

ADMINISTRATIVE SERVICES COMPREHENSIVE PROGRAM PLANNING AND REVIEW (CPPR)

This Comprehensive Program Planning and Review document is only to be completed by programs in the following areas scheduled for the year, according to the institutional comprehensive planning cycle (i.e. every five years):

- 1) The President's Cluster including Human Resources, Institutional Advancement and the District Centers; and
- 2) The Administrative Services Cluster including Bookstore, Computer Services, Fiscal Services, General Services, Maintenance and Operations, Facilities, and Public Safety.

Program: Fiscal Services **Planning Year:** 2014-15 **Last Year CPPR Completed:**

Unit: Fiscal Services **Cluster:** Administrative Services

NARRATIVE: ADMINISTRATIVE SERVICES CPPR

I. GENERAL INFORMATION AND PROGRAM OUTCOMES

A. General Description about the Program

1. Program (department) mission statement (who we are and who we serve)

Mission Statement

To provide timely and accurate financial information and services to support students, faculty, staff, and external entities in accordance with the Mission of Cuesta College. We accomplish this as a team working in a professional, effective, and proactive manner, utilizing resources and technologies to provide quality results.

2. Brief summary of program history

Fiscal Services is responsible for:

- General Accounting
- Budget
- Accounts Payable
- Accounts Receivable
- Purchasing
- Student Accounts/Cashiering

These current responsibilities have been in place since July 2012. Prior to July 2012, Fiscal Services was responsible for Payroll, but not Purchasing. That switch was part of a campus-wide reorganization. Staffing in the department peaked in FY2010-11 with 15 permanent employees and four hourly employees. As of February 2014, the department has 12 permanent employees and one hourly employee.

Personnel Include:

- Director of Fiscal Services
- Lead Accountant
- Student Accounts and Cashiering Coordinator
- Budget Accountant
- Accountant
- Accounting Technician II (5)
- Purchasing Technician II (2)
- Hourly Account Clerk

The department made the most significant change in 2007 when the District implemented the integrated software program called Banner. Two years ago we stopped issuing paper checks for financial aid and refunds and started using an electronic process through Higher One.

3. Current status of service including changes and improvements since last program review

The most significant change in service has been the implementation of Banner and subsequent implementation of Higher One. Banner is a fully integrated system used by all departments on campus. This provides access to real time financial data. For example, the legacy system for Finance was different than the legacy system used for Student Services. When students registered and paid for classes, those fees had to be manually entered into the Finance system in a batch at the end of the day. With Banner, at the same time a student registers for a class the enrollment fees are recorded in the Finance system. This provides real time information and removes risks for data entry errors. In the legacy system we were able to record student payments, but we were not able to identify which term the student was paying for. We picked a cutoff date of May and any fees collected after that day were recorded in the following fiscal year as Summer or Fall enrollment fees. With Banner we can tell what terms the students are paying for and record the revenue in the correct fiscal year. This has increased the accuracy of the financial statements and satisfied an on-going audit finding.

We disburse financial aid and refunds through a company called Higher One. The students have three options for receiving their money. They can have the money credited to a debit card provided by Higher One, have the money electronically transferred to their bank account, or receive a paper check. This provides the students with their funds much faster. The money is credited to the debit card the same day the college disburses the money; electronic transfers take 2-3 days, and paper checks take 5-6 days.

Starting July 2012, Purchasing was placed under Fiscal Services through a campus-wide reorganization. This change caused the department to make some adjustments to satisfy internal control requirements. No person should be allowed to enter a vendor

(Purchasing Responsibility) and pay a vendor (Accounts Payable Responsibility). This was only an issue for the Director of Fiscal Services and Lead Accounting. We remedied the situation by giving the Lead Accountant access to the Accounts Payable screens and the Director access to the Purchasing screens. Since then we have gone through a complete audit cycle with no internal control issues.

