**Coconino Community College Business Office Non-Academic Program Review**

**2017-2018**

1. Executive Summary

The Business Office consists of multiple functions that support the College’s mission through services that are provided to students, faculty, and staff. The Business Office plays a key role in financial sustainability, grant acceptance and management, student account management, and allowing all College departments to serve students in a way that is compliant with a myriad of federal, state, and local regulations and reporting requirements.

The Business Office strives for accountability, providing excellent customer service and communication, and transparency in processes and financial reporting. The Business Office allows College faculty and staff to focus on serving students by providing centralized support for business needs. In addition to supporting students, faculty, and staff, the Business Office provides public information to Coconino County residents through transparent financial reporting.

The Business Office has implemented many process improvements over the course of the last five years, and has invested resources towards investments that lead to more efficient and effective processes. Personnel, space, and budget capacity assigned to the Business Office help provide a compliant, transparent, and financially sustainable College, which creates an environment where student success is possible. Through collaboration with internal and external stakeholders, the Business Office provides support for all students, faculty, and staff.

As this program review will demonstrate, the Business Office has taken a look at trends, opportunities, and threats that will inform the short and long-term goals of the Business Office and set a direction for continued support of the broader College mission and strategic plan. The Business Office looks forward to continuing to be an important partner with all College departments in maintaining a culture focused on student success. The five-year outlook for the Business Office focuses on implementing improvements geared towards providing the stellar student experience the College aims for every student to have.

1. Program Overview (Narrative)

The Business Office exists to provide strong financial and operational support to students and the College. There are direct student support functions and more indirect support functions that provide part of the backbone of College operations.

Direct student support functions include the following areas:

* Student accounts
* Copy center
* Third-party contract oversight
  + Bookstore
  + Deli
  + Vending

Indirect student support functions include the following areas:

* Insurance and risk management administration
* Budget
* Financial reporting
* Purchasing and contracting
* Accounts payable
* Shipping and receiving
* Mail services
* Grants accounting
* Payroll
* Compliance
* Internal stores and supply ordering

More detail on each of the areas can be found in Appendix A: Business Office Functions and Services Detail.

Many functions that are performed within the Business Office are required by federal law, state statute, or other regulatory requirements. A list of select regulations and regulatory agencies can be found in Appendix B: Business Office Regulatory Summary.

1. Program Mission, Goals, and Objectives

The mission of the College states: *As a learning-centered college, Coconino Community College enriches lives by embracing diversity and transforming the future through quality education.* And the Business Office mission is as follows: *The Business Office will support CCC student success by providing a positive customer experience, effective business services, and adhering to the highest ethical and professional standards.* Where the Business Office’s mission and the mission of CCC overlap is in their efforts to provide a “quality education.” The Business Office works to ensure student success through positive, professional and effective business support services, thereby creating an environment where quality education can thrive. Providing a **positive customer experience**, **effective business services**, and **adhering to the highest ethical and professional standards,** reflects the core values of CCC, particularly, those of respect, quality and ethics.

The goals of the Business Office are summarized by the acronym ACT! Each goal has objectives that help provide direction on goal implementation.

1. Goal 1: **Accountability:** The Business Office aims to be accountable for all work performed by our department.

* Comply with current federal and state laws governing educational institutions
* Monitor changes in laws and regulations
* Respond in a timely, clear, and helpful manner to customer’s requests

1. Goal 2: **Customer Service/Communication:** The Business Office will provide excellent customer service and communication to all internal and external customers.

* Standardize procedures to improve efficiency and reduce complexity
* Present a stable and excellent working environment, reward and celebrate teamwork
* Provide relevant information to customers and meet expectations
* Cross-train employees to ensure consistent customer service delivery

1. Goal 3: **Transparency:** The Business Office strives to be open and informative in its practices and provide clear and concise information.

* Maintain accessible policies and procedures that are easy to understand
* Promote a culture of openness, trust, diversity, and equality

The Business Office mission and goals align with the four goals of the College strategic plan in direct and indirect ways. Without a strong team managing day-to-day business and financial functions on behalf of all College faculty and staff, the College would not be in a position to implement the goals, objectives, and tactics outlined in the strategic plan.

1. Changes/Improvements Since Last Review

This is the first official departmental program review, but there have been changes and improvements implemented in the Business Office over the last five years. Select accomplishments include:

* Implementation of 2017 business process review recommendations (See Appendix C: Report of Business Process Review Changes for more details)
* Implementation of the federal Patient Protection and Affordable Care Act
* Implementation of new state sick leave laws
* Implementation of new state and local minimum wage laws
* Implementation of a new student payment software for a streamlined payment and payment plan enrollment experience
* Aid in student retention by increasing student outreach and phone calls prior to drops for non-payment
* Developed, vetted, and adopted comprehensive financial procedures, including a new state travel manual
* Implemented automatic drop for non-payment programming and partial-payer management
* Implemented budget hearings to increase transparency in the budget development process
* Participated in the Government Finance Officers Association (GFOA) pilot program to create an Award for Best Practices in School Budgeting
* Implemented differential tuition and analyzed results for better alignment of student expenses to charges
* Implemented cross-training staff meetings where representatives from other departments are invited to share information about College practices and initiatives
* Negotiated 45% federal indirect rate for grants
* Created student accounts frequently asked questions (FAQ) resource documents
* Automated Arizona State Retirement System (ASRS) upload process
* Implemented document imaging for easy document retrieval
* Revised intranet site for better accessibility of information
* Revised many collections practices reducing student accounts receivable and increasing compliance
* Made revisions to checks and reporting resulting in enhanced fraud protection for banking services
* Identified over $80,000 in unvested funds that were used to offset employer contributions
* Implemented practices for student taxpayer identification number collection to avoid Internal Revenue Service (IRS) penalties

