



October 2014

Volume 1, Issue 1

## Welcome to our new periodic community update!

### Highlights:

- New Travel System
- Relocation of Cashier
- Fiscal Year-end
- New Primary Bank
- Bond Ratings
- Collected Works Policy

S&P  
changes  
BU's  
financial  
outlook  
from  
"stable"  
to  
"positive"

We're on the Web

<http://www.bu.edu/>

### Message from the Chief Financial Officer:

Dear Colleagues,

As we put the fiscal year 2014 behind us, I wanted to express my sincere appreciation for the cooperation and assistance throughout the University in the completion of the closing process and our external audit. The closing process went extremely well. Our thanks to everyone for helping in the close, by timely submission of your invoices and payments and journal entries, reviewing your activity, and asking questions about items that did not look appropriate. All this good work made it possible for the timely completion of the University's financial statements, and the related external audit of those statements by our outside audit firm, KPMG. As always, if you see any opportunity for improvement in the closing and audit process as we plan for fiscal 2015, please let us know. We also welcome your feedback on this inaugural update and any suggestions for future topics.

Sincerely,

Marty Howard

SVP, CFO & Treasurer

### Cashier's Window Relocated!

The University Cashier's Deposit Window, previously located on the 4th floor of 881 Commonwealth Avenue, has been relocated to the lower level (basement) of 881 Commonwealth Avenue. The Cashier's Office team has opened a window immediately adjacent to the windows for student payments and student account questions, and is open from 9 A.M. to 5 P.M. daily for all routine cashier functions.



### Rating Outlook Upgrade

In their recent review of the University's financial performance, Standard and Poor's Rating Services revised its outlook to "positive" from "stable" and affirmed its "A" rating on the University's public bond debt. In its commentary, S&P cited growth in financial resources, capital campaign momentum, limited new debt issuance, consistent operating performance driven by a diversified revenue base, increasing selectivity and management's keen focus on managing costs. Moody's Investor Services continues to rate the University's debt A1 (stable).



JP Morgan  
replacing  
Citizens Bank  
as a core  
banking  
services  
partner

## University Chooses a New Bank

In March 2014, based on a comprehensive review of current services which included an extensive RFP process, JP Morgan was selected to replace Citizens Bank as a core banking services partner for the University. The JP Morgan selection was based on a number of factors, but key positive attributes noted by the evaluation team were the bank's investment in technology, knowledge of and capacity to integrate with SAP, client service model, international platform and credit capacity. Overall, the University will have significantly enhanced functionality at a meaningfully lower annual cost. Various Financial Affairs business units are working together with BUworks to implement the new services, with a projected go live date in October, 2014. Specific instructions will be distributed in early October. In the meantime, for specific inquiries, please don't hesitate to contact:

Contact	Department	Email
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Maryellen Blake	Student Accounting Services	meblake@bu.edu
Matt Abrams	Payroll and Payment Services	abramsm@bu.edu

## New Executive Director of Sourcing & Procurement

Walter Wickersham has been appointed Executive Director of Sourcing & Procurement Services and Chief Procurement Officer. Walter has been with BU for more than 10 years and was selected after a national search to lead the unit where he will be responsible for driving strategic sourcing initiatives that achieve the highest level of service, quality and delivery to the University while reducing costs. The Sourcing & Procurement team continues to look beyond spend categories and seek to partner with each of you and your units to improve business processes, leveraging technology and driving efficiencies, notably with the Terrier Marketplace, Terrier Temps program, and other projects. Stay tuned for updates to all these ongoing and future initiatives.

## New Policy:

Donated  
Tangible  
Property  
(Gifts in  
Kind)

## Policy Update

As of September 1, 2014, the University has issued a new policy and related procedures on the acceptance, acquisition, and disposal of *donated tangible property*. This policy is designed to ensure that any gift of property accepted by the University advances the University's mission of education, research and public service, and that resources required for the care and custody of the gift are available. Additional goals of the new policy include the incorporation of these new University assets into the University's fixed asset records, providing for appropriate insurance coverage, and ensuring that we are in compliance with IRS regulations. Gifts in kind enrich the University community, and careful stewardship of these gifts supports strong and effective relationships with University donors.

As part of the policy, new gifts of donated tangible property require review and approval by a department's Dean or Vice President. If the value of the gift of property is \$5,000 or more, approval is required from the *Senior VP of Development & Alumni Relations*, and the *Senior VP, Chief Financial Officer and Treasurer*, and for gifts to an academic unit, approval is also required from the *University Provost*.

The policy can be found on the web under [Financial Policies and Procedures](#).

New end-to-end travel system is here-  
"Concur"

Credit Card information now 'Tokenized' at Point-of-Sale

## New Travel & Expense System Coming in FY 2015

Concur Travel and Expense is Boston University's new digital solution for trip bookings and expense report submission and reimbursement. Going live in pilot in the fall of 2014, the new system will give travelers increased visibility of their reports throughout the review and payment process, allow for easy online bookings for business travel, and facilitate faster turnaround times for the reimbursement of out of pocket expenditures. The University's roll out of Concur will be paired with the adoption of a new corporate travel card designed to eliminate the need for advances and mitigate the financial burden on business travelers. For more information about the new Travel and Expense System Project, contact the Project's Business Leads, Kara Sechrist, Financial Affairs' new Travel Manager, and Matt Abrams, recently named Associate Comptroller for Accounts Payable & Payroll.

After incorporation of feedback from pilot users, Financial Affairs expects to go live to all travelers in the first quarter of calendar 2015. Watch this newsletter for updates on progress with the new Concur Travel and Expense system implementation!

## Protecting Credit Card Information at BU

PCI Compliance has been in the news more and more often in recent months – PCI stands for Payment Card Industry, and PCI Compliance means that an entity accepting credit card payments for goods or services (the "merchant"), is following Payment Card Industry standards for keeping credit card information safe. Various breaches of security at companies like Target, where large numbers of credit card numbers became compromised, have given much higher visibility to the importance of these standards, and the challenges institutions have in protecting credit card information. And the fees to companies who have a breach, and did not have strong compliance with PCI standards, can be in the millions of dollars.

Boston University processes credit card payments at more than 60 locations, processing payments of an average of almost \$6 million every month. Our merchants include many departments large and small, accepting payments for posters, t-shirts, coffee mugs, parking, part time tuition, transcripts, donations, concert and show tickets – and many more services and activities. All our merchants are required to participate in training and to understand how to protect credit card infor-

mation. And, since we use computers to process and store credit card information, making sure our computers and our network are set up to protect this information has been a long time focus for IS&T and the Financial Affairs Cashier's Office.

Last winter, IS&T and the Cashier's Office implemented "tokenization", which means that instead of storing credit card information, we receive and store a "token" from our credit card processor. Only the credit card processor can translate that token into a credit card number, so the risk of theft of credit card information from BU is greatly reduced. And this fall, we will be rolling out another improvement in the protection of credit card data – new credit card "swipe" machines that encrypt the credit card information at the time of the swipe, and pass it, encrypted, directly to the credit card processor. With these new "swipe" machines, credit card numbers will never be stored on BU computers, even for an instant.

Thanks to all our merchants, as well as IS&T and the Cashier's Office, for their efforts to make sure we are doing everything we can to protect our customers' credit card information. As always, please feel free to contact the Cashier's Office for credit card training and/or procedural information. Cashier's can be reached by e-mail at [cashier@bu.edu](mailto:cashier@bu.edu).

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**The Office of the Senior Vice President, Chief Financial Officer & Treasurer directs and oversees more than 200 employees in the day-to-day financial management functions of Boston University including the Office of the Comptroller, Debt & Treasury Management, Internal Audit, Post Award Financial Operations, Sponsored Programs, Risk Management and Sourcing and Procurement.**

For future submissions, suggestions, or to be added to the distribution list please contact Erika Reardon at [ereardon@bu.edu](mailto:ereardon@bu.edu)!

For more information on Financial Affairs at Boston University, visit us online at <http://www.bu.edu/cfo/>

