Chart of Accounts Redesign

A Journey

Agenda

I. Introductory Remarks – Carol Kissal

II. Project Background

III. Value Proposition

IV. Project approach and feedback loop

V. Chart of Account Elements

VI. *Draft* Chart of Accounts Structure

VII. Next Steps

VIII. Initial Reactions – Audience Survey

Introductory Remarks
Carol Kissal, Senior Vice President

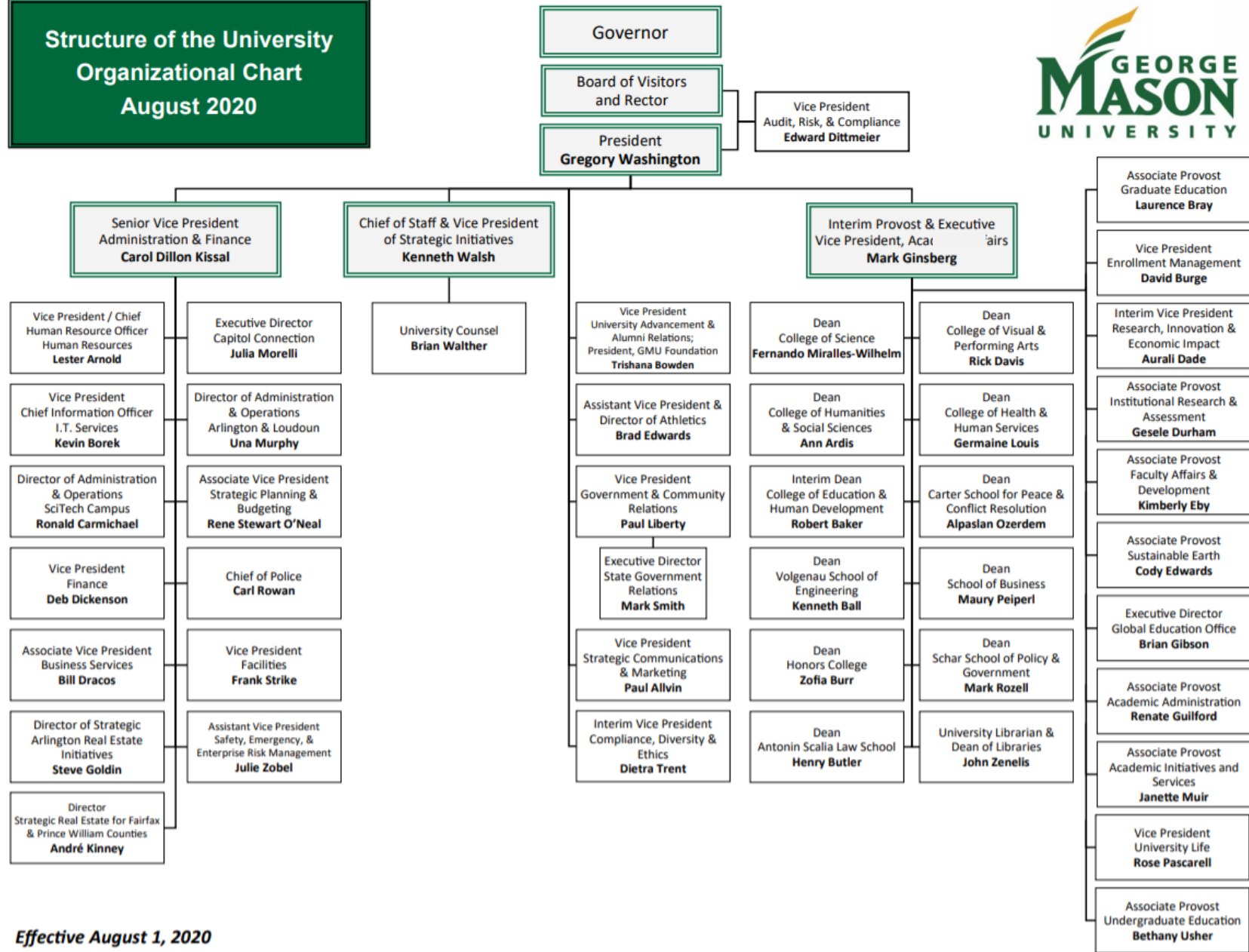# Project Background

A Brief History

Project Background – How did we get here?

