

Operational Performance Dashboard

March 2009

FY 2009 Quarter 3 (Jan - March 2009)

Version 2

Financial management Mission:

We help people who change the world through collaboration, consultation and financial stewardship.

Key processes include:

- Bill & Collect Tuition
- Collect and Distribute Mail
- Design and Print Communication Pieces
- Develop and Maintain Websites
- Develop & Negotiate Indirect Cost Rates
- Develop FM Staff
- Disburse Financial Aid to Students
- Manage Financial Recording
- Manage Grants
- Manage records retention and compliance
- Information Reporting
- Pay Bills
- Pay People
- Protect and promote the University Image
- Purchase Goods & Services

FINANCIAL MANAGEMENT

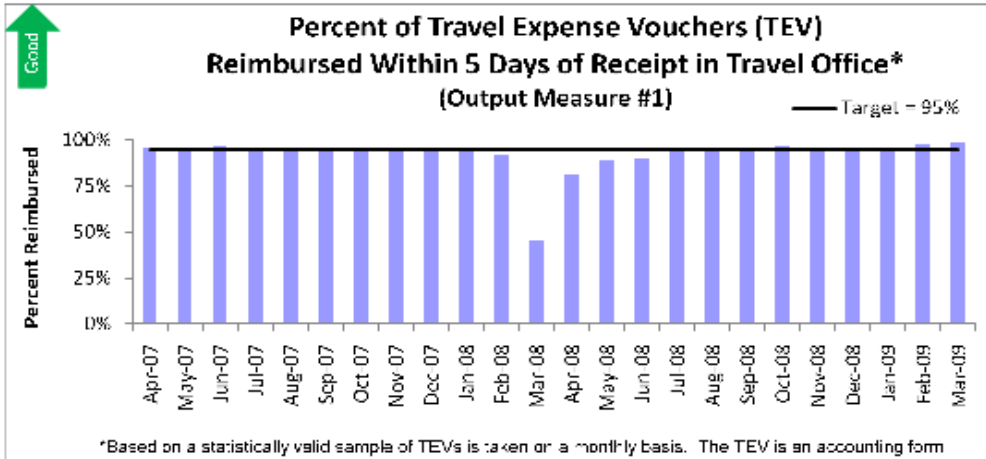
(A unit of Finance & Facilities)

Operational Performance Dashboard - FY 2009 Quarter 3 (Jan - March 2009)

CUSTOMER					FINANCIAL				
Process	Measure	Current Output Measure	Target	Gap (Target-Output)	Process	Measure	Current Output Measure	Target	Gap (Target-Output)
Pay Bills	Percent of travel expenses reimbursed within 5 days of receipt of TEV	99%	95%	↑ No Gap	Pay Bills	Percent of online invoices paid within 30 days of receipt in PA	95%	95%	↑ No Gap
Manage Grants	Twelve month average of number of days to setup a new award (from receipt of award in OSP to notification to PI of budget number)	19 days	12 days	↓ 6.5	Pay Bills	Ecommerce Utilization Rate by Number of Transactions	72%	75%	↑ -3%
Disburse Financial Aid	Percent of Student Fiscal Services transactions done via direct deposit.	88%	85%	↑ No Gap	Purchasing	Small dollar purchase transactions	3089	700	↓ -2389
	Percent of students satisfied with SFS services.	65% -2007	64% Benchmark	↑ No Gap	Manage Grants	Total uncollected cash for unbilled invoices & aged receivables (cumulative) – JDE	\$47 million\$	\$23 million\$	↓ \$24.3
Design and Print Comm. Pieces	Percent of clients who are satisfied with Creative + Communications	89%	85%	↑ No Gap	Bill & Collect Tuition	Percent of students in default on all long-term loans.	7.2% -2007	7.8%	↓ No Gap
					Indirect Cost Rates	Five year average of percent annual change in F&A Indirect Cost	3.9%	5.0%	↑ -1.1%
INTERNAL BUSINESS PROCESS					LEARNING & GROWTH				
Manage Fin. Rec	Percent of total count of inter-departmental billings entered in FAS more than 1 month & 1 day from current month	4%	1%	↓ 3%	Develop Staff	Percent of staff highly satisfied with FM (top 2 ratings on scale)	55% -2008	45% Benchmark	↑ No Gap
Inc. prod.	Productivity – % 3-year rolling average.	1.0% (FY 08-FY08)	5.0%	↑ -4.0%		Percent of staff who agree that "the FM Diversity Initiative has made a positive impact in FM". (top 2 ratings on scale)	66% -2008	90%	↑ -24%
Pay People	8) Number of outstanding I-9s	218	50	↓ 168		Percent of staff who state that "they are developing their skills as a knowledge worker" (top 2 ratings on scale)	86% -2008	90%	↑ -4%
						Active Employee Development Plans (EDPs)	28.4%	75%	↑ -46.6%

Pay Bills - Travel

Customer



DEFINITION

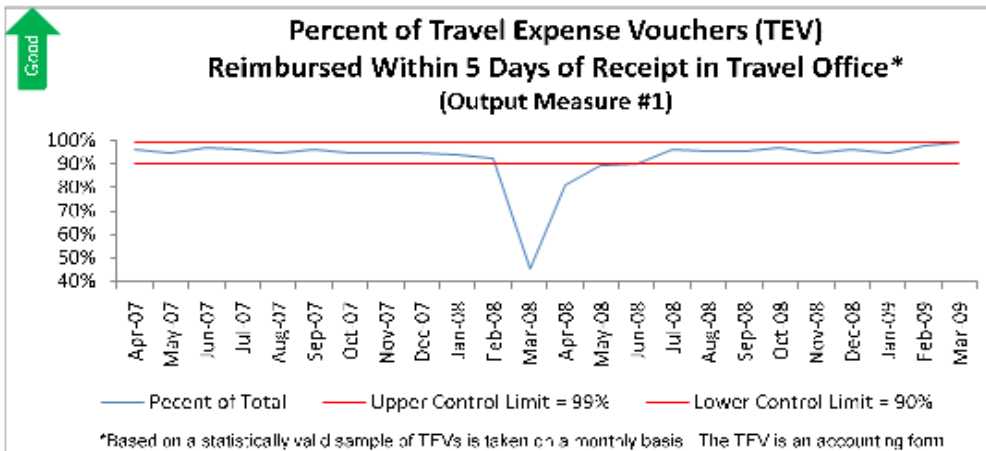
Quantifies the number of working days between when a TEV (Travel Expense Voucher) is received in the Travel Department versus the check date.

ANALYSIS

Except for the drop in March and April 2008, when higher than usual volumes and resources were temporarily reassigned to testing and documenting the new eTravel system, this measure has been consistent over the past few years. The percentage processed within 5 days increased to 99% this quarter; partly because of eTravel. There are approximately 15 departments trained and using eTravel with roughly 500 transactions processed.

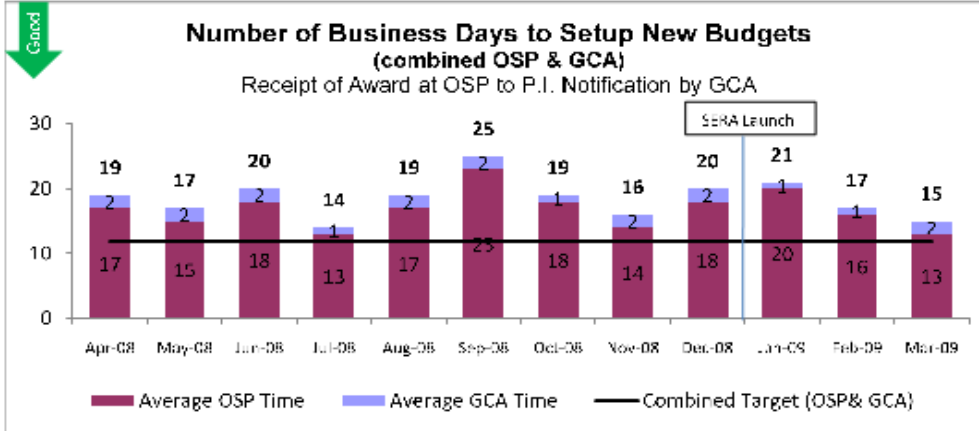
NEXT STEPS

Continue to train departments on eTravel. The new online technology is reducing the amount of time it takes to process an expense voucher and eliminating our paper based manual process. Travel's controlled rollout will be completed by the end of the year. Accordingly, this measure will be revised once eTravel is rolled out and implemented.



Manage Grants (New Budget Setup) - GCA

Customer



DEFINITION

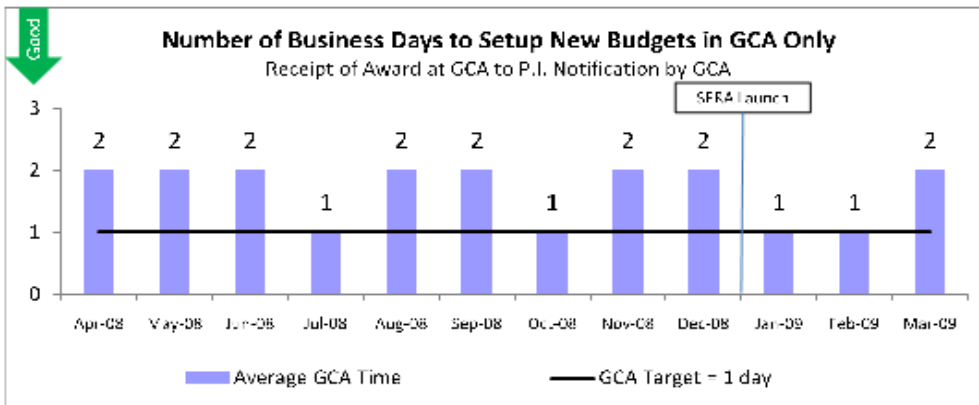
The measure shows the average number of days to establish a new award in the UW Financial Systems. Twelve month average Apr08-Mar09 = 19 days.

ANALYSIS

This joint partnership process between OSP (Office of Sponsored Programs) & GCA (Grants & Contract Accounting) is undergoing a strategic change that will automate how information is shared between two offices. SERA (System for Electronic Research Accounting) was launched in January 2009. Award information enters into the system electronically that eliminates the needs for paper copies and manual processing. SERA's implementation supporting the electronic account set-up process that includes passage of data, specific award communication between OSP and GCA, and campus notification on account set-up completion.

