In Fiscal Year 2016 (FY16), the Finance Division of Carnegie Mellon University (CMU) held responsibility for vital university functions, both domestically and internationally, including:

**Financial and Business**
Transaction processing, payments, procurement, compliance, payroll processing, treasury, debt management, tax laws and regulations, business systems and employee services support, budget planning, accounting, university internal audit services, and financial reporting and analysis for the university.

**Computing Services**
Information storage, virtualization, security, disaster recovery and business continuity, and end-user computing support.

**Real Estate and Campus Design and Facility Development (CDFD)**
Planning, acquisition of real estate, design, and construction and renovation of university facilities.

In Fiscal Year 2016 (FY16), the Finance Division continued to put into action the goals and priority projects associated with the “Finance Division Strategic Plan 2014 – 2019.” The purpose of the Strategic Plan is to set and align organizational goals and priorities with those of the university, to maintain the highest standards of service, and to ensure the achievement of our goals through measurable standards.

The goals of the strategic plan are to:

- **Commit to Excellence**
- **Engage, Partner, and Collaborate**
- **Empower Decision Making with Data**
- **Cultivate, Recognize, and Reward Our People**
- **Shape a Culture of Innovation**

This retrospective documents our important contributions and accomplishments in FY16, which are reflective of the dedication, expertise, and ambition of the division. We are grateful to each member of the division, university leadership and campus partners for their ongoing collaboration, insights, and support.
COMMIT TO EXCELLENCE

The division is committed to excellence in both its daily operations and in its long-term goals. With the successful completion of the FY15 Financial Statements, A-133 Audit, and IAG Audit, which resulted in no findings, the division completed the 2014 – 2015 Annual Report [pdf] and distributed it to key university stakeholders.

After visiting CMU’s campus in January 2016, Standard & Poor’s (S&P) declared the university’s bond rating AA- with a positive outlook on the university’s credit. This upgrade was largely due to the $250M Marvell settlement announcement.

The division participated in the budget process and financial reviews, which resulted in a balanced and approved FY17 budget. The Reengineer Planning/Budgeting & Capital Planning Process project launched in FY16, which focuses on improving the planning and budgeting process with the goal to provide more accurate and timely analysis, modeling, and planning that enables better-informed resource allocation and decision-making. The project is entering its third phase, which will focus on selecting an enterprise budget system.

The division continues to focus on improving the overall university compliance. In FY16, several compliance-focused reviews were conducted, including sub-recipient monitoring, export controls, human subjects, PCI-DSS compliance, and changes due to the uniform guidance. The division assisted in improving the university’s confidential hotline, successfully completed international program external audits, continued to play an active role in interactions with external auditors, and monitored audit progress and related potential issues. The division also developed and formalized the new “Signature Authority for Legally Binding Commitments and Documents Policy” and assisted in the formulation of the “University Policy on Policy Development”, “Establishing a New University-controlled Subsidiary, Affiliated Entity, Joint Venture or Unincorporated Activity Policy”, and the “Policy Against Retaliation”. In addition, a number of internal audit reviews were developed and executed, including items such as major construction and IT projects, purchasing cards, expense reports, and additional special requests.

ENGAGE, PARTNER, AND COLLABORATE

The division is dedicated to strengthening stakeholder relationships in order to provide optimal service. Monthly Administrative Leadership Group (ALG) meetings serve to solicit constructive feedback and develop open communication lines. This year, the division hosted networking events and road shows across campus to foster education, and share information with its partners. In March 2016, 65 campus partners attended a Business and Finance Partner Forum, which provided an overview of division services and included opportunities for informal discussion. The event generated positive feedback that met the goals of the forum: to improve partner relationships, increase visibility and initiate dialog with campus partners.

The division’s Computing Services (CS) team supported and improved teaching, learning and technology infrastructure.
which included an app virtualization with the Tepper School of Business's online MBA program, the design of technology-enhanced teaching and learning spaces with CFD, the Eberly Center, and the Tepper School of Business, as well as the management of School of Computer Science (SCS) LMS Autolab Service. Results of the campus-wide IT Cost Study were shared with campus partners to address outcomes and implications, focusing on limiting the duplication of services. CS partnered with Electrical and Computer Engineering (ECE) and SCS to manage their previously independent networks.

The division maintained and enhanced relationships with key external stakeholders, including the City of Pittsburgh, community development groups, and university neighbors such as the Carnegie Museums of Pittsburgh, the University of Pittsburgh, and University of Pittsburgh Medical Center (UPMC). CMU’s 2012 Master Plan was updated to reflect developments in several new academic facilities, the acquisition of additional property, and refined plans for the David A. Tepper Quadrangle and other areas of the Pittsburgh campus. In December 2015, the Pittsburgh City Council approved the Amended Master Plan.

