



Financial Officers' Association

**Delegate Teleconference Meeting
Wednesday, November 5, 2014, 9:00 a.m. – 11:30 a.m.**

Members			
x	Doug Wade (Bakersfield)	x	Brett Holman (San Luis Obispo)
x	Missy Jarnagin (Channel Islands)	x	Mary Hinchman (San Marcos)
x	Stacie Corona (Chico)		David Crozier (Sonoma)
x	Steve Mastro (Dominguez Hills)	x	Julie Benevedes (Stanislaus)
x	Darrell Haydon (East Bay)	x	George Ashkar (Chancellor's Office)
x	Clinton Moffitt (Fresno)	-	Rodney Rideau (Chancellor's Office)
x	Steve Yim (Fullerton)	x	Jean Gill (Chancellor's Office)
x	Carol Lorentzen (Humboldt)	x	Mike Redmond (Chancellor's Office)
-	Sharon Taylor (Long Beach)	x	Tom Roberts (Chancellor's Office)
x	Mae Santos (Los Angeles)	x	Michelle Schlack (Chancellor's Office)
x	Ken Toet (California Maritime Academy)	-	Nancy Freeland-Plaice (Chancellor's Office)
x	John Fitzgibbon (Monterey Bay)	x	Lily Wang (Chancellor's Office)
x	Deborah Wallace (Northridge)	x	Sedong John (Chancellor's Office)
x	Darwin Labordo (Pomona)		Michelle Norton for Mick McBride (Chancellor's Office)
x	Justine Heartt (Sacramento)	x	Chris Canfield (Chancellor's Office)
x	Monir Ahmed (San Bernardino)	-	Ryan Storm (Chancellor's Office)
x	Agnes Wong Nickerson (San Diego)		
x	Maureen Pasag (San Francisco)		
x	Josee Larochelle (San Jose) Chair		
x	Shawn Bibb (San Jose) CABO Liaison		

Additional Attendees:

Christine Welch for AVP Taylor (Long Beach); Dean Kulju; and Alisa Schivley

1. Welcome and Agenda Approval – Josee Larochelle

Call meeting to order at 9:01 a.m. The agenda was approved as presented.

2. CABO Update – Shawn Bibb

The CABO meeting was held in Sacramento. VP Bibb reported that Mark Crase, Sr. Director Technology Infrastructure Services, presented on information technology, security and the standards needed to implement as a result of the audit. There was also discussion on the continuance of the business intelligence initiative. He further reported on the facilities initiative specifically facilities condition assessment. An outside company will be hired to conduct the assessment for the remaining campuses. VP Bibbs also discussed that capital financing is mostly directed towards deferred maintenance and not towards new projects. It is a CPDC process or will campuses receive some

allocation for this process? How will it work and whether it is independent by campus or will it be coordinated system-wide? VP Bibb was reported that no details were presented at this time. VP Bibb also went over the various collective bargaining items. There was a CSURMA presentation at the meeting. The slides will be shared once it becomes available. Actuals were a lot less than projected, so the hope is to have rebates returned to the campuses. Graduation initiatives were also discussed at CABO.

3. Treasurer's Financial Report – Mary Hinchman

Fund balance as of October 31, 2014 is \$106,598.

4. SB 1210 California Dream Loan Program – Dean Kulju (time certain at 9:15)

Dean Kulju, CO Director of Financial Aid Programs and Services, went over SB 1210 which is also known as the California Dream Loan Program. According to Mr. Kulju, the CSU and UC sponsored the bill and both are supportive of the legislation. Although language on the legislation indicates the program is voluntary, there is an expectation that all campuses with AB540 students participate.

In the last 2-3 years, legislative changes have allowed undocumented students to obtain institutional and state grants. Due to their illegal status, they are prevented from receiving federal grants so this bill will allow them to participate in a loan program. In 2015-16 it is expected that 1,200 – 2,000 students will borrow under this program with an average loan amount of \$3,000 totaling \$3.6 million. The State will give \$1.8 million or 50%. Over time, as the student repays the schools the program will be revenue neutral. The loan program should work like the Perkins loan program with promissory note. AVP Lorentzen (Humbolt) inquired if the \$1.8 million will come from the CSU operating budget. Mr. Kulju affirmed that the CSU's 50% commitment will come from the operating budget but he does not know if funding will come centrally or at the campus level.

