

# Financial Services University of Washington Operational Performance Dashboard As of June 2009 FY 2008 Quarter 4 (Apr-Jun 2009)

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## Financial Services Mission

*To pay the University's bills in a timely, efficient, and cost effective manner  
and maximize the UW's daily cash flow via effective management of banking operations.*

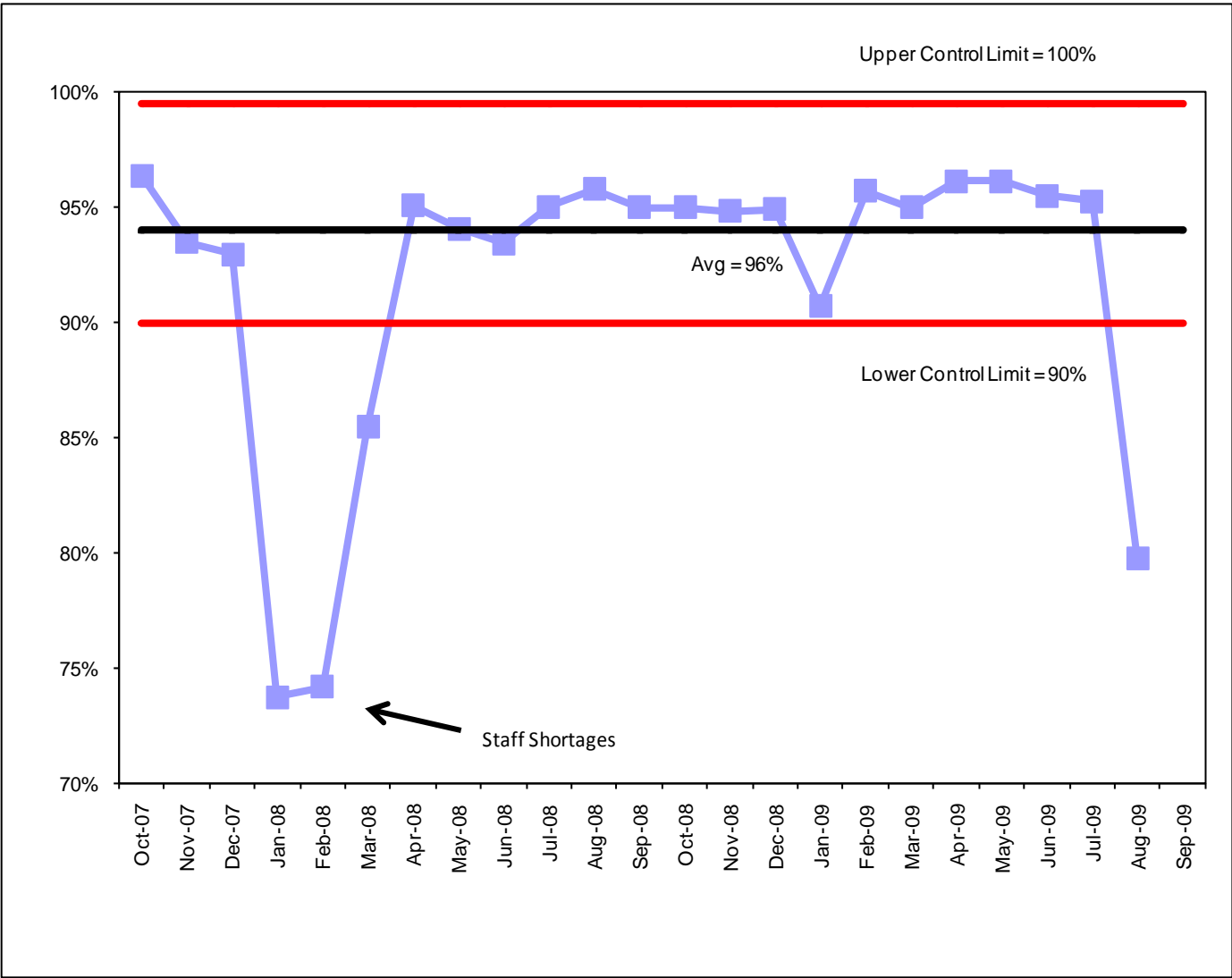
## Our key processes include:

*Pay Vendor Invoices  
Process Check Requests  
Process Journal Vouchers  
Manage Field Advances  
Manage Revolving Funds  
Manage Banking Operations*

*Prepared September 4, 2009*



# Item # 1: Percent of Online Invoices Paid in 30 Calendar Days or Less from Date of Receipt



**DEFINITION:**

Identifies the number of days between receipt of vendor invoice in Accounts Payable and the check date. WA State requirement is 30 days.

**ANALYSIS:**

This measure is in control at current volumes of invoices processed. A change impacting the measure will be roll-out of the \$3300 guideline, which should significantly reduce the volume of small dollar invoices after July 2009. Invoices for larger dollar requisitions, which will continue to flow through PAS unless the vendor is in eProcurement, will potentially increase due to the expenditures made with expected stimulus funding through the ARRA grants.

**NEXT STEPS:**

Reporting to identify ARRA requisitions and invoices is in development. We will develop processes to ensure that ARRA invoices will be prioritized to support federal reporting requirements. Additional work is in process to assist departments in setting up standing orders or procard accounts to manage monthly small dollar repetitive orders from contract vendors, which should improve billing and payment outcomes with these vendors.

## Item # 1 (Variability Analysis): Aging Schedule of Online Invoices

### Aging Schedule for Online Invoices

Difference Between Paid Date and Received Date

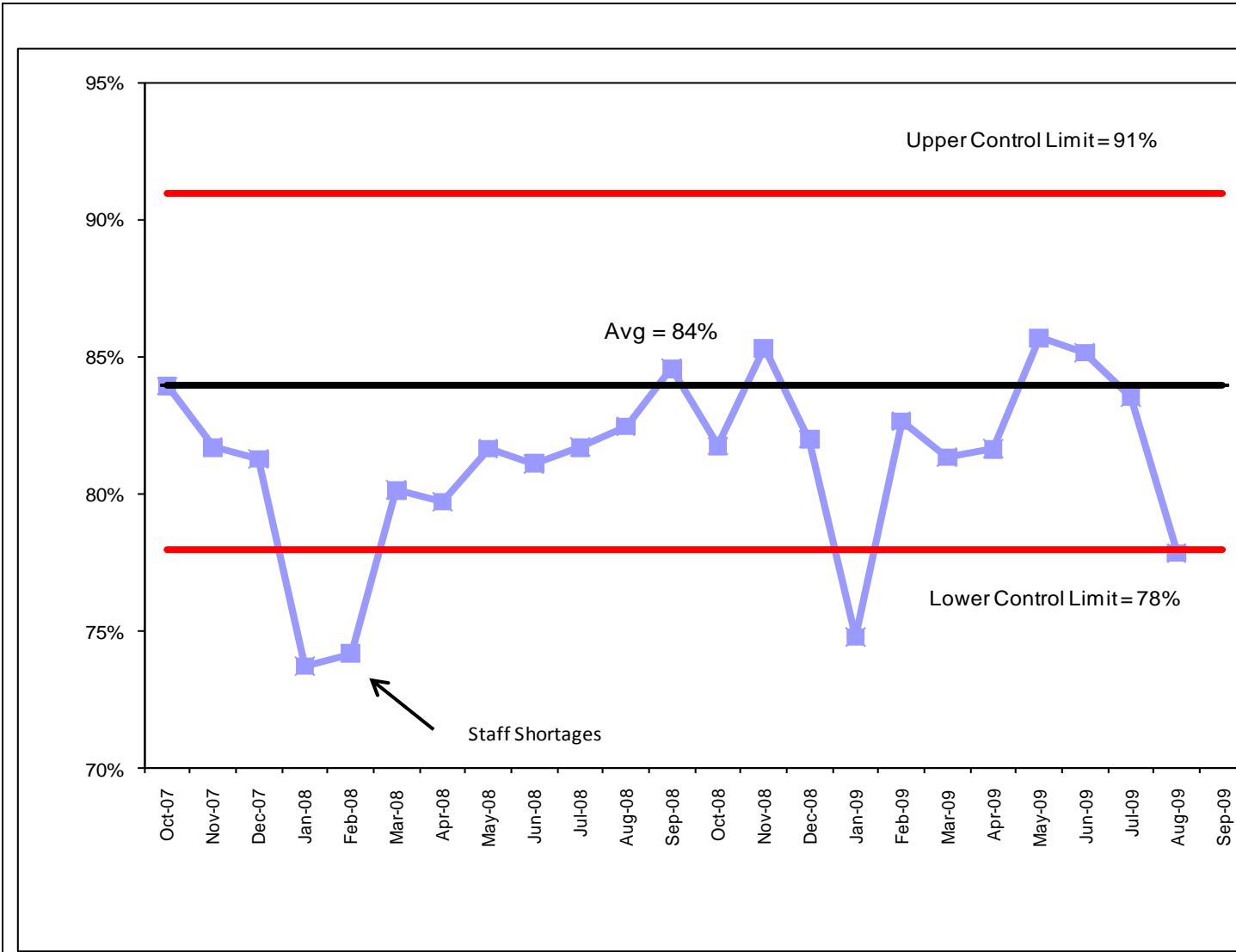
Prepared for Jeff Follman, Assistant Controller

