

HARVARD UNIVERSITY
Office of the Controller

University Financial Services Overview

June 12, 2008



Mission

HARVARD UNIVERSITY
Office of the Controller

“To provide the University community with expert business support and quality financial and administrative services, balancing risk and operating efficiency with the controls required to safeguard University assets.”

Reflects a **service** commitment to all of our customers within the Harvard community – university leaders, tubs, faculty, students, staff, parents, donors, alumnae, and sponsors.

Fulfilling our **stewardship** responsibility to safeguard University assets is fundamental to achieving our mission.



FAD Areas of Emphasis

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Focus on Customer Service

Policy Development in the regulatory environment

SAS 112/Sarbanes-Oxley

IRS guidelines

Sponsored regulations

Developing an International Operations Strategy

Allston Planning

Support President Faust on her agenda

Planning

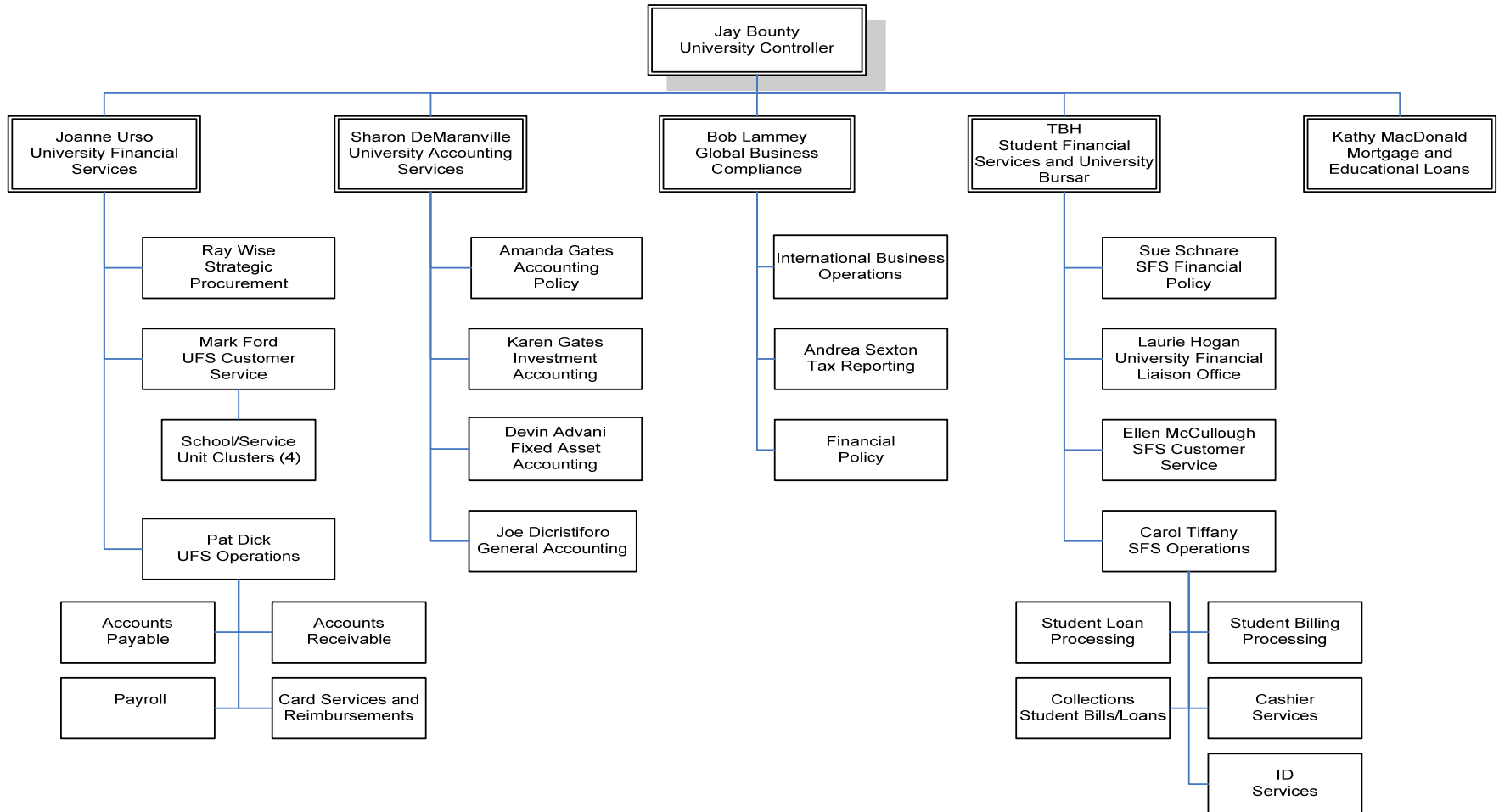
Financial analysis

Plan execution



Office of the Controller (130+ Employees)

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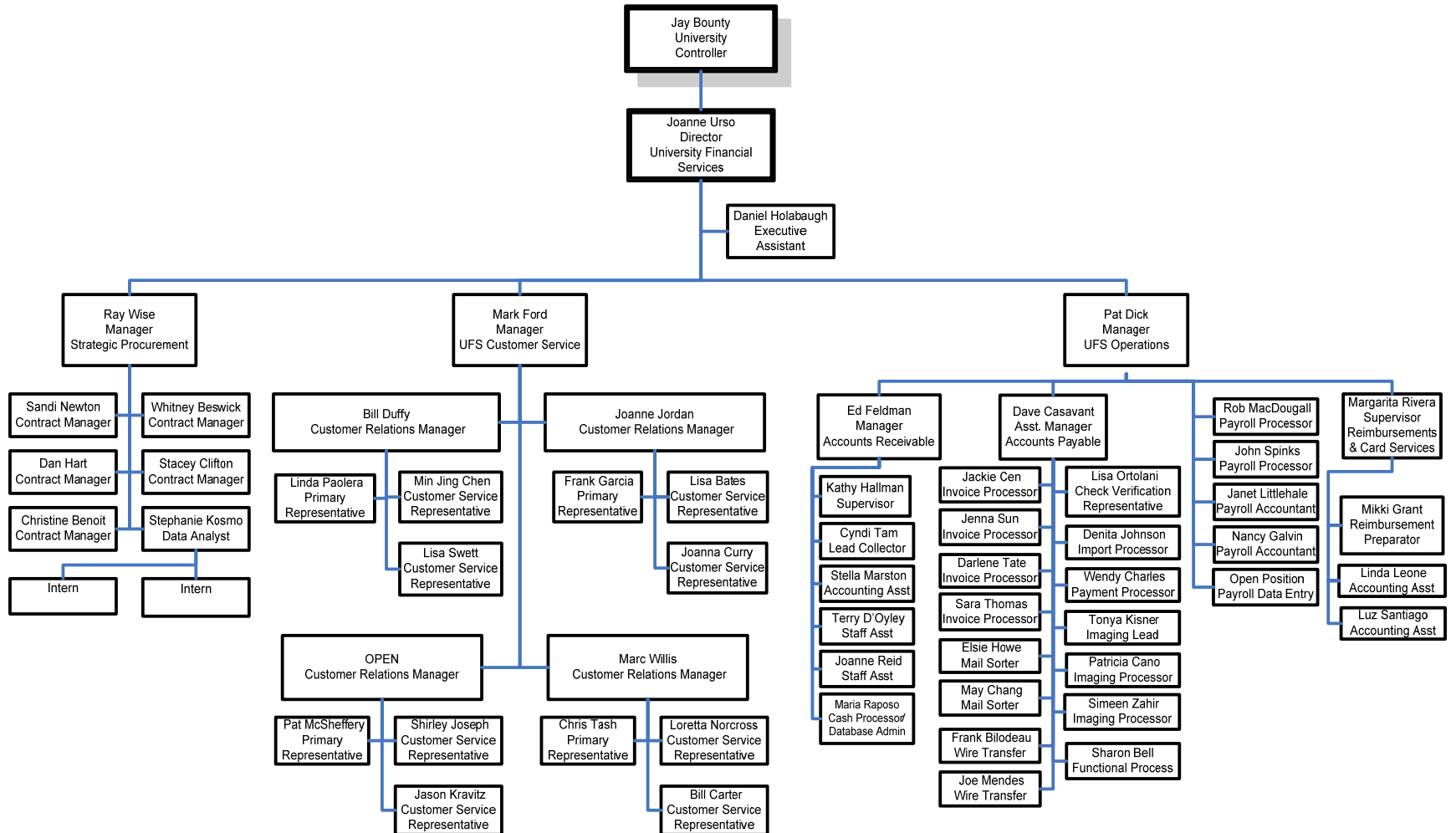


