

New Directions

Quality Improvement in Financial Management at the University of Washington

Vol 2, No 1

Winter 2003

Letter from the Editor, Winter 2003

By Randi Adair

It looks like winter has finally arrived, and with it, the latest issue of *New Directions*, Financial Management's quality newsletter!

Fall was an eventful quarter in Financial Management. The variety in this issue's stories reflects this, from details on special outreach projects (*Money 101*) to the latest information on FM staff recognition (*Kudos, Recognition Roundup, New Website Updates Just In From the Recognition Quality Team!*). We have also included the inside scoop on a recent Board presentation in which Financial Management was praised for its financial efficiency (*Board of Regents Reviews Financial Management Data*) and a piece on the UW's computer ethics policy (*Computer Ethics—What Would Your Mother Say?*).

This quarter's issue lays particular emphasis on the in-house planning and process improvement events that guide the workings of our organization. Financial Services and the Executive Improvement Team (EIT) are key groups

whose recent staff retreats are discussed (*Financial Services Retreat a Success, A Seasoned Newcomer Reflects*), and the Grant and Contract Accounting receivables overhaul continues to make progress (*GRIP Team Moving Full Steam Ahead*) and Payroll is working on process improvement (*Process Improvement Really Works—Ask Me How!*). We hope that by sharing highlights of these long and laborious planning processes you will be able to get a sense of the care that goes into FM quality efforts.

Remember that the *New Directions* newsletter is also available in a printable PDF form, accessible through our home page (<http://www.washington.edu/admin/finmgmt/qi/directions/jan03/index.htm>). We appreciate the comments that you have provided on past issues, and hope that you will continue to contact our editing staff for feedback, questions or submissions. Thanks for taking the time to read about Financial Management. We are proud to offer another episode in the ongoing FM quality chronicle!

From myself and the rest of our editorial board,
Happy New Year!

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**Board of Regents Reviews
Financial Management Data**

By Chris Malins

During the October 2002 Finance and Audit Committee meeting, Weldon Ihrig and Harlan Patterson made a presentation to the Board of Regents that highlighted some of the UW-wide improvements that have been made. This presentation was part of a campus-wide discussion on efficiencies and effectiveness that illustrated to the Board how the University has remained competitive both academically and administratively despite cutbacks in state support.

The information and charts that were shown from Financial Management made a compelling argument. Student Fiscal Services, for example, set a goal on Perkins Loan default rates to beat the national average of 9.9%. From a high of 13.6% in 1997, the Student Fiscal Service area was able to reduce default rates to just 3.8% in 2001.

Another example of efficiencies is in Grant & Contract Accounting. Their goal is to outperform the national benchmark of post award cost per active project. This measurement was based on a study of the top 25

research schools conducted by the national accounting firm KPMG during fiscal year 2000. Based on this study, the average cost per award was \$360; the UW had a cost per award of \$175, less than half the average.

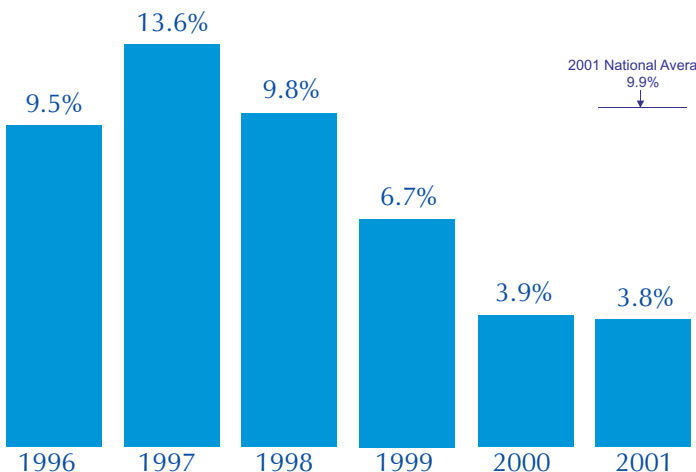
These examples from Financial Management are part of a much larger body of work that touches all parts of the University, from the retention of faculty to the delivery of mail. The Board of Regents was impressed with the data collected so far and encouraged the administration to continue to look for efficiencies and effectiveness in the future. Shelley Yapp, a member of the Board of Regents, commented that “the administration should be recognized for all of the hard work and effort that went into compiling and interpreting this very important study.”