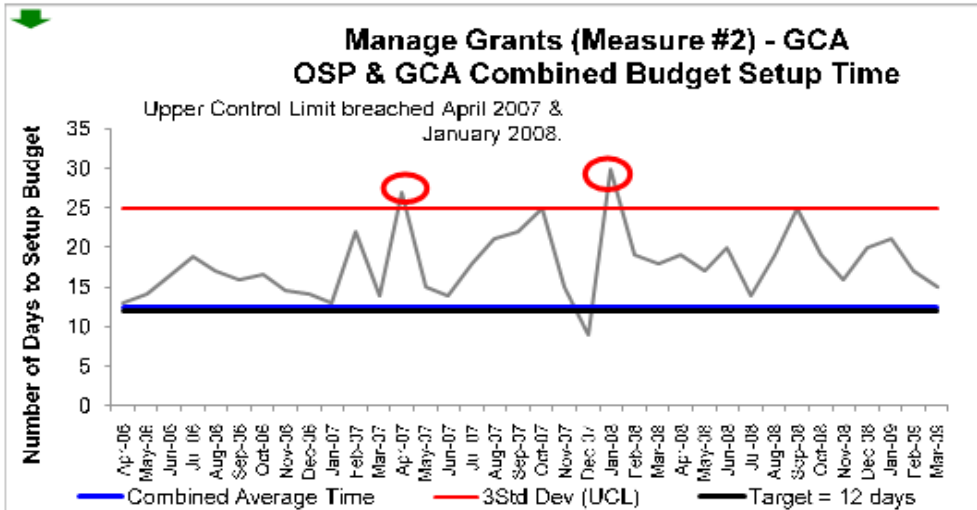
NEXT STEPS

Continuous improvements to the electronic account set-up process that will achieve desired efficiency and transparency between OSP and GCA.



Manage Grants (New Budget Setup) - GCA

Customer



DEFINITION

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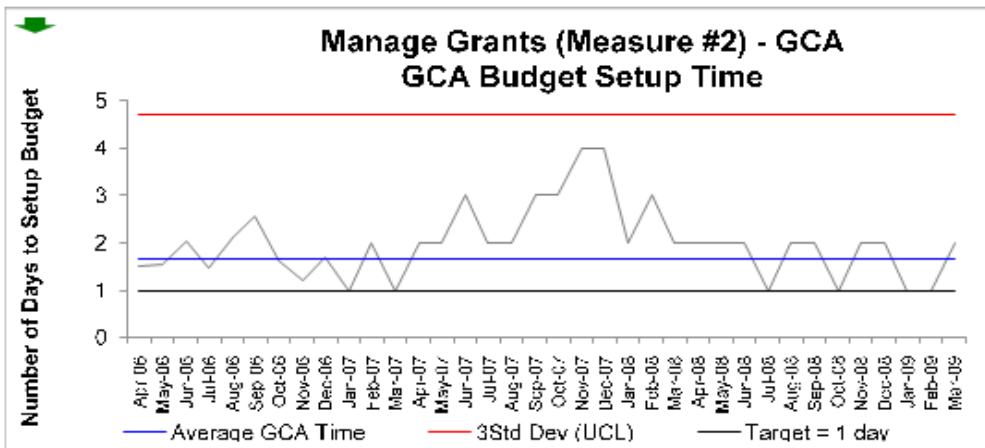
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ANALYSIS

April 2007 & January 2008: Upper control limit was breached with a measure of 27 and 30 (UCL=25). Typically, new control limits would be established, however with a limited OSP sample size, the increase in overall time is likely due to sampling error versus process being out of control.

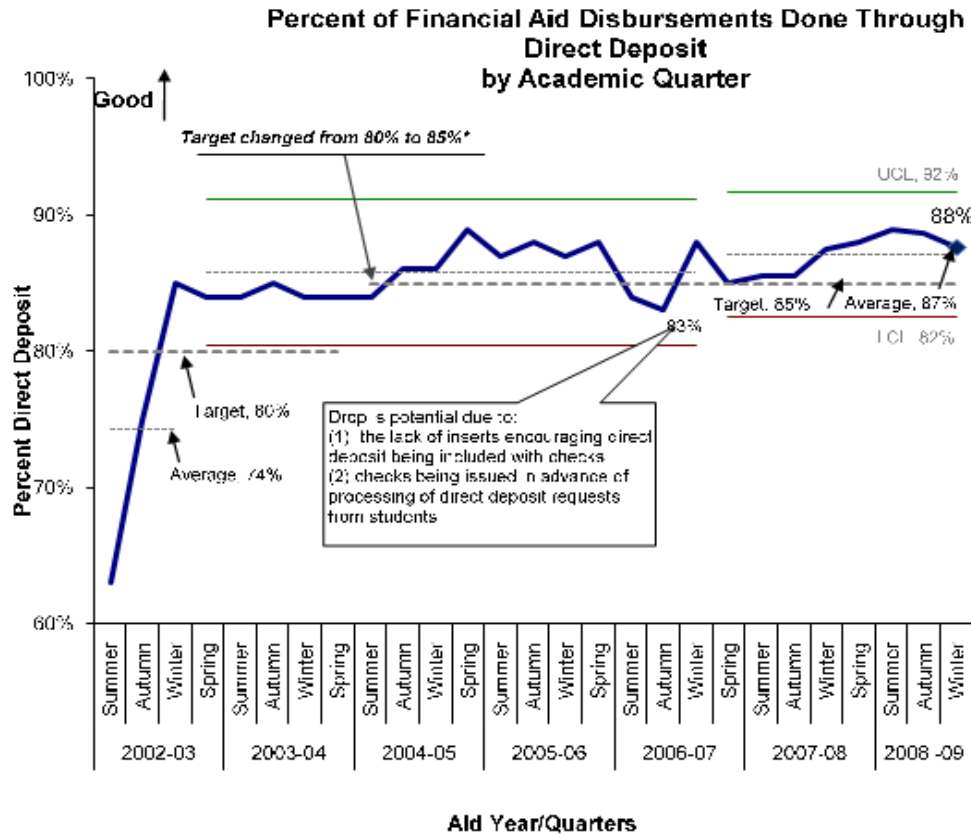
NEXT STEPS

Continuous improvements to the electronic account set-up process that will achieve desired efficiency and transparency between OSP and GCA.



Disburse Financial Aid - SFS

Customer



DEFINITION

Quantifies the percent of Student Financial Aid disbursements (i.e., money received in the form of aid in excess of tuition and other charges that are released to students) done via direct deposit. Note that not all students who receive financial aid would necessarily receive any disbursements by direct deposit or check after tuition, fees or other aid-allowable UW expenses had been paid.

ANALYSIS

Consistent and persistent notification of direct deposit availability by SFS staff has resulted in a steady rise in direct deposit aid disbursement participation.

Control limits were adjusted to account for a consistently higher average.

Out of 45,096 students attending UW in the winter 28,814 received some form of financial aid that was disbursed through SFS for a total of \$49,837,230.

NEXT STEPS

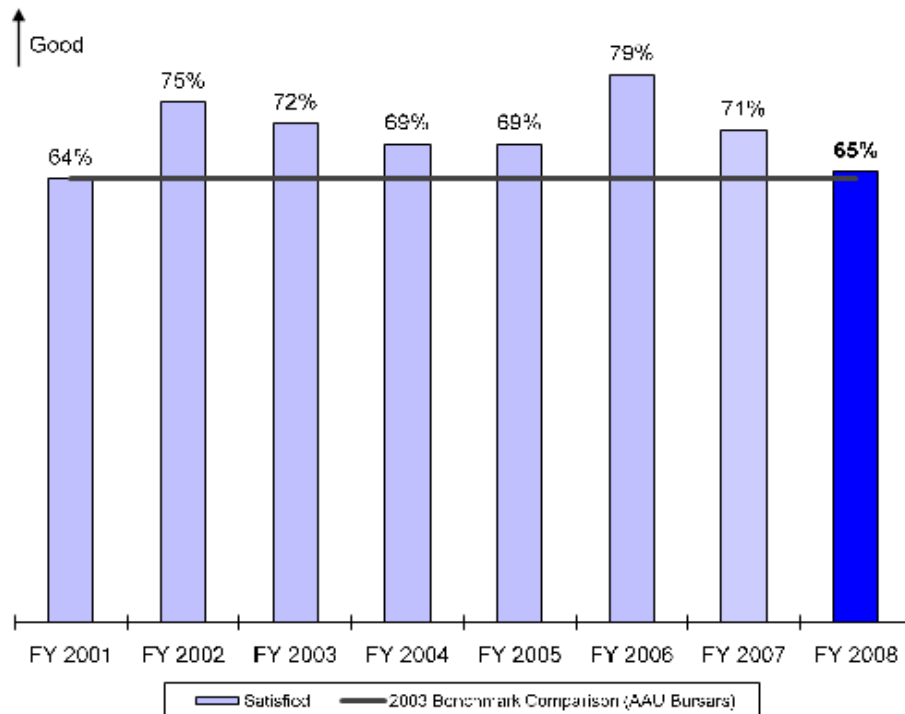
SFS staff continue to notify students of the benefits of direct deposit -- via enclosure within mailed check or when students ask about disbursements.

This measure is in the process of being redesigned -- but will continue being reported using the current methodology.

Student Satisfaction - SFS

Customer

Overall, I am satisfied with the services I receive from Student Fiscal Services



DEFINITION

The Financial Management Student Fiscal Services (SFS) department regularly conducts an annual survey during the Spring quarter to gauge student satisfaction with SFS services.

ANALYSIS

While there is a seemingly dramatic decline from FY07 to FY08, the drop is attributable to several factors related to: a longer data collection period (full quarter as opposed to first three weeks only), a change in formats with the same question for both the in-person and on-line versions, and the clustering of responses for in-person versus on-line responses (i.e., most in-person surveys were answered during the beginning of the quarter, while most on-line were answered towards the middle.)

