North Dakota University System
Bismarck, North Dakota

REPORT: Data Inconsistencies
*Per Legislative mandate ss.ss-.01*

ENGAGEMENT ADDRESSING 24 OBJECTIVES OF DATA INCONSISTENCIES REPORTED BY XXXXX XX, 30, 2015

NORTH DAKOTA UNIVERSITY SYSTEM COMPLIANCE OFFICE
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Conveyance Letter

Date: February 13, 2017

Chair Neset:

The Data Inconsistencies Project Team is presenting this Progress Update in regards to the legislative mandate included in 2015 House Bill 1003, Section 42. This project is managed by a committee comprised of project manager Joe Tillman from Eide Bailly, NDUS committee chair Karol Riedman, Karin Stinar, Tammy Dolan, Lisa Johnson, along with the input and expertise of many others within NDUS.

Inquiries or comments relating to this engagement may be directed to Joe or Karol. We wish to thank all of the individuals as well as the work groups for the prompt and courteous cooperation and assistance offered during the engagement.

Respectfully submitted,

Karol K Riedman, CPA, CIA
NDUS Compliance Officer

CC:  Dr. Mark Hagerott, Chancellor, North Dakota University Systems
     Dr. Lisa Feldner, Interim Chief of Staff, NDUS
     Dr. Richard Rothuas, Vice Chancellor for Academic and Student Affairs, NDUS
     Ms. Tammy Dolan, Chief Financial Officer, NDUS
Executive Summary

2015 House Bill 1003, Section 42 identified specific data inconsistencies discovered within the North Dakota University System. The inconsistencies focused on: Personal and Demographic Information; Lack of a standardized Chart of Accounts; Absence of standard financial business processes; Inconsistent methods of recording / tracking student data; Inconsistencies of tuition related expenses, fees, etc.; Inconsistent accounting coding and naming; Improper use of Shadow Accounting Systems; and Varied ‘Student’ definitions.

Once project planning and discovery was completed, the project team identified 25 unique project objectives that addressed the details in 2015 House Bill 1003, Section 42. The project team identified Subject Matter Experts (SME) for each of the objectives that, depending on the objective, had members from Human Resources, Student Affairs, and Academic Affairs included on the planning, communication, execution and the final deliverable of each objective.

At the time of this report’s writing, the current status of each objective is:

- 20 are completed with the details of the objective are included in this report.
- 5.1 will be completed in Q1 of 2017.
- 5.2 is expected to be completed by June 30, 2017.
- 5.4 & 5.7 are expected to be completed before Fall 2019.
- 3.2 will be completed in 2017 and implemented January 1, 2018.

The full recap list of each objective, the details, and results are included in the following sections of this report.
Business Needs and Objectives

The following information provides a high-level overview of each Business Need and Objective detailed in the Project Charter. This objective detail is to describe the core tasks the work groups were tasked to complete for each objective detailed in 2015 House Bill 1003, Section 42.

Business Need 1: Integration of personal and demographic information among computers systems.
- **Objective 1.1:** Standardize software implementations and interface setups to ensure data extract reports (from the same software programs) are the same across all institutions and entities.
- **Objective 1.2:** Develop a policy to manage the creation and maintenance of Persons of Interest (POI) and Contingent Workers (CW) to be used across all institutions and entities.
- **Objective 1.3:** Develop integration of Biographical and Demographical information solutions between campus solutions and HR.

Business Need 2: Standardize chart of accounts for financial reporting and standard departments’ budget table deductions and tax override flags.
- **Objective 2.1:** Standardize the use of the Department Budget Table deduction and tax override flags across all institutions and entities.
- **Objective 2.2:** Standardize the Chart of Accounts (Fund and Department numbers) across all institutions and entities.

Business Need 3: Creation of standard business processes for recording mandatory fees and for changing payroll funding source information.
- **Objective 3.1:** Develop a standard business process for changing the payroll funding source information after payroll information from the HRM System has already been recorded in the Financial System.
- **Objective 3.2:** Standardize the definition of positions and jobs for payroll funding across all institutions and entities.

Business Need 4: Consistent practices and policies at institutions for recording high school completions, identifying student cohorts for reporting purposes and classifying agency funds.
- **Objective 4.1:** Develop a set of standard policies and procedures for recording High School Completion data across all institutions and entities.
- **Objective 4.2:** Standardize the definition of cohorts (first-year freshman, transfer, non-degree) across all institutions and entities.
Business Need 5: Consistent practices and policies at institutions for awarding tuition waivers, admitting students, using purchasing card, charging tuition and fees, and accruing faculty sick leave.

- **Objective 5.1**: Standardize policies and procedures regarding faculty sick leave across all institutions and entities.
- **Objective 5.2**: Develop a standard business process for the user of Purchasing Cards across all institutions and entities.
- **Objective 5.3**: Develop a set of standard policies and procedures for Admissions across all institutions and entities.
- **Objective 5.4**: Develop a set of standard policies and procedures for recording mandatory fees across all institutions and entities.
- **Objective 5.5**: Develop a set of standard policies and procedures for the management and tracking of tuition, waivers, discounts, and stipends across all institutions and entities.
- **Objective 5.6**: Standardize the Tuition Waiver process for employees’ spouses and dependents across all institutions and entities.
- **Objective 5.7**: Standardize tuition models of on-campus and distance education courses to eliminate students paying double tuition fees across all institutions and entities.

Business Need 6: Consistent coding and naming for bad debt expense and journal entries.

- **Objective 6.1**: Standardize the practice of coding for bad debt expense entries across all institutions and entities.
- **Objective 6.2**: Standardize the practice of using the same naming conventions for journal entries across all institutions and entities.

Business Need 7: Eliminate the need and use of shadow account systems for reporting purposes.

- **Objective 7.1**: Develop consistent HR Data elements from software systems and remove the use of shadow systems across all institutions and entities to enable consistent, accurate and efficient reporting of data in shared systems.

Business Need 8: Consistent definitions for a distance education student, a resident student for tuition purposes, and a full-time student for federal tax purposes.

- **Objective 8.1**: Develop a set of standard definitions and identifications of distance education students across all institutions and entities.
- **Objective 8.2**: Create a policy to clearly define the requirements and / or number of credits applicable per semester for a student to be exempt from FICA Taxes.
Business Need 9: Uncategorized business needs that are identified in the Performance Audit Report as deficient in data reporting, or are related to, but not specifically called out in HB1003 Section 42.

- **Objective 9.1:** Standardize the use of Action/Reason codes within Job Data across all institutions and entities.
- **Objective 9.2:** Review and update the current policy and procedure to properly gain and track immunization records of students across all institutions and entities.
- **Objective 9.3:** Develop a standard definition on the qualifications, responsibilities, parameters, etc. of an internship across all institutions and entities.

**Objective 9.4:** Enforce mandatory annual performance evaluations of each staff member across all institutions and entities.
Objective Summary & Recommendations

This section of the Data Inconsistencies report details each objective, its current status, summary, and final recommendation (if applicable).

1.1 Standardize Software Implementations (PeopleSoft)
   Current Status: Completed
   Objective Summary: The purpose of this procedure is to establish standards for data integration with software implementations. The standards apply to any new or existing data integrations or data extracts.
   Final Recommendation: The workgroup detailed and documented a consistent set of Terms and Definitions as well as a list of Standard Details and Instructions for software implementations.
   For more detailed information on this objective, see attachment 1.1

1.2 Develop Policy to manage POI & CW
   Current Status: Completed
   Objective Summary: Correct use of Contingent Workers and Persons of Interest in the HRMS application is important because credentials for email, PeopleSoft and other applications are pulled from this data. If an employee is terminated, but still has an active CW or POI (for some POI types) record for the same business unit, their accesses will be reinstated the night after the termination is processed.
   Final Recommendation: Cleanup of data from PeopleSoft system (completed already). Add correct processes and protocol to appropriate sections of Training Manuals (Core HR & ND POI), and retrain.
   For more detailed information on this objective, see attachment 1.2

1.3 Develop integration of Biographical & Demographical Information Solutions between Campus Solutions & HR
   Current Status: Completed
   Objective Summary: Develop integration of Biographical and Demographical information solutions between campus solutions and HR.
   Final Recommendation: A project was completed with the assistance from Cedar Crestone consulting that synchronizes data feeds between systems that resolves inconsistencies between the two programs.
   For more detailed information on this objective, see attachment 1.3
2.1 Standardize use of Department Budget Table Deduction

Current Status: Completed

Objective Summary: The current functionality for the deduction override is defaulted to ON while the functionality for the tax override is defaulted to OFF. This is for Department Budget Tables by Position and by Appointment. Opposing functionality like this results in end-user confusion and additional data clean up.

Final Recommendation: The work group determined the several modifications in the Department Budget Table were needed to resolve this objective, those modifications are included in the final report below.

For more detailed information on this objective, see attachment 2.1

2.2 Standardize Chart of Accounts

Current Status: Completed

Objective Summary: Standardize and define a process for adding, modifying or inactivating general ledger accounts across all campuses and institutions.

Final Recommendation: Modifications to manual have been made to ensure standardized chart of accounts, common definitions as well as defined procedures for modifying accounts or definitions are used consistently across the state.

For more detailed information on this objective, see attachment 2.2

3.1 Changing Payroll Funding Source Information

Current Status: Completed

Objective Summary: Standardize the business process for adjusting payroll funding source information after payroll has posted to the financial system. Gather information on how many campuses are using the retro-distribution and Reversal/Adjustment Functionality. Analyze if audit concerns exist when campuses utilize journal entries in the financial system to adjust funding for payroll transactions.

Final Recommendation: Update the Retroactive Distribution section in the Commitment Accounting training manual with help from campus users who regularly use the functionality and include more examples. (Completed as of: September 23, 2016.) Offer training to campuses interested in utilizing the Retroactive Distribution process.

For more detailed information on this objective, see attachment 3.1

3.2 Standardize definitions of positions and jobs for payroll funding

Current Status: A plan is in process to achieve this objective; expected to be finalized in 2017 and implemented Jan 1, 2018.
4.1 High School Completion Data

**Current Status:** Completed

**Objective Summary:** The North Dakota University System student information system permits entry of high school data in multiple locations. Because of the many places campuses could enter high school information, it made system wide reporting difficult. Analysts were unable to retrieve high school data from any particular field with confidence that all college and university data was reported thoroughly and accurately.

**Final Recommendation:** This data inconsistency was largely mitigated by NDUS Core Technology Services (CTS) staff. The issue with incomplete/incorrect high school graduation data was resolved during the discussion and implementation of portions of the Pathways Admission project. In order for what was then called the “Pathways Admission Score” to include accurate high school graduation data, the graduation date had to be added to a specific field in the NDUS student information system. The users all agreed on the use of the field. NDUS analysts coded the entry page and resulting reports accordingly. Campus compliance occurred naturally because the consistent high school data populates the widely used reports that are generated as a result of the consensus.

*For more detailed information on this objective, see attachment 4.1*

4.2 Standardize definition of cohorts

**Current Status:** Completed

**Objective Summary:** This objective called for standardized definitions of cohorts (first-year freshman, transfer, non-degree) in the North Dakota University System (NDUS) student information system. The various admit types assigned to students at the time of application serve as a key data sort mechanism for campus, state, regional, and federal reporting.

**Final Recommendation:** An existing procedure, NDUS Procedure 440.1 - Integrated Postsecondary Education Data System (IPEDS), was modified to provide more information regarding federal reporting periods for IPEDS, modules responsible for specific components of data reporting, and the NDUS report(s) that serve as the “source” of reporting. The IPEDS reports are among some of the most frequently used reports that campuses utilize to monitor, assess and communicate performance.

*For more detailed information on this objective, see attachment 4.2*

5.1 Standardize Policy/Procedure of Faculty Sick Leave

**Current Status:** Faculty Task Force has drafted a standard policy with institutional consensus. The policy will be finalized and go through the process of Board approval in the First Quarter, 2017.

**Objective Summary:** The Taskforce consists of two faculty members from each campus, representing their respective campus faculty members. Their objective is to create one consistent Faculty Sick Leave Policy that will be used for all faculty members within NDUS.

**Final Recommendation:** First Quarter, 2017
5.2 Standardize Policy/Procedure: Purchase Card Use  
Current Status: A Performance Audit that was conducted in 2016 delayed all workgroup progress on this objective. The audit was completed in late 2016, and the workgroup is now re-starting the work. ETA to be completed: June 30, 2017.

5.3 Standardize Policy/Procedure for Admissions  
Current Status: Completed  
Objective Summary: This objective called for evidence of standardized policies and common admissions practices that have been reviewed and adopted by the North Dakota State Board of Higher Education (SBHE). An anticipated benefit was consistency in definitions for clear data reporting.  
Final Recommendation: All 11 campuses of the NDUS are required to use the NDUS Common Application for Admission. Separate applications were developed for undergraduate and graduate level programs.  
For more detailed information on this objective, see attachment 5.3

5.4 Standardize Policy/Procedure for Recording Mandatory Fees  
Current Status: Due to reliance on a larger project beyond the scope of this objective as well as 5.7, this objective cannot be completed until Fall of 2019.

