

MOMENTUM

2022 Annual Conference and Trade Show · August 30 – September 1, 2022

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Financial and Operational
Benchmarking Using
Automated Data Analytics

HW&Co.
CPAs & Advisors

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Analyzing Financial Information

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Data Analytics


What is data analytics?

- It's the science and art of discovering and analyzing patterns, identifying anomalies, and extracting useful information in data through analysis, modeling, and visualization
 - It often involves analyzing more than high-level financial information and typically includes analyzing detailed transaction information
 - Can be performed using Excel but data analytics software tools are often helpful
- What is it used for? In addition to what flux and ratio analysis accomplish:
 - Detecting fraud, errors in data
 - Analyzing patterns and data for improving financial reporting processes
 - Monitoring employee, customer, and vendor activity

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Data Analytics (cont.)

- ▶ One important way your organization analyzes its performance, its results, its successes is its **financial performance**.
 - It helps understand how the organization is doing
 - Is it trending in the right direction?
 - Is it meeting their financial and operational goals?
 - Is it meeting or exceeding expectations (budgets)?
 - Unusual trends may also indicate errors or even fraud in your financial information

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Data Analytics (cont.)

- ▶ Common ways organizations can analyze their financial information to meet these objectives
 - **Performing a year-over-year fluctuation (“flux”) or variance analysis**
 - Analyzing financial statement line information comparing current period vs. a comparable prior period (2021 net patient service revenue vs. 2020, etc.) – **probably difficult when comparing to 2020 and even 2021 (i.e., pandemic)**
 - This is a vital tool and should be used on an ongoing basis
 - Can be used to compare current to immediately preceding period or multiple periods (for example, the years ended 2017, 2018, 2019, 2020 and 2021)
 - **Performing a ratio analysis**
 - Analyzing certain financial statement ratios and comparing those ratios to prior periods/years

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Data Analytics (cont.)

- ▶ Flux and ratio analysis – any tips before I start?
 - Like any good analysis, it's all about starting with good information
 - How many times have you heard the term “garbage-in, garbage-out”? Well, it applies here too!
 - Having consistent accounting policies applied on some accepted accounting basis (such as GAAP, cash basis, etc.) is important.
 - If you're working with compiled, reviewed or audited financial information, you likely have a great start
 - The stronger your accounting practices, policies and people, the more accurate and relevant your financial information is going to be

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Data Analytics (cont.)

- ▶ Flux and ratio analysis – any tips before I start?
 - A classified statement of financial position (aka balance sheet) is best
 - Is revenue recognition reasonable and consistent?
 - Consistent and thoughtful practices for allocating functional expenses
 - Establish your expectations
 - You may determine that a certain \$ change and/or % change vs. a budget or prior year is within your expectation
 - For ratio analysis, as you will see, a % change or potentially some industry benchmark may be your expectation

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Data Analytics (cont.)

- ▶ Are you doing some sort of data analytics at your Organization?
 - Yes and doing it well
 - Yes but not well enough
 - No
 - Don't know

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Variance Analysis

- Example Flux Analysis Statement of Financial Position

NOT-FOR-PROFIT					
STATEMENT OF FINANCIAL POSITION					
DECEMBER 31, 2020 AND 2019					
ASSETS			Expectation Within \$100,000 and 10% Change		
	2020	2019	FLUX ANALYSIS \$ Change	% Change	
Current assets:					
Cash and cash equivalents	\$ 318,789	\$ 225,031	\$ 93,758	41.66%	
Receivables:					
Program service revenue	892,369	556,418	\$ 335,951	60.38%	
Contributions	336,557	247,988	\$ 88,569	35.72%	
Prepaid expenses	65,842	76,654	\$ (10,812)	-14.10%	
Total current assets	1,613,557	1,106,091			
Property and equipment, net	4,863,259	4,653,813	\$ 209,446	4.50%	
Total assets	\$ 6,476,816	\$ 5,759,904			

ANALYSIS

Program service revenue receivable – Issues with billing, collectability of receivables?

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Variance Analysis

- Example Flux Analysis – Statement Activities and Changes in Net Assets

NOT-FOR-PROFIT					
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS					
YEARS ENDED DECEMBER 31, 2020 AND 2019					
	2020	2019	FLUX ANALYSIS		
			\$ Change	% Change	
Operating revenue:					
Net service revenue	\$ 8,778,775	\$ 8,651,236	\$ 127,539	1.47%	
Contribution income	3,252,896	3,541,529	\$ (288,633)	-8.15%	
Total operating revenue	12,031,671	12,192,765			
Expenses					
Program	7,621,066	7,514,223	\$ 106,843	1.42%	
General and administrative	2,638,236	2,946,392	\$ (308,156)	-10.46%	
Fundraising	981,633	947,269	\$ 34,364	3.63%	
Total operating expenses	11,240,935	11,407,884			

ANALYSIS

General and administrative – lost some admin people in receivables/billing, executive turnover

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Variance Analysis

- Example Variance Analysis – Income Statement (P&L)

	2021	2020	\$ change	% change
Operating revenue:				
Program services	\$ 13,859,748	\$ 9,548,746	4,311,002	45%
Operating expenses:				
Program services	13,658,742	9,648,759	4,009,983	42%
Operating income (loss)	201,006	(100,013)	1%	-1%
Other income	958,211	1,345,871	(387,660)	-29%
Net income	\$ 1,159,217	\$ 1,245,858	8%	13%

ANALYSIS

Operating income (loss)– 2020 a down year due to closures related to COVID-19? How is GP% (margin)?

Other income– Does the decrease make sense?

Where is the budget or expected performance?

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Ratio Analysis (Financial Metrics or KPIs)

► Ratio analysis –

- A variance analysis is a great place to start but a ratio analysis will provide even further insight into financial trends of your organization
- Ratios can be compared period-over-period similar to a variance analysis to see patterns or changes in ratios over time that could be positive, negative, or neutral
- Ratios also lend themselves well to benchmarking:
 - Depending on your organization or industry, benchmarking information is likely available that can help show how your organization compares to other similar organizations
- Ratios can be analyzed in raw number format or using graphs, tables, charts – “visualizing” the trends is often very helpful
- Be mindful that a small change in ratio could be more significant than it looks

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Ratio Analysis (Financial Metrics or KPIs) (cont.)

Top 10 key financial metrics or KPIs to track

1. **Gross Profit Margin** – GP as a % of total net patient service revenues (great for benchmarking)
2. **Net Profit Margin** – includes most expenses including interest/taxes (less useful for benchmarking)
3. **Current Ratio** – provides information on solvency (good for benchmarking)
4. **Cushion Ratio** – provides available cash/investments to cover debt service in years (very useful for variance analysis)
5. **AR Turnover or Days in AR** – rate of collections over a period of time (great with variance analysis and benchmarking)

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Ratio Analysis (Financial Metrics or KPIs) (cont.)

