

<p style="text-align: center;"><b>Fiscal Services Division</b> <b>Accounting and Budgeting Departments</b> <b>Program Review</b> <b>2008-2009</b></p>
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## **Program Review**

### **I Overview of Department**

The Fiscal Services division is comprised of the Fiscal Services office and the Accounting department. The Fiscal Services office is responsible for the development of the district's budgets, forecasting, business management procedures, implementation of new financial systems and interfacing with public and private sector agencies. The Accounting department provides services in the areas of general accounting, grant accounting ancillary accounting, reporting, vendor payments, enrollment and cashiering services, banking and investing, human resources position control and payroll generation and disbursement, student financial aid accounting and disbursement and other related duties. Staff consists of trained accountants, accounting assistants, cashiers, temporary hourly staff and Federal Work Study program students.

### **II Analysis of Institutional Research Data and Performance**

#### **Indicators**

##### Surveys

Customer surveys were completed in 1998-99, March 2003, and May 2007.

Customer satisfaction data showed management satisfaction improved by 2 % over the years to a high of 97%, faculty satisfaction held steady at 86-87% satisfied, and staff satisfaction greatly improved from 82% to 95%, a 13% increase in customer satisfaction.

##### Improvements to Service

Fiscal Services has focused since that time on improving service in general accounting and reporting, and in student cashiering services during peak registration times.

Financial Reporting has implemented a budget monitoring and alert system. Data showed that numerous department accounts were over running their budgets. A budget check feature was instituted at the requisition level in the Datatel system. This prevents overdraft of supply and other operating account budgets. Department budget reports are produced monthly, current and projected expenditure levels compared to the annual budget. Department managers are alerted to any accounts that are overdrawn.

Departments are also alerted of any account that has exceeded a normal percentage level of expected expenditures and therefore may exceed budget before the end of the fiscal year. Departments are advised to process budget transfers and/or curtail expenditures. Accounting staff assure that budget transfers are completed before the next monthly reports are sent to the departments. This is keeping a tighter control on expenditure budgets. Last year expenditures came in well under budget.

Cashiering services monitored the average wait time in the cashiering line during the peak periods of enrollment, as well as the number of customers served via the web, on the phone and in person to see if staffing schedules were adequate to respond timely to customer needs. Collecting this data enabled schedulers to more efficiently service customers and also confirmed that the wait time was not long in the cashiering line, as had been assumed by upper management's visual inspection of the hallway. Cashiering services deployed new credit card terminals that capture the customer's payment in less time. Cashiering services worked the cashiering line answering student questions while students waited for a cashier window to be available. Students who had to be sent to another campus department and return to the cashiers were given "front of the line" passes, so they would not have to wait in line again. Web payment services are heavily promoted so students can process their fee payments online. Long lines of students are now only seen on the first two days of each semester rather than the first two weeks.

Cashiering services also took on the responsibility of counting and depositing all the campus parking permit machine coin and currency. This has increased the workload of the cashiers and required the purchase of a new coin sorting and counting machine. Additional staff has been brought in to assist the cashier in lifting and dumping the coin bags and preparing the deposit of these funds. The number of machines has doubled and will soon triple since the years that the cashiers originally counted and deposited these funds. Providing this service has freed up police cadet and officer time and safe guards the funds at a higher level. It has increased the work load and hourly staffing needs of the accounting department which will require a budget increase.

Financial aid students owe health center and student body fees only. Research showed that many financial aid students were receiving their aid, but not paying their fees. Accounting implemented a new system that recovers these delinquent fees prior to the disbursement of financial aid to the student. Recent recoveries totaled \$4000 in delinquent fees per semester. This recovery occurs within the first two weeks of the semester and reduces the number of invoices that are sent to students and eliminates phone calls from students asking why they are blocked from registration for the next term. This has also necessitated the hiring of part-time staff and will cause a need for increased budget.

The budget book has been produced earlier than ever before in the last two years resulting in the satisfaction of the Planning and Budgeting Committee, the President and the Board of Trustees. This was accomplished by setting firm budgeting, year-end closing and budget book production deadlines.

### **III Facilities and Equipment**

Fiscal Services is housed in the Administration building on the eastern most edge of the campus. Plans are underway for all student related services within fiscal services to move to a remodeled Student Services building situated more centrally within the campus. This will provide a single place for all student services to be provided. This will enhance the student services experience for the student. Accounting was involved in the design of the plan and the restructuring of job responsibilities within the new student

services configuration. The plan for student services is to have cashiering staff and admissions staff cross trained in each others job functions so a greater number of staff can service any student need.

Current cashiering services facilities have been inadequate to handle the volumes of students who want services the first week of the semester when lines of students line the hallway and trail outside the building. This has improved in the past few years with the implementation of the web payment system. With the implementation of the web payment system, additional cashiering staff is housed at any open cubicle in the accounting office to process the large volume of web payments.

New equipment is needed to keep up with external changes to our operations and maintain service levels and deadlines. Most recently the County Office of Education re-designed the payroll warrants. The new non-perforated warrant has to be tri-folded and stuffed into an envelope. This has necessitated additional staff to help payroll staff fold the new warrant and stuff it into a new envelope. The time it takes to stuff payroll envelopes has doubled. Vendors have been called in to demonstrate and price quote a document sorter, folder and envelope stuffer. The cost of a single machine is \$14,000. The amount was not budgeted for the current fiscal year, as the district was not notified of the change until the new fiscal year had begun. The same warrant is used for student financial aid checks. A folding and stuffing machine could be utilized by the financial aid and payroll sections of the accounting department. This will require a budget increase.

