Dartmouth Medical School
Financial Process
Improvement Project

Recommendations from Working Group
November 1-2, 2011
Agenda

1. Key Points

2. Update on progress to date

3. Short term needs and actions (now through April 2012)

4. Discussion regarding other issues and next steps
Key Points

1. This is not a reduction in force plan – cost savings will be achieved in the long term – by absorbing growth without new expenses
2. Training and staff development is important – both within the departments and in central functions
3. Agreement that transactional pieces can be centralized
4. Departments are concerned about losing staff to central
5. Faculty need sophisticated financial management support – this needs to stay in departments
6. Reduce redundancy
7. There will be a learning curve
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
Working Group

Role

• Establish and manage project work plan
• Engage DMS community to determine transactions and establish processes/procedures
• Address needs and concerns of faculty and staff
• Develop organizational structure/staffing recommendations
• Provide regular status updates to Steering Committee

Members

• Aarron Clough
• Cynthia Crutchfield
• Sally Dunham
• Christine Fitts
• Jennifer Friend
• Robert Gerlach
• Jessica Havrda
• Alan Joffrey
• Sue Kaufman
• Kip Lindsay
• Allison McKenrick
• Kathleen Savage
• Tricia Spellman
• Paul Greeley
Working Group Tasks To Date

• The Working Group began meeting in May 2011 and presented an update of its work to the DMS Department Administrators on June 15, 2011.

• Over the summer, the Working Group held focus groups with Department Administrators and other staff involved in financial processes. The focus groups were formed around subject areas and led by Working Group members. Two focus group sessions were held for each subject area – one on the Hanover campus and one on the Lebanon DHMC campus.
  – **Human Resources and Payroll:** Processes included DORR (Dartmouth’s recruiting software), payroll authorization smart form (PASF), labor assignment distribution change (LADC), wage transfers and timesheet processing
  – **Business Expense Reimbursement and Accounts Payable:** Processes included business expense reimbursement, requests for payments, invoicing and purchase orders and entry into the Oracle A/P system
  – **Procurement:** Processes included E-Procurement and P-Card reconciliation and use
  – **Budgeting, Reporting and Accounting:** Examined the existing tools available and the needs of departments
  – **Revenue and Billing:** Reviewed existing processes for invoicing, tracking and collection of payments from both internal and external sources

• Based on feedback from the focus groups and workgroup discussions, the Working Group developed recommendations for the Steering Committee.
Status of Dartmouth College Finance Centers

Executive Leadership
- Admin Finance Center: Steve Kadish
- Tuck/Thayer Finance Center: Steve Lubrano, Larry McKinnon
- Arts & Sciences Finance Center: Michael Mastanduno
- Provost/DOC Finance Center: Carol Folt, Charlotte Johnson

Finance Center Leadership
- Admin FC Director: Rita Murdoch
- Tuck/Thayer FC Director: Ann Bunnell
- A&S FC Director: Amanda Bushor
- Provost/DOC Finance Center Director: Mary-Ella Zietz

Supported by: Finance Center/Host Department meetings, operations meetings, technology projects, etc.
Financial Transaction Changes at Dartmouth

- Processes no longer done by central Dartmouth College departments due to Finance Center implementation:
  - Data entry into HRMS system, including timesheet data entry
  - Data entry for certain accounts payable (A/P) processes, beginning with Business Expense Reimbursements
- These are the minimum tasks that must be done by a central DMS finance center.
- Some of the A/P processes need to move to DMS now. A short term plan to do this is discussed below.
- Two staff members have been hired from the Payroll office to take on the payroll functions – Jaime Kingsbury and Linda Vincelette
- Bringing the data entry closer to the program departments will:
  - Increase convenience for DMS staff
  - Enhance shared knowledge
  - Create mutually improved understanding of the best practices
Short Term Plan

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 2, 2012:
• Formally launch DMS Finance Center
• Continue DMS process improvement
Short Term (Present – April 2012): Transactions to be Performed by DMS Fiscal/Finance Center

