

2009 Annual Report
Business Affairs Division
July 15, 2009

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Overview

The Division of Business Affairs (BA) provides infrastructure and operational support to the instructional, research, and community-service functions of the University. The Division seeks to efficiently and effectively utilize available financial, human, and facility resources to ensure delivery of the highest quality service possible.

During the fiscal year just closed, Business Affairs recorded many successes toward this stated purpose while working to lead the campus through the severe financial restrictions resulting from a statewide budget crisis of unprecedented proportions. Throughout the year, the Division also continued battling a second, but all too familiar, foe, that being insufficient human resources to meet the required and desired service levels of our internal and external customers.

Now, in reflection, there is clarity regarding the impact of both foes. The worst budget crisis on record came during a year in which BA was to make major gains toward defeating its historical nemesis of insufficient resource levels needed to serve the customers we support. The majority of these gains would have come in staff additions in our Financial Services (FS) and Human Resources (HR) units. Unfortunately, as the new budget crisis foe arrived, the vast majority of the planned additions to staff were forfeited. Coupled with the impact of positions lost to the budget shortfall was the continual drain upon existing staff members who were often stretched to their limits.

The following excerpt from last year's Annual Report for the Division better illustrates the staff resource issue:

*While this enemy was known from the experience of prior years, there can be no doubt that an understanding of this nemesis was brought into much clearer focus this time around. A pattern of activity which is not sustainable is now clear, we have no excess capacity available to address the majority of proactive initiatives, **nor key, urgent mandates** (from General Administration (GA), the State, or the campus community). As urgent issues arise, staff work to exhaustion (or beyond) and have usually no opportunity to rebound before the next "critical and urgent" initiative arises.*

Noteworthy is the almost prophetic phrase in bold font and underlined above: "nor key, urgent mandates....." In fact, the budget crisis became a stark example of such a key and urgent mandate.

Thankfully, the BA team, as well as similar groups from across the other Divisions, rose to an unprecedented occasion this past fiscal year. Internal to BA, we made an early fiscal-year decision to hold vacant many of the position additions vital to advancing many service initiatives due to steadily worsening economic conditions. Other Divisions made similarly conservative planning decisions. As the fiscal year ended, it became perfectly clear this strategy of conservation was correct.

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The following detailed report provides evidence of the excellent teamwork across BA during this past fiscal year's intense financial storm. It can be safely assumed that for each notation of an objective met, there was almost always a budget hurdle to be overcome.

For example, early in the fiscal year, the Financial Services (FS) unit received direction from the UNC General Administration (GA) that a transition from activities planned to respond to PACE initiatives be replaced with vastly greater requirements for work to participate in the new Finance Improvement and Transformation Project (FIT). FS was originally authorized for twenty-one staff additions in this past fiscal year, but proceeded conservatively to fill less than one-third of those. At the same time FS was slated to expand to address nearly a decade of past deficiencies but unable to do so fully because of anticipated budget issues, a very significant additional workload (i.e. FIT) arrived. As documented in this report and the FS Annual Report (attached), the unit met this considerable challenge with ingenuity, creativity, and sheer effort.

Another illustration can be found in the additional work undertaken to administer emergency procedures brought on by the budget crisis itself. To effectively navigate through the crisis, the Vice Chancellor for Business Affairs (VCBA) assembled the Budget Council, the Budget Work Group, and a number of ad hoc review teams. A new process for expenditure approval was designed and implemented and numerous new communication tools and processes were developed, such as a special Web page for internal communications. Similar to the example above, all of this additional work was done by existing staff. Again, for an objective or need to be met, a budget hurdle had to be overcome.

With these examples of significant team effort and our purpose and ongoing challenges in mind, a description of our fiscal year results toward strategic plan objectives, unit mission achievement, and other advancements will follow. During each fiscal year, a set of divisional objectives is established as focal points for our resources to support the achievement of goals from the University's Five-Year Strategic Plan. One or more of the Division's units are assigned responsibility to pursue achievement of the objectives.

Additionally, each unit within the Division is charged with carrying out its own mission in alignment with the overall mission for both the Division and the University. The Vice Chancellor's support staff is also engaged to deliver advancements and efficiency improvements where possible to strengthen the Division's ability to serve.

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The following annual report for the 2008-09 fiscal year will provide:

- Section 1: a detailed review of the Division's results toward its objectives in support of the University's goals
- Section 2: an overview of the results of each unit in carrying out its assigned mission to support the University's goals
- Section 3: a review of VCBA support staff contributions

Each section will follow the approach of documenting successes, barriers, and ongoing activities for the new fiscal year.

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Section 1: Assessment of Objectives Status

In summary, the completion status for the Division's program of sixteen (16) strategic objectives as of year end was as follows:

- Completed objective(s): 8, 11, 13, 15
- Substantially (more than 80%) completed objective(s): 1, 4, 5, 7, 10, 16
- Partially completed objective(s): 2, 3, 6, 9, 12, 14
- Ten (10) of the sixteen (16) objectives were fully or substantially completed, with the remaining six (6) only partially completed.

The following detailed review for each of the Division's objectives for the 2008-09 fiscal year provides information on specific successes, barriers encountered, and ongoing activities.

Objective 1: Deliver capital improvement (CI) projects on time and within budget.

CI projects to be completed during this year are

- *Library/SAC/Cone Quadrangle Improvements (November 2008)*
- *Campus-wide Road Repairs-Phase II (September 2008)*
- *Applied Optics and Physics Up-fit (December 2008)*
- *Student Union (May 2009) and the Bioinformatics Center (June 2009)*

Construction will start this fiscal year on

- *Center City Classroom Building (CCCB)*
- *Residence Hall Phase IX*

Design will be completed this fiscal year on

- *Energy Production and Infrastructure Center*
- *Parking Deck H*
- *Prospector Phase II*

Design will start on

- *Science Building*
- *Phillips Road Realignment (sub-project of Science Building)*
- *PORTAL Building*
- *New Outdoor Student Recreational Facility*
- *Motorsports Expansion*

Primary Unit(s) Assigned:	Facilities Management
Supporting Unit(s) Assigned:	
Linked to University Goal(s):	#1, #2, #4, and #6
Status as of fiscal year end:	Substantially complete (90%)

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Construction was completed on time on the Library/SAC/Cone Quadrangle and Campus-wide Road Repairs – Phase II. Applied Optics and Physics up-fits experienced some delays, but construction completed in May 2009. Completion dates slipped slightly on the Bioinformatics Building and the Student Union; however, both buildings will finish in early summer 2009.

Ground was broken on schedule on the Center City Classroom Building in April 2009, while the schedule for breaking ground on Residence Hall Phase IX was modified slightly to roll into the upcoming fiscal year.

Design of the Energy Production and Infrastructure Center is proceeding on schedule although the project has experienced recent delays in design review by the State agencies. Parking Deck H design was delayed awaiting a decision on the alignment of Charlotte Area Transit's light rail line through campus. The deck is now scheduled to complete design in January 2010. Prospector Phase II design also slipped due to the need to add additional scope and obtain an increased project authorization. This project is now scheduled to complete design in December 2009.

Funding for the Science Building and Phillips Road Realignment was withdrawn by the State due to current economic conditions. Both projects are on hold. Design projects for PORTAL, the Motorsports Expansion, and the New Outdoor Recreation Facility were on schedule as of fiscal year end. Other capital improvement projects completed during the fiscal year included Campus Road Repair—Mary Alexander Road, Burson Fire Alarm Replacement, Oak Hall Fire Sprinkler, and Rowe Hall Conversion.