➢ Implementation of Banner modules in 2002

➢ Chart of Accounts setup primarily structured to align with CARS/Cardinal (Commonwealth accounting system)

➢ Growth over time – no relationship maintained between financial structure and academic operational data elements

➢ Disconnects highlighted by data analytic efforts – dashboarding, ratio analysis

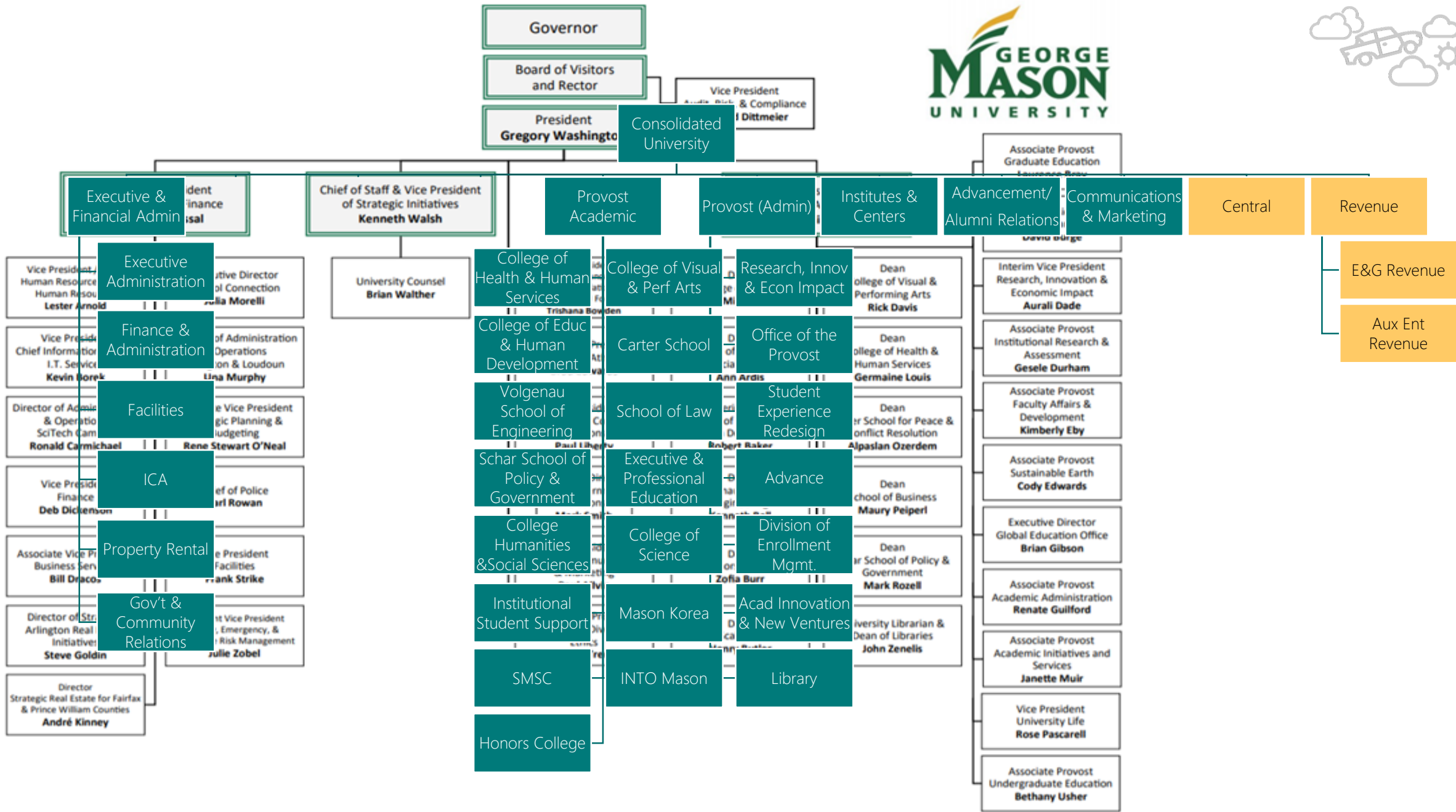➢ Limited ability to fully leverage Banner functionality

