

Welcome

**Financial Administrator
Development Program**

October 24, 2016



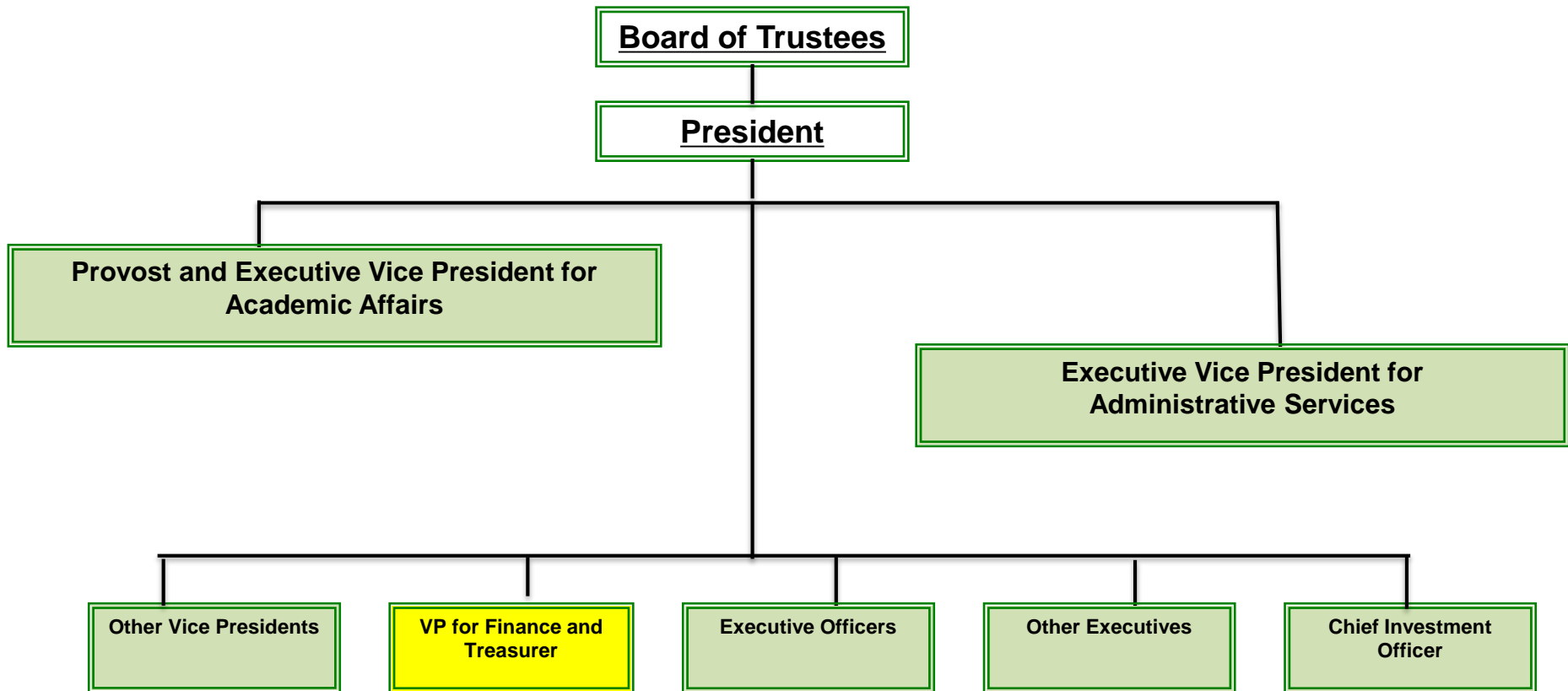
Program Introduction

Mark P. Haas
Vice President for Finance and Treasurer

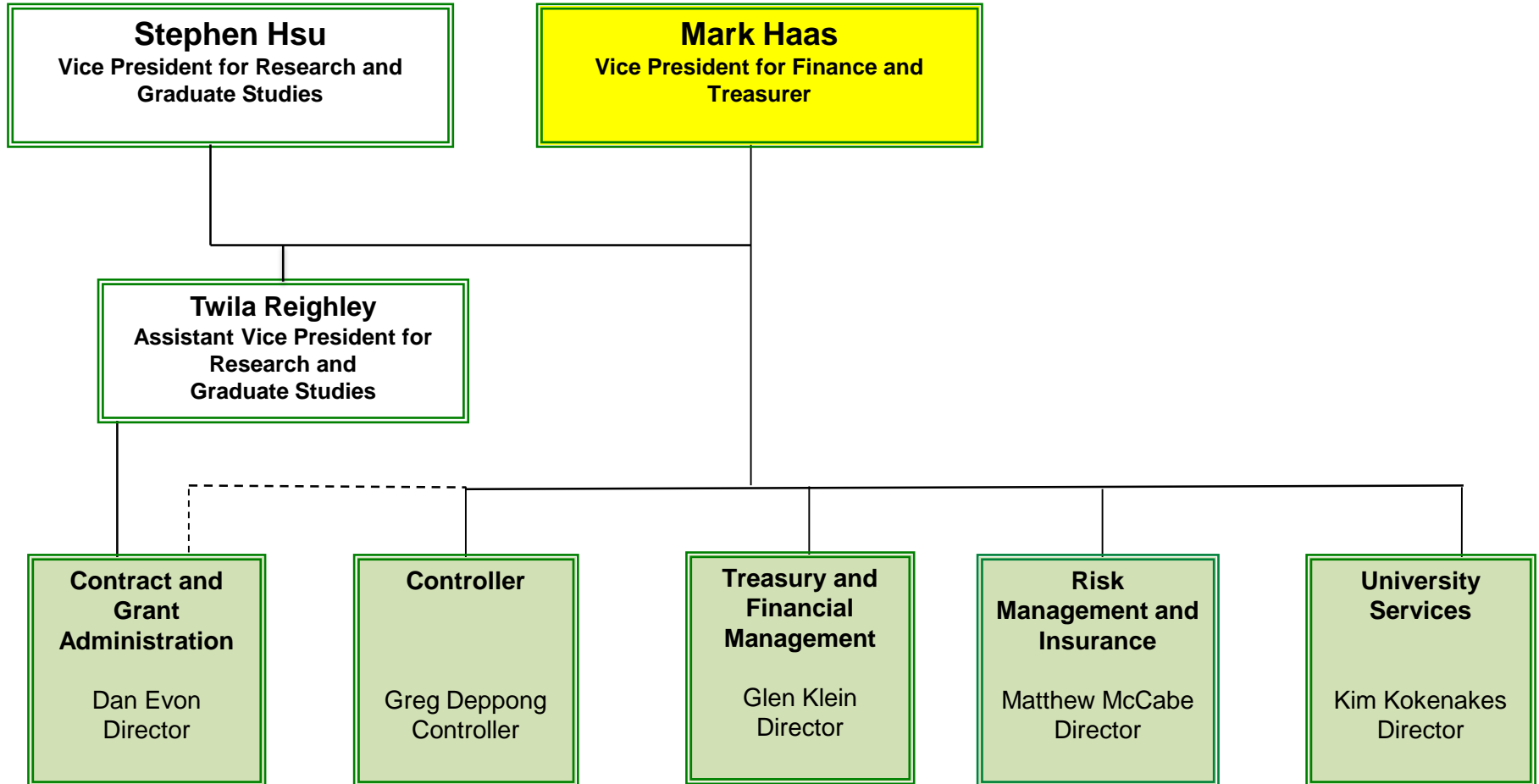
Housekeeping Issues

- Sign in every session
- Complete daily feedback surveys
- Restroom locations
- Breaks/lunch
- Website:
 - <http://foresource.msu.edu/fadp/index.html>

