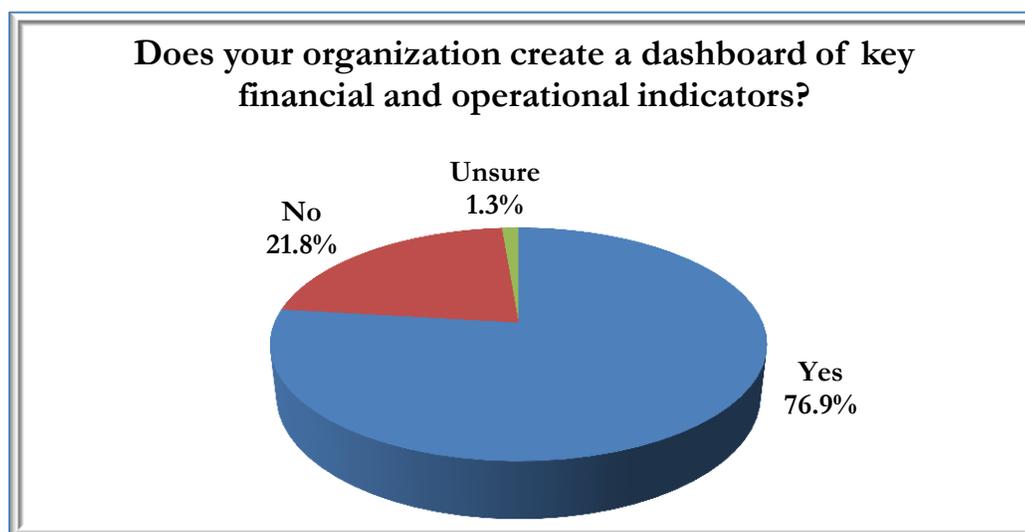


Dashboards are often utilized in organizations to track progress across key indicators, or metrics, over time. Dashboards can sometimes be referred to as scorecards, performance dashboards, or an array of other organization-centric labels. These reports provide senior leadership and governing boards with at-a-glance indicators that, if constructed properly, reflect the overall health of the organization. Dashboards can vary in terms of the frequency in which they are reported, ranging from weekly, to monthly, quarterly, or perhaps even semi-annually.

The intent of this month's Ziegler CFO HotlineSM survey was to shed light on this topic within the not-for-profit senior living sector. The results detailed below show the results of over 150 not-for-profit organizations throughout the country and provide insight into the use of dashboards, the metrics commonly tracked, and also typical reporting practices.

As shown below, the vast majority (76.9%) of the 156 individuals surveyed reported that their organization creates a dashboard of key financial and operational indicators. A small percentage, less than 2%, was not certain whether or not a dashboard was in place within their organization.



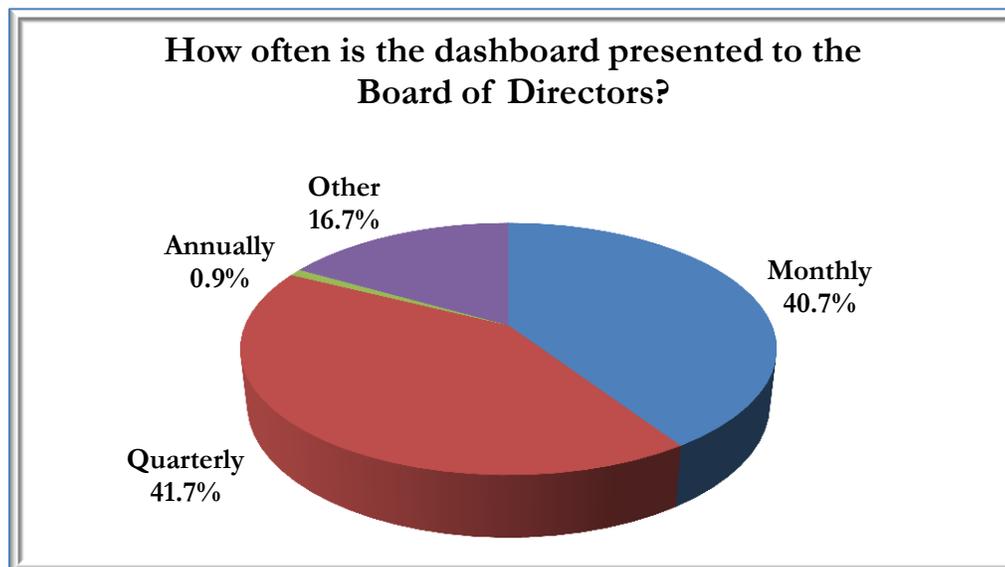
For those who responded “yes” that their organizations create a dashboard, a series of additional questions were asked. Nine of 10 (90%) CFOs shared that the dashboard is created using Excel. Among the individuals reporting that Excel is not used, they were asked to elaborate on the specific software being utilized. The responses varied greatly. The specific responses are listed below.

