

Finance and Business
2010-2011 ANNUAL REPORT
<http://ncsu.edu/finance-business>

PROGRAMS AND INITIATIVES

CAMPUS ENTERPRISES

- Transferred \$1,063,636 into scholarship funds
- Completed program planning and schematic design stages of \$120 M expansion and renovation of Talley Student Center
- University Dining established new purchasing program, opened Innovation Café, opened first phase of remodeled Atrium, reduced wasted energy at Fountain Dining, created new meal plan options
- Bookstores reconfigured and expanded concessions operation at University warehouse, developed and implemented plan for interim relocation, established textbook rental option available through website, and relocated Wolf Express copy services
- Trademark Licensing exceeded \$1 M in gross royalties (new high for NCSU) and successfully opposed trademark infringements including “Wolfpack Auto, NC State Realty, Wolfpac University and Packaholic.”
- University Student Centers created one-stop-shop in conjunction with catering operations and implemented online system for maintenance work requests
- AllCampus Card Office established as independent entity; College of Veterinary Medicine and Health Services added to card system; campus re-carded with new security-enhanced identification card
- Lonnie Poole Golf Course named best new public golf course in the state by NC Golf Panel

(See Attachment I for volume of activities)

CENTENNIAL CAMPUS

- Brian Jones hired in new position as Centennial Campus Project Coordinator in April, 2011
- Keystone Science Center opened, adding over 75,000 GSF to the campus
- Executed ground leases for the Conference Center / Hotel project and The Greens at Centennial Campus residential project
- Planning for Town Center project produced a final report in May, 2011 and included visits to multiple developers and projects
- Began initiative to revise rent model in order to apply F&A subsidy only to units engaged in research activity
- Worked to upgrade Partners I and Research IV Buildings to Class A rents

ENVIRONMENTAL HEALTH AND PUBLIC SAFETY

- Installed new self-pay credit card in / out system for Dan Allen parking deck

- Expanded campus bio-safety awareness by refining bio-safety manual, bio-safety training course, and blood borne pathogen training course
- Transportation Office launched online guest permit program; 100+ departmental representatives trained and 2,500 permits issued
- Implemented monthly “Lunch and Learn” series for Employee and Student Behavior Assessment Team
- University Police conducted extensive and innovative training in emergency response to active shooter situation
- Completed NC Radiation Protection Program audit with no violations; received feedback from inspection staff as model program
- Transportation Office introduced iPhone and Android mobile apps for real-time bus tracking
- Collaborated with Counseling Center and co-presented at Greek Life events a Violence, Suicide Prevention and Community Services Program, with 300+ students in attendance
- Co-presented on Employee Threat Assessment and Management for UNC-GA annual threat assessment training
- University Police collaborated with local company to use GPS technology to deter bicycle thefts on campus
- Business Continuity began working with US Department of Agriculture to use its Disaster Recovery Unit trailer
- Transportation Office introduced digital ride-sharing program; over 650 users enrolled in first three months
- Cooperatively worked with Facilities Services Sustainability Office on energy conservation measures for labs and fume hoods

FACILITIES

- Began operations of Engineering Building III, Terry Hospital, Grounds Facility, Atrium, and Innovation Café
- Began construction of chancellor’s residence and Hunt Library
- Completed state’s current second-largest Energy Performance Contract
- Began state’s largest Energy Performance Contract (\$56 million), upgrading boilers and adding co-generation
- Received \$1.5 million in American Recovery and Reinvestment Act (ARRA) grant funding for energy conservation measures
- Completed 4-H Youth Development capital program
- Completed residence hall sprinkler program
- Created short-term and permanent location for Science, Technology, Engineering and Math (STEM) Early College High School
- Completed Climate Action Plan, Energy Management Strategic Plan, and University Sustainability Strategic Plan
- Completed College of Engineering Space Study, Student Recreation Master Plan, Bike and Pedestrian Master Plan, Blue Ridge Road Corridor planning, and studies of vulnerabilities to critical infrastructure
- Led partnership effort to relocate Gregg Museum to the Pullen Park Arts Campus