<table>
<thead>
<tr>
<th>Financial Transaction *</th>
<th>Services for DMS Administrative Departments</th>
<th>Services for all Other DMS Departments</th>
</tr>
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</table>
| **DORR Processes**      | • Enter job description to DORR  
                           • Assist with due diligence                  | • Assist with due diligence               |
| **Payroll Authorizations** | • Prepare PA Smart Form  
                             • Data Entry to HRMS                    | • Data Entry to HRMS                     |
| **Timesheets**          | • Collect and Review  
                           • Data Entry to HRMS                    | • Collect and Review  
                           • Data Entry to HRMS                     |
| **Wage Transfers**      | • Prepare Form  
                           • Data Entry to HRMS                    | • Data Entry to HRMS                     |
| **Labor Account Distribution Changes in MYLS** | • Data Entry to MYLS                       | • Review MYLS Entry                     |
| **Business Expense Reimbursement** | • Prepare BER Form   
                           • Review BER Form  
                           • Enter BER into Oracle A/P  
                           • Records Management | • Review BER Form   
                           • Enter BER into Oracle A/P  
                           • Records Management |
| **P-Card**              | • Review and Approve in P-Card System  
                           • Records Management                      | • Records Management                     |
| **eProcurement**        | • Create Requisition  
                           • Approve Requisition  
                           • Receive Item in eProcurement            | • Approve Requisition                     |
| **Billing and Revenues** | • N/A                                                            | • N/A                                      |
| **Budgeting**           | • N/A                                                            | • N/A                                      |
| **Reporting and Analysis** | • Perform Monthly Account Verification | • N/A                                      |

* All transactions continue to be initiated and approved in departments.
Short Term (Present – April 2012): Organizational Structure

Proposed organizational structure for taking on additional financial transaction responsibilities:

- Paul Greeley: Director of Finance
- Sally Dunham: Finance Center Operations Manager
- Linda Vincelette: Senior Specialist
- Jaime Kingsbury: Senior Specialist
- TBD Specialist
- TBD Specialist
- TBD Specialist
Other Issues – Administrator Responsibilities

Recommendation: to adopt a standard set of expectations for all DMS financial administrators both central and departmental.

RESPONSIBILITIES (Tasks)
• Reconcile all accounts (GL, Grant, Suspense) monthly including subcontracts
• Maintain labor distribution calendar past, present, and future- allows for forecasting for grant year end dates & future years including carry forwards
• Projections - Ability to accurately create on an individual or multiple level (portfolio) in a dynamic environment – ability to capture the whole picture start (pre) to finish (post)
• Collaborate with other departments or DH to accomplish tasks
• Create/establish appropriate level of checks and balances
• Part of team/inherent in project, understands players, tasks, & $$
• Paperless (goal - w/exceptions of receipts, signatures, etc.) Use of electronic files, accounting systems, expense records
• For departmental staff: work closely with DMS Administration and Fiscal Office
• For central staff: work closely with department chairs and administrators to provide best service
• Maintain highest level of confidentiality

REQUIRED SKILLS
• Ability to work independently and willing to take initiative
• Willing to accept responsibility for managing day-to-day task flow/logistics of information and $$
• Ability to capture, value, and communicate info to enable performance of department and faculty
• Inspire confidence to foster 2/way communication
• Collaborative- liaison with OSP, DMS Admin, HR, Risk Management, etc. and implement institutional and sponsor policy
• leadership and excellent communication skills
Research Management Update

• At our initial meeting, there was some discussion of examining the potential for centrally supported research management as part of DMS process improvement. The context was that there are disparate levels of support for faculty across DMS. Of key importance is proximity to faculty and level of service. Current thought is that grant support remains in the departments.

• Preliminary proposals include standardizing grants management processes and developing a pilot program:
  1. More consistent financial management tools and reporting
     • Developed within DMS – web-based financial management tool to be deployed across DMS for all administrators to utilize
     • Comprehensive training program for administrators
  2. A voluntary centralized pilot program for research management
     • Small scale with like departments working together
     • Continue to locate staff near PIs

• Proposals will be developed further and brought back to the Steering Committee for review by January.
Questions and comments