A turnaround in market conditions due to the recession resulted in reduced material and labor prices, while also increasing the availability of human resources. By the end of the fiscal year, several bid packages reflected significant savings from original budget expectations. For example, the bid responses for the site and steel packages for the Center City Classroom Building arrived at less than 60% of the original estimates. All projects proceeded within budget and without legal claims during the past year. UNC Charlotte became the first large university within the UNC system to completely closeout the 2000 Higher Education Bond Program.

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Objective 2: Deliver technology enhancements to support university administrative systems:

- *AppWorx for HR/Student AR*
- *Time & Attendance Analysis Project Scope*
- *Web-time entry implementation*
- *P-Card implementation*
- *Position Control Project Scope*
- *Grants Billing Project Scope*
- *On-line signup via Self-Service Banner for direct deposit for payroll, accounts payable reimbursements and student refunds; this process will automatically update the appropriate systems without requiring manual intervention*
- *Modification of NCAS interface to allow submission of multiple accrual files to Office of State Controller*
- *Implementing improvements to Position Control in Banner to at least replicate the functionality of FRS+*
- *Enhancing Banner Finance to assess charges to funds for approved fringe benefit rates*
- *Implementing Banner Finance edit and budget controls to improve management of grant expenses*
- *Implement PeopleAdmin Position/Performance Management Modules and align SPA position descriptions and performance management to our PeopleAdmin Applicant Tracking System and on-line enhancements*
- *On-line parking permitting for faculty and staff*
- *Automate department and student mail package notification system*
- *Electronic document print processing for bulk mail*

Primary Unit(s) Assigned:	Financial Services
Supporting Unit(s) Assigned:	Business Services, Systems Development
Linked to University Goal(s):	#1, #4, #6, and #9
Status as of fiscal year end:	Partially complete (60%)

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Comments: Three of the Division's units, Financial Services (primary), Business Services, and Systems Development, were assigned shared responsibility for this objective. Five (5) of the fifteen (15) enhancements listed within this objective were completed successfully. Those were as follow:

- Web-time entry implementation
- On-line signup via Self-Service Banner for direct deposit for payroll, accounts payable reimbursements, and student refunds; this process will automatically update the appropriate systems without requiring manual intervention.
- Modification of NCAS interface to allow submission of multiple accrual files to Office of State Controller (OSC)
- On-line parking permitting for faculty and staff
- Automate department and student mail package notification system

These five enhancements represent a wide range of improved service levels to students, faculty, and staff, as well as to external agencies such as the OSC.

Additionally, four (4) enhancements were partially completed including:

- AppWorx for HR/Student AR (HR portion was not completed.)
- P-Card implementation (proposal and program materials completed)
- Implementing Banner Finance edit and budget controls to improve management of grant expenses (substantially completed)
- Implement PeopleAdmin Position/Performance Management Modules and align SPA position descriptions and performance management to our PeopleAdmin Applicant Tracking System and on-line enhancements (Project was initiated and in planning phase.)

These six (6) projects were delayed (with reasons in parentheses):

- Time & Attendance Analysis Project Scope (budget casualty)
- Position Control Project Scope (budget casualty)
- Grants Billing Project Scope (pending results from Grants BPI process review)
- Implementing improvements to Position Control in Banner to at least replicate the functionality of FRS+ (budget casualty)
- Enhancing Banner Finance to assess charges to funds for approved fringe benefit rates (staff turnover in SD)
- Electronic document print processing for bulk mail (budget casualty)

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The following ten (10) additional technology enhancements not originally delineated in this objective were completed:

- Automated Parent Plus Loan Refund process
- Market Place U-Store account for Student A/R
- On-line housing deposit payment process
- Electronic submission of unemployment reports
- Integrated third party software applications to merchant payment software
- Transitioned campus merchants to new bank settlement reporting system
- Implemented enterprise rental car e-procurement process
- Developed automated financial statement process first phase
- Indirect cost rate proposal integration to Maximus
- PolicePak version upgrades
- Server review for PPS

Lastly, the mandatory direct deposit process improvement project was substantially complete at year end in part due to strong technology support from the units assigned to this objective.

As the details above illustrate, the team of technology professionals currently distributed across Business Affairs units, working closely with their peers in Information Technology Services (ITS), delivered a very significant and greatly needed set of enhancements during this past fiscal year. This “virtual” technology team, while unable to complete all components of this objective for the variety of reasons listed, completed a very productive year. With the budget crisis impacting every phase of campus life and operations, emphasis on leveraging technology was high and is likely to become even higher in the coming fiscal years. The barrier for meeting technology objectives is clear: adequate funding is needed for technology systems and professionals.

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Objective 3: Improve environmental sustainability of the campus by:

- *Obtaining LEED certification on the Bioinformatics Building as the first “green building” at UNC Charlotte*
- *Pursuing LEED “Silver” rating on the Center City Classroom Building (funds permitting)*
- *Conducting energy audits and retro-commissioning on existing buildings*
- *Hiring a University Energy Manager*
- *Completing selection and start-up of the University sustainability committee appointed by the Chancellor*
- *Completing initial campus-wide sustainability assessment*
- *Completing a pilot project to convert an irrigation system from city water to rainwater (funds permitting)*
- *Selecting a consultant and starting work on an energy savings performance contract.*

Primary Unit(s) Assigned: Facilities Management
Supporting Unit(s) Assigned:
Linked to University Goal(s): #3, #4, and #6
Status as of fiscal year end: Partially Complete (60%)

Comments: Through the diligent and commendable efforts of the Facilities Management (FM) team, all activities related to this objective were initiated as planned and good progress was made in breaking new ground in the related areas.

The Bioinformatics Building was nearing completion at fiscal year end and continuing to target a LEED “Silver” designation while becoming the first “green building” in the UNC Charlotte campus infrastructure. The Center City Classroom Building (CCCB) entered into the construction phase with a goal of obtaining a LEED “Silver” rating as well. Lower than expected construction costs based on initial bid responses may provide a window of opportunity for CCCB to ultimately reach a LEED “Gold” status.

Energy audits were completed for the Colvard (North and South) and Friday Buildings. Retro-commissioning was completed on Fretwell Building and Regional Utility Plant #1. At fiscal year end, the State Construction Office (SCO) was in the process to providing \$195,000 from the State’s Energy Efficiency Reserve Fund to conduct retro-commissioning for Woodward Hall. A campus energy manager was hired in October 2008, but the individual resigned shortly thereafter and could not be replaced during the current fiscal year due to the statewide hiring freeze implemented by the Governor on April 9, 2009.

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As of the close of the fiscal year, the Chancellor had approved the concept of a sustainability committee, and the formal appointment of committee members was completed. The first UNC Charlotte sustainability assessment has been completed and is in review.

While funding was not available during the fiscal year to complete a “city-water to rainwater” irrigation system conversion, planning for future activities in conjunction with Charlotte-Mecklenburg Utilities Department did occur. Additionally, the Energy Production and Infrastructure Center (EPIC) currently in design is being configured to include rainwater capture for contiguous site irrigation.