George Ashkar, CO AVC/Controller, stated the funding source hasn't been determined and the CO is working with management on that decision. He indicated that a lot of issues still need to be worked out. Chair Larochelle asked if the support budget being presented includes earmark for this program. Based on AVC Ashkar's discussion with Steve Relyea, VC Business and Finance, and Ryan Storm, AVC Budget, there are no provisions for this earmark on next year's budget. Chair Larochelle thanked Mr. Kulju for the update on SB 1210.

5. Voice Wire Authorizations Update - Alisa Schivley

Voice Wire Authorizations relate to campus requests to process wire transfers via voice authorization during catastrophic occurrences. This feature is part of Wells Fargo Bank's business continuity plan in the event of a catastrophic event. In such event, campus officials can maintain business continuity in regard to transmitting wire transfers for vendor payments and/or financial aid disbursements.

Due to turnover at the CO and at Wells Fargo Bank, Voice Wire Authorizations will be reintroduced to get the program started again. Personnel currently authorized to initiate wire transfers will need to be reviewed and reconfirmed to Wells Fargo Bank, especially in light of changes in work responsibilities. There should be a minimum of 3 people and a maximum of 6 people authorized to initiate voice requests. Campus administrators will need to maintain a list of individuals authorized to initiate such calls in cases of emergencies.

The CO will send forms and instructions to campus administrators in December 2014. Campus should return completed forms to the CO treasury group by end of January 2015. Chair Larochelle asked if campus needed clarification that should they refer to ICSUAM 8085 Business Continuity. AVP Moffitt asked how Wells Fargo is verifying the caller. Ms. Schivley stated that once the forms are sent in to the CO, they will be scanned and forwarded to Wells Fargo. All parties listed on the form will be logged by Wells Fargo and will receive individualized PIN, which is separate from RSCA token. That PIN has to be confirmed with Wells Fargo within a specific time. That component is an important part of that process. The PIN has to be confirmed or their access will be denied. AVP Wallace asked if campuses can update the authorized personnel list should personnel retires or leaves. AVP Lorentzen asked if

voice transfers can be used at any time. Ms. Schivley indicated that voice transfers should only be used during recovery mode; otherwise, normal wires should be done through CEO. AVP Wallace also asked if campus can test once a month to see if the process works. Alisha will confirm with Wells Fargo.

6. CFS Data Warehouse Enhancement Project – Cheryl Kwiatkowski (10:00 a.m.)

Cheryl reported on Phase 2 of the CFS Data Warehouse Enhancement Project. There have been two meetings with the Campus Action Team (CAT) consisting of Kelly Cox, Sue DeRosa, Sherry Pickering, Elaine Kist, Norman Kwong, Debbie Brothwell, Andy Sydnor, and Cheryl Kwiatkowski.

The first meeting was a teleconference that focused on reviewing the deliverables based on the approved recommendations and to discuss the responsibilities of the CAT Team. The Team game up with the following charge:

The CFS Finance Data Warehouse Phase II Campus Action Team will establish requirements and deliver the design for the Phase II deliverables:

- Interpret prioritized list of functionality from FOA and SPA
- Evaluate, define, and document improvements to the data warehouse
- Recommend modification governance for future enhancements
- Determine ad hoc reporting methodology and process for support

The second meeting focused on ChartField tree reporting and to identify the campus target audience. At some campuses, the audience may be the financial end-users, budget end-users, etc. The priorities are to establish the six (6) ChartField trees and understand campus requirements for re-using, re-purposing, or re-coding ChartFields. The first all-day in house meeting will occur on November 19th at the CO. The agenda for that meeting will include continued discussions on the requirements for trees and the use of ChartField attributes. Elaine Kist and Debbie Brothwell will provide examples for the team to review.

Additional topics include the review, refinement, standardization, and enhancement of the existing dashboards and reporting capabilities. The CAT Team will develop the list of considerations regarding improvements to the legacy data warehouse design. A guiding principle for DW modifications will be to identify the level of change that is appropriate for CSU data warehouse users. Items discussed include:

- Do the drilldowns have all the data they need? Are drilldowns organized correctly (column order and consistency)?
- Can some of the dashboards be consolidated?
- Establish standards where appropriate for report filters, column selectors, and transactions drill-downs.