Prepared by Thomas Phillips, Financial Data Analyst

File Location: I:\Groups\finsvcs\Dashboard\Online Invoices.xlsx

# Days Between Rec'd & Paid	June 2009			July 2009			August 2009		
	Total # Invoices	% of Total	Cumulative Percentage	Total # Invoices	% of Total	Cumulative Percentage	Total # Invoices	% of Total	Cumulative Percentage
>30 Days	11,457	95.5%	96%	10,440	95.3%	95%	6,325	79.8%	80%
31-35 Days	133	1.1%	97%	150	1.4%	97%	1,302	16.4%	96%
36-40 Days	71	0.6%	97%	92	0.8%	97%	108	1.4%	98%
41-45 Days	63	0.5%	98%	43	0.4%	98%	58	0.7%	98%
46-50 Days	61	0.5%	98%	51	0.5%	98%	39	0.5%	99%
51-55 Days	24	0.2%	98%	21	0.2%	99%	16	0.2%	99%
56-60 Days	28	0.2%	99%	37	0.3%	99%	19	0.2%	99%
61-65 Days	15	0.1%	99%	21	0.2%	99%	8	0.1%	99%
66-70 Days	32	0.3%	99%	15	0.1%	99%	9	0.1%	99%
Over 70 Days	109	0.9%	100%	88	0.8%	100%	45	0.6%	100%
<b>Total</b>	<b>11,993</b>	<b>100.0%</b>		<b>10,958</b>	<b>100.0%</b>		<b>7,929</b>	<b>100.0%</b>	

## Item # 2: Percent of Online Invoices Paid in 45 Calendar Days or Less from the Invoice Date



**DEFINITION:**

Identifies the number of days between the invoice date and the payment date.

**ANALYSIS:**

Research and analysis by the AP Customer Service Project and the Seamless UTG#1 shows that over 60% of invoices are mailed by vendors to the ordering department rather than to AP. The delay of delivery to AP increases the likelihood of payment in more than 30 days from date of the invoice. This measure is also impacted by the time required to resolve invoice discrepancies.

**NEXT STEPS:**

The Seamless Team has determined that movement of small dollar purchases from PAS payment to eCommerce methods can reduce the number of vendor invoices paid by AP by up to 70%. This will reduce the number of AP invoices mailed to departments and provide more resources to effectively resolve invoice discrepancies when they occur.

### Item # 3: Percent of PO Related Manual Invoices Processed in Five Working Days or Less

**Definition:**

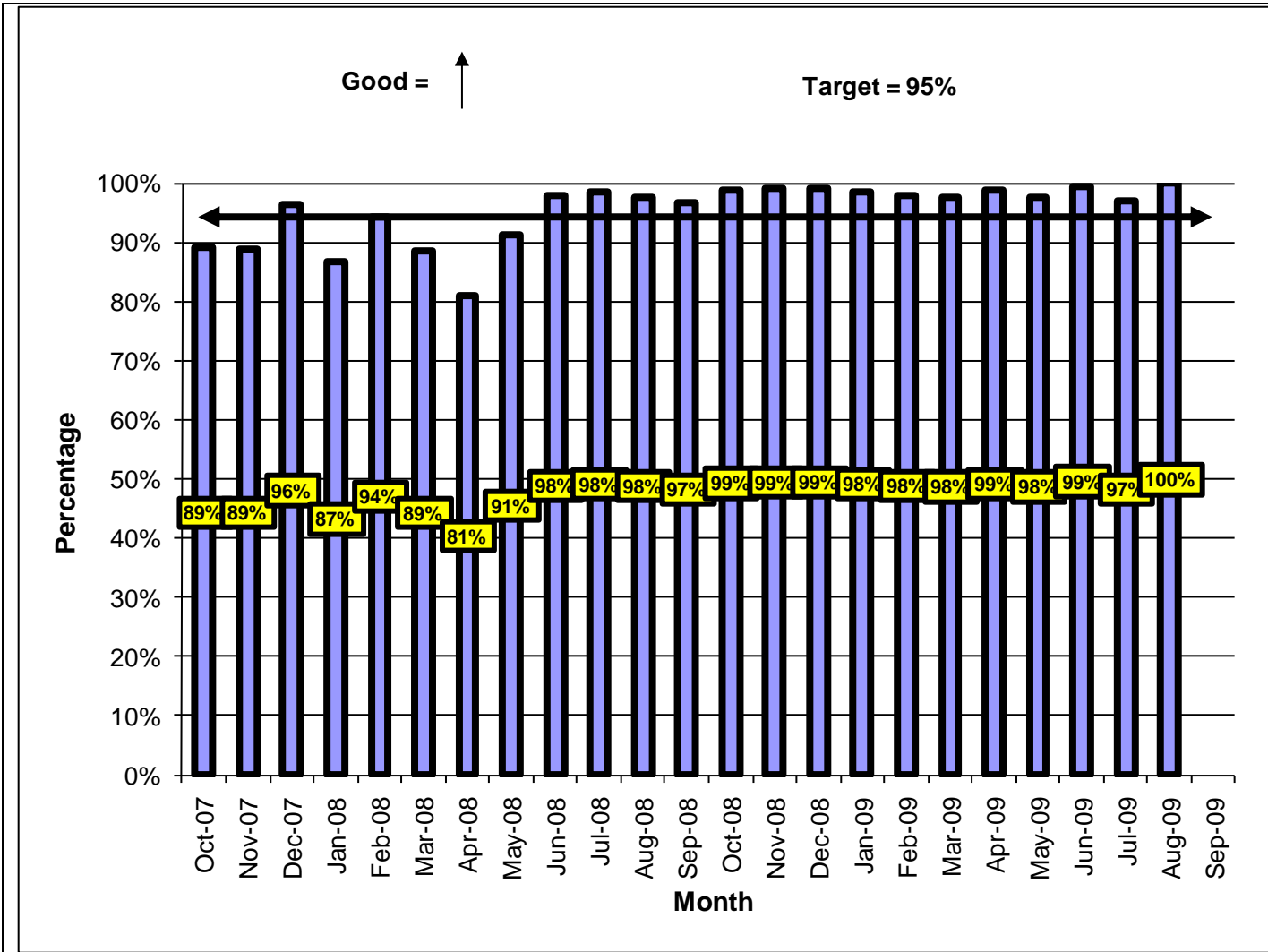
Represents the percent of PO related manual payments which were processed in five working days or less from receipt in Financial Services.

**Analysis:**

A relatively stable process which has shown little variation over the past few months. Ideally, some of these transactions could also be made with the Procurement Card.

**Next Steps:**

Will continue to monitor to ensure a high level of customer service. We are also in the process of developing a new measure which specifically targets non purchase order check requests.