A statewide cap imposed during the fiscal year on performance contracts has temporarily required that the energy savings performance contracting be placed on hold, but a project manager has been assigned to restart this project when the restriction is lifted. While funding for capital project commitments remained generally strong during the statewide financial issues of this fiscal year, funding for operating activities very closely connected to capital projects, such as those included in this objective, was not nearly so strong. A continued decline in funding these activities in the coming fiscal year is anticipated.

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Objective 4: Improve campus circulation, access, and appearance by accomplishing the following specific projects:

- *Replace concrete sidewalks with brick in various locations throughout campus*
- *Complete irrigation and landscaping of the new Front Entrance*
- *Complete construction on the Library-SAC-Cone Quadrangle*
- *Complete design of the College of Arts and Architecture quadrangle*
- *Continue campus beautification program with additional flowerbeds, plantings, and landscape*
- *Continue tree replacement program*

Primary Unit(s) Assigned: Facilities Management
Supporting Unit(s) Assigned:
Linked to University Goal(s): #3, #4, and #6
Status as of fiscal year end: Substantially Complete (80%)

Comments: In similar fashion to objective 3, funding shortfalls due to the statewide financial crisis had a direct impact on efforts to complete several of the activities included in this objective. Examples where funding issues limited progress included conversion of deteriorating concrete sidewalks with brick. However, the following activities were completed successfully:

- Irrigation and landscaping at the new Front Entrance
- Construction of the Library-SAC-Cone Quadrangle.

A schematic design was created for the College of Arts and Architecture, and campus beautification continued via the addition of six large planting beds/areas despite limited funding. Also, more than fifty trees were planted as part of the campus tree replacement program.

The Grounds section of Facilities Maintenance showed great initiative by growing large quantities of flowers and plants here on campus to support installation of the new planting beds and continued restoration and improvement of dozens of other planting beds across campus. A significant amount of very positive feedback has been received by Business Affairs leadership throughout the fiscal year from students, parents, visitors, and staff regarding the beautification efforts of this team, making their work a very bright spot in an otherwise difficult year.

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- Objective 5: *Strengthen the financial services component of the division as follows:*
- *Implement the pCard program*
 - *Begin implementing EAGLE, the NC State Controller mandated program to establish comprehensive standards, policies and procedures to ensure a strong, effective system of internal control within state government*
 - *Implement one of the major findings from the payment process reengineering report by documenting all internal processes*
 - *Renew the F & A Rate Proposal for FY 2010*
 - *Improve the processing of released time on grants*
 - *Improve capital planning and budgeting by*
 - *Creating a database of upcoming capital improvement projects.*
 - *Improving financial planning of formal capital improvement projects and high-dollar informal projects.*
 - *Establishing rules and processes and create documentation for a Master Construction Fund (internal loans).*
 - *Improve processing of graduate student-employee tuition payments*

Primary Unit(s) Assigned: Financial Services
Supporting Unit(s) Assigned:
Linked to University Goal(s): #4
Status as of fiscal year end: Substantially Complete (80%)

Comments: During the fiscal year, the UNC General Administration (GA) modified its strategy regarding the EAGLE and PACE initiatives. The Business Affairs Division, led by the Financial Services (FS) department, was directed to delay further work on the EAGLE project per se and direct all available resources toward the Finance Improvement and Transformation Project (FIT), which was an outgrowth and modification of the PACE initiatives. As a result, FS staff followed this directive and realigned resources effectively to make major strides forward.

As documented in detail in the unit's annual report (attached), FS was able to not only transition toward FIT, but also accomplish more than 50% of the initial FIT goals intended to carry into the next fiscal year. All this was achieved in the face of withering resource demands on a unit that was able to hire only one-third of allocated staff additions following numerous years of insufficient staffing.

FS was also successful in initiating the Controller's Office Documentation Project in compliance with the objective to implement a major finding of the payment process reengineering project and successfully renewed the F&A Rate Proposal for FY 2010.

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Several projects listed in this objective were partially completed during the fiscal year including:

- Implementation of the pCard program (proposal drawn, materials and systems to be prepared)
- Improving the process of release time on grants (staffing turnover limited ability to complete)
- Improving capital planning and budgeting (very near completion)

The objective to improve processing of graduate student-employee tuition payments was delayed to the new fiscal year for additional review.

FS completed many other special initiatives during the fiscal year to further strengthen financial efficiency, control, and services to internal and external customers. Notable among those activities were

- Completed the IRS Tax Questionnaire while collaborating with other UNC schools to ensure consistent interpretation and presentation.
- Completed the travel procedures document after an extensive exposure draft and professional editing process.
- Provided multiple training programs on purchasing, accounts payable, travel, payroll, international employment, Web time entry, e-Commerce recertification, and budgeting, as well as a redesigned fixed assets training program, for the campus community.
- Actively participated in the research administration business process review workshops.
- Improved the NCAA reporting process in conjunction with Athletics.
- Conducted faculty outreach meetings to gather feedback for areas of improvement for the organization.
- Improved documentation for the annual tax return, including the adoption of a supportable overhead rate calculation tied to our negotiated facilities and administrative cost rate.
- Participated in the development of the Mobile Communications Device Policy and Procedures documents.
- Improved compliance of the Set-Off Debt Collections Act (SODCA) process for collecting outstanding account balances.
- Facilitated campus-wide contracts including a uniform contract and a job order costing contract

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- Receiving & Stores implemented the UPS Campus Ship program, whereby departments can ship packages via UPS with a better tracking and payment system. Also, returns can be shipped without delays.
- Inventory Control has completed about 70% of an inventory photo database. In addition to streamlining the inventory process for the department, this will help departments locate hard-to-find items and provide a more complete record of the University's capital assets.

Clearly, no unit in the Division, or any throughout the campus, faced greater challenges than those cast upon FS this past fiscal year. The budget crisis created notable demands on budget planning and reporting and cash management, as well as an entirely new emergency General Fund allocation request exception process. FS was the central point for budget crisis management and managed it admirably. Even under the incredible pressure of budget crisis work for a large part of the fiscal year, the unit was able to substantially complete this objective. As stated earlier here, the primary recurring barrier is human resources, just as it has been for many years. While additions were made to staffing, the demand remains far greater than the supply.

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Objective 6: Focus recruitment emphasis, retention efforts, and success of staff and administrators with diverse backgrounds, and foster an environment that recognizes the benefits of diversity and supports inclusive community. Develop and participate in activities and programs to promote the development of a culturally rich environment that attracts and retains students from diverse backgrounds. As an adjunct to supporting university and divisional emphasis on matters of diversity and professional development, business affairs senior leadership will attend and emphasize attendance by others in diversity-focused campus-based training (e.g., Championing Diversity, Why Diversity Matters, Just Be Fair, Speed of Trust, Working Across 4 Generations, and Targeted Selection).

