

OE Finance Town Hall

December 5, 2011 / 12:00 p.m. to 1:30 p.m. / Toland Hall

Agenda

- Goals for this Town Hall
- How OE Finance got to where it is today
- Key priorities emergent from Visioning Sessions
- Implementation Phase
- Question & Answer session

Goals for this Town Hall

- To inform the UCSF community about the progress and status of OE Finance
- To present key priorities, goals and a road map for OE Finance for the next few years
- To provide critical information re: the OE Finance projects that have been - or soon will be - launched

OE Finance

The Path to the Present (slide 1 of 2)

- In May 2010, the Chancellor approved the strategy for OE Finance
- An OE Finance Workgroup started developing a conceptual design for OE Finance in July 2010, with an initial focus on:
 - Identifying opportunities to share services
 - Improvements to process and technology to facilitate this consolidation

OE Finance

The Path to the Present (slide 2 of 2)

- Feedback from faculty and other constituents suggested an approach which first and foremost:
 - Addresses technology gaps and the lack of common systems and tools
 - Prioritizes process redesign and improvement
- Campus community response and guidance led to an evaluation of initial design focus on shared services
- Visioning Sessions with campus leadership were held in the summer of 2011

Accomplishments: 5/2010 to 12/2011

- Online expense reimbursement system (MyExpense): *implemented*
- P-card: *implemented*
- New e-procurement system (BearBuy): *nearing full implementation*
- GL verification process redesign: *underway*
- PI Portfolio Reports and Forecasting Tool: *underway; pilot starting January 2012*

Visioning Sessions Outcome

Key themes

- It is critically important to have easy access to **accurate, consistent** and **relevant** financial information
- Improvements to **infrastructure** (processes, systems, training) need to be addressed urgently
- Infrastructure improvements need to precede any organizational restructuring efforts
- It is necessary to develop **transparent** and effective resource allocation methods enterprise-wide
- There is opportunity to **better align** Medical Center / Campus business processes and systems

UCSF OE Finance's "Five Pillars"

Strategic Partnership

- Financial Planning and Analysis
- Decision Support Services

Financial Expertise

- Education and Development Programs
- Policy Interpretation
- Department Outreach

Efficient Tools & Services

- Self-Service Applications
- Streamlined Business Services
- Policy Rationalization

Stewardship

- Resource Allocation
- Risk Management
- Compliance

Reporting/Information Access

- Management and Financial Reporting
- Data Integrity and Access
- Performance Metrics
- Data Analytics

High Performance Culture / Environment

- Diverse, high-quality workforce
- Great managers
- Rewards, recognition and development
- Accountability
- Productive environment with the right tools
- Solution- and service-oriented teams
- Effective performance management

Visioning Sessions Outcome

Priority Projects

- The redesign of the Chart of Accounts
- The development and implementation of a reporting strategy and enterprise-wide financial and managerial reporting
- The implementation of a budgeting and financial planning and analysis (“FP&A”) system
- The development of a campus-wide resource allocation model

The Priority Projects

Chart of Accounts

What it is

- The organizing framework for the coding of all University financial transactions; the foundation for all budgeting and financial reporting and planning activities

Chart of Accounts

Benefits of redesign (slide 1 of 2)

- Facilitates timely, straight forward and consistent financial and managerial reporting
- Allows reporting by mission
- Facilitates reporting at all levels: award, division, department, control points, campus-wide
- Provides uniform PI portfolio reports
- Eliminates the “can’t get the complete picture” issue caused by DPA and Fund ownership problems

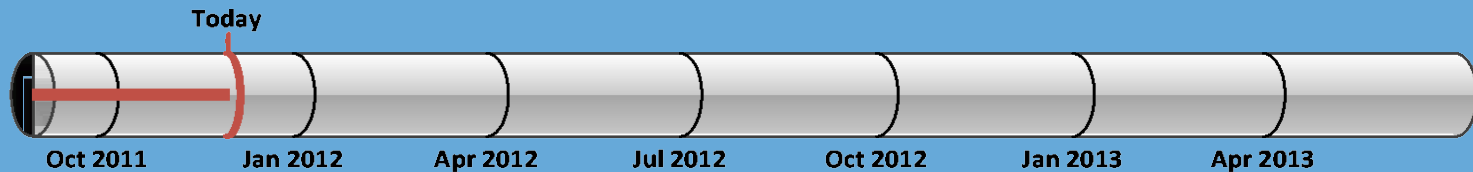
Chart of Accounts

Benefits of redesign (slide 2 of 2)

- Creates efficiencies and cost savings by:
 - Eliminating the need for shadow systems
 - Reducing overhead for updating and maintaining current chart fields
 - Eliminating reconciliation due to timing errors between AFP system and PeopleSoft

