

Management Reporting – Sample Reports  
Results of Meetings with Budget and Business Officers

Meetings were held in January and February 2003 with budget and business officers at each OUS university to help finalize the content and format of the sample management reports.

The managerial reporting workgroup had originally identified 15 management reports. The sample reports pertain to management report numbers 1, 2, 3, 4, and 7. The sample management reports included:

MR-1:	Preliminary Estimates of Revenues and Expense
MR-2-3	Comparison of Projected Revenues and Expenses to Annual Operating Budget
MR-4	Comparison of Actual Revenues and Expenses to Prior Year
MR-7	Cash Report

The meetings resulted in the following conclusions:

1. **Frequency of the reports will be quarterly.** However, we will not generate reports for the first quarter of each fiscal year. Frequency will be as follows:
  - Quarter 1
  - Quarter 2 for period ended December 31
  - Quarter 3 for period ended March 31
  - Quarter 4 for period ended June 30
2. **The MR-1 “Preliminary Estimate of Revenues and Expenses” report will only be generated for the fourth quarter.** Reason being is that MR-1 report requires one to make projections for the end of the following fiscal year. Making projections beyond one year becomes too subjective. Also, original intent of report was to make one preliminary estimate of revenues and expenses, not multiple preliminary estimates throughout the year.
3. **Restricted funds will be removed from the reports.** The budgeting and monitoring of restricted funds is entirely different from the budgeting and monitoring of current unrestricted funds. Restricted funds are typically budgeted as contracts and grants are received and often not reimbursed until after expenditures have occurred. Restricted funds should be reported on separately and will be included in the future MR-12 report on grants and contracts.
4. **Reports will be initially generated by the Controllers Division.** After the closing of the books, the Controller’s Division will automatically generate the reports from the OWAG aggregate and the Hyperion database. This will help ensure that all reports are consistent among all universities. The reports (along with a worksheet showing the sources of the amounts in the reports) will then be distributed with the following request to the universities:
  - To verify the numbers in the report to their Banner FIS accounting records.
  - To make any revisions to the numbers in the report
  - To explain any variances that the university believes are unusual.

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- To distinguish variances between accounting difference (e.g., timing differences in which revenues were recorded in Banner FIS) versus non-accounting differences (e.g., student tuition and fee revenue went up due to increase in number of students.)

Some universities suggested that the Controller's Division set a "variance threshold" but subsequent universities concurred that a variance threshold would vary depending on the circumstances at each university. It was agreed that each university budget and business officer would be in the best position to determine which variances are significant. Plan is for each university to explain the variances they believe are significant or unusual, and the Controllers/Budgets Division would ask universities for addition information as needed.

5. **Reports with projections will need to be updated by universities.** The Controller's Division will highlight columns on each column that the university must especially review and possibly revise.
6. **Timing of the reports must be reconsidered.** Presenting December data to April Board meeting seems very late. Ideally, the schedule would be as follows:

Period Ended	Presented to Board
December 31	February
March 31	May
June 30	August

It was agreed that a two month turnaround may not be feasible, especially at the larger universities due to the sheer number of funds. Otherwise, we will work towards a three month turnaround.

7. **Other suggestions pertained to:**
  - Headings and labels on the reports..
  - Addition of "E" and "F" fund addition/deduction accounts
  - Removal of clearing funds because their revenues and expenses should net to zero. Clearing funds are kept in just in case the clearing funds revenues/expenses do not net to zero. Presuming that activity of these funds do indeed net to zero, we will remove them from the report that is presented to the Board.
  - Timing of appropriations could dramatically affect results of the report.
  - Removing of transfers from Board Report because explanation of transfers may create significant confusion. At moment, transfers have to be kept in order to reconcile reports back to the amounts in Banner FIS.
  - Make "zero" amounts into "null" amounts to correct the graph of cash balances.