- *All supervisors in the division will attend a diversity training workshop during the year and make it possible for all staff to attend at least one training workshop.*
- *In response to anticipated challenges that arise from a more diverse workforce, research and develop programs focused on creating a more inclusive environment. Programs to consider include, but are not limited to, English as a Second Language, Conversational Spanish, and GED.*
- *Take action to enhance diversity training and resources to provide supervisors and employees with better skills in dealing with and resolving conflict.*
- *Partner with Council on University Community (COUC) to help build a more unified campus approach to diversity, involving, perhaps, the cohort of campus employees recently and currently receiving training through the Office of Continuing Education's Diversity Certification Program.*
- *Maintain and/or increase PPS interaction with the Multicultural Resource Center, Office of Student Organizations, Interpersonal Violence Committee, and International Student Services.*
- *Introductions of PPS to student organizations that are more likely to encounter sensitive issues, such as PRIDE, BSU, LASA, and Muslim Student Association; development and implementation of "The Law and You" program created by NOBLE (National Organization of Black Law Enforcement).*
- *Distribution of the book, Do's and Taboos Around the World, to key PPS staff.*
- *Explore feasible options to mandate all PPS sworn and non-sworn staff to undergo FLETC-SPLC training on law enforcement responses to hate crimes and bias-related incidents and PPS participation in Hispanic Heritage Month, MLK, and Take Back the Night.*

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Primary Unit(s) Assigned: All Units
Supporting Unit(s) Assigned:
Linked to University Goal(s): #1, #5, and #7
Status as of fiscal year end: Partially Complete (60%)

Comments: Historically, there have been insufficient funds available for professional development activities across the Division. Although the fiscal year began with more resources than in prior years, the budget crisis reversed those gains. Nonetheless, some significant progress was made toward meeting this objective. Here are excerpts from the updates on the efforts toward this objective from the annual reports of several of our units:

In the Financial Services unit, sixty-three (63) staff completed additional diversity training, representing about 60% of the total unit. Six (6) managers completed “Targeted Selection” while seven (7) employees completed “Leading at the Speed of Trust.”

The Facilities Management unit developed a “Leadership Development Program and Training Matrix” and had its senior leadership team attend a full-day “Relationships Strategies” session directed at encouraging the consideration of personality differences in working with staff. All FM supervisors and managers attended “The 7 Habits of Highly Effective Managers.” The unit also developed and published a departmental “Code of Conduct.”

In data taken from the Human Resources (HR) unit annual report, more than two hundred (200) Division employees participated in a class or workshop targeted at this objective during the fiscal year. In addition to the training programs available at the beginning of the fiscal year, three (3) new programs were added, “Religion in the Workplace,” “Diversity: Individuals with Disability,” and “Command Spanish.”

The VCBA required all units within the Division to place a high degree of emphasis on establishing a foundation for long-term successful completion of this objective in consideration of the limitations caused this past fiscal year due to funding shortfalls. Change management and access to funding for training will remain the key barriers to overcome in building a culture of diversity throughout the Division.

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Objective 7: Develop plans and programs that reduce exposure to risks, preserve the safety and health of the campus community, protect physical and intellectual assets, and build resilience in the critical functions and processes of the University by completing the formation of the Risk Management, Safety, and Security Department, to include hiring an Associate Vice Chancellor to head that department.

- *Moving the Office of Safety and Environmental Health into that department*
- *Upgrading the PIER Communications System and CPO Tracker software applications for crisis management and business continuity planning*
- *Implementing recommendations of the Campus Safety and Security Committee*
- *Reviewing and updating the Pandemic Flu Response Plan in accordance with current guidance from county, state, and federal health agencies*
- *Conducting quarterly emergency exercises for the Crisis Management Team*
- *Continuing to improve our capabilities to provide rapid communications throughout the University community*
- *Developing an education and awareness program for campus safety and security*
- *Developing and exercising evacuation plans for the campus*
- *Developing and updating our Business Continuity and Continuity of Operations plans throughout the University*

Primary Unit(s) Assigned: Risk Management, Safety, and Security
Vice Chancellor Business Affairs Staff

Supporting Unit(s) Assigned:

Linked to University Goal(s): #4

Status as of fiscal year end: Substantially Complete (95%)

Comments: While last year's planning process did not assign weights or factors of importance to the Division's objectives, certainly this objective was considered to be a high priority. In recognition of the critical importance of the list of tasks and activities outlined in this objective, our Division team members have worked diligently and effectively to make significant progress toward this multi-year initiative.

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Completed activities during the fiscal year included training twelve (12) new users and twenty-three (23) current users on recent versions of the PIER Communications System and CPO Tracker software applications for crisis management and business continuity planning. Additionally, implementing recommendations of the Campus Safety and Security Committee was well underway until spending was frozen in April 2009 due to the budget. The Pandemic Flu Response Plan was updated and modified to accommodate the special characteristics of Swine Flu. A plan was developed to conduct Point of Dispensing operations for Strategic National Stockpile medications. An emergency exercise for the Crisis Management Team was conducted each quarter.

Our capabilities to provide rapid communications throughout the University community were improved by acquisition of the IPICS system and moving PPS to 800-mhz radios. An education and awareness program for campus safety and security was begun with the acquisition of several instructional videos for use by students, faculty, and staff via 49erConnect. Evacuation plans were exercised and evaluated for the majority of our buildings during the fall semester. These were suspended in the spring semester due to budgetary constraints. Business Continuity and Continuity of Operations Plans throughout the University were maintained at a rate of 90% or better during this fiscal year. Movement of the Office of Safety and Environmental Health into RMSS was deferred until July 1, 2009.

Clearly, the capstone achievement toward this objective occurred in May of the fiscal year when Henry James was hired as the new Associate Vice Chancellor (AVC) for RMSS after a national search. Hank, as he's known, is an outstanding addition to the University community and his welcome addition of knowledge and experience was already beginning to make an impact by year end.

With funding of the newly created RMSS function in place at the beginning of the year and largely held in tact through the budget crisis by a system-wide emphasis on safety, the remaining barrier to overcome was largely that of change management. Gary Stinnett, leader of the AVC Search Team, and Morgan Roseborough, interim AVC RMSS, in coordination with VCBA staff, made a very significant effort to execute smooth organization changes in building RMSS while facilitating the accomplishments of this objective. Thus, many change management issues were effectively diminished. The greatest barrier ahead now lies in a university-wide culture change to support the long-term goals represented in this objective.

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Objective 8: Continue to develop and enhance the 49er Card operations in support of UNC Charlotte as a research-intensive institution.

- *Develop procedures for processing those who are not students or paid faculty/staff (business partners, vendors, affiliates, dependents, alumni, and other special categories).*
- *Complete replacement of the current Blackboard point-of-sale, Transaction System MaxiWedges, with new Windows Web-based Universal Edition Point-of-Sale systems.*
- *Work closely with Housing and Residence Life (HRL) to train 49er Card staff in establishing a more accurate and efficient meal plan request process through HRL's Nyumba, Housing and Meal Plan applications Web site, to be upgraded in Fall '08.*
- *Research and start implementation of the Blackboard Universal Windows System to replace the Blackboard UNIX System currently being used.*
- *Develop and implement a plan to implement any changes needed in the 49er Card System as new contracts are awarded for Vending and Bookstore services.*
- *Develop and implement a plan to relocate and establish new ID Office in the new Student Union.*

Primary Unit(s) Assigned: Business Services
Supporting Unit(s) Assigned: Systems Development
Linked to University Goal(s): #4 and #6
Status as of fiscal year end: Complete

Comments: All components of this objective were completed during the fiscal year. Testing will continue in the new fiscal year for the process to handle 49er Card transactions for non-student, non-faculty/staff. Relocation of the ID Office to the new Student Union will occur in the new fiscal year.

