<table>
<thead>
<tr>
<th>Topic</th>
<th>Comments Heard</th>
<th>Today's Agenda Item / Objective</th>
<th>Target Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Overview</td>
<td>• N/A</td>
<td>• Welcome/Agenda Overview&lt;br&gt;• Project Timeline – Where Are We?</td>
<td>5 min</td>
</tr>
<tr>
<td>PSDS Updates</td>
<td></td>
<td>• Buyer Team Structure&lt;br&gt;• PaymentWorks launch&lt;br&gt;• T&amp;E Card Fraud</td>
<td>25 min</td>
</tr>
<tr>
<td>Recon@</td>
<td>• N/A</td>
<td>• Guidelines for Digital Records Storage</td>
<td>10 min</td>
</tr>
<tr>
<td>Continuous Improvement</td>
<td>• N/A</td>
<td>• Launch of new website&lt;br&gt;• Monthly CI Tips</td>
<td>10 min</td>
</tr>
<tr>
<td>RAPID Decisions</td>
<td>• What decisions have been made? When will I have input?</td>
<td>• Updates on:&lt;br&gt;• Expenditure Credit 802&lt;br&gt;• Salary Certification 599&lt;br&gt;• FST Glossary&lt;br&gt;• Workflow Controls &amp; Approvals 607&lt;br&gt;• Intercompany Transactions 6900&lt;br&gt;• Improving Fund Ownership Visibility</td>
<td>25 min</td>
</tr>
<tr>
<td>Reporting and Analytics</td>
<td>• N/A</td>
<td>• Reporting focus group overview</td>
<td>5 min</td>
</tr>
<tr>
<td>Change Readiness Assessment #3</td>
<td>• N/A</td>
<td>• Change Readiness Assessment launching in mid-September</td>
<td>5 min</td>
</tr>
<tr>
<td>Other Business and Wrap Up</td>
<td>• N/A</td>
<td>• Questions/Comments</td>
<td>5 min</td>
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</tbody>
</table>
Project Overview
**Project Overview | What Should I Expect When?**

<table>
<thead>
<tr>
<th>Plan: Preparing for Phase 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expect:</strong> Behind-the-scenes work: hiring, planning to implementing.</td>
</tr>
<tr>
<td><strong>Involvement:</strong> The team is putting the foundation in place!</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Architect: Building the Model</th>
</tr>
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<tbody>
<tr>
<td><strong>Expect:</strong> The team starts establishing implementation; requirement gathering sessions begin, known as Architect sessions.</td>
</tr>
<tr>
<td><strong>Involvement:</strong> The team displays Workday functionality during the Architect sessions and gathers requirements. Architect sessions cover a variety of topics and include 20-30 team members from Functional, Technical and Change Management areas from across Grounds for each session. Focus groups that take place after the Architect sessions help refine.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Configure &amp; Prototype: Walking through the Tenant</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expect:</strong> The requirements we gathered are now validated and UVA's initial tenant is built. The team creates training plans based upon what we know from Architect sessions.</td>
</tr>
<tr>
<td><strong>Involvement:</strong> Participate in interactive walkthrough of processes; the team gathers feedback on issues and opportunities from staff to enhance the system.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Test: How Does Workday function at UVA?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expect:</strong> The team starts end-to-end testing in the Workday Tenant. Initial training materials may also be distributed during this time.</td>
</tr>
<tr>
<td><strong>Involvement:</strong> You may be asked to help test UVA's Workday Financials or to evaluate how ready you think you and your unit are to go live with Workday Financials.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deploy: Workday Goes Live!</th>
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</thead>
<tbody>
<tr>
<td><strong>Expect:</strong> Training as we prepare to transition to Workday Finance.</td>
</tr>
<tr>
<td><strong>Involvement:</strong> Once Workday goes “live”, we will ask for everyone’s active involvement in training as UVA staff and faculty acclimate to new workflows and processes. We’ll depend on our Advisory Group members to help us know what is working – and what needs to be tweaked.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Support &amp; Stabilization: The New Normal</th>
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</thead>
<tbody>
<tr>
<td><strong>Expect:</strong> With the system live, we are making the small process changes necessary for Workday to be effective for all users.</td>
</tr>
<tr>
<td><strong>Involvement:</strong> Keep us apprised of challenges you encounter, as well as continuous improvement opportunities.</td>
</tr>
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**Imagine**