## Item # 5: Percent of Revolving Fund Requests Processed in Five Working Days or Less

### **Definition:**

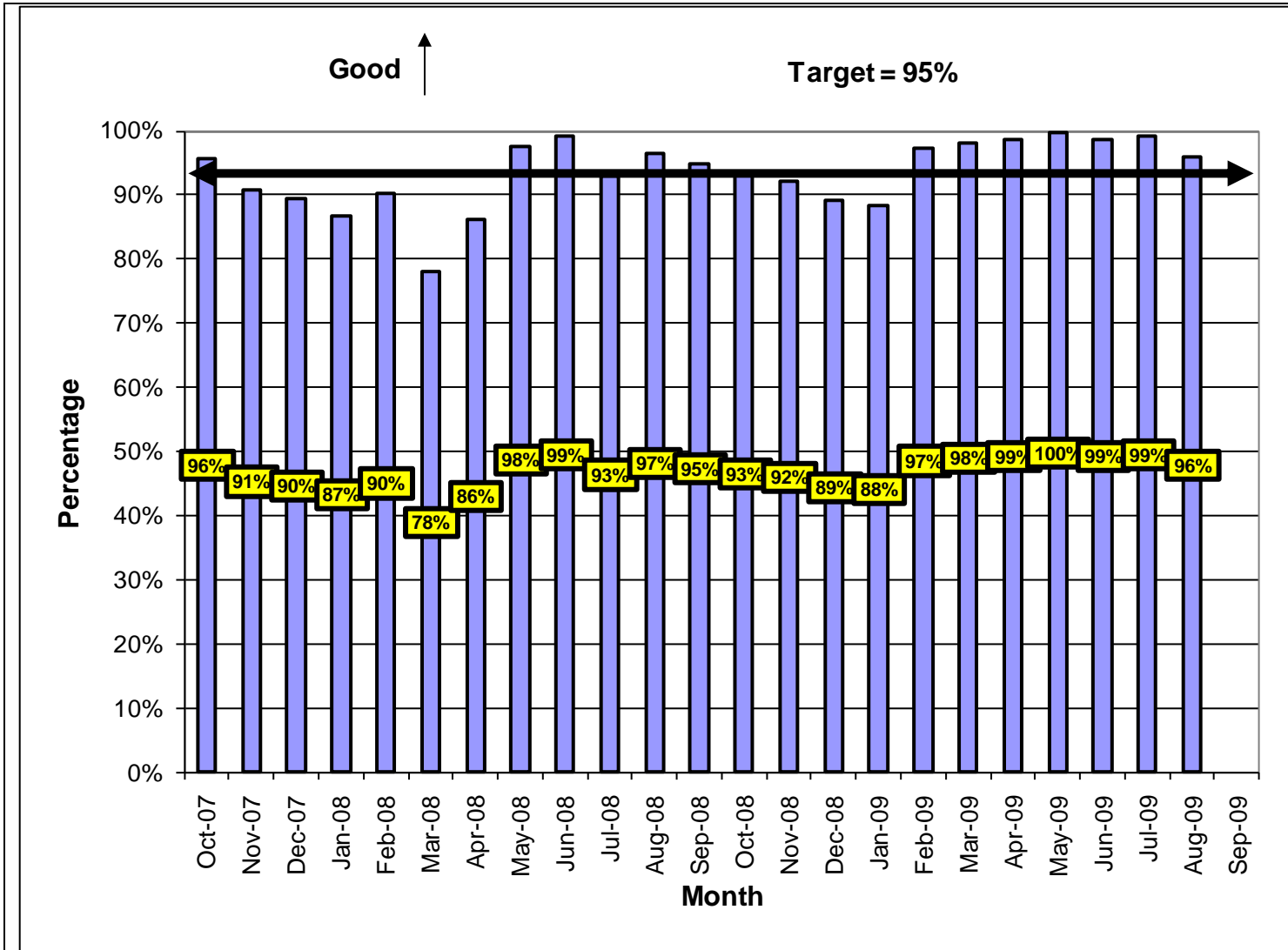
Represents the percent of requests for revolving fund account reimbursements which were processed and paid within five working days or less.

### **Analysis:**

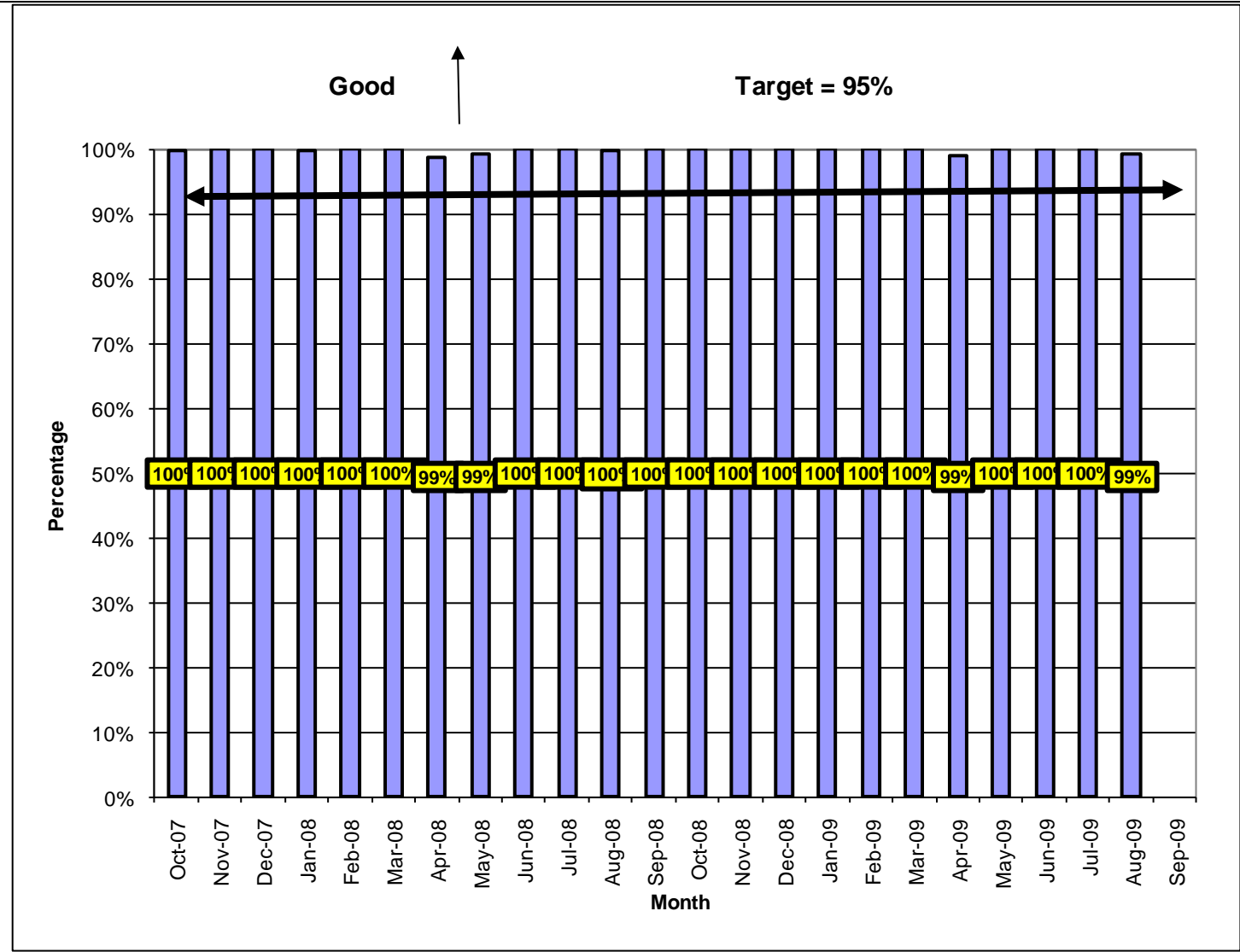
This measure shows a recent increase in customer service achieved by the revolving fund team. Volumes for this process could increase due to ARRA funding. During the three months ending June 30, 2009 we issued 862 account reimbursements in the amount of \$1.9 million dollars.

### **Next Steps:**

The senior accountant is conducting outreach sessions to campus customers to assist them with various cash management issues. This includes instruction on the proper use, documentation & reconciliation of the revolving fund accounts.



# Item # 6: Percent of Journal Vouchers Processed in Five Working Days or Less



**Definition:**

Represents the percentage of journal vouchers which are processed in five working days or less.