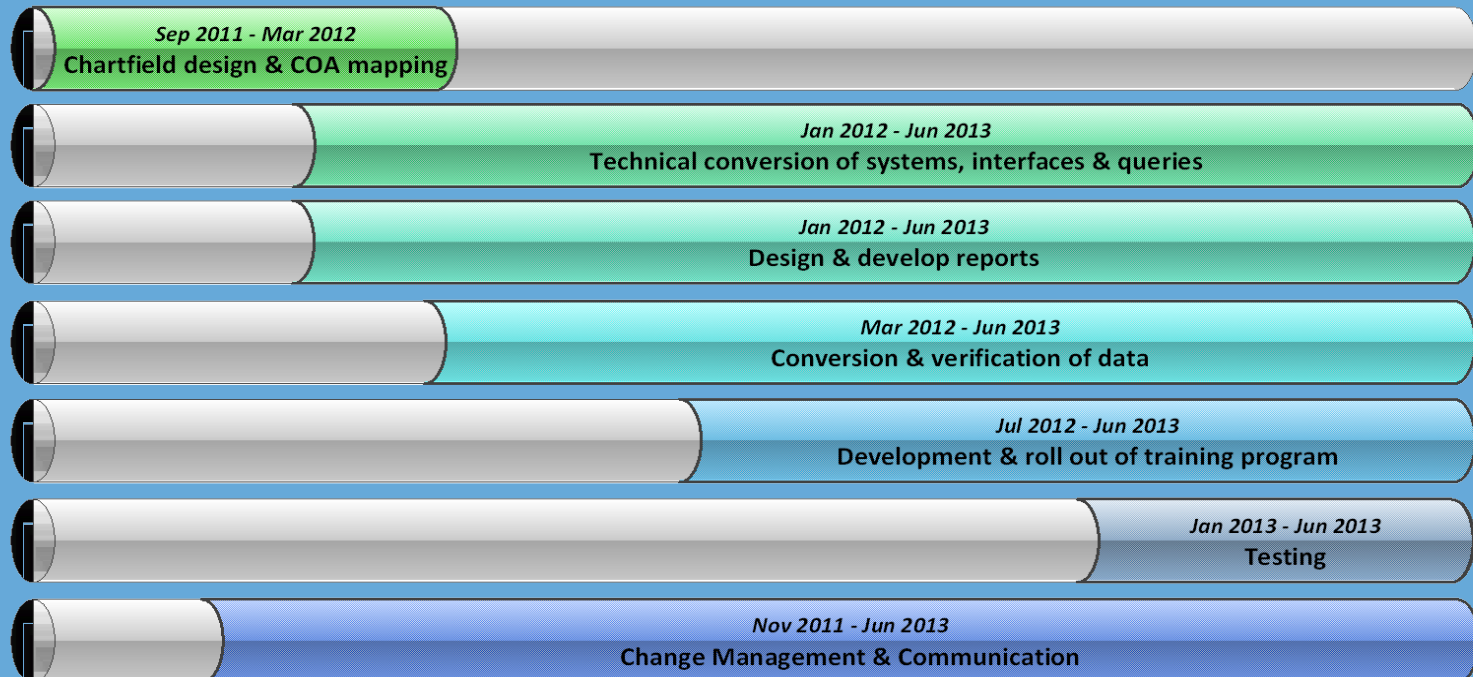
Chart of Accounts

Timeline



Start: September 2011

Completion: June 2011



Financial & Managerial Reporting

What it is

- The design and development of enterprise-wide consistent financial and managerial reports
- The implementation of a robust reporting solution / set of tools to produce those reports

Financial & Managerial Reporting

Benefits

- Easy access to accurate, consistent and relevant financial information at all levels of the organization
- Reports and information that support decision-making processes
- Commonly used standard definitions for reporting elements
- A consistent and common data set to report against
- User-friendly reporting tools

Financial & Managerial Reporting

Approach and Timeframe

- Chart of Accounts redesign provides the opportunity to define a comprehensive financial reporting delivery strategy and roadmap
- Partner with IT to develop technical solution options for broader review and decision-making
- Implement PI portfolio by summer 2012
- Complete “Wave 2” reports and underlying technology by July 2013

Budgeting & Financial Planning

What it is

- The simplification of the budget workflow and approval processes
- The implementation of an integrated budgeting and forecasting software solution
- The delivery of an FP&A toolset to produce an annual budget, rolling forecasts and a long-range financial plan

Budgeting & Financial Planning

Benefits

- Eliminates manual processes
- Meets planning needs at multiple levels
- Shortens budget cycles
- Reduces need for shadow systems
- Creates modeling capability
- Improves reporting capability
- Increases transparency
- Enables consistency of and access to critical data

Budgeting & Financial Planning

Approach and Timeframe

- Plan implementation to coincide with Chart of Accounts in order to leverage new COA design
- Leverage management reports designed by reporting project teams as starting point for budget templates
- Use sandbox approach for software selection
- Engage subject matter experts and stakeholders from across the campus in both vendor selection process and implementation
- Plan to go live in the summer of 2013

Resource Allocation Model

What it is

- Designing a financially sustainable enterprise-wide model to support the tripartite mission of UCSF
- Realigning the UCSF funds flow in response to the UCOP financial model