From the smaller, but very important perspective of Financial Management, every department contributed measurements, but the departments that were part of the presentation were Student Fiscal Services and Grant & Contract Accounting. The inclusion of Financial Management data in the presentation and the encouragement from upper management to continue to look for and create efficiencies are a real testament to the continuing quality efforts in our division.

National Benchmark

UW Goal:

Outperform the National Benchmark

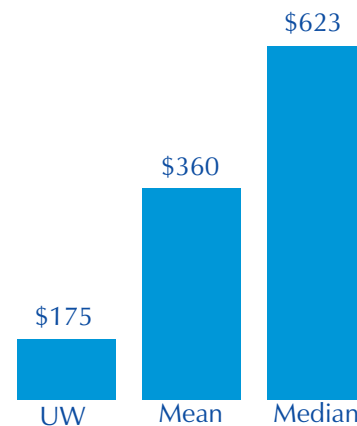


Student Fiscal Services
Cohort Default Rate (Perkins Loan) FY '96

National Benchmark

UW Goal:

Outperform the National Benchmark



Grant & Contract Accounting
Post-Award Administrative Cost Per Active Project FY 2000

Selected indices presented to the Board of Regents during the October 2002 Finance and Audit Committee meeting, To view the entire slideshow, go to <http://www.washington.edu/admin/finmgmt/qi/directions/jan03/uwee/fullscreen.htm>.

EIT Retreat 2002

Reflections of a Seasoned Newcomer

by Judy Peterson

After only 19 years in Financial Management, I attended my first EIT retreat in 2002. The retreat was both less and more than I expected. It was less stressful, less exciting (“party” house had been oversold by some members) and less tiring than I anticipated. It was more valuable, more stimulating and more fun than expected. And while Pack Forest isn’t deluxe, it was reasonably comfortable.

The retreat began with dinner on a Wednesday night. However, some of us trekked down to Pack Forest early enough for a very pleasant autumn walk in the woods. We ate dinner at the same time as a noisy group of teachers and then retired to a separate building for ice-breakers led by Karen Crowder.

We spent all of the next day in diversity awareness training led by Phoenix Consulting. Some form of this training will likely be made available to Financial Management staff. I found most of the training to be, at the very least, interesting and at times quite challenging. One of my favorite concepts was “Unconsciously Incompetent” – the person who is so unaware of inappropriate language/references that they don’t even know they use them. For example, the term “gypped” comes from gypsy and, thus, is not appropriate but many of

us didn’t know that. There is a progression to where one does not use inappropriate references and does not have to stop and think about it. There was much more to the training than this and I thought the EIT did a great job staying focused.



One of the outcomes from the retreat was the reformulation of the RAVE team with the focus on division wide diversity training for leaders and staff. This team has met once so far and is in the process of planning a future training session. Also, the EIT decided to survey staff members to determine how closely work climate perceptions align with broader organization findings from the diversity audit.

The evening was “free time”. It was relaxing to sit around the fire and chat about the place we all have in common: UW. The final day we talked about UW a great deal more with Harlan Patterson, Vice Provost for Planning and Budgeting. He led a fascinating discussion regarding the fiscal health of the University and his ideas to improve it. At noon, we broke for lunch and the drive home – the group of introverts I rode with was thankful it was Friday.

Computer Ethics

What Would Your Mother Say?

by Kate Riley

“The reputation of a thousand years is determined by the conduct of one hour.” With this opening, Max Whisler, director to the UW Internal Audit department, shared the latest information about the ethical use of email and the Internet at the November Leader’s Event.

What not to do includes some of the following:

- Conducting an outside business during working hours like preparing records for a privately owned business during the work day.
- Using email for politics like emailing a congressman or lobbying people to vote in a particular way.
- Using email for a commercial purpose like selling Mary Kay cosmetics or Amway products.
- Downloading prohibited files like MP3 files to listen to music or to view pornography.

- Removing state equipment from work for your personal use like taking a laptop computer home to do your taxes.

- Making a personal long distance phone call on a UW phone line, even if you volunteer to repay the cost.

But Max did point out there are some non-business uses of email and the Internet which are ok. You can:

- Have a personal web page on a UW server, you just can’t use it to market any business or service.
- Use email to check to see if children have arrived home from school, make a medical/dental appointment or check with a spouse.
- Send 1 or 2 brief personal emails during each work day.
- Play games at lunch and on break as long as the games are pre-installed on the computer.

