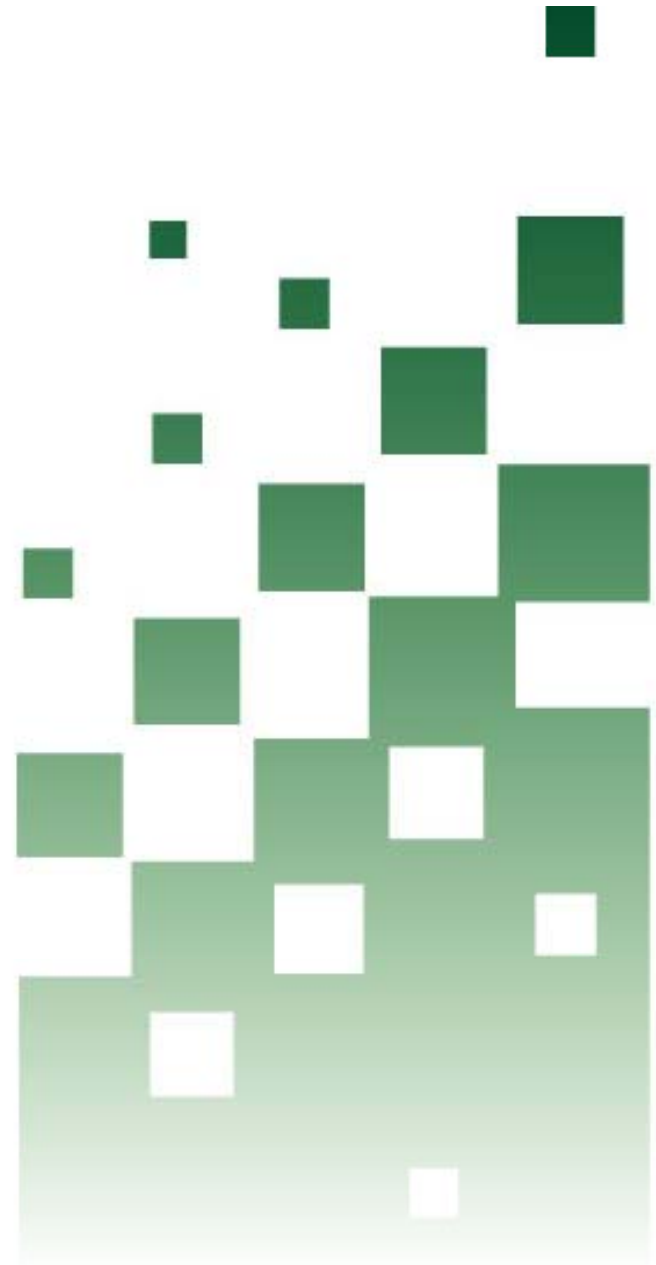


Best Practices in Treasury Management Reporting

MaryFrances McCourt
Indiana University



Executive/ Management Reporting

- ◆ Financial statements – end results of details of accounting/ recordkeeping process
- ◆ Executive reporting – first step toward decision making

Executive/ Management Reporting

Role of Financial Analysis: Use financial statements, combined with other information to evaluate past, current and future performance of the institution for the purpose of making investment, credit and other economic decisions.

Role of Executive Reporting: Turns data into relevant “information” to enable executive level decision support.

Data Overload

- ◆ No shortage of data anywhere
- ◆ Can't keep up with all of the data we are expected to consume
- ◆ Tough to prioritize all of the data
- ◆ Can't expect senior management to decipher it themselves by pulling out various time periods and preparing their own comparative analyses

Principles of Executive Reporting

Higher education institution business officers need to follow principles of presentation, judgment, and measurement in developing effective executive financial reports.

1. Keep the statement simple
2. Be consistent in reporting from year to year
3. Determine user needs and interests
4. Limit data
5. Provide trend lines
6. Compare with peer groups
7. Analyze ratios

Source: Business Officer, February 1991.

Steps Toward Effective Executive/ Management Reporting: Before you begin

- ◆ Understand the macro-economic context in which we are operating
- ◆ Understand the purpose of the analysis
- ◆ Understand/ identify key drivers
- ◆ Understand the audience
 - Will help determine appropriate format for report/ level of detail
 - Majority of Board members come from the corporate sector
 - Used to high level, concise information that can be quickly produced and easily read

Steps Toward Effective Executive/ Management Reporting: Development

- ◆ Provide context – numbers in isolation don't mean much
 - Trends
 - Peers
 - Benchmarks
 - Forecasts
- ◆ Use terms/ words relevant to the audience
- ◆ Combine sub-reports to show the relationship of information
- ◆ Prepare a consistent, easily understood format

Steps Toward Effective Executive/ Management Reporting: Review

- ◆ Review factors that affect risks to future performance and financial position
- ◆ Interpret the output
 - Analyze all variances outside the trend
 - Summarize what the report is telling you
 - Ask yourself questions about the information so that you have answers to the recipients questions before they are asked
 - Compare to prior version delivered

Steps Toward Effective Executive/ Management Reporting: Review

- ◆ Internal review may cause you to go back and rethink your approach
 - Did analysis answer provide the information intended?
 - Did analysis answer a question posed by the Board or other senior management?
 - Do assumptions hold water or are they flawed?
 - Can I explain my findings concisely?
 - Did analysis bring up any new questions that you are now asking yourself? If so, get those answered before delivery.

Steps Toward Effective Executive/ Management Reporting: Delivery

- ◆ Consistent timing
- ◆ Highlight key variances and reasons why
- ◆ Note any changes/ additions to format

Executive Reporting

- ◆ Like the “elevator ride” for the Sales/ Marketing Department
- ◆ You need to “sell” your message quickly and concisely
- ◆ If you had to provide 10 or less pages to your senior management/ Board of Trustees to understand your university’s financial position, what would they be?

Example Reports

- ◆ Long Term Modeling
- ◆ Quarterly Executive Flash Report
- ◆ Quarterly Treasury Operations Metrics/
Productivity Report
- ◆ Key Line Item Analyses
- ◆ Capital Project Report

Long Term Planning

ABC University Financial Assessment Summary

\$000s 12/17/08	Fiscal Year Ending									
	6/30/2004A	6/30/2005A	6/30/2006A	6/30/2007A	6/30/2008A	6/30/2009E	6/30/2010E	6/30/2011E	6/30/2012E	6/30/2013E
Statement of Net Revenues, Exp. and Changes in Net Assets										
Operating revenues	\$ 1,494,120	\$ 1,546,123	\$ 1,624,947	\$ 1,692,210	\$ 1,722,616	\$ 1,816,992	\$ 1,862,294	\$ 1,952,955	\$ 2,063,144	\$ 2,182,494
Operating expense	\$ 1,971,837	\$ 2,048,464	\$ 2,128,006	\$ 2,223,932	\$ 2,287,359	\$ 2,433,623	\$ 2,497,055	\$ 2,614,985	\$ 2,733,565	\$ 2,859,621
% operating revenue	132.0%	132.5%	131.0%	131.4%	132.8%	133.9%	134.1%	133.9%	132.5%	131.0%
Operating loss	\$ (477,717)	\$ (502,341)	\$ (503,059)	\$ (531,722)	\$ (564,743)	\$ (616,631)	\$ (634,761)	\$ (662,030)	\$ (670,422)	\$ (677,128)
% operating revenue	-32.0%	-32.5%	-31.0%	-31.4%	-32.8%	-33.9%	-34.1%	-33.9%	-32.5%	-31.0%
Net operating revenue	\$ 574,326	\$ 604,709	\$ 604,745	\$ 690,940	\$ 689,997	\$ 685,304	\$ 652,819	\$ 723,628	\$ 735,366	\$ 759,365
Income b/f other rev, exp, gains or losses	\$ 96,609	\$ 102,368	\$ 101,686	\$ 159,218	\$ 116,254	\$ 68,674	\$ 18,058	\$ 61,598	\$ 64,944	\$ 82,238
% total revenue	4.7%	4.6%	4.6%	6.7%	4.8%	2.7%	0.7%	2.3%	2.3%	2.8%
Total other revenue	\$ 17,859	\$ 16,774	\$ 21,134	\$ 15,925	\$ 23,082	\$ 24,138	\$ 29,621	\$ 19,621	\$ 19,621	\$ 19,621
Increase in net assets	\$ 114,468	\$ 119,142	\$ 122,820	\$ 175,143	\$ 139,336	\$ 92,812	\$ 47,678	\$ 81,219	\$ 84,565	\$ 101,858
Statement of Net Assets										
Cash	\$ 221,229	\$ 324,049	\$ 476,876	\$ 383,786	\$ 574,506	\$ 691,459	\$ 662,955	\$ 767,632	\$ 877,462	\$ 1,009,408
Accounts receivable	\$ 134,145	\$ 112,440	\$ 125,351	\$ 130,870	\$ 114,030	\$ 120,277	\$ 120,690	\$ 126,565	\$ 130,841	\$ 138,409
All other current assets	\$ 141,834	\$ 156,115	\$ 150,371	\$ 165,966	\$ 140,597	\$ 140,597	\$ 140,597	\$ 140,597	\$ 140,597	\$ 140,597
Total current assets	\$ 497,208	\$ 592,604	\$ 752,398	\$ 680,622	\$ 829,133	\$ 952,334	\$ 924,241	\$ 1,034,794	\$ 1,148,900	\$ 1,288,415
Investments	\$ 536,024	\$ 584,227	\$ 568,052	\$ 778,704	\$ 715,369	\$ 715,369	\$ 822,674	\$ 863,808	\$ 915,637	\$ 952,262
Capital assets, net	\$ 1,707,161	\$ 1,769,561	\$ 1,839,660	\$ 1,933,451	\$ 2,048,204	\$ 2,015,980	\$ 1,972,367	\$ 1,932,664	\$ 1,880,102	\$ 1,806,146
All other non-current assets	\$ 66,807	\$ 105,307	\$ 93,802	\$ 73,941	\$ 90,709	\$ 75,406	\$ 75,406	\$ 75,406	\$ 75,406	\$ 75,406
Total assets	\$ 2,807,200	\$ 3,051,699	\$ 3,253,912	\$ 3,466,718	\$ 3,683,415	\$ 3,759,089	\$ 3,794,688	\$ 3,906,672	\$ 4,020,044	\$ 4,122,228
Total current liabilities	\$ 393,229	\$ 488,970	\$ 469,722	\$ 485,156	\$ 478,858	\$ 452,858	\$ 480,363	\$ 456,456	\$ 480,262	\$ 483,832
Bonds payable	\$ 507,922	\$ 531,147	\$ 578,392	\$ 534,898	\$ 725,723	\$ 735,030	\$ 715,911	\$ 751,066	\$ 767,572	\$ 753,852
All other non-current liab.	\$ 130,526	\$ 136,917	\$ 188,314	\$ 254,036	\$ 146,870	\$ 146,425	\$ 145,961	\$ 145,477	\$ 144,073	\$ 144,448
Total liabilities	\$ 1,031,677	\$ 1,157,034	\$ 1,236,428	\$ 1,274,090	\$ 1,351,153	\$ 1,334,313	\$ 1,322,234	\$ 1,352,999	\$ 1,381,807	\$ 1,382,132
Net assets:										
Invested in cap. assets, net	\$ 1,168,783	\$ 1,205,240	\$ 1,259,567	\$ 1,304,656	\$ 1,336,766	\$ 1,312,659	\$ 1,282,878	\$ 1,258,285	\$ 1,216,122	\$ 1,163,349
Restricted:										
Nonexpendable	\$ 56,973	\$ 59,977	\$ 64,991	\$ 73,025	\$ 67,508	\$ 70,597	\$ 70,821	\$ 77,145	\$ 84,059	\$ 91,628
Expendable	\$ 99,701	\$ 109,154	\$ 126,256	\$ 150,952	\$ 144,320	\$ 168,216	\$ 181,539	\$ 190,626	\$ 188,636	\$ 174,701
Unrestricted	\$ 450,066	\$ 520,294	\$ 566,071	\$ 663,995	\$ 783,370	\$ 873,304	\$ 937,216	\$ 1,027,617	\$ 1,149,421	\$ 1,310,419
Total net assets	\$ 1,775,523	\$ 1,894,665	\$ 2,017,485	\$ 2,192,628	\$ 2,331,964	\$ 2,424,776	\$ 2,472,454	\$ 2,553,673	\$ 2,638,238	\$ 2,740,096
Total Liab. and net assets	\$ 2,807,200	\$ 3,051,699	\$ 3,253,913	\$ 3,466,718	\$ 3,683,415	\$ 3,759,089	\$ 3,794,688	\$ 3,906,672	\$ 4,020,044	\$ 4,122,228
Strategic Financial Ratios										
Primary Reserve	0.53	0.56	0.62	0.73	0.70	0.71	0.74	0.77	0.81	0.85
Viability	2.08	2.20	2.41	2.49	2.48	2.35	2.59	2.72	2.91	3.23
Return on Net Assets	8.5%	7.2%	9.0%	15.6%	3.7%	2.3%	4.4%	5.2%	5.3%	5.7%
Debt Burden Ratio	3.2%	3.6%	4.7%	3.4%	3.5%	3.9%	4.0%	3.9%	3.2%	3.1%
Composite Financial Index										
Moody's Financial Ratios										
Total Resources to Debt	2.64	2.53	2.59	3.05	2.98	3.12	3.47	3.70	3.98	4.41
Expendable Resources: Debt	1.86	1.79	1.83	2.18	2.05	2.18	2.43	2.59	2.79	3.11
Debt to Cash Flow	3.10	3.65	3.79	3.49	3.48	4.04	5.00	4.30	4.37	4.08
Debt Service to Operations	3.3%	3.9%	4.7%	3.6%	3.6%	4.2%	4.3%	4.2%	3.5%	3.3%

Long Term Planning

University Dashboard Indicators

Key Assumptions:

- "x" amount of capital spending over the next 5 years, phased as follows:
- Investment returns assumed at "x%" for FY10 and "y%" thereafter
- Revenue assumptions seek to align with emphasis on affordability through increased scholarship allowances.
- Expense assumptions are as follows:
- Incremental plant expansion is aligned with phasing of the capital plan.

Goal 1: Maintain debt capacity consistent with Moody's Aa1 rating.

Year	Debt Ratios			
	Measure 1 Total Resources: Debt	Measure 2 Expendable Resources: Debt	Measure 3 Debt: Cash Flow	Measure 4 Debt Service: Operations
FY03 Act	2.22	1.59	4.05	3.6%
FY04 Act	2.64	1.86	3.10	3.3%
FY05 Act	2.53	1.79	3.65	3.9%
FY06 Act	2.59	1.83	3.79	4.7%
FY07 Act	3.05	2.18	3.49	3.6%
FY08 Act	2.98	2.05	3.48	3.6%
FY09 Est	3.12	2.18	4.04	4.2%
FY10 Est	3.47	2.43	5.00	4.3%
FY11 Est	3.70	2.59	4.30	4.2%
FY12 Est	3.98	2.79	4.37	3.5%
FY13 Est	4.41	3.11	4.06	3.3%
FY07 Aa1 Median	3.10	2.10	4.42	3.8%
FY07 Aa2 Median	2.90	2.00	3.70	2.5%

Goal 2: Support pursuit of mission through continued financial strength characterized by best practice and strong governance.

Year	Strategic Financial Ratios			
	Measure 5 Primary Reserve	Measure 6 Viability Ratio	Measure 7 Debt Burden Ratio	Measure 8 Return on Net Assets (3 Yr. Avg.)
FY03 Act	0.52	2.07	3.3%	8.2%
FY04 Act	0.53	2.08	3.2%	10.6%
FY05 Act	0.56	2.20	3.6%	9.4%
FY06 Act	0.62	2.41	4.7%	7.2%
FY07 Act	0.73	2.49	3.4%	3.5%
FY08 Act	0.70	2.48	3.5%	4.0%
FY09 Est	0.71	2.35	3.9%	5.0%
FY10 Est	0.74	2.59	4.0%	5.4%
FY11 Est	0.77	2.72	3.9%	
FY12 Est	0.81	2.91	3.2%	
FY13 Est	0.85	3.23	3.1%	
Industry Benchmark	0.40	1:1	7.0%	3-4%
IU Benchmark	0.6	2:1	5.0%	3-4%

Goal 3: Exceed benchmark returns across all investment portfolio segments.

Year	Measure 9 Liquidity Investment Return	Measure 10 Core Investment Return - Manager A	Measure 11a Core Plus Investment Return - Manager B	Measure 11b Core Plus Investment Return - Manager C	Measure 11b Core Plus Investment Return - Manager D
	FY03	1.6%	5.6%	11.8%	6.4%
FY04	1.1%	0.6%	0.7%	1.0%	1.0%
FY05	2.3%	2.8%	6.2%	5.4%	5.4%
FY06	4.3%	2.2%	0.3%	0.1%	0.1%
FY07	5.3%	5.7%	5.5%	5.5%	5.5%
FY08	3.2%	5.4%	2.0%	7.0%	7.0%
Benchmark	90 Day T-Bill	Lehman 1-3 Govt/Corp	Lehman Aggregate		

Goal 4: Generate strong, consistent levels of interest income to support strategic initiatives.

Year	Measure 12 Interest Income \$000s
FY03	\$ -
FY04	\$ -
FY05	\$ -
FY06	\$ -
FY07	\$ -
FY08	\$ -
Benchmark	\$0

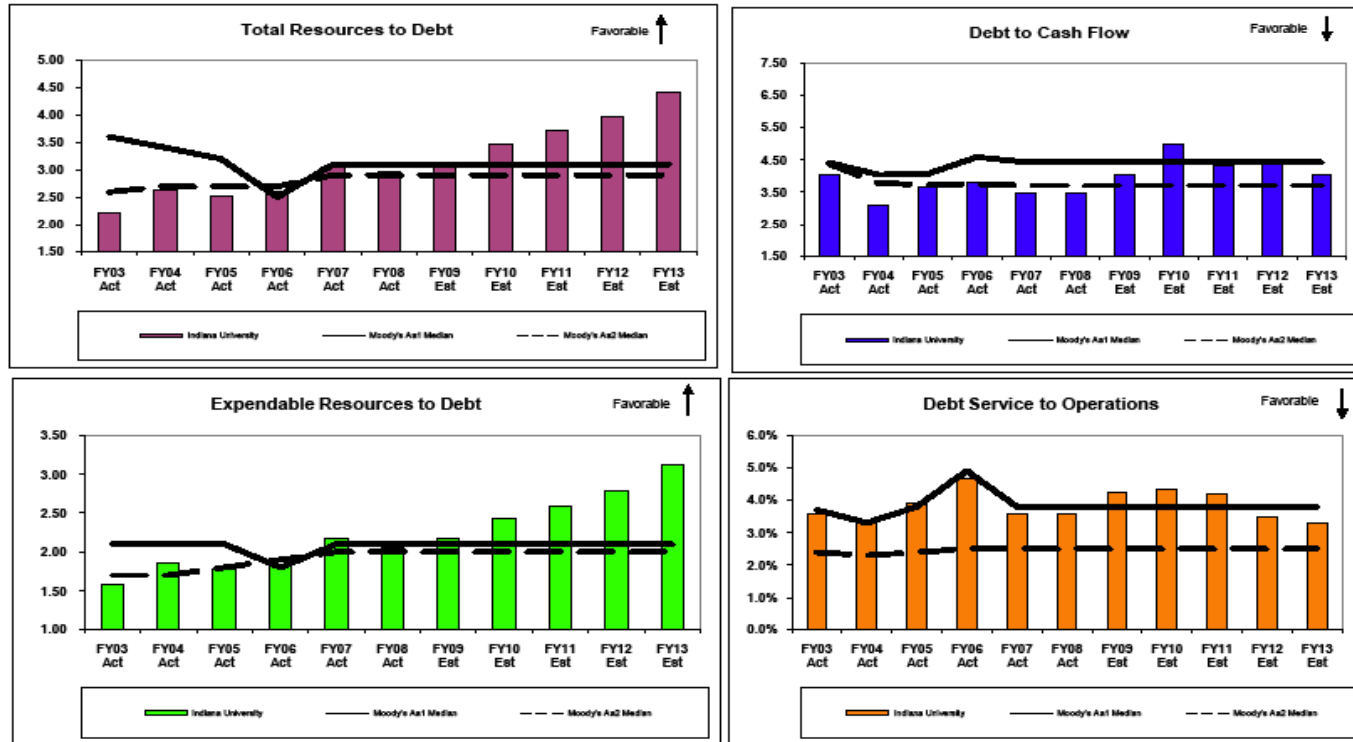
Notes: Moody's Aa1 rated institutions:
Moody's Aa2 rated institutions:

Indiana Univ., Purdue Univ., Texas A&M, Univ. of Calif., Univ. of NC - Chapel Hill, Univ. of Wash. Georgia Institute of Tech., Mich. State, New Mexico Military Inst., The Ohio State Univ., Penn. State, State Univ. of Iowa, State Univ. System of Florida, Univ. of Georgia, Univ. of Kansas, Univ. of Minn., Univ. of Missouri, Univ. of Nebraska, Univ. of Pittsburgh, Univ. of Utah, Univ. System of Maryland



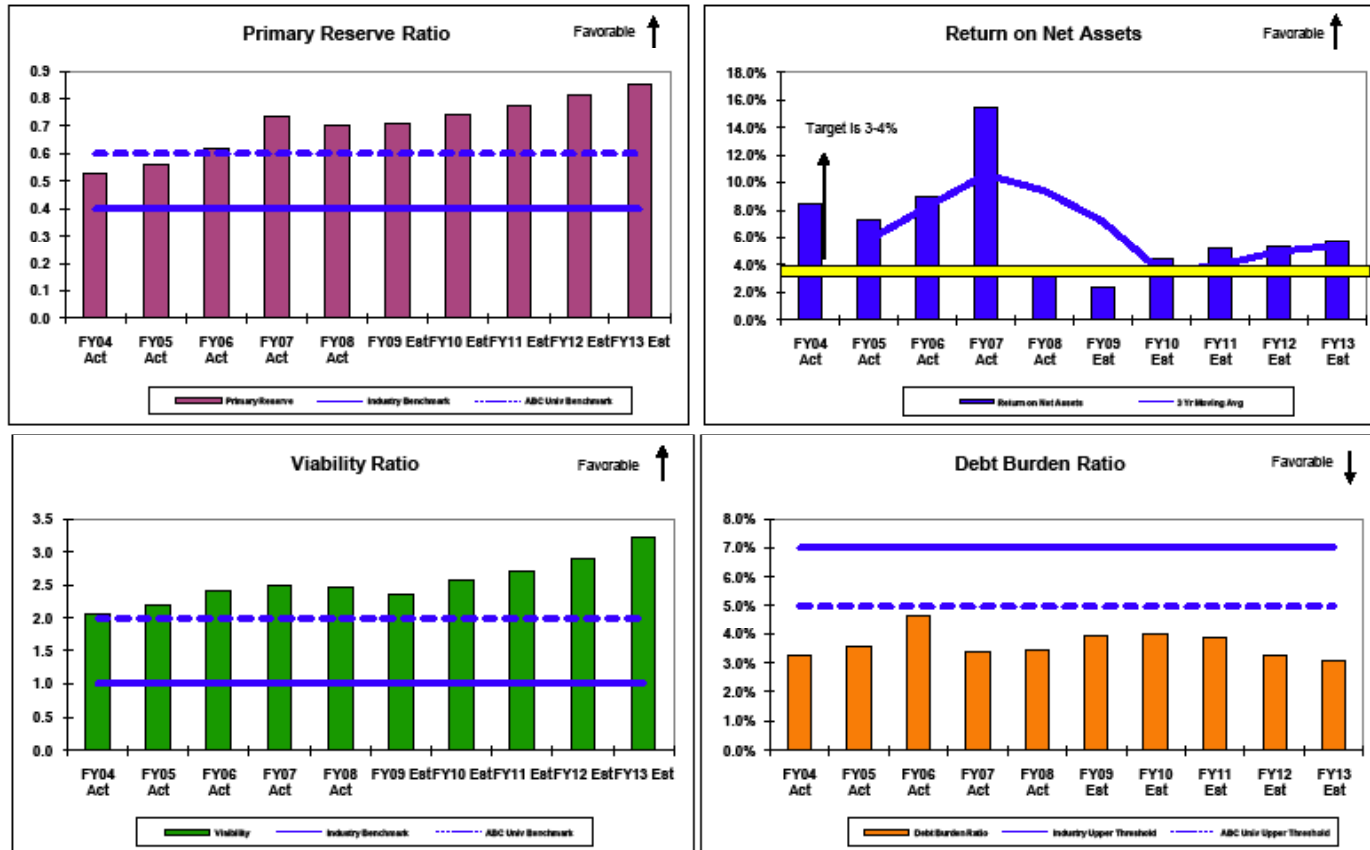
Long Term Planning

Moody's Financial Ratios



Long Term Planning

Strategic Financial Ratios



Quarterly Executive Flash Report

ABC University

Key Statistics Academic Year: 2008/09	
As of September 30, 2008	
Total Long Term Debt (\$000s)	\$0
Total Debt Incl. Accreted CAB's (000's)	-
Fixed vs. Variable Rate Excl. Acc. CAB's	100%/0%
Senior Debt Rating	Aa1/ AA
Strategic Ratios as of June 30, 2008	
Total Resources: Debt ¹	3.0x
Expendable Resources: Debt ²	2.1x
Debt: Cash Flow ³	3.5x
Debt Service: Operations ⁴	3.6%
Cost of Capital	4.4%

As of June 30, 2008	
Total Enrollment (FTEs)	73,786
Selectivity	71.8%
Matriculation	43.9%
Total Financial Resources (\$Ms) ⁵	\$2,591
Total Expendable Resources (\$Ms) ⁵	\$1,781
Total Budget (\$Ms)	\$2,568
Reliance on State Support (% total revenues)	24%
State Appropriation per Student	\$7,690
State of Indiana Ratings	Aa1/ AA+
Net Tuition per Student	\$9,668

Indiana University Debt Profile		
Balance Outstanding at September 30, 2008	(000's)	Credit Pledge
Student Fee Bonds (21-34-6)	\$0	Student fees
Student Union Bonds (21-35-2)	\$ -	Student fees
Revenue Bonds (21-35-3)	\$ -	Student residence & parking facility revenues; legally available funds
Energy Savings (21-34-10-7)	\$ -	Energy cost savings
Tax Exempt Commercial Paper (21-32-2)	\$ -	Standby credit support agreement; legally available funds
Total	\$ -	

Notes:

Definitions

- (1) Total Resources: Debt = (Unrestricted net assets + restricted expendable net and nonexpendable net assets + IUF total net assets - IUF net investments in PPE)/(IU debt + IU capital leases + IUF debt + deferred premium and bond expenses)
- (2) Expendable Resources: Debt = (Unrestricted net assets + restricted expendable net assets + IUF unrestricted/ temporarily restricted net assets - IUF net investments in PPE)/(IU debt + IU capital leases + IUF debt + deferred premium and bond expenses)
- (3) Debt: Cash Flow = (IU debt + IU capital leases + IUF debt + deferred premium and bond expenses)/(Operating Surplus + Depreciation), where Total Operating Revenue includes endowment spending, which is assumed to be 4.5% times the sum of Cash and cash equivalents plus investments at market value; Total Operating Expenses includes expenditures from the Functional Expenses note for Research and Auxiliary enterprises
- (4) Debt Service: Operations = Debt service is based on the interest from operating expenses and the principal from cash flow less refinancing identified in the footnotes for both IU and IUF, where Calculated Operating Expenses is the same as Cash Flow

Note: IU debt outstanding includes the accreted amount of Capital Appreciation Bond Student Fee Bonds at full authorization

Quarterly Executive Flash Report

ABC University

Quarterly Summary - Investments/ Capital Finance

<u>Investment Balances</u>	<u>6/30/2006</u>	<u>9/30/2006</u>	<u>12/31/2006</u>	<u>3/31/2007</u>	<u>6/30/2007</u>	<u>9/30/2007</u>	<u>12/31/2007</u>	<u>3/31/2008</u>	<u>6/30/2008</u>	<u>9/30/2008</u>
Liquidity Pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Core	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction & Debt Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Endowments & Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total University Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income										
Commonfund & Liquidity-STIF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Merganser	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aberdeen	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reams	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Western	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income Forecast										
Liquidity Funds - Avg. Interest Rate	4.87%	5.26%	5.13%	5.22%	5.04%	4.75%	3.76%	2.48%	1.75%	1.65%
Investment Performance										
Manager A	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Manager B	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Manager C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Manager D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investment Performance Benchmark	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Principal Outstanding on Debt										
<u>6/30/2006</u>	<u>9/30/2006</u>	<u>12/31/2006</u>	<u>3/31/2007</u>	<u>6/30/2007</u>	<u>9/30/2007</u>	<u>12/31/2007</u>	<u>3/31/2008</u>	<u>6/30/2008</u>	<u>9/30/2008</u>	
Student Fee Bonds (21-34-0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Student Union Bonds (21-35-2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Bonds (21-35-3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy Savings (21-34-10-7)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Exempt Commercial Paper (21-32-2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fee Replaced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Fee Replaced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fixed - %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Variable - %	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Weighted Avg Cost of Capital			0.00%						0.00%	
Internal Loans										
<u>6/30/2006</u>	<u>9/30/2006</u>	<u>12/31/2006</u>	<u>3/31/2007</u>	<u>6/30/2007</u>	<u>9/30/2007</u>	<u>12/31/2007</u>	<u>3/31/2008</u>	<u>6/30/2008</u>	<u>9/30/2008</u>	
Internal Loans Outstanding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
% of Operating Funds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Internal Loan Commitments			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
% of Operating Funds			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Internal Loan Capacity										
@ 5% TTM Operating Funds			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
@ 7% TTM Operating Funds			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Treasury Operations Metrics

