

ACCOUNTING & FINANCIAL SERVICES: CAPITAL ASSET ACCOUNTING

**University of California, Davis
Accounting & Financial Services
Avian Influenza Pandemic
Business Continuity Plan**

July 1, 2006

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I. ORGANIZATION CHAIN OF COMMAND, PANDEMIC PLANNING WORKGROUP AND COMMUNICATIONS.

1. A. The *organizational chain of command* for **Capital Asset Accounting** consists of the following:

Name	Position	Work Location	Email	Office	Home	Cellular or other	Text capable?
Delanda Buchanan	Division Manager – Capital Asset Accounting & Equipment Management	1441 Research Park Drive Davis, CA	drbuchanan@ucdavis.edu	(530) 757-8836			Yes
Ben Chin	Assistant Manager – Capital Asset Accounting	1441 Research Park Drive Davis, CA	bgchin@ucdavis.edu	(530) 752-2798			Yes

2. The *Pandemic Planning Workgroup* appointed for **A&FS** is as follows:

Name	Office	Cellular or other
Mike Allred (Department Head)	(private line)	(cell)
Steve Frost	530.747.3889	(home)
Eben Sutton	530.752.5873	(home) (personal cell)
Kathy Hass	530.757.8525	(personal cell)
Andy Lamb	530.747.3885	(personal cell)
Cindy Jones	530.757.8542	(home) (personal cell)
Cyndy Johnson	530.757.8936	(home) (personal cell)
Luci Schmidl	530.757.8516	(home) (personal cell)
Valerie Sjoldal (Workgroup Coordinator)	530.754.9396	(home)

3. A. The designated communication representatives from **Capital Asset Accounting** are as follows:

Name	Office	Cellular or other
Delanda Buchanan	(530) 757-8836	
Ben Chin	(530) 752-2798	

4. A. Communications to employees in **Capital Asset Accounting** are distributed via the following method:

1. E-mail distribution lists
2. Central voice mailbox
3. A&FS internal website
4. Phone trees

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II. OVERVIEW AND ASSUMPTIONS

- The UC Davis campus is expected to close by order of the Yolo County public health officer when rate of infection of the general population in the county reaches 30-50%. Expect closure for a period of at least 2 weeks.
- Accounting & Financial Services has identified three (4) critical functions in the event of campus closure: 1) Payment of Students, 2) Payment of Employees, 3) Payment of Vendors, and 4) Receipt of Cash. The Capital Asset Accounting Division is responsible for the payment of various vendors and Cash Reimbursement as outlined in Section III – Business Impact Analysis.
- All Accountants within the Capital Asset Accounting Division have undergone the UC Davis Police Department background check and therefore are eligible to handle and process vendor payments.
- Contractor and Consultant invoices are received in Capital Asset Accounting via intercampus and US Mail. Retrieval of the invoices from a central location (i.e., Accounting Office), is therefore necessary in order to process the payments. In contrast, scheduled payments (Bond, Capital Lease Obligations, and Operating leases) are maintained in databases located in the A&FS shared directory and are accessible from remote locations.

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III. BUSINESS IMPACT ANALYSIS

a. What is the primary mission of Capital Asset Accounting? Capital Asset Accounting (CAA) is responsible for managing the financial aspect of capital projects from inception to completion. The primary functions include the administration and payment of contractor and consultant agreements, bond payments, bank loans and financing payments, rental-lease payments, cash draw requests, and submission of state claims. **NOTE: In this context, “critical functions and processes” are defined as those acts (1) necessary to preserve lives (human or animal), (2) maintain the physical plant/infrastructure, or (3) continue essential business services until an emergency has abated. This would include (for example), care and feeding for animal facilities, maintaining the Data Center, keeping all utilities functionally and maintaining public safety.**

