FINANCIAL MANAGEMENT MEETING
June 11, 2019

Agenda

Welcome/Introductions	Dan Langer	5 minutes
Administrative Transformation Project Update	Moira Perez Nick Tincher	30 minutes
Delegated Audit and Prompt Pay Statute	Liv Goff	20 minutes
Travel Service Fees Update	Liv Goff	10 minutes
Guided Expense Tool (GET) Decommissioning	Graig Brooks	15 minutes

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Reimagining UW-Madison's administrative infrastructure

People

Process

Technology

1

Administrative complexities constrain us from advancing our mission.

No formal career pathing

"Everything is urgent..."

Systems developed to address gaps in enterprise software

"We have a huge lack of internal controls."

"I spend a lot of time on little transactions versus big picture/strategic work."

Inconsistent role definitions

ATP

> "Processes that should be simple and easy are time-consuming and cumbersome. It took 6 months to pay an international speaker $300. We must complete 5 forms to pay for a $30 lunch. HR processes, including recruitment, are difficult, as we must use multiple systems with little information or training."

ATP

> " HRS Time and Accounting was purchased for Monday-through-Friday people. We have folks on rotating schedules, 24/7, holidays and the like that the current system is incapable of handling. It makes it really difficult for operations to function if you want people to be accountable for their time.

2

Current administration systems are inefficient.

"

We pay a student to run between 21 N Park, WCER and School of Education three times a week. The student brings all the paperwork that needs a signature, including checks and HR information. We don't trust interoffice mail—it could take up to a month.
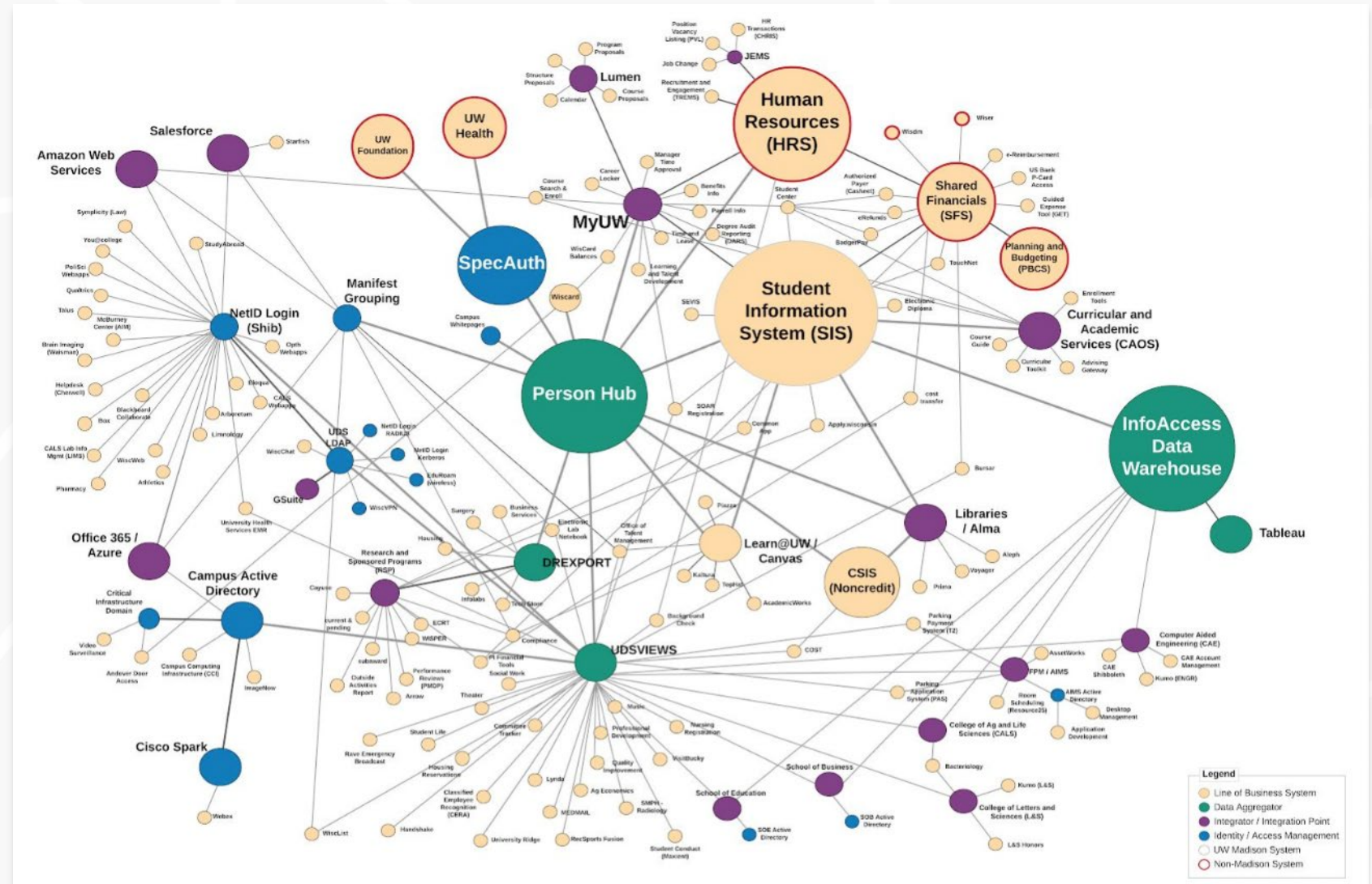
"