5.5 Standardize Policy/Procedure for management and tracking of: Tuition, Waivers, Discounts & Stipends  
Current Status: Completed, Effective Date, June 30, 2017  
Objective Summary: This objective called for the standardization of the tuition model across all institutions.  
Final Recommendation: The workgroup developed, detailed and documented a consistent set of policies and presented and approved by the SBHE on 10/27.2016.  
For more detailed information on this objective, see attachment 5.5

5.6 Standardize Policy/Procedure of Tuition Waivers (Spouses & Dependents)  
Current Status: Completed  
Objective Summary: Implement a standard policy relating to tuition waivers and tuition assistance for employees, spouses and dependents at NDUS Institutions.  
Final Recommendation: Revisions to SBHE policy 820 were approved at the Feb 3, 2016 Meeting, details of the revised policy are included in this report, below.  
For more detailed information on this objective, see attachment 5.6

5.7 Standardize tuition models of on-campus and distance education  
Current Status: Due to reliance on a larger project beyond the scope of this objective as well as 5.4, this objective cannot be completed until Fall of 2019.
6.1 Standardize Bad Debt Coding Practices  
**Current Status:** Completed  
**Objective Summary:** Bad debt expenses were being recorded to operating expenses rather than being netted against the appropriate revenue financial statement line item, as required by GASB.  
**Final Recommendation:** Changes made in year-end templates to ensure that bad debt was no longer reported net of discounts and allowances in the Statement of Revenues.  
*For more detailed information on this objective, see attachment 6.1*

6.2 Standardize Journal Entry Practices  
**Current Status:** Completed  
**Objective Summary:** Research and determine the cost / benefit of standardizing journal entry naming conventions.  
**Final Recommendation:** PeopleSoft Financials automatically generates journal entry numbers. Implementing standard naming conventions would require significant programming time without providing additional value.  
*For more detailed information on this objective, see attachment 6.2*

7.1 Standardize HR Data Elements  
**Current Status:** Completed  
**Objective Summary:** Examine current procedures for gathering HR Data elements throughout the University Systems, identify impacts of changing procedures, and ultimately make final recommendations.  
**Final Recommendation:** This workgroup identified many recommendations for this objective and they are all detailed in the final report below.  
*For more detailed information on this objective, see attachment 7.1*

8.1 Standardize Distance Education Student Definition  
**Current Status:** Completed  
**Objective Summary:** Final report in process.  
**Final Recommendation:**  
*For more detailed information on this objective, see attachment 8.1*

8.2 Standardize Policy & Requirements for minimum credit for FICA exemption  
**Current Status:** Completed  
**Objective Summary:** Review all current minimum credits per academic level set by each campuses throughout the State for determining exemption from FICA taxes and recommend one consistent practice to be used by all campuses.  
**Final Recommendation:** All campuses will follow the same standard for the minimum credit hours for FICA exemption.  
*For more detailed information on this objective, see attachment 8.2*
9.1 **Standardize Action/Reason Codes within Job Data**  
**Current Status:** Completed  
**Objective Summary:** Research and determine which Job Data Transactions, specifically with the Action/Reason codes, where used consistently throughout NDUS as well as policies/procedures were consistent throughout NDUS.  
**Final Recommendation:** There are numerous action/reason codes to select from to clearly define the type of job action taking place. There needs to be adequate options to select from so institutions can easily track changes for the employee’s work history. The fact that there are numerous codes should not lead to an assumption that the data is entered inconsistently. The committee found consistent use among the NDUS institutions.  
*For more detailed information on this objective, see attachment 9.1*

9.2 **Standardize Policies/Procedures to record and track student immunization records**  
**Current Status:** Completed  
**Objective Summary:** This objective called for a review and update of the current policies and procedures to properly gain and track immunization records of students across all institutions and entities. The further articulated desire to create a more seamless system that is not only more efficient, but reduces overall costs, redundancy, and errors.  
**Final Recommendation:** Edits to existing SBHE Policy 506.1 - Immunization; TB Testing and NDUS Procedure 506.1 – Immunizations were drafted by the work group. Both academic and student affairs officers reviewed the proposed edits and recommended for approval on (date). NDUS Procedure 506.1 was formally revised on (date). SBHE Policy 506.1 was formally revised on (date).  
*For more detailed information on this objective, see attachment 9.2*

9.3 **Standardize Internship definitions, qualifications, responsibilities, etc.**  
**Current Status:** Completed  
**Objective Summary:** North Dakota University System provided preliminary draft definitions not only for internships, but also suggested definitions for field experience, cooperative education, externship, and practicums. Recommended definitions were derived from external sources including the Higher Learning Commission and the National Association of Colleges and Employers (NACE) which additionally referenced the U.S. Department of Labor and the Fair Labor Standards Act (FLSA) and the National Society for Experiential Learning (NSEE).  
**Final Recommendation:** The work group recommended adding three new “course attributes” in the NDUS student information system to identify courses, when appropriate, as an internship, cooperative education, or field experience/practicum. This proposed solution requires no additional customization or modifications to the student information system—other than using delivered functionality to “tag” individual courses.  
*For more detailed information on this objective, see attachment 9.3*
9.4 Enforce mandatory annual performance review check in HR System

Current Status: Completed

Objective Summary: Review and determine if all campuses are following the annual performance review processes correctly and consistently.

Final Recommendation: Conduct training sessions for campuses, to ensure managers and supervisors have all the necessary training and information for annual performance review checks.

For more detailed information on this objective, see attachment 9.4
**Objective 1.1:** Standardize software implementations and interface setups to ensure data extract reports (from the same software programs) are the same across all institutions and entities.

**Date:** July 1, 2017 (Effective date)

**Objective Owner(s):**
- Darin King
- Madhavi Marasinghe

**Objective Details:**
The purpose of this procedure is to establish standards for data integration with software implementations. The standards apply to any new or existing data integrations or data extracts.

**Definitions**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Data</td>
<td>Information collected, created, maintained, transmitted, or stored by or for the University System to conduct university business.</td>
</tr>
<tr>
<td>Data Integration Team</td>
<td>A team of Core Technology Services (CTS) staff members who will review the request for business need, feasibility of implementation, and determine integration method.</td>
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<tr>
<td>ETL</td>
<td>Extract, Transform, and Load. A process that loads data from the source system to a data warehouse.</td>
</tr>
<tr>
<td>Integration</td>
<td>The process of combining, exporting, or importing data residing in different software applications.</td>
</tr>
<tr>
<td>Requestor</td>
<td>The person submitting the request on behalf of the university system, an institution or a governing body.</td>
</tr>
<tr>
<td>Service Catalog</td>
<td>Requestor (user) interface to submit data integration requests.</td>
</tr>
<tr>
<td>Web Service</td>
<td>A technical standard to integrate web based applications over the internet.</td>
</tr>
</tbody>
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**Standard Details**

1. Data integration requests may be submitted by a requestor from an institution or by a governance group for a service supported by CTS.
2. All requests needing data integration with software applications such as PeopleSoft Student Information System, Human Capital Management system, Financials System or other applications maintained by Core Technology Services (CTS) must conduct a business needs assessment and identify specific data needs before making the request.
3. The requestor must submit a Business Case to CTS via the Service Catalog specifying the business need for the integration with the approval of institution’s CIO or equivalent.
4. After reviewing the business case request, CTS Data Integration Team (DIT) may request additional discussions with the requestor to further clarify the request.

5. Depending on the request, the business case may substitute the need to submit a 1901.3 in accordance with the information technology approval process procedure.

6. CTS Data Integration Team will evaluate the request and determine the best data integration method for the request (e.g. data extracts, web services, ETL, or other methods). Effort and cost for development and maintenance of the integration will be estimated and provided to the requestor. Depending on the requirements of the data integration request, effort cost may be charged back to the institution(s).

7. The Data Integration Team will submit a recommendation to the NDUS CIO for his/her potential approval.

8. If CTS has already implemented a data integration methodology for a software with similar functionality for another institution, CTS will provide the same service to the requesting institution.

9. If more than one institution is using the same data extracts or integration for a given software, the data change request must be agreed upon by all the institutions using the system.

10. Data change request must be submitted using the Data Change Request form available in the Service Catalog. Effort and cost for change management of the integration will be estimated and provided to the requestor. Depending on the requirements of the change request, effort cost may be charged back to the institution(s).

11. The changes made to existing data integrations will be applied across the board to all institutions for the software.

Contacts

<table>
<thead>
<tr>
<th>Subject</th>
<th>Office</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data Integration Standard Procedural Questions</td>
<td>NDUS Core Technology Services (CTS) Enterprise Services</td>
<td>(701) 777-5756</td>
<td>Submit questions via service catalog.</td>
</tr>
</tbody>
</table>
Objective 1.2: Develop a policy to manage the creation and maintenance of Persons of Interest (POI) and Contingent Workers (CW) to be used across all institutions and entities.

Date: Final Report April 10, 2016
Objective Owner(s):
Linda Fossum, BSC
Tricia Johnson, NDSU (sub Sheila Tindall)
Joy Johnson, UND (sub Tyler Clauson)
Lacy Undem, VCSU
Jenna Reno, CTS
Teri Thorsen, Chair
Karin Stinar, CTS

Objective Details:
This workgroup was charged to:
a) Review the current state of the use (including inactivation) of Contingent Workers (CW) and Persons of Interest (POI) in PeopleSoft HCM
b) Compare the current state to the procedures outlined in the PeopleSoft HR Training Manual
c) Determine what is needed to help campuses follow the procedures for Contingent Workers and Persons of Interest. Potential options include, but are not limited to:
   1. Create a policy/procedure about CW/POIs
   2. Revise training manual
   3. Conduct training
   4. Clean up data
   5. Automate inactivation of POI type Future Employee once a person is hired
   6. Other?
d) Propose remedies (if consensus is reached) or options (if consensus is not reached) to HRC for feedback.
e) Revise remedies/options if workgroup agrees with feedback
f) Submit report to Data Inconsistencies Steering Committee

Current state of use of Contingent Workers and Persons of Interest:
Correct use of Contingent Workers and Persons of Interest in the HRMS application is important because credentials for email, PeopleSoft and other applications are pulled from this data. If an employee is terminated, but still has an active CW or POI (for some POI types) record for the same business unit, their accesses will be reinstated the night after the termination is processed.

There are currently 978 active CWs system wide. A differentiation was found in that some campuses are using a job family of “NON” for Contingent Workers, and other campuses are using a job family of “0205.”
As for POIs there are currently 2259 active POIs. Of those 2259 active POIs, 1898 were current employees at the same business unit.

Note: Remember to ‘Inactivate’ all POI relationships when they are entered as an Employee. This will prevent the active POI record from remaining active after the Employee record is terminated.
Recommendations:

1. Clean up data: So far the amount of active employee with an active POI has been reduced by 92%. The remaining 8% to clean up are mostly just from one campus. Going forward if all locations monitor their CW and POI records monthly this info should stay up-to-date.

2. Add more detail to the appropriate section of the Training Manual. The following information was added to the Core HR manual and ND POI manual:

   Two queries are available to help maintain clean and up-to-date data in the system:
   - NDU_HR_ORGRELNSHP_POI
     - Use this query to find all POI’s at your location; a periodic check to make sure all POI info is current is suggested. Follow instructions above if POI needs to be inactivated.
   - NDU_HR_POI_ACT_HIRE
     - Run this query monthly to make sure no active hires also have an active POI status in the system. If employees are returned on this query their POI status should be inactivated.

3. Consistently use Job Family of “0205” for contingent workers. This affects any work done in a data warehouse, which doesn’t recognize “NON.”

4. Automate inactivation of POI record when Hire record is entered for the same business unit.
   Implementation cost: 48 hours x $40/hour = $1920
   Yearly Maintenance: 32 hours x $40/hour = $1280 x 4 reupdates/year = $5120

5. Create system-wide form for consistent data-gathering/entry of CW and POI.

Not Recommended:

1. Do not pursue a formal policy/procedure change.
Objective 1.3: Develop integration of Biographical and Demographical information solutions between campus solutions and HR.

Date: January 13, 2015
Objective Owner(s):
  Karin Stinar, NDUS
  Tom McNaughton-NDUS

Objective Details:

While the integration of Personal Data was technically possible among the HRMS, Campus Solutions and Financials system, it wasn’t routinely or consistently done. Thus, when a person changed (or asks to change) their personal data (name, address, phone number, email, etc.) in one application, it may or may not be changed in the other two systems.

This resulted in frustration for employees and students and misdirection of documents or communication to outdated contact points. In addition, with data out of sync between systems, the University System did not have one authoritative “source of truth” about people data.

