

**NCURA Region IV Spring Meeting**

# **Managerial Reporting Best Practices**

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# Presenter

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# Session Goal

- The goal of this session is to help participants develop or refine managerial reports for department heads and executive committees. The session will cover the essentials for successful reports and explore different options to reach those goals. The first half of the session will be a presentation of terms, data, and report examples. The other half of the session will be open for discussion and participant experiences.



# Participant Prerequisites

- This session is designed for participants with experience developing or presenting reports to management.
- Ideally, the participant would be in a position to suggest future report enhancements.



# Key Focal Points

- Financial Reporting vs Managerial Reporting
- Key Elements for Managerial Reports
- Departmental Risk Activities
- Various Report Formats



# Financial Reporting vs Managerial Reporting

- Financial Reports

Financial Reports give a summary of activity during a certain period. These reports will have a current balance, which is equivalent to an ATM balance.

- Managerial Reports

Managerial Reports compare budget to actual activities, giving the reader an opportunity to contemplate future activities.



# Key Elements for Managerial Reports

- ▶ Identify Risk Activities
- ▶ Chart of Accounts to organize data
- ▶ Include all Current Funds
- ▶ Position Budgeting
- ▶ Have an Annualized Budget for all activities
- ▶ Layered Reports



# Chart of Accounts

- The backbone of a solid report is generally a chart of accounts
- The Departmental COA table is generally “doctored” off-line
- Allows the report designer to roll up information in multiple layers
- Flexibility in reporting is more critical for Departmental reports—not as critical for Dean’s level or individual project reports





# Include All Current Funds

- Reports MUST include sponsored funds if unit has 25% or more faculty coverage from sponsored funds
- Reports can be segregated into major groups of funds—segregation not limited to University designations
- Endowment and Foundation Assets are generally in separate reports and are used for projection purposes



# Position Budgeting

- Need a position or person level detailed payroll budget in which each person adds up to 100% of their full fiscal year payroll
- Need to include augmentations, overtime, summer session, etc.
- Need to include all funds for the fiscal year.



# Annualized Budget

- Need to include revenue earned from endowment funds
- Need to project tuition revenue—critical for the following year's revenue
- Need to include sponsored funds—the portion of activity for the fiscal year being budgeted.



# Layered Reports

- Start with a Bottoms Up approach
- Build reports that go up to executive level
- Layers allow more detail for sections while reducing redundancy on executive reports



# Departmental Risk Activities

Risk Activities are those items that affect bottom line or productivity

- Tuition Revenues
- Endowment Income
- Sponsored Salary Coverage
- F&A Returns



# Tuition Analyses

- Total Tuition Revenue
- Number of Student Credit Hours Per Class
- Rate of Tuition per SCH  
(increase/decrease)
- Number of Classes
- Cost of Classes
- Faculty Allocation per Credit Hour
- Number of TAs/Paid Instructors



# Endowment Income Analyses

- Determine endowment income from endowments; some of which may be in foundations attached to the university or college
- Determine your departmental needs from the endowment
- Create a running market value history on your endowments; Calculate annual income from endowment by taking the average of the last 60 month (ex) balance and multiply it by current rate



# Sponsored Salary Coverage Analyses

- Need an ANNUALIZED sponsored funds budget
- BE CONSERVATIVE
- Determine the implications when projections are off
- Requires communication with faculty





# F&A Return Analyses

- Need to know percentage returned to your department
- Need to budget projected F&A expense per year across sponsored funds
- Multiply projected F&A expenses by return rate to determine ICR allocation
- What do you need to cover from these funds?—salary cap cost shares, matching commitments, research staff?



# Various Report Formats

- Executive Level Summary
- Faculty Productivity
- Risk Analyses (Tuition, F&A)
- All Funds



# Executive Level Summary

- Keep to a max of five pages; generally two – three pages is enough
- Make sure their key report is limited to activities or funds that they can influence; an all funds report should be separate
- Include projections through fiscal year end





# Faculty Productivity

- Use for Annual Reviews
- Use for Planning and Projections



# All Funds

- Layer Reports
- Keep a Consistent Format
- Keep Audience in Mind



# Discussion Time



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# Thank you!

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