



Research Accounting & Analysis

University of Washington
Operational Performance Dashboard

March 2007

Fiscal Year 07 – Quarter 3

Version Date: 06.01.07

Grant and Contract Accounting Mission

As a professional accounting team, our mission is to provide support to the UW Research Community by proactively delivering consistent, accurate and timely financial products and services. We anticipate and creatively respond to the needs of our customers through collaboration and commitment to continuous improvement.

Management Accounting and Analysis Mission

Our mission is to craft a department that anticipates and is responsive to the costing and other informational needs of the campus community. Enhance services by collaboratively analyzing and developing data, methodologies, and policies to maximize flexibility for academic departments while complying with governmental regulations.

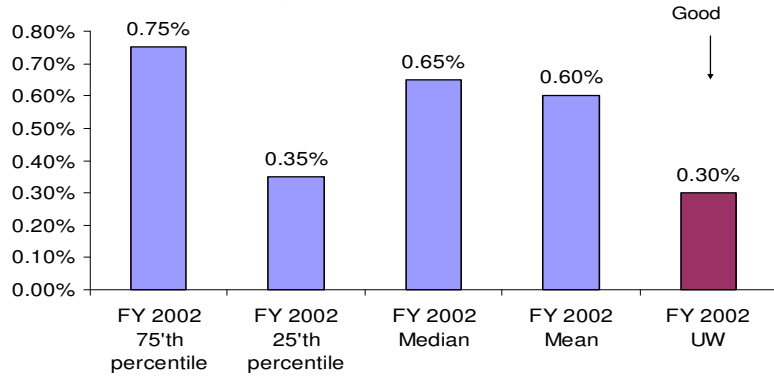
Key processes include:

Prompt New Award Setup, Accurate Reporting, Timely Invoicing, Full Compliance, Responsible Cash Management, Efficient Recharge Accounting Oversight, Comprehensive Develop and Negotiate Indirect Cost Rates (F&A)

For questions about this report, please contact:
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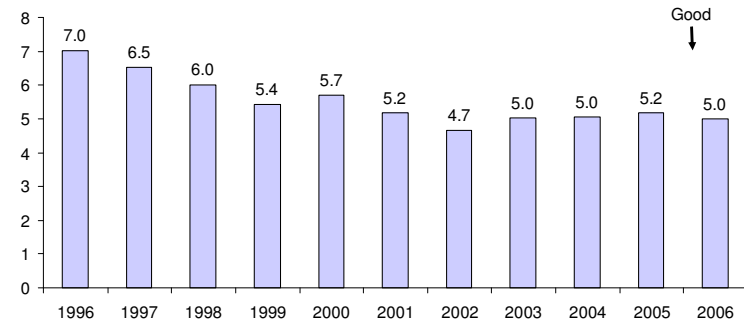
Research Accounting and Analysis

National Benchmark



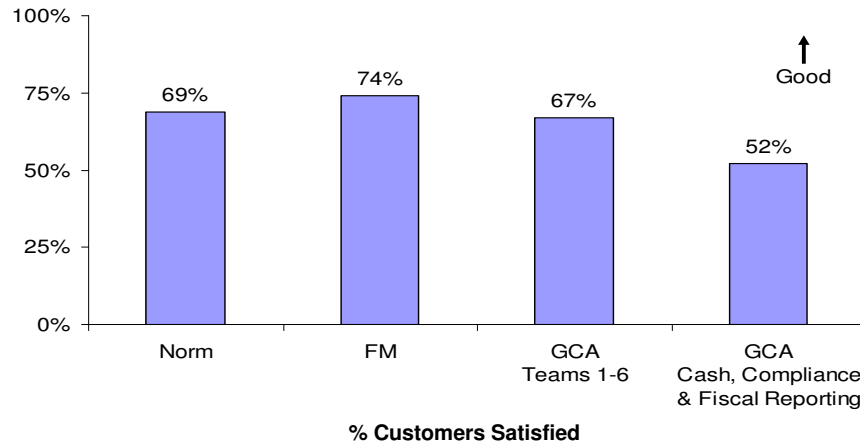
Post-award Administrative Costs as a % of Total Sponsored Project Costs
(Source: Preliminary data from Bearing Point survey, October 2003)