As other automation projects are implemented to enable additional and improved customer self-service, such as single sign-on and the enterprise portal, confusion will escalate among our customers (students, employees) as they see stale data in many more places.

In addition, Oracle’s future direction for the PeopleSoft application is to support use of the Higher Education Constituent Hub (HECH) which would exist outside of any of the three applications (and which will require the purchase of an additional license) or robust Application Messaging between systems. Addressing the problems we have with data and integration now will ease our abilities to embrace either option in the future, with less of an impact on our upgrade paths.

Proposed Solution
A project was completed in January 2015 with assistance from Cedar Crestone consulting that synchronizes data feeds between the two separate systems. The project included CTS team members from all three systems, HRM, Financials and Campus Solutions with approval from the Academic Affairs committee.

Final Resolution and Measures
Measurement 1.2.1: Developed an integration of campus solutions and HR systems.
Measurement 1.2.2: NDUS created integration connectors between campus solutions and HR that delivered biographical and demographical information.
Measurement 1.2.4: Reports confirming integration is working as expected have been delivered, and it is being monitored daily.
**Objective 2.1:** Standardize the use of the Department Budget Table deduction and tax override flags across all institutions and entities.

**Date:** July 15, 2016

**Objective Owner(s):**
- Jenna Reno, CTS
- Karin Stinar, CTS (Chair)

**Objective Details:**

1. The workgroup was charged to:
   a. Standardize the use of the Department Budget Table deduction and tax override flags across all campuses.
   b. Modify the functionality of the current defaults to be consistent with the standard method.
   c. Communicate functionality changes to the Commitment Accounting users at all campuses.

2. Definitions:
   a. **Department Budget Table:** Used to setup default funding sources to budget funds for labor expenses (earnings, deductions and taxes). Department Budget Tables can be set up by different levels: The NDUS uses the levels of Position and Appointment. Department Budget Tables are initially defined at the beginning of the fiscal year and updated throughout the year as funding distributions change.
   b. **Deduction and Tax Override:** An indicator, if selected, of a funding source that overrides the default funding source established for Earnings in the Department Budget Table.

3. The workgroup gathered the following statistics regarding the deduction and tax overrides:
   a. 83.5% of rows in the Department Budget Tables by Position for fiscal year 2016 have the deduction override turned off.
   b. 83.2% of rows in the Department Budget Tables by Appointment for fiscal year 2016 have the deduction override turned off.
   c. Of the 16.5% of the Department Budget Tables by Position that have the override turned on, less than 1% have deduction funding that does not match the earnings funding.
   d. There are zero DBT’s by Appointment where the deduction funding does not match the earnings funding.
   e. The current functionality for the deduction override is defaulted to ON while the functionality for the tax override is defaulted to OFF. This is for Department Budget Tables by Position and by Appointment. Opposing functionality like this results in end-user confusion and additional data clean up.

4. Final recommendation and resolution:

   Based on the statistics listed above, it was determined that the majority of the Department Budget Tables do not use the deduction or tax overrides and the common business process is to allow deductions and taxes to be paid from the same funding source(s) as earnings. Even of those Department Budget Tables that have the override ON, it was determined the majority of the funding sources matched the funding used for earnings.

   Based on these facts:
   1. The work group decided on the following functional modifications in the Department Budget Table:
      1. Modify the deduction override to default to OFF to match the current functionality for the tax override.
      2. Upon entry of a new effective dated row or new sequence row, the default for both the deduction and tax overrides is OFF.
2. There is a business need to allow deductions and/or taxes to be paid from a different funding source than earnings; example: work-study. Therefore, the functionality is available to add another sequence row in the Department Budget Table and select (or deselect) the overrides for deductions and taxes.

5. The modifications were tested and migrated to production on July 11, 2016.

6. The Commitment Accounting training manual has been updated to reflect the changes in functionality in the Department Budget Table.
Objective 2.2: Standardize the Chart of Accounts (Fund and Department numbers) across all institutions and entities.

Date: July 18, 2016
Objective Owner(s): Tammy Dolan-CFO-NDUS

Objective Details:

- NDUS has a standard chart of accounts in PeopleSoft.
- A list of the accounts is located on the NDUS website at http://www.ndus.edu/employees/accounting-manual-forms/ and it can be directly accessed in PeopleSoft.
- NDUS has a defined process for adding, modifying or inactivating general ledger accounts.
  - Requests are brought to the monthly Controller Group meeting for discussion.
  - After agreement is reached by the Controller Group, the NDUS Director of Financial Reporting submits a help desk ticket to CTS with instructions to create the new account(s) in PeopleSoft.
  - CTS creates the account and notifies the NDUS Director of Financial Reporting by email.
  - The NDUS Director of Financial Reporting updates the NDUS system-wide accounting manual for the new account(s). The updated manual is posted to the NDUS website.
  - The Director of Financial Reporting notifies users through the NDUS Controllers listserv that the account(s) has been created.
  - This process will be documented in the NDUS Accounting Manual by June 30, 2016.
  - Note: Campus and system-office staff’s PeopleSoft access does not allow them to create new accounts. Only designated CTS staff can create new accounts. CTS staff do not create new accounts until the NDUS Director of Financial Reporting submits a help desk ticket.
- NDUS has a system-wide accounting manual.
  - In 2011-2012, the Controllers Group performed a comprehensive update of the original manual developed in 2007.
  - The manual is a living document; updated on a regular basis.
  - Modifications to the accounting manual are approved by the NDUS Controllers before any changes are made.
  - Modifications to the manual are made, for example, for new GASB standards, implementation of audit recommendations or additions, changes or inactivation of general ledger accounts.
  - The NDUS Director of Financial Reporting performs the updates.
  - Campuses are notified of updates by the NDUS Director of Financial Reporting through the Controllers Group email listserv.
  - A master control log is maintained by the NDUS Director of Financial Reporting documenting each change to the manual, the reason for the change and the date of the change.
- The Controllers Group meets by phone monthly and in person annually to discuss accounting matters. The Controllers Group listserv also serves as a communication tool throughout the year.
- Consistency exceptions may exist when it is not viable or practical or does not meet GAAP requirements. Examples:
  - NDSU and UND use different fund number ranges because of Ag Extension, Ag Budget Office, ND Forest Service, Upper Great Plains Transportation Institute, Medical School and Law School
    - Separate state appropriation for each.
    - Requires many additional funds, unique to these entities within NDSU.
    - Decision was made during PeopleSoft implementation several years ago to allow NDSU to use different fund ranges.
Parking Structures can be categorized as either Auxiliaries and Institutional Support.

- NACUBO definition of auxiliaries requires enterprises to be self-supporting in order to be classified as an auxiliary.
- Parking structures at some campuses meet this criteria, while others do not.
- Campuses with self-supporting parking structures classified as auxiliaries. Others are classified as institutional support.

- The goal is to minimize errors. It is not possible, however, to eliminate all errors given the volume of transactions, the number of individuals processing transactions, turnover and the complexity of certain accounting transactions.

Common Data Definitions

- NDUS has a data dictionary that common data elements used by campuses, the NDUS System Office and CTS. The dictionary is located at https://dataelements.ndus.edu/. Provides common definitions for over common financial and non-financial elements. Examples of data elements included:
  - FTE
  - Program fees
  - Tuition and collaborative tuition
  - Academic load

- Addresses data quality and integrity as well as minimum required elements.

Standardizing Funds and Departments

- The NDUS has standard fund number ranges that are documented in the NDUS Accounting Manual. Institutions are allowed to set-up their own funds within the specified fund number ranges. The fund number ranges are:

<table>
<thead>
<tr>
<th>Fund Group</th>
<th>Fund Subgroup</th>
<th>Budget Ledger</th>
<th>Fund Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant/Other</td>
<td>Investment in plant</td>
<td>None</td>
<td>00001 - 00100</td>
</tr>
<tr>
<td></td>
<td>Renewals &amp; replacements</td>
<td>None</td>
<td>00101 - 00499</td>
</tr>
<tr>
<td></td>
<td>Retirement of indebtedness</td>
<td>None</td>
<td>00500 - 00999</td>
</tr>
<tr>
<td></td>
<td>Receivable holding fund</td>
<td>None</td>
<td>01000</td>
</tr>
<tr>
<td></td>
<td>AR conversion balances</td>
<td>None</td>
<td>01001</td>
</tr>
<tr>
<td></td>
<td>Unused</td>
<td></td>
<td>01002 - 09999</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>Auxiliaries</td>
<td>Fund</td>
<td>10000 - 10999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Project</td>
<td>11000 - 11999</td>
</tr>
<tr>
<td>Local</td>
<td>Regular</td>
<td>Project</td>
<td>12000 - 19999</td>
</tr>
<tr>
<td></td>
<td>Cash</td>
<td></td>
<td>20000 - 24999</td>
</tr>
<tr>
<td></td>
<td>Fund</td>
<td></td>
<td>25000 - 27999</td>
</tr>
<tr>
<td></td>
<td>Unexpended plant</td>
<td>Project</td>
<td>28000 - 29999</td>
</tr>
<tr>
<td></td>
<td>Appropriation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Regular</td>
<td>Fund</td>
<td>30000 - 33999</td>
</tr>
</tbody>
</table>
### Table of Fund Ranges

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital improvements</td>
<td>Project</td>
<td>34000 - 34999</td>
</tr>
<tr>
<td>Scholarships</td>
<td>Project</td>
<td>35000 - 39999</td>
</tr>
<tr>
<td>Scholarships</td>
<td>Fund</td>
<td>50000-59999</td>
</tr>
<tr>
<td>Scholarships</td>
<td>Project</td>
<td>50000 - 59999</td>
</tr>
<tr>
<td>Quasi-Endowments</td>
<td>Cash</td>
<td>70000-70400</td>
</tr>
<tr>
<td>Grants and contracts</td>
<td>Project</td>
<td>40000 - 49999</td>
</tr>
<tr>
<td>Scholarships &amp; fellowships</td>
<td>Fund</td>
<td>50000 - 52999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55000-57999</td>
</tr>
<tr>
<td>Scholarships with Projects</td>
<td>Fund</td>
<td>53000 - 54999</td>
</tr>
<tr>
<td></td>
<td>Project</td>
<td>58000 - 59999</td>
</tr>
<tr>
<td>Loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term</td>
<td>Cash</td>
<td>60000 - 64999</td>
</tr>
<tr>
<td>Long-term</td>
<td>Cash</td>
<td>65000 - 69999</td>
</tr>
<tr>
<td>Endowments/Quasi Endow.</td>
<td>Cash</td>
<td>70000 - 78999</td>
</tr>
<tr>
<td>Other Restricted</td>
<td>None</td>
<td>79000 - 79999</td>
</tr>
<tr>
<td>Agency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Foundations</td>
<td>Cash</td>
<td>80000 - 84999</td>
</tr>
<tr>
<td></td>
<td>Cash</td>
<td>85000 - 89999</td>
</tr>
<tr>
<td>Unused</td>
<td></td>
<td>90000 - 99999</td>
</tr>
</tbody>
</table>


- As noted earlier, NDSU and UND use different fund ranges for the reasons stated on page 2.
- The costs to standardize department funds and departments outweigh the limited benefits it would provide. It would require significant programming and accounting resources and would need to be prioritized along with several other current projects as well as day-to-day duties of both accounting and CTS staff. In addition, accessing historical data would require knowing the old fund or department number as well as the new fund or department number. Thus, making it more difficult to access historical data.

**Conclusion**

NDUS has instituted a standardized chart of accounts and common data definitions, as well as defined procedures for modifying accounts or definitions. NDUS will not pursue common fund or department numbers because the time and resources required for such a change will not improve NDUS operations or enhance financial reporting capabilities.
Objective 3.1: Develop a standard business process for changing the payroll funding source information after payroll information from the HRM System has already been recorded in the Financial System.

Date: September 30, 2016  
Objective Owner(s):  
Jenna Reno, CTS  
Karin Stinar, CTS (Chair)

Objective Details:

1. The workgroup was charged to:  
a. Standardize the business process for adjusting payroll funding source information after payroll has posted to the Financial system.  
b. Gather information on how many campuses are using the Retro-distribution and Reversal/Adjustment functionality.  
c. Analyze if audit concerns exist when campuses utilize journal entries in the Financial system to adjust funding for payroll transactions.

2. There are several options available to change payroll funding. All are acceptable and common business practices. The options include:  
a. Utilize the Reversal/Adjustment functionality in HR. This process reverses the original funding and redistributes funding based on a position number change, earnings code change or override in Actuals Distribution. With this process, the adjustments post to the Financial system and the data is in sync between the HR system and the Financial system.  
b. Utilize the Retroactive (Retro) Distribution functionality in HR. This process reverses the original funding and redistributes either full or partial amounts to other funding sources selected for distribution or overridden in Actuals Distribution. With this process, the adjustments post to the Financial system and the data is in sync between the HR system and Financial system.  
   i. Note: The Retro Distribution process creates unbalanced payroll payables in the Financial system. This is because the delivered process does not create adjustments for employee-paid deductions. The campuses utilizing retro distribution have adopted a business process to adjust the payroll payables. Even though it’s a fairly labor intensive process, they feel the benefits of the Retro Distribution process are worth the effort.  
c. Override funding sources and/or amounts in Actuals Distribution. This can only be done in the current pay period that has not posted to the Financial system. Thus the adjustment posts to the current payroll period, not the original payroll period. With this process, funding will be in sync between HR and Financials in total by fiscal year but not by pay period.  
d. Utilize the journal entry process in the Financial system to adjust funding sources. With this process the payroll expenditures are correct in the Financial system but the data is out of sync with HR.

