

# FINANCIAL FACTS

January 2016



CAL POLY POMONA FOUNDATION, INC.  
FINANCIAL SERVICES

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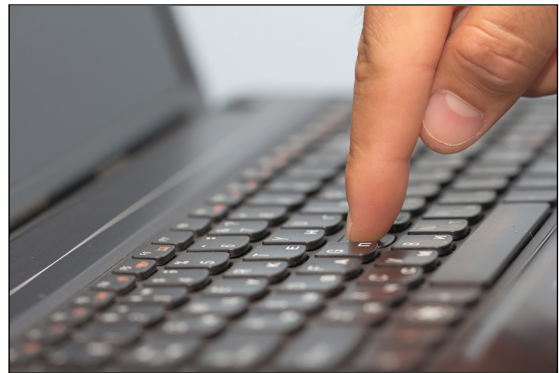
# Foundation Financial Services Customer Survey—How Are We Doing?

Foundation Financial Services is committed to monitoring the quality of the services and products we provide, as part of an ongoing improvement process. We would appreciate your feedback on our performance. (All submissions are anonymous.)

Financial Services Customer Survey:  
<https://www.surveymonkey.com/r/FSCustomers2015-16>

Please complete this survey by Friday, January 29, 2016.

Thank you,  
Foundation Management



## Payment of Goods and Services Near the End of Your Grant Project

All costs relating to grant and contract projects must be incurred during the project period. Grant compliance regulations define this as supplies and other tangible items as being ordered and shipped prior to the last day of the grant and contract project period. In addition, services from outside consultants and employees must be performed no later than the last day of the period of the award.

When Foundation receives expenditure documents for processing, we always review the date the items were shipped on the vendor's invoices. If the vendor's invoice states that the goods were shipped after the last day of the grant period (regardless of the date of the invoice or the date the invoice was paid), these items do not benefit the grant project as they were not received while the project was active, and as a result, cannot be charged to the account. This review process is also performed by our external single audit auditors who review all grant and contract activity every year to assure the Foundation is compliant with this important compliance standard.



Effective December 26, 2014, there is a new compliance requirement per 2 CFR 200.314 which states that if there is a residual inventory of unused supplies exceeding \$5,000 upon termination of the project, your project will be required to compensate the government for its share of these unused items. This means that the grant project will need to receive a refund for the cost of those supplies that were purchased for your project and were not used. This refund would need to come from nongrant funds held in the Foundation and deposited back into the grant project.

To avoid this situation, large purchases of tangible supplies, including computers, will not be allowed to be paid towards the end of the project. We highly encourage that all supply orders exceeding \$5,000 including computers and/or other tangible items be ordered and received three to six months before of the end of your project.

As a reminder, for most grant projects, all expenditures incurred prior to the grant deadline must be recorded in the grant project no later than 60 calendar days after the funding period or the date of completion as specified in the terms and conditions of the award. The agency must receive all financial, performance, and other necessary reports as required by the terms and conditions of the award no later than 90 calendar days after the date of completion of the project.



# What You Should Consider When Preparing an Agreement with a Vendor

When entering into an agreement with a vendor to perform services for the Foundation, here are some helpful points and processes you should consider.

First the background: the Foundation is a functionally integrated supporting organization exclusively serving the university; accordingly, the Foundation has a “Standard Service Agreement” with various clauses that accommodates this relationship with the university and the Cal State University System.



If the vendor has an agreement, please include as “Attachment A” in the Foundation’s Standard Service Agreement and complete all the relevant sections of the Foundation’s agreement. This is usually more efficient than trying to negotiate and include these clauses (provided below) in the vendor’s agreement.

When you have completed this, please forward to the vendor to review and sign the Foundation’s Agreement and return to you to sign our agreement “Acknowledging and Accepting” as an authorized Project Director; then forward to the Foundation Building #55 to the attention of David Prenovost for our review. Please note, only authorized individuals are allowed to enter into agreements on behalf of the Foundation as delegated by the Board of Directors per Policy # 122.