University Financial Services Organizational Update



University Financial Services

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University Financial Services

Joanne Urso + 61 employees

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Procurement Management (Ray Wise + 7 employees)

- Advises and supports the University community in the procurement of goods/services.
- Seeks to consolidate and leverage Harvard's purchasing power where appropriate.
- Ensures that purchasing decisions are supported with accurate information/analysis.

Customer Service (Mark Ford + 16 employees)

- Serves as the primary contact between the University community and the UFS group.
- Comprised of teams focusing on a portfolio of customers including schools, service units, departments, and affiliates.
- Create partnerships with their customers, resulting in better coordination and communication, greater interaction, and more efficient problem resolution.

Financial Operations (Pat Dick +34 employees)

Accounts Payable – Processes payments to vendors and individuals related to the purchase of goods and services by the University (vendor files; Form 1099's; petty cash funds)

Payroll Services – Processes employee payroll transactions and payments and performs related accounting and reporting.

Card Services and Reimbursements – Administers the corporate and travel card programs; pre-audits and processes travel and expense reimbursements for the University community; manages the University's short- and long-term operating advance programs.

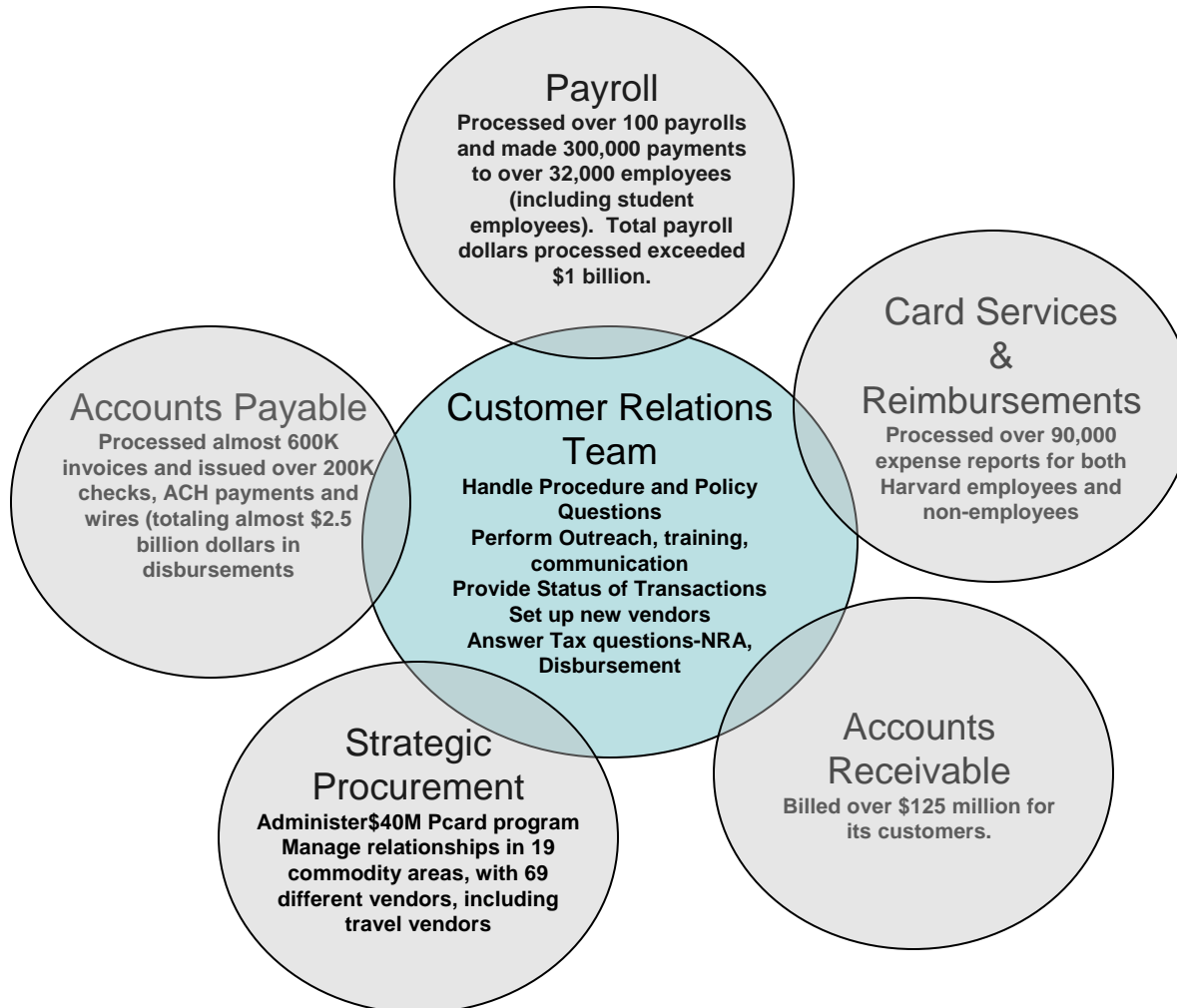
Accounts Receivable – Provides a web-based billing and collection system for local units wishing to bill external customers.

Operations Analysis – Focuses on operational metrics to ensure that we are providing services in the most efficient and effective way.



University Financial Services Organizational Support Model

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Organizational Realignment Purpose

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- Develop an organizational model that supports customers of financial services based upon:
 - Strategic realignment within the Office of the Controller announced on May 9, 2007 to provide a stronger focus on customer service.
