

**UNIVERSITY OF MIAMI**  
**CONTINUOUS IMPROVEMENT PROCESS**

**Suspense Account -  
Transaction Reduction**



# GOAL

**Reduce number of transactions in suspense:**

- **will diminish rework,**
- **save time in processing transactions**
- **& dollars in elimination of repeated steps**



# Team Members

**Aida Diaz-Piedra – Controller's Office**

**Terry Diaz – Controller's Office**

**Piedad Muñoz – Controller's Office**

**Tim Ramsay – Telecommunications**

**Paul Costello – IT/Telecom**

**Joe Hutchins – IT/Telecom**

**Diana Della Pietra – Telecommunications**

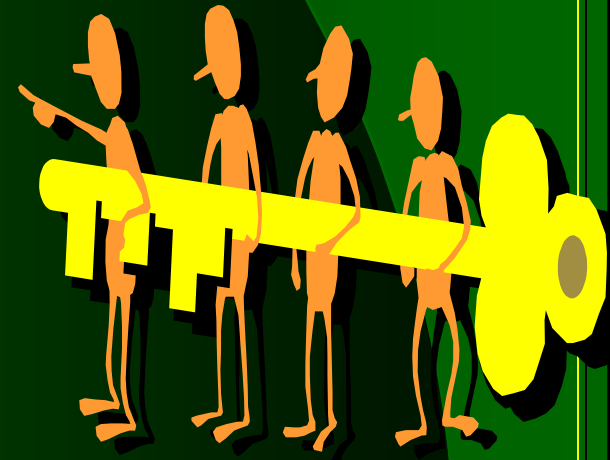
**Ron Zabowski – Telecommunications**

**Mike Zucker – Information Technology**

**Bob Burns – Information Technology**

**Jorge Molina – Information Technology**

**Bob Dale – Continuous Improvement**

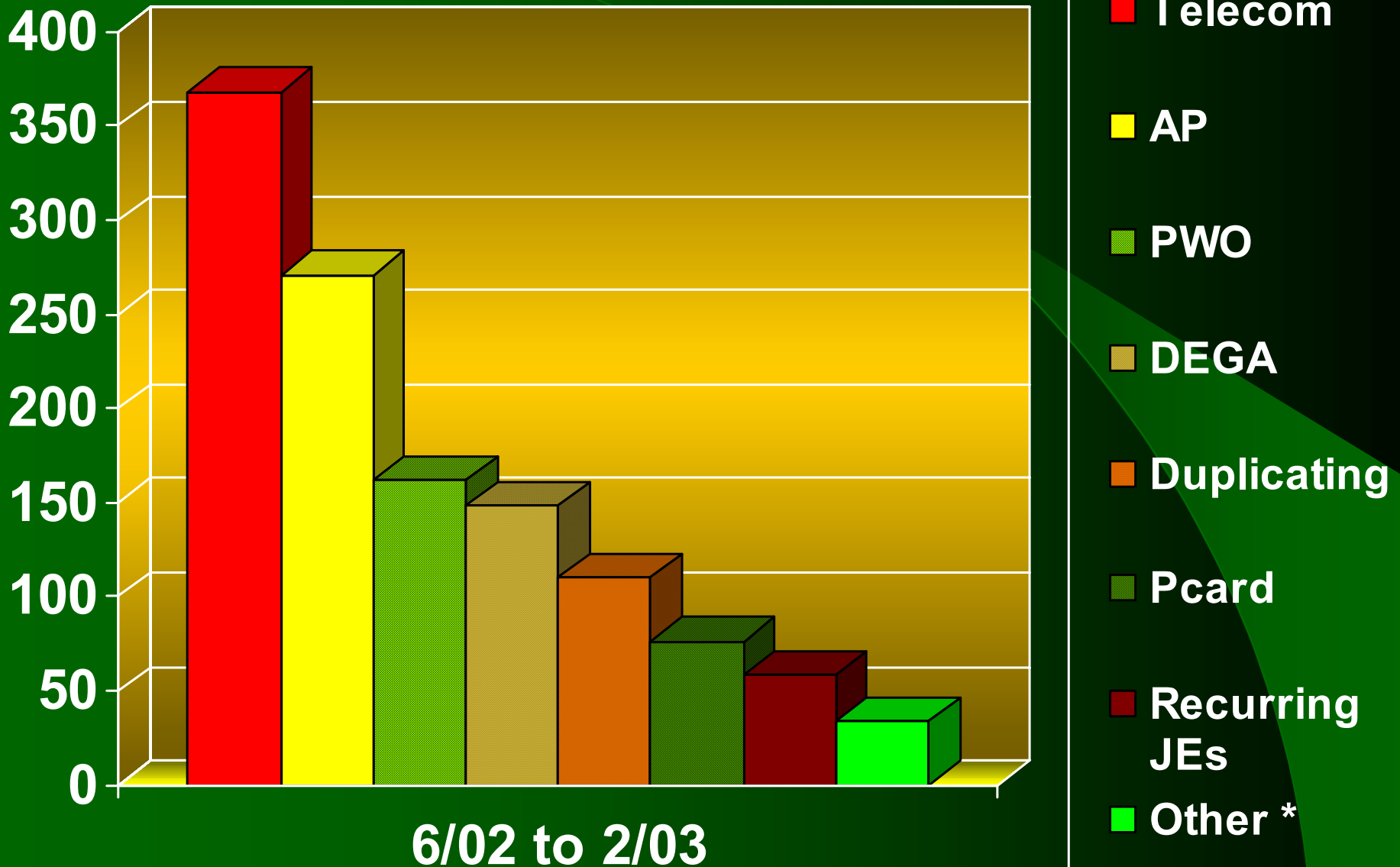


# Issues:



- 1. Transactions, sent from subsystems to FRS with invalid account numbers, end up in a suspense account.**
- 2. A dedicated resource in the Controller's Office is assigned to clear transactions in suspense.**
- 3. Lack of or slow response from departments to requests for correct account number requires the process to be repeated until completed.**
- 4. FRS/DMAS information is not up-to date.**
- 5. Transactions moved out of suspense are in effect handled more than once (rework).**

# Transactions in suspense by subsystem



\* Copy center, IDX, DUR

# Telecommunications selected For 1<sup>st</sup> CI

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1. Highest volume of transactions in suspense
2. High volume of transaction with low dollar value
3. Team recommendation may be used for other areas



