# Finance Town Hall

OCTOBER 26, 2021



## Before We Begin...

Everyone has been placed on mute by the host.



If you have questions for the presenters, use the Q&A function.



We will address questions at the end of each presentation.



If you want to talk with other participants, please use the chat.



## Welcome

#### J. Michael Gower

Executive Vice President - Chief Financial Officer

**University Treasurer** 





## Today's Agenda

Welcome

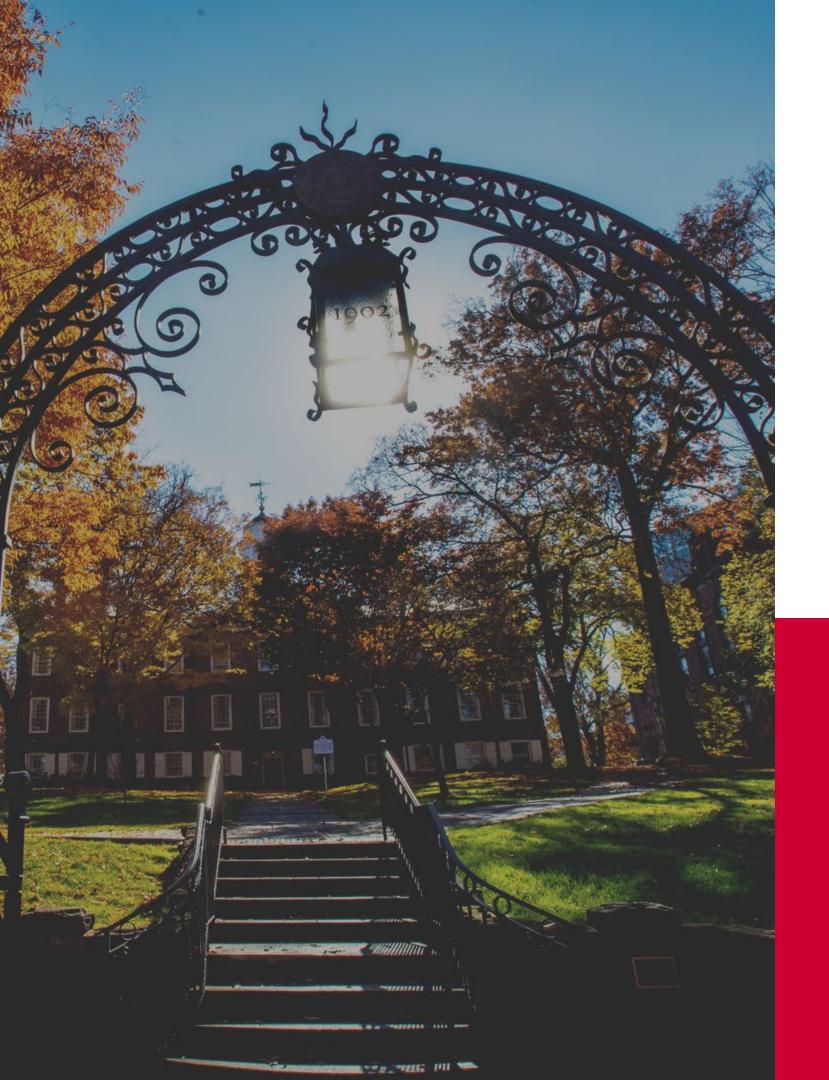
Michael Zwick, Senior Vice President for Research

**Budget Update** 

Year-End Close/Annual Audit

Dr. Samuel Dewitt Proctor Hall/Student ABC

Human Capital Management/Payment Services Migration



Michael E. Zwick, Ph.D.

Senior Vice President for Research





## Our Guiding Values





COMMUNITY

The ideal of a beloved community



**EXCELLENCE** 

The relentless pursuit of academic excellence



**CLARITY** 

The need for strategic clarity

## Strategies Guiding My Leadership

How will we recognize innovation?



## Force Multiplier

An attribute that dramatically increases the effectiveness of a team or organization







### A Record Year for Research & Innovation



\$907.8m

in Sponsored Research







\$42.6m

in Licensing Revenue

### Research Impact – Fiscal Year 2021



## Research Administration

FY21: A Year of Strength



## Research & Sponsored Programs (Pre-Award)

- Rolled out Service Level Agreements
- Drafting Policy and Process:
  - F&A Recovery: Collaboration, Waivers
  - Undue foreign influence

#### BY THE NUMBERS:

- 2,963 research faculty served
- 3,885 proposals submitted
- 114 S.P.A.C.E. Program Trainees (NB: 31; RBHS: 28; Newark: 7; Camden: 3; Central: 44; RUF: 1)

#### **Research Contract Services**

- Using Artificial Intelligence (LegalSifter)
- Provided higher level support to CTO during transition

#### **BY THE NUMBERS:**

 2,089 contracts negotiated and executed valued at \$424,461,408

#### Research Analytics & Systems

- Leveraged visual business intelligence analytics platform (Tableau) to quarterly award and submission reports
- October Release of a PI Dashboard

## Research Financial Services (Post-Award)

- Integrated into Finance Department
- Achieved 100% completion rate for each Effort Certifications cycle
- October Release of digital Research
   Administration Handbook

#### **BY THE NUMBERS:**

- 1,773 New awards
- 10,500+ Certified effort reports

#### **Regulatory Affairs**

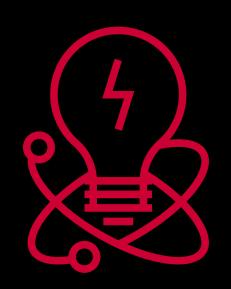
- Export Control Developed new system that improves services, reporting, and operational efficiency.
- Responsible Conduct of Research
- Developing new systems to ensure better PI experience
- IRB Reorganized for greater effectiveness & undergoing AAHRPP accreditation

#### **BY THE NUMBERS:**

- 1,326 IRB protocols submitted; 1,199 approved
- 8 Formal research misconduct investigations
- 4,080 Conflict of Interest submissions reviewed
- 400+ COVID-related protocols reviewed and approved in 8 calendar days on average

## Innovation Ventures

FY21: A Year of Impact





innovate rutgers edu

## University Cores / RUBRIC

FY21: A Year of Advancement



- Awarded 95 Faculty Core Utilization Grants
- Awarded 21 Core Facility Equipment Grants to Core Directors
- Matching commitments made to Chancellor Unit SIG submissions
- Agilent iLab Core Facility Management Software rolled out to 10 core facilities
- Ongoing counsel and support to all new and existing core on rates review and core facility compliance with federal regulations
- Established Office for Research Core Facility Advisory Committee to provide substantive input on the above functions including scoring or grant submissions

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#### Animal Care

FY21: A Year of Resilience



- Unified program across all Rutgers campuses (Newark, New Brunswick, Piscataway and Camden) since 2019, resulting in efficiencies and cost savings
- 108 FTEs and managing 21 animal facilities across Chancellor Units
- Added oversight of 2 ABSL3 facilities in Newark
- Maintained 100% operation during pandemic
- Established new Veterinary Residency Program in Lab Animal Medicine
- Completed overhaul of animal housing infrastructure in Newark and NB/Pisc facilities at a cost of \$6.4 million
- Inspections: 4 USDA inspections in FY20 with no findings and clean report. AAALACi accreditation visit in June 2022
- New In Vivo Training program focused on researcher training at undergraduate, graduate and post-graduate level courses/certificates
- Award-winning staff recognized by LAWTE (National group for training in the lab animal field) and NJAALAS (NJ branch of AALAS)