3. The workgroup gathered the following statistics regarding changing payroll funding source information from a survey sent to all campuses:  
a. 10 campuses use the Reversal/Adjustment functionality in PeopleSoft.  
b. 4 campuses use the Retro-distribution functionality in PeopleSoft.  
c. All campuses adjust funding in Actuals Distribution, when practical.  
d. 7 campuses use Journal Entries in the Financial system to correct payroll funding.  
e. When asked if the campuses have received any concerns from auditors regarding the use of journal entries to correct payroll funding, all responses indicated no concerns have been raised.
4. Final recommendation:
   a. Update the Retroactive Distribution section in the Commitment Accounting training manual with help from campus users who regularly use the functionality and include more examples. (Completed as of: September 23, 2016.)
   b. Offer training to campuses interested in utilizing the Retroactive Distribution process.
Objective 4.1: Develop a set of standard policies and procedures for recording High School Completion data across all institutions and entities.

Date: July 19, 2016
Objective Owner(s):
  Lisa Johnson-NDUS
  Tom McNaughton-NDUS

The resolution of this data inconsistency did not necessitate the formation of a specific work group. Rather Core Technology Staff resolved the matter internally and is described below.

NDUS Core Technology Services Staff (Business Analysts)
Charles Fjeld
Deb Ott
Jackie Moore
Ramona Breuer

Objective Details:

Objective 4.1 within the Data Inconsistencies Report (2015) indicated that high school completion data was not recorded in a standardized fashion. The North Dakota University System student information system permits entry of high school data in multiple locations. Because of the many places campuses could enter high school information, it made system wide reporting difficult. Analysts were unable to retrieve high school data from any particular field with confidence that all college and university data was reported thoroughly and accurately. If necessary, new State Board of Higher Education policies and North Dakota University System procedures would be drafted.

Recommended Solutions
This data inconsistency was largely mitigated by NDUS Core Technology Services (CTS) staff. The issue with incomplete/incorrect high school graduation data was resolved during the discussion and implementation of portions of the Pathways Admission project. In order the for what was then called the “Pathways Admission Score” to include accurate high school graduation data, the graduation date had to be added to a specific field in the NDUS student information system. The users all agreed on the use of the field. NDUS analysts coded the entry page and resulting reports accordingly. Campus compliance occurred naturally because the consistent high school data populates the widely used reports that are generated as a result of the consensus.

NDUS CTS additionally updated the “school pick” view to look at a specified priority of locations within the NDUS student information system containing ND K-12 data—with a “verified graduation row” among the key components.

Final Resolution

The resolution of this data inconsistency did not warrant drafting SBHE polices or NDUS procedures. At this time there are no outstanding issues associated with this matter. Campuses use and continue to use the “Pathways Reports” to monitor specific admission data.
Objective 4.2: Standardize the definition of cohorts (first-year freshman, transfer, non-degree) across all institutions and entities.

Date: July 19, 2016
Objective Owner(s):
Lisa Johnson-NDUS
Tom McNaughton-NDUS

The resolution of this data inconsistency did not require the formation of a specific work group. Rather, Core Technology Services (CTS) staff resolved the matter internally and is described below.

NDUS Core Technology Services Staff (Business Analysts)
Charles Fjeld
Deb Ott
Jackie Moore
Ramona Breuer

Objective Details:

Objective 4.2 within the Data Inconsistencies Report (2015) called for standardized definitions of cohorts (first-year freshman, transfer, non-degree) in the North Dakota University System (NDUS) student information system. The various admit types assigned to students at the time of application serve as a key data sort mechanism for campus, state, regional, and federal reporting.

Recommended Solutions

This data inconsistency was largely resolved internally by NDUS CTS staff. CTS staff reported that they have significantly reduced reporting inaccuracies by loading the cohorts into a “cohort history table”. Reporting is now conducted using the cohort history table as the “source” for this information. Campuses are permitted to make corrections to record level data prior to “tagging” the students into cohorts and loading them into the history snapshot.

Final Resolution

The resolution of this data inconsistency did not necessitate drafting new SBHE polices or NDUS procedures. An existing procedure, NDUS Procedure 440.1 - Integrated Postsecondary Education Data System (IPEDS), was modified to provide more information regarding federal reporting periods for IPEDS, modules responsible for specific components of data reporting, and the NDUS report(s) that serve as the “source” of reporting. The IPEDS reports are among some of the most frequently used reports that campuses utilize to monitor, assess and communicate performance.

Additional standardization attained through the resolution of inconsistencies associated with the application for admission will further reduce inconsistencies in managing student cohorts. The cohort admit types specifically mentioned in the Data Inconsistencies Report (2015) Objective 4.2 are all listed in the NDUS Data Element Dictionary. At this time there are no outstanding issues associated with this matter.
Objective 5.3: Standardize the definition of cohorts (first-year freshman, transfer, non-degree) across all institutions and entities.

Date: January 11, 2017
Objective Owner(s):
Lisa Johnson-NDUS
Tom McNaughton-NDUS

Work Group Members
The North Dakota University System largely depends on the feedback and recommendations from both the Admissions User Group and the Student Records Users Group that meets monthly. Leadership of both user groups rotates among campus participants and are attended by NDUS staff and NDUS Core Technology Services staff as their schedules permit. The two user groups often vet proposed edits to existing policy and/or procedures, and at other times, the group initiates edits or new policies or procedures.

Objective Details:
Objective 5.3 within the Data Inconsistencies Report (2015) called for evidence of standardized policies and common admissions practices that have been reviewed and adopted by the North Dakota State Board of Higher Education (SBHE). An anticipated benefit was consistency in definitions for clear data reporting.

Proposed Solution
For clarification, it is believed that consistencies in admission requirements was intended to be among “like” institutions. For example, all NDUS two-year colleges or community colleges are open enrollment—minimally requiring an applicant to have graduated from high school or completed a GED for the purpose of admissions. These requirements would not be appropriate as the sole means of admission to the two research institutions in the state. Among similar institution types, it is expected that admission requirements for certificate, diploma, and two-year programs would be different from four-year programs of study. Finally, a common application for admission is currently in place with the vendor, Hobsons. The NDUS had explored the potential for a new vendor (Oracle) to provide the student-facing portal to import and/or capture initial student information. The present vendor is Hobsons, and their current product that we are using was scheduled to be discontinued in 2017.

Final Resolution
At present, there are several SBHE Policies and NDUS Procedures that govern the admission of students within the NDUS. The following is not a comprehensive list of Board-approved policies that reference the admission of students, but rather, some that are referenced most frequently. The titles accurately summarize the topic or content addressed in each policy.

- SBHE Policy 402.1 First Year Applicants – Certificate, Diploma, and Associate Degree Programs
- SBHE Policy 402.1.1 Standardized Test Scores
- SBHE Policy 402.1.2 Student Placement into College Courses
- SBHE Policy 402.2 First Year Applicants – Baccalaureate Programs
- SBHE Policy 402.3 Home Educated and Other Special Categories of Applicants
- SBHE Policy 402.4 Admission Policies – Transfer Applicants
- SBHE Policy 402.7 Admission Policies – Selected Undergraduate Graduate Programs
- SBHE Policy 402.8 Admission Policies – Non-resident Students
- SBHE Policy 402.9 Admission Policies – New International Students
- SBHE Policy 402.11 Tests of High School Equivalency
Generally, NDUS procedures are intended to provide additional details to implement SBHE approved policies. Approval of NDUS procedures culminate at the recommendation of the chancellor’s cabinet and that of the chancellor. The following is a list of NDUS Procedures that implement the above mentioned policies. Again, the title associated with each procedure accurately describes the general topic area.

NDUS Procedure 402.0 Common Admission Applications
NDUS Procedure 402.1.2 Student Placement into College Courses
NDUS Procedure 402.2 Admission Requirements for Baccalaureate Programs
NDUS Procedure 402.3 Home Educated Applicants
NDUS Procedure 402.4 Admission Policies – Transfer Applicants
NDUS Procedure 402.9 Admission Procedures- New Applicants with International Coursework
NDUS Procedure 402.11 Tests of High School Equivalency

Common Applications for Admission – Undergraduate and Graduate Level (electronic and paper format)

All 11 campuses of the NDUS are required to use the NDUS Common Application for Admission. Separate applications were developed for undergraduate and graduate level programs. A paper copy of the undergraduate application for admission is attached to this report. The bulk of applications are submitted electronically. However, a two-page, paper application is also accessible. The electronic application is somewhat more user friendly in that through the use of dynamic questions, some questions can be suppressed based on an answer to a previous question. For example, if a student indicates that he/she is not an active duty service member or veteran of the U.S. armed services, he/she is not presented with a follow-up question regarding which branch of service they served. The undergraduate common application for admission is roughly a total of 48 questions logically necessary to enroll a student at the college or university and/or required for federal reporting purposes, and/or required data collection by the ND SBHE (e.g. safety and security questions). Each campus is permitted to ask additional questions, also referred to as “supplemental questions”, that might be unique to their institution, but not necessarily pertinent across the NDUS.

The 48 common questions are comprised of some fields that are open text boxes for the collection of things like name, address, and phone number. Some response choices are populated from unique, campus specific data like programs of study. Other response choices, when appropriate, are system-wide and pre-populated in the drop-down menus like school name, term to enter, and admit type (i.e. freshman, transfer, returning student, early entry high school, graduate, etc.).

More specifically, the data inconsistency reference three specific areas within admissions for further review and resolution:

1) High School Core Course Requirements

When former Chancellor Shirvani implemented his vision of a strategic plan for the University System through the Pathways for Success document, he mandated the use of a mathematically derived Admission Index Score with ranges for acceptance by various institutional tier—as defined by their Carnegie classification.

In order to accomplish that task the former chancellor mandated that the community colleges MUST enter high school core course requirements to make the admissions index score calculate properly. Community colleges expressed concern since all NDUS community colleges are open enrollment and do not require high school core course requirements for the purpose of admission. At that time, the entry of high school core course requirements was manual, tedious, time-consuming and highly susceptible to individual judgement (and error) in the absence of a system that simply imports the information from PowerSchools into PeopleSoft using MISO3 codes.
Since then, the portions or details of Pathways for Success that the SBHE endorsed have been reviewed, approved, and incorporated into pertinent SBHE Policies. Former Interim Chancellor Skogen approved formal discontinuation on the development of an Admission Index Score. Additionally, the State Longitudinal Data System’s (SLDS) eTranscript permits NDUS colleges and universities to see which core course requirements have been fulfilled by ND high school students. Should K-12 or the NDUS choose to do so, a report can be written to analyze which students have or have not met core course requirements.

2) ACT Scores

The NDUS automatically loads ACT scores from North Dakota students that can be viewed by institutions for which the student has applied. Any student who has taken the ACT can send his/her ACT score electronically to a NDUS institution. If that student should transfer, the ACT scores can be viewed at other NDUS schools for which the student applies.

3) Incomplete Data

Perhaps the area of greatest concern in this regard was that of returning students—those students who stopped out for one or more semesters and are returning to the institution. It appears the concern centers around what information is necessary for collection when a student returns. A priority of the next round of modifications associated with the common application for admission in Hobsons is to create a common application for re-admission to ensure all the necessary/pertinent questions are being asked consistently across the system. At present, each campus essentially asks specific questions from the common application that each institution deems appropriate. User groups and subcommittees of the user groups will be utilized to determine pertinent questions for inclusion in a returning student application for admission.

The NDUS received notice that the current Hobson’s product (ApplyYourself) that serves as an interface between applicants and the student information system was going to be discontinued in 2017 and replaced by Radius. The NDUS intended to use this opportunity to explore other vendors to provide the public interface with the NDUS student information system and could address some of the above-mentioned concerns. It was hoped that a new vendor would be more compatible with our existing student information system and less costly to the system. Later, the NDUS received notice that Hobson has extended the ApplyYourself product with no mention of discontinuation at this time. The NDUS did explore some of the functionality of a more compatible vendor. However, at this time, the NDUS does not have the resources or support to migrate to another system—regardless of compatibility.
**Objective 5.5:** Develop a set of standard policies and procedures for the management and tracking of tuition, waivers, discounts, and stipends across all institutions and entities.