Top 10 key financial metrics or KPIs to track (cont.)

- 6. **Bonus and Shift Differentials** – the current labor market is almost forcing the use of these, and costs can quickly escalate
- 7. **Hours per Resident Day of key labor departments** – Employee costs are normally majority of costs of an organization (good for variance analysis and benchmarking)
- 8. **Overtime Usage** – Payroll costs are a major factor
- 9. **Contracted Services Usage** – with labor shortages contracting can quickly become a huge expense
- 10. **Dietary Food Cost** – with current inflation trends, food costs are being impacted

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Liquidity Ratio:

Current Ratio – this ratio shows you the relationship of your current assets available to cover current liabilities:

CURRENT ASSETS / CURRENT LIABILITIES

	2020	2019	Benchmark	Flux Change (2020 vs. 2019)	Benchmark Comparison (2020 vs Benchmark)
CURRENT RATIO					
CURRENT ASSETS	1,613,557	1,106,091			
CURRENT LIABILITIES	1,097,055	1,020,879			
RATIO	1.47	1.08	1.15	0.39	0.32

ANALYSIS

Increase in current ratio – Typically a good thing. However, as we dive deeper into our assets, as we noted earlier, our receivables are way up while all other current assets and liabilities are comparable. Further analysis into receivables/revenue is necessary.

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Debt Ratio:

Debt Service Coverage Ratio – the ratio of the increase in net assets available for debt service:

(CHANGE IN NET ASSETS+DEPRECIATION+AMORTIZATION)/ (ANNUAL PRINCIPAL PAYMENTS + RESERVE & SINKING FUND REQUIREMENTS)

	2020	2019	Benchmark	Flux Change (2020 vs. 2019)	Benchmark Comparison (2020 vs Benchmark)
DEBT COVERAGE RATIO					
INCREASE IN NET ASSETS	790,736	784,881			
DEPRECIATION	310,254	298,641			
	1,100,990	1,083,522			
ANNUAL PRINCIPAL PAYMENTS	150,000	150,000			
RATIO	7.34	7.22	1.00	0.12	6.34

ANALYSIS

Very good debt service coverage but make sure to understand future Principal payment requirements

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Program-related Ratio:

Program Efficiency Ratio – this ratio measures what percentage of total expenses are program expenses:

PROGRAM SERVICE EXPENSES / TOTAL EXPENSES

	2020	2019	Benchmark	Flux Change (2020 vs. 2019)	Benchmark Comparison (2020 vs Benchmark)
PROGRAM EFFICIENCY					
PROGRAM SERVICE EXPENSES	7,621,066	7,514,223			
TOTAL EXPENSES	11,240,935	11,407,884			
RATIO	0.68	0.66	0.70	0.02	-0.02

ANALYSIS

Program service expense ratio is consistent year over year and also relatively comparable to the benchmark amount.

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Support/fundraising Ratio:

Support/contribution revenue to total revenue— measures how much of your revenue is derived from contribution and fundraising revenue:

SUPPORT/TOTAL REVENUE

	2020	2019	Benchmark	Flux Change (2020 vs. 2019)	Benchmark Comparison (2020 vs Benchmark)
SUPPORT/CONTRIBUTION REVENUE TO TOTAL REVENUE					
CONTRIBUTION INCOME	3,252,896	3,541,529			
TOTAL REVENUE	12,031,671	12,192,765			
RATIO	0.27	0.29	0.21	-0.02	0.06

ANALYSIS

Ratio comparable to the prior year and in excess of industry benchmark

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Ratio Analysis – Visualization with Bar Graph

Cushion Ratio Visual:

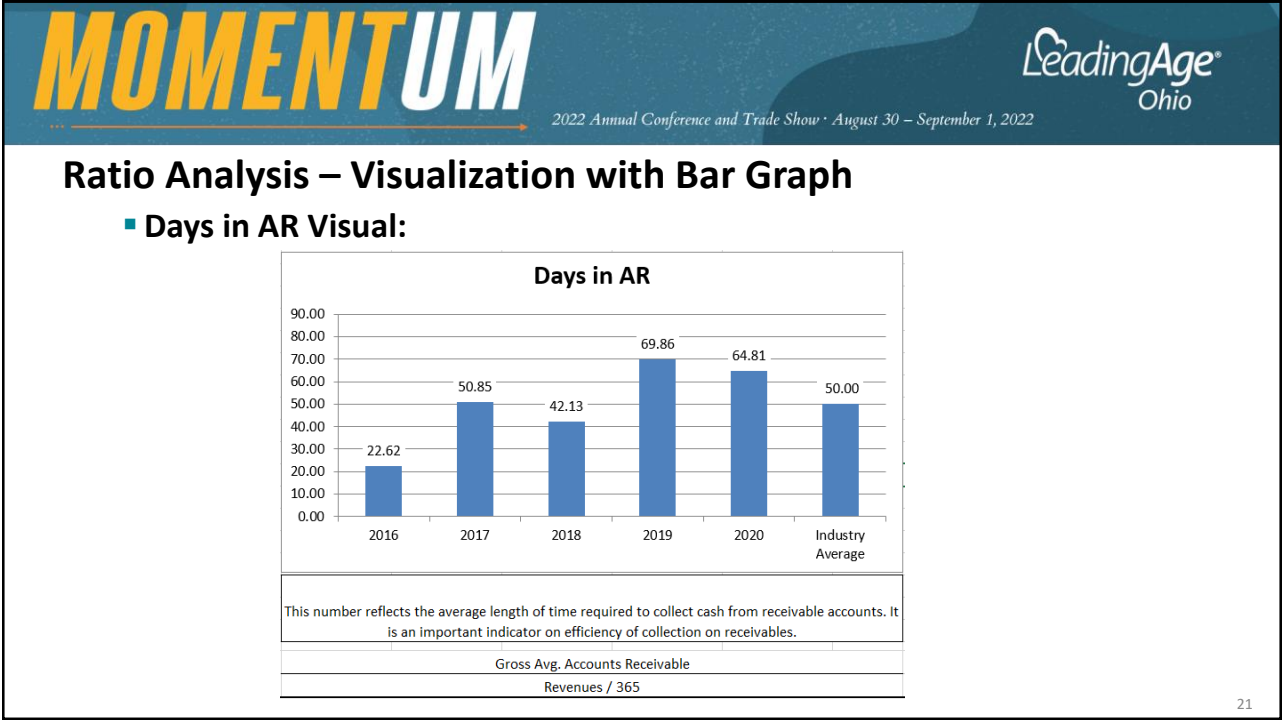
Cushion Ratio

Year	Cushion Ratio
2016	5.49
2017	5.23
2018	1.99
2019	2.71
2020	6.74
Industry Average	9.58

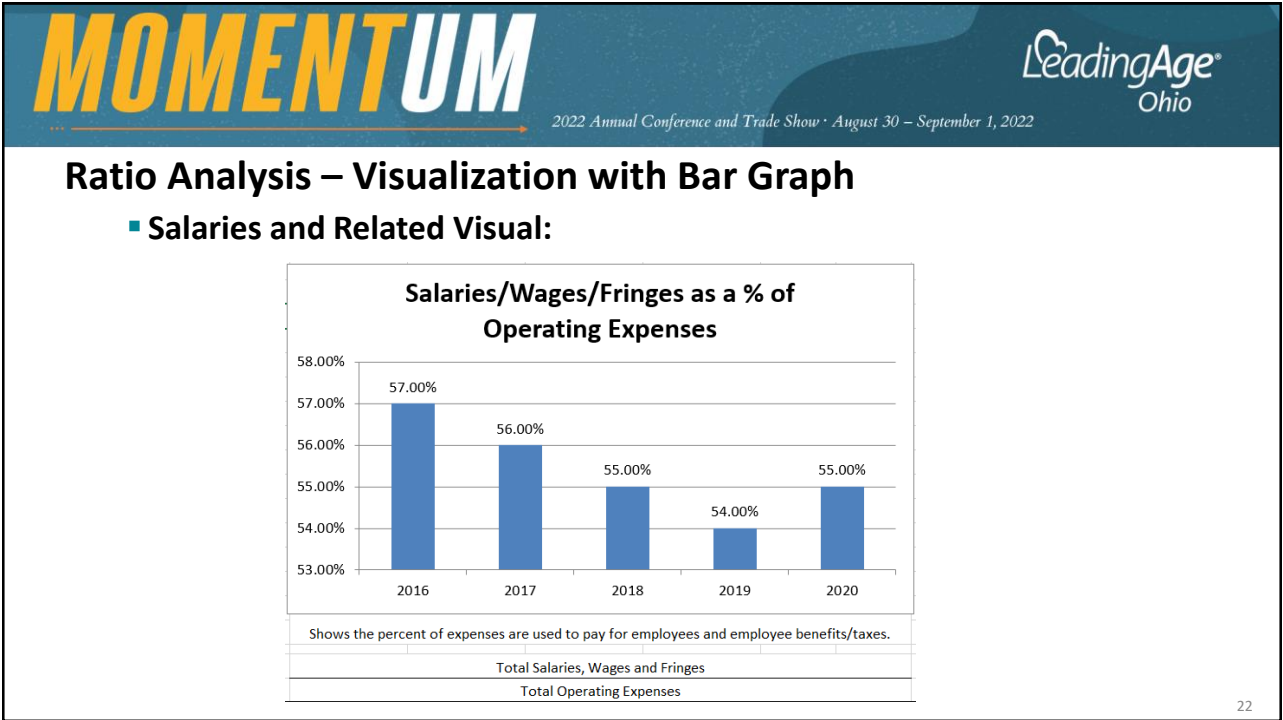
Measures the cash position in relation to its annual debt service obligation. Creditors usual desire the ratio to be greater than 3, less than that may indicate an inability to meet escalating payments.

Current and non-current cash and investments

Annual Debt Service




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Liquidity Ratios

Ratio	Formula	Interpretation
Quick Ratio	$\frac{\text{Cash \& Cash Equivalents} + \text{Short-term Investments} + \text{Receivables, net}}{\text{Current Liabilities}}$	The extent to which the more liquid assets are available to satisfy current liabilities. A quick ratio of 1.0 is considered liquid.
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liability}}$	The extent to which current assets are available to satisfy current liabilities. A current ratio of 1.0 means assets = liabilities.
Working Capital Turnover	$\frac{\text{Revenue}}{\text{Working Capital} (\text{Current Assets} - \text{Current Liabilities})}$	The amount of revenue being supported by each \$1 of net working capital employed. Ratio >30 may indicate need for increased capital.
Days of Cash	$\frac{(\text{Cash \& Cash Equivalents}) \times 360}{\text{Revenue}}$	# of days revenue in cash. Ratio of 7 days or more is considered adequate.
Days in Accounts Receivable	$\frac{\text{Accounts Receivable, net} \times 360}{\text{Revenue}}$	# of days to collect A/R. Lower ratio = faster collection = more liquidity.
Days in Accounts Payable	$\frac{\text{Accounts Payable} \times 360}{\text{Cost of Sales}}$	# of days to liquidate trade payables. Ratio should be compared to credit terms of vendors.

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Leverage Ratios

Ratio	Formula	Interpretation
Fixed Asset Ratio	$\frac{\text{Net Fixed Assets}}{\text{Total Net Worth}}$	Level of stockholders' equity invested in net fixed assets.
Interest Bearing Debt to Net Worth	$\frac{\text{Interest Bearing Debt}}{\text{Net Worth}}$	Relationship between creditors and owners.
Debt to Equity	$\frac{\text{Total Liabilities}}{\text{Total Net Worth}}$	Relationship between creditors and owners.
Revenue to Equity	$\frac{\text{Revenue}}{\text{Total Net Worth}}$	Level of revenue supported by each \$1 of equity.
Equity to General & Administrative Expenses	$\frac{\text{Total Net Worth}}{\text{Gen. \& Administrative Exp.}}$	Level of overhead in relation to net worth.
Underbillings to Equity	$\frac{\text{Unbilled Work} + \text{Cost in Excess}}{\text{Total Net Worth}}$	Level of contract volume financed by the stockholders.
Cash to Overbilling	$\frac{\text{Cash}}{\text{Billings} > \text{Costs \& Gross Profits}}$	Relationship of cash to overbilling on contracts.

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Profitability Ratios

Ratio	Formula	Interpretation
Return on Assets	$\frac{\text{Net Earnings}}{\text{Total Assets}}$	Profit generated by the total assets employed. Higher ratio=more effective use of company assets.
Return on Equity	$\frac{\text{Net Earnings}}{\text{Total Net Worth}}$	Profit generated by the net assets employed. Stockholders' return on investment.
Times Interest Earned	$\frac{\text{Net Earnings} + \text{Income Taxes} + \text{Interest Expense}}{\text{Interest Expense}}$	Company's ability to meet interest expense from operations. Low ratio may indicate an over-leveraged situation and need for more equity.

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Ratios/Metrics (cont.)

- ▶ Do you use these financial metrics currently to analyze performance/liquidity?
 - Yes we use some and its enough
 - Yes but may add a few more
 - No
 - Don't know

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Automated Data Analysis

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Automated Data Analysis

Account/Data Analysis and Mining

▶ Utilize data analysis software (electronic and 100% validity)

▪ Risk scoring of transactions

▪ Train employees how to use it to its full extent

▪ Have audit/accounting firm complete periodic data analysis, not just at year end

▪ Ensure employees know this is being done

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Automated Data Analysis (cont.)

Benford's Law

Benford's Law is a theory regarding the distribution of the first digits of large data sets. Many, but not all, large data sets conform to this theory. According to Benford's law, a general distribution occurs regarding the leading digits in a given data set.

- Can be used to detect fraud
- According to Benford's law, in a given population (say, **cash disbursement transaction amounts** for an a fiscal year), the distribution of the first number in each transaction amount will typically follow the pattern to the right:

d	P(d)	Relative size of P(d)
1	30.1%	
2	17.6%	
3	12.5%	
4	9.7%	
5	7.9%	
6	6.7%	
7	5.8%	
8	5.1%	
9	4.6%	

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Automated Data Analysis (cont.)

Benford's Law

Example of a cash disbursement transaction population analyzed showing the population is in **close conformity**:

Mean Absolute Deviation: 0.00401
Conclusion: Close conformity

AMOUNT
First Digit - Positive Values

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Automated Data Analysis (cont.)

Benford's Law

Example of a cash disbursement transaction population analyzed showing the population is **non conforming**:

Mean Absolute Deviation: 0.01736
Conclusion: Non-conformity

COL4
First Digit - Positive Values

First Digit	Expected Count	Actual Count
1	280	220
2	170	150
3	120	130
4	90	90
5	70	70
6	55	60
7	45	45
8	35	35
9	25	80

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Automated Data Analysis (cont.)

General Ledger Data Analysis (transactional level) examples:

Out of balance JEs – systems may not allow but good test to confirm

Duplicate JEs

JEs posted on weekends, holidays, specific days

JEs created by each user

JEs with large amounts

JEs with rounded amounts

JEs with amounts ending in 999

JEs with specific comments

Benford's Law

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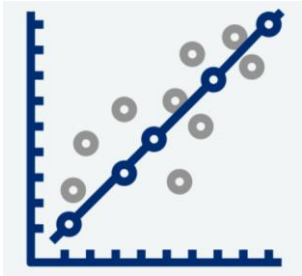
Automated Data Analysis (cont.)

▶ AR balance and transaction analysis examples:

- Debtors with total amounts/balances greater than credit limits
- Transactions around a specific date
- AR duplicate field searches

▶ Outlier detection on certain financial data:

- Identify unusual items within a database
- Systems use various plug ins based on algorithms created, and the algorithms are able to be enhanced



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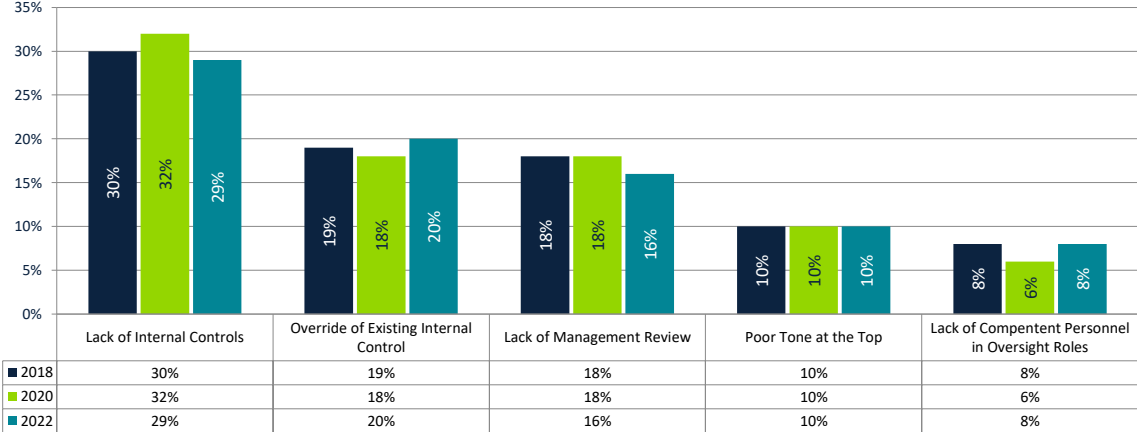
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Fraud Prevention Techniques

Primary Internal Control Weakness Observed by CFE



	Lack of Internal Controls	Override of Existing Internal Control	Lack of Management Review	Poor Tone at the Top	Lack of Competent Personnel in Oversight Roles
■ 2018	30%	19%	18%	10%	8%
■ 2020	32%	18%	18%	10%	6%
■ 2022	29%	20%	16%	10%	8%

ACFE Report to the Nations 2022 Global Study on Occupational Fraud and Abuse

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Automated data analysis (cont.)

▶ Do you currently use automation for any sort of data analysis?

■ Yes in many areas

■ Yes but would like to use it more

■ No

■ Don't know

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The Power of Budgeting/Forecasting

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Budgeting and Forecasting

- ▶ Budgeting = developing expectations for future periods
- ▶ Forecasting = developing goals based on future financial outcomes (i.e., “if we do this then...”)
- ▶ Key differences are:
 - Budgets are updated annually typically
 - Forecasts are more flexible and are changed based on market change
 - Budgets are a direction
 - Forecasts are where we want to go (goals)
 - Budgets are more short-term (one year), budgets should not be rigid though
 - Forecasts can be short-term and long-term

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Budgeting and Forecasting (cont.)

- ▶ 7 ways to improve your budgeting/forecasting:
 1. Try and forecast using short periods like quarterly, as markets change so should your forecast
 2. Budget towards your plan (i.e., the last year plus 3% may not work for 2023)
 3. Communicate performance and variances throughout
 4. Involve everyone, not just finance
 5. Track everything you can
 6. Include cash flow and burn rate analysis
 7. Consider budgeting/forecasting software

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Budgeting and Forecasting (cont.)

▶ Budgets must be part of your data analysis (expectations)

▶ Variances must be investigated; talk to finance and others

▶ Keep an eye on the prize!



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Benchmarking

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Benchmarking

What is Benchmarking

- Benchmarking is an ongoing process of measuring an organization against expectations, past experience, or industry norms for productivity and profitability. The organization then can make adjustments to improve performance in relation to those metrics.
- Organizations can develop and use both internal and external benchmarks.
 - Internal benchmarking helps monitor and detect trends, based on historical results and statistics, as well as expectation.
 - External benchmarking involves identifying a relevant pool of peers (i.e., industry, size, geographic) and creating a detailed analysis comparing the costs and benefits of one organization or capability with another's.
- Benchmarking can be applied to many different aspects of an organization, including elements of strategy, organizational structure, and performance measurement.