1. Personnel, Facilities, Resources and Funds
2. Personnel

The Business Office has 13 full-time staff (12.80 full-time equivalents). The 2017-2018 organizational chart is provided in Appendix D: Business Office Organizational Chart. The Business Office has recently taken a critical look at how duties and reporting are aligned, and will be implementing a new structure beginning with Fiscal Year 2019. Some position titles and duties will change because of this new structure. The 2017-2018 positions and distribution of responsibilities are detailed below:

* The Dean of Finance provides Business Office leadership by setting priorities, writing and revising policies and procedures, and supervising staff. This position takes a lead role in the development of the annual College budget, coordination of financial audits, and issuance of an annual Comprehensive Annual Financial Report.
* The Director of Purchasing and Auxiliary Services is responsible for oversight of requisition and procurement, contract review, risk management, and auxiliary services management. This includes oversight of performance for third-party service providers, copy center, stores, mailroom, and shipping and receiving leadership.
* The Auxiliary Services Specialist II performs shipping and receiving duties, performs property control, and handles centralized supply orders and departmental billing.
* The Auxiliary Services Assistant II provides centralized duplicating and mail services, and ensures all College copy machines stay stocked and operational.
* The Purchasing Specialist II supports departments in requisitioning items for purchase and trains users on Banner requisitions. This position also assists with travel claim review and creating adjusting entries.
* The Finance IT Analyst trains staff and faculty in the use of Banner, performs testing of Banner upgrades and patches, leads automation and technology improvement initiatives, and acts as the primary resource for troubleshooting Banner and technology issues for the team.
* The Payroll Specialist II reviews, verifies, and processes data for the payroll function to ensure accurate and timely employee pay. This position performs many required reporting functions related to employee pay and benefits.
* The Compliance Specialist Senior is responsible for ensuring that the College meets regulatory standards outlined in the Patient Protection and Affordable Care Act and ASRS enrollment requirements. This position also supports student accounts.
* The Controller supports the accurate reporting of revenue and expenses by reviewing and approving requests for grant reimbursement, and providing oversight for accounts payable and student accounts.
* The Grants Accountant/Financial Analyst performs accounting and reconciling functions for restricted funds, reports on restricted fund activity, and requests reimbursement from granting entities. This position also performs general fund reconciliations.
* The Accounts Payable/Finance Specialist II reviews, verifies, and processes documents and data for the accurate and timely payment of College obligations.
* The Student Accounts Manager is responsible for the control, collection, and accounting for College tuition and miscellaneous revenues. This position handles timely student account billing and management, administers drop for non-payment procedures, and manages student account delinquency.
* The Student Accounts Specialist II performs cashiering functions and aids the Student Account Manager with student account processing, monitoring, and collection as needed.

Professional development is key to maintaining the knowledge base needed for the College to stay compliant with the changing regulations that the Business Office adheres to on behalf of the College. Professional development goals and priorities are established at the start of each employee annual goal-setting meeting, and are reviewed throughout the course of each fiscal year. Recent professional development areas of study amongst the team have included:

* Compliance
* Payroll
* Customer Service
* Excel
* Uniform Grant Guidance
* Banner
* Business Management

1. Facilities and Resources

Finance has designated space at the Lone Tree Campus in building 200. The designated space includes office, duplicating, shipping, and receiving areas. Recently, space was expanded due to a change in College payment taking functions, and the Business Office staffs the student accounts area in the Lone Tree Commons.

The space layout in the Business Office creates a collaborative environment, where employees are not separated by office walls. The layout allows for better communication and idea sharing, because often there are questions or projects that may involve multiple members of the team. Being in an open working environment helps draw stakeholders into conversations. The Business Office must also protect College financial assets, and sensitive student and employee data, including Personally Identifiable Information (PII). Restricted access areas assigned to the Business Office are key to safeguarding assets and information. The student accounts area has been renovated to provide Americans with Disabilities Act (ADA) compliant space for students to use when transacting on their account.

Other major resources the Business Office uses to meet the needs of College customers include specialty print production machines, mail machines, copiers, printers, scanners, and a forklift. The specialty print and production machines allow the College to save money on print services by having an in-house solution. Copiers and printers are required to print accounts payable and payroll checks, and meet records retention and audit requirements. Scanners aid in timely and efficient document imaging. The forklift allows for bulk and large item purchases without extra costs of labor or rentals. The Business Office also utilizes software in the performance of duties. Future trends will continue to expand software use to support Business Office functions. As processes continue to be automated and streamlined, the College and Business Office will become more efficient and more resources can be directed towards student success.

1. Finances

Over the last five years, the Business Office has focused on reducing the cost of operations and increasing revenue and collections on behalf of the College. As a result of a Business Process Review, there has been significant work done to improve student account management by creating more accurate student account records, implementing strategies to avoid student account delinquencies and high outstanding receivables, and implementing procedures and practices that enhance tuition revenue collection. Some new procedures, such as the drop for non-payment procedure, help the College reduce expenses by creating more accurate enrollment data, which leads to informed decisions about what classes will be offered. Implementing the service charge program saved the College $20,000 in annual credit card fees. The biggest change, moving tuition collection from Registration over to Student Accounts, segregated the handling of money and allowed the individual departments to focus on what they do best.