# Telecommunication transactions are checked against chart of account

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**However,**

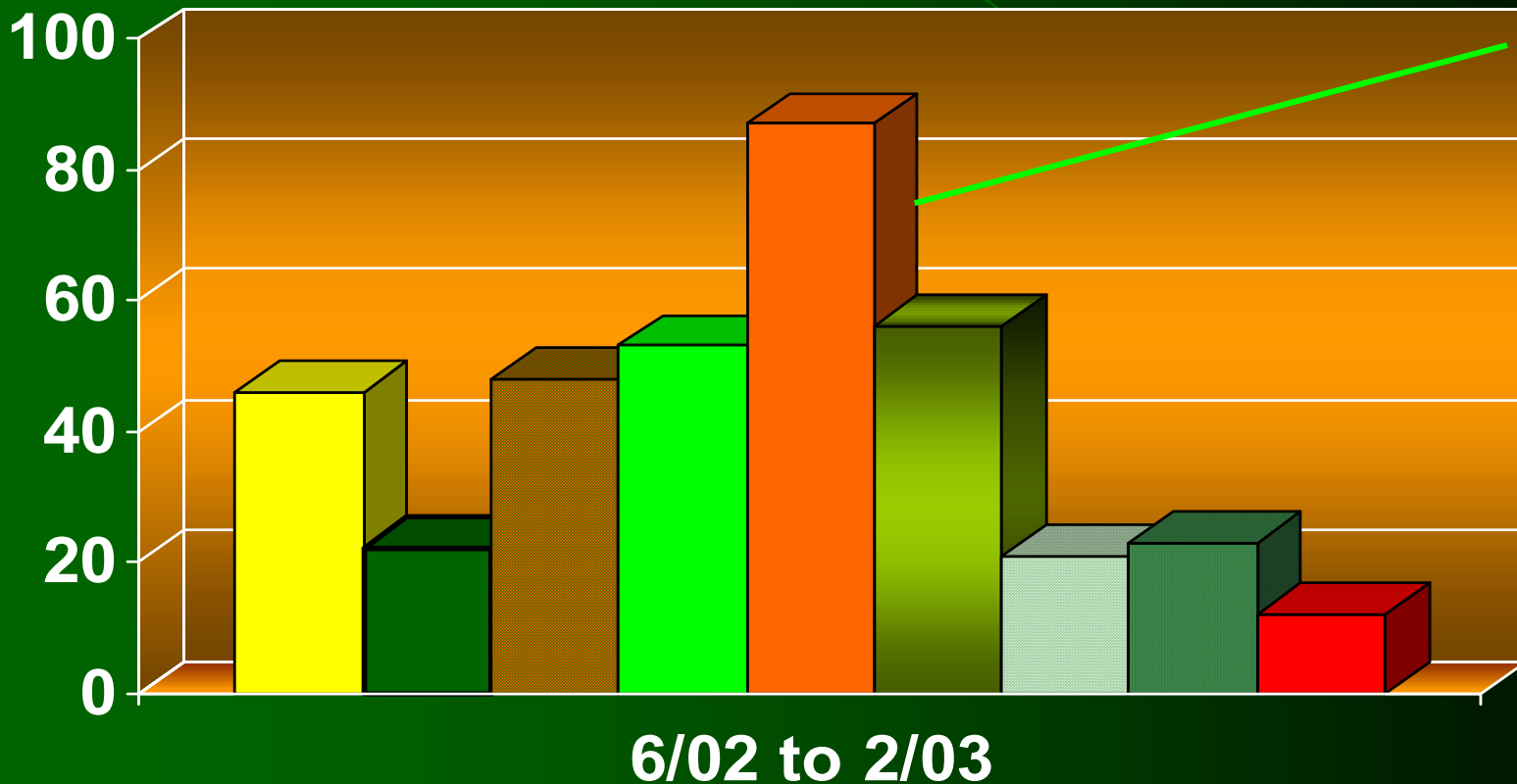
- Sponsored accounts have end dates – require freezing account to stop charges , eventually account is deleted.

**Forces manual intervention:**

- Calls, emails from Telecommunications to user department to obtain correct account number.
- When no reply is received, charges are allowed to go through to the accounting system and end in suspense account.
- A similar process of contacting user is started in Controller's Office.

**Results in:  
rework, user complaints, incorrect monthly statements**

# Telecommunications - Transactions posted to suspense by month



Beginning of federal government's fiscal year. New accounts assigned to sponsored grants.

■ June      ■ July      ■ August      ■ September      ■ October  
■ November      ■ December      ■ January      ■ February

# Telecommunications -

## Transactions posted to suspense by month

Two months were analyzed:

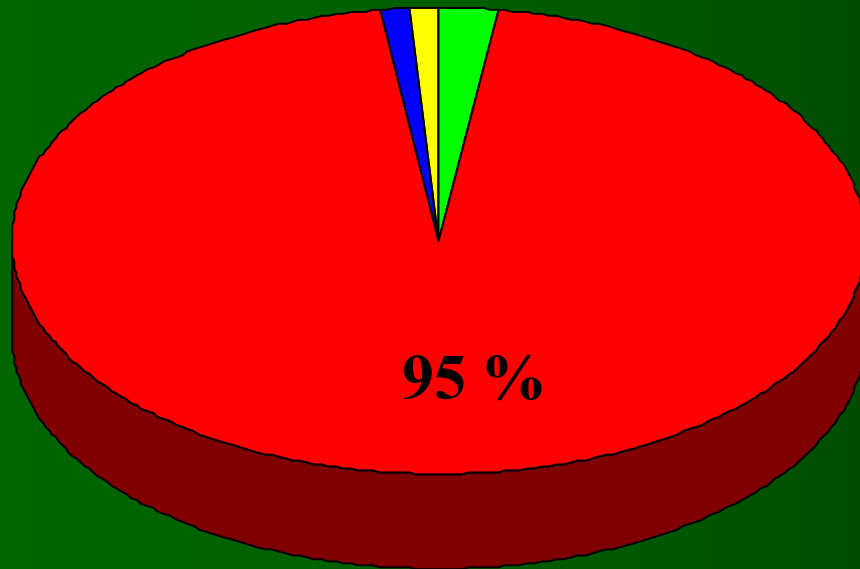
- Highest volume – October
- Closest month to beginning of team work - February



