



# Division of Finance

# FINELINE

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## October 2016

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## Statewide Grants Management System

The Division of Finance is spearheading the procurement of a statewide enterprise grants management system (EGMS).

The State Board of Education, Department of Workforce Services, Department of Health, Office of Victims of Crime, and Commission on Criminal and Juvenile Justice are collaborating with the Division as it prepares to create a request for proposal (RFP), to be published in October.

### Benefits of an Enterprise Grants Management System

An EGMS is designed to improve the management of federal and local grants.

“Through interfacing or integrating with FINET, the State’s accounting system, the grants management system will help grant managers streamline financial and administrative processes,” John Reidhead, Division of Finance Director, said.

The potential benefits to state agencies of a single statewide grants management system including the following:

- increased operational efficiency
- improved regulatory compliance
- greater fiscal and programmatic accountability
- more transparency
- increased visibility
- better communication
- enhanced collaboration
- improved sub-grant management

### Information on System Requirements

As groundwork for the RFP, in June the Division of Finance invited companies to demonstrate their EGMS solutions to State grant managers. Several vendors responded, introducing both cloud-based and server-based systems.

Information on system requirements has also been gathered from other states, such as Ohio and Rhode Island, which are in the process of purchasing an EGMS, as well as from the five initial target State agencies.

“The agencies’ input is critical because they are the experts,” Reidhead said. “We want to make sure the system can handle the details of the entire grants management process from the federal grant applications to the final grant closing reports.”

After the award is issued, the target agencies will work with the selected vendor to configure facets of the grants management system to meet their agency and customers’ needs.

Questions?

Email us at:

[FinanceComments@utah.gov](mailto:FinanceComments@utah.gov)

## Statewide Grants Management System

### Launching the Grants Management System

The EGMS could go live as soon as July 2017 for one or two of the initial agencies. Direction for this project is provided by the Governor's Office of Management and Budget and the Office of Legislative Fiscal Analyst.

"This is an ambitious undertaking," Reidhead said. "We hope that eventually all agencies will see the benefits of having one statewide grants management system and choose to come aboard."

As recommended by the Utah Federal Funds Commission, the Utah Legislature appropriated \$500,000 in one-time money for the purchase of an EGMS and \$50,000 for its on-going maintenance. In addition, the Division of Finance will use some of their non-lapsing funds toward the purchase and implementation. The participating target agencies may also contribute to the project.

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## PCI Compliant Online Event Registration Tools



Agencies across the State often ask about event registration sites. For free events, agencies can use their choice of online resources. Agencies do not need approval from State Finance for free events. Please note, registration resources that cost the agency money require appropriate procurement processes according to State Purchasing rules. Even if the event and site are free, agencies should still consider data security of the businesses they engage, since registrants will likely enter personal information.

For paid events, State Finance has researched several sites and recommends using [eventbee.com](http://eventbee.com), [eventbrite.com](http://eventbrite.com) or [cvent.com](http://cvent.com) for events. These businesses have quality products and are assessed as PCI compliant service providers by third party assessors. Cvent.com is geared toward large events while [eventbee.com](http://eventbee.com) and [eventbrite.com](http://eventbrite.com) are scalable from simple registration to complex event management. Each recommended registration site uses an [authorize.net](http://authorize.net) payment platform that can be linked directly to our Chase Paymentech merchant accounts. Agencies may use other sites, if approved by State Finance.

Regardless of the event registration site used, agencies must follow certain steps for paid events:

1. Receive written permission from State Finance to accept credit cards through the site.
2. Make sure anticipated expenses will be made within the rules of the Utah Procurement Code.
3. Contact State Finance to set up an [authorize.net](http://authorize.net) interface to the agency's Chase Paymentech merchant accounts.

For questions or requests regarding event registration, please contact Cory Weeks [cweeks@utah.gov](mailto:cweeks@utah.gov) or 801-538-3173.

# Independent Contractor vs Employee

“Do I have an independent contractor (IC) or an employee?” Agencies are often confronted with this decision, and the IC option seems to be the easiest one to choose. This decision could be a problem just waiting to happen.

An agency sometimes has a project that a former employee will be familiar with, more so than a current employee or a new hire. The temptation is to bring the former employee back as an IC in order to save the training time and expense of a new or current employee, or to avoid the effort to “rehire” the former employee. And the agency may want to avoid the additional expense of an employee vs an independent contractor. Consult with your HR Director before making this decision.

