I. EXECUTIVE SUMMARY

The Division of Business and Finance with 675 people and a budget of $37 million is a provider of service to the University community. Each unit within the division exists to provide service and has outlined their goals and accomplishments in their attached strategic plans. Overall, the Division's strategic plan for the past year and future years has not changed significantly. We continue to strive to improve support services and the delivery of services on campus to the highest level possible while operating at the utmost level of efficiency.

We made excellent progress last year in successfully linking our operating budget to our ongoing capital program and in revising the content and organization of our operating budget. Our efforts to identify fees for all courses, including contract courses, for Board approval was highly successful and provided excellent visibility to the Faculty, Administration, and the Board. We continued to make excellent progress with the University Master Plan with the completion of the McMaster renovation, the building of the new Graduate Science Research building, the construction of the new East Quad dormitory, and the start of Sloan College renovation.

The financial condition of the University remains healthy in spite of revenue shortfalls in tuition and graduate regional studies. These shortfall were accommodated through internal adjustments and reallocations.

We are well on our way to solving a significant scholarship deficit for the third year in a row and believe we have developed a long term funding solution to this continuing problem.

Our state auditors gave us a clean bill of health in both financials and procurement. It is gratifying to see the hard work of our professionals in these areas receive appropriate recognition.

Finally, this Division has had to make two significant changes to ensure proper service to the University community. First, the Facilities Management Directorate has been separated into two distinct groups headed by direct reports to the Vice President for Business and Finance. This was done to allow one person to concentrate solely on plant operation and services such as custodial and grounds maintenance. The other individual will focus on master planning for all campuses, construction design and project management. A new director for facilities services has been hired and is now on board.
A second action involved the University police. Because of increased vacancies, turnover and retention problems, a salary adjustment plan has been implemented and will be addressed later in this plan. In addition, police officers previously serving in administrative type jobs are being placed back on campus patrol and these officers are being replaced with appropriate administrative personnel. Also, six new police positions are being requested in order to provide additional safety to our campus.

For the past several years, this Division has generated almost $2 million in annual operating savings through administrative efficiencies and reorganizations. These savings were made available for other University needs. The Division's budget has now been tightened to the extent it will probably need some assistance to enable us to hire and retain our lower wage employees, to provide adequate maintenance in our aging facilities, and maintain satisfactory standards for grounds upkeep and custodial work.

II. ANNUAL REPORT

The attached unit reports outline goals and accomplishments for each unit within the Business and Finance Division.

Vice President

Goals/Objectives FY 1999-2000

1. Manage and coordinate the efforts of the various business and finance directors in providing outstanding customer service and support to the President and senior administration, faculty, staff, and students.

   Progress: This is an on-going effort in all areas. Our greatest improvement has been in student support by establishing procedures whereby they can register and pay via the Web. Action was taken to improve custodial, grounds, maintenance and maintenance support by hiring a new director to focus on these areas.

2. Continue to coordinate University plans and efforts with the City of Columbia via meetings with the City Manager, and through participation on the River Alliance Board of Directors.

   Progress: We have actively been working with City officials and State Transportation officials on the Wellness Center/Greek Housing project, efforts to improve safety and more clearly identify the University proper, close roads, restrict traffic and improve lighting. The Vice President continues to be active with the River Alliance and working with a joint City, Alliance and University project on Rocky Branch Creek. The Vice President also participates in the Columbia Rotary and Chamber of Commerce in an effort to more effectively communicate University positions and projects to community leaders.
3. Work closely with Provost and Deans to support efforts to achieve Carnegie I and AAU status.

**Progress:** Finished a disclosure statement on University indirect costs that was unanimously approved by the faculty, deans and provost. Successfully negotiated a new indirect cost rate that was beneficial to the University. Implemented a plan to better identify University facilities and equipment to be included in University indirect cost calculations in the future. More accurately identified research expenditures being made by the University which helped increase overall research effort being reported.

