



Research Accounting & Analysis

University of Washington
Operational Performance Dashboard

December 2007

Fiscal Year 08 – Quarter 2

Version Date: 03.31.08

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.

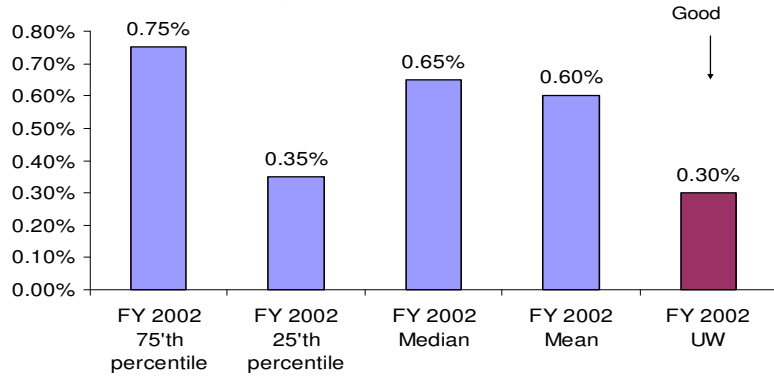
Key processes include:

Prompt New Award Setup, Accurate Reporting, Timely Invoicing, Full Compliance, Responsible Cash Management, Efficient Recharge Accounting Oversight, Comprehensive Development and Negotiation of F&A Indirect Cost Rates.

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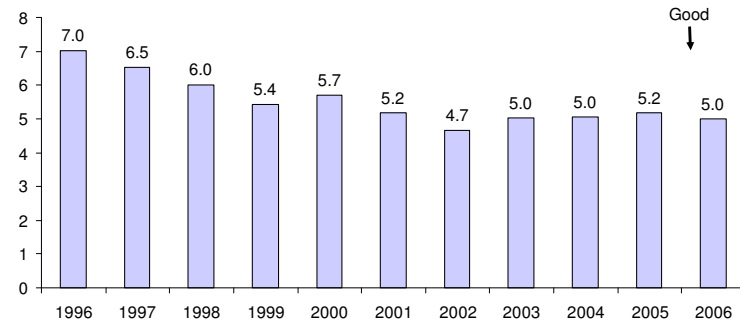
Research Accounting and Analysis

National Benchmark



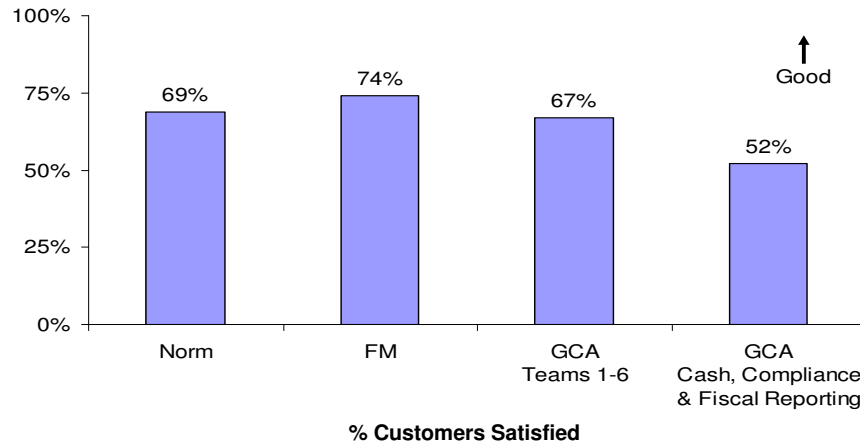
Post-award Administrative Costs as a % of Total Sponsored Project Costs
 (Source: Preliminary data from Bearing Point survey, October 2003)

Efficiency

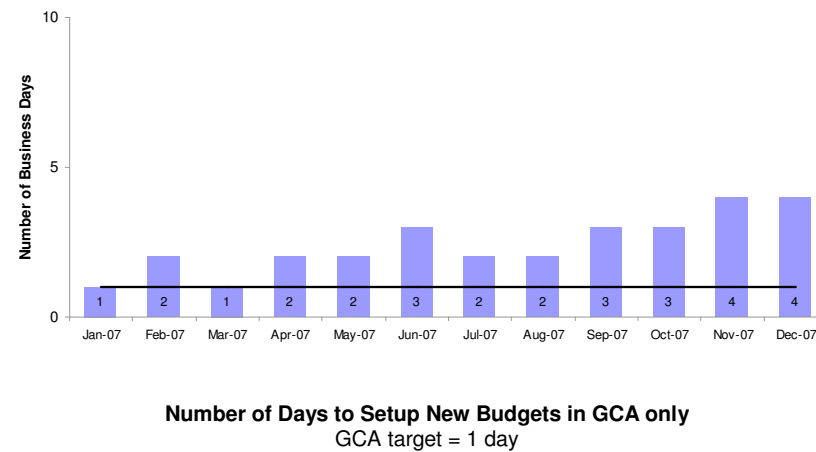


Hours Required to Manage One Budget, FY 1996-2006

2005 Customer Satisfaction Survey



New Budget Setup



Research Accounting & Analysis

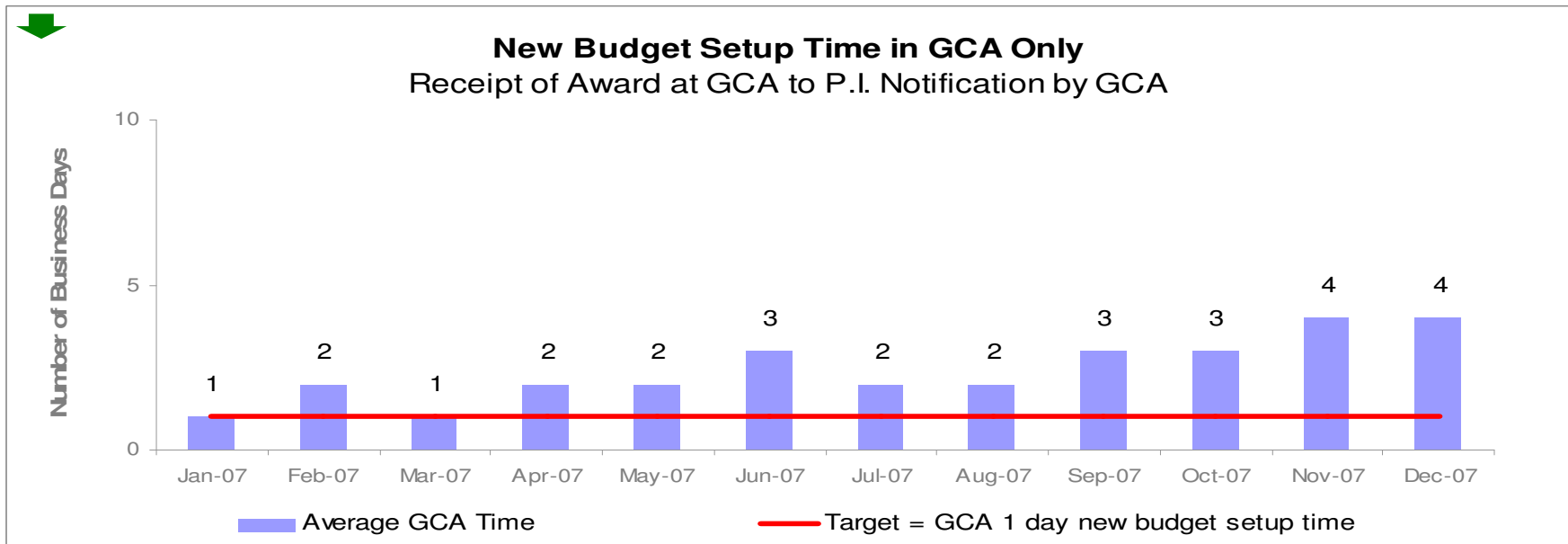
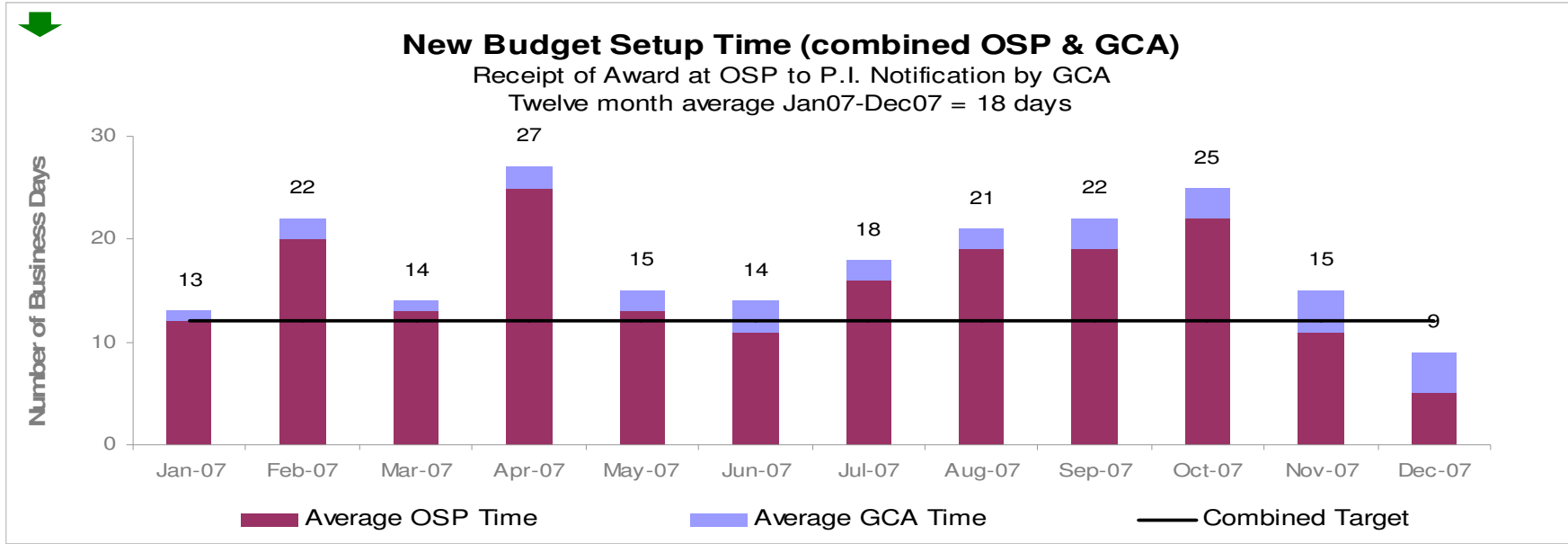
Operational Performance Dashboard

