Administrative Modernization and Shared Services (AMSS)

THE UNIVERSITY OF CHICAGO

Spring 2017 Staff Forum

Updates and Changes to Administrative Services Include:

- **Enhance technologies with updates and improved systems**
  - Update current systems to simplify workflow, expand self-service options, and broaden capabilities available in various systems (e.g., BuySite, GEMS, Workday)
  - *Examples:* The University proposes to move out of UCTime and replace it with a new Workday time & attendance module; implementing a new system to route electronic copies of invoices for approval
- **Improve processes**
  - Reduce manual processes, eliminate hand-offs, clarify roles/responsibilities, and address internal controls
  - *Examples:* Eliminating hand-offs and clarifying responsibilities related to the recruitment process for posting and tracking open positions; replacing equipment disposal forms with electronic forms
- **Update policies**
  - Clarify current policies, create new policies, or revise current policies to reflect changes to processes and responsibilities
  - *Examples:* Developing a more specific GEMS policy outlining items such as the types of purchases that are allowed and when receipts are required; creating a policy outlining offer letter requirements, the process for background checks, and the process for applicant selection
- **Create a Shared Services Office for routine transactions**
  - Develop a new on-campus organization focused on support for routine transactions
  - *Examples:* Supporting development of standard budget variance reports, posting job opportunities, processing payroll, and collecting vendor information

AMSS Project Efforts to Date

Spring / Summer 2015	Fall 2015 / Winter 2016	Spring / Summer / Fall 2016	Fall 2016 / Winter 2017	Winter / Spring 2017 ★
Planning	**Data Collection and Analysis**	**Process Design**	**Process Refinement and Approval**	**Build and Test**
• Explore Shared Services • Activity Analysis	• Discussions and Focus Groups with local units	• Staff Working Group Sessions • Staff & Faculty Forums	• Faculty Working Group Sessions • Advisory Committee Approval	• Technology Updates • Shared Services Office Staffing • Training

★ We are here

Current AMSS Project Updates

AMSS Scope

- Updates and changes will focus on a core set of processes in HR, Procure-to-Pay, and Finance
- A Shared Services Office will be opened to perform specific routine transactional work and help desk support
- Finance Shared Services updates and changes will report to the leadership of the Budget Office
- System modernizations and process improvements within Research Administration and IT are now separate projects

Roll Out Approach

- Changes will not occur until campus is ready
- Looking to update 8 processes in the Summer of 2017 (Wave 1)
- Additional updates will be integrated only after the initial implementation is evaluated and working well

Staffing the Shared Services Office

- The office will be staffed largely with a reorganization of current staff from Central University HR and Procurement
- A limited number of additional hires will be made into new roles, in particular to provide better help desk support

Planned Activities to Support Units

Some critical steps towards Wave 1 of process updates and changes.

May		Summer		When Ready
				Mid-August at the earliest
Faculty and Staff Communications	**Unit Engagement**	**Communicate and Onboarding**	**Training & Support for Faculty & Staff**	**Roll out of Wave 1 Process Changes**
• **Review** project scope and plans and provide opportunities for input and discussion.	• **Identify and address** unit impacts and required support for wave 1. • **Collaborate** on service level agreements and evaluation plans.	• **Share** updates to wave 1 and training schedule • **Educate** Shared Services Office staff about the academic units and their work.	• **Training and Support** on the process changes • **Confirm** unit readiness for wave 1 with units.	• **Open Shared Services Office** and provide ongoing support for units

The above sequence of activities will be repeated prior to any future changes

AMSS Processes

Human Resources

Wave 1

- Compensation Activities
- HR Data Management
- Payroll
- Exits

Future Waves

- Staff Planning
- Staff Recruitment
- Applicant Tracking
- Onboarding
- Benefits
- Leaves
- Time & Attendance
- Student Employment

Procure-to-Pay

Wave 1

- Determine Purchase Method
- Non-Purchase Orders
- Contracts
- Vendor Maintenance

Future Waves

- GEMS & Expenses
- Purchase Orders
- Receipt & Invoice Processing

Finance*

Wave 1

- Unit-Level Budget Planning
- Capital Asset Accounting
- Financial Reporting

Future Waves

- Accounts Receivable
- Account Management
- Account Transactions

**Note. Updates and changes to Finance processes will be led by the Budget Office*

Uniform: Proposed **uniform** updates or changes
Optional: Proposed **optional** updates or changes for academic units, these will be uniform for administrative units
Piloted: Proposed **piloted** in administrative units first and then implemented in academic units in a future wave
Underlined: Proposed process updates or changes that **do not involve the Shared Services Office**

Next Steps

Support from the AMSS project team will be provided to help units navigate the proposed changes.