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
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<th>Dec</th>
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<tbody>
<tr>
<td>2020</td>
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<td>2021</td>
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<td>2022</td>
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</tbody>
</table>

**Plan**

- **Imagine**
  - **Deliver**
    - **Deploy**
      - **Support**
        - **Stabilization**
          - < 10 months to Workday Go-Live
PSDS Updates
Buyer Staffing
Improving Our Strategic Value

**Transactional Purchasing**

- **PROCESSES**: Traditional, reactive purchasing occurring throughout the organization with no central management/oversight or central functions are highly tactical; one-time or repetitive purchases for short-duration deals
- **SYSTEMS**: No mature processing/management systems in place to support efficient handling, reporting, management of procurements
- **PEOPLE**: Perform highly administrative functions, such as receiving requirements and executing POs and transactions; high volume of ordering and processing

  *Example* – PO <$10,000 for 10 pieces of hardware

**Strategic Sourcing**

- **PROCESSES**: Structured, single-category focus, leveraging purchasing power of organization to achieve cost savings usually over a one-to-three-year period
- **SYSTEMS**: P2P and other system in place (e.g., Marketplace, Oracle) to execute procurements
- **PEOPLE**: Act collaboratively and analyze spend data for one-time, specific events to meet immediate to mid-term needs to drive down cost and manage supply risks

  *Example* – RFP > $200,000 for Facilities MRO painting support services over two-year period

**Category Management**

- **PROCESSES**: Proactive, recurring, end-to-end process analysis including robust supplier optimization and demand management across the entire supply chain over an extended term (five+ years) to achieve optimal business strategies
- **SYSTEMS**: P2P, ERP, CRM and other reporting and data tools (e.g., Marketplace, Oracle, UBI, Salesforce)
- **PEOPLE**: Strategic partner, communicator, and leader, leveraging spend data and analytics to form business cases and guide customer spend decisions

  *Example* – Analyze Charlottesville catering market to determine strategy for University-wide event food spend
PSDS Updates | Buyer Staffing

Establishing Our Value Proposition

**Category:** A grouping of goods or services that have similar supply and usage characteristics (Ex: IT is a category; software licensing is a sub-category of IT)

**Category Management:** Value-driven framework and set of practices used to optimally manage a portfolio of sub-categories; sits above and guides strategic sourcing and supplier relationship optimization strategies

**Focus Areas:**

- **Customers**
  
  Analyze spend data and trends – Build business cases/recommendations – Develop strong partnerships with key influencers – Create comprehensive contract solutions – Ensure customers leverage contract resources – Maintain understanding of key value drivers

- **Products**
  
  Understand product offerings – Define category and sub-category breakouts – Discover product alternatives – Determine innovative or sustainable replacements

- **Suppliers/Markets**
  
  Identify primary suppliers and markets – Solution to overcome barriers to entry – Leverage business growth opportunities – Seek opportunities for SWaM utilization – Establish emergency response protocols for mission essential vendors

FY19 data. Values represent total spend for PSDS-processed POs and volume of PSDS-processed POs only. Independent department spend and PO volumes are in addition to values shown. Facilities MRO & Auxiliary Services is a sub-category of Facilities Management.
Effectively Aligning Our Staff

Alita Salley
Director, Strategic Sourcing

ToShun Campbell
Sr. Sourcing Specialist (Interim)

Kevin Crabtree
Category Manager
Services & Athletics

Lori Ponton
Sr. Sourcing Specialist

Patrick Wood
Sourcing Specialist

Heather Hite
Sr. Sourcing Specialist

TBD
Sourcing Specialist

Steve Heldreth
Major Procurement Agent

John Gerding
Commodity Manager
Facilities MRO & Auxiliary Services

Frank Messina
Sr. Sourcing Specialist

Jessie McGann
Procurement Technician

Mavis Dickerson
Procurement Technician

T&Ex Card Fraud Incident
What Happened?
PaymentWorks
August 25th – OCR Go-Live!!