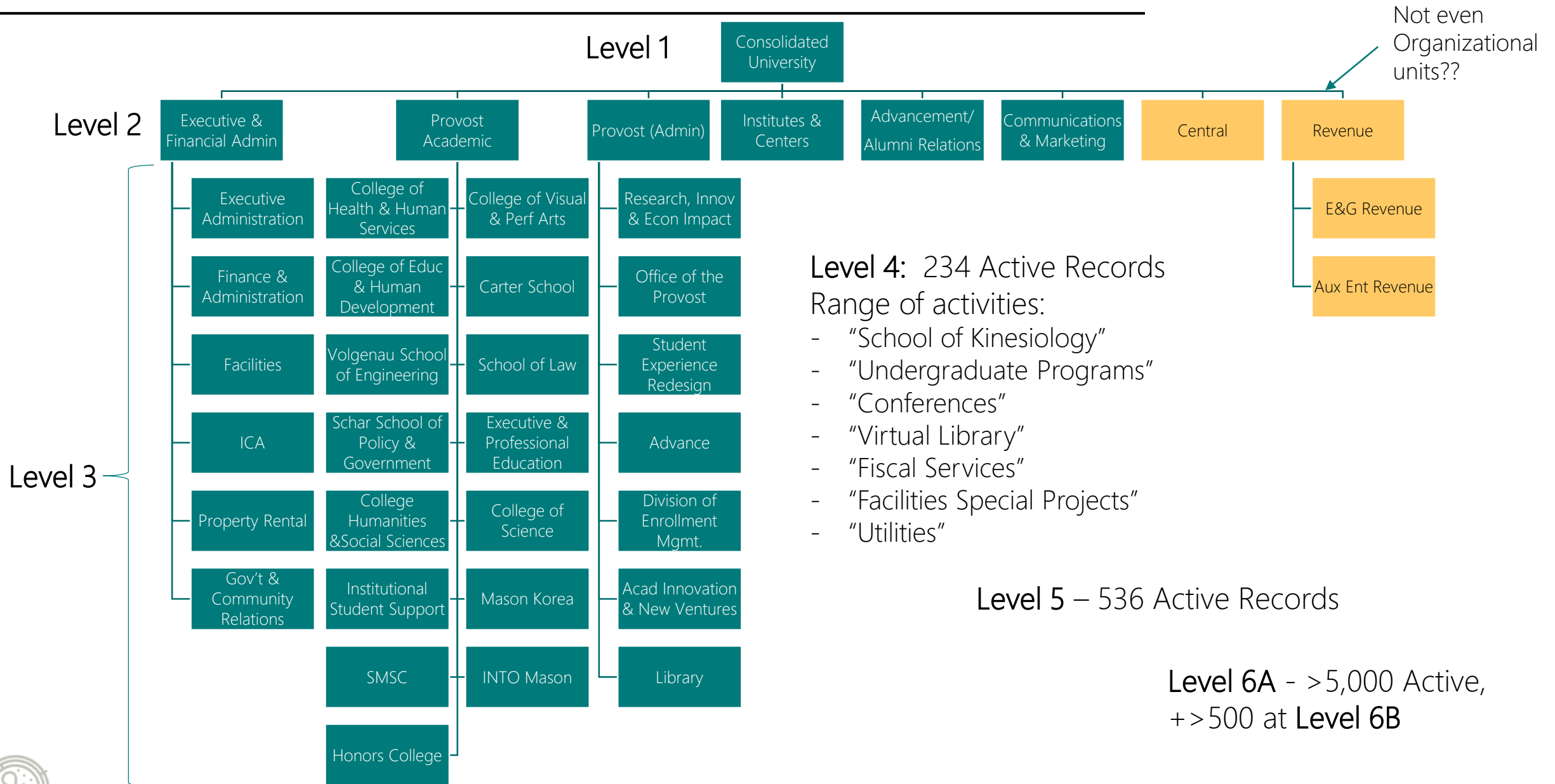**Structure of the University Organizational Chart August 2020**

GEORGE MASON UNIVERSITY

- Governor
- Board of Visitors and Rector
- President — Gregory Washington
- Vice President Audit, Risk, & Compliance — Edward Dittmeier

Senior Vice President Administration & Finance — Carol Dillon Kissal
- Vice President / Chief Human Resource Officer Human Resources — Lester Arnold
- Vice President Chief Information Officer I.T. Services — Kevin Borek
- Director of Administration & Operations SciTech Campus — Ronald Carmichael
- Vice President Finance — Deb Dickenson
- Associate Vice President Business Services — Bill Dracos
- Director of Strategic Arlington Real Estate Initiatives — Steve Goldin
- Director Strategic Real Estate for Fairfax & Prince William Counties — André Kinney
- Executive Director Capitol Connection — Julia Morelli
- Director of Administration & Operations Arlington & Loudoun — Una Murphy
- Associate Vice President Strategic Planning & Budgeting — Rene Stewart O'Neal
- Chief of Police — Carl Rowan
- Vice President Facilities — Frank Strike
- Assistant Vice President Safety, Emergency, & Enterprise Risk Management — Julie Zobel

Chief of Staff & Vice President of Strategic Initiatives — Kenneth Walsh
- University Counsel — Brian Walther

Interim Provost & Executive Vice President, Academic Affairs — Mark Ginsberg
- Vice President University Advancement & Alumni Relations; President, GMU Foundation — Trishana Bowden
- Assistant Vice President & Director of Athletics — Brad Edwards
- Vice President Government & Community Relations — Paul Liberty
- Executive Director State Government Relations — Mark Smith
- Vice President Strategic Communications & Marketing — Paul Allvin
- Interim Vice President Compliance, Diversity & Ethics — Dietra Trent
- Dean College of Science — Fernando Miralles-Wilhelm
- Dean College of Humanities & Social Sciences — Ann Ardis
- Interim Dean College of Education & Human Development — Robert Baker
- Dean Volgenau School of Engineering — Kenneth Ball
- Dean Honors College — Zofia Burr
- Dean Antonin Scalia Law School — Henry Butler
- Dean College of Visual & Performing Arts — Rick Davis
- Dean College of Health & Human Services — Germaine Louis
- Dean Carter School for Peace & Conflict Resolution — Alpaslan Ozerdem
- Dean School of Business — Maury Peiperl
- Dean Schar School of Policy & Government — Mark Rozell
- University Librarian & Dean of Libraries — John Zenelis