This decision could result in serious unintended consequences for the agency, the State of Utah, and the former employee. These consequences can include penalties and interest on unpaid payroll taxes. There are requirements from the Internal Revenue Service (IRS), the Utah Retirement Systems (URS) and the Federal Fair Labor Standards Act (FLSA) that impact all involved in the decision. Agencies may not be aware of the questions to ask to make the correct decision to rehire, contract with an IC, or train a current staff member to do the project. Generally, if you have control over what the person does and when they do it; and provide the facility to do it in, they could be construed to be an employee. This employer/employee relation subjects the State to withhold and pay payroll taxes and related expenses.

So what are the questions to ask to actually make the determination? The IRS does provide some general guidance.

Excerpts of guidance from the IRS web page are below:

## ***“Common Law Rules***

*Facts that provide evidence of the degree of control and independence fall into three categories:*

*Behavioral: Does the company control or have the right to control what the worker does and how the worker does his or her job?*

*Financial: Are the business aspects of the worker’s job controlled by the payer? (these include things like how worker is paid, whether expenses are reimbursed, who provides tools/supplies, etc.)*

*Type of Relationship: Are there written contracts or employee type benefits (i.e. pension plan, insurance, vacation pay, etc.)? Will the relationship continue and is the work performed a key aspect of the business?*

*The keys are to look at the entire relationship, consider the degree or extent of the right to direct and control the worker, and finally, to document each of the factors used in coming up with the determination.*

*If you classify an employee as an independent contractor and you have no reasonable basis for doing so, you may be held liable for employment taxes and penalties for that worker.*

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## Independent Contractor vs Employee

Be sure any prior employees who return to do similar or the same work as employees are NOT treated as independent contractors. If you do, your agency and the State may have to pay appropriate payroll taxes, along with penalties and interest.

The appropriate decision will impact whether their payments are reported on a W-2 (payroll) or a 1099 (contractor). If you have questions regarding this information, please contact your HR Director or John Baylis in the Division of Finance, 801-538-3747 or [jbaylis@utah.gov](mailto:jbaylis@utah.gov).

Below is a link to an IRS website that provides additional information and goes into greater depth regarding the decision.

<https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee>

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## Data Warehouse Q&A

**Question:** When I open my Access 2013 Data Base and run a query, the data columns display ‘#DELETED’ instead of the actual data.

**Answer:** Check the extension of your Access DB. Is it .mdb? If so, open the Access DB, click File and Save As, then save the DB using the .accdb extension. This saves your DB in Access 2013 format. Use the Access DB with the .accdb extension from here on and you should get actual data instead of ‘#DELETED’.



Wayne Frewin  
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# Finance Help Desk Frequently Asked Questions

**Q.** What causes my accounting line description to disappear when I validate a payment document?

**A.** It is likely a problem with the internet browser you are using. The FINET software was developed by the vendors to work best with Internet Explorer so some functions don't work when using other browsers.



*Ken Roner  
Finance Help Desk  
Coordinator  
801-538-9690*



## What to do?

Use Internet Explorer when using FINET, especially when entering documents. If Internet Explorer isn't available some people find Mozilla Firefox will work for them.

Suggested browsers for the following systems:

- FINET: Internet Explorer (compatible with IE11)
- E-forms: Internet Explorer
- ESS/Payroll: Google Chrome
- Data Warehouse: Google Chrome

If you run into issues please contact the FINET Helpdesk.

# Trainers' Corner



Trainers Larry Simpson and Brook McElmurry conduct monthly FINET training courses. You can register for classes by going to the Division of Finance web site at [www.finance.utah.gov](http://www.finance.utah.gov), select TRAINING under FINANCE QUICK LINKS, click on the FINET training course you wish to sign up for and then follow the onscreen instructions.

## October

### *Budget*

10/19 - 1 pm - 4 pm

### *Cash Receipts*

10/6 - 8 am - noon

### *Fixed Assets*

10/20 - 1 pm - 4 pm

### *Internal Transactions*

10/20 - 8 am - noon

### *Inventory*

10/12 - 1 pm - 4 pm

### *Receivables*

10/19 - 8 am - noon

### *Requisitions*

10/5 - 1 pm - 4 pm

## November

### *Budget*

11/10 - 1 pm - 4 pm

### *Cash Receipts*

11/17 - 8 am - noon

### *Data Warehouse*

11/09 - 1 pm - 4 pm

### *Fixed Assets*

11/16 - 1 pm - 4 pm

### *Internal Transactions*

11/16 - 8 am - noon

### *Inventory*

11/15 - 8 am - noon

### *Payables*

11/15 - 8 am - noon

### *Purchase Orders*

11/08 - 8 am - noon

### *Receivables*

11/10 - 8 am - noon

### *Requisitions*

11/08 - 1 pm - 4 pm

Please check the Finance Web Site <http://finance.utah.gov/traininghome.html> for a current schedule.