September 10th – Last day for vendor registrations to be completed in Jaeggar.
*There will be a one-week black out, where no supplier registration can be completed. If there is an emergency situation, contact supplier management.

September 20th – Soft Launch of PaymentWorks (testing)
* Contact supplier management if registration is needed during this time.

September 27th – Full Go Live Date – Invitations can be sent by departments.
• Active suppliers will remain active throughout the entire process and will receive an invitation to register in PaymentWorks in the weeks following go-live.

• Individuals will need to register in PaymentWorks to receive any payments after go-live. This will allow them to take advantage of new ACH payments and get paid quicker.

• Reminder: You will not be able to do proxy registrations in PaymentWorks. Suppliers and Individuals will be responsible for their own registrations.

• Communication and training for both departments and suppliers will be going out soon!
T & E Card Fraud
In the spring, UVA’s Information Security group sent a fake phishing email. Almost 20% of over 10,000 users clicked the link, and almost 8% entered their credentials.

If there is ever any question about a purchase you are about to make, STOP. You will not ever be forced to use your T&E card, and please call us to confirm. Most fraud relies on lack of communication and a sense of urgency.
Failure to use proper security protocols with your card will result in loss of cardholder responsibilities and could lead to additional HR discipline.

Additionally, Procurement will be evaluating different aspects of the T&E card program

- Audit to ensure no other fraudulent activity
- Evaluate appropriateness of Spending Limits
- Evaluate cardholder’s need for a T&E card
- Etc.
Maintaining your reconciliation documents digitally?

Make sure to follow the guidelines outlined by the Records & Information Management Team:

**Organization**
- Have a strong file/folder naming convention
  - Identify content, use date, known acronyms
- Have a strong file/folder organization
  - By function/account, no more than 3 levels, simple

**Storage**
- Use shared drives, SharePoint or OneDrive
- Do NOT store on hard drives
- Do NOT leave in processing systems like Docusign
- Make sure others know the storage system

**Scanning**
- Check for double-sided documents & scan both
- Test for Readability
- Rename all files - do not save as auto-named file
- Once electronic scan is filed, destroy the paper

**Retention**
- Include disposition date in file/folder names
- Track retention in URMA
- Destroy electronic records according to the RM3 process

Digital storage questions – email: records@virginia.edu

Reconciliation questions – email: recon@virginia.edu

Recon@ | New Website

Want to provide feedback
Email: recon@virginia.edu

https://uvafinance.virginia.edu/
Continuous Improvement
Continuous Improvement | Monthly Tips

Tools for enhancing communications:
- Canva.com
- Infogram.com
- Animoto.com

Productive Breaks

Hybrid Meetings
RAPID Decisions
Expenditure Credit (WDFIN 802)

In current state, these Expenditure Credit process transactions are deposited via remote deposit scanner and units must provide a form to the Cashier's Office for entering the transaction in Oracle.

This process in Workday will allow for units to continue to leverage their remote deposit scanners and rather than filling out an expenditure credit form to send to the Cashier's Office, an Ad Hoc Bank Transaction will route to the Cost Center's Deposit Specialist for them to enter the applicable FDM worktags and spend categories for the credit. Appropriate groups (e.g., Fixed Assets, OSP, etc.) will be included in the process for up-front approval.

1. **PURPOSE**
   - Awareness of final decision:
   - UVA will leverage Ad Hoc Bank Transactions in order to record Expenditure Credit deposits against their original spend categories.

