



The Transformation of Financial Management at UCF

Presenters:

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LEGACY STATE

ORACLE®
PeopleSoft

CURRENT STATE



FUTURE STATE



BEFORE

1. PeopleSoft system was designed to report back to the state versus financial management focused.
2. Budget to actual reporting was episodic and non comprehensive.
3. Several Direct Support Organizations (DSOs) operated independently with their own ERP system (e.g. NetSuite).
4. Cash holdings were tracked on spreadsheets with no comprehensive cash management with projections through year end.
5. Annual budgets were based on an allocation of revenues versus building them from the bottom up.
6. Annual Carryforward totals were not predictable and relied on estimates from colleges and units.

AFTER

1. Workday is designed for proper financial recording, summarizing, and reporting of financial information.
2. Monthly Management Discussion & Analysis (MDA) are prepared for senior leadership, and quarterly reports are provided to the Board of Trustees.
3. All entities that make up UCF are now within the Workday platform.
4. All cash holdings across the main campus and all DSOs are embodied in Workday and cash balances and forecasts through year end are completed the end of each month.
5. Budgets are built in a traditional manner and tied to the strategic plan “Unleashing Potential”.
6. Carryforward is estimated at the end of each month with cash flow projections as the fiscal year progresses.

BEFORE

1. Audits were episodic in terms of when they were completed that included going into the subsequent calendar year.
2. UCFAA Education and Equity in Athletics (EADA) Report was delayed at times, sometimes going into the subsequent calendar year.
3. Foundation gifts and the timing of transfers were not seamless, the reimbursements caused annual carryforward anomalies.
4. Tuition discounting was not easily calculated because of how items were captured in the system.
5. Cash was distributed and siloed in departments and Direct Support Organizations.

AFTER

1. All annual DSO audits are completed by October 31st each year with unmodified opinions and no findings for the past two years.
2. UCFAA EADA report is completed by November 1st of each year.
3. Foundation gifts can be charged directly by colleges and units eliminating the need for transferring cash back and forth between the university and the Foundation.
4. Tuition discounting percentage was calculated based on inputs easily identified within the system.
5. Cash is now settled across multiple companies within the system giving Treasurer, Controller and Chief Financial Officer real time updates on cash positions.