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Objective 9: Assess the current status of physical security against best practices, especially those advocated by the University's Campus Safety and Security Committee (CSSC) and IACLEA's 2008 Blueprint for Safer Campuses. When applicable, submit recommendations to the CSSC, University administration, or other appropriate party. If assessments call for change, measure PPS' role in the progression of that change, PPS will:

- *Compile performance metrics on its progress with CSSC subcommittee work, compliance with IACLEA's 2008 "Blueprint for Safer Campuses", fulfillment of new HEA (Higher Education Act) amendments, and developments in safety programs (i.e., community education, and prevention services).*
- *Participate in the annual Campus Safety Walk and proactively track progress on PPS-related recommendations submitted to the Chancellor.*
- *Through CSSC subcommittee membership make recommendations on campus surveillance, radio interoperability, and 911 staffing options.*
- *In concert with PaTS, Facilities Management, and IT select a pilot surveillance program for specific trouble spots on campus*

Primary Unit(s) Assigned: Risk Management Safety and Security
Supporting Unit(s) Assigned:
Linked to University Goal(s): #6
Status as of fiscal year end: Partially Complete (40%)

Comments: The Police and Public Safety (PPS) department, a component of the RMSS unit, was assigned the responsibility for this objective. As planned, PPS participated in the annual Campus Safety Walk; and a number of planning sessions were held relating to the creation of a performance metrics program within the department. Additionally, the radio interoperability project was completed with significant assistance from Char-Meck Radio (a component of Charlotte-Mecklenburg Police Department - CMPD). With the conclusion of this project comes great benefit in information exchange, improved response time, and connectivity with CMPD systems.

Also, successful completion of this project sets the table for integration with the new communication consoles to be installed (also with assistance from Char-Meck Radio) upon relocation of the PPS dispatch center from King to the PPS facility in the new fiscal year.

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Unfortunately, a majority of the other activities were not accomplished in the fiscal year, due in part to the continuation of a long-term pattern of staff turnover affecting not only patrol officers, but also staff positions. Closer evaluation of the root cause for this lingering condition is underway and being led by the newly hired AVC RMSS. Indications available to date suggest that the condition arises from weaknesses including:

- A misaligned organization design
- Inexperienced organization leadership
- Increasing competition for resources from surrounding agencies such as CMPD

The staffing issue is a clear barrier that, if unchecked, will continue to apply a strong dampening effect upon any and all PPS objectives to raise service levels in future fiscal years.

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Objective 10: Complete several business services projects with campus-wide impact including but not limited to the following specific projects:

- *Implement a campus safe ride program and associated changes in the campus shuttle system;*
- *Complete implementation of a new reprographics contract and IP connectivity*
- *Develop specifications, bid, and implement a new trademark licensing contract*
- *Develop specifications, bid, and implement a new beverage and vending contract*
- *Develop specifications, bid, and implement a new bookstore contract*
- *Respond to the Board of Governors Textbook Affordability Study requirements to establish a rental or guaranteed buyback program, and reporting requirements by December 2009*
- *Finalize and implement installation of all food service equipment related to the student union;*
- *Develop and implement plan for build out of the student union bookstore*

Primary Unit(s) Assigned: Business Services
Supporting Unit(s) Assigned:
Linked to University Goal(s): #4 and #6
Status as of fiscal year end: Partially Complete (90%)

Comments: The Business Services unit continued its excellent track record of accomplishing planned objectives by completing the implementation of Campus Safe Ride and a new reprographics contract, as well as creating a tracking mechanism to report positive results attained on textbook buybacks for the Board of Governors Textbook Affordability Study.

Several components of this objective were related to preparations for the opening of the new Student Union planned for August of the new fiscal year. Efforts to bid and implement a new bookstore contract, plan the build-out of the new bookstore, and procure and install the food service equipment for the new Union were all substantially complete and merely awaiting construction completion.

Additionally, a majority of the work to bid and implement a new beverage and vending contract for the campus was complete at year end. Due to workload and budget issues, the project to bid and implement a new trademark licensing contract was delayed until the new fiscal year.

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Even though Business Services was very successful in the work related to this objective, this success did not come without facing numerous challenges and barriers. For projects which crossover Division lines (such as the new Union), a lack of a clearly communicated and supported enterprise vision was often evident. This problem sometimes manifests as time delays from a decision process too heavily reliant on consensus building. Also, the campus orientation which emphasizes academic freedom is at times not in concert with initiatives common to a unified mission, such as that of the book adoption rate discussion. Lastly, there remains a significant long-term barrier in the prioritization of capital and informal projects that will need to be addressed in order for Business Services to maximize its ability to drive revenue sources for the University in coming fiscal years.

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Objective 11: Continue to review and refine the internal business affairs process to produce the annual institutional effectiveness report, annual report, and annual division goals and objectives.

- *Establish an initial program of unit and division performance measures, in conjunction with an improved process for routinely reporting progress against those measures, possibly via an on-line dashboard tool.*
- *Initiate tracking mechanisms for key data elements such as space, human resources, and other infrastructure needs.*

Primary Unit(s) Assigned: Vice Chancellor Business Affairs Staff
Supporting Unit(s) Assigned:
Linked to University Goal(s): #4
Status as of fiscal year end: Complete

Comments: In the prior fiscal year, a process review had successfully streamlined the methodology for creating the reports described in this objective. During the fiscal year, this process was modified and extended to include better unit tracking of projects, process improvements, budget deployment, and organization and infrastructure changes. Each unit was also required to establish an initial set of performance measures which will become part of a Division-wide measurement system in future fiscal years as planning for the Division continues to be enhanced.

Work will continue to establish a new set of objectives for the new fiscal year with an appropriate set of corresponding measures of performance and a methodology for communicating strategic plan results more frequently throughout the Division, perhaps via a dashboard on the VCBA Web site. As with many objectives included in this report, the ongoing impacts of the budget crisis could have a sustained negative impact on adequate resources needed to conduct planning efforts.

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Objective 12: Begin the development of a project planning handbook that includes standardized procedures and templates for creating project proposals and project plans, along with the necessary supporting plans (i.e., communications, risk management, budget).

Primary Unit(s) Assigned: Vice Chancellor Business Affairs Staff
Supporting Unit(s) Assigned:
Linked to University Goal(s): #4
Status as of fiscal year end: Partially Complete (30%)

Comments: Clearly a casualty of the budget crisis, only a minimal amount of progress was made toward this objective. As VCBA staff was called on to assist University leadership in responding to the budget crisis and assisting in administering emergency operating procedures, this objective was put on hold. Completed work included creation of a preliminary template for project proposals, but the vast majority of work will be deferred to the new fiscal year.

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Objective 13: Complete the development and implementation of the Vice Chancellor for Business Affairs website and extend the project to include the creation of new websites for Financial Services, Systems Development, and Internal Audit.

Primary Unit(s) Assigned: Systems Development
Supporting Unit(s) Assigned:
Linked to University Goal(s): #9
Status as of fiscal year end: Complete

Comments: Beginning late in the prior fiscal year, a project to develop a VCBA Web site was initiated following a bid process and the selection of VisionPoint. Web sites were completed for the VCBA, Internal Audit, Systems Development, and FS. The FS Web site will continue to be enhanced in the new fiscal year. Designs for Web site conversions for other units were also done, but all further work was stopped in April due to the budget crisis. Also, Systems Development lost two staff members in April to resignation, including its Director.