Efficiency

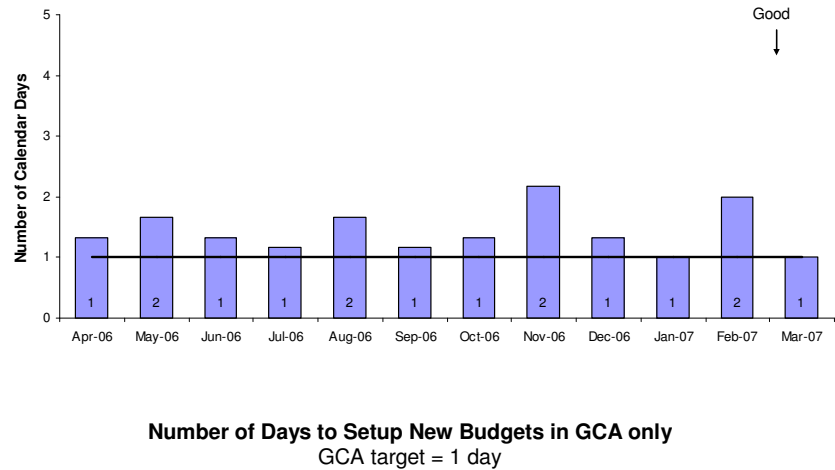


Hours Required to Manage One Budget, FY 1996-2006

2005 Customer Satisfaction Survey



New Budget Setup



Number of Days to Setup New Budgets in GCA only
GCA target = 1 day

Research Accounting & Analysis

Operational Performance Dashboard

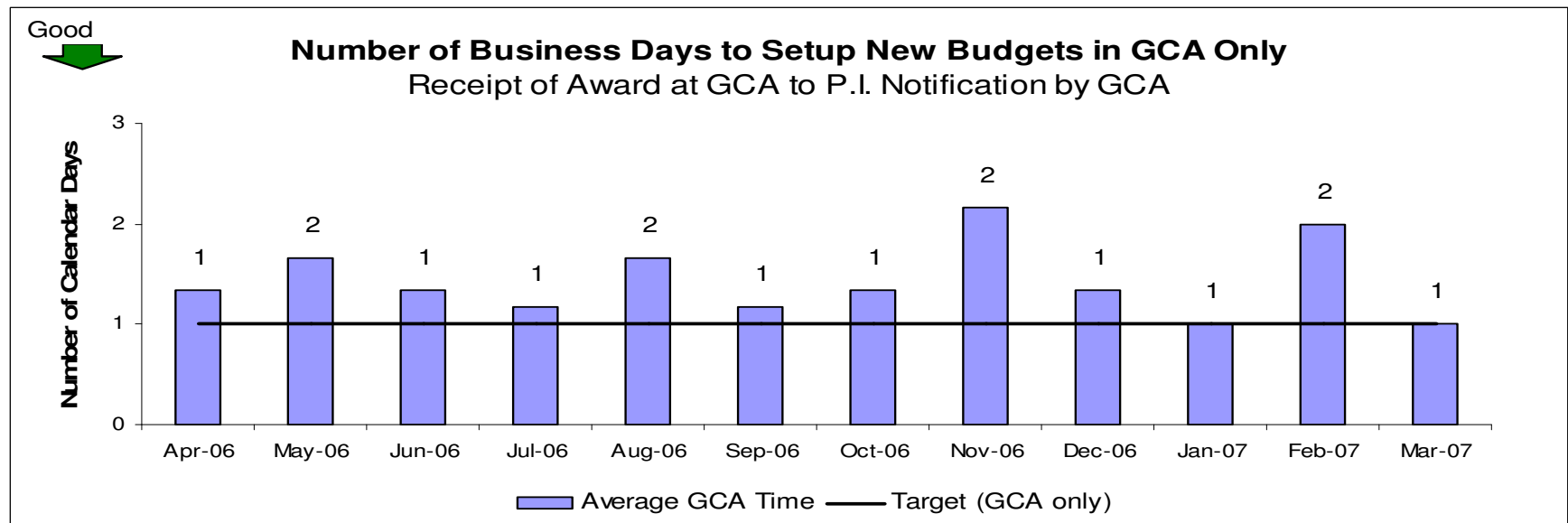
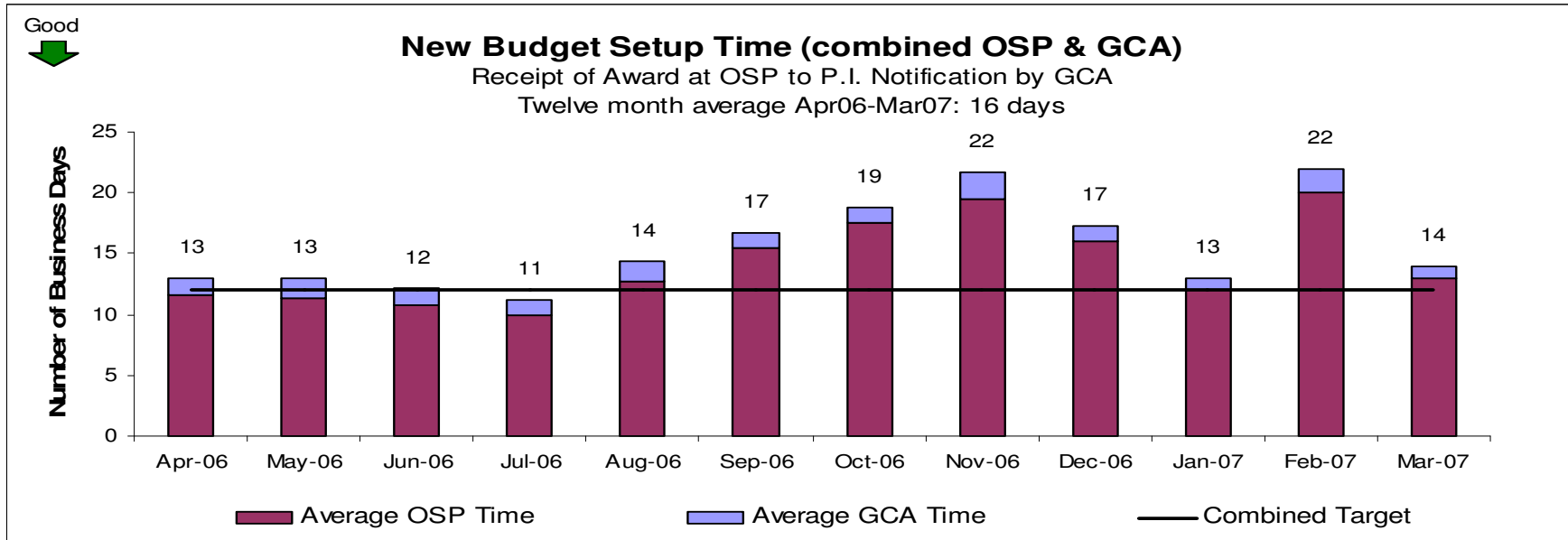
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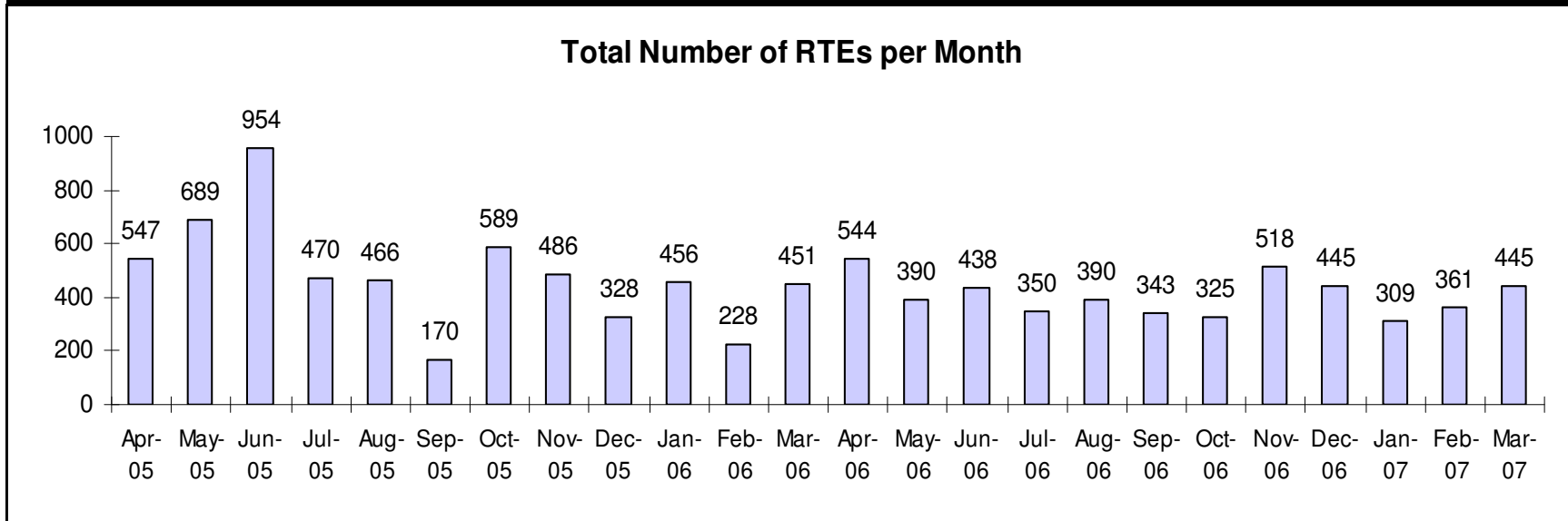
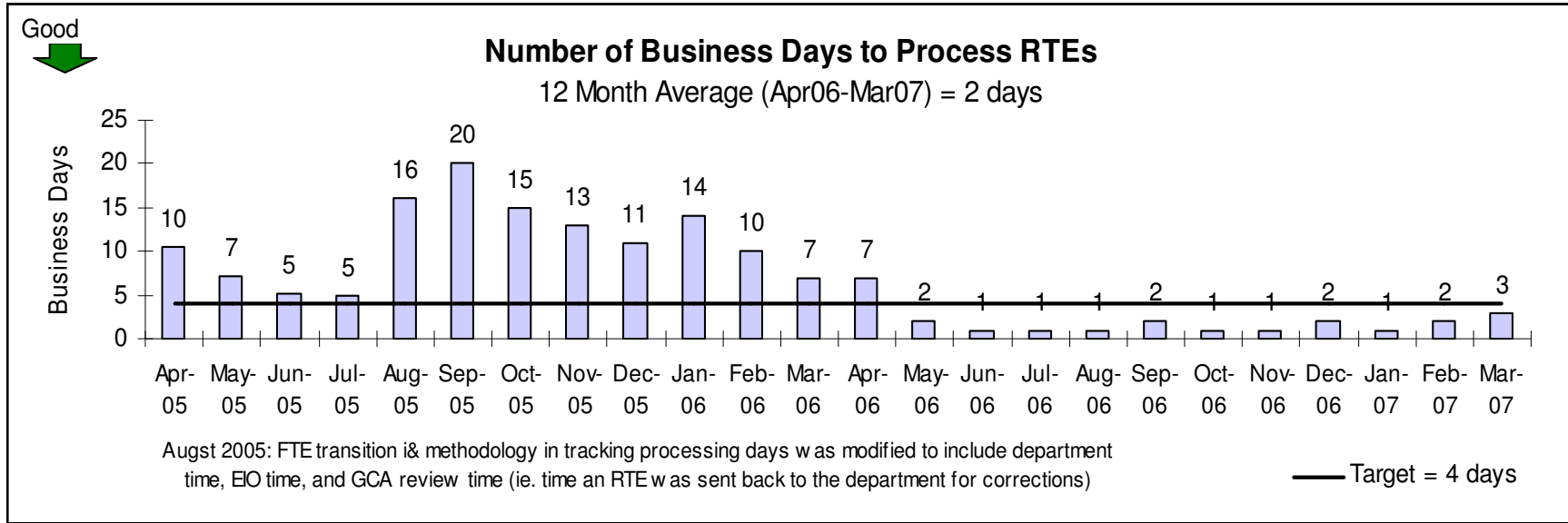
| Process / Measure | Current | Target | Current Gap Mar 07 | Prior Gap Dec 06 | Process / Measure | Current | Target | Current Gap Mar 07 | Prior Gap Dec 06 |
|--|------------------------|------------|--------------------|------------------|--|-----------------|--------|--------------------|------------------|
| CUSTOMER | | | | | FINANCIAL | | | | |
| 1) NEW BUDGETS ^{p.4} Average number of business days to setup a new award (from award receipt in OSP to PI notification of active budget in GCA) * † | 16 days Mar 07 | 12 days | 4 days | 1 day | 9) BILLING ^{p.15} Billing Backlog –cumulative cost-reimbursable grant expenditures not yet invoiced. | \$11.4 M Mar 07 | \$2.0M | \$9.4M | \$10.9M |
| 2) REQUEST TO TRANSFER EXPENDITURE ^{p.5} Number of business days to process RTEs. † | 2 days Mar 07 | 4 days | No gap | No gap | 10) AGED RECEIVABLES ^{p.16} Percent of unpaid invoices past 150 calendar days. † | 37% Mar 07 | 15% | 22% | 14% |
| 3) CLOSINGS ^{p.6} Number of calendar days to close a budget. | 463 days Mar 07 | 320 days | 143 days | 75 days | 11) TOTAL UNCOLLECTED ^{p.18} A combination of billing (#9) and aged receivables (#10). Total University's Accounts Receivable for cost-reimbursable research. | \$20.2 M Mar 07 | \$23 M | No gap | \$2.3M |
| 4) RECHARGE CENTERS ^{p.8} Average number of calendar days to prepare, review, and approve proposals. Three targets for three levels of rate complexity. | Mar 07 FY07-Q3 | See graph | No gap | See graph | 12) DHHS ^{p.19} Potential Department Health & Human Services write-offs that will de-obligate on Sept 30/2006 | \$3K Mar 07 | \$0 | \$3K | \$1.5M |
| | | | | | 13) F&A INDIRECT COST ^{p.20} Percent of dollar increase from year to year (fiscal) for indirect-cost recovery. Rolling 5-year average.* | 7.6% Mar 07 | 5.0% | No gap | No gap |
| INTERNAL BUSINESS PROCESS | | | | | LEARNING & GROWTH | | | | |
| 5) CASH APPLIED ^{p.9} (a) Average number of calendar days to apply cash receipts to the appropriate budget. (b) Number and dollar volume in Cash Suspense accounts. | 40 days Mar 07 | 15 days | 25 days | 24 days | 14) STAFF SATISFACTION ^{p.21} 2003 Highly Satisfied Employees | 55% (2003) | 42% | No gap | No gap |
| 6) FINANCIAL STATUS REPORTS ^{p.10} Percent of FSR submitted on time within Federal sponsor due date. † | 62% Mar 07 | 85% | 23% | 32% | 15) CULTURE & DIVERSITY ^{p.21} 2003 Culture – Diversity | 77% (2003) | 90% | 13% | 13% |
| 7a) 3month Faculty Effort Certification ^{p.12} Percent of FEC's signed on time. | 96% 9/16/06 - 12/15/06 | 95% | No gap | 4% | 16) TRAINING & KNOWLEDGE ^{p.21} 2003 Training & Knowledge | 77% (2003) | 90% | 13% | 13% |
| 7b) 6 month Faculty Effort Certification ^{p.13} Percent of FEC's signed on time. | 95% 7/1/06 - 12/31/06 | 95% | No gap | 25% | | | | | |
| 8) COST SHARE ^{p.14} Number of budgets past 90 calendar days from the project end-date but still have unmet cost sharing. *† | 93 budgets Mar 07 | 30 budgets | 63 budgets | 77 budgets | | | | | |

† 12-month average

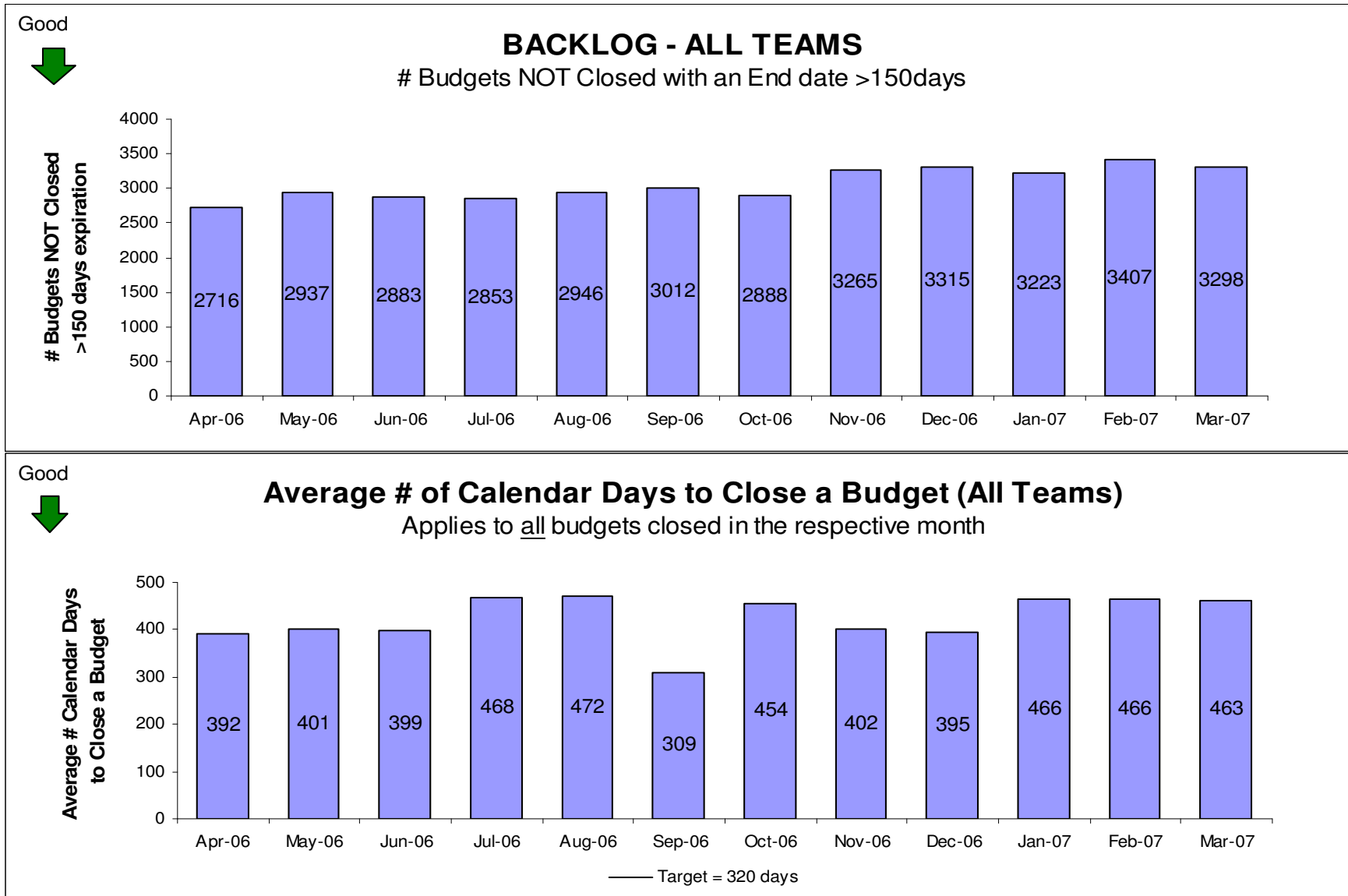
(1) NEW BUDGET SETUP TIME (All Teams)