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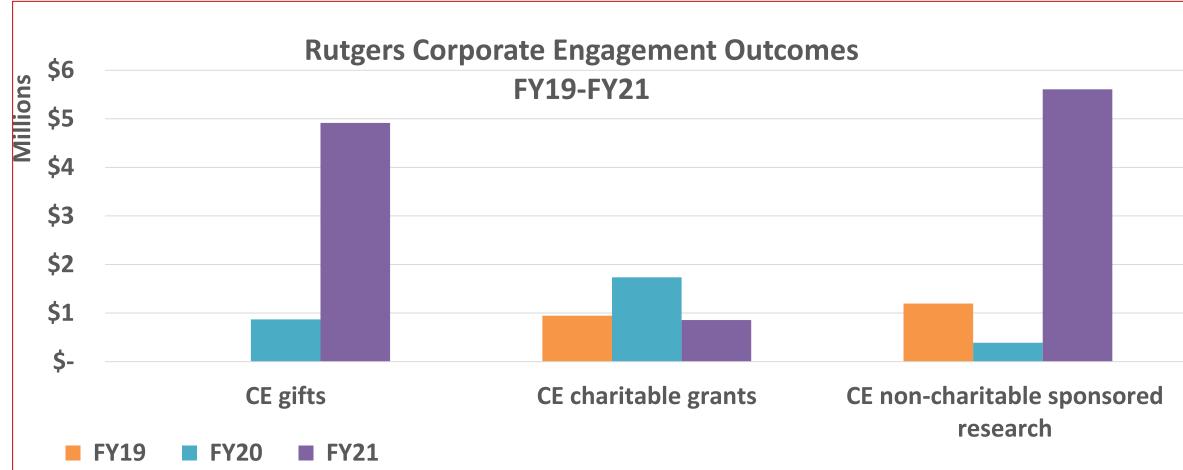
## Corporate Engagement

FY21: A Year of Partnerships



#### Results

YEAR	FY1	FY19		20	FY21	
<b>Total Industry Investment into Rutgers</b>	\$	146,720,728	\$	101,946,874	\$ 190,824,680	
(research, philanthropy, clinical trials, royalties, etc.)						
<b>CEC Contribution - Total</b>	\$	2,143,894	\$	2,996,889	\$ 11,379,176	



#### FY 2021 Highlights

- 45 companies \$11m in awards
- Notable Corporate Engagement awards and relationships
  - J&J, BMS, Merck, Colgate, Siemens, BASF, Lockheed, Regeneron, Novartis-IBR, Agilent Technologies, BD, ATT, Prudential, PayPal, etc.
  - Launched PhD Experiential Learning Opportunities
  - Merck support of Rutgers Future Scholars in Rahway

## Research Development

FY21: A Year of Victory



- Project management of multi-unit, large-scale complex proposals of institutional priority. Examples of success:
  - > \$20m NSF CoPE Award (climate change and resilience)
  - \$3m NSF Research Traineeship Program SOCRATES (socially-cognizant robotics)
  - \$1m NJ OHSE State Policy Lab (informing NJ government on state policy design)
- Direct-to-faculty proposal development support on popular solicitations through info sessions, peer-review workshops; 1:1 proposal review consultations. Examples:
  - NSF CAREER support series: 50+ faculty participants
  - NSF and NIH mid-career enhancement awards sessions: 40+ faculty participants
- Strengthening local research support knowledge-base through administration of university wide Pivot funding search portal
  - o 350+ faculty and staff trained since Pivot's adoption in Spring 2020
  - Pivot "super users" group formed to boost local-level expertise
- Establishment of cross-chancellor unit Research Strategy Roundtable for Rutgers research leadership, a joint initiative of the SVPR and EVPAA
  - *Mission*: To identify approaches for strategic intervention at the nexus of research and academics
  - *Vision*: To strengthen academic excellence through enhanced engagement across campuses
  - Accomplishments to date: Completed cross-unit SWOT analysis with short list of thematic priorities for FY22

## Support Services

**FY21 Successes** 



#### Information Technology

- Developed comprehensive Return to Research Portal to manage safe repopulation of research activity on campus.
- Redesigned several modules in RAPSS to simplify and enhance functionality for subawards, compliance review, agreements
- Merged with OARC Research Infrastructure and Scientist teams into one organization, offering new opportunities for collaboration and innovation and enhancing OARC's ability to support the university's research mission.

#### Finance

- Managed 10% across-the-board RCM budget cut
- Participation in COA Phase 2 Project
- Streamlined the Busch Biomedical Award setup

#### Communications, Marketing and PR

- Launched new Rutgers Research website implementing best practices for contemporary, responsive design, accessibility and usability.
- Amplified outreach effort for COVID and vaccine communications.
- Pitched research and innovation stories and prepared PIs for regional, national and international network news broadcasts highlighting their research.

#### **Human Resources**

- Transitioned staff to fully remote work.
- Facilitated three shared work furlough programs impacting significant number of employees.
- Provided consultation to all Research unit leaders to ensure their areas are properly staffed, redesigning the organizations as appropriate.

esearch,rutgers.edu



#### **INITIATIVE 1:**

Complete Unified Patent Policy

#### **INITIATIVE 2:**

• Implement F&A Cost Recovery Policy for Rutgers

#### **INITIATIVE 3:**

• Fill Executive-Level Vacancies

#### **INITIATIVE 4:**

Launch Rutgers Integrated Core Facilities

#### **INITIATIVE 5:**

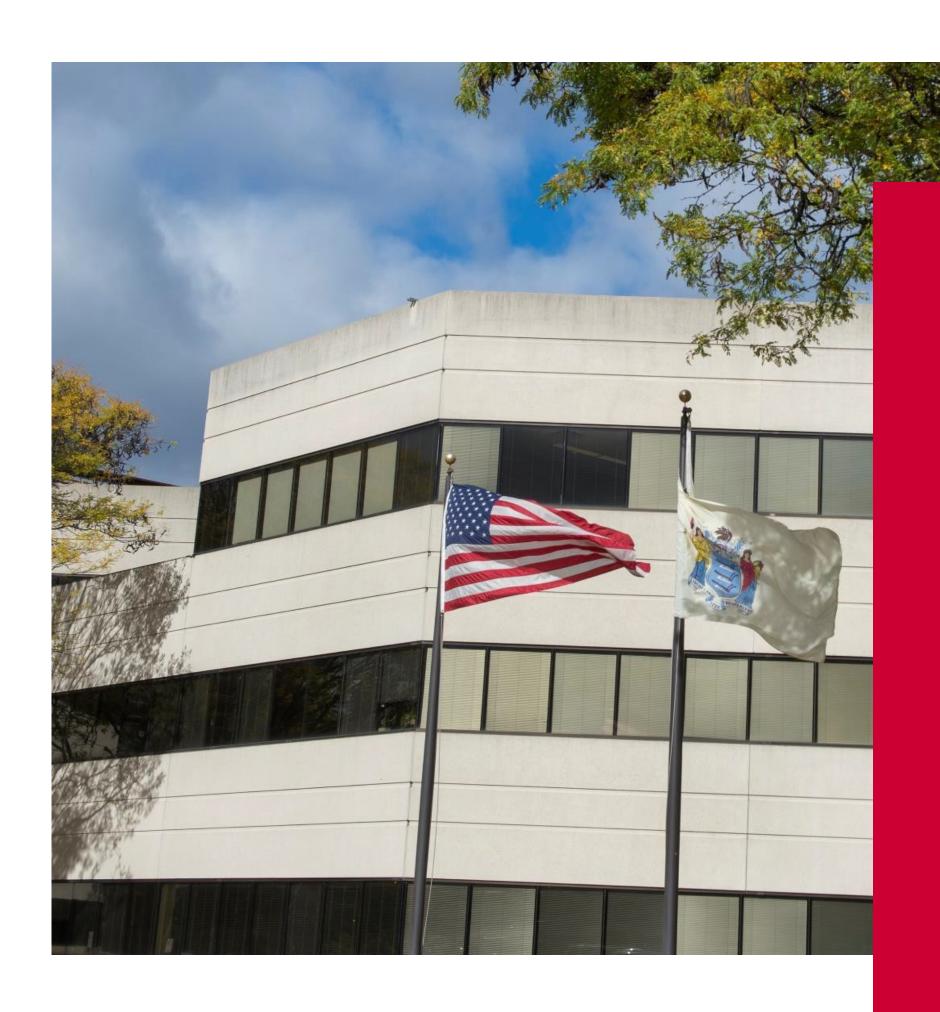
Leverage Research Roundtable for Strategic Promotion of Research Operations



## Comments or Questions?

CONTACT:

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## Quick Break

## FY 2022 Budget

A budget that reflects our priorities

#### David B. Moore

Associate Vice President

Chief Budget Officer



## University Budget

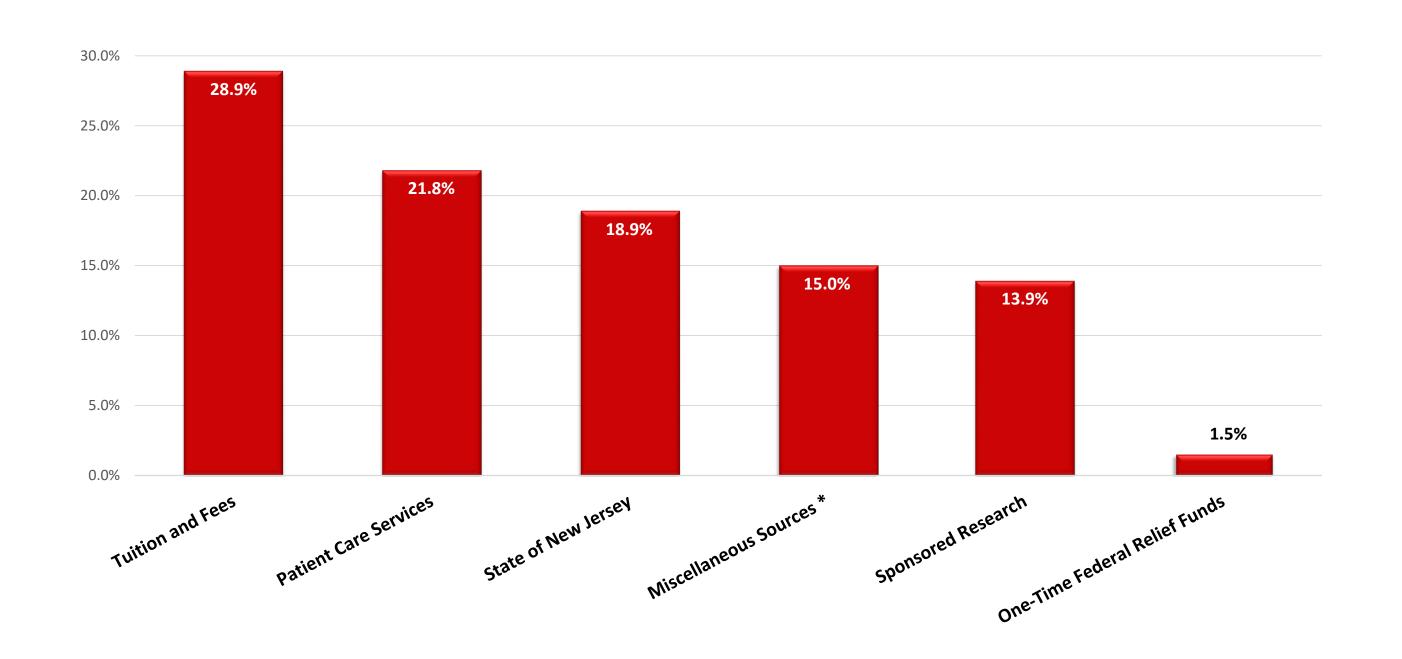
Rutgers' annual budget reflects the values of the university in fulfilling its core priorities of outstanding teaching, research, service, and clinical care, while providing the best academic experience for our students.

The university's fiscal year (FY) 2022 total adopted budget is a \$4.8 billion statement of our priorities, a statement of our values and a recognition of the fiscal limitations we face together.



## University Revenue

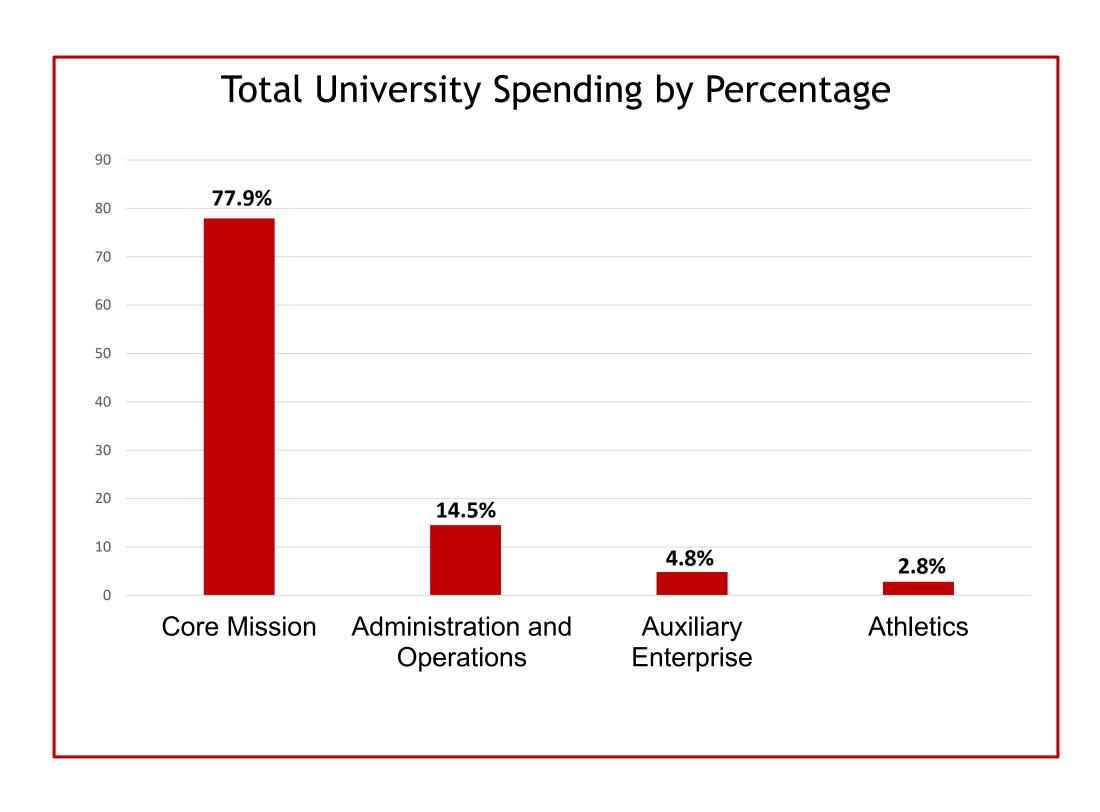
#### Where does the \$4.8 billion come from?



<sup>\*</sup> Miscellaneous Sources includes auxiliary enterprise, student aid, athletics as well as endowment and investment income.

## University Spending

#### \$4.8 billion spent on the things that are most important to us



- 77.9% spent on our core missions of student instruction, research, public service and patient care
- 14.5% spent on administration, operations and maintenance
- 4.8% spent on auxiliary enterprise
- 2.8% spent on athletics

## FY 2022 Revenues – September Report

Dol	lars	in	thousands	•
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	FY 2019	FY 2020	FY 2021	FY 2022		
	Sept Actual vs	Sept Actual vs	Sept Actual vs	Annual		Sept Actual vs
	<b>Annual Budget</b>	Annual Budget	<b>Annual Budget</b>	Budget	Sept Actual	<b>Annual Budget</b>
1 Student Tuition and Fees	15.44%	16.02%	16.32%	1,376,744	223,391	16.23%
2 Federal and State Student Aid	11.77%	11.76%	14.12%	270,042	80,094	29.66%
3 Federal Appropriation	46.69%	50.26%	16.63%	7,426	1,541	20.75%
4 Allocated University Support	0.00%	0.00%	0.00%	0	0	0.00%
5 NJ State Appropriations	24.67%	25.35%	25.25%	434,686	118,783	27.33%
6 State Paid Fringe	23.03%	25.19%	25.27%	464,625	117,491	25.29%
7 Grants and Contracts	21.43%	25.95%	24.42%	567,392	114,064	20.10%
8 Facilities and Administrative Recoveries	25.78%	26.28%	25.56%	128,316	32,968	25.69%
9 Gift and Contribution Revenue	96.75%	23.39%	29.71%	39,475	7,592	19.23%
10 Endowment and Investment Income	25.95%	22.58%	43.35%	57,099	15,864	27.78%
11 Healthcare Revenue	22.53%	24.05%	25.52%	413,304	99,510	24.08%
12 Affiliated and Housestaff	24.16%	22.13%	18.85%	627,623	137,275	21.87%
13 Other Sources Revenue	26.61%	23.78%	8.24%	104,037	21,749	20.91%
14 Auxiliary Revenue	20.77%	20.03%	6.84%	276,764	42,366	15.31%
15 <b>Total Revenue</b>	20.89%	21.16%	20.63%	4,767,532	1,012,689	21.24%

Most revenue sources are on track with the established university budget and overall total revenues shows a positive position when compared to prior years.