December 2007
Fiscal Year 08 – Quarter 2

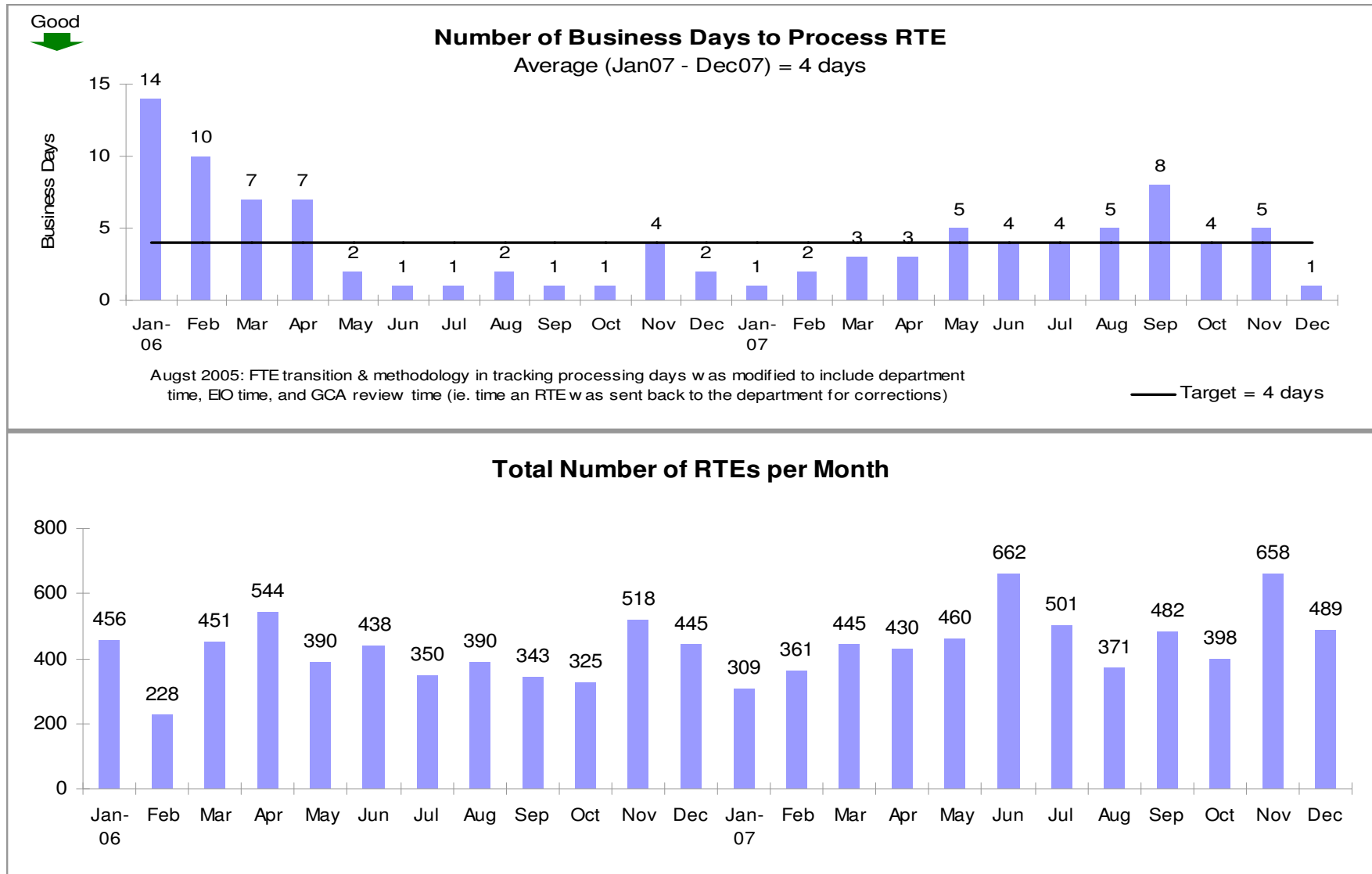
| Process / Measure | Current Dec07 | Target | Current Gap Dec 07 | Prior Gap Sep 07 | Process / Measure | Current Dec07 | Target | Current Gap Dec 07 | Prior Gap Sep 07 |
|---|--------------------------|------------|--------------------|------------------|--|---------------|-------------------|--------------------|------------------|
| CUSTOMER | | | | | FINANCIAL | | | | |
| 1) NEW BUDGETS Average number of business days to setup a new award (from award receipt in OSP to PI notification of active budget in GCA) * † | 18 days | 12 days | 6 days | 7 days | 9) BILLING Billing Backlog –cumulative cost-reimbursable grant expenditures not yet invoiced. | \$12.3M | \$2.0M | \$10.3M | \$10.7M |
| 2) REQUEST TO TRANSFER EXPENDITURE Number of business days to process RTEs. † | 4 days | 4 days | No gap | No gap | 10) AGED RECEIVABLES Percent of unpaid invoices past 150 calendar days. † | 37% | 15% | 22% | 22% |
| 3) CLOSINGS Average number of calendar days to close a budget for current quarter. | 456 days | 320 days | 136 days | 134 days | 11) TOTAL UNCOLLECTED A combination of billing (#9) and aged receivables (#10). Total University's Accounts Receivable for cost-reimbursable research. | \$39.4M | \$23 M | \$16.4M | \$6.5M |
| 4) RECHARGE CENTERS Average number of calendar days to prepare, review, and approve proposals. Three targets for three levels of rate complexity. | See graph | See graph | No gap | No gap | 12) DHHS Potential Department Health & Human Services write-offs that will de-obligate on Sept 30/2008 | \$182K | \$0 | \$182K | No gap |
| | | | | | 13) F&A INDIRECT COST Percent of dollar increase from year to year (fiscal) for indirect-cost recovery. Rolling 5-year average.* | 5.9% | 5.0% | No gap | No gap |
| INTERNAL BUSINESS PROCESS | | | | | LEARNING & GROWTH | | | | |
| 5) CASH APPLIED (a) Average number of calendar days to apply cash receipts to the appropriate budget. (b) Number and dollar volume in Cash Suspense accounts. | 12 days | 15 days | No gap | 8 days | 14) STAFF SATISFACTION 2006 RAA Employee Survey - Highly Satisfied Employees | 55% (2006) | 42% Industry Avg. | No gap | No gap |
| 6) FINANCIAL STATUS REPORTS Percent of FSR submitted on time within Federal sponsor due date. † | 50% | 85% | 35% | 25% | 15) CULTURE & DIVERSITY 2006 RAA Employee Survey – FM Diversity Initiative has made a positive impact in FM. | 63% (2006) | | | |
| 7a) 3month Faculty Effort Certification Percent of FEC's signed on time. | 97% 6/15/07 – 9/16/07 | 95% | No gap | 6% | 16) TRAINING & KNOWLEDGE 2006 RAA Employee Survey – I am developing my skills as a Knowledge Worker | 84% (2006) | | | |
| 7b) 6 month Faculty Effort Certification Percent of FEC's signed on time. | 97% 1/1/07 – 6/30/07 | 95% | No gap | No gap | | | | | |
| 8) COST SHARE Number of budgets past 90 calendar days from the project end-date but still have unmet cost sharing. *† | 72 budgets | 30 budgets | 42 budgets | 51 budgets | | | | | |

† 12-month average

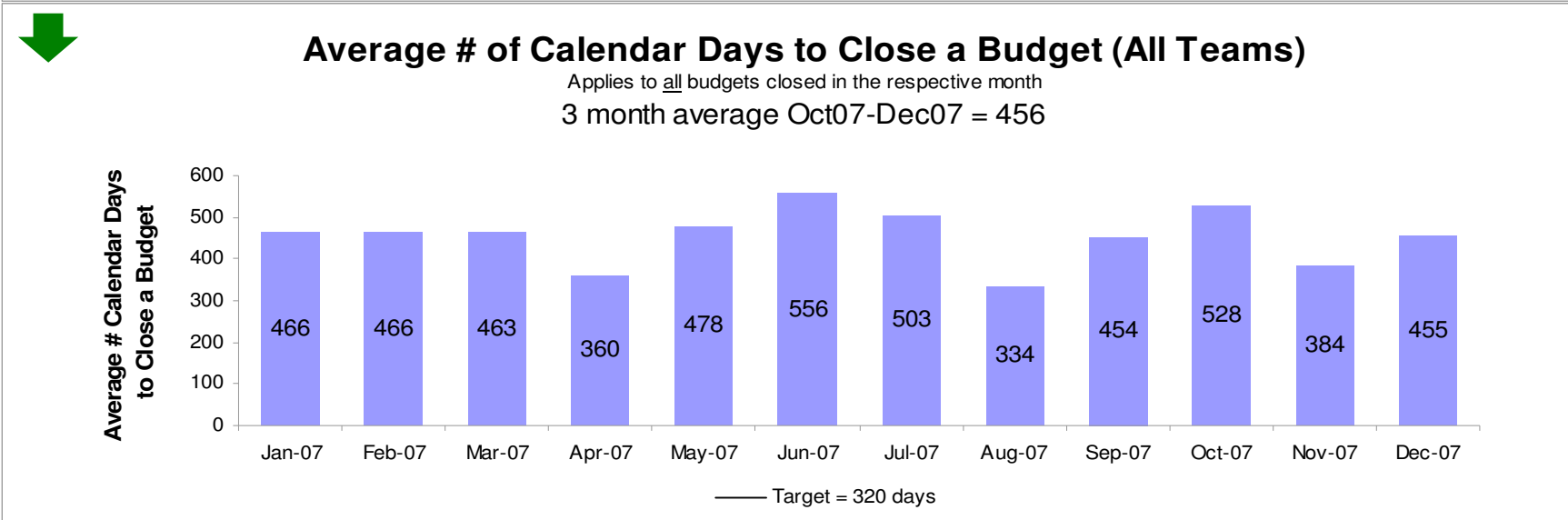
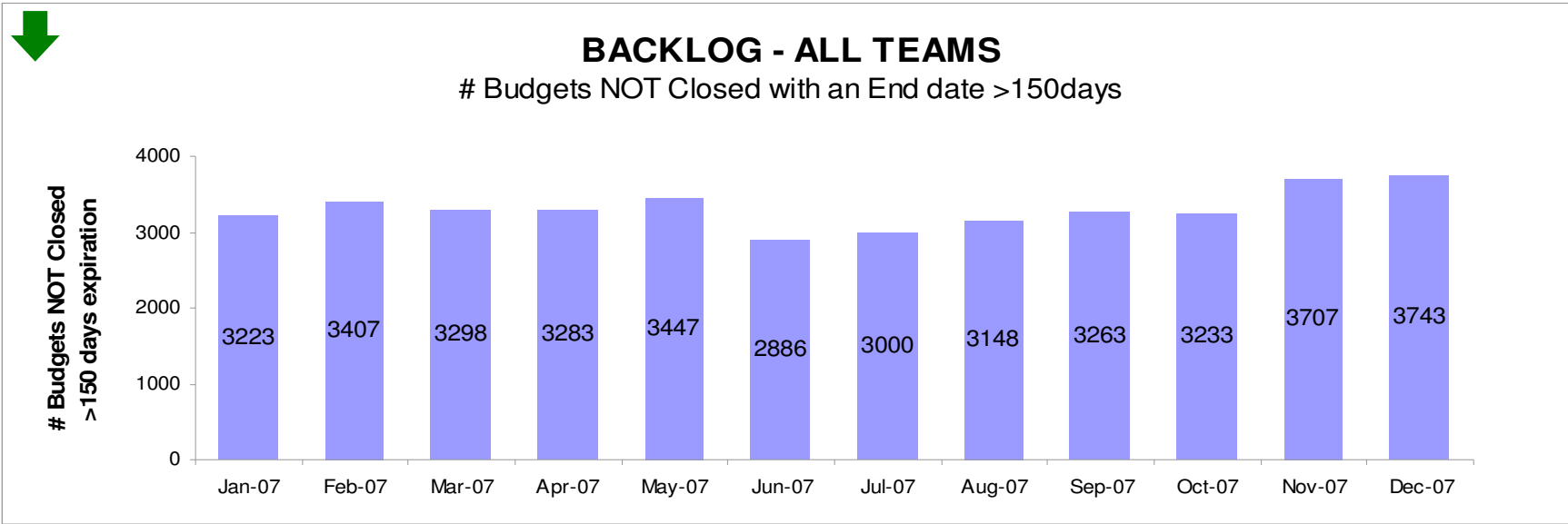
(1) NEW BUDGET SETUP TIME (All Teams)



