Treasurer’s Town Hall

J. Michael Gower
Executive Vice President, University Finance and Administration
University Treasurer

April 6, 2018
Camden Campus Center
Today’s Agenda

- Project Management Office
  - John Fahey
- Chart of Accounts Initiative
  - Kathy Dettloff
- Financial Management
  - Pete Larson
- University Procurement Services
  - Nimish Patel
Project Management Office

John Fahey
Project Executive
• **Two-phased approach to complete demographic, financial reviews**
  – Stabilize data to allow research units and principal investigators to run accurate reports and obtain accurate balance information on awards
  – Develop business processes and policies to support consistent and correct use of the system

• **Partner with Chancellor’s Offices and university’s research community**
  – Bring subject matter experts and others who represent large schools/research projects into extended team to review progress, and provide input to business processes and grant management policies

• **Engage faculty, their staff through project management, change management, training, education, and communications activities**
• Target completion dates for Phase 1 central reviews of remaining active projects
  – May 4: UMDNJ, and clinical trials
  – June 1: Cost-reimbursable, letter of credit
  – June 15: BR3/Foundation, and others

• Goal: Complete all internal reviews, receive confirmation from research units that expense and balance data is correct no later than June 30.
  – Project review for process, training and internal transaction adjustments, immaterial to PI reporting and balance information will continue until complete.
### Sponsored Projects Review: Status

#### Sponsored Projects (incl., projects added post conversion)

<table>
<thead>
<tr>
<th>Review Population (by end date)</th>
<th>Active Count</th>
<th>Expired Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost-Reimbursable</td>
<td>1,058</td>
<td>1,474</td>
</tr>
<tr>
<td>UMDNJ Accounts Receivable</td>
<td>298</td>
<td>1,332</td>
</tr>
<tr>
<td>Letter of Credit</td>
<td>1,653</td>
<td>1,161</td>
</tr>
<tr>
<td>Clinical Trial</td>
<td>400</td>
<td>248</td>
</tr>
<tr>
<td>BR3 / Discretionary</td>
<td>808</td>
<td>593</td>
</tr>
<tr>
<td>Other</td>
<td>1,098</td>
<td>2,791</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,315</strong></td>
<td><strong>7,599</strong></td>
</tr>
</tbody>
</table>

#### Active Projects

<table>
<thead>
<tr>
<th>Internal Review Complete (ready for field review)</th>
<th>Reviewed projects and adjustments pending</th>
<th>Pending Internal Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,058</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Active Projects: 5,315</strong></td>
<td><strong>2,348</strong></td>
<td><strong>680</strong></td>
</tr>
<tr>
<td><strong>2,287</strong></td>
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</tbody>
</table>

#### Expired Projects

<table>
<thead>
<tr>
<th>Internal Review Complete</th>
<th>Reviewed projects and adjustments pending</th>
<th>Pending Internal Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>31</td>
<td>109</td>
<td>1,334</td>
</tr>
<tr>
<td><strong>Total Expired Projects: 7,599</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| UMDNJ Accounts Receivable | 804 | 528 |
| Letter of Credit          | 260 | 901 |
| Clinical Trial            | 250 | 150 |
| BR3 / Discretionary       | 808 | 593 |
| Other                     | 22  | 68  |
| **Total Population**      | **12,914** |   |
| **Total Active Projects:** | **5,315** |   |
| **Total Expired Projects:** | **7,599** |   |
**Goal**
To establish an integrated financial data and reporting platform, and create a Reporting Center of Excellence that will meet the current and future demands of the university community

**Scope**
- Financial reporting and analytics for general ledger, sponsored and non-sponsored projects, procure-to-pay, expense management, human resources, payroll, student, and financial aid

**Membership**
- Core team: University Finance, Information Technology, Project Management Office
- Extended team: Chancellor and central unit representatives

**Current Status**
- Requirements and solution design phase → design, build, deliver phase
- Conducting workshops to gathering recommendations on new solution
200+ sessions