- | | | |
|-----------------|---|------------------------|
| Active Strategy | Lawson Business Intelligence using Crystal Reports® | PowerPoint (Microsoft) |
| FRx (Microsoft) | Microsoft Dynamics GP Report Writer | SharePoint (Microsoft) |
| HCS Interactant | Micro Strategies | Word (Microsoft) |
| | Oracle | |

The following question asked survey respondents to identify the five key financial and/or operational indicators shown on the dashboard. The top five measures are reported in the table below. Many other indicators were mentioned in addition to the top five, including covenant measures, staffing figures (labor costs, turnover), satisfaction results, and resident costs per day to name a few.

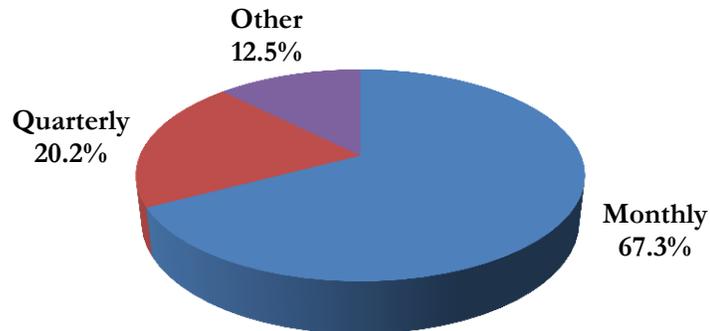
Measure	Number of mentions
Census/occupancy figures	83
Net operating margin (NOM)	82
Days cash on hand	65
Debt service coverage	47
Admission/sales figures	25

The organizations were fairly evenly divided between monthly and quarterly dashboards being provided to the Board of Directors. Much of this is likely dictated by the occurrence of board meetings. Very few develop a dashboard only once a year, but nearly 17% indicated some other frequency. The largest proportion of those responding “other” reported that they create their dashboard every other month or that the dashboard is used solely by the management and is not shared with the Board of Directors.



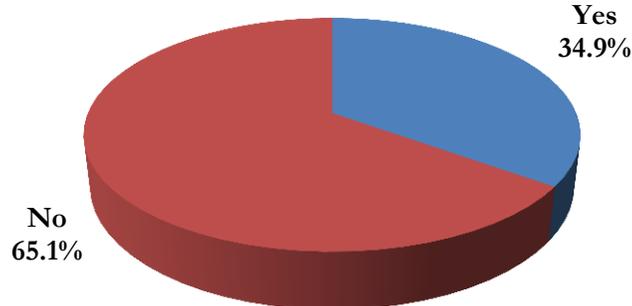
The same question was asked about the creation of dashboards for the Management Team. Nearly 7 out of 10 reported that this is done monthly, with the next largest proportion presenting it to the Management Team quarterly. Of those responding “other,” many reported that the dashboard is generated weekly or daily. Several responded that the dashboard is only a report for the Board of Directors and not for the Management Team.

How often is the dashboard presented to the Management Team?

