Business Administrator Forum

February 16, 2017
2:30 p.m. – 4:00 p.m.

Wake Forest University

401 A/D Benson
Welcome

Workday: Change Management and Communication

Presenters: Phil May & Vinnie Seidita, PMO
Melissa Clodfelter, Change Management and Communication

Getting to Know the Office of Internal Audit

Presenter: James Ponce, Director OIA

New Faces in Post Award Accounting

Presenter: Nick Reed, Director, Financial Services

Endowment Discussion

Presenter: Marnie Matthews, University Controller

Accounts Payable Update

Presenter: Allison Belton, Director, Accounts Payable, Financial Services
Workday Project Update

Phil May & Vinnie Seidita, PMO
Melissa Clodfelter,
Change Management and Communication

BAF | February 16, 2017
Business Administrators Forum
Workday Update

February 16, 2017
Operational Excellence

A University strategy to achieve operational excellence is critical in its management of resources and adoption of best practices and tools, benefiting the needs of the faculty, students, and staff.

Resources
- University resources leveraged to support value-added activities focused on strategic priorities

Best Practices
- Practices that are consistent, paperless, and user-friendly
- Data that is accurate and readily available to support analysis and decision-making

Tools
- Solutions that support efficient business practices, creating capacity to innovate and strategize
- Solutions like Workday, when fully embraced, will maximize their impact on greater collaboration, innovation, and operational excellence
The Leading Enterprise Cloud for Higher Education
<table>
<thead>
<tr>
<th>HCM</th>
<th>Payroll</th>
<th>Finance</th>
<th>Budget/Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruiting</td>
<td>Time Tracking</td>
<td>Purchase Requisitions</td>
<td>Annual Budget Cycle</td>
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<tr>
<td>Onboarding</td>
<td>Direct Deposit</td>
<td>Purchase Orders</td>
<td>Pay Increases</td>
</tr>
<tr>
<td>Open Enrollment</td>
<td>View Paycheck</td>
<td>Supplier Invoices (accounts payable)</td>
<td></td>
</tr>
<tr>
<td>Changes to Personal Information</td>
<td></td>
<td>P-Card</td>
<td></td>
</tr>
<tr>
<td>Absence/Time Off</td>
<td></td>
<td>Travel Expenses</td>
<td></td>
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<tr>
<td>Performance</td>
<td></td>
<td>Expense Transfers</td>
<td></td>
</tr>
<tr>
<td>Compensation Changes</td>
<td></td>
<td>Business Assets</td>
<td></td>
</tr>
<tr>
<td>Terminations</td>
<td></td>
<td>Grants, Endowments, Projects</td>
<td></td>
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</tr>
</tbody>
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**Workday@Wake**
## Workday Timeline

<table>
<thead>
<tr>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
</tr>
<tr>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
</tr>
<tr>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
</tr>
</tbody>
</table>

July 2018 Launch

### Planning

- **P1**: 27 July 2018
- **P2**: 28 July 2018
- **P3**: 29 July 2018
- **P4**: 30 July 2018

**Gold**: 31 July 2018

### Deployment Timeline

- **July 2018 Launch**
Workday Change Management Timeline

**July 2018 Launch**

<table>
<thead>
<tr>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
</tr>
<tr>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
</tr>
<tr>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
</tr>
</tbody>
</table>

**Timeline Diagram**

- **OCTOBER ’16**
  - Awareness
- **JUNE ’18**
  - Desire
  - Knowledge
  - Ability
  - Reinforce
# Change Management Model & Activities

<table>
<thead>
<tr>
<th>Planning</th>
<th>Architect</th>
<th>Configure &amp; Prototype</th>
<th>Testing</th>
<th>Deploy</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCTOBER ‘16</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>JUNE ‘18</td>
</tr>
</tbody>
</table>

## Awareness
- Awareness Campaign
- Project Team Kickoff
- Stakeholder Analysis Part A
- CM/Communications Strategy
- CM/Communication Activity Tracker
- Kick off Campus Change Partner Network
- Project Website & email setup
- Prepare Readiness Assessment

## Desire
- Awareness/Desire Campaign
- Readiness Assessment
- Stakeholder Analysis Part B
- Develop Resistance Mgmt. Plan
- Knowledge Transfer Plan
- CCPN Training: Developing a Common Language
- CCPN Training: Getting Started with Workday
- Website Alignment

## Knowledge
- Knowledge Campaign
- Change Impact Assessments
- Outreach to Impacted Departments
- CCPN Training: Basics of Employee Self-Service
- CCPN Training: Manager Self-Service
- Website Alignment

## Ability
- Ability Campaign
- Training & Logistics messages
- Workday support model
- CCPN Training: Supporting Employees through Change

## Reinforce
- Reinforcement campaign
- Training
- Share user success stories
- Celebrate
- Document Lessons Learned
- Prepare to expect W/D Updates
Getting to Know
The Office of Internal Audit

James Ponce, Director

Wake Forest University

BAF | February 16, 2017
Internal Audit

Enhancing and protecting organizational value by providing risk-based and objective assurance, advice, and insight
What is Internal Auditing?

