

**2012-13 ACCOMPLISHMENTS****Charles D. Leffler, Vice Chancellor for Finance and Business**

During fiscal year 2012-13, the Office for Finance and Business (F&B) continued its focus on implementation, risk mitigation and resource alignment to **achieve strategic plan initiatives; fiscal integrity** and stewardship of resources; **operational efficiency** and effectiveness; **physical environment**; service and **safety**; and **employee development**. Special emphasis in the coming year will be fulfillment of strategic plan initiatives, including Business Operations Centers implementation, College of Sciences initiation, and support of the capital campaign preparation.

**ACCOMPLISHMENTS RELATED TO UNIVERSITY-LEVEL STRATEGIC INITIATIVES**

F&B provides direct support to the university's strategic plan and applies initiatives at the division level so the plan's objectives are meaningful to and accountable by staff.

- Includes Finance & Resource Management's implementing changes in organizational unit codes, transaction workflow and approvals, and budget realignments; Human Resources assisting Chancellor's Faculty Excellence interdisciplinary cluster hiring search committees; and Facilities managing 32 renovation projects.
- Integrating strategic plan at unit level, **F&B identified top-tier F&B initiatives**. After finalized in September 2012, unit owners assigned for **tracking and accountability** and then identified **key actionable objectives** within next three fiscal years.

For the following university-level strategic goals as set forth in the Implementation Plan, F&B is a primary owner and has achieved the following:

- 1. Develop funding models that ensure investment in strategic priorities. Create a central pool of funding to allow university administration the resources to invest in strategic priorities.*

**RESOURCE ALLOCATION** (Budget Restructuring Task Force: BRTF)

BRTF was created in October 2012 to achieve strategic realignment of resources in support of the strategic plan.

- a. Delved into University's budget and related processes to determine if better way to **align resource allocations to strategic plan** exists.
- b. After **education regarding current budget allocations and processes**, BRTF engaged consultant for **overview of budget models at peer institutions**.
- c. In April 2013 made timeline recommendations to achieve charge, and **launched a Data Support Team** in May.

F&B also supports this objective through fiscal strategy; for further examples, please see the following sections: *Fiscal Integrity; Stewardship of Resources*.

**2. *Develop shared spaces to inspire community, collaboration and innovation.***

F&B develops shared spaces through careful planning, achievement of major building and renovation projects, development of campus pathways, and innovative use of space for experiential learning. Please see the following sections for project profiles in support of this strategic goal: *Centennial Campus Development; Physical Environment; Retail and Hospitality*.

**3. *Review and recommend improvement in administrative processes.***

**OPERATIONAL EFFICIENCY AND EFFECTIVENESS** (Administrative Process Review Committee: APRC)

APRC continued its second year of streamlining processes separate from HR and finance.

- a. Launched following projects: **1) F&A transparency:** Faculty concern/confusion appeared across many original pain points. Worked with F&B and Office of Research, Innovation and Economic Development to create way to share F&A information so faculty better understand process and existing transparency; **2) Facilities Modification:** (FacMod) was a customer service and usability opportunity where, after APRC surveyed clients and completed ValueStream mapping with FacMod staff, it identified key strategies to innovate process, recommending FacMod liaison to assist customers through process and enhanced website for greater ease of use and project status tracking. Liaison was hired, starting May 2013. Baseline survey was completed with post-survey slated for 2014 to track effectiveness; **3) Transportation;** **4) Grantsmanship;** **5) Student Services;** **6) Communications:** New APRC website launched April 2013 with process improvement recommendation input form. Began “**myth-busting**” **communications** to campus.

**4. *Consolidate business processes and implement business operations centers.***

**STRATEGIC REALIGNMENT OF RESOURCES** (University Business Operations: UBO)

- a. After evaluating BORST’s recommendation, UBO determined that all-in-one centers less effective fit for NC State than functional shared service centers. After staff and Implementation Team analysis, **formal recommendation for functional centers** was made and approved in December 2012.
- b. Work continued regarding identification of processes moving to Business Operations Centers (BOCs) and strategies to streamline them via HR and Finance Task Forces and related subgroups. **Physical locations, space requirements, IT needs, staffing needs and position identification for BOCs were also identified.**

- c. BOC implementation timeline shared with campus and first BOC, **Onboarding, opened in May 2013**, with phased approach to allow process testing and improvement prior to full campus roll-out September 2013. New Employee Orientation for all campus began June 4, 2013. Staffing underway for Travel BOC, as are location preparation, IT need fulfillment and other aspects to bring center live.
- d. **Lift and shift staff transition process initiated** with FTE requests sent to all Vice Chancellors and Deans May 31, 2013. Business officers were contacted June 7, 2013 to begin validating data. ScottMadden will be engaged in July 2013 to assist with smooth transition process.
- e. Communication has been challenge for BOCs, especially during analysis period when deemed premature until functional or all-in-one decision was made. After that, **communication efforts** resumed with University Communications' engagement via *The Bulletin*, different stakeholder presentations, and staff forums for potentially affected. **Website has been streamlined** to be more effective communication tool.