## FY 2022 Expenses – September Report

Dollars in thousands

	FY 2019	FY 2020	FY 2021		FY 2022	
	Sept Actual vs	Sept Actual vs	Sept Actual vs	Annual		Sept Actual vs
Expense (Uses of Funds)	<b>Annual Budget</b>	<b>Annual Budget</b>	<b>Annual Budget</b>	Budget	Sept Actual	<b>Annual Budget</b>
16 Salaries and Wages	24.37%	24.82%	24.78%	2,328,053	559,783	24.05%
17 Fringe Benefits	23.96%	24.63%	23.17%	813,897	175,240	21.53%
18 Total Compensation	24.27%	24.78%	24.39%	3,141,950	735,022	23.39%
19 Supplies and Other	23.07%	27.11%	22.41%	249,796	50,910	20.38%
20 Scholarships and Fellowships	12.73%	12.58%	12.55%	461,391	60,118	13.03%
21 Travel	20.98%	20.90%	1.86%	34,381	2,634	7.66%
22 Plant Operation and Maintenance	26.09%	27.12%	22.35%	142,450	33,505	23.52%
23 Debt Service - Principal and Interest	24.91%	24.96%	24.89%	184,331	46,083	25.00%
24 Other Operating Expense	25.83%	19.45%	21.12%	295,432	62,001	20.99%
25 Professional Services	18.88%	20.23%	17.92%	312,132	53,901	17.27%
26 <b>Total Expense</b>	22.92%	23.19%	22.27%	4,821,864	1,044,174	21.65%

Most expense categories are aligning to prior year actuals while some are trailing behind prior year actuals due to the overall effort to reduce discretionary spending.



Through this budget we strive to provide an affordable, high-quality education for our students and achieve academic and research excellence.



## Comments or Questions?

## Year-End Close/Annual Audit

#### Ernie DiSandro

Associate Vice President

**University Controller** 



## Year-End Close/Annual Audit

#### **Year-End Close**

- Year-end close is substantially complete
- Waiting for the State Of NJ for information regarding our share of the postemployment benefits, other than pensions (other postemployment benefits or OPEB) amount

#### **Annual Audit**

- Audit plan is on schedule and on pace with last year. The plan consisted of:
  - o May to begin the planning and risk assessment
  - June through August begin interim field work to perform process walkthroughs and substantive procedures on expenses and revenues based on YTD March results
  - September through October complete year end field work
- Audit Committee meeting is tomorrow, October 27, when a substantially completed draft of the FY21 financial report will be presented for approval.

## Student ABC

#### **Anthea Jeffrey**

**Associate Controller** 

Student Accounting, Billing, and Cashier Services





## Who We Are



We help students resolve any financial issues that they might encounter with their student account. We oversee charges and credits related to tuition, fees, housing, dining, payments, financial aid credits, tuition remission, and Student Health Insurance Plan (SHIP) premiums

### Our Services



#### Tuition & Fees Billing

Billing team oversees and regulates student term bills, tuition revenue and the proper billing of each school division.



#### **Delinquent Accounts & Collections**

The Collections team is responsible for the billing and collections of the Federal Title IV and Title VII campusbased student loans, the Rutgers University Loan Program (RULP) and provides delinquent tuition account management for students who are no longer enrolled.



#### **Payment Center**

The payment center is responsible for all student bill payments and processing, generation and distribution of student refunds. This is the student-facing team of the department and provide highly skilled customer service.



#### **Accounting & Reconciliation**

The Accounting and Reconciliation team provides students, families and alumni with accurate financial information, reporting and guidance.

## Social Responsibility



#### **Give Back to Frontline Workers**

During the pandemic, SABC provided lunch from Honeygrow to 60 frontline workers at Rutgers Robert Wood Johnson University Hospital.







#### Adopt a Family

The SABC staff actively participates in the RAH Adopt A Family program to provide food and clothing for families in need during the holiday season.





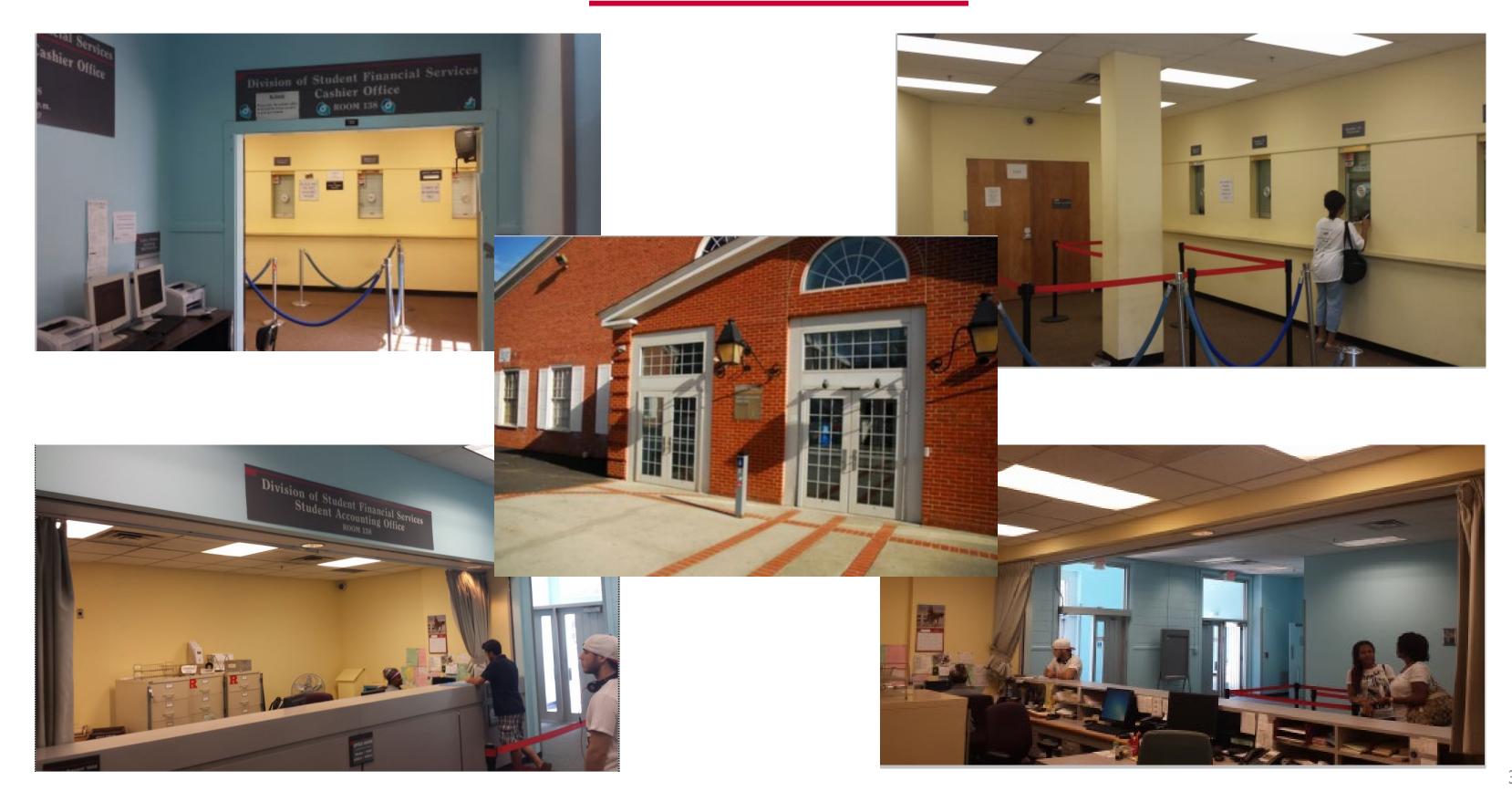
# New Location: Dr. Samuel DeWitt Proctor Hall