- Associate Provost Graduate Education — Laurence Bray
- Vice President Enrollment Management — David Burge
- Interim Vice President Research, Innovation & Economic Impact — Aurali Dade
- Associate Provost Institutional Research & Assessment — Gesele Durham
- Associate Provost Faculty Affairs & Development — Kimberly Eby
- Associate Provost Sustainable Earth — Cody Edwards
- Executive Director Global Education Office — Brian Gibson
- Associate Provost Academic Administration — Renate Guilford
- Associate Provost Academic Initiatives and Services — Janette Muir
- Vice President University Life — Rose Pascarell
- Associate Provost Undergraduate Education — Bethany Usher

Effective August 1, 2020

GEORGE MASON UNIVERSITY

Governor

Board of Visitors and Rector

President
Gregory Washington

Vice President
Audit, Risk & Compliance
David Dittmeier

Consolidated University

Executive & Financial Admin

Vice President
Finance
ssal

Chief of Staff & Vice President of Strategic Initiatives
Kenneth Walsh

Provost Academic

Provost (Admin)

Institutes & Centers

Advancement/ Alumni Relations

David Burge

Communications & Marketing

Central

Revenue

E&G Revenue

Aux Ent Revenue

Executive Administration

Finance & Administration

Facilities

ICA

Property Rental

Gov't & Community Relations

Vice President
Human Resource
Human Resou
Lester Arnold

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ol Connection
lia Morelli

University Counsel
Brian Walther

College of Health & Human Services

Trishana Bowden

College of Visual & Perf Arts

Research, Innov & Econ Impact

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Rick Davis

Interim Vice President
Research, Innovation & Economic Impact
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Institutional Research & Assessment
Gesele Durham

Vice Presi
Chief Informatio
I.T. Service
Kevin Borek

of Administration
Operations
on & Loudoun
Lina Murphy

College of Educ & Human Development

Carter School

Office of the Provost
Ann Ardis

Dean
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Germaine Louis

Associate Provost
Faculty Affairs & Development
Kimberly Eby

Director of Ad
& Operatio
SciTech Cam
Ronald Carmichael

e Vice President
gic Planning & Budgeting
Rene Stewart O'Neal

Volgenau School of Engineering
Paul Liberty

School of Law
Robert Baker

Student Experience Redesign

Dean
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Alpaslan Ozerdem

Associate Provost
Sustainable Earth
Cody Edwards

Vice Presi
Finance
Deb Dickenson

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rl Rowan

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Global Education Office
Brian Gibson

Associate Vice P
Business Serv
Bill Draco

e President
Facilities
rank Strike

College Humanities &Social Sciences

College of Science
Zofia Burr

Division of Enrollment Mgmt.

Dean
r School of Policy & Government
Mark Rozell

Associate Provost
Academic Administration
Renate Guilford

Director of Str
Arlington Real
Initiatives
Steve Goldin

t Vice President
, Emergency, & Risk Management
ulie Zobel

Institutional Student Support

Mason Korea

Acad Innovation & New Ventures

iversity Librarian & Dean of Libraries
John Zenelis

Associate Provost
Academic Initiatives and Services
Janette Muir

Director
Strategic Real Estate for Fairfax & Prince William Counties
André Kinney

SMSC

INTO Mason

Library

Vice President
University Life
Rose Pascarell

Honors College

Associate Provost
Undergraduate Education
Bethany Usher

Current COA Hierarchy...Org Levels 1-3

Level 1 — Consolidated University

Not even Organizational units??

Level 2:
- Executive & Financial Admin
- Provost Academic
- Provost (Admin)
- Institutes & Centers
- Advancement/ Alumni Relations
- Communications & Marketing
- Central
- Revenue

Level 3:

Under Executive & Financial Admin:
- Executive Administration
- Finance & Administration
- Facilities
- ICA
- Property Rental
- Gov't & Community Relations

Under Provost Academic:
- College of Health & Human Services
- College of Educ & Human Development
- Volgenau School of Engineering
- Schar School of Policy & Government
- College Humanities &Social Sciences
- Institutional Student Support
- SMSC
- Honors College
- College of Visual & Perf Arts
- Carter School
- School of Law
- Executive & Professional Education
- College of Science
- Mason Korea
- INTO Mason

Under Provost (Admin):
- Research, Innov & Econ Impact
- Office of the Provost
- Student Experience Redesign
- Advance
- Division of Enrollment Mgmt.
- Acad Innovation & New Ventures
- Library

Under Revenue:
- E&G Revenue
- Aux Ent Revenue

Level 4: 234 Active Records
Range of activities:
- "School of Kinesiology"
- "Undergraduate Programs"
- "Conferences"
- "Virtual Library"
- "Fiscal Services"
- "Facilities Special Projects"
- "Utilities"

Level 5 – 536 Active Records

Level 6A - >5,000 Active, +>500 at **Level 6B**

Value Proposition

Where are we going?

Where are we going (and what's in it for you)?