MSU Organization Chart



Office of the Vice President for Finance and Treasurer



Program Goals and Purpose

- MSU went from a bookkeeping system to a full financial accounting system; we are providing you with:
 - Resources, technical tools, and organizational context
 - Skills to use financial information
 - Broader institutional perspective
- Program builds on previous training, with the intention of expanding the capacity and perspective of the leaders who have financial administration responsibilities

Expand Your Horizons

Human
Resources

Research

Risk/
Legal

Procurement

Finance/
Accounting
/ Budget

Advancement

Personal
Development

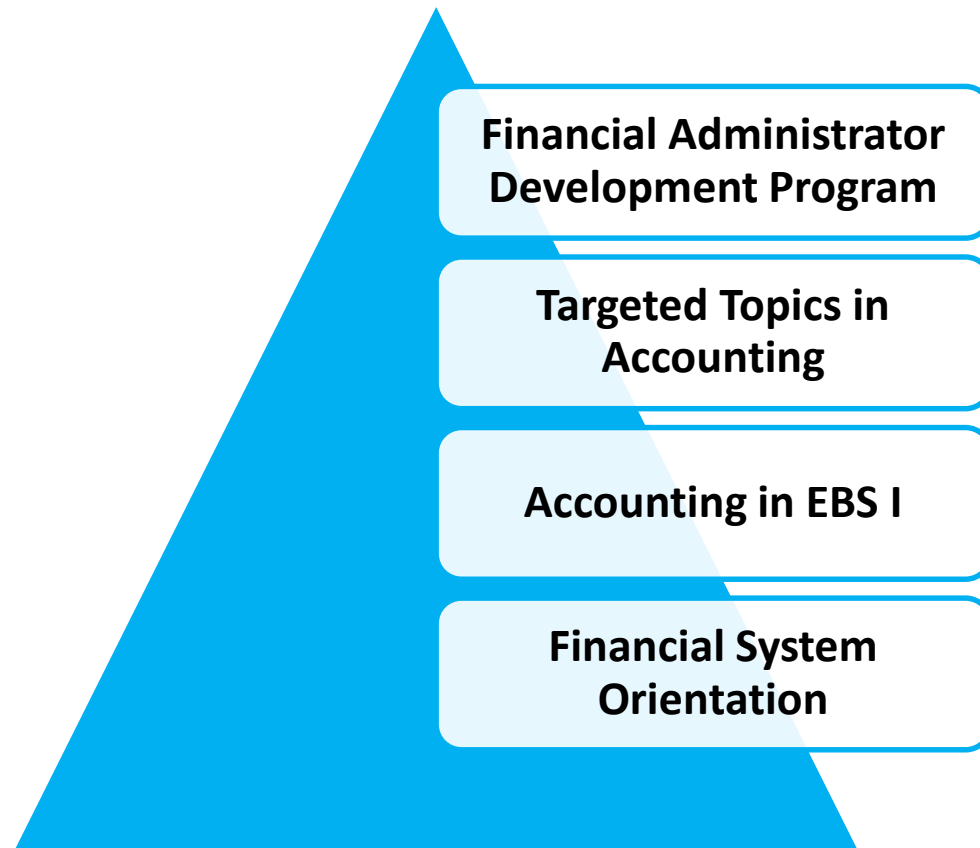
Planning

Financial Administrator Development Program

Another Step to Keeping MSU World-Class

Oct 2016	Nov 2016	Jan 2017	Feb 2017	April 2017	May 2017	June 2017
<ul style="list-style-type: none"> • Session 1 • Welcome / University Strategic Planning • Success Strategies / Myers Briggs • Internal Controls and Ethics • Undergraduate Education and Studies • Financial Statements and External Audits • Audits 	<ul style="list-style-type: none"> • Session 2 • Communicating Institutional information • Treasury, Financial Mgt and Investments • Financial and Tax Policies / Processes • FOIA • IT Services • MSU Financial Data Analysis 	<ul style="list-style-type: none"> • Session 3 • Registrar's Office • Student Financial Services • Financial Aid • Records Mgt • Travel • Procurement Goods and Services • Student Affairs and Services • Legal Issues and Risk Assessment • Risk Mgt and Ins. • Admissions • Budget Administration 	<ul style="list-style-type: none"> • Session 4 • Finding Funding, Budget Prep, Proposal • Award Process • Post Award Contract and Grant Admin • Facilities and Admin. Costs • Clinical Research • Financial Data Analysis cont'd • KC Update • Athletics 	<ul style="list-style-type: none"> • Session 5 • Research Outcomes • Data Services • Advancing a Culture of High Performance • Governmental Affairs • State Government Relations • University Advancement • Working with Gift Funds 	<ul style="list-style-type: none"> • Session 6 • Total Compensation and Wellness • Talent Management • Employee Relations • Payroll Policies • Benefits and Benefit Cost Rate • Accounting Orgs, Charts of Accounts, & Workflow 	<ul style="list-style-type: none"> • Session 7 • Facilities Planning and Space Management • Secchia Center • MSU Construction • Know Your Niche