## 2. Analysis of Telecom Items in Suspense

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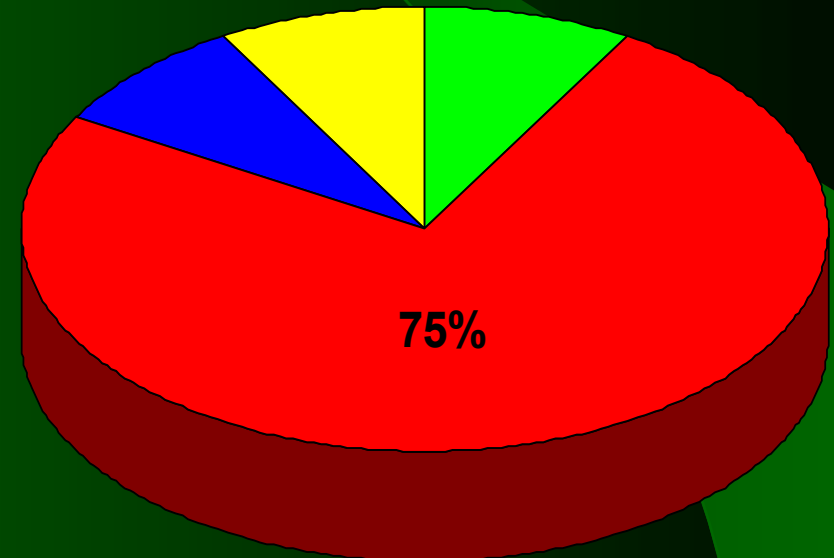
October 2002



Account status:

Deleted Frozen Missing Invalid

February, 2003



Account status:

Deleted Frozen Missing Invalid

# SOLUTIONS EXPLORED

The team reviewed the problems,

looked at the data, and

explored a number of solutions



# SOLUTIONS EXPLORED

- ✓ **Charge back to Telecommunications items in suspense.**
  - a. **Reduces Telecommunications revenues until new account number is obtained**
  - b. **Shifts problem, but does not solve it. Moves it from Controller's to Telecommunications**

## **Solution not ideal because**

- **Costs will be passed on to customers, and**
- **why shift costs when problem may be improved or eliminated?**

# SOLUTIONS EXPLORED, ctd.

Since most items in suspense are caused by expiring sponsored accounts, when a request for service is sent to Telecom using a sponsored account:

✓ Require that a departmental account be given as guarantee to be used when a replacement account has not been received from the user department.

This suggestion, advanced by Telecom was taken to BSSC since

- a. it would require IT programming
- b. must be prioritized by BSSC, and
- c. there are three departmental administrators in BSSC that could offer reactions

# **SOLUTIONS EXPLORED, continued**

## **Require a guarantee departmental account, continued**

- **Not well received by 3 department administrators: Medicine, Microbiology and RSMAS did not think this was a good solution**
- **Perception is that costs would shift to the departmental account and remain there because these costs on a monthly basis are:**
  - **a) relatively small in dollar value, and**
  - **b) would require a lot of research to correct.**

# SOLUTIONS EXPLORED, continued

## Require a guarantee departmental account, continued

- ✓ New solution advanced by three BSSC administrators
  - Telecom should write emails to responsible person AND CC department administrator (DA) 60 days before account expires (current process DA not copied on emails).
  - Add to email “service will be cut if new account not indicated”
  - CUT OFF service as warned if no reply is received.

**This recommended solution needs to be explored with the team as it will:**

- a. increase the cost to the customer
- b. make a lot of customers unhappy

# In summary:

## More information needs to be gathered

- Since Telecom produces multiple transactions for one phone (data, voice, long distance) – how many accounts are problems in any given month? – analyze # of different accts.
- Are there specific departments that always fail to submit the replacement account, or is the problem spread University wide? – analyze suspense transactions by dept.

## And other possible solutions explored

- What other options do we have available?
- Should a user survey be employed to test the recommended solution?

To be continued.....