• Internal auditing is an independent, objective activity designed to add value and improve an organization’s operations.
• Internal auditing is critical to strong corporate governance, risk management, effective internal control, and efficient operations.
Internal Audit is the Third Line of Defense

1st Line of Defense
- Management Controls
- Internal Control Measures

2nd Line of Defense
- Financial Control
- Security
- Risk Management
- Quality
- Inspection
- Compliance

3rd Line of Defense
- Internal Audit

Governing Body / Board / Audit Committee
Senior Management

External audit
Regulator
# High Level Comparison

<table>
<thead>
<tr>
<th>Internal Audit</th>
<th>Financial Statement Audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad focus</td>
<td>Specific focus</td>
</tr>
<tr>
<td>• Accurate financial statements</td>
<td>• Accurate financial statements</td>
</tr>
<tr>
<td>• Efficiency/effectiveness</td>
<td>• Going concern</td>
</tr>
<tr>
<td>• Accomplishing objectives</td>
<td>• Reviewing historical data</td>
</tr>
<tr>
<td>• Compliance with laws, policy</td>
<td>• Compliance with accounting &amp; other regulations</td>
</tr>
<tr>
<td>• Safeguarding assets</td>
<td></td>
</tr>
<tr>
<td>Diverse skills required</td>
<td>Primarily accounting skills</td>
</tr>
<tr>
<td>Integral part of the organization</td>
<td>Independent from the organization</td>
</tr>
</tbody>
</table>
Contact

• James Ponce, Internal Audit Director
  (336)-716-2784
  Jponce@wakehealth.edu
  Poncej@wfu.edu
Endowment Discussion

Marnie Matthews, University Controller
grants@wfu.edu
(Please use for all grant related requests)

Kerri Bolow
Senior Grant Administrator
5187

April Poteat
Post Award Analyst
2524
Marnie Matthews  
University Controller  
matthems@wfu.edu  
3201

Nick Reed  
Director, Financial Services  
reednc@wfu.edu  
7167
## Gifts

Originate in Advancement

<table>
<thead>
<tr>
<th>Types</th>
<th>Donor Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>General University Use / Operating</td>
</tr>
<tr>
<td>Current Restricted</td>
<td>Donor Restricted (purpose, time)</td>
</tr>
<tr>
<td>Capital</td>
<td>Donor Restricted (building)</td>
</tr>
<tr>
<td>Endowment Trusts</td>
<td>Donor / Board Restricted for endowment</td>
</tr>
</tbody>
</table>

### Endowment

<table>
<thead>
<tr>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowments require $100K commitment</td>
</tr>
<tr>
<td>Endowments “reinvest” if the cash donation is less than $100K</td>
</tr>
<tr>
<td>Underwater endowments</td>
</tr>
<tr>
<td>Endowments where the market value is less than the historic dollar value -</td>
</tr>
<tr>
<td>Unless prohibited by the donor – Investment Committee reviews and approves</td>
</tr>
<tr>
<td>underwater spending</td>
</tr>
</tbody>
</table>
### WFU's Endowment Types

<table>
<thead>
<tr>
<th>Endowment Type</th>
<th>Definition</th>
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</thead>
<tbody>
<tr>
<td>Quasi-endowment</td>
<td>Board designated endowment</td>
</tr>
<tr>
<td>True endowment</td>
<td>Donor restricted endowment</td>
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</tbody>
</table>

### Change in Endowment Market Value

<table>
<thead>
<tr>
<th></th>
<th>Consolidated</th>
<th>Reynolda Campus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning market value @ 7/1/16</td>
<td>$1,141,212</td>
<td>$686,322</td>
</tr>
<tr>
<td>Contributions</td>
<td>15,501</td>
<td>9,913</td>
</tr>
<tr>
<td>Appropriation of endowment for expenditure, net</td>
<td>(30,251)</td>
<td>(16,523)</td>
</tr>
<tr>
<td>Investment return, net</td>
<td>31,783</td>
<td>18,131</td>
</tr>
<tr>
<td>Adjustments, timing and endowed Real Estate activity</td>
<td>4,178</td>
<td>2,419</td>
</tr>
<tr>
<td>Reynolda House net activity</td>
<td>214</td>
<td>214</td>
</tr>
<tr>
<td>Transfers</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Ending market value @ 12/31/16</td>
<td>$1,162,838</td>
<td>$700,676</td>
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</table>
Stakeholders

- Operating Units – Ensure the gifts / distributions are spent consistent with donor’s restrictions

- Advancement – Responsibility to steward the donor

- Finance –
  - Fiduciary responsibility to ensure the funds are invested to preserve the corpus
  - Ensure accurate reporting and compliance to the donor restrictions
  - Internal Control structure is adequate

Endowment Market Value by Unit

- GU, 8,724, 28%
- Undergraduate Financial Aid, 9,477, 30%
- College, 3,527, 11%
- WFUSB, 3,509, 11%
- Divinity, 761, 3%
- Athletics, 1,658, 5%
- Graduate, 55, 0%
FY18 Distribution

Spending Distribution FY17 vs. FY18

3 year semi-annual moving market value per unit

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
<th>Impact</th>
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</thead>
<tbody>
<tr>
<td>FY17</td>
<td>$2.61</td>
<td>-4.1%</td>
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<tr>
<td>FY18</td>
<td>$2.50</td>
<td></td>
</tr>
</tbody>
</table>

ENDOWMENT DISTRIBUTION SUPPORT

- Scholarship, $16,077, 48%
- Operating, $6,674, 20%
- Faculty Support, $6,819, 20%
- Other, $3,877, 12%
Accounts Payable Update

Allison Belton, Director
New Paper Forms
- Advance
- Travel and Business Expense
- Payment Request Form
- Extended Travel Form
- Student Disbursement Form

International Travel Update
- New Form in draft to help with necessary information for research
Upcoming Forums

April 2017

Fiscal Year-End: Key Dates

Petty Cash

More to come...

Your input is essential as we continue to collaborate and discuss items of interest so that we can improve how we do business at Wake. So, please continue to send along suggestions, questions, and topics you want to hear about, know about, or discuss with others.