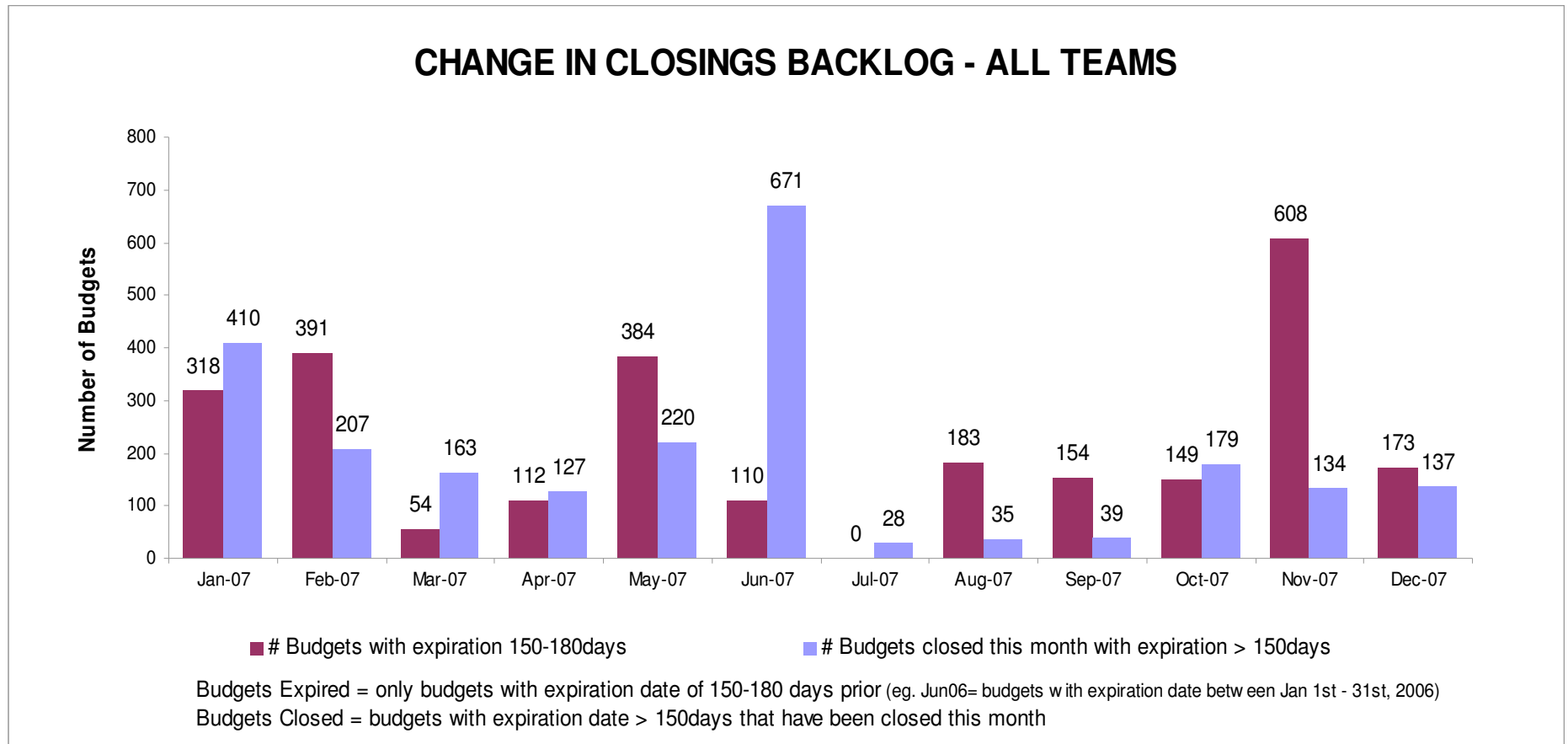
(2) REQUEST TO TRANSFER EXPENDITURES - RTE



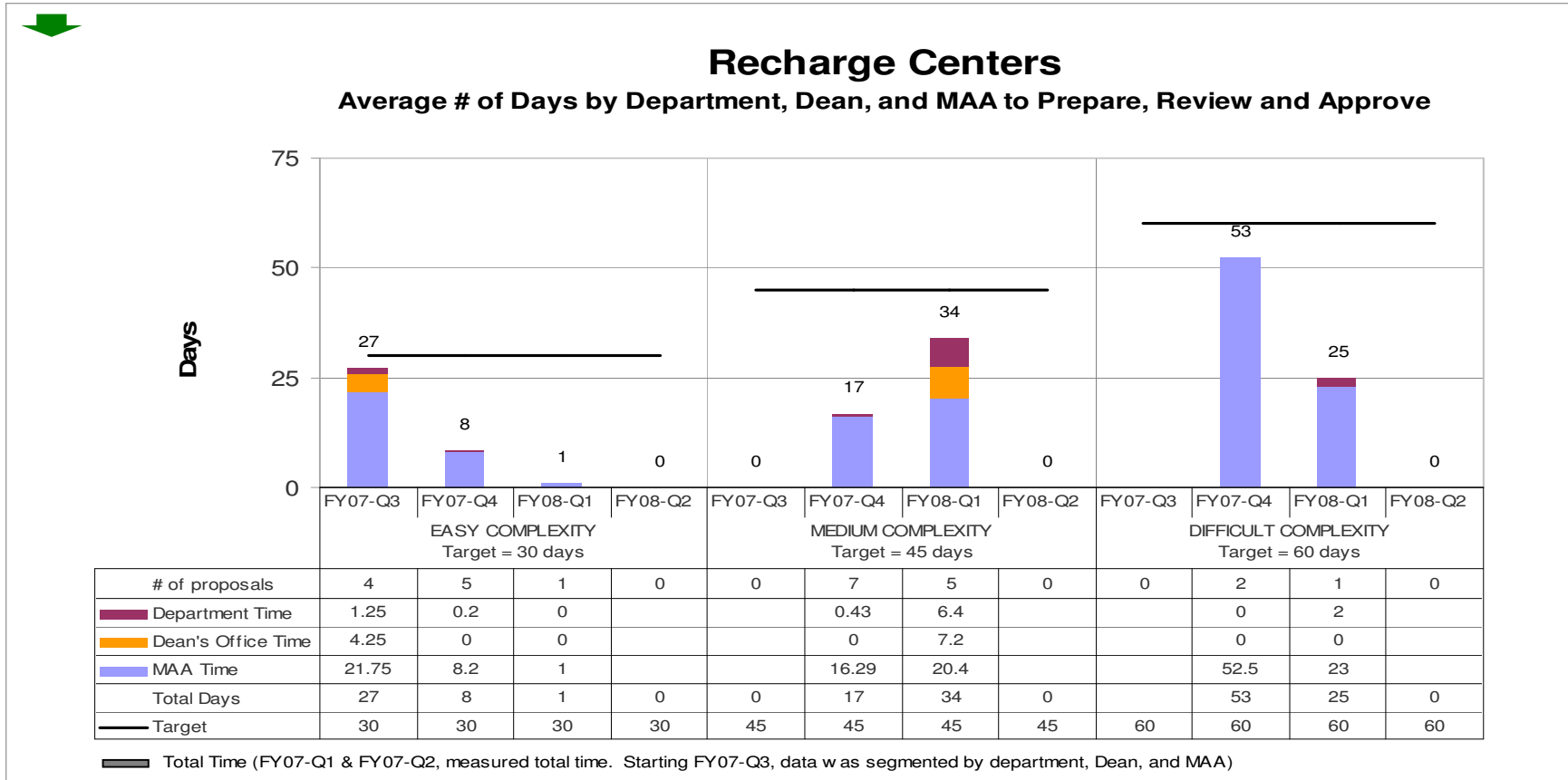
(3) CLOSINGS



(3) CLOSINGS



(4) RECHARGE CENTERS



The Recharge Measure represents the total amount of time required by Dean, Department and MAA to approve a recharge proposal (excluding proposal preparation time). Based on various factors (see below), proposals are classified into their relative complexity categories.

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.

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

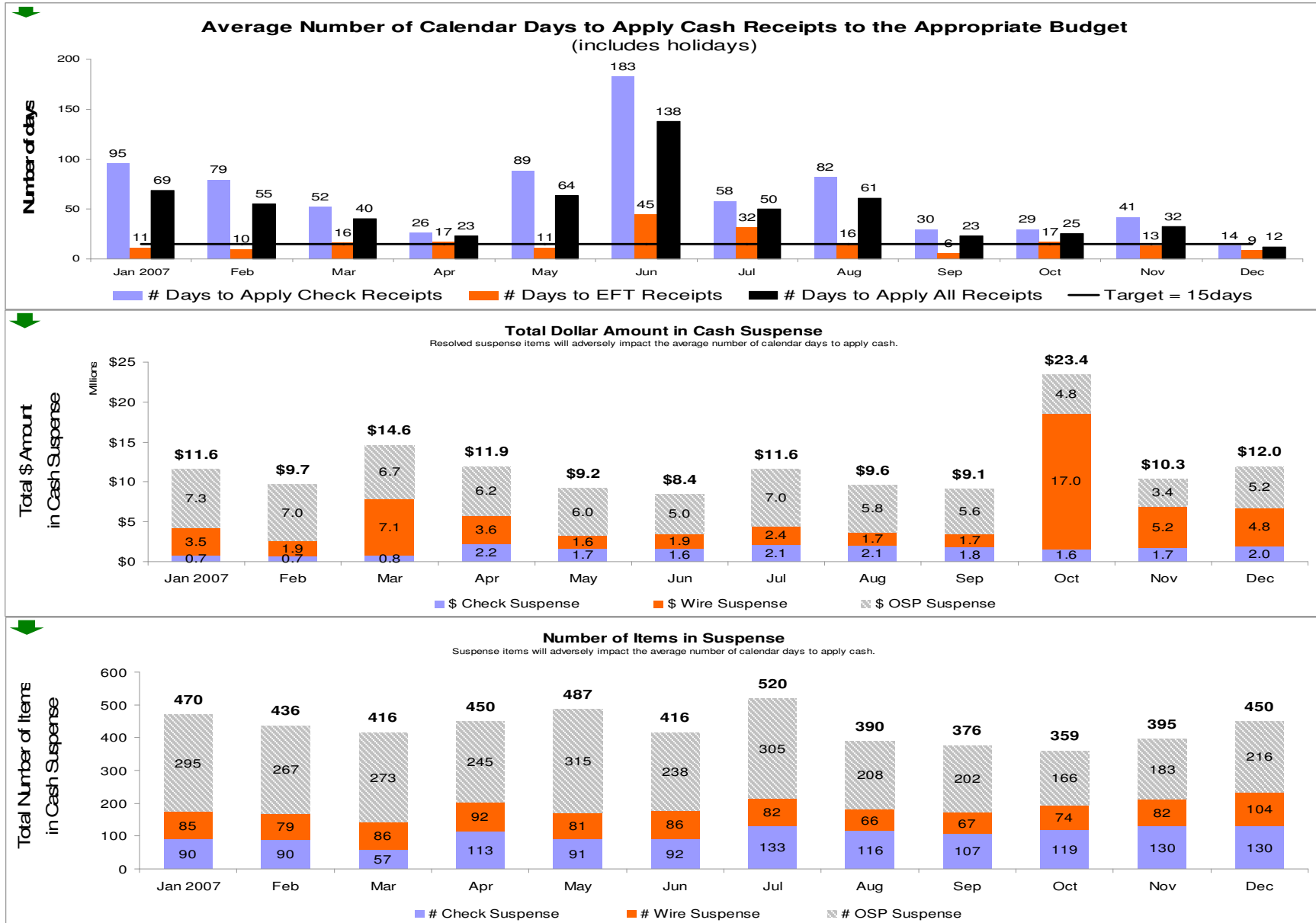
Number of internal rates within the proposal?

