Part I: Department Background

Section 1: Mission

State the department's formal mission:

The Finance Department is dedicated to providing the College of Lake County community with timely, accurate, and efficient finance services with the highest level of integrity, professionalism, and customer service to support student success. Services include, but are not limited to; collecting and accounting for revenues of the college, payments to students, staff, and vendors, budgeting, risk management, treasury, financial reporting, and assisting in the development, maintenance, and enhancement of the college’s application systems and processes.

The department mission is formally documented and published (e.g. website, intranet, posted in the office, etc...).

How does the department mission align with CLC's institutional mission, vision, values, and goals?

The Finance department duties most closely align with the College's values of Accountability and Integrity through exercising responsible and good stewardship with the utmost honesty and respect. The Finance department also closely aligns with the fourth strategic goal of enabling a culture of innovation, excellence and continuous improvement.
The Finance Department manages the accounting for the college and is responsible for recording and reconciling all of the transactions related to the budgets of the college.

The Finance Department also manages the Student Accounting of the college. The Finance Department accepts departmental & miscellaneous deposits and provides assistance to students with billing questions and information on students accounts. Student bills and refunds originate here. Payroll and departmental check pick-up is available from this office. Staff is knowledgeable on enrollment and payment requirements and can direct students to other departments when necessary.

Additionally the Finance Department is responsible for the college's treasury and debt management and post issue compliance. The Finance Department is also responsible for managing the College's risk, including insurance, and workers compensation.

These departments are to operate at the highest level of customer service.

Why are these duties, functions, programs, and services important for the college?

Financial viability allows the College to operate to insure student success. The Finance Department oversees the College-wide budget, prepares monthly financial statements, coordinates the annual audit, manages investments, maintains systems of internal control, and prepares bills of all student and non-student accounts. The department also is responsible for the property loss and general liability insurance programs for the College. By performing these duties, we ensure the college is in compliance with State Statues, Board Policies, and the general protection of the College's assets.

How do these duties, functions, programs, and services compare to those offered at peer institutions or to industry best practices?

Our duties, functions, programs and services are very comparable to those offered at our peer institutions with the State of Illinois as they have the same state statutes to follow as College of Lake County.

Are there any functions that the department could offer that is does not currently offer? Please explain.

The this time, there are no additional major functions that the Department of Finance could offer. However, we could provide annual College property inventory to support better property control. Also, we are always looking at ways to streamline and enhance our processes or implement better internal controls through an internal audit function. We always strive to be better.

Section 3: Structure

Upload a current department organization chart: Org Chart Finance Department 11-15-2018.pdf

How does your department structure/organization compare to that of peer institutions or industry best practices?

Of our 8 (eight) peer colleges, 5 (five) have the title of Controller, similar to College of Lake County. the other similar titles include 1 (one) Executive Director of Finance and 2 (two) Assistant Vice President of Finance. All report directly to a Vice President with the following more of variations in title, including, Administration, Business Services, Finance, Administrative Affairs/Services.

Who are the department's primary stakeholders (e.g. students, faculty, staff, community members, other)?

The major stakeholders of the Finance Department include; Board of Trustees, the College President and leadership team, students, staff, vendors, the IRS, ICCB (Illinois Community College Board), State of Illinois, Lake County community, College of Lake County Foundation, Lake County Clerk's...
List key internal collaborative relationships:
The Department of Finance has many internal relationships, including and not limited to, the President's Office, Board of Trustees, Purchasing, Human Resources, Public Relations, Student Financial Aid, Welcome Center and One Stop, Information Technology, Foundation, and Auxiliary Services.

List key external collaborative relationships:
The Department of Finance has many external relationships, including and not limited to, ICCB, State of Illinois, DOE, Lake County, Financial Institutions, Auditors, Insurance Companies, Collection Agencies, Financial Advisers, Attorneys, Campus Commerce Payment Systems, IRS, SURS and all CLC Vendors.

How does your department assess stakeholder satisfaction?
The Finance Department utilizes the IEPR's Organizational Survey for internal stakeholders. External stakeholders is more difficult to assess, the Department of Finance strives to be a good community partner.

Part II: Resources

Section 1: Human Resources

Upload the Staffing table: Department Staffing Table Template (1).docx

Based on the data provided on the Staffing table, is your department adequately staffed to fulfill the department mission, duties, and functions listed in Part I? Explain.

Yes. current staffing levels are sufficient. The Finance Department currently has an open part-time position for Business Analyst to assist with the ongoing system information technology needs, upgrades and implementations. This position also assists with Purchasing technology/implementation needs.