ATP

An accountant in the Department of Medicine is different from an accountant in our business office, but the system treats the hiring process as though they're the same.

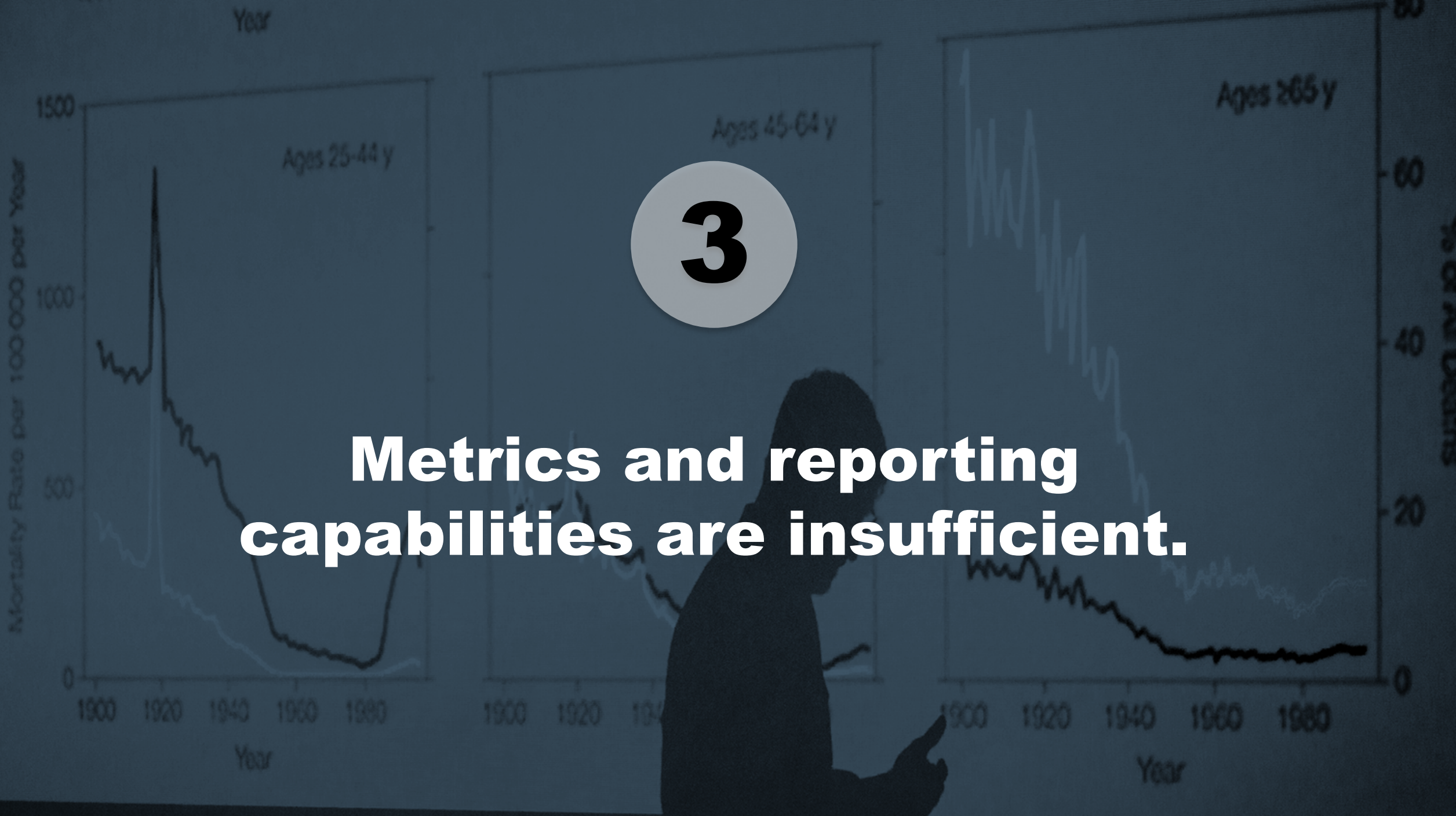"Nothing talks to each other."