*5. Develop online inventory and searchable database of existing physical and research infrastructure that meets the needs of multiple researchers across campus.*

The University Space Committee created a team to lead this effort, comprised of staff from the Office of the University Architect, University Planning and Analysis, Office of Information Technology, Human Resources, Communication Technologies, and Office of Contracts and Grants, among others.

- a. After completing review of peer institutions, team determined that inventory and database would focus on office and research space since represent 47% of space on campus. Process has **four phases: tagging people to office space; tagging people to research space; creating database interoperability; and determining database ownership**. Team completed 60% of phase one.

## **ACCOMPLISHMENTS RELATED TO FINANCE & BUSINESS INITIATIVES**

### **ENTERPRISE RISK MANAGEMENT**

- F&B co-owns multiple university-level risks and **led bowtie chart revisions** for these.
- In spring 2013, **F&B engaged Poole College of Management graduate students to identify top-tier risks for its division**, which culminated in final recommendations and summary report.

### **FISCAL INTEGRITY (Finance & Resource Management: FRM)**

FRM ensures that the university upholds the highest standards of fiscal integrity:

- Received **clean audit for 2011-2012**.

- Associate Vice Chancellor **Stephen Keto received Office of the State Controller's first Fiscal Integrity Award.**
- Consistently and timely implementation and maintenance of **UNC-FIT KPIs.**

FRM improved efficiency and transparency in system and operational applications:

- In addition to Budget Central, the **F&B Dashboard** now available to campus and maintained in timely manner with continually improving usability and scope of data.
- **Phase I of the PI Portal went live** on April 11, 2013, providing a **single location for PIs to access information** for grant expenditures, personnel paid from project, equipment detail, and project alerts (e.g., overdue technical reports which delay payment). Phase II to incorporate additional faculty-recommended enhancements.
- **Implementation of electronic document management system** for travel reimbursement and P-card reconciliation processes launched in February 2013 with **93% adoption rate.**

#### **STEWARDSHIP OF RESOURCES** (Office of the Treasurer: OT)

OT improved and expanded services to students and across campus in the following ways:

- Easier and cheaper printing for students via increased access to printers across campus, online service fee reduction for funding AllCampus accounts, and new **"Follow Me" service**, conveniently enabling students to print in one location and pick up in another.
- Student Information Systems upgraded for enhanced student/parent self-service and **automatic removal of past due holds** when payments are received.
- Upgraded **Nelnet/Quikpay system automatically reimburses student accounts.**
- **New monthly payment plan** for students using GI Bill implemented and slated to end year with 3.64% Perkins loan cohort rate – the lowest in three years.
- **Cashier's Office "Triage Unit"** will begin July 15, 2013 **to improve customer service and reduce call wait time** during peak periods of billing and payment inquiry.
- NCSIF endowment performance in top quartile and **grew 10%.**
- Amount of debt service paid by all units with debt **reduced by 50 basis points**, resulting in major savings for colleges and student services.
- Secured low cost line of credit, **issuing \$274 million of new money** and refunding bonds, resulting in **\$4.2 million net present value savings.**
- **Established Leaders in Innovation and Nonwovens Commercialization, LLC** to foster economic development by facilitating commercialization of technologies developed at Nonwovens Institute.

- Assisted NC Agriculture Foundation (NCAF) with **LaPaz, LLC**, including acquisition of closely held stock by another company and resulting in NCAF achieving gain of more than \$13 million in the transaction.
- Completed planning for new **Short-Term Investment Pool** that can be used to pool investments for foundation operating cash and create system-wide flexibility for investments of university's trust funds.
- **Investment in Blackrock's Liquid Policy Portfolio yielded 9.8% return** for seven months ending March 31, 2013.
- Changed university's **planned giving provider to Wells Fargo** to improve potential returns and create enhanced reporting and donor interaction.
- **Financing completed** for Talley Student Center and Centennial Campus Student Housing and first Greek Village fraternity loan was closed.
- **Completed negotiations** for Bell View Hotel lot on Hillsborough Street.
- Real Estate managed reallocation of land with NCDA, administered more than \$9.5 million in annual rents, processed more than 30 easements, encroachments and rights of way, and implemented **new leasing acquisition delegated authority** from the BOG.
- Continued support of **Hillsborough Street Community Service Corporation**.