2. **OUR ASK**
   - N/A

3. **NEXT STEPS**
Salary Certification (WDFIN 599)

*Decision:

1) Change scope of UVA FST project from “effort reporting” process to “salary certification” process; AND

2) adopt and integrate a third-party solution (Huron Employee Compensation Compliance (ECC) to meet salary certification

*See Appendix for background information on this decision
## Option Selected: Huron Employee Compensation Compliance (ECC)

<table>
<thead>
<tr>
<th>Organizational Benefits</th>
<th>Software Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilitate the best approach for each institution based on their internal control framework</td>
<td>Multiple end-to-end approaches to documenting personnel costs, including traditional effort reporting, project certification and payroll confirmation</td>
</tr>
<tr>
<td>Minimize risk of future financial penalties</td>
<td>Configurable application to meet an organization's unique requirements</td>
</tr>
<tr>
<td>Facilitate timely completion</td>
<td>Web-based user experience</td>
</tr>
<tr>
<td>Ensure appropriate user access to data, increasing efficiency, and audit confidence</td>
<td>Role-based security approach</td>
</tr>
<tr>
<td>Access a single system of record across disparate data sources</td>
<td>Integration with various financial, payroll, and research admin systems that act as an extension of source systems and serve as the official record</td>
</tr>
<tr>
<td>Speed system adoption and increase ease of use</td>
<td>Knowledge transfer with go-live and post-go-live training and ongoing technical support</td>
</tr>
</tbody>
</table>

Note: ITS and the FST Tech Workstream met with Huron to understand its architecture and integration requirements. They found no concerns. The UVA Security Team is following up directly with Huron regarding open questions. We do not anticipate concerns.
FST Glossary

Terms compiled and defined in order to improve communication across UVAFST functional areas. The need for this was identified through the Transformation Opportunities Initiative (TOI) in the fall of 2020. The UVAFST Glossary is distinct from Workday Words in that it focuses on terms outside of Workday. Ultimately, this glossary will strengthen UVA's shared understanding of the terms and concepts that are central to UVAFinance, which will catalyze strategic, informed decision-making.

1. PURPOSE
   - Awareness of decision:

2. OUR ASK
   - N/A

3. NEXT STEPS
   - Leadership Council approved the following terms on 8/23/21.
Definitions

All Funds: All funds budgeting is a comprehensive framework, structured to present a University-wide view of the allocation of its financial resources. An all-funds approach fosters a strategic perspective that enhances understanding of the alignment between resource allocation and strategic planning. An all-funds approach enables robust peer benchmarking and comparison across institutions. “All funds” excludes non-operating funds. (See non-operating definition.)

Budget Variance: Budget Variance is the comparison of YTD actuals and/or Commitments/Obligations vs. specified budget version, e.g. Original/Revised Budget or Working Budget. Generally, the university views variance analysis as a comparison of actuals vs. the Working budget throughout the fiscal year.

Budget Amendment: An amendment is any change to the Board-approved budget reflected in the working budget for the current year. (It is the starting point for the next year's budgeting process.) An amendment does not change the original or revised budget.

Original Budget: The Original Budget submission is approved by the Board of Visitors and activated in Workday as of July 1. The Original Budget submission is fixed and remains unchanged once approved by the Board of Visitors.

Project Budget: The total projected costs needed to complete a project over a defined period of time. Project Budgets can be created for both capital and non-capital projects. For Major Capital projects ($5M and greater) project budget amount allowed is based on the Board of Visitors approved amount. If a Major capital project includes state funds the project budget amount is based on Department of Engineering and Building (DEB) Capital Verification Report (CVR) amount for planning funds and DEB Funding report amount for construction. Minor Capital projects (MCP) ($3M - $4.99M) project budget amount is based on the approved MCP that includes executive management and the Board of Visitors Building & Grounds (B&G) Committee chair.
<table>
<thead>
<tr>
<th>Definitions (cont.)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revised Budget:</strong> A subsequent budget approved by the Board of Visitors which officially replaces the original budget. A revised budget can only be approved by the Board of Visitors.</td>
</tr>
<tr>
<td><strong>Sponsored Award Budget Amendment:</strong> The authorized amended budget on an externally funded program. Amendments may be created due to the receipt of additional funding or OSP/sponsor approved changes to the original approved budget.</td>
</tr>
<tr>
<td><strong>Sponsored Award Budget:</strong> The authorized budget on an externally funded program.</td>
</tr>
<tr>
<td><strong>Working Budget:</strong> Working Budget is the Board-approved budget (whether original or revised) plus or minus any budget amendments.</td>
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</table>

https://uvafinance.virginia.edu/finance-strategic-transformation/finance-strategic-transformation-resources
Workflow Controls and Approvals (WDFIN607)

UVA financial leadership has expressed a desire to shift away from UVA’s current heavy reliance on detailed post-transaction reconciliation and move towards front-end, real-time transaction approvals.

