

**OFFICE OF FINANCE & ADMINISTRATION ANNUAL REPORT: 2015-16****Strategic, Outcomes-Based Collaboration****Partnering with Office of Research, Innovation and Economic Development**

- Partnering with ORIED to explore implementation of new ERA system. Completing needs assessment and partnering with OIT and UNC-GA on next stage of implementation.
- Integrating, co-locating and co-managing pre- and post-award services with dotted line reporting effective July 2016.
- Developing stronger relationship between University Real Estate & Development and Centennial Campus Partnership Office.

**Enhancing Coordination with University Advancement**

- Greater coordination and communication with University Advancement, including quarterly update meetings started in May 2016.
- Provided interim financial leadership support, which included immediate budget analysis and long-term strategic analysis.

**Other Offices**

- One-Stop Shop Student Services Center website launched in May 2016, and feasibility student for physical space completed in April 2016, creating greater coordination between Cashier's Office, Registration & Records and Financial Aid.

**Across Divisions within the Office of Finance and Administration**

- Immediately improved collaboration between University Real Estate & Development and University Architect's Office for strategic planning and development of Centennial Campus and Spring Hill initiative.
- Improved relationships between University Real Estate & Development and Centennial Campus tenants and corporations.

**Functional Area Realignment (effective 7/1/16)**

- Offices of Contracts & Grants and Controller's Office to move under Treasurer's Division, which will be renamed Finance Division
- Payroll to move from Human Resources under Controller's Office for enhanced coordination and streamlined processes
- Finance & Resource Management to be renamed Budget & Resource Management.
- University Business Operations to be dissolved.
- Onboarding to move from University Business Operations to Human Resources for functional alignment.
- Travel Services, which only provides services for the College of Agriculture and Life Sciences, to move from University Business Operations to CALS Business Operations.

### **Three Key Leadership Searches**

- Two searches concluded:
  - Jeff Bandini hired as Associate Vice Chancellor for University Real Estate & Development.
  - Marie Williams hired as Associate Vice Chancellor for Human Resources.
- Achieved smooth AVC Facilities leadership transition.
  - Kevin MacNaughton, retired Associate Vice Chancellor for Facilities, named Interim for continuity.

### **Strategic Resource Management**

#### **Physical Assets**

- Started Spring Hill strategy and planning, with market study and rezoning efforts initiated.
- Completed substantial work on Hofmann Forest monetization.
- Performed land exchanges with Endowment Fund to accommodate Center for Technology and Innovation and Centennial Biomedical Campus Flex buildings and Centennial Campus substation expansion
  - Sold \$2.2 million worth of Endowment and Foundation-owned property.
  - Accepted \$1 million in gifts.

#### **Financial Assets**

- Reported return of 8.34% in FY15 NACUBO survey ranking in top decile among 812 survey respondents and outpacing average return of 2.4%. Market value growth was 11.2%, 4<sup>th</sup> highest among 100 largest endowments and largest among NC State's peer group. NC State ranked 98 out of 812, with a combined market value of \$984 million.
- Achieved debt restructuring savings of \$3.8 million over term of energy loan.
- Increased Intermediate Term Fund revenue by 3 times Short Term Investment Fund earnings.
- Achieved natural gas savings of \$1.4 million for fiscal year.

### **Shared Spaces**

- Completed Talley Student Union renovation and expansion, which included opening 1887 Bistro, Stewart Theatre, Wolfpack One Card office, Starbucks, and enhanced Wolfpack Outfitters.
- Initiated development, funding and approval of Engineering Oval (\$154 million), Plant Sciences Complex (\$160.2 million), Carmichael Renovation (\$54 million), and Case Commons (\$15 million).
- Broke ground on StateView Conference Center and Hotel (\$28 million).

### **Policy, Compliance and Security**

- Began implementing Security Master Plan:
  - Completed more than 140 security integration projects, including perimeter security of all student resident facilities.
  - Expanded security camera installations.

- Required entities to support maintenance of security infrastructure.
- Revised most of Associated Entity Operating Agreements to meet updated UNC-GA bylaws.
- Successfully engaged campus to discuss methodology and address any concerns with revised SAAO Tier II ranges and proceeding with approval for implementation.

### **Training**

- Worked with the Office of Information Technology to re-write and implement Wolf Reporting System update for streamlined reporting with easier-to-use interface. Hosted campus-wide training, including college-specific and one-on-one options. More than 450 individuals trained to date.
- PeopleSoft 9.2 implemented and trainings rolled out across campus.
- Job Action Request (JAR) implementation and campus-wide training, which minimizes administrative work for departments in the hiring process.
- Contracts & Grants shared resources from professional associations with campus, including Uniformed Guidance and National Science Foundation updates.
- Budget Office provided monthly trainings to new Business Leads and other college and division financial staff. In addition, Office holds standing meetings with the College of Sciences and the College of Agriculture and Life Sciences, with meeting options offered to all colleges and divisions.
- Treasurer's Office launched trainings to provide financial advising consultation to campus.

### **Process Improvement**

- Implementing PCard electronic statement and approval process to strengthen internal controls, reduce paper-based processes, increase efficiency, and save an estimated \$45K/year in print costs.
- Increased MarketPlace adoption by 5% over FY15, with efficiency savings of \$1.2 million, cumulative supplier discounts of \$2.2 million, and PCard rebate of \$648,000.