How do your department staffing levels compare to those at peer institutions and industry standards?
The CLC Finance Department is fairly closely aligned with our peer institutions. However, over the next months we will do a deeper dive into the peer institutions staffing levels to truly get a better understanding.

Do you anticipate staff turnover in key positions over the next 5-years?
No

List new and replacement staffing needs for the next review cycle (5-years). Rate the urgency of each on a 1 (least urgent) to 5 (most urgent) scale.
The Department of Finance has 2 (two) employees who have formally declared their retirement dates and had Board Approval. We still have several years until their departure and have emphasized the importance of documenting their duties and key due dates. We have also been focusing on documenting policies and procedures which will help with cross training and succession planning, ensuring others know how to perform their job. We have been grooming one PT person to develop the skills once the person retires to apply for and smoothly transition to FT. There is a large manual process which one employee performs, where we have started the process of implementing a technology solution in the future (1 not urgent).

Section 2: Technology, Systems, Equipment, and Facilities Resources

Technology, Systems, Equipment, and Facilities Inventory Template
Based on the data provided on the Inventory, is your department adequately equipped to fulfill the department mission, duties, and functions listed in Part I? Explain.

Generally, we have the computing technology and software for staff to be able to do their work. However, we are currently in the process of implementing a planning and Budgeting solution of Oracle Planning & Budgeting Cloud Services (PBCS) as the entire College's Budgeting is performed in excel spreadsheets. We also have the intention of implementing PeopleSoft Mobile Expenses as a comprehensive travel expense solution as currently is in a PDF format that is hard to use and there is no tracking. We are also striving to being Payment Card Industry (PCI) Compliant. We will be performing an assessment for PCI compliance and will implement additional controls as needed.

How do your department technology, systems, equipment, and facilities levels compare to those at peer institutions and industry standards?

Our department technology, systems, equipment and facilities are similar to our peer institutions.

List your department's technology, systems, equipment, and facilities needs for the next review cycle (5-years). Rate the urgency for each on a 1 (least urgent) to 5 (most urgent) scale.

The Finance Department is currently in the process of implementing a planning and Budgeting solution of Oracle Planning & Budgeting Cloud Services (PBCS) as the entire College's Budgeting is performed in excel spreadsheets. (5 urgent) PeopleSoft Mobile Expenses as a comprehensive travel expense solution as currently is in a PDF format that is hard to use and there is no tracking. (4 urgent). The Department will need to purchase additional scanners containing the Image Now Token ($3,000) to ensure secure information management of the College's and Student's personal information. (4 urgent)

Describe your department's major funding sources (i.e. revenues; e.g. student fees, grant funding, fundraising, etc...).

The Finance Department's funding source includes the broad variety of General Fund's revenue sources.

Attach a copy of your department's most recent budget document outlining major expenditure categories:

Finance budget.xlsx

Upload a current budget process manual/map for your department:

Budget process.docx

What cost-saving steps has your department taken over the past 5-years?

The Department of Finance has held off in implementing some key initiatives, cost saving. We have also looked at our vendors and have negotiated better rates, such as with our audit fees, and forecasting software vendor. We have also worked with our long standing bank and restructured our earned interest rates and fees. We have restructured bonds, achieving interest savings over the next seven years. As we also develop the College's overall budget, we often look outside our department for increased revenue, cost reduction, and encroachment ideas.

What is your department's contingency plan for reduced revenues? How will you decide which

The Department of Finance's contingency plan for reduced revenues is to reduce expenditures in the following areas:
areas to make cuts in your budget, if necessary, in the future?

- Travel (only when deemed necessary to meet performance goals for the department)
- Publications and dues (eliminate any non-mission critical expenses)
- Conference and meeting expenses (eliminate and non-mission critical expenses the do not adversely affect the college/department)
- Supplies (eliminate and conserve purchases)

Part III: Quality

Section 1: Policies, Procedures, and Processes

IEPR Website - Process Mapping Resources

List key departmental policies, procedures, and processes:

Key Department Board Policies include:
- 109 Board Insurance
- 117 Auditors
- 119 Financial Reports and Fiscal Accountability
- 701 Budget and Fiscal Year
- 702 Insurance
- 703 Investment of College Funds
- 704 Fund Balance
- 705 Debt Management
- 710 Payrolls
- 713 Approval of Bills for Payment
- 917 Records Retention and Disposal
- 919 Compliance With Illinois Freedom of Information Act
- 926 Payroll Practices
- 960 Reimbursement of Travel, Meal and Lodging Expenses
- 963 Preventing, Detecting and Reporting Fraud
- 966 Whistle-Blower

Key Department Financial Procedures Manual include:
- Budget Process
- Budget Reallocations/Transfers
- Insurance Coverage
- Club Accounts
- Budget Controls
- Purchasing and Payment Overview
- Requisitions
- Procurement Cards
- Payment Requests
- Additional Alternatives to Payment Requests
- Travel & Meeting Requests
- Petty Cash and Change Funds
- Payment
- Cash & Cash Management
- Inventory

Key Department Financial Manuals include:
What percent of your department's key policies, processes, and procedures have been formally documented and shared (e.g. manuals, process maps, etc..)?