➢ *Decision Making* – Accommodate and adapt to changing business requirements

- With the use of better data – properly aligned to reflect outcomes

➢ *Allocation of Resources* – Enhanced budgeting and planning capabilities

- *Transparent and informed investment of resources*
- Streamlined analysis tools – aligned with external reporting (BOV)
- Development and forecasting capabilities

➢ *Reporting* – Timely and transparent

- Enable robust analysis of programs, initiatives, activities – At all levels
- Standardized reporting tools!
- *Accountability and performance management*

➢ *Consistency* – Consistent language across organizations

- Eliminate manual massaging of data to derive useful information
- Share best practices/analyses across institution

➢ *ERP* – Optimized functionality and intended use of Banner ERP

- Efficient and updated use of Banner and aligns with the organizational as an enterprise

Why it Matters
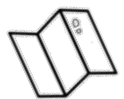
➢ Are you able to analyze your financial data in a meaningful way to answer questions from leadership?

➢ Do you spend more time analyzing why your numbers don't match those produced by another office and determining which report has "the right numbers" than you do making strategic decisions based on the data?

➢ Do you spend a lot of time reallocating costs that were booked incorrectly or are being moved just for reporting purposes?

➢ Do you use spreadsheets, databases, or entire other systems to get data you wish you could produce from the source system?
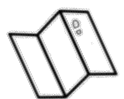
Project Approach

Where are we now?

Project Progress and Feedback Loop

- ➢ Consultative process – 24 meetings, over 15 university groups, and over 100 individuals engaged
- ➢ Guidance from SIG – consultant partner, peer examples
- ➢ Aggressive communications plan
  - Outreach, Website, Dedicated project email, MS Teams community
  - Office Hours, Planned training, change management
- ➢ Synthesized requirements/challenges

The Loop…

Contextualize and Principles
- How do we decide what is right?
- Is this the best solution?
- What haven't we thought of?

Conceptualize and Develop
- Do we have a solution?
- Are we doing things right?

Actions and Reactions
- What haven't we thought of?
- Are we doing the right things?

Frame and Reframe
- Assumptions
- Insights and patterns
- Are we fixing it as well as possible?

… takes time

Communication – Training – Transition Support

➢ Feedback Loop will be used throughout project to improve future state

➢ Resources will be provided to facilitate transition

　　➢ Live and recorded training sessions

　　➢ Crosswalk tools

　　➢ Quick reference guides

　　➢ Process changes to better utilize ERP

　　➢ Standard reports/analytics

➢ Collaboration to develop solutions

The more you tell us about what you need, the better we are able to provide you resources!

Chart of Accounts Elements
Purpose and Definitions

Introducing "FOAPAL" – The Accounting String

Fund: Source of Money/Related Restrictions

Organization: Who is Responsible?

Account: What?

Program: Why?

Activity: More Tracking (Optional)

Location: Where? (Optional)

Fund: Source of Money/Related Restrictions

Foundational element in Banner – required for all transactions

Facilitates compliance – source of funds and related rules

Fund Types – allow grouping of Funds for reporting and rule definition

Hierarchy also provides structure for reporting

Funds may be used across Orgs or defaulted to a single Org value

General rule: Any funding source that needs to be tracked across multiple fiscal years should be a separate fund.

Organization: Who is Responsible?

Foundational element required for Revenue & Expenses

Should reflect operational/functional organization of the institution

Hierarchy facilitates security and reporting for aggregate functional areas

Orgs can have multiple Funds – allows holistic reporting for a unit

Principles for each hierarchy level will create consistency across Mason

General rule: Any functional unit with personnel should be represented by a unique org.

