

Inter-Entity Shared Service Center

Johns Hopkins Enterprise Service Level Agreement

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Service Level Agreement Contents

General Information	3
Purpose	3
Vision	3
Mission	4
In Scope	4
Out of Scope	4
Hours of Operations	5
Service Expectations	6
Working Assumptions	6
Service Constraints	6
Agreement Administration	7
Terms of Agreement	7
Periodic Quality Reviews	7
Service Level Agreement Maintenance	7
Issue Resolution	7
Funding Structure and Accounting Methodology	8
Advisory Committee Role	8
Advisory Committee Members	8
Reference Material	9

General Information

Purpose

The purpose of this Service Level Agreement (SLA) is to establish a cooperative partnership between the Inter-Entity Shared Service Center (IESSC) and its customers. This SLA will:

- outline services to be offered and working assumptions between the Shared Service Center and its customers;
- quantify and measure service level expectations;
- outline the potential methods used to measure the quality of service provided;
- define mutual requirements and expectations for critical processes and overall performance;
- strengthen communication between shared service providers and its customers;

Vision

The Hopkins' Shared Services Centers provides a shared business environment for the Johns Hopkins University and John Hopkins Health System. The new business environment will continuously emphasize service, compliance and productivity to its customers. The primary goals for the service centers include:

- **Integrate** people, processes, and technology to provide a balanced service level to all customers. Create a collaborative environment where trusted relationships and teamwork are encouraged between administration, departments, clinical areas, institutions and suppliers to further Hopkins' enterprise goals.
- **Leverage** human resources, institutional knowledge, developing skill sets, and technology in an effort to continuously improve service and productivity for all Service Centers. Create an organizational structure that balances strategic and tactical efforts that promote efficiencies.
- **Mitigate** risk to the Hopkins' enterprise by focusing on compliance requirements and understanding the impact these requirements have on productivity and customer service. Develop an integrated organizational structure that will promote the consistent interpretation and enforcement of policies, procedures, laws and regulations throughout the Enterprise.

Mission

The SAP software has a cost allocation tool that allows for the processing of internal Johns Hopkins billings known as inter-entity transactions. The cost allocation tool automatically creates a “due-to” and “due-from” entry in the general ledger. “Due-to” and “due-from” accounts will be reviewed and a transfer of cash between the health system and the university will occur.

In Scope

Inter-Entity Transactions

- Process transactions monthly based on approved budgets submitted by JHHS, JHH and BMC for the Joint Administrative Agreements (JAA). Includes on-going support between JHU, JHH, JHHS, BMC, and Good Samaritan Hospital.
- Prepare, reconcile, seek approval and distribute the annual Shared Mission documents for JHH and BMC.
- Prepare and execute inter-entity transactions for JHHS chargebacks
- Process IO Settlement for School of Medicine dowries.
- Approve and process intercompany KB15N transfers submitted by JHU divisions/departments and JHHS Affiliates.
- Approve and process intercompany journal transfers submitted by JHU divisions/departments and JHHS Affiliates.
- Prepare cost allocations using the Assessment tool when recurring transfers are identified and approved by all parties.
- Assist in the reconciliation of the intercompany “Due-to/ due-from” accounts and settle cash on a monthly basis.
- Coordinate preparation, approval and signature of Inter-Entity Agreements (IEA). Maintain and distribute signed documents to JHU and JHHS. Post signed documents on JHBox. Maintain security access to view documents. Participate in discussion on policies and alternate system to use. Systems such as SharePoint or Ecteon. Convert and maintain new system when identified.
- Participate in the discussions of intercompany issues and solutions. This includes participation and leadership on various JHU and JHHS committees.
- Assist in the identification and resolution of intercompany issues and accruals. Track issues, their progress, resolution and report to the Intercompany Solutions committee.
- Assist with set up of JHU service centers and JHHS recharge centers who want to use the SAP Service Center tool. JHU rate schedules are routed to JHU Cost Analysis for approval.

Out of Scope

- Clinical billings and receivables (including those interfaced with SAP)
- Student billings and receivables (ISIS).
- Non Payroll Cost Transfers

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- Intra JHU and JHHS Transfers
 - Large billing systems that will be interfaced with SAP:
 - SOM Continuing Medical Education
 - JHH Keane
 - Bayview Meditech
 - JH Home Health Horizon
 - JH Home Health CU / TIMS
 - JHU Student Loans (ECSI)
 - Bayview RAM
 - JH Home Health HBS
 - JH Home Health MB1
 - iLab
 - Other CO Interfaces

Hours of Operations

Normal hours of operations are Monday thru Friday from 8:30 am to 5:00 pm following the JHU holiday schedule. The Inter-Entity Shared Service Center is located at Keswick North Building, suite N5128.

Service Expectations

IESSC and its customers agree to the service expectations, working assumptions, and service constraints listed below. These service expectations are to monitor the more critical elements of the service provided and are not meant to reflect the comprehensive services offered by Inter-Entity Shared Services.

Service level expectations are reviewed periodically.