1. **PURPOSE**
   - Awareness

2. **OUR ASK**
   - N/A

3. **NEXT STEPS**
   - Recommend options to Leadership Council.
The goal of Workflow Controls and Approvals is to enhance internal controls that facilitate “Getting it right the first time” – before the money goes out the door, regardless of funding source.

For grants, this may reduce the number of cost transfer corrections and perception of parking charges

1. Increase the real-time accuracy of financial data within the system.
2. Reduce level of detail required for month-end reconciliation/monitoring activity.
SYSTEM CONFIGURED
Upfront approvals for different transactions have been configured and unit tested. Team is holding until Baker Tilly feedback is finalized to confirm recommendation on other requirements.

BAKER TILLY FEEDBACK RECEIVED
Baker Tilly provided options and considerations that will guide UVA in determining its requirements around upfront approvals, spend authority, and post-transaction review.

FUNCTIONAL TEAM ALIGNED ON PATH FORWARD
Team anticipates that BT feedback, once translated into requirements, will likely impact design for transaction approvals, report monitoring, and account certification functionality. Team is holding until those requirements are confirmed.

CONFIGURE REMAINING TRANSACTIONS
Transactions requiring retroactive review still need to be configured.

TRANSLATE B.T. RECOMMENDATIONS INTO FUNCTIONAL REQUIREMENTS
Team is working to finalize requirements based on B.T. recommendations. Expect to have requirements finalized by 8/27.

FORMALIZE PATH FORWARD WITH FST LEADERSHIP TEAM
Team will share recommendation for requirements for approval.
Intercompany Transactions

Many transactions occur among UPG, Medical Center, and the School of Medicine on a routine basis.

FST will transform these transactions to align with leading practice and accounting rules.

The FST team has collaborated with these groups to identify processes that need to be transformed. They are working together to design the future state processes and socialize those new processes to the people impacted by the change.

1. PURPOSE
   - Awareness

2. OUR ASK
   - N/A

3. NEXT STEPS
   - Recommendation too Leadership Council.
CONFIGURATION PARTIALLY COMPLETED
Intercompany setup has been partially completed in the system, awaiting further discussion of scenarios and requirements that have been on hold due to UPG/MC conversations.

PRELIMINARY DISCUSSIONS HELD WITH SOM AND UPG
Multiple meetings have been conducted to confirm current state activity and outline the considerations/issues for future state.

DISCUSSING PATH FORWARD WITH FUNCTIONAL OWNERS
Scheduled for 8/19

FINISH CONFIGURING SYSTEM
Team will need to update configuration around intercompany setup for financial transactions as well as financial consolidation.

SCHEDULE ADDITIONAL MEETINGS WITH SOM, UPG
Further meetings will be required once approach is finalized to gain consensus across entities - late August and early September

CONFIRM PATH FORWARD WITH FST LEADERSHIP
Improving Fund Ownership Visibility

Decision: Should UVA move away from the use of budgetary spending authority and instead spending authority at the MBU level will be based on fund balance?

1. **PURPOSE of Sharing Today:**
   Raise Awareness and Solicit Input

2. **OUR ASK**
   What else should we consider for each option?
   What would be important to schools/units in each option?