	6/30/2007	9/30/2007	12/31/2007	3/31/2008	6/30/2008	9/30/2008
Treasury Initiated EFT Volume						
EFT \$ Volume	\$ 1,871,813	1,922,485	1,818,453	2,376,490	1,584,400	2,258,744
EFT Transaction Volume	1,132	1,057	1,027	1,113	1,137	940
Bank Operation FTE	2	2	2	2	2	2
EFT \$ Volume/FTE	\$ 835,807	\$ 961,243	\$ 809,227	\$ 1,188,245	\$ 792,200	\$ 1,129,372
EFT Transaction Volume/ FTE	566	529	514	557	569	470

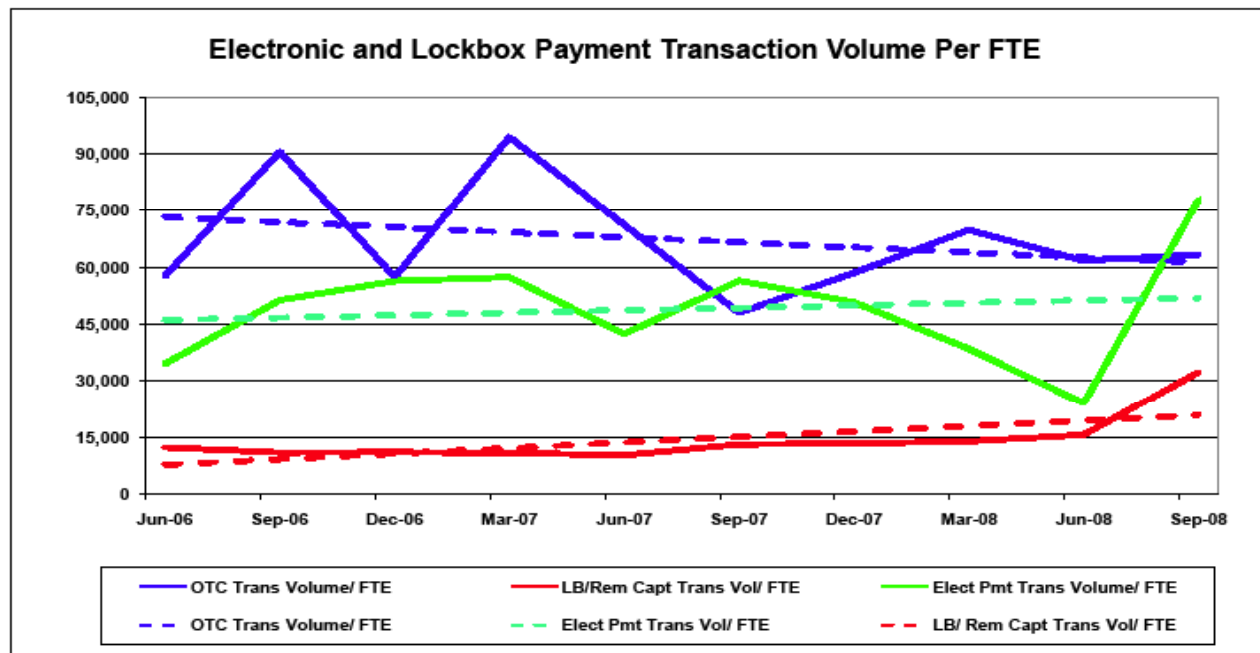
	6/30/2007	9/30/2007	12/31/2007	3/31/2008	6/30/2008	9/30/2008
Electronic and Lockbox Payment Transaction Volume						
Over-the-Counter Credit Card (131)	140,012	94,064	114,006	137,848	122,131	125,726
POP Check Conversion (14)	2,373	2,145	3,267	2,020	1,346	1,046
Internet Credit Card (46)	37,090	50,119	61,519	54,982	33,762	60,895
IU Pay (112)	1,234	1,430	1,242	2,344	2,415	2,152
infINET Credit Card (29)	17,852	22,030	15,963	22,530	22,873	29,374
infINET ACH (9)	29,007	39,408	42,628	47,821	38,913	51,661
Remote Capture (73)	0	2,478	2,878	4,352	10,815	42,043
Lockbox(LB) - A/R (9)	5,730	5,712	5,713	6,387	7,098	5,703
Lockbox(LB) - Bursar (8)	6,781	11,994	11,850	10,431	7,411	10,977
Lockbox(LB) - Other (5)	7,690	5,769	5,901	6,256	5,515	6,011
Total	247,569	235,149	264,967	294,971	252,279	335,588
Electronic Payment FTE	2	2	2	2	2	2
# of Credit Card Merchants/FTE	116	94	94	93	94	103
Electronic \$ Volume/ FTE	\$ 20,058	\$ 62,931	\$ 50,784	\$ 38,577	\$ 24,129	\$ 77,964
Electronic Transaction Volume/ FTE	42,492	56,494	60,676	63,839	48,982	72,041
Over-the-counter \$ Volume/ FTE	\$ 5,754	\$ 4,645	\$ 3,388	\$ 4,185	\$ 3,638	\$ 4,450
Over-the-counter Trans Volume/ FTE	71,193	48,105	58,837	69,934	61,739	63,386
LB/Remote Cap \$ Volume/ FTE	\$ 25,440	\$ 42,752	\$ 71,142	\$ 31,553	\$ 156,133	\$ 73,804
LB/Remote Cap Trans Volume/ FTE	10,101	12,977	13,171	13,713	15,420	32,367

	6/30/2007	9/30/2007	12/31/2007	3/31/2008	6/30/2008	9/30/2008
Incoming Wires & ACH's						
Incoming Wires & ACH's - \$	\$ 162,720	\$ 205,075	\$ 133,113	\$ 155,842	\$ 165,400	\$ 428,843
Incoming Wires & ACH's - #	2,561	2,556	2,492	2,714	2,467	2,950
Incoming Wires & ACH's Per Trans.	\$ 64	\$ 80	\$ 53	\$ 57	\$ 67	\$ 145

	6/30/2007	9/30/2007	12/31/2007	3/31/2008	6/30/2008	9/30/2008
Training						
e-business/Banking Seminar	130	0	0	0	0	27
Revenue Processing Training	0	218	384	157	137	30
Oncourse Tutorial	0	75	27	12	12	16
Total Individuals Trained	130	293	411	169	149	73
Training Sessions Conducted	2	3	4	3	3	2

Note: # of locations (i.e. IU Pay (87)) accurate for current period only.

