Budget Office Administrative Review Questionnaire – Spring 2020

1. What core functions of your unit are funded from 104110?

The UAA Budget Office mission is to support the fiscal goals of 15 major budget units ranging in size from $2.7M to $57.7M at five UAA campuses: Anchorage, Kenai Peninsula College, Mat Su College, Kodiak College and Prince William Sound College. The office provides unique expertise, guidance and training to executive management, deans, directors, fiscal managers and department staff. These are our core functions:

- Implement the UAA annual BOR operating budget request process;
- Maintain position control number (PCN) system for accurate reporting of regular employee counts to the Governor's Office of Management and Budget;
- Provide maintenance of PCN definitions and PCN budgeting needs per communications with HR and departments;
- Implement the UAA internal budget request process;
- Coordinate and submit student government budgets for Chancellor's approval;
- Implement the financial management reporting function for all UAA campuses;
- Process daily budget revisions (BRs), journal vouchers (JVs) and labor reallocations (LRs);
- Review and approve all accounts payable checks, either direct deposit or mail;
- Scan and index into OnBase all JVs, BRs, incoming physical checks, electronic funds transfer (EFT) documents, W-9s, tuition waivers and office records;
- Provide management report support for Budget Office, Financial Services, Vice Chancellor for Administrative Services, Environmental Health and Safety, Central, Kodiak College, and other departments during fiscal vacancies;
- Manage and disburse central contingency resources, including 20% tuition;
- Provide cost center and administrative support for Financial Services and Budget Office units;
- Administer creation of new capital fund numbers;
- Maintain org, fund, account and program code hierarchy;
- Administer agency and student club fund set-up, closing and support;
- Administer campus gaming;
- Review recharge annual pricing proposals;
- Act as business manager for Kodiak College;
- Represent UAA on budget issues in system-wide work group meetings and act as central contact for UA SW and other UA universities on budget and other financial issues;
- Act as UAA resource for a variety of financial data analysis to include Accreditation reports, the U.S News and World Report, UAA Fact Book, UAA Performance Report, NCAA Athletics report, UA system financial requests, and legislative requests;
- Advise and administer other knowledge areas unique to the budget office such as receipt authority, summer deferrals, 998000 budget controls, State of Alaska appropriation/allocation, tuition allowance, dependent waivers, debt service, etc…

2. If one or more of these functions was reduced or discontinued, what would be the impact on: (Not all elements may be relevant for your unit. Only address relevant items.)
   a. More students persisting and completing educational goals?
   b. Supporting overall student, faculty and staff success in meeting UAA's mission?
   c. Impacts to UAA's reputation, and ability to attract and retain students and/or external support?

   • The Budget Office serves all UAA departments, including the community campuses, with budget planning, management reporting, and other financial processes such as budget revisions, labor reallocations and journal vouchers. Without these planning resources, UAA would be unable to comply with accreditation standards and UAA's reputation would suffer.
   • UAA would move out of compliance with generally accepted accounting principles (GAAP), accreditation requirements, IRS regulations, and national reporting (IPEDS) standards if the Budget Office did not administer fund, org, account, and program code adherence.
   • Business manager functions for Kodiak Campus could be returned to the Kodiak campus with position salary upgrades and training of current staff. This could enhance Kodiak staff success.
   • Providing raffle (gaming) services at UAA is not essential nor required. Eliminating the ability to do raffles at UA would extinguish a source of revenue for student clubs and departments, and would only slightly improve the budget analyst workload.

3. Identify measures and targets used to monitor the impact of functions on each of the above (not all elements may be relevant for your unit, only address relevant items).

It is difficult to set targets based on external benchmark data for most budget offices. Budget duties can be mixed within a variety of departments, such as accounting, planning, administration or budget, making for difficult comparisons.

Average annual statistics for the Budget Office:
• Update 400 position definition codes in Banner as requested through PageUp communications, including new job postings, reclassifications, and other position needs.
• Review, approve and mail 11,800 physical checks (FY19)
• Review and approve 1,500 direct deposit payments (FY19)
• Scan and index 13,700 checks, EFTs, tuition waivers and W-9s into OnBase (FY19)
• Review, approve and enter to Banner 700 BRs with 4,000 line items (FY19)
• Review, approve, enter to Banner and scan 3,100 JV forms with 18,000 line items (FY19)
• Review, approve and enter labor reallocations with 13,200 line items (FY19)
• Process 4-6 gaming raffle accounts each year
• Review and submit 14 student government budgets for all five UAA campuses
• Process 166 student club accounts

4. What improvements have been achieved over the last five years?

- The budget office implemented an org hierarchy restructure June 2019. Benefits include: improved ability to analyze direct and administrative costs; new hierarchy level 7 attached academic subject to org for cost of education analysis; standard D-Level hierarchy across all UA universities eased data analysis for SW IR and allowed system-wide standardization in new software implementations.
- JVs were moved to OnBase storage in FY16 allowing for better department access of historical and current JVs across all universities and decreasing the need for storage space. Historical budget revisions are currently being moved into OnBase beginning in FY19.