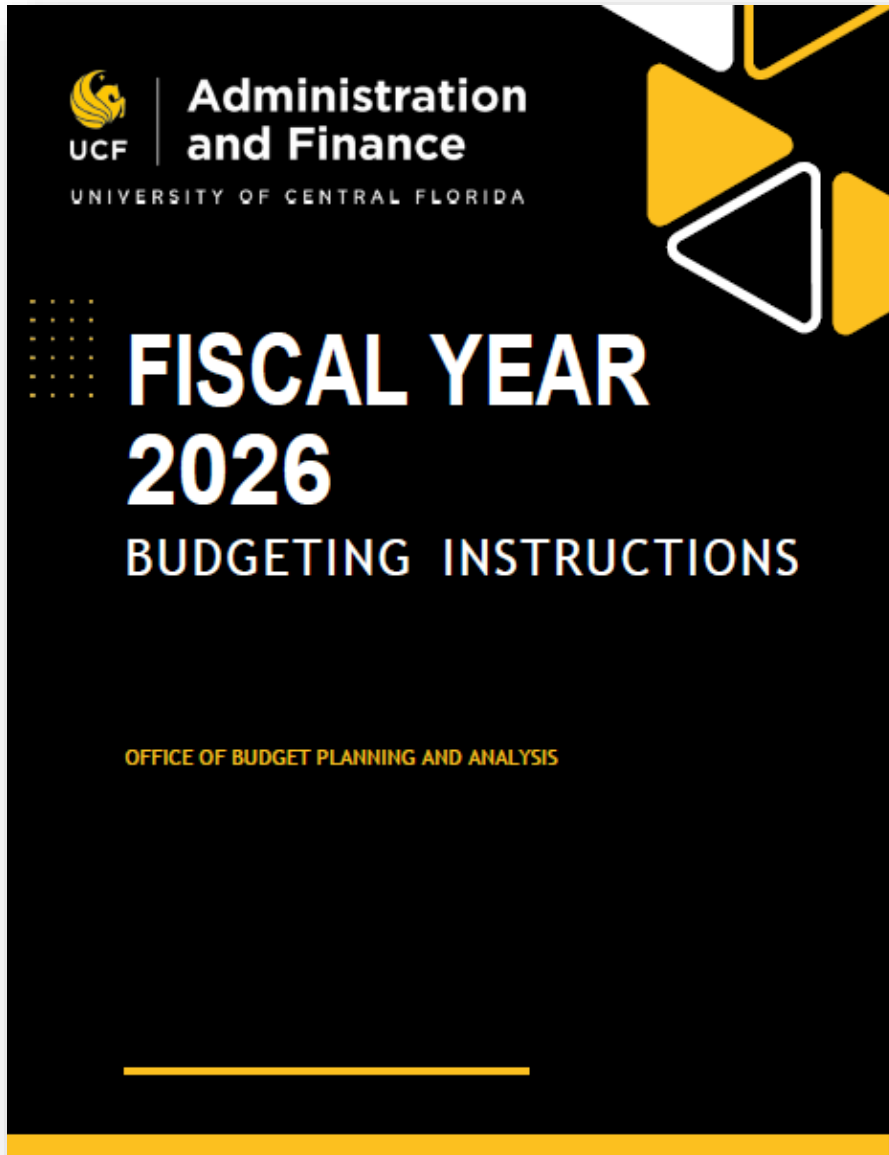
ALLOCATION DOCUMENT/BUDGET

University of Central Florida
2019-20 E&G Budget Allocation Document

	DIVISIONS									CENTRAL				MEDICAL SCHOOL	
	Academic Affairs	Admin & Finance	President's Division	Communications and Marketing	Information Technologies and Resources	College of Graduate Studies	Office of Research and Commercialization	Student Development and Enrollment Services	Total Divisions	Operating	Carryforward	Total	Statutory Reserve Carryforward	Medical School	Medical School Statutory Reserve Carryforward
2018-19 Beginning Operating Budget															
2018-19 Beginning of year permanent base budget	\$ 338,393,785	\$ 81,365,738	\$ 19,134,647	\$ 7,941,502	\$ 43,057,861	\$ 17,406,054	\$ 28,619,245	\$ 61,671,804	\$ 597,590,636	\$ 48,521,697	\$ -	\$ 48,521,697	\$ -	\$ 46,092,923	\$ -
2018-19 Beginning of year temporary budget	110,269,232	21,204,274	5,985,523	4,355,453	6,385,656	3,819,756	19,156,492	8,058,461	179,234,847	(415,600)	7,614,119	7,198,519	-	11,417,967	-
2018-19 Beginning of year total budget	\$ 448,663,017	\$ 102,570,012	\$ 25,120,170	\$ 12,296,955	\$ 49,443,517	\$ 21,225,810	\$ 47,775,737	\$ 69,730,265	\$ 776,825,483	\$ 48,106,097	\$ 7,614,119	\$ 55,720,216	\$ -	\$ 57,510,890	\$ -
PERMANENT Mid-year Allocations															
<i>State funding</i>															
Risk management adjustment	\$ -	\$ -	\$ 375,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 375,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirement & life insurance adjustments										2,078,909	-	2,078,909	-	109,409	-
<i>University designated</i>															
2018-19 college budget model performance funding	1,468,000								1,468,000	(1,468,000)	-	(1,468,000)	-	-	-
2018-19 faculty equity increase	503,536	7,565					999		512,100	(512,100)	-	(512,100)	-	-	-
2018-19 salary increases	1,241,113	611,709	268,221	87,776	264,356	55,445	49,115	209,682	2,787,417	(2,787,417)	-	(2,787,417)	-	-	-
Correction to ORC startup budget for late FY18 adjustment (#217988)							60,000		60,000	(60,000)	-	(60,000)	-	-	-
Faculty awards (TIP, RIA, SoTL)	508,000								508,000	(508,000)	-	(508,000)	-	-	-
GAA progression fees- remove permanent & issue as temporary	(93,000)								(93,000)	93,000	-	93,000	-	-	-
Graduate health insurance increase						219,800			219,800	(219,800)	-	(219,800)	-	-	-
HR commitment accounting position		3,698							3,698	(3,698)	-	(3,698)	-	-	-