3

**Metrics and reporting
capabilities are insufficient.**

"We aren't measuring things like diversity and turnover as a campus—this is a pressing issue when thinking about competition in IT."

"Capital project tracking is impossible."

"Cost accounting is needed—we just focus on what it costs after the fact."

"We can't trust the data."
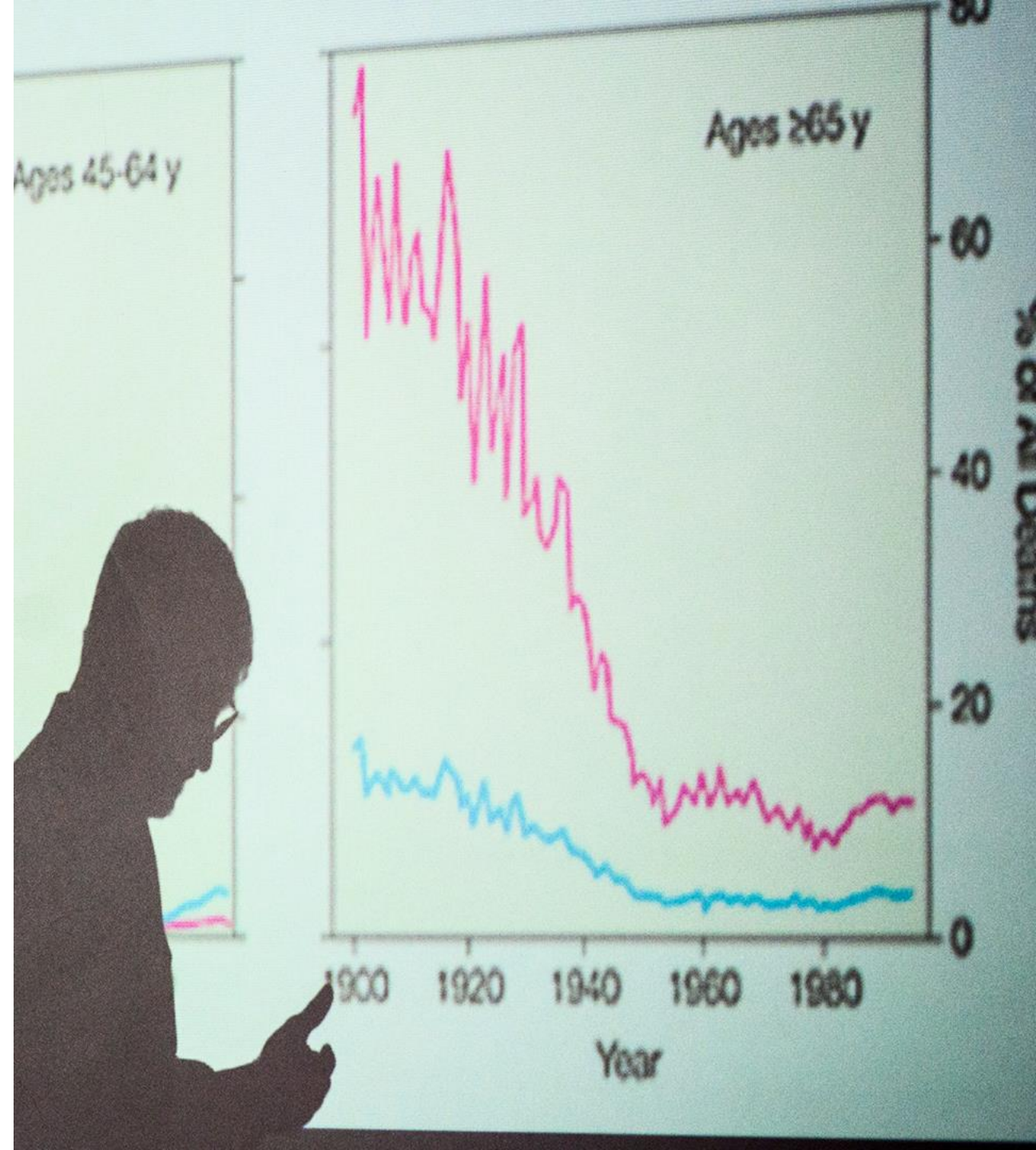
What are we looking for?