3. **NEXT STEPS**
   Obtain feedback from additional governance groups in September. Submit recommendation to Leadership Council for decision.
Option 1: Improving Fund Ownership Visibility - RECOMMENDATION

<table>
<thead>
<tr>
<th>Pros:</th>
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<tbody>
<tr>
<td>• <strong>Expendable fund balance reporting enabled</strong> – Units would have the ability to accurately report on funds available without needing to wait for year-end settlement and carryforward calculations. In combination with the FDM, anyone could run a trial balance on any combination of FDM worktags at any time.</td>
</tr>
<tr>
<td>• <strong>Clear ownership of funds</strong> – Consistent transfer of funds would make it clear “who owns the fund balance” and the &quot;owner&quot; of the fund will be able to see where the funds have been transferred and how much has been spent.</td>
</tr>
<tr>
<td>• <strong>Elimination of significant amounts of tracking outside of systems of record</strong> – Units could eliminate and/or streamline current tracking mechanisms (i.e. manual Excel spreadsheets).</td>
</tr>
<tr>
<td>• <strong>Reduction in risks of errors</strong> – Through the elimination of the manual calculation of balances and the addition of robust real-time variance analysis capabilities.</td>
</tr>
<tr>
<td>• <strong>Increased staff capacity</strong> – This would allow more staff time to be devoted to analytical work rather than manual, tracking work.</td>
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<table>
<thead>
<tr>
<th>Cons:</th>
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<tr>
<td>• <strong>Significant Training</strong> – This would change the meaning of “budget” for many users, as it would no longer confer spending authority or indicate funds available, but would instead represent the unit’s plan for the year. Units would need training in how to view expendable fund balances via reporting to determine availability of funds. The amount of change management and training would depend on the extent to which the unit currently operates exclusively or nearly exclusively with spending authority.</td>
</tr>
<tr>
<td>• <strong>Change in the types of transactions/work</strong> – Moving away from spending authority requires actual movement of funds to MBUs. This would mean units would budget the funds, as a plan, and would need to ensure the funds actually move as well, thereby increasing transactions in the system but reduction manual work done in shadow/supplemental systems. This would be mitigated with change management and system adaptations (e.g. mass uploads).</td>
</tr>
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</table>

What else should we consider? What would be important to schools/units?
Option 2: Continuing current mix of budgetary spending authority and use of expendable fund balance

Pros:

• **Less change in a time of great change** – Keeping the current practice would reduce the volume of change to stakeholders.

Cons:

• **Forces manual, outside-of-the-system reporting** – Units currently attempt to track funds available through manual Excel reporting outside of the systems of record. The ultimate source of truth on funds available is supposed to be the OFPA-produced settlement and carryforward documents, but they also require manual efforts, can have errors, and can spur back-and-forth reconciliation efforts.

• **Year-end results lag** – The current mix requires a manual calculation and reconciliation process for OFPA to produce year-end settlements and carryforwards. This delays transmission of those figures to units by months, creating frustration and delaying strategic multi-year planning. Additionally, the time spent by OFPA could be better reallocated to preparing for the annual budget kick-off and supporting institutional multi-year planning efforts.

• **Not taking advantage of new system** – Workday will allow us to expand our capabilities, but we wouldn't utilize it to the fullest extent.

What else should we consider? What would be important to schools/units?
Option 3: Altering current mix of budgetary spending authority and use of expendable fund balance

Pros:

• **Less change in a time of great change** – Only slightly modifying the current practice would reduce the volume of change to stakeholders as compared to going fully away from spending authority. It would be an incremental change.

Cons:

• **Forces manual, outside-of-the-system reporting** – Units currently attempt to track funds available through manual Excel reporting outside of the systems of record. The ultimate source of truth on funds available is supposed to be the OFPA-produced settlement and carryforward documents, but they also require manual efforts, can have errors, and can spur back-and-forth reconciliation efforts.

• **Could require more change management and training than option 1** – This would still be a change, depending on how many funds would change in one direction or the other (i.e. toward or away from spending authority), which could create confusion as stakeholders would need to re-learn the mix.

• **Not taking advantage of new system** – Workday will allow us to expand our capabilities, but we wouldn't utilize it to the fullest extent.

What else should we consider? What would be important to schools/units?
Reporting and Analytics
Why did we form a Reporting Focus Group?

