Financial & Business Services

Presidential Briefing
Financial & Business Services (FBS)

- FBS currently has approx. 140 employees
- We are comprised of 4 main areas:
  - Controller/Financial Management (70)
  - Procurement & Supply Management (50)
  - Financial Solutions (6)
  - Travel, Training & Policy Development (6)
Our Mission Statement

The mission of FBS is to facilitate accountability of institutional funds and other assets entrusted to the University of Utah – through the application of stewardship principles, sound business practices and professional standards pertaining to the financial resources and operations of the institution.
How does the mission “happen”? 

- Guidance in developing and implementing policies, practices and procedures;
- Financial information and reporting to a variety of external constituencies; and
- Education, assistance, and support to the various colleges, departments, and other operating units within the University pertaining to the principles and benefits of good financial stewardship.
Our Governing Principles

- We are a support and service organization
- Properly manage, account for, and report on financial resources
- Maintain financial stability
- Exercise financial integrity
- Assist leadership in making good financial decisions
- Demonstrate accountability and stewardship
- Become more efficient
- Become more effective and responsive
Controller/Director of Financial Management – Laura Howat

- Financial Accounting & Reporting
- Compliance Accounting & Reporting
- Income Accounting & Student Loans
- Accounts Payable & Payables Processing
- Tax Services & Payroll Accounting
Financial Accounting & Reporting – Steve Allen

- General Accounting
- Endowment & Investment Accounting
- Reporting & Analysis
Compliance Accounting & Reporting – Barbara Nielsen

- Grants & Contracts Accounting
- Management Accounting & Analysis
- Property Accounting
Income Accounting & Student Loans – Lisa Zaelit

- Bursar/Cashiering
- Student Billing & Receivables
- Loan Collection
- Credit Card Administration
 Accounts Payable & Payables Processing

- **Accounts Payable – led by Perry Hull.** The team’s primary responsibilities are the review, routing, and approval of documents, working with departments to resolve issues, training, and post-audit analysis of data.

- **Payables Processing – led by John Downing.** The team’s primary responsibilities are ensuring data integrity for the PeopleSoft AP module, vendor maintenance, and data entry of approved documents for payment.
Tax Services & Payroll Accounting
Robert Schirmer

- Tax Management/Compliance
- Payroll Accounting/Reporting
Controller’s Office - successes

- Peoplesoft Financials system upgrade
- Project Administration & Management (PAM)
- Targeted review (post-audit) in Accts. Payable
- FY2011 audit – no significant audit findings
- New internal control training for campus
- New expenditure policy being developed
- Increased ACH acceptance by vendors/students
Controller’s Office - successes

- On-line sales tax reporting application
- Independent contractor policy (joint effort w/ OGC)
- Re-engineered W-2 production process
- Formalized Bond Post-Issuance Compliance efforts
- Cell phone policy changes resulting from IRS ruling
- Offloading capture and storage of credit card data to merchant bank
- Dramatically improved campus compliance with PCI DSS standards
Controller’s Office - goals

Overall goal for FY2012: streamline business processes

• Expenditure policy (incl. reimbursements)
• Less paper, checks – More electronic reports, forms, etc.
• More post-audit review; less scrutiny for low-risk transactions
Controller’s Office - goals

Additional engagement for FY2012 and beyond:

PAM (Project Administration & Management)

• Implement “grants” modules of Peoplesoft
• Improve accuracy and timeliness of charges to grants
• Integrate admin. support processes more fully with pre-award functions (Office of Sponsored Projects)
• Add resources to post-award functional areas
• Improve reporting tools for principal investigators
Procurement & Supply Management – Jim Parker

- Purchasing Services
- Stores & Receiving
- Surplus & Salvage
Purchasing Services

Supports the campus in procuring goods and services, ensuring compliance, maintaining supplier relationships, contracting, training, and related activities.
Purchasing management

- Procurement – Jeff Johnson
- Purchasing Card (P-Card) – Jane Scott
- Small Business Liaison – Randi Ruff
- Strategic Sourcing – John Arlen
Purchasing – annual production

- LPOs – 24,500 (A/P processed)
- POs – 3,700
- Sealed bids – 152
- RFPs – 48
- Active suppliers – 6,627
Purchasing successes

• The Purchasing Department has been the recipient of the “Award of Distinction” for Disadvantaged Business outreach, by the SBA – first in the country for Higher Ed (1996).

