

Seattle Colleges Finance and Operations and the Campus Business Office Reorganization

Executive Summary and Change Notice – June 2023

This document is notice that the Seattle Colleges District (SCD) will be conducting a **District-wide restructuring of the Finance and Accounting and the Campus Business Office departments**. The reasoning behind and plans for implementing this restructure are set forth below.

Problem Statement

Historically, both of the impacted departments have experienced a lack of consistency from year to year and campus to campus on processes, workflows, and procedures. This lack of consistency is due in part to implementation of CTCLink in February 2021, which entirely revamped the District's financial, human resources, and student information systems. The departments, however, continued to be organized around procedures and processes associated with the prior legacy system. Incongruous processes and procedures between campus and district office Finance and Accounting teams have also contributed to this lack of consistency. In the meantime, significant cuts have been made to the Finance and Accounting employment roster over the last decade even as demands on the departments were increasing, and business processes became more complicated. Although the Board of Trustees and the previous Chancellor took steps to move the Business Offices at each campus under the supervision of the Vice Chancellor of Finance and Operations (VCFO) to improve budget development and consistency, the full breadth of that change was not fully realized before the previous Chancellor and the previous VCFO left the District.

Current Situation – Campus Business Offices and Budget

Currently, Central and North have very limited Business Office staff. The District office staff along with the Budget Director at South and a few other individuals are currently working extraordinary hours to meet the District's fiscal needs. While the District has recently hired some interim and regular staff, many positions remain vacant. The demands being placed on a small number of staff organized around the vestiges of an obsolete operating fiscal system is not sustainable and poses a significant risk to the District's fiscal health and operations in general. Timely implementation of a remedy is imperative to avoid long-term accounting and finance compliance and legal issues from arising.

Current Situation – Finance and Accounting

In 2022, the District performed a risk assessment that identified a number of compliance and organizational risks arising primarily from understaffing in the Finance and Accounting department. These risks, which have developed and evolved over many years, are significant and extensive. They include a lack of sufficient capacity to:

- Finalize financial statements for fiscal year 2020-2021 and ensuing audit.
- Develop financial statements for fiscal year 2021-2022 and ensuing audit before the fifteen-month deadline for NWCCU accreditation of 9/30/23.
- Reconcile all federal and state funds, including grants, contracts, and financial aid accounts on a timely basis throughout the year and at fiscal year-end.
- Fully reconcile all financial aid-based expenditures flowing through the student financials module to the general ledger.
- Implement a required Asset Management module before 6/30/23 fiscal close per SBCTC and the discontinuation of other software that calculates all depreciation expenditures.
- Implement the Travel & Expense module which will improve employee experiences with travel expense processing and timeliness of reimbursements.

- Resolve Campus CE integration with ctclink and CyberSource to ensure student account activity is properly booked and reconciled with the general ledger and the bank reconciliation.
- Evaluate an implementation plan for the ctclink budgeting module which has not been prioritized due to a much-needed District-wide overhaul of department codes and other chart of account clean-up.
- Perform all required year-end close processes and journal entries.
- Create a framework and train staff on the appropriate usage of all chart string fields used for the coding of financial transactions throughout the District.

In addition to hamstringing the District's internal operations, failure to timely complete fiscal work and financial statements could also harm the District's reputation with donors and grantors, as well as risk losing accreditation due to financial instability. Inconsistent coding could lead to inaccurate data transmission and result in audit failure or loss of accreditation.

The Reorganization Plan for Finance and Accounting, and Grants Accounting

To mitigate risks related to incomplete or overdue deliverables in finance and accounting, we will revise and fill currently vacant positions and create four new positions, including a Director of Accounting. The department currently has a 35% vacancy rate due to past resignations and unfilled vacancies. The restructure will ensure every function is assigned to an individual and enable the District to quickly and efficiently catch up on critical deliverables. Cross-training plans will be implemented to ensure continuity of business processes. The Director of Accounting will manage the Classified and Exempt-represented Accounts Payable, Accounts Receivable, and Student Financial teams and the Year End closing process. This will reduce pressure on the Executive Director, who can then focus on leading in a proactive, highly communicative and responsive manner. They will finally have the bandwidth to focus on providing direction that is strategic, inspiring and leads to a high functioning team. Chronic understaffing created a reactionary, crisis type environment thwarting progress and severely hampering responsiveness to critical questions from a broad array of constituents throughout the district, including what has been eleven direct reports.