NIST-IT staffing							69,298		69,298	(69,298)	-	(69,298)	-	-	-
Police officers for Downtown campus									313,000	(313,000)	-	(313,000)	-	-	-
Presidential transition: C&M positions				177,760					177,760	(177,760)	-	(177,760)	-	-	-
State health and life adjustments transfer from MD to main									-	109,409	-	109,409	-	(109,409)	-
Support staff for new faculty	204,048				60,000				264,048	(389,048)	-	(389,048)	-	125,000	-
Trustee chairs (from preeminence funding)	100,000								100,000	(100,000)	-	(100,000)	-	-	-
VP Academic Health Science Center salary support									-	(110,350)	-	(110,350)	-	110,350	-
Permanent transfers between units, including Provost allocations	523,489	(1,526,902)	151,542	3,086	715,862	132,000	(67,877)	68,800	-	-	-	-	-	-	-
Total permanent adjustments and transfers	\$ 4,455,186	\$ (590,930)	\$ 795,373	\$ 268,622	\$ 1,040,218	\$ 407,245	\$ 111,535	\$ 278,482	\$ 6,765,731	\$ (4,437,153)	\$ -	\$ (4,437,153)	\$ -	\$ 235,350	\$ -
TEMPORARY Mid-year Allocations															
<i>University designated</i>															
E&G interest allocation	\$ -	\$ 6,739,743	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,739,743	(6,739,743)	\$ -	(6,739,743)	\$ -	\$ -	\$ -
Total temporary transfers between units, including Provost allocations	(27,503,638)	2,160,458	(1,275,555)	761,961	2,705,540	1,386,073	4,966,286	16,798,875	-	-	-	-	-	-	-
<i>Non-recurring allocations:</i>															
2018-19 \$2500 bonus for UFF	3,484,480				84,162	7,497	128,642	2,588	3,707,369	(3,707,369)	-	(3,707,369)	-	-	-
Athletic scholarships								11,000,000	11,000,000	-	(11,000,000)	(11,000,000)	-	-	-
Athletic scholarships for future years return to central (FY20 \$4m, FY21 \$4m)								(8,000,000)	(8,000,000)	-	8,000,000	8,000,000	-	-	-
Board of Trustees investigation			1,500,000						1,500,000	-	(1,500,000)	(1,500,000)	-	-	-
BRIDG funding							5,000,000		5,000,000	-	(5,000,000)	(5,000,000)	-	-	-
Constellation funding from colleges	(29,216,000)	(2,590,000)	(1,250,000)	(1,237,000)	(67,000)	(882,344)	(1,917,656)	(2,840,000)	(40,000,000)	-	40,000,000	40,000,000	-	-	-
Deferred maintenance- BOG/BOT approved carryforward plan		20,000,000							20,000,000	-	(20,000,000)	(20,000,000)	-	-	-
Development salaries			7,188,050						7,188,050	-	(7,188,050)	(7,188,050)	-	-	-
Differential tuition: need based awards (temporary)								1,040,289	1,040,289	(1,040,289)	-	(1,040,289)	-	-	-