**PAYMENT CENTER: ROOM 205** 





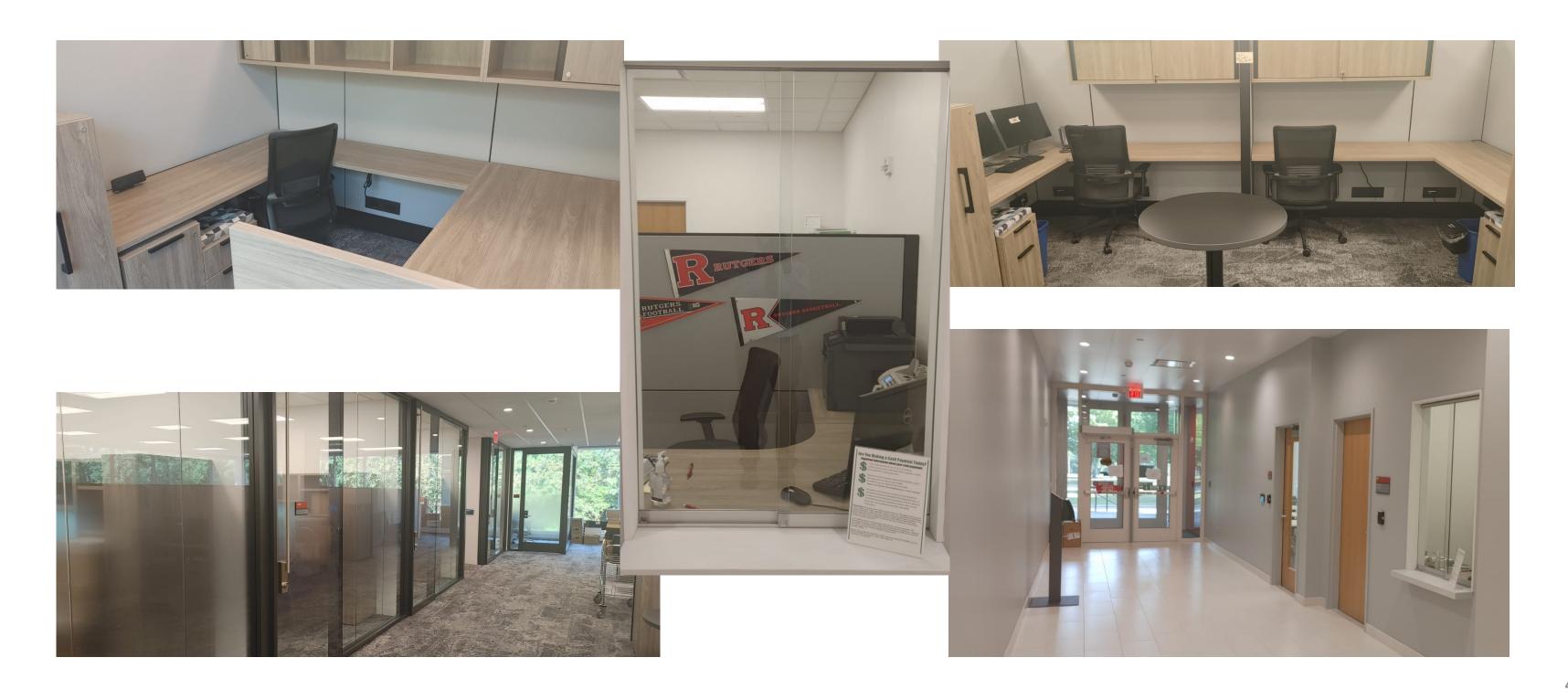
# Records Hall

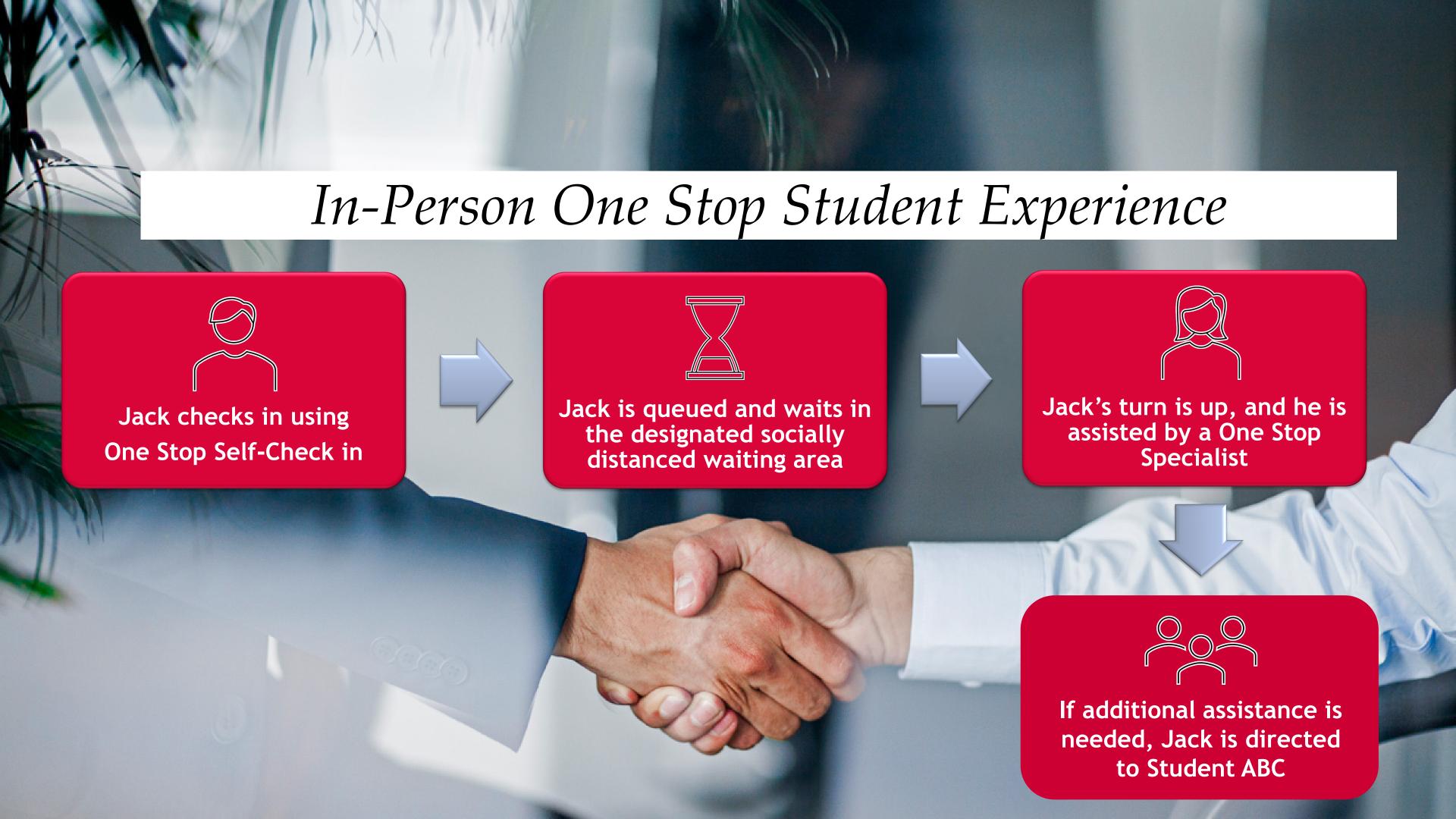


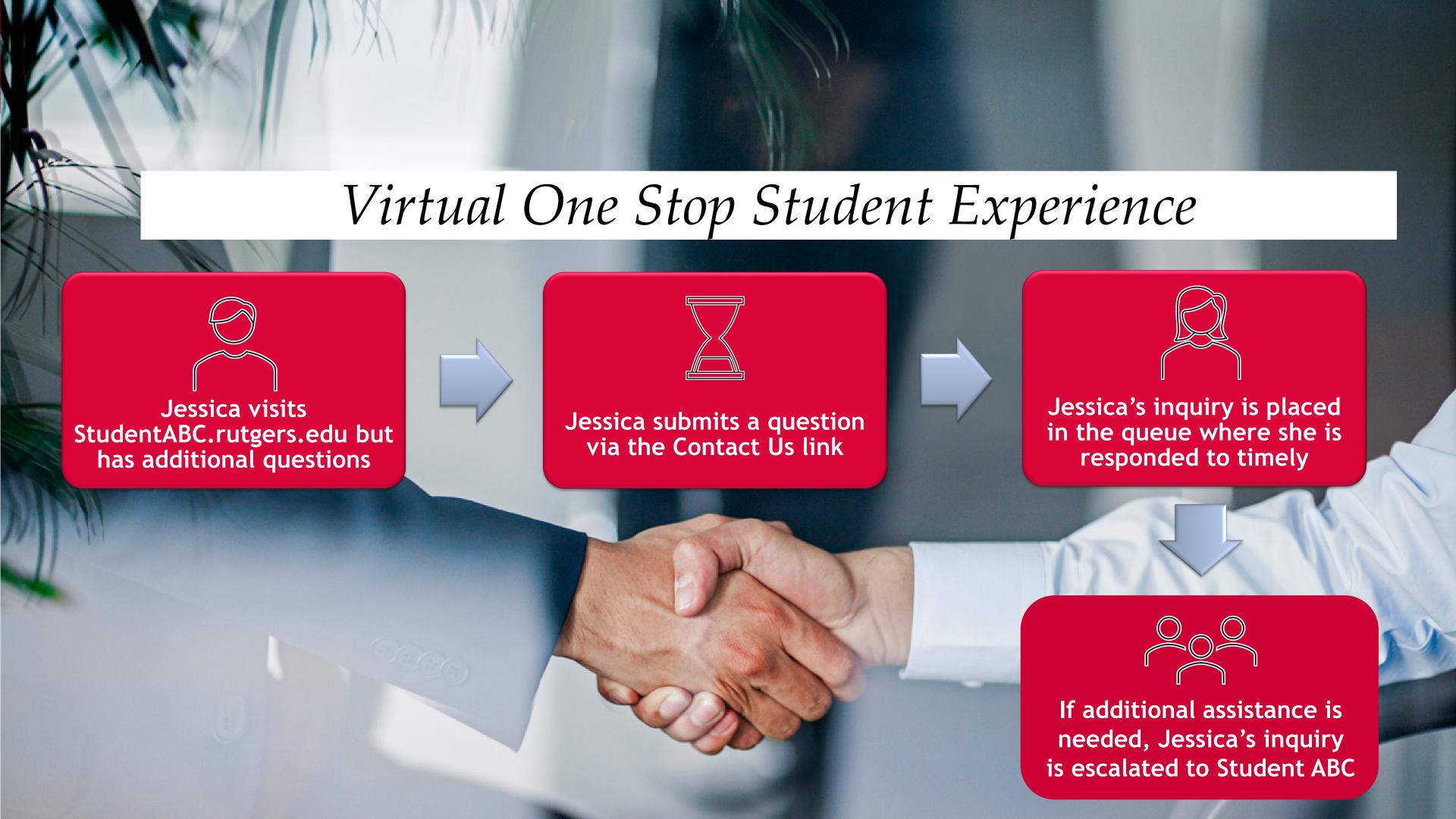
#### Dr. Proctor Hall: Student Services Center



# Dr. Proctor Hall: Workstations & Payment Center







# Highlights – Annual Report/Future Goals

#### Highlights FY 2021:

- Amount Billed: \$1.6 billion ~ 53,000
- Payments Received: \$641 million (excluding financial aid)
- Amount Reconciled: \$1.6 billion
- Delinquent Tuition Collected: \$3 million
- Cash payments: \$138 thousand

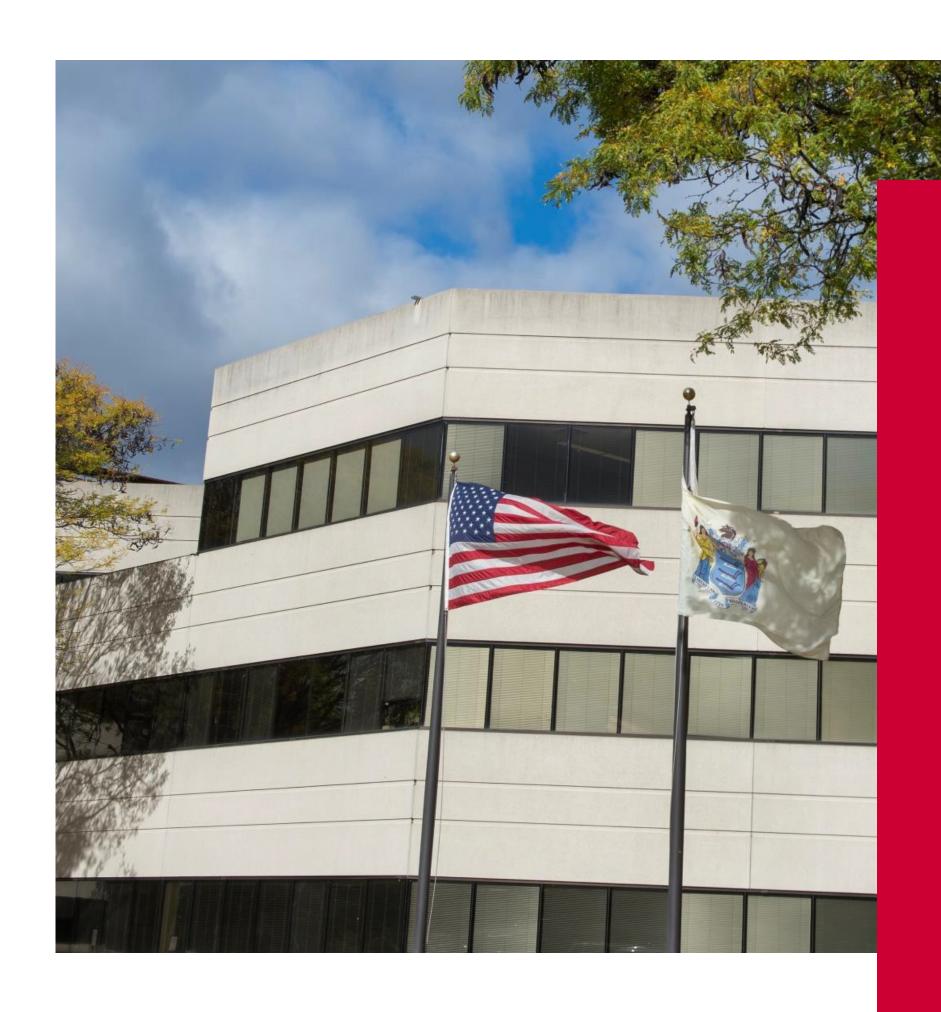
For more information on SABC, visit studentabc.rutgers.edu

#### **Future Goals:**

- Refund Automation
- Tableau reporting
- International Payment Plans
- Docusign
  - Student Loan Promissory Notes
  - Student Financial Responsibility Statement



# Comments or Questions?



# Quick Break

# Payment Services Migration

#### Mankit Tsui

Senior Business Manager

Project Management Office



# Payment Services Migration – Overview

- Replacement of ScholarChip Payment System
- New platform implemented using NelNet Business Solutions

#### **Impact**

#### **Student Payment and Refund Services**

- Over **60,000 students** on New Brunswick, Newark, and Camden Campuses, and their parents, guardians and authorized payers/refund recipients
  - Term Bill Payments
