



UNIVERSITY OF CENTRAL FLORIDA
ADMINISTRATION AND FINANCE

2009 - 2010 Annual Report



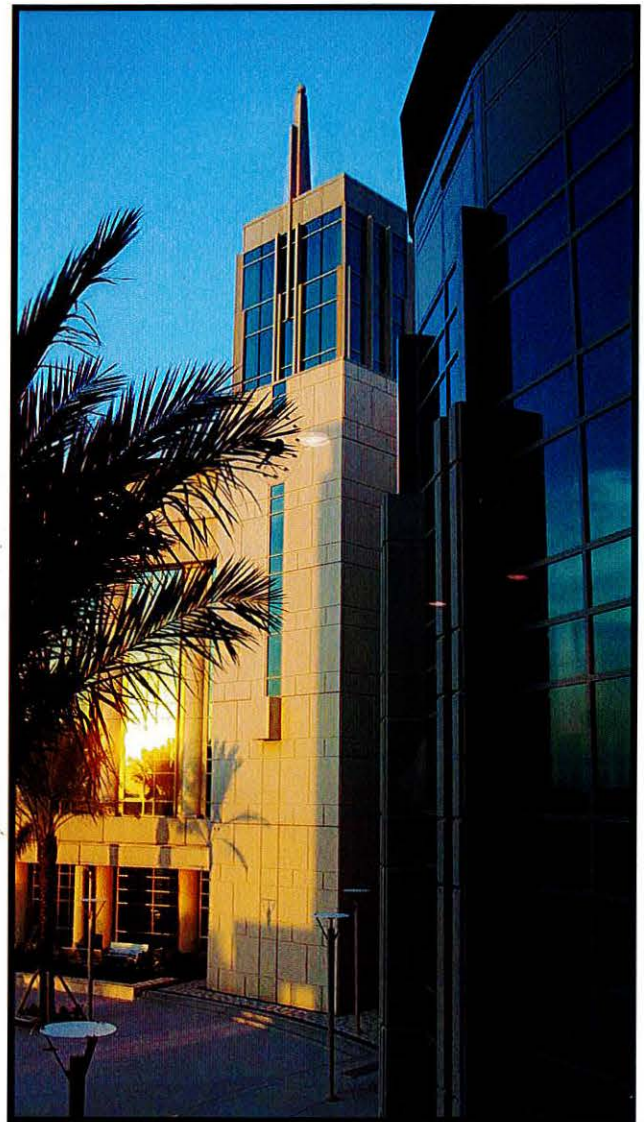
Performing Arts Complex Construction



Finance and Accounting Relay for Life Team



UCF Shuttle



College of Medicine



August 1, 2010

John C. Hitt, President
University of Central Florida

Dear Dr. Hitt:

I am pleased to submit to you the annual report for Administration and Finance for the fiscal year 2009-10. As the following pages detail, we accomplished a number of projects while keeping the everyday business of the university operating well. I will highlight just a few here.

Construction was completed this year on:

- Alafaya Trail Intersection Improvements
- Burnett Bio-Medical Science Research Center
- Physical Science Building I
- Solar Parking Structure
- Thermal Energy Storage Tank
- Visitor and Parking Information Building
- Student Union Boardwalk Replacement
- Student Health Dental Clinic
- Instructional Laboratory (College of Medicine)
- Intramural Playing Fields (Phase III)
- Film and Digital Media Phase IV

Construction is underway on:

- Career Services and Experiential Learning
- Parking Garage VI
- Partnership III
- Performing Arts Complex
- Physical Science Building II
- Public Safety Center
- Morgridge International Reading Center
- Recreation and Wellness Center Phase II
- CREOL HVAC Retrofit
- Outdoor Recreational Expansion including Lake Claire
- Distributed Antenna Project

The division has achieved significant cost savings once again this year. We have maintained our focus on crucial issues such as energy and conservation, recycling, and utilizing technology to minimize both personnel cost and use of physical resources. We have also been actively seeking partnerships that offer savings solutions.

