OUTSOURCING WITHIN FINANCE, FINANCIAL AID, AND GRANTS
INTRODUCTION

Lois Tatro, Associate Vice President – Financial Operations, Business Technology, and Sponsored Research Accounting, Wichita State University

Kaleb Lilly, Partner, RubinBrown

Katherine Girgis, Senior, RubinBrown
FIRST A LITTLE HUMOR....

WE outsourced our sales and fulfillment functions to an Elbonian company.

Um...are you sure that's the best way to sell complex technology?

Could you call back? We have a bad string.
ABOUT WICHITA STATE UNIVERSITY

- 14,000 Students; 3,000 Faculty and Staff
- State of Kansas Agency
- Research Institute – Aviation/Engineering
- Innovation Campus Plans
- Constant Change!

Wichita State University Innovation Campus
INTRODUCTION

Today’s session will...

- Tell WSU’s Story on Why We Chose to Outsource
- Provide other Reasons to Consider Outsourcing
- Discuss how WSU selected a Partner for Accounting Functions
- Look into the Evolution of the Relationships
  - The Good and The Bad
- End with Q&A
BACKGROUND AND RFP PROCESS

- Loss of Staff Member
- Why not Hire?
- Realized our Need was Bigger than Financial Statements
- Where to Find a Partner – Was Proximity Important?
- Price was Important, but Experience was too
OTHER REASONS TO OUTSOURCE

• Upcoming Retirements
• Succession Planning
• Policy changes/Organizational changes
• Want a fresh look at Processes
• Personnel/System changes
SELECTING THE RIGHT PARTNER

- Clearly Define the Need – Set Expectations
- Be Specific about Qualifications
- Open Discussion to Establish Goals & Outcomes
- Identify Deliverables, prior to Contract Signing
- Establish Key Dates
- Ask for and Check References
BENEFITS OF OUTSOURCING

• Allows WSU to Focus on Other Projects/ Tasks
• Provided much needed Documentation of Existing Processes
• Led to Defining Better Methods to Achieve Same Results
• Gave WSU Access to Skilled Resources – when needed!
• Overall Cost, for WSU, is Less than Full Time Staff
DOWNSIDE OF OUTSOURCING

- Loss of “Complete” Control
- Resources can change without Consent
- Potential Threat to Security and Confidentiality
- Other Internal Areas May Not Agree with Decision

So far, these are not issues for WSU....
WHERE WE ARE NOW

- Year Round Contract
- Tuition Discount Calculation Corrected
- Deferred Revenue Enhancement
- Provided Bond Guidance between Affiliated Corporations
- Assistance, Review, Preparation of Financial Statements
- OMB Changes – Grant Process Review for Compliance
- 501(c)3 Finance/Tax Assistance
- 990 and 1120 preparation
GOALS FOR THE FUTURE

• Other Outcomes of Outsourcing
• Long Term use/Partnership
• Strategy Sessions
• Internal Audit services
KEYS TO SUCCESS

• Frequent Meetings – especially in the Beginning
• Establish Primary Points of Contacts
• Clearly Define Responsibilities
  • Be Open to Adjust
• Set Expectations
  • Establish Key Dates
  • Hold Each Other Accountable
• Remember to USE them!
WHAT WOULD WE DO DIFFERENTLY

- Think Bigger than the Current Need for RFP
- Ensure Knowledge Transfer on Key Tasks
- Schedule Frequent Meetings, can always cancel
- Look for Improvements SOONER!
QUESTIONS