5. What efforts has your unit made to improve efficiencies and reduce costs? What was the result?

- The Budget Office eliminated a part-time temporary worker in response to the 20% budget cut during FY14-FY18 (-$76K). Duties have been absorbed by the budget director.
- The management report schedule was reduced in FY18 from monthly to quarterly submissions saving substantial UAA department and budget director efforts.
- The budget analyst discontinued maintenance of an internal, manual PCN master list, saving approximately 100 hours of effort each year and improving accuracy. This change was supported through use of Banner resources to obtain daily information and creation of a TOAD report for the annual position budgeting process.
- The Budget Office maintains a high level of cross training. The budget analyst and fiscal technician can both enter journal vouchers, labor reallocations, and budget revisions as backup for each other during absences. We also backup the Financial Systems department with Bank processing and monthly financial reports during absences.

6. List and briefly describe any current or proposed Board of Regents Policy, State or Federal mandates, or laws that require the continuation of your core function(s).

The UAA Budget Office is essential to the every-day achievement of UAA accreditation goals to comply with GAAP principles, IRS regulations, State and Federal laws, BOR policy and UA Accounting and Finance policy and procedures. Some specific examples:

- The University's annual operating budget plan and quarterly management report process are required by BOR policy Chapter 05.01 *Budget Development and Maintenance* and Chapter 05.02. *Accounting and Fiscal Reporting*.
- The UAA Budget Office responds each year to the many requirements of the State budget process such as submission of a budget request to the Governor as required per AS 37.07.020 *Responsibilities of the Governor*.
- The UAA Budget office works with the SW Planning and Budget Office to distribute legislative funded Technical Vocational Education Program (TVEP) awards as established by Alaska Statute AS 23.15.830 *Alaska Technical and Vocational Education Program Account*.

- The Budget office administers the State of Alaska Gaming regulations through submission of permits, payments and reports as per Alaska Statutes AS 05.15, Article 7 *Raffles, Lotteries, and Other Gaming Activities*.
- Maintaining fund, org, account and program code standards supports accurate IPEDs reporting as mandated for institutions that participate in federal financial assistance programs authorized by *Title IV of the Higher Education Act of 1965*.
- Financial processes administered by the Budget Office are detailed in the *UA Accounting and Finance manual, sections 100 and 200.*

7. Potential cuts: Please describe any function reductions or eliminations that are feasible without significantly affecting UAA's mission fulfillment or its compliance mandates? Are any functions within your unit duplicated elsewhere at UAA? Is there an opportunity for efficiency to be created by partnering or combining functions? Please describe the opportunities you identify within your unit and include the approximate dollar values and savings that would result.

The three staff in the budget office strain to deliver the volume and variety of services provided with a high level of knowledge and customer service.   LEAN efficiencies could relieve staff to focus on other important duties, such as automated management report systems, interactive training resources, website presence, analytical forecasting, financial reviews, procedure updates, research depth, etc…

Automation of the UAA management reporting tool is a priority and will save both UAA department and central Budget Office time in creating financial status reports. A listening tour previously conducted by the UAA Budget Office recommended a workgroup be created to partner with Institutional Research and Information Technology departments to create an on-line management report. Suggestions included exploration of an automated personnel projection model, incorporation of trend data, and creation of account records that incorporate automated YTD transactions and allow for entry of projections. If it is not possible to build a flexible and reliable product internally, then commercial financial softwares will be explored at a substantial additional cost to the university. It is difficult to estimate savings at this time.

Budget Office staff have been meeting with other UA university budget and financial systems staff to create an automatic JV workflow process. The new process will enable departments to do JV data entry into a familiar format, receive feedback on erroneous account codes, upload scanned backup documents, and submit JVs electronically to their approvers and finally submit to the budget office for final review and automatic upload to Banner. JV workflow will save substantial data entry efforts in the Budget Office and allow staff to engage in other value added activities. This project has been delayed to enable other SW financial systems projects to proceed, but will have a major impact on the budget office workload when implemented.

There are some elements of Budget Office core services that are not primarily budget related and are done in partnership with other departments, such as Accounts Payable, Accounts Receivable, the Vice Chancellor of Administrative Services, and the community campuses. These duties could be examined for transfer to these departments or shared services, but

would likely not result in efficiencies since most of these departments are experiencing staffing challenges and would need to hire additional employee FTE to accomplish the tasks. The Budget Office partnership provides efficiency, subject matter expertise and process controls.