90%-99%

Upload a copy of your department's process maps/manuals (optional)

CLC Finance Dept ProceduresManual-043018.pdf
NADR - Payroll Processing Flowchart - 12.10.18
Crossfunction A.pdf

Upload a copy of your department's cycle/plan for reviewing and updating

Plan for Procedure Review Finance.docx

Section 2: Measurement, Analysis, and Assessment

Upload a copy of the department's current performance assessment plan

Plan for Procedure Review Finance.docx

What are the department's key performance indicators?

The Finance Department's key performance indicator (KPI) includes:

- Achieving a bond Rating of "Aaa",
- Finance Department Overall Quality of Service (on a scale of 1 to 5 with 5 being the highest rating) "4",
- Fund Balance as a % of Actual Operating Funds expenditures (25% goal) (30% goal in FY2019), and
- % of Payments executed via direct deposit (Accounts Payable and Payroll) - 80%.

What methods and tools are used by the department to assess its performance (e.g. surveys, data sets, systems, etc...)

The Finance Department's Bond rating is determined by the Bond Rating firm of Moody's Investors Services. The rating agency will either reevaluate when you issue new bonds or will perform biennial reviews.

In the College Operations Survey, the Finance Department results are summarized for Overall Quality of Service.

Fund Balance is a calculation performed each year as a Benchmark and is a Board Policy to try and maintain over 25-30%. It is considered best Practices from GFOA and a financial indicator for the Rating Agency.

Accounts Payable and Payroll direct Deposit/ACH is another benchmark and best practices from GFOA. It is determined/calculated from a data set.

Describe how department leaders use the results of your department assessments for decision-making. How has the department used the assessment results to make improvements?

The Department of Finance uses the Operations Survey in making decisions about how we can better improve our process that affect our CLC users who interact with the department. We had a better understanding that travel reimbursements and budgeting is not very efficient/transparent, that the Finance Department needs to look at some new tools, via PeopleSoft to automate the process. We try and have available clear and concise instructions on our Intranet site to ease any interactions departments would have with us.
Describe any quality improvements or modifications made since the last review period.

The former Business Services and Finance Department underwent a review in May 2008 and much has changed since this last review. Many of the performance measures data and methodology is now either outdated, stale, no longer tracked, or not applicable.

Reorganization

New PeopleSoft financial system implementation in 2014.

N/A

Co-Curricular Areas Only:

List the department's student learning outcomes:
List the goals from your last review and explain whether each goal was achieved and why/why not:

As identified in the May 2008 Future Goals section, short term goals indicated the results of the survey would be to see the department continue to receive excellent comments concerning customer service. While there are some variation from year to year, overall the Finance Department’s Fall 2017 has maintained between a 3.31 to 3.49 with 4 - being Very Satisfied between the years 2012-2017. This included ratings for promptness, service attitude, staff experience/knowledge, clarity of processes and procedures, and fairness. As a department who has many interactions with a variety of customers being that of other departments, students and vendors, we continue to meet or exceed a high integrity of customer service.

The May 2008 Future Goals section also identified reviewing efficiency of processes. To streamline processes to make sure there is is no delay in processing invoices and to reduce the amount of errors. Since the writing of this in 2008, the Department of Finance is constantly striving to gain from efficiencies as documented in the annual internal audit report and plan.

The May 2008 Future Goals section is the listed the pursuit of automation to reduce the amount of paper processing for “Green Initiatives” and to address the College's storage issue. Since that time there has been great gains in the reduction of paper. Time-sheets have now become integrated into PeopleSoft, Payment requests are now entered with an electronic voucher, eliminating the paper. The College has also been working towards the goal of increasing the number of ACH /Direct Deposits. The number of payments executed via direct deposit for both AP and PR is one of the Department of Finance’s Key Performance Indicators which has been increasing tremendously over the years.

The May 2008 Future Goals for the Long Term sections also addressed process documentation. It was the intent that that someone new can come into the department and step into a job and process items such as payroll, accounts payable, budgeting, and all of the accounting related jobs. In October 2012 the Finance originally issued the Financial Procedures Manual. It has been revised several times. There are also many processes in the Department of Finance which have a step by step process manual which integrates screen shots for a complete, "after completing this, do this".
Based on the current review, what are the department's strengths?