The FOAPAL: Funds and Colors of Money

FUNDing Your Work

GRANTS

E&G

Auxiliary

IND/Pool

ORGANIZATION
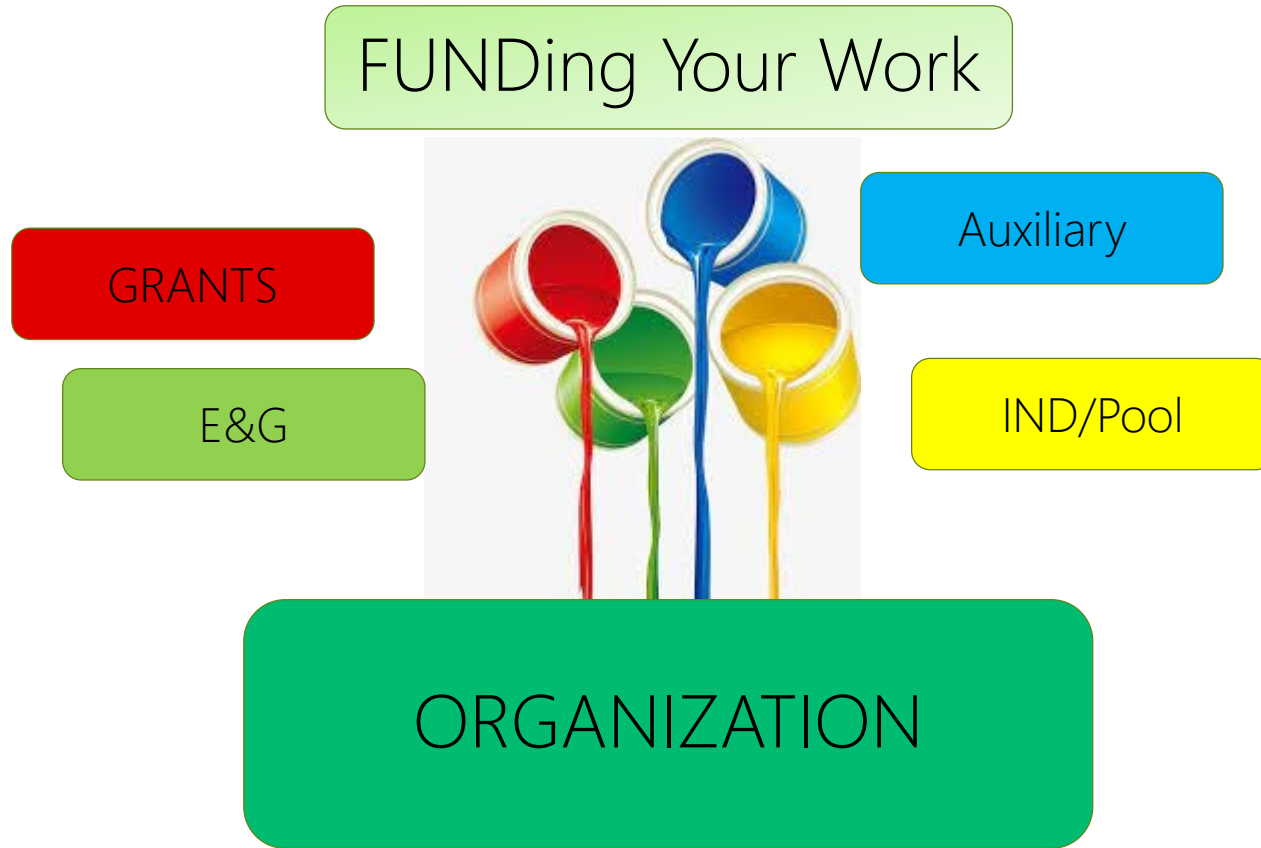
All Funds perspective allows you to see the full spectrum of activity for any reporting unit — University, College, Division

Account: What?

Foundational element in Banner – required for all transactions

Identifies economic substance of balance or transaction (e.g., cash, supplies)

Hierarchy facilitates reporting to aggregate similar items

Accounts have associated Account Types (e.g. Assets, Revenue, Expense)

Separate Accounts not needed to segregate activity that is defined by other COA segments or datasets

Exploring opportunity for 'quick wins': BOV groupings for reporting!

Program: Why?

Program:
Why am I doing it?
Instruction
Institutional
Support
Academic Support

Foundational element in Banner – required for Revenue & Expenses

Identifies how the transaction serves Mason's mission

Utilized for financial reporting (GASB, IPEDS) – a.k.a "functions"

Programs also map to Cardinal for Commonwealth reporting

Important Note:
"Program" in the financial COA ≠ "Academic Program"

Activity: More Tracking (Optional)

Flexible mechanism to track activity across the institution or within a single unit

Supports tracking multi-unit/cross-disciplinary efforts

Can be used to avoid creating multiple orgs for a single department to track sub-activities

Optional = Requires user knowledge and attention at time of transaction

Less developed, more discussion to come on the power and possibilities of Activity segment

Location: Where? (Optional)

Track geographic locations related to financial activity

Hierarchy available to group similar locations

Can be used to avoid creating multiple orgs or accounts to track location specific activities

Optional = Requires user knowledge and attention at time of transaction

Location: Where is it happening?
Fairfax
Arlington
Korea

Less developed, more discussion to come on uses for Location segment

The FOAPAL: Accounts, Programs, Activities, Locations

Fund:
How am I paying?
E&G
Auxiliaries
Grant

Organization:
Who am I?
President's Office
College of Science
University Life

Account:
What am I doing?
Salary
Supplies
Travel

Program:
Why am I doing it?
Instruction
Institutional Support
Academic Support

Activity:
What's happening?
Family Weekend
Commencement
COVID

Location:
Where is it happening?
Fairfax
Arlington
Korea

The FOAPAL = Flexible Information

How much E&G goes to Instruction at Mason?

Program: Instruction   **Fund: E&G**

How much is my department spending on instruction by source of funds?

Organization   **Program: Instruction**   **Subtotal by Fund**

Family Programs and Services runs Family Weekend. There are individual events hosted by College of Science ("The Science of Beer"), CVPA ("Art Therapy"), and CHSS ("The Real Criminal Minds"). Each have fees and costs associated with the events.

What is the COS cost of Family Weekend?

Organization (Rollup)   **Activity: FAMWKD**

What is the total cost of Family Weekend for Mason?