How will the new features of OBIEE 11G impact the design decisions? Should number of reports (for instance, 2, 3, 4, 5 col reports) when there is more flexibility to add, remove and delete columns?

Cheryl reported that the project is on schedule and the new version of Finance will be ready for testing in May.

Chair Larochelle asked if there were any questions and, since there were none, thanked Cheryl for the updates.

7. Auxiliaries Policies, Procedures and Guides – Mike Redmond

According to Mr. Redmond, CO Audit, there were changes on the initial meeting dates to go over auxiliary policies, procedures, and guides. He is ready to move forward with preliminary review of various CSU executive orders. Four executive orders were identified that can be eliminated and two of which refers to compilation guides. He said good progress has been made to remove the compilation guide.

8. CO Financial Services Updates – George Ashkar

Since the Dream Loan program was previously discussed, AVC Ashkar had no additional comments. He will go over the auxiliary financial findings for discreet component findings in January 2015; and not December. The two export control and system pool benefits rate will be discussed. He is working through 592 financial statement reports and related findings and formulating corrective action plans. The CSU financial statements are done. In regard to Glacier, he is working with the principals at Artic International on contract renewal. Tom Roberts had conversation with company representatives and at this moment in time, both sides are interested in maintaining a long term contract on system-wide training. That contract is close to being finalized. The current contract will expire in November/December timeframe.

The BOT will also discuss the Channel Island housing plans, SLO housing plans, and the Pomona Peak 3 innovation village. For the facilities conference, PSSOA has been extended an invitation to attend. Mike Redmond is coordinating the effort along with a coalition of CSU, UC, and CC management all of whom supports this project. At the CO and CSUN, the e-travel program is going well and is expected to go live in February 2015. Chair Larochelle asked for a summary of the auxiliary audit findings to be provided to AOA. AVC Ashkar has the preliminary list and raised some concerns about the discretionary judgment of the auditors in regard to material weakness findings. He will share preliminary list with the chair and she can share with the group. The chair also inquired whether the list has been shared with the campus and AVC Ashkar's understanding is Sedong has been working closely with each of the campuses on these issues. However, he doesn't know if the conversations with the audit firms have actually taken place. There are 12 campuses involved with 8 overall findings. Chair Larochelle thanked AVC Ashkar for his presentation.

9. Other CO Updates

- a. CMS Updates and CMS CFS Team Time Allocation Plan Project – Michelle Norton & George Mansoor (attachment).

Steve Sharifi will be joining the sponsored programs group. Yesterday, Chair Larochelle sent out to the delegates the time allocation discussed at the CMS Executive Committee. We had put a number of CMS items on hold as the CO went through a stabilization period. The overall goal was to look at how best to allocate time to various projects. The governance process requires on CMS requires vetting through CABO. There were a couple of items that didn't reach CABO review and oversight including items affecting small enhancements over time. Proposal is made to CMS executive committee to allocate time to those items. Half of CMS' time is in support queue, maintenance pack roll-out, and the rest of the time on doing work. The proposal is to take 40% of time to achieve larger scale projects that were approved by CABO and on other avenues like sponsored programs. 10% of the time will be dedicated towards other enhancements.

At CMS, Michelle's team has gone through and identified all pending projects, put them on spreadsheet, list them, assigned efforts either as high, medium, or low, and send that list to FOA to start the review process. As new things come up, add them on list and continue to work through those items. CMS is close to finalizing that spreadsheet. Michelle and her team are finalizing the review. After that, Michelle will send to the chair to see how best to prioritize those items. The chair asked if the list is up to date and whether CMS want FOA to focus on existing items and not add new items. George Mansoor invited the delegates to add to the list since the objective is to have a complete list.

Policy changes with significant impacts still go through CABO. Chair Larochelle stated that current process will remain from FOA, to CABO, and then to the Steering Committee to discuss about budget. AVP Heartt asked what 10% will look like in man/woman hours. Some of those items are small but need clarification on the 10%. Mr. Mansoor said about ½ FTE or at least along that estimate. Mr. Mansoor will maintain flexibility to interchange hours if not fully utilized. CMS wants to take allocation of time and distribute them appropriately. Some of the items may require shifting of hours, therefore CMS wants to work through the list to work on priority. AVC Ashkar asked that ½ FTE is about 20 hours a week is a good allocation. Mr. Mansoor stated

that at the moment, CMS doesn't want to start any items until after major release in December/January timeframe. The priority list will take time to vet through.