4. Finalize negotiations and close on purchase of BellSouth, terminate leases for administrative space and begin moving functions into BellSouth.

**Progress:** Progress in this area has been hindered by construction problems with the new BellSouth building. Dates for closing, asbestos abatement, and occupancy will be finalized shortly. Final negotiations on lower level parking lot were completed last week and project will be ready for Board action prior to the end of this year. Due to slippage on the building of the new BellSouth building, the University will probably be unable to occupy BellSouth before summer 2001. Closing on the building sale can be conducted earlier as both parties desire. BellSouth has agreed to provide interim storage for SMI Steel documents to facilitate their move.

5. Continue infusion of technology into the business and finance functions.

   a) Continue, in conjunction with HR and CSD, progress toward development of financial data warehouse, a time/attendance system and implementation of SmartStream software.
   b) Continue implementation of imaging in the Bursar's Office.
   c) Work with the State Treasurer's Office to allow acceptance of credit cards over the Internet for purposes of student registration.

**Progress.** The financial data warehouse is essentially complete. It is now being field tested for ease of use and accuracy. Once the financial data warehouse is rolled out to the University community, the team will begin work on the implementing the first SmartStream financial module. This will provide tremendous improvement in the ability of faculty and staff to monitor financial transactions and status. Imaging in the Bursar's office is making similar progress through a joint effort with the Graduate School and Registrar. One area of the Bursar's office is now complete in the residency office. We are beginning an imaging project in the Controller's Office. Approval was granted from the State Treasurer to accept credit cards over the Internet. Students registering for fall semester were able to pay tuition and fees in this manner.

6. Continue tracking finances available for implementing the University Master Plan.
   a) Ensure limited bonding capacity is used for highest priority projects.

**Progress.** A detailed spreadsheet was prepared outlining the planned use of the remaining University debt capacity. This was tied in to the University Legislative capital request and the availability of other University and private money to ensure available funds were
used for highest priority projects in the master plan.

7. Continue to interface closely with CHE in the implementation of new performance funding proposals.

   **Progress:** We have continued to work closely with CHE on performance funding proposals. We have worked closely on selection of peers and collaborated in their efforts to hire a consultant to validate the MRR. In addition, we worked closely with CHE in building their legislative funding request and ensuring it included a request specifically for the research universities.

**III. STRATEGIC PLAN**

The strategic plans of each Business and Finance unit are attached. These plans outline goals and assessment tools used to evaluate outcomes.

**Vice President**

**Goals/Objectives FY 2001-2005**

1. Oversee, coordinate and support accomplishment of goals by Business and Finance units.

   Expected impact - satisfactory completion of goals in a timely fashion. 
   Measure - Unit goals are met or modified because of changing conditions. 
   Assessment procedure - annual unit report on progress toward goal completion. 
   Criterion - 50% of goals should be met while remaining 50% should show reasonable progress or justifiable rationale as to why goals can't be met or should be changed.

2. Provide good customer service and support from all Business and Finance units.

   Expected impact - Students, faculty and staff will receive improved customer support. 
   Measure - Satisfaction with customer support. 
   Assessment procedures - annual survey of customers satisfaction with units' service and support. 
   Criterion - 75% of those surveyed should indicate satisfaction with current level of service or that the level of service is improving.

3. Ensure financial health of the University is maintained.

   Expected impact - University continues to receive satisfactory bond ratings and audit reports by outside auditors. 
   Measure - Bond ratings and audit reports. 
   Assessment procedure - Review of University bond ratings and annual audit reports. 
   Criterion - Bond ratings should remain at A level or higher and audit reports should reflect no significant financial irregularities.

4. Review status of University Master Plan and identify future sources of funding to allow continued progress.
Expected impact - a presentation will be developed to reflect scope of proposed master plan, projects already completed and financed, and those projects to be financed in future years. Measure - Presentation will be complete by end of the year and shared with the President, Provost and administrative council. Assessment procedure - If presentation is complete and provided to the senior administration. Criterion - Presentation is done in a timely fashion.