An additional Executive Assistant will compile and submit forms and reports, manage project and reporting deadlines, respond on behalf of the Executive Director, archives and Purchase Card approvals.

To create consistency and ensure compliance, grants accounting activities across the District will be unified into a team consisting of a Grants Accounting Manager and two Grants Analysts. This team will manage all grants accounting across SCD. This change will result in the displacement of the position of Director of Fiscal Services at South Seattle College as well as the position of Director of Budget & Grant Services at Siegal Center.

The Reorganization Plan for Vice Chancellor of Finance and Operations (VCFO) Support, Ticketing System, Website Support, Purchasing, and Travel Coordination

The Plan assigns a part-time Executive Assistant (EA) (0.5 FTE) to the VCFO to support the Board of Directors finance committee and District Budget Accounting and Reporting Committee (DBARC), to lead the travel program, and to supervise two new travel coordinator positions. A full-time Executive Assistant (1.0 FTE) will be hired to provide inbox and meeting support for the VCFO and Executive Director. The 1.0 FTE EA will manage the business office ticket system, support district-wide meetings and forums, update budget websites, and provide content for the ticketing system knowledge base and Finance and Operations department sites. A WFSE Procurement and Supply Specialist 3 will be added to the Purchasing Office to ensure the District has capacity to work with minority owned businesses to meet the goals of our Diversity Inclusion Plan.

The District has also identified an inequity in the current travel reimbursement process that creates financial challenges for some employees. To address this issue, we will be hiring two WFSE travel coordinators to manage the District's travel program and issue travel cards that are paid for by the District. The coordinators will be responsible for booking travel and managing the

travel cards, providing training for staff, reviewing expenses for compliance with state law and District fiscal policies, and ensuring timely processing. The Executive Assistant to the VCFO and CIO will supervise the travel coordinators and oversee the travel program.

The Reorganization Plan for Budget and Financial Forecasting/Campus Business Offices/Cashiering/Management Reports

The District currently has an annual operating budget of over \$152 million. To ensure this budget is properly accounted for, the District plans to streamline the management of Campus Business Offices by adopting a support model similar to that of Facilities and Capital Projects. The Vice Chancellor of Financial Operations will oversee an Executive Director of Budget and Financial Forecasting (EDBFF). The EDBFF will manage the Campus Directors, who, in turn, will have a reporting relationship with the President of their respective college or a designee. The EDBFF will lead the campus business offices and provide supervision to the Budget Directors and their staff.

The EDBFF ensures uniform budget coding and comparable information for all three colleges. The Director of Budget and Business Services will remain responsible for daily service delivery and campus budget management, reporting to the EDBFF and the President/designee. A new AFT-Pro Staff position, Senior Financial Analyst and Project Lead, will provide data for strategic recommendations and consistent reports. Each campus will have an AFT Pro Staff Associate Director of Business Operations, two classified staff, and one AFT Pro Staff Analyst. The WFSE Fiscal Analyst 2/Ticketing Specialist, AFT-Pro Staff Billing Analyst, and WFSE Fiscal Analyst 4/Budget Analyst will handle accounts payable, billing, and budget monitoring respectively. As needed, staff members will cover for others at other campuses and respond to District-wide questions. This will allow the District to continue to provide consistent customer service to the campuses and the District.

The new staffing model for the campus business offices will result in the reassignment of the Senior Financial Analyst position at South Business Office, the reassignment of the two Fiscal Analyst 2 positions at South Business Office, and the displacement of the Program Specialist 2 position at South Business Office.