#### **CENTENNIAL CAMPUS DEVELOPMENT (CCD)**

CCD's three main areas of focus are property management, design and construction, and leasing. CCD collaborates with Facilities, CE, the CC Partnership Office, and other NC State units to achieve these objectives.

- **CCD upgraded Research IV and Partners I public areas** to more closely reflect Class A office space.
- **Consolidated Engineering space in Research II** to allow more space to be leased to external partners, including ABB, with whom CCD initiated dialogue.
- **Maintained record level of occupancy at 99.5%**, increased space rented by non-University units three percentage points to 35%, and **adjusted rental rates** to better align with external markets and thus remain competitive.
- Significant support in **updating 10-year Centennial Campus Development plan**.
- Enhanced current amenities and accessibility, and won **Sir Walter Raleigh Award for stream reclamation effort**.

CCD drives projects that are transformational for Centennial Campus, the university and Raleigh communities:

- **Reinitiated Centennial Biomedical Campus Flex Building:** Resolved outstanding issues with City of Raleigh with regards to zoning conditions to permit project. Developed pre-leasing plan with College of Veterinary Medicine to advance financing/development schedule.
- **Advanced Conference Center/Hotel:** Assisted Concord-Eastridge in Hyatt Place franchise approval, facilitated design concepts, supported financing discussions with lending institutions resulting in two banks still in negotiation.
- **Corporate Research I Renovation:** Upfit IES Business Incubator and Springboard to new locations in anticipation of Laboratory for Analytic Sciences.
- **Laboratory for Analytic Sciences:** Worked extensively with the federal government to manage design of space in Corporate Research I-Third Floor.
- **North Shore Residential:** Engaged homeowners to effectively communicate and work through legal issues. HOA amendments in process of being signed Development agreement and ground lease in review.
- **The Greens Apartments (R2 Residential):** Construction on schedule to deliver first units October 2013. Working with City of Raleigh regarding how development fees are calculated and assessed against private development projects on campus.
- **Wolf Ridge Student Housing and Dining:** First units and dining scheduled to open August 2013.
- **University Town Center:** Market research completed. RFP in development.
- **Early College High School:** Renovation to be delivered July 2013.
- **Carol Johnson Poole Clubhouse:** Construction started. To be delivered November 2013.

#### **PHYSICAL ENVIRONMENT (Facilities)**

Facilities demonstrates continual improvement with consistent results in areas of sustainability, planning, and capital projects:

- Increased breadth of holiday setbacks achieving **\$282,000 savings** during shorter break.
- Facilities implemented **energy savings projects totaling \$1.5 million** using utility savings carry forward funds.
- In-house team recalibrated four buildings to ensure optimal system efficiency and **connected multiple facilities to chilled water loop** for greater reliability.
- Implemented **energy dashboard** allowing building occupants to view energy usage.
- **Highly participatory Master Planning process** underway with seven campus workshops completed, 10 task forces in process, and survey-accurate base map in progress.  
**In-house efforts saving more than \$1 million.**

- Other significant projects include: Town Center Site Capacity Study, New Avent Ferry Building Space Study, Harrelson Closing Analysis, Western Blvd. Corridor Study, Yarborough Drive Realignment Study.
- Transformational capital projects include: **Hunt Library, Partners I and Research IV interior renovations**, Carmichael and Camp Slocum improvements, Yarborough Chiller Plant, Lake Wheeler Dairy Milking Parlor, Burlington Nuclear Reactor Upgrade. Projects currently underway include: **Talley Student Center** (Phase I slated completion Fall 2013), Lee Hall Renovation (Summer 2013).
- **Experiential learning opportunities** by partnering with academic units, including Entomology, Plant Biology, Architecture, Landscape Architecture, Civil Engineering, and Horticulture Science.

#### **RETAIL AND HOSPITALITY** (Campus Enterprises: CE)

NC State's retail and hospitality division provides more than 25 dining locations, full-service catering, four student activity centers, the campus identification card, trademark licensing, bookstores, and a championship golf course. CE's accomplishments reflect its commitment to customer service and a vision of serving as an innovative campus resource.

