

Strategic Finance and Risk Management

From Concept To Modeling Actionable Alternatives

Historical methods of monitoring financial health and mitigating and reporting on risks don't always reflect an accurate understanding of an institution's current financial condition, as the effects of the 2008 recession revealed. Scrutiny of institutional Boards and leadership has thus escalated, and will likely continue making the ability to clearly communicate financial health an unavoidably essential skill.

With new pressure to improve the financial position of higher education institutions, Boards and senior leadership not only need to understand current financial conditions, but they also must be able to identify risks inherent to the institution's strategy and communicate these issues to an audience that often lacks firsthand knowledge of the educational enterprise. To manage in today's economic environment, institutions must create a method of measurement, monitoring and reporting on financial conditions and assumed risks.

A Framework For Delivering Results

Based on the concepts presented in *Strategic Financial Analysis for Higher Education, 7th Edition*, a comprehensive guide to assessing financial health co-authored by Attain Partner Ron Salluzzo, Attain has developed a framework and metrics for developing actionable recommendations that provide correlation between institutional strategy and affordability.

Attain's Strategic Financial Measurement solution yields a feasible plan comprised of a broad set of actions, including the affordability of execution, based on objective measures of current financial health. Whether analyses suggest reengineering programs to become more responsive to the market, or that an institution has the financial strength to achieve a more robust mission, Attain enables Board-level discussion to focus on accurate, objective information garnered through increased visibility and insight.

Our professionals have the ability to translate critical financial and risk measurement concepts into meaningful and tailored solutions that meet the needs and goals of the senior executives and Board members responsible for the financial health and strategic direction of institutions.

Monitoring, Mitigating, and Reporting with Strategic Financial Measurement

Attain's Strategic Financial Measurement services are based on a series of proprietary financial ratios that have been developed over 30 years and are used by rating agencies, accreditation groups, industry trade groups and the industry in general.

Working with public and independent institutions of any Carnegie Classification, Attain provides analyses of financial results and audited financial data to develop an action plan that is presented to the Board and senior leadership, helping them to move from information gathering and analysis to implementing an achievable plan and realizing the institutional mission.

Moreover, Attain's solution is easily instantiated at an institution with a tool that provides drill down capabilities to assess root causes, assist in forming action plan alternatives, and generates financial models to understand the implications of the various alternative scenarios.

Attain has also created the ability to provide comparative analyses to further contextualize an institution's current financial health using a database of peer institutions.

Attain Higher Education and Academic Medical Centers



The *Strategic Financial Analysis for Higher Education, 7th Edition* and Attain's Strategic Financial Measurement services enable accurate measurement and visibility of institutional health and strategic return on investment.

Learn to:

- **Measure current financial health**
- **Assess progress of strategic initiatives**
- **Monitor significant enterprise risks**
- **Create and manage toward financial targets**
- **Compare institutional progress against peers**

Key Elements of Strategic Financial Measurement

Attain's approach comprises several key ratios and tools including:

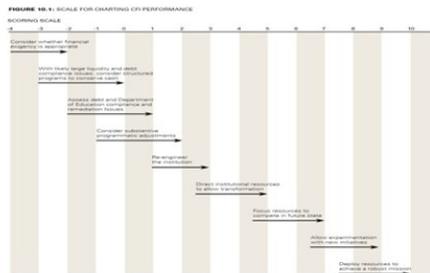
Ratio Map

Our ratio map presents the overall solution and its ratios. The map begins with liquidity and continues with the four most important financial health questions an institution should answer and the corresponding ratios. This establishes the institution's CFI, which helps to generate the GFP. The key, however, is not in the calculations themselves, but in understanding the results and mapping out a program that addresses any issues.



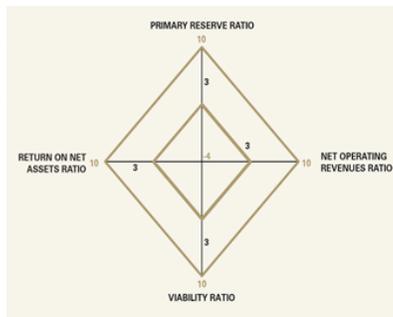
Composite Financial Index (CFI)

The schematic depicts the development of an action plan beginning with the four, high-level questions most critical to understanding institutional financial health. The answers to these questions— arrived at using the related ratios— lead to a CFI score, a conclusion about overall financial health, and the most necessary actions.



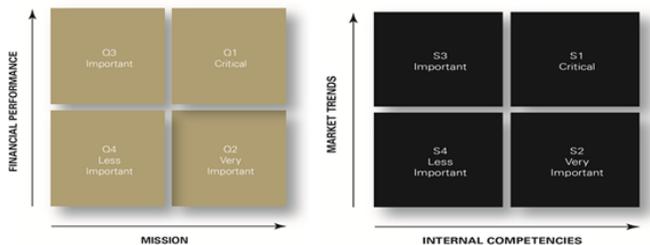
Graphic Financial Profile (GFP)

The Graphic Financial Profile depicts overall financial health by considering the scores obtained from each of the four key ratios in relation to their threshold values and to each other. This will indicate the relative balance or imbalance of the institution's financial health.



Resource Allocation Map

When necessary actions have been identified, The Resource Allocation Map (service mark) provides a comparison of programs to understand whether the resulting resource allocation matches the intended strategy and outcomes.



Contact Us:

Attain
www.attain.com

8000 Towers Crescent Drive
Suite 1500
Vienna, VA 22182

Phone: 703.857.2200
E-mail: info@attain.com

Proven Performance. Forward Thinking.

Based in Vienna, Va., Attain is a professional services company comprised of innovative problem solvers who deliver tangible results to address today's complex public sector and higher education challenges. Attain delivers strategic, operational support, healthcare solutions, IT security and application services to more than 125 customers in the Federal, state and local government, higher education and academic medical center markets.

For more information about Attain, please visit www.attain.com.