Process	Service Expectation	Service Metric <i>(measurement)</i>
Intercompany	<ul style="list-style-type: none"> Participate in intercompany issues and solutions. Work closely with Finance Directors and senior leadership to improve the process. 	<ul style="list-style-type: none"> Measure level of activity at year-end.
Inter-Entity Transactions	<ul style="list-style-type: none"> Eliminate University and Health System billings and replace with Inter-Entity allocations. Eliminate checks written between the University and the Health System. Process KB15N spreadsheets and journal entries within three business days and notify users via email of the document number. Maintain documentation for internal and external audits and other inquires. KB15Ns and Journals are scanned into Oculus. 	<ul style="list-style-type: none"> Posting transactions in a timely manner so activity is reflected in SAP for reporting and analysis.
Customer Service	<ul style="list-style-type: none"> <u>Inter-Entity</u> <ul style="list-style-type: none"> InterEntity@jhu.edu InterEntity@jhmi.edu Fax 443-997-3129 Phone 443-997-2481 	<ul style="list-style-type: none"> Answer calls and emails daily.

Working Assumptions

The IESSC is fully staffed and funded. The staff consists of one manager and 3 accounting level staff. The level of staff has remained consistent since the department's inception.

Service Constraints

- Workload Issues That May Effect Service Levels**
 - Month end and year end closing activities.
 - Over 1,200 individual Joint Administrative Agreements between University, Health System and Bayview Medical Center.
 - No agreement on support for service.
- Conformance Requirements**
 - Compliance with Hopkins policy and procedures, along with laws and procedures.
 - Policy and procedures are on the Inter-Entity Shared Services web site:

http://ssc.jhmi.edu/inter_entity/

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- **Dependencies**
 - Delays in getting data from departments to the Service Center may delay cost allocation processing.
 - Need approved budget amounts in order to set up annual allocations for each fiscal year.
 - Documentation for allocations must be complete before they can be processed.
 - Need agreement on support allocation.

 - **Severe Weather or Disaster**
 - Bad weather or disasters may cause delays or interruptions in service levels.

 - **Contacts/Questions/Customer Service**
 - The contact list on the IESSC website contains contact number and email address for the staff and customer services.
 - IESSC website contains Forms, Policies and Procedures, SAP Roles, Frequently Asked Questions (FAQ), Glossary, Service Level Agreement, and Other Links.

Agreement Administration

Terms of Agreement

This agreement commences on January 1, 2007 with the mutual understanding that modifications may be required over time and the service expectations are effective July 1, 2007. All modifications will be made in the spirit of the original agreement and be reviewed by representatives of the IESSC customer base.

Periodic Quality Reviews

The IESSC and representatives of its customer base will conduct annual reviews of the IESSC performance against service level expectations. The agenda for these reviews should include:

- Service delivery since the last review;
- Major deviations from service levels;
- Service constraints and dependencies since last review, and planned changes to improve service effectiveness.
- The IESSC will also regularly assess customer satisfaction and will use the results as a basis for changes to this agreement.

Service Level Agreement Maintenance

This agreement will be reviewed on an ongoing basis and updated. Updates may become necessary due to changing service needs, modifications to existing services, addition of services, or unanticipated events.

Issue Resolution

If either the IESSC or its customer identifies a substantive breach of responsibility or other problem that requires resolution prior to the next periodic review, both the Service Center management and customer will engage in a joint effort of understanding and rectification of

the issue. In the event this remedial effort fails, either party can raise the issue to the JHU Controller or if that fails, the issue will be resolved by the JHU Senior Vice President for Finance and Administration.

Funding Structure and Accounting Methodology

The budget for IESSC will be prepared by the Service Center Manager and approved by the University Controller and VP for Planning and Budget. Allocations to JHHS will be reviewed and approved by the JHHS Controller and JHHS Senior Director of Financial Planning and Budget.

Inter-Entity is allocated 50% to JHU and 50% to JHHS. This is because all intercompany transactions have both JHU and JHHS on all entries. Considerations are made each budget period as to changes that might affect the allocation process.

JHHS allocates their share across the Affiliates based on the matrix provided by the Manager of Inter-Entity Shared Services. The matrix used is the average number of KB15Ns processed for each Business Area/Affiliate for a period of four months. The KB15N was picked as the measure because they are the primary document IESS processes on a daily basis.

Advisory Committee Role

- Provide feedback from constituent organizations regarding customer service, productivity and compliance
- Participate in periodic review of Service Level Agreement with focus on customer service, productivity, and compliance
- Participate in the identification, prioritization and implementation of business process and technology enhancements
- Support the testing of future applications features / modules
- Sharing information with constituents

Advisory Committee Members

The IESSC has an advisory committee. The activity related to Inter-Entity transactions has a much different customer base and has a different advisory committee than Accounts Receivable Shared Services.

Inter-Entity Transactions Advisory Committee

This committee will consist of:

JHU Controller (Scott Jonas)

JHHS Controller, SVP Finance, CFO JHHS and JHHC (Mike Larson)

School of Medicine Executive Finance Director (James Erickson)

JHHS Sr. Director of Financial Planning and Budget (Kathy Nardone)

JHU VP Planning (Helene Grady)

The committee decides how often to meet.

Reference Material

http://ssc.jhmi.edu/inter_entity/