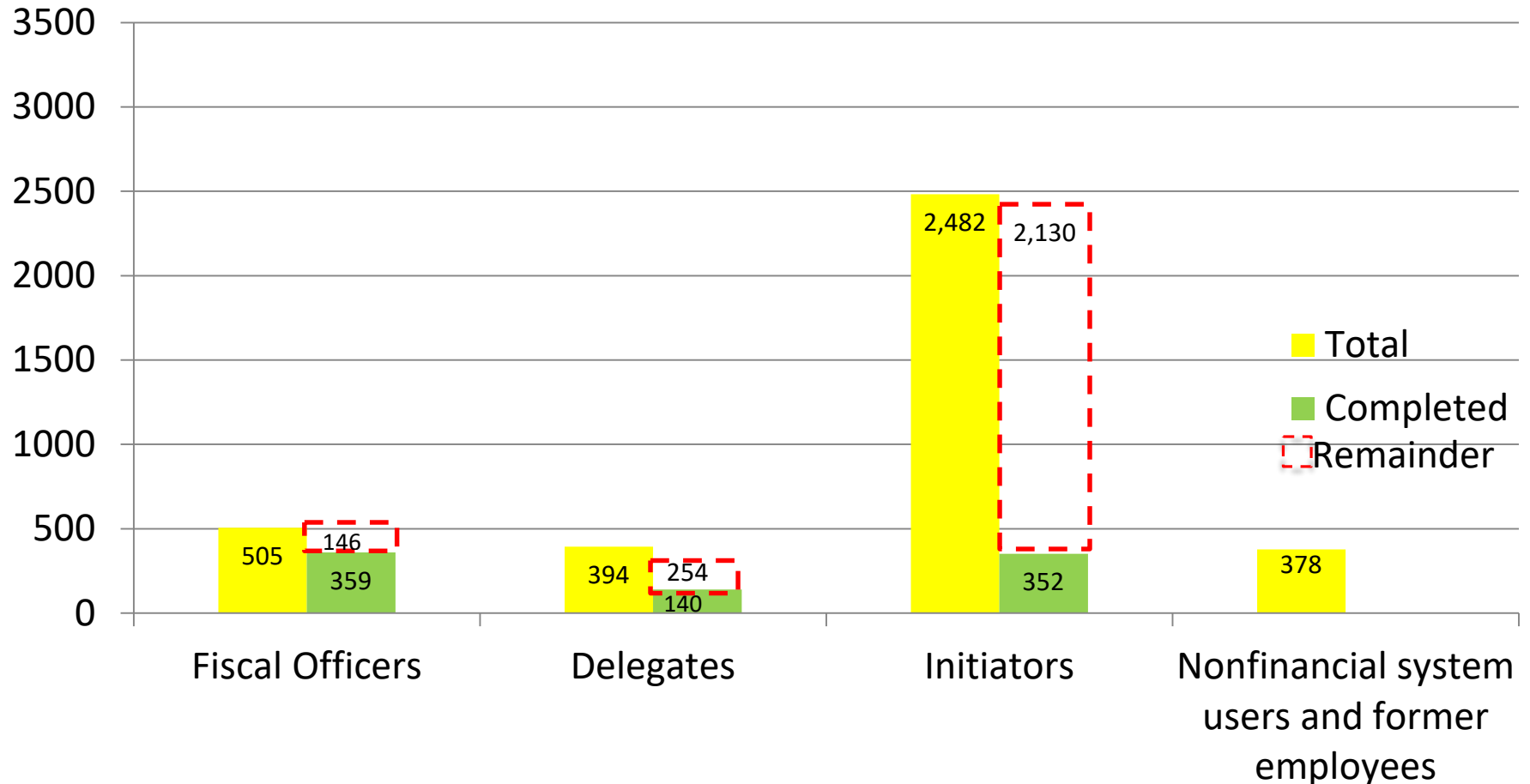
Foundation of Financial Training Programs



MSU Financial Training Programs

	Financial Administrator Development Program	Targeted Topics in Accounting	Accounting in EBS	EBS Financial System Orientation
Summary	Provide key MSU financial administrators with advanced knowledge of MSU's financial processes, plus personal development, leadership skills, and key MSU initiatives	In-depth accounting issues by topic. Several sessions offered each semester. Each session has its own enrollment. Topics change regularly and focus on today's issues.	Using EBS to efficiently and effectively manage financial accounts at MSU	Introduction to resources available to be a successful Fiscal Officer and basic information on KFS.
Length	7 sessions over 9 months	2-4 hours per session	1 day	2-3 hours
Target Audience	Deans, Assoc./Asst. Deans Asst. Vice Presidents Certain Faculty and Academic Staff College/MAU CFOs	Fiscal Officers Fiscal Officer Delegates Financial Transaction Initiators Department/Unit Accountants College/MAU CFOs	Fiscal Officers Fiscal Officer Delegates Financial Transaction Initiators Department/Unit Accountants College/MAU CFOs	New Fiscal Officers Fiscal Officer Delegates
Content	Personal Growth General MSU Info/ History Economics, Ethics Financial Analysis, Budgeting Internal Controls Policies and Procedures	30% EBS 70% Accounting	70% EBS 30% Accounting	75% EBS 25% Accounting