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

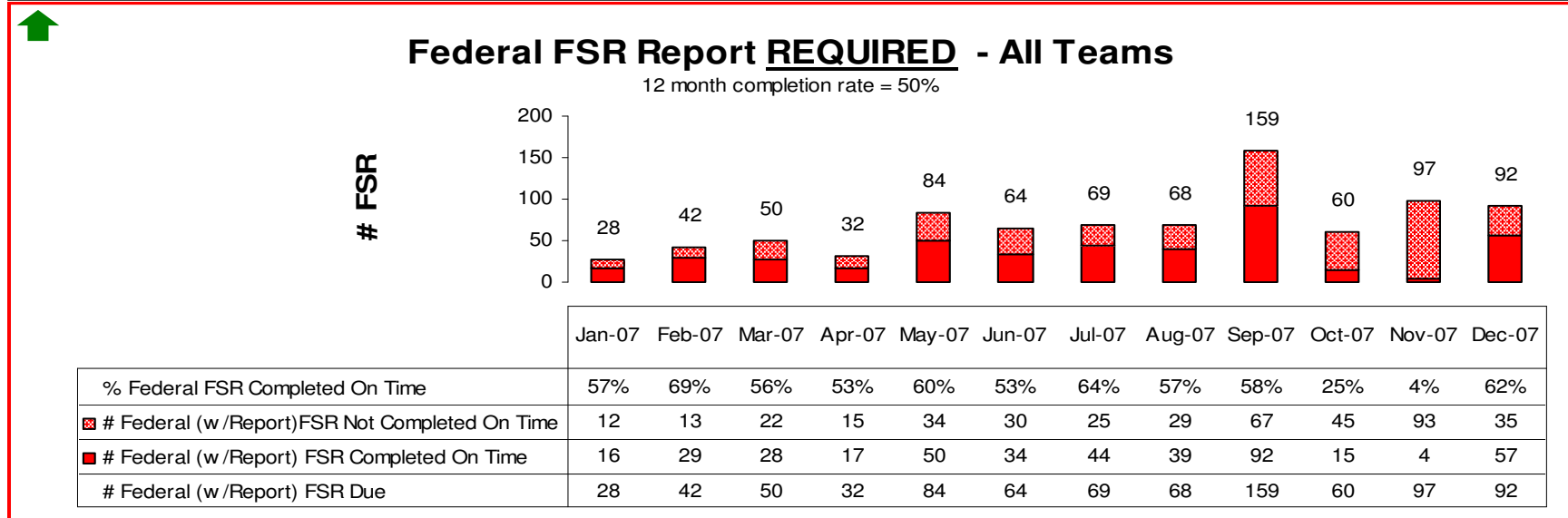
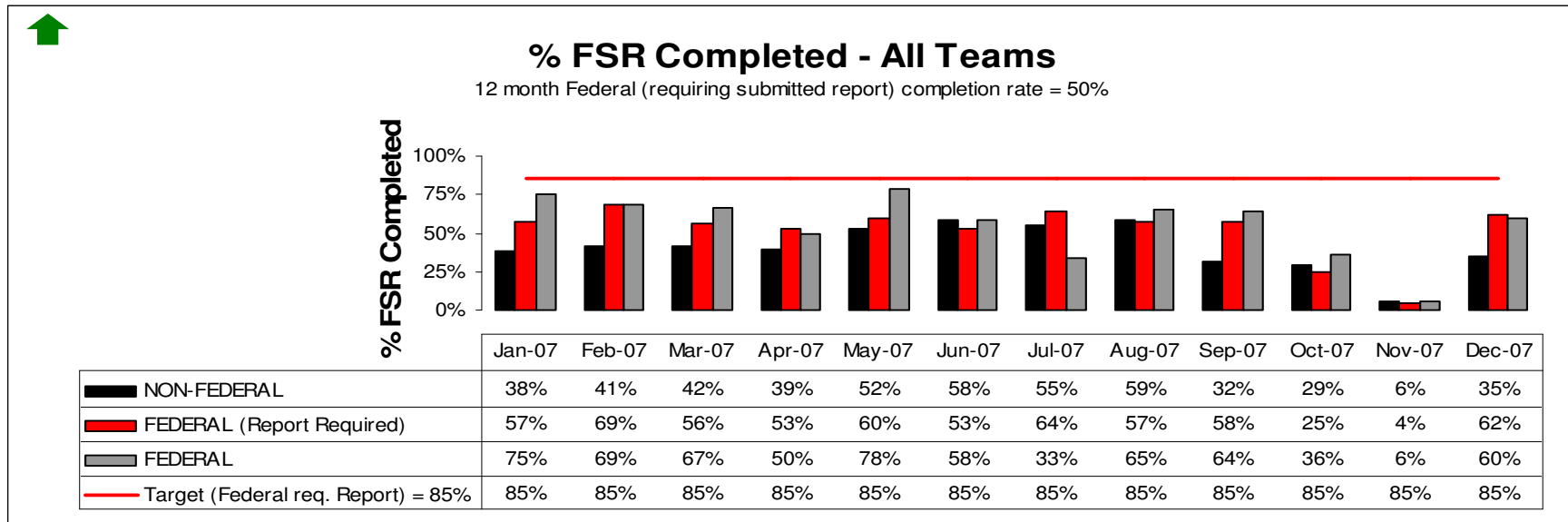
Is this proposal for a new or established center? Is this a University-wide center?

Are there significant changes from prior approved proposal?

(5) CASH APPLIED



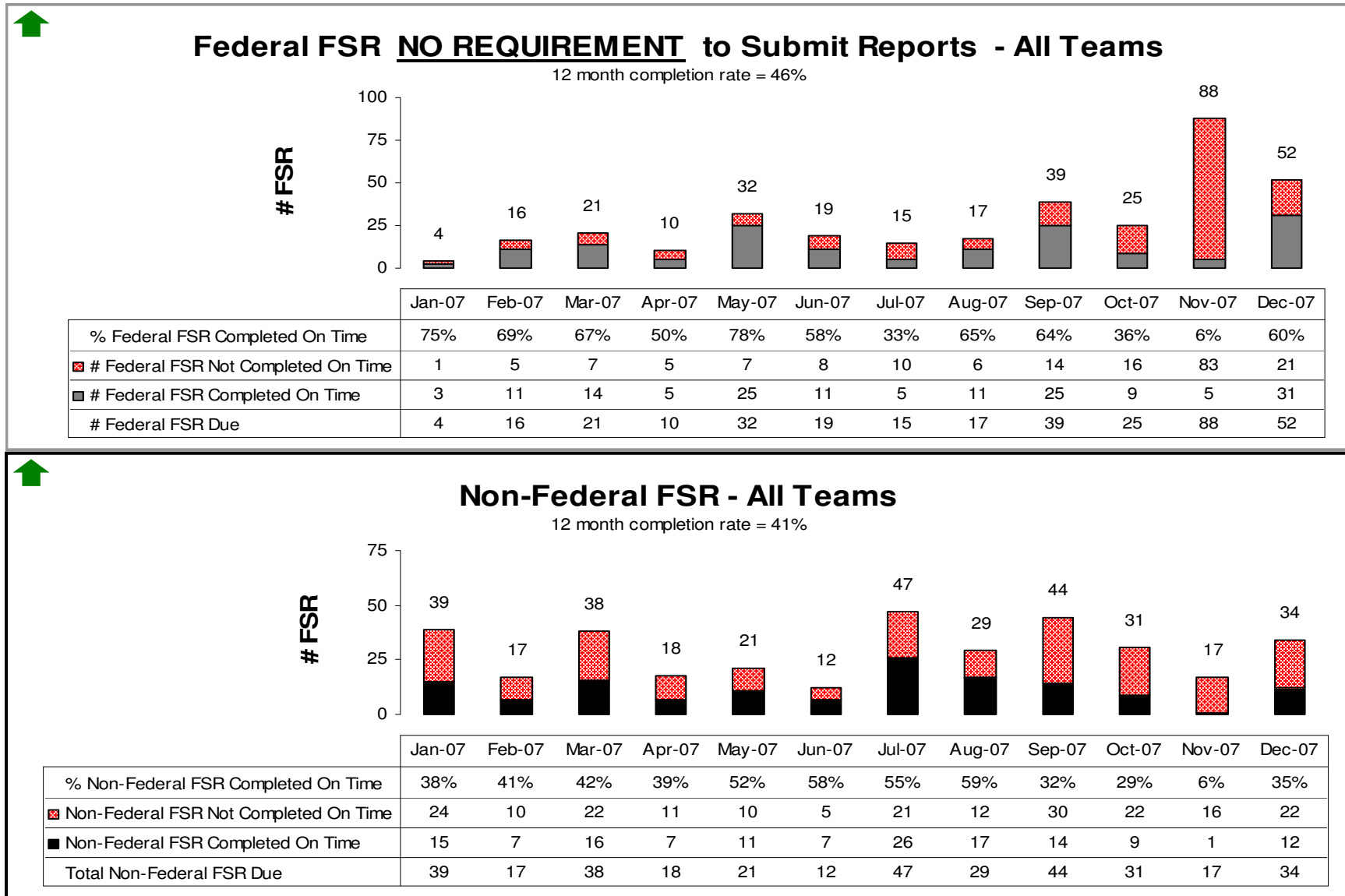
(6) FINANCIAL STATUS REPORTS – All Teams