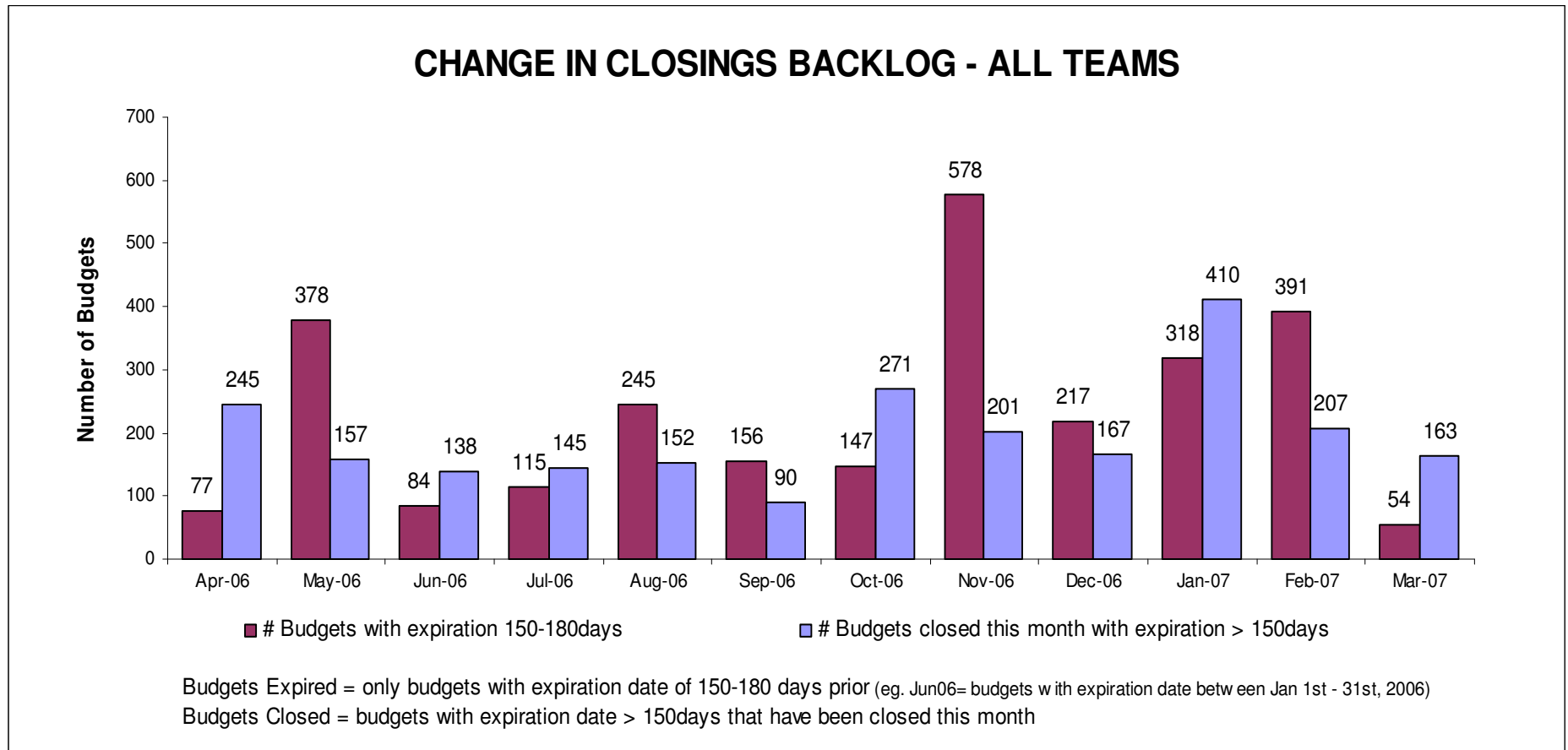
(2) REQUEST TO TRANSFER EXPENDITURES - RTE



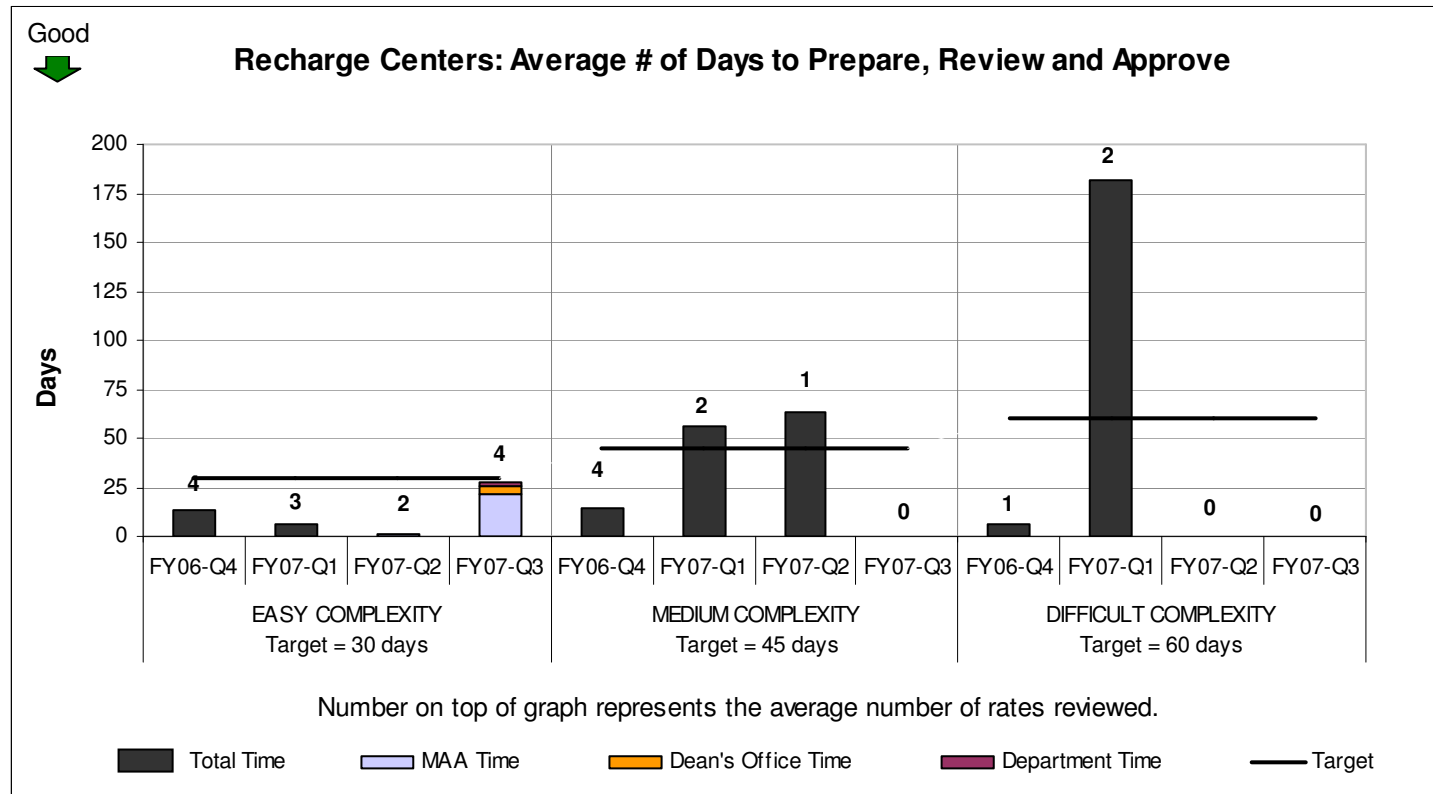
(3) CLOSINGS



(3) CLOSINGS



(4) RECHARGE CENTERS



Quarter 2 – Cyclical nature of Recharge proposals

Typically, all recharge proposals are centered on either a fiscal year or an academic year start, therefore Q2 will experience a very limited (commonly zero) level of proposal submissions. Proposals reviewed during Q2 will be reflected in the quarter in which they are approved.

Number of proposals is numerically expressed at the top of each column.

Number of rates within each proposal not shown

The number of rates is not displayed; however the number of rates is taken into consideration when classifying the overall proposal complexity.

Classifying the complexity of rates is a subjective determination by the process owner, and is based upon:

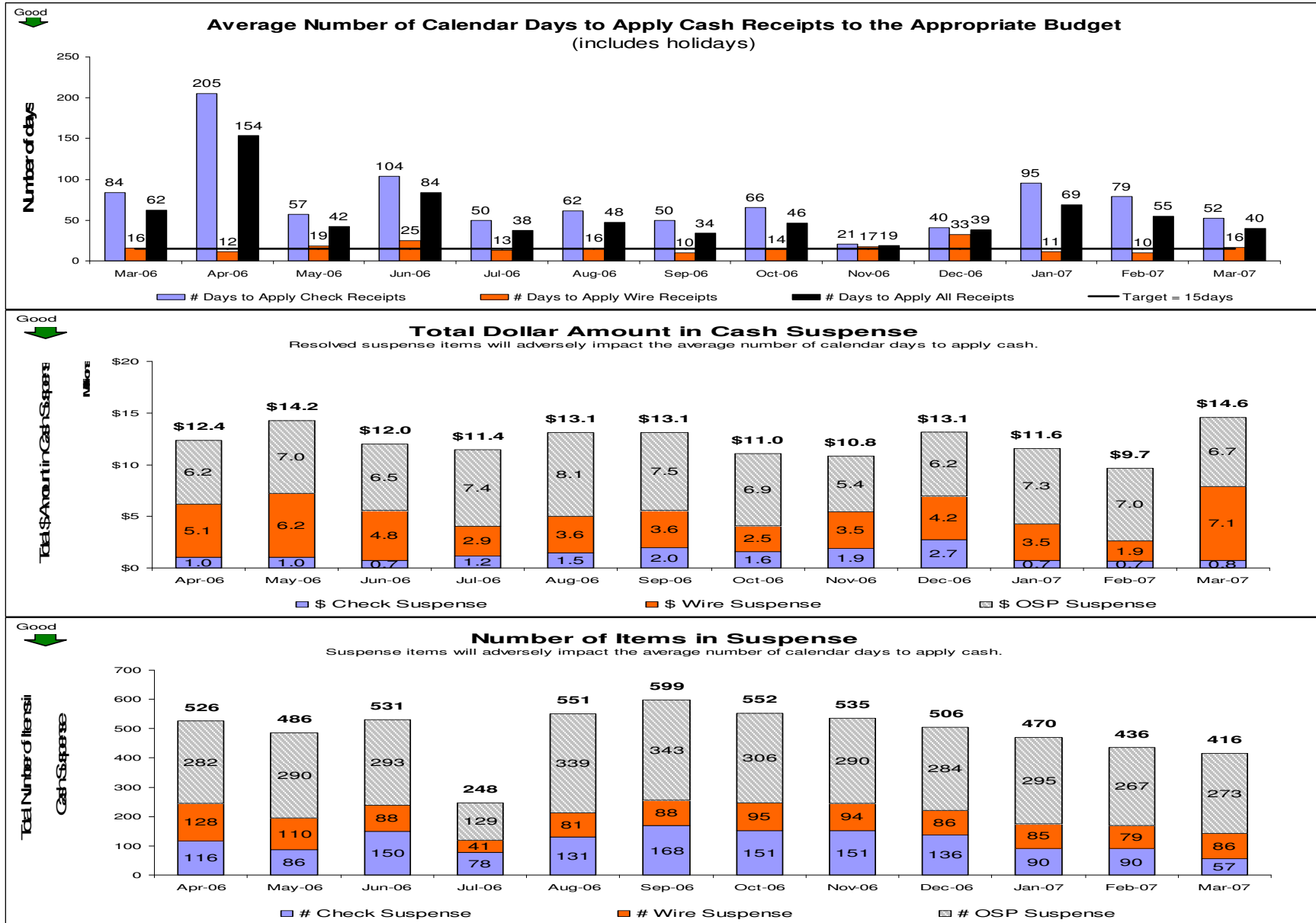
Number of internal rates within the proposal?