- Coordinated 10-year capital planning process for auxiliaries
- Implemented online work order system to improve customer interface
- Continued campus beautification with the creation of two new gateways
- Held 46 one-on-one meetings with minority firms to discuss business opportunities at NC State; increased Historically Underutilized Business (HUB) use for informal projects by 50 percent

(See Attachment II for volume of activities)

FINANCE AND RESOURCE MANAGEMENT

- Began development of Dashboard reporting for Finance and Resource Management Division and for Finance and Business
- Implemented requirements of UNC Finance Improvement and Transformation (FIT) initiative for reconciliation tracking
- Managed 4,320 active Contracts and Grants projects; new projects awarded totaled 2,363 with awards of \$216 million
- Received a clean audit from State Auditor with no major findings or recommendations
- Automated Accounts Receivable in Contracts and Grants
- Began implementation of financials system upgrade and new asset management module
- Launched Principal Investigator Portal concept as one-stop location for all information on sponsored projects

(See Attachment III for Controller's Office volume of activities)

HUMAN RESOURCES

- Expanded University Temporary Services as shared service to UNC-Chapel Hill, resulting in more than 125 Carolina temp placements and \$150,000 in year one revenue to date
- Completed five University-level senior leadership searches, with four additional searches currently in progress; enhanced fee structure to encourage campus units' use of Executive Search Services for additional academic and professional-level services
- Started major upgrade to online applicant-tracking system
- Performed extensive training, fit-gap analyses, and business process redesign in preparation for PeopleSoft HR upgrade; began substantive data redesign and re-programming to significantly improve data quality, integrity, and utility for campus users and decision-makers; continued collaboration with UNC-Chapel Hill; installed first major HR System bundle of fixes to existing system
- Payroll and Benefits collaborated on reorganization of deduction-management work, resulting in consolidated new work unit, reduction of four positions to three, and redistribution of workload for enhanced efficiency
- Implemented processes and tracking mechanisms to ensure comprehensive understanding, compliance, and reporting by campus departments of non-salary compensation; reported gross value for tax purposes more than doubled (from \$854K to \$1.97 million)

- Ensured University's compliance with a wide variety of federal and state regulations by creating or revising policies and procedures pertaining to EPA appeals, nursing mothers, disability requirements, job postings, reductions-in-force, recruitment and selection, overtime and on-call pay, unemployment claims, and behavioral risk management
- Reviewed every SPA reduction-in-force proposal to identify potential adverse impact on under-represented employee classes to help ensure that every reduction-in-force action is based solely on defensible and non-discriminatory business reasons
(See Attachment IV for selected HR volume of activities)

TREASURER'S DIVISION

- Received unqualified audit opinions for 10 affiliated entities supported by Foundations and Investments
- Processed and administered leasing valued at over \$9.3 million in annual rents
- Issued \$56 million installment financing contract for energy savings project
- Managed assets with market value of \$685 million, reflecting an increase from \$515 million in 2009-10
- Increased Marketplace orders by 25 percent and Purchasing Card transactions by 30 percent
- Foundations and Investments played key role in gift assessment implementation; over \$1.4 million generated for fundraising to date
- Implemented remote deposit capture (RDC) for foundation bank accounts
- Completed two requests-for-proposals, one for audit / tax services and one for planned giving / brokerage services
- Completed request-for-qualifications and issued request-for-proposals for Bell Tower and Hillsborough Square properties
- Promoted future streetscape phases/zoning on Hillsborough St. through work with Business Improvement District & City of Raleigh
- WolfCopy program introduced new pricing, offering added functionality in collaboration with the Office of Information Technology

KUDOS, PROFESSIONAL ACTIVITIES & RECOGNITIONS

- Tuyen Tran, Bookstores Distance Education Manager, received statewide Governor's Award for Excellence
- Vacant Associate Vice Chancellor for Centennial Campus Development filled by Mike Harwood in October, 2010
- Lisa Johnson named University Architect
- Tim Hogan hired as Operations Director for University Student Centers
- Sharon Loosman appointed as Director of Materials Management
- University Police raised over \$62,000 for Special Olympics at annual Polar Plunge and Fun Run event
- Tina Nelson, Environmental Health & Safety Program Manager, obtained certification as NC Victim Advocate

