

Comprehensive Program Review Report



Program Review - Fiscal Services

Program Summary

2023-2024

Prepared by: Rainbow Moore

What are the strengths of your area?: Fiscal Services Unit continues to provide professional and timely services in response to the needs of the campus and community. The Unit strives to continually work to improve various business processes used across the District, while maintaining a positive and rewarding working environment. The goal is to maintain accurate and current information regarding federal, state and local fiscal policies and procedures, while ensuring students and staff needed resources to foster student success.

The Fiscal Services Unit is primarily responsible for providing fiscal oversight to the campus from a District-wide perspective that supports the College of the Sequoias' vision and leverages its expertise. By facilitating long-term financial planning, the Fiscal Services Unit can better provide accurate and meaningful financial information that meets the needs of District staff and the students.

Following are a few examples of the service delivery excellence:

- ~Fiscal integrity and accountability
- ~Expertise, education, and experience of staff members
- ~Excellence in customer service to students and District employees
- ~Fast, efficient, and accurate in processing requests generated from the campuses

The Fiscal Services Unit has been producing accurate and timely external audits and regulatory financial statement reporting. Annual audits with an "unmodified" opinion for decades have shown that the Fiscal Services Unit processes all financial transactions in an accurate and timely manner, supported by appropriate back-ups.

The Fiscal Services Unit also championed improvement of financial discipline and fiscal health through effective budgeting and the administration. At fiscal year 2022-2023 end, the District reported nearly 30% unrestricted General Fund balance which is well above the State Chancellor's recommendation of 16.7% (or two months operating cash).

What improvements are needed?: During fiscal year 2022-2023, the Fiscal Services Unit experienced tremendous staff turnover due mainly to the retirements. For example, nearly all five positions at Accounts Receivable team with combined job experience of 55 years are now replaced by less than one year combined position experience across the five positions. Staff development and training will be the top priority for the Fiscal Services Unit during FY2023-2024 which may have a slight setback on the overall productivity and effectiveness. The District contracted Banner consultants to begin much needed systems training and to lead discussions on overall work processes.

Establishing sound procedures and guidelines on fixed asset procurement and tracking has been the Unit's goal for a while. Although the overall inventory process has greatly improved during last few fiscal years thanks mainly to the exemplary efforts by the accounting and facilities staff, the District still can benefit from having well communicated written procedures and guidelines towards capital asset administration to support sound purchase, replacement, and surplus decisions and processes. This is imperative when federal or state funding is being utilized for the purchase.

Furthermore, to improve salary and benefits expenditure tracking and budgeting (which makes up nearly 90% of the overall District expenditures), the Payroll & Budget and Finance teams will explore Banner personnel budgeting and tracking options.

The Unit will continue educating the Departments across the District on tools for tracking and monitoring department budgets to assist Departments adhering to the rules and regulations of the District. This will improve accountability for departmental budgets and expenses.

On a smaller scale, the Accounts Payable will tackle improvement measures for CalCard payment tracking and processing. To meet various departmental purchase needs, the number of CalCard users have grown significantly over the years. The District now needs more streamlined CalCard payment processing and tracking options to improve overall Accounts Payable operations.

Describe any external opportunities or challenges.: Continued changes to state and federal funding rules and regulations present administrative challenges such as additional staff training and adjustments to existing processes especially for categorical programs. For example, the new GASB96 now will require closer Information and Technology contract monitoring and tracking.

Additionally, due to the prolonged negative economic impact of the Covid-19 pandemic and inflation, the District continues to experience increases in operating costs and student accounts receivable. Resuming and supporting student debt collections efforts such as COTOP, enrollment holds and drops will present both challenges and opportunities for the upcoming fiscal year.

Overall SAO Achievement: Apart from the Accounts Receivable team which deals with student finances and refunds, the Fiscal Services Unit does not provide direct service to students. However, the Unit is integral in supporting Student Learning Outcomes because it provides fiscal oversight to departments across the District who provide indirect and direct student supports including Food Services, Associated Student Body, Facilities, Purchasing, Information Technology, and Training and Recourse Center. The Unit's core mission is enabling students and department staff to thrive with the necessary supplies, services and fiscal tools needed to develop, execute, and receive top-notch learning programs. The Unit oversees the proper handling of all cash for the campuses and ensures the internal controls are being followed when processing staff and student worker payroll, all check requests, purchase orders, requisitions, mileage reimbursements, and conference reimbursements for the campus. Without its successful fiscal administration, these essential programs cannot exist.