Everything the Business Office does allows the College to generate revenue. Accurate and compliant grant accounting functions allow the College to receive external funding. Timely audits and designation as a low-risk auditee also helps generate external funding. Student accounts handles all tuition and fee collection. The District Governing Board (DGB) levies property taxes as part of the annual budget development process, as coordinated by the Business Office.

Appendix E: Business Office Budget History provides a 5-year look at the Business Office operating budgets. It shows a net decrease of $25,970, even while there have been budget reallocations within the program to support investments in automation and student success projects.

1. Partnerships and Collaborations

The Business Office collaborates with many internal and external stakeholders. Some of these collaborations are formalized through committees, and others are informal relationships and meetings necessary for quality outcomes.

1. Internal

As an internal service provider, the Business Office works with all areas of the College to develop budgets, advise on the compliance requirements for new initiatives, and support various needs that arise. The Business Office relies on cooperation and collaboration with every department to be an effective service provider. The list below details deeper, regular collaboration that is ingrained in regular business operations, and would not be possible without strong partnerships between the Business Office and these College departments.

* Registration: Student accounts and budget work together to set tuition and fees in Banner and assess tuition and fees on student accounts that are accurate and reflective of DGB direction.
* Financial Aid: Student accounts works with Financial Aid by placing a positive hold on the accounts of students who have financial aid payment arrangement, thus suspending drop or collection activities on those accounts. Financial Aid awards aid to student accounts that satisfies outstanding charges and/or is refunded by the Business Office. Bookstore vouchers are provided to the bookstore by the Financial Aid office, and transaction reconciling and posting is managed by the Business Office. Emergency fund requests come from financial aid and are processed by the Business Office.
* Student Development: The Business Office works with testing services to set placement retest and proctored exam fees and to make sure accurate fees are paid and reported to testing services. Student Development advising staff helps the Business Office communicate payment deadlines and other important student account information when working with students.
* Human Resources: Payroll and Human Resources meet monthly to collaborate on projects and ensure a smooth transfer of information between departments. Human Resources and payroll are closely intertwined, and many items that are set up or provided by Human Resources flow into semi-monthly employee pay. Over the past five years, the Business Office and Human Resources teams have worked to create a strong culture of collaboration, and this has been reflected in many process improvements between departments.
* Facilities and Security: The sales and distribution of parking permits, bus passes and parking ticket assessment and collection are collaborative efforts between offices.
* The refund team is an unofficial committee with representatives from Student accounts, Financial Aid, and Registration. This group reviews all refund requests and makes the decision to approve or decline each request based on the facts provided and background information obtained.
* Committees: Business Office staff participate in many College committees.
  + Banner User Group: Collaboration of Department IT Analysts and Information Technology Services (ITS) staff
  + Administrative User Group: Collaboration of College administration, ITS, and Department IT Analysts to establish priorities for Banner and other technology implementations
  + Technology Fee Group: Recommends academic technology projects to the Administrative User Group
  + College Council: Establishes College procedures and promotes shared governance
  + Business and Administrative Council: Information sharing and project collaboration to support the internal backbone of the College
  + Compensation Committee: Recommends compensation initiatives to Executive Council and the DGB

1. External

The Business Office has many partnerships that extend beyond the College walls.

* Follett Bookstore: The Business Office meets regularly with representatives from the bookstore to collaborate on initiatives, discuss and resolve student or faculty and staff challenges, and create plans for continuous improvement.
* Aspen Deli: The Business Office meets regularly with representatives from the deli to discuss the menu and pricing, service delivery, equipment, and to problem solve as needed.
* Foundation: The Business Office works with the Foundation to track the donations made from employees, students, and outside entities. Foundation audit work is a collaboration between the Foundation and the Business Office and the Foundation is presented as a component unit in the College audit.
* Arizona Auditor General: As a political subdivision of the State of Arizona, annual audits are required by the Arizona Auditor General’s Office. Business Office team members work collaboratively with these representatives to issue timely and accurate financial statements.
* Community College Business Officers: Participation and membership in both the national and Arizona associations creates connections with community colleges across the country. This has led to a network of resources that can be contacted for collaboration or advice. Best practices are developed and shared amongst these groups, leading to student success through improvements in administrative practices.
* Government Finance Officers Association: GFOA establishes standards and best practices for community colleges and other governmental entities in the area of financial management. The College participates in the Certificate of Achievement in Financial Reporting and the Distinguished Budget Presentation Award programs. These programs set the highest standards for recognition in the area of governmental accounting, financial reporting, budgeting, and financial planning. Receipt of awards represents a significant accomplishment by a government and its management. Membership in GFOA also provides resources for government finance officers like training and reference materials.

1. Customer and Services Review
2. Review of Provided Services

The Business Office provides customer service to students, faculty, staff, prospective students, and the public. Each area of the department serves customers in a different way. See Appendix A: Business Office Functions and Services Detail for more specifics.

1. Support of Students

The Business Office supports students from all areas of the College, including established students, Adult Education participants, Dual Enrollment students, and prospective students. Although there are no established student success measures affiliated with the support that is provided, merely offering knowledgeable and friendly staff to assist students who have needs in any of the following categories serves to create an environment in which students can be successful without worrying about administrative barriers to their education.

Student accounts processes student payments and refunds, holds students with payment arrangements to avoid drop for non-payment, provides parking passes and administers the bus pass program, offers information to students with general questions, participates in new student orientation, provides FAQs and simple “how to” reference documents related to student accounts, and issues annual tuition statements required for tax reporting (1098-T). Accounts payable issues student refunds, including financial aid refunds and emergency advances, and facilitates direct deposit enrollment for seamless refund delivery. Payroll processes timely pay of student wages and for students employed in any capacity with the College. Auxiliary services provides student course packs for instructors and provides College oversight of third party contracts that directly serve students (bookstore, deli, and vending).

1. Support of Faculty and Staff

The Business Office supports faculty and staff with their business needs in a variety of ways. Representatives from the Business Office are frequently consulted as new ideas come forward, to provide the perspective and support of how initiatives can be implemented in a way that is consistent and compliant with procedures and regulations. Student accounts sells employee parking passes. Purchasing and auxiliary services provides course packs and specialty printing projects, shipping and receiving services, purchasing card administration and training, incoming and outgoing mail processing, purchase requisition and purchase order management, contract, Memorandum of Understanding (MOU), Intergovernmental Agreement (IGA), and other agreement review and approval, run internal stores to provide centralize supplies, and trains and advises on College risk management and insurance coverage. Accounts payable trains employees on compliant payment practices and tracks invoice receipt and approval. Payroll processes pay, leave, and hours worked, report taxes and deductions, and advises supervisors on payroll practices. Grants accounting creates monthly reports for grant managers, request financial draws against grant awards, reviews and approves grant purchase requisitions and requests for staff, and trains and advises grant managers on compliant practices. Budget provides College budget development, monitoring, and adjustment and budget training for budget managers and coordinators. Compliance reviews and approves part-time hires into secondary positions. Additionally, the Business Office negotiates an agreement with an outside vendor to provide bookstore services. This contract allows the faculty to create student course packs and have an appropriate venue for their distribution.

1. Analysis
2. SWOT



1. Recommendations and Future Directions
2. 1 to 3 Year Recommendations

Detailed information including project descriptions, responsible parties, and resources needed can be found in Appendix F: Business Office 1-3 Year Goals. The projects below are listed in order of department priority, based on the impact they will have to students and other customers. The implementation timeframe established on Appendix F balances priority of implementation, testing and implementation timeframe, and other ease of implementation factors. Some high-priority projects rely on other factors for implementation, extending the timeframe past lower priority projects.

1. Work with Human Resources to implement Banner Faculty Load and Compensation
2. Implement on-line time and leave entry
3. Implement automated purchasing card reconciliation software
4. Provide on-line enrollment for student direct deposit
5. Implement on-line sales and payment for miscellaneous charges
6. Implement a new form to create transparency in 3rd party authorizations and billing
7. Create student account training videos
8. Implement a storefront site for non-student charges and payments
9. Implement text communications with students
10. Use electronic signature and electronic forms capability to build forms that integrate with Banner and provide approval workflows
11. Pilot a collections/network access initiative with ITS, evaluate effectiveness, and recommend future direction
12. Work with Facilities and Security to implement new parking software
13. Use new student payment software to enhance billing practices
14. Implement the tax intercept program
15. Implement pay cards
16. Use ARGOS for more student account reporting and management
17. Revision of Current Goals, if applicable

As the first program review for the Business Office, there are no goal revisions recommended at this time.

1. Future Directions (5-year view)

The five-year vision for the Business Office is a vision for a strong program that incorporates a student-first perspective in daily service delivery to both internal and external customers. The Business Office will continue to implement projects that automate processes and improve support for customers. The Business Office will stay current with best practices and modify processes as needed to be a model of financial and business support in the higher education community. The Business Office will be a leader in providing a stellar student experience by making decisions that strive to make processes as transparent and easy for students as possible. The Business Office will be known as the primary resource to find out how College initiatives can be implemented while staying compliant with all required regulations.

To meet this vision, the College and Business Office will need to invest time and training resources into implementing the goals listed in the 1-3 year plan. The Office should continue to attract and retain knowledgeable and friendly staff, who see their roles as vital to supporting the success of the College and our students.

**Appendix A: Business Office Functions and Services Detail**

**Appendix B: Business Office Regulatory Summary**

**Appendix C: Report of Business Process Review Changes - Business Office**

**Appendix D: Business Office Organizational Charts**

**Appendix E: Business Office Budget History**

**Appendix F: Business Office 1-3 Year Goals**

**Appendix A: Business Office Functions and Services Detail**

**Direct Student Support**

Student accounts includes the functions of payment taking, payment plan management, refunds, course removal for non-payment, facilitating alternate payment arrangement, billing, collections, and delinquency management. Student accounts also partners with other College departments to offer a one-stop location for parking permit purchasing, increasing Paper Cut copies, refunding scholarships and Title IV aid, and taking payment for retests and proctored exams. By providing a broad array of payment arrangements to students, including payment plans and third party billings, student accounts reduces the anxiety of paying for college and creates an environment for student success and retention.

The copy center provides both indirect student support and direct college support by printing instructional course packs, marketing materials and any other jobs necessary for the function of the college. Specialty print services consists of many print operations including creating reports, binding, laminating, color copies and envelope and business card printing. The copy center provides routine supply replenishment to the copiers that are located throughout the College including ten machines at Lone Tree, two machines at 4th Street and one machine in Page. These machines are used by faculty and staff for copying syllabi, course materials and general black and white printing. Students can receive assistance with copy-center supported services by requesting document scans for printing from their Paper Cut accounts. The copy center contributes to student success by providing student communications and course materials, and assisting with student scanning needs.

Third-party contract oversight provides contract compliance management for on-site services that include the bookstore, food service, and vending. The contract management function works to mitigate conflict between on-site vendors and students, faculty, and staff and ensure those vendors are operating according to the requirements set forth in their contracts.