  - Student Tuition Payment Plans
  - Student Electronic Refunds (ACH) [includes RBHS]

#### **Departmental Payment Services**

- 77 University Departments and 256 Subunits
  - Parking
  - Housing
  - Dining
  - Admissions
  - Continuing Studies
  - Registrar

# Payment Services Migration – Current Status

Completed Releases

July 2020 Student Tuition Payment Plans

(Nelnet)

July 2020
Interim Student &
Dept Payments
(SchoolPay)

Nov. 2020
Student ACH
Electronic
Refunds
(Nelnet)

July 2021

Departmental Payments GL Feed

(Nelnet)

October 2021
Dept Payments
Project Feed
(Nelnet)

#### Remaining releases to be completed by May 2022

- Continue phased migration of Departmental Payments to Nelnet
  - 15 departments now live in Nelnet, including Admissions, Registrar, Dining, Social Work
  - Numerous other departments in active scoping, testing, and/or pre-production
- Nelnet long-term solution for Student Online Term Bill Payments

# Oracle Human Capital Management (HCM)

## HCM Transformation Business Objectives

As part of the Cornerstone initiative, the HCM project is meant to transform the way HR and Payroll services are delivered and to refresh/update legacy business processes and replace legacy systems with new technology in the Oracle platform. This project will further expand the existing Oracle Finance Cloud environment to include a full suite of Oracle HCM modules.

