New York University Treasury Division
The Treasury Division ensures the effective collection, safeguard and investment of University revenue. Treasury responsibilities include short-term investment management, external financing, cash management, banking services and risk management strategies.

Within our area we also assist, educate and inform students of their financial responsibilities with New York University, and are committed to excellence in providing financial services to the entire University community.

The Treasury Division encompasses the following areas:

- **Cash Management:**
  Responsible for university cash flow, short-term investments, cash forecasting, lockbox, wire transfers

- **Bursar:**
  Provides student services, central billing and collection point for NYU

- **Insurance and Risk Management:**
  Protects university assets through risk management, assessment, and avoidance strategies. Manages the insurance coverage of the university.

- **Gift Processing:**
  Responsible for processing all gifts and contributions given to the university

- **Debt Management:**
  Coordinators university borrowing activities to help finance capital projects

The Treasury Division is supported by the following areas:

- **Systems:**
- **Human Resources:**
- **Communications:**
Treasurer’s Full-time Staffing

<table>
<thead>
<tr>
<th>Department</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasurer</td>
<td>7</td>
</tr>
<tr>
<td>Gift Processing</td>
<td>14</td>
</tr>
<tr>
<td>Cash Management</td>
<td>3</td>
</tr>
<tr>
<td>Bursar</td>
<td>59</td>
</tr>
<tr>
<td>Loan Servicing</td>
<td>11</td>
</tr>
<tr>
<td>Coles/Palladium</td>
<td>5</td>
</tr>
<tr>
<td>Stern</td>
<td>4</td>
</tr>
<tr>
<td>Dental</td>
<td>3</td>
</tr>
<tr>
<td>Insurance</td>
<td>9</td>
</tr>
<tr>
<td>Total Employees</td>
<td>115</td>
</tr>
</tbody>
</table>

*Currently 1 Vacancy

### Staffing Changes

<table>
<thead>
<tr>
<th>Year</th>
<th>2003 – Full-time staff:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>125</td>
</tr>
</tbody>
</table>

**Reductions:**

<table>
<thead>
<tr>
<th>Year</th>
<th>Reductions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004/2005</td>
<td>(3)</td>
</tr>
<tr>
<td>2006</td>
<td>(2)</td>
</tr>
<tr>
<td>2007</td>
<td>(5)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
</tr>
</tbody>
</table>

**Target reduction for 2008/2009:**

<table>
<thead>
<tr>
<th>Reductions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(5)</td>
<td>110</td>
</tr>
</tbody>
</table>

**Introduction of New SIS – Goal:**

<table>
<thead>
<tr>
<th>Reductions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(10)</td>
<td>100</td>
</tr>
</tbody>
</table>

*There are no Temp costs incurred, except for 1 position in Gift Processing during a 3 month period at the end of the year.
### Treasurer’s Budget for 2008/2009

#### Budget for 2008/2009

<table>
<thead>
<tr>
<th>Department</th>
<th>Total Budget Dollars($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasurer</td>
<td>$942,350</td>
</tr>
<tr>
<td>Gift Processing</td>
<td>1,159,200</td>
</tr>
<tr>
<td>Cash Management</td>
<td>444,550</td>
</tr>
<tr>
<td>Bursar</td>
<td>4,053,150</td>
</tr>
<tr>
<td>Loan Servicing</td>
<td>846,880</td>
</tr>
<tr>
<td>Coles/Palladium</td>
<td>330,150</td>
</tr>
<tr>
<td>Stern</td>
<td>300,240</td>
</tr>
<tr>
<td>Dental</td>
<td>234,885</td>
</tr>
<tr>
<td>Insurance</td>
<td>729,400</td>
</tr>
</tbody>
</table>

1) Includes historical personnel and fringe savings
2) Includes credit card fees of $210,000
The Office of the Bursar is the central billing and collection point for New York University. The department is responsible for managing the university billing, collecting, refunding and cashiering functions.

**Responsibilities of the Bursar’s office include:**

- Billing students and third party payers
- Collection of all student payments, including tuition and fees
- Recording & depositing all cash receipts of the University
- Issuing travel advances and petty cash
- Collecting membership dues for NYU Sports Centers
- Processing tuition remission
- Tax credit reporting for the Hope and Lifetime Learning credits
- Disbursement of all student loan funds
- Issuing student refunds resulting from an overpayment
- Administering the Tuition Insurance Refund plan
- Administering University payment plans
- Administering the Sallie Mae “TuitionPay” payment plan
- Administering Federal and Institutional Loan Programs
Office of the Bursar
Student Services

The Bursar’s Office staff is available to assist students and parents with activities related to paying their bill and other financial services. We recognize that our office has a direct influence on how students and parents view the Bursar’s Office, and NYU as a whole. We continue to strive to provide these services in an efficient and timely manner.

Student Service Statistics for Fiscal Year Ending August 2007

- Phone calls answered on the Bursar’s Central number: 107,789
- Student e-mails responded to: 6,746
- Student correspondence responded to: 1,573
- Students assisted by Credit counselors: 5,520

Other Statistics for Fiscal Year Ending August 2007

- There were 35,973 number of Petty Cash Vouchers processed by our Teller area.
- Departmental Deposits totaling $296,460,919.
- There were 99,490 Student Loan disbursements totaling $602,385,844
- There were 63,798 Refunds issued, totaling $203,904,076.
Office of the Bursar
Notable Innovations and Changes

- **Electronic billing:**
  The Bursar’s office redesigned the billing statement and launched Electronic billing for the Spring 2007. E-billing enables students and parents to view their tuition balance online and also make an electronic check payment.
  - The new system allows students to send their billing information to more than one family member.
  - The E-bill is more reader-friendly, with billing details categorized under headings.
  - Located directly on the E-bill are web links for additional payment information, telephone numbers, and Electronic check payment.
  - Produced significant savings in postage and mailing costs
  - Improved cash flow resulting in increased interest income

- **Redesign and Expansion of Student Customer Service area:**
  In the Spring 2006, we expanded and redesigned the Student Customer Service area at 25 West 4th Street. Students can now speak with a credit counselor without the barrier or constraints of a window.
  - The new one-on-one setting creates more privacy for students to discuss sensitive matters, such as financial difficulties or family emergencies.
  - During the 2006-2007 Academic year, over 5,500 students visited the new customer service area.
Office of the Bursar
Ongoing Initiatives and Challenges

- **New Student Information System (SIS):**
  Implementation of a new Student Information System. Estimated 3 years to completion, and the implementation will require a significant staff commitment.

- **Electronic Delivery of 1098-T:**
  For 2007 tax year, the university mailed 1098-T forms totaling 45,783.

- **Automation of Tuition Remission process for Non-Credit SCPS courses:**
  Currently, NYU Employees complete their Tuition remission online.

  The only employees who do not use the online tuition remission system, and use paper forms are SCPS Non-Credit, School of Medicine (SOM), Retirees or Dependents of the Deceased.
Office of Insurance and Risk Management
Overview

The Office of Insurance and Risk Management protects university assets through risk management, assessment, and avoidance strategies. The department also manages the insurance coverage of the university.

Responsibilities:

- Protect the assets of the university
- Review contracts for adequate insurance coverage, as well as, indemnification language in favor of the university
- Evaluate and manage the university’s domestic and international insurance coverage for:
  - Adequate limits
  - Broadly defined coverage
  - Appropriate coverage
  - Proper deductibles or retentions
- Issue Insurance Certificates

- Responsible for all claims management that includes:
  - General Liability claims
  - Workers’ Compensation
  - Automobile
  - Student Film Program
  - Employment related claims
  - Property Claims

- Loss Control for safety inspections of dormitories, sidewalks, theatres, buildings, etc

- Use risk management and assessment strategies to identify issues that could add to the liability of the university.
Notable Innovations and Changes

- Contracted and completed an external audit of the University Insurance Program:

  Overall findings include:

  - NYU’s policies are broad in scope and very well written. We have not identified any significant gaps in coverage or uninsured exposures.
  - NYU’s retained risk levels are reasonable.
  - NYU’s limits of coverage appear reasonable in comparison to other universities and industry benchmark surveys.
  - NYU’s current insurance carriers have strong industry ratings.
  - NYU has a solid insurance program.

- In 2007, re-organized Insurance department, replacing 60% of the department’s personnel.

Ongoing Initiatives and Challenges

- Conducting a property appraisal of all University owned real-estate.

- Developing an integrated international property and causality insurance programs.
The Cash Management unit is responsible for university cash flow, short term investments, cash forecasting and banking relations. NYU’s Cash Management objective is to control bank account balances and bank systems cost effectively, so that University obligations are adequately funded and cash is invested efficiently.