• The Utah Supplier Development Council, advocate for Utah Small Business, was founded by the University of Utah (1983)

• The Department’s Small Business Liaison has been the recipient of the Regional and Utah supplier advocate of the year award on multiple occasions.
Purchasing successes

• The Purchasing Card Program processes over 200,000 transactions a year with over $80 million in spend annually.

• Total University dollars spent through Purchasing exceed $300 million annually, $45 million of which is on State of Utah contracts.

• In a national poll commissioned by NAEP gauging customer service quality, campus users from approx 100 universities ranked the U’s Purchasing Department 1St in customer service (2002).
Purchasing – goals

• Lead the development, roll-out, and maintenance of an expanded supplier directory on the Purchasing website.
• Develop and execute a strategic sourcing plan for office supplies on campus that meets the goals of saving money, providing high level of service, and achieving sustainability objectives of consolidating vendors.
• Explore the feasibility of using the Single Use Account program for AP payments to vendors.
• Implement a contract tracking software system.
• Ensure that the proposed changes to the Utah Procurement Code do not adversely affect the University of Utah.
General Stores & Receiving – Jim Davis

- Departmental stores
- Central receiving
- Gas cylinders
- Research alcohol
General Stores & Receiving

General Stores provides a storehouse for materials, parts, supplies, and commodities that are used most often by campus departments.

Central receiving handles items delivered to the University – providing offloading, package breakdown, inspections and damage claim service.
General Stores (a service unit)

- Total annual revenue $1,871,500
- Co-founder of UKIC
- Eco-friendly & recycled products & services
- 41,527 Packages Delivered
- 14,206 Campus Orders Processed
- 57 Average Daily Deliveries
Central Receiving

- 75,859 Packages Received
- 13,716 Deliveries
- 5.5 Average Packages per Delivery
- 53 Average Daily Deliveries
General Stores (additional functions)

• Gas Cylinders – the research and medical functions of the University require the use of thousands of tanks of liquid and compressed gasses annually. Many of these gases are require special handling and storage and are regulated federally.

• Research Alcohol – Ethyl Alcohol is a controlled substance and is heavily regulated and taxed. Purchase and Storage requires special state and federal permits and strict inventory controls.
General Stores - goals

• Initiate a customer outreach program to reintroduce the campus community to our department - to showcase the ecologic and economic advantages obtained by keeping purchases on campus.

• During the last two quarters of this Fiscal Year, our customer service rep will make contact with all our existing customers and introduce them to our new website.
New “storefront”
Surplus & Salvage –
Clifton Grindstaff
removes surplus property from department locations, marks the surplus with a price and displays the equipment for sale

S&S is one hundred percent (100%) self-supporting with no Federal or State of Utah monies.
Surplus & Salvage - overview

• Serve the University Community
  2011 – 1,727 Work Orders; 53,361 Pieces received

• Accommodate removal of surplus resulting in savings of space and time.
  2011 - 2.92 days response time

• Departments receive money for surplus
  2011 - $216,117

• S&S destroys computer hard drives containing sensitive data.
Surplus & Salvage

• University departments purchase equipment.
  2011 = $31,635; 2010 = $21,562; 2009 = $22,007
  If the purchases above represent a savings of $10.00 for every $1.00 purchased, the amount of savings to the University is $752,040. If the purchases above represent a savings of $50.00 for every $1.00 purchased, the amount of savings to the University is $3,760,200.

• Recycled 284 tons of metals per year, on average the last 3 fiscal years, and saved tonnage (estimated at 872 tons) from the landfill by selling surplus equipment. Received $155,927 over the last three years in revenue. Scrap metal prices are five times what they were ten years ago.