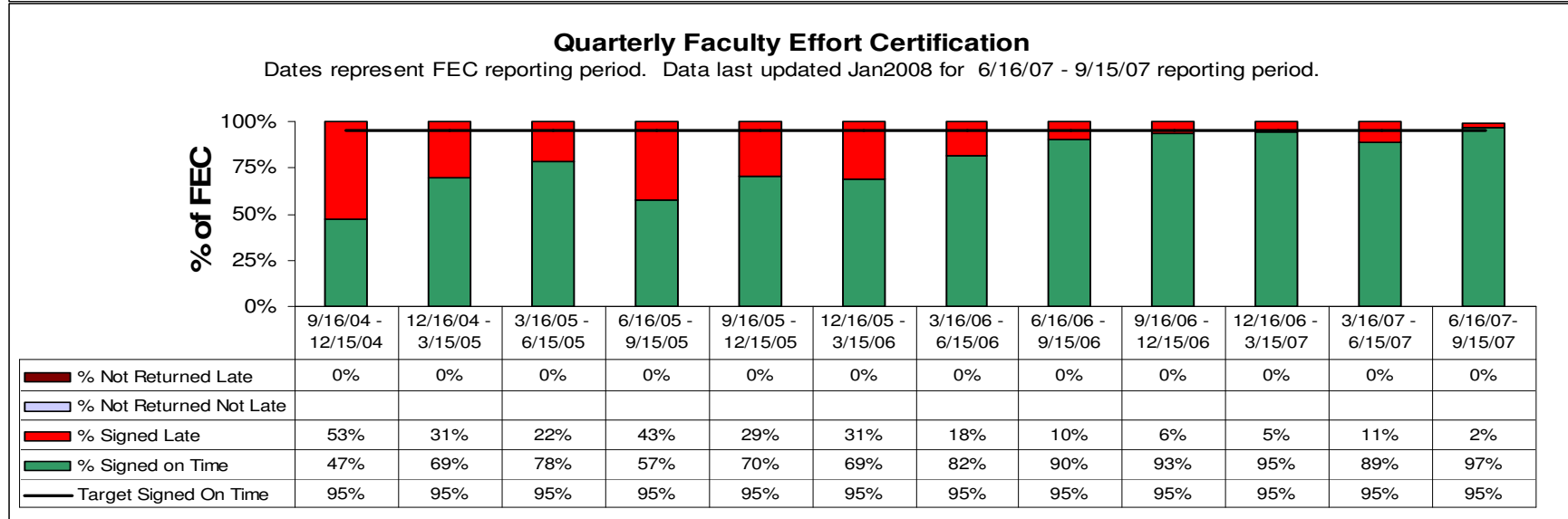
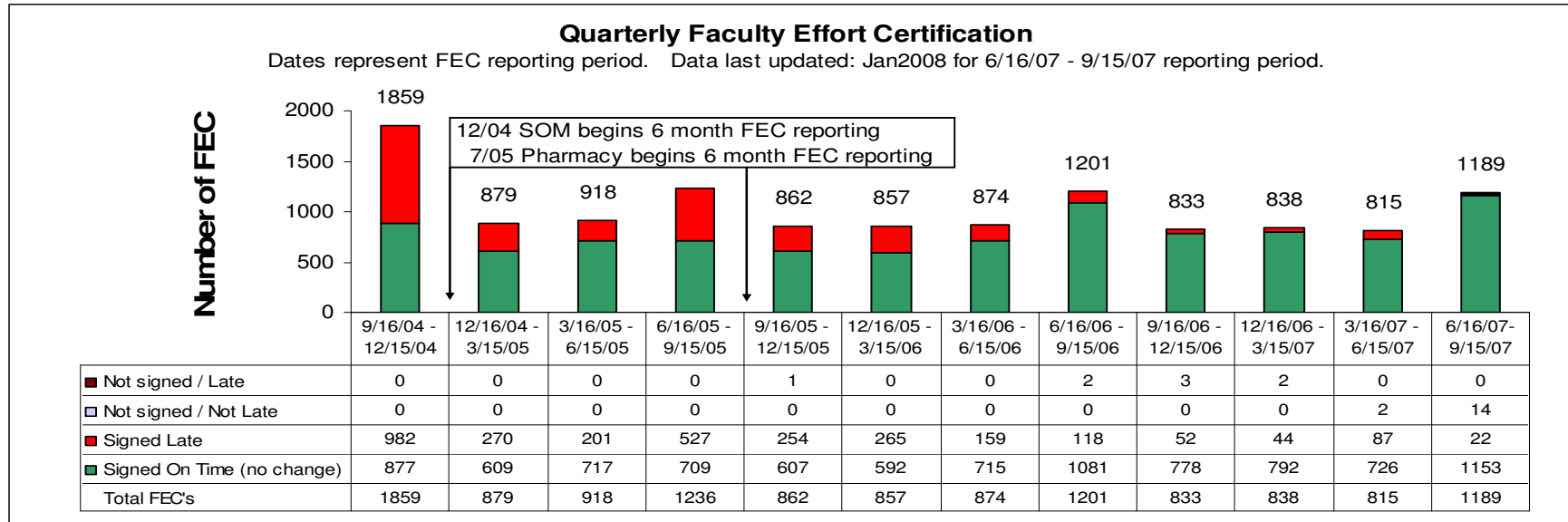
Reports not completed on time = Incomplete reports, or reports completed late

(6) FINANCIAL STATUS REPORTS – All Teams

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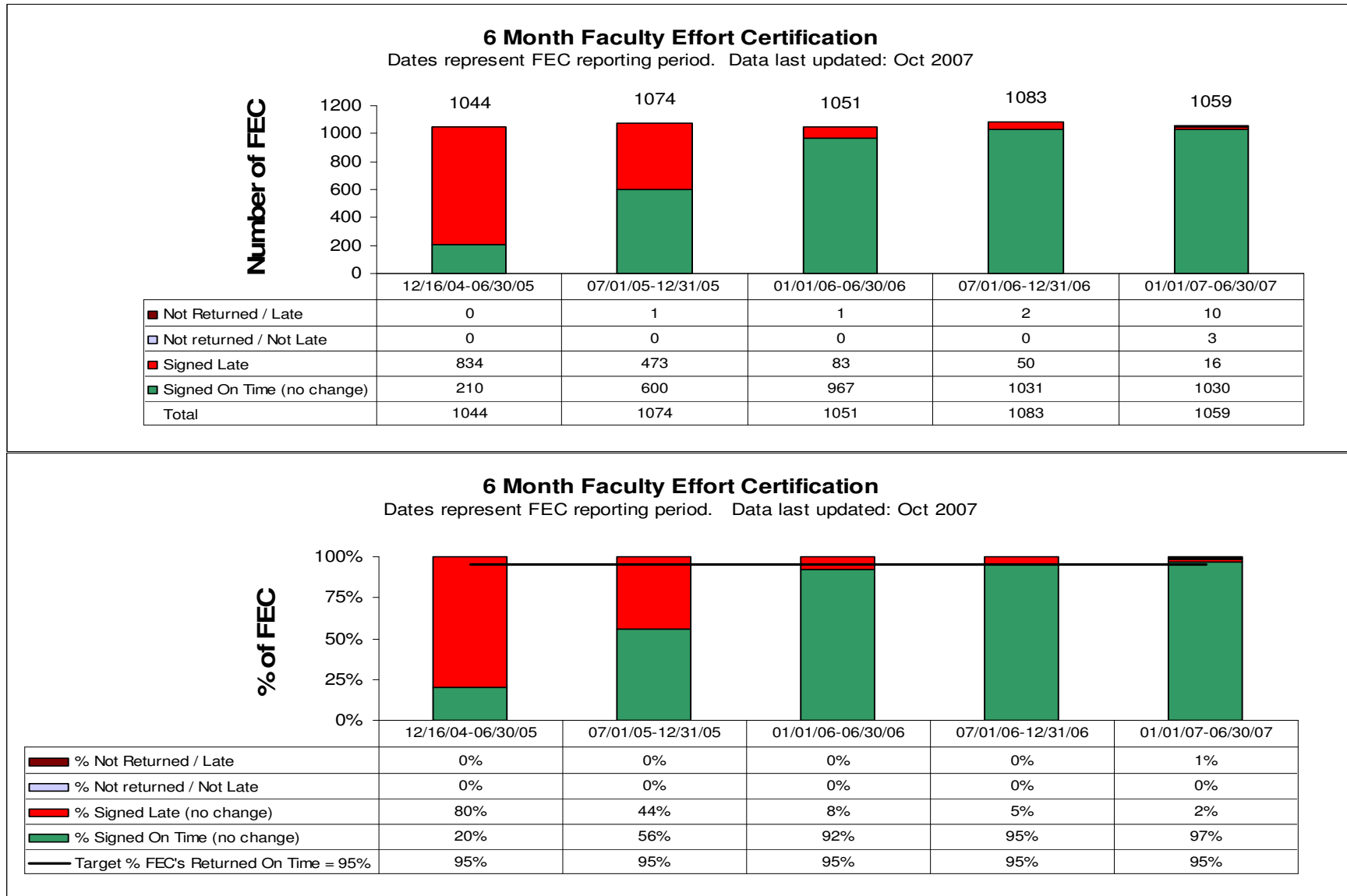


(7A) FACULTY EFFORT CERTIFICATION FEC (3 month)



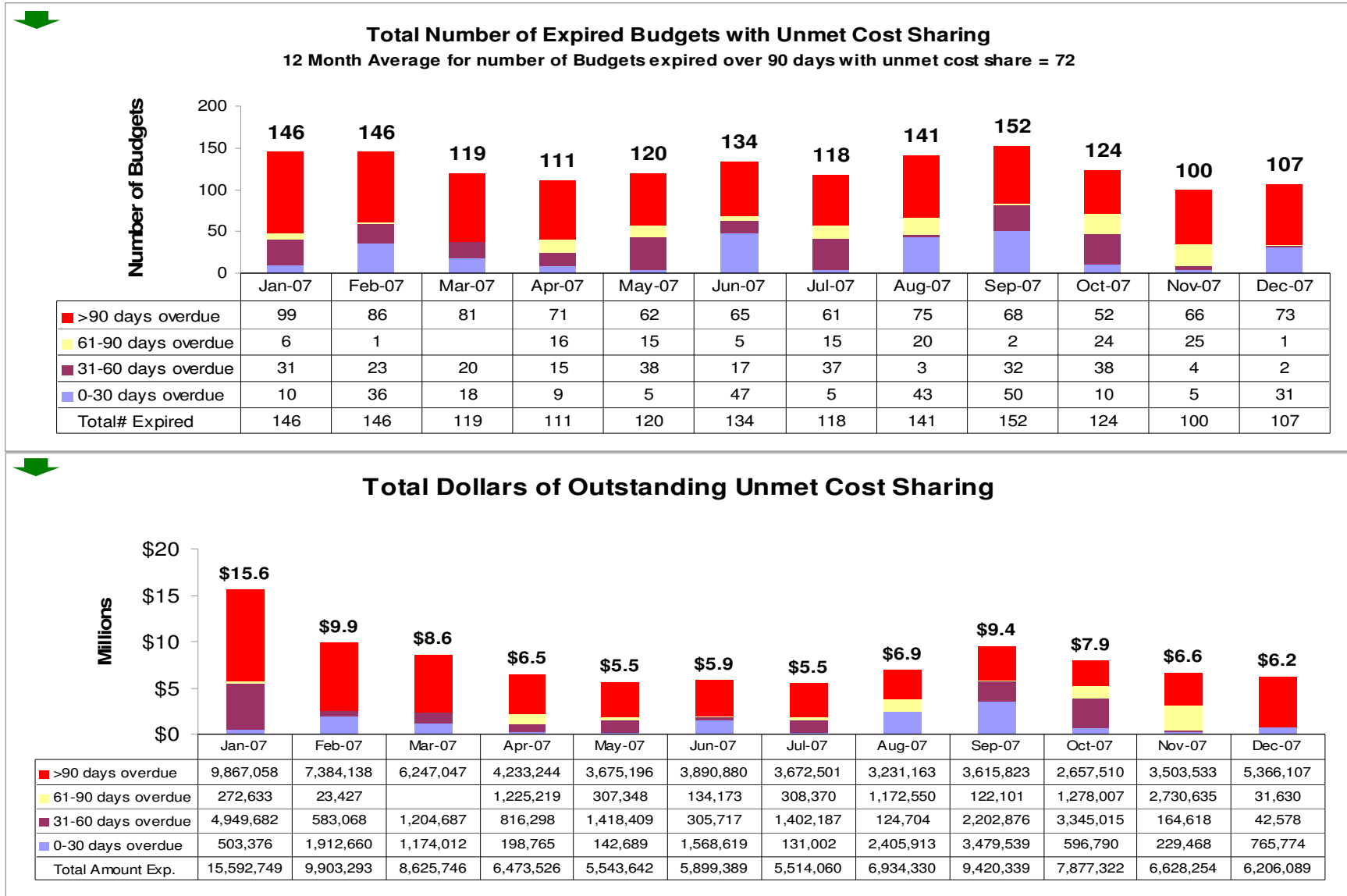
Note: FEC's maybe newly issued for prior periods and will affect historical count when comparing between dashboards.
 Additional description maybe found in the glossary.