Division and AMSS project leadership are discussing plans for unit readiness

New SSO positions will be posted on UChicago Jobs in mid-May

Instructor-led and online training for unit staff to understand the revised processes will begin this Summer

Procure-to-Pay Process Changes

- **P01 Determine Purchase Method**
- P04 Contracts
- P05 Non-Purchase Orders (Check Requests)
- P07 Vendor Maintenance

Administrative Wave Implementation – Wave 1 Uniform
Academic Wave Implementation – Wave 1 Optional

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Reminder on What is Changing
Related to Determine Purchase Method

The changes to Determine Purchase Method focus on a new Preferred Purchasing Guide in ServiceNow.

Current	The Preferred Purchasing Guide is a webpage on the Financial Services website that provides preferred purchasing method information.
Future	The Preferred Purchasing Guide will be available in ServiceNow for local units to search purchasing channels, preferred vendors, and policies per commodity type. The SSO will also provide support to faculty ands staff to determine the appropriate purchasing method.
Rationale	Developing a more user-friendly Preferred Purchasing Guide will encourage use and improve access to information.

Procure-to-Pay Process Changes

- P01 Determine Purchase Method
- **P04 Contracts**
- P05 Non-Purchase Orders (Check Requests)
- P07 Vendor Maintenance

Administrative Wave Implementation – Wave 1 Uniform
Academic Wave Implementation – Wave 2 Uniform (will be piloted)

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Reminder on What is Changing Related to Contracts

Current

Contract requests are routed and approved through Paper Form 100. Procurement CoE reviews and executes contract requests.

Key Pain Points

- Form 100 is a paper form that cannot be transmitted electronically, thus it must be routed in person to collect signatures, creating processing delays.
- Procurement contract experts review a high volume of standard contracts, limiting the amount of time that can be dedicated to reviewing complex, non-standard contracts.

Reminder on What is Changing Related to Contracts

Future

Automated ServiceNow form will replace the paper Form 100 for all Contract and Project review and approval. The SSO will assist the COE in processing standard, non-complex contracts.

Key Improvements

- Reduce the need for manual handoffs and paper based approvals by making both electronic in ServiceNow.
- The SSO will assist the COE in processing standard, non-complex contracts that do not require negotiation of non standard terms to reduce the workload on the CoE. The CoE in turn will be able to focus on larger, more complex strategic contracts thereby reducing expected cycle time.

How the Contracts Process Will Change

New Electronic Form: Contract and Project requests will be submitted through new electronic forms in ServiceNow.

Shared Service Office Support: The SSO will assist in processing standard, non-complex contracts that do not require negotiation of non standard terms.

Procure-to-Pay Process Changes

- P01 Determine Purchase Method
- P04 Contracts
- **P05 Non-Purchase Orders (Check Requests)**
- P07 Vendor Maintenance

Reminder on What is Changing Related to Check Requests

Current

Many payments that involve an invoice are currently processed as a check request instead of on a Purchase Order.

Key Pain Points

- Certain purchases made without a purchase order can create legal exposure and risk for the University.
- The ePayment process requires local units to gather supplier setup documentation.

Reminder on What is Changing Related to Check Requests

Future

Certain transactions will shift over time to BuySite that were previously submitted via check requests (e.g., consulting agreements, marketing).

Key Improvements

- Create savings from improved purchasing power of Purchase Orders and reduce risk due to improved contract administration.
- The SSO will help local units identify the proper purchasing method upfront.
- Reduce the administrative effort on local units and increase compliance by having the SSO assist in the collection of supplier enrollment documentation for payees.
- Improve cash flow for the University by paying vendors according to agreed upon terms.

How the Check Request Process Will Change

Support Correct Usage: Select expense types will shift over time from ePayment to BuySite, enabling better spend visibility which may lead to better pricing and volume discounts over time.

W-9 Collection: The SSO will assist with the collection of W-9 and supplier enrollment documentation.

Check Request Review: The SSO will review check requests to improve compliance.

