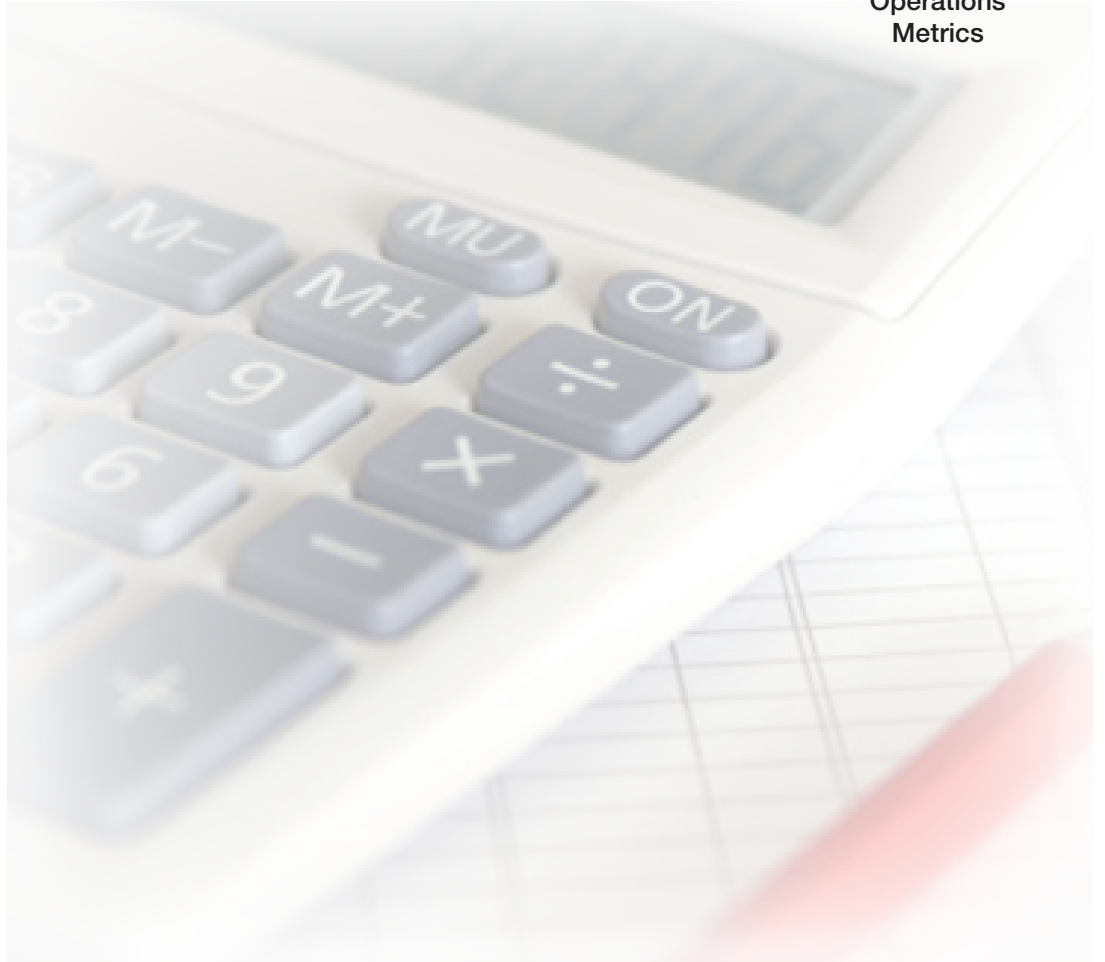


Metrics Catalog

Finance Metrics *Representative Examples*



Operations
Metrics



This Catalog Describes The Lab’s Benchmarking Approach and Over 375 Comparative Metrics for Finance

A. The Lab’s Approach to Benchmarking 3

- Describes The Lab’s library of benchmarking metrics and outlines our typical benchmarking approach

B. Firm-wide Benchmarking Metrics 9

- Reviews The Lab’s most popular comparative metrics for analyzing overall organization size, structure and operating effectiveness. These metrics are useful for identifying relevant peers.

C. Finance Benchmarking Metrics 13

- Defines comparative metrics used by The Lab to analyze the procedures and operating effectiveness of functional departments in Finance.
 - A. Financial Planning, Analysis and Reporting
 - B. Treasury
 - C. General / Management Accounting
 - D. Accounts Receivable and Payable
 - E. Other Finance Functions

Section A

The Lab Approach to Benchmarking

- Describes The Lab's library of benchmarking metrics and outlines our typical benchmarking approach

About this Benchmarking Metrics Catalog...

The Lab has been conducting benchmarking analysis since our founding in 1993. Our metrics catalogs comprise a standardized repository of the most operationally relevant performance measures for a wide range of organizations and industries.

This **Finance Metrics Catalog** is drawn from the Support Group section of our Organization-based catalogs.

The Lab’s Benchmarking Metrics Library

Organization-based catalogs

Industry-based catalogs

Support Group

- **Finance**
- Human Resources
- Marketing
- Information Technology
- Corporate Services
- Compliance/Audit
- Legal
- Internal Improvement Teams

General Line

- Field Sales & Support
- Customer Service
- Contact Centers
- New Product Development
- Supply Chain Operations*
- Order Management
- Procurement
- Materials Management
- Production
- Distribution

Services

- Financial Services
 - Insurance
 - Banking
 - Broker/Dealer
 - Investment Management
- Media Services
- Information Services
- Health Plans
- Telecommunications
- Utilities

Supply Chain

- Pharmaceuticals
- Chemicals
- Food Production/Processing
- Paper/Packaging
- Industrial Products/Appliances
- Technology
- Print and Mail
- Consumer Packaged Goods
- Retail and Distribution
- Oil and Gas

Metrics included in the catalog have been selected and grouped on the basis of practicality. Over the years, these measures have proven to be the most feasible to collect externally and the easiest to administer for internal operations management.

The Lab “reuses” these standard metrics on each of our consulting engagements. This approach enables The Lab to refresh the data comparisons on a continual basis and avoid redefining costly, one-off comparisons. Similarly, our clients find it helpful to standardize their own internal performance measures and align these with The Lab’s metrics to enable cost-efficient external comparisons.

Helpful Tips for Performance Measurement

The Lab's Approach to Metrics Selection

Avoid enterprise comparisons—The Lab focuses on specific “nuts and bolts” level, quantified comparisons of well-documented operating tasks, routines and ratios. We avoid wholesale comparisons of companies or business lines. Such efforts can rapidly evolve into broad, subjective discussions of qualitative, overarching business philosophies and strategies.

Focus primarily on operational (not cost) comparisons—The Lab limits cost benchmarks to 20% or less of the total metrics used in any comparative analysis. Both internal and external cost data frequently include allocations and chargebacks that cannot be unbundled for normalized comparison within a reasonable time frame.

Target work activities and common routines for comparison—Business processes and organization structure vary significantly both across and within comparable peer companies. However, the tasks and sub-routines that comprise these processes and organizations are remarkably similar. The Lab targets these common elements for comparison.

Keep metrics to a manageable quantity—Most external peers considering participation in a benchmarking effort will tolerate only a small number of readily available metrics, typically less than twenty. Prioritize metrics into several groups to ensure that a small number of essential metrics are gathered first during each interview. A longer list of “extra credit” questions can be posed to peers willing to spend additional time on the interview. Similarly, internal operating measures for day to day use should be restricted to a concise number for each area—roughly 6–10 essential metrics.

The Lab's Typical Benchmarking Project: Four Phases

Phase I: Jointly Develop the Proposal

- Introduce The Lab, our benchmarking capabilities and our experience
 - Understand the client's objectives for the benchmarking initiative
 - Jointly develop a proposal that meets the client's needs (scope, budget, time frame, internal/external participation)
-

Phase II: Develop the Shell Document

The Lab meets with client representatives to define and prioritize key elements of the project that meet the scope defined by the proposal. A shell document is created prior to the start of field research. The shell defines all aspects of the final report except the data comparisons.

- Metrics definitions and priorities
 - Peer group definitions
 - Comparable companies/prospective participants
-

Phase III: Conduct Field Research/Provide Updates

- The Lab solicits participants and conducts field interviews with peer companies
 - As data is collected, clients receive updates and preliminary findings throughout the initiative
 - Additional refinement of metric definitions and priorities is conducted as required.
 - Develop a running list of clarification and validation questions for final, follow-up peer interviews.
-

Phase IV: Validate and Finalize

- Consolidate, streamline and prioritize all clarification and validation questions
- Conduct brief follow-up interviews with peer company participants
- Compile final documents for both client sponsor and peer company participants (abridged versions)

Section B

Firm-wide Benchmarking Metrics

- Reviews The Lab's most popular comparative metrics for analyzing overall organization size, structure and operating effectiveness. These metrics are useful for identifying relevant peers.

Firm-wide Metrics

1. Total Revenue

Total enterprise-wide revenue year-end 200X as reported on an earnings statement.

2. Total Operating Expense

Total operating expense for Finance year-end 200X.

- a. Total firm-wide operating expense
- b. Total Finance expense

3. Total Employee Headcount

Total number of employees at year-end 200X.

- a. Total FTEs firm-wide
- b. Total Finance FTEs firm-wide

4. New Hires

Indicate number of new Finance hires in 200X.

5. Business Segments

Indicates the total number of firm-wide business segments.

