

14. Discussion of Shared Service Strategy:

The attached document describes fiscal shared services and how these efforts are currently being applied not only as a cost containment strategy, but as an effort to improve quality of service.

Academic Affairs Fiscal Shared Service Center

Why Shared Services?

Pressures from continued budget reductions lead the director of financial operations in Academic Affairs to explore fiscal shared services as an option to absorb budget shortfalls. After researching shared services and discussion with other institutions and governmental agencies that have moved to shared services a pilot was setup to test fiscal shared services. In FY16 the first unit joined the fiscal shared service center, which has now grown to over 16 units ranging from departments to entire colleges/schools. The center is structured to maximize the skills and abilities of all levels of staff. By organizing duties based on expertise, transactional like duties can be handled by student employees, which frees up capacity for accounting staff to oversee multiple units' accounting and reporting efforts. Overall, the center has saved the University approximately \$1.6M in recurring funds. Savings from these efforts primarily came from the elimination of fiscal positions.

Although the initial purpose was focused around cost savings, additional efficiencies have been gained, which include higher quality of services, better practices and alignment with University policies and procedures, simplified processes which reduce redundancies and allow for fiscal transactions to be completed faster, and improved fiscal control.

How Shared Services Works?

The service center is on a volunteer basis, therefore each unit has the option to renew its annual service level agreement on a year to year basis. Each unit has a custom service agreement which can vary from fiscal transitional processing to complete fiscal oversight. Having a service level agreement holds the service center accountable to the agreed upon services and quality of support, which is essential to the relationship of the service center and the units the center is serving. Each year the center sends out a survey to evaluate the quality of service the center is providing; this gives the service center opportunity to make improvements on how to better serve each unit.

Each unit is assigned with a fiscal advisor in the center as its point of contact, however the center is comprised of accounting staff that have a variety of accounting experience in both academic and non-academic units across campus. In addition to the fiscal staff, the center values its efforts on hiring undergraduate and graduate students to serve as accounting interns. This gives students an opportunity to get hands-on experience in their field of study, whether it is accounting, finance, and/or business related fields. The center works collectively as a team, using a centralized approach to uniform fiscal processes and structures, provide mentorship opportunities, and cross train staff, therefore if there is turn-over units will continue to receive the same level of service without disruption.

Given the variations of units across campus the service center serves, it is imperative that fiscal advisors have a good understanding of the units' practices and overall mission. Fiscal advisors are tasked frequently to gain knowledge outside of just fiscal practices in order to gain a better understanding of the units they serve. The more the fiscal advisor knows and understands the needs of the unit, the better the fiscal advisor will serve the unit. Ultimately, the mission of the service center is to provide high quality fiscal services, while upholding the University's policies and procedures.