Reviewers level of experience / expertise on proposal preparation. Has the person preparing the proposal worked on it previously?

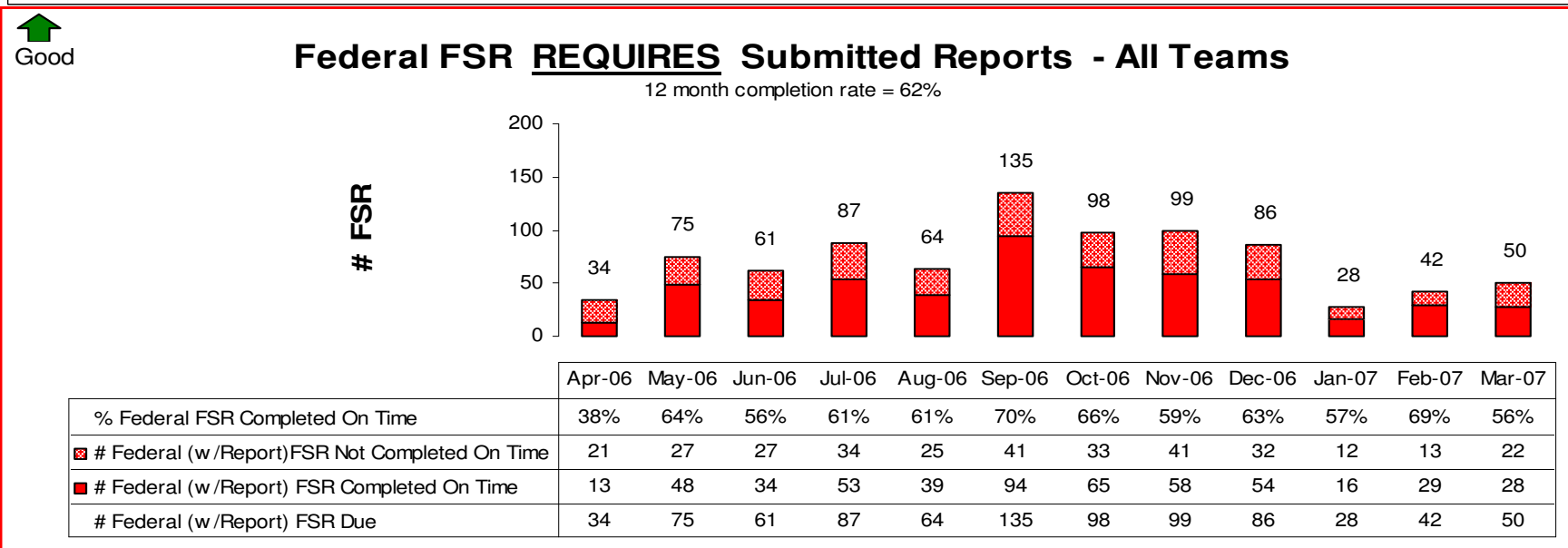
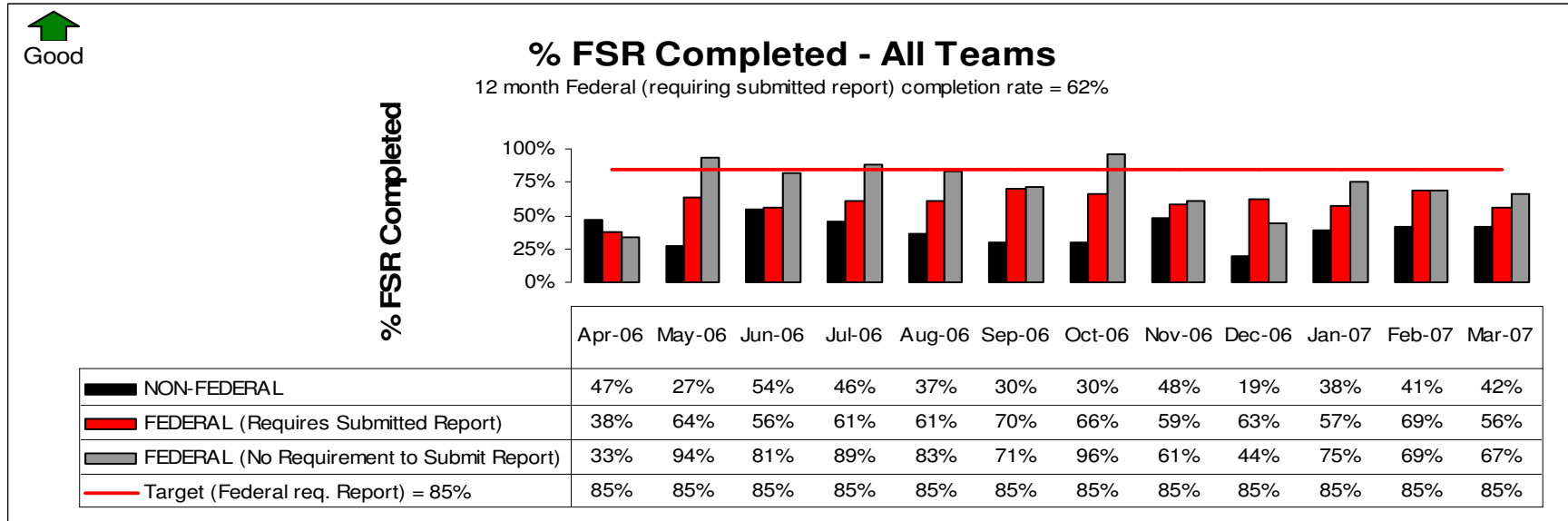
Is this proposal for a new or established center? Is this a University-wide center?

Are there significant changes from prior approved proposal?