### **Other Items of Note**

- Provided extensive logistics, security and preparation for new UNC System President Spellings' site visit, which involved the divisions of Facilities, Environmental Health & Public Safety, Campus Enterprises and Human Resources.

## **DIVISIONAL ACCOMPLISHMENTS**

### **Campus Enterprises**

- Bookstore
  - Expanded merchandising for increased sales.
  - Initiated contract with Amazon Campus Program, but presently on hold as a result of HB2.
- Dining
  - Implemented new employee meal plan, with more than 400 enrollees.
  - Launched mobile ordering system which increased sales by 12% in enabled locations.
  - Implemented alcohol sales and service at Park Alumni Center, Lonnie Poole Golf Course and Talley Student Union.
  - Developing an International Student Organization menu for diversified offerings
  - Partnered with CALS to expand crops used in campus dining locations, working to develop local food menu.
- Student involvement
  - Employed 1,200 students and 550 temporary employees (343% increase).
  - Provided \$1.2 million to Dependent Employee Scholarship Endowment and \$112,000 to Three Winners Fund.

### **Environmental Health & Public Safety**

- Training and Compliance
  - Provided Violence Prevention Training for all fraternities and sororities as part of Title IX training.
  - Insured more than 1,320 student interns with liability insurance program, which enables placement of interns in external learning experiences.
  - Orchestrated multiple Active Shooter Drills and campus-wide Train Derailment Drill with concurrent Executive Officer table top drill.
  - Developed survey for UNC-GA that was completed by all institutions to determine if campuses had threat assessment teams, and provided best practice standards.
  - Partnered with College of Veterinary Medicine to complete infections disease plan report for Provost's Office.

### **Facilities**

- Sustainability
  - Achieved LEED certifications for all 6 Wolf Ridge buildings, CJP Clubhouse, and Talley Student Union.
  - Reduced energy use per SF by 28% compared to 2003 baseline, despite an addition of more than 2 million GSF during this period.
  - Implemented program to consolidate Summer semester classes in selected buildings for energy savings
  - Saved more than \$500,000 with gas procurement strategies.

- Completed Waste Characterization Study / Compost Feasibility Study, which identified 38% of campus waste as compostable. Began implementing composting at Carter Finley stadium, Lonnie Poole Golf Course, Engineering Oval and Honors Village.
- Collaborated with Horticulture classes to create pollinator garden program on campus.
- Achieved 50% waste diversion:
  - 3,758 tons recycled
  - 1,475 tons composted
  - 1,674 tons reused
  - 5,042 tons landfilled
- Identified space for 8 Chancellor's Faculty Excellence Program 2016 cohort hires, with up to 240 personnel.
- Initiated College of Veterinary Medicine Equine & Farm Animal Veterinary Center Master Plan; College of Design Master Plan; College of Sciences space study.
- Progressed with Reynolds Coliseum and Gregg Museum renovations.
- Began Harrelson Hall demolition.
- Increased coordination between Registration and Records, Facilities and OIT Class Tech to coordinate projects for General Use classrooms.

### **Finance & Resource Management**

- Achieved clean audit.
- Report to UNC-GA on numerous requests in a timely and accurate manner, including KPIs, which continue to be "green".
- On track for on-time F&A rate proposal.
- Shared annual brochure and enhanced OFA Dashboard with BOT and campus community for education on budget and resource management.

### **Human Resources**

- Eliminated payroll/distribution of payroll registers and now provide information electronically.
- Prepared for Performance Management Policy, but delayed as approved by UNC-GA.
- Implemented revised Adverse Leave policy.
- Completed 1,473 position and salary requests, 1,330 recruitments, 7 organizational reviews, and 134 custom training sessions.
- University Temporary Services achieved 9% increase in placements at NC State (850) and 13% increase at UNC-CH (550).
- Achieved 99% success rate for health insurance offers to ACA eligible employees, compared with IRS standard of 75%.
- Provided services to 183 foreign national employees.

### **Treasurer's Division**

- Updated strategic debt guidelines with additional guidance related to gift-funded projects.
- Completed Beta University financial forecast.
- New multifunctional printer RFP reduced department pricing plans by 30% and produces \$1.8 million in savings over first 5 years of new contract.
- Foundations Accounting & Investments completed audits for NC State Investment Fund, 7 foundations, Executive Education LLC, Alumni Association, Partnership Corporation and its 6 subsidiary LLCs, with no findings.

### **University Business Operations**

- Onboarding completed Inboarding (internal transfers) assistance for campus.
- Processed all CALS travel reimbursements (12-13,000 or 40-45% of all campus reimbursements).
- Improved business purpose documentation for College of Agriculture and Life Sciences Extension mileage reimbursements (4,000 or 61% of all campus mileage-only reimbursements).
- Worked with Office of Information Technology and Office of Finance and Administration Shared Services Steering Team, which identified the following shared services: hiring lifecycle, offboarding and temporary hiring. These will be picked up by Human Resources for implementation.

### **University Real Estate & Development**

- Monitoring City of Raleigh's Pullen Road extension project.
- North Shore Condominiums: 5 units and pool are under construction (60% complete, \$2 million).
- Center for Technology and Innovation: Construction in progress (\$30 million).
- Performed data survey and starting migration to new data storage system for real estate files.
- Managing operational costs to result in lower rental rates for NC State units on Centennial Campus, with costs at or below Building Owners and Managers Association and Whitestone industry benchmarks.
- Hosted 56 events on campus with estimated attendance of 13,000.
- University-owned space occupied by partners grew from 35 to 39%.