Deliver comprehensive, high quality employee data required to attract, develop and retain the faculty and staff needed to fulfill the University's mission

Provide a single source of integrated, validated, and timely data

Design processes that deliver high quality service, are easy to navigate and minimize frustration

Significantly reduce or eliminate non-valueadded tasks (i.e., manually cleansing, coalescing, validating, and reconciling data across multiple source systems)

Minimize/eliminate the need for shadow departmental systems and/or duplication of data

HCM Transformation Initiative Capitalize on technological advances such as easy to use self-service functionality, business intelligence, artificial intelligence and automation

Gain insights into the business and to help make better decisions for improved outcomes

Maintain high levels of compliance to external laws, and internal policies and procedures

Increased control and reduced risk asosciated with data privacy by reducing the number of systems containing protected data

Coordinate disparate department business processes



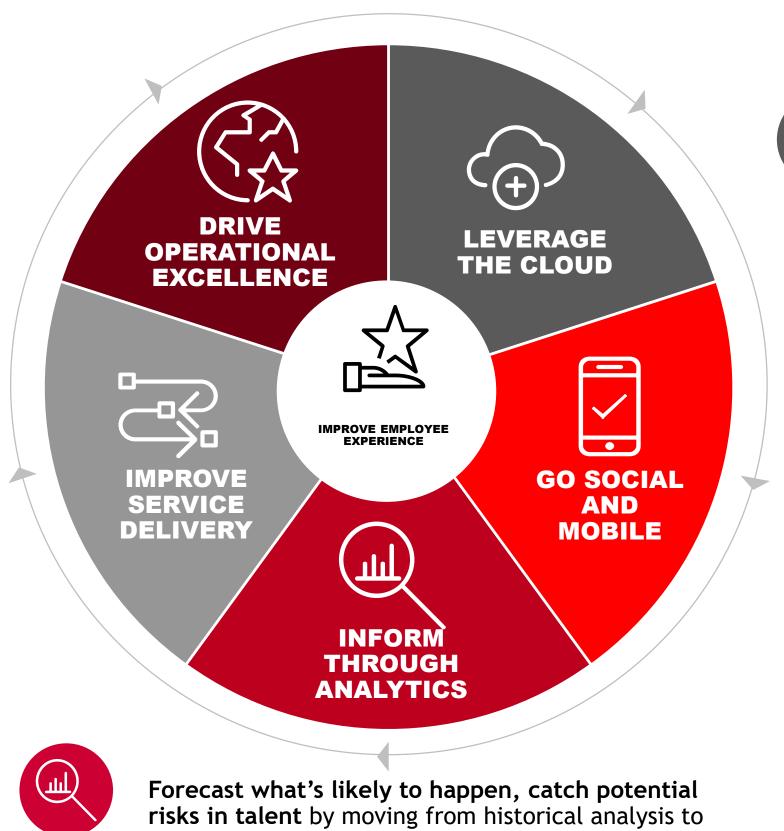
## HCM Cloud Implementation Goals



Leverage standardized processes and integrated HR systems to help streamline HR operations, increase efficiency and lower operating & maintenance costs



Increase workforce productivity, employee engagement and talent retention by moving beyond back office administrative tasks



With vendors in charge of evolving technology, quickly adopt new tools and functions as they are implemented. Opportunity and flexibility to incorporate new features and adapt to changes with greater frequency than the typical multi-year improvement cycles



Enable a global, extended workforce that collaborates through social networks. Allow them to work seamlessly, in real-time with more access to data and information to manage their own performance and careers

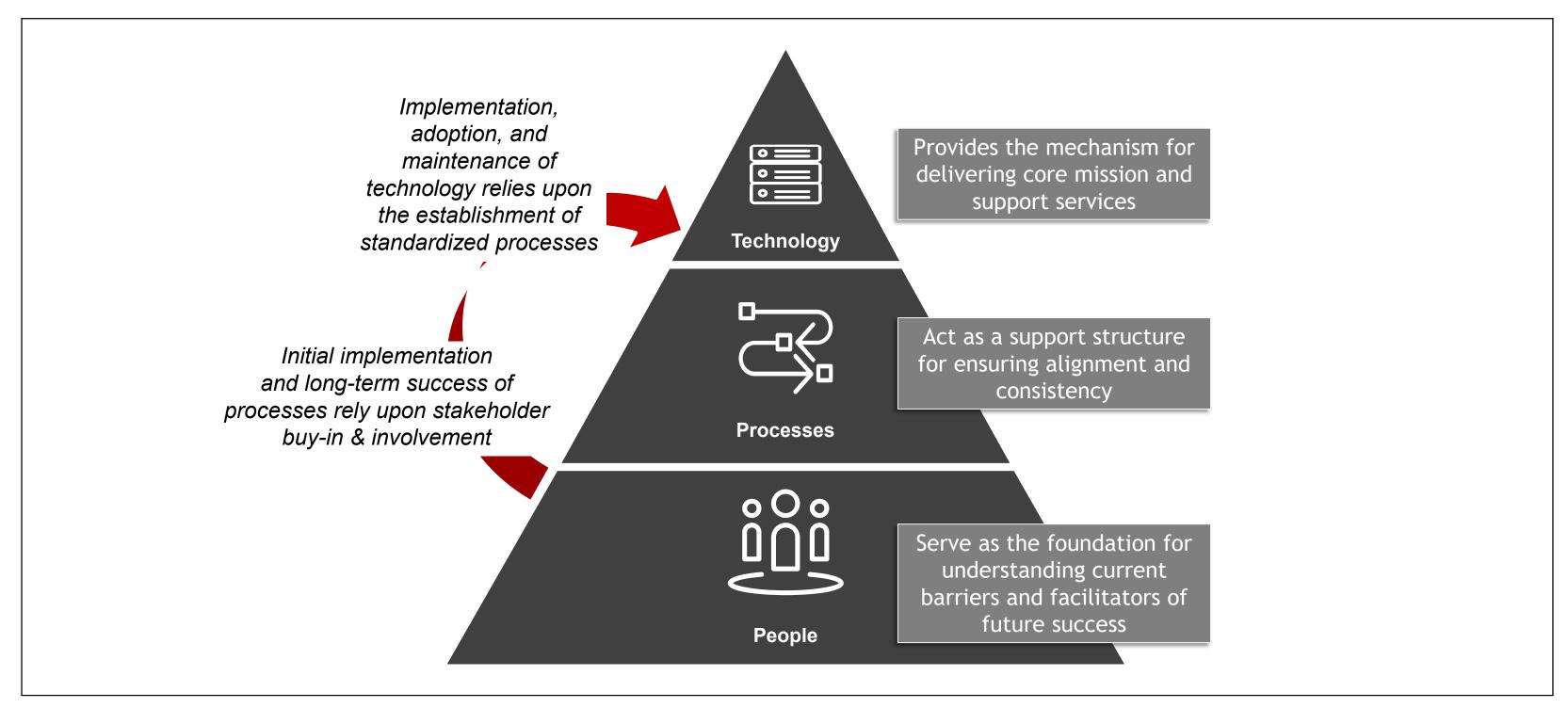


predictive analysis. Use automation and artificial intelligence to gain insights to help make better decisions throughout the business