• Get perspective of those who use reports on a daily basis
• Review reports for Fit to Purpose and Usability
• Understand the trade-offs between UBI and WD functionality and craft potential solutions

Meeting Cadence  • Bi-weekly; one hour

Structure  • Review feedback and changes from prior meeting (3 min)
• Review and collect feedback on next report (30 min)

Partnership  • Organizational Change Management (OCM)
### Reporting and Analytics | Focus Group Members

<table>
<thead>
<tr>
<th>Name</th>
<th>School/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sarah May</td>
<td>Athletics</td>
</tr>
<tr>
<td>James Cathro</td>
<td>Batten</td>
</tr>
<tr>
<td>Bill Click</td>
<td>Bus Ops/Housing</td>
</tr>
<tr>
<td>Jason Davis</td>
<td>FM</td>
</tr>
<tr>
<td>Justina Duncan</td>
<td>PR</td>
</tr>
<tr>
<td>Tracy Crehan Gerlach</td>
<td>PV/IRA</td>
</tr>
<tr>
<td>Carey Reinicke</td>
<td>SDS</td>
</tr>
<tr>
<td>Crystal Lamm</td>
<td>SEAS</td>
</tr>
<tr>
<td>Ashley Rogers</td>
<td>SFS</td>
</tr>
<tr>
<td>Elena DeLiso</td>
<td>SOM</td>
</tr>
<tr>
<td>Doug Johnson</td>
<td>SOM</td>
</tr>
<tr>
<td>Esther Sheler</td>
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<td>Julie Lassetter</td>
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<td>Report Topic</td>
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<td>Sources &amp; Uses/Journal Lines</td>
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<td>Payroll Costing</td>
<td>LD Adjustments/Suspense</td>
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<td>Purchasing Report</td>
<td>Purchase Orders/Reqs</td>
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<td>Grants Budget vs Actuals</td>
<td>Research Admin Dashboard</td>
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Change Readiness Assessment #3
The purpose of the Change Readiness Assessment is to inform communications, engagement and training strategies to transition stakeholders to new ways of working, and to facilitate the adoption of new processes and technology needed to achieve the goals of the FST Project.
Other Business and Wrap Up
The OSP team has been working on an opportunity to move away from effort reporting to salary certification.

Background

• Effort Reporting is a well-documented administrative burden for research faculty. The White House OMB undertook to reform requirements during the rollout of Uniform Guidance (UG) which replaced Circular A-21 in the 2014 timeframe. The revised guidance provides universities with the flexibility to adopt an alternative approaches for the purpose of significantly reducing the burden on research faculty.

• In 2015, UVA's Organizational Excellence, Office of Sponsored Programs, and Financial Office of Compliance reported the results of Faculty Focus Group sessions to the Associate Deans of Research that included 110 faculty members in five schools. The major themes were consistent across the schools, and there was an overwhelming plea to improve Recon@UVA and Effort@UVA and reduce the associated burden.

• In 2016, Point Consulting was engaged to perform a comprehensive review of the policies and procedures to identify opportunities to increase efficiency in federal compliance areas, with main focus on effort reporting at UVA.

• In 2018, James Gorman, Kelly Hochstetler, Urmila Bajaj, Christine Kennedy, Kelly Mays met to discuss an alternate method of complying with the federal requirements via GA Reconciliation Process Improvement.

• In 2019, as part of the FST project, the Deloitte group performed an additional review of the current state of effort reporting and identified potential opportunities for transformation to salary certification, an alternate and less cumbersome process than effort certification, that would be consistent with the federal guidance provided in the Uniform Guidance for Standards for Documentation of Personnel Expenses (2CF.200.430 (i)).
Uniform Guidance, issued in Dec 2014, removed requirement for specific certification methods and included broad requirements for proper certifiers, certification frequency requirements annual, but similar to overall UG requirements, IHEs to have formalized internal controls to "provide reasonable assurance that the charges are accurate, allowable and properly allocated" (2CFR200.430 (ii))