1,229 Attendees Have Completed Accounting in EBS Class



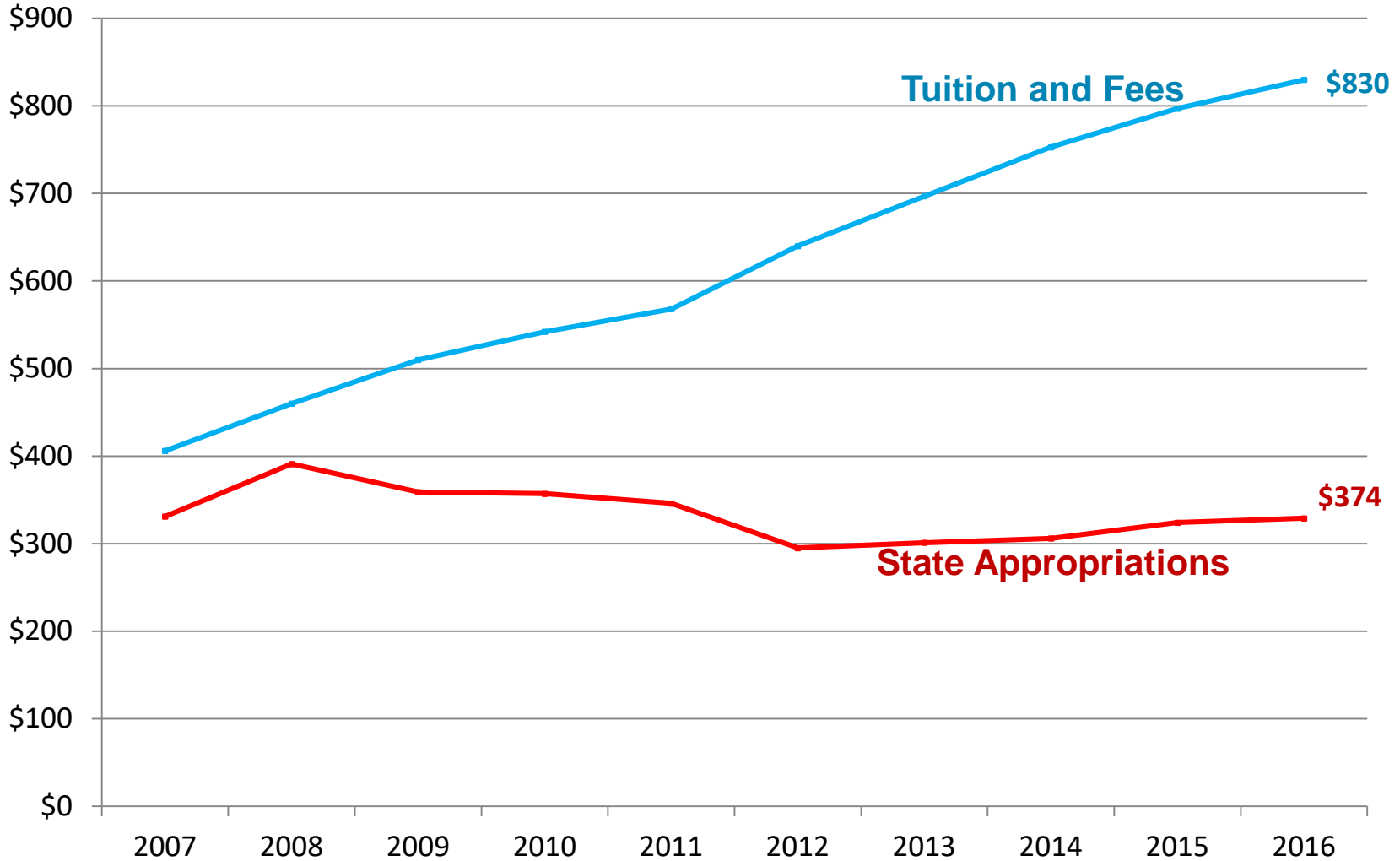
Schedule of Future Accounting Classes

<u>Date</u>	<u>Seats</u>	<u>Reserved</u>	<u>Openings</u>
December 6, 2016	36	10	26

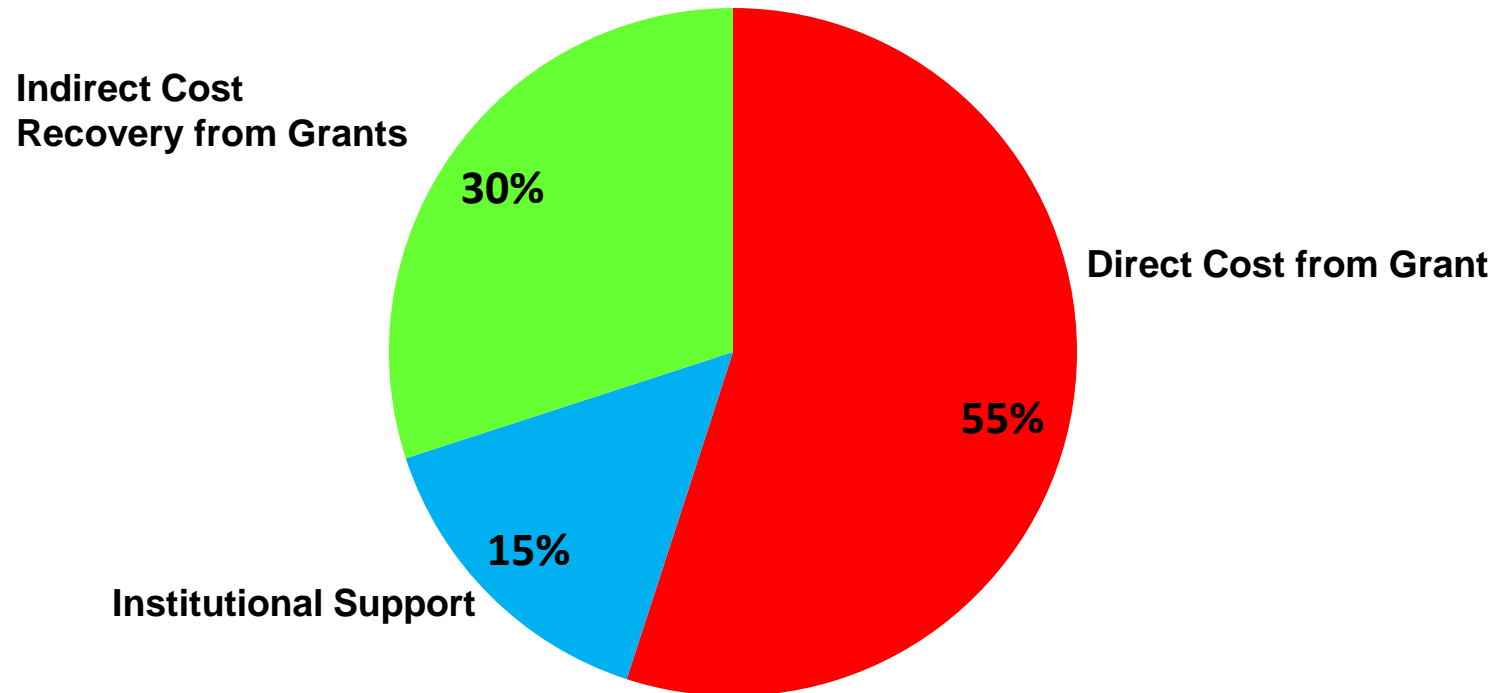
The World Has Changed

- Funding paradigm for higher education has shifted
- Educational delivery mechanism is evolving
- Public view of higher education moving

Revenues Trend – Tuition and State Appropriations

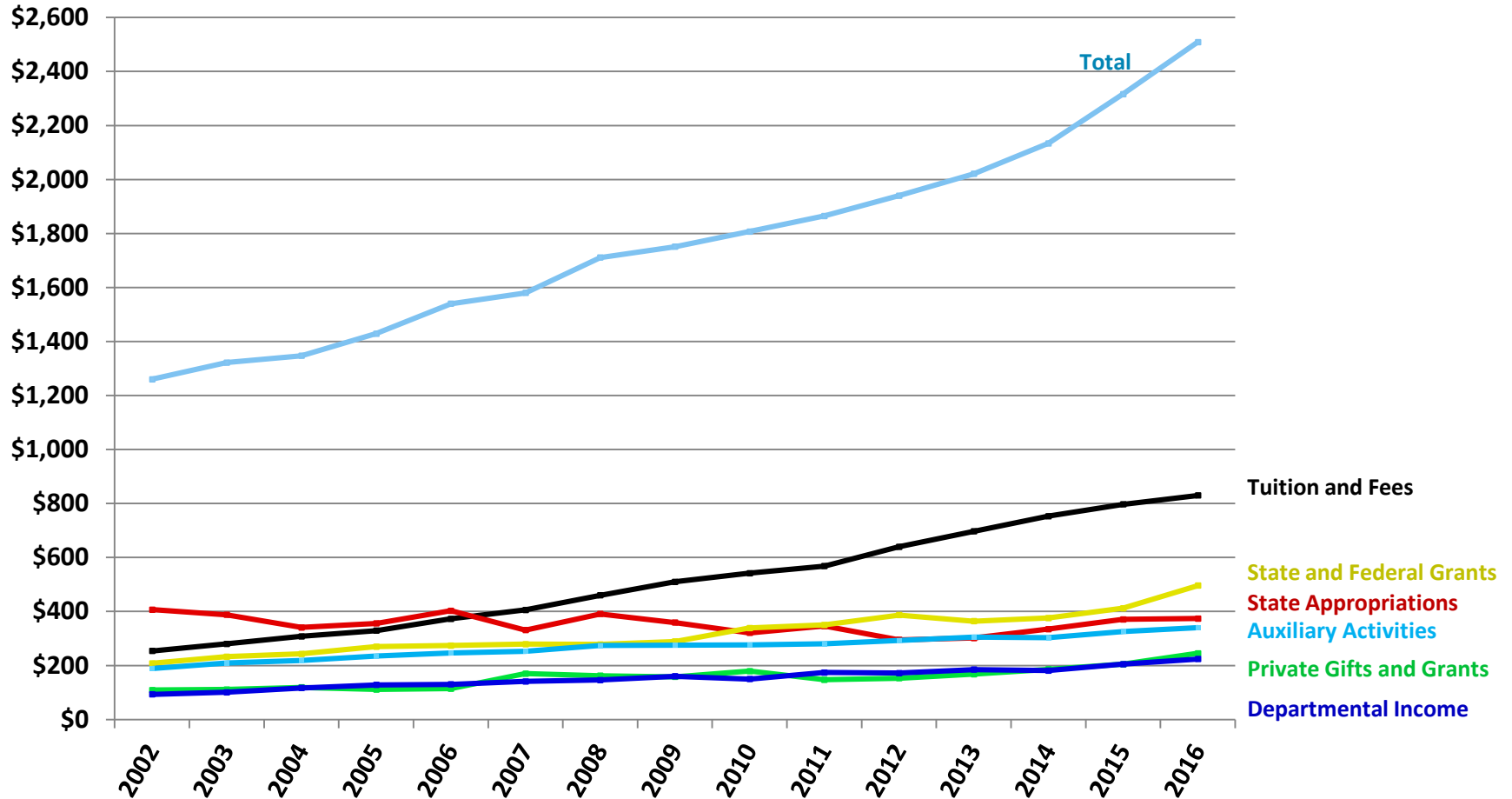


Research Requires Institutional Support

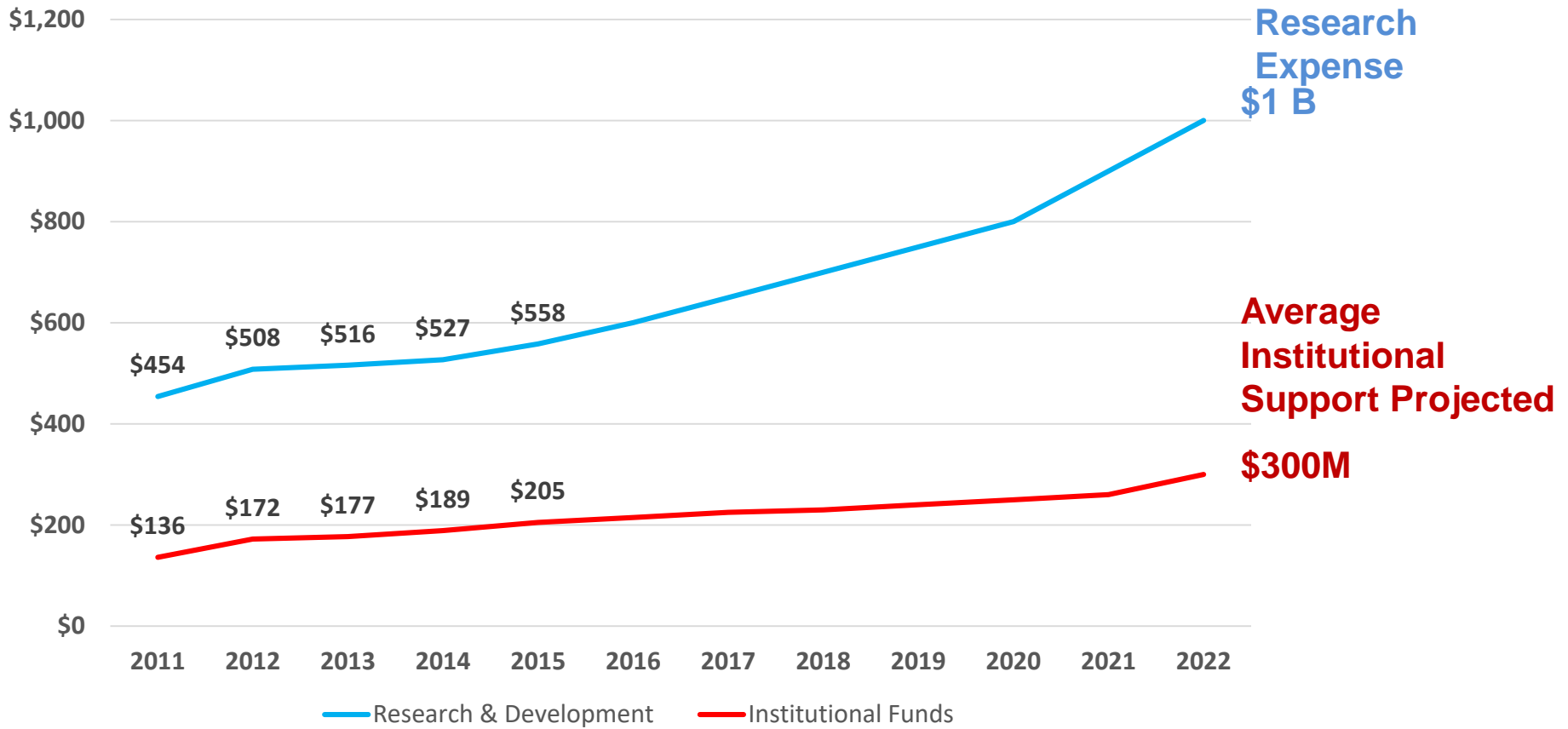


*Effective Averages

Revenue Trends



Growing Research Requires Growing Institutional Support



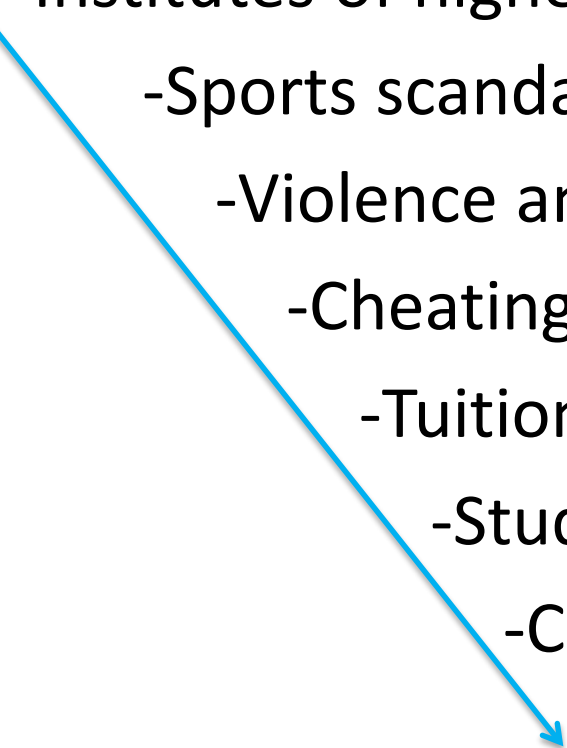
Educational Delivery Mechanism Evolving

On Campus → Mail Order → Online Learning

Original public universities land grants from states

- University of Phoenix mass produced mail order degrees
- Many weekend “Executive” MBA programs
- Universities investing \$100s of millions to increase online learning capability
- MSU administered approximately 143,483 virtual school credit hour classes online in FY15, which represents approximately 10.5% of the total school credit hour at MSU (this is down from FY12 levels of 162,000 virtual school credit hour classes, representing 12% of total school credit hours)
- Future? Continued need for on-campus experience, but mix changing.