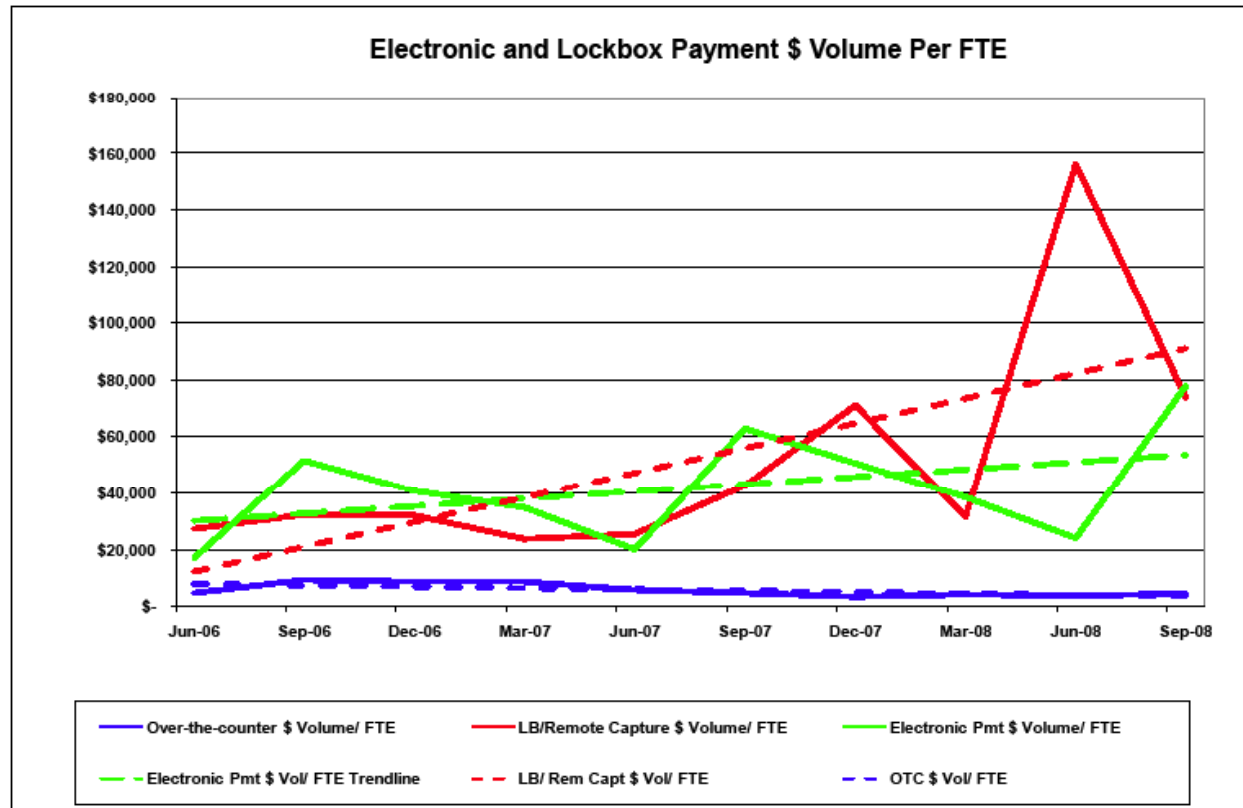
Treasury Operations Metrics



	<u>6/30/2006</u>	<u>9/30/2006</u>	<u>12/31/2006</u>	<u>3/30/2007</u>	<u>6/30/2007</u>	<u>9/30/2007</u>	<u>12/31/2007</u>	<u>3/31/2008</u>	<u>6/30/2008</u>	<u>9/30/2008</u>
OTC Trans Volume/ FTE	57,875	90,583	57,397	94,500	71,193	48,105	58,637	69,934	61,739	63,386
LB/Rem Capt Trans Vol/ FTE	12,136	10,773	10,865	10,721	10,101	12,977	13,171	13,713	15,420	32,367
Elect Pmt Trans Volume/ FTE	34,805	51,389	56,371	57,408	42,482	56,494	50,784	38,577	24,129	77,964