**Indirect Student Support**

Insurance and risk management administration includes agreement review for internal and external events, programs, and services. It also includes review and approval of agreements done in the context of insurance coverage and risk management, which helps identify areas of vulnerability and threats that certain functions may pose. These functions support student success by approving requested student events and managing contracted services in a way that serves and protects the students and the College and maintains compliance with Arizona Statutes.

Budgeting, financial reporting, purchasing, and contracting and accounts payable are all financial functions that support the baseline operations of the College. These programs help ensure the College is able to continue operating by allocating resources, creating long-term financial plans, reporting the results of financial activities that are required by Arizona Statutes, and maintaining purchasing and payment practices that are in alignment with both Arizona Statutes and best practices. Each of these functions, performed within regulatory requirements, are necessary in order for the College to continue as a political subdivision of the State of Arizona. This political subdivision status allows the College to levy a property tax in order to support operations. Budget allocations and financial reporting contribute to student success by supporting the College’s ability to offer Title 4 financial aid (Pell and Loans) to our students to aid in the cost of tuition and fees. Maintaining budget compliance helps keep the cost per student low by avoiding unapproved expenditures of College resources. It provides transparency to students, parents, and taxpayers on how the College is funded and how tuition dollars are spent. By maintaining strong Higher Learning Commission financial ratios and a healthy bond rating, other financial reporting functions strengthen the ability of the College to sustain operations.

Shipping and receiving and mail services support all faculty and staff across the three main locations by helping with the flow of goods and materials across the College. Centralized shipping and receiving streamline the process for confirming the receipt of goods, marking goods as paid, and allowing for vendor payments by handling all of the administrative requirements of governmental goods procurement. Mail services are a central location for interoffice and external mail disbursement. These services contribute to student success by handling various administrative functions and providing centralized services, so that faculty and staff can focus on their primary college roles and not be made to track their orders or leave campus for mail service.

Grants accounting is an integral part of the College’s continued operations. As of June 30, 2017, The College received annual federal funding of almost $7 million, as well as state, local, and private funding of an additional $3 million. Of the $7 million in federal aid, most went directly to students in the form of aid awarded onto their account for tuition, fees, and other educational expenses. Grants accounting helps track all of the restricted money that flows through the College and requests reimbursement against restricted expenses. This area requires knowledge of, and compliance with, many federal and state regulations regarding procurement and expense allowance. Having this function contributes to student success by supporting the College in maintaining its status as a low-risk auditee. Grants compliance has helped the College attract additional external funding opportunities in order to reach a broader demographic of students and expand programs.

By working closely with Human Resources, the payroll and compliance functions help to maintain a healthy work environment, which supports student success. Accurate and timely processing of hours, leave, and pay is important in employee satisfaction, and satisfied employees provide a better student experience. By maintaining compliance with payroll reporting, tax depositing, and various employment regulations, the College is able to avoid costly financial penalties that could impact the College’s ability to continue operations.

The internal store function provides centralized product ordering and an inventory of frequently used supplies. By centralizing supply orders the College can realize bulk purchase savings and easily take advantage of the best available pricing on orders. Having supplies on hand reduces work downtime and allows College faculty and staff to continue operations by having their supply needs filled on-site and in a timely manner. This helps with student success because when the College realizes the best value on purchases and increases efficiency; there are more resources available for direct student support.

**Appendix B: Business Office Regulatory Summary**

**Regulations and Regulatory Agencies**

* Arizona Department of Education
* Arizona Department of Revenue: prescribes use tax filing requirements and quarterly payroll reporting rules
* Arizona Office of the Auditor General
* Arizona Revised Statutes: prescribes Arizona labor regulation and public procurement codes
* Arizona State Library: prescribes records retention schedules for public agencies
* Arizona State Retirement: mandatory enrollment for eligible employees
* Arizona Unclaimed Property Division: prescribes obligations regarding unclaimed property held by the College
* Bureau of Labor Statistics
* City of Flagstaff
* Department of Economic Security
* Department of Education
* Department of Labor: various payroll and benefits filings and statistics
* Fair Labor Standards Act: prescribes overtime and other compensation rules
* Generally Accepted Accounting Principles
* Governmental Accounting Standards
* Internal Revenue Service
* Patient Protection and Affordable Care Act: mandatory tax report filing and employee tracking; employers must offer medical benefits to eligible employees
* Property Tax Oversight Commission