Transformation opportunity for UVA discussed during multiple occasions, starting with faculty survey on the administrative burden in 2015 performed by UVA's Organizational Excellence, review of UVA's Effort Reporting process by Pointe Consulting in 2017, and Potential Move from Effort Certification to Payroll Confirmation presented by Deloitte in 2020

Compliance issue: salaries are not reviewed or certified during effort certification; salary charges will need to be verified for accuracy through salary review during monthly/periodic reconciliation process (recon@)

Workday Effort Certification process will increase the number of reports PIs need to certify (approx. 4800) due to person-based confirmation of effort for each individual's effort percentage spent during the reporting period, by pay component

Compliance issue: often, effort reports are not generated due to changes in employee position, HR record, etc., resulting in uncertified salary charges. According to fellow IHE (Yale), there are situations where reports will not generate - one potential case is where an employee has no pay charged to sponsored awards but is contributing effort to a sponsored award. Another is if an employee retires during reporting period (see link- https://your.yale.edu/sites/default/files/1315_fr.01_effort_report_-_instructions.pdf).

Effort Reporting Coordinators need special "unconstrained" security roles to access effort reports, which is provided only to the central Payroll Department

16 Universities with WD financial system: only 6 chose to use WD effort certification (Brandeis, Brown, Iowa State, Louisiana State, Univ of Nevada and Yale); 2 are going with salary cert (Cornell and Univ of Texas); 8 are staying with their home-grown system (Georgetown, Univ of Arkansas, Univ of Penn, Univ of Southern California, Univ of Washington, Wake Forest, Washington State) and one is staying with third party system (Huron=Univ of Miami)

Compliance issue: non-costed effort changes result in changing the corresponding dollar amount allocated to grant in the effort reporting module, but payroll actuals on the grant do not reflect changes in the effort. As a result, the effort report may show lower effort on a federal grant, but payroll on the grant will not be corrected, resulting in overcharging federal awards. Effort reductions should generate a Payroll cost transfers.

Compliance issue: PIs who share an employee (GRA, staff, etc.) can certify "effort" (thus salary charges) for other PIs

Possible elimination of ERC roles, since salary certifications will be performed by fiscal contacts (or departmental research admins supporting the PIs)

UPG payroll is included in the effort reports which can be altered via non-costed effort changes; thus, creating changes in payroll $s between UPG and UVA, but without any accounting entries

Lack of internal control: when testing an employee who is fully grant funded, we were able to perform a non-costed effort change that resulted in a sponsored award cost sharing for another sponsored award (Validation needed to restrict non-costed effort changes when an employee is fully grant funded, not certain if this validation is possible)
RAPID Decisions | Framework

While RAPID roles should be defined for all decisions, documentation only required for Tier 1 & 2.

Does the decision impact **one or more** of the following:

- **SCOPE**
  - Impacts the scope outlined in SOW and is a candidate for a change order

- **SCHEDULE**
  - Changes the schedule of the project go-live date or milestone

- **BUDGET**
  - Changes the budget of the project, e.g., needs additional resourcing

- **IMPACT TO STAKEHOLDERS**
  - Impacts a large group of stakeholders or has high impact on current functionality

- **POLICY**
  - Creates a new UVA Finance policy or involves change to existing policy

Does the decision maker, e.g., Functional Owner, want to get formal input from advisory entities in order to make a decision?

- **NO**
- **YES**

**TIER 1 DECISIONS**

- **Requires** RAPID documentation
- **Decide:** Executive Committee/Leadership Council (decision dependent)
- **Agree:** Co-Chairs or Functional Owner(s)
- **Input:** Advisory Entities
- **Recommend:** Workstream Leads

**TIER 2 DECISIONS**

- **Requires** RAPID documentation
- **Decide:** Functional Owner
- **Agree:** Workstream Leads (decision dependent)
- **Input:** Advisory Entities
- **Recommend:** Workstream Leads

**TIER 3 DECISIONS**

- **Does not** require RAPID documentation
- **Decide:** Functional Owner or Workstream Lead(s)
- **Input:** Business Process Owner
- **Recommend:** Team Leads