2. What are the critical processes and functions necessary during the four absenteeism scenarios?	3. Who performs these critical processes and functions and who are the backups (2-3 deep) to perform these?	4. And are there alternate methods of delivering these?	5. What other campus units are necessary to this critical process or function? What arrangements have been made with those other units?	6. What are the contract arrangements, essential inventory, resources, and equipment necessary to deliver these?
<p><u>25% Absenteeism Scenario</u></p> <p>Business-as-usual: Payments to Contractors and Consultants are processed within 24 to 48 hours of receipt in CAA. Bond, Capital Lease and Operating Lease obligations are due per the terms of the agreement. Cash draw requests must be submitted by due dates (see Attachment 2).</p> <p style="text-align: center;"><u>PAYMENTS</u></p> <ul style="list-style-type: none"> a) Contractors b) Consultants c) Bonds d) Capital Lease Obligations e) Operating-Rental Space 	<p style="text-align: center;">See Attachment 1 for Primary, Secondary, and Third Delegate. Also includes database directory for file name and path.</p>	<p style="text-align: center;">There are no alternative methods for vendor payment processing.</p>	<p style="text-align: center;"><u>PAYMENTS</u></p> <ul style="list-style-type: none"> a) <u>Contractors</u> – (1) Architects & Engineers (A&E) Project Assistant Support Staff, (2) Operations & Maintenance (O&M) Accounting and Contract Administration support staff, and (3) DANR Accounting Staff b) <u>Consultants</u> – (1) Architects & Engineers (A&E) Project Assistant Support Staff, (2) Operations & Maintenance (O&M) Accounting and Contract Administration support staff, and (3) DANR Accounting Staff c) <u>Bonds</u> – (1) UCDMC Finance Manager for the approval of the DaFIS documents. d) <u>Capital Lease Obligations</u> – (1) Various campus departments and UCDMC Finance Manager for the approval of the DaFIS documents. e) <u>Operating-Rental Space</u> – (1) Various campus departments for the initiation and approval of the DaFIS documents. <p><u>Additional Critical Campus Units:</u></p> <ul style="list-style-type: none"> 1) A&FS Accounts Payable Unit for the production of checks. 2) Mail Division for the delivery of both inter-campus and US mail <p style="color: blue;">Assumption: Campus and UCDMC departmental personnel will be available at a 25% absenteeism to initiate and approve DaFIS documents, check production, and mail delivery.</p>	

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2. What are the critical processes and functions necessary during the four absenteeism scenarios?	3. Who performs these critical processes and functions and who are the backups (2-3 deep) to perform these?	4. And are there alternate methods of delivering these?	5. What other campus units are necessary to this critical process or function? What arrangements have been made with those other units?	6. What are the contract arrangements, essential inventory, resources, and equipment necessary to deliver these?
<p style="text-align: center;"><u>CASH DRAW REQUESTS</u></p> <p>f) Commercial Paper/Revenue Bonds g) State SPWB Bond Claims</p>	<p style="text-align: center;">See Attachment 1 for Primary, Secondary, and Third Delegate</p>	<p style="text-align: center;">There are no alternative methods for vendor payment processing.</p>	<p style="text-align: center;"><u>CASH DRAW REQUESTS</u></p> <p>f) <u>Commercial Paper/Revenue Bonds- (1)</u> Architects & Engineers (A&E) Accounting Department for estimate of future expenses. g) <u>State SPWB Bond Claims</u> –No additional campus personnel required</p> <p><u>Additional Non-Campus Units:</u></p> <p>1) UCOP Treasurer & Accounting staff and State Department of Finance for the processing of requests</p>	

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2. What are the critical processes and functions necessary during the four absenteeism scenarios?	3. Who performs these critical processes and functions and who are the backups (2-3 deep) to perform these?	4. And are there alternate methods of delivering these?	5. What other campus units are necessary to this critical process or function? What arrangements have been made with those other units?	6. What are the contract arrangements, essential inventory, resources, and equipment necessary to deliver these?
<p><u>50% Absenteeism Scenario</u></p> <p>All non-critical functions postponed: Payments to Contractors and Consultants are prioritized and processed within 4 business days of receipt in CAA. Bond, Capital Lease and Operating Lease obligations are due per the terms of the agreement. Cash draw requests must be submitted by due dates (see Attachment 2).</p>	<p>See Attachment 1 for Primary, Secondary, and Third Delegate</p>	<p>There are no alternative methods for vendor payment processing.</p>	<p>(similar to 25% absenteeism)</p> <p>Assumption: Campus and UCDCM departmental <u>back-up</u> personnel would be available at 50% absenteeism rate, but available to initiate and approve DaFIS documents, check production, and mail delivery.</p>	<p style="text-align: center;">○</p>
<p><u>75% Absenteeism Scenario</u></p> <p>All non-critical functions postponed: All payments are prioritized based on legal & contractual implications (i.e., interest or default fee), payment dollar value, receipt date, and other determining factors. Bond, Capital Lease and Operating Lease obligations are due per the terms of the agreement. Payments to Contractors and Consultants are prioritized and processed within 7 business days.</p> <p>Request for extension to UCOP Treasurer's Office for the submission of Cash draw requests. (see Attachment 2 for due dates).</p>	<p>See Attachment 1 for Primary, Secondary, and Third Delegate</p>	<p>There are no alternative methods for vendor payment processing.</p>	<p>See above for critical campus units.</p> <p>At a 75% absenteeism, the assumption is that back-up campus and UCDCM personnel may not be available for the initiation and approval of DaFIS payment documents. As such, Capital Asset Accounting can initiate all DaFIS payment documents and charge the expense to a Capital Asset clearing account. This would alleviate the need for Campus and UCDCM personnel to initiate and/or approve DaFIS payment documents.</p>	<p style="text-align: center;">○</p>