- Amy Orders, Environmental Health & Safety Assistant Director, received her PhD in Adult Education
- Ken Kretchman, Environmental Health & Safety Director, received Fellow Status with American Industrial Hygiene Association
- Arboretum Lath House won Merit Award from American Institute of Architects for excellence in architectural design
- Carter-Finley field replacement project won Engineering Excellence Award
- Jack Colby, Assistant Vice Chancellor for Facilities Operations, elected as an Association of Higher Education Facilities Officers (APPA) Fellow
- Barbara Carroll, Associate Vice Chancellor for Human Resources, elected to national Board of CUPA-HR, the association for human resources in higher education

RECOMMENDATIONS AND CONCERNS FOR THE FUTURE

- The economic outlook for the 2011-2013 biennium and associated deep budget reductions continue to be of major concern. Budget reductions and inflationary erosion will continue to strain existing resources and have a cumulative negative effect on service levels.
- Strategic realignment efforts will require considerable effort and cause uncertainty for campus departments, staff, and central offices.
- Employee morale on campus continues to erode with the tough fiscal environment and organizational changes; with the private sector beginning to rebound, the best campus staff may be among the first to leave the University for employment opportunities that are more attractive.
- New borrowing for capital projects will stretch the University's capacity to borrow without adversely affecting NC State's current credit rating.
- Escalating levels of deferred maintenance and capital renewal backlog now exceeds \$500 million.
- Aging-out of the workforce will create a need for increased development of talented younger staff.

ATTACHMENT I

**Volume of Activities
Campus Enterprises Division
2010-2011 Annual Report**

	<u>2009-10</u>	<u>2010-11</u>	<u>% Change</u>
Dining			
Meal Plan Participants	15,567	15,937	+2.4%
Bookstore			
Online Orders Fulfilled	17,000	20,000	+17.6%
Trademark			
Review of Artwork Submissions	3,285	4,261	+29.7%
Transfers to Endowment Fund	\$141,755	\$300,000	+21.2%
AllCampus Network			
Total Transactions (7/1-5/13)	6,066,137	6,242,056	+2.9%
University Student Centers			
Total Reservations	5,639	5,764	+2.2%

ATTACHMENT II

Volume of Activities
Facilities Services Division
2010-2011 Annual Report

Facilities Operations

- 73 new staff members hired, oriented, and trained as compared to 53 in 2009-10
- Conducted or coordinated 14,338 hours of training for Facilities Operations staff

	<u>2009-10</u>	<u>2010-11</u>
Total Work Orders Processed	58,582	65,550
Gross Sq. Ft. Maintained – Maintenance	9,375,108	9,743,677
Gross Sq. Ft. Maintained – Custodial	7,614,480	7,790,427
Tons Recycled	1,860	2,127
Tons Composted	1,149	694
Tons of Trash to Landfill	4,303	4,206
Avoided Landfill Fees	\$136,401	\$119,557
Steam Generation – Main Campus (lbs)	771,312,000	804,251,082
FCAP Inspections		152

Design and Construction Services / Capital Project Management

Number of Formal and Informal Projects (# / \$ Value)

Projects Initiated	222 / \$51,308,425	162 / \$70,820,843
Projects Completed	117 / \$117,561,531	146 / \$176,489,401

Design and Construction Services

Classroom Hotline Calls (approximate number) 189 139

Note: 65 issues were found and corrected this year during routine classroom checks

Historically Underutilized Business

Informal Projects: % Total Dollars Won by HUBs	20.0%	28.5%
Formal Projects: % Total Dollars Won by HUBs	22.79%	21.0%