### HCM Transformation Initiative Overview

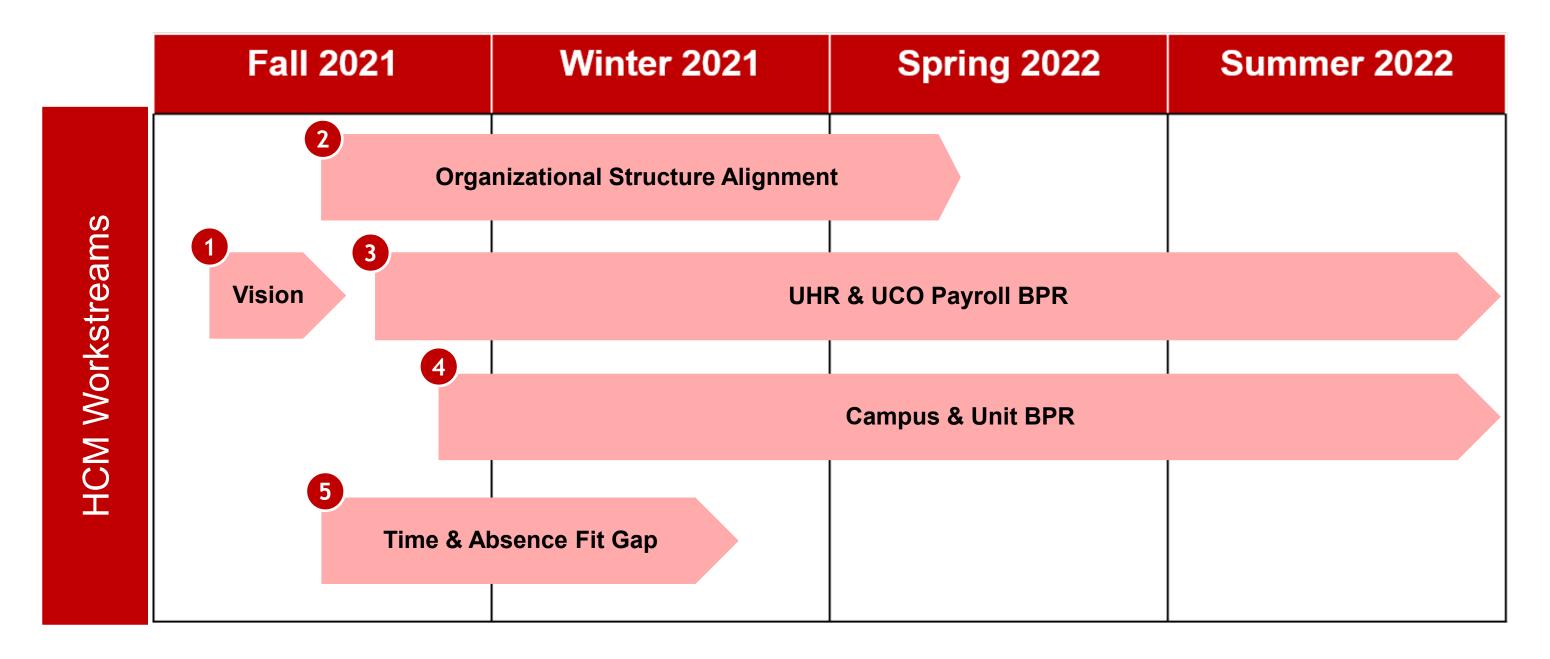
The HCM Transformation Initiative consists of reviewing people, process, and technology within HR and Payroll across Rutgers University.





### HCM Transformation Initiative Overview

Phase 1 of the HCM Transformation Initiative incorporates four workstreams that will help prepare the institution for the upcoming implementation of Oracle HCM Cloud (Phase 2/3)





## Business Process Redesign Vision

HCM

Business Process
Redesign

#### **Simple**

Optimized processes that minimize manual and duplicate efforts, data reconciliations, or delays to cycle times

#### Clear

Processes will be transparent and easy for stakeholders to understand its purpose and direction

#### **Uniform**

Consistency of processes across the university

Provide simple, clear and uniform business processes across the organization and address business needs. Shift focus on business processes to identify strategic priorities.

#### What benefits will we gain?

Streamlined processes tailored for Rutgers

**Increased productivity** by ensuring processes follow the most direct, efficient path

Improved quality and stakeholder satisfaction

Safeguard the integrity of the university by **reduced risks and issues** 

Enhanced protection of personal and confidential data

**Improved job satisfaction** through improved processes and training Standardize HR and payroll **data structures** 

#### How are we doing it?

**Collaborate:** Gather input from all respective central and campus units to ensure the proposed future state operations meet the university's needs

Refine: Provide recommendations and pinpoint training needs

**Socialize:** Open lines of communication and feedback to provide project updates and include unit leadership for local/intra-unit information exchange

**Enhance:** Leverage preliminary discovery work and partner on any improvement initiative that is planned or underway

#### When are we doing it?

**Starting Fall 2021** 

\* Dates are tentative and subject to change

#### Why are we doing it?



Reduce complexity and optimize the university community's experience



Provide clear direction and identify roles and responsibilities across the respective teams

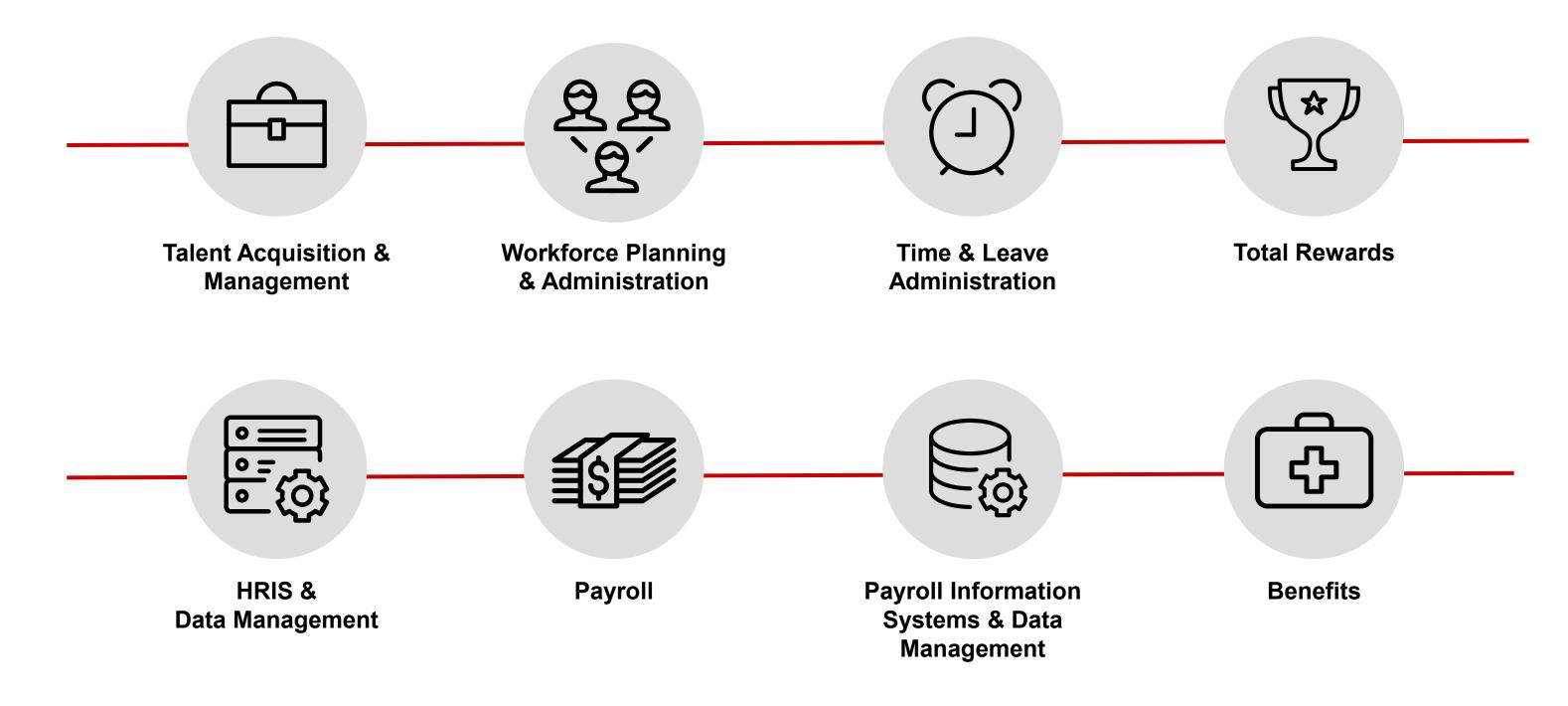


Create standardized and consistent business model and operational procedures



# Business Process Redesign Scope

Below are the eight prioritized process areas for Business Process Redesign





NOTE: Above is representative of the approved scope for UHR and UCO Payroll only. This scope will be reviewed and modified as appropriate with campus and unit stakeholders.



# Comments or Questions?



# Thank You!



# Finance Town Hall

OCTOBER 26, 2021