The discussion was filled with many examples and levels of reprimand, but the overriding message was simple, “If you don’t want your mother to read about it in tomorrow’s Seattle Times...Don’t do it.”

Financial Services Retreat a Success

by Karen Long

The Financial Services (FS) division of Financial Management is responsible for paying the University's bills, reimbursing University travelers for travel expenditures, and administering and reporting University fixed assets. On October 16, 2002, the offices gathered for a first time ever FS all-staff retreat.

FS leader and Assistant Controller Ann Anderson welcomed everyone and reviewed the retreat objectives:

- The various units of FS should gain an understanding of their role and impact with regard to the Financial Services Strategic Plan and Performance Dashboard.
- Improve the integration of the plan and dashboard into everyone's approach to their work.

Ann then presented a 12-year case study of the changes in Financial Services since the beginning of the QI adventure. One stunning statistic: if FS was still doing business the same way as we were in 1990, the department would need 113 additional staff, costing over \$9 million in salaries per biennium! We are truly good stewards of public resources and our quality of service has improved significantly. Instead of service complaints, we now receive plenty of service kudos!

Another way we are doing better is by measuring our major processes and using those measurements to plan for change and process improvement. Tom Phillips, self described "Data Dude", explained where the FS Dashboard measurements come from, and Ann described

the need for these measurements. Operating without this knowledge is like driving a car without a gas gauge or speedometer!



Ruth Johnston's "Leadership for Change" presentation was well received by the group. As FS staff person Amy Liu stated, "I liked the presentation on "Change" the most. It was really refreshing and interesting. It made me realize how different people react to changes and helped me to learn how to handle changes."

In the final session of the retreat, FS divided into functional groups to review a series of questions about:

- customers
- processes,
- improving the dashboard measurements that represent each process
- better using data and measurements to determine next steps.

Ann, in her wrap up, assured the group that supervisors and managers would be following up on the ideas and concerns that arose during the breakout groups.

Another FS staffperson, Kenneth Kono, felt that the event was "extremely positive. One of the points that hit home for me was the feeling of "unity" ...I especially enjoyed the fact that when Ann spoke, she spoke to us all as equal, important members of her team."

Assisting with facilitation at the retreat, in addition to Ruth Johnston and Kate Riley, were Karen Crowder, Chris Malins, Ruchi Aggarwal and Sam Senturia. Thanks to everyone for a great first retreat!

INNOVATIONS

GRIP Team Moving Full Steam Ahead

by Marisa Honig

On November 1, 2002 the Grant Receivables Implementation Project Team (GRIP) officially kicked off the new Grant and Contract Accounting (GCA) receivables system project! The kick off meeting was held in the Pompeii Room in McMahon Hall. Attendees included the team's Oversight Committee, as well as others from the Budget Office, Computing and Communications (C&C), University Stores, GCA and other areas of Financial Management, and members of the Office of Research and the Grant and Contract Initiative project team.

At the kick off, Denise Lim and Kate Riley provided an overview of the development of "Model



Blue," a comprehensive, integrated receivables system using J. D. Edwards (JDE) "One World" software with interfaces to University legacy systems. Representatives from AMX, Inc., outside consultants who specialize in JDE software, were on hand to provide a demonstration of the software. The presentation was very well received, and participants seemed very enthusiastic about the new system!

Continued

In mid-November the GRIP team, including members of C&C, met with Rob Marotta of AMX for an all day project planning meeting. As a result of the meeting, the team was able to develop a more detailed timeline, and schedule applications training with AMX (to be held mid-December 2002).

On December 2, 2002 the GRIP team met with the Oversight Committee (Bill Ferris, Ed Lightfoot, Frank Montgomery, Mona Goldsmith-West, Mike Pingree, Sara Gomez, Gary Quarfoth, Sandy Moy, Sue Camber,

V'Ella Warren and Kathryn Waddell), to update them on progress and to present results of a survey conducted with peer universities. We also had our first regular project team meeting, which will included Denise Murrillo, GCA Accounts Receivable supervisor, and Kirsten DeFries, Fiscal Specialist II in GCA Fiscal Reports. At present the team is taking inventory of current invoice and report formats. We are also working with GCA staff to identify critical data elements and business rules to be built into the new receivable system.

Money 101

by Diane Cooley

Ask an 18-year old if they have a credit card. Almost 20% of them will tell you that they have 4 or more and 21% of undergraduates with credit cards will also have balances between \$3,000 and \$7,000*. Add on the loan debt that many of these students build up obtaining an education and you begin to understand why college students are finding that a firm grasp of money management is increasingly important for survival in today's world.