Following are the clauses that are specific to the Foundation’s Standard Service Agreement as a result of our relationship with the university and the Cal State University System that would not be found in a vendor’s agreement:

- The PROJECT conducted hereunder shall be performed in accordance with the policies and procedures of the California State Polytechnic University, Pomona (UNIVERSITY) and Foundation.
- The Company shall obtain & furnish the following policies and coverages prior to commencement of work (as required by the Cal State University Risk Management Authority).
- Company shall submit to Foundation certificates of insurance and original endorsements to the policies of insurance required by the agreement as evidence of the insurance coverage (meets or exceeds ISO Form # CG 20 10 11 85).
- The Certificate holder on the Certificate of Insurance should read as: Cal Poly Pomona Foundation, Inc.,... AND name as additional insured shall be Cal Poly Pomona Foundation, the State of California, the trustees of the California State University, the California State Polytechnic University Pomona, Associated Students, Inc., their officers, employees, representatives, agents, and volunteers.
- Company hereby grants to Foundation a waiver of any right to subrogation which any insurer of said Company may acquire against the Foundation by virtue of the payment of any loss under such insurance.

- For any claims related to this Agreement, the Company's insurance coverage shall be primary.
- Company shall indemnify, defend and hold harmless Cal Poly Pomona Foundation, Inc.,... AND the State of California, the Trustees of the California State University, California State Polytechnic University, Pomona (UNIVERSITY), Cal Poly Pomona Foundation, Inc., Associated Students Inc., their officers, employees, representatives, and agents.
- Company shall not employ or use the name of Foundation or UNIVERSITY in any promotional materials, advertising, or in any other manner without the prior express written permission of Foundation and UNIVERSITY.
- Company hereby acknowledges that Foundation is subject to The Richard McKee Transparency Act of 2011.

If you need assistance with your agreement, please contact your respective "Internal Manager" and/or David Prenovost at ext. 2948 or [dfprenovost@cpp.edu](mailto:dfprenovost@cpp.edu) for further assistance.



# Web Form Usage Report

**Date:** 12/14/2015

**Background:** The financial group requested a report on Web form usage in OneSolution. In addition to usage statistics, time benefit evaluation was requested. This report summarizes both, and includes information on manual vs automated average processing time, error rates, and batching usage as it relates to the operations.

Four separate Web forms are currently in production. Their current usage statistics from July through November 2015 are listed below.

Web Form	Usage – to Date	Average total – for 5 months	Difference – Manual input	Percentage Processed
Reimbursement requests	12	80	68	15%
IDT/Travel	30	300	270	10%
Payment Requests	531	6000	5469	9%
Purchase orders	12	80	68	15%





Listed below is a table of the difference in processing time between manual and web form through various stages of the workflow process.

Process	Entry Time (in hours)	Mail Out (in hours)	Mail In (in hours)	Signature (in hours)	Entry by AP (in hours)	Total Time
Manual RR	.5	24	24	.25	.25	49 hours
Web RR*	.1	0	0	0	.25	21 minutes
Manual IDT	.5	24	24	.25	.25	49 hours
Web IDT*	.1	0	0	0	.25	21 minutes
Manual PR	.25	24	24	.25	.25	48.75 hours
Web PR*	.1	0	0	0	.25	21 minutes
Manual PO	.25	24	24	.25	.25	48.75 hours
Web PO*	.1	0	0	0	.25	21 minutes

\*Error rates and reprocessing time are reduced from 20% down to 5% of total for Web forms once processing becomes standardized.

**Note:** For payment requests there are two types of processes: Single entry, which is best using Web forms, and Batch entry, which is best when daily invoices exceed 10-15. Batch is primarily used by enterprise operations for the Dining group who receive numerous invoices daily. When batching, invoices are entered directly into OneSolution, which allows them to be itemized into a spreadsheet in case reprocessing is necessary before final posted. Supporting invoices are kept locally rather than being scanned to OneSolution.