Office of University Architect

Facilities Modification Requests Processed 137 195

ATTACHMENT III

**Volume of Activities - University Controller's Office
2010-2011 Annual Report**

	2009-10		2010-11	
<u>General - Training:</u>				
University Accounting Certification 1 - Accounting System, Chart of Accts, Journal Guide	28	4/09 - 3/10	52	4/10 - 3/11
University Accounting Certification 2 - Internal Control, Trust Fund Guide, Reconciliation Guide	20	4/09 - 3/10	49	4/10 - 3/11
University Accounting Certification 3 - Taxes, Receipt Centers, Accts Rec, IDTs	26	4/09 - 3/10	46	4/10 - 3/11
University Accounting Certification 4 - Accts Pay, Vendor IDs, Invoice Proc, Travel, Spending Guide	45	4/09 - 3/10	26	4/10 - 3/11
University Accounting Certification 5 - GL Acctg, Cash Mang, Imprest Accts, Credit Cards, CAMS	49	4/09 - 3/10	24	4/10 - 3/11
CAMS Coordinator Class - Classroom	46	4/09 - 3/10	75	4/10 - 3/11
Capital Asset Management System - Online	12	4/09 - 3/10	15	4/10 - 3/11
Interdepartmental Transactions	13	4/09 - 3/10	27	4/10 - 3/11
Online Journals	3	4/09 - 3/10	27	4/10 - 3/11
Small Purchase Vouchers	20	4/09 - 3/10	43	4/10 - 3/11
Travel Coordinator Class	-	4/09 - 3/10	91	4/10 - 3/11
Travel - Policy, Proceudres & Reimbursements	30	4/09 - 3/10	62	4/10 - 3/11
Travel Authorization and Reimbursement Demo	600	4/09 - 3/10	59	4/10 - 3/11
Total Trained	892	4/09 - 3/10	596	4/10 - 3/11

<u>Non-Student Accounts and Tax Section:</u>				
Staff Positions	5	FY10	4	FY11
Temp - Part Time Workers	2	FY10	2	FY11
Checks Deposited	9,349	4/09 - 3/10	9,605	4/10 - 3/11
Credit Card Transactions Processed	178	4/09 - 3/10	540	4/10 - 3/11
Manual Invoices Processed	7,616	4/09 - 3/10	4,882	4/10 - 3/11
On Line Invoices Processed	13,373	4/09 - 3/10	17,840	4/10 - 3/11
Interface Invoices Processed	1,083	4/09 - 3/10	3,357	4/10 - 3/11
1099's Filed	2,120	CY2009	2,412	CY2010
SODCA Collections Processed	1,092	4/09 - 3/10	831	4/10 - 3/11
Non-Resident Alien Tax Reviews	607	4/09 - 3/10	1,096	4/10 - 3/11

Financial Reporting Section:

Staff Positions	5	FY10	5	FY11
Temp - Part Time Workers	3	FY10	3	FY11
Trust Fund Request Processed	78	4/09 - 3/10	94	4/10 - 3/11
Endowment Funds Processed	33	4/09 - 3/10	16	4/10 - 3/11
Average Days to Reconcile Bank Accounts	8	4/09 - 3/10	8	4/10 - 3/11
Average Days to Resolve Bank Account Discrepancies	10	4/09 - 3/10	12	4/10 - 3/11
Year End Tasks	338	FY09	340	FY10
Year End Journal Entries	369	FY09	341	FY10

Cash Management & GL Section:

Staff Positions	7	FY10	8	FY11
Temp - Part Time Workers	2	FY10	3	FY11
Average Number of Days to Close Monthly Records	8	FY2010	8	FY2011 - 9 mths
Number of Sales Journals	1,077	FY2010	1,096	FY2011 - 9 mths
Number of Sales Journal Lines	340,581	FY2010	280,617	FY2011 - 9 mths
Number of Inter Departmental Transfer Journals	155	FY2010	144	FY2011 - 9 mths
Number of Inter Departmental Transfer Journal Lines	4,677	FY2010	3,316	FY2011 - 9 mths
Number of Inter Departmental Journal Journals	139	FY2010	131	FY2011 - 9 mths
Number of Inter Departmental Journal Journal Lines	5,490	FY2010	4,146	FY2011 - 9 mths
Number of Journal Vouchers	21,423	FY2010	14,029	FY2011 - 9 mths
Number of Journal Voucher Lines	615,525	FY2010	419,648	FY2011 - 9 mths
Number of Agency Transfers (CMCS Trasfers)	599	4/09 - 3/10	616	4/10 - 3/11
Number of Bank Wires	167	4/09 - 3/10	205	4/10 - 3/11
Number of Merchant Services Transactions	1,050,297	FY2010	1,227,209	FY2011 - 9 mths
Number of Equipment Assets Added	1,127	FY2010	650	FY2011 - 9 mths
Number of Equipment Assets Retired	648	FY2010	571	FY2011 - 9 mths
Number of Equipment Assets Inventoried	13,816	FY2010	13,889	FY2011 - 9 mths
Number of CAMS Cordinators	425	FY2010	406	FY2011 - 9 mths
Number of Equipment Assets Spot Checked	648	FY2010	na	FY2011 - 9 mths
Percent of Equipment Spot Checked	5%	FY2010	na	FY2011 - 9 mths