6. Lines of Business

Yes/No metric indicating major lines of business.

- a. Investments (e.g., investment management)
- b. Broker/Dealer (e.g., securities broker or trader, investment bank)
- c. Commercial Bank (e.g., savings account, loans)
- d. Insurance (e.g., institutional insurance, individual insurance)

7. Largest Revenue Source

Indicate business line that yields the largest amount of company revenue.

- a. Investments (e.g., investment management)
- b. Broker/Dealer (e.g., securities broker or trader, investment bank)
- c. Commercial Bank (e.g., savings account, loans)
- d. Insurance (e.g., institutional insurance, individual insurance)

8. Finance Organization

Indicates whether the finance function is centralized or decentralized along various lines

- a. Centralized at corporate (single Finance group within a central, corporate Finance department)
- b. Located within business groups (separate Finance departments/ functions oversee and are responsible for the Finance function within each business group, i.e., not corporate Finance)
- c. Centralized at a shared service center (a “non-corporate” shared service center comprised of several support functions that oversee the Finance function for all business groups)
- d. Mixed Finance function (Finance functional responsibilities and activities are distributed between a single corporate Finance department and business group Finance departments)
- e. Other (please specify)

9. Total Corporate Human Resources Expense

Total amount budgeted for corporate human resources department divided by total corporate operating budget for 200x.

10. Total Human Resources Employees

Total number of employees in all human resources departments, as reported in interviews.

11. Management Levels within Human Resources

Number of management levels in corporate human resources department from department head to lowest management level (e.g., from Vice President to Supervisor, inclusive).

12. Management Levels in Finance Function

Indicates the number of management levels in the Finance organization (from Vice President to Supervisor)

- a. Corporate/executive officer level
- b. Line/staff level

13. Direct Reports

Indicates the average number of direct reports per manager.

14. Outsourcing of Finance Functions

Indicates which, if any, of the functions in the company Finance organization are outsourced

- a. Financial Reporting
- b. Treasury
- c. Audit
- d. Systems
- e. General Accounting and Controls
- f. Accounts Receivable
- g. Management Accounting
- h. Tax
- i. Accounts Payable
- j. Fixed Assets Processing/Management
- k. Financial Systems and IT
- l. Financial Planning, Budgeting and Analysis
- j. Other (please specify)

15. Recent Relocation Initiatives

Yes/no metric indicating whether any groups or activities within the Finance organization have recently relocated or are currently under consideration for relocation

16. Site Selection

Indicates the relocation site was selected

- B = Pre-existing business facility
- C = Cheap acquisition of new facility
- P = Proximity to customers
- L = Access to talented labor
- O = Other (please specify)

17. Relocation Candidates

Indicates activity types that have been relocated or are currently under consideration for relocation.

- G = Entire group
- A = Bulk of activities
- B = Back Office (e.g., accounts payable)
- P = Processing (e.g., transaction clearing)
- C = Call Center
- O = Other (please specify)

18. Largest Revenue Source

Indicate business line that yields the largest amount of company revenue.

- a. Investments (e.g., investment management)
- b. Broker/Dealer (e.g., securities broker or trader, investment bank)
- c. Commercial Bank (e.g., savings account, loans)
- d. Insurance (e.g., institutional insurance, individual insurance)

Section C

Banking Functional and Business Process Metrics

- Defines comparative metrics used by The Lab to analyze the procedures and operating effectiveness of functional departments in Finance.
 - A. Financial Planning, Analysis and Reporting
 - B. Treasury
 - C. General / Management Accounting
 - D. Accounts Receivable and Payable
 - E. Other Finance Functions

Financial Planning, Budgeting, Analysis & Reporting

Financial Planning

1. Total Operating Expense

Total operating expense for Finance year-end 200X.

- a. Total Financial Reporting expense
- b. Total Planning expense
- c. Total Budgeting expense
- d. Total Analysis expense

2. Total Employee Headcount

Total employee headcount for Finance year-end 200X.

- a. Total Financial Reporting headcount
- b. Total Planning headcount expense
- c. Total Budgeting headcount expense
- d. Total Analysis headcount expense

3. Financial Reporting Organization

Indicates whether the financial reporting function is centralized or decentralized.

- a. Centralized (single reporting group within a central, corporate Finance department)
- b. Located within business groups (separate reporting departments/ functions oversee and are responsible for the reporting function within each business group, i.e., not corporate reporting)
- c. Centralized at a shared service center (a "non-corporate" shared service center comprised of several support functions that oversee the reporting function for all business groups)
- d. Mixed reporting function (Finance functional responsibilities and activities are distributed between a single corporate reporting department and business group reporting departments)

4. Financial Planning Function

Indicates the activities conducted by individuals in the financial planning group.

5. Financial Budgeting Function

Indicates the activities conducted by individuals in the financial budgeting group.

6. Financial Analysis Function

Indicates the activities conducted by individuals in the financial analysis group.

7. Financial Reporting Function

Indicates the activities conducted by individuals in the financial reporting group.

8. Success Measures

Indicates means used by peer to measure success/ failure of Financial Reporting.

- a. Achievement of strategic objectives
- b. No disruption of reporting schedule
- c. Cost savings
- d. Employee satisfaction
- e. Timeliness of initiative completion
- f. Increased customer efficiency
- g. Heightened service efficiency
- h. Other (please specify)

Financial Analysis

9. Budget Adjustments

Indicates the number of budget adjustments for Finance year-end 200x.

10. Financial Advice

Indicates the estimated amount of time that Financial Analysts spend per day providing financial advice to clients (percentage of work activities).

11. Use of Internal Benchmarks

Yes/no metric indicating whether company internally benchmarks financial analysis performance and report results on a regular basis.

Forecasting

12. Integrated Strategic and Financial Forecasting

Yes/no metric indicating whether the strategic plan is created as part of the same process as budget.

13. Combined Forecasting and Planning Process

Yes/no metric indicating whether forecasts are linked to and cross-checked against the budget (ex., forecasts are created quarterly out of same program used to create budget schedules; present forecasts with same frequency at same levels as budget).

14. Goal Setting

Yes/no metric indicates whether each level's leadership draws up and presents business goals prior to target setting.

Financial Planning, Budgeting, Analysis & Reporting

Forecasting [cont.]

15. Cash Forecasting Cycle Time

Indicates the average amount of time (in days) devoted to cash forecast:

- a. 1-3 days
- b. 4-6 days
- c. 7-9 days
- d. 10-12 days
- e. 13 or more

Note: Do not use if Treasury responsibility

16. Cash Forecasting Frequency

Indicate the frequency of cash forecasting:

- a. Daily
- b. Weekly
- c. Monthly
- d. Quarterly
- e. Semi-annually
- f. Not applicable (Treasury function)

17. Annual Financial Plan (AFP) Completions

Indicates the timing of preparation of annual financing plan:

- a. Year-end
- b. After budget
- c. Ad-hoc
- d. Other

Note: Do not use if Treasury responsibility

Expense Budgeting

18. Budget Schedules

Indicates that expense budget schedules include which of the following:

- a. Income statements
- b. Cash flow
- c. Balance sheet
- d. Strategic goals
- e. Spending plan
- f. Other

19. Schedule Quantity

Indicates the number of expense budget schedules (supporting documents/spreadsheets included with budget) submitted yearly:

- a. 1
- b. 2-5
- c. 5-10
- d. 10 or more

20. Line Items

Indicates the average number of line items in expense budget schedules:

- a. 1-5
- b. 6-10
- c. 11-15
- d. 15-25
- e. 25 or more

21. Budget Detail

Indicates the level of detail in expense budget (check all answers that apply):

- a. Divisional (e.g., labor spending by division)
- b. Group (e.g., labor spending by department/group)
- c. Individual (e.g., individual salary costs)
- d. Other (e.g., projects below a cutoff level of expenditure require no explanation; require one or two lines for larger projects)

22. Budget Completions Cycle Time

Indicates the average time (in calendar days) to complete expense budget:

- a. Less than 30
- b. 30-60
- c. 60-90
- d. 90-120
- e. 120 or more

23. Budget Schedules

Indicates that expense budget schedules include which of the following:

- a. Income statements
- b. Cash flow
- c. Balance sheet
- d. Strategic goals
- e. Spending plan
- f. Other

24. Number of Budget Iterations

Indicates the average number of expense budget iterations (refers to any revisions in the budget after one draft is completed):

- a. 1-2
- b. 3-4
- c. 4-5
- d. 5-6
- e. 7 or more

25. Cost per Budget

Total cost related to developing budgets divided by total number of budget year-end 200X.

Financial Planning, Budgeting, Analysis & Reporting

26. Budget Setting Authorization

Yes/no metric indicating expense budget set with lower-level input (business goals are defined prior to target setting).

27. Annual Operating Budget

Yes/no metric indicating whether the company completes an annual operating budget for all levels firm-wide.

Capital Budgeting

28. Cost Calculations

Indicates how company calculates the cost of capital.

29. Capital Return Volume

Indicates the volume of capital returns.

30. Capital Targets

Yes/no metric indicating whether company establishes firm capital targets early (i.e., does a true deadline for creation and establishment of “hard” capital targets exist)?

31. Capital Budget Horizon

Indicates the firm’s capital horizon (in months):

- 1-6
- 6-12
- 12-18
- 18-24
- More than 2 years

32. Schedules

Indicates which of the following capital budget schedules include:

- Income statements
- Cash flow
- Balance sheet
- Strategic goals
- Capital spending plan
- Other (please specify)

33. Number of Capital Budget Schedules

Indicates the number of supporting documents/spreadsheets included with budget submitted annually:

- 1
- 2-5
- 5-10
- 10 or more

34. Line Expense Items

Indicates average number of line items in expense budget schedules:

- 1-5
- 6-10
- 11-15
- 15-25
- 25 or more

35. Level of Detail in Capital Budget

Check all answers that apply:

- Divisional (e.g., labor spending by division)
- Group (e.g., labor spending by department/group)
- Individual (e.g., individual salary costs)
- Other (e.g., projects below a cutoff level of expenditure require no explanation; require one or two lines for larger projects)

36. Cycle Time

Indicates the average time (in calendar days) to complete capital budget:

- Less than 30
- 30-60
- 60-90
- 90-120
- 120 or more

37. Number of Iterations

Indicates the average number of capital budget iterations (refers to any revisions in the budget after one draft is completed):

- 1-2
- 3-4
- 4-5
- 5-6
- 7 or more

38. Capital Authorization

Yes/no metric indicates the capital budget set with lower-level input (business goals are defined prior to target setting).

39. Pricing Analysis

Indicates the number of reports that receive formal pricing analysis.

40. Reporting System

Yes/no metric indicating whether company has an integrated finance reporting system

Financial Planning, Budgeting, Analysis & Reporting

Capital Budgeting [cont.]

41. Capital Management Tools

Indicates the type of tools that a company utilizes to manage capital.

42. Closing

Indicates the method of closing books utilized at company:

- a. Soft close
- b. Hard close
- c. Both soft and hard close
- d. Other

43. Closing Cycle Time

Indicates the average amount of time (in days) needed to close books and complete sales report:

- a. 1-5
- b. 6-10
- c. 10-15
- d. 15 or more

44. Closing Frequency

Indicates the frequency the books are closed.

45. Soft Closing

Yes/no metric indicating whether company conducts soft closing monthly.

46. Number of Management Reports

Indicates the number of management reports published.

47. Line Items

Indicates the number of line items on the management report.

48. External Reporting

Yes/no metric indicating whether company utilizes external reporting.

49. Home Office Reporting

Yes/no metric indicating whether company utilizes home office reporting.

50. Sales Reporting

Indicates the frequency of Sales reports:

- a. Daily
- b. Weekly
- c. Bi-weekly
- d. Monthly
- e. Other (please specify)

51. Sales Preliminaries

Yes/no metric indicating whether sales report preliminaries are utilized.

52. On-time Delivery

Indicates the percentage of reports delivered on time.

53. Report Content (Non-Financial)

Indicates non-financial information included in reports (checklist- pick all that apply):

- a. Progress toward strategic goals
- b. Customer satisfaction
- c. Competitive benchmarking
- d. Other

54. Benchmarks

Yes/no metric indicating whether company internally benchmarks report content and report results on a regular basis.

Treasury

1. Total Operating Expense

Total operating expense for Treasury year-end 200X.

- a. Total Cash Management expense
- b. Total Liquidity Management expense
- c. Total Investment Management expense
- d. Total Foreign Exchange expense
- e. Total Bank Reconciliation expense

2. Total Employee Headcount

Total employee headcount for Treasury year-end 200X.

- a. Total Cash Management headcount
- b. Total Liquidity Management headcount
- c. Total Investment Management headcount
- d. Total Foreign Exchange headcount
- e. Total Bank Reconciliation headcount
- f. Other (please specify)

3. Treasury Organization

Indicates whether the Treasury function is centralized or decentralized.

- a. Centralized (single Treasury group within a central, corporate Treasury department)
- b. Located within business groups (separate Treasury departments/functions oversee and are responsible for the Treasury function within each business group, i.e., not corporate Treasury)
- c. Centralized at a shared service center (a "non-corporate" shared service center comprised of several support functions that oversee the Treasury function for all business groups)
- d. Mixed Treasury function (Treasury functional responsibilities and activities are distributed between a single corporate Treasury department and business group Treasury departments)
- e. Other (please specify)

4. Treasury Function

Indicates the structure of sub-groups within treasury functions.

- a. Forecasting
- b. Wire Processing
- c. Bank Account Administration
- d. Bank Reconciliation
- e. Cash Accounting
- f. Check Reconciliation
- g. Check Copying
- h. Inter-entity/Legal Reconciliation
- i. Cash Reconciliation
- j. Cash Management
- k. Check Issue/Check Paid File Transmissions
- l. Forgery Processing
- m. Escheat Processing
- n. Compliance Reporting
- o. Other (please specify)

5. Cash Booking / Clearing Responsibility

Indicates the party primarily responsible for booking/clearing cash.

- A = Business Unit
- B = Treasury Department
- C = Specialized group
- O = Other (please specify)

6. Treasury Support Applications

Indicate which of the following types of systems are maintained by Finance Treasury functions:

- a. Decision Support/Analytic
- b. Portfolio Management
- c. Trading
- d. Record keeping
- e. Performance
- f. General Support
- g. Other (please specify)

Cash Management

7. Business Mix

Indicate which businesses are supported by asset management

Cash Management [cont.]

8. Cash Management Activities

Indicates activities included in Cash Management operations:

- T = Trade Support
- Z = Settlement
- A = Account Maintenance
- C = Check Issuance
- I = Performance Reports
- F = Accounting and Reporting
- S = Sales Support
- I = Securities Lending
- E = Extensions
- D = Delivery of Securities
- V = Vaulting
- B = Bank Loan
- T = Transfer

9. Assets Under Management

Indicates total dollar amount of assets under management year-end 200X.

- a. Public equity
- b. Public fixed income

10. Portfolios

Indicates the total number of portfolios in Asset Management year-end 200X

- a. Public equity
- b. Public fixed income

11. Corporate Accounts

Indicates the total number of corporate accounts (based on quarterly run) year-end 200X.

12. Branches

Indicates the total number of domestic branches which house money managers and other Treasury employees.

13. Banking Functions

Indicates what functions, if any, banks perform for Asset Management operations (ex., provide cash available).

14. Check Copy Imaging

Yes/no metric indicating whether peer utilizes imaging for check copies.

15. Cycle Time

Indicates the average amount of time (in days) devoted to cash forecast (checklist):

- a. 1-3
- b. 4-6
- c. 7-9
- d. 10-12
- e. 13 or more

16. General Ledger / Accounting System

Indicate the level of detail maintained in the general ledger and the accounting system:

- a. Investment year
- b. Segment
- c. Asset Manager
- d. Asset Type
- e. Strategy
- f. Other

17. Ledger Closing

Indicates when general ledger books are closed at the end of each month (e.g., first business day, second business day, etc.).

18. Cash Booking / Clearing

Indicates how company books and clears cash.

A = Through Suspense Accounts

- 1. Book
- 2. Clear

B = Directly to Ledger Accounts

- 1. Book
- 2. Clear

19. Cash Forecasting Frequency

Indicates how often peer conducts cash forecasts (check all that apply):

- a. Daily
- b. Weekly
- c. Monthly
- d. Quarterly
- e. Semi-annually

20. Data Collection

Indicates how data is collected to complete cash forecasting (check all that apply):

- a. Standardized submission sheets
- b. Proprietary forecasting software
- c. Over-the-counter forecasting software

21. Annual Financial Plan (AFP)

Yes/no metric indicating whether an annual financing plan is utilized.

22. Timing of Annual Financial Plan (AFP)

Indicates when the Annual Financing Plan is created.

- a. Year-end
- b. After budget
- c. Ad-hoc
- e. Other (please specify)

23. Annual Financing Plan Cycle Time

Indicates average number of business days to develop and annual financing plan.

- a. Standard development time
- b. Percent of plans developed within standard

24. Vendor and Payroll Accounts

Indicates the number of vendor and payroll accounts under management.

- a. Less than 30
- b. 30-50
- c. 51-80
- d. 81-100
- e. more than 100

25. Checks and EFT Volume

Indicates the number of checks and electronic fund transfers that are estimated to be covered weekly:

- a. Less than 100
- b. 100 to 500
- c. 501 to 1000
- d. more than 1000

26. General Ledger Entries

Indicates the frequency of providing Accounting with entries for input into general ledger.

27. Average Trades

Indicates the total Average Daily Domestic Trades year-end 200X.

28. Trade Cost

Indicates the average cost per trade year-end 200X.

29. Trades

Indicates the percentage of trades in the following areas

- a. Equity
- b. Corporate Bonds
- c. Municipal Bonds
- d. Government Bonds
- e. Bond Funds/CD
- f. Mutual Funds
- g. Futures/Commodities
- h. Repos
- i. MBS
- j. All Other

30. Trade Cycle Time

Indicates the average time to complete an individual trade, from trade order to trade confirmation.

31. Budget Variance

Indicate the percent variance of actual operating expense from budgeted operating expense for Cash Management (Monthly)

- a. 0% - 1%
- b. 1% - 2%
- c. 2% - 5%
- d. More than 5%

32. Cost per Employee

The total cash management year-end 200x operating expense per cash management staff.