- Commitment to maintaining internal control over the college's assets and financial statements.
- Ability to clearly and concisely communicate to all stakeholders the financial status of the College. This is obtained through our Comprehensive Annual Financial Statement (CAFR), Annual Budget Book, Three Year Financial Plan, Monthly Board of Trustee Reporting, and many State and Federal Government Audit reports as well as our CLC Bondholders and Rating Agencies.
- Willingness to constantly challenge ourselves to improve processes and implement change.
- Achieving transparency and fairness in our processes and procedures including budget timeline, invoice processing, and payroll. This transparency and fairness really is apparent in our student accounting relationships such as in both student collections and student drops.
- Ability to think outside the box in implementing new revenue streams and cost saving measures.

Based on the current review, what areas for improvement has the department identified?

Areas for improvement within the Finance Department includes:

- Striving to become more active in anticipating budget opportunities and shortcomings than reactive. Able to better predict the college's fiscal future, expand the three-year plan to a five-year plan.
- Making better connections between desired outcomes/service provisions and the dollars.
- Become more focused on our financial core concepts of best practices by:
  - developing inputs,
  - defining goals,
  - developing strategies,
  - prioritizing spending, and
  - checking performance.
- Become Community College Peer leader, not follower.
- Improve annual staff performance evaluations
- Weekly departmental status reports to VP for Administrative Affairs

Goals Worksheet Template

Upload the Goals worksheet:

Dept of Finance - Goals Worksheet.docx

What structure and personnel changes will your department need to make in order to achieve its goals for the next 5 years?

Outside of continuing professional development, we currently do not anticipate that there will be any departmental changes needed in structure or personnel in the next 5 years.

What financial support will your department need in order to achieve its goals for the next 5 years?

Support for effective staffing levels will be necessary to meet the constant demands on the Department of Finance. Support will also be needed for technology to support the PeopleSoft system as we perform system upgrades and implement new modules such as Oracle Planning and Budgeting Cloud Service which we are in the early implementation stage as well as the Peoplesoft Travel and Expense Module.
What additional resources (e.g. technology, equipment, space, systems) will your department need in order to achieve its goals for the next 5 years?

Funding to support Achieving the Dream training, new budget module and future financial system upgrades. Other than that, we do not foresee adding any additional resources to achieve our goals.

What factors (internal and external) could impact your department's ability to meet its goals for the next 5 years?

There are several key factors that the Finance Department monitors which could impact our ability to meet our goals, as well as the College's goals as a whole include:

- State of Illinois continued budget uncertainty,
- low, but rising inflation, new property growth, could affect our property tax,
- proposed property tax freeze,
- strategic investments to change the trajectory of enrollment,
- contractual salary increases,
- employee health insurance cost trends,
- funding of growing other post employment benefit costs (OPEB)
- operating impact of the Master Plan,
- potential of State shifting CLC's portion of pension funding to the College, and
- changes to Federal, state laws/regulations could impact the department.

Summary

Please detail all major findings resulting from the current review.

The Department of Finance is a very demanding component within the College's student success mission with a large assortment of integral day to day processes as well as ongoing projects. Our Department interacts with a broad variety of internal and external stakeholders and our knowledge and professionalism can influence how the College is perceived overall. We strive to be the leading community college business office and be on the cutting edge of modern technology, fiscal responsibility, and customer satisfaction. We aim to implement the best practice financial policies, accounting & financial reporting, budgeting & financial planning, capital planning/infrastructure, debt management, financial management, pension & benefit administration, and treasury & investment management.

Please detail action steps to be completed in the future based on this review with a timeline and/or anticipated dates.

The Department of Finance has a long list of ongoing projects and new implementations, including:

1. Annual budget - June 2019
2. Long-range financial plan - February 2019
3. PeopleSoft Budget - Fall 2019
4. Updated Debt policy - April 2019
5. New employee expense policy - April 2019
6. Update vendor application intake forms and process - February 2019

We will need to closely manage these projects, ensuring there is no scope creep and that we are staying on task. We will need to prioritize and achieve the College Leadership Team's support in achieving our goals and priorities.
Part V: Division Dean or VP Response

The division dean or VP should complete this section after reviewing the responses provided in Parts 1-4 and discussing the NADR with department leadership.

Please select ONE of the following three options:

I concur with the findings in this department review without exception.

Provide a narrative explaining the basis for each exception in the space below:

Provide a narrative explaining the reason(s) you do not concur with this review:

Signature

Mark as FINAL