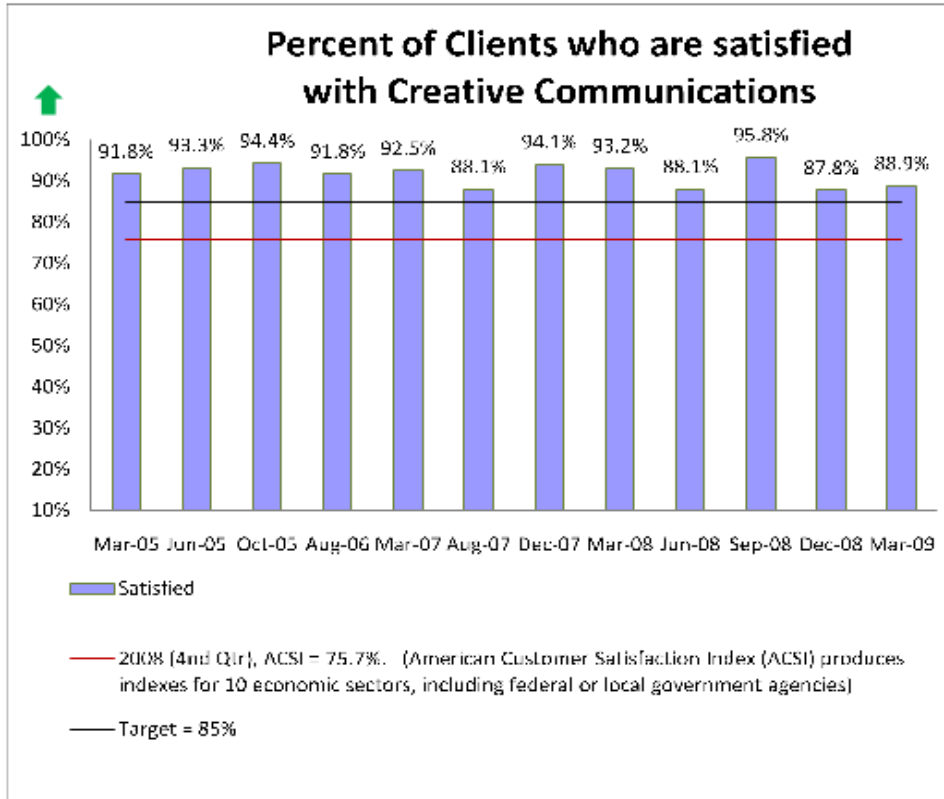
Out of 1,247 responses, 804 in-person responses rated overall satisfaction with SFS services 82% of the time (i.e., 82% rated 6 or 7 on a 7-point scale), while those taking the on-line version (443) responded only 35% as satisfied.

NEXT STEPS

Customer Service is developing strategies to address issues raised by this survey, including addressing communication issues as indicated in customer comments.

Client Satisfaction - Creative Communications

Customer



DEFINITION

For 2 weeks each quarter, all clients with delivered products are asked to complete a point of service survey. The web-based survey measures clients' satisfaction with product quality, timeliness, and service.

Total number of jobs processed Winter Quarter 2009 = 5,566. Total number of Point of Service Surveys sent to clients = 197. (3.5% of total jobs). Responses to survey = 53. Response rate = 26.9%. A response rating of 6 or 7 on a 7 point scale is considered a satisfied response.

ANALYSIS

Results indicate the need to continue to integrate services, eliminate technical glitches, provide instant communication, and offer up-to-date technical solutions.

Digital StoreFront (DSF) web interface update: A combination of diverse products requiring intensive involvement from programmers and coordinators resulted in much slower than anticipated products development. There are over 30 different logo styles to produce business cards, letter head, envelopes, and notepads. The current work includes Campus products (formerly UStore products), standard W style for UW community, and the unique style for Foster School of Business. Time allocated to the project has suffered due to changes in personnel, training, and new tasks.

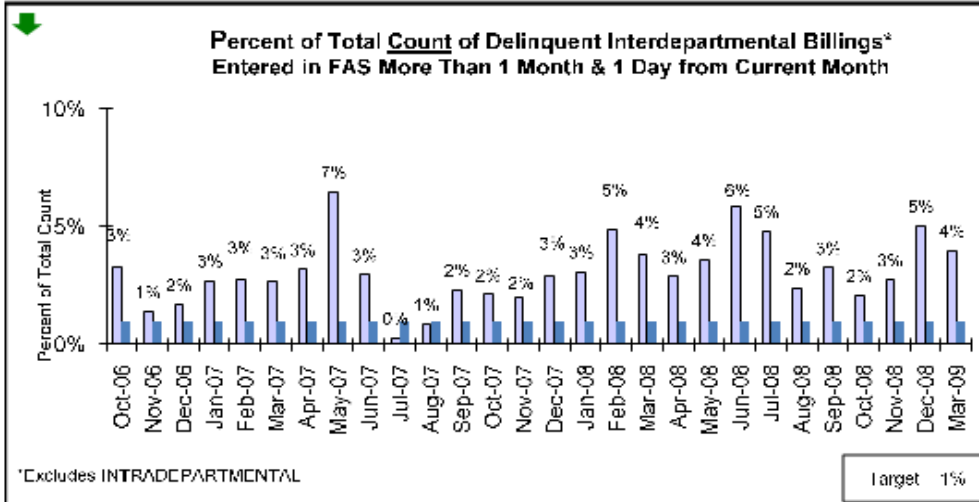
NEXT STEPS

These actions are extracted from the comments provided by clients.

- Improve online ordering system
- Provide more frequent status updates
- Communicate delivery timeline, particularly when job is printed on specialty paper
- Streamline process between print production and mailing

Manage Financial Reporting - Financial Accounting

Internal Business Process



DEFINITION

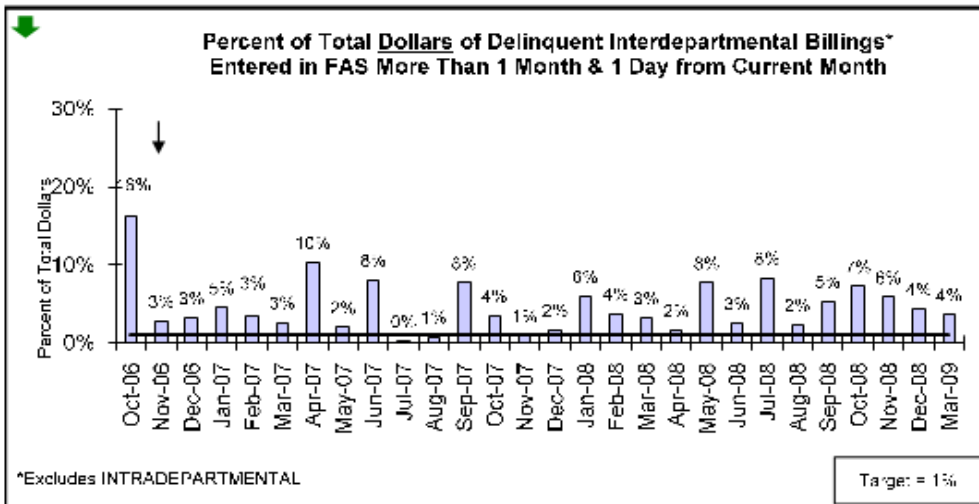
Number or percentage of interdepartmental Cost Transfer Invoices (CTIs) and Internal Sales Documents (ISDs) that are processed later than the month following the date of service. Late billings lead to untimely budget status as well as the possibility of lost funds (in the case of grants that have closed prior to receiving a bill).

ANALYSIS

Monthly Average Totals during the January - March period: CTI/SD Count = 38,567, Dollars = \$22 Million

69% of this quarter's late dollars represents five users:

- 1) School of Oceanography (\$726,199)
- 2) Infrastructure Support (UW Tech) (\$490,173)
- 3) Radiology (\$180,884)
- 4) Rubenstein Pharmacy (\$139,170)
- 5) Sch Aquatic & Fishery Sc (\$119,332)



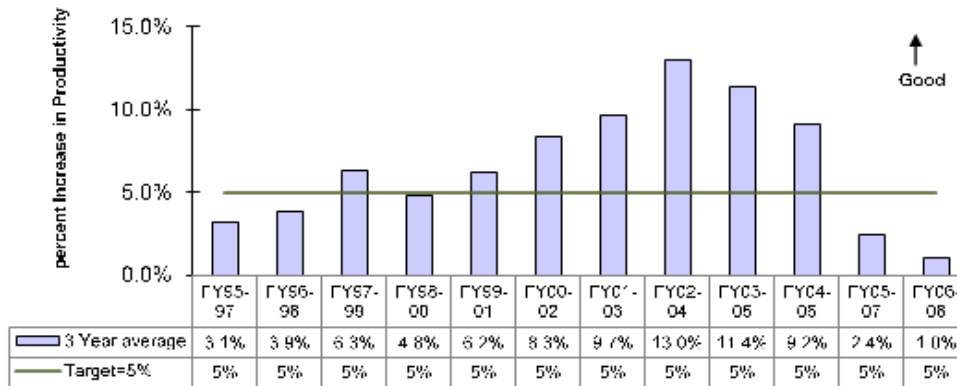
NEXT STEPS

Continue direct communication with recurring late billing departments.

Productivity - FM

Internal Business Process

Increase in FM Productivity - 3 Year Rolling Average



DEFINITION

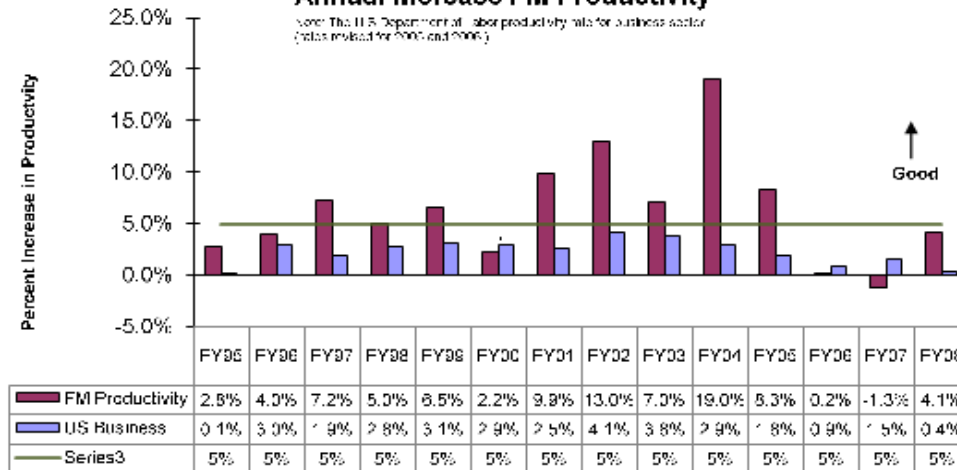
This measure is a composite statistic using labor productivity--output per hour of labor--to measure progress over time of process improvements and other initiatives. FM adapted the methodology used by the federal government to compute productivity within an administrative unit in a large organization. This approach enabled FM to use US Business for benchmarking. This benchmark was last updated in 2005-2006 by the US Dept of Labor. FM also simplified the calculation, focusing on one or two output indicators (transactions, etc.) and using FTE positions for labor input. A rolling three year average adjusts for one year fluctuations.

