA and retiree receivables is loaded from the PeopleSoft HRMS system.

*** Note:** The Georgia *FIRST* project is using the Accounts Receivable module only in a limited fashion, since most institutions utilize the Banner Student Information system to process most of their receivables and payments.

13.4.3 Asset Management

The Asset Management module maintains capitalized assets as well as non-capitalized inventory items. Assets may be added manually or can be fed through an interface with the Accounts Payable module. This module is used to add, adjust, transfer, and retire capitalized assets and non-capitalized inventory items.

The module uses different books to track various types of items. Capitalized assets, which are assets with a cost over \$5,000, are maintained in the Enterprise book and are depreciated over the useful life of the asset.

Note: Refer to Section 7.0, Capitalization, for more information.

Items costing between \$3,000 and \$4,999.99 are maintained in the Small Value Property asset book and are not capitalized or depreciated. Additionally, certain items valued at less than \$3,000, such as firearms, can be tracked through the Asset Management module.



13.4.4 Budget Prep

The Budget Prep module is a custom-designed component of the PeopleSoft Financial system and is used to prepare initial budgets each fiscal year. The module allows for users to import data from the HRMS/Payroll and Financials systems to create a draft budget. Tools are available to modify the draft using mass updates, ad-hoc updates, and individual budget updates before the final budget is exported. Users may also save multiple budget versions for analysis and comparison during the budget preparation process.

Note: The Budget Prep module is **not** utilized for budget amendments during the fiscal year.

13.4.5 General Ledger (including Budgets)

The General Ledger module is the control center of the PeopleSoft Financials system as it integrates and reports on information from all modules. The General Ledger is used to create and maintain specific fields such as departments, accounts, classes, programs, and projects. Other functions include creating and processing journals including external journals from Microsoft Excel, processing allocations such as plant suspense and grants, and depreciating assets, as well as budgetary and general financial reporting.

Budgeting functions of this module include creating and maintaining appropriation (high level) and organization budgets, budget inquiry, and budget status reporting.

13.4.6 Purchasing

The Purchasing module is used to create, approve, edit, budget check, dispatch, modify, delete, post, and reconcile requisitions (where applicable) and purchase orders for goods and services. This module is also used to maintain and update vendor information.

13.4.7 Query

The Query module is a powerful tool used to retrieve specific ad-hoc information in any PeopleSoft module by specifying the fields and criteria to be applied to the search. The Query module does not execute any processes other than retrieving information. Query results can be displayed on the user's computer screen, or exported to an Excel spreadsheet for further data manipulation, sorting, and printing. The module allows quick ad-hoc information without creating a formal report. Queries can be saved as public (all users see) or private (only the creator sees).



13.5 Georgia *FIRST* PeopleSoft HRMS

The Georgia *FIRST* PeopleSoft HRMS application model is a fully integrated, Oracle-based technology suite of software applications used to maintain and process human resource and payroll related information. The HRMS system includes the following modules/functions:

1. **Benefits:** Used to maintain employee and dependant/beneficiary information, including health, life, disability, and leave benefits.
2. **Deductions:** Used to establish employee's general, annuity, and savings bond deductions, establish direct deposit, establish federal and state tax distribution, and garnish wages. Employer matching deductions, such as FICA and retirement, are also established in this function.
3. **Employee Self Service:** Allows employees to manage their personal information without the need for emails and phone calls to Human Resources or Payroll.
4. **Hiring:** Used to place a person into a position(s), change personal and job data, process additional pay, and load the benefits table for reporting purposes.
5. **Manage Faculty Events:** Used to maintain faculty rank and tenure information, prior experience/credits information, and funding and effort reporting information; track special achievements and faculty event cases; and, produce faculty information reports.
6. **Payroll:** Used to create and process all payroll checks and advices.
7. **Position Management:** Used to create regular positions, multi-incumbent positions, and position pools, and to provide position reporting.
8. **Position and Personal Data Changes:** Used to reclassify, transfer, or abolish a position, implement job and salary changes, and process leaves of absence, terminations and retirements.
9. **Workforce Recruitment:** Used to manage job openings, applicants, recruiting expenses, job offers, and other recruiting related tasks.



13.6 BANNER Student Information System

The BANNER Student Information System is an integrated software package used to input and store Student and Financial Aid information, as well as cash receipting*. Student information includes data on recruiting, admissions, advising, course scheduling, registration, tuition and fee payments, grading and housing. Financial Aid information includes data related to applications, awards, and disbursements.

*** Note:** The Banner Student information system is used as the Accounts Receivable system for Georgia*FIRST* institutions, and interfaces to the Georgia*FIRST* PeopleSoft Financials system. This is a one-way interface, meaning that data does not flow back from PeopleSoft to BANNER.

Specific information on use of these systems are available through systems training manuals or online.



13.7 Financial Reporting System/Data Warehouse

The Financial Reporting System (FRS) is the portion of the University System's data warehouse that maintains summary financial data. Information is used for year-end reporting on a consolidated or by institution basis, as well as management reporting for analysis during the fiscal year. Data is collected on budgets, revenues, and expenditures and is aggregated at the account balance level based on the Chart of Accounts approved by the University System Office (<http://www.usg.edu/gafirst/fin/project/coa/>).

Institutions should submit data to the FRS by the tenth (10th) day of the month. Before submitting the period, the data should be reviewed for errors utilizing the provided system error reports. The period can be extracted as many times as necessary before being submitted. After all errors have been corrected, the institution should then submit the period to the FRS to be reviewed at the System Office. Data is reviewed for unacceptable errors including the use of accounts or other fields not listed in the official Chart of Accounts, missing required fields, and missing required processes. After the period is accepted, the next period is then available to be populated by the institution. The accepted period should be closed for all ledgers in PeopleSoft to ensure that the data warehouse and PeopleSoft remain synchronized.

Year-end reports include annual financial reports mandated by GASB, such as the Statement of Net Assets, and the Statement of Revenues, Expenses and Changes in Net Assets (SRECNA), as well other financial reports required by the USO and the state Department of Audits and Accounts. Management reports include the Statement of Financial Position reports, which provide state budgetary position data, and the Annual Expenditure Reports required by the USO Budget department. The Financial Position Reports for each institution are presented to the Board of Regents quarterly. These reports compare revenues and expenditures to budget for educational and general, other organized activities, auxiliary enterprises, and student activities.

Access to data and standardized reports are available to the general public and expanded access is available to all state agencies. These expanded access levels are determined by a secure login. Query access can also be utilized for ad-hoc inquiries on financial data not available in the standard reports.

The data warehouse also contains information other than financial, such as student and employee data. Future changes will be made to include facilities, curriculum, and other information.

Note: For more information on these data and processes, please refer to the Guidelines for the Use of the University System of Georgia Data Warehouse document and the User Documentation section of the data warehouse, which are available at: <http://www.usg.edu/>.