Chair Larochelle asked for the delegate to form a subcommittee to review the list and forward to all FOA on all recommendations. AVP Haydon concurred that it is good pathway. AVP Heartt concurred as well. Chair Larochelle asked for volunteers to lead subcommittee. AVP Haydon said he will volunteer to lead subcommittee. He will send email to FOA delegates to ask for volunteers on the workgroup. Mr. Mansoor said that Michelle and other CMS groups will clean the spread sheet up first, run by Lilly Wang and George Ashkar to make sure it's complete and will forward to the chair by next week.

AVP Moffitt asked AVC Ashkar about on line requisition implementation. Who do we ask if we want modification to the Hyland interface, CABO? AVC Ashkar had conversation with Hyland on how this will work but have not heard back from them. Need to determine the scope to see if this should go through CABO. AVP Moffitt sees similar set-up like US Bank where they will provide some support help towards implementation. AVP Ahmed said there was some discussion with Hyland and to bring him and other CSUN personnel into the discussion with Hyland. In his conversation with Hyland, Mr. Mansoor stated that with a multi- unit environment, campuses may not have a need to use some of the functionality. The chair asked for questions and thanked Mr. Mansoor and Michelle for updates on the framework for CMS.

b. Procurement – Tom Roberts

The office product RFP is full swing. The OfficeMax contract will expire in December of next year. RPF bids will come in on the first of December. The commodity managers will review the RPF, make an award in January, and execute the contract in February. CSU has 11 months will resolve issue with switch interface with office product interface.

c. Budget – Rodney Rideau

Chris Canfield, CO Associate Budget Director, provided the updates for Rodney Rideau. The interest assessment by state has been discontinued going forward. 2015-16 support request, Lottery revenue, and 2014-15 Student Fee items will all be discussed at the BOT meeting. In regard to the 2015-16 support budget expenditure requests \$269 million to cover mandatory cost, 2% compensation pool, enrollment group, and further facilities funding. Proposed revenue to cover the \$269 million expenditure plan will come from enrollment growth and remainder from the state. The governor only plans to fund \$159 million. Executive summary is posted on the website. Lottery revenue forecast increased slightly. Expenditure plan includes \$3million increase to fund early start for campus financial aid program. The CO Office will present items for the SSF as information item. The committee of finance and committee on collective bargaining will also meet. Several contracts included CSUEU, CFA, and Cal Maritime bargaining unit.

d. US Bank Payment Plus – Mike Redmond

According to Mr. Redmond, Michelle has been working with US Bank and the technical group and all is going well. Final testing will be done in Sacramento. Plans with detail implementation guide will be shared with folks at CO. AVP Moffitt volunteered to be the next campus in line to implement. Chair Larochelle had a question about student club policy. Mr. Redmond met with folks at CO with a planned effective date of July 1 so student group can manage that deadline. A meeting is planned for next week. Due to the sensitivity of this topic, a proposal was made to perhaps put on the guideline on the ICSUAM website for feedback. In December, hope to issue as policy to be effective July 1st.

Chair Larochelle said it's better for everyone to see it in draft form as a reminder will be good. Mr. Redmond said its good idea and he will talk with the Student Affairs group. The Chair also indicated that every campus will have implementation issue and having some system-wide call to go over will be good. This is a policy area that FOA thought was good policy. There were

some feedbacks from the Student Affairs side with some trepidation on implementation. Issue with due care so everyone has a say in this one. The chair also indicated that it includes some important policy perspective on it as well. At her campus, student organizations are contacting the CO regarding similar policy. There is some push back because there is no system-wide consistency. Mr. Redmond said this will allow the groups to review in respect to their organizations.

e. Audit – Michelle Schlack

According to Ms. Schlack, OAAS wrapping up the executive travel audit and is continuing with Continuing Education and Information Security audits. In addition, her office sent out the risk assessment survey to campus and awaiting results to present to BOT meeting. She reminded the delegates that OAAS provides advisory services upon request and the reports are not posted to the website.

