Leeward Community College  
Annual Report of Program Data

Program Name: Business Office

Assessment Period: FY 2018 to FY 2019

College Mission:
At Leeward Community College, we work together to nurture and inspire all students. We help them attain their goals through high-quality liberal arts and career and technical education. We foster students to become responsible global citizens locally, nationally, and internationally. We advance the educational goals of all students with a special commitment to Native Hawaiians.

Part I. Brief Description
The Business Office serves as trustee of the financial records and guardian of the College’s assets and liabilities. Our mission is to maintain the College’s fiscal integrity through accurate record keeping and adherence to UH and State policies and procedures. We are a service department; we provide procurement, cashing, customer billing, accounts payable, travel pay, grant post-award accounting, financial and budget reporting, and payroll services to the campus. We also serve as campus liaison with the system Financial Management Office (FMO), Office of Procurement Management (OPM), Office of Research Services (ORS), UH Foundation, and the Research Corporation of the University of Hawaii (RCUH). Our goal is to provide exceptional service to our students, campus Administrators, faculty, and staff.

Part II. Analysis of Program/Unit Data
Average processing time for UH Purchase Orders is 3.42 days compared to 4.07 days last year (See Table 1 below).

Average processing time for submitting payment documents to UH Disbursing is 3.35 days compared to 4.70 last year.

Campus accounts receivables were at $245,438.78 on 11/30/2018; this balance is down to $33,573.13 as of 12/31/2019. This significant improvement can be attributed to the switch from decentralized billing (departments billing their customers) to centralized billing where the Business Office handles the invoicing and collection. This improvement is also due to prompt follow-up reminders sent by the Business Office to customers with past due amounts.
Table 1: Leeward Community College Business Office Measures

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<tbody>
<tr>
<td>2.</td>
<td>Average no. of work days required to issue UH Purchase Order</td>
<td>1.65</td>
<td>5.05</td>
<td>6.00</td>
<td>9.20</td>
<td>2.75</td>
<td>4.95</td>
<td>4.69</td>
<td>3.75</td>
<td>4.07</td>
<td>3.42</td>
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<td>3.</td>
<td>Average no. of work days required to submit PO payment documents to UH Disbursing Office #</td>
<td>3.62</td>
<td>3.13</td>
<td>7.80</td>
<td>-</td>
<td>2.50</td>
<td>4.00</td>
<td>3.22</td>
<td>4.95</td>
<td>4.70</td>
<td>3.35</td>
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<td>9.</td>
<td>Average no. of work days required to issue UH Dept Checks (discontinued in FY 2012)</td>
<td>2.53</td>
<td>4.18</td>
<td>5.07</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>19.</td>
<td>Business Office staff FTE (Civil Service, APT)</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
<td>7.00</td>
<td>10.00</td>
<td>10.00</td>
<td>10.00</td>
<td>-</td>
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# Effective FY 2013, no data, centralized invoicing system where vendors send invoices to Disbursing to start payment process.
# Effective FY 2014 average number of work days to pdf and email vendor invoices to Disbursing to start payment process.
# Effective FY 2014, decentralized invoicing system where vendors send invoices to AO, AO pdf invoices and email to Disbursing to start payment process.

We improved the timeliness of our budget report distribution this year by converting from manual to electronic report distribution via UH Filedrop. The electronic reports are distributed via UH Filedrop to insure the file transfer is secure. Unlike the manual distribution where the reports go through the mailroom then hand delivered to the different offices, the use of UH Filedrop is more efficient because the files are uploaded electronically and are available to the recipient instantaneously.

The Business Office is responsible for the annual inventory verification of 395 capital assets valued at $5,646,063. All of these assets were accounted for; no assets were reported lost or missing in FY 2019.

The Business Office established and achieved the goal of 100% timely approval of pcard transactions; this is a total of 3,000 pcard transactions valued at $1.08M for FY 2019. This timely approval is important for account balances to be accurate. In addition, timely approval of PCard transactions insures the campus is not placed on PCard Moratorium by the System Procurement Office.

Fiscal Year-End close was completed on time for FY 2019. The Business Office met all System Office year-end deadlines for processing requisitions, Pcard transactions, cash deposits, accrual entries, correcting journal entries, travel completion documents, salary transfers, budget realignments, and inventory entries. The year-end close process is an essential part of the
Business Office role as the primary department on campus responsible for preparing and reporting accurate, timely, and relevant financial information.

**Part III. Analysis of Major Functions/Services**

The Business Office provides procurement services for, both, academic and administrative departments, from requisition and contract negotiation through ordering, receiving, invoicing, and payment. We support the purpose and goals of the College by purchasing quality goods and services at competitive prices, proper financial stewardship for payments, and providing responsive and responsible service to departments.

The Business Office provides Cashiering services to the campus. We are responsible for properly documenting and collecting monies owed to the campus by students, faculty/staff, campus customers, etc… such as tuition fees, tuition installment payments, student fees, returned checks, library fees and fines, facility use rental fees, parking lot rental fees, and other miscellaneous cash collections. We are also responsible for coordinating campus merchant account (credit card) activities with the UH Treasury Office. This includes setting up new merchant accounts for campus departments, insure departments are compliant and current with Payment Card Industry Data Security Standard (PCI DSS) requirements, completion and submission of the annual merchant Self Assessment Questionnaire (SAQ).

The Business Office provides centralized billing and collection services for the campus. We are responsible for generating non-student invoices for services provided by the campus to external customers. We follow-up with customers on the payment of these invoices and act as liaison between customers and departments for disputes, appeals, and payment arrangements.

The Business Office provides accounts payable support for campus departments. We ensure expenditures are in compliance with policies and procedures; serve as liaison between departments and vendors; audit vendor invoices and forward them for payment processing to the System Disbursement Office.

The Business Office oversees the financial management of campus external funding sources such as Grants and Contracts and UH Foundation. We work closely with PIs and program directors on matters of financial compliance and proper cost accounting as it relates to these funding sources.

The Business Office coordinates payroll for the campus by making sure timesheets are submitted and paychecks are distributed in a timely manner. We are also responsible for the distribution of W-2s to campus employees.

The Business Office supports campus revenue generating programs. We review business plans and monitor the financial status of each program. We work with program managers in evaluating the financial performance of their programs.

The Business Office is responsible for coordinating the completion of the annual inventory verification report. Once a year, asset listings are distributed to campus asset representatives with instructions to perform their physical inventory.
The Business Office is responsible for the Fiscal Year-end close process for the campus. We also generate and distribute the monthly, as well as, year-end financial reports to campus account managers.

**Part IV. Overview Analysis of Program/Unit**
Summary of key findings and conclusions (N/A)

Recommendations for improving outcomes (N/A)

**Part V. Action Plan**
An important goal of the Business Office is to improve financial/budget reporting so that the reports are readable and usable to department managers and/or to non-financial staff. We are considering the use of dashboard reporting; this method captures the important financial indicators that everyone needs to understand and track and meaningful to anyone in the organization. Once we’ve determined the format of the reports, we need to find the most efficient technology to organize our financial data and run financial reporting automatically. In doing so, we can move our resources from the reporting function to the analysis function.

To achieve this goal, we are going to survey our users to gather their input as well as perform market research on available financial reporting software.

**Part VI. Resource and Budget Implications**

Table 2: Business Office ARPD Resource Requests - 2019-2020

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<tr>
<th>Priority</th>
<th>Item/Action</th>
<th>Goal</th>
<th>Data Supporting Request</th>
<th>Cost Est.</th>
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<tbody>
<tr>
<td>Personnel:</td>
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<tr>
<td></td>
<td>APT Band B, Busar, 1.0 FTE</td>
<td>-</td>
<td>Request to make temporary position permanent. No cost as position is funded. Need is for FTE only.</td>
<td>$0</td>
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<tr>
<td></td>
<td>APT Band A, Fiscal Specialist, 1.0 FTE</td>
<td>-</td>
<td>Request for new position to meet compliance requirements of EP8.200 and UHCC Policy 8.200 revenue-generating programs (salary and fringe)</td>
<td>$91,315</td>
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