A new AFT-Pro staff position, the Assistant Director of Student Accounts (ADSA), will oversee all campus cashier's offices, standardize procedures, oversee compliance with state and District fiscal policies and procedures, eliminate fraud, and ensure thorough documentation. The ADSA will also assist students in clearing their accounts and handling complaints, freeing up Cashiers to focus on tuition and fee collection. Additionally, the ADSA will update fees annually and collaborate with District office staff to improve systems and workflows. The structure at each campus will include a WFSE Cashiering Manager, two WFSE Cashier 3/4s, and temporary and Work Study employees.

Financial Impact

The cost of the restructure will amount to less than a million dollars per year. For year one FY 23-24, 100% of this cost will be covered by bridge funds. Reliance on bridge funds will decrease by 33% each subsequent year until the entire cost has transitioned to the District bill. North will see an increase cost for their positions of approximately \$150k. South will have a decrease of two positions, valued at approximately \$170K.

Benefits

- Ensure consistent management reports
- Consistently staff all campus business offices to address issues
- Implement a ticketing system with quick turnaround for issue resolution
- Establish a knowledge base for common issues to provide staff with necessary resources
- Implement unified budgeting across all three campuses, district, and district-wide
- Update budget websites for all three colleges and the district
- Provide regular training for new and existing budget managers
- Process travel with dedicated staff to improve turnaround time and provide consistent training
- Offer travel cards for staff to eliminate upfront expenses

- Provide financial expertise support to campuses during accreditation
- Submit financial statements and IPEDS before the due date
- Provide support to campuses on item types
- Centralize grants accounting for consistent support district-wide
- Support budget directors with addition of associate directors and an executive director
- Establish adequate capacity to eliminate or reduce documented risks

Implementation Process

Management intends to proceed with implementation of the restructuring plan in phases.

Regarding represented employees, the District intends to commence Phase 1 (described below) as soon as notice requirements in the WFSE and AFT Pro Staff Collective Bargaining Agreements have been satisfied. Seattle Colleges District is ready to meet any bargaining obligations that may arise because of this notice and change activity.

PHASE 1

Unrepresented positions:

- Executive Director of Budget and Financial Forecasting (District-wide)
- Accounting Director (District)
- Executive Assistant for Executive Director of Finance/Controller (District)
- 1.0 FTE Executive Assistant for Vice Chancellor of Finance and Operations (District-wide)

AFT-SPS-represented positions

- Accountant - Trial Balance/Federal Funds Reconciliation - (District) (interim staffed/funded)
- Fiscal Services Specialist - Student Financials – (District) (interim staffed/funded)
- Student Financials Supervisor – (District) (Vacant/funded)

WFSE-represented positions

- Fiscal Analyst 1 - Accounts Payable - (District) (Vacant/new)
- Fiscal Analyst 2 - Accounts Receivable - (District) (Vacant/funded)
- Cashier 3 - (South) (Vacant/funded)
- Cashiering Manager (Program Manager A) - (Central) (Vacant/funded)

PHASE 2

Unrepresented Positions:

- Director of Business Operations – (District)

AFT Pro Staff Positions:

- Assistant Director of Student Accounts – (District Wide)
- Associate Director of Business Operations - (2) (North and South)
- Senior Financial Analyst and Project Lead – (District Wide)
- Billing Analyst – (2) (North and *Central)
- Grants Accounting Manager – (District Wide)

WFSE Positions:

- Fiscal Analyst 3 – Grants – (2) (District Wide)
- Fiscal Analyst 3 - Bank Reconciliation and capital projects vouchers overflow - (District)
- Senior Buyer 3 – Purchasing - (District)
- Fiscal Analyst 4 - Budget (South)
- Fiscal Analyst 2- Ticketing Specialist/AP/Payroll/IDC - (North)

- Travel Coordinator - (2) (District Wide)

The attached organizational charts include department structure charts from the past and present and have been used to preview the reorganization plan to the Chancellor's Executive Cabinet and other groups as requested.