**Reporting Requirements**

Annual Reporting

* Comprehensive Financial Annual Report (CAFR): Contains audited financial statements & notes, plus other demographic and statistical information about the college. Audited by the AZ Auditor General and available online for more information about the College. Also submitted to the Government Finance Officers Association and has been awarded an Excellence in reporting award every year based on the presentation of information in alignment with best practices in governmental financial reporting.
* Single Audit: also audited by AZ Auditor General. More in-depth audit of federal awards, compliance, and internal controls beyond the financial statement audit. Serves to ensure compliance with the expending of federal grant dollars
* Expenditure Limitation Report: audited by the AZ Auditor General. Report of compliance in expending local revenue within the guidelines and amount established in the Arizona Budgeted Expenditure Limitation statutes and formulas
* Budget: State prescribed forms we are required to file with the auditor general’s office. These are reviewed annual by the Arizona Tax Research Association, and show that we have adopted a budget in accordance with State statute for form and deadlines.
* Annual Budget Document: We also take the budget information and create a more comprehensive annual budget document that shows budget trends, funded increment, alignment with strategic plan & performance measures, and provides detail on revenues and expenditures by fund, type, object category, etc.
* State aid request: Presentation of detailed financial information on revenues and expenditures for the preceding year, current year, and upcoming budget used to make a request for state aid funding under the formula. This is submitted to the state Joint Legislative Budget Committee for review and annual State aid and STEM funding
* IPEDS: we prepare the annual financial section for our mandatory IPEDS reporting
* Bond Disclosures: annual financial reporting on our bond issuance, payment, and financial condition used by investors who may want to buy our bonds in the secondary market. Also helps determine our S&P bond rating
* HLC: We input financial performance that creates 5 ratio indicators of financial health. This includes a composite financial index and if CCC falls below certain scores for financial health, and HLC review gets triggered.
* Property Tax Oversight Commission: The tax levy, including documentation that required meeting and advertising of levy changes were followed, is submitted and reviewed to the PTOC annually in order for the College to assess our primary and secondary taxes
* Governor’s reports: We prepare financial information that is included in the annual Governor’s report compiled by April
* FTSE Audit: we report on internal control related to payment management as a piece of Registration’s annual FTSE report
* Bond Indebtedness: Annual reports to the Arizona Department of Administration for governmental bond indebtedness and capital financial are required and included in a searchable report of all AZ government entities.
* Certificate of Records Destruction: Annually we are required to maintain/destroy records (like payroll, AP, receivables, audit workpapers, etc.) based on Arizona State Library public records retention requirements, and certify any records that are destroyed
* Grant reports: for any grant funding, we provide annual financial reports reconciling draw downs and program expenditures to the categories approved in the budget and cannot exceed established variance criteria (may vary by grantor) in expenditure category. These are multiple reports provided to multiple granting agencies.
* CAFR Reporting: Annual financial reports are required to be submitted and reviewed by the following agencies:
  + US Dept. of Health & Human Services
  + Federal Audit Clearinghouse
  + US Dept. of Education
  + Dunn & Bradstreet
  + AZ Dept. of Education
  + Standard & Poor’s
  + Coconino County Treasurer
  + FT Interactive Data
  + Wells Fargo Government Banking
  + EZ Audit

Other Reports

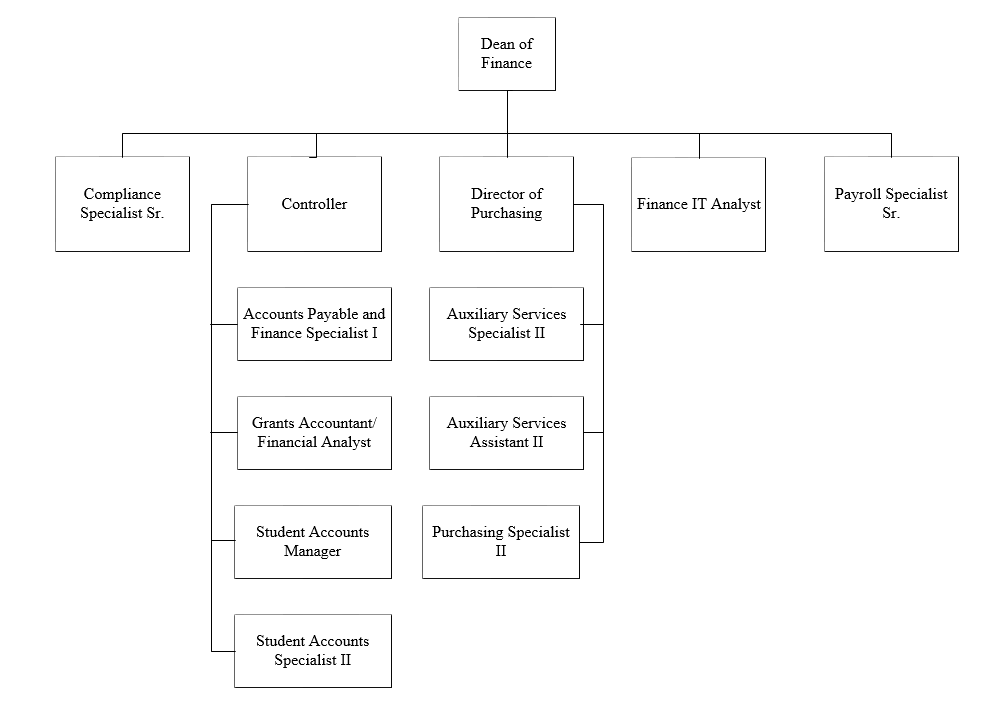
* Workforce development: every 2 years. Academic affairs prepared program data and we provide financial information for reporting workforce development spending
* STEM: every 2 years – same as workforce development
* Monthly grant reports: reported to various granting agencies every month as part of drawing down funds that have been expended against a grant. These are multiple reports to multiple agencies, and are used to pull funding to the College. Reports must show expenditures by category and may not exceed the grants variance criteria. Part of this process is working with grant managers on their program expenditures by category to ensure compliance is maintained with the grant budget.
* Quarterly budget performance: reported to the DGB every quarter (formerly monthly), budget to actual for the current fiscal year with prior year trends is reporting to the DGB for review on financial performance