Despite the turbulent times that COVID brought, with Fiscal Services Unit support, the District was able to maintain a General Fund reserve of approximately 30%; fully-fund Other Post-Employment Benefits (OPEB) fund with over \$13M; pay off all its long-term debt; and fund several notable improvement projects across its three campuses including new field turf and numerous office renovations (Visalia), a new solar project (Hanford), new quad pathways and landscaping (Hanford), and unveil plans for a new Career and Technical Education Complex in Tulare.

The Accounts Payable, Accounts Receivable, Payroll, Procurement, and Budget & Finance teams ensure the obligations to both internal staff and external vendors are met while maintaining organization's fiscal integrity and compliance. The Accounts Payable team, for example, plays a key role in protecting the District's reputation among the suppliers and vendors. The Fiscal Services staff work with department staff to develop and maintain each department's budget, while providing timely and accurate reporting to internal and external customers. With each decision made, the Unit ensures the fiscal actions reflect College of the Sequoias' values and serve the students and community.

These are additional examples of the Service Area Outcomes:

~Payroll team processed timely and accurate monthly payroll for approximately 800-1200 employees and student workers while handling various quarterly, semi-annual, and annual payroll compliance reporting. Payroll Coordinator performed numerous budget adjustments to reflect accurate fund positions of the District. This team was responsible for disbursing approximately 5.3 MIL monthly which is District's biggest expenditure item.

~Accounts Payable processed over 850 vendor invoices each month. The District is fiscally accountable to Tulare County Office of Education; therefore, majority of the payments are subject to extensive internal audits by Tulare County Office of Education and the Accounts Payable team successfully supported this effort.

~The Accounts Receivable Department is responsible for all deposits made to College of the Sequoias and all student fees and tuition collections and third party contract administration. On a monthly basis, students will pay for fees they owe the college and these amounts can range from

\$51,000 to \$230,000 a month with number of students serving ranging from 100 to 600 per month.

~Fiscal Services provided timely financial reports daily, monthly, quarterly and annually. Depending on the request, 50- 80 reports can be processed in one month to meet various deadlines and compliance requirements. Fiscal Services also oversaw the development of the annual budget which equated to an expenditure budget of \$175 MIL for all district fund groups.

Changes Based on SAO Achievement: Fiscal Services Unit will continually strive for effective management of financial resources to sufficiently support, maintain, and enhance student learning programs and services. Fiscal Services will continue providing training and workshops to the campus on departmental budgets to ensure that departments operate within their budgets to improve fiscal accountability and discipline. The intention is providing each department with the tools needed for better planning and fiscal accountability. The Unit will continue monitoring the fiscal activities of each department to determine

additional training needs.

Outcome cycle evaluation: The Fiscal Services Unit is not alone in dealing with Covid19 pandemic related disruption; therefore, the three-year outcome assessment does not provide meaningful data at this point.

Overall, the Unit is striving to achieve the timelines and goals identified through this important Program Review process. The significant improvements can only be achieved through continual assessment of the internal practices while examining external pressures such as changing laws, regulations such as new GASB rulings. For the annual evaluation period, Fiscal assesses if objectives have been achieved and analyzes the appropriate next steps such as abandoning no longer applicable targets and/or revising the existing objectives. Some objectives may take multiple years to factor in additional time to review the results due mainly to the external demands or further internal analysis needs.

Action: 2023-2024 no action needed

No actions and Resource Requests for FY2023-2024.

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Implementation Timeline: 2023 - 2024

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Identify related course/program outcomes:

Person(s) Responsible (Name and Position): Rainbow Moore

Rationale (With supporting data):

Priority: Low

Safety Issue: No

External Mandate: No

Safety/Mandate Explanation: