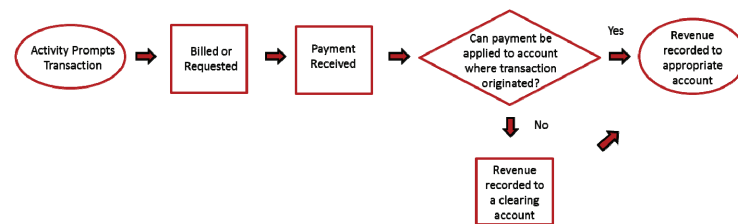


REVENUE TEAM

SCOPE

Recognizing Revenue as a process:



- From transaction to recording revenue
- Definition of Revenue
 - internal
 - external

DISCOVERIES

- Invoicing inconsistencies lead to delays or inaccuracies in revenue recognition
- High degree of variability in revenue reporting / recognition
- Inability to verify data in financial statements in part due to use of multiple systems
- Limited guidance on clearing accounts, AR, aging, collections, and write offs
- Due to reporting requirements and business needs both cash and accrual systems are needed

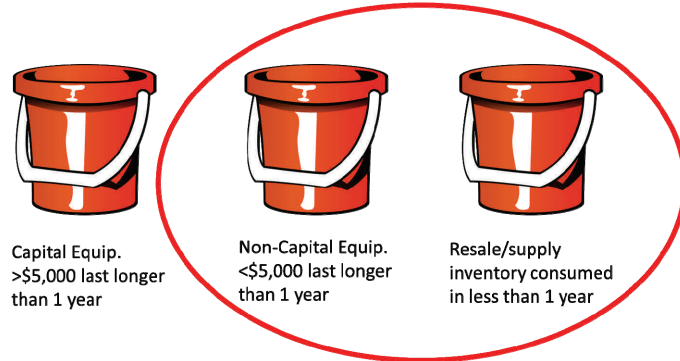
EMERGING RECOMMENDATIONS

- Clear and specific definitions for revenue types
- Consistent invoicing content and workflow
- Central Accounts Receivable system
- Automated process for revenue and accounts receivable reporting
- Ability to run cash and accrual-based reports
- Better defined use of clearing accounts

INVENTORY TEAM

SCOPE

Consumable goods and supplies for use and resale



- Record and safeguard incoming / outgoing goods
- Financial reporting
- Tracking processes



DISCOVERIES

- No shared definition of inventory across campus
- No policies or procedures
- Inconsistencies in what's tracked / what's not
- Lack of / inaccurate reporting
- No annual valuation review
- Areas not always tracked / valued appropriately:
 - Animals and feed
 - Art and prints for resale
 - Supplies >\$100K
 - "central stores"



EMERGING RECOMMENDATIONS

- Create policies and definitions
- Common procedures for:
 - tracking / safeguarding
 - recording
 - valuation
 - reporting
- Key financial controls:
 - Separation of duty
 - Appropriate loss / write-offs

FINANCIAL INFORMATION MANAGEMENT AND FINANCIAL REPORTING TEAM

SCOPE

Elevate enterprise view:

- Solutions to “anchor” all financial processes
- Build and protect integrity of UW-Madison financial data

Three focus areas:

- Reporting
- General ledger entry
- Account reconciliation



DISCOVERIES

- UW-Madison cannot produce GAAP/GASB statements; System does on our behalf
- SFS not uniformly recognized as campus GL
- Widespread use of shadow systems
- JET is wide open
- Extensive use of manual processes
- Minimal reconciliation to SFS



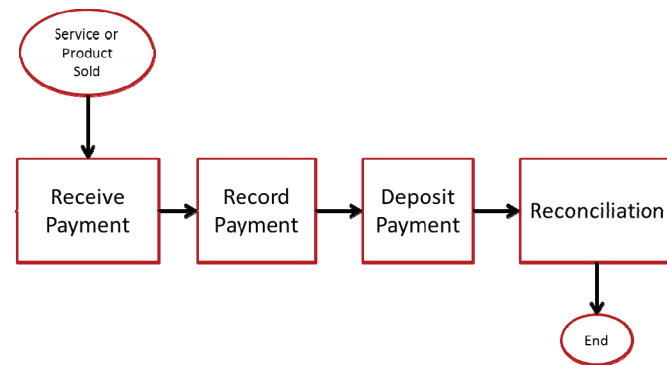
EMERGING RECOMMENDATIONS

- Clear, consistent, enterprise financial definitions
- Improved workflow / redesigned JET
- Improved management of GL direct entry
- Comprehensive, flexible enterprise funding string and chart of accounts
- Ability to run both accrual and cash-based financial reports