Procure-to-Pay Process Changes

- P01 Determine Purchase Method
- P04 Contracts
- P05 Non-Purchase Orders (Check Requests)
- **P07 Vendor Maintenance**

Administrative Wave Implementation – Wave 1 Uniform
Academic Wave Implementation – Wave 2 Uniform (will be piloted)

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Reminder on What is Changing Related to Vendor Maintenance

Current

Local units communicate with vendors and payees to collect W9 and supporting documentation.

Key Pain Points

- End users need to know where to go in order to setup new vendors (BuySite form and ePayment).
- Local units communicate with vendor to collect supplier enrollment documentation for ePayment payments, which can be time consuming and cause confusion as local units are not clear on requirements for setting up independent contractors.
- Vendor data is collected on a PDF form, resulting in duplicative data entry.
- Information collected for vendors is limited and inconsistent across systems.
- Taxpayer Identification Numbers (TINs) are not validated against the IRS database which leads to incomplete vendor information and subsequent cleanup work with the IRS.

Reminder on What is Changing Related to Vendor Maintenance

Future

The SSO can assist local units with communication with vendors, including the collection of W9 and supporting documentation.

Key Improvements

- Campus will submit Vendor Setup and Modify requests through new electronic forms in ServiceNow.
- Local units can choose to have the SSO manage communication with vendors, including the collection of supplier enrollment documentation in order to reduce local unit administrative responsibilities.
- Create vendor portal where vendors will enter complete information regardless of payment method. Information collected will form basis of vendor repository for new financial system.
- Perform additional audits on vendor information and support TIN matching for all new vendors.

How the Vendor Maintenance Process Will Change

Vendor Communication: The SSO will assist local units in communicating with vendor to collect supplier enrollment documentation.

Vendor Setup & Modify: Staff and faculty will submit Vendor Setup and Modify requests through new electronic forms in ServiceNow.

Vendor Information Form: Vendors will submit information through an electronic Vendor Information Form, replacing an existing PDF form.

Human Resources Process Changes

- **H02 Compensation Activities**
- H08 HR Data Management
- H10 Payroll
- H11 Exits

Reminder on What is Changing Related to Compensation Activities

Current

Local units submit and process base pay changes and one-time payments for non-academic employees within their unit. The CoE reviews a limited portion of compensation changes and payments.

Key Pain Points

- Base pay changes and one-time payments for union staff are not reviewed for compliance with bargaining agreements, which can lead to grievances.
- Only compensation changes or payments above high thresholds are reviewed, leading to a lack of standardization.
- Within some local units, HR Partners who are also Budget Partners are able to initiate and approve their own compensation changes with no additional review, creating audit concerns.

Reminder on What is Changing Related to Compensation Activities

Future

The SSO and CoE will review base-pay changes and one-time payments for different populations of non-academic employees and for local units that do not have segregation of duties.

Key Improvements

- Union staff compensation will be better reviewed in order to ensure compliance with bargaining agreements and reduce grievances.
- Centralized review by the SSO or CoE will ensure compliance with policy and create standardization.
- Implementation of segregation of duties will ensure that compensation changes are reviewed consistently and address audit concerns.

How the Compensation Activities Process Will Change

Review of Base Pay and One-Time Payments: The SSO will review base pay changes and one-time payments for all union staff and one-time payments for biweekly staff.

Segregation of Duties: The SSO will ensure segregation of duties for compensation approvals in Workday. This will be triggered if a HR Partner is also the only Budget Partner for the local unit.

Human Resources Process Changes

- H02 Compensation Activities
- **H08 HR Data Management**
- H10 Payroll
- H11 Exits

Reminder on What is Changing Related to HR Data Management

Current

HR Partners initiate and process job changes, and add additional job processes. Employees contact central to update personal information, or request an employee file.

Key Pain Points

- Complicated sub-processes within job changes and add additional job processes can cause negative downstream effects in payroll.
- Employees are unsure of how and unable to submit personal information changes.
- Local units are required to set up additional jobs for employees for short-term second jobs (e.g., article writing, fitness class instruction).
- Lack of notifications when a process is completed or delayed leads to confusion and errors.

Reminder on What is Changing Related to HR Data Management

Future

HR Partners will initiate job changes, with processing completed by the SSO. Employees will be able to update personal information or request their file.

Key Improvements

- Specialized staff within the SSO will complete complicated sub-processes to reduce errors.
- Employees will update personal information in Workday with prompts to provide the necessary supporting documentation which will be reviewed by the SSO.
- The SSO will complete add additional job process and process payments for short-term second jobs.
- Increase communication and notifications surrounding approvals to provide transparency and reduce confusion.

How the HR Data Management Process Will Change

Additional Jobs Processing: HR Partners can request that the SSO complete the add job process, including position creation, or initiate the process within Workday. The SSO will complete associated sub-processes. HR Partners will be able to submit requests to the SSO to process payments for short-term second jobs (less than three months) for benefits-eligible employees outside of their organization.

Completing Job Changes: HR Partners will initiate job changes, such as end date updates, hours changes, and other job changes. The SSO will complete associated sub-processes such as compensation change and costing allocations.

Employee Self-Service: Local units will be able to request employee files through automated ServiceNow request. Employees will be able to update personal information in Workday.

Human Resources Process Changes

- H02 Compensation Activities
- H08 HR Data Management
- **H10 Payroll**
- H11 Exits

Reminder on What is Changing Related to Payroll

Current

Local units spend significant time following up on issues with payments and manually coordinating with central on adjustments and changes.

Key Pain Points

- Workday configuration did not give HR Partners visibility into payroll during the "draft" mode, leading to a high volume of corrections, on-demand payment requests, and challenges for HR Partners to analyze and report errors within a timely manner.
- Responsibility on HR Partners to collect and disseminate checks for employees.
- Payroll adjustment and on-demand payment requests are fulfilled through emails and PDF documents.

Reminder on What is Changing Related to Payroll

Future

HR Partners will have access to a payroll reconciliation report during payroll calculations. Payments and payroll adjustments will be submitted via ServiceNow.

Key Improvements

- Reconfigure Workday security on payroll domains and roles to allow HR Partners visibility into payroll reconciliation reports. The visibility of payroll results will allow HR Partners to make corrections prior to monthly payroll closing.
- Mail checks to employees' home addresses to reduce the responsibility of HR Partners and eliminate handoffs and delays with getting payment.
- Automate all payroll forms and centralize receipt and processing of adjustments, on-demand payments, and overpayments collection within the SSO.

How the Payroll Process Will Change

Creation of Payroll Reconciliation Report: HR Partners will now be able to run payroll reconciliation reports to identify and correct payroll errors.

Use of Electronic Forms: Payments and payroll adjustments will be submitted electronically via ServiceNow.

Mailing of Employee Checks: Employee checks will no longer be available for pick up and will now be mailed to employees.

Human Resources Process Changes

- H02 Compensation Activities
- H08 HR Data Management
- H10 Payroll
- **H11 Exits**

Reminder on What is Changing Related to Exits

Current

The exits process is not standardized and steps are often missed, causing issues such as employees who have left the University retaining their access to UChicago systems and property.

Key Pain Points

- Exit process is not standardized, leading to confusion for exiting staff and HR Partners and missed steps within the process.
- List of termination reasons in Workday is lengthy and confusing, leading to inaccurate coding for rehire.
- Quick closure list was not maintained leading to exposure of confidential information.
- Exit interviews are not standardized nor do all local units conduct them which does not lead to any insights into voluntary staff turnover.

Reminder on What is Changing Related to Exits

Future

The future process will include exit checklists. The SSO will take on key pieces of the process, including reviewing terminations in Workday, conducting exit interviews and exit analysis, and sending notifications to OIA of foreign national exits.

Key Improvements

- Create a comprehensive checklist to standardize exit process across local units and provide employees with key information.
- Reduce standard termination reasons in Workday and ensure rehire eligibility is confirmed during exit process.
- Create a streamlined and automated quick closure request process.
- Centralize the exit interview process and create a standardized survey to collect exit data and make insights into voluntary staff turnover.

How the Exits Process Will Change

Uploading of Exit Documents: Staff who exit the University voluntarily will be required to submit written resignation notice. HR Partners will send the exiting employee a resignation acknowledgment letter and will upload the employee resignation letter to Workday when initiating the termination.

Checklists and Exit Surveys / Interviews: Checklists regarding key steps in the Exits process, such as removal of system access via a ServiceNow form and exit surveys, will be sent to exiting staff and their HR Partner to ensure all employees follow a standard process. Electronic exit surveys and in-person exit interviews will be available to staff who voluntarily exit the University.

Systems Access Removal Forms: ServiceNow will be able to request exiting staff systems access removal. This also includes the "quick closure" form for highly sensitive exits.