33. Research Inquiries

Indicate the number of cash-related research inquiries conducted per month:

- a. Less than 50
- b. 51-100
- c. 100-200
- d. More than 200

34. Time to Research Requests

Indicate the number of days required to conduct and finish a cash-related research inquiry:

- a. Less than 1 hour
- b. 1 Hour to 1 day
- c. More than 1 day but less than 1 week
- d. 1 Week or more

Cash Management [cont.]

- 35. Research Inquiries Backlog**
Indicate the number of unresolved cash-related inquiries per month
- Less than 50
 - 51-100
 - 100-200
 - More than 200
- 36. Electronic Bank Statement**
Yes/no metric indicating whether company receives monthly statements from bank in electronic format (BAI) that feed directly into cash management systems.
- 37. Cash Forecast Cycle Time**
Indicate the average amount of time (in days) devoted to cash forecast (checklist):
- 1-3
 - 4-6
 - 7-9
 - 10-12
 - 13 or more
- 38. Support Staff**
Indicate the number of administrative support staff per cash management staff.
- 39. Performance Measures**
Yes/no metric indicates whether the company evaluates cash management staff based on formal performance measures related to operations, such as accuracy of forecasting vs. daily balances
- 40. Employee Educational Background**
Indicate the percentage of cash management employees have the following degree:
- Four-year Bachelor or higher
 - Two year junior/associate degree (accounting, etc)
 - No college degree but with a high school diploma
 - None of the above
- 41. Continuing Education**
Yes/no indicating company adopts the following practice to increase employee satisfaction and reduce turnover rate
- Employees are encouraged to obtain certification through taking part time classes outside of work
 - Supervisors give employees structured advice/guidance on continuing education issues

Liquidity Management

- 42. Liquidity Management Activities**
Indicates activities included in Liquidity Management operations:
- T = Trade Support
Z = Settlement
A = Account Maintenance
C = Check Issuance
I = Performance Reports
F = Accounting and Reporting
S = Sales Support
L = Securities Lending
E = Extensions
D = Delivery of Securities
V = Vaulting
B = Bank Loan
T = Transfer
- 43. Internet Transactions**
Indicates the percentage of transactions completed on the internet
- 44. Zero Balance Concentration Account**
Yes/no metric indicates whether a concentrated account is in place to link all operating accounts (e.g., a zero balance account ensures that all daily debits and credits are posted to the sub-accounts, sub-accounts will be automatically off-set by sweeping surplus funds from sub-accounts to concentration account or vice versa)
- 45. Cash Between Accounts**
Indicates average number of business days to move cash between accounts.
- Standard cash movement cycle time
 - Percent of cash moved within standard
- 46. Cash Availability**
Yes/no metric indicates whether banks provide cash availability function.
- 47. Budget Variance**
Indicate the percent variance of actual operating expense from budgeted operating expense for Liquidity Management (Monthly)
- 0% - 1%
 - 1% - 2%
 - 2% - 5%
 - More than 5%

48. Cost per Employee

The total liquidity management year-end 200x operating expense per liquidity management staff.

49. Electronic Bank Statement

Yes/no metric indicating whether company receives monthly statements from bank in electronic format (BAI) that feed directly into liquidity management systems.

Investment Management

50. Functions / Activities

Indicates which of the following is under Investment Management:

- a. Investment Management
- b. Investment Operations
- c. Investment Accounting
- d. Cash Management
- e. Liquidity Management

51. Headcount

Indicates the number of portfolio managers at company.

52. Trade Volume

Indicates average number of trades performed monthly.

- a. Less than 500
- b. 500 to 800
- c. 801 to 1000
- d. more than 1000

53. Cycle Time

Indicates the time required to process a trade notice once a trade is made.

- a. Less than 10 minutes
- b. 10 minutes to 1 hour
- c. 1 hour to 1 day
- d. 1 day to 1 week

54. Daily Investment Reports

Indicates the number of reports being produced daily for investment trading.

- a. 1-3
- b. 4-7
- c. 8-10
- d. more than 10

55. Types of Investment Reports

Indicates the types of daily investment reports published.

- a. Management report
- b. Key volume report
- c. Trade break report
- d. Open item report
- e. Ad hoc report
- f. Other (please specify)

56. Closing Process

Indicates the number of cash sheets and other reports required for closing.

57. Additional Reports

Indicates additional weekly/monthly/quarterly reports needed to be generated.

58. Trade Support Applications

Indicate which of the following types of systems are maintained by Investment Management:

- a. Decision Support/Analytic
- b. Portfolio Management
- c. Trading
- d. Record keeping
- e. Performance
- f. General Support
- g. Other (please specify)

59. Account Structuring

Indicates how managed accounts are structured.

- A = Pooled together
- B = Separately calculated investment figures
- C = Other (please specify)

60. Specialized Investment Unit

Yes/no metric indicating whether there is a centralized unit that specializes in providing investment figures.

61. Budget Variance

Indicate the percent variance of actual operating expense from budgeted operating expense for Investment Management (Monthly)

- a. 0% - 1%
- b. 1% - 2%
- c. 2% - 5%
- d. More than 5%

62. Cost per Employee

The total investment management year-end 200x operating expense per investment management staff.

Investment Management [cont.]

63. Cash Forecast Data Collection

Indicate how data is collected to complete cash forecasting (check all that apply):

- a. Standardized submission sheets
- b. Proprietary forecasting software
- c. Over-the-counter forecasting software

64. Cash Forecast Cycle Time

Indicate the average amount of time (in days) devoted to cash forecast (checklist)

- a. 1-3
- b. 4-6
- c. 7-9
- d. 10-12
- e. 13 or more

65. Cash Forecast Frequency

Indicate how often peer conducts cash forecasts (that all that apply):

- a. Daily
- b. Weekly
- c. Monthly
- d. Quarterly
- e. Semi-Annually

66. Commissions

Indicate the percentage of total compensation from performance-based commission for trade transactions for investment portfolio managers.

67. Trade Settlement Issue

Indicate the number of trade settlement issues resolved per month

- a. Less than 50
- b. 51-100
- c. 100-200
- d. More than 200

68. Electronic Bank Statement

Yes/no metric indicating whether company receives monthly statements from bank in electronic format (BAI) that feed directly into investment management systems.

69. Support Staff

Indicate the number of administrative support staff per investment management staff.

70. Performance Measures

Indicate (yes/no) the company evaluates investment management staff based on formal performance measures related to operations, such as accuracy of forecasting vs. daily balances, trade settlement issues resolved, etc..

71. Employee Educational Background

Indicate the percentage of investment management employees have the following degree

- a. Four-year Bachelor or higher
- b. Two year junior/associate degree (accounting, etc)
- c. No college degree but with a high school diploma
- d. None of the above

72. Continuing Education

Yes/no indicating company adopts the following practice to increase employee satisfaction and reduce turnover rate

- a. Employees are encouraged to obtain certification through taking part time classes outside of work
- b. Supervisors give employees structured advice/guidance on continuing education issues

Foreign Exchange

73. Currencies Offered

Indicates the number of major currencies of which the company provides exchange-related services:

- a. 1-10
- b. 2-20
- c. 20-30
- d. 30-50
- c. 50 or more

74. Deposit Facilities

Indicates the number of deposit facilities at company.

75. Account Types

Indicates the type of account types available at company for foreign currency clients:

- a. Holding
- b. Clearing
- c. Custodial
- d. Prime
- e. Other (please specify)

76. Broken Dates

Indicates the number of uncompleted foreign currency transactions by end of business daily.

77. Budget Variance

Indicate the percent variance of actual operating expense from budgeted operating expense for Foreign Exchange (Monthly)

- a. 0% - 1%
- b. 1% - 2%
- c. 2% - 5%
- d. More than 5%

78. Cost per Employee

The total foreign exchange year-end 200x operating expense per foreign exchange staff.

79. Electronic Bank Statement

Yes/no metric indicating whether company receives monthly statements from bank in electronic format (BAI) that feed directly into foreign exchange systems.

Bank Reconciliation

80. Reconciliation Volume

Indicates the transaction volume for all bank-related reconciliation activities to ensure that all accounting items are resolved (i.e., administer rejected transactions, return of funds, receipt of funds, follow-up for cost basis information not initially supplied by banks, etc.).

81. Transaction Corrections

Indicates the number of transactions that are incorrectly input into reconciliation system (due to incorrect cash movement ticket, manual error, other).

82. Late Transaction Processing

Indicates the average number of transactions that are not provided to bank reconciliation operations group "same day" (i.e., where transaction detail is received late in day or other).

83. Issuance Systems

Indicates the type and number of check issuance systems utilized for bank reconciliation.

84. Reconciliation System Total Expense

Indicates total systems costs related to banking reconciliation, include maintenance and development expenses. Inclusive of associated overhead (e.g., executive charges, corporate charges, rent, communications, recruiting, other); direct staff related charges (e.g., salary, benefits, etc.); consulting and part-time charges; technology charges; application service providers.

85. Reconciliation Systems Cost

Indicates the costs associated with providing bank reconciliation services electronically.

- a. "Light On" Service Costs (e.g., systems maintenance costs associated with providing the minimal level of systems support required to ensure that the reconciliation system continues to operate in a "status quo" state. Does not include systems enhancements or modifications. Includes licensing fees and staff related costs)
- b. "Routine" Service Costs (e.g., systems enhancement costs required in order to support changing and/or expanding business/market/regulatory conditions that are anticipated as a normal course of doing business and include amortization of projects previously capitalized)
- c. "Development" Costs (e.g., systems development costs required to modify and/or enhance systems infrastructures, replace legacy systems and develop and implement more robust functionality to support changing business/market/regulatory requirements and includes initial purchase cost of new applications)

86. Report Automation

Yes/no metric indicates whether issuance reports are generated automatically.