Public View of Higher Education Moving

- Institutes of higher learning revered
 - Sports scandals
 - Violence and sexual assaults on campus
 - Cheating scandals – students and teachers
 - Tuition increases faster than inflation
 - Student debt skyrockets
 - College graduates cannot get jobs
 - Questioned value of higher ed
- 

Tougher Competition

- MSU ranked in top 100 universities in the world
- Rankings based on:
 - Education
 - Research
 - Outreach
 - Cost / Value
- Funding affects all factors
- China's national policy is to have 50 of top 100 universities in the world in China

MSU Needs to Continuously Improve to Remain in Top 100 Universities

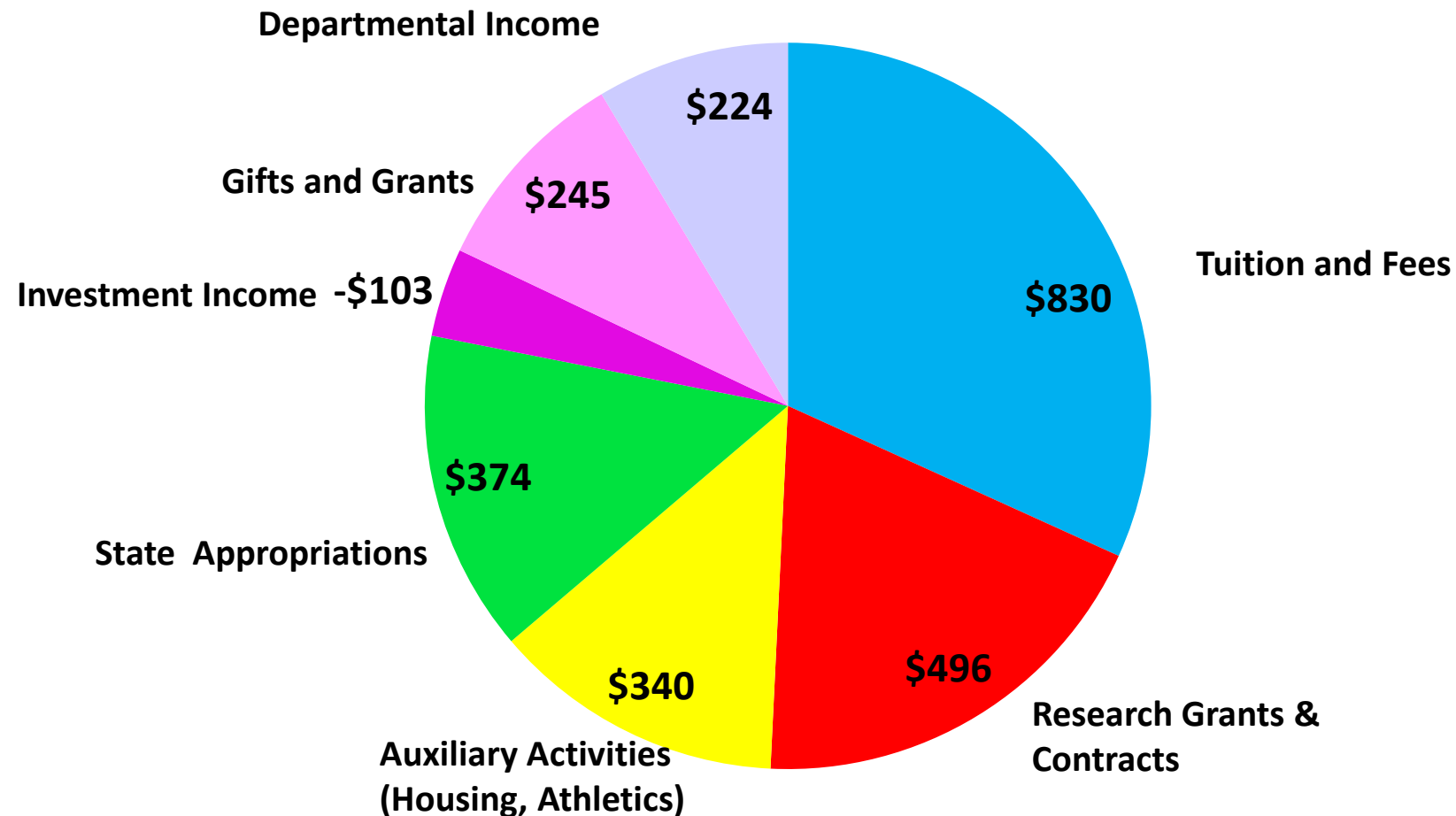
- Other schools working hard to move up
- Need more revenue to support research
- Competition for funding intensifying
- Need to be more productive
 - More and better output per \$ spent
- Need to cut costs