The CMUWorks project continued post Workday go-live implementation, which was co-managed by Finance and partnering divisions to ensure optimal service delivery for this new university tool. The CMUWorks Service Center provided central support for employees and administrators for benefits, payroll and time tracking questions and transactions.

EMPOWER DECISION MAKING WITH DATA

Both qualitative and quantitative analysis serves the division in approaching and improving university space planning, asset management, and lease inventory. A collection and synthesizes of data regarding these resources have been used in FY16 to make recommendations regarding space planning at the university.

The CFD Project Management Information System project team evaluated data to determine the necessary requirements and is in the process of selecting a vendor to implement a new Project Management Information System (PMIS), which will manage the capital construction program for the university, including increased controls on project budgets, change management and risk mitigation.

The division focused on evaluating processes and operations to identify and define efficiencies in order to maximize productivity. The division sought to define IT services, as well as to identify opportunities for the more effective utilization of existing central services through elimination of duplicated or unnecessary services. Process improvement projects were kicked off to review central administrative processes to streamline operations.
CULTIVATE, RECOGNIZE, AND REWARD OUR PEOPLE

Recommendations regarding performance management, professional development, and rewards/recognition were presented to and approved by division leadership in Fall 2015. The Perform – Develop – Recognize (PDR) program kicked off in March 2016 to implement the recommendations. The PDR project aims to provide an infrastructure within the Finance Division that supports and cultivates our people through professional and personal development, recognizes and rewards the contributions made towards achieving the mission of the division and the university at large, and offers opportunities that position our people, as well as the division, for success.

The division's performance management process was standardized this year through the use of one standard performance review form, consistent deadlines, and the requirement that every employee receive a performance review. Training on completing performance reviews was offered to managers and the review timing was better aligned with the annual compensation review process.

The division continues to encourage its employees to attend the university's Professional Development courses, to seek professional development opportunities, maintain professional certifications, and to grow in their positions.

SHAPE A CULTURE OF INNOVATION

The Enterprise Content Management (ECM) project successfully implemented a pilot project with the Tepper School of Business and the Finance Division's Accounts Payable team. Additionally, Sponsored Projects Accounting (SPA) worked with the ECM team to build and implement a New Award process. The ECM project team developed a model to present to university stakeholders in order to solicit and identify future opportunities.

The division's Strategic Plan Oversight Committee (SPOC), which is comprised of representation from across the division, developed and implemented a number of quick win projects identified through the strategic planning process. These included the development of division onboarding checklists, the hosting of a partner forum, and the research and implementation of conference room technologies. Members of this group are encouraged to use creative thinking to solve problems that will have immediate impacts on the division and to share their knowledge and insights with peers.

Remote Lockbox Analysis was a solution identified to improve the efficiency of the cash operations deposit process. Its implementation created process efficiencies without burdening current systems and equipment requirements.

The CMU tax reporting process was formerly described as challenging, stressful, confusing, complicated, and inefficient. CMU's Taxation Department reevaluated and reengineered the university's IRS Form 990 and Form 990-T information collection process, which resulted in an improved, streamlined process. The innovative and creative thinking of this team not only enhanced their information collection process, these enhancements decreased compliance risk, and made the process more accessible for stakeholders.
The division successfully managed all university design and construction projects and communicated progress of the current major capital construction projects: Sherman and Joyce Bowie Scott Hall, David A. Tepper Quadrangle, Jared L. Cohon University Center addition, Heinz Hamburg Hall Classroom and Rotunda, Warner Hall, and the Forbes Streetscape Vision Plan (including CMAQ). The university celebrated the openings of both the Jared L. Cohon University Center and Sherman and Joyce Bowie Scott Hall in FY16.

With the support of division and university leadership, the Finance Division’s strategic plan continued implementation throughout FY16 through a number of initiatives and projects, many of which are highlighted in this document. The division presented at PricewaterhouseCoopers Higher Education Forum in March 2016 and contributed to industry publications, such as the National Association of College and University Business Officers (NACUBO) Business Officer magazine regarding the development and implementation of our strategic plan.

FUTURE GOALS

In FY17, the division will realize a new structure as Computing Services, CDFD, and Real Estate join the university’s Division of Operations. We will continue to partner with these groups, as well as others in the campus community, to support the goals of the university. The Finance Division is proud to continue the projects and work done to steward the university’s financials, execute the projects identified and initiated as a result of the strategic planning process, and achieve our goals through measurable standards in support of the goals and vision of Carnegie Mellon University.