- **Talley Student Center:** Successfully pursued name adoption of Talley Student Union. **Phase 2 construction begins June 1.** Facilities improvements underway to enhance space for student organizations and administrative operations in existing student centers. **More than 200 events confirmed in new facility beginning spring 2014.**
- **Trademark Licensing** adjusted royalties and implemented new programs, achieving **6% increase**, compared to national collegiate licensing 2% increase. Streamlined and simplified application process, created easier trademark enforcement, and provided creative brand extensions, such as development of 3D mascot digital files and models with College of Design students.
- Launched **partnership with U.S. Bank for Wolfpack OneCard.** Up-fitting space for secure card production and registration site. Newly branded website awarded **"Best Website" by National Association of Campus Card Users.**
- University Dining **marked food allergens in all ingredients** and recipes and established recipe testing system, drawing national attention from peers as best practice. **"My Roots are at NC State" implemented to highlight use of local foods** and embraced by NC Department of Agriculture as model program. **Awards include Food Service Director Magazine's Grand Goldie, City of Raleigh Sustainability Award, Governor's Award for Excellence** (Dietician Lisa Eberhart), **and Best Online Catering Menu and Best New Multi-Retail Concept by National Association of College and University Food Services**, who selected NC State as 2014 regional conference site.

- Implementation of **in-store textbook rental program saved students more than \$1.2 million** during current academic year. Textbook price comparison site allowed students to search for competitive pricing while increasing Bookstores' textbook market share 13 percentage points to 85%.
- **Lonnie Poole Golf Course** maintained ranking as top 30 U.S. collegiate course, will **host NCAA Golf Regionals** (Men's 2014, Women's 2015), **was named #1 new golf course in NC by NC Golf Panel**, and is **first university property in NC and second in world to be Certified International Audubon Signature Sanctuary**. Home to NC State's golf teams and acts as "living laboratory" by supporting and hosting 42 academic courses and being maintained by Turfgrass program.

#### **SERVICE AND SAFETY** (Environmental Health & Public Safety: EHPS)

EHPS focuses on preventative measures and diligent training to ensure a safe and secure campus environment.

- Received recognition for assistance to UNC-GA regarding weapons on campus and residence hall safety programs, and **Elizabeth City State University and its Interim Police Chief**.
- **University Police reaccredited with distinction** by Commission on Accreditation for Law Enforcement Agencies and International Association of Campus Law Enforcement Administrators.
- After Dan Allen Gates deployment, **on-time bus route performance improved 13 percentage points** to average of 87%. New bus fuel contract negotiated, saving \$600,000 over five years.
- **Completed security improvements to parking decks** via LED lighting and camera installations and College of Veterinary Medicine (CVM) security infrastructure deployment and security master plan development.
- Implemented and reviewed **severe weather plans** with building liaisons and conducted **three full-scale disaster exercises**: 2012 Vigilant Guard (student passive resistance building occupation), 2013 Shooter Drill (response to shooter with hostages); and 2013 Operation Wolfpack Shelter (tornado drill with evacuation of seven residential facilities).
- Created **client-specific training**, such as Active Shooter and Workplace Violence Prevention for CVM, led risk management training regarding minors on campus, summer athletics camps and cooperative extension, and managed **283 threat assessment incident reports**.

## **EMPLOYEE DEVELOPMENT** (Human Resources: HR)

HR has been a leader in meeting federal requirements and improving processes at NC State.

- When federal requirements for employee data annual reporting changed to a 22-category Standard Occupational Code (SOC) structure, **HR mapped 6-digit SOC codes to previous structure and then shared with entire UNC system** via UNC HR Data Mart **and** offered to College and University Professional Association for HR (**CUPA-HR**) for its 1,900 members.
- International Employment Manager Jill Blitstein **testified before federal House Subcommittee regarding Legal Workforce Act.**
- Office of State Personnel granted **delegated authority for 19 additional career bands to now cover 99.7% of all SPA positions.**
- One of three agencies invited by State to participate in pilot Unemployment case management system since proactive case management helped university **avoid \$919,000 in unemployment benefit claim liability** in 2012-13.
- **PeopleSoft upgrade** for streamlined data entry, defensible pay ranges for temporary staff, enhanced compliance, and process automation.
- **Automated employment verification I9 process** for easier auditing, data tracking and retrieval systems.
- Assisted campus clients with organizational design studies involving organizational structure and job design recommendations. Employee Relations conducted 10 facilitations and mediations to address workplace concerns and managed the SPA RIF and EPA At-Will Discontinuation programs resulting in **zero SPA grievances and EPA appeals filed.**
- Facilities engaged for Leadership 360 pilot, which provided anonymous feedback to all 130 supervisors from direct reports and follow-up coaching for supervisors. Won national **APPA Innovative and Effective Practices Award.**