Resource Allocation Model

Benefits

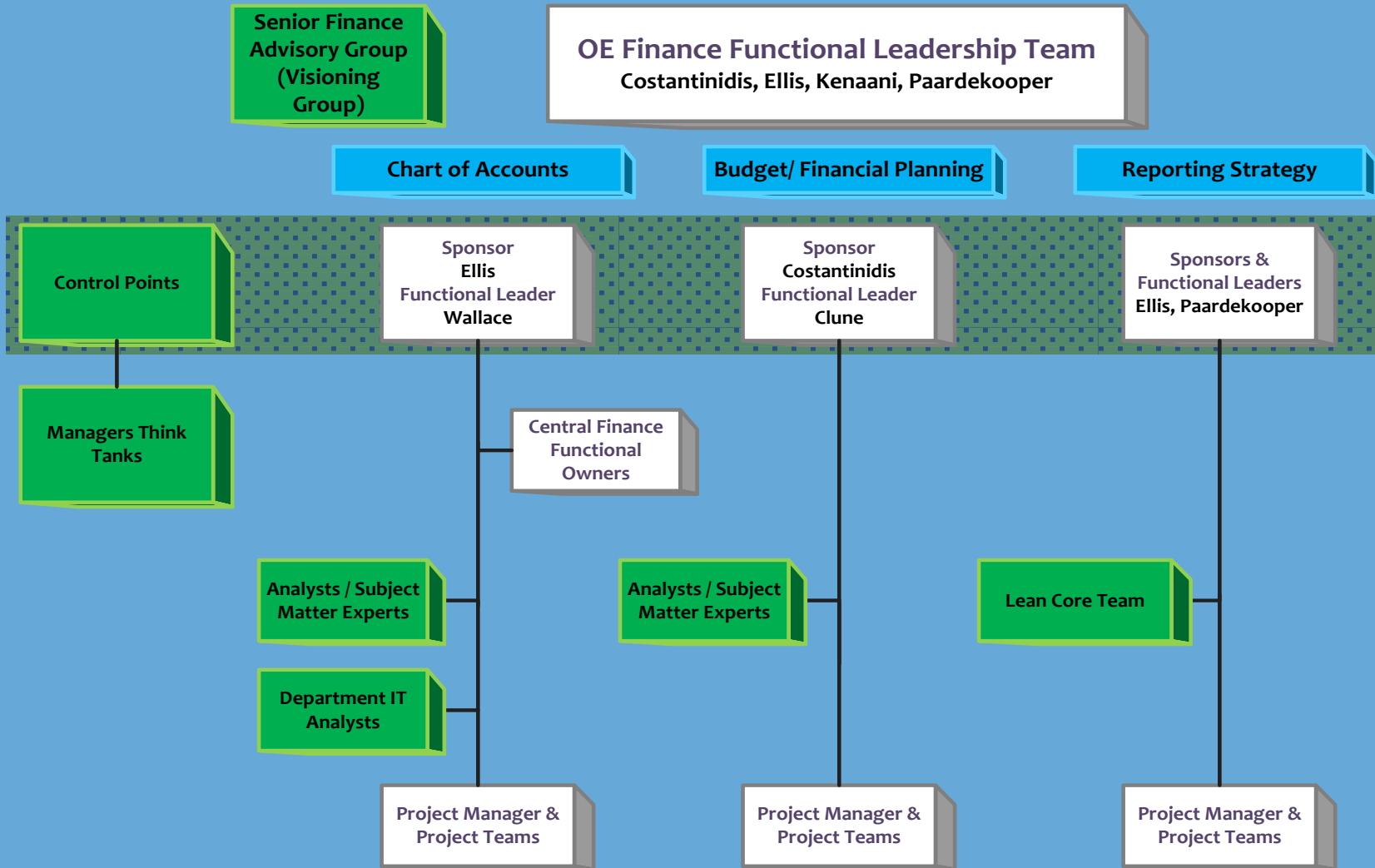
- Increased transparency
- More effective utilization of resources in support of our priorities
- Process simplification

Implementation Governance

Implementation Structure

- OE Finance is transitioning from design activities to implementation efforts
- The new structure continues to include broad campus representation and participation
- Each group has a specific role to avoid redundant work
- Implementation structure is integrated across the Priority Projects in order to ensure synergies across all OE Finance efforts

Implementation Governance



OE Finance Workgroup

A special thank you to our members

Michael W. Chen

John Ellis

Keith Farmer

Gary Forman

Jon Giacomi

Maria Guerra

Charles Hajek

Angela Hawkins

Mounira Kenaani

Larisa Kure

Karen Mah-Hing

Suzanne Murphy

Michael Nordberg

Susan O'Hara

Anja Paardekooper

Michael Panion

Lisa Raskulinec

David Rein

Miriam Rike

Trent Spradling

Eric Vermillion

Holly Wong

Going forward...

Keeping track of the OE Finance initiative

- Progress reports and materials on OE website:
<http://www.operationalexcellence@ucsf.edu>
- Comments and/or contributions:
email to OE Coordinator at
operationalexcellence@ucsf.edu
- Future Town Halls

Questions/Discussion

**Thank you for
your participation
in the first
OE Finance Town Hall**