**Date:** September, 2016  
**Objective Owner(s):**  
Tammy Dolan-CFO-NDUS

**Objective Details:**

A performance audit of tuition waivers and stipends was conducted by the State Auditor’s office for the 2013-2014 academic year and the three previous academic years. The report was issued on March 20, 2015 and included 10 formal recommendations. A work group was formed consisting of finance and controller staff from multiple campuses and the System Office to address the State Auditor’s recommendations as follows:

**Recommendations 1-1, 1-2, 1-3, and 1-5** related to establishing common definitions, policies and procedures surrounding tuition waivers and were worked on by the waivers and stipends work group. The Tuition and Fees Task Force reviewed and modified the resulting work product.

- **SBHE Suggested Action:** The Tuition and Fees Task Force recommends implementation of the definitions in conjunction with the proposed tuition model changes. If the SBHE approves the new tuition model and waiver definitions, SBHE policies and procedures will be drafted and presented for approval at a future board meeting.

**Recommendation 1-4** related to employee/dependent tuition waivers was worked on separately. The SBHE approved the new policy, procedure and operating protocol with effective date of May 1, 2016.

**Recommendation 1-6** suggested the SBHE establish limits on the level of tuition waivers a campus can award. The proposed tuition model changes could significantly impact the level of waivers awarded by institutions.

- **SBHE Suggested Action:** The Tuition and Fees Task Force recommends that waivers be monitored for a period of time after the tuition model and common definitions/policies/procedures are implemented to determine what, if any, limits should be established.

**Recommendations 1-7, 1-8, and 1-9** related to student data, data systems, and compliance and are being addressed as part of a larger CTS data consistency project.

**Recommendation 1-10** related to definition and reporting of internships and was not addressed by the work group.

**State Auditor Recommendation 1-1**

We recommend the State Board of Higher Education establish common definitions within the University System for discounts, waivers, and stipends. The Board should require institutions to review coding of discounts, waivers, and stipends.

**Original Management Response**

Agree. The SBHE will establish common definitions for waivers, discounts, and stipends; however, it should be noted there may be more than one definition to recognize differences, where appropriate, but once defined they will be used consistently across the NDUS. This will be completed by December 31, 2015.

**Task Force Recommendation**

Establish common definitions, consistent coding and reporting for Discounts, Waivers, Stipends, Tuition Remission as represented in Table A.
### Table A – Establish common definitions

<table>
<thead>
<tr>
<th>Term</th>
<th>Per SAO Performance Audit Report 3/20/2015</th>
<th>NDUS Data Element Dictionary</th>
<th>Work Group Definition</th>
</tr>
</thead>
</table>
| Discount           | A reduction in the tuition rate prior to the charge being applied to a student’s account. Discount cannot be lost. | No Definition               | **OPTION 1:** The term discount will be discontinued, as no true discounts are offered. Tuition is charged at the SBHE approved rate, which can vary among campuses and among residency categories. **This option is dependent upon adoption of common tuition rates utilizing a system wide tuition model.**  
**OPTION 2:** The term discount will refer to the difference between the highest system-wide approved rate in each residency category and the rate that an institution charges in the same category. The initial charge to the student account will be at the discounted rate. **Not recorded on the G/L, rather, a report of total discounts will need to be generated which would include grossed up tuition.** |
| Waiver             | A reduction in the tuition charge after being applied to a student’s account and no money is received and/or transferred. Waiver can be lost if criteria not met. | A reduction in a student’s tuition and/or fee charges for students who meet specific criteria | A non-cash transfer reduction to any SBHE approved tuition rate. The waiver is posted to the student account after the initial tuition charge. Waiver can be lost if criteria are not met. Posted to appropriate G/L waiver account. |
| Stipends           | A payment made to a graduate student for work performed in the field of study. | No Definition               | A payment intended to help the recipient defray living or other expenses but not intended as compensation for services rendered. *For example, if STEM brings in High School Teachers for a project, they may be paid a small stipend.* Posted to G/L #661025 Stipends via Campus Solutions Student Finance. |
| Graduate Assistant Salary Stipend | See above, only one definition of stipend utilized by the auditors. | No Definition               | Compensation paid to a graduate student for teaching, research or service support assistantships. Posted to G/L #517005 Salaries-Graduate Assistants via HRMS Payroll. |
| Tuition Remission  | No Definition                             | No Definition               | Payment made to the student account, similar to a Scholarship, but paid by a grant. The amount of the tuition remission cannot be greater than the tuition charge posted to the student account. Posted to G/L #661007 Tuition Remission via Campus Solutions Student Finance. |

**State Auditor Recommendation 1-2**

We recommend the State Board of Higher Education require institutions to establish policies/procedures for institutional tuition waivers. The policies/procedures should address eligibility, application process, selection criteria, awarding process, and monitoring.
**Original Management Response**
Agree. The SBHE will establish a template to assist campuses, where necessary, to document waiver provisions; further, the SBHE will study and identify common waiver criteria, where appropriate. The development and release of the template and study will be completed by December 31, 2015.

**State Auditor Recommendation 1-5**
We recommend the State Board of Higher Education establish policies for cultural diversity, international, graduate, and other common institutional tuition waiver types.

**Original Management Response**
Partially Agree. The SBHE will develop policies for cultural diversity, international, graduate and other common institutional waiver types, where appropriate, by December 31, 2015.

**Task Force Recommendation**
Develop a standard tuition waiver form to be utilized by all 11 campuses to document waiver provisions, criteria and other appropriate information, propose common Waiver Item Type coding. To be used for all current institutional waivers and those proposed in the future. Establish waiver types and establish consistent Waiver Item Type Coding as shown Table B and attached Institutional Waiver Data Form.

### Table B – Establish common definitions; specific criteria can be identified on waiver template

<table>
<thead>
<tr>
<th>Waiver</th>
<th>Waiver amounts &amp; percentage of total 2013-2014 waivers</th>
<th>Purpose</th>
<th>Work Group Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate Assistant</td>
<td>$13,016,734 or 41% of total waivers</td>
<td>For teaching, research or service, which allow NDSU and UND to compete nationally for the best and brightest students for graduate and research programs.</td>
<td>A graduate assistant is defined as a student who serves in a support role at an institution, assisting with instruction, research or service support, while completing post-graduate education.</td>
</tr>
<tr>
<td>International</td>
<td>$3,832,559 or 12% of total waivers</td>
<td>Encourages out-of-country students to attend NDUS campuses to increase diversity of the student body and contribute to ND students having a better understanding of and ability to compete in the global job market.</td>
<td>An international student is defined as an individual who is a legal non-immigrant in valid status with the Department of Homeland Security, in possession of a valid visa, who is enrolled for credit at an institution.</td>
</tr>
<tr>
<td>Cultural Diversity</td>
<td>$3,270,051 or 10% of total waivers</td>
<td>Offered to some students from different cultures or origins in order to encourage diversity on campus, further defined to include individuals from different cultural, racial, or ethnic heritage, or persons with disabilities. Priority is given to Native American students.</td>
<td>Cultural Diversity is defined as anyone who comes from the following under-represented groups: Enrolled member of a federally recognized American Indian Tribe; Native American/American Indian; Alaskan Native; African American/Black; Asian American/Pacific Islander; Hispanic American/Latino; Multiracial/Multiethnic (from the above categories); and Economically Disadvantaged.</td>
</tr>
<tr>
<td>Other Institutional Waivers (utilize new template)</td>
<td>$8,528,796 or 27% of total waivers</td>
<td>Senior Citizen, President Award, Dual Credit Course Waiver, John Deere/CAT, Discounted Co-Op, WICHE, ROTC, TRIO, Fine Arts, Athletic, Great Plains, Comet, Blue Hawk, Be Seen-Be Heard, Pharm Differential, MPH Differential, Architect Differential, Engineering Differential, Nursing, Stars, Academic, Foreign Exchange, GPIDEA, Study Abroad, Medical academic, Fulbright-FLTA, Other</td>
<td>1/ Statutory waivers, Employee waivers and Spouse/Dependent waivers account for 2%, 3% and 5%, respectively, of total waivers</td>
</tr>
</tbody>
</table>
State Auditor Recommendation 1-3
We recommend the State Board of Higher Education ensure all criteria are clearly defined for tuition waivers established in Board policy.

Original Management Response
Agree. The SBHE has an employee tuition waiver policy update currently under consideration and anticipates changes to be adopted by about June 30, 2015 which would create a consistent system-wide employee tuition waiver. Employees are considered and will continue to be considered employees of individual institutions, not employees of the System for payroll and other benefit purposes.

Task Force Recommendation
Identify and establish criteria and common Waiver Item Type Coding for all Board mandated tuition waivers as represented in Table C.

Table C – Establish criteria for Student Member of the Board; Employee tuition waiver is complete.

<table>
<thead>
<tr>
<th>SBHE Board Mandated Tuition Waivers (by use of the term “shall”)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tuition Waiver</strong></td>
</tr>
<tr>
<td>---------------------</td>
</tr>
</tbody>
</table>
| Student Member of the Board | 820 (2.a.) | 1. Appointed by the Governor to serve on the board.  
2. Waiver can be lost if the student does not fulfill the term of the appointment. | Tuition and Mandatory Fees. |
| Employees          | 820 (3.a-h.)     | **1. Employee Eligibility Criteria**  
a. Employees must not have an overdue account (i.e. charges of at least $10.00 and 30 days past due).  
b. Employees will be actively employed as a benefited employee, as defined in SBHE Policy 703.2, on the first day of the semester.  
c. Employee must be admitted for enrollment at the campus of employment.  
d. The employee must complete the standard NDUS Employee Tuition Waiver or Assistance form, and have the properly approved form submitted by the prescribed deadline dates. The approval requirements, within the limits of this policy, are determined by each institution.  
**2. Course Eligibility Criteria**  
a. Classes excluded from the tuition waiver and employer paid assistance include the professional programs of Law (JD) and Medicine (MD). Internships and study abroad/exchange are also excluded. Physical therapy and occupational therapy classes are not part of the medicine exclusion | 100% tuition and certain fees waiver at Campus of Employment, 50% tuition assistance all other, NDUSO and CTS staff, 100% tuition and certain fees waiver face-to-face and 50% tuition assistance all other |
## State Statute Mandated Tuition Waivers (informational only)

<table>
<thead>
<tr>
<th>Tuition Waiver</th>
<th>SBHE Policy</th>
<th>N.D.C.C.</th>
<th>Criteria</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependents of resident veterans</td>
<td>820 (2.b.)</td>
<td>15-10-18.2, 15-10-18.3</td>
<td>Any dependent, as defined in section 15-10-18.2 upon being duly accepted for enrollment into any undergraduate degree or certificate program of a North Dakota state institution of higher education, must be allowed to obtain a bachelor's degree or certificate of completion, for so long as the dependent is eligible, free of any tuition and fee charges if the bachelor's degree or certificate of completion is earned within a forty-five-month or ten-semester period or its equivalent and if tuition and fee charges do not include costs for aviation flight charges or expenses.</td>
<td>100% tuition and fees</td>
</tr>
<tr>
<td>killed in action, died of service-</td>
<td></td>
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<tr>
<td>related causes, were prisoners of</td>
<td></td>
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<tr>
<td>war or declared missing in action</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Survivors of firefighters,</td>
<td>820 (2.c.)</td>
<td>15-10-18.4, 15-10-18.5</td>
<td>The survivor, upon being duly accepted for enrollment into any undergraduate degree or certificate program of a North Dakota state institution of higher education, must be allowed to obtain a bachelor's degree or certificate of completion, for so long as the dependent is eligible, free of any tuition and fee charges; provided, however, that the bachelor's degree or certificate of completion is earned within a forty-five-month or ten-semester period or its equivalent; and further provided that tuition and fee charges may not include costs for aviation flight charges or expenses.</td>
<td>100% tuition and fees</td>
</tr>
<tr>
<td>emergency medical services</td>
<td></td>
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<tr>
<td>personnel or peace officers</td>
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<tr>
<td>who died as a direct result of</td>
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<tr>
<td>injuries received in the performance of official duties</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Qualified members of the national</td>
<td>820 (2.d.)</td>
<td>37-07.1</td>
<td>A qualifying member of the national guard who enrolls in any state-controlled school, subject to rules adopted by the adjutant general, is entitled to receive a twenty-five percent waiver of the tuition from the state-controlled school, conditioned on the adjutant general having sufficient appropriations for tuition reimbursement under section 37-07.1-06.2. The tuition waiver is valid only so long as the member of the national guard maintains satisfactory performance with the guard, meets the qualification requirements of rules adopted by the adjutant general, and pursues a course of study in a manner that satisfies the normal requirements of the school.</td>
<td>25% tuition (reimburs ed by Adjunct General)</td>
</tr>
</tbody>
</table>
# Institutional Waiver Data Form

**Effective 1/1/2016**

<table>
<thead>
<tr>
<th>NDUS Institution:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Institution: Click here to enter text.</td>
</tr>
</tbody>
</table>