CASH HANDLING TEAM

SCOPE

Receipt, deposit and safeguarding of monies



- Meet statutory requirements for deposits
- Ensure accurate financial reporting
- Encourage use of electronic forms of payments
- Promote fraud detection
- Review cash advances

DISCOVERIES

- Many, geographically diverse collection points
- Numerous and varying forms of payment accepted
- Variety of point-of-sale systems used
- Inconsistent cash controls
- Wide variances in reconciliation processes
- Lack of formal policies / procedures; non-existent or hard to find

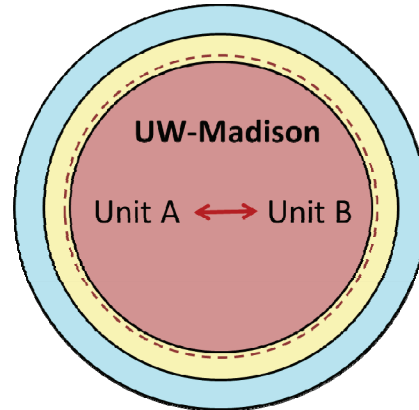


EMERGING RECOMMENDATIONS

- Implement separation of duty controls
- Optimize payment options
- Standardize identification, deposit remittance and reconciliation
- Update policies and procedures
- Enforce five-day deposit statutory requirement

INTERNAL BILLING TEAM

SCOPE



- Campus vendor establishment
- Rate management
- Payment methods

Goals:

- Establish who can bill what
- Efficient/effective billing and payment
- State/Federal/sponsor rules are met

DISCOVERIES

- Estimated FY15: \$480M via 500K transactions
(think of the staff time!)
- Timing of invoices impacts grant closure and payments
- Lack of transaction detail results in added effort and rework
- Essentially no process for becoming a service provider
- Locally-built billing systems abound
- Complex array of internal vendors, services offered and rate structures

EMERGING RECOMMENDATIONS

- Clearer guidelines, policies, procedures for:

Establishing New Service Provider	Annual Rate Setting	Transactions
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- Reduce P-Card usage for internal billing
- Consistent invoice content and frequency
- Enterprise tool for approvals, routing and attachments
- Window of time to preview charges / resolve issues prior to payment
- Ability to report on internal transactions

PROCURE-TO-PAY TEAM

SCOPE

Intent to Purchase



Purchase & Receive

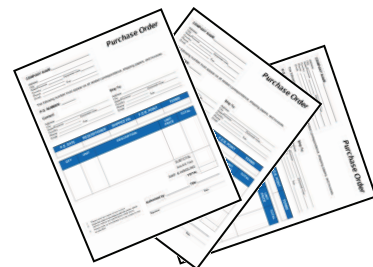


Payment



Reconciliation

- Purchasing process
- Online tools
- Delegation
- Approvals
- Payment methods
- Receiving process
- AP process
- Reconciliation to GL

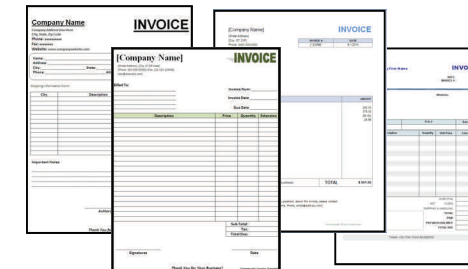


DISCOVERIES

- No consistent way to match purchase to delivery to payment
- Inconsistent use of delegation authority
- Departments develop their own processes / systems to fulfill unmet needs
- Blend of electronic and manual steps
- P-Cards are fast and easy, with inconsistent controls
- Significant clean-up happens in AP

EMERGING RECOMMENDATIONS

- Re-evaluate and update use of delegation
- Eliminate manual workflows
- Simplify invoice payment process
- Create customer view into P2P status
- Strive for one-stop shopping and improved tools
- Update policies
- Improve training



CAPITAL EQUIPMENT IMPLEMENTATION TEAM

SCOPE

Implement Recommendations From Phase I Team:

- Reduce complexity in asset tracking
- Support asset movement
- Strengthen DPA role
- Improve tagging
- Strengthen inventory process
- Increase control of transfers
- Improve documentation and training
- Migrate to electronic workflow
- Select and implement enterprise system

IMPLEMENTATION ELEMENTS

Launched: (Nov 2015)

- New, high-visibility asset tags



In Progress: (target launch 2016)

- Strengthened DPA role
- New policies and procedures
- Improved guidelines for property transfers
- Electronic forms and improved DPA access
- Enhanced CEIMS functionality as placeholder

Soon to Follow:

Integrated PeopleSoft asset management module:

- Custom bolt-on interface for increased efficiency and ease of use
- Full electronic workflow
- Link to upstream purchasing module
- Enhanced reporting capabilities