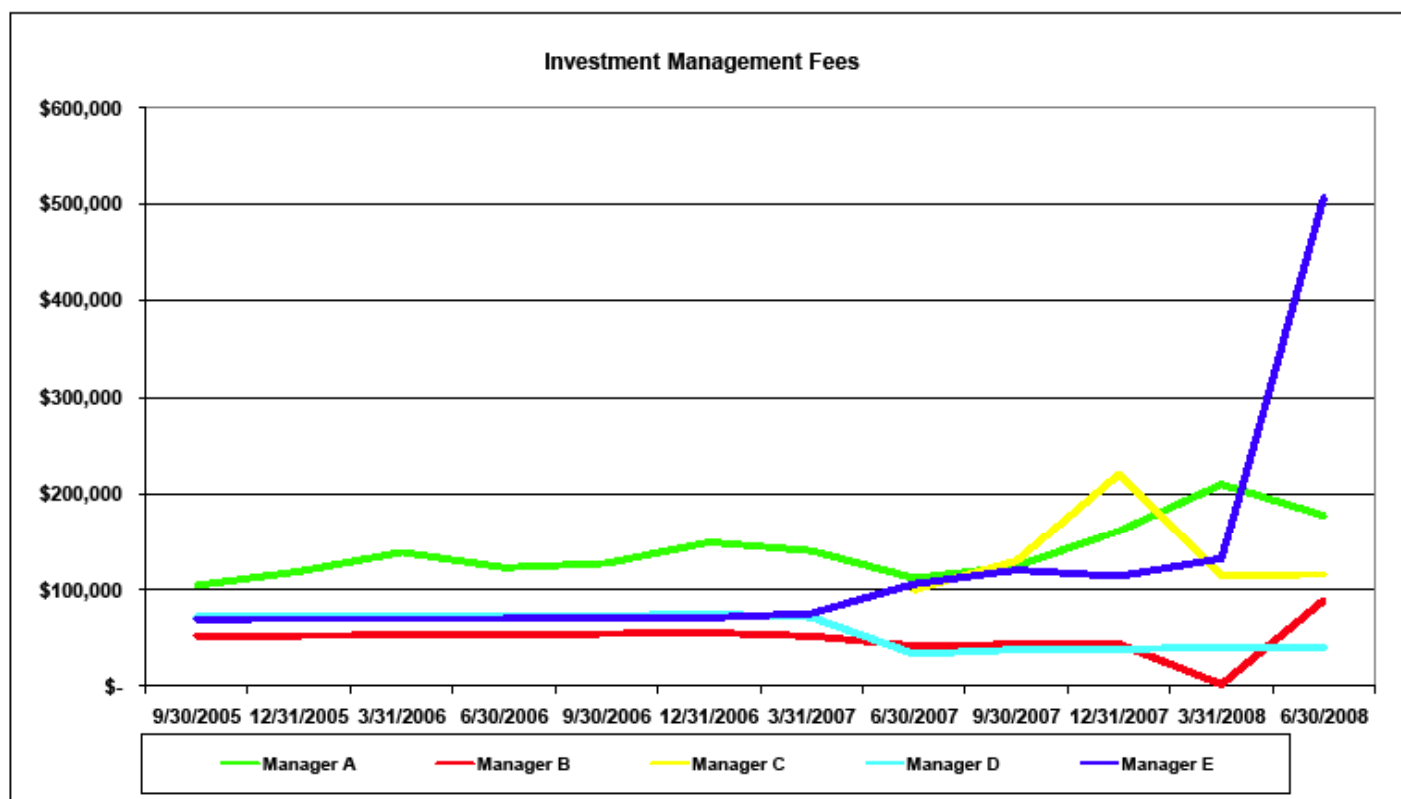


Treasury Operations Metrics



	<u>6/30/2006</u>	<u>9/30/2006</u>	<u>12/31/2006</u>	<u>3/30/2007</u>	<u>6/30/2007</u>	<u>9/30/2007</u>	<u>12/31/2007</u>	<u>3/31/2008</u>	<u>6/30/2008</u>	<u>9/30/2008</u>
Over-the-counter \$ Volume/ FTE	\$ 4,646	\$ 8,303	\$ 8,604	\$ 8,604	\$ 5,754	\$ 4,645	\$ 3,388	\$ 4,185	\$ 3,638	\$ 4,450
LB/Remote Capture \$ Volume/ FTE	\$ 27,280	\$ 32,279	\$ 32,037	\$ 23,726	\$ 25,440	\$ 42,752	\$ 71,142	\$ 31,553	\$ 156,133	\$ 73,804
Electronic Pmt \$ Volume/ FTE	\$ 17,073	\$ 51,703	\$ 40,896	\$ 34,946	\$ 20,058	\$ 62,931	\$ 50,784	\$ 38,577	\$ 24,129	\$ 77,964

Investment Manager Fees



Investment Manager	Fee as a % of Quarter End Balance											
	9/30/2005	12/31/2005	3/31/2006	6/30/2006	9/30/2006	12/31/2006	3/31/2007	6/30/2007	9/30/2007	12/31/2007	3/31/2008	6/30/2008
Manager A	0.035%	0.034%	0.040%	0.043%	0.032%	0.047%	0.044%	0.041%	0.031%	0.031%	0.044%	0.041%
Manager B	0.049%	0.049%	0.049%	0.049%	0.049%	0.073%	0.067%	0.054%	0.058%	0.055%	0.003%	0.109%
Manager C									0.075%	0.121%	0.062%	0.064%
Manager D	0.062%	0.062%	0.063%	0.062%	0.060%	0.121%	0.113%	0.054%	0.060%	0.058%	0.060%	0.061%
Manager E	0.050%	0.050%	0.050%	0.050%	0.049%	0.040%	0.042%	0.060%	0.067%	0.062%	0.071%	0.281%
Total	0.045%	0.044%	0.047%	0.049%	0.042%	0.055%	0.053%	0.050%	0.051%	0.056%	0.050%	0.099%

Capital Project Report

ABC University
Capital Project Plan

Project Description	09-11 Capital Appr. Request	Special Purpose Entity Candidate	Campus	Trustee Project Approval	General Assembly Approval	Governor Letter	Project Cost
---------------------	-----------------------------	----------------------------------	--------	--------------------------	---------------------------	-----------------	--------------

Project Description	Funding							First Year of Debt Service
	Debt					Reserves	Gifts/ Other	
	Student Fee Fee Replaced	Student Fee Non Fee Replaced	Revenue Bonds	Energy Savings Notes	No Fee Replace.			

Project Description	Type	Debt Service Funding Source	SPE/ COP Funding Source	Incem. Oper Exp Per Sq Ft	Est Sq Ft	Incem. Plant Expansion per Sq Ft	Incem. Plant Expansion	Construct. Cost/ Sq Ft	Priority
---------------------	------	-----------------------------	-------------------------	---------------------------	-----------	----------------------------------	------------------------	------------------------	----------

Project Description	Start Date	End Date	Months of Const.	Total New Project Costs					Total Long Term Financed				
				FY09	FY10	FY11	FY12	FY13	FY09	FY10	FY11	FY12	FY13

Project Description	Total Fee Replacement					Total Debt Service				
	FY09	FY10	FY11	FY12	FY13	FY09	FY10	FY11	FY12	FY13

Benefits

- ◆ Enables timely, sound decision making based on fact
- ◆ Brings all legs of finance organization together
- ◆ Increases cross functional collaboration
- ◆ Increases depth of understanding of organization and correlation of key drivers
- ◆ Increases Finance participation in strategic decision making
- ◆ Brings a high level of financial understanding to senior management