All Administration and Finance departments have nurtured internal and external partnerships to ensure the safety of our university community, the continued enhancement of our university environment, the success of events that affect the entire campus and surrounding community, and the development and maintenance of relevant policies. We hope our accomplishments reflect our commitment to superior service.

As I have said in previous years, our accomplishments result from the efforts of a great staff who take pride in their contributions to the exciting UCF story.

Sincerely,

William F. Merck II
Vice President and Chief Financial Officer



Solar powered parking pay station



Physical Sciences I & II



New classroom space



Morgridge International Reading Center Site



Solar panel for electric car charging research station



Performing Arts Complex Rendering

Prepared for: President John C. Hitt
By: William F. Merck II
August 1, 2010



Offer the Best Undergraduate Education in Florida

- ~ Business Services launched The SPOT, a partnership enterprise with UCF CREATE's ADLab. The SPOT has provided 29 interns with hands-on experience and a strong portfolio to compliment the technical and educational skills developed at the university.
- ~ Business Services added two paid internships at Office Plus through the new contract with Staples where students will gain valuable experience in the areas of sales and account management with a Fortune 100 company renowned for its industry leading customer service.
- ~ Environmental Health and Safety obtained a new radioactive materials license that allows greater flexibility for faculty and researchers to work with these materials.
- ~ Environmental Health and Safety supported research and academic programs through increases in the number of classes offered in the laboratory safety series.
- ~ Finance and Accounting
 - o coordinated with the International Services Center (ISC), Financial Aid, and Athletics to transfer the processing of non-resident alien payments for foreign students and athletes to ISC, creating a more efficient process for students;
 - o implemented an online payment process for enrollment deposits;
 - o implemented new billing, receipt, and refunding processes for the Go Army Ed, MYCAA military spouse, and Post 9/11 GI Bill programs;
 - o implemented the textbook deferral program created in 2008-09 with Business Services. Over 7,000 students used the program for a total of \$2.25 million;
 - o partnered with Seminole State College to offer students in the concurrent nursing program a procedure to use financial aid from SSC for UCF tuition;
 - o supported the Co-op and Experiential Learning programs by hiring UCF students as OPS student assistants.
- ~ Landscape and Natural Resources hosted seven undergraduate internships in the spring semester and created a service-learning course that is taught in the fall semester.
- ~ The University Police reduced crime by 8.2 percent in 2009, providing a safe environment where students can focus on academic goals without fear of victimization. The new *Student Success* On-line Sexual Assault Prevention Module will also enhance the safety and well-being of students.



Become more Inclusive and Diverse

- ~ Business Services team members used the results of the Myers-Briggs Type Indicator assessment to more effectively communicate across types and, subsequently, function better as a team.
- ~ Environmental Health and Safety offered its staff H1N1 virus training sessions in Spanish.
- ~ Facilities Operations conducted English for Speakers of Other Languages (ESOL) classes for 37 employees.
- ~ Facilities Operations participated in the Minority-owned, Woman-owned, Service-disabled veteran-owned, or Small Business Enterprises Outreach event coordinated by the Purchasing Department.
- ~ Finance and Accounting presented information at 60 orientation sessions, three in Spanish, to new students and their parents.
- ~ Financial Services continued involvement in the Leadership Enhancement Program, Black Faculty and Staff Association, and the student chapter of the National Association of Black Accountants.
- ~ Purchasing
 - o increased the university's partnerships with diverse businesses by 63 percent;
 - o orchestrated two UCF Supplier Diversity Day networking events attracting more than 200 businesses and 38 UCF departments as participants and leading to at least five business connections totaling over \$115,000;
 - o participated in external outreach events, to include Florida's Office of Supplier Diversity Annual Trade Show in Orlando and the Service Disabled Veterans' Trade Show in Tampa.
- ~ The University Police worked to further increase diversity awareness by exploring and incorporating additional diversity training in the Department's in-service training for its law enforcement officers.