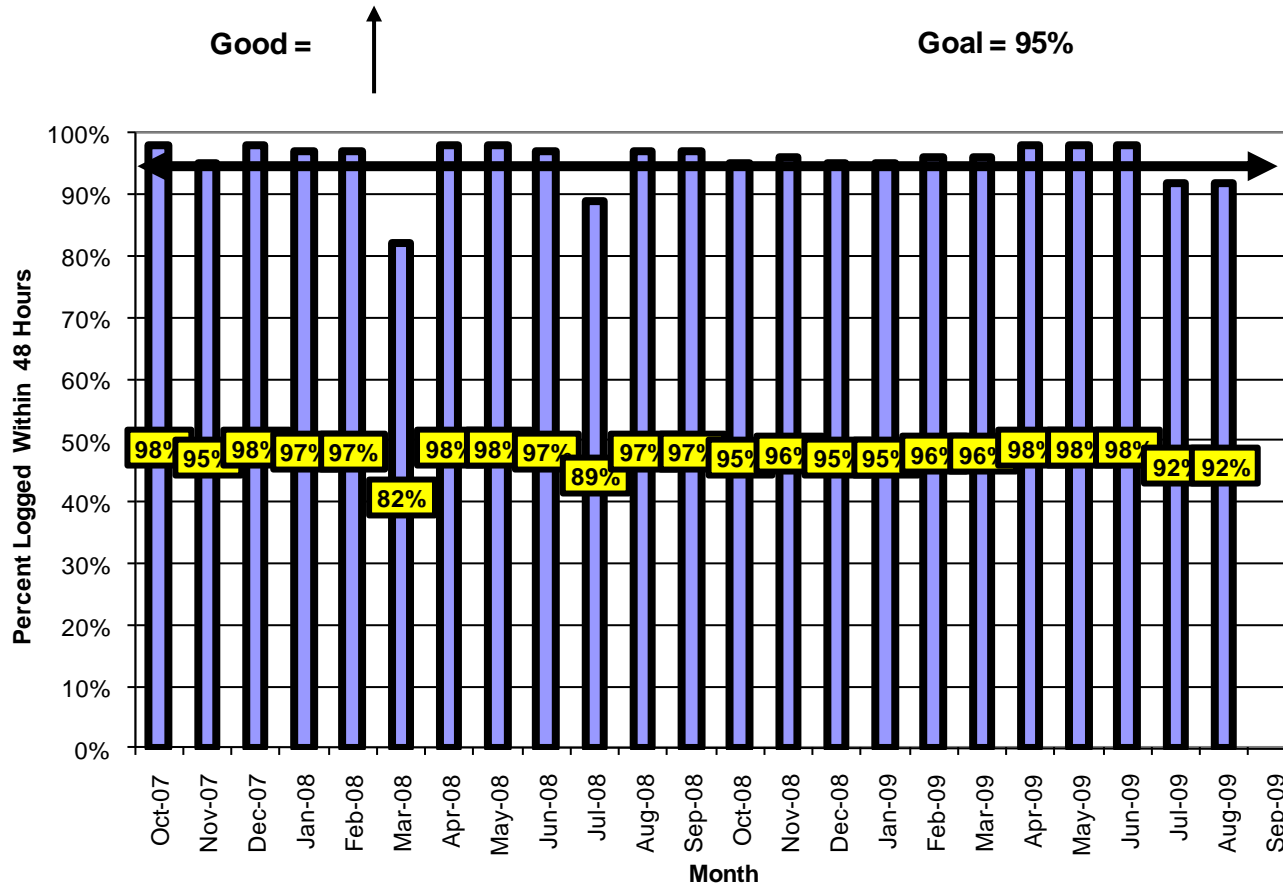
**Analysis:**

Process appears to be in control with little variation or fluctuation.

**Next Steps:**

Measurement of volumes in data entry show that due to implementation of the MyFinancial Desktop transactions tool, there is a significant reduction in journal voucher activity processed in Financial Services. There is also an effort in Banking & Acct'g Operations to help campus customers convert to online submission of other TC requests, which is also reducing volume for the data entry group. Ultimately this group will primarily process check requests.

## Item # 7: Percent of Invoices Entered Into Doc Logging Within 48 Hours of Receipt



### Definition:

Represents the percentage of invoices which were entered into the Document Logging system within 48 hours of receipt in the Accounts Payable area. This is an important measure for it allows the Accounts Payable staff to track the status of an invoice.

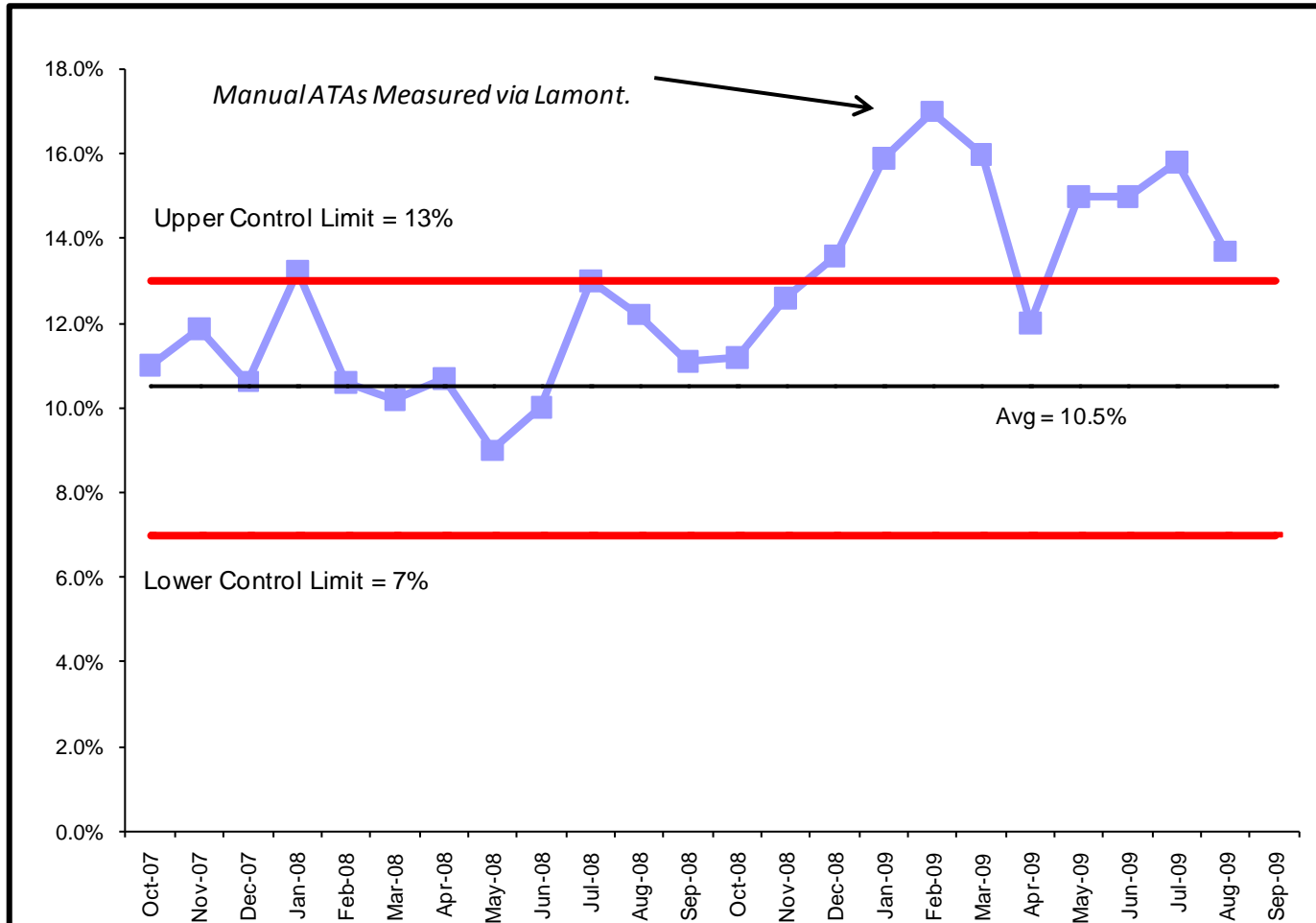
### Analysis:

The high percentages in recent months have been the result of a collaborate team effort and cross training activities between Doc Logging & Invoice processing personal.

### Next Steps:

The AP staff is continuing its cross training efforts to ensure it can respond effectively to unexpected changes in workload and/or personal.

## Item# 8: Percent of Invoices with Discrepancies



### **DEFINITION:**

Quantifies the percentage of vendor invoices in which a discrepancy exists between the original Purchase Order and the actual invoice. Such inconsistencies need to be researched and rectified before payment can occur.