Accounts Payable & Travel Audit Section:

Staff Positions	15	FY10	15	FY11
Temp - Part Time Workers	1	FY10	1	FY11
Pcard Transactions	114,222	4/09 - 3/10	142,751	4/10 - 3/11
Epay Transactions	7,166	4/09 - 3/10	6,787	4/10 - 3/11
Total Credit Card Transactions	121,388	4/09 - 3/10	149,538	4/10 - 3/11
AP Vouchers	120,945	4/09 - 3/10	114,187	4/10 - 3/11
Total Transactions	242,333	4/09 - 3/10	263,725	4/10 - 3/11
% Transactions Paid by Credit Card	50%	4/09 - 3/10	57%	4/10 - 3/11
% Invoices Processed within 30 Days (Avg)	84%	4/09 - 3/10	85%	4/10 - 3/11
% Invoices Processed within 45 Days (Avg)	93%	4/09 - 3/10	93%	4/10 - 3/11
Travel Requests	21,156	4/09 - 3/10	28,210	4/10 - 3/11
Average Days to Process Travel Requests (Travel Audit)	1	4/09 - 3/10	2	4/10 - 3/11
Number of Checks Picked up by Campus	7,349	4/09 - 3/10	7,714	4/10 - 3/11
Number of Checks Requiring Additional Handling	1,274	4/09 - 3/10	1,052	4/10 - 3/11
Number of Checks Mailed by Bank	80,618	4/09 - 3/10	84,556	4/10 - 3/11
Number of Checks Written	89,241	4/09 - 3/10	93,322	4/10 - 3/11
Number of Express Checks Written	2,198	4/09 - 3/10	2,235	4/10 - 3/11
Number of Electronic Payments Made	47,291	4/09 - 3/10	62,752	4/10 - 3/11
Number of AP Wires	2,395	4/09 - 3/10	2,438	4/10 - 3/11
Total Payments	141,125	4/09 - 3/10	160,747	4/10 - 3/11

ATTACHMENT IV

**Selected Volume of Activities – Human Resources
2010-2011 Annual Report**

HR ACTIVITY	2007-08	2008-09	2009-10	2010-2011	# Change	Change
CLASS/COMP & EPA ADMIN						
EPA New Positions Created	221	175	179	228	49	27.4%
SPA New Positions Created	175	125	100	130	30	30.0%
EPA Position Title Changes	72	28	61	101	40	65.6%
SPA Position Reclassifications	88	85	60	51	-9	-15.0%
Total Increases SPA Reclassifications	\$210,998	\$192,388	\$207,751	\$146,200	-\$61,551	-29.6%
SAAO Position Requests to UNC-GA	20	13	7	14	7	100.0%
EPA Salary Adjustments	140	61	144	260	116	80.6%
SPA Salary Adjustments*	599	391	193	186	-7	-3.6%
Total Increases SPA Salary Adjustments*	\$1,502,805	\$1,682,885	\$674,169	\$714,091	\$39,922	0.6%
EMPLOYMENT SERVICES						
EPA Hires & Transfers	775	805	701	897	196	28.0%
SPA Hires & Transfers	827	522	424	592	168	39.6%
SPA Applications Processed	43,009	35,217	30,356	31,006	650	2.1%
EPA Applications Processed **	15,289	12,961	12,734	20,756	8,022	63.0%
UTS Temp Applications	2,493	2,221	1,338	3,412	2,074	155.0%
UTS Temp Placements	733	425	350	695	345	98.6%
Permanent Residency Apps	24	25	32	27	-5	-15.6%
H1B Applications Processed	151	120	105	104	-1	-1.0%
E-Verify Confirmation Issues	196	120	150	163	13	8.7%
Background Checks Conducted **	4,797	4,660	3,389	6,100	2,711	80.0%
Executive Searches completed	n/a	7	6	5	-1	-16.7%
EMPLOYEE RELATIONS						
SPA Grievances Facilitated	20	20	12	17	5	41.7%
SPA Grievances Reaching the "Panel" Level	2	3	2	2	0	0.0%
SPA Perf Rating Disputes Facilitated	4	3	3	0	-3	100.0%