## Waiver Information: *(Enter name of waiver, then choose type - SBHE, System wide or Institution Specific)*

| Name of Waiver: Click here to enter text. |
| SBHE Waiver | System wide Waiver | Institution Specific Waiver |

### Availability:

| Total Amount Available: Click here to enter text. | Total Years Available: Click here to enter text. | Amount Available per year: Click here to enter text. | Renewable *(if yes, see renewal criteria below)*: □ YES □ NO |

### Application Process:

| Application Process: Click here to enter text. |

### Application Deadline:

| Application Deadline: Click here to enter a date. |

### Other Deadline: Type *(enrollment, declaration, etc.)* Click here to enter text.  Date: Click here to enter text.  

### Documentation Required:

| Documentation Required: Click here to enter text. |

## Standard Student Eligibility Requirements, student must be: *(check all that apply)*

| □ A US Citizen or Permanent Resident | □ A North Dakota Resident | □ An admitted undergraduate student | □ A full-time student *(enter minimum credit hours)* | □ Pursuing a first baccalaureate degree |
| □ New Freshman | □ An admitted international student | □ An admitted graduate student | □ Age parameter *(enter min/max)* | □ F-1, J-1 or Legal non-immigrant status |

## GPA and/or Standard Testing Requirements: *(check all that apply, if minimum required, indicate minimum)*

| GPA Minimum: □ None | □ Minimum GPA required Click here to enter text. |
| SAT Minimum: □ None | □ Minimum SAT required Click here to enter text. |
| ACT Minimum: □ None | □ Minimum ACT required Click here to enter text. |

### English Proficiency:

| English Proficiency: □ None | □ Test Click here to enter text.  Minimum Score Click here to enter text. |

## CAMPUS SPECIFIC - Additional Eligibility Requirements:

### Waiver Exclusions or Restrictions: *(e.g. on-line courses, summer semester, room, board, books)*

| Click here to enter text. |

### Selection Criteria:

| Click here to enter text. |

### Award Process: *(e.g. disbursement process, account credit, timeline, fall/spring semester split)*

| Click here to enter text. |

### Renewal Criteria:

| Minimum GPA: Click here to enter text. | Passing Grade: Click here to enter text. | Program Enrollment: Click here to enter text. |
| Minimum Credit Hour Enrollment: Click here to enter text. | Other: Click here to enter text. |

### Other Policies:

| Reinstatement Policy: Click here to enter text. |
| Deferment Policy: Click here to enter text. |
| Withdrawal Policy: Click here to enter text. |
Objective 5.6: Standardize the Tuition Waiver process for employees’ spouses and dependents across all institutions and entities.

Date: May 1, 2016  
Objective Owner(s):  
   Tammy Dolan-CFO-NDUS

Objective Details:  
The following updates to the Tuition Waivers/Tuition Assistance Policy are detailed below:

SUBJECT: 800s: Financial Affairs  
EFFECTIVE: May 1, 2016
Section: 820 Tuition Waivers/Tuition Assistance

1. In addition to waivers provided under subsection 2 of this policy, institutions may adopt procedures providing for waiver of tuition and fees. Institutions are encouraged to use this authority to promote enrollment of a culturally diverse student body, including members of Indian tribes and economically disadvantaged students, for the benefit of all students and the academic community, to promote enrollment of graduate students and research, and for other purposes consistent with an institution’s mission. Institutions may grant partial waivers or waive non-resident or resident tuition. Institutions may also waive tuition and fees as part of a program guarantee under which the institution guarantees that graduates or program completers are minimally qualified for at least entry-level positions in an occupation or job classification.

2. Institutions shall waive tuition or fees as follows:
   a. Tuition and fees of the student member of the Board;
   b. Pursuant to N.D.C.C. §§ 15-10-18.2 and 15-10-18.3, tuition and fees shall be waived for dependents of resident veterans who were killed in action, died of service-related causes, were prisoners of war or declared missing in action, subject to the limitations stated in those statutes;
   c. Pursuant to N.D.C.C. §§ 15-10-18.4 and 15-10-18.5, tuition and fees shall be waived for survivors of firefighters, emergency medical services personnel or peace officers who died as a direct result of injuries received in the performance of official duties, subject to the limitations stated in those statutes;
   d. Pursuant to N.D.C.C. ch. 37-07.1, tuition shall be waived for qualified members of the National Guard, subject to the limitations stated in that chapter and National Guard rules.

3. Employees:
   a. Definitions:
      i. Benefited Employee: as defined in Board Policy 703.2.
      ii. Employee Tuition Waiver: the waiver of tuition for an employee.
      iii. Employer Paid Tuition Assistance: the payment, from one institution to another, of tuition charged for a course taken by an employee.
      iv. Campus of Employment: institution of employment, which includes affiliated entities approved by the President or Campus Dean.
      v. For-Credit Courses: instructional activities which result in the award of college credit that can be applied toward a college degree (Degree Credit) or which cannot be applied toward a college degree (Non-Degree Credit). Excludes Non-Credit Course, which does not result in the award of college credit.
      vi. Dependent: eligible dependents are defined as (1) the spouse of the employee; (2) a child who is related to the employee as a natural child, a child placed for adoption, a legally adopted child, a child for whom the employee has legal guardianship, a stepchild, or a foster child, under the age of 26. Eligible dependents do not include the spouse of an adult dependent child.
b. For courses taken at the request of the employee, institutions shall waive or provide tuition assistance for benefited employees, limited to three approved for-credit undergraduate or graduate courses during each calendar year, in any combination of subsections 1, 2 and 3 as follows:
   i. For courses taken at the campus of employment regardless of delivery type: 100% tuition and fee waiver is provided, with the exception of the CND, NDSA, program and course fees which shall be paid by the employee.
   ii. For courses taken at another NDUS campus, other than the campus of employment, regardless of delivery type: a system-wide fixed 50% employer paid tuition assistance, with the employee paying the remaining 50% of tuition and 100% of all fees.
   iii. For NDUS office and Core Technology Services (CTS) staff who do not have a campus of employment, the following applies:
      a) 100% tuition and fee waiver shall be provided for a traditional course, taken at any NDUS campus, with the exception that the employee shall pay the CND, NDSA, program and course fees. Traditional Course is a face-to-face course offering on a campus, where the employee and instructor are in person, including IVN courses where employee and instructor are physical face-to-face;
      b) Employer shall provide a system-wide fixed 50% tuition assistance payment with the employee paying the remaining 50% of tuition and 100% of all fees, for all other courses.

c. For approved courses taken from non-NDUS institutions, the assistance shall be determined by the employer, and is not subject to provisions of subsection 3.b. above.

d. For courses taken at the request of the employer, from either a NDUS or non-NDUS institution, the waiver or assistance provided shall be determined by the employer, and is not subject to the provisions of subsection 3.b. above.

e. Employees may be released from work for one face-to-face class each academic term with approval of the employee's supervisor or department head, if it does not interfere with completion of essential job duties and essential work of the institution.

f. Institutions have limited discretionary authority to grant tuition waivers or scholarships to benefited employee spouse and dependents, adhering to the below requirements:
   i. Institutions will grant a minimum 50% tuition waiver for approved for-credit undergraduate or graduate courses, regardless of delivery method, to a qualifying spouse or dependent, as defined above.
   ii. The benefit is available to the spouse or dependent at the employee's campus of employment only. NDUS office and Core Technology Services (CTS) employees are entitled to the same spouse and dependent tuition waiver benefits granted at any NDUS institution.
   iii. The institution will verify the spouse or dependent relationship utilizing 3rd party documentation requested from the employee. Acceptable documentation includes, but is not limited to: a financial aid report, health insurance documentation or a tax transcript from the Internal Revenue Service. Verification documentation must be maintained as per established records retention policies.
   iv. There is no limit on the number of qualifying dependents utilizing the benefit at any time.
   v. If the spouse or dependent who qualifies for this benefit is also an employee of the same institution, the employee tuition waiver policy applies.
vi. In instances where married spouses work for the same institution, only one benefit is available to the dependent. As an example, if married spouses work for an institution that grants a 50% benefit to dependents, the benefit cannot be doubled for a 100% benefit.

vii. Funding source for the employee spouse or dependent waiver is at the discretion of the institution.

g. The chancellor may adopt implementing procedures within the limits of this policy.

h. A report of waivers and payments shall be prepared and presented to the Board annually.

REFERENCE: NDUS Procedure 820.1, NDUS Operating Protocol 820.1

History:
SBHE Amendment, April 4, 2000.
SBHE Amendment, June 17, 2004.
SBHE Amendment, June 16, 2005.
SBHE Amendment, June 26, 2014
SBHE Amendment, May 14, 2015.
SBHE Amendment, February 3, 2016.
Objective 6.1: Standardize the practice of coding for bad debt expense entries across all institutions and entities.

Date: July 18, 2016
Objective Owner(s):
Tammy Dolan-CFO-NDUS

Objective Details:
Bad debt expense was being recorded to operating expense rather than being netted against the appropriate revenue financial statement line item, as required by GASB.

Reference
Resolving Data Inconsistencies – F5

Why is this a problem?
GASB Statement No. 34 states that revenues should be reported net of discounts and allowances in the Statement of Revenues, Expenses and Changes in Net Position (SRECNP). Prior to Fiscal Year 2011, bad debt expense was reported as an operating expense rather netted against the appropriate revenue financial statement line item. In FY10, the State Auditor Office (SAO) issued informal audit recommendation #12. The recommendation is included below:

12. Revenue Net of Allowance for Receivables – All Schools
Increases and decreases in the estimate of uncollectible accounts were reported as an expense rather than as a charge to revenue. For fiscal year 2010, for the University System, the decrease to expense, rather than revenue, was $150,188. GASB Statement No. 34, footnote 41, states that revenues should be reported net of discounts and allowances with the discount or allowance amount parenthetically disclosed on the face of the statement or in a note to the financial statements. Alternatively, revenues may be reported gross with the related discounts and allowances reported directly beneath the revenue amount.

Recommendation:
We recommend that revenues be reported net of the increase or decrease in the estimate of uncollectible accounts.

University System Response/Planned Corrective Actions:
Agree. Changes will be made to the year-end templates to ensure that the information is reported correctly beginning in FY 2011.

Issue Identifier F5 in the report titled, Resolving Data Inconsistencies Proposed for Councils, dated July 2013 states the issue is related to campuses coding to different functions. The SAO did not nor has ever raised this as an issue with the NDUS Director of Financial Reporting. Please refer to the discussion below under the item “What did the resolution process look like” for an explanation as to why we do not believe Issue Identifier #5 is valid.

Who was involved in the resolution?
The campus Controllers and the NDUS Director of Financial Reporting.

What was the intended outcome?
Develop a consistent methodology for coding of bad debt expense entries across all institutions.
**What did the resolution process look like?**

SAO Informal Recommendation #12: After discussions with the Controllers in Fiscal Year 2011 resulted in concerns about having to change processes in the Student Finance area, an Excel template was created for Fiscal Years 2011 – 2013. Each campus controller inputted the amounts and revenue line items in the template. The NDUS Director of Financial Reporting then made a manual reclassification entry to the NDUS SRECNP. After further review in Fiscal Year 2014, the Controllers agreed to record a journal entry in their general ledgers using the Full Accrue ledger rather than the Actuals ledger. Therefore, the need for a manual reclassification entry was eliminated and the bad debt expense was appropriately presented net of revenue in the NDUS financial statements. This process is documented in the NDUS Accounting Manual in the Fiscal Year End Accounting Close Process section.

This item has been resolved since Fiscal Year 2011.

**Issue Identifier F5 in the “Resolving Data Inconsistencies Proposed for Councils”:**

The reclassification journal entry, described above, reclassifies the bad debt expense from operating expense to the appropriate revenue accounts. Therefore, the net effect to bad debt expense and the financial statements, after the reclassification entry, is zero.
**Objective 6.2:** Standardize the practice of using the same naming conventions for journal entries across all institutions and entities.

**Date:** July 20, 2016  
**Objective Owner(s):**  
Tammy Dolan-CFO-NDUS

**Objective Details**  
In the “Resolving Data Inconsistencies in Campus Solutions, Financial Systems, Human Capital Management” Report dated 9/3/2013 and updated 12/9/2014, this was identified as an audit concern.

**Reference**  
Resolving Data Inconsistencies – F6

**Why is this a problem?**  
This has not appeared as a finding in recent audit reports. Therefore, we do not believe this is an ongoing audit concern. PeopleSoft Financials automatically generates journal entry numbers. Furthermore, implementing standard naming conventions would require significant programming time without providing additional value.

**Who was involved in the resolution?**  
NDUS Chief Financial Officer, NDUS Director of Financial Reporting and the NDUS CTS Director of Financial and HRM Systems.