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



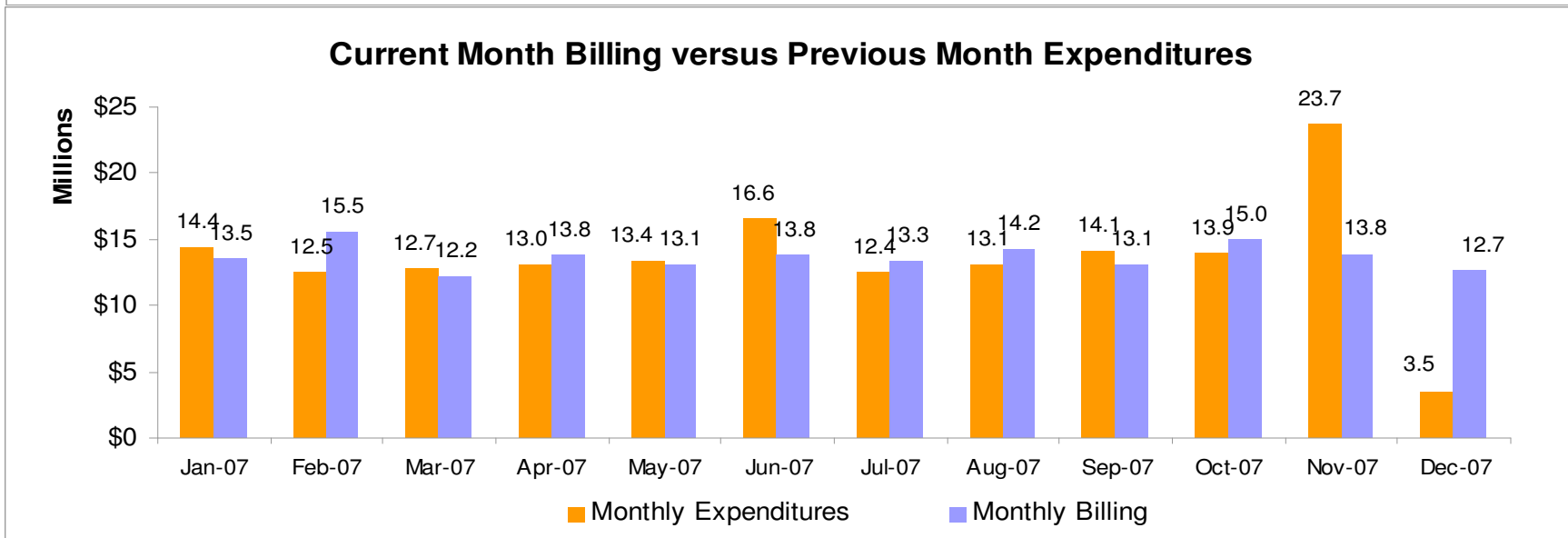
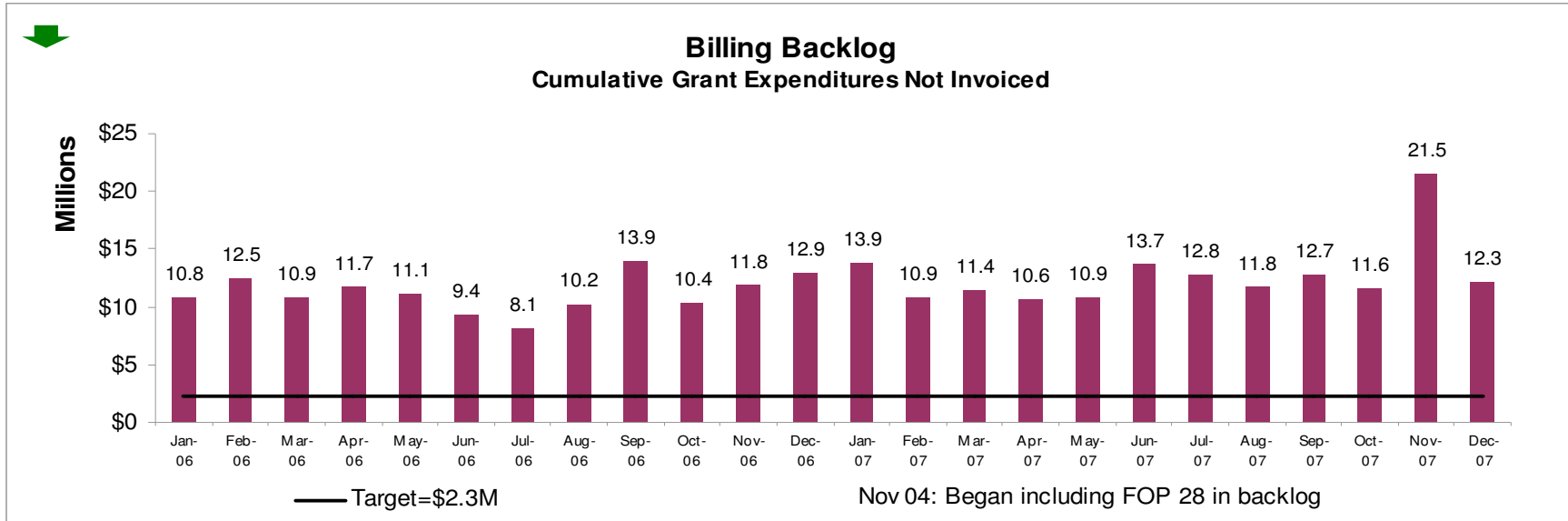
Note: FEC's maybe newly issued for prior periods and will affect historical count when comparing between dashboards.

(8) COST SHARE – All Teams



Note: Cost share includes committed and mandatory.