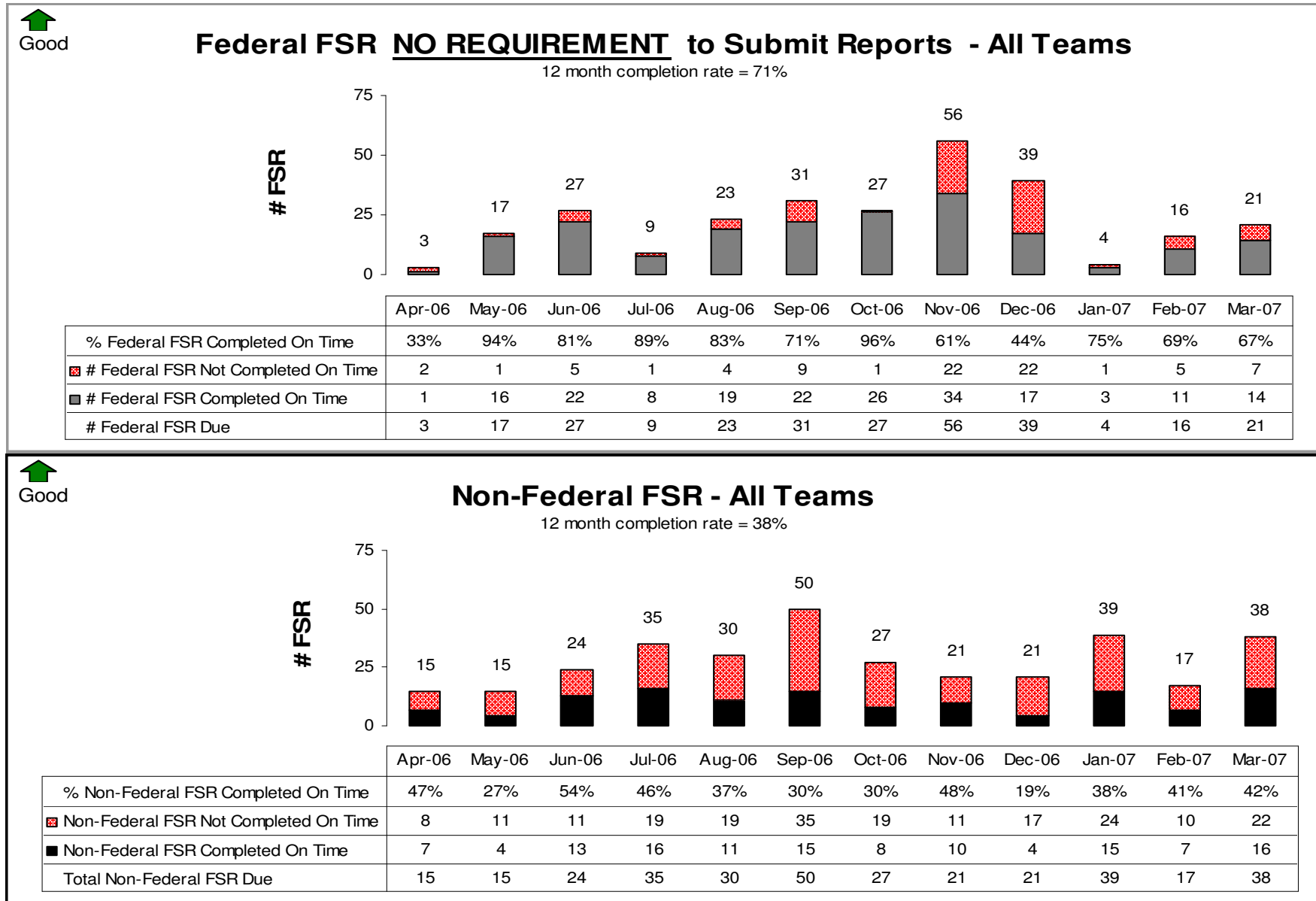
(5) CASH APPLIED



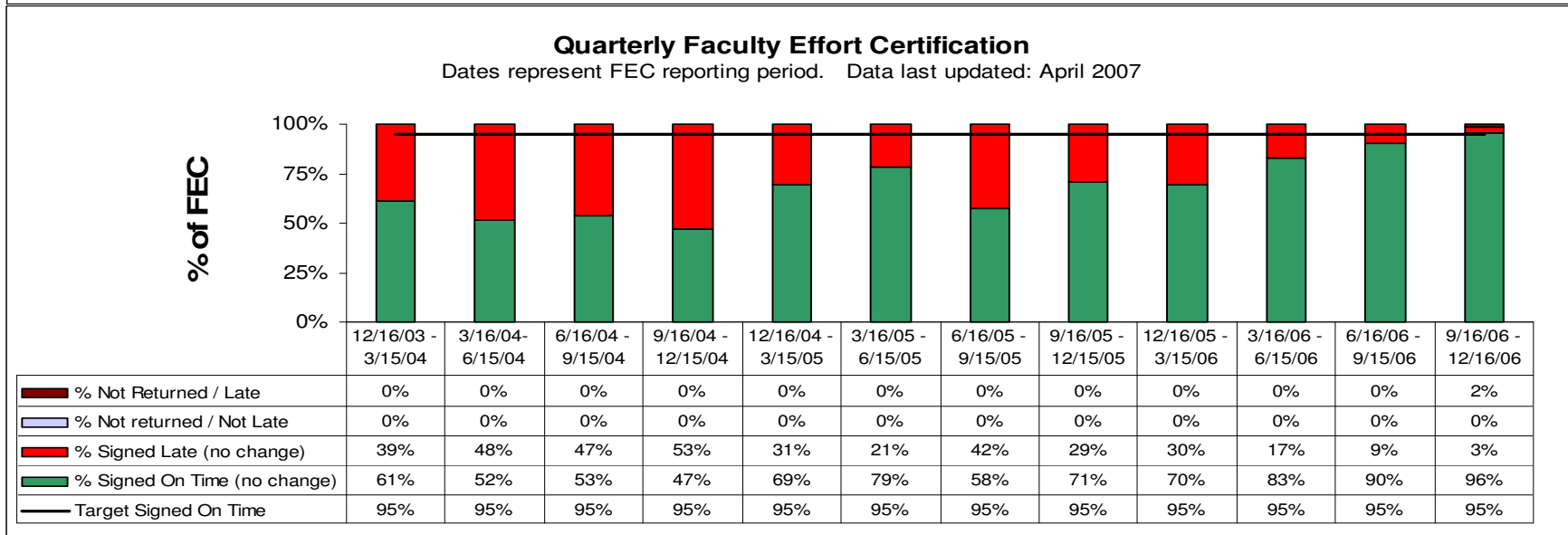
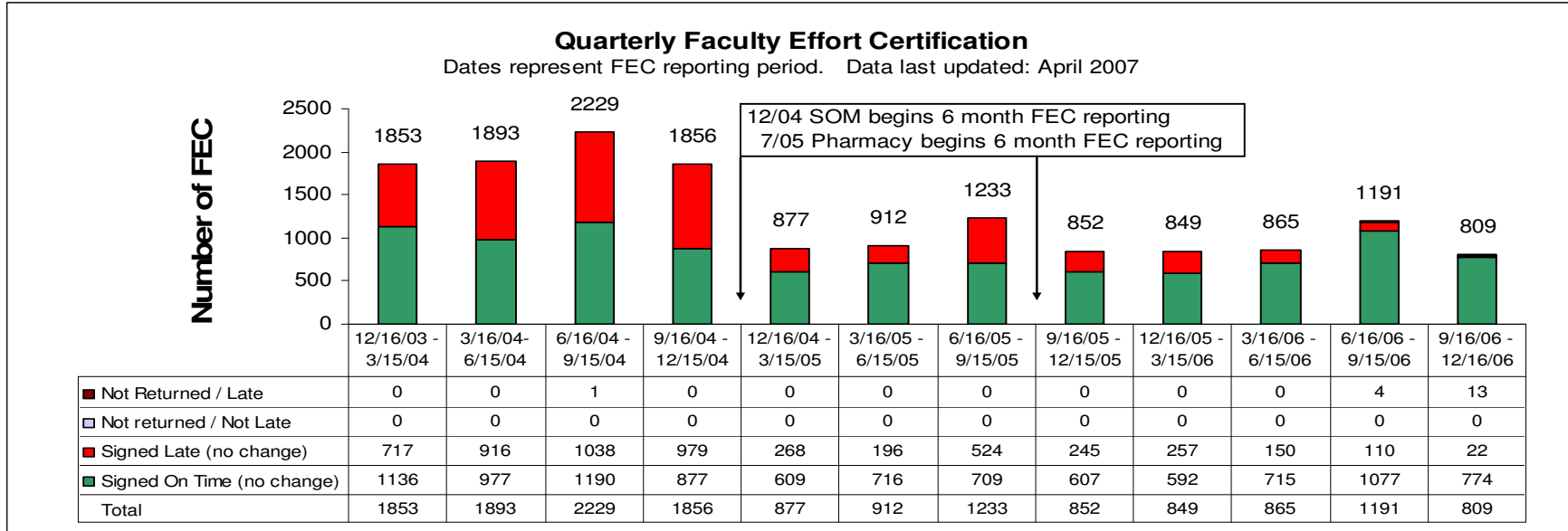
(6) FINANCIAL STATUS REPORTS – All Teams



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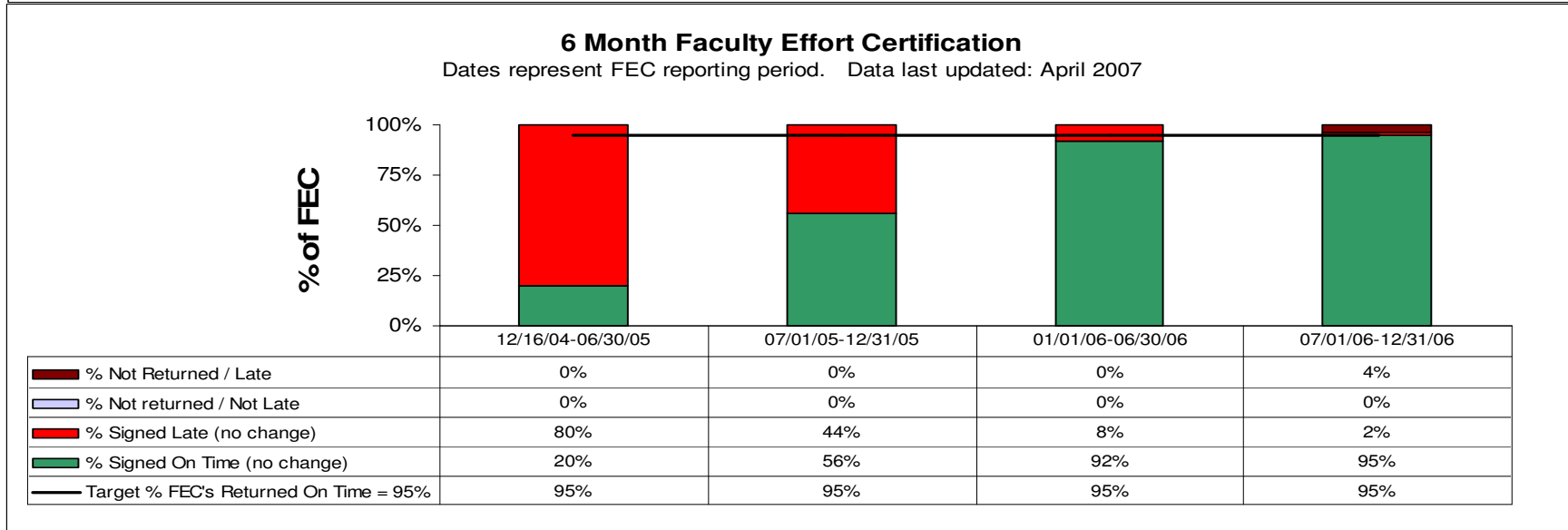
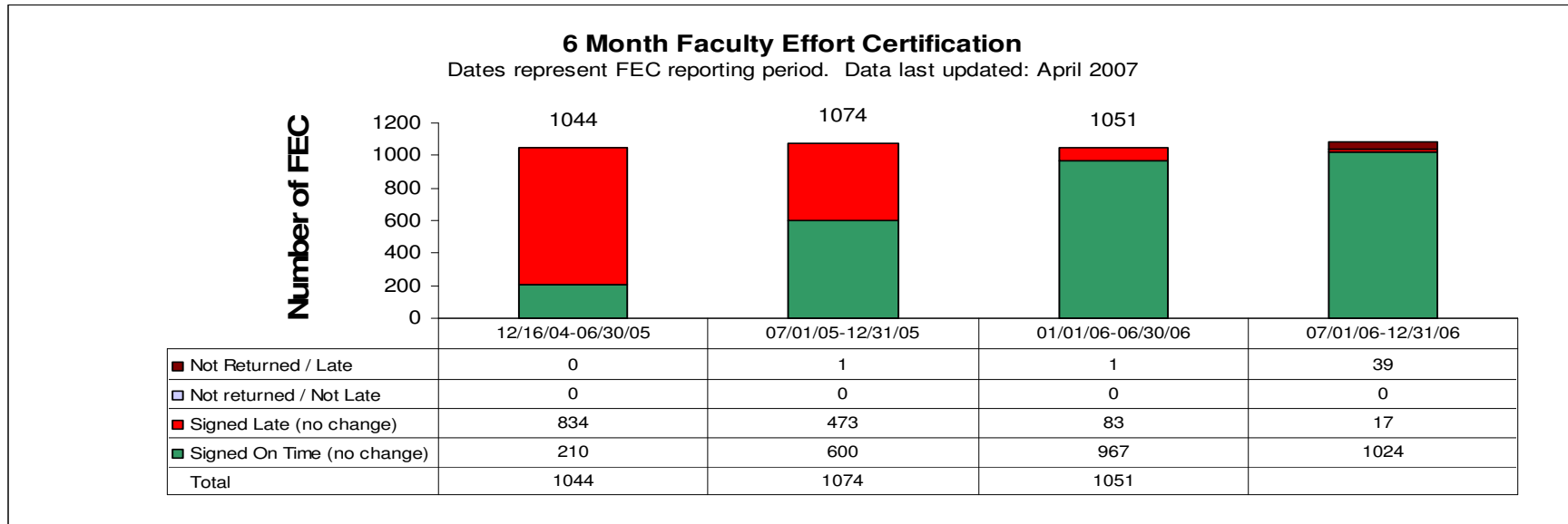


(7A) FACULTY EFFORT CERTIFICATION FEC (3 month)



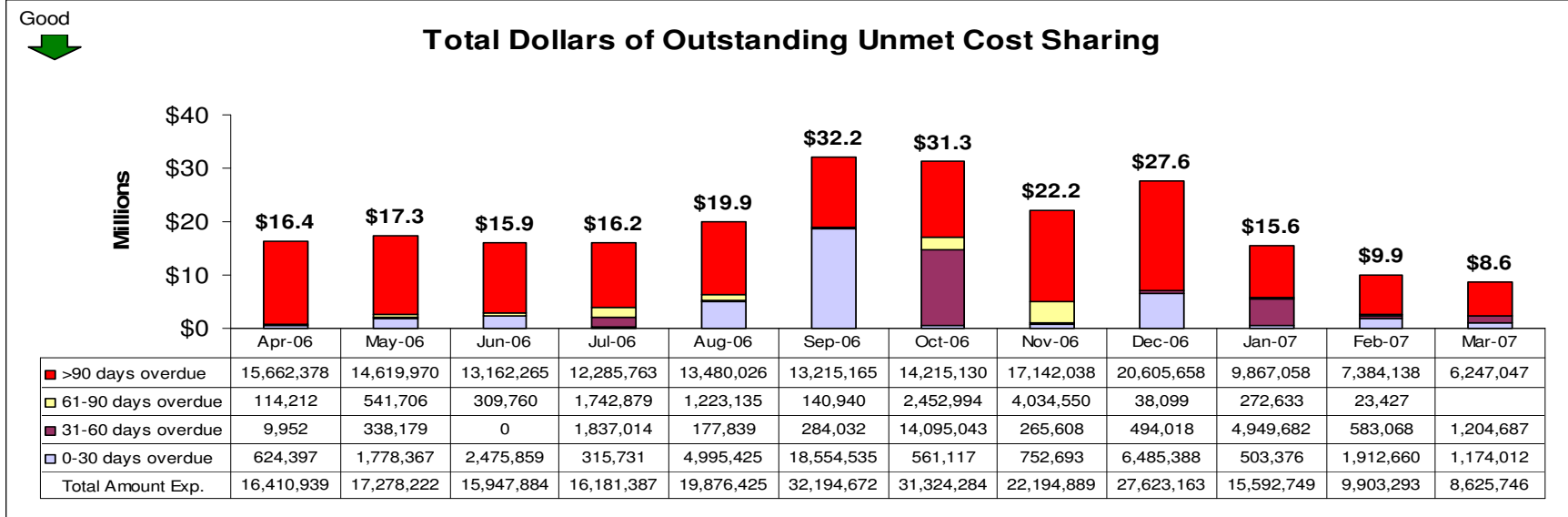
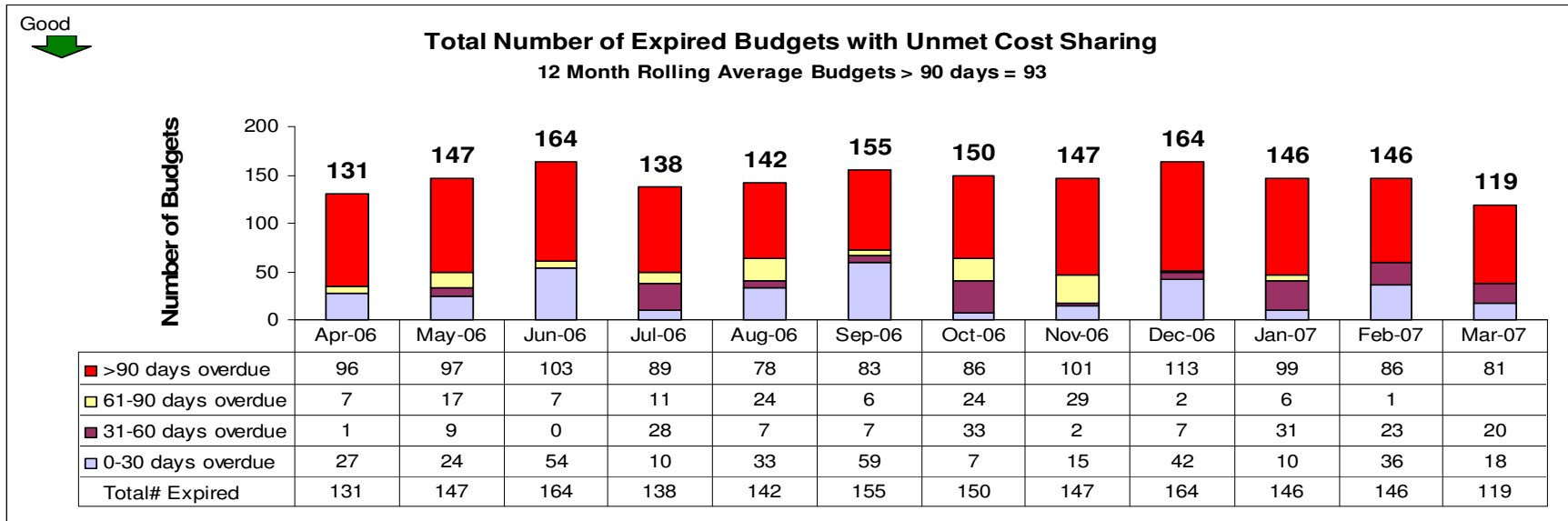
Note: FEC's maybe newly issued for prior periods and will affect historical count when comparing between dashboards.