**What was the intended outcome?**  
To determine the cost/benefit of standardizing journal entry naming conventions.

**What did the resolution process look like?**  
PeopleSoft Financials already provides automatic numbering of journal entries and implementing standard naming conventions would require significant programming time without providing additional value. The cost outweighs the benefits.
Objective 7.1: Develop consistent HR Data elements from software systems and remove the use of shadow systems across all institutions and entities to enable consistent, accurate and efficient reporting of data in shared systems.

Date: November 30, 2016
Objective Owner(s):
  Jenna Reno, CTS
  Karin Stinar, CTS (Chair)
  Human Resources Directors from all NDUS institutions
  NDUS Core Technology Services (CTS) HRMS Functional Team

Objective Details:

The workgroup was charged to:
  1. Survey campuses to learn what surveys and reports are submitted to outside agencies.
  2. Examine current procedures for gathering the data used in the surveys and reports.
  3. Identify potential impacts of changing those procedures to be consistent with other NDUS institutions.
  4. Draft a common NDUS procedure for a final decision by the project executive steering committee. The steering committee will determine what feedback from major councils and/or the Chancellor’s Cabinet is needed.

Background information:

The reason the use of shadow systems came up as a topic of study for data inconsistencies is because one of the goals after implementation of the PeopleSoft ERP systems was to eliminate shadow systems. It is common knowledge that shadow systems still exist and a study was necessary to determine the value of these external databases.

Campus survey results and recommended action:

In August/September 2016, all campus HR directors responded to a questionnaire with information regarding their business process for completing surveys and reports for outside agencies. The following is a summary (in no particular order of priority) of the information gathered followed by the recommended direction to keep or eliminate the external data source or replace it with something more efficient in PeopleSoft.

1. Family and Medical Leave Act (FMLA) usage and balances are currently being tracked using an Excel spreadsheet. This business process is manual and not user-friendly for providing data for reporting purposes or notifying supervisors and employees about leave used and remaining balances.

   1.1. Recommendation: Research the FMLA functionality delivered in PeopleSoft HCM and determine if it is a cost effective process and could be implemented as the standard NDUS process. If the functionality is determined to be beneficial, submit a business case to request funding for the project.

2. Many campuses provided information that they maintain an Excel spreadsheet of employee pay, benefits, general deductions and leave accruals/time taken that they utilize to compare to the payroll register in PeopleSoft to verify payroll data each pay period.

   The feedback in support of tracking payroll data in a separate system indicated that this double-check/cross-reference eliminates many payroll errors from occurring. However the obvious drawback is that it is double entry of the data into two systems which is time consuming and prevents other duties from getting accomplished. With the implementation of Absence Management and Time & Labor, employees are entering their own time and supervisors are approving it directly in HRMS. There should be no reason to track it again in a separate system.
2.1. Recommendation: Decentralize the payroll verification process to the departments to reduce the burden upon the HR/Payroll department. There are reports and queries available in PeopleSoft that all departments can run and verify the data for their employees. The department staff would need to be granted access and be provided training. Departments would report errors and questions in a timely manner to HR/Payroll to avoid erroneous payments.

3. The market for hiring, developing and retaining a highly talented workforce is very competitive and it is vital to have an information system that includes functionality for an on-line recruiting process. Some campuses utilize third party recruiting systems, Applitrack and PeopleAdmin that do not integrate with PeopleSoft.

3.1. Recommendation: The Recruiting Solutions module implemented in PeopleSoft in 2010 offers functionality for opening positions for recruitment, attaching documents such as resumes and application letters, access for the screening committee to review applicant documentation, and an automated process to hire the employee into Job Data. However this module does not include an on-line application process. Candidate Gateway is the module in PeopleSoft that provides this functionality and the NDUS already owns the module. It would need to be determined if this functionality is a good fit for the campuses and provides a service that at least meets the functionality they currently use with Applitrack and PeopleAdmin. If the functionality is determined to be beneficial, submit a business case to request funding for the project.

3.2. Another option to consider is to conduct a cost/benefit analysis to develop an interface from Applitrack and/or PeopleAdmin to PeopleSoft. Interfacing the data from these third party systems to PeopleSoft would reduce duplicate data entry.

4. Onboarding is an automated process included in orientation for new employees. An onboarding process has been available in PeopleSoft since 2014. It currently includes approval workflow and an on-line activity guide for new hires to complete required employment documents including Form W-4, Form I-9 and Direct Deposit. However the onboarding functionality is not being utilized system-wide due to no governance to mandate the implementation.

4.1. Recommendation: Form a steering committee to develop a plan to roll out onboarding to all campuses.

5. Formal employee performance reviews is an important tool for providing feedback for employees to develop valuable job skills. A custom employee review page is available in PeopleSoft but not all campuses are utilizing it. For the campuses that are using the performance review page, only the dates and performance rating is recorded however it does include functionality to record comments and goals. Most performance review documentation is maintained outside of the HCM system. Data Inconsistency Objective 9.4 studied the current performance review process and made the following recommendations:

- Conduct a performance review training to demonstrate how it functions in PeopleSoft.
- Review security and determine if departments should get access to the performance review page.
- Conduct a cost/benefit analysis to see if it is feasible to create an upload into PeopleSoft of Excel spreadsheets. (Note: Interfacing data from Excel is an older process. A newer and more efficient process should be explored during the cost/benefit analysis.)
- Request legal opinion on whether or not current reviews (within fiscal year) are required for non-merit increases.
- Request legal opinion on whether or not current reviews (within fiscal year) are required for faculty once they have been awarded tenure. If so, is a self-review sufficient?
- Conduct a demonstration of ePerformance and assess campus interest.

5.1. A business case has been submitted to CTS management to implement ePerformance, which would replace the current paper-based performance review process with functionality that enables users to create a versatile number of appraisal templates. Performance distribution and maintenance is automated, saving time and other costs. The NDUS does not own the ePerformance module. The license fee is approximately
$300,000. Annual maintenance is approximately $63,000. Labor costs for the project are estimated to be $200,000 (one business analyst and one programmer analyst) which would be absorbed by CTS. An outside project consultant is estimated at $100,000 and is not currently budgeted. The business case for ePerformance is included in the CTS funding request to the legislature for the 2017-2019 biennium.

6. Market data for position management is stored and tracked using Excel or Access databases. Market data is a vital tool used in the salary administration process. Campuses expressed that there is no automated way of entering the data into PeopleSoft and there are no queries or reports written to get the data out. The data needs to be distributed efficiently to Vice Presidents and Supervisors to make salary decisions.

   6.1. Recommendation: Research the Market Pay functionality delivered in PeopleSoft HCM and determine if it would meet campus requirements. All of the requirements need to be defined and a thorough fit/gap analysis completed. Also identify needed interfaces and reporting requirements. If the delivered PeopleSoft functionality is determined to be beneficial, submit a business case to request funding for the project. If the project is approved it should be mandated system-wide to achieve greater efficiency and a standardized business process. It would be critical that senior campus administrators support such an initiative.

7. Many campuses utilize an internal process for tracking faculty sick leave. Each academic department has its own system. Campuses are not consistent in faculty sick leave policies or system of record.

   7.1. Recommendation: Data Inconsistency Objective 5.1 will provide more details and a recommendation. It is only noted in this report because of the lack of a standardized reporting policy and lack of a standard system of record.

8. At least one campus expressed a need for more functionality within Peoplesoft to log notes, comments and add attachments. They utilize outside systems because there is the ability to log narratives to support and explain why a change was made. It is a tool for recording the history and evolution of a position and a person’s employment.

   8.1. Recommendation: Research HCM version 9.2 to find out if more functionality for notes and attachments is available. If delivered, research the feasibility of implementation with the initial upgrade or as an enhancement after HCM 9.2 is live.

   8.2. Perceptive Content is a document imaging system currently used by institutions in the NDUS. Campuses have the ability to scan documents, such as the notes to track historical changes, which can be accessed at any time. The imaging system is promoted as a better tool for storing documentation than older systems.

9. At least one campus expressed interest in a report or query to gather, monitor and report out-of-state workers compensation data.

   9.1. Recommendation: There is not a query currently available in HR to provide data for out-of-state workers compensation. CTS will create a query and make it available for all campuses to run as needed.

10. All campuses responded that PeopleSoft HCM is the system of record for responding to IPEDS, Department of Labor, CUPA, North Dakota Workforce Safety, AAUP, and other national and state surveys.

   10.1. No further recommendations are needed in this area.

In summary, institutions are using a variety of external databases to keep up with the business demands of the campus. It will take time and resources to reduce or eliminate the use of these external sources.
Objective 8.1: Develop a set of standard definitions and identifications of distance education students across all institutions and entities.

Date: January 6, 2017
Objective Owner(s):
   Tanya Spilovoy
   Karol Riedman

Objective Details:

Each institution has a distance education program, but the definition of a distance education student varies. In determining a consistent tuition and fees model, distance education must also be clarified and consistent.

Existing Definitions:

1. Distance education is generally defined as instruction delivered via electronic communication, correspondence or other mechanism with the faculty and students physically separated from each other.

2. Distance Education Program
   a. Higher Learning Commission (HLC) definition: *Distance delivered programs are those certificate or degree programs in which 50% or more of the required courses may be taken as distance-delivered courses.*
   b. U.S. Department of Education Integrated Postsecondary Education Data System (IPEDS) definition: *A program for which all the required coursework for program completion is able to be completed via distance education courses.*

3. Distance Education Course
   a. Higher Learning Commission (HLC) definition: *Distance delivered courses are those in which the vast majority (typically 75% or more) of the instruction and interaction occurs via electronic communication, correspondence, or equivalent mechanism, with the faculty and students physically separated from each other.*
   b. U.S. Department of Education Integrated Postsecondary Education Data System (IPEDS) definition: *A course in which the instructional content is delivered exclusively via distance education. Requirements for coming to campus for orientation, testing or academic support services do not exclude a course from being classified as distance education.*

Research and Considerations:

Each institution provided information regarding the definition commonly used at that campus, and the reason it is chosen. All eleven institutions provide distance education. Three institutions reported that they use the IPEDS definition for Distance Education Courses and Programs. Four institutions used the HLC definition, and the remaining three had an alternate definition, but did not require 100% of the instruction and courses to be via distance education.

Further discussion revealed that the institutions which currently used the HLC or another definition would have great difficulty moving to the 100% distance education requirement of the IPEDS definition. Institutions currently using the IPEDS definitions did not anticipate a detrimental effect if the HLC definition was adopted. In addition, according to Dr. Spilovoy, a similar situation exists on a national level, and discussions concerning a move to the more restrictive IPEDS definition have not been moving forward.
Conclusion

The HLC definition of Distance Education courses and programs will be used on a system-wide basis, as this will have a minimal effect on campuses and allow for more flexibility in course and program offerings. Those institutions currently using the IPEDS definition would already be in compliance with the HLC definition. This definition will be revisited in the context of the tuition and fees project surrounding Objective 5.7 to ensure its consistent use and applicability.
Objective 8.2: Create a policy to clearly define the requirements and / or number of credits applicable per semester for a student to be exempt from FICA Taxes.

Date: March 7, 2016
Objective Owner(s):
  Kari Schmitz-Eilertson, NDSU
  Kevin Kuntz, UND
  Jenna Reno, CTS
  Karin Stinar, CTS (Chair)

Objective Details:

This workgroup was charged to:

a. Review the current state of minimum credits per academic level set by each campus for determining exemption from FICA (Social Security/Medicare) taxes.

b. Compare the current state to SBHE policy 440.3.f, 440.3.g, and 440.3.h:

c. Determine which campuses are allowing a different credit limit than what is allowable per SBHE policy 440. The campuses affected were determined to be: Mayville State University, Minot State University, University of North Dakota and Valley City State University.

Note: these campuses have agreed to comply with the recommended changes.

Recommendations:

1. All campuses will follow the same standard for the minimum credit hours for FICA exemption:

<table>
<thead>
<tr>
<th>Academic Level</th>
<th>Minimum Credit Hours-Fall and Spring Semesters</th>
<th>Minimum Credit Hours-Summer Semester</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Graduate</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Continuing Education</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Extended Education</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Law School (UND only)</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Medical School (UND only)</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Professional (NDSU only)</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

2. If approved, the recommendations will be implemented beginning Summer Semester, 2016.
3. Security access for the HE Student Tax Setup will limited to CTS HR staff only.
4. Update the Payroll training manual (page 118) to reflect these changes.
Objective 9.1: Standardize the use of Action/Reason codes within Job Data across all institutions and entities.

Date: October 31, 2016  
Objective Owner(s):  
Jenna Reno, CTS  
Karin Stinar, CTS (Chair)  
NDUS Core Technology Services (CTS) HRMS Functional Team

Objective Details:

The workgroup was charged to:

a) Research what Job Data transactions cause the most problems with reporting and queries.  
b) Determine if there are any drawbacks from standardized action/reason transactions.  
c) Publish recommendations (HR training manuals) for action/reason codes that should be commonly used and notify campuses via HRC listserv.  
d) Review new action/reason codes delivered by Oracle and make recommendations for their use.