The Assistant VCBA assumed interim duties for leadership of the unit and reassigned personnel to create an internal web-master for future development and manage the relationship with VisionPoint. The barrier moving forward is additional funding.

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Objective 14: Enhance student and community life by developing and implementing activities, programs, services, and protocols that promote safe and healthy lifestyles, which, in turn, improve student/employee recruitment, retention, responsible citizenship, and leadership. Partner with on- and off-campus departments and organizations to help students and employees develop knowledge and skills that encourage sound judgment, generate ethical behaviors and commitments, protect and utilize civil rights, prevent victimization through empowerment, create and maintain community safety, and advocate good citizenship, thus preparing them for a safer, productive life in an ever-changing world. Where possible, involve and directly interact with students, staff, and faculty in these endeavors.

- *Program and activity examples include various national observances (National Campus Safety Month, Crime Prevention Month, Sexual Assault and Domestic Violence Months, National Crime Victims Rights Week, etc.)*
- *Adopt-a-Hall pilot program(s),*
- *Liaisons with student organizations*
- *Student EMT project*
- *CCW (College Crime Watch) membership*
- *Assembly/protest protocols and training*

Primary Unit(s) Assigned: Risk Management, Safety, and Security
Supporting Unit(s) Assigned:
Linked to University Goal(s): #6
Status as of fiscal year end: Partially Complete (20%)

Comments: The Police and Public Safety (PPS) department, a component of the RMSS unit, was assigned the responsibility of accomplishing this objective. While a wide range and volume of programs and activities, such as Crime Prevention Month, were supported by PPS, the barrier of staffing weaknesses (as noted in the response to Objective #9) prevented any organized or thorough response to this objective. The newly hired AVC RMSS will be reviewing more closely the readiness of the PPS department to address this and other objectives in the new fiscal year.

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Objective 15: Review, research and, where possible, identify ways to provide better orientation, job training, development and supervision in order to help acclimate new employees and develop commitment and interest for long-term employment.

- *Provide resources to supervisors, enabling them to conduct succession planning and develop identifiable career ladders.*
- *Establish relationships with external sources to fill training gaps and provide more comprehensive and function-specific training programs. Examples might include, but are not limited to, structured individual training plans for new employees; apprenticeship programs to help service personnel and other underrepresented groups prepare for higher level technical or skilled trades opportunities; work with departments to create effective new employee mentoring programs; and capitalize on career banding to develop jobs offering variety and increased engagement.*

Primary Unit(s) Assigned: Human Resources

Supporting Unit(s) Assigned:

Linked to University Goal(s): #4 and #5

Status as of fiscal year end: Complete

Comments: Human Resources convened individuals from across the campus to review the New Employee Orientation program. This focus group evaluated the lifecycle from offer letter to benefits orientation and much more. A work product from this effort was the New Employee Orientation Onboarding Program consisting of five (5) components:

- NEO
- Preparation
- Integration
- Engagement
- Follow-Up

Eleven (11) supervisors from across campus are now participating in a pilot project to assess the strengths and weaknesses of this new program. No significant barriers to future success are noted at this time.

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Objective 16: Improve the effectiveness of the informal construction projects process by:

- *Improving project planning (ultimately aimed at a two year cycle synchronized with the budget cycle)*
- *Standing up the Job Order Contracting (JOC) delivery method*
- *Increasing outsourcing of design*
- *Building better relationships and processes with DOI*
- *Improving communication on project status for the campus community*
- *Improving use and knowledge of the Archibus informal projects software system*
- *Adding an Architect and a Code Review professional to the Design Services staff*
- *Leveraging capabilities of project managers in Capital, Facilities Planning, and Maintenance and Operations to further increase capacity*

Primary Unit(s) Assigned: Facilities Management
Supporting Unit(s) Assigned:
Linked to University Goal(s): #4
Status as of fiscal year end: Partially Complete (80%)

Comments: Significant efforts were made during the fiscal year to improve planning for informal construction projects. Among those efforts were as follows:

- Successful Project Priority Review Board conducted with all Vice Chancellors in August 2009
- Follow-up meetings with all divisions and departments to insure their highest priority projects were identified and moved successfully through the design process
- Briefings conducted at the Associate Dean and Associate Vice Chancellor level to improve the planning process.

Communication with the campus community on informal projects also improved dramatically during the past year through the use of the Archibus tool and reports. A real-time project status is now available for all campus customers on the Web. Customers can also track their project's movement through the design and construction process stages via a Web report that is updated weekly.

Job Order Contracting (JOC), which greatly streamlines design and construction of informal projects, became a reality at UNC Charlotte with the awarding of three JOC contracts in April 2009, allowed our University to become the first in the UNC system to implement this methodology. The FM staff also increased outsourcing design by approximately 20% during the past year and made great strides toward an improved relationship with the NC Department of Insurance (DOI).

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A new registered architect was added to the Design Services staff this past year. The code-review professional position was approved, but the funding was withdrawn due to the State financial crisis. Finally, we continued to better leverage all resources of the department to increase informal project capacity. Several projects were passed to the Capital, Planning, and Grounds sections for execution during the fiscal year.

Unfortunately, the financial restrictions during this fiscal year severely limited our ability to complete an extensive list of informal projects. However, successful improvements made to this process and its supporting systems should increase our capacity and efficiency when funds become more readily available.

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Section 2: Update on Unit Missions

The core mission of each unit within the Division is designed to generate the highest contribution to service possible from the resources it manages in support of the University's strategic goals. While the majority of the objectives from Section 1 can be viewed as "important special improvement projects," the day-to-day operations guided by the unit missions are equally important to the health of a rapidly growing University. Following are an overview of the ongoing operational activities for each of the Division's units and a description of the linkage to the University's goals. Similar to Section 1, information will be focused on successes, barriers, and ongoing initiatives.

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Business Services

The mission of this unit is to provide services such as bookstore, vending and food, mail, copying, ATM, and parking to the University community. Business Services is a revenue center using its proceeds to improve and expand services to students, faculty, staff, and visitors. The unit recorded an extremely productive year; accomplishments included:

- The Bookstore established a formal Bookstore Committee comprised of students, faculty, and staff to function as a working entity for planning and executing program improvements.
- Dining Services participated in NACUFS National Customer Satisfaction Benchmarking Survey with 2,434 responders, 98% were students, 26% of them were in their first year. The survey showed a higher level of student satisfaction than in prior surveys. Meal Plan participation rates increased 3% from same period last year. Overall, campus dining facility health scores averaged over 100%, the highest average in the last five (5) years.
- Mail Services designed and implemented a new bulk-mail program. Although the goal of increasing revenue by 20% could not be fully achieved due to campus-wide budget restrictions, volume did increase by 7%. In the upcoming fiscal year, we will continue plans to implement mail stop codes (including establishing codes that accommodate the departmental subunits in each building) to streamline sorting and distribution.
- The new student and departmental package-tracking system was implemented and provides real-time processing and tracking of packages. It enables the department to efficiently maintain the status of aged packages and those for students no longer living on campus.
- A new reprographics contract providing state-of-the-art, multi-function technology, minimal price increase, and full-color copies/prints was implemented.
- An RFP and contracts for ATM services were awarded with additional locations and suppliers to improve service levels to the University community.
- On-line purchase of parking permits for faculty and staff was implemented.