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Benchmarking (cont.)

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graph TD; A((Types of Benchmarking)) --- B[Internal Benchmarking]; A --- C[External Benchmarking]; B -- "Further distilled as" --> D[Process Benchmarking]; B -- "Further distilled as" --> E[Performance Benchmarking]; B -- "Further distilled as" --> F[Strategic Benchmarking]; C -- "Further distilled as" --> D; C -- "Further distilled as" --> E; C -- "Further distilled as" --> F;
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Benchmarking (cont.)

How to benchmark

- Clarify the key decision that will be informed by benchmarking
 - How benchmarking could be helpful
 - What specifically is management trying to learn from benchmarking
- Decide on the key data to gather
 - Specific metrics or information needed to improve goals
- Choose the industry or key organizations to benchmark
 - Select organizations that share relevant characteristics
 - Select organizations that are widely regarded as high performing/quality
- Collect data
 - Gather information on metrics via bench research, site visits and interviews
 - Good sources may include annual reports, online databases, industry associations.

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Benchmarking (cont.)

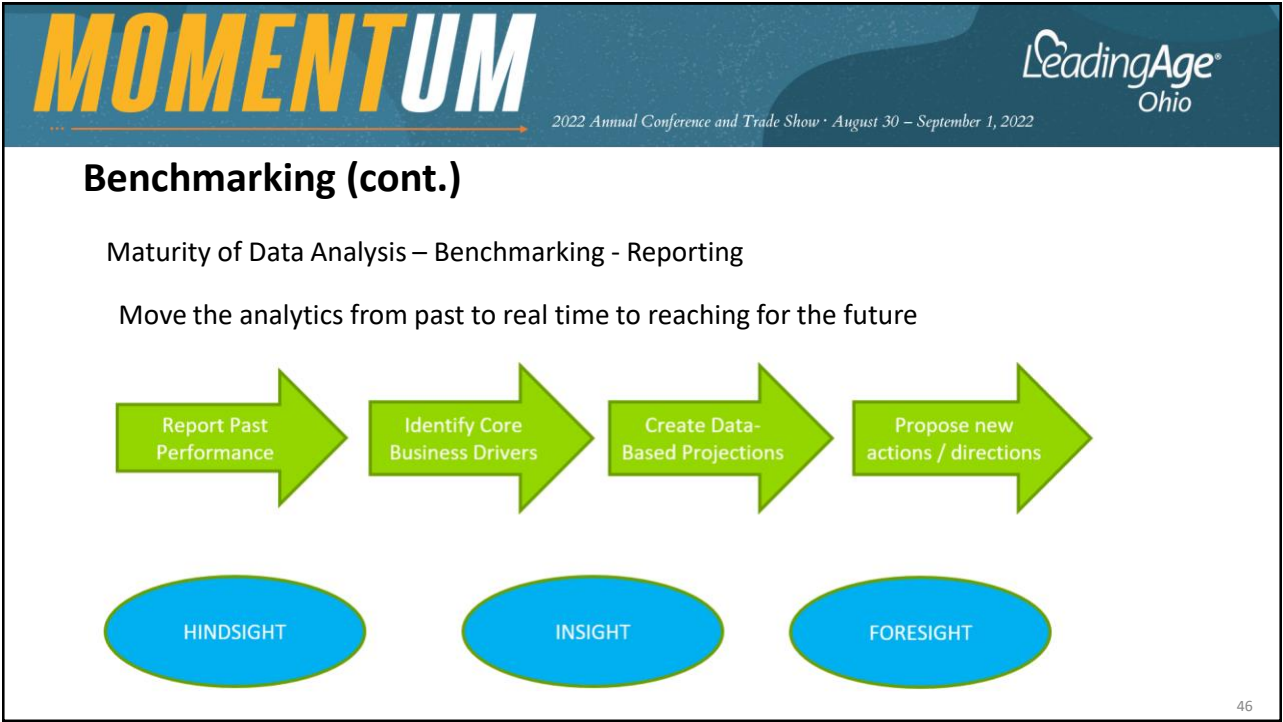
- How to benchmark (continued)
 - Analyze, decide, and identify opportunities to improve
 - Identify insights and best practices among industry high performers
 - Identify solutions or best practices to adopt
- Benchmarking is most useful when used to inform specific strategic decisions
- Common benchmarks – start with top 10 KPIs mentioned earlier
- Industry association data, purchased industry reporting, public information, peer to peer data, etc. – **this will be the hard part**

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Benchmarking (cont.)

► Resources:

▪ HW&Co Benchmarking Data – State wide information

▪ Industry trade groups - LeadingAge

▪ NFPs – use 990s and benchmark against competitors

▪ NFPs – Guide Star, Charity Navigator

▪ IBISWorld (Market Research.com)

▪ Integra Business Profiler

▪ ADP/Paychex (payroll and benefits)

▪ Trade/Business Associations

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Benchmarking Examples

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2021 Agency Nursing and Average Hourly Wage Analysis							HW & Co. CPAs & Advisors				
Facility Name	County	Peer Group	Agency Nursing Per Diem				Facility Staff Average Hourly Wage				
			RN Agency	LPN Agency	Nurse Aide Agency	Total Agency	RN Charge Nurse	LPN Charge Nurse	RN	LPN	Nurse Aide
Your Facility	HAMILTON	1	10.15	19.25	33.26	62.66	37.31	26.93	42.52	24.49	17.14
County Average	HAMILTON	1	3.46	9.24	10.92	23.62	39.64	33.76	36.41	31.09	18.72
Comparison to County Average			6.69	10.01	22.34	39.04	(2.33)	(6.84)	6.11	(6.60)	(1.58)
Peer Group Average		1	2.66	7.21	8.95	18.82	38.24	31.90	33.87	28.29	19.05
Comparison to Peer Group Ave			7.49	12.05	24.31	43.84	(0.93)	(4.97)	8.65	(3.80)	(1.91)
State-wide Average:			2.24	6.07	7.14	15.46	36.34	30.89	33.44	27.11	17.21
Comparison to State-wide Ave			7.90	13.18	26.12	47.21	0.96	(3.96)	9.08	(2.62)	(0.07)
Comparison to selected competitors:											
Competitor 1	HAMILTON		0.23	0.66	4.05	4.94	-	-	43.80	33.08	22.86
Competitor 2	HAMILTON		0.32	2.95	5.21	8.49	37.50	-	46.99	27.31	17.56
Competitor 3	HAMILTON		4.55	8.85	2.11	15.51	-	-	27.16	23.36	13.07
Competitor 4	HAMILTON		0.19	22.21	6.32	28.72	44.52	36.18	40.51	30.95	20.32
Competitor 5	HAMILTON		0.64	3.49	16.61	20.74	-	-	48.52	36.13	24.48
Note: Red highlight indicates facility average wage rate is below county, peer group, or state-wide average.											