Activity: FAMWKD   **Subtotal by Organization Rollup**

Chart of Accounts Structure

Strawman/Proof of Concept

Organization Hierarchy

➢ Primary segment to reflect our operating structure
➢ Hierarchy principles
➢ Centers/Institutes*

   *Placement depends on approval and focus (Department, College, University)

	Academic Units	Administrative Units
Level 1	Consolidated University	
Level 2	Executive Level (President, Provost, SVP)	
Level 3	Colleges	Major Divisions
Level 4	Schools within Colleges	Admin Sub Divisions
Level 5	Department Roll Up	Admin Department Roll Up
Level 6A	Department Activities	Department Activities
Level 6B (7?)	Initiatives/Self-Supporting Activities	Initiatives/Self-Supporting Activities

A Visit to Hogwart's – Example Hierarchy

Level 1 – Consolidated University

Hogwarts School of Witchcraft and Wizardry

Level 2 - Executive

Executive Administration | Provost | Fiscal Administration

Level 3 – College / Major Admin Division

Executive Administration	College of Wizardry Leadership (ACAD Attribute)	School of Witchcraft Studies (ACAD Attribute)	Finance and Administration
Intercollegiate Athletics	College of Technical Spellcasting (ACAD Attribute)	Office of the Provost (ADMIN Attribute) Enrollment (ADMIN Attribute)	Facilities
Advancement and Alumni Relations	New Ventures (ADMIN Attribute)	Library (ADMIN Attribute)	
Communications and Marketing	Institutes and Centers (ADMIN or RSRCH Attribute)	University Life (UL Attribute)	

Sample Academic Unit Structure
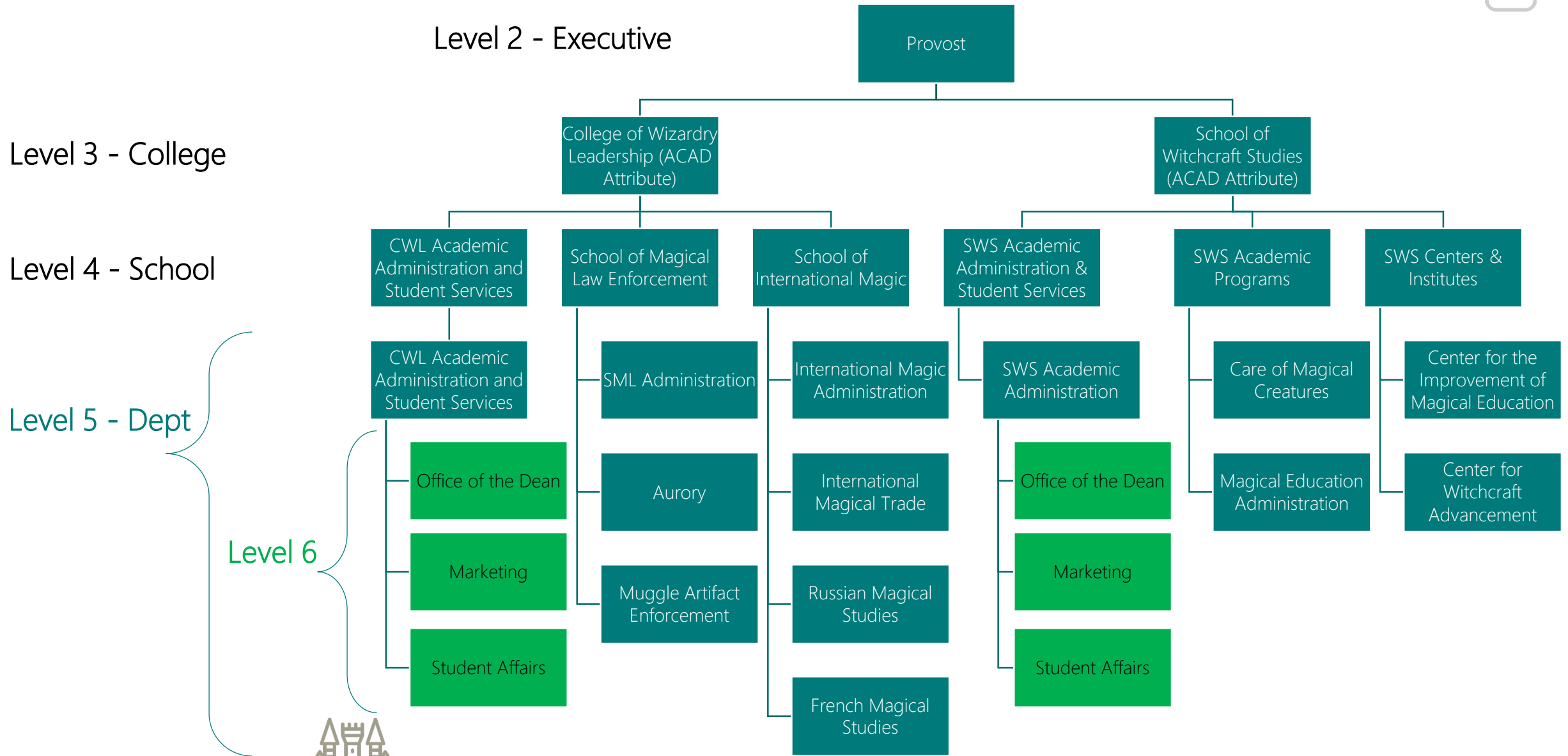
Sample Administrative Unit Structure