- ~ Facilities Operations developed a maintenance program and hired 34 employees to manage the Lake Nona Medical campus facilities in support of research and the College of Medicine.
- ~ Facilities Planning completed the 2010 Campus Master Plan, which was approved in November 2009.
- ~ Facilities Planning implemented the design-build delivery system for construction of minor projects in order to provide a higher quality and cost effective solution to smaller projects.
- ~ Finance and Accounting
 - o received an unqualified financial statement audit from the Auditor General's office for fiscal year 2008-09 and received no comments on the operational audit;
 - o assisted in the development and implementation of UCF's Identify Theft Prevention policy required by the Federal Trade Commission's Red Flags Rule, which is designed to help organizations detect, prevent, and mitigate identity theft. They created an online training course which 300 employees have completed. Finance and Accounting also founded the Identity Theft Committee, comprised of representatives from nine UCF departments;
 - o developed and implemented a re-organization plan which streamlined and combined the core functional areas of accounting into five main departments. The re-organization will increase expertise and improve processes, quality and internal controls;
 - o established a Certificate of Deposit Account Registry Service investment program with CNL Bank to facilitate the investment of \$50 million of university funds in 100 percent FDIC insured Certificates of Deposit;
 - o improved the quality of financial reporting, review processes, and training of general ledger accounting staff by hiring a Financial Reporting Manager;
 - o increased the university's tax expertise by hiring two employees with strong tax experience. This timing proved critical, as the IRS began an audit of the university in January 2010;
 - o took the lead to ensure UCF requested and received \$19 million in federal stimulus funds appropriated by the state.
- ~ Financial Services assisted in renewing the Letter of Credit on the debt for the residence halls on the Rosen campus, worked with the College of Medicine to develop a financing plan for its clinical practice facility, and worked with UCFAA to facilitate the restructuring of its debt with the university.
- ~ Financial Services received unqualified audit opinions for the UCF Convocation Corporation, the Golden Knights Corporation, and the UCF Finance Corporation for fiscal year 2008-09.
- ~ Human Resources collected data on 7,128 calls and e-mails logged in the Benefits, Payroll, and Records Sections. The data was used to improve customer service and reduce calls and emails.
- ~ Landscape and Natural Resources embraced Florida-friendly living concepts on campus in support of UCF's commitment to be carbon-neutral. These practices include: attracting wildlife; implementing right plant, right place; improving water quality and efficiency; reducing stormwater runoff; and protecting the waterfronts.
- ~ Parking and Transportation constructed the Visitor and Parking Information building, along with a 22 space parking lot.
- ~ Parking and Transportation shuttle bus services transported 2.1 million passengers, an increase of approximately 15 percent over the previous year.
- ~ Sustainability and Energy Management initiated the first ever college-wide initiative, the Rosen Conservation Challenge, to reduce energy and water consumption and allow the college to share in the university's savings.
- ~ Sustainability and Energy Management received recognition by the US Department of Energy for their fourth annual Student Energy Conservation competition which saved \$41,240 in electricity.



Cost Effectiveness

- ~ Business Services
 - o increased the Live Oak Event Center revenues 58 percent over last year;
 - o reduced Copier Services and Support payroll expenses by more than 50 percent;
 - o revised the UCF Dining selection of meal plans for Fall 2010 to offer more convenience, value, and options. This effort resulted in a 20 percent sales increase;
 - o facilitated the extension of the university's network and infrastructure for the deployment of the new Toshiba multi-function device fleet, absorbing approximately \$52,000 in costs.
- ~ Environmental Health and Safety has increased in-house training and negotiated service agreements with vendors that preserve fee schedules from 2-3 years ago.
- ~ Facilities Operations completed 12 projects for Chilled Water Production in-house, resulting in savings of \$123,610.
- ~ Facilities Operations diverted solid waste materials into the recycling stream saving the university in excess of \$19,000.