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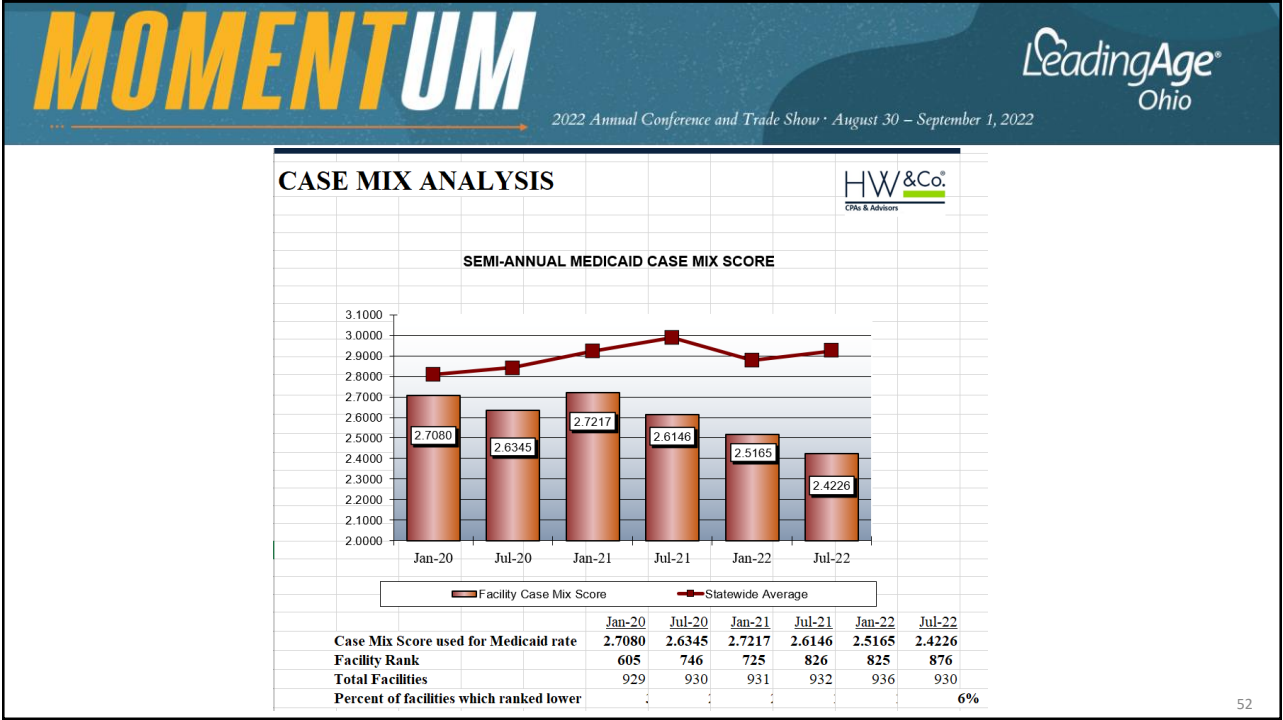
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Quality Point Summary						 <small>CPA & Advisors</small>	
Quality Measure	For QM values ...		Five-Star Quality Points	Medicaid Quality Points	Est. FY24 * 4 qtr rolling average		
	Between...	and ...					
Percent of residents whose ability to move independently worsened (long-stay)	0.0000	0.0821	150	7.50			
	0.0822	0.1121	135	6.75			
	0.1122	0.1350	120	6.00			
	0.1351	0.1568	105	5.25			
	0.1569	0.1760	90	4.50	0.1695		
	0.1761	0.1955	75	3.75			
	0.1956	0.2153	60	3.00			
	0.2154	0.2394	45	2.25			
	0.2395	0.2747	30	1.50			
	0.2748	1.0000	15	-			
Percent of residents who have/had a catheter inserted and left in their bladder (long-stay)	0.0000	0.0050	100	5.00			
	0.0051	0.0126	80	4.00	0.0100		
	0.0127	0.0217	60	3.00			
	0.0218	0.0356	40	2.00			
	0.0357	1.0000	20	-			
Percent of residents with a urinary tract infection (long-stay)	0.0000	0.0070	100	5.00			
	0.0071	0.0160	80	4.00			
	0.0161	0.0272	60	3.00			
	0.0273	0.0452	40	2.00			
	0.0453	1.0000	20	-	0.0649		
Percent of high-risk residents with pressure ulcers (long-stay)	0.0000	0.0377	100	5.00			
	0.0378	0.0584	80	4.00			
	0.0585	0.0783	60	3.00			
	0.0784	0.1057	40	2.00	0.0877		
	0.1058	1.0000	20	-			
			Actual FY23		Est. FY24 *		
			Total Quality Points		6.25		
			Change from FY23 Quality Points				
					10.50		
					4.25		
At risk for no quality in FY24. Facility trending below the FY23 25th percentile for quality of 10.75 points							

*Absent legislative changes, actual FY24 will be based on 2022 4 quarter weighted average. Currently, only Q1 2022 available.

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Per Diem Expenses					
2021 MEDICAID BENCHMARKING REPORT					
HW&Co. CPAs & Advisors					
	YOUR FACILITY	SELECTED FACILITIES AVERAGE	COUNTY AVERAGE	PEER GROUP AVERAGE	STATE-WIDE AVERAGE
MISCELLANEOUS					
Average Bed Size	75		ALL	50 - 99	50 - 99
County Name	HAMILTON		HAMILTON		ALL
Type of Control	NON-PROFIT		NON-PROFIT	NON-PROFIT	ALL
Direct Peer Group	CSA-1			CSA-1	ALL
Number of Facilities		5	15	20	573
DIRECT CARE COSTS					
Nursing Salaries	\$ 38.81	\$ 107.53	\$ 101.32	\$ 89.97	\$ 72.60
Purchased Nursing	62.66	15.90	20.91	24.05	13.19
Medical Supplies	3.51	2.53	4.45	3.03	3.48
Universal Precaution Supplies	1.63	2.76	1.69	2.13	1.88
Habilitation Supplies	0.01	0.15	0.08	0.06	0.06
Direct Payroll Taxes & Fringe Benefits	21.87	27.97	28.93	26.64	15.95
Total Direct Care Before Therapy	172.06	169.77	188.19	173.12	123.93
Therapy	22.86	24.03	21.28	26.31	22.20
Total Direct Care Costs	194.92	193.80	209.47	199.43	146.13
ANCILLARY/SUPPORT COSTS					
Dietary Food & Enterals	12.05	11.66	11.14	9.58	7.58
Activities	7.45	3.88	4.57	3.80	3.17
Laundry & Linen	3.49	3.48	2.71	2.03	2.09
Housekeeping	9.81	10.30	11.53	6.76	6.66
Maintenance	7.34	10.90	12.73	9.22	6.99
Total Ancillary/Support Costs	126.93	144.50	158.76	119.75	103.75
Detail rows suppressed for illustrative purposes. Therefore, totals will not add up.					