• Acts as steward for monitoring University guidelines for e-waste and other potential hazardous property.
Surplus & Salvage - goals

• Create electronic Retirement / Transfer (RT) forms, to request assets for pickup electronically, and to allow departments to search current status of retired assets

• Put into place a new standard process to review pricing of property for sale.
Financial Solutions works as liaisons and facilitators among stakeholders in order to elicit, analyze, communicate and validate requirements for changes to business processes, policies and information systems. We understand business problems and opportunities in the context of requirements, and recommend solutions that enable the organization to achieve its goals.
Financial Solutions

- 2 senior business analysts
- 3 business analysts
- 1 LAN manager
Financial Solutions – Major Initiatives

• Process improvement and efficiency
• Improved financial reporting
• Participation on the PAM initiative
• Opportunities to improve FBS infrastructure
Financial Solutions - goals

Portfolio projects

• Sales tax
• General Stores – storefront
• PAM initiative
• Business intelligence
• Other
Financial Solutions – goals

FBS Support

• “Your goals are our goals”
• Assessment of risks/strengths/weaknesses
• Windows 7 Migration
• Network/Desktop/Data Security
• Printing – data center move
• FBS Servers
Travel, Training, & Policy
Coordination – Kori DeHaan

Travel Accounting
Travel Agency
Training for FBS and campus
Policy Development
Travel Services – growth & campus participation

Trip Breakout:

• Employee travel domestic – 76%
• Employee travel foreign – 9%
• Non-employee travel to SLC – 15%
Travel Services – growth & campus participation

Travel Vouchers (prepays & reimbursements)

• 21% increase over last 4 years
• Trending FY 2012 at an additional 8.9% increase
• Yes, that is a 29% increase in number of trips and vouchers – being processed with virtually no increase in FTE in 4 years.
Travel Services – growth & campus participation

Travel Agency Transactions

- 4 agents (not full-time) available via contract with Christopherson Travel
- We continue to book 70% - 80% of all University Airfare
- 6.8% increase in bookings over last 4 years
- Trending FY 2012 at an additional 3.9% increase
Travel Services – growth & campus participation

• New funding model has been implemented that will better position us to expand staff to accommodate growth, when necessary.
• We have already increased part time help to absorb growth, but may need additional FTE for more highly skilled people as department continues to grow.
Travel – growth & campus participation

Fees charged:

• Audit fee - $12 domestic; $20 foreign; $8 driving

• Agent fee - $0 domestic; $30 foreign; $30 state contract
Travel Services - Increased Compliance & Efficiencies

• Travel system enhancements
• Increased acceptance of ACH payments
• 100% audit of reimbursement requests
• 99.6% compliance w/ IRS 60-day rule
• Satellite agency agreements – Athletics, College of Law
Training Efforts - examples

• In person – classroom
  – P Card reallocator
  – RATS

• In person – one on one
  – Chair & Dean
  – Non resident alien payments
  – New hires
Training Efforts – examples (cont.)

• On line – self paced
  – e Journal
  – Travel accounting

• Other
  – Endowments
  – Independent contractors
  – PCI DSS
Successes – Communication Tools

- “Momentum” newsletter
- Audience-specific blogs
- Google calendar tools for departments
Policy Coordination

- University Regulations Library
- Policy Review – especially Section 3 (Gen. Admin. & Operations)
- Coordination and support for Institutional Policies Committee (IPC)
Successes – Policy Coordination

• Revised independent contractor policy
• New expenditure policy being written
• Revised policy on Stipends/Tax Exempt Payments
• Effort reporting changes in conjunction with PAM
Goals/Priorities

Travel:
- Improve Travel Planner experience when using onsite agents (increase market share from 70% to solid 90% using onsite agents)
- Improve cash advance procedures to include ACH technology instead of travelers checks

FBS Communications:
- Implement Expenditure Policy
- Update Travel Policy
- Provide “key word” links in Regulations library – available in both subject index and FBS index
- Encourage use of Blogs for a more broad range of FBS departments
Financial & Business Services

Thank You!