Improvements Require Change and Money

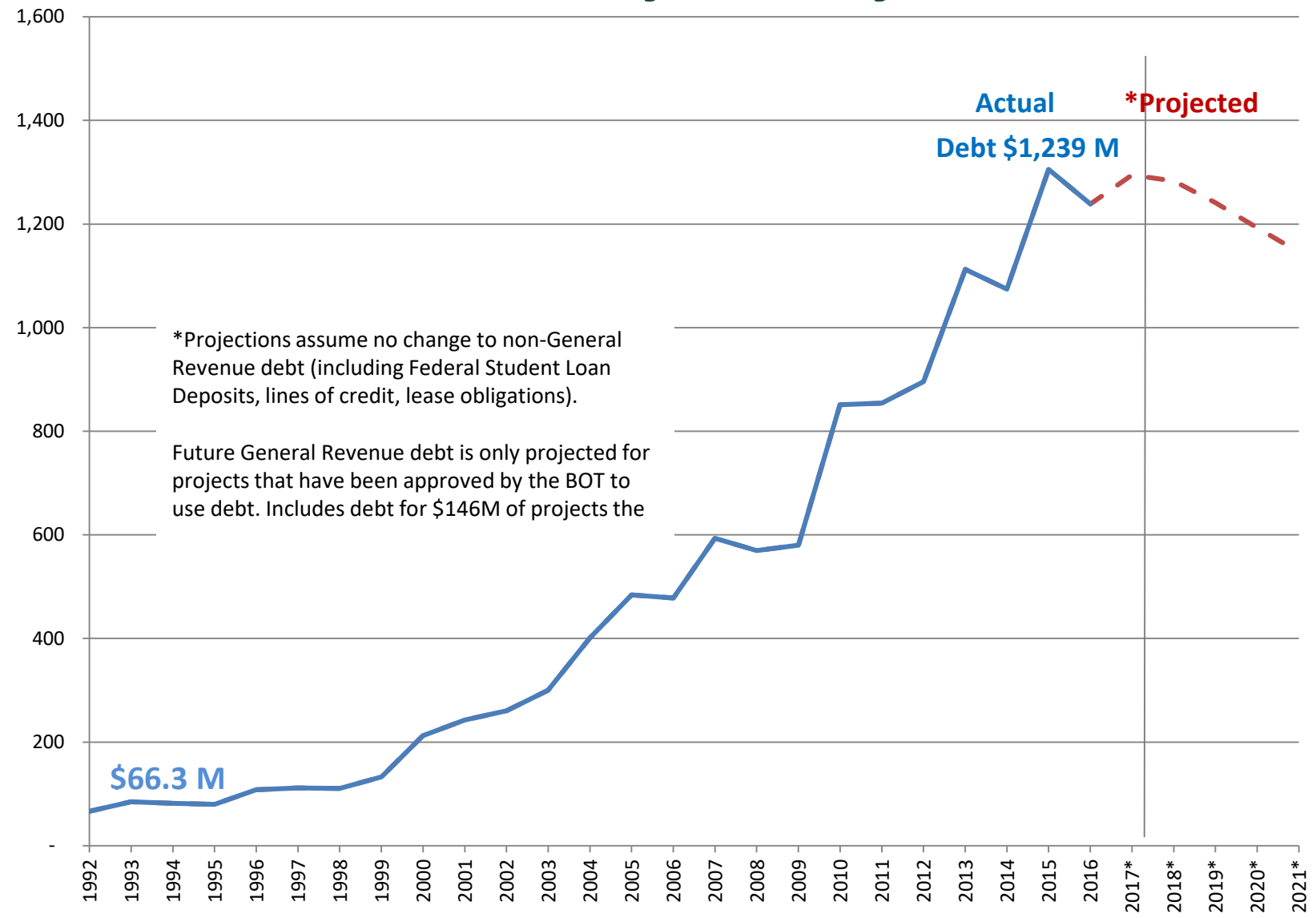
- Limited revenue options
 - Tuition
 - Appropriations
 - Research grants
 - Charitable gifts
 - Debt (pay now or later)
- Require changes to improve effectiveness