The mission of Business Services directly supports University goals #1, 4, 6, 7 and 9. While resources remain as a barrier to future success, more specifically the proper training of the unit's human resources is emerging as the primary issue. Additionally, the unit continues experiencing difficulty executing projects that cross Division lines and involve both capital and informal construction projects. (Please refer to the unit's annual report which is attached for more detail.) Primary activities planned for enhancing services in the upcoming fiscal year include the opening of the new Union, an RFP and bid for vending services, numerous capital improvements including parking facilities, and focused efforts on book adoption rates.

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Facilities Management

Facilities Management (FM) supports the goals of the University through its mission: “To provide a quality learning, research, and living environment for the benefit of students, faculty, staff, and the community by planning, building, operating, and maintaining the campus of the University of North Carolina at Charlotte.” This unit, the largest support unit on campus, plays the central role in the campus physical infrastructure lifecycle from construction to maintenance. The recently closed fiscal year produced an extensive list of accomplishments including:

- Continuation of the process for creating a new Master Plan – including numerous planning workshops with on-campus entities and off-campus interested parties. The plan, scheduled for completion in the fall of 2009, will be the most comprehensive infrastructure planning effort in the University’s history and the first to address administrative needs.
- Implementation of improved processing through Archibus for work orders, preventive maintenance, and informal renovation projects.
- Closeout of the 2000 Higher Education Bond program on time and within budget, becoming the first large campus in the UNC system to do so.
- Groundbreaking for the Center City Classroom Building, the University’s first structure in downtown Charlotte. The 11-story building will accommodate continuing education and other programs for downtown professionals and is planned to be linked to the main campus via a future light rail line. The Center City Classroom Building is intended to be LEED Silver Certified.
- Creation of three internal task forces to review internal communication, training, and race/gender issues. Fifteen (15) goals for improvement generated from these task force efforts have been integrated into the FM measurement systems. Additional outcomes included the creation of a new Leadership Development program.
- Quarterly Review and Measurement of fifty (50) performance objectives organized under a balanced scorecard approach.
- Improved focus on safety and more thorough integration of tools such as an Employee Safety Training Matrix and After-Action Reviews into FM’s culture. Significant progress was made in areas requiring lock-out/tag-out procedures through a very intensive partnership program with Risk Management Safety and Security’s Environmental Safety and Health department.
- Construction is nearing completion on two major buildings – the Student Union and the Bioinformatics Center.
- A 23,000-square-foot existing building close to campus was approved for purchase by the State. This facility will become the new home for University Development and has eliminated the need for construction of new facility. The purchase will result in more space and additional parking than could be included in the original project due to budget constraints.

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- A designer was selected for the PORTAL Building (Partnership, Outreach, and Research for Accelerated Learning).
- Design continued on major capital projects, including the Energy Production and Infrastructure Center (EPIC), new Recreation Fields (#12 & #13), Prospector II Renovation, Residence Hall – Phase IX, Parking Deck H, Center City Classroom Building, and multiple major repair and renovation projects in support of the University’s enrollment growth.
- Intensive work on “informal” renovation projects continued during this period. In the first three quarters of the fiscal year, our Design Services group completed 64 projects at a value of over \$1.25M.
- Significant progress was made this past year in defining requirements for several future buildings. Programs were developed by our Long-Range Master Planner for a new Motorsports Building, a proposed Science Building, a Football Program facility, and the PORTAL Building.

The mission of Facilities Management directly supports University goals #1, 2, 3, 4, 6, and 7. The primary barriers include:

- Sufficient funding for real property maintenance, informal projects, and capital projects
- Archibus efficiency and acceptance
- Advancing the culture of safety
- Raising customer satisfaction with capital and informal construction projects.

The upcoming fiscal year will see FM focus on mitigating budget shortfalls and completing ongoing construction projects, while seeking to improve and document internal processes. FM will also continue emphasis on improving the safety program, Zone Maintenance program, and leadership skills.

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Financial Services

Financial Services' primary purpose is providing financial planning, processing, and reporting. Financial Services communicates financial information to the University community to enable its efficient utilization of available resources and communicates to external funding sources (foundations, endowments, special entities) and government agencies as required for accountability.

Fiscal year 2008-09 was very challenging. The budget crisis brought increased workload due to the necessity to establish temporary, emergency procedures for several processes such as cash management and expenditure oversight. Overall, with only modest resource gains, service requirements continued to far outstretch workforce capabilities. Even so, many operational advances occurred, including the following:

- Significant progress on the UNC FIT initiative by focusing on the review of key performance indicators within the unit and performing the corresponding gap analysis.
- Continuation of the Payment Process Improvement project now moving into the next phase where a review of completed action item benefits and prioritization of remaining tasks will occur.
- Mandatory Direct Deposit transition nearly complete at year end.
- Research Administration Project support with the intent to improve the overall delivery of pre-award and post-award services to faculty researchers, while maintaining compliance with federal, state, and "awarding-entity" regulations.
- The addition of these six (6) new positions:
 - Assistant Controller for Disbursements
 - Collection Manager
 - eCommerce Manager
 - Budget Analyst
 - NRA Tax Specialist
 - Accounting Tech for Cost Analysis.
- Creation of professional development plans for all employees.
- Increased interaction with faculty through lunch sessions targeted to help identify service level improvements with compliance issues gathering the most attention to date.
- A notable cost savings idea from Sherron Solomon in Materials Management, which was implemented and results in lower shipping charges to the University

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The overall mission of the Financial Services unit is focused on University goals #1 - #5, and #7 through such activities as generating audited financial statements, supporting the research enterprise, and streamlining processes to improve customer service. The primary barrier to improvement this past year was the statewide budget crisis. The budget crisis eliminated the influx of new positions earmarked for Financial Services and commanded a considerable level of staff resources to meet increased approval, processing, and ad hoc reporting requirements. The escalating level of internal and external approvals, the need to essentially decouple automated processes, and required responses to information requests from GA and various State agencies have made daily business a challenge, but one that was met through campus teamwork, ingenuity, and the creativity of our staff.

As we pull forward through the remainder of the budget crisis in the coming fiscal year, the single greatest barrier to improvement will continue to be funding for staff resources. The unit remains insufficiently resourced to rise above the day-to-day work to evaluate how it is doing, develop measurements that will tell us whether or not it is on the right track, or to improve customer service levels. Through the University leadership's continuing support for our needs, the unit plans to persistently pursue resources for strategic staffing increases, while taking on a full slate of improvement projects for the coming year, including implementation of eProcurement and continued emphasis on FIT.

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Human Resources

Human Resources is charged with primary responsibility for the SPA employment lifecycle and needs throughout the University, while maintaining a strong communication and support link to the EPA staff administrators in Academic Affairs. Notable accomplishments from the past fiscal year include:

- Completion of more than 100 career banding training sessions for supervisory staff
- Completion of the transition of SPA employees to market reference rates
- Implementation of electronic hiring process through PeopleAdmin
- Significant expansion of employee training programs
- Planning and preparation for staffing reductions and administrative issues generated by the budget crisis

The ongoing mission of this unit is mainly focused on University goals #5 and7, but there are components of the unit's work plan that cover 8 of the 9 goals overall. The greatest issue facing the unit this past fiscal year was administration of the budget crisis-related activities. It is predicted that the difficulty functional managers face with handling the increasing volume of day-to-day tactical-level requirements, while trying to find time and capacity to deal with matters of strategic importance to the campus will once again become the greatest hurdle in the coming fiscal year. In short, with a number of key staff additions still on hold, there is simply insufficient staff to meet the growing needs presented to this unit.

