Memorandum

To: University Planning and Budget Committee
From: Charlene Pandolfini
Date: February 1, 2018
Re: FISCAL DIVISION – NARRATIVE FOR FY 19 BUDGET REQUEST

The Fiscal Division currently has 34 full-time employees dedicated to the following functions:

- Accounting
- Accounts Payable/Pcards
- Budget
- Bursars
- Card Office
- Contracts/Purchasing
- Employee/Student Payroll
- Records Retention
- Travel

The Fiscal Division serves as a resource to the University and System Office, as well as performs many ad-hoc tasks such as serving as the audit liaison, providing expenditure information/analysis and serving/supporting initiatives such as the Integrated Budget Model, Athletic Task Force and Food Services Task Force. One of our strengths has been our ability to retain employees for many years and those employees have developed a store of knowledge, operate at a high-level of efficiency, which will require a significant amount of resource to bring future employees up to speed.

As of 2/1/18, 5 out of the 34 full-time positions are vacant. Note a 6th vacancy is being filled as a temporary assignment. Searches are currently underway for 4 vacant positions and the second search for the Controller Position is expected to kick-off shortly. An analysis of duties and critical unmet needs resulted in the movement of the vacant positions amongst the units, as well as a reduction in classification so that critical staffing issues could be addressed without requesting additional funding.

The on-going financial crisis has also exacerbated staffing resources, as we have been providing increased support across the University including the maintenance of the recently implemented historical expenditure web-site, improving internal manual processes and updating procedures as needed.

It is anticipated that the Fiscal Division will continue to have staffing challenges, in addition to the turnover already experienced, the Fiscal Division is anticipating as many as 5 additional team members will retire over the next 18 months, which makes filling the existing vacant positions more critical than ever.
It is important to note that a significant amount of resource has also been expended in support of the system wide chart of accounts project, as well as the student first initiatives.

Below is a summary of more significant on-going special projects/initiatives for the rest of FY 2018 and FY 2019:

**Common Chart of Accounts/Web Focus Reporting**
One of the System Office’s priorities is to move all 17 institutions to a common chart of accounts on 7/1/2018. While existing Banner Indexes will not change, the implementation of a single chart of accounts will result in all account codes in the accounting string changing. This change will impact the coding of purchase orders, requisitions, feeds to and from systems, as well as any report that pulls account code data including historical data. In addition, the movement from one chart to the other will result in changes to our year end process. It is anticipated that this will have a profound impact on the Fiscal Division and our daily activities and of most concern is the challenges to create reports with the old and new structure.

Further complicating the situation, is that the Fiscal Team will need to learn a new reporting tool, Web Focus Reporting, which will replace the current Hyperion product.

**Banner 9**
During FY19 CSUS will be transitioning to Banner 9 which will also result in visual changes to Banner and a learning curve across the University.

**Transition from Nelnet Online Billing Payment System to TouchNet**
This system conversion started in October 2017 and is approximately 95% finished. It required significant dedication of resources to implement and provides enhanced functionality to support the University in offering on-line payment plans.

**Integrated Budget Model Initiative**
The Integrated Planning Council (IPC) charged a workgroup with piloting an integrated budgeting process. Two of the members of the Fiscal Team are members of the workgroup and play an integral part in guiding the pilot departments thru the process. Additional resources may be needed in support of a larger scale roll-out.

**Additional Information Related to Select Accounts**

**University Fiscal Operations Fixed Expenses (BSRV06)**
This account is used for various University wide expenses. Some of the larger expenses would include bank charges, credit card fees, audit fees and the American Disabilities Act (ADA) expenses, which alone accounts for about 30% of the total budget. The expenses for ADA can vary from year to year, and by having these funds managed by the Fiscal Division rather than the Departments making the decision, it allows the University to ensure that these student centered decisions are made without worry of fiscal constraints. These costs have continued to grow as the University rises to the challenge in supporting students with significant needs.

Any remaining funds in this account at the end of the fiscal year goes towards the balancing of the overall University’s budget.