4. Reference to relevant statutory authority/program regulation and related compliance issues

Fiscal Services is responsible for several Federal, State, and local reports and compliance requirements. Below is a list of major reporting requirements

- Annual Fiscal Audit
- Federal EZ Audit
- IPEDS Finance
- ACCJC Annual Fiscal Report
- ACCJC Standard III.D.
- CCFC 311 Annual Fiscal Report
- CCFC 311 Quarterly Fiscal Reports
- CCFC 320 Attendance Reports
- CCFC 323 Enrollment Revenue
- Faculty Obligation Report
- Annual Matriculation Report
- Nonresident Tuition Fee Calculation
- Annual Long-Term Debt Continuing Disclosures

5. Description of primary relationships, internal and external to the district

Fiscal Services maintains internal relationships across campus. The budget Accountant works with all budget managers with providing training, budget reports, and answering budget related questions. The Accountant, Students Accounts and Cashiering Coordinator, and Accounts Receivable Accounting Technician work closely with Financial Aid on disbursements and reconciliations. Purchasing and Accounts Payable work with employees campus-wide with acquisition and payment of supplies, equipment, and services. Accounts Receivable works closely with grant managers, the Foundation, and Maintenance and Operations on invoicing vendors. The Accountant works with ASCC and Trust Advisors.

Fiscal Services maintains several external relationships. This includes the California Community Colleges Chancellor's Office, external auditors, California State Auditor's Office, San Luis Obispo Office of Education, San Luis Obispo County Auditor and Treasury Departments, financial advisors, Higher One (Financial Aid/Refunds), and Heartland (Credit Card Processors). In addition, Purchasing, Accounts Payable, and Accounts Receivable work with vendors nation-wide. Cashiering answers student's and parent's questions regarding fees and registration issues.

B. Program Outcomes: List the program outcomes established for your program

- ASO #1. Fiscal Services will ensure fiscal accountability and analytical reports needed to maintain solvency for the District as assessed by the annual audit and credit ratings. (ASOs 2 and 4)
- ASO #2. Fiscal Services will provide accessible cashiering services for students as assessed by student surveys. (ASOs 1, 4, and 6)
- ASO #3. Fiscal Services will reduce the amount of unpaid student debt as assessed by the amount of the Bad Debt Write-off compared to prior years. (ASOs 2 and 4)

II. PROGRAM SUPPORT OF INSTITUTIONAL GOALS, INSTITUTIONAL OBJECTIVES, AND/OR INSTITUTIONAL LEARNING OUTCOMES

- Identify how your program addresses or helps the district to achieve its Institutional Goals and Objectives, and/or operational planning initiatives. Please refer back to the Planning Documents section of this document.
 - Institutional Goal 2. Fiscal Services audits and reviews the 320 FTES report to verify courses are loaded properly to ensure correct reporting of FTES.
 - Institutional Goal 2. Fiscal Services provides financial reports, charts, graphs, and projections that are used in the various District plans.
 - General: Fiscal Services connects to the college mission, vision, and values; strategic goals; and master plans by providing the fiscal support needed to run the college. This includes paying vendor invoices to providing financial reports. Fiscal Services provides financial data that helps drive the decision process. Fiscal Services helps implement financial decisions made in the planning process.

III. PROGRAM DATA ANALYSIS, ASSESSMENT AND IMPROVEMENTS

A. Data Summary – Relevant Comments and Analysis

- May include program data that demonstrates the level and kind of effort or volume produced in the previous year.
- May include other pertinent information.

Number of Transactions by Department					
	FY2012-13	FY2011-12	FY2010-11	FY2009-10	FY2008-09
General Accounting/Budget					
Journal Entries	2,055	1,842	1,729	1,851	2,095
Purchasing					
Purchase Orders	992	1,303	1,364	1,338	1,341
Accounts Payable					
Invoices	7,213	8,209	9,460	9,590	10,318
Accounts Receivable					
Invoices	1,781	1,829	1,611	2,064	1,835
Cashier					
Transactions	8,750	10,293	10,293	10,508	12,255

B. Give interpretations of Data and Identify Areas for Change to Facilitate Program Quality and Growth

The number of transactions has decreased in most areas because of a combination of decreased enrollment and budget cuts.

The number of journal entries has increased slightly. This is because most journal entries are recurring monthly entries or year-end entries that happen regardless of the size of the budget or enrollment numbers. For example; posting interest, property taxes, and apportionment happen every month. There has also been an increase in the number of grants. Managing grants require funds to be moved around through journal entries.

The number of Purchase Orders has decreased by 26% in the past five years. This is a direct result of budget cuts. In addition, the use of Cal Cards has increased. Cal Card holders are able to order supplies using their Cal Card without needing a Purchase Order. Staffing in the Purchasing Department went from 3.0 FTE to 2.0 FTE in July 2012.

The number of Accounts Payable invoices has decreased by 30% in the past five years. This is also a result of budget cuts. The Accounts Payable Department has gone from 2.0 FTE to 1.5 FTE.

The number of Accounts Receivable invoices has fluctuated over the past five years due to changes in the number of retirees billed, grants invoiced, and third party vendors used.