- ~ Finance and Accounting
 - o automated the monthly E&G Student Fees report, saving approximately 2½ days in preparation and review time and providing for more accurate analysis;
 - o changed work assignments of OPS employees in Vendors Payable resulting in an increase in Prompt Payment Compliance in March 2010 to the highest percentage attained since FY 2005, 99.24 percent;
 - o reduced the number of checks processed to vendors and students by four percent and increased ACH deposits, resulting in a decrease in staff processing time and security issues surrounding check processing;
 - o implemented a plan enabling the UCF Foundation to use direct deposit for payments, which will reduce processing time and provide additional transaction information;
 - o pursued the return of \$325,000 in contract and grant funds that were garnished in error by the Federal Government as part of a "treasury offset program";
 - o referred Parking and Transportation to a collection agency, providing the opportunity to pursue collection of unresolved parking fines. Collections to date total approximately \$100,000;
 - o saved on labor cost by using staff from other sections of the department to assist at the Cashier's Office during the tuition payment deadline period. This new procedure alleviated the need for the employment of temporary staff, offered other employees a learning opportunity, and avoided retraining temporary staff every semester;
 - o created an interface with the Student Health Center to place students on hold for unpaid charges.
- ~ Financial Services identified unauthorized spending. This resulted in cost savings and the termination of a contract.
- ~ Human Resources
 - o continued the use of the ePAF, a cost effective measure for processing personnel actions. While Records has given up five positions due to attrition and budget, the Records team has processed five percent more personnel actions over the last year while staying well below the benchmark with an overpayment error rate of less than .00088;
 - o lowered printing, paper, and toner cost by 50 percent using training and orientation CDs or online information in place of handouts and adding two multi-purpose network copy machines with scanning and fax capabilities;
 - o operated with a 25 percent reduction in staff, saving \$997,882 on these positions for the year;
 - o reduced payroll overpayments by 26 percent through implementation of new procedures and reporting tools;
 - o reduced telephone expense by 50 percent using redistribution and redirection of phone lines.
- ~ Parking and Transportation
 - o saved approximately \$80,000 by utilizing in-house staff for installation of pay and display permit machines;
 - o secured financing for Parking Garage VI; completion is planned for Spring 2011;
 - o shared the cost with the Student Government Association to implement a ride sharing program, Zimride, which uses social networks such as Facebook, Twitter, and MySpace;
 - o utilized its own maintenance employees to complete small projects such as painting, striping, asphalt work, concrete work, mechanical work, and sign installation and removal, and crossed-trained employees to work in other areas of the organization during peak periods.
- ~ Purchasing
 - o saved the university \$1,191,662 in taxes by processing \$18,333,266 in purchase orders under the Direct Owner Program, made possible through the cooperative efforts of Financial Services and Facilities and Safety, in collaboration with our construction contractors;
 - o saved \$36,000 by renegotiating the UCF elevator maintenance agreement and saved \$28,000 by completing a computer cluster initially cited as sole source;
 - o saved \$19,800 by promoting an equipment maintenance and repair underwriter contract offering discounts up to 28 percent;
 - o supplied additional sources for natural gas condensing water heaters, saving the Student Union \$5,536.
 - o provided alternatives for a Theater Department sole source purchase of \$42,000 in equipment and saved \$4,000;
- ~ Sustainability and Energy Management spearheaded the Thermal Energy Storage Tank, which went into service in January 2010; it earned the largest rebate ever awarded by Progress Energy, \$637,000, and will save the university approximately \$800,000 annually.
- ~ Sustainability and Energy Management yielded a reduction of 21 percent in electricity, 22 percent in chilled water, and 21 percent in natural gas. Such reductions saved approximately 7,562,153 KWH (\$1,072,987) of electricity, 1,939,123 TON-HR (\$235,689) of chilled water, and 4,133 therms (\$4,545) of natural gas.
- ~ The University Police utilized the expertise of its in-house IT staff to design and implement the use of law enforcement specific software in place of employing the services of outside entities. In addition to the reduction of paper consumption through the use of scan-to-PDF and email technology, the Department distributes most department-wide communication electronically to reduce costs and improve efficiency.