Intentionally designed processes

Enhanced decision support

Outstanding experience

Empowered stakeholders

Sustainable infrastructure

Who's involved in ATP?

Program leadership

Strategy

Engagement and change management

Program enablement

Continuous improvement

How?

Discover → **Transform** → **Sustain**

What's happened so far?

Shadow system inventory

Huron discovery work

Campus wide engagement

Culture readiness assessment

Institution-wide engagement

Stakeholder participation in the discovery process included individuals in central and distributed units, administrative, auxiliary, and academic units, and units who steward IT systems and constituent units.

Stakeholders

	Total	Complete
Central & Auxiliary	80	80 (100%)
Academic	58	58 (100%)
UW System	17	17 (100%)
Total:	155	**155 (100%)**

Data Requests

	Total	Received	In Progress	Cancelled
General	3	3 (100%)	-	-
HRS	12	12 (100%)	-	-
SFS	21	21 (100%)	-	-
SIS	15	12 (80%)	2 (13%)	1 (7%)
Research	-	-	-	-
DoIT/AIMS	15	13 (86%)	1 (7%)	1 (7%)
UW System	7	7 (100%)	-	-
Total:	73	**68 (93%)**	**3 (4%)**	**2 (3%)**

ATP

Readiness Assessment

Why Conduct a Readiness Assessment?

Conducted by a neutral third party

Leaders have an opportunity to share their concerns and questions

Key staff have an opportunity to weigh in on potential issues and be directly engaged in developing ideas for how to succeed

Project leads are better prepared to address risks

Project leads are able to make a more solid case for change

Helps to socialize project at an early stage

Key Findings of Assessment

Current commitment to project is high

Current trust in project leadership is high

There is some skepticism about ability to achieve objectives given past experiences

There is some concern about the system's understanding of Madison's needs and possibly limiting the project's objectives

Communication needs to be a top priority of implementation team

- **Engage the community early and incorporate feedback**
- **Tailor communications to audiences**

Transparency and Community are core values

Principles:
Reflecting the Core Values

Core values of the organization: Community and Transparency

- Stakeholders are everyone
- Create opportunities for listening
- Recognize the community
- Framing is key — this is about change
- Language matters