ANALYSIS

Prior to FY 05, FM's productivity was comparable to, or greater than, the business sector as measured by the US Dept of Labor. In FY06, Purchasing was included in the data because it joined FM in the last 3 months of the year. Treasury was also included in the data. In FY07, Purchasing is included in the new Procurement Services area as are Financial Services, and other areas. Treasury is excluded from the data in FY07 due to reorganization. Overall productivity increased 4.1% in FY 08 reversing the 1.3% drop in FY 07.

Annual Increase FM Productivity

Note: The U.S. Department of Labor productivity data for business sector (data revised for 2000 and 2006)



NEXT STEPS

Our efforts are to continue to eliminate transaction-related positions through increased automation and to re-establish knowledge worker positions, which has the effect of reducing productivity (particularly where there's been no significant increase in transaction volume).

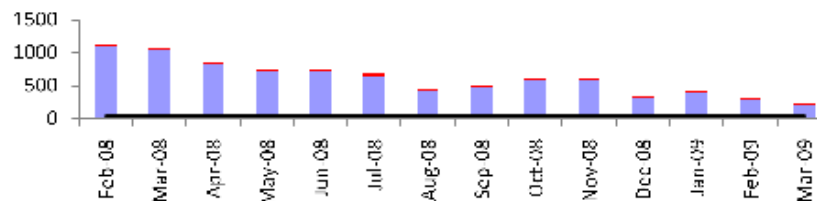
The Metrics and Reporting unit in Finance and Facilities is conducting an analysis of productivity and FTE's to identify improvements to this measure.

Pay People - Payroll

Internal Business Process



Missing I-9s and Expired I-9s



	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
Expired I-9s	17	16	11	13	18	38	23	36	32	25	12	29	16	10
No I-9 on file	1109	1065	841	722	719	649	431	471	576	574	321	400	301	203
Target = 50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Total Outstanding I-9s	1126	1081	852	735	738	687	454	507	608	599	333	429	317	218

DEFINITION

This measure shows the total number of undocumented I-9s and expired I-9s for all university employees.

The top graph compares the total number of undocumented I-9s to the number of expired I-9s.

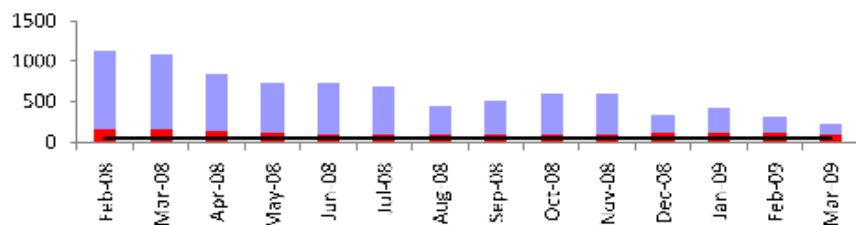
The bottom graph compares the number outstanding from the hospitals to all other departments.

ANALYSIS

The number of missing I-9s decreased in December after increases in September and October. Potential Risk: Up to \$40,000 per I-9 missing or expired = 218 * \$40,000 = \$8,720,000. Number of UW Employees = 34,000. The number of missing and expired I-9s represents less than 1% of the total number of UW employees. In March, of a total of 218 cases, 188 were active and 30 inactive (13.8%)



Outstanding I-9 for Hospitals & Non-Hospital



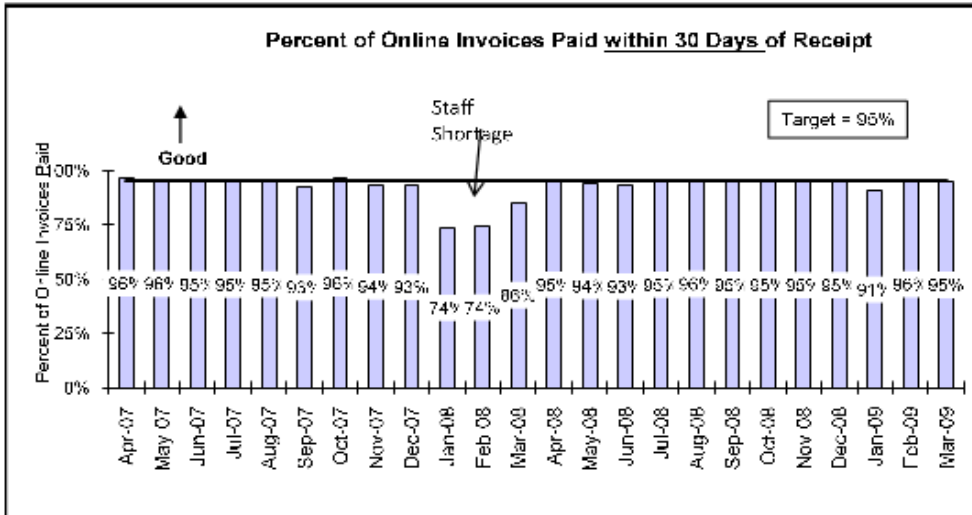
	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
Non-Hospital	966	930	718	625	636	583	360	409	512	495	222	322	206	122
Hospitals	160	151	134	108	102	94	94	98	96	104	111	107	111	96
Target = 50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

NEXT STEPS

The Assistant Director is calling and emailing departments with high numbers of undocumented I-9s to determine the issues involved and work with them to get their numbers down. Detailed spreadsheets are being sent to the Medical Center Human Resources office to help them reduce the number of employees on their list.

Pay Bills Online Invoices Paid Within 30 Days of Invoice Date - Payables

Financial



DEFINITION:

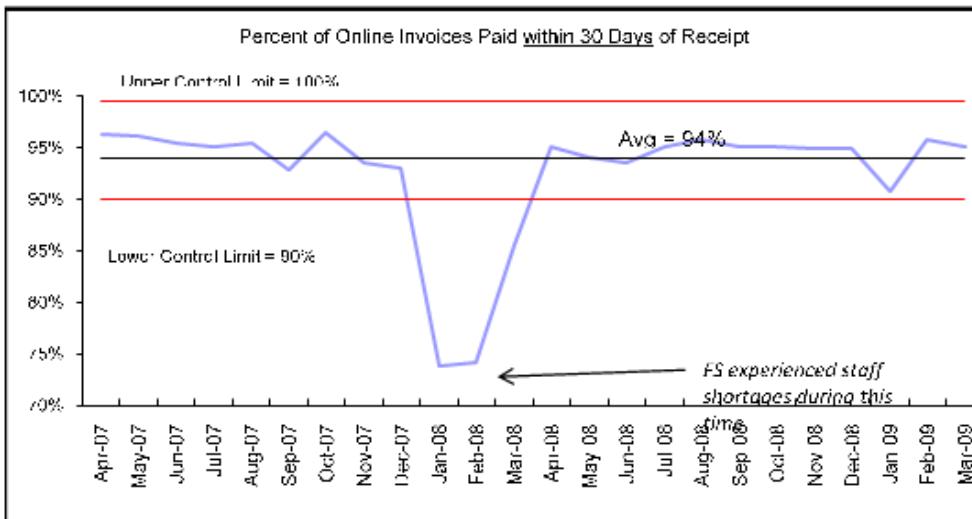
Identifies the number of days between receipt of vendor invoice in Accounts Payable and the check date. WA State requirement is 30 days.

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.

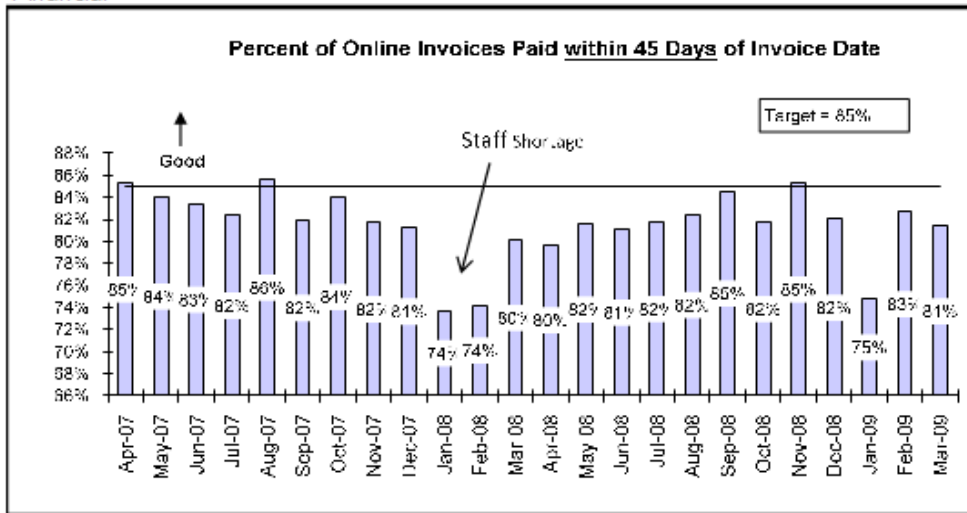
NEXT STEPS:

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.



Pay Bills Online Invoices Paid Within 45 Days of Invoice Date - Payables

Financial



DEFINITION

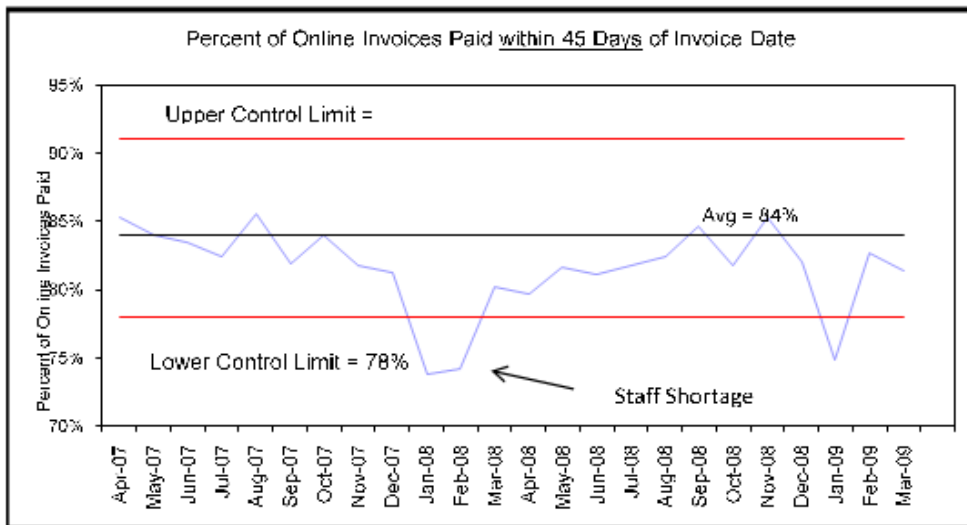
Identifies the number of days between the invoice date and the payment date.

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.

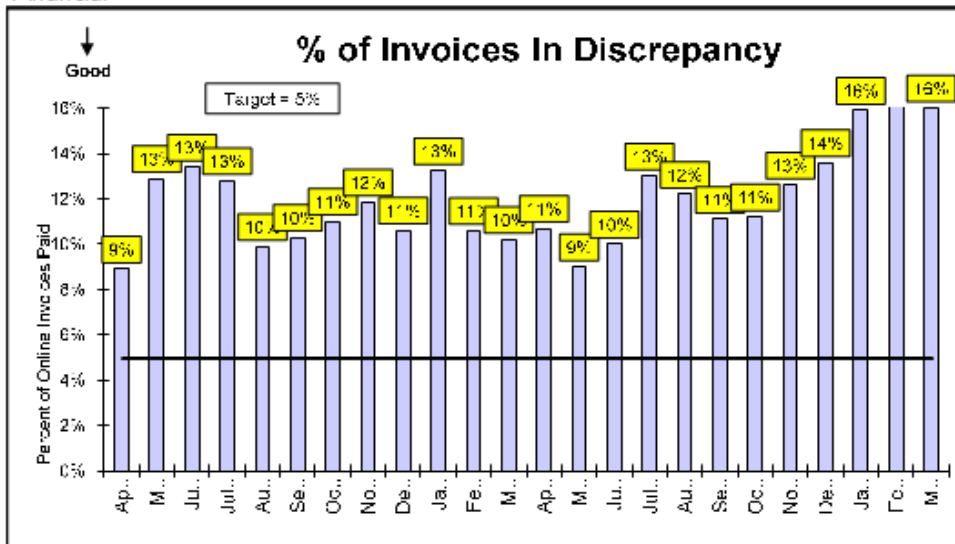
NEXT STEPS

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.



Pay Bills - Invoices with Discrepancies - Payables

Financial



DEFINITION

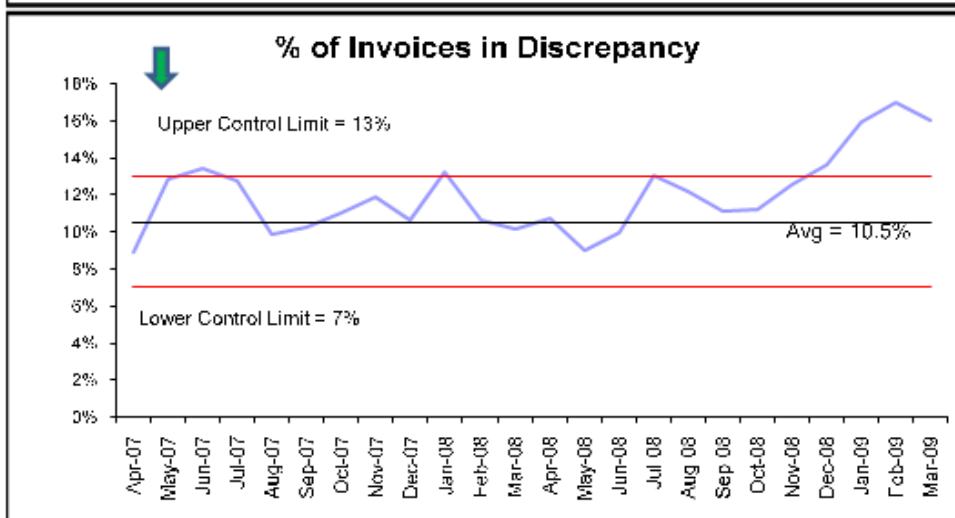
Quantifies the percentage of vendor invoices in which a discrepancy exists between the original Purchase Order and the actual invoice. Such inconsistencies need to be researched and rectified before payment can occur.

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.

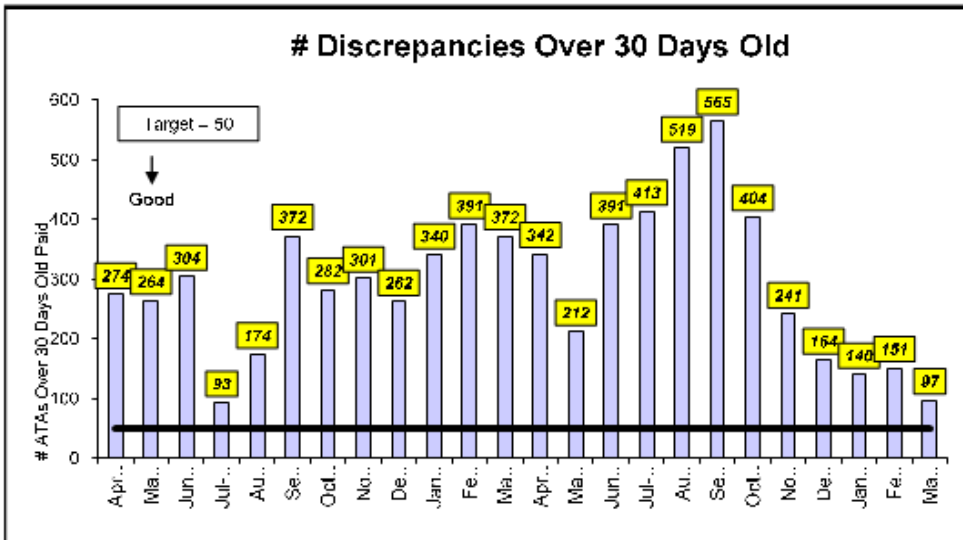
NEXT STEPS

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 in discrepancies.



Pay Bills - Invoices with Discrepancies Over 30 Days Old - Payables

Financial



DEFINITION

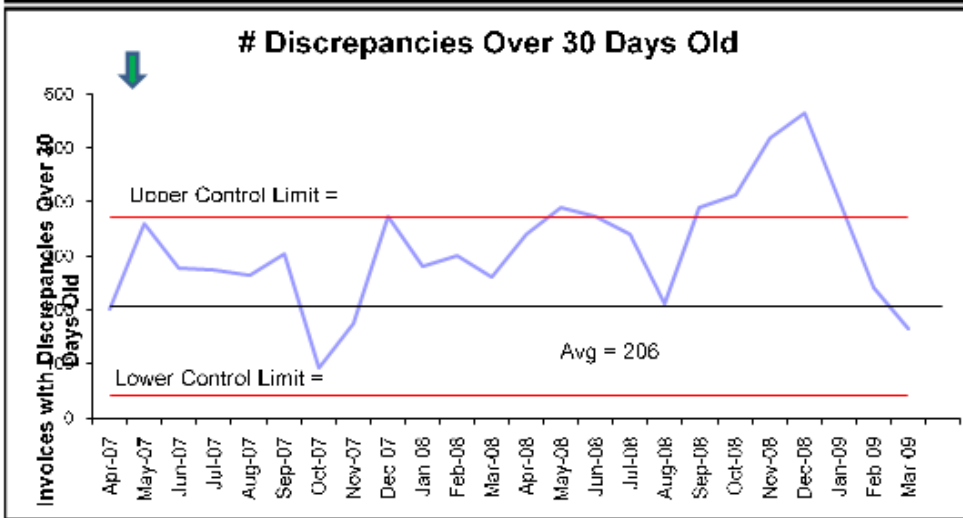
Quantifies the number vendor invoices in discrepancy status for more than 30 days.

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.

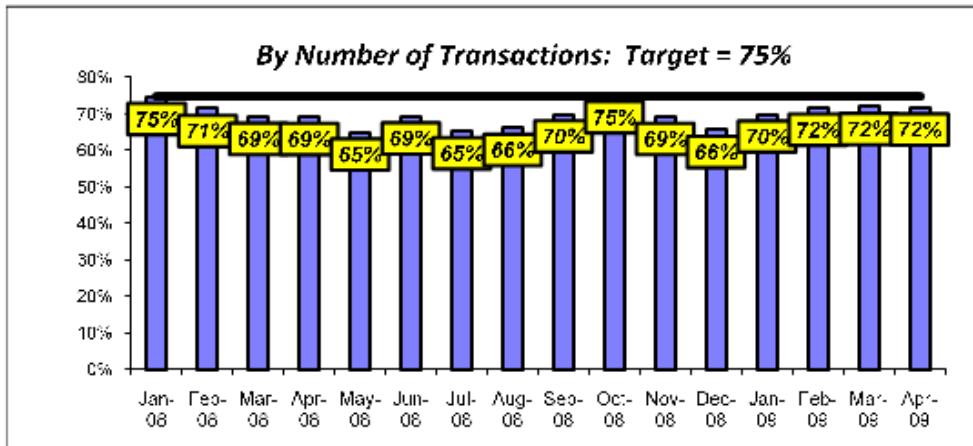
NEXT STEPS

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.



Pay Bills Utilization Rate by Transaction and Dollars - eCommerce

Financial



DEFINITION

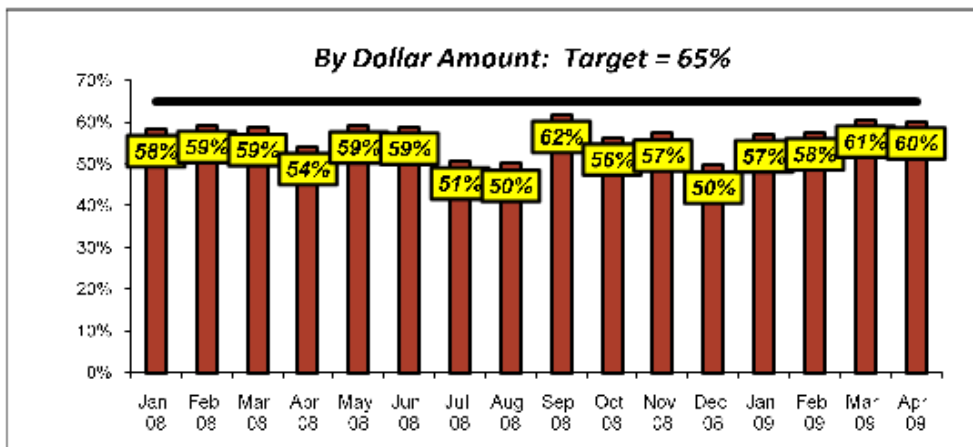
Represents the percent of total UW transactions that were made through an eCommerce method (eProcurement or ProCurement Card).

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.