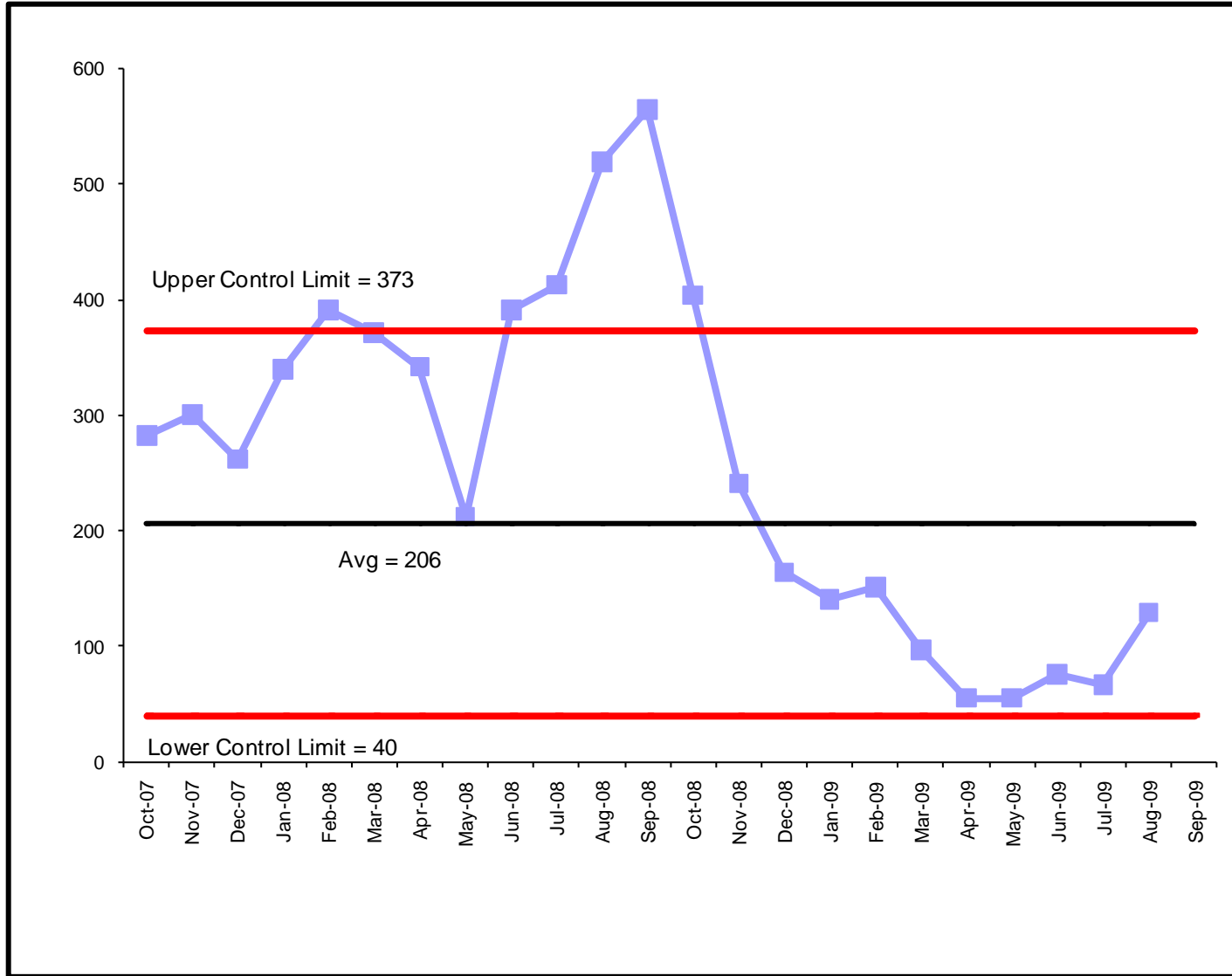
### **ANALYSIS:**

The increase in number of invoices with discrepancies is the outcome of more accurate counting – previously the measure was a manual count; currently the measure has been automated in Lamont and so represents a more realistic count.

### **NEXT STEPS:**

The \$3300 guidelines should impact this measure significantly, resulting in a reduction of invoices due to the migration of small dollar purchases to eCommerce systems. The process improvement of setting NTE limit to \$3300 on PAS small dollar purchase orders will also reduce the number of invoices discrepancies.

## Item # 9: Number of Invoice Discrepancies Over 30 Days Old



### **DEFINITION:**

Quantifies the number vendor invoices in discrepancy status for more than 30 days.

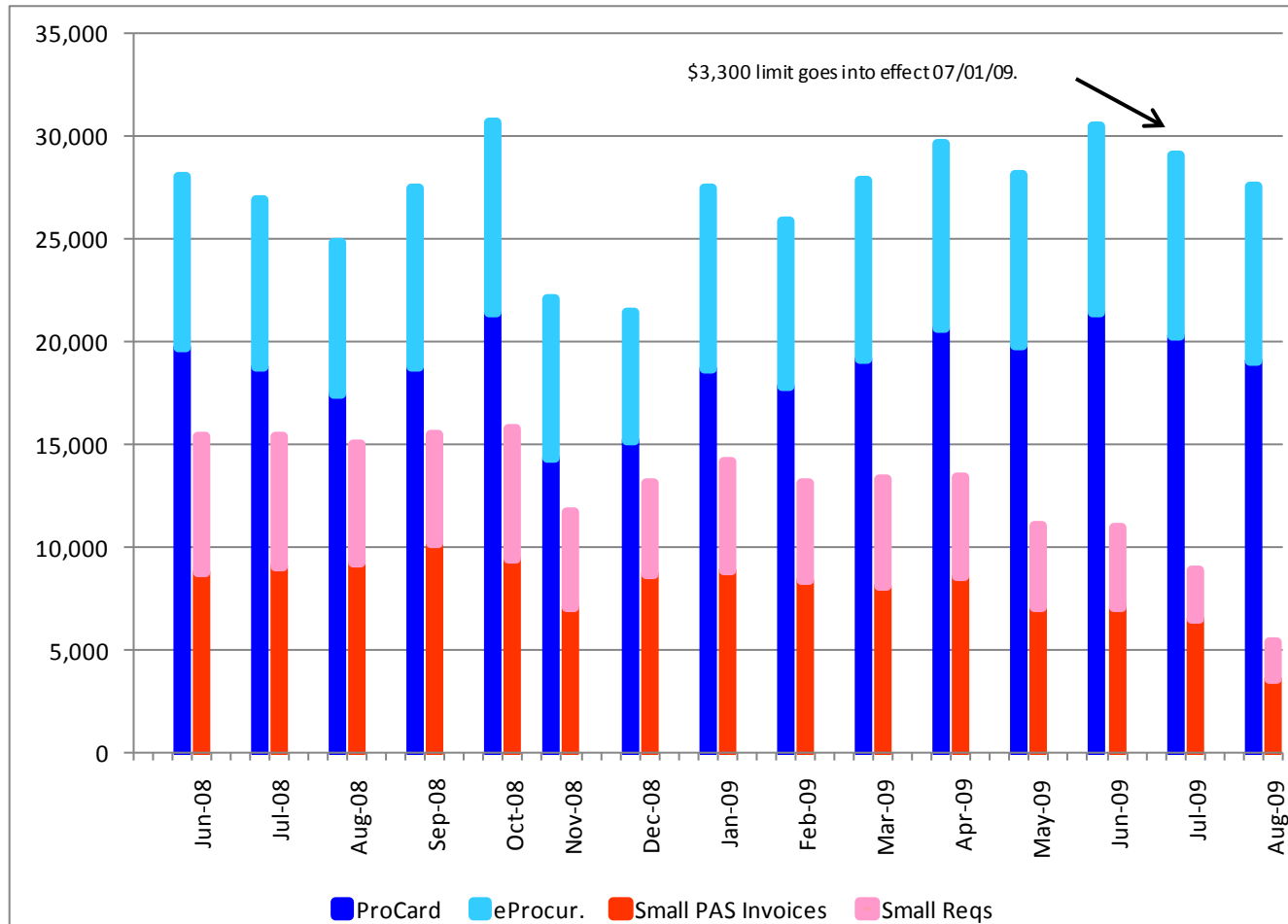
### **ANALYSIS:**

To resolve these outstanding discrepancies, the original Purchase Order or the actual invoice must be modified (or the invoice itself must be approved) before payment can occur. This process can take time as it requires a coordinated effort between the Purchasing Department, the UW department which placed the order, and Financial Services.

### **NEXT STEPS:**

This measure shows excellent results in reduction of discrepancies that are not resolved within 30 days, due to changes in prioritization of this resolution process. Also, many of these transactions could have been made through eCommerce methods. As we continue to migrate small dollar transactions to eCommerce, this measure could reach target.

## Item # 10: Reduction in Small Dollar PAS Transactions Which Should be Going Through eCommerce



### **DEFINITION**

Represents the percent of total UW transactions that were made through an eCommerce method (eProcurement or ProCurement Card).

### **ANALYSIS**

The goal is to migrate all eligible purchases from PAS to eCommerce. This will save the University time, money and effort in accordance with Financial Management's strategic objective to streamline the Procure to Pay process.

### **NEXT STEPS**

eCommerce conducts outreach based on departmental data analysis. Part of this outreach includes research in how departments use eProcurement & ProCard to ensure that these purchasing methods are as efficient as possible. eProcurement is undergoing an Ariba system upgrade which will improve efficiencies and the overall customer purchasing experience. eCommerce & Purchasing Services continue to collaborate to meet the needs of the campus by developing additional contracts or inter-local agreements for eCommerce. Marketing & other communications to departments using a new Procurement Guide for best purchasing practices, in addition to internal efforts to identify and transfer requisitions or invoices to eProcurement and ProCard, and the ongoing efforts of the Seamless Procure to Pay initiative will have the continued affect of driving purchasing volume out of PAS and into eCommerce.

## Item # 11: Number of Transactions Going Through The RodePC Legacy System

### Definition:

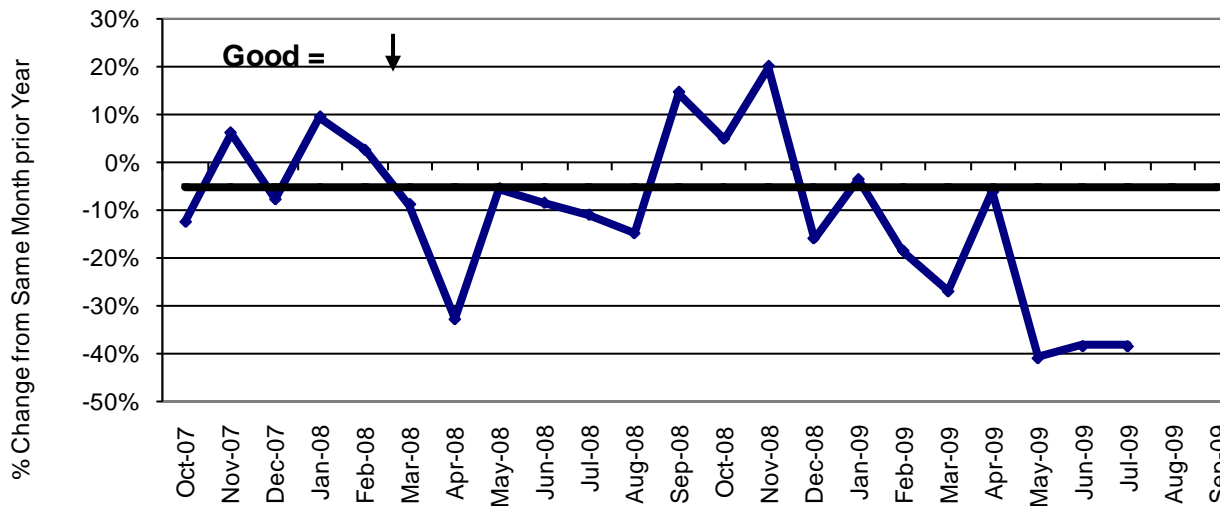
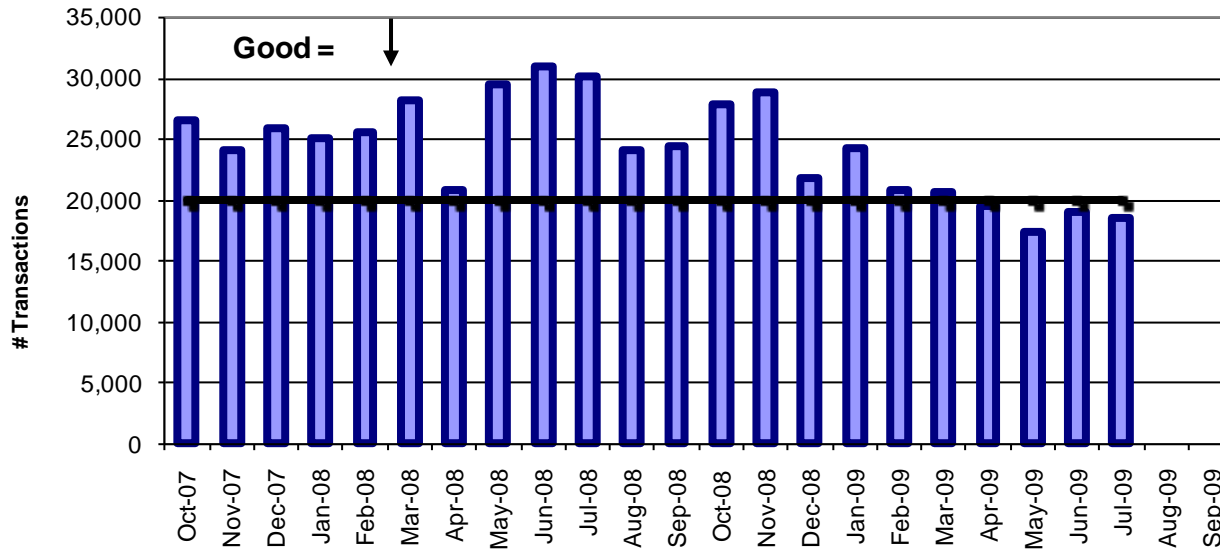
Manual entry payments such as check requests, Travel Expense Vouchers, payments to one time vendors, as well as Journal Vouchers are processed through RodePC interface.

### Analysis:

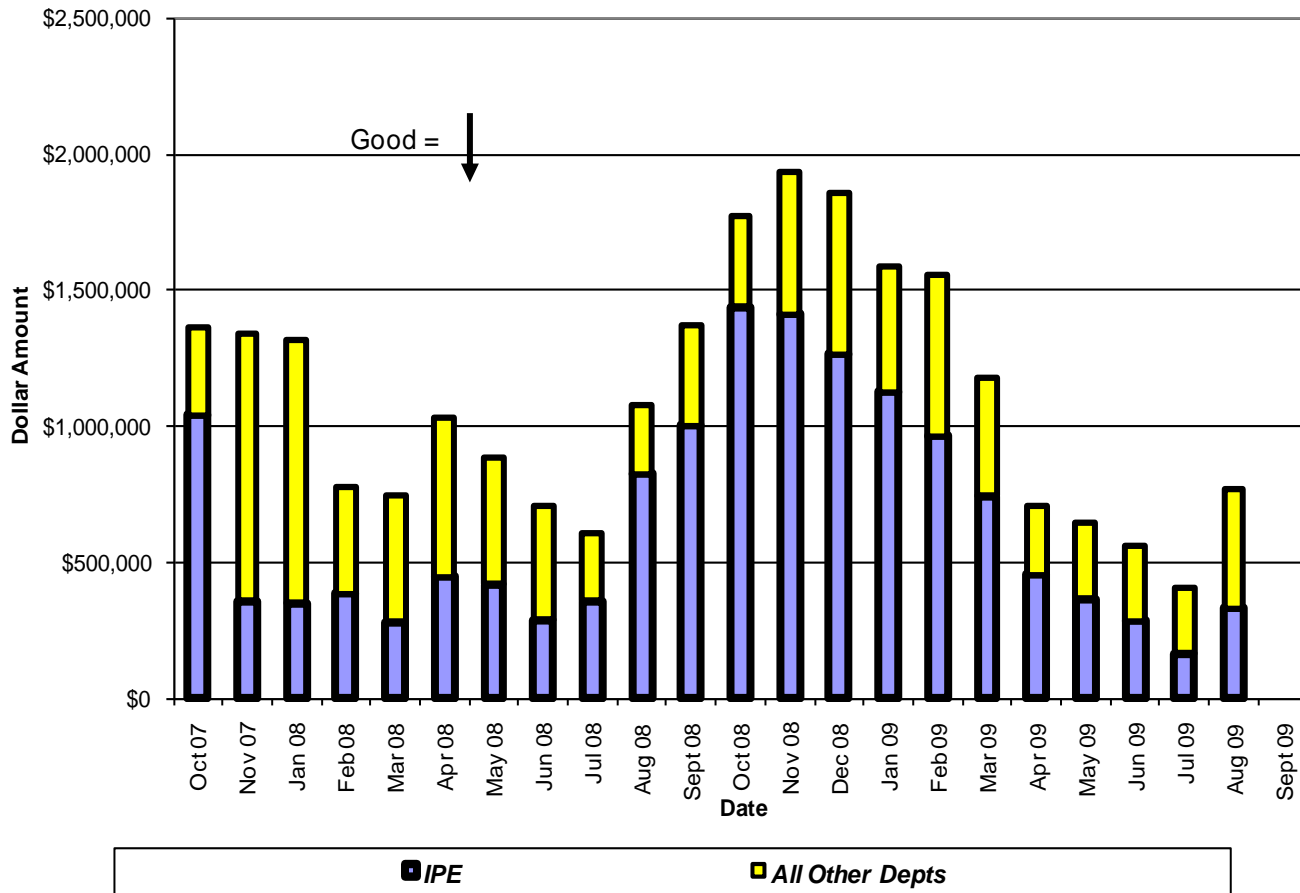
The RodePC system is a legacy interface system which is currently unsupported and lacks robust reporting capability. We therefore wish to reduce the number of transactions going through this system and expect to see such trends as newer systems such as Financial Desktop JVs and eTravel become more widely used.