87. Account Reconciliation

Indicates the number of accounts reconciled monthly

- a. Less than 20
- b. 20 to 50
- c. 51 to 100
- d. More than 100

88. Exception Items

Indicates the number of line items in the exception reports.

89. Cycle Time

Indicates the average amount of time (in days) devoted to reconciliation of a single bank account (checklist):

- a. 1-3 minutes
- b. 4-6 minutes
- c. 7-9 minutes
- d. 10-12 minutes
- e. 13 or more minutes

Bank Reconciliation [cont.]

90. Reconciliation Frequency

Indicates how often peer conducts formal account reconciliations (check all that apply):

- a. Daily
- b. Weekly
- c. Monthly
- d. Quarterly
- e. Semi-annually

91. Benchmarks

Yes/no metric indicating whether company internally benchmarks bank reconciliation and reports results on a regular basis.

92. Reconciliation Inquiries

Indicates the number of reconciliation inquiries received at company monthly.

- a. 1999
- b. 2000
- c. 2001

93. Trade Settlement Issues

Indicates the type of settlement issues experienced at company.

- a. Trade breaks
- b. Incorrect routing
- c. Wrong instructions
- d. Rejected transactions
- e. Other (please specify)

94. Backlog

Indicates the backlog on hand (in days) for un-reconciled items.

95. Productivity per FTE

Indicates the number of account and bank transactions cleared daily divided by the number of Treasury employees

96. Turnover Rate

Indicates the turnover rate in Treasury employees in 200x.

97. Research Cycle Time

Indicates the number of days required, on average, to research requests (domestic cash).

98. Budget Variance

Indicate the percent variance of actual operating expense from budgeted operating expense for Bank Reconciliation (Monthly)

- a. 0% - 1%
- b. 1% - 2%
- c. 2% - 5%
- d. More than 5%

99. Cost per Employee

The total bank reconciliation year-end 200x operating expense per bank reconciliation staff

100. Reconciliation Inquiries

Indicate the number of reconciliation-related research inquiries conducted per month

- a. Less than 50
- b. 51-100
- c. 100-200
- d. More than 200

101. Un-recorded Items

Indicate the number of un-reconciled items per month

- a. Less than 50
- b. 51-100
- c. 100-200
- d. More than 200

102. Check Imaging

Yes/no metric indicating whether company utilizes imaging and email for check copy function instead of paper format to increase speed/efficiency and ensure accurate/timely distribution.

103. Electronic Bank Statement

Yes/no metric indicating whether company receives monthly statements from bank in electronic format (BAI) that feed directly into reconciliation systems.

104. Benchmarks

Yes/no metric indicating whether company internally benchmark bank reconciliation and reports results on a regular basis.

105. Support Staff

Indicate the number of administrative support staff per bank reconciliation staff.

106. Performance Measures

Indicate (yes/no) the company evaluates bank reconciliation staff based on formal performance measures related to operations, such as frequency with which employees exceed standard deadline for open items, etc.

107. Employee Educational Background

Indicate the percentage of reconciliation employees have the following degree

- a. Four-year Bachelor or higher
- b. Two year junior/associate degree (accounting, etc)
- c. No college degree but with a high school diploma
- d. None of the above

108. Continuing Education

Yes/no indicating company adopts the following practice to increase employee satisfaction and reduce turnover rate

- a. Employees are encouraged to obtain certification through taking part time classes outside of work
- b. Supervisors give employees structured advice/guidance on continuing education issues

Wire Transfer

109. Wire Transfer Activities

Indicates whether the following wire transfer activities are performed by:

- a. Business units
- b. Wire Transfer Unit
- c. Authorize wires
- d. Validate wires
- e. Process wires
- f. Reconcile daily activity
- g. Other (please specify)

110. Method of Wire Transfer Request

Indicates format in which requests for wire transfers are submitted to processing site.

- A = Internal mail
- B = Phone
- C = Fax
- D = Computer network
- E = Other (please specify)

111. Standardized Request Forms

Yes/no metric indicating whether a standardized wire transfer request form exists and is utilized by all business units

112. Business Unit Authorization

Yes/no metric indicating whether business groups authorize and validate their own wire transfer requests before sending them to the wire transfer unit

113. Level of Authorization

Indicates level of authorization that is required for all wire transfer requests.

- A = Senior Executive officer
- B = Unit Manager
- C = Specialized (e.g., legal) authorization center
- D = Other (please specify)

114. Unit Cost per Wire

Indicates the internal unit cost per wire transfer (in dollars), defined as cash management operating expense divided by number of wire transfers processed.

115. Wire per Associate

Indicates the number of wire transactions processed per staff (processor) on a daily basis.

- a. Manual
- b. Automated

116. Quality Control

Indicates types of controls utilized by peers to reduce errors and improve the quality of wire processing:

- B = Blind key functionality
- M = Manual checking
- E = Electronic checking
- O = Other (please specify)

117. Physical Security Measures

Indicates measures taken to prevent wire transfer information from being lost, stolen or corrupted.

- A = Locked region
- B = ID card access
- C = Background check (credit and criminal) on prospective employees
- D = Other (Please specify)

General / Management Accounting

Accounting and Reporting

1. Total Operating Expense

Total operating expense for accounting and reporting functions year-end 200X.

- a. Total General Accounting expense
- b. Total Management Accounting expense
- c. Total Quality expense
- d. Total Accounting and Reporting Systems expense
- e. Other expense (please specify)

2. Total Employee Headcount

Total employee headcount for Accounting and Reporting functions year-end 200X.

- a. Total General Accounting headcount
- b. Total Management Accounting headcount
- c. Total Quality headcount
- d. Total Accounting and Reporting Systems headcount
- e. Other headcount (please specify)

3. Accounting and Reporting Organization

Indicates whether the Accounting and Reporting function is centralized or decentralized.

- a. Centralized (single Accounting and Reporting group within a central, corporate Accounting and Reporting department)
- b. Located within business groups (separate Accounting and Reporting departments/functions oversee and are responsible for the Accounting and Reporting function within each business group, i.e., not corporate Accounting and Reporting)
- c. Centralized at a shared service center (a "non-corporate" shared service center comprised of several support functions that oversee the Accounting and Reporting function for all business groups)
- d. Mixed Accounting and Reporting function (Accounting and Reporting functional responsibilities and activities are distributed between a single corporate Accounting and Reporting department and business group Accounting and Reporting departments)
- e. Other (please specify)

4. Accounting and Reporting Function

Indicates the structure of sub-groups within accounting and reporting functions.

- a. Forecasting
- b. Accounting
- c. Reporting
- d. Financial Close
- e. Quality
- f. Account Management
- g. General Ledger
- h. Legal Reconciliation
- i. Account Reconciliation
- j. Analysis
- k. Tax
 - l. Authorization Guidelines
- m. Other (please specify)

5. Employee Cross-training

Yes/no metric indicating whether the finance department cross-trains finance employees in the processing of financial data and the analysis for reporting

6. Internal Performance Benchmark

Indicates what measurements are utilized to gauge performance:

- a. On-time submission
- b. Cycle time
- c. Number of changes
- d. Number of errors
- e. Other (please specify)

7. Internal Performance Benchmark Frequency

Indicates how often the company measures performance:

- a. On-time submission
- b. Cycle time
- c. Number of changes
- d. Number of errors
- e. Other (please specify)

8. Benchmarking Activities

Indicates type(s) of benchmarking activities performed within the accounting and reporting functions:

- I = Internal benchmarking
- E = External benchmarking
- N = No benchmarking conducted
- O = Other (please specify)

General / Management Accounting

Accounting and Reporting [cont.]

9. Best Practices Database

Yes/no metric indicating whether the accounting and reporting function maintains best practices database.

10. Financial Calendar

Yes/no metrics indicating whether the Quality division implements the corporate “Annual Financial Calendar”

Account Reconciliation

11. Chart of Accounts

Yes/no metric indicating whether the company has a consolidated “chart of accounts.”

12. Manual Journal Entry Correction

Indicates the total number of journal entries requiring manual correction divided by the total number of journal entries received by the finance department.

13. Categories of Accounts

Indicates how many account categories the company utilizes:

- 10 – 70
- 20 – 100
- 100 – 5,000
- Other (please specify)

Quality

14. Number of Quality FTE's

Indicates the number of full-time equivalent (FTE) employees directly involved in the quality function

- Total number of quality personnel (FTE)
- Number of quality personnel (FTE) as a percentage of the total number of accounting and reporting employees

15. Total Open Issue

Indicates the number of “open issues” identified on a weekly basis, on average.

16. Turnaround Time

Indicates the length of time that it takes to close out or fix a problem, on average.

17. Submission Guidelines

Yes/no metrics indicating whether the Quality division implements the corporate “Annual Financial Calendar”.

18. Quality Control

Indicates average time (in hours) spent fixing inbound quality information.