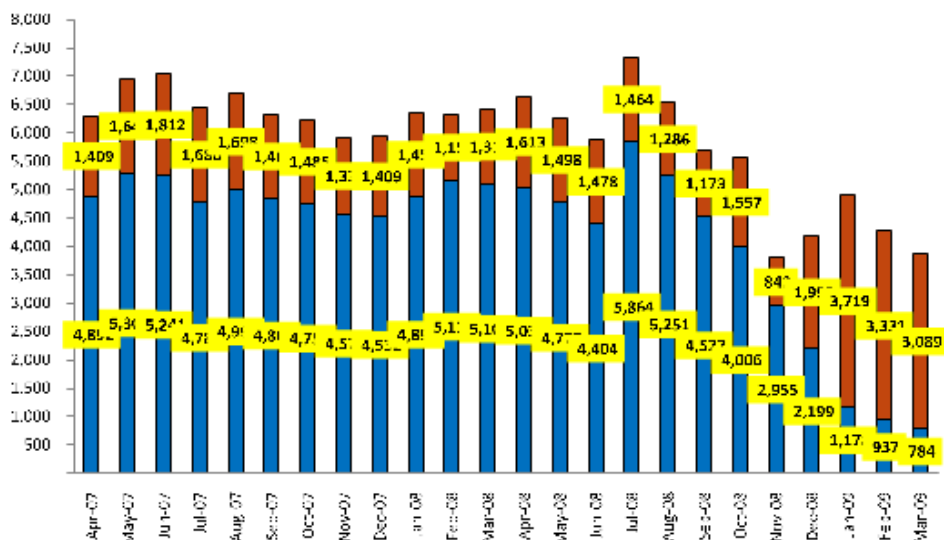
Pay Bills Utilization Rate by Transaction and Dollars - eCommerce

Financial

Period	By Number of Transactions							By Dollar Amount						
	ProCard	eProcur.	CTA	Total eCom.	Total Poss.	Utilization	Target	ProCard	eProcur.	CTA	Total eC	Total Poss.	% Total	Target
	Transx	Transx	Transx	Transx	eCom	Rate		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	
Jan-08	18,417	7,362	5,139	30,918	41,379	75%	75%	\$3,887,469	\$1,036,311	1,653,158	\$6,576,938	\$11,259,302	58%	65%
Feb-08	18,766	7,292	5,456	31,514	44,129	71%	75%	\$3,953,691	\$1,441,083	1,756,465	\$7,151,239	\$12,036,372	59%	65%
Mar-08	19,479	7,495	6,320	33,294	48,057	69%	75%	\$4,385,029	\$1,270,440	2,013,105	\$7,668,574	\$13,067,298	59%	65%
Apr-08	20,328	8,100	5,215	33,643	48,617	69%	75%	\$4,430,170	\$1,394,008	1,720,657	\$7,544,835	\$13,936,534	54%	65%
May-08	19,150	7,203	4,925	31,278	48,133	65%	75%	\$4,617,804	\$1,334,067	1,814,214	\$7,766,085	\$13,097,069	59%	65%
Jun-08	19,717	7,516	3,357	30,590	44,082	69%	75%	\$4,781,310	\$1,434,227	1,438,626	\$7,654,163	\$12,976,408	59%	65%
Jul-08	18,764	8,263	3,490	30,517	46,725	65%	75%	\$4,238,223	\$1,509,235	1,287,465	\$7,034,923	\$13,880,362	51%	65%
Aug-08	17,426	8,043	3,868	29,337	44,299	66%	75%	\$3,906,060	\$1,602,989	1,537,930	\$7,046,979	\$14,063,773	50%	65%
Sep-08	18,811	7,956	4,024	30,791	44,033	70%	75%	\$4,712,668	\$1,517,491	1,299,302	\$7,529,462	\$12,175,204	62%	65%
Oct-08	21,388	9,675	5,013	36,076	47,989	75%	75%	\$4,946,431	\$1,821,366	1,591,396	\$8,359,193	\$14,820,656	56%	65%
Nov-08	14,367	7,682	3,250	25,299	36,536	69%	75%	\$3,170,256	\$1,353,405	1,221,462	\$5,745,123	\$10,018,949	57%	65%
Dec-08	15,186	6,254	3,206	24,646	37,535	66%	75%	\$3,628,762	\$1,266,215	1,063,103	\$5,958,080	\$11,997,201	50%	65%
Jan-09	18,727	8,706	5,687	33,120	47,376	70%	75%	\$4,131,539	\$1,687,441	1,591,212	\$7,410,193	\$12,959,937	57%	65%
Feb-09	17,826	8,044	5,289	31,159	43,398	72%	75%	\$4,100,045	\$1,523,018	1,573,575	\$7,196,638	\$12,477,572	58%	65%
Mar-09	19,207	8,621	5,297	33,125	46,040	72%	75%	\$4,641,362	\$1,716,418	1,685,345	\$8,043,125	\$13,253,549	61%	65%
Apr-09	20,674	8,942	4,671	34,287	47,729	72%	75%	\$4,700,610	\$1,835,214	1,618,099	\$8,153,923	\$13,527,299	60%	65%

Purchase Goods Small Dollar Purchase Transactions - Purchasing

Financial



- Orders Assigned to 905 Status for Routine Processing
- Orders Assigned to an Individual Buyer for Further Processing

DEFINITION

This measure shows the number of requisitions under \$3,300 which have been entered into PAS. They represent orders that could potentially be migrated to either Procard and eProcurement. The lower portion of the bar chart shows 905 orders placed by campus departments while the upper portion shows orders assigned to specific buyers in the Purchasing Dept.

ANALYSIS

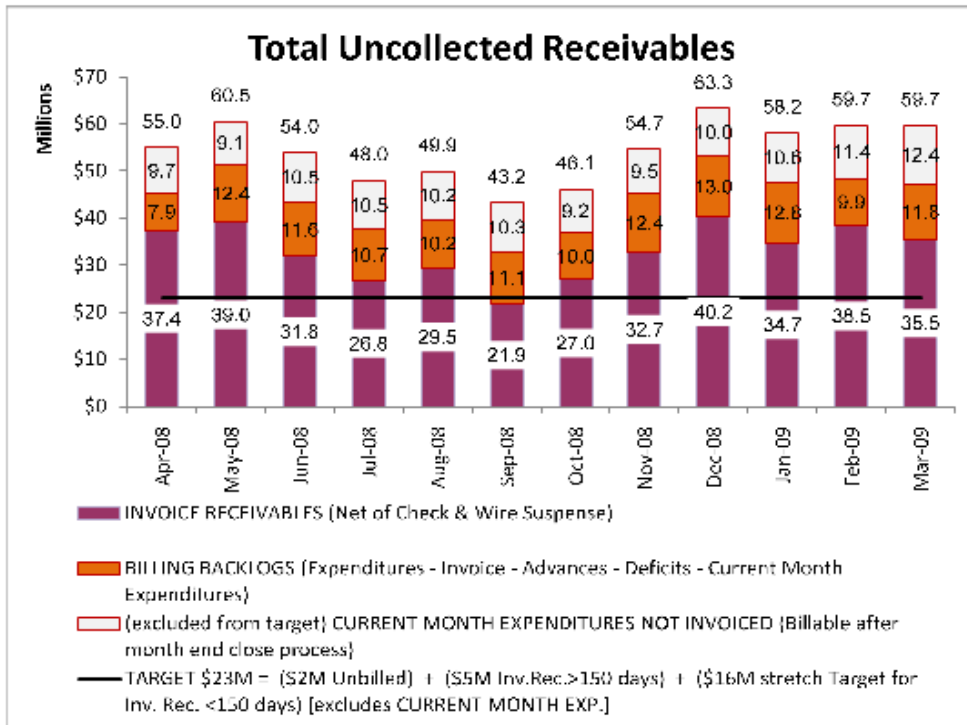
Purchasing Services staff efforts continue to reduce small dollar purchase transactions. Results are self evident, because in light of the increased purchasing activities tied to the biennium close of '09 budget activities, we have seen a sizable decline in the small dollar requisitions placed through PAS. The number of small dollar requisitions in the first quarter of '09 went down by 21% (i.e. 1024 requisitions). This metric shows the trend of the volume of small dollar purchases made in the PAS system. This measure is directly linked to the Improving Operational Excellence quadrant of the Strategy map by using rigorous fact based data and by streamlining business processes. Purchasing Services working with process partners in Procurement Services, has determined that PAS is not the optimal system for processing small dollar purchases. Several efforts are currently underway to drive volume to the Procard and eProcurement. Communications to departments include a message on a new Procurement Guide, internal efforts to isolate and transfer requisitions citing eProcurement contract suppliers to eProcurement, and ongoing efforts of the Seamless Procure to Pay initiative should all have an impact in driving the volume down over time.

NEXT STEPS

Continue to analyze the data. Continue to communicate to campus on the most optimum ways of buying their goods and services.

Manage Grants Total Uncollected - GCA

Financial



DEFINITION

The up-front cost the University has expended that has not been reimbursed by the sponsors.

ANALYSIS

- Current Month Expenditures that represent an up-front cost to the University, although not billable until the month-end close process.
- Billing backlogs are cumulative prior month expenditures not invoiced, in which about 70% (about \$8.2M) should have been billed but could not due to staff shortage.
- Current Month Expenditures are excluded from the Target of \$23M

NEXT STEPS

Implement Automate Deficits on Invoice and Auto Final Invoicing Process Spring 2009.

2008 UW Annual Report shows \$138MM for Accounts Receivables Grants & Contracts

<http://www.washington.edu/admin/finmgmt/2008report/financialstatements.pdf> (p.29)

Difference between Annual Report and dashboard graph is attributed to:

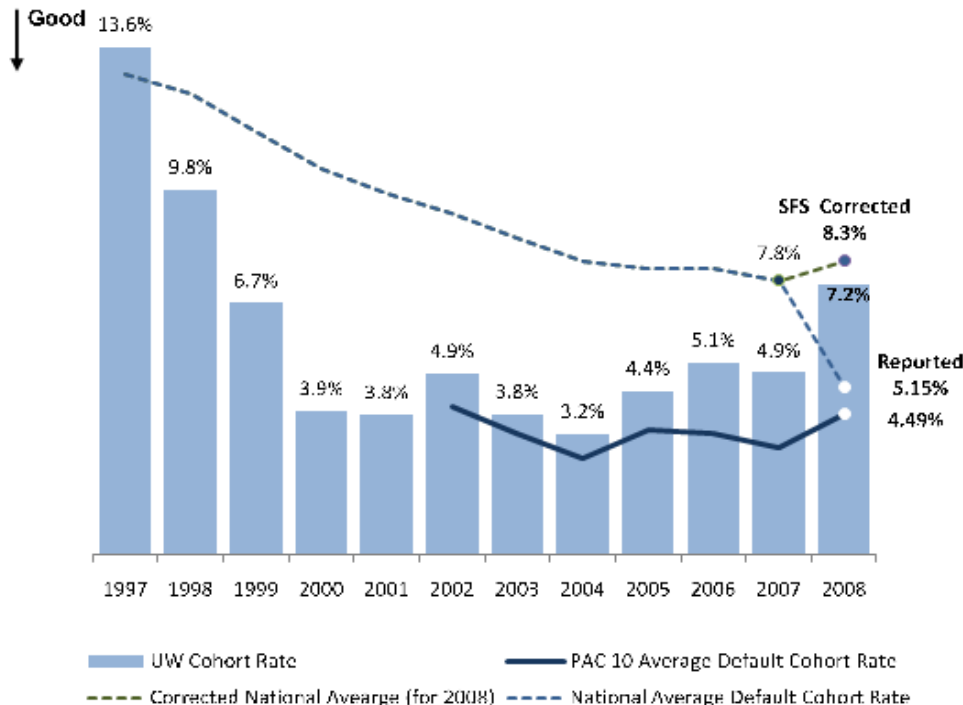
- *Other forms of payment not represented in the graph (e.g. Letter of Credit, Schedule Pay, Fixed Price)
- *Delay in posting expenditures (e.g. month 12/25/25A/25B)
- *Year end adjustments for deficits, suspense, doubtful accounts, and deferred revenue
- *Last payroll in June posted in July, but as June expenditures.