(7B) FACULTY EFFORT CERTIFICATION FEC (6 month)



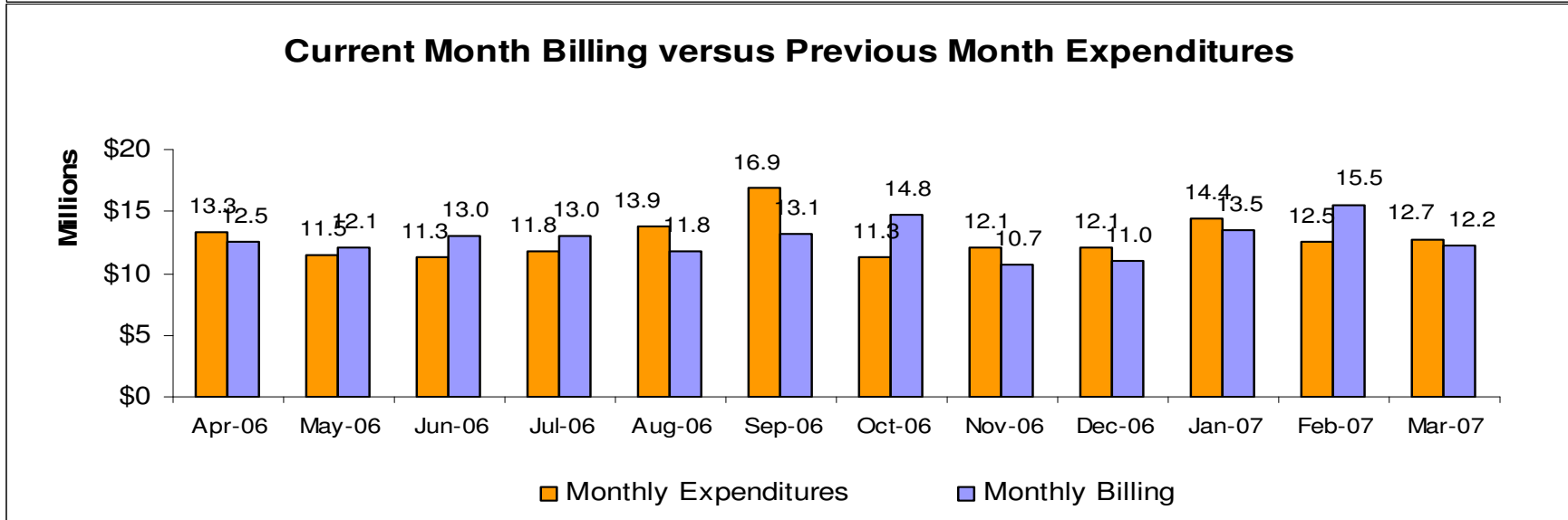
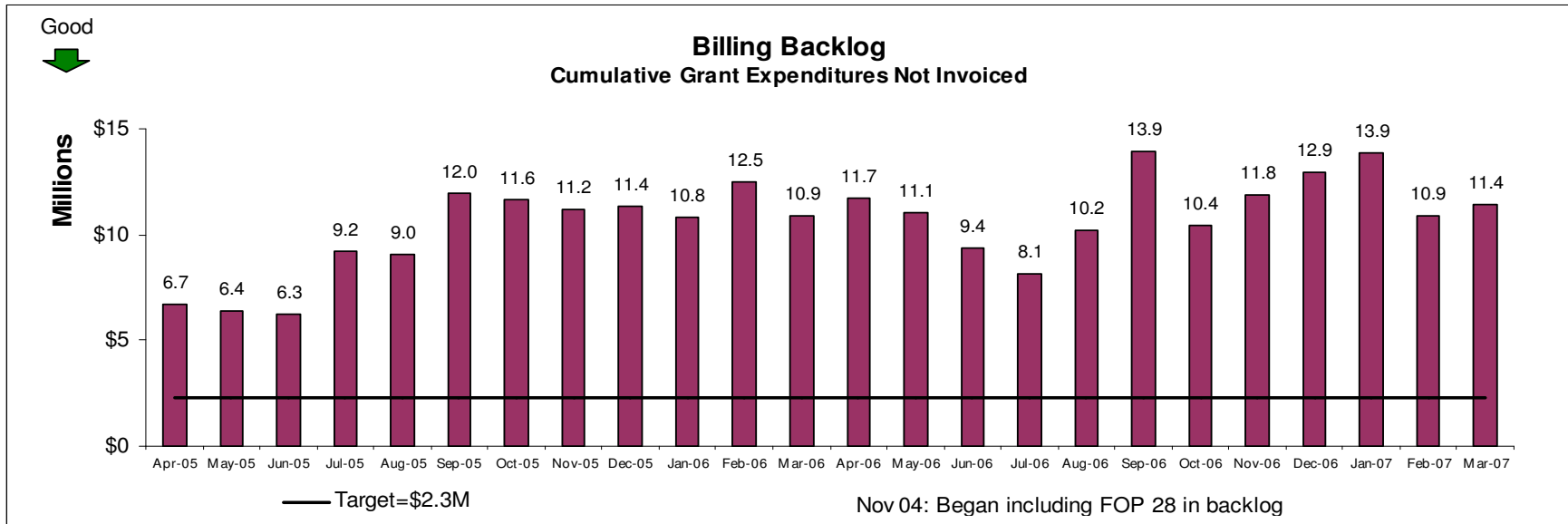
Note: FEC's maybe newly issued for prior periods and will affect historical count when comparing between dashboards.

(8) COST SHARE – All Teams



Note: Cost share includes committed and mandatory.