A new microfiche reader and computer software had to be purchased for the retrieval of payroll information from County Office of Education microfiche. New Microfiche machines require a hook up to a computer system. This amount had not been budgeted as the previous machine was working well until it broke down, again, after the start of the fiscal year. Purchase of the machine requires a budget increase.

Current accounting office space is sufficient for occupancy of staff, including Compton Center staff. The addition of the Compton Center staff has taken up every workspace in the office and there are no longer spaces for temporary help or work spaces for the auditors. The accounting operations will be moved to the second story of the Bookstore/Cafeteria building in one year. The original floor plan was sufficient to accommodate staff and storage. Since that time, the usage of the second story has been revised and new floor plans were drawn up for the accounting area. Additional cuts to space and changes to space usage were made by the area vice-president. It is believed that the space for management, staff and files, including secured storage for sensitive documents will be insufficient. It is hoped that the floor plan and space design can be re-examined before the internal construction takes place. Accounting work requires quiet areas needed for concentrated accounting work. The current floor plan does not provide for individual cubicles. There is also concern for easy access to the building and office. There is no building elevator close to parking to accommodate several employees who have mobility and health disabilities.

## **IV Staffing**

Current staffing is at an all time low. At least six positions have been lost from the budget as employees retired or left the district's employment. Budgeted positions were also given up to other departments with the promise that they would be replaced when the one-stop center for student services was built. This was promised in 2001, but has not happened and staff continues to be assigned additional functions. Workload has increased in the general accounting area as the district acquires more externally funded grant programs. Adequate segregation of duties do not exist in the cash handling nor payroll areas due to staffing reductions in both areas that were not approved for replacement. Workload has increased in the financial aid accounting area as staff now processes the financial aid disbursements and reconciliation for the Compton Center students. The payroll and general accounting staff has taken on the processing functions related to retirement and tax sheltered annuities that the Los Angeles County Office of Education used to perform. As LACOE downsizes their operation, the district picks up these functions. Many monitoring and reconciliation functions are no longer occurring due to understaffing. For proper checks and balances and to accomplish the additional workload, additional staff is required. Staffing needs have to be reassessed for the move of the cashiers and student related accounting to the new Student Services Center building.

## **V Planning**

### **Trends**

#### External Trends

With the current economic uncertainty, it may be expected that student populations may increase if unemployment in this area increases. Therefore the number of students served by the cashiering and financial aid areas is expected to increase. This may necessitate hiring more staff to handle additional fee collections, additional financial aid check disbursements and financial aid reconciliations.

Alternatives to hiring additional staff:

It is hoped that many of the disbursements can be made electronically to student's bank accounts, but this will not eliminate the need for producing paper checks for those students without bank accounts. Electronic aid submissions will require a shift in office resources from manual financial aid processing to a more intense level of local cash management, as Federal funds would now be deposited to a local bank account.

Cashiering services will continue to look for ways to achieve a 100% payment of fees by students, by conducting research of fee collection methods employed at other colleges. Automation of the fee receipt with the parking permit is planned with the aid of the ITS department.

Payroll will continue to encourage direct deposit of paychecks for all employees which will reduce the time needed to manually process the disbursement of actual paychecks on payday. It is also anticipated that the number of grants will increase which will require additional staffing.

Many changes in service levels are taking place at the local County Office of Education. If this trend continues, additional job functions may be taken on by the District. This may necessitate hiring of additional staff.

#### Internal Trends

It is expected that  $\frac{1}{4}$  of the accounting department will retire or take other jobs in the next five years, and another  $\frac{1}{4}$  in the five years after that, which will require hiring and training new staff.

It is expected that advancing technology may aid staff in monitoring bank accounts, reconciling data between systems and reducing the time it takes for students to receive funds and services. It is unknown if technology will lessen staffing needs or increase them.

The department will continue to focus on continuing to provide efficient service to staff, students and outside agencies. Emphasis on improving service to students will also include the continuous reinforcement with all staff the need to be caring and sensitive and respectful to our various student populations. The department will continue to focus on being responsive to requests for information and service.

## **VI Conclusion**

The department strives to accomplish all of its workload timely. It strives to provide excellent service to students and staff and the community. Decreasing staff levels and increasing job functions make providing quality service and accurate, up to date financial records a challenge.

Increasing workload and the need to achieve a greater level of accounting control and attention to tasks that are not being accomplished necessitates the hiring of additional full time staff. An increase in staff will increase the efficiency of our service operations. Essential job tasks that had to be abandoned when staffing vacancies were not filled could be accomplished.

Increase the staffing level – cashiering, financial aid accounting, payroll, general accounting:

- Clerical Assistant – to staff the front service counter.

- Cashiering services – Day cashier, Cashiering Supervisor/Registration coordinator

- Financial Aid accounting – Accounting Technician, Accounting Assistant II

- Payroll – Payroll Technician

- General Accounting – Accounting Technicians (2)

An increased casual staff budget – cashiering, payroll, financial aid to aid staff in sorting, filing, copying, mailing, reconciling of data.

An increased annual equipment budget is needed to handle any external changes in processes that necessitate new equipment. Unused funds in any particular fiscal year will revert back to the fund balance.

An increased conference budget will allow staff to attend bursars' conference to learn the latest technology and processes for cashiering services and allow payroll staff to attend STRS and PERS retirement workshops.