Components of 2016 Revenue Resources

In Millions

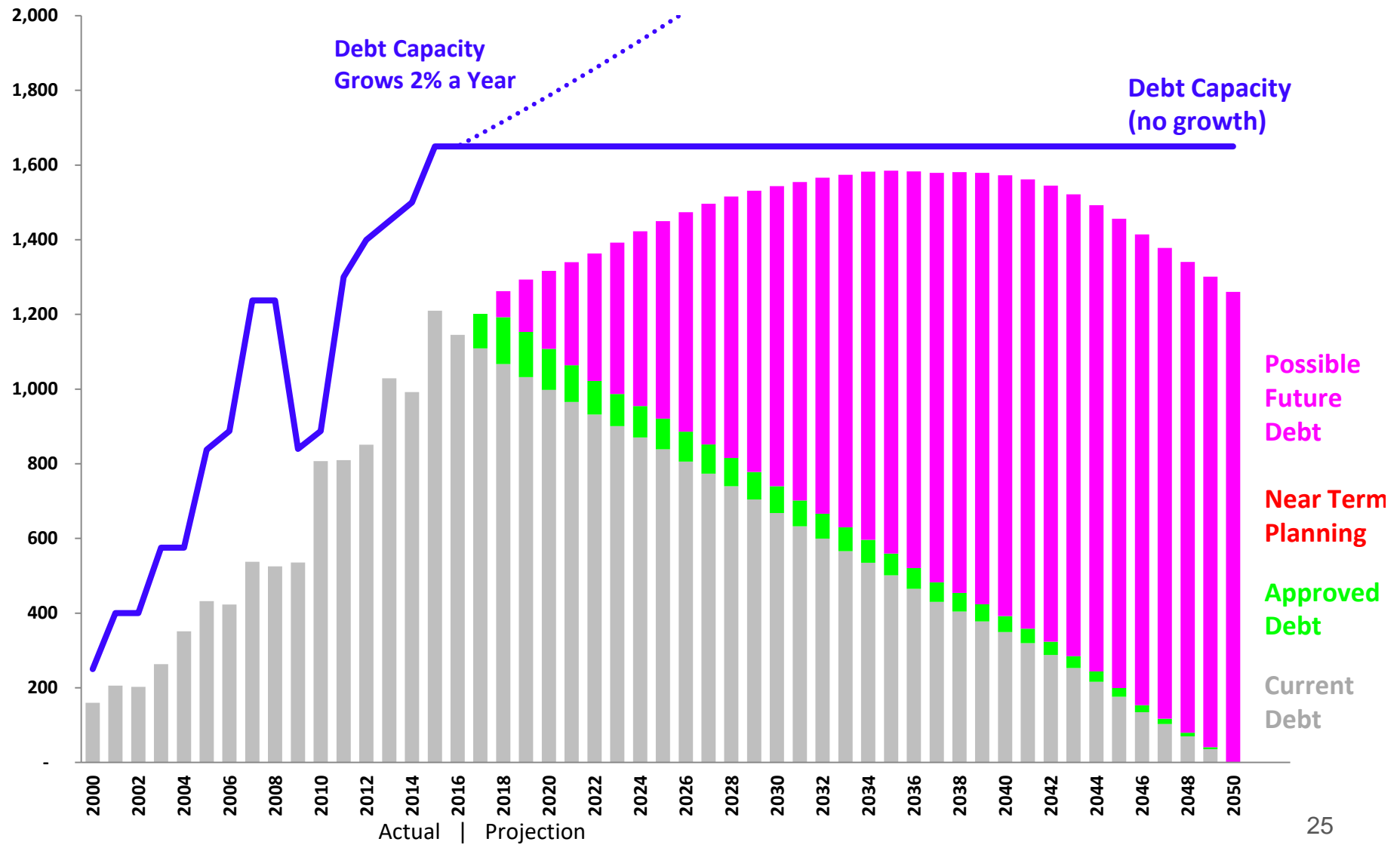


Total Debt Payable by Fiscal Year

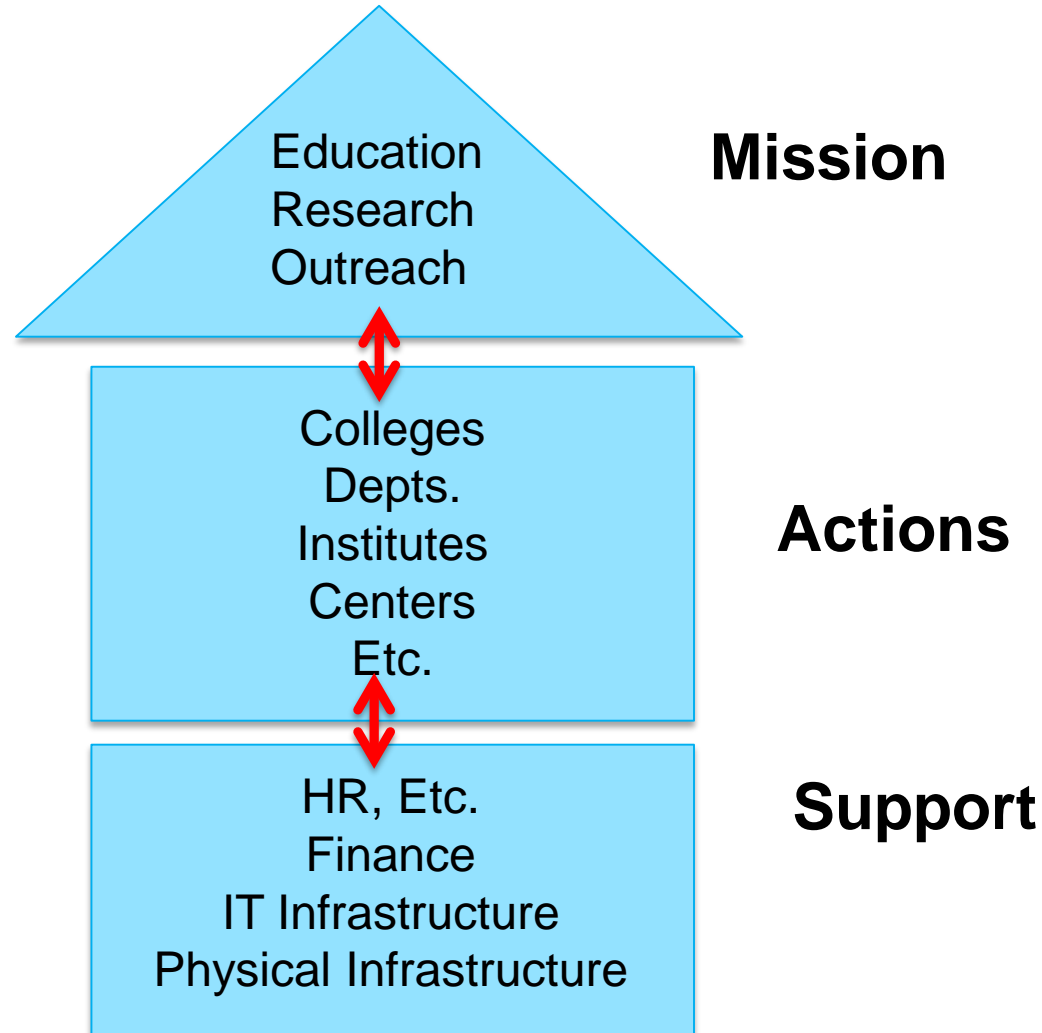


MSU Debt and Debt Capacity

As of June 2016



World-Class Support for World-Class University



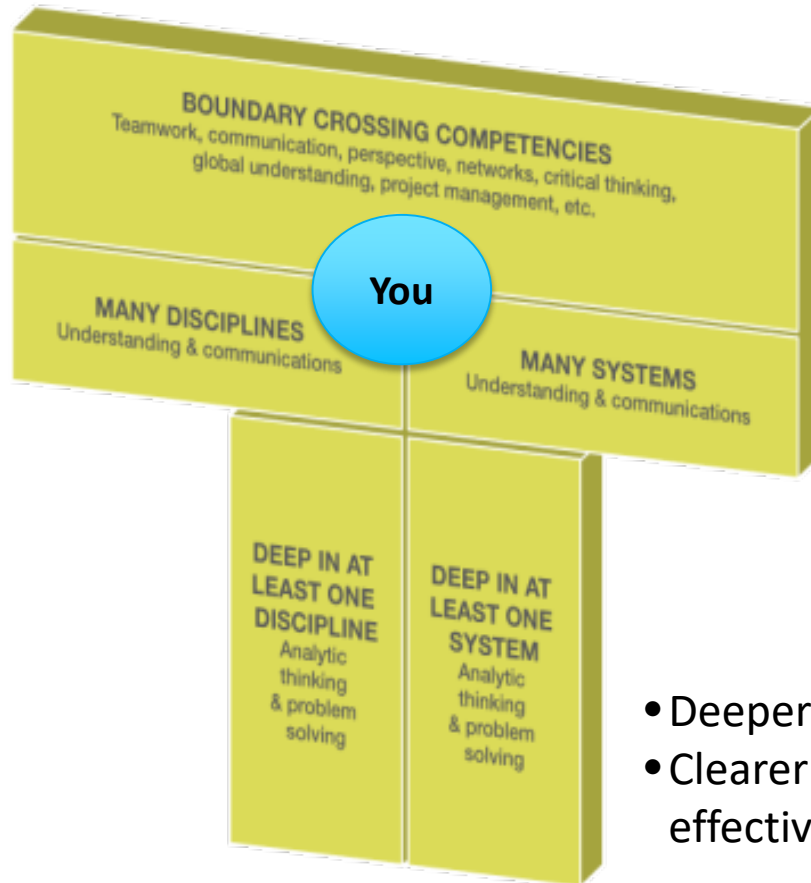
Changing University Requires Changing Culture

World-Class Research University Needs World-Class Support Units

- Higher expectations and accountability
- More effective service delivery
- More cost-efficient operations
- Metric driven management decisions
- Self supporting financially
- Continuous drive to get better
- Encouraging collaboration
- Looking at the impact on the institution rather than the unit
- Willingness to take calculated risks for bigger rewards

Changing World => Changing Roles

Financial Administration = T-Shaped Leaders



- Broader perspective of how actions affect university
- Better understanding of financial situation (unit & university)
- Increased use of financial information to make better informed management decisions
- Deeper knowledge of cost structures/systems
- Clearer view of impact current processes have on overall effectiveness and cost

Multiple Approaches to Increase MSU Knowledge and Understanding

- Process review (mapping) and revision
- Project management training
- Benchmarking performance and costs
- Bookkeeping to accounting basics training
- Financial administrator training
- HR administrator program being developed
- Executive Leadership Academy

Sharing New Knowledge and New Reports Help Us Make Better Decisions

- You were hand-picked to participate and represent the units on campus
- You each bring a variety of knowledge and skills
- I expect you to teach and mentor each other (and us), as well as learn
- We will succeed together – failure is not an option

Thank you for your participation!

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