19. Financial Close Assurance

Indicate which of the following items are tracked in order to control quality:

- Open issues
- Open issues assessment
- Turnaround time of information
- Error tracking and resolution

20. Quality Division

Yes/no metric indicating whether the company has a center/department dedicated to coordinate and oversee communication between the finance department and other areas and, to control quality and accuracy of information.

Financial Close

21. Financial Close Teams

Indicates the number of employees that are involved in reporting and analysis during the financial close.

22. Peak Season Scheduling

Yes/no metric indicating whether the organization provides peak hours scheduling to balance workload during Financial Close.

23. Outsourcing/Insourcing

Yes/no metric indicating whether the areas participating in the closing process outsource work to third-party resource (including finance department).

24. Temporary Hires

Indicate the percentage of current workforce within the areas involved in the closing process that are considered “temps.”

25. Manual Updates

Indicate the average number of times information is updated during close-end.

26. Late Finding

Indicate the percentage of errors found late in the closing process.

27. Electronic Submission

Yes/no metric indicating whether the submission of information is electronic.

General / Management Accounting

28. Submission Ratio

Indicates the ratio of information submitted electronically to manual submission of information.

29. Volume of Submission

Indicates the number of areas/departments that gather, submit, and route information that is utilized in the financial closing process (includes submission of information and gathering of financial data; not including finance department)

- Cost Accounting
- Tax
- Investment Accounting
- Investment Reporting
- Actuarial
- Other (please specify)

30. Closing Frequency

Indicate the financial calendar to close the books.

- Monthly close
- Quarterly close
- Other (specify)

31. Cycle Time

Average number of business days it takes from the Business Unit modules to close to the G/L to actually produce the final reviewed financial statement:

- 0-10
- 11-20
- 20-30
- 31 or more

32. Closing Ratio

Indicates average time spent in closing the books vs. average time spent in analysis.

33. Closing Headcount

Number of FTEs needed to close the books within the close-end period.

- 1-3
- 4-7
- 7-10
- 11 or more

34. Real Time Data

Number of business days required to process reports at the close end of each financial close period:

- 1-5
- 6-10
- 11-20
- 20 or more

35. Closing Type

Indicate which types of closing types are utilized:

- By Company Code
- By Ledger Amount
- By Account Code
- By Accruals
- By GAAP
- By Stat
- By MGAAP
- Other

36. Effectiveness

Indicate status of results submitted:

- Complete
- Accurate
- On schedule
- Within turnaround target

Data Warehousing

37. Data Warehouse

Yes/no metric indicating whether the finance department maintains complete histories in 'their own' database, distinct from corporate operation histories (i.e., a data warehouse).

38. Data Warehouse Auto Feeds

Yes/no metric indicating whether information is moved automatically and electronically from the various cost centers to the corporate data warehouse.

Systems

39. Reporting Systems Capabilities

Indicates capabilities of reporting systems:

- Compile data and download into common drive
- Ability to print selected information in one-page overview
- Drill-down capabilities that ease reporting process
- Standardized reports from database
- Use of template tools/shells to accelerate data entry into the system
- Other (please specify)

40. Systems FTE's

Yes/no metric whether the finance department has dedicated 'finance' employees to departmental technology maintenance and development.

General / Management Accounting

Systems [cont.]

41. Custom or Commercial General Ledger

This metric identifies the use of technology invested in the creation and maintenance of the general ledger

C = Customized

M = Commercial product with more than two months of customization

O = Commercial, off-the-shelf product

42. Quarterly Reports

Indicates the method in which information is moved to the finance and reporting departments for quarterly reports

P = Paper forms

E = Electronic form reports

A = 'Auto-feed' linkages

Journal Entry

43. Journal Entry

Indicate volume information:

a. Number of Journal Entries processed per close end

b. Number of Journal Entries per FTE

c. Number of miscellaneous Journal Entries processed per close end

44. Cost per Miscellaneous Journal Entry

Indicates the average cost incurred per miscellaneous journal entry input.

45. Incorrect Information

Yes/no metric indicating whether the company internally tracks wrong information

46. Submission of Incorrect Information

Indicate the actual number of incorrect information from departments in a given period of time.

47. Submission of Untimely Information

Indicates the actual number of untimely information submitted in a given period of time.

General Ledger Operations

48. Reporting Data Sharing

Indicates the level of data coordination between reporting areas.

A = All data sets shared

S = Some data sets shared

D = Data 'silos' in which data sets are isolated from one another

49. Top Side Adjustments

Indicate volume information on 'top adjustments' prior to reporting

a. Number of top side adjustments per close-end period

b. Percentage of late entries adjustments

50. Budget Variance

Indicates the budget variance between planned and actual for Tax function at year-end 200X.

51. Journal Voucher Entries

Indicates the average number of monthly voucher entries.

52. Manual Adjustments

Yes/no metric whether adjustments are performed manually

53. Accruals

Indicates volume of accruals at close-end.

54. General Ledger Operations Systems Interface

Yes/no metrics whether the company has an integrated General Ledger system.

55. General Ledger Feeds

Yes/no metrics whether the General Ledger has direct and indirect feeds

a. Direct

b. Indirect

56. General Ledger System

Indicate system utilized for processing financial information

a. SAP

b. PeopleSoft

c. Millennium

d. Lotus Notes

e. Oracle /Excel

f. Various

g. Other (specify)

57. General Ledger Discrepancy

Indicates the number of discrepancies between the accounting system and the general ledger at month end for book value, interest/dividend income, amortization of premium or accrual of discount, gain or loss.

General / Management Accounting

58. General Ledger / Accounting Systems

Indicate the level of detail maintained in the general ledger and the accounting system.

- a. Investment year
- b. Segment
- c. Asset Manager
- d. Asset Type
- e. Strategy
- f. Other

59. General Ledger Closing

Indicate when general ledger books are closed at the end of each month (e.g., first business day, second business day, etc.).

60. Non-Trade Transactions

Indicates the total number of transactions associated with the receipt principal and/or interest per year.

61. Volume

Total number of FTEs entering data in the General Ledger per day.

62. Performance Analysis

Indicate General Ledger account transaction

Accounting Procedures

63. Authorization Guideline Turnaround Time

Yes/no metric whether the company has set deadline for managers to approve transactions.

64. Reconciliation of Data

Indicates ratio of reconciled data prior submission to total data submitted.

65. Approval

Indicates type of approval and conditions.

- a. Manual
- b. Electronic
- c. Both
- d. Exceptions

66. Account Reconciliation

Total number of account reconciliation.

- a. Adjusting entries
- b. Improving closing cycle

Reporting

67. Efficiency

Indicate how efficiently results are provided in terms of units per person and per day.

- a. Per Units
- b. Per Day

68. Adaptability

Indicate how well the process can accommodate special needs and expectations

- a. 0-25%
- b. 25% - 50%
- c. 50% - 75%
- d. 75% - 100%

69. Cash Sheets

Indicate total number of cash sheets processed for the financial close-end process.

70. Daily Report Types

Indicates the types of daily reports utilized at company:

- a. Cash forecasts
- b. Borrowing and Investments
- c. Interest rate chart
- d. Portfolio reports
- e. Sales
- f. Purchases
- g. Other (please specify)

71. Monthly Report Types

Indicate the types of monthly reports utilized at company:

- a. Portfolio yields
- b. Position reports
- c. Cash forecasting
- d. Financial exchange reports
- e. Four-month forecast of the intercompany flow of funds (e.g., loans, equity injections, intercompany AP and AR)
- f. Cost center reports
- g. Balance sheet

72. Quarterly Report Types

Indicates the types of quarterly reports utilized at company:

- a. Cash forecast (12 month)
- b. Intercompany debt
- c. Debt report for prior quarter
- d. Sources and application report

General / Management Accounting

Reporting [cont.]

73. Annual Report Types

Indicates the types of annual reports utilized at company:

- a. Treasury department budgets
- b. Treasury financial plan
- c. Financial contingent liabilities report
- d. Analysis of revenues
- e. Treasury yearly activity report
- f. Debt and investment report
- g. Other (please specify)

74. Number of Late Report Submissions

Indicates the number of late report submissions:

- a. Quarterly financial package
- b. Monthly BAPS
- c. Premium & loss exhibit
- d. Interoffice trial balance
- e. IBNR worksheets
- f. U/W results by class

75. Error Corrections

Indicates the number of error corrections per report:

- a. Quarterly financial package
- b. Monthly BAPS
- c. Premium & loss exhibit
- d. Interoffice trial balance
- e. IBNR worksheets
- f. U/W results by class

76. Benchmarks

Yes/no metric indicating whether company internally benchmarks report content and reports results on a regular basis.

77. Reporting

Average number of ad-hoc reports generated within the close-end period.

78. Late Reports

Indicates the number of late report submissions:

- a. Financial package
- b. BAPS
- c. Premium & loss exhibit
- d. Interoffice trial balance
- e. IBNR worksheets
- f. U/W results by class
- g. Investment Package
- h. Other (specify)

79. Number of Error Corrections

Indicates the number of error corrections completed daily on average.