### Next Steps:

Belinda Liley is currently working with UW Technology personnel to implement the new Viking Data Entry Software.



## Item # 12: Dollar Amount of Overdue Field Advances



### Definition:

A field advance is an advance of funds to a UW employee for research or educational projects. An accounting of how those funds were spent, and appropriate back up documentation, is due to our office within 30 days of the end of the project.

### Analysis:

As the number and dollar amount of field advances is increasing, this is becoming a more important and highly visible measure. As a result of this development, we will provide outreach, training & other tools to assist faculty so that they may properly account for such funds in an accurate and timely manner.

### Next Steps:

The senior accountant is participating in training of new study abroad faculty directors for the Spring and Summer quarters, and has implemented a rigorous notification and follow-up procedure for overdue outstanding field advances.

## Item # 12: Supplemental Chart on Field Advances

### Field Advances Outstanding

As of June 30, 2009

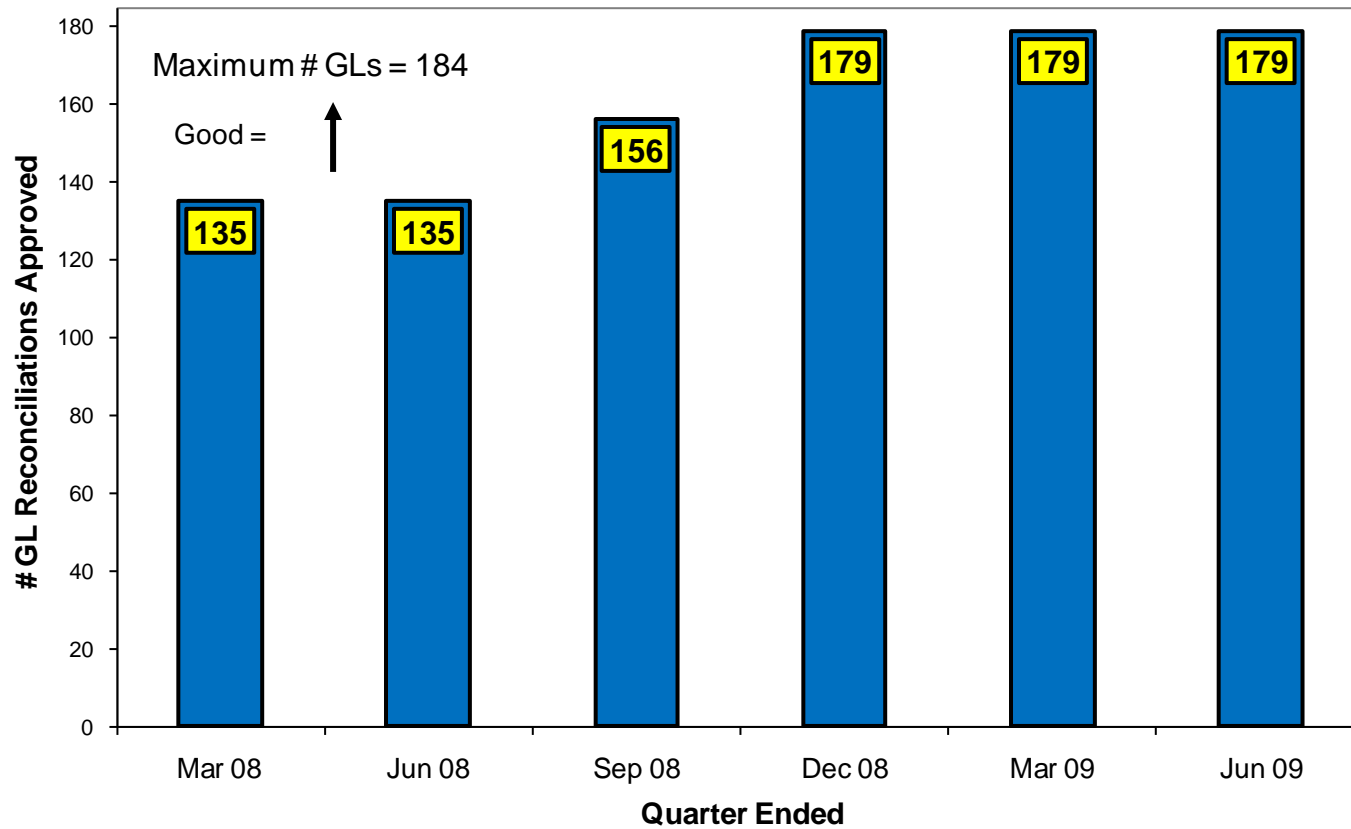
Prepared for: Karen Long, Director of Payables

Prepared by: Thomas Phillips, Financial Data Analyst

Source of Data: Field Advance Database

<u>Date</u>	<u>\$\$ of Overdue Field Advances</u>			<u>% of Overdue Field Advances</u>			<u>Not Yet Due</u>	<u>Goal = 3% of Total Outstanding</u>
	<u>IPE</u>	<u>Non IPE</u>	<u>Total</u>	<u>IPE</u>	<u>Non IPE</u>	<u>Total</u>		
Jul 07	126,680	146,557	273,237	46%	54%	100%		
Aug 07	186,515	196,778	383,293	49%	51%	100%		
Sept 07	504,291	911,467	1,415,758	36%	64%	100%		
Oct 07	1,038,721	324,666	1,363,387	76%	24%	100%		
Nov 07	356,648	978,376	1,335,024	27%	73%	100%		
Jan 08	348,512	964,410	1,312,922	27%	73%	100%		
Feb 08	382,343	393,596	775,939	49%	51%	100%	\$1,597,182	
Mar 08	277,808	463,137	740,945	37%	63%	100%	\$1,942,364	
Apr 08	444,131	588,461	1,032,592	43%	57%	100%	\$1,974,542	
May 08	417,882	464,038	881,920	47%	53%	100%	\$2,070,606	
Jun 08	286,087	416,837	702,924	41%	59%	100%	\$2,386,348	
Jul 08	355,482	246,444	601,926	59%	41%	100%	\$3,093,232	
Aug 08	822,157	250,196	1,072,353	77%	23%	100%	\$2,796,366	
Sept 08	1,001,920	368,331	1,370,251	73%	27%	100%	\$2,524,498	
Oct 08	1,437,245	335,452	1,772,697	81%	19%	100%	\$1,789,801	
Nov 08	1,409,696	521,371	1,931,067	73%	27%	100%	\$1,334,049	
Dec 08	1,261,050	597,752	1,858,803	68%	32%	100%	\$2,295,152	
Jan 09	1,124,918	458,054	1,582,972	71%	29%	100%	\$3,677,643	
Feb 09	963,607	590,172	1,553,779	62%	38%	100%	\$3,080,100	
Mar 09	740,065	435,970	1,176,035	63%	37%	100%	\$4,545,055	
Apr 09	452,541	254,369	706,910	64%	36%	100%	\$3,179,293	
May 09	362,270	284,447	646,717	56%	44%	100%	\$3,725,561	
Jun 09	280,900	280,143	561,043	50%	50%	100%	\$4,254,382	\$144,463
Jul 09	161,810	241,823	403,633	40%	60%	100%	7016673.18	\$222,609

## Item # 13: Number of GL Account Reconciliations Brought Up to Date as of 06/30/09



### Definition:

Reconciliation of GL accounts is a new task that Fin Services has recently agreed to take responsibility for. We are currently in the process of working to get all 184 GL accounts properly reconciled.