**Appendix C: Report of Business Process Review Changes - Business Office**

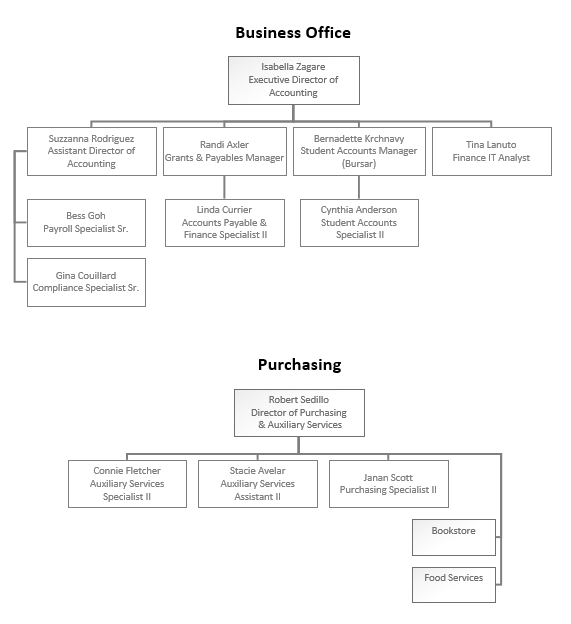
1. Create a detail code for HESI and post the charge to student accounts whenever possible
   1. **√ Done** Create detail code: Detail code “HESI” created 10/27/16 (Since been changed to “NRSE”)
   2. **√ Done** Communicate change to Lone Tree and 4th Street staff on code and posting process
   3. **√ Done** Found others, added codes & communicated: PROC, GED, PINS
2. Run Disbursement and Refunds at least twice per week
   1. **√ Done** Increase refund schedule to twice a week: added 2nd routine refund date per week to enhance T4 compliance
   2. **Ongoing** Continue to work with Financial Aid and refund on dates that align with disbursement schedule if changes are made
3. Consider requiring EFT as the default refund type with a mechanism to opt out to check
   1. **√ Done** Meet with Student Services regarding banking options at resource fair, meet with Wells Fargo on more student friendly account offerings, create matrix of bank and credit union offerings to find most student friendly. Note: Wells Fargo has changed their account offering practices which may lead to a decline in direct deposit enrollments.
   2. **Ongoing** Monitor progress and continuously evaluate “Bank One” or other mandatory EFT model
4. Add more ATMS on campus to reduce fees (specifically Wells Fargo)
   1. **√ Done** Analyze student direct deposit enrollment. Found majority of students on DD bank with Wells Fargo
   2. **√ Done** Request Wells Fargo ATM: met with banking reps and determined this to be cost prohibitive
5. Leverage communication management for delinquent collections
   1. **Ongoing** Implement new student payment system where phase II of implementation includes enhanced student billing and communication functions.
6. Increase tolerance to drop for non-payment. $250 - $300 recommended. Continue partial payer management.
   1. **√ Done** Develop tolerance internal procedural guideline: Procedure 208-03 Drop for non-payment threshold procedure adopted by College Council
   2. **√ Done** Change drop programming to reflect developed tolerance
   3. **Ongoing** Continuously update threshold to reflect change in tuition rates
7. Create custom reporting for information required by collections agency
   1. **√ Done**: Create custom report to pull required demographic information for easier collection reporting
8. Record miscellaneous payments directly into Banner:
   1. **√ Done**: Train Cashier and implement use of MISC form
9. Implement a balance threshold before an AR hold is placed (more than 1 parking ticket/less than 3 recommended = $100?)
   1. **√ Done**: Procedure 208-04 Collections adopted by College Council
   2. **√ Done**: Remove Bosscars hold placement ability
   3. **√ Done:** Review current AR holds and remove if balance <threshold and implement automatic hold release process based on $0 balance
10. Send any 3rd party check that is not on a 3rd party billing account (scholarships, etc.) to financial aid for awarding:
    1. **√ Done:** All 3rd party checks are routed through financial aid
11. Apply 3rd party contracts more timely
    1. **√ Done:** Test the impact of creating contracts as soon as an authorization is received if a student changes registration status – is this dynamic on the 3rd party and student account
    2. **√ Done:** Implement immediate 3rd party application
12. Separate “cashier” duties as part of the one-stop recommendation
    1. **√ Done:** Student Accounts manage and staff all Lone-Tree payment functions

**Appendix D: Business Office Organizational Chart**

**2017-2018**



**2018-2019**



**Appendix E: Business Office Budget History**

The Business Office has three budgets. Organization code 52120 is used to account for the activities of accounting and budget, organization code 53100 accounts for purchasing activities, and organization code 53500 is the internal services budget org. Internal services is established as a cost-recovery budget, where expenses are budgeted along with the anticipated cost recovery from College departments. Because it is a cost recovery budget, it was not included in this history.

The accounting and budget organization code has seen a decrease of $26,930 over the past five years. It has also received some one-time project funding.



5100 Professional Services: pays for hosting fees for student payment software, the cost of the annual audit, required budget publications, and student taxpayer identification number validation services

5200 Supplies & Materials: covers office supplies and copying and printing costs. The largest expenses are for tax forms and for printing and binding financial statements and the annual budget document

5300 Fixed Charges – Annual: pays for organizational dues and subscriptions and periodicals to help Business Office staff stay current on changing regulations and best practices

5400 Utilities and Communication: this is the postage budget to mail thousands of tax forms, pay checks, and collection notices each year

5500 Travel: formula funding by FTE

5900 Other Expenditures: covers the cost of collection fees, bank charges, and debit transaction fees

STEM funding was approved in FY18 to cover the cost of a new student payment software implementation.

Equipment funds of $5,800 in FY15 were used to purchase chip-compliant debit terminals. The $1,500 in FY16 was used for compliance software and $3,000 was used for software to assist with asset tracking.

The purchasing organization code has had a budget increase of $960 over the past five years.



5100 Professional Services: pays for bid and request for proposal 9RFP) advertising

5200 Supplies & Materials: covers departmental supplies

5300 Fixed Charges – Annual: pays for organizational dues and subscriptions and periodicals to help Business Office staff stay current on changing regulations and best practices

5400 Utilities and Communication: Postage

5500 Travel: formula funding by FTE

**Appendix F: Business Office 1-3 Year Goals**

The Business Office has established goals for the next three years. These goals are prioritized based on the impact they will have to students and other customers.

