

AUBURN UNIVERSITY
BEST PRACTICE: PROGRAM MANAGEMENT COUNCIL

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Controller

January 21, 2002

Auburn University is public doctoral research and land grant institution, the main campus of which is located in Auburn, Alabama. The University was chartered in 1856. Total Main Campus student enrollment is 22,469. Organizationally and financially, Auburn operates as four divisions including the Main Campus, Auburn University at Montgomery, the Alabama Agriculture Experiment Station and the Alabama Cooperative Extension System. The total FY2002 budget for all four divisions is \$568 million.

Research expenditures at Auburn University total \$80 million. In addition, significant other sponsored activity occurs, particularly as part of the extension effort. Sponsored activity and research expenditures have grown significantly in the past 10 years. At the same time, financial pressure to control growth of administrative staff has made it necessary for the current staff to operate as efficiently and as effectively as possible. Sponsored Programs Administration handles many of the traditional “pre-award” functions and reports directly to the Association Provost and Vice President for Research, who in turn reports to the Provost. Contracts and Grants Accounting is involved in “post-award” administration and reports to the Assistant Vice President for Business and Finance and Controller, who in turn reports to the Executive Vice President.

In the Spring of 2000, the Associate Provost and Vice President for Research engaged outside consulting assistance to perform a high level review of sponsored programs. An earlier effort to redesign the contracts and grants process had achieved minimal success, while revealing less than desirable processes and systems. The cornerstone of the recommendations resulting from the project was the establishment of the Program Management Council (PMC). The Council was recommended to provide

- Overall leadership for sponsored programs management
- A focal point for policy development
- Integration between administrative and financial considerations
- Oversight to implementing recommendations

It was recommended that representation include faculty, academic administrators, senior sponsored programs administrators and central financial administrators.

Before establishment of the full Council, the Associate Provost and Vice President for Research convened key administrators involved in sponsored programs. The faculty senate was asked for suggested faculty representatives. It was decided that Academic Administration would be represented by including two Associate Deans for Research and two administrative support staff involved heavily in sponsored activity support. The Associate Provost and Vice President for Research and the Assistant Vice President for Business and Finance would co-chair the Council. In addition to the representation above, the University added additional members to support the functions of communication of results and assessment, as well as coordination of meetings and minutes of meetings. The full 17 member Council met for the first time in December of 2000.

Monthly meetings of the full council are held. In addition, the core administrative group meets weekly to review the agenda and discuss action items and progress.

Over the course of the past year, the Council met with the goal of improving the sponsored projects administration by addressing the findings of the consultants. These findings include the following:

- Poor communications
- Overly picky interpretation of cost accounting standards in budgeting
- Lack of consistency in interpreting regulatory requirements
- Lack of clarity in roles and responsibilities
- Variable departmental support
- Inadequate training
- Less than desirable customer relations
- Lack of timely access to expense data
- Frustration with the account set up process.

While the formal assessment phase of the effectiveness of the Program Management Council has just recently begun, early feedback and review of accomplishments indicates that the Council is beneficial and an effective change agent. The overall tone which has been established, that of a collegial group working together to make sponsored programs administration a better process seems to be genuinely felt by members of the Council. One researcher referred to the Council as the “Make a Difference Committee”.

Below is summarized the various accomplishments of the Program Management Council. Specifically, much of the improvement has come in addressing communication issues and improving processes.

Clarifying Roles and Responsibilities

A comprehensive Roles and Responsibilities document has been developed by using a committee of volunteers from the Council. By starting with a similar document from

another institution, it was much less daunting to tailor the document to Auburn University, than to start with a blank page. The responsibilities of each constituent in the sponsored program process, from the Associate Provost and Vice President for Research to the Principal Investigator to the Departmental Administrative Staff, are organized in a comprehensive document available on the World Wide Web. A policy regarding the Eligibility of Principle Investigators has also been developed, approved and is available on the web.

Process Improvement

A Joint Process Improvement Team has been established with representation from the Office of Sponsored Programs Administration and Contracts and Grants Accounting. Thus far, the focus has been on developing an understanding of the business of each department in order to facilitate the change that will be necessary as processes between the two organizational units are improved upon. From this understanding, however, communication has been enhanced with more consistency in interpretation and account set-up time shortened. While the PMC will continue to oversee improvements in account set-up, we were also able to move to timely electronic notification of new account numbers. A shared database is planned with the intention of replacing manual tracking and tickler files in Contracts and Grants Accounting and additional reporting not available in our legacy system.

Process Improvement has also been accomplished by a move from monthly effort certification to quarterly effort certification. As a result, administrative effort has been reduced in both the academic department and in central administration. Eliminating the handling of salary and wage transfers by one department will help speed processing time. The members of the Council provide valuable feedback to the specific administrative

units handling the above changes and buy-in to administrative changes has been enhanced.

Simplification of Proposal Budgeting and Submission

As mentioned above, with feedback from the PMC, Sponsored Programs Administration developed a comprehensive Proposal Guidance Manual, which gives clear guidance in budget development and proposal submission. This document is available on the web. The most significant change was the simplification due to relaxing of stringent requirements related to strict interpretation of cost accounting standards, a move which was well-received by campus constituents.

Improved Timeliness and Access to Monthly Expenditure Reports

In the Roles and Responsibilities document, the fiscal responsibility of the Principal Investigator is stressed. While Auburn University has an open policy for access to account information, it was discovered that some colleges controlled access to financial information, preventing faculty from accessing the financial systems. Access to the online systems is important because the monthly distribution of paper reports is a time-consuming manual process. The PMC explored various options for enhancing access, including products, which would provide the monthly reports electronically on the web. An alternative approach was decided upon. All PI's were identified through the accounting records and a widespread effort was undertaken to ensure that access to the records was granted, despite any college or departmental philosophy regarding access to financial data. Numerous training sessions designed specifically for educating faculty members as to system information were held. The sessions are kept to less than an hour and focus on specific screens and data a faculty member will need in their sponsored project responsibilities. A small laminated tip sheet was also provided so that faculty members could have a handy desk reference. Training evaluation revealed positive

feedback and after multiple sessions initially, a quarterly training class for interested faculty has been put into place.

A financial data warehouse has also been established and with the use of an existing report writer, Web Focus, enhance reporting capability should soon follow. We have solicited some members of the PMC, as well as other financial administrators, to help design standard queries.

Sponsored Programs Administration Accessibility

The PMC has explored numerous options to enhance accessibility. The location of the office on the third floor of a building without an elevator, at which parking is a major problem, is one of the issues. Moving has not proved feasible, nor has the use of student runners or options such as drop boxes. One of the solutions, to provide more frequent campus mail service, is currently under study. In addition, accessibility and communication have been enhanced by the re-establishment of regular meetings of a group of departmental administrators who are involved in sponsored program administration with the Office of Sponsored Programs and Contracts and Grants Accounting staff.

One change, which is being piloted in one of the larger Colleges, actually addresses accessibility, process improvement and proposal simplification. Using existing resources, a system for electronic approval and submission of proposals has been designed. It is hoped that such a system will eliminate the need for frequent trips to the central administration building and speed the processing. While training was provided, the pilot has indicated that additional training is needed.

Training has proved to be one of the more difficult topics for the PMC to address. Auburn University has had a mandatory training program in place for many employee groups for the past three years. Experiences with this program have led to a great resistance to mandatory training. The challenge has been to deliver training to the

appropriate audience with the most effective approach. While training on specific issues seems to generate interest, we have not yet settled on an effective general training program for sponsored program responsibilities for faculty, deans and departmental administrators.

Enhanced Communication

The establishment of the PMC itself has fostered open communication between faculty, staff and administrators. Several other steps were taken toward this goal. A telephone comment line was added, giving campus constituents the ability to phone in questions, comments and suggestions anonymously. In addition, the PMC approved the launching of a web-based discussion group organized by various topics associated with sponsored programs. As with the telephone message system, users can remain anonymous or choose to be identified. Questions are forwarded to the appropriate administrative unit for prompt posting of answers. The sponsored program improvement effort, including information on the PMC and accomplishments, has been communicated to campus via a special website and through an existing newsletters issued by the Office of the Vice President for Research.

Resource Requirements

Since the establishment of the PMC, most of the accomplishments have been achieved with very minimal additional resources required. The presence of consultants at the first

few PMC meetings was felt to be important and less than \$10,000 was used for this purpose. Otherwise, costs consist of some minimal supply costs and refreshments at some meetings. Auburn University was subject to proration of state funds in 2001, making the additional allocation of funds for this endeavor not possible in the past year. Some future improvements will require investment of funds for personnel, and possibly even facilities, should physical location be addressed. Enhancing technical and legal support, addressing variable departmental support and more sophisticated technical options for training and processing are among those future improvements