The following job descriptions associated with the new Finance and Operations structure are attached to this notice:

Position number	Title	Union
00008723	VC Finance and Operations	Exempt-non-repped
00008762	Executive Director of Finance/Controller	Exempt-non-repped
000XXXXX	Executive Director of Budget and Financial Forecasting	Exempt-non-repped
00009085	Director of Purchasing	Exempt-non-repped
00008269	Executive Assistant 0.5FTE	Exempt-non-repped
000XXXXX	Executive Assistant 1.0FTE	Exempt-non-repped
000XXXXX	Travel Coordinator (FA2)	WFSE
000XXXXX	Travel Coordinator (FA2)	WFSE
000XXXXX	Executive Assistant	Exempt-non-repped
00008864	Director of Financial Reporting	Exempt-non-repped
00016980	Grants Accounting Manager	AFT-SPS
00008360	Senior Accountant - GL	AFT-SPS
00008787	Finance Systems Specialist	AFT-SPS
000XXXXX	Director of Accounting	Exempt-non-repped
00008908	Accountant - Trial Balance/Federal Funds Recon.	AFT-SPS
00008637	Sr. Financial Analyst - Capital	AFT-SPS
00017695	Fiscal Analyst 1 - Accounts Payable	WFSE
00008738	Fiscal Analyst 1 - Accounts Payable	WFSE
00009005	Fiscal Analyst 2 - Accounts Receivable	WFSE
000XXXXX	Fiscal Analyst 3 - General Accounting	WFSE
00008677	Fiscal Analyst 2 - Accounts Payable	WFSE
00008669	Fiscal Analyst - Third Party Contracts (SF) (FA3)	WFSE
00008410	Lead Fiscal Analyst - Accounts Receivable (FA3)	WFSE
00016979	Fiscal Analyst 3 - Grants and Contracts Analyst	WFSE
00017030	Fiscal Analyst 3 - Grants and Contracts Analyst	WFSE
00008375	Accounts Payable Supervisor	AFT-SPS
00008879	Accountant - Generalist	AFT-SPS
00008801	Accounts Receivable Supervisor	AFT-SPS

00011635	Student Financials (SF) Supervisor	AFT-SPS
00008625	Fiscal Services Specialist	AFT-SPS
00008923	Senior Buyer (Procurement & Supply Specialist 4)	WFSE
00008352	Purchase Card Manager (PM A)	WFSE
000XXXXX	Buyer (Procurement & Supply Specialist 3)	WFSE
000XXXXX	Senior Financial Analyst and Project Lead	AFT-SPS
00008982	Director of Business Operations - North	Exempt-non-repped
00009187	Director of Business Operations - Central	Exempt-non-repped
00009436	Director of Business Operations - South	Exempt-non-repped
000XXXXX	Director of Business Operations - District	Exempt-non-repped
00009029	Associate Dir. Of Business Services - Central	AFT-SPS
000XXXXX	Associate Dir. Of Business Services - North	AFT-SPS
000XXXXX	Associate Dir. Of Business Services - South	AFT-SPS
000XXXXX	Budget Analyst North (FA4)	WFSE
00008404	Budget Analyst Central (FA4)	WFSE
000XXXXX	Budget Analyst South (FA4)	WFSE
000XXXXX	Billing Analyst North	AFT-SPS
000XXXXX	Billing Analyst Central	AFT-SPS
000XXXXX	Billing Analyst South	AFT-SPS
000XXXXX	Ticketing Specialist/AP/Payroll/IDC (FA2) - North	WFSE
000XXXXX	Ticketing Specialist/AP/Payroll/IDC (FA2) - Central	WFSE
000XXXXX	Ticketing Specialist/AP/Payroll/IDC (FA2) - South	WFSE
000XXXXX	Assist. Dir. Student Accounts	AFT-SPS
00008164	Cashiering Manager (PM A) - Central	WFSE
00008453	Cashiering Manager (PM A) - North	WFSE
00008612	Cashiering Manager (PM A) - South	WFSE
00008942	Cashier 3	WFSE
00008274	Cashier 3	WFSE
00009154	Cashier 3	WFSE
00008344	Cashier 3	WFSE
00008313	Cashier 4	WFSE
000XXXXX	Cashier 3	WFSE

Julienne DeGeyter, Vice Chancellor of Finance and Operations