**Goal #1: Work with Human Resources (HR) to implement Banner Faculty Load and Compensation (FLAC)**

**Description:** Implementing FLAC will help avoid pay errors and standardize faculty pay. HR is the primary department working on this project, but it is important to accurate and timely pay processing

**Timeframe:** Fall 2018

**Resources:** This can be completed with the existing staffing and budget

**Goal #2: Implement on-line time and leave entry**

**Description:** Implementing on-line time and leave entry will significantly reduce paper processes and reduce the opportunity for pay errors. This will be a collaborative project with HR

**Timeframe:** December 31, 2019

**Resources:** This can be completed with the existing staffing and budget. Banner 9 implementation for the HR module is required

**Goal #3: Implement automated purchasing card reconciliation software**

**Description:** Implementing an on-line purchasing card reconciliation software will reduce paper and provide easily accessible receipts for cardholder reference. It will allow budget managers and cardholders to access their transactions when performing budget monitoring

**Timeframe:** December 31, 2018

**Resources:** This can be completed with the existing staffing and budget. A pilot implementation began in early 2018

**Goal #4: Provide on-line enrollment for student direct deposit**

**Description:** Implementing an on-line direct enrollment for students could help increase direct deposit enrollment for the College, and provide students an easy mechanism for viewing their enrollment and making changes

**Timeframe:** December 31, 2019

**Resources:** This can be completed with the existing staffing and budget. Banner 9 implementation for self-service is required

**Goal #5: Implement on-line sales and payment for miscellaneous charges**

**Description:** Implementing on-line sales and payments for miscellaneous charges allows the College to provide 24/7 service to students. It will reduce traffic at the student accounts desk and enhance customer service for students.

**Timeframe:** December 31, 2018

**Resources:** This can be completed with the existing staffing and budget. This project is currently underway and is being modified as feedback is received

**Goal #6: Implement a new form to create transparency in 3rd party authorizations and billing**

**Description:** Changes to the 3rd party authorization will provide better clarity for students and more accurate 3rd party payment processing

**Timeframe:** Fall 2018

**Resources:** This can be completed with the existing staffing and budget. Form revisions have been made and are ready for fall implementation

**Goal #7: Create student account training videos**

**Description:** Videos that students can access on line to walk them through student accounts processes will allow the Business Office to provide 24/7 service to students.

**Timeframe:** December 31, 2018

**Resources:** This can be completed with the existing staffing and budget. Training and assistance from the Teaching and Learning Center will be needed to assist with video creation

**Goal #8: Implement a storefront site for non-student charges and payments**

**Description:** Implementing a dynamic storefront site will allow students and non-students to have a “shopping cart” experience for miscellaneous payments that are currently required in-person

**Timeframe:** June 30, 2019

**Resources:** This can be completed with the existing staffing but will require budget resources to cover any site design and payment processing fees

**Goal #9: Implement text communications with students**

**Description:** Student accounts currently communicates via phone and email with students. Adding text should help keep students better information and increase response rates

**Timeframe:** December 31, 2019

**Resources:** This can be completed with the existing staffing but will require software with text capability. It is hoped that the College will acquire Client Relationship Management (CRM) software that will have this capability.

**Goal #10: Use electronic signature and electronic forms capability to build forms that integrate with Banner and provide approval workflows**

**Description:** Moving from paper forms to automated forms will help enhance the customer experience for their interactions with the Business Office. Forms that could be made electronic include the Public Benefit Form, Travel Request, Travel Claim, and Direct Invoice requests.

**Timeframe:** December 31, 2020

**Resources:** This will require software with the capability to create forms and perform workflow routing. It may require consulting resources for implementation and training.

**Goal #11: Pilot a collections/network access initiative with ITS, evaluate effectiveness, and recommend future direction**

**Description:** The College will pilot an idea that was brought back from another school regarding collections management. This is a collaboration with ITS and should decrease delinquencies.

**Timeframe:** Spring 2019

**Resources:** This can be completed with the existing staffing and budget. The pilot will be run in Fall term, and success and implementation will be decided by spring 2019.

**Goal #12: Work with Facilities and Security to implement new parking software**

**Description:** Bosscars support is ending, and new parking software is needed

**Timeframe:** December 31, 2019

**Resources:** This can be completed with the existing staffing but new software is required. Facilities and Security will lead the implementation and the Business Office will support implementation by testing information that posts to student accounts.

**Goal #13: Use new student payment software to enhance billing practices**

**Description:** Recently implemented Cashnet software has additional capabilities that can make student invoicing more timely and provide a more professional look to student bills.

**Timeframe:** June 30, 2019

**Resources:** This can be completed with the existing staffing and budget

**Goal #14: Implement the tax intercept program**

**Description:** The tax intercept program would increase collections and reduce student account delinquencies

**Timeframe:** December 31, 2019

**Resources:** This can be completed with the existing staffing and budget

**Goal #15: Implement pay cards**

**Description:** Pay cards will replace payroll check to provide cost savings to the College

**Timeframe:** December 31, 2019

**Resources:** This can be completed with the existing staffing and budget

**Goal #16: Use ARGOS for more student account reporting and management**

**Description:** Student accounts runs reports and combined information to manage collections and billing. This information could be pulled together using ARGOS functionality to make collections review more efficient

**Timeframe:** June 30, 2019

**Resources:** This can be completed with the existing staffing and budget