 - Three key areas have been identified:
 - Strategy/policy
 - Customer service*
 - Shared Services/Financial Operations



Organizational Realignment Goals

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- Provide **outstanding customer service** to individuals and tubs
- Develop **two-way communication**, understand tub priorities and challenges
- Shift from a functional customer service model to a team-based model that provides **a single point of contact** for tubs and local units
- Clarify **policies and procedures** through effective communication strategy and improved web presence
- Broaden and develop employees' skills, relationships, and career opportunities.
- Ensure **coordination and collaboration** between customer service and operations.
- Foster **team building across FAD departments** so there is more collaboration (customer teams across FAD get together regularly to coordinate, share best practices and solve problems).



The Model

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- The Customer Relations Team (CRT) is a tub-based team that will serve as the single point of contact for all transactions related to Payroll, A/P (including Wire Transfers), A/R and Reimbursement, and Strategic Procurement.
 - All members of the CRT will acquire skills and capabilities to use all systems and address issues across all UFS areas.
 - Provide broad-based customer service that goes across all the areas.
 - Interpret Harvard policies and regulations for the university and tubs.
 - Proactively work with tubs to identify issues and address them by recognizing patterns in individual transactions and solve at the system or school level.
 - Identify tub educational needs and address or arrange for appropriate training.
- The Financial Operations area will retain University-wide responsibility for financial transactions and retain separate functional areas of responsibility.
 - Provide subject matter expertise on process and policy matters
 - Ensure strong support for customer service teams through ongoing communication and collaboration
 - Improve efficiency and productivity across functional areas
 - Establish benchmarking for continuous improvement of processes, activities, and tasks

