

BUSINESS AFFAIRS OFFICERS COMMITTEE
November 1, 2017
1:30 – 3:00 p.m.
4339 Faculty Administration Building

Call to Order

Shelley Clifton
Angela Strickland

5 minutes

- Meeting called to order at 1:31pm
- Previous meeting minutes approved

- Announcements
 - Christine Green- Discussed that more information sharing amongst BAO's would be of beneficial and also asked that each S/C/D ensure that they have submitted an up to date Continuity of Operations Plan

 - Celeste Lezuch- introduced Sharon Almeranti as a new BAO member to the group

New Business

- IT Dotted Line Reporting

Daren Hubbard

10 minutes

Daren Hubbard presented that nothing would change in relation to the day to day IT operations. Daren informed the group that the dotted line reporting will allow for better coordination of IT efficiencies and economies of scale for the University. It will also provide opportunities for improvement in University IT security. Now that S/C/D's have a dotted reporting line to central IT, central IT has the responsibility to ensure that all S/C/D's have adequate IT security thus enhancing our strength and abilities around IT security. Central IT now has authority to mandate fixes and updates.

Daren discussed the Desktop Management Services Program (Desk Tec) and shared that the College of Pharmacy participates in the Desktop Management Program. He discussed the various technology groups currently operating on campus and stated that central IT is planning to work more closely with these groups to ensure compliance and efficiency.

Daren replied to the affirmative in response to the question (Arthurine Turner) of whether central IT will see S/C/D IT audit reports in the future. Kathleen Blumberg was questioned on her experience with the Desktop Management program and she shared that Pharmacy has experienced \$100,000 of cost savings in one year. Kathleen shared that their customer satisfaction and level of service quality definitely improved with the Desk Tec program.

- Over Payments/Vacation Payouts

Anna Robinson
Lila Assante-Appiah

15 minutes

Lila provided an update on the overpayment task force and their efforts. This work group convened in 2015 with the goal of mitigating weaknesses identified in an I-9 audit that discovered five areas of weaknesses. The five areas of weakness identified were:

1. Payroll verification
2. Roster reconciliation
3. Overpayments
4. Terminations
5. Leave Time

Over the last couple of years this group has worked to improve these processes. The Banner 9 project will mitigate several of the listed weaknesses. Lila shared that the goal today is to get our feedback on items developed to date to address the overpayment issue.

Anna- distributed an overpayment metrics report. A dashboard and detailed log was created as part of the report that was shared with the group. Anna shared that beginning sometime in January 2018 this report is planned for dissemination to BAO's and HRO's on a monthly basis and on a quarterly basis to Deans, AVP's and the cabinet.

The data shown in the report represented fiscal year to date information on overpayments. Lila and Anna then discussed the report structure. Lila discussed determining and addressing the root causes of the overpayments such as late processing, and data entry errors. Anna discussed the various ways that these overpayments are recouped by billing the individual.

It was mentioned that some departments have made employees pay back funding through agreements or forgiven the debt. If the employee does not pay back the funding it's forwarded to collections. Elizabeth Elder asked if these reports were detailed by source of funds to provide further clarification of problem areas. The answer was no but the idea was taken into consideration.

In reference to S/C/D's making repayment arrangements and providing debt forgiveness- Bill Decatur stated that only Office of the General Counsel has authority to make legal settlements on behalf of the University, not the SCD's.

Bill Decatur asked what corrective actions are put in place to eliminate the root causes of the overpayments. Training was discussed in reference to data entry errors. Lisa shared that addressing these issues in the HR quarterly meetings is an avenue to address the root causes. Antonio Yancey recommended that each SCD determine ways to address their issues that contribute to eliminating the errors. Bill Decatur recommended working with SCD's that had the most issues and using those resolutions to resolve similar issues with other SCD's. Kathleen Blumberg, mentioned using payroll reconciliation sign off as one method of holding SCD's accountable for eliminating issues.

Lila and Anna asked that we share any further feedback with them.

➤ FY19

Diana Goode

25 minutes

Diana discussed enrollment for closeout of Fiscal Year17.

In fiscal 18 there was a decrease in graduate student enrollment due in some part to the current political climate. However we saw an increase in undergraduate student enrollment due to FITACs

and transfer students. Students are also taking more credit hours. Next fiscal year we plan to budget by credit hours as opposed to head count. To combat the expected decline in graduate student enrollment- The College of Engineering did an undergraduate recruitment push and it paid off for them.

Fall fiscal 18, the budget is 183 million- we came in at 185 million so we are 2 million over budget which is great news. We are probably net negative after financial aid is added.