Key initiatives planned for the upcoming fiscal year are the implementation of two additional PeopleAdmin software modules (Position and Performance Management) and a continued effort to market Targeted Selection (TS) training. The TS work remains critical as the campus moves to potentially losing over one-third of our employees in the coming ten years to retirement and normal attrition; while at the same time, the campus will likely expand an additional one-third in size with new positions related to that growth once the current budget crisis subsides. Deeper, ingrained skill in behavioral-based recruitment is a critical issue for the campus leadership as we deal with a real "war for talent."

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Internal Audit

The Internal Audit unit's mission is to serve the administrators of the University as an independent, objective assurance, and consulting activity designed to add value and improve the University's operations. The unit assists the University in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Significant accomplishments during the past fiscal year include:

- Acquisition and implementation of ACL Audit, an analytics software package that expands the data analysis capability of the unit
- Completing fifteen (15) of twenty (20) planned audits in an aggressive risk-based annual audit plan for the fiscal year
- Completing seven (7) major unplanned events in response to senior management requests for support
- Completion of follow-up reviews to FY 2007 Financial audit, FY 2008 Financial audit, and FY 2008 IT General Controls audit

Internal Audit's mission is primarily focused on University goals #4 and 7, but additional activities in which the unit is engaged on an ad hoc basis (such as supplementing VCBA staff in work with project-planning tools development) allow it to lend support to numerous other goals.

The most significant barriers are staffing levels and training for existing staff. While the unit added no new staff during the past year, the coming year will bring a significant benchmark for the University and the department. Identified in the budget requests for the last two years has been an anticipated need for an IT auditor position and an administrative support position when student enrollment crests 25,000. The department will require new funding to support these two positions as well as predictable funding to support training plans for all auditors to continue providing the expected audit coverage of the University's operations.

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Risk Management, Safety, and Security

Risk Management, Safety, and Security (RMSS) provides support to the achievement of the University's strategic plan through its mission to assess risk, develop and implement plans and systems to protect lives and property, prevent accidents and incidents, and preserve the learning environment and reputation of the University. The RMSS organization was formally assembled as a new BA unit in the past fiscal year and is comprised of the PPS, Business Continuity, Risk Management and Insurance, and Environmental Health and Safety (added 7/1/09) departments.

Key activities completed this past year include:

- Successful assembling of the new unit's components; addressing the change management issues (budget, personnel, infrastructure), and communicating to the campus community.
- Completing the search and selection of the new AVC, Henry James.
- Appraising buildings and contents to determine actual values and synchronizing insurance needs.
- Upgrading the Emergency Operations Center to include sufficient communications technology and access to media and information channels
- Enhancing strategic systems and emergency training resources through the deployment of UNC General Administration (GA) Campus Safety and Security Enhancements funding.
- Leading the effective development of Swine Flu/Pandemic Flu plan upgrades and training.
- Leading the design and funding acquisition for relocation of the PPS Dispatch Center from King to PPS facility with the project nearly complete at year end.

While the mission of RMSS supports all of the University's goals in some fashion, there is currently no University goal that directly addresses this mission. In part, this is due to the evolution of this new unit falling after the drafting of the current University Strategic Plan. Goals #1, 2, 4, 6, and 9 are all supported by the mission in some fashion.

Notable barriers range from having an immature presence in the University community to lack of staff stability in the PPS department. The evolution path for RMSS includes significant change management issues that will be the focus of the upcoming fiscal year including communication of capabilities and careful entrance into the risk planning and avoidance culture that currently exists.

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Systems Development

Systems Development serves as the distributed information technology resource for the Division, with a mission to advance technology capabilities in conjunction with the University's ITS department. The fiscal year just completed was one of continuing transition, as the both the unit's Director and an analyst added during the year resigned. The Assistant VCBA assumed the interim leadership for the unit in June. Due to the significant effort of the staff, many major accomplishments were recorded in spite of the staff losses including:

- Completion of Web Time Entry for hourly employees
- Implementation of Self Service Banner Direct Deposit Application
- Completion of VCBA, RMSS, and Internal Audit Web sites
- Improvements to Maximus cost reporting system
- Upgrade and cleanup of PPS administrative systems and network

The mission of this unit spans many of the University's goals, but has its primary focus on goal #4. The most significant barrier observed during the past year remains finding ways to overcome weaknesses in the Banner implementation, which is the key system utilized by the staff this unit supports. An additional barrier observed is in the area of cross-functional training. This unit has historically taken a "silo" approach to the support of Banner and other systems. The unit will seek to refocus its remaining resources on core administrative systems support and leverage technology to supplement resources lost in the budget crisis. In the new fiscal year there will be a renewed emphasis on cross training, communication and interaction with customers, and partnership with ITS.

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Section 3 – Contributions from the VCBA Support staff

The VCBA support staff plays an important role in both the ongoing operations of the Division as well as leading special project initiatives where possible. During the past year this team was able to contribute positively to a number of projects for the Division. One key example of these efforts was the work to complete the creation of the Risk Management, Safety, and Security (RMSS) organization. Key activities from this fiscal year for RMSS included:

- Completion of the search and hiring of the new AVC, Henry James
- Design, planning, and funding acquisition for the PPS Dispatch Center relocation project
- Coordination of the transfer of Environmental Health & Safety from Human Resources to RMSS

RMSS is a critical new organization that will focus on creation of an Enterprise Risk Management Program.

Another significant example of the work contributed by this team is the assistance with administration of emergency processes required due to the state's budget crisis. Contributions in this area included:

- Establishment and administration of the Budget Council, comprised of representatives from divisions, units, and departments from across campus, and focused on regular communication of budget crisis response activities
- Establishment and administration of the Budget Work Group, comprised of key administrative leaders from BA and Academic Affairs (AA), and focused on planning and analysis activities such as cash management, reporting, and procedures development
- Coordination and assistance with the Budget Convocation
- Development and coordination of numerous communication pieces regarding emergency procedures

Finally, activities, such as the management of a consulting engagement to determine the highest and best use of the 106-acre tract along Mallard Creek Road and the coordination of the annual management staff retreat, provide further examples of the contributions of this team. The VCBA support staff strives to assist the Division with elimination or reduction of barriers to success and has become a vital part of the ongoing operations of the Division.

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Closing

From a fiscal year of great difficulty for the Division, as well as the University, we will advance to the new fiscal year with many lessons learned. Among those lessons are reminders of teamwork's power to overcome adversity. As the budget crisis intensified throughout the fiscal year, teams within and across our units came together with peers across the University to meet many of our goals while operating under unprecedented restrictions. For each objective met, there was almost always a budget hurdle that had been overcome.

As the Annual Report herein clearly delineates, the fiscal year just closed was quite productive in spite of the clash of pre-existing limited resources with new resource restrictions. The Division continued to effectively meet the standard set to provide infrastructure and operational support to the instructional, research, and community-service functions of the University.

The Division will carry forward a familiar challenge into the new fiscal year as the conflict between the growing service requirements and assignable resources continues. Again this year, our intent will be to move forward with continued emphasis on improvement, revitalization, and the desire to serve the University in the most efficient and highly professional manner possible by striving to

“Do things better, do better things, do the right thing.”