ATP Change Strategy Approach

Engagement

Communications

Learning and Development
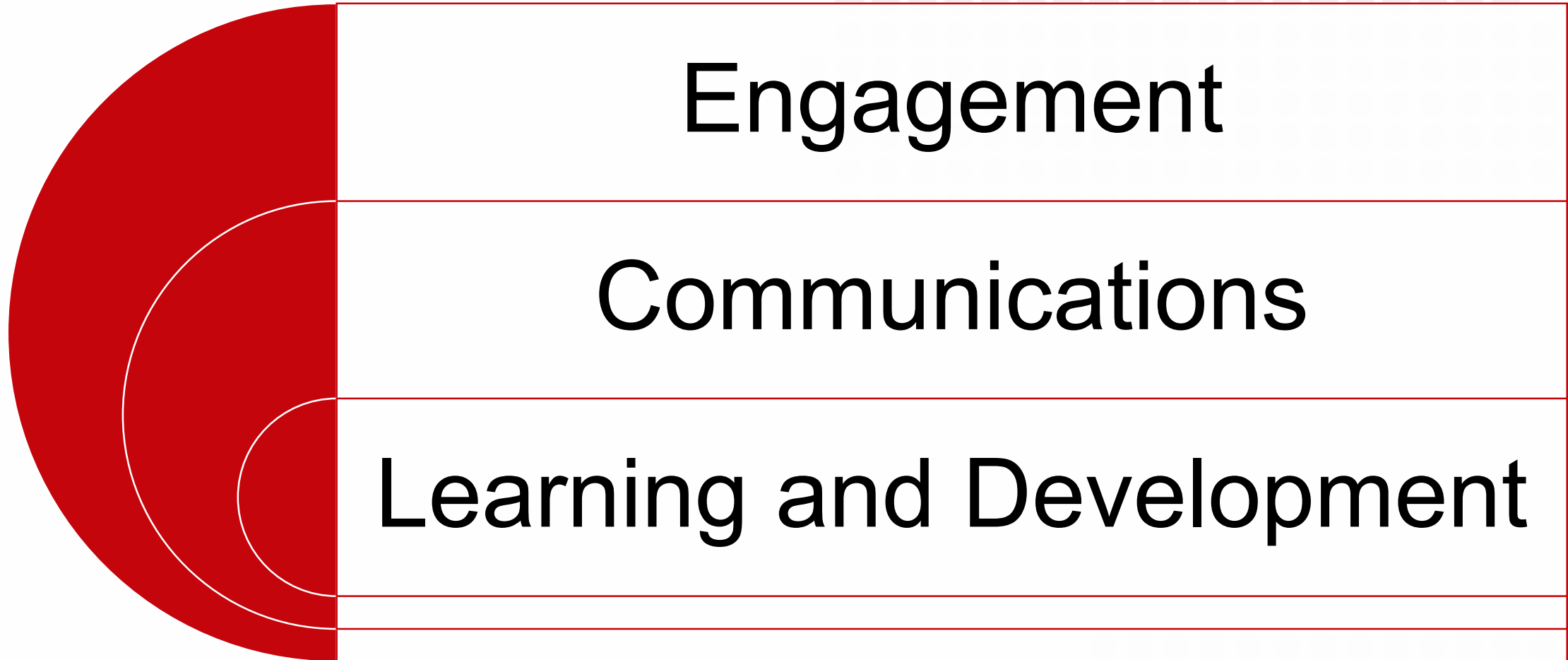
Here's what happens in the next 6 months:

Program Governance

Resources and Staffing

Chart of accounts

Preparing for software selection

ATP

Questions and Feedback

Delegated Audit and Prompt Pay Statute

Liv Goff

Disbursements

Division of Business Services

Purchase Order Invoice Submission

- PO Contract language states that PO invoices must be submitted to Accounts Payable at 21 N Park St

- Not a new policy

- Through technology we can identify who is submitting an invoice to our automated Invoice submission email box

- All hand delivered invoices are logged

IMPORTANT INFORMATION FOR SUPPLIERS

<u>To ensure prompt payment of invoices they must be submitted to</u>:

The University of Wisconsin-Madison
Accounts Payable
21 North Park Street, Suite 5301
Madison, WI 53715-1218

Or Emailed to: AP-Invoices@bussvc.wisc.edu. This is an unattended automated email box, so do not send invoice inquires to this email box. Purchase Order numbers must be included on every invoice. Each unique invoice must be submitted as a unique PDF. Do not combine multiple invoices into a single PDF.