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IV. Planning Scenarios

The pandemic event is serious enough that **the decision has been made to close the campus to all but the most critical functions for an unknown period of time.**

The functions and processes we must continue to provide, regardless of the situation are as follows:

Payments

- a) Contractors
- b) Consultants
- c) Bonds
- d) Capital Lease Obligations
- e) Operating-Rental Space

Cash Requests

- f) Commercial Paper/Revenue Bonds
- g) State SPWB Bond Claims

1. These are the functions and processes that could be delayed for up to one week – but no longer, how long they could be delayed and what resources we would need to maintain them.

- o Vendor Payments - Under normal circumstances, Contractor and Consultant invoice payments are processed within 24 to 48 hours of receipt in Capital Asset Accounting. Bond, Capital Lease, and Operating Rental-Lease obligations are paid in accordance with the terms of the contract. In the event of a higher than normal absenteeism rate, vendor payments would be prioritized and payments for contractual obligations would be processed first. This could potentially result in a delay in processing Contractor and Consultant invoices for up to 7 business days.

2. These are the functions and processes that could be delayed for up to one month – but no longer, how long they could be delayed and what resources we would need to maintain them.

- o Cash Draw Requests - Commercial Paper and Revenue Bonds from UCOP Treasurer's Office – are due on a monthly basis (see *CAA Pandemic Planning Attachment 2*) for cash request due dates. It may be possible to extend the monthly due date by one or two business days, but no longer.
- o State SPWB Bond Claims are submitted to the State of California on a weekly basis. The request for cash reimbursement could be delayed up to one month but no longer. The impact of non-receipt of cash could result in negative STIP (interest expense to campus).

3. These are the functions and processes that could be delayed for longer than one month.

Bond, Capital Lease, and Operating Rental-Lease Payment Obligations are paid in accordance with the terms and condition of the contract. The payment terms range from monthly, quarterly, semi-annually, and annual payments. Depending on the terms of the agreement, some payments are *not* due monthly.

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V. Contact List

Name	Position	Work Location	Email	Office	Home	Cellular	Text capable?	Able to work from home?	Computer Connectivity at home
Delanda Buchanan	Division Manager – CAA & EQ	A&FS 1441 Research Park Drive	drbuchanan@ucdavis.edu	(530) 757-8836			Yes	Yes	Internet- Comcast Broadband-VPN Connectivity
Ben Chin	Assistant Division Manager – CAA & EQ	A&FS 1441 Research Park Drive	bgchin@ucdavis.edu	(530) 752-2798			Yes	Yes	High networking available at home
Jennifer Calori	Accountant II – Capital Asset Accounting	A&FS 1441 Research Park Drive	jmcalori@ucdavis.edu	530) 757-8533				Yes	High networking available at home
Christine Tram	Accountant II – Capital Asset Accounting	A&FS 1441 Research Park Drive	cttram@ucdavis.edu	(530) 754-5195				Yes	High networking available at home
Sonja Colbert	Accountant II – Capital Asset Accounting	A&FS 1441 Research Park Drive	ur44508@ucdavis.edu	(530) 752-2837				Yes	High networking available at home
Lynn Ormson	Analyst I – Capital Asset Accounting	A&FS 1441 Research Park Drive	leormson@ucdavis.edu	(530) 757-8835				Yes	High networking available at home

* = Asterisk denotes that staff member is required to leave the laptop at the office for connectivity purposes.