Student Fiscal Services (SFS) is offering Money 101 sessions to help these students avoid or escape this financial trap. The hour long session presented by the SFS Outreach Unit is interactive with exercises to get students involved and thinking about:

1. Earnings
2. Budgeting
3. Investments
4. Loans
5. Credit cards
6. Credit reports

Several presentations were made during Autumn Quarter including:

- Customized versions at orientations for new dental students, Chemistry grad students, and GoMap (Graduate Opportunities & Minority Achievement Program);
- Three small group sessions at Schmitz Hall for interested UW students;
- A simplified version at a local high school.

Reactions to the sessions included "awesome," and a senior commented, "I wish I'd heard this as a freshman!"

In our annual survey last spring we asked students: "On a scale of 1 to 5 (high), how well do you know how to manage your finances?" Of those responding, 42% checked one or two (low). Money 101 is a Student Fiscal Service effort to decrease this number.

Sessions are offered each quarter. Anyone interested in finding out when the next one is scheduled or signing up to attend may email the SFS Outreach Unit at sfscust@u.washington.edu.

*September, 2002, issue of the Greentree Gazette in their article "Where credit is due"

KUDOS

by Sharon Langlois

Kudos given by FM colleagues from outside the division.

Lolita Adarlo, Payables Administration: You and your replacement did a wonderful job cleaning up the invoices. I feel you really turned things around, and did a great job training your replacement. *Renee Cataldo, Accounts Receivable Supervisor at Aramark Uniform Services.*

Ann Anderson and Payables Administration: The staff of the UW World Series, the company manager, the production manager, the agent, and the perform-

ers, are all very appreciative of the help that you and your staff provided for us. Thank you. *Gayle Williams, Meany Hall for the Performing Arts.*

Alice Bukengolts, GCA: Always shows diligent and able assistance. It is truly rewarding experience to work with her and her team. *Geetha Sukmaran, Associate Administrator, College of Forest Resources.*

Mike Fleming, Payroll: Thanks a kazillion for your help this week. You're great! I so appreciate your excellent customer service. *Anita Smith, Materials Science & Engineering.*

Brenda Grayson, GCA and Joyce Carlson, GCS: I appreciate your processing of the extension of the series of budgets at record speed. Your consideration and cooperation in fulfilling our needs is doubly appreciated and acknowledged. *Geetha Sukumaran, Associate Administrator, College of Forest Resources.*

Sharon Langlois, Payroll: You are wonderful! Thank you so much for all your help! You do a great job and always have the answers to my questions. *Becky Rooney, Environmental Health.*

Shawna Litterski and Heather Norberg Stewart, Payroll: Each of you took part in gathering information for me, often on short notice. I truly appreciate everyone pitching right in and finding what I needed, sometimes even more than I literally asked, for when you realized I maybe wasn't asking for as much as I should. Thank you for your part in this success story. I'm glad to have both of you on my side. *Jeffrey Davis, Assistant Attorney General, UW.*

Chris Malins, Treasury Office: a big thank you for shepherding this effort through to its conclusion. As always, your assistance was invaluable and is truly appreciated by all of us. *Mike Bryant, Director, Business & Finance, Computing & Communications.*

Thanh Nguyen and Shawn Williams, Payables Administration: All the staff has been found to be very helpful, in particular Thanh and Shawn exhibit excellent customer service attitude. *Linda Lake, Administrator, Evans School.*

Cecilia Pittman, GCA: Thank you for taking care of my problem with the budget so promptly. That was fantastic. *Florence Sheehan, MD, Research Professor, Division of Cardiology.*

Tami Sadsy and GCA: Thank you for meeting with me. You and your staff have been extremely helpful to me on a number of issues. I hope I can return the favor some day. Best wishes for a great year. *Lori Selby, Fiscal Officer/Management Analyst, Business Services, WSU.*

V'Ella Warren, Treasurer, Treasury Office: I think we all need to stand up and give V'Ella, our Treasurer, a standing ovation for guiding us so successfully. This performance is outstanding in a time of terrible instability in the markets, and another great reason to invest in the UW. *Donald Summers, Director of Development for the Humanities, College of Arts & Sciences.*

Erick Winger, Payroll: Eric came on the day of the PTR cutoff to train us on the ETR. After he left we did the PTR and it was a breeze. We were very fortunate that we didn't have any problems and we found it very easy. Again thanks a million for you're never ending support when we call upon you for help and assistance. *Yvonne Gatcheco, UW School of Art.*

Erick Winger and the Payroll Office: I really, really like the new system. I very much appreciate everyone's effort to get it up and running. Erick was great with our training, too. *Ann Bennett, Center on Human Development and Disability.*

Payables Administration: Your payment history has been excellent. I would like to thank you for your prompt payments and keeping your account with us in good standing. A/P departments like you make our bookkeeping duties a much less daunting task.