The number of Cashier Transactions has decreased by 28% over the past five years. This is due to an enrollment drop of almost 20% over the same time period. In addition, enrollment fees have increased and more students qualify for financial aid. While the number of payment transactions has decreased, the implementation of Higher One has increased the workload within the Cashier's Office.

IV. PROGRAM OUTCOMES, ASSESSMENTS AND IMPROVEMENTS: NARRATIVE

A. Summarize assessment results for program outcomes.

ASO #1. Annual Audit Results for FY2010-11: Unqualified Opinion. No 311A Reconciliation items. 0 Financial Statement Findings. 0 Federal Findings out of 6 major programs audited, 1 State Finding.

Annual Audit Results for FY2011-12: Unqualified Opinion. No 311A Reconciliation items. 0 Financial Statement Findings. 0 Federal Findings out of 4 major programs audited, 1 State Finding.

Annual Audit Results for FY2012-13. Unqualified Opinion. No 311A Reconciliation items. 0 Financial Statement Findings. 0 Federal Findings, 0 State Findings.

Recent Credit Ratings: 11/3/2009 SP-1+, April 22, 2010 SP-1+, July 30, 2010 SP-1+, April 27, 2011 SP-1+, July 26, 2011 SP-1+, August 8, 2012 SP-1+, February 26, 2013 SP-1+, July 17, 2013 SP-1+, July 2, 2014 SP-1+

The District received the highest audit opinion the auditors can give. There were no 311 Reconciliation items. That means the 311 reports presented to the board were 100% accurate and agree with the audited financial statements. Our audit findings went from 7 in FY2009-10 to 1 in FY2010-11, 1 in FY2011-12, and 0 in FY2012-13. Our credit rating has remained the highest available the last 9 debt issues, despite major cuts in funding. All of these assessments support that data and fiscal accountability are at the highest level.

ASO #2. The following excerpts from the 2013 Student Services Survey results were used to Assess ASO#2.

Question 6) 25% of the 61 responses indicated they would like to see the cashier's office available after 5 pm.

Question 8) How frequently do you use the web for your services? Such as paying fees online, registering for classes, ordering transcripts, etc. 248 Responses: Frequently 75.4%, Somewhat Frequently 23.0%, Not at all 1.6%.

Question 10) What hours would be most convenient for you to access Student Support Services. 249 responses: 7am-4pm 7.2%, 8am to 5 pm, 16.5%, 9am to 6 pm 29.7%, 10am to 7 pm, 26.9%, 7am to 7pm 19.7%.

The survey showed a majority of transactions are made online. The online payment system is available to students 24/7. The survey also showed a desire to have the cashier's office open until 6pm. At the time of the survey the cashier's office was only open until 6pm during the week before a semester starts and the first two weeks of a semester.

ASO#3. The Annual Allowance for Doubtful Accounts setup amount was used to assess the outcome.

FY2010-11 \$115,726.23

FY2009-10 \$172,820.39

FY2008-09 \$211,221.39

The amount for unpaid student debt has decreased by 46% the past two years. The biggest change made was using the COTOP program. In addition to COTOP, two debt mailers are sent to students annually to collect past due fees.

B. Describe improvement efforts that have resulted from SLO assessment.

ASO#1 The District should maintain a level of contingency funds higher than the State required minimum of 5% of expenditures. The District has been able to build a contingency fund over the last few years that has helped achieve the highest credit rating. With the magnitude of mid-year cuts during FY2011-12 and additional cuts in FY2012-13, the District plans to use the bulk of the contingency funds. This will make it harder for us to stay at the highest credit rating. We need to continue to receive clean audits.

Attend or hold a Federal Compliance Workshop annually.

ASO#2 The cashier's hours were extended on Tuesday evenings until 6pm during the Fall 2013 semester. However, only a few students came during the extended hours. The extra cost of staffing isn't worth the number of students serviced, so the Cashier's Office went back to the original hours. The NCC Cashier's Office is already open until 6pm on Monday's, Tuesday's and Wednesday's. No changes are being made to the NCC cashier's hours.

ASO#3 The District should consider using a collection agency or increasing the number of debt letters mailed. The old QSS system mailed students an invoice each term. Banner is not able to do that without special programming. The District should move that project higher on the priority list. Not only will it reduce bad debt, it will also help A&R and Fin Aid with identifying students that signed up for a course but never showed

up. It is easier to correct those students during the term than it is to go back later and make a retroactive correction.