Background information:

a) Oracle delivers action/reason codes that the NDUS utilizes in the HRM system. These codes are used in the Job Data component to describe any changes to an employee’s employment status. Examples include: Hire/Hire, Termination/Resignation, Pay Rate Change/Merit Increase and Position Change/Transfer.  
b) The software also delivers the functionality to create new action/reason codes. Campuses will request new codes to be created based on a business need. Any new codes created are made available to all campuses to use.  
c) CTS staff maintains the action/reason code tables and periodically reviews the codes to determine if any codes should be inactivated or remain active based on usage, including delivered codes from Oracle.  
d) Currently there are 85 separate codes used as a job ‘action’ code. 57 of the codes are active and 28 are inactive.  
e) Currently there are 355 job ‘reason’ codes. 99 of the codes are active and 256 are inactive.

Final analysis and recommendations:

a) An analysis of the action/reason codes used in the HRM system was conducted by the committee. From that analysis a list was created of the most commonly used codes. The list will be maintained by CTS and posted to the web site at: http://cts.ndus.edu/sits-departments/connectnd/human-capital-management-systems/training-manuals/. The initial documentation was posted on October 12, 2016.  
b) A notice has been sent to the HRC and CND-Users listservs announcing the action/reason documentation that has been posted to the HR training manuals website.  
c) CTS will continue to maintain the action/reason code tables centrally for all NDUS institutions.  
d) As a result of the analysis it was determines that the campuses are utilizing the most common action/reason codes in a consistent manner. Any data extracts for studies or surveys have been and will continue to be highly accurate and trustworthy. For example: if CTS were to extract data to get an average count of how many employees are hired or terminated within a given timeframe for all campuses, the data will show accurate results to be used to make management and organizational decisions based on factual information.  
e) Based on the analysis, the committee didn't find anything to support the problem statement about Job Data transactions which would cause problems with reporting. The committee also didn't determine any drawbacks from standardized action/reason transactions.
Summary:

There are numerous action/reason codes to select from to clearly define the type of job action taking place. There needs to be adequate options to select from so institutions can easily track changes for the employee’s work history. The fact that there are numerous codes should not lead to an assumption that the data is entered inconsistently. The committee found consistent use among the NDUS institutions.
**Objective 9.2:** Review and update the current policy and procedure to properly gain and track immunization records of students across all institutions and entities.

**Date:** July 19, 2016  
**Objective Owner(s):**  
Lisa Johnson-NDUS  
Tom McNaughton-NDUS

A small work group was formed to address the resolution of this data inconsistency. Patricia Dirk, NDSU Director of Student Health served as the facilitator of the work group. The individuals and campuses represented are listed below:

- Patti Dirk (NDSU)  
- Melanie (NDSCS)  
- Justin (NDSCS)  
- Melissa (MiSU)  
- Carrie (DSU)  
- Stephanie (LRSC)  
- Samantha (LRSC)  
- Karen (BSC)  
- Leah (WSC)  
- Erin (DCB)  
- Sara (NDSU)  
- Chris (MaSU)  
- Pat (VCSU)  
- Theresa (NDSU)  
- Patricia (NDSU)  
- Ariel (UND)  
- Michelle (UND)

**Objective Details:**

Objective 9.2 within the Data Inconsistencies Report (2015) called for a review and update of the current policies and procedures to properly gain and track immunization records of students across all institutions and entities. The further articulated desire to create a more seamless system that is not only more efficient, but reduces overall costs, redundancy, and errors.

**Work Group Objectives and Desired Outcomes**

1. All eleven NDUS colleges and universities will participate in the project’s charter and provide consensus regarding policy, procedure, and process recommendations.  
2. All eleven NDUS colleges and universities have the ability to quickly determine immunization compliance in the event of an outbreak.  
3. Reduction of staff time to manage immunization compliance including elimination of redundant data entry.  
4. Accurate immunization data is collected and entered into centralized system.  
5. Student attending NDUS colleges and universities need to submit their immunization data on time.  
6. Reduction in cost to manage immunization compliance for NDUS colleges and universities.  
7. Immunization data is collected prior to student’s arrival to campus  
8. Use of a centralized system (Medicat) to input all NDUS student immunization data

**Final Resolution**

The larger goals of the work group will be ongoing. However, the resolution of the data inconsistency specifically referenced in Objective 9.2 will be resolved. As a result, edits to existing SBHE Policy 506.1 - Immunization and NDUS Procedure 506.1 – Immunizations were drafted by the work group. Both academic and student affairs officers reviewed the proposed edits and recommended for approval on October 4 and October 5, 2016 respectively. NDUS Procedure 506.1 was formally revised on October 12, 2016. SBHE Policy 506.1 was formally revised on November 16, 2016.
**Objective 9.3:** Develop a standard definition on the qualifications, responsibilities, parameters, etc. of an internship across all institutions and entities.

Date: July 19, 2016  
Objective Owner(s):  
  Lisa Johnson-NDUS  
  Tom McNaughton-NDUS

Objective Details

A small work group was formed to address the resolution of this data inconsistency. The individuals and campuses/organizations represented are listed below:
- Rhonda Kitch, North Dakota State University Registrar
- Jody Klier, Valley City State University Registrar
- Rebecca Ringham, Minot State University Registrar
- Charles Fjeld, NDUS CTS Business Analyst
- Jackie Moore, NDUS CTS Business Analyst

Summary of the Data Inconsistency

Objective 9.3 within the Data Inconsistencies Report (2015) required a standardized definition containing qualifications, responsibilities, and parameters associated with internships across all institutions and entities.

Proposed Solution

The North Dakota University System provided preliminary draft definitions not only for internships, but also suggested definitions for field experience, cooperative education, externship, and practicums. Recommended definitions were derived from external sources including the Higher Learning Commission and the National Association of Colleges and Employers (NACE) which additionally referenced the U.S. Department of Labor and the Fair Labor Standards Act (FLSA) and the National Society for Experiential Learning (NSEE). The work group recommended adding three new “course attributes” in the NDUS student information system to identify courses, when appropriate, as an internship, cooperative education, or field experience/practicum. This proposed solution requires no additional customization or modifications to the student information system—other than using delivered functionality to “tag” individual courses.

Final Resolution

The small work group reviewed the recommended definitions provided by the NDUS System Office and offered minor edits for the consideration of the academic officers. Members of the Academic Affairs Council reviewed the recommendations of the small work group on July 20, 2016, and formally adopted the following definitions:

1. **Internship:** An internship is an opportunity for student to apply their learning in a work experience. In an internship, the student is assigned significant responsibilities and duties that are to be performed in a supervised environment. An internship includes an agreement between faculty, the student, and the internship lost that details the expectations for the student and the duties the student will perform. Completion of the agreed upon duties result in the award of course credit. Internships can be paid or unpaid, but paid internships are encouraged by the National Society for Experiential Education (NSEE). An internship will adhere to requirements of the Higher Learning Commission for formal agreements and clear learning objectives. Usually 45-60 hours of internship will be equivalent to one credit hour. An internship should also adhere to the National Association of College and Employers (NACE) guidelines.
2. Cooperative Education: Cooperative education is an extended form of internship, where the student alternates periods at a work experience site with periods of classroom learning. Cooperative education experiences result in the award of course credits, and frequently are paid. Cooperative education will adhere to requirement of the Higher Learning Commission for formal agreement and clear learning objectives. Usually 45-60 hours of cooperative education will be equivalent to one credit hour. Cooperative education should also adhere to the National Association of College and Employers (NACE) guidelines.

3. Field Experience/Practicum: A field experience or practicum is an experience that allows work with professional to practice the skills and knowledge they have acquired in the classroom. The purpose of a field experience or practicum is to provide a closely supervised activity where the students’ primary responsibility is to work with a professional who guides them in directing or conducting the activity. A field experience is defined as field-oriented supervised learning activities outside the college classroom that include a preplanned assessment of the experience, registration during the term the experience is conducted, and post evaluation with the instructor. As an example, a student in a teaching practicum might observe a classroom, assist with lessons and then prepare and present lessons. Often a student will write a report or a similarly document the practicum to earn course credit. A practicum is usually unpaid, and will adhere to requirements of the Higher Learning Commission for formal agreements and clear learning objectives. Usually 45-60 hours of a practicum or field experience will be equivalent to one credit hour.

Additionally, those definitions were revised and/or added to the NDUS Data Dictionary.
Objective 9.4: Enforce mandatory annual performance evaluations of each staff member across all institutions and entities.

Date: March 1, 2016
Committee members:
   Sandi Lillehaugen, LRSC
   Wes Matthews, MISU
   Jenna Reno, CTS
   Teri Thorsen, Chair

Objective Details

This workgroup was charged to:
1. Review the current state of completion rates of mandatory annual performance evaluations.
2. Compare the current state to NDUS policies 604.1, 604.2, 604.3 and 605.1. They can be found at [http://ndus.edu/makers/procedures/sbhe/?SID=7](http://ndus.edu/makers/procedures/sbhe/?SID=7)
   a. Also compare to HRC policy 17 found at [http://ndus.edu/makers/procedures/hr/?SID=36&PID=238&re=d](http://ndus.edu/makers/procedures/hr/?SID=36&PID=238&re=d)
3. Determine what is needed to help campuses follow the policies for performance evaluations. Potential options included, but were not limited to:
   a. Create implementing procedures
   b. Short term: Have all campuses use PeopleSoft Workforce Development pages for tracking
      i. Consider programming PeopleSoft Budget application to prevent a supervisor from getting a salary increase if reviews of all subordinates has not taken place.
   c. Long term: implement PeopleSoft ePerformance
   d. Conduct training
   e. Other?
4. Propose remedies (if consensus is reached) or options (if consensus is not reached) to HRC for feedback.

Revise remedies/options if workgroup agrees with feedback.

Submit report to Data Inconsistencies Steering Committee.

Current state of compliance with NDUS policies, according to self-reporting by campuses
1. The completion rate for performance reviews is:
   100% 6 business units
   <100% 5 business units*
   < 50% 1 business unit
   no response 1 business unit

*=Most of the business units reported between 90-99%

2. Responsibility for ensuring compliance on campus resides in:
   HR Department for all employees 4 business units
   Chancellor/Chief of Staff/Chief Financial Officer 1 business unit
   HR Department for Executive and Staff employees; academic office for faculty 6 business units
   Dean of the College for Executive and Staff; Academic Dean for faculty 1 business unit
   no response 1 business unit
3. Location of review completion records:

<table>
<thead>
<tr>
<th>Method</th>
<th>Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>PeopleSoft</td>
<td>1</td>
</tr>
<tr>
<td>Mix of PeopleSoft and Excel</td>
<td>4 (Faculty most often in Excel)</td>
</tr>
<tr>
<td>Excel spreadsheet</td>
<td>7</td>
</tr>
<tr>
<td>Don't really track</td>
<td>0</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
</tr>
</tbody>
</table>

4. Performance review cycle:

<table>
<thead>
<tr>
<th>Cycle</th>
<th>Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annually at one time according to employee type:</td>
<td>11</td>
</tr>
<tr>
<td>Annually at various times:</td>
<td>1</td>
</tr>
<tr>
<td>No response:</td>
<td>1</td>
</tr>
</tbody>
</table>

5. If not using PeopleSoft, why not:

<table>
<thead>
<tr>
<th>Reason</th>
<th>Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Didn't know we could</td>
<td>5</td>
</tr>
<tr>
<td>My method is easier</td>
<td>5</td>
</tr>
<tr>
<td>N/A</td>
<td>2</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
</tr>
</tbody>
</table>

6. Are positive Performance Reviews required for non-merit related increases on your campus?

<table>
<thead>
<tr>
<th>Answer</th>
<th>Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>9</td>
</tr>
<tr>
<td>No</td>
<td>3</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
</tr>
</tbody>
</table>

7. Are annual Performance Reviews required for faculty once they have been awarded tenure?

<table>
<thead>
<tr>
<th>Answer</th>
<th>Business Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>7</td>
</tr>
<tr>
<td>No</td>
<td>1 (every three years post-tenure)</td>
</tr>
<tr>
<td>Self-evaluation</td>
<td>1</td>
</tr>
<tr>
<td>N/A (no faculty):</td>
<td>2</td>
</tr>
<tr>
<td>Don't know</td>
<td>1</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
</tr>
</tbody>
</table>

Recommendations:

1. Have a review training to show how this works in PeopleSoft
2. Conduct a cost/benefit analysis to see if it is feasible to create an upload into PeopleSoft of Excel spreadsheets.
3. Request legal opinion on whether or not current reviews (within fiscal year) are required for non-merit increases
4. Request legal opinion on whether or not current reviews (within fiscal year) are required for faculty once they have been awarded tenure.
   a. If so, is a self-review sufficient?
5. Conduct a demo of ePerformance and assess campus interest

Not Recommended:

1. Do not modify the budget module to withhold the salary increase of a supervisor who has not completed reviews for subordinates. This is best managed between managers and their supervisors as needed.