Willie Tran, Accounts Receivable, DVD Planet.

The Payroll Office: Without exception, every person from the Payroll Office with whom I have had the opportunity to work over these past months has been GREAT to deal with. You each do a truly outstanding job, and it has been a genuine pleasure to work with all of you. *Sandi Hogben, UWMC Patient Financial Service.*

The Travel Office: Your department is a great example of how technology can improve the flow of information; your website is fabulous and always holds the answers to my questions. The Travel Department is awesome! *Sara Porter, Office of Intellectual Property and Technology Transfer.*



Recognition Roundup

by Kris Jaeger and Kyra Worrell

EXPRESS

- Payroll Express—Betty Light and Gerry Acuesta were honored for 20 years of service on December 23rd, 2002
- Payroll Express—The entire office celebrated the rollout of online ETR and PTR's on January 9th, 2003

New Website Updates Just In From the Recognition Quality Team!

by Kyra Worrell

Have you ever run to your RQT station, found that the nomination forms are all out, and your RQT rep's on vacation? You weren't able to "seize the day"—and who knows when you'll have the urge – or the time – to nominate again? Or have you ever thought "Hmm... it seems silly that in this electronic, computer age, there isn't a way to make one of those nifty RQT nominations on line...I wonder if anyone in the RQT has thought about that...?" Well, wonder and worry no more! Thanks to RQT Webmaster Laura Lai, the RQT Rep from the Treasury Office, the RQT Website now has that and more!

The RQT Website is for all of us: people who want an easier way to nominate their co-workers for awards and anyone interested to see who the RQT is and what it does. The RQT Website, you say, I didn't know there was such an animal! Well, you may have already been to the Website – you just don't know it! If you cast a vote for the RQT Centerpiece contest – you were there! If you haven't seen the RQT link, it is

easy to find. I've included the Website address for easy reference: <http://www.washington.edu/admin/finmgmt/qi/rqt/> ...click on here and you are on your way to new and exciting Recognition horizons! All RQT email has a link to the website – usually located towards the end of the email. Simply click on the link, and you're there. Once you are there, you can bookmark it for easy reference.

There is a handy index on the left hand side of the RQT Home page that you can use to help you navigate the site. The Website also boasts access to five E-card sites for sending electronic Thank yous. There is an E-post message board which can be used as a place to share ideas and anything you think is new and interesting in the world of Recognition and Quality Improvement. You can also use the message board to share comments about the Website; or you can contact your RQT Rep. You can also contact one of the two Webmasters directly: Laura Lai at lauralai@u.washington.edu or Karem Martinez at karem@u.washington.edu. Laura tells us that "comments about the Website are always welcome."

It's easy to nominate your colleagues on the RQT Website. You can use the nomination forms available on the Website: just save your nomination as a word file and type away. After completing your award, you can send it as an email attachment either to your RQT Rep or to RQT leader Laura Lai at lauralai@u.washington.edu.

Other features on the Website include a history of Awards received and information about Recognition in general, including definitions of the different types of both formal and informal Recognition. Photos of recent awards are posted on the Website, usually about a week or so after the event. So if you've missed an award, you can access it online in living color!

CALENDAR

MBTI Feedback Session

February 27: 1:00-2:30
Schmitz 170

Facilitator Training

March 6: 8:30-4:30
Schmitz 170

Process Improvement

March 27: 8:30-4:30
Location: To be announced

EDP Workshop

April 16: 10:00-12:00
April 30: 10:30-12:30
Gerberding 142

QI Awareness

May 29: 12:30-4:30
May 30: 9:30-1:30

Followup meeting:
May 30: 1:30-3:30
Locations: TBA

QI Awareness

Tentatively scheduled for May
Time and Location: TBA

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Please visit the web site at:

www.washington.edu/admin/finmgmt/qi/directions/jan03/
for the on-line version of this newsletter.