EPA Reviews / Appeals Facilitated***	n/a	n/a	n/a	0	n/a	n/a
Exit Interviews Conducted	240	206	172	162	-10	-5.8%
SPA Disciplinary Actions Facilitated	218	211	156	114	-42	-26.9%
EPA At-Will Discontinuations	15	18	28	24	-4	-14.3%
SPA Employee Relations Consults	737	608	810	891	81	10.0%
EPA Employee Relations Consults	247	160	220	244	24	10.9%
PAYROLL						
Gross payroll processed	\$591,037,463	\$627,521,257	\$621,935,304	\$633,894,663	\$11,959,359	1.9%
Payroll Checks + Deposit Advices	256,741	263,515	266,305	271,810	5,505	2.1%
Payroll Manual Checks Needed	679	538	683	620	-63	-9.2%
Payroll Overpayments Handled	226	199	168	175	7	4.2%
Payroll Replacement Checks Needed	120	66	64	26	-38	-59.4%
W-2s Issued	21,371	21,954	21,540	21,900	360	1.7%
1042Ss Issued	581	697	725	731	6	0.8%
Non-wage compensation gross****	\$646,473	\$913,859	\$863,969	\$1,937,632	\$1,073,663	124.3%
States registered in	40	41	27	30	3	11.1%
State Tax Localities registered in	Not tracked	Not tracked	11	13	2	18.2%
BENEFITS						
Benefits Changes Processed - Health	689	1,393	10,069	9,716	-353	-3.5%
Benefits Changes Processed - Other	2,311	8,193	13,669	35,146	21,477	157.1%
FMLA Requests Handled	435	369	394	397	3	0.8%
Shared Leave Requests Handled	131	106	89	111	22	24.7%
Work Comp Claims Handled	395	325	340	348	8	2.4%
Disability Claims Handled	15	23	28	24	-4	-14.3%
SPA Retirements Processed	135	98	115	104	-11	-9.6%
EPA Retirements Processed	53	37	105	53	-52	-49.5%
Scholarly Leave Requests Processed	42	31	37	42	5	13.5%
Free Flu Shots, Employee/Dependent	3,519	3,508	4,031	3,128	-903	-22.4%
TRAINING & ORG DEVELOPMENT						
Training Courses Offered	281	235	157	176	19	12.1%
Training Participants in Programs	2,349	2,770	2,106	2,547	441	20.9%

Custom Organizational Consults	44	101	158	99	-59	-37.3%
HR INFORMATION MGMT						
Hire/Rehire/Add'l-Job Actions*****	1,565	1,295	1,059	1,200	141	13.3%
Paid and Unpaid Leaves of Absence*****	484	578	584	550	-34	-5.8%
Retirements and Separations*****	1,465	1,338	1,208	963	-245	-20.3%
Corrections made by HRIM in Base HRS*****	1,683	2,681	2,040	1,565	-475	-23.3%
Special Reports/Data Queries for Decision-Makers	Not tracked	Not tracked	Not tracked	566		
SPA Longevity Payments processed	1,410	1,550	1,686	1,642	-44	-2.6%
SPA conversions to Permanent Status	422	457	185	269	84	45.4%

* 07-08 included career banding fund adjustments

** 10-11 new procedures enacted to ensure posting of all job vacancies of 3 days or more

*** 10-11 EPA Grievances handled by Faculty Senate, rather than HR, prior to 2010

**** 10-11 Non-wage comp policy & procedures enacted

***** Actions processed in the HR System on "regular" positions (EPA, SPA, and PostDoc). Does not include actions on temps or student workers.

Updated: May 19, 2011/blc