(Cash for that payroll is received in July and posted as July cash)

Collect Loans Students in Default on Loans

Financial

Federal Perkins Loan Cohort Default Rate
Compared to the National and PAC 10 Schools' Average Default Rates



DEFINITION

This measure quantifies the percentage of students with a reporting cohort who are in default on their Perkins Federal loans and compares UW's default rates against the National and PAC 10 Schools' Average Default Rates. SFS currently reports our default rate annually to the US Department of Education on the Perkins Fiscal Operations Report (FISAP).

Our current target is the National Average Default Cohort Rate, with a stretch goal of achieving the PAC 10 Average Default Cohort Rate. So long as UW maintains a rate less than 15%, there are no issues of concern with respect to Federal requirements.

National Average Default Cohort Rate – defined by the U.S. Dept of Education as a national measure of borrowers who entered repayment during the prior fiscal year who are in default (270 days past due) by the end of the current fiscal year
PAC 10 Average Default Cohort Rate – a subset of the default cohort rates limited to PAC 10 institutions.

ANALYSIS

NOTE: The 2008 National Average Default Cohort Rate contains an error: a school reported 1,000,000+ borrowers entering repayment, thus skewing the calculation. This error has yet to be corrected by the Federal reporting agency. Backing out this data results in a rate of 8.3%

Current economic trends would indicate that we can expect an overall increase in defaults -- as students entering the workforce face increased competition for career-track jobs within their fields of study and an overall tighter employment market.

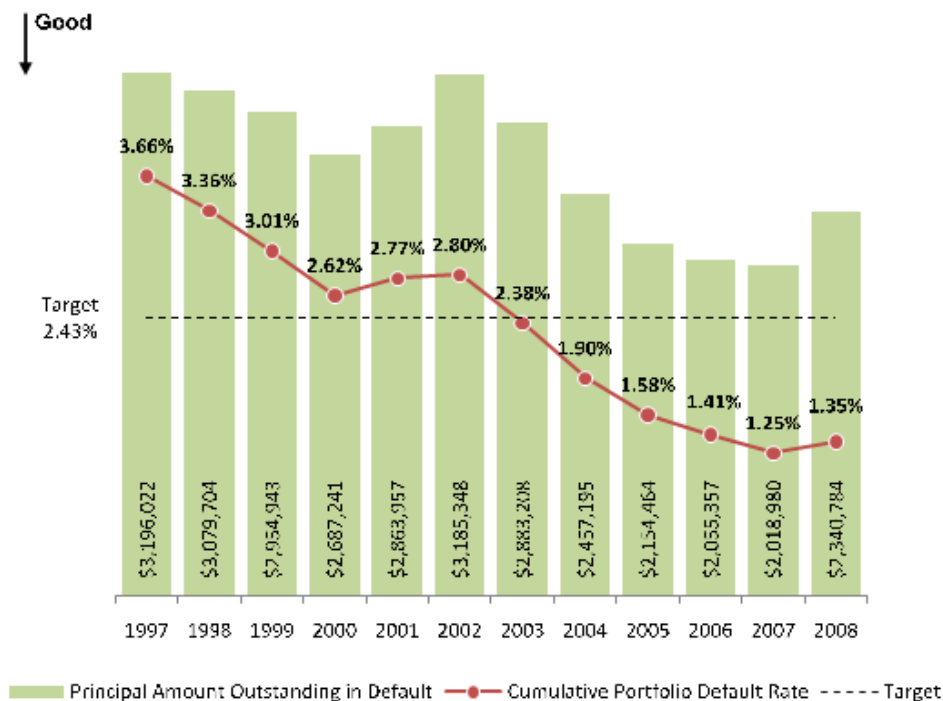
NEXT STEPS

SFS will continue with outreach, advising and other intervention activities as appropriate, while monitoring the performance of our 3rd party collection agencies

Collect Loans Students in Default on Loans

Financial

**Cumulative Perkins Loan
Default Rate and Defaulted Dollars by Fiscal Year**



DEFINITION

The "Cumulative Perkins Loan Default Rate and Defaulted Dollars by Fiscal Year" measures the overall "historical" default rate since inception of the program in 1959 in relation to the dollar amount in default at the end of the fiscal year. This default rate is derived by comparing the principal outstanding in default to the total dollars that have ever entered repayment. These values are derived from the Campus Partners status summary report for program 04650. The target for cumulative default rate is based on a 10 year average (1997 - 2007). SFS's goal is to minimize the overall default rate.

ANALYSIS

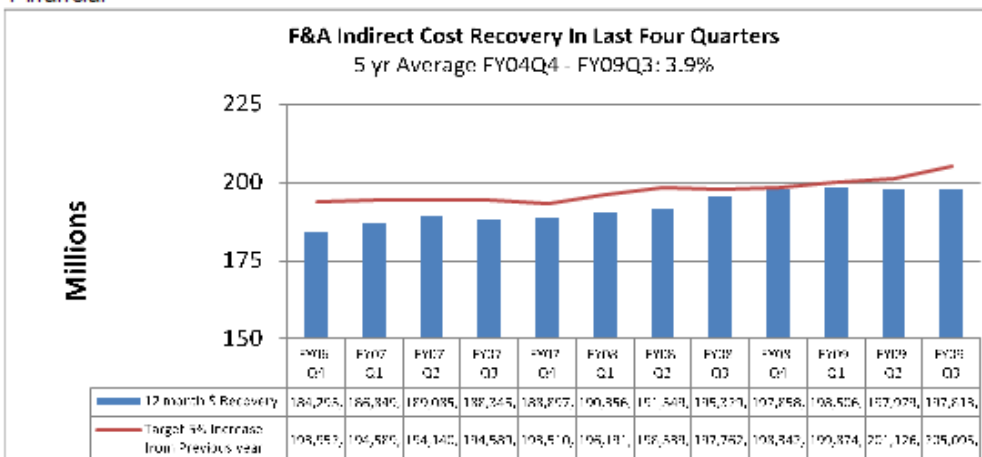
SFS used to report the Cumulative Default Rate on the Perkins Fiscal Operations Report (FISAP) up until the US Department of Education switched to the reporting of the Perkins Cohort Default Rate (which takes into account only the borrowers that have gone into repayment during one reporting period.) Historically, this measure displays UW's total Perkins Loan portfolio default trend and defaulted principal outstanding -- which, until end of FY 2008, was in a steady decline.

NEXT STEPS

Monitor this trend in relation to ongoing external economic conditions and continue to track 3rd party collection agencies' performance.

Develop and Negotiate Indirect Cost Rates - RAA

Financial

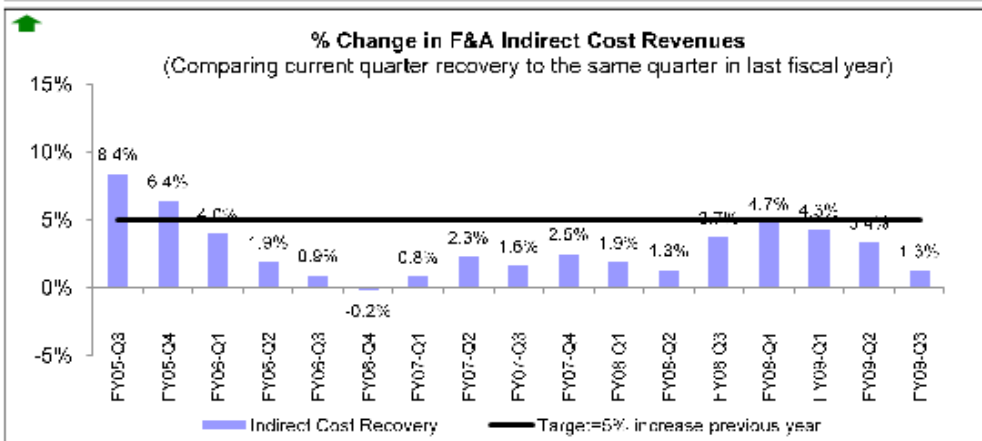


DEFINITION

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.

ANALYSIS

Decline in the growth rate of F&A recovery reflects the amount of research expenditures realized. The portfolio distribution is shifting in sponsored research fundings. While the Federal research fundings have flattened in the last few years, non-Federal research awards increased in a steady pace. Indirect cost rate agreement is higher for most Federal agencies while it's usually in a negotiated term for non-Federal sponsors.

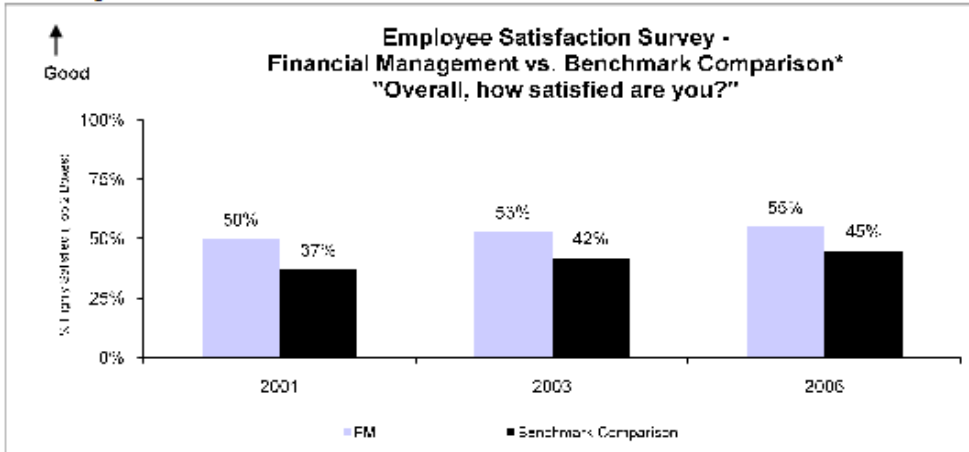


NEXT STEPS

In development are new graphs that display the rate of recovery in three separate categories: Federal, Pass-Thru, and Non-Federal. An aggregate graph represents all three categories will also be displayed.