- C. Recommend additional improvements to the program based on assessment of outcomes and progress towards Institutional Goals and Objectives and/or Institutional Learning Outcomes.

ASO#1 Continue to have a contingency fund in addition to the board required reserve. The rating agencies want to see that the District maintain a level higher than the State minimum of 5% of expenditures. Maintaining a level higher than the minimum is a key factor in receiving the highest credit rating.

ASO#2 The additional hours that were added to the Cashier's Office in the evening proved that too few students were served to justify the cost of staffing. We can experiment with extended hours again when enrollment grows.

ASO#3. Fiscal Services staff met with Student Services staff during Spring 2014 and developed a plan to send out debt letters and/or emails at the beginning of the term. This will remind students that they need to pay their bill, or that they are enrolled in a class that they had wanted to drop. The goal is to reduce the amount of bad debt and reduce the amount of work Student Services staff spends on backdating drops.

- D. Recommend changes and updates to program funding based on assessment of program outcomes.
- For elements that require funding, complete Section D – Unit Plan Funding Requests.
 - For faculty hiring needs, see Section H – Faculty Prioritization Process.

Fiscal Services has lost 3.25 FTE due to budget cuts. We have been able to maintain a high level of services because the workload has also decreased due to lower enrollment and budget cuts. However, as the budget and enrollment increases, there will be a need to replace the lost FTE. The most immediate need will be in the Accounts Payable/Accounts Receivable areas. Currently there is a staff member that splits her time between the two departments. As workload increases, more staffing will be needed in those areas. The department will also need to replace the accountant position that was lost to budget cuts.

V. ANTICIPATED SERVICE CHALLENGES/CHANGES

Suggested Elements:

- A. Regulatory changes
- B. Internal and external organizational changes
- C. Student demographic changes
- D. Community economic changes – workforce demands
- E. Role of technology for information, service delivery and data retrieval
- F. Distance Education impact on services
- G. Providing service to multiple off-campus sites
- H. Anticipated staffing changes/retirements

Regulatory Changes: Staying in compliance with the 50% Law will continue to be a challenge. There is a GASB change that takes effect in FY2014-15 that will require the district to record the district's portion of the STRS and PERS unfunded liability on the district's financial statements. It is projected that this will cause all or most districts to have a negative fund balance because the liabilities are so large. It is not clear how the rating agencies will respond to this new requirement. It could hurt our credit rating which would in turn cost the District a higher interest rate on the TRAns and other borrowings.

Internal and External Organizational Changes. Fiscal Services has lost 3.25 FTE due to budget cuts. The department has been able to function at this lower level because at the same time enrollment is down, the amount of spending is down, and there are no new construction projects at this time. However, the department will need more staffing as the budget gets better, enrollment increases, and construction projects start back up.

Roles of technology for information, service delivery and data retrieval. Fiscal Services has moved some manual processes over to electronic processes. The big change has been switching from paper checks for financial aid disbursements to electronic disbursements using a third party vendor called Higher One. This change has streamlined the disbursement process, but has added more student interaction with helping the students set up Higher One accounts and answering questions. The Purchasing Department would like to implement electronic requisitions. This change would speed up the purchasing processes by eliminating duplicate entry and transmitting documents electronically instead of routing them across campus through intercampus mail will save time. We would also like to implement scanning documents to cut down the amount of time we spend filing and on document retrieval. It would also reduce the document storage costs.

Providing services to multiple off-campus sites. Providing cashiering services at the north county and south county continues to be challenging. The low traffic at those locations makes it hard to balance the cost of staffing vs. the number of students served. The department will continue to test different schedules to find the best hours to be open to serve students while reducing the amount of time we are open during low traffic times.

Anticipated staffing changes/retirements. As mentioned above, Fiscal Services is staffed at a minimum level due to budget cuts. We will need additional staffing as enrollment increases, the budget gets better, or new construction projects start.

VI. PROGRAM DEVELOPMENT FORECAST

Suggested Elements:

- A. Description of forecasted program development and objectives, based on information collected in I-IV
- B. Plans for improvement
- C. Support for Institutional Goals and Objectives
- D. Student and program outcomes evaluation
- E. Recommendations from external agencies
- F. New service coordination and collaboration – internal and external programs
- G. Anticipated job description revisions based on program changes
- H. Staff training/professional development needs

Fiscal Services will strive to meet its department mission with limited staffing and resources. The department has had to reorganize due to staff reductions as a result of budget cuts. Job tasks have been redistributed between the remaining staff members. The cuts have left the department with minimum staffing. This makes it difficult to cover during employee vacations or unplanned absences and makes meeting work deadlines more challenging. As the budget recovers and the workload increases, the department will need to add staff in a way that will provide relief to the areas most overworked while keeping the long term department goals in mind. Rehiring the same positions that were cut might not provide the greatest amount of relief for the department. For example, hiring a person that can float between accounts payable and purchasing would provide more relief for the department than hiring a person that only works in accounts payable or purchasing.

