TO: Mike Keneker  
   Associate Vice President & Controller  
   Ted Gilbert  
   Associate Vice President, Research Finance  
   Juan Castro  
   Associate Vice President, Financial Planning and Analysis  
   Brian Chiu  
   Executive Director, Rewards & Retention  

FROM: Sherri Magnus  
   Vice President & Chief Audit Officer  

SUBJECT: Analysis of Personnel Action (eJDUF) Submissions  
   Control Number 2014 – 206  

Project Overview:  

At the request of management, Internal Audit conducted an analysis of personnel actions for all funding groups. The objectives of this engagement were to gain an understanding of the electronic job data update form (eJDUF) submission process, common reasons for the actions, and possible solutions for management to consider when improving the overall efficiency of the process. We reviewed the overall eJDUF process, conducted interviews with management and gained an understanding of the institutional initiative related to enhancements to Lotus Notes as an interim solution for the eJDUF process.

An eJDUF is required when updating personnel actions including new hires, transfers, promotions, demotions and changes in funding sources in PeopleSoft. The routing and approval will vary depending on the reasons and the employee classification. From September 2012 through February 2014, approximately 40,000 eJDUFs were processed, of which 37,638 had complete data available for analysis.

According to data analytics performed, position information updates, creation of new positions and job reclassification are the most common reason codes used; representing 89 percent of the changes. Refer to Appendix A, Chart 2.

In addition to the reasons for the personnel action, we analyzed what fund group(s) were used when processing an eJUDF. As noted in the chart, Fund Groups 10 and 90 (State Appropriations and Grant funds respectively) represent 74 percent of the total eJDUFs processed during the period under review. Refer to Appendix A, Chart 1.
Results:

Based on our assessment, we determined that more than 14,000, or 39 percent of the eJDUFs completed were either received or processed after the payroll deadline, making it retroactive. For those eJDUFs determined to be retroactive, approximately 5,100, or 36 percent, included changes to grant accounts. Of the total retroactive eJDUFs processed, a large number of those with effective dates greater than 60 days retroactive were related to changes made to grant funds, as depicted in the chart below.

![Diagram showing Retroactive JDUFs]

The primary reason for the volume of retroactive eJDUFs is that there is no Institutional Policy that defines the timeframes of when an eJDUF must be submitted. In addition, once an eJDUF is submitted, there is no direct interface from the source system (Lotus Notes application) into PeopleSoft, thereby reducing the efficiency of the process.

Observation 1

During this review we determined that there were no formal guidelines outlining timeframes for submission of eJDUFs. Effective dates ranged from one day to six years prior to the submission date. We estimated that approximately 11 percent of retroactive eJDUFs processed crossed fiscal years. When an eJDUF has a retroactive date for a previous fiscal year, it requires manual calculations, must be posted directly to the general ledger, and cannot be processed through PeopleSoft.

For federal funds (fund group 90), the National Institute of Health (NIH) has a requirement that any expenditure corrections be made within 90 days of discovery of the error, further necessitating timely eJDUFs. Failure to comply with NIH guidelines and requirements could
impact the institution’s access to current and future funds. In addition, timely processing of eJDUFs is necessary to ensure that departments can effectively manage funds and availability.

**Recommendation:**
Management should develop and implement a policy that clearly defines timelines for submitting eJDUFs. The policy should define when retroactive eJDUFs may be acceptable, along with requirements for justification and management approval.

**Management’s Action Plan:**
Responsible EVP: Leon Leach  
Due Date: November 30, 2015  
Owners: Juan Castro and Ted Gilbert

*Management agrees that time-lines are needed to help ensure that end users are aware of the expectations with respect to submitting eJDUFs timely. Management also feels that the greatest level of risk in not completing eJDUFs in a timely manner is associated with federal grants. We will develop and implement a policy in FY 2015.*

**Observation 2:**

There is no direct interface from Lotus Notes, the database that contains the eJDUF submission forms, to PeopleSoft, the system that houses our financial and Human Resources information. The current practice is for departments to originate an eJDUF in Lotus Notes, and Human Resources then manually enters the information into PeopleSoft. Lack of direct interface increases the risk of data entry errors and reduces the efficiency of the process. As an interim solution, management is in the process of developing modifications to Lotus Notes that include validations of account codes, additional data fields, and updates to the routing that would assist in expediting the overall processing. Testing, training, and communication plans are being developed with an estimated implementation date of early June 2014. Management is also planning a long term solution to enhance the functionality of PeopleSoft to enable full automation of the eJDUF process.

**Recommendation:**
Management should continue their efforts in enhancing PeopleSoft to ensure a more effective and efficient eJDUF process.

**Management’s Action Plan:**
Responsible EVP: Leon Leach  
Due Date: November 30, 2015  
Owner: Brian Chiu

*A Personnel Electronic Action Form Information Technology capital project is currently in the analysis and planning phase where we are evaluating the implications of implementing PeopleSoft self-service. The project intends to replace the current eJDUF system and process with a PeopleSoft-based system and process and improving the accuracy and efficiency of these transactions. The current expected go-live date is Q4 FY15.*

Please note that this document contains information that may be confidential and/or exempt from public disclosure under the Texas Public Information Act. Before responding to requests for information or providing copies of these documents to external requestors pursuant to a Public Information Act or similar request, please contact the University of Texas MD Anderson Cancer Center Internal Audit Department.
Our review was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

The courtesy and cooperation extended by personnel from General Accounting, Grants and Contracts, Human Resources and Institutional Compliance is sincerely appreciated.

**Number of recommendations to be monitored by UT System:** None
Appendix A

Chart 1

Total eJDUFs by Original Fund Group

- Fund Group 10-State: 45%
- Fund Group 90-Grants: 13%
- Fund Group 30-Designated: 7%
- Fund Group 80-Restricted Gifts: 4%
- Fund Group 40-PRS: 1%
- Fund Group 70-Auxiliary: <1%
- Fund Group 20-Plant: 29%

Chart 2

Position Changes Reason Codes

- Position Updates: 15,036 (75%)
- New Position Creation: 989 (5%)
- Job Reclassification: 915 (4%)
- Reporting Relationship Change: 232 (1%)
- Transfers: 212 (1%)
- Title Change: 1,762 (9%)
- Position Elimination: 992 (5%)