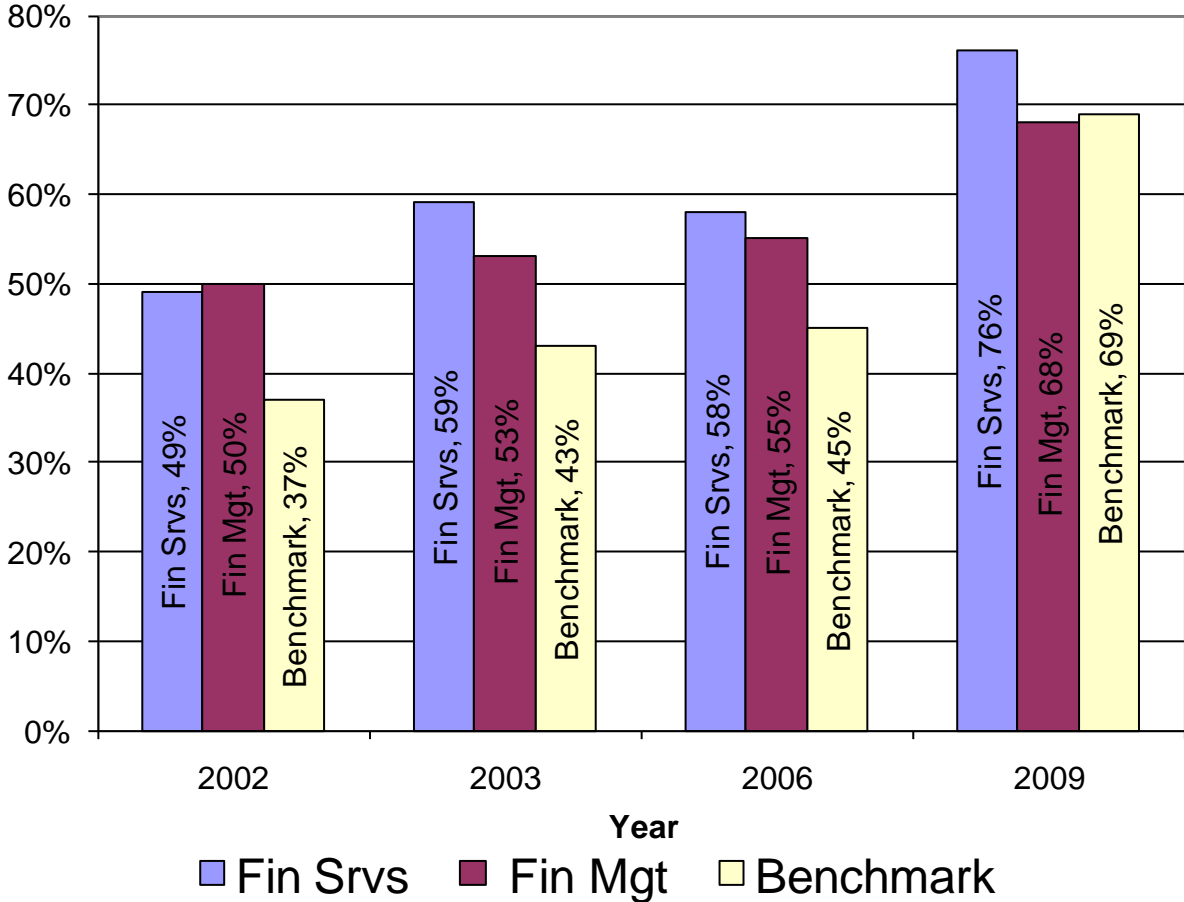
### Analysis:

184 Financial Services GL accounts should be reconciled monthly.

### Next Steps:

Our ultimate goal is to reconcile 100% of Financial Services' GL accounts monthly.

### Item # 14: Percent of Staff Highly Satisfied With Financial Services



**Definition:**

Based on an FM wide employee survey. This survey takes place once every two years.

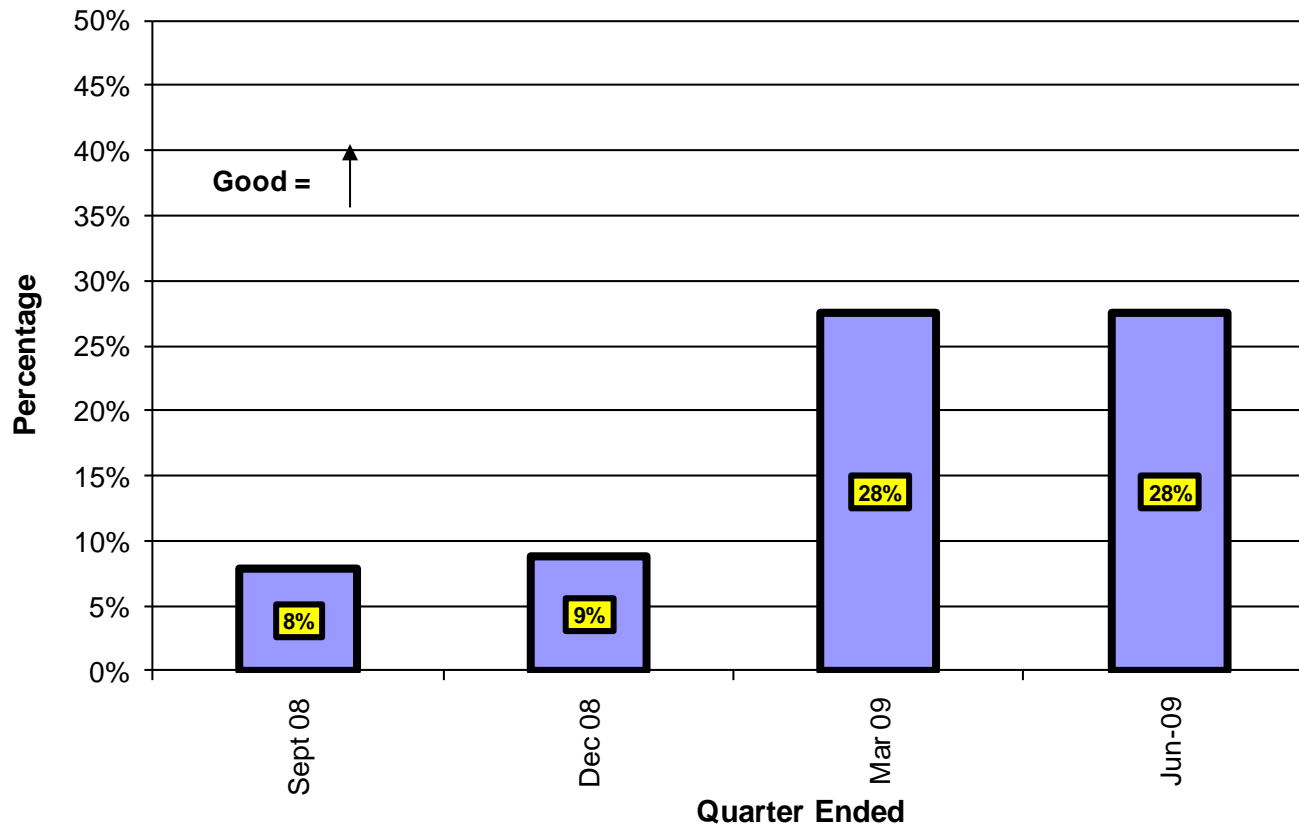
**Analysis:**

Latest annual survey results show satisfaction of FS employees above national benchmark.

**Next Steps:**

The next FM employee satisfaction survey will be in 2011.

## Item # 15: Percent of Procurement Services' Staff With An Active EDP on File



### **DEFINITION:**

Quantifies the percentage of Procurement Services employees with active EDPs which are less than 2 years old.

### **ANALYSIS:**

Developing employees to their full potential is a core value within Procurement Services. We therefore encourage all employees to have active EDPs and to regularly review them with their manager.

### **NEXT STEPS:**

eProcurement staff are continuing to work together on EDPs as a team initiative. Karen Long has offered team-targeted EDP mini-workshops to PS groups in eCommerce, AP, Banking and Purchasing. We hope this will encourage staff to pursue and achieve new EDP goals.