While increasing staffing would provide the greatest improvement for the department, it could be several years before the budget will allow hiring new positions. In the meantime there are other areas that could be improved. Purchasing would like to start using online requisitions. The plan is to start with one or two departments to work out the processes and then add more. Online requisitions would get to purchasing faster because they are routed electronically instead of through intercampus mail. Approvals would also happen electronically. Once received by Purchasing, the information on the requisition doesn't have to be reentered by Purchasing because it is already in Banner. This would speed up the ordering process. Another area for improvement is scanning documents and storing them electronically instead of in file cabinets. This could save filing/retrieval time or increase filing/retrieval time depending on how long the scanning processes takes. However, it would save the cost of storing documents at DocuTeam.

Fiscal Services will continue to support the Institutional Goals and Objectives by providing the financial reports and projections needed for making informed decisions. For example, Fiscal Services provides financial reports and projections to the Vice President of Administrative Services, Cabinet, the Planning and Budget Committee, and the Enrollment Management Committee. This gives those groups the information they need to identify issues and find solutions. In addition, the budget office provides budget reports to budget managers that helps the managers meet department goals; purchasing and accounts payable purchases and pays for the supplies, equipment, and services that departments across campus need to meet department goals; and the cashier's office helps students by

collecting payments as well as answering a wide range of student questions that helps with retention.

Staff training and professional development are essential to staying current with the ever changing laws, regulations and policies. However, due to budget cuts we have not been able to send as many staff members to conferences as we once had. Some important conferences are the California Community College Banner Group Conference, the Internal Auditors Conference, and the Association of Chief Business Officials Conference. In addition, there are two budget workshops a year that must be attended in order to receive the budget materials needed to develop the tentative and final budgets. Additional staff development funding is sorely needed.

VII. OVERALL BUDGET IMPLICATIONS

(Will be reflected in district planning and budget process)

Elements:

- A. Personnel
- B. Equipment/furniture (other than technology)
- C. Technology
- D. Facilities


Fiscal Service's personnel, equipment, technology, and facility requests were submitted with our Annual Planning Program Worksheets (APPW's). We believe that the department's needs were fairly assessed and represent a balanced representation of what is needed if we are to continue to meet our mission and goals.

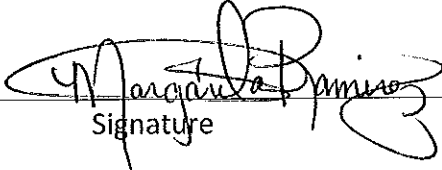
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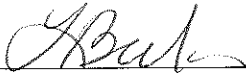
Faculty, Director(s), Manager(s), and/or Staff Associated with the Program

Instructional Programs: All full-time faculty in the program must sign this form. If needed, provide an extra signature line for each additional full-time faculty member in the program. If there are no full-time faculty associated with the program, then the part-time faculty in the program should sign. If applicable, please indicate lead faculty member for program after printing his/her name.

Student Services and Administrative Services Programs: All full-time director(s), managers, faculty and/or classified staff in the program must sign this form.

Chris Green  9/3/14
Division Chair/Director Name Signature Date

Margarita Ramirez Morales  9/2/14
Name Signature Date

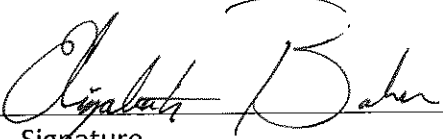
Laura Becker  9/4/14
Name Signature Date

Linda Brizzolara  9-05-14
Name Signature Date

Celeste Brown  9-8-14
Name Signature Date

Athene Gatley  9/8/14
Name Signature Date

Kris Ballou  9/8/14
Name Signature Date

Elizabeth Baker  9/8/14
Name Signature Date

Shawn [Signature] Shawn Donahoe 9-9-14
Name Signature Date

Jennifer C Knerr J. Knerr 9-9-14
Name Signature Date

Sr BETTA KNERR Betta Knerr 9/9/14
Name Signature Date

Name Signature Date