E&G funds replacement for Trevor Colbourn Hall	14,791,898	11,687,749	1,968,429	2,600,856	1,487,439	1,050,000	1,346,346		35,132,717	-	(35,132,717)	(35,132,717)	-	-	-
Financial aid								25,000,000	25,000,000	-	(25,000,000)	(25,000,000)	-	-	-
Financial aid								15,000,000	15,000,000	-	(15,000,000)	(15,000,000)	-	-	-
GAA progression fees	614,630								614,630	-	(614,630)	(614,630)	-	-	-
GAA progression fees- remove permanent & issue as temporary	93,000								93,000	-	(93,000)	(93,000)	-	-	-
Huron consulting			4,727,290						4,727,290	-	(4,727,290)	(4,727,290)	-	-	-
Office of Research support (final year)							500,000		500,000	-	(500,000)	(500,000)	-	-	-
Oracle/Cisco contract payback (Year 5 of 5)					(1,529,401)				(1,529,401)	-	1,529,401	1,529,401	-	-	-
Risk management premiums - Compliance, Ethics, and Risk (UBC approved)			400,000						400,000	-	(400,000)	(400,000)	-	-	-
Salary increase due to two Presidents in FY19			151,753						151,753	(151,753)	-	(151,753)	-	-	-
Sanford Burnham closing costs		121,860							121,860	-	(121,860)	(121,860)	-	-	-
Sanford Burnham facility IT costs	1,050,000								1,050,000	-	(1,050,000)	(1,050,000)	-	-	-
Sanford Burnham facility operations and utilities		3,193,380							3,193,380	-	(3,193,380)	(3,193,380)	-	-	-
Spring graduate assistanships							1,000,000		1,000,000	-	(1,000,000)	(1,000,000)	-	-	-
Support staff for new faculty (prior year allocation)							25,790		25,790	-	(25,790)	(25,790)	-	-	-
Transfer back Financial Aid to Provost Reserve	40,000,000								(40,000,000)	-	-	-	-	-	-
Transfer from C&M to central reserve				(15,692)					(15,692)	-	15,692	15,692	-	-	-
Total temporary allocations (including carryforward)	\$ 3,314,370	\$ 41,313,190	\$ 13,409,967	\$ 2,110,125	\$ 2,680,740	\$ 1,561,226	\$ 11,249,408	\$ 18,001,752	\$ 93,640,778	\$ (11,639,154)	\$ (82,001,624)	\$ (93,640,778)	\$ -	\$ -	\$ -
2018-19 End of year total budget	\$ 456,432,573	\$ 143,292,272	\$ 39,325,510	\$ 14,675,702	\$ 53,164,475	\$ 23,194,281	\$ 59,136,680	\$ 88,010,499	\$ 877,231,992	\$ 32,029,790	\$ (74,387,505)	\$ (42,357,715)	\$ -	\$ 57,746,240	\$ -
2018-19 End of year permanent base budget	\$ 342,848,971	\$ 80,774,808	\$ 19,930,020	\$ 8,210,124	\$ 44,098,079	\$ 17,813,299	\$ 28,730,780	\$ 61,950,286	\$ 604,356,367	\$ 44,084,544	\$ -	\$ 44,084,544	\$ -	\$ 46,328,273	\$ -