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Average Hourly Wage by Position					
2021 MEDICAID BENCHMARKING REPORT					
HW&Co. CPAs & Advisors					
	YOUR FACILITY	SELECTED FACILITIES AVERAGE	COUNTY AVERAGE	PEER GROUP AVERAGE	STATE-WIDE AVERAGE
MISCELLANEOUS					
Facility Type	NF		NF	NF	NF
Bed Size	75		ALL	50 - 99	50 - 99
County Name	HAMILTON		HAMILTON		ALL
Type of Control	NON-PROFIT		NON-PROFIT	NON-PROFIT	ALL
Direct Peer Group	CSA-1			CSA-1	ALL
Number of Facilities		5	15	20	573
AVERAGE HOURLY WAGE BY POSITION					
R.N. Charge Nurse	37.31	41.54	37.97	37.53	35.98
L.P.N. Charge Nurse	26.93	36.18	31.44	30.25	31.09
R.N.	42.52	40.78	36.29	35.79	34.03
L.P.N.	24.49	29.90	31.07	31.13	27.78
Nurse Aide	17.14	19.46	17.94	18.77	17.13
Dietary Personnel	14.15	14.60	15.93	14.67	13.86
Activity Personnel	12.42	19.11	17.26	17.20	13.88
Social Services	24.32	25.45	26.14	25.21	24.50
Administrative Personnel	25.61	39.38	33.25	26.49	22.90
Laundry/Housekeeping Supervisor	22.69	22.74	22.20	22.75	18.88
Housekeeping	11.57	12.08	13.99	13.30	12.65
Laundry	9.84	13.86	13.33	13.69	12.43
Maintenance	20.16	25.39	23.88	21.85	19.38

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Benchmarking (cont.)

▶ What type of benchmarking are you using?

■ Purchase product

■ Association/CPA firm

■ Public information/accessible (i.e.,-990)

■ Other

■ I don't use benchmarking

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Dashboards

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Dashboards

Dashboards

A dashboard is an information management tool used to track, analyze, and display key performance indicators, metrics, and data points. You can use a dashboard to monitor the overall health of your business, department, or a specific process.

The goal of any dashboard is to deliver the right data to the right people in the right timeframe so business decisions can be made. Dashboards can be customizable and should be built to support the specific needs of the users.

Behind the scenes, a dashboard connects to your files (like an Excel spreadsheet or Google sheet), attachments, services (like QuickBooks or HubSpot), and application programming interfaces. A dashboard can be used to transform raw data into something human-readable. Instead of sifting through columns or rows in a spreadsheet, a dashboard can be used to analyze your data in a table, line chart, bubble chart, or bar chart.

Provides an organized visual of financial and operational metrics and information.

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Dashboards (cont.)

Dashboard Resources

Dashboards for a fee:

Tableau

iDashboards

Captain Dash

Domo

SumAll

Geckoboard

Fundraising Report Card

Free Dashboards:

Google Data Studio

Microsoft Power BI

Zoho

Dash

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Dashboards (cont.)

- ▶ **Why consider using a dashboard?**
 - Dashboards can help you understand large amounts of data and see the significance of the data quickly. Dashboards aggregate data from multiple data sources. A dashboard is about saving time and seeing all of your data together in one place.
 - Ideally, dashboards are presented quite simply and graphically, so that decision makers can see at a glance whether and where the organization is on the path it has laid out for itself. Dashboards focus the conversation with areas where improvement is needed.
 - A dashboard should:
 - ▷ Align definitions of success across the organization;
 - ▷ Encourage dialogue about progress toward goals;
 - ▷ Facilitate timely identification of successes and challenges;
 - ▷ Ground decisions in concrete data and evidence; and
 - ▷ Illuminate relationships between different activities.
 - Select the KPIs that focus the organization on data that will support decision-making

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Dashboards (cont.)

- ▶ **Examples of types of dashboards:**
 - Strategic or business intelligence dashboards (i.e., Impact, Key Initiatives)
 - Track key performance indicators or departments within an organization or the organization as a whole
 - Operational or accountability dashboards (i.e., Financial, Sales, and Staff Performance)
 - Shows the data as of now, gives a view of information needed on a daily, weekly, monthly or quarterly basis
 - Analytical dashboards (i.e., Web Analytics, Google Analytics)
 - Shows data in a way that allows users to identify trends over time, explore segments, manipulate filters, and search for insights.
- ▶ Consider a dashboard that reflects trends over time, or performance against goals and budgets—or both.

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Dashboards (cont.)

Dashboarding Best Practices, hit your target

Tell a Business Story

Business stakeholder involvement

Increase the Level of Automation

Minimal refresh time

On-Demand PUSH delivery

Automatically created



Appropriate amount of information

Actionable Guided Analytics

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Dashboard Examples

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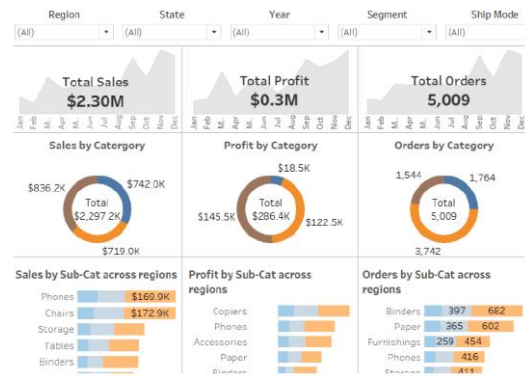
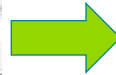
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Transformation of Raw Data into format for end user consumption