80. Benchmarks

Yes/no metric indicating whether company internally benchmarks report content and report results on a regular basis

Controller

81. Controller Location

Indicates the location of the controller function

- a. Within Accounting
- b. Outside Accounting (e.g., stand alone, direct to CFO & COO, internal policy and control)
- c. No group exists

82. Activity of Controllers

Indicates the types of activities in the Controller function

- a. Internal Audit
- b. Accounting
- c. Accounting Payable
- d. Payroll
- e. Budgeting
- f. Cost Accounting
- g. Special Projects
- h. GAAP Compliance
- i. Transaction Overnight Management
- j. Cashiers
- k. IPO Analysis
- l. Other (please specify)

Financial Controls

83. Ratio of Financial Control Employees

Ratio of total financial control employees to total number of firm-wide employees.

84. Outsourcing of Financial Control Function

Yes/no metric indicating whether company outsources the financial control function to a third-party vendor.

85. Authority - Write On / Write Off

Indicates who has the final say on decisions related to write-ons/write-offs.

- a. Financial Department
- b. Management
- c. Audit
- d. Human Resources
- e. Other (please specify)

General / Management Accounting

86. Additional Controls

Indicates controls implemented to monitor the reconciliation process.

Analysis

87. Financial Analysis

Indicate main macro indicators (internal)

- a. Sales
- b. Premiums
- c. Assets under management
- d. Management GAAP
- e. Other (specify)

88. Indicators

Indicate main macro indicators (external)

- a. Security Exchange Commission
- b. Other (specify)

Tax

89. Tax Volume

Indicates the volume of tax related transactions processed:

- a. Total tax adjustments processed at year-end
- b. Total number of tax reports and returns processed per year-end
- c. Total number of tax payments per year-end
- d. Total number of IRS Information Document Request processed per year-end

90. Tax Filings

Percentage of late and inaccurate tax filings.

91. Fines Incurred

Indicates average of total fines incurred.

92. Cycle Time

Indicate number of business days needed to run Preliminary Tax.

93. Effectiveness

Indicates the method of tracking status of results submitted:

- a. Complete
- b. Accurate
- c. On schedule
- d. Within turnaround target

94. Tax System

System Utilized for processing and reporting

- a. CorpTax
- b. Fast Tax
- c. APL
- d. Other (specify)

Management Accounting

95. Management Accounting

Indicates the number of cost centers in the Management Accounting system.

- a. Less than 10
- b. 10-20
- c. 21-30
- d. 31-40
- e. 41-50
- f. more than 50

96. Cost Numbers

Indicates the number of line codes or cost numbers in Management Accounting system.

- a. Less than 50
- b. 50-100
- c. 101-200
- d. 201-300
- e. more than 300

97. Automation

Yes/no metric indicates if the following automation is in place.

- a. Linkage between Payroll and Cost Centers
- b. Interface with Accounts Payable
- c. Interaction with other Accounting systems such as Journal Header, Journal Lines

98. Cash Sheets

Indicated the number of cash sheets and other reports produced for each monthly closing period.

- a. Less than 200
- b. 200-500
- c. 501-1000
- d. more than 1000

Accounts Receivable and Payable

1. Total Operating Expense

Total operating expense for accounts receivable and payable functions year-end 200X.

- a. Accounts receivable expense
- b. Accounts payable expense

2. Total Employee Headcount

Total employee headcount for accounts receivable and payable functions year-end 200X.

- a. Accounts receivable headcount
- b. Accounts payable headcount

3. Accounts Receivable and Payable Organization

Indicates whether the Receivable and Payable function is centralized or decentralized.

1. Accounts Receivable
2. Accounts Payable
 - a. Centralized (single receivable and payable group within a central, corporate Accounts receivable and payable department)
 - b. Located within business groups (separate receivable and payable departments/functions oversee and are responsible for the receivable and payable function within each business group, i.e., not corporate receivable and payable)
 - c. Centralized at a shared service center (a "non corporate" shared service center comprised of several support functions that oversee the receivable and payable function for all business groups)
 - d. Mixed receivable and payable function (receivable and payable functional responsibilities and activities are distributed between a single corporate receivable and payable department and business group receivable and payable departments)
 - e. Other (please specify)

4. Accounts Receivable Function

Indicates the structure of sub-groups within accounts receivable function.

- a. Billing
- b. Collections
- c. Remittance Posting
- d. Cash Receipt
- e. Other (please specify)

5. Accounts Payable Function

Indicates the structure of sub-groups within accounts payable function.

- a. Invoice Processing / Receiving
- b. Invoice Payment
- c. Vendor Management
- d. Purchasing / Procurement

6. Internal Performance Benchmarks

Indicates what measurements are utilized to gauge performance:

- a. On-time submission
- b. Cycle time
- c. Number of changes
- d. Number of errors
- e. Other (please specify)

7. Internal Performance Benchmark Frequency

Indicates how often the company measures performance:

- a. On-time submission
- b. Cycle time
- c. Number of changes
- d. Number of errors
- e. Other (please specify)

8. Benchmarking Activities

Indicates type(s) of benchmarking activities performed within the receivable and payable functions:

- I = Internal benchmarking
- E = External benchmarking
- N = No benchmarking conducted
- O = Other (please specify)

9. Number of Groups

Indicates the total number of groups within Accounts Payable and Accounts Receivable:

- a. Accounts Payable
- b. Accounts Receivable

10. Accounts Receivable and Payable

Employee Headcount

Indicates the number of full-time equivalent (FTEs) employees devoted to Accounts Payable or Receivable functions:

- a. Accounts Payable FTEs
- b. Accounts Receivable FTEs

Accounts Receivable and Payable

11. Management Levels

Number of management levels in Accounts Payable and Receivable from department head to lowest management level (e.g., from Vice President to Supervisor, inclusive).

- a. Accounts Payable
- b. Accounts Receivable

12. Span of Control

Indicates the average number of direct reports per manager.

- a. Accounts Payable
- b. Accounts Receivable

Invoice Processing / Receiving

13. "Follow Up" Calls

Indicates the average number of "follow-up" calls daily.

14. Number of Invoices

Indicates the number of invoices (including purchase cards) processed monthly.

15. Processing Ratio

Indicates the number of invoices processed per AP FTE.

Invoice Bill / Payment

16. Processing Points

Indicates the number of hand-offs for standard general expense vouchers (e.g., from mail desk to final payment review, excluding duplicate payments, reissued or redeposited checks)

17. Transaction Processing

Indicates the average number of transactions processed by Accounts Payable each month

- a. General invoices
- b. Travel and entertainment expenses

17. Exception Processing

Yes/no metric indicating whether company allows special handling of payments:

- a. Check request from branches
- b. Vendors
- c. Other
 - Manual
 - Electronic

18. Check Processing

Indicate number of checks requiring special handling per month due to unforeseen errors:

- a. Reissued checks
- b. Re-deposited checks
- c. Returned checks
 - Manual
 - Electronic

19. Payment Processing

Average number of business days to process an invoice

- a. Standard payment cycle time
- b. Percent of payments processed within standard

20. Volume of Transactions

Indicates the total volume of payment processed.

- a. Paper processing
- b. Electronic

21. Unit Cost per Transactions

Indicates the total unit cost (in dollars) per payment processed

- a. Paper
- b. Electronic

22. Unit Cost per Rushed Check

Indicates the total cost of rushed checks year-end 200X.

23. Standard Volume

Indicates the existence of a standard number of payments processed per hour.

- a. Manual
- b. Electronic

24. Transactions per Hour

Indicates the actual number of payments processed per hour.

- a. Manual
- b. Electronic

25. Invoice Tracking Process

Indicates when invoices are logged as received and how invoices are located or tracked in the Accounts Payable system.

26. Payment Error Rate

Indicates the average errors per month as a percentage of total number of transactions:

- a. Submittal errors
- b. Compliance errors
- c. Payment errors

Accounts Receivable and Payable

- 27. Duplicate Payment Controls**
 Indicate controls utilized by peer to minimize duplicate payment errors (check all that apply):
- a. Manual checking
 - b. Electronic controls
 - c. Mixed
 - d. Other (please explain)

- 28. Search Period**
 Indicate standard search period utilized to locate duplicate payments.
- a. 30 days
 - b. 60 days
 - c. 90 days
 - d. Other (please specify)

- 29. Post Payment Review**
 Indicates standard for automatic initiation of payment review (e.g., payments greater than \$100.00).

- 30. Cancelled Order Controls**
 Indicates controls utilized to eliminate processing invoices for cancelled orders.
- a. Manual checking
 - b. Electronic controls
 - c. Mixed
 - d. Other (please specify)

- 31. Average Cost per Payment**
 Indicates the average total cost per payment in the Accounts Payable area.

- 32. Chargeback Methodology**
 Indicates cost centers for Accounts Payable services.
- a. Charged entirely to corporate
 - b. According to use by each business group
 - c. Divided evenly amongst business groups
 - d. Other (please specify)

- 33. Chargeback Forecasting Frequency**
 Indicates frequency of chargeback calculation.
- a. Annually
 - b. Semi-annually
 - c. Quarterly
 - d. Monthly
 - e. Other (please specify)

- 34. Payment Segmentation**
 Indicates the percentage of invoice payments made.
- a. Electronic (EFT)
 - b. Manual
 - c. Other (please specify)

- 35. Performance Measures**
 Yes/no metric indicating the existence of formal performance standards.
- a. Account Payable
 - b. Accounts Receivable

- 36. Types of Performance**
 Indicates the type of formal performance standards utilized
- a. Cycle Times
 - b. Error rates
 - c. Volumes Processed
 - d. Other (please specify)

Travel and Expense

- 37. Volume of Transactions**
 Indicates the total number of travel vouchers processed per day
- a. Paper
 - b. Electronic

- 38. Transaction per Hour and Standard**
 Indicates the standard number of travel vouchers processed per hour
- a. Actual number of travel vouchers processed hourly
 - b. Standard number of travel vouchers

Purchasing / Procurement

- 39. Web Payments**
 Indicates the percentage of payments via the web.