Level 2 - Executive

- Fiscal Administration

Level 3 – Major Division

- Finance and Administration
- Facilities

Level 4 – Admin Sub-Division

- Magical Technology Services
- Money and Accounting Magic
- Human Resources/Payroll
- Facilities Administration
- Facilities Management
- Planning Design & Construction

Level 5 - Dept

- Central Magical Tech Support
- General Accounting
- Human Resources
- Facilities Admin
- Facilities Mgmt Admin
- Facilities Project Mgmt Admin

- Purchasing
- Payroll
- House Elves
- Construction Admin

- Accounts Payable
- Maintenance

Level 6

- Enterprise Magical Tech
- Facilities Admin
- Help Desk
- Facilities IT
- Academic Magical Tech
- Sustainability

What is <u>not</u> in Organization Hierarchy?

Orgs Current Structure	Proposed Future State
✖ Separate orgs for Grants & Contracts	Funds for Grants/Contracts attached to PI's Department Org
✖ Indirect funds for PI, Dept, School	Separate Funds – attached to appropriate Department Org; Fund Hierarchy to provide grouping for different types of Funds
✖ Pooled funds for PI, Dept, School	
✖ Faculty Start-up funds	
✖ Separate Orgs for specific revenue or expenses	Revenues/Expenses recorded in responsible Orgs using Accounts to identify substance; Activity available for more specialized tracking

Alignment with Academic Data Elements

	Financial Org Hierarchy	Academic Data Elements
Level 3	Colleges	College
Level 4	Schools within Colleges	Division
Level 5	Department Roll Up	Department

➢ College and Department fields are used in multiple places in Banner:
  • Courses, Student Enrollment, Academic Program Major, Faculty Load
  • Division is not widely used – primarily on Course records

➢ Adding Attribute to Financial Orgs at L3, L4, L5 will embed alignment with Academic data elements for automated reporting
  • Supports 1:1 relationship or 1 Academic value: Many Financial Orgs
  • Will not support 1 Financial Org : Many Academic values

➢ Relationship will enable multiple reporting/analytics (financials by credit hours, financials in relation to # of students, and comparison across programs
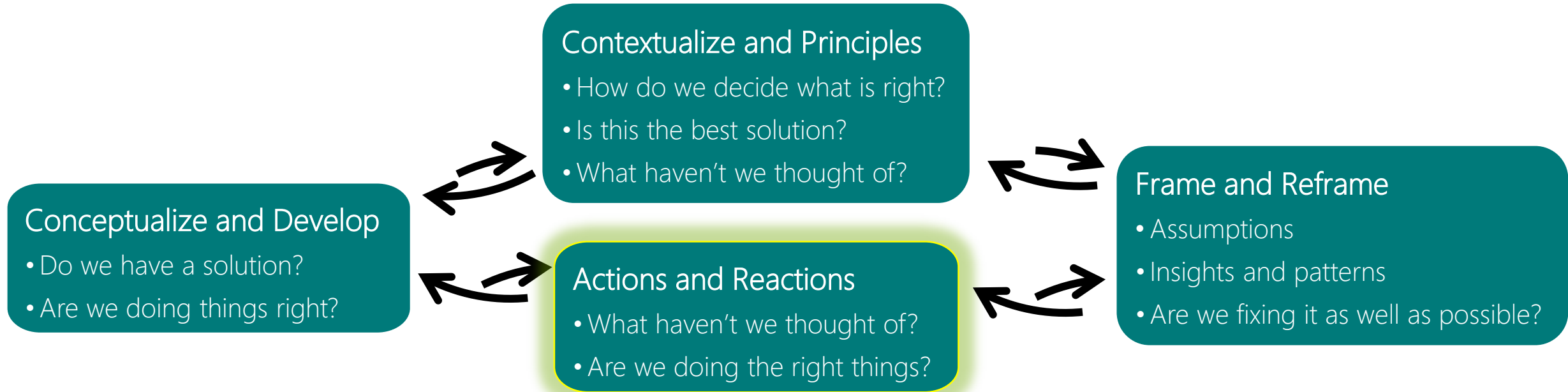
Next Steps

The loop continues…

Next Steps and Feedback Loop

Contextualize and Principles
- How do we decide what is right?
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Frame and Reframe
- Assumptions
- Insights and patterns
- Are we fixing it as well as possible?

1. Think about what you've heard today.
2. Apply it to your own unit. What works? What doesn't? What questions/concerns do you have?
3. Let us know!!

Initial Feedback

Audience Survey

Let's Connect!

Chart of Accounts Redesign Project Team

coaproj@gmu.edu

https://coa.gmu.edu/

Join the conversation: **Chart of Accounts Redesign Community (MS Team)**