Develop staff - Percent of Staff Highly Satisfied with FM

Learning & Growth



DEFINITION

Every three years, Financial Management retains an outside consulting firm to conduct an extensive survey of its employees to measure overall job satisfaction. The percent (%) in the top graph reports the combined score of the top 2 ratings on a 7-point scale.

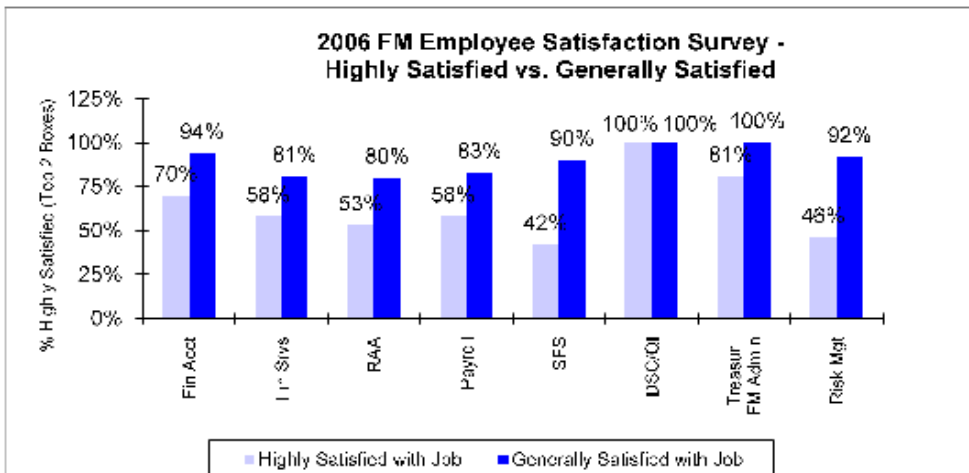
ANALYSIS

Both graphs show that the job satisfaction level of Financial Management employees are consistently higher than the benchmark comparison.

NEXT STEPS

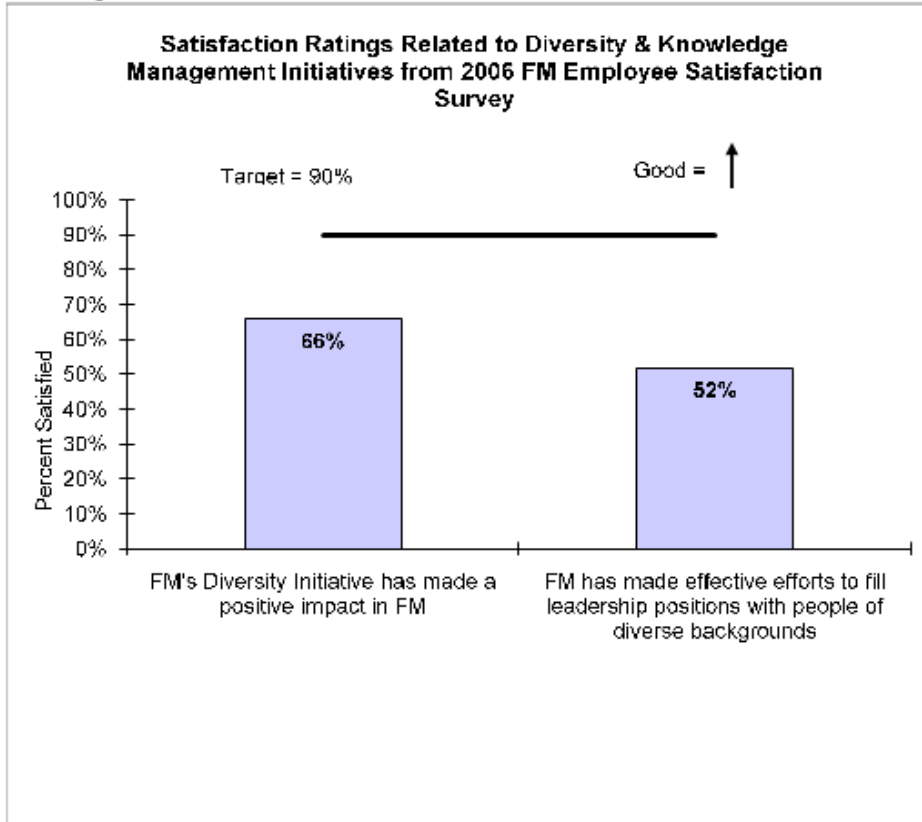
Each department in the bottom graph discussed the results of the survey and created action plans for improvement.

The next survey is scheduled for Spring 2009.



Develop Staff - Diversity - FM

Learning & Growth



DEFINITION

Financial Management retains an outside firm to conduct an extensive survey of its employees every three years. The percent is the combined score for "agree somewhat" and "agree strongly" on a 5-point scale.

ANALYSIS

The Diversity and Knowledge Worker questions were added in 2006. These results provide a baseline for improvement activities.

NEXT STEPS

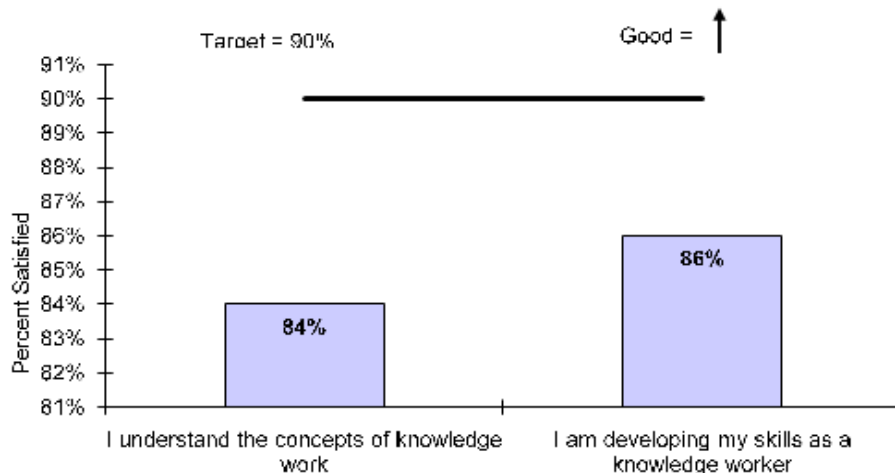
Financial Management actively sponsors The Diversity Team which implements a variety of activities to increase awareness. One activity is the mentor program which solicits and matches managers with employees seeking mentor-mentee experiences.

The Knowledge Worker Initiative created a set of needed knowledge worker skills for each department. Employees are encouraged to include these in their Employee Development Plan.

Develop Staff - Knowledge Workers - FM

Learning & Growth

Satisfaction Ratings Related to Diversity & Knowledge Management Initiatives from 2006 FM Employee Satisfaction Survey



DEFINITION

Financial Management retains an outside firm to conduct an extensive survey of its employees every three years. The percent is the combined score for "agree somewhat" and "agree strongly" on a 5-point scale.

ANALYSIS

The Diversity and Knowledge Worker questions were added in 2006 in response to 2003 survey results. These ratings provide a baseline for improvement activities.

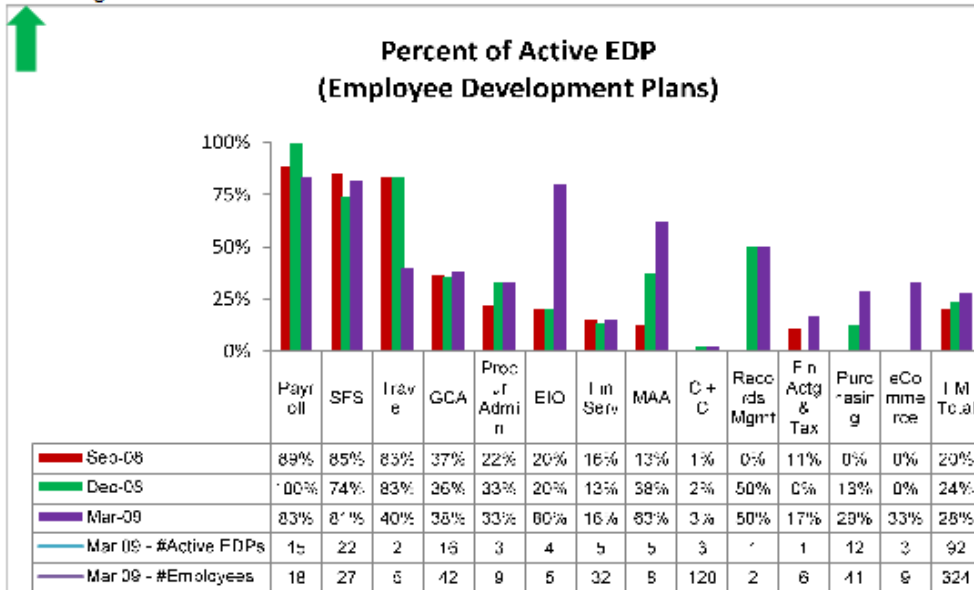
NEXT STEPS

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The Knowledge Worker Initiative created a set of needed knowledge worker skills for each department. Employees are encouraged to include these in their Employee Development Plan.

Develop Staff - Active Employee Development Plans - FM

Learning & Growth



DEFINITION

Measures the percentage of active Employee Development Plans (EDPs) approved and on-file. Plans must be renewed and approved every two years to remain active.

ANALYSIS

Overall, there are 92 employees with active personal development plans. Over 1 in 4 FM employees have active plans. Payroll led the way with a 83.4% score with Student Fiscal Services (SFS) close behind at 81.5%.

Smaller departments (Equipment Inventory Office (EIO), Management Analysis & Accounting (MAA) and eCommerce made gains. Overall 28.4%, now have active development plans. Targeted EDP workshops in the workplace appears to have improved performance in e-Commerce

NEXT STEPS

Managers will continue to encourage all staff to complete or reactivate their EDPs. More targeted EDP workshops are scheduled in Procurement Services.

