Dartmouth Medical School Process Improvement

DMS Financial Administrators Update
February 27, 2012

1. Review from last update
2. Recommendations from Working Group
3. Procedural Changes and Processing Transactions
4. Preparation for Finance Center Go Live (April 2012)
   • Staffing and Organization
   • Communication and Timeline
5. Research Management Pilot Group Update
Guiding Principles from Steering Committee

1. Provide support for faculty in a service oriented and nimble manner
2. Make accuracy and timeliness fundamental to a new process
3. Design operations to be efficient and scalable
4. Provide for professional development of the staff
5. Match skills and training of staff to their responsibilities
6. Optimize technology and electronic processing, and provide access to it
7. Create and encourage accountability of operations
Short Term Plan (presented in October 2011)

By January 1, 2012:
• Continue transition of payroll and accounts payable data entry functions from College Central Finance units; provide enhanced financial services to DMS administrative departments; hire 3 additional DMS central staff
• Present long term recommendations to Steering Committee, including:
  – Plan for fully operational DMS Finance Center, including physical location and leadership
  – Proposal for research management pilot program

January – March 2012:
• Hire additional Finance Center staff, if needed
• Communicate new processes and procedures to all DMS departments

April 2012:
• Formally launch DMS Finance Center
• Continue DMS process improvement
DMS Finance Center Services – Determining Service Levels

<table>
<thead>
<tr>
<th>Department Characteristics</th>
<th>High Volume Academic Departments</th>
<th>Lower Volume Academic Departments</th>
<th>Administrative Departments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Established Financial Management</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Transaction Volume</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Grant Volume</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
</table>

Outline of Finance Center Service Levels

For High Volume Academic Departments:
- Complete all expense reimbursements and P-Card verification/reconciliations
- Provide assistance with HR, payroll and procurement activities
- Assist with account verification process
- Store financial records in electronic files for ease of access

For Lower Volume Academic and Administrative Departments:
- Complete all transactions (HR, payroll, accounts payable, procurement)
- Benefits: do not need to know and access many diverse systems; staff can concentrate on program

In all cases, decision making stays with the department.
DMS Finance Center Services – Process Changes for ALL Depts

1. Business Expense Reimbursement (BER) Processing
   • Replaces T & E Vouchers, other reimbursement forms
   • Department (administrator or faculty) provides information by completing simple form and sends scanned receipts to Finance Center
   • Finance Center completes BER form, validates charges and returns to payee or designee for approval; then forwarded for chair/supervisor approval
   • FC enters into A/P system to generate check
   • Status can be monitored by department at any time
   • Records stored securely and electronically

2. Purchasing Card Processing
Purchasing Card Process

Cardholder:
- Completes purchase
- Within 3 days of purchase, sends original receipt to FC with:
  - Cardholder name, business purpose, account string

Finance Center:
- Receives and scans receipts
- Reviews receipt/documentation, follows compliance/best practices
- Approves purchase in Oracle
- Receives and scans statement; matches receipt with statement
- Files electronically – College Archiving
- Reconciles monthly – requests missing receipts; sends reconciliation to Department

Dept. Admin:
- Receives reconciled statement monthly

Controller’s Office:
- Conducts audits within College Archive files to ensure compliance
Other Transactions to be Performed by DMS Finance Center

<table>
<thead>
<tr>
<th>Financial Transaction *</th>
<th>Services for High Volume Academic DMS Departments</th>
<th>Services for Low Volume Academic &amp; Administrative DMS Departments</th>
</tr>
</thead>
<tbody>
<tr>
<td>DORR Processes</td>
<td>• Assist with due diligence</td>
<td>• Enter job description to DORR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Assist with due diligence</td>
</tr>
<tr>
<td>Payroll Authorizations</td>
<td>• Data Entry to HRMS</td>
<td>• Prepare PA Smart Form</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Data Entry to HRMS</td>
</tr>
<tr>
<td>Timesheets</td>
<td>• Collect and Review</td>
<td>• Collect and Review</td>
</tr>
<tr>
<td></td>
<td>• Data Entry to HRMS</td>
<td>• Data Entry to HRMS</td>
</tr>
<tr>
<td>Wage Transfers</td>
<td>• Data Entry to HRMS</td>
<td>• Prepare Form</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Data Entry to HRMS</td>
</tr>
<tr>
<td>Labor Account Distribution Changes in MYLS</td>
<td>• Review MYLS Entry</td>
<td>• Data Entry to MYLS</td>
</tr>
<tr>
<td>eProcurement</td>
<td>• Approve Requisition</td>
<td>• Create Requisition</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Approve Requisition</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Receive Item in eProcurement</td>
</tr>
<tr>
<td>Billing and Revenues</td>
<td>• Not in initial phase</td>
<td>• Not in initial phase</td>
</tr>
<tr>
<td>Budgeting</td>
<td>• Not in initial phase</td>
<td>• Not in initial phase</td>
</tr>
<tr>
<td>Reporting and Analysis</td>
<td>• Assist with monthly account verification</td>
<td>• Perform monthly account verification</td>
</tr>
</tbody>
</table>

* All transactions continue to be initiated and approved in departments.
DMS Finance Center Staffing

Staffing levels:
• Analyzed number and type of transactions processed
• Applied parameters from host departments and other finance centers
• Consideration given to seasonality, accounting controls

<table>
<thead>
<tr>
<th>Finance Center Staffing</th>
<th>Current</th>
<th>To Hire</th>
<th>Total Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialists</td>
<td>3</td>
<td>2-3</td>
<td>5-6</td>
</tr>
<tr>
<td>Senior Specialists</td>
<td>2</td>
<td>1-2</td>
<td>3-4</td>
</tr>
<tr>
<td>Operations Manager</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Finance Center Director</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>
DMS Research Management Update

• Pilot group formed – 6 research administrators, OSP rep
• Focus is on two key opportunities:
  1. What central support can DMS provide for existing departmental grant managers?
  2. Is there a reasonable model to provide central grant managers to departments for times of need, such as, turnover, on-boarding, high volume, training, etc?
• Emphasis - research administration support:
  1. Training programs
  2. Different types of grants require different management
  3. Knowledge sharing/ professional development
  4. Tools for department and central staff
  5. Flexibility

More to come...
Timeline

- Update plan based on Steering committee meeting and feedback
- Review with department administrators
- Hold roadshows/trainings for department staff – end of March
- Implement Finance Center – early April
- Finalize Service Level Agreements (SLAs) – complete April/May
- Continue process improvement – ongoing
  - Future enhanced services
  - Budget, reporting and analytical support
  - Revenue management
  - Continued training for department and finance center staff