In fiscal FY19 Diana discussed that we are moving our budget planning process. The template will distribute soon, probably by next week. The budget goes before the Board of Governors each June. Budget hearings will occur in January and February as opposed to April thru May to allow for more preparation time. Last year completing hearings in May did not allow adequate time to get information to the President and the Board of Governors.

High level assumptions being used for FY19 are flat state appropriations due to state infrastructure work needed. The Budget office is reworking 0 to 3% tuition increase scenarios. Last year we had a 3.75% tuition increase. Bill Decatur stated that the Board of Governors unanimously supported the tuition increase but also shared that they unanimously do not expect to continue to support tuition increases that exceed the rate of inflation.

We are projecting a \$1million increase in indirect cost revenue funding due to an increased number of grants. With an increase in projected tuition revenue and F&A funds we are estimating a \$16 mil to \$20 mil increase of funds. However, we need to keep in mind that we have \$8 million of wage increases due to collective bargaining each year. We have another \$6.5 million increase for health care cost, and in March a bond issuance will become due for \$4 million of facility projects.

Diana stated that there is a lot going on with the transition to All Funds budgeting- for instance Dawn Medley is make the necessary adjustments so that we utilize endowment fund dollars before general fund dollars. We are looking closely at designated funds as well. There will be more scrutiny given to designated funds. Diana stated that ideally, we would like our IT structure systems behind us in terms of reporting and managing endowment and designated funds. There is a lot happening with the transition to the All Funds Budgeting Model.

Kathleen Blumberg asked if any of the Presidents initiatives would be adjusted and/or modified. Kathleen also inquired if any possible budget reductions are coming. Diana's response was that there is a hold on new faculty lines and new hires administratively until we can get a handle on things and that it is too soon to answer the question about cuts without seeing the actuals.

➤ WSAM /Carryforward Jeff Bolton 25 minutes

WSAM system had an error that resulted in systematic increases to those that received less than 2.5% increases, thereby increasing additional assigned budget dollars. Jeff stated that they will send each roster to individual BAO's so that improper allocations are viewable. C&IT has worked on the script to make sure this doesn't happen again. University Budget will not seek to retrieve improperly assigned budgeted dollars from previous years for this error.

Banner 9 does not come with anything that will replace the WSAM process. We are hoping for improved reporting on this. This was about a \$500,000 error. More conversation is needed on this topic.

Jeff stated that sick and vacation payouts are handled centrally. They are assigned to orgs. The actual funds do not live within the SCD- this expense is held centrally. Conversation ensued about grant/foundation funded vacation/sick payouts- more conversation is needed on this topic with SPA included in reference to our policies and procedures on this and how we want to proceed going forward. There was conversation around grant language, letter of agreements and etc. about paying sick and vacation payout for grant funded positions. Group consensus was to revisit this topic.

RCM project update: –Jeff stated that involved BAO’s will give a more detailed update at a later date. Jeff stated that the “New Budget Model Town Hall” went well last week and will be available by video soon. Jeff discussed progress of the RCM project. Currently they are moving from theory and concepts to actual data. The group is still making determinations on what makes sense and what does not.

Position control- We need proper budget to actual reporting. BOG need explanations on why salary dollars are covering operational expenses. BOG wanted to know why the Budget Office is allowing this to happen and asks that we stop this practice. Mary Beth mentioned the fringe benefit budget assigned to the salary dollars has some impact on practice. It was mentioned that not all salary savings come from vacant lines.

Antonio Y. mentioned that a lot of SCD’s don’t have an operational budget and live off of their salary savings from non-vacant lines. Diana G. spoke more on working on a solution for the fringe benefit budget issue. Kathleen B. recommend we wait for data gathering of the Deep Dive information before we tackle this.

Diana apologized to BAO’s who were insulted by the Deep Dive initial discussion that occurred with the Deans void of BAO presence in some instances- she states that the individual meetings with the Deans were to provide the Deans an opportunity to ask questions on the process and not to slight or disrespect the BAO.

Jeff discussed that carryforward assignments should be coming soon- around the end of the calendar year. Any funds that are needed from carryforward should be requested by the Dean to the Provost for academics and by the AVP’s to Bill for non-academics. Questions ensued about carryforward calculations- answer: Final summation: In FY18 you will receive-

1. Get 1/3rd of FY17
2. The second 1/3rd of FY16

➤ FBO/BAO Partnership

Lisa Shrader

10 minutes

Lisa Shrader discussed the progress of the Deep Dive and asked that others reach out to those that have experienced it thus far in an effort to address any questions they may have about the process. Lisa also discussed the timeframe for the retreat. Lisa asked that everyone review the materials she sent out earlier in preparation for the retreat.

Round Table Discussion

None

Meeting adjourned 3:00pm