1500+ people

Canvas is a cloud-native learning management system used by millions of students across the globe that connects Rutgers to online learning.
• Consolidate core details from multiple sites into single, user-friendly pages

• More consistent experience
  o Top navigation
  o Curriculum
  o Access
  o Calendar
  o Support materials
  o Frequently Asked Questions
  o Contact Us
## Project Management Office Office Projects

**As of April 3, 2018. Timelines are proposed and subject to change.**

<table>
<thead>
<tr>
<th>CY 2018</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
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</thead>
</table>

### Stabilization
- Grant and Contract Accounting Project Review (Phase 1)
- Cornerstone Reporting Optimization (CRO)
- Chart of Accounts (COA) Initiative

### HR/Payroll
- Human Resources/Payroll Business Process Review Implementation
- Human Resources Performance Management Implementation
- Human Resources Service Center Implementation
- HCM Cloud Partner Selection, Planning and Implementation

### SEII
- SEII Ongoing Assessment and BPR Implementation
- SIS Selection

### Financial Management
- Financial Consolidation and Close Cloud Service (FCCS)
- Account Reconciliation Cloud Service (ARCS)
- Cash Management BPR
- Cash Management Implementation
- Fixed Assets BPR
- Fixed Assets Implementation
- Endowments and Investments BPR
- Endowments and Investments Implementation (Fund Driver)

### Budget and Planning
- Profitability and Cost Management Cloud Service (PCMCS)
- Enterprise Planning and Budgeting Cloud Service (EPBCS)

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Procure-to-Pay Policy Work

Digital Mailroom

P-Card Implementation

Jaggaer Suite (Total Contract Manager, Total Supplier Manager and Sourcing Director)

Accounts Payable Automation

Travel Card Implementation

Business Process Redesign

eIRB, Animal Operations, and eIACUC Implementation

RAPSS Integration to Oracle: Planning and Implementation

Reporting and Analytics Planning and Implementation

Planning and Implementation

As of April 3, 2018. Timelines are proposed and subject to change.

BPR: Business Process Review
HCM: Human Capital Management
SEII: Student Experience Improvement Initiative
SIS: Student Information System
Chart of Accounts Initiative

*Kathy Dettloff*

_Vice President of Financial Planning and Budgeting_
• Exploring ways to better serve the University through chart of accounts changes, improved controls and education, guidance, support, and policies to ensure best use of the COA.

**Goal**

Improve how we support our operations by making the chart of accounts simpler to use, ensuring the data are accurate and easily reportable across the University, and making certain that the project ledger interacts seamlessly with the general ledger.

• In the coming weeks and months, we will:
  – Implement internal and system controls that will prevent the use of invalid general ledger string combinations to ensure FY2019 will have accurate and easily reportable data.
  – Finalize policies and procedures.
  – Host open forums and webinars where you will hear from senior leaders and project team members, and be able to ask questions about the changes.
Enter valid and correct sponsored and non-sponsored project data to ensure accurate and consistent projects-to-general ledger accounting
   – Revenues and expenditures will follow project accounting

Create sub-ledger accounting rules to enable project cost and revenue transactions to follow project’s U-D-O combination
   – Automation of freight and miscellaneous charges on Accounts Payable invoices
   – Facilities and Administration (F&A) revenue distribution

Activate cross validation rules to ensure use of only valid and correct chart segment combinations
   – Employee charging instructions (PeopleSoft)
   – Existing purchase orders (RU Marketplace)

Establish accounting policies, procedures, and guidance on financial transactions
   – Expense recovery, transfers and faculty funds set up

Correct balances, and delete invalid strings after clearing balances in all 10 segments of the chart of accounts

Update chart of accounts segment value descriptions to be more intuitive
• Review the list of valid and invalid U-D-O combinations, and use only valid U-D-O combinations

• Confirm or correct project master data to enable more accurate project-to-general ledger accounting

• Attend upcoming open forums and Webinars

• Review communications and resources posted to the Controller’s Office website that also are accessible from the Budget Office and Cornerstone websites