10. CSU 101 October 2014 Update and CSU 101 2015 – Josee Larochelle

Chair Larochelle reported that CSU 101 was last week and was absolutely beautiful. The participants were stellar, had fantastic questions, mingled, and discussed with other participants. Lori and the staff did fantastic job. Anticipated revenue is little less than \$110K and expenses have been posting and continue to be posted. Projected fund balance is positive \$3k, which reflects great planning from committee. It was a reaffirmation of the importance of CSU 101 and how it brings together all the CSU family. AVP Lorentzen reiterated what the chair said and the faculty was great. The chair said it was a fabulous conference and the location was wonderful. It was central location where everyone had to drive except San Diego. The Chair contacted the hotel to book some time for the 2015 conference and waiting for contract from hotel but should be the same cost and nightly rate with the same time frame. The expectation is that the budget should be replicated from the last year. Chair wants concurrence from FOA that once the contract comes in; the chair is allowed to proceed. There was no dissention - the chair will proceed to act once the contract from the Cliffs resort comes in. The chair will talk later about FOA's planning for the next conference.

11. CSU Business Conference 2015 Budget and Registration Fees – Josee Larochelle (attachment)

Chair Larochelle sent out information on this item. The proposed registration fee is \$350 per participant and the proposed late registration fee is \$50. There was unanimous support for the proposed fees. FOA approved the budget for 2015 based on a \$350 registration fee per participant. Chair Larochelle will forward hotel registration information to the delegates so they can forward to their staff. The CSU Business Conference is scheduled for April 6-8, 2015.

12. FOA and PSSOA – Josee Larochelle, Clint Moffitt, and Missy Jarnagin

AVP Moffitt and AVP Jarnagin are working with PSSOA over the past few months. Conference revenue has been deposited and processed. There has been lots of discussion between two groups. It is important to figure out mechanism for two groups to work going forward. FOA has truly appreciated collaborative efforts for PSSOA and their work. As an affinity liaison to FOA, there is a push pull relationship as to what role does FOA has over management over PSSOA. There was long discussion proper action to resolve any differences. Chair Larochelle will schedule an in-person meeting with PSSOA.

AVP Heartt suggested that FOA establish guidelines for affinity groups such as level of expenditures, budget, etc. AVP Lorentzen supports establishing guidance for affinity group. AVP Heartt will lead this task. In addition, AVP Jarnagin will lead the workgroup with regards to establishment of affinity groups and will send out email to delegates who wish to be involved.

13. FOA 2015 Meeting Dates – Josee Larochelle (attachment)

The chair sent out draft calendar for January – July. CABO has been contacted by Risk Management planning committee to attend meeting in San Diego at end of April, which will impact CABO's

participation at FOA in April. She proposed December 10 for tele-conference call and another tele-conference in January and in-person in February.

14. Subcommittee Reports

- a. Strategic Sourcing – Darwin Labordo

No updates. Planning to attend workshop on Nov 17-18 for UC, CSU, and CC to share ideas.

15. Liaison Reports

- a. Accounts Payable (AP) – Justine Heartt
Listerv activities are about international travel methodology using per diem and travel cost. Maintenance pack 1.0 update was also discussed.
- b. Student Accounts Receivable (SAR) *including CashNet* – Brett Holman
Message sent out to FA directors from American Association of State Colleges and University, veteran's access law designed to require public university to grant veterans in state tuition requirement. Implementation date is July 1, 2015. How will the CSU implement it?
- c. Purchasing (PSSOA) – Missy Jarnagin
PSSOA is doing lots of good work on public work and sustainability.
- d. Budget – Missy Jarnagin
Working on creating the Budget Officers Association (BOA).
- e. Sponsored Programs – Sharon Taylor
No updates.
- f. CFS Advisory Committee – Josee Larochelle
No action at this point. FOA has approved procurement card module enhancement and has been forwarded to CABO for concurrence and approval. Dec. 10 is next meeting date.

Meeting adjourned at 11:15 am.

16. Future FOA Delegate Meetings

December 10, 2014 - Teleconference

January 14, 2015 - Teleconference

February 8, 2015 – AOA Conference, 11:00 – 5:00, Pasadena, The Langham Huntington