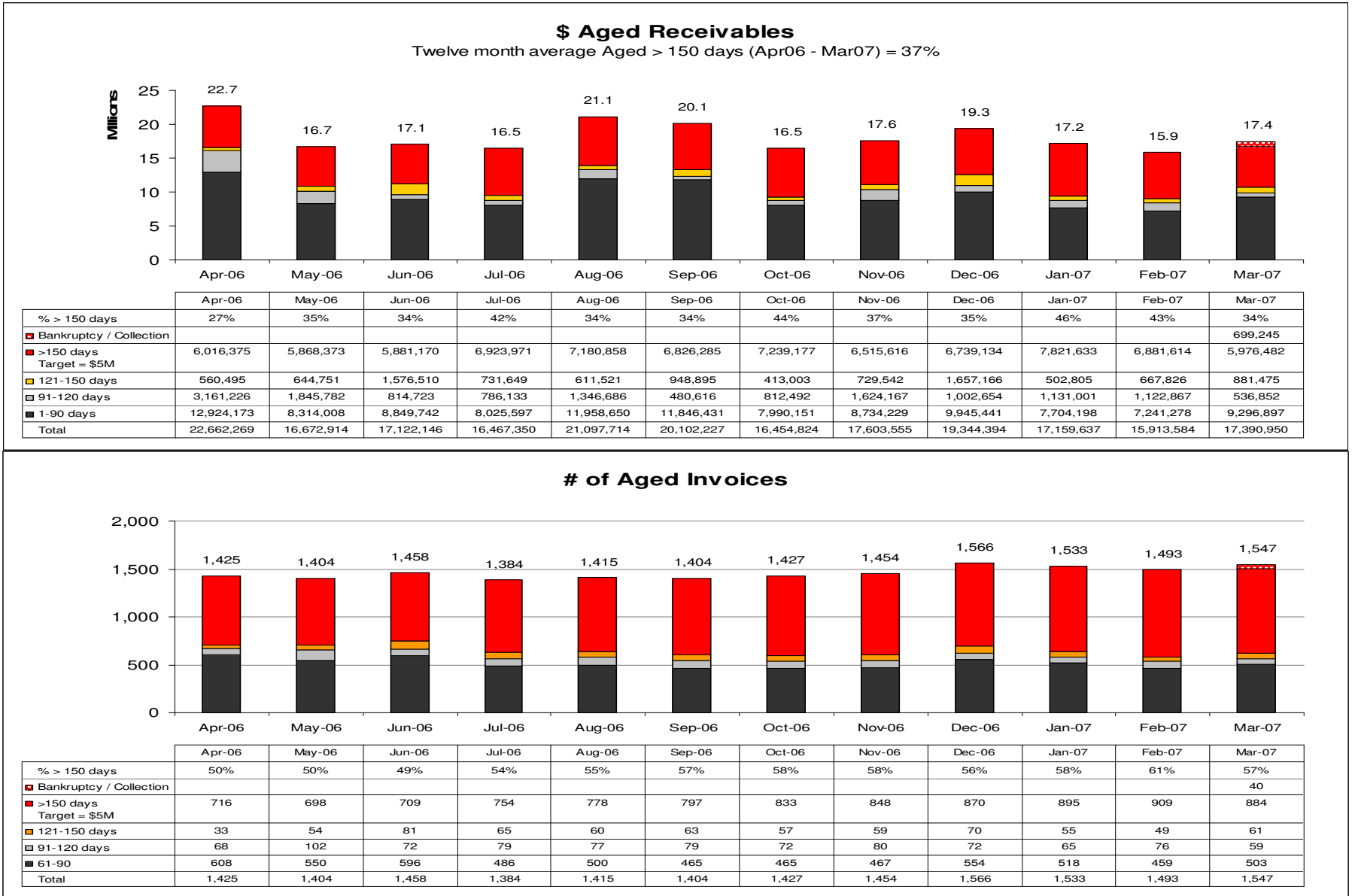
(9) BILLING



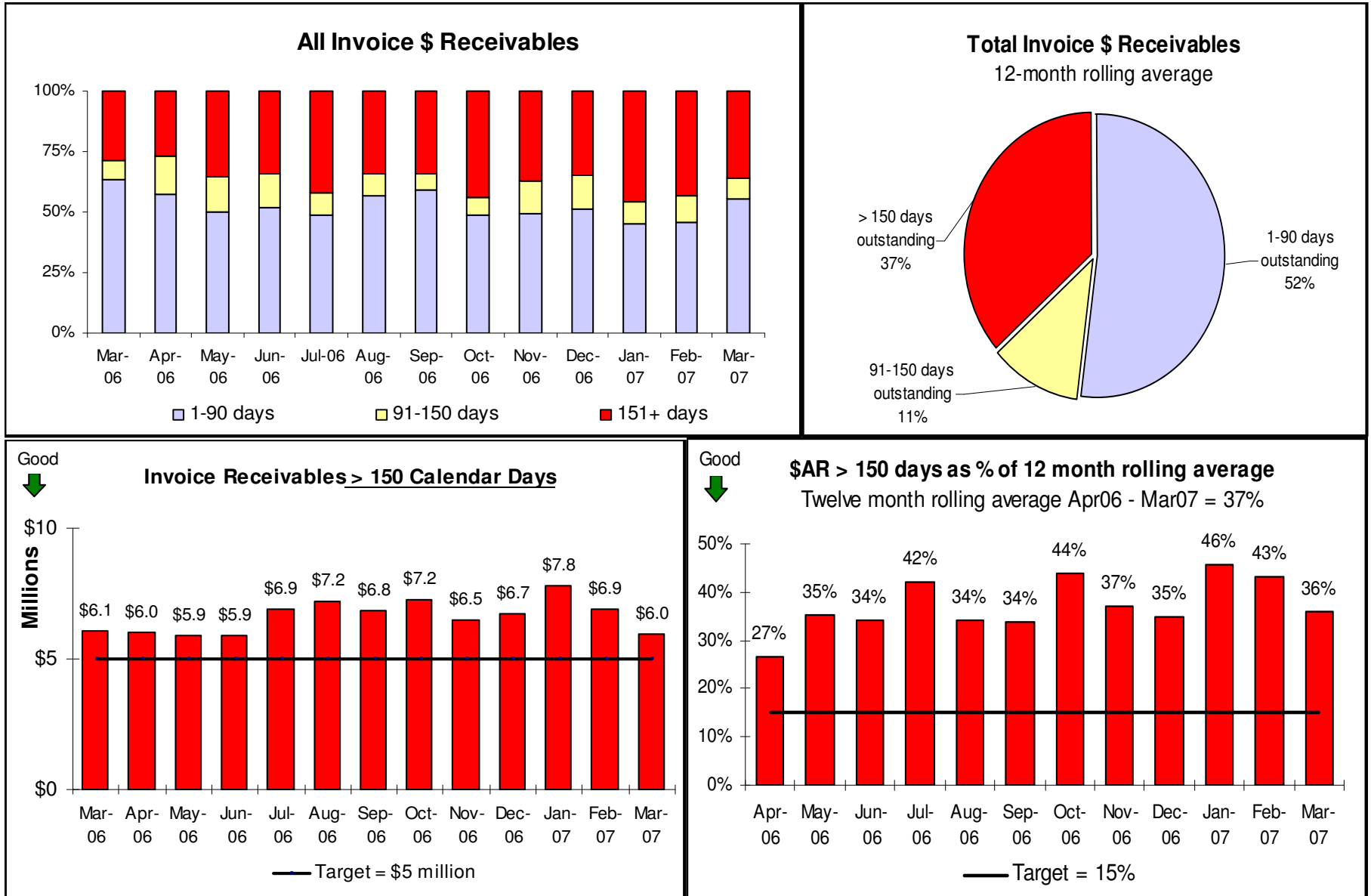
* Expenditures = Current monthly billing + change in cumulative unbilled

(10) AGED (INVOICE) RECEIVABLES

New Graph w/Collections

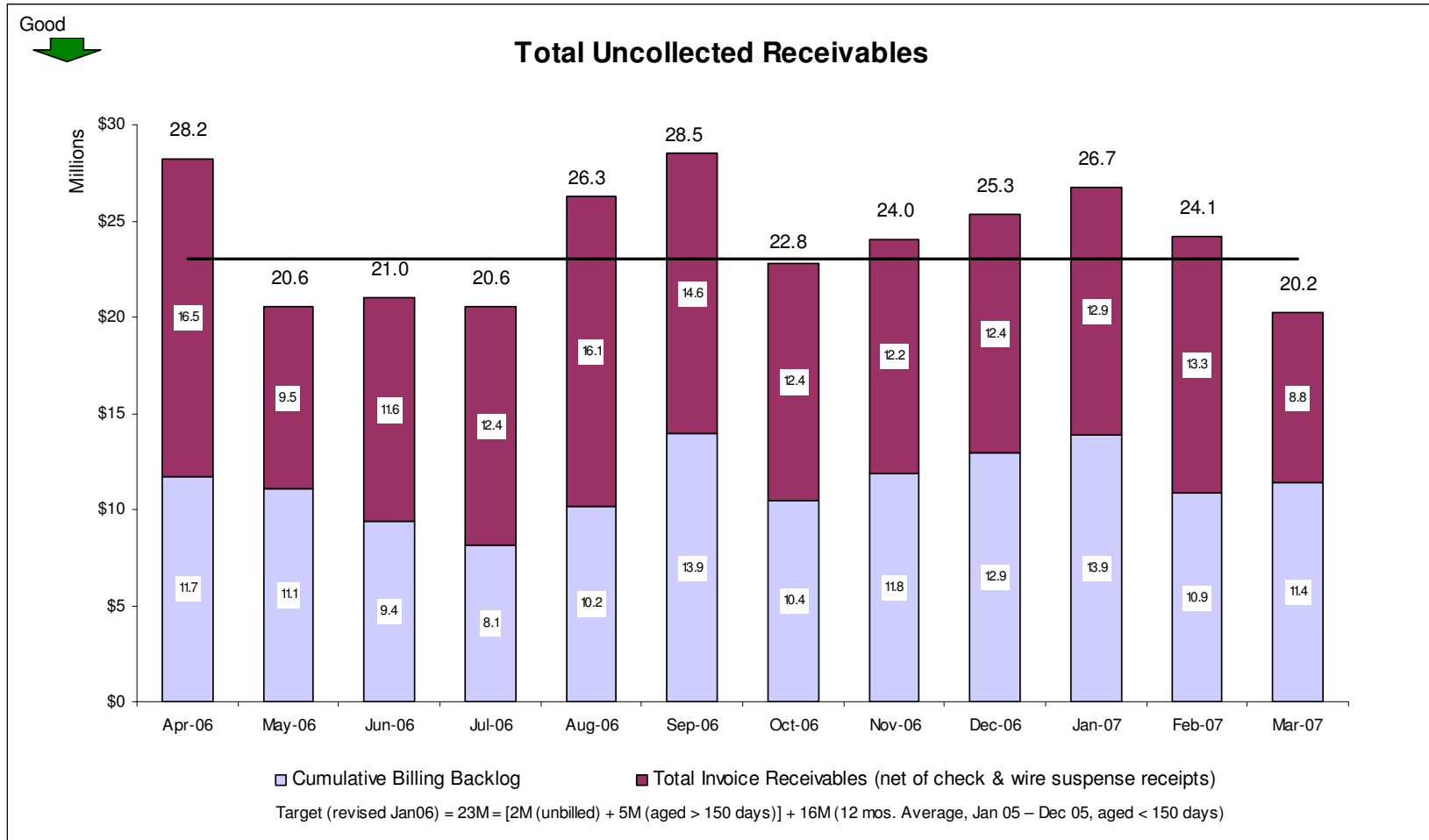


(10) AGED (INVOICE) RECEIVABLES



Note: Included within Aged are items sent for collections that are now beyond GCA's control (see new graph above)

(11) TOTAL UNCOLLECTED (BILLING & AGED RECEIVABLES)



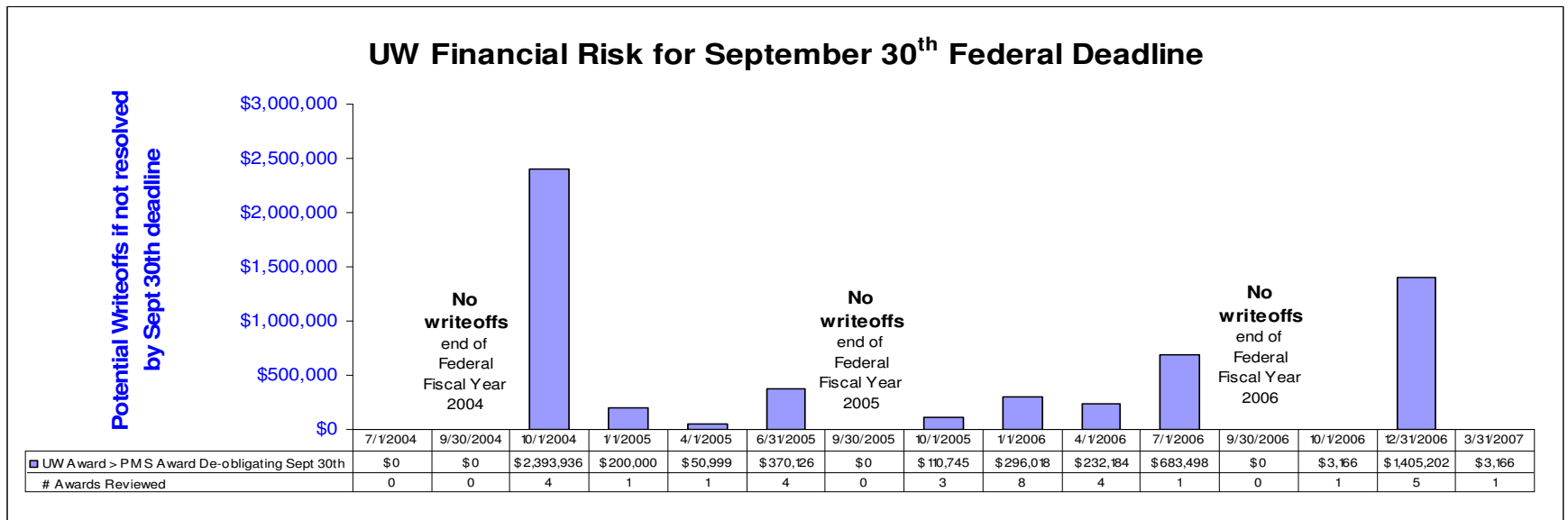
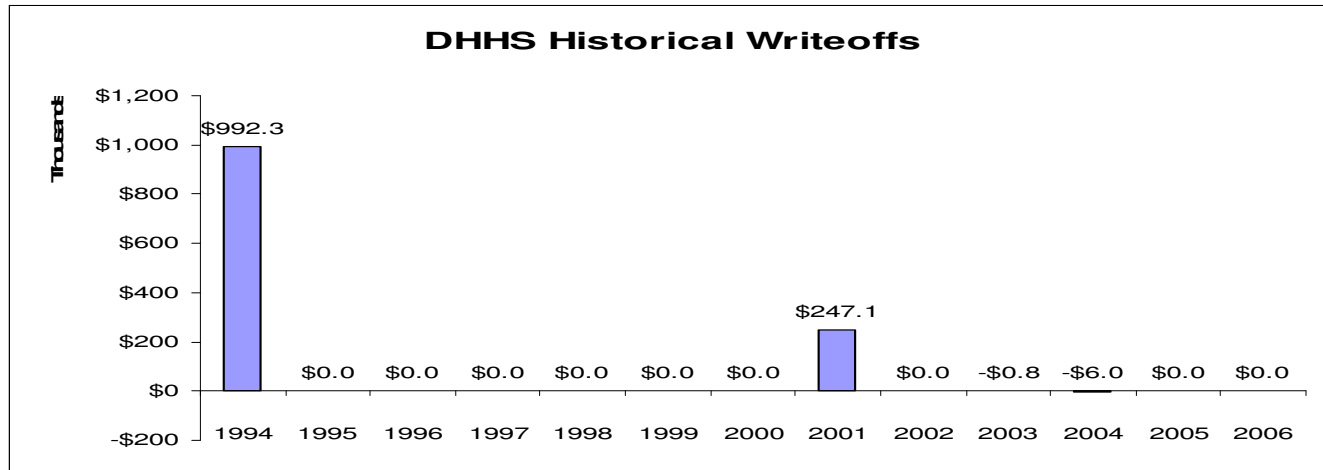
This measure represents the Uncollected Receivables for Cost-Reimbursable Grant & Contracts. Receivables can either be:

1. Cost reimbursable expenditures awaiting invoice (see bottom blue graph)
2. Invoiced expenditures and schedule payment awaiting sponsor remittance (see top red graph)

The following are excluded from this measure:

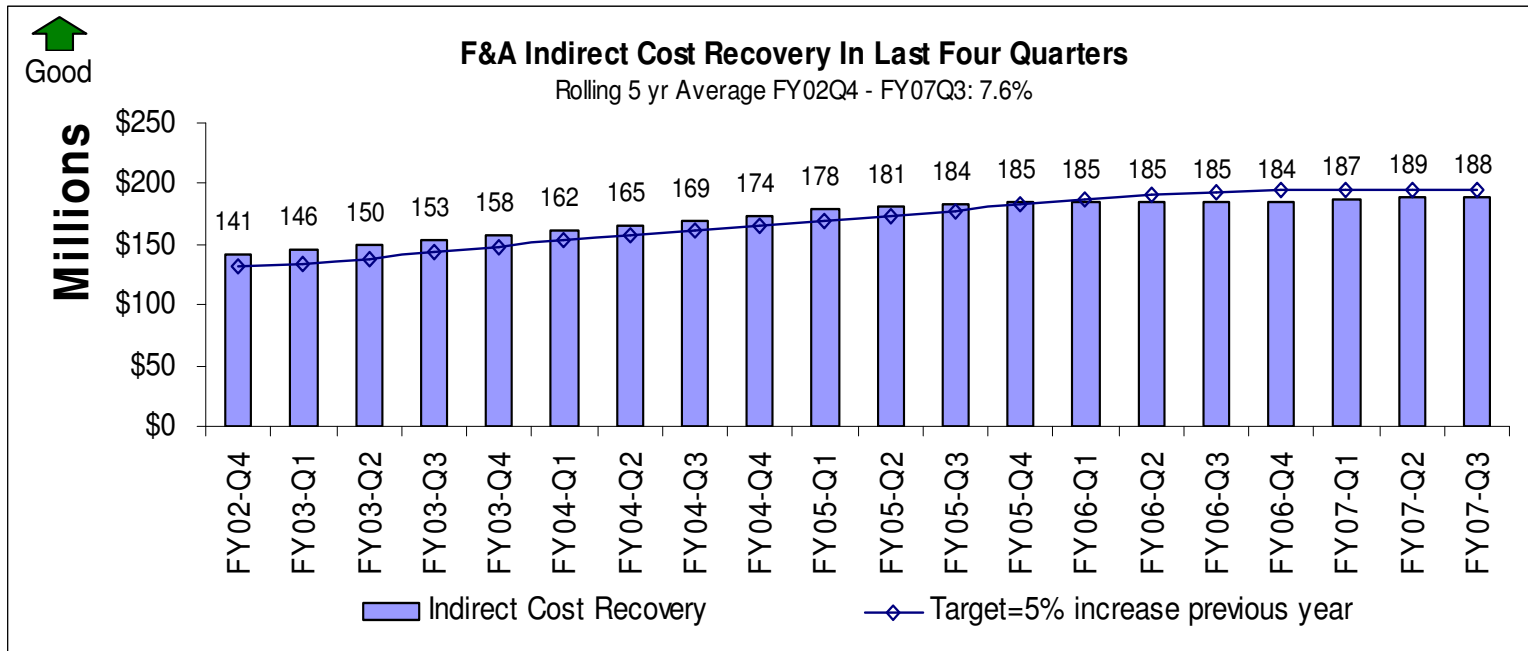
- Deficits & Advances - UW is solely responsible for expenditures resulting in a deficit or advance
- Letter of Credit - typically are drawn and paid in full the following business day.

(12) DEPARTMENT OF HEALTH & HUMAN SERVICES - DHHS

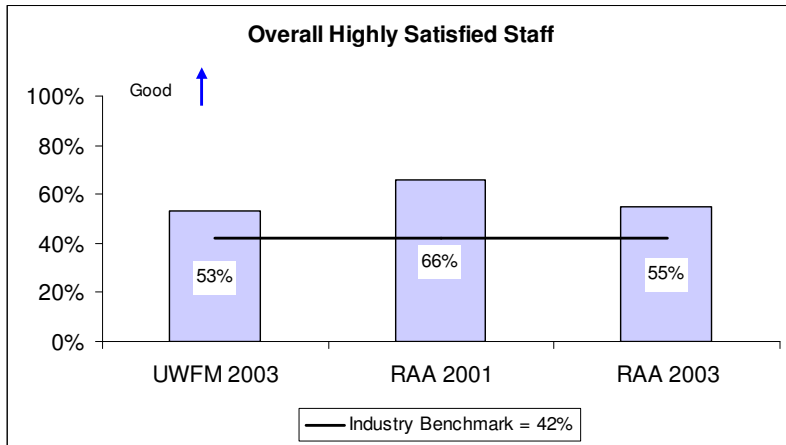


Risk = budgets that will de-obligate on Sept 30 where UW Award > NIH Payment Management System
 # Awards Reviewed = number of grants and contracts where UW award > PMS award

(13) FACILITIES & ADMINISTRATION (INDIRECT) COSTS

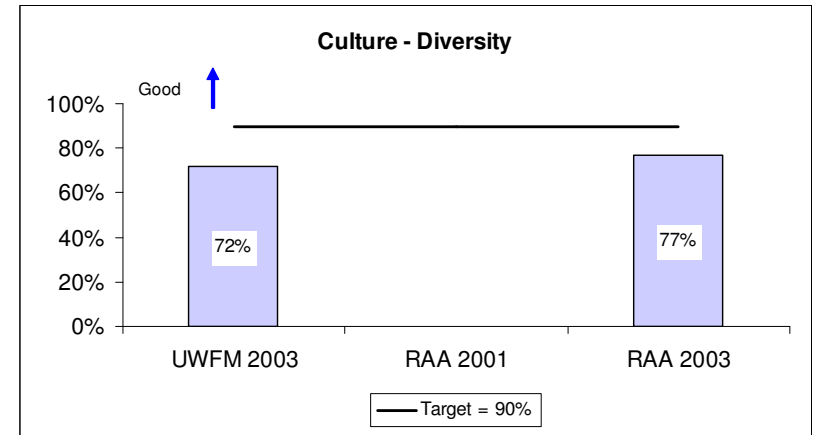


(14) EMPLOYEE SATISFACTION



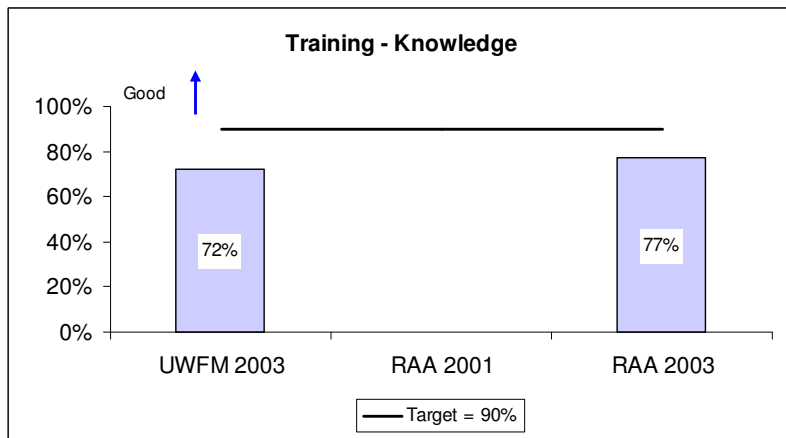
Source: 2003 RAA Employee Survey
Overall satisfaction of highly satisfied staff.

(15) CULTURE AND DIVERSITY



Source: 2003 RAA Employee Survey
I believe that making this organization more diverse will make the organization better overall.

(16) TRAINING AND KNOWLEDGE



Source: 2003 RAA Employee Survey
I have the training I need to create and share knowledge

DEFINITIONS

Additional definitions maybe found here: <http://www.washington.edu/research/guide/glossary.html>

| | |
|-------------------|---|
| Cost Share | <p>Cost Share Cost sharing is the portion of project or program cost not borne by the sponsor. It is the University's share of the cost of research.</p> |
| FEC | <p>Faculty Effort Certification</p> <p>Faculty effort is the time that faculty spend on instruction, research, patient care, administration, etc., which is compensated by the University of Washington. (FEC) reports are forms faculty complete to document:</p> <ul style="list-style-type: none"> • Effort paid from both Federal and Non-Federal sponsored projects, which include grants and contracts. • Cost sharing performed on Federal and Non-Federal sponsored projects, which include grants and contracts. |
| FSR | <p>Financial Status Reports</p> <p>A Financial Status Report (FSR) is a statement of expenditures sent to the sponsor of a grant or contract. It is prepared and submitted by Grant and Contract Accounting (GCA) on behalf of the Principal Investigator (PI). FSR can be further segmented by: (Federal versus non-Federal) or (Letter of Credit versus non-Letter of Credit).</p> |
| GCA | <p>Grant & Contract Accounting</p> <p>GCA is UW central administration office for post-award (OSP is UW central administration office for pre-award). GCA's responsibility includes creating a budget for the award in the University financial system, completing financial reports, invoicing, collecting funds, document cost-share, and budget closing.</p> |
| IDC | <p>Indirect Cost</p> <p>Indirect Costs (aka facilities and administrative) costs are those incurred for common or joint objectives and cannot be identified readily and specifically with a particular sponsored project.</p> |
| LOC | <p>Letter of Credit</p> <p>In the context of GCA (Grant & Contract Accounting), LOC represents a means to differentiate FSR (Financial Status Report). A compliant completion of LOC FSR provides a favorable setting for the institution to receive expanded authorities.</p> |
| MAA | <p>Management Accounting & Analysis</p> <p>UW central administration office responsible for setting and negotiating the University's IDC (Indirect Cost) rate, recharge center rates, and documenting FEC forms (Faculty Effort Certification)</p> |
| NEA | <p>Notice to Establish Account</p> <p>A NEA (Notice to Establish Account) is a form used by Office of Sponsored Programs to formally notify the Grant and Contract Accounting office to establish, extend, supplement or reduce a budget number for a grant/contract award.</p> <p>When a sponsor approves an award, a formal notice is sent by the sponsoring agency to the University's Office of Sponsored Programs. This notice is usually in the form of a grant or a contract. The Office of Sponsored Programs issues a Notice to Establish Account (NEA). The NEA is sent to Grant and Contract Accounting who will then establish a budget for the amount of the award.</p> |

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| | |
|-------------------------|---|
| OSP | Office of Sponsored Projects OSP is UW central administration office for pre-award. |
| RAA | Research Accounting & Analysis The combined organization of GCA (Grant & Contract Accounting) & MAA (Management Accounting & Analysis) |
| Recharge Centers | Recharge Centers Recharge and cost centers are organizational units or activities that provide goods and services primarily to internal university operations and secondarily to external users, and charge the users for these services. |
| RTE | Request to Transfer Expenditures A transfer of expenditures between budgets. |
| Wires | Wires & Electronic Fund Transfers Wires represent the electronic transfer of funds from the sponsoring agency to University bank accounts. Wires typically take the form of an electronic fund transfer (EFT). |