• Submit question and suggestions, to your unit’s business manager, a Chancellor unit or central business representative, a member of the Advisory Group, or the Budget Office at budget@finance.rutgers.edu
Financial Management Update

Pete Larson
Associate Vice President for Finance and University Controller
Communicated to Vice Chancellors

Adjustments posted to central for Jun. FY17 and Jun. Adjusted FY17 to be allocated to campus

Central default account reclassifications

Ending balance and converted activity conversion 9-30-16

6-30-16 Banner Fund Balance reconciliation

Ongoing

Project-to-General Ledger reconciliation for Sponsored and Non-sponsored Projects

Unit-level Unit-Division-Organization activity corrections

Project Review University Accounting impacts
### April

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Responsible Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>March close</td>
<td>4/11/18</td>
<td>University Controller’s Office</td>
</tr>
<tr>
<td>General ledger actuals through March loaded into forecasting</td>
<td>4/14/18</td>
<td>University Budget Office</td>
</tr>
<tr>
<td>Responsibility Center budgets due to the Budget Office</td>
<td>4/27/18</td>
<td>Chancellors and Central Units</td>
</tr>
</tbody>
</table>

### May

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<thead>
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<th>Event</th>
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</thead>
<tbody>
<tr>
<td>Preliminary budget presented</td>
<td>5/18/18</td>
<td>University Budget Office</td>
</tr>
<tr>
<td>Develop consolidated Board budget</td>
<td>5/31/18</td>
<td>University Budget Office</td>
</tr>
</tbody>
</table>

### June

<table>
<thead>
<tr>
<th>Event</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Board of Governors Annual Meeting</td>
<td>6/12/18</td>
</tr>
</tbody>
</table>
University Procurement Services

Nimish Patel
Associate Vice President, Procurement,
and Chief Procurement Officer
Why now?

• Since the last major revisions to purchasing, accounts payable, and travel and expense policies, University Procurement Services has assumed responsibility for:
  – Accounts Payable
  – Travel and Expense Management

• Result of 2013 merger between Rutgers and UMDNJ, and 2016 implementation of new financial management and procure-to-pay systems, alignment of legacy policies and procedures is paramount

• Recent finalization of Federal Uniform Guidance regulations (effective July 1, 2018), Procurement needed to revise current purchasing policy to ensure compliance and remain eligible to receive federal awards
Following a thorough evaluation of existing policies, Procurement recommends overhauling purchasing policy (20.1.11) by merging relevant policies into one, renamed “Procurement and Payables Policy”

- 20.1.16: Policy on Notification and Approval of Certain Contracts Awarded without Competitive Bids or Proposals
- 20.1.17: Professional Service Provider Policy
- 40.2.4: Invoice Processing

A new University Procurement Services Procedures Manual has been developed and incorporated all procedural portions from the current policies referenced above

Key Topics

- Supplier Management
- Sourcing
- Contracting
- Ordering Goods and Services
- Invoicing
- Payments
- Ethical Conduct
- Travel and Expense Management
**What is a P-card?**

- An alternate way to purchase goods/services, typically used for one time, low-cost transactions
  - Examples: Postage, professional memberships, conference registrations

**Current Status**

- Launched pilot with Athletics, Facilities, Mason Gross School of Arts
- Ordered 11 cards
- End of month 1 cycle close – manual journal entries, limited transactions
- Bank of America automation in progress (estimated completion ~10 wks.)

**Next Steps**

- Complete full month of operations, and month end reconciliation
- Develop pilot expansion or campus deployment plan
- Finalize P-card manual
- Rollout communication, education and training
• Updated support and help desk contacts
  - cornerstone.rutgers.edu

• Stay connected
  - Finance and Cornerstone websites
  - Treasurer’s Town Hall
  - Cornerstone News Digest

• Send questions, suggestions and feedback to:
  - cornerstone@rutgers.edu
  - finance@rutgers.edu

• Research Administrators
  - Join the RAIN listserv
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