Invoice Inquires should be sent to: uwmsnap@bussvc.wisc.edu

Do not send invoices to the Ordering Department, Order Inquiry Address or the Delivery Address as this will delay the payment of your invoice.

Delegated Audit

- Will be approved for very unusual situations
- Approved for a specific vendor or situation, not an entire department
- Departments must record invoice receipt date
- Must be submitted within one week of receipt
  - Monitored for delayed AP submission date

Issues

- Invoices are to be paid within 30 days of being received on CAMPUS per State Statute 16.528
- Invoices are held in departments and submitted after days or weeks have elapsed
- Duplicate invoice submission
- Campus mail takes 7-10 days to get to AP
- Tracking receipt date on invoices submitted by departments is manual
  - Invoices received in AP are automatically time date stamped when received

Solutions

Purchase Orders can be set up for Positive Approval
- Identified 1 day after received in AP

Delegated Audit Agreement – very limited
- Ferrier services with hand written invoice

Next Steps

- July 1 we will dispute invoices submitted by departments
- Contact vendors to update Billing address

Billing Address:
21 N. Park St., Suite 5301
Madison, WI 53715

Fox World Travel Service Fees

Liv Goff

Disbursements

Division of Business Services

History of Fox Service Fee Payment

FY 14-16

- Per transaction fees charged to credit card used for ticket purchase
- Funding determined by traveler/cardholder
- Fees listed on Fox airfare invoice

FY 17-19

- UWSA agreed to system wide annual service fee
- Allocated to entities by headcount not transaction
- Allocated Annually to Division level funding only

FY 17-19 Service Fee Allocation Issues

No transaction level allocation of fees

- No fund level detail/reporting/tracking

Could not charge fees to grants

- $80K estimated annual expense to grants

- Therefore, approximately $240K "loss" over 3 years

FY 20 Changes

- Returning to per transaction fees charged to the credit card used for ticket purchase

- Traveler/Cardholder determines funding

Pros

- Restores transaction level detail reporting

- Facilitates accurately charging costs to grants

Cons

- This will look like a price increase

- Service fee visibility/charges on invoices and credit card statements will generate questions and concerns

- Please help us communicate the last three years were not free. The fees were allocated to the division once a year.

Fox FY 19 Service Fees

On Line/Concur
- Domestic-$8.25, International $18.25

Agent assisted
- Domestic $25.00, International $32.00

Group Travel
- Domestic $30.00, International $37.00

Fox FY 19 Service Fees

Madison will not be charged service fees for:

- Hotel or car rental reservations
- After hours calls/support

UWSA will absorb these fees.

Questions?

Guided Expense Tool (GET) Decommissioning

Graig Brooks

Disbursements - Travel and Cards

Division of Business Services

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Why Decommission GET?

- Campus initiative to reduce bolt-ons and shadow systems
- Requires continuous monitoring and testing
  - PUM (PeopleSoft Update Manager) upgrades every year (next is October 2019)
  - CPU (Critical Patch Upgrades) every quarter
  - Continuous policy changes/updates
- SFS upgrade to version 9.2 provided enhanced user interface
- GET server is outdated and needs to be replaced
- GET is no longer receiving functional enhancements
- Decommission Date: **September 30**

Who will be affected most?