Technology

- ~ Facilities Operations identified the location of chilled water valves and performed hydraulic simulation to maximize efficiency of the chilled water system on campus.
- ~ Facilities Operations upgraded five lift stations by installing telemetry equipment.
- ~ Facilities Planning redesigned their Web page to provide easy access to design and construction data on projects under construction, as well as future projects.
- ~ Finance and Accounting
 - o automated the formerly paper-based process for declaring assets lost or missing;
 - o collaborated with the College of Medicine to implement a budgeting, planning, and reporting system;
 - o utilized a UCF Financials system feature allowing automatic processing of recurring contract payments.
- ~ Human Resources
 - o automated the process for the Age 50 Catch-up provision in regards to employee retirement contributions, which allows employees to make additional pre-tax contributions to their retirement plan. Employees no longer have to submit paperwork to participate and their limits are automatically set to the correct threshold;
 - o entered into an agreement with TALX as an employment verification provider;
 - o implemented Web site changes, including functionality for Workers' Compensation, Recruitment, Training, and Records, to increase effectiveness internally and across the university;
 - o created a new applicant status within the PeopleAdmin System to identify applicants who are eligible for alternative employment preferences;
 - o implemented changes to the Direct Deposit page in Employee Self Service, the Direct Deposit Form, and verbiage on the Human Resources website to comply with new NACHA Operating Rules effective September 2009 as they relate to the International ACH Transactions;
 - o implemented PeopleSoft delivered electronic W-2's for tax year 2009. Our inaugural year resulted in a 33 percent participation rate with the consent to receive an electronic W-2. This resulted in 4,337 less printed and physically distributed W-2 Forms. The implementation effort was led by HRIS and accomplished by Payroll, HRIS, and Computer Services resources;
 - o implemented a self-service feature that allowed employees to change voluntary 403(b) retirement contributions online, eliminating paperwork and reducing time spent manually processing such requests.
- ~ Parking and Transportation equipped an additional five citation writers with cameras, for a total of 15 of these devices in use. Nineteen additional pay and display permit machines with real time credit card processing were installed on campus for a total of 70.
- ~ Parking and Transportation replaced all high pressure sodium lights in Parking Garage H with fluorescent lights which will result in approximately two thirds energy cost savings annually.
- ~ The University Police continued to utilize technology and information from all available resources to better address crime trends; analysis is conducted by the Department's trained FLDE Certified Law Enforcement Analyst.



Charitable and Intercampus Giving

- ~ Administration and Finance coordinated the Florida State Employees' Charitable Campaign for the university, which raised over \$140,000 for the community.
- ~ Business Services donated the use of banquet space for charitable events, sent speakers to local schools, assisted in hosting the first annual UCF Book Festival, was a key sponsor for the 2009 Welcome Expo for new students, conducted food drives, and served a crucial role in the success of the Florida State Employees' Charitable Campaign.
- ~ Facilities Operations partnered with UCF Housing and the Bithlo-Christmas Neighborhood Center for Families (BCNCF) in the ninth annual Student Move-Out Recycling Project, collecting and distributing clothing, household goods, and electronics to BCNCF. Facilities Operations also hosted the "Adopt-A-Child" holiday program benefiting BCNCF.
- ~ Finance and Accounting administered one of the top five fundraising teams for the 2010 Relay For Life, as well as a top fundraising team in the Heart Walk, and they won the FSECC Starbank initiative raising money for the Heart of Florida United Way. They also spearheaded a support campaign for a colleague in need during the holiday season.
- ~ The University Police participated in the Special Olympics Torch Run.

Division of Administration and Finance