DOCUMENT FEATURES:

- Includes Guiding Principles of Budgeting utilizing the new Adaptive Planning system
- Provides instructions on how to budget for a rolling five-year planning horizon
- Provides a step-by-step illustration on how to enter information by academic college and units into detailed transaction lines
- Includes a comprehensive timeline that spans the entire fiscal year to include: (i) operating budgets, (ii) capital budgets, and (iii) carryforward planning for both capital projects and faculty start up
- Includes a glossary of terms that encompasses all factors that go into the overall financial management of the university and Direct Support Organizations, where necessary (e.g. Days Cash on Hand, net tuition revenue, etc)
- Incorporates changes in security roles and access to the Adaptive Planning system to restrict who utilizes the system and adds accountability
- Is an organic document that allows for the incorporation of new concepts as knowledge of the system grows, and will promote a rolling budgeting process versus the current episodic nature to budgeting

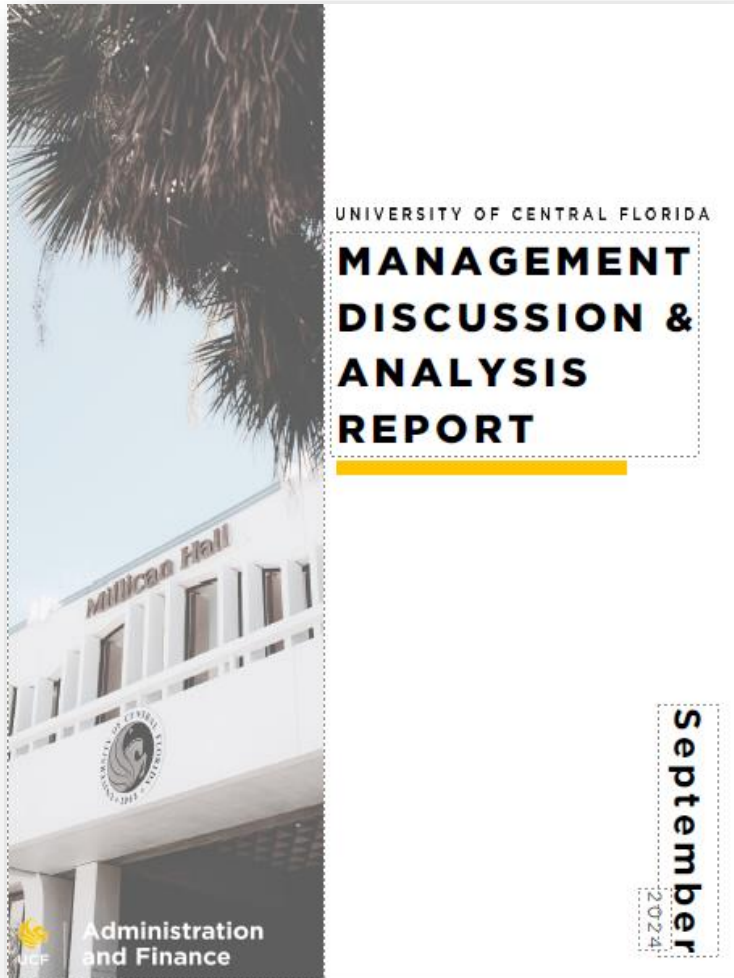


TRADITIONAL COMPREHENSIVE ALL FUNDS BUDGET:

SOURCES AND USES ALL UNIVERSITY OPERATIONS (including DSOs) FY 2024-2025

	Responsibility Centers	Central Support Units (Including Foundation)	Auxiliary Self Supporting Units	DSO and Other Agency Units	FY25 Total University	FY24 Total University
Sources						
Tuition and Fees	384,168,608	119,140,871	28,830,120	23,488,923	555,628,522	501,699,943
State Appropriations	436,471,355	66,524,217	-	-	502,995,572	470,079,170
Operating Revenues	227,420,453	612,303,620	52,470,620	144,836,692	1,037,031,385	1,017,548,493
Non-Operating Revenues	84,788,809	151,499,100	9,501,576	66,631,857	312,421,342	197,466,348
Total Sources	1,132,849,225	949,467,808	90,802,316	234,957,472	2,408,076,821	2,186,793,954
Uses						
Compensation Expense	448,138,554	332,922,615	27,741,331	41,503,278	850,305,778	865,291,713
Operating Expenses	363,248,444	884,446,593	21,370,095	115,825,490	1,384,890,622	1,207,678,761
Non-Operating Expenses	61,398,889	78,565,271	42,196,317	83,170,586	265,331,063	240,773,778
Total Uses	872,785,887	1,295,934,479	91,307,743	240,499,354	2,500,527,463	2,313,744,252
Net from Operations	260,063,338	(346,466,671)	(505,427)	(5,541,882)	(92,450,641)	(126,950,298)
Generation/ (Utilization) of Fund Balance	29,301,170	57,145,342	505,427	5,541,882	92,493,821	126,950,298
Adjusted Net from Operations	289,364,508	(289,321,329)	0	-	43,180	-
Central Support Unit Costs	(299,477,677)	299,477,677	-	-	-	-
Participation Fee	(116,478,644)	-	-	-	(116,478,644)	-
Net After Allocated Charges	(126,591,813)	10,156,348	0	-	(116,435,464)	-
Subvention	126,591,814	(10,156,351)	-	-	116,435,463	-
Net Unfunded Operations after Subvention and Reserves	-	-	-	-	-	-

MANAGEMENT REPORTS



ONGOING OPPORTUNITIES

- Reviews of security roles in both Workday and Adaptive Planning are underway as they are critical for reporting and other access to data
- Data quality and clean up in Human Resources around “home departments” and their related costing allocations for accuracy of data for planning since Workday conversion, for automation where possible
- State reporting file format adherence. Currently exploring solutions including using PRISM software to create the file format required by the Board of Governors
- Data quality issues around Operating Budget file format for the Board of Governors is still a challenge given their unique requirements
- Integrations with Facilities-related systems like EBuilder and AiM



QUESTIONS?