High-Use GET Alternates*
- ~150 individuals, most use e-reimbursement very little
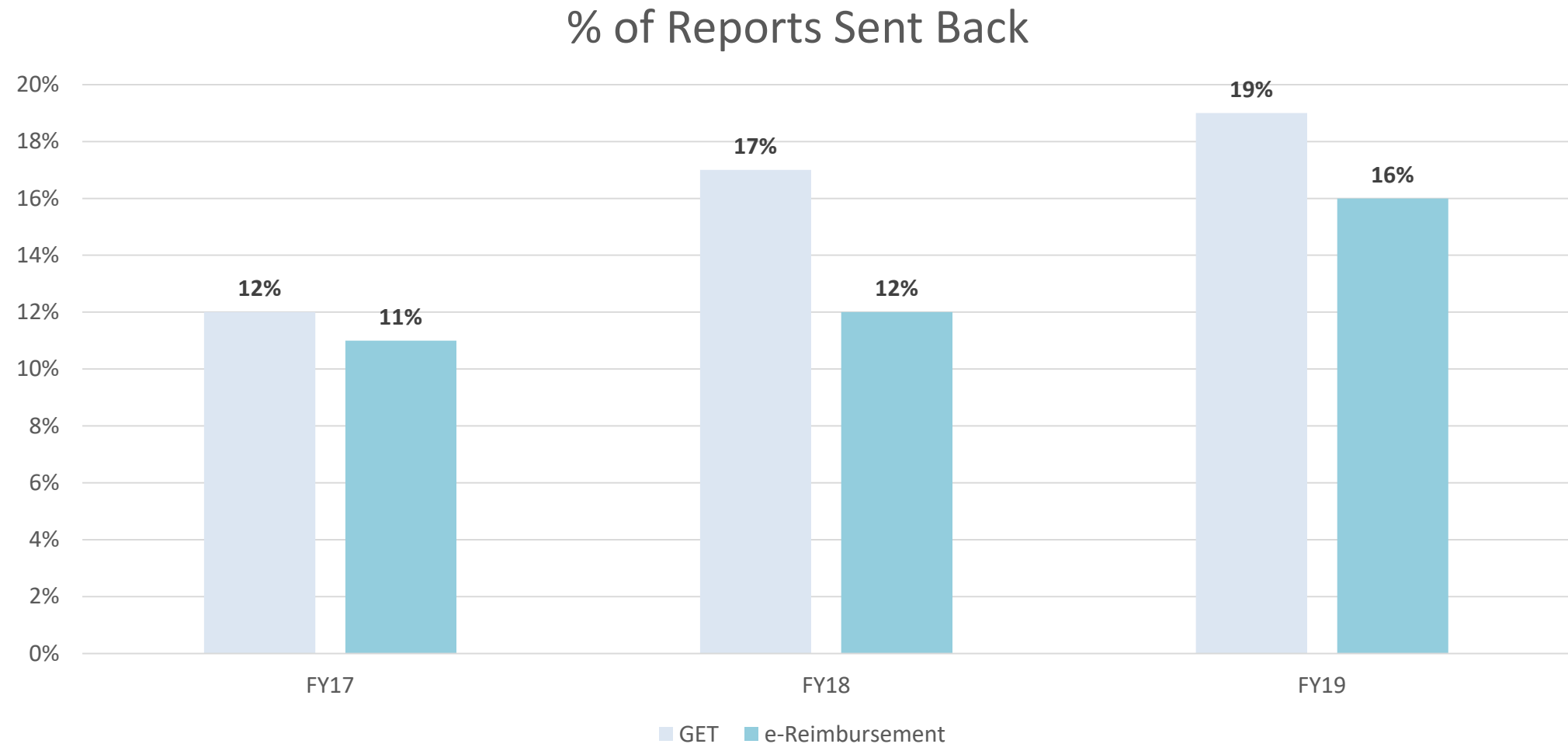
High-Use GET Self-Entry Users
- ~1,300 individuals submit at least 5 GET reports/year

Low-Use GET Self-Entry Users
- ~5,000 individuals submit fewer than 5 GET reports/year

*Alternates are employees who create expense reports on behalf of other employees

Send-Back Data

% of Reports Sent Back

FY17: GET 12%, e-Reimbursement 11%
FY18: GET 17%, e-Reimbursement 12%
FY19: GET 19%, e-Reimbursement 16%

Legend: GET, e-Reimbursement

Communication and Training Plan

- Communicate to leaders: AC, FMM, and Division Coordinators
- Pop-up and header notifications in GET
- Remove references to GET from Business Services' website
- In-person training sessions
  - On-site sessions for divisions who are most affected
  - Similar to current e-Reimbursement user training, minus policy training
  - Groups of 20 – 150 people
  - August 15, August 22, Sept 3
- Online support through our updated website

Thank you for attending.

Future Financial Management Meetings
Rooms 1106 & 1108, 21 N Park Street
9:30 a.m.

Tuesday, August 13, 2019
Tuesday, October 15, 2019
Tuesday, December 10, 2019

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