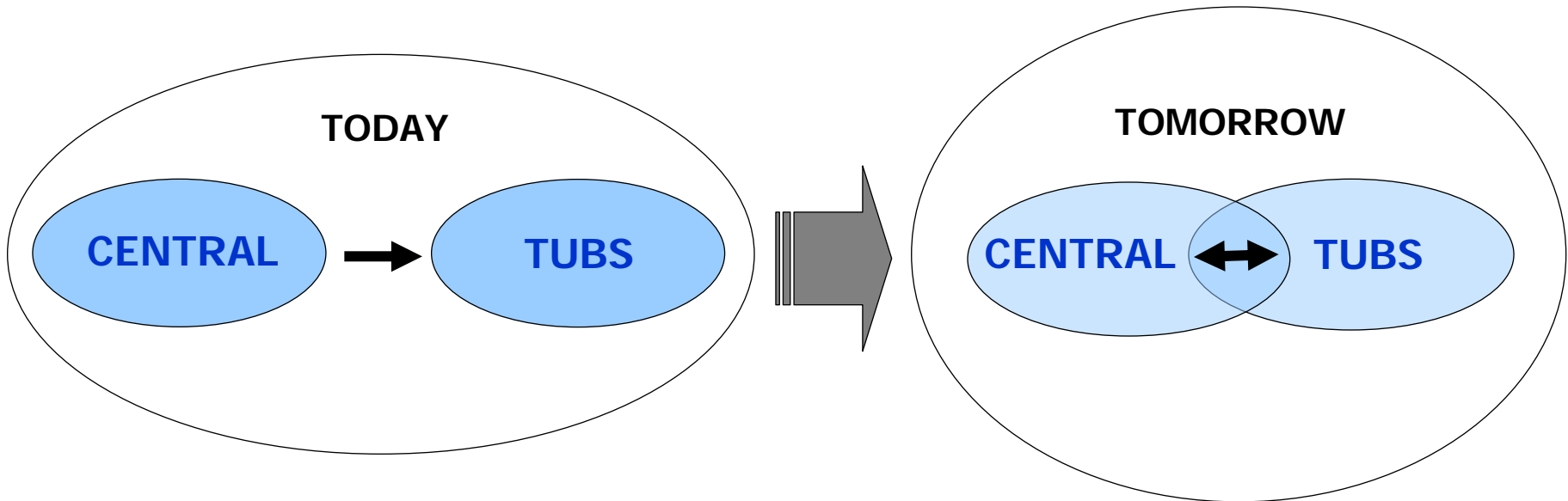


University Financial Services Recognizes the TUBs as Customers

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To approach shared initiatives more collaboratively and to facilitate more effective operations and interactions, a change in perspective was necessary.

“.... in the service industry you can’t lose sight of who your customer is.”



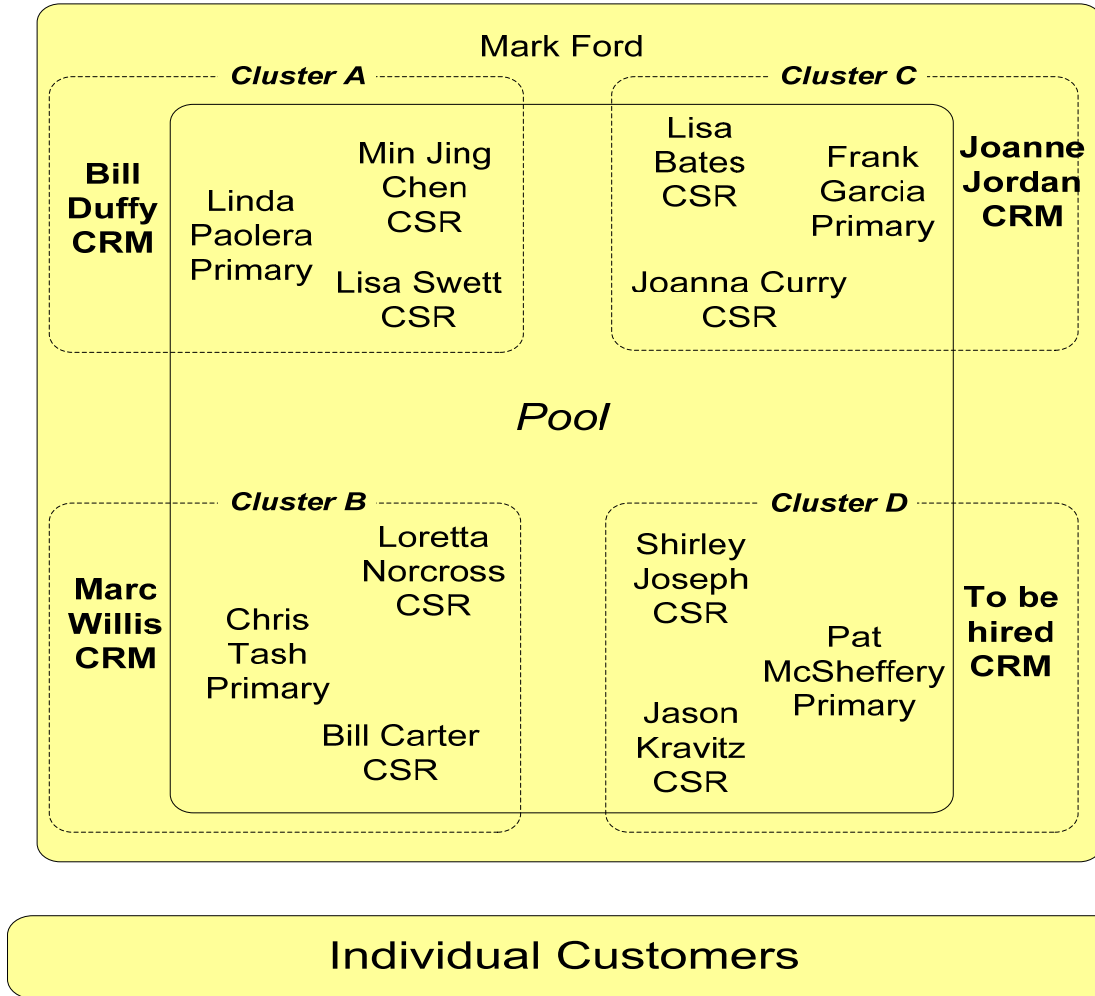


Customer Relations Team

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Cluster A
 FAS
 SEAS
 A.R.T.
 Art Museums
 Memorial Church
 Yenching Institute
 HU Library

Cluster B
 GSD
 Housing Studies
 HDS
 HMS
 HSPH
 UIS



Cluster C
 GSE
 HBS
 KSG
 Radcliffe
 VPA

Cluster D
 HLS
 Allston
 Agencies
 Benefits Services
 Nieman Foundation
 President
 President's Initiatives
 UHS
 Univ Science
 Initiatives
 Villa I Tatti
 VPAAD
 VPF
 VPGCPA
 VPGC
 VPHR



University Financial Services Contact Information

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Mark Ford, Manager of Customer Service, mark_ford@harvard.edu, 495-5693

Ray Wise, Manager of Strategic Procurement, ray_wise@harvard.edu, 495-5401

Customer Relations Team assigned to FAS

Bill Duffy, Customer Relations Manager, bill_duffy@harvard.edu, 495-2913

Linda Paolera, Primary Representative, linda_paolera@harvard.edu, 495-7856

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