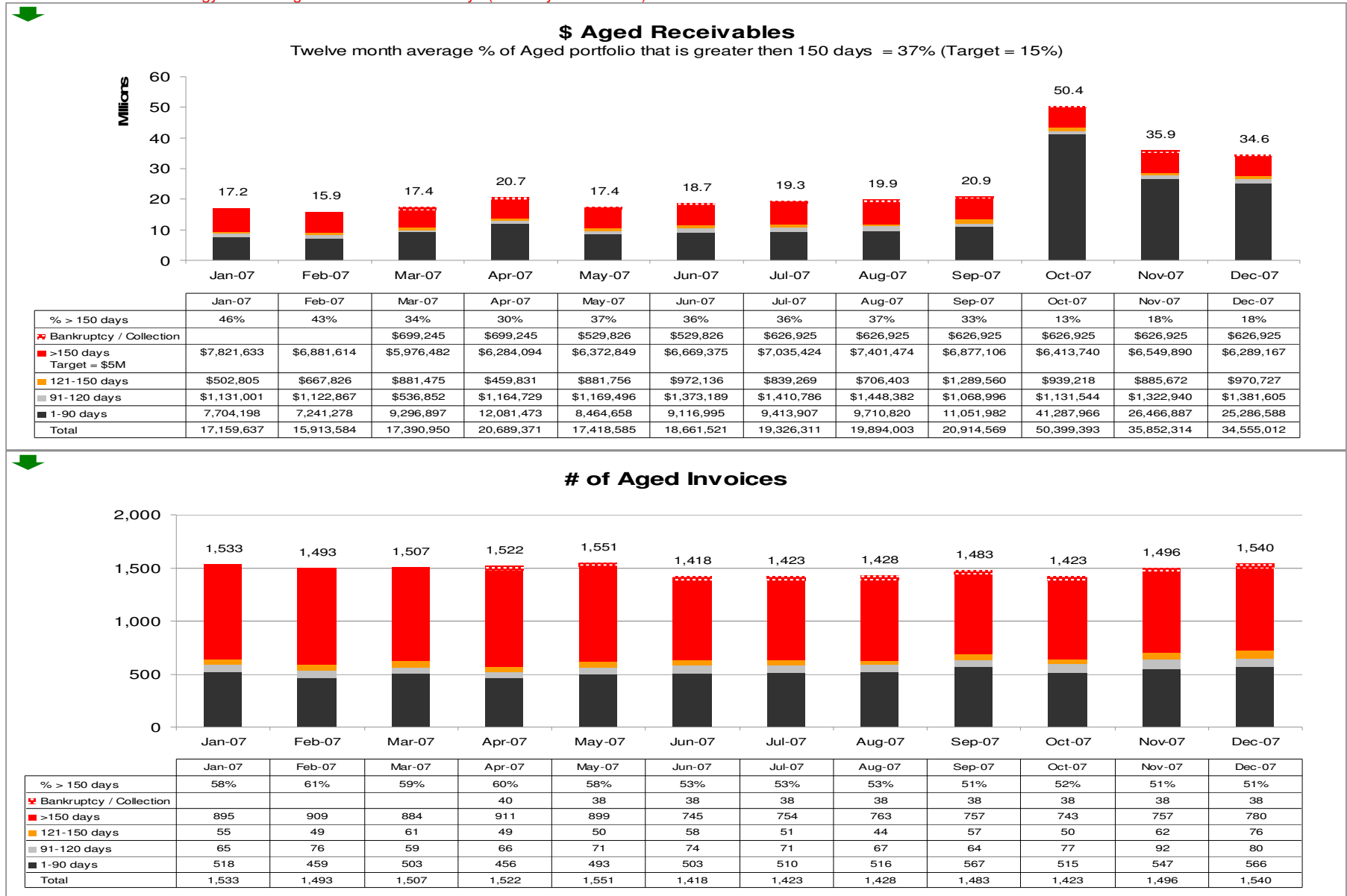
(9) BILLING



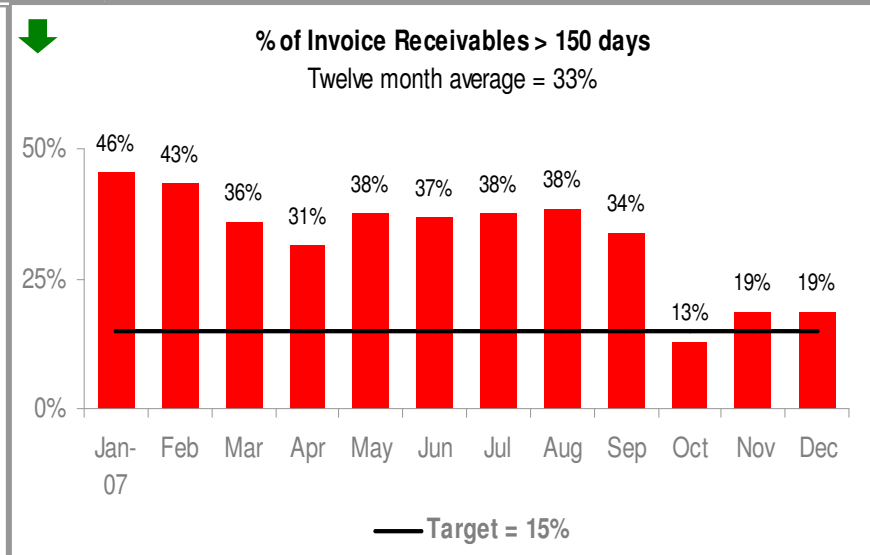
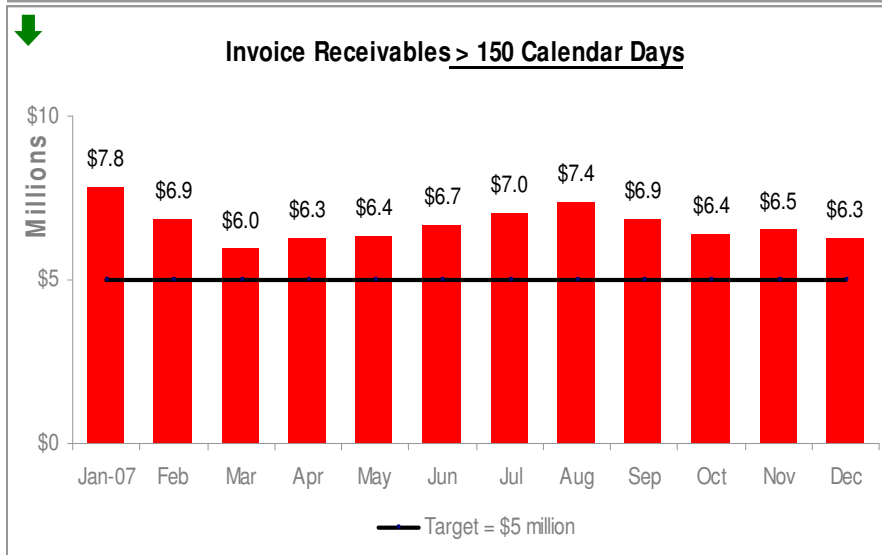
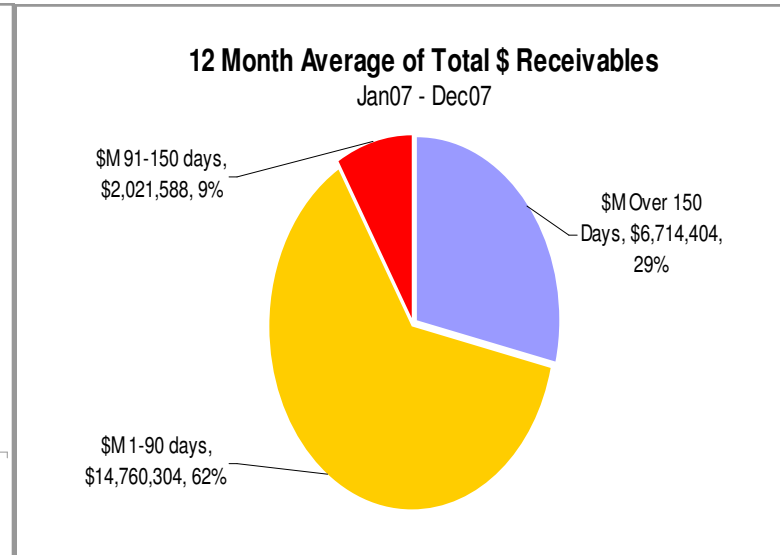
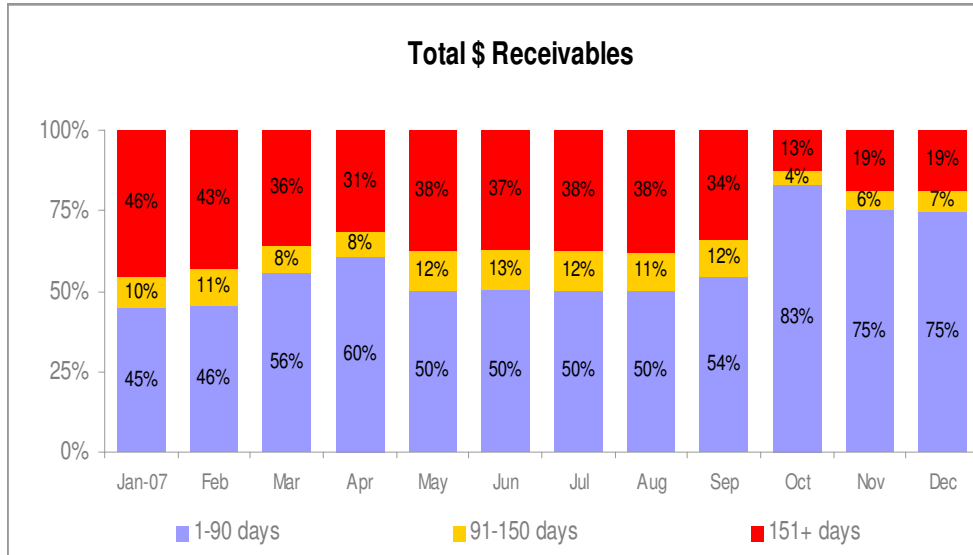
* Expenditures thru Jun07 = Current monthly billing + change in cumulative unbilled
Starting Aug2007 Billing Backlog (net unbilled) only accounts for CR (excludes PC)

(10) AGED (INVOICE) RECEIVABLES

* July 07 aged report did not run properly. July07 totals are based on the average of June07 & August 07. July07 data will be updated when Systems regenerates the report at a later date.
 * Start in Jan2008 methodology to count age will exclude net 30 days (currently not counted)

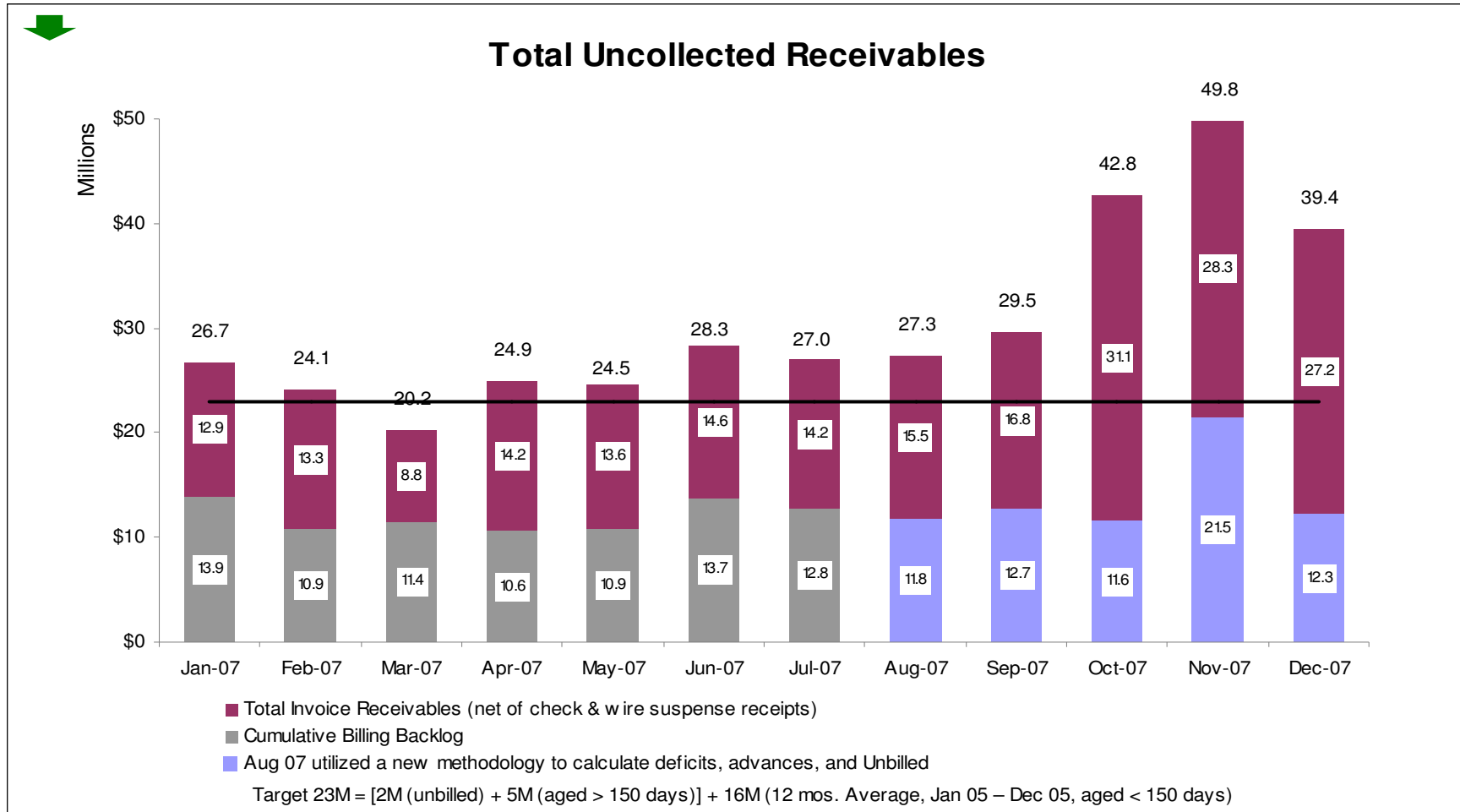


(10) AGED (INVOICE) RECEIVABLES



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

(11) TOTAL UNCOLLECTED



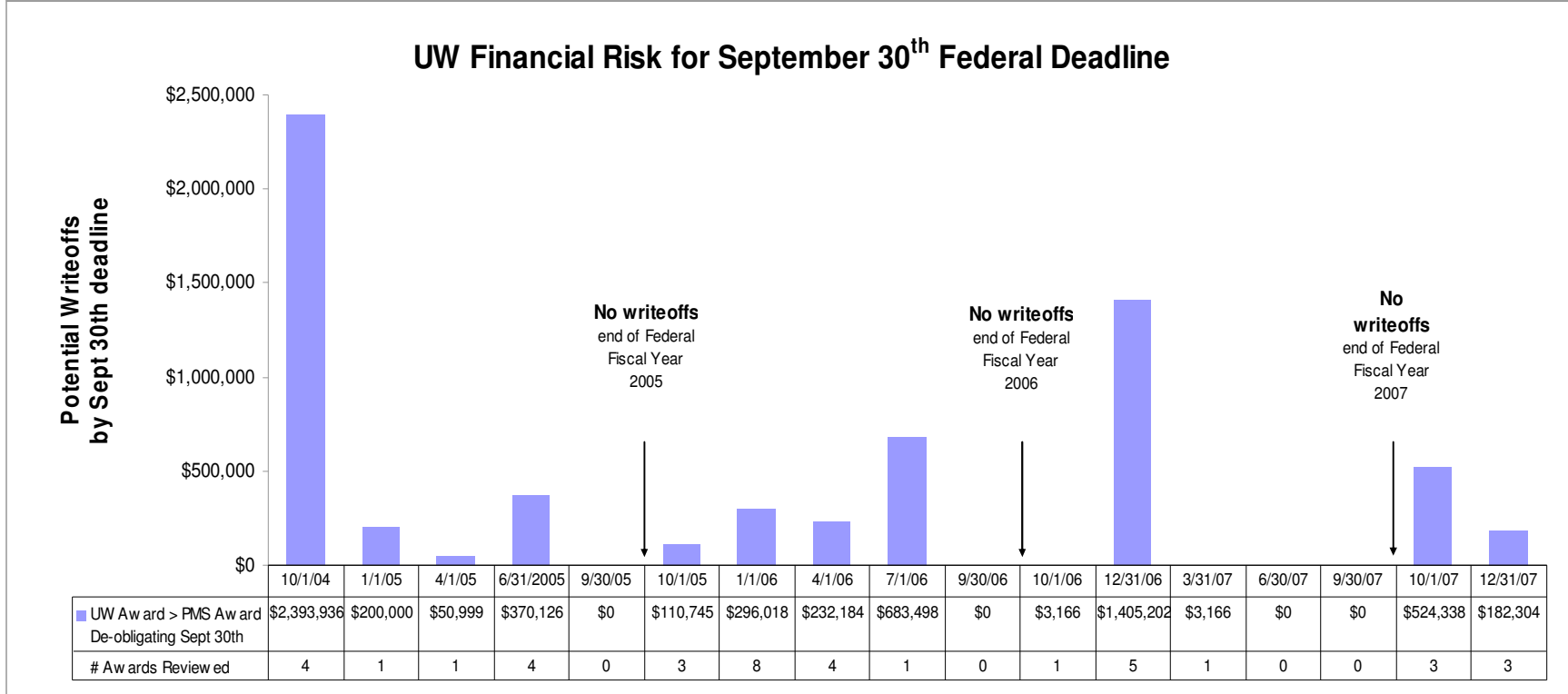
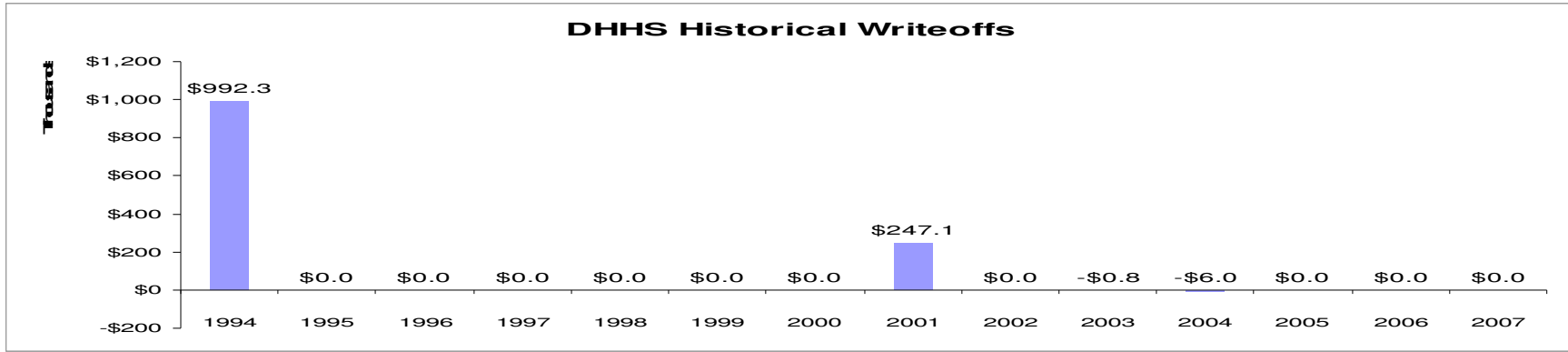
This measure represents the Uncollected Receivables for Cost-Reimbursable Grant & Contracts. Receivables can either be:

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:

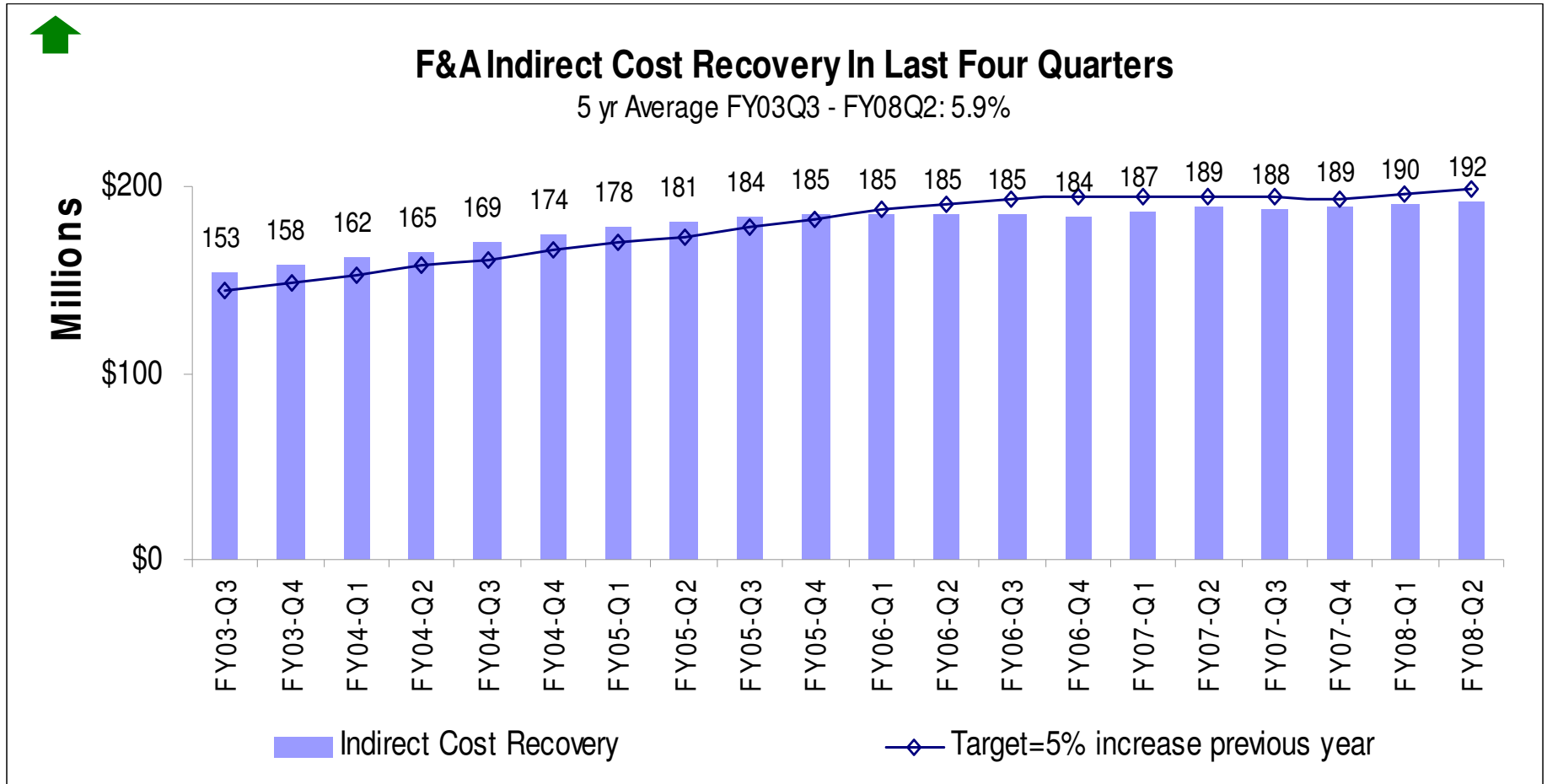
- Deficits & Advances - UW is solely responsible for expenditures resulting in a deficit or advance
- Letter of Credit - typically are drawn and paid in full the following business day.

(12) DEPARTMENT OF HEALTH & HUMAN SERVICES - DHHS

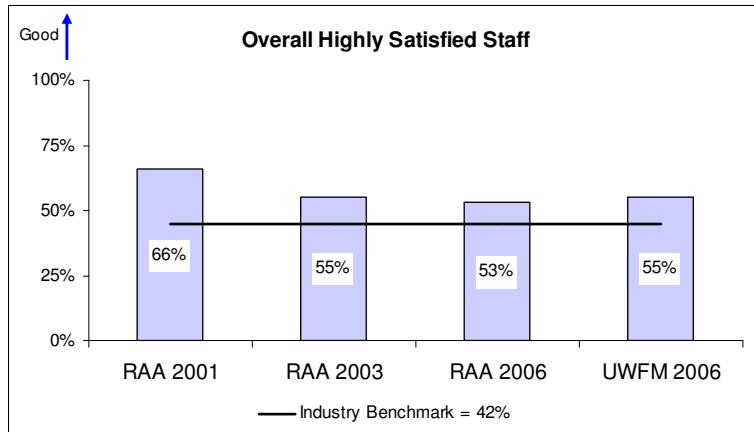


Risk = budgets that will de-obligate on Sept 30 where UW Award > NIH Payment Management System
 # Awards Reviewed = number of grants and contracts where UW award > PMS award

(13) FACILITIES & ADMINISTRATION (INDIRECT) COSTS

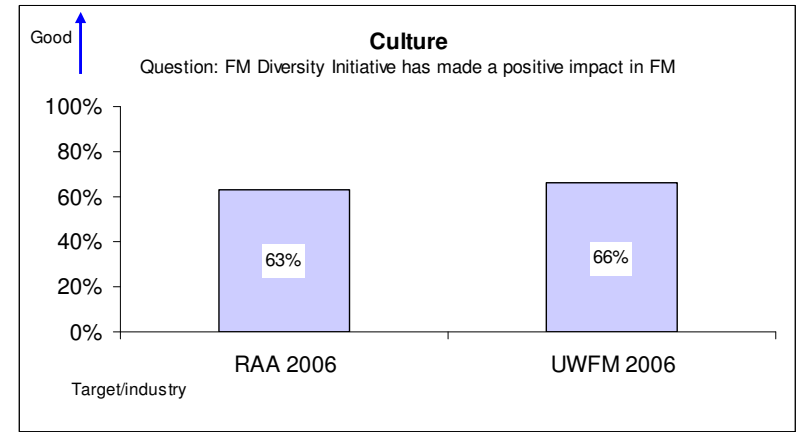


(14) EMPLOYEE SATISFACTION



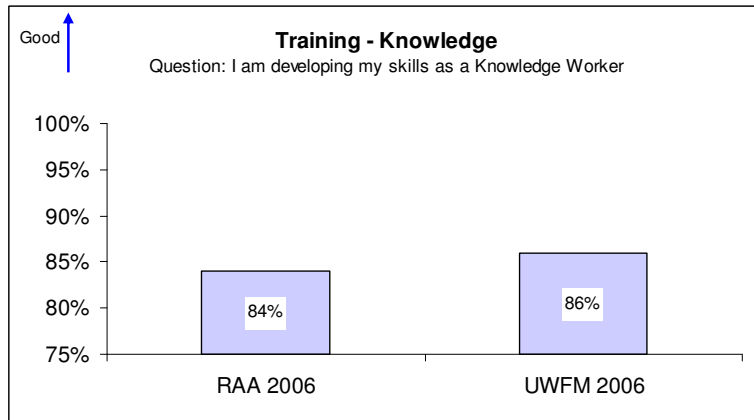
Source: 2006 RAA Employee Survey

(15) CULTURE AND DIVERSITY



Source: 2006 RAA Employee Survey

(16) TRAINING AND KNOWLEDGE



Source: 2006 RAA Employee Survey

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> |
| F&A (IDC) | <p>F&A The Facilities and Administrative Cost Rate, or "F&A Rate", is a mechanism to reimburse the University for expenses incurred in providing facilities and administrative support to sponsored research and other sponsored projects. The F&A rate is essentially an overhead rate.</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. <p><u>Signed on Time:</u> If the date that the faculty member hand writes on the signature line is before or on the "Confirm By" date at the top of the form, the FEC is "signed on time." If the faculty member did not date the FEC, the MAA date stamp will serve as the "Signed By" date. If an FEC is signed late but the faculty had been granted an approved extended due date, the FEC will also be counted as "Signed On Time."</p> <p><u>Signed Late:</u> If the date that the faculty member hand writes on the signature line is after the "Confirm By" date at the top of the form, the FEC is considered "Signed Late." If the faculty member did not date the FEC, the MAA date stamp will serve as the "Signed By" date.</p> <p><u>Pending:</u> consists of two components:</p> <ol style="list-style-type: none"> 1. Not Signed/Not Late: These FECs have been granted an approved extended due date or the data is taken before the "Confirm By" date at the top of the form. We have scheduled the measurement so that normally we will only see the extended due dates in this column. 2. Not Signed/Late: These FECs have not been received in MAA. Ultimately they could be moved from this category to "Signed on Time" or "Signed Late" once they are received in MAA. <p><u>Totals:</u> This figure is the total number of FECs printed for the designated cycle. The slight variation is due to blank FECs being generated by departments and added to the database after the original measurement. Blanks created and imported into the database before the measurement is taken show up in the original data. If the blank is created and imported after the original measurement is taken, the total number of FECs printed will show an increase.</p> |
| 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 | Grant & Contract Accounting 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. |
| IDC (F&A) | Indirect Cost The former label used to describe costs are those incurred for common or joint objectives and cannot be identified readily and specifically with a particular sponsored project. Please see the current label F&A (Facilities & Administrative) for a current description. |
| LOC | Letter of Credit 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. |
| MAA | Management Accounting & Analysis 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) |
| NEA | Notice to Establish Account 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. 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. |
| 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). |