AFTER - Dashboard

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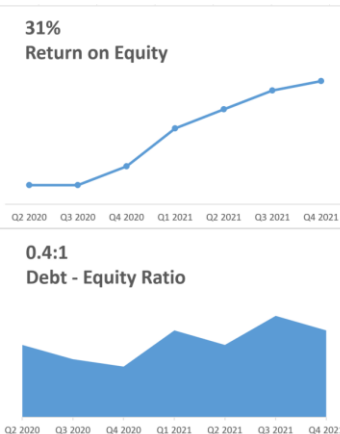
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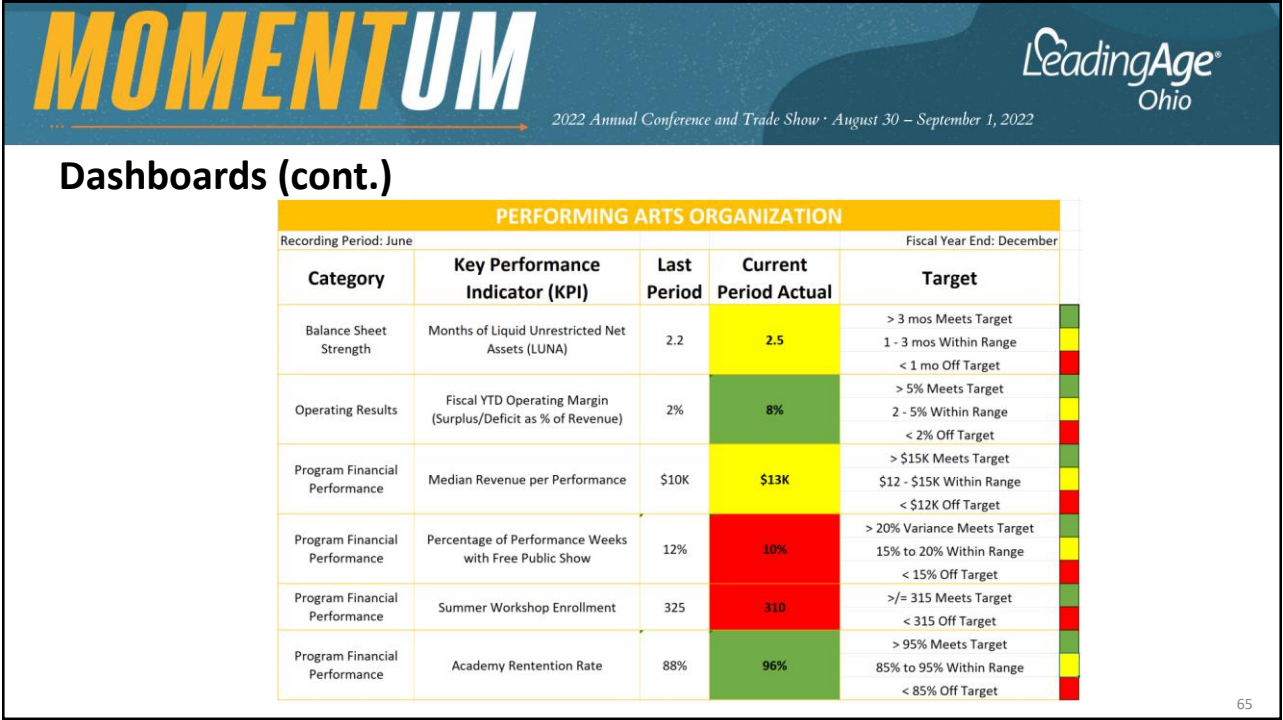
Business Reporting Dashboard on Financial Performance



Balance Sheet		
Total Assets	\$2,825,371	
Current Assets	\$1,945,371	
Cash	\$ 497,083	
Accounts Receivable	\$ 915,422	
Inventory	\$ 522,253	
Long - Term Assets	\$ 880,000	
Total Liabilities	\$2,825,371	
Current Liabilities	\$ 610,106	
Accounts Liabilities	\$ 418,166	
Other Liabilities	\$ 191,341	
Shareholder Equity	\$1,446,620	
Common Stock	\$ 998,720	
Current Earnings	\$ 447,870	

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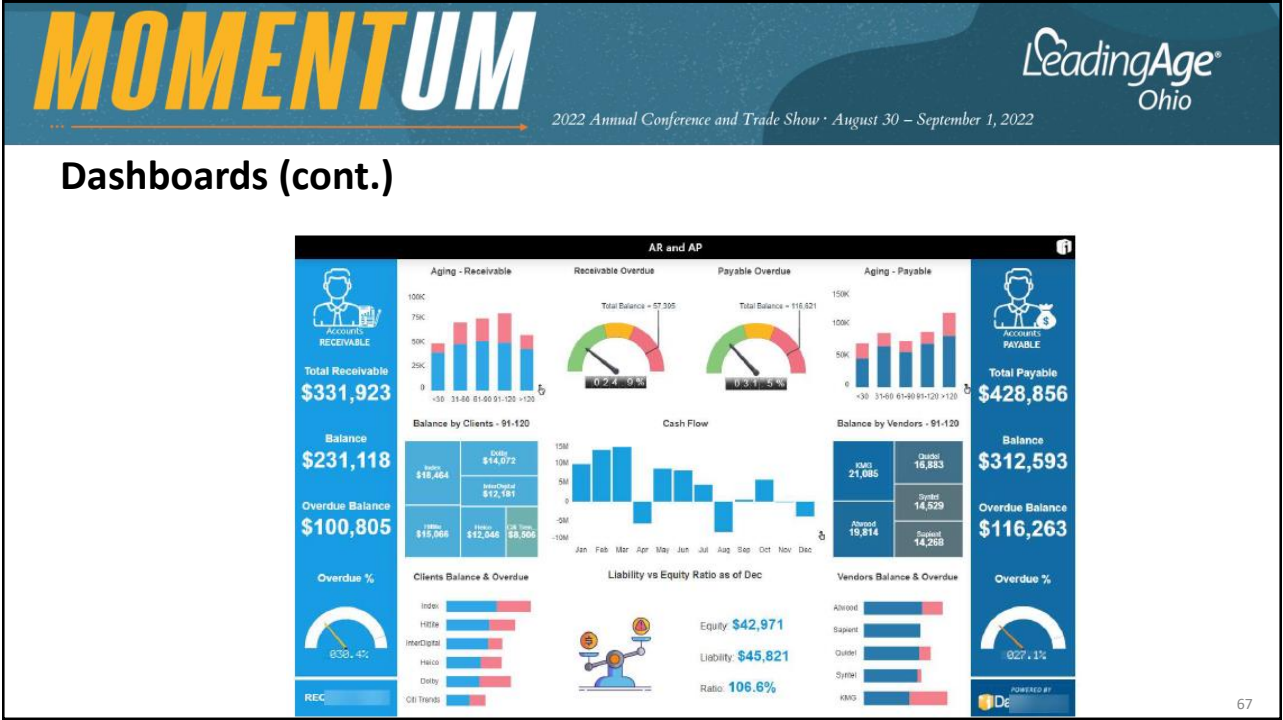
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