Other Finance

System and IT

1. Location of Systems Support Group

Indicates division primarily responsible for managing the systems support group.

A = IT

B = Finance

C = Business Unit

D = Other (please specify)

2. Systems Administration FTEs

Indicates the total number of FTEs involved in systems operations.

a. Indicate number of FTEs involved in Database Administration

b. Indicate number of FTEs involved in Application Administration

c. Indicates the percentage of systems maintenance FTEs to total systems employees.

d. Indicates the percentage of systems development FTEs to Total systems employees.

3. Finance Systems Total Expense

Indicates total systems costs related to Finance functions, include maintenance and development expenses.

Inclusive of associated overhead (e.g., executive charges, corporate charges, rent, communications, recruiting, other); direct staff related charges (e.g., salary, benefits, etc.); consulting and part-time charges; technology charges; application service providers.

4. Finance Systems Specialized Cost

Indicates the costs associated with Finance systems operations.

a. "Light On" Service Costs (e.g., systems maintenance costs associated with providing the minimal level of systems support required to ensure that systems continue to operate in a "status quo" state. Does not include systems enhancements or modifications. Includes licensing fees and staff related costs)

b. "Routine" Service Costs (e.g., systems enhancement costs required in order to support changing and/or expanding business/market/regulatory conditions that are anticipated as a normal course of doing business and include amortization of projects previously capitalized)

c. "Development" Costs (e.g., systems development costs required to modify and/or enhance systems infrastructures, replace legacy systems and develop and implement more robust functionality to support changing business/market/regulatory requirements and includes initial purchase cost of new applications)

5. Service Center

Yes/no metric indicating whether a separate division/unit/organization exists where incoming technology and systems service calls are received from internal customers (e.g., characteristics that generally define a service center include: main activity of center employees is receiving incoming calls, calls are distributed via an ACD, call statistics are tracked by the phone system).

6. Service Center Cost

Indicates the costs associated with incoming customer service calls (includes those costs associated with CSR and IVR).

7. Problem Resolution

Indicates the average cycle time for problem resolution (from when call is received until issue is closed).

8. Systems Outsourcing

Yes/no metric indicating whether company relies on an outside entity for a systems or technology function, system or service by an outside contractor or third party administration.

9. Types of Systems

Indicates the type of financial systems utilized.

a. SmartStream

b. Order Payment

c. Proprietary

d. Other (please specify)

10. System Downtime

Indicates average percentage of systems downtime experienced per month.

11. System Security

Indicates the level of security maintained at the company

a. Level 1

b. Level 2

c. Level 3

d. Other

12. System Maintenance

Indicate number of formal maintenance checks conducted per month.

Payroll

13. Ratio of Payroll Administration

Indicates ratio of total dedicated payroll administrative personnel supporting total number of employees on company payroll.

Payroll [cont.]

14. Structure of Payroll Function

Indicates the structure of the payroll function:

- a. Payroll for all branches is performed in one central location
- b. Each branch handles its own payroll function
- c. Responsibility for payroll is shared between one central location and branches
- d. Each business unit performs its own payroll
- e. Fully outsourced

15. Key Functions

Indicates key functions of payroll department:

- a. Processing checks
- b. Administrative duties
- c. Firm-wide accounting
- d. Business unit accounting
- e. Processing withholdings (e.g., personal, health)
- f. Tax related issues
- g. Processing data charges
- h. Other (please specify)

16. Outsourcing of Payroll Function

Yes/no metric indicating whether company utilizes a third-party vendor payroll processing (i.e., cutting checks).

- a. Branch payroll
- b. Global payroll
- c. Regional payroll
- d. Business unit payroll

17. Outsourcing of Administrative Tools

Yes/no metric indicating whether administrative payroll tasks have been outsourced to a third-party vendor.

- a. Branch payroll
- b. Global payroll
- c. Regional payroll
- d. Business unit payroll

18. Accounting Function - Responsibility

If located in payroll, indicates personnel responsible for performing accounting duties.

- a. Certified accountant
- b. Administrative personnel
- c. Other (please specify)

19. Standardized Process

Yes/no metric indicating whether company utilizes a standard process to record employee information (e.g., standard firm-wide forms).

20. Cost of Form Processing

Indicates cost to process payroll-related forms:

- a. F-8
- b. W-2
- c. ACFs
- d. Time Cards
- e. Other (please specify)

21. Data Integrity

Indicates the number of data errors in payroll-related forms:

- a. F-8
- b. W-2
- c. ACFs
- d. Time Cards
- e. Other (please specify)

22. Data Capture

Indicates method by which payroll data is received.

- a. Interface (i.e., data goes directly into payroll)
- b. Hard copy
- c. Electronic copy (e.g., email to payroll)
- d. Other (please specify)

23. Turnaround for Payroll

Average length of time, in days, necessary to process payroll.

24. Backlog

Indicates the backlog in processing payroll at a given time, items at specific interest include number of checks/vouchers and number of W-2's.

25. Cycle Time Process Changes

Indicates average time (in days) necessary between change in employee data until payroll information is updated.

- a. Information that has financial impact on employee (e.g., base salary)
- b. Information that has no financial impact on employee (e.g., address)

26. International Relocation Payments

Indicates location in which relocation payments are primarily processed.

- a. Payroll in country of original employment
- b. Local payroll
- c. Separate expatriate payroll

Other Finance

Fixed Assets

- 27. **Capital Asset Tagging**
Indicates the number of transactions tagged.
- 28. **Capital Asset Tracking**
Indicates the dollar amount of assets tracked
- 29. **Capital Depreciation**
Indicates the amount (in dollars) of capital depreciation in 2001.
- 30. **Under Construction**
Indicates the amount of fixed assets under construction.
- 31. **Disposal**
Indicates the level of disposable fixed assets.

Actuarial

- 32. **Pricing Analysis**
Indicates whether company conducts formal pricing analysis on a regular basis.
- 33. **Analysis Cycle Time**
Indicates the average cycle time for analysis/pricing models to be completed.
- 34. **Response Cycle Time**
Indicates the average response time from receipt of inquiries/requests to answer.
- 35. **Accuracy**
Indicates the percentage loss reserve accuracy.
- 36. **Errors**
Indicates the number of errors in analysis/modeling.
- 37. **Certifications**
Indicates the ratio of staff passing CAS and IDMA exams.

Audit

- 38. **Audit Volume**
Indicates the number of formal audits completed in 2001:
 - a. Full Audit
 - b. Partial Audit
 - c. Other (please specify)
- 39. **Staff Overview**
Indicates the percentage of Audit FTE's professionally trained and certified.

40. Audit Cost

- Indicates the average amount (in dollars) per audit (actual cost divided by audits completed):
- a. Full Audit
 - b. Partial Audit
 - c. Other (please specify)

41. Audit Cycle Time

- Indicates the amount of time, on average, that an audit requires from start to finish:
- a. Full Audit
 - b. Partial Audit
 - c. Other (please specify)

42. Audit Charter

- Indicates the primary goals of internal audit group (check all that apply):
- a. Reliability and integrity of financial and operational information
 - b. Effectiveness and efficiency of operations
 - c. Safeguarding of assets
 - d. Compliance with laws, regulations and contracts
 - e. Other (please specify)

43. Audit Report

- Indicates the number of audit reports published yearly:
- a. Full reports
 - b. Recap reports
 - c. Management reports
 - d. Other (please specify)

44. Audit Report Make-Up

- Indicates the make-up of audit reports (in percentages):
- a. Charts and graphs
 - b. Descriptive written documentation
 - c. Other (please specify)

45. Audit Management Report

- Indicates the topics included in reports to senior management (check all that apply):
- a. Audit purpose
 - b. Authority
 - c. Findings (i.e., satisfactory performance and overall opinion)
 - d. Performance relative to plan
 - e. Risk exposure and control issues
 - f. Corporate governance issues
 - g. Other (please specify)

Audit [cont.]

46. Cost Savings

Indicates the amount of cost savings (in dollars) due to audit findings recommendations.

47. Audit Project Tools

Yes/no metric indicates whether standard format project tools are utilized to deliver audits on time and within budget targets.

48. Audit Planning

Yes/no metric indicates whether a planning tool is widely utilized to maximize travel (i.e., conduct multiple audits in remote locations together)

49. Errors or Omissions

Indicates the percentage of audits that are completed and then adjusted due to the subsequent identification of an error or omission.

50. Vendors

Yes/no metric indicates whether external vendors are utilized to provide relevant assurance and consulting services.

51. Audit Systems

Indicates the types systems and electronic support utilized to perform audit (i.e., review of audit recommendations, adherence to corrective actions, etc.)

Shared Service Center

52. Number of Shared Services Center

Indicates total number Finance function services centers designed to service internal employees.

53. Shared Services Center Segmentation

Indicates how shared services center are organized:

C = Corporate Finance Service Center

L = Line of Business Service Center

O = Other (please specify)

54. Number of Shared Services Center Employees

Total number of employees staffed to Finance Service Center(s).