



**Financial Officers' Association**

**Delegate In-Person Meeting  
Monday, April 6, 2015, 10:00 a.m. – 2:00 p.m.  
CSU Business Conference – Anaheim Marriott Platinum Room 4**

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)	x	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)	x	Chris Canfield (Chancellor's Office)
x	Steve Yim (Fullerton)	-	Jean Gill (Chancellor's Office)
x	Carol Lorentzen (Humboldt)	-	Mike Redmond (Chancellor's Office)
x	Sharon Taylor (Long Beach)	-	Melody Kojima (Chancellor's Office)
x	Mae Santos (Los Angeles)	x	Michelle Schlack (Chancellor's Office)
x	Ken Toet (California Maritime Academy)	x	Nancy Freelander-Paice (Chancellor's Office)
x	John Fitzgibbon (Monterey Bay)	-	Lily Wang (Chancellor's Office)
x	Deborah Wallace (Northridge)	-	Ryan Storm (Chancellor's Office)
x	Darwin Labordo (Pomona)	x	Michelle Norton (Chancellor's Office)
x	Gina Curry (Sacramento)	-	Sedong John (Chancellor's Office)
x	Monir Ahmed (San Bernardino)		
x	Agnes Wong Nickerson (San Diego)		
x	Maureen Pasag (San Francisco)		
x	Josee Larochelle (San Jose) Chair/CABO Liaison		

**Other attendees:** Miles Nevin, CSSA;

1. Welcome and Agenda Approval – Josee Larochelle

Meeting commenced at 10:15 am. Agenda was revised to add CMS update by Michelle Norton. Introduction of FOA delegates and members.

2. CABO Update – No Update (next meeting 4/26)

No Cabo Update. Next meeting scheduled for April 26, 2015 at Risk Management Conference.

3. Treasurer's Financial Report – Mary Hinchman (attachment)

Not many activities since last FOA meeting. Current fund balance as of March 31<sup>st</sup> is \$102,310. Financial transactions for the Business Conference are incoming.

4. CSU Business Conference 2015 – Josee Larochelle

More than 397 people registered for the conference. Chair Larochelle reminded the delegates to thank vendors over 80 vendors for their support and participation.

There was a question whether the guarantee room reservations was met. Chair responded that the final numbers are not ready yet and at this point in time the targeted number has not been met. She further reported that it is projected that an estimated of \$17,000 penalty is due to the hotel. This is “lessons learned” for next year. The room projections were gathered from previous conferences and no considerations were made the proximity of the meeting location to three CSU campuses. There will be a debriefing meeting with the Conference Planning Committee after. Some of the items to discuss will be if the current facilities are good for the next conference in 2017. If the Conference Planning Committee agrees to stay, the hotel will waved the \$17,000 penalty from this year's room guarantee not being met. The Chair encourages the delegates and members to provide feedback in regards to the facilities. Consistency, engagement, and lessons learned are vital to success of next conference.

5. Election Results – Agnes Wong

Vice Chair - Missy Jarnagin, Channel Islands

Treasurer – David Crozier, Sonoma

2-Year Member-At-Large – Brett Holman, San Luis Obispo

6. CMS Update and Project Status – Michelle Norton

Adjustments that were submitted to CMS earlier this year adjustments have been moved to production as of March 18<sup>th</sup>. The schedule for April is to move Sponsored Programs, E-Procurement Card enhancements to production. CMS bulletin will be out on Wednesday to FUG, TUG, PS Campus Administrators, and FOA with regards to these updates to Production.

In March there were enhancements request received from AVP Haydon, we will keep you posted on its progress. Currently, CMS is in the planning stage of the release of MP 2.0 which will include the Oracle Database upgrade from Oracle Merchant which is from 11G to 12C. Also, PeopleSoft Tools will be upgraded from AP 8.53 to 8.54. We will also be applying the latest PeopleSoft Image 11. We are currently on image 7. They are the latest fixes, enhancements and modifications by Oracle. The Oracle upgrades and PeopleSoft Tools upgrades have been communicated to TUG at the last meeting. Campuses are aware of the tools upgrade.

For the AP 2.0 the FOA members are being informed at this meeting. We are also planning to convert Crystal Checks to Publisher because Crystal reports are no longer supported by Oracle after the upgrade of PeopleSoft tools 8.54. Because of the PeopleSoft tools and environment changes, we will have to upgrade our servers' version, database version, and workstations modules. At high level we are looking at mid-November to roll out AP 2.0 to CFS production. More information will be available in a couple of months.

There will be a presentation tomorrow at the conference for the overview for CMS and CFS.

7. Modification Governance for CFS & Data Warehouse (attachment) - Sharon Taylor

AVP Taylor provided the FOA delegates a copy of the proposed Modification Governance for CFS, PeopleSoft and Data Warehouse. Outlined on the proposal are the processes and campus

leaders/partners who are involved on this process. AVP Taylor reported that she had reviewed this with her Vice President for discussion with the CABO group. The committee, as well the delegates feel that the current process is not clear (as far governance process, documentation, decision-making, etc.); hence, the proposed modification governance aims to provide structure and transparency. In addition, it is also believed the current structure is onerous and it lack participation of people who are actually involved on the day-to-day basis.

AVP Taylor discussed that the group started putting together the spreadsheet/proposal with the help of AVP Haydon. We would like to propose the proposal process be pushed all the way through CABO, CMS Exec., and the Chancellor's Office with the note that FOA agrees on moving these projects forward from this point on.

Some feedback has been provided, but we are requesting delegates to review and provide more feedback. We need to establish an affinity group, that include staff from our campuses that actually work on this to help the CO with the modifications, testing, and making sure the changes requesting are consistent with the campuses. We should create subgroups such as AP and assign staff that work on the specific AP modules and provide feedback. In addition, solid communication and coordination are crucial. If we can create one general project list where everybody works from then everyone realistically know what projects are coming down the pipeline. With the project list and timeline we will have a more organized effort to make better decisions for our campuses.

**Action Item:** The delegates and members were advised to provide feedback via email to Sharon. Send any comments regarding changes to the document, if you support it as it is; obtain feedback from your VP and move it forward.

Chair Larochelle further explained that purpose of the proposal is to provide framework for FOA to move projects forward as a cohesive group and that the allocation/management of resources to support FOA projects will still reside under CMS. And that this proposal is truly an information document.

#### 8. US Bank Payment Plus – Gina Curry and Sharon Taylor

A big concern that was raised about Payment Plus program was that the bank reconciliation process in Payment Plus is different from bank reconciliation for check payments. This issue could potentially cause problems with bank reconciliation. From previous discussions, a CFS mod was supposed to be implemented to resolve this issue.

Ms. Norton provided overview of the Payment Plus program. She indicated that Payment Plus is a US Bank payment program that allows electronic payments to vendors thru a virtual credit account. Ms. Norton commented that initially, we were told by US Bank that there will be no modifications at CFS side; and that they can accommodate our requirements to make this happen. US Bank hired consultant to design and implement CFS customization so that the Payment Plus process will be consistent with the Wells Fargo check/positive pay process. One salient difference with Payment Plus program is the use of rebates. Campuses are to log on to US Bank website and access online to see payment information and the campus can decide how much you need to payback to US bank. US Bank has been providing Sacramento a reconciliation file that is the same format as Wells Fargo.

There were no other significant problems reported but it was indicated the process time is longer but the reconciliation process is working good.

There was a question whether the rebates will be instrumental for campuses implement this program. The overwhelming response is “not likely.” Final comment from the delegates that the infinity groups are informed once the CFS mod as completed and applied in Production.

9. Student Involvement and Representation Fee (SIRF)(attachment) Time Certain 11:00 – Miles Nevin

The Frequently Asked Questions document has been provided to the delegates. Mr. Nevin reported that the FAQ document has been shared with the ASIs this weekend. The campuses are being encouraged to implement local communication efforts. Mr. Nevin indicated that they have provided sample flyers, posters, social media images, etc. for campuses to use. Further, from the Chancellor’s office, there has been a variety of efforts to update the student portal. The policy and guideline are scheduled to be sent out this week.

The delegates raised concern about the effective dissemination of information and communication to the campus community. There were also concerns about the consistency of SIRF refund policy campus refund policy. These concerns were widely discussed. Furthermore, the draft policy will be emailed to the campuses by next week.

10. Interim Policy Updates Lottery and Health Services Fee Reserves (attachment) – Gina Curry

AVP Curry pointed out that interim policy (Coded Memo BF 2015-01, dated March 18, 2015) for has created confusion for her campus and suggested a discussion about this topic for insights and clarity.

The delegates commented that there is no new information on this policy and that it is merely a reiteration that the reserve balances in the Health Services Fee fund are subject to current system-wide carry forward fund policy regarding operating fund 485.

AVP Taylor further explained the reiteration did have the same discussion that took place several years ago on the mandate that the Student Health Center fees go into the Operating fund. And once you’re in the operating fund, in the old reserve policy there is no way to differentiate. AVP Curry’s concern was the fees are for designated purposes and unclear policies/guidelines will create crisis down the road. The delegates expressed that in the absence of the final capital outlay financing program framework, procedures are still unclear. Further, it will be the same with Continuing Ed., Parking, Housing, etc. Being able to use those fees to support your debt is very different from moving those funds to make payments on some of their debt; and it is not clear.

The topic was further discussed in depth.

The capital outlay program framework is still being developed and many things have not been determined or defined.

11. Reserve Policy – George Ashkar

With regards to the reserve calculation, philosophically, there is big shift from being annual type calculation to total type of calculation. AVC Ashkar advised the delegates that at this time, they should pay particular attention to the policy itself; and not so much on the worksheets. Once the policy structure is finalized then the completion of the worksheets will follow.

All carryforward language has been dropped to the reserve policy in relation to the annual calculation concept. Also, the mindset has changed from penalizing the campuses for having excess reserve to having sufficient reserve balance to carry out their campuses' business plans and projects.

The Chair suggested that the document is more an administrative function; and not a policy. While its intent is to support the new capital financing framework; the document is rather prescriptive. The intent/purpose of the document merely calls for an annual business plan – it is not necessary to have a policy for that. Also, to keep in mind that if it becomes a policy; campuses will be audited against. AVC Ashkar acknowledged the delegates concerns and will suggest that the label “policy” be removed and replaced by the word “plan.” He offered to take that recommendation to the CO for consideration.

AVP Taylor also suggested that document stay consistent with Education Code and Title V especially when it relates to CERF and Lottery. Further discussion followed.

## 12. CO Financial Services Updates – George Ashkar

No update.

## 13. CO Updates

### a. Procurement – Melody Kojima

No update.

### b. Budget – Rodney Rideau/Chris Canfield

AVC Ryan Storm will provide update tomorrow at the general session. System Budget is working on the Executive Order and memo related to CERF fee policy. The further indicated that the budget allocation letter will be out soon and there is no definite release date at this time.

### c. US Bank Payment Plus – Mike Redmond

No further update.

### d. Auxiliaries Policies, Procedures and Guides – Mike Redmond

### e. Audit – Michelle Schlack

Ms. Schlack reported that they have completed three campus college reviews, one IT Procurement audit and will be at the CO in the next week. Further, the information security audits still in progress. The audit reports format is changing and they look different (e.g., elimination of cause statement, etc.). Ms. Schlack believes that these are changes that the campuses will find useful.

## 14. Sub-Committee Reports

### f. DW Enhancement Phase 2 – Cheryl Kwiatkowski

No report.

g. Strategic Sourcing – Darwin Labordo

No report.

h. Capital Accounting task initiative – Sharon Taylor and Missy Jarnagin - *Handouts*

Nancy Frelander-Paice provided handouts that furnished information including definitions of ongoing maintenance versus deferred maintenance, major/minor capital projects, etc. Ms. Frelander-Paice reviewed and clarified the definitions with the delegates. Some of the delegates cited campus examples where these definitions may not be as clear cut. The delegates devoted considerable discussion on that topic. It is agreed that clear definition is crucial for report tracking and consistency.

Ms. Frelander-Paice also reviewed the handout on “Proposed Changes in CSU Policy on Funding Source Limitations for Capital Projects on Enacted Trailer Bill Language.” The delegates exchanged views and discussed the topic extensively.

***Action Item:*** Given the complexity of the questions regarding this topic, Chair Larochelle suggested a separate meeting to discuss the topic further. AVPs Taylor and Jarnagin also suggested that running different campus scenarios and documenting the guidelines for those scenarios.

i. FOA and PSSOA – Deb Wallace, Missy Jarnagin, and Josee Larochelle

No report.

j. FOA Bylaws Update for Affinity Guidelines - Missy Jarnagin (attachment)

Changes to the Bylaws and the proposed updates to the affinity guidelines will be on the FOA Bylaws. AVP Jarnagin that the document is for the most part final. She further reported that there were updates to reserve requirements (e.g., eliminated dollar limit prescription). The bylaws changes were further discussed.

The sub-committee (AVPs Mastro, Jarnagin and Wong-Nickerson) will submit the final document for review and approval (delegates to vote via email).

k. CFS Advisory Committee Enhancement Review – Darrell Haydon

Enhancement items – three were finished and were submitted and will be released. Three additional items were sent to Michelle’s group to work on. The remainder of the items on the list will need to be sorted - some of the items are duplicates and there some clean-up work to do.

AVP Haydon also commented that the delegates need to move forward the “Modification Governance for CFS and Data Warehouse” proposal presented by AVP Taylor as the document will provide some of the business process that we need to evaluate, new enhancement requests

AVP Taylor requested the delegates review AVP Haydon's list to ensure that the items are still valid. AVP Haydon will resend the list for review and feedback.

15. Liaison Reports

- l. Accounts Payable (AP) – David Crozier

No report.

- m. Student Accounts Receivable (SAR) *including CashNet* – Brett Holman

No report.

- n. Purchasing (PSSOA) – Missy Jarnagin

No report.

- o. Budget – Missy Jarnagin

No report.

- p. Sponsored Programs – Sharon Taylor

No report.

- q. CFS Advisory Committee – Josee Larochelle

No report.

Meeting adjourned at 2:00 p.m.

16. Future FOA Delegate Meetings

May 13, 2015 – Teleconference 9:00am-11:30am

June 17, 2015 – In-Person Crowne Plaza, LAX 9:00am-2:30pm