**Responsibilities of the Cash Management department include:**

- Actively manage the Working Capital Portfolio.
- Maximize returns consistent with safety of principal, liquidity, and cash flow requirements; minimize risk exposure.
- Ensure adequate cash flow and liquidity to meet University short and long-term cash requirements.
- Control bank account balances and bank systems cost effectively so that the University's obligations are adequately funded and cash is invested efficiently.
- Manage funding of foreign currency requirements.
- Provide a Daily Working Capital Report detailing current holdings, maturities and yields.
- Manage the opening and closing of all University bank accounts.
- Provide a monthly Cash Flow Summary Report.
- Project future cash flows and Working Capital requirements.
In late 2005/early 2006, replaced entire staff with 3 new cash management staff members.

To Improve our Investing:

- Several new higher yielding money market funds were opened with rates approximately 15 basis points higher — resulting in an additional $150,000 of interest income per year.

- New trading relationships with Bank of America, JPMorgan Chase and Mellon were set up to provide additional competitive investment quotes.

- Established direct commercial paper purchases with Citibank, GE, Toyota and several others via Bloomberg, to increase yields and provide more flexibility of maturity dates.

Changes in 2007:

- Set up new Mellon FX System for foreign currency wire transfers initiated through A/P for better F/X rates.

- Reduction of cash management fees at Chase, $14,000 per year.

- New cash/check deposit procedures for quicker availability of funds at Citibank
Cash Management
Ongoing Initiatives and Challenges

- Complete a RFP process for existing banking services

- Determine alternatives to assist in managing foreign currency, such as establishing Euro/GBP bank accounts to receive and pay in currency.
The Gift Processing area is responsible for the recording, depositing and accounting of all donations and pledges to New York University. The department tracks gift payment flows and provides this information to the University Development office.

The area also ensures that gifts are in compliance with Federal regulations, and donors are acknowledged for their contributions.

**Responsibilities:**

- Processes all university contributions, which include gifts, pledges and pledge payments. The department enters this information into the university’s ADVANCE database system, and ensures the appropriate allocation of the gift.

- Track gift payment flows to FAME and provides this information to the University Development office.

- Ensure that gifts are in compliance with federal regulation and issues acknowledgements to donors for their contributions.

- Value and manage pledges.

- Accept, liquidate, process and acknowledge all security gifts to the University.
Gift Processing

Gift Processing Statistics:

- In academic year ending August 31, 2007, the Gift area processed 89,316 gift transactions, totaling $609,120,000 dollars.

Notable Innovations and Changes

- Implemented the Sallie Mae web application — to automate the gift processing of credit card transactions.

- Began a process to image all supporting documentation of contributions $5000 dollars and over. The documentation is imaged and made available in ADVANCE for Development and other University financial offices.

Ongoing Initiatives and Challenges

- Implement a complete Document Management System

- Establish a Lockbox for Gift transactions

- Install the Advance System Upgrade
The Debt Management area coordinates university borrowing activities to help finance capital projects. The office analyzes and compares transactions to the current financial market, and makes recommendations to the structure of financing.

Responsibilities:

- Coordinate debt transactions with investment bankers, bond insurers, issuing agency (i.e. New York State Dormitory Authority), issuing agency’s bond counsel, and NYU’s external tax council.

- Analyze and compare the transaction to the current financial market, and make recommendations as to the:
  - Structure of the financing — fixed or variable rate debt
  - Period of principle amortization

- Review projects for lower interest rate tax exempt debt eligibility, and if not eligible, consider taxable debt alternatives.

- Prepare and submit continuing disclosure documents pertaining to University operations, as required by bond documents.

- Maintain summaries of the types of assets financed by bond proceeds to ensure compliance with the IRS “useful life vs. average bond life” regulations.

- Consider opportunities to refinance outstanding debt.
Retired Series 2004 B-1, B-2 auctions rate bonds (original par amount of $98.525MM) with proceeds from a bank line.

The University issued $126.145MM of new fixed rate debt (DASNY Series 2007A) for the co-generation plant in July 2007.

Preparing to issue $650 million of new debt to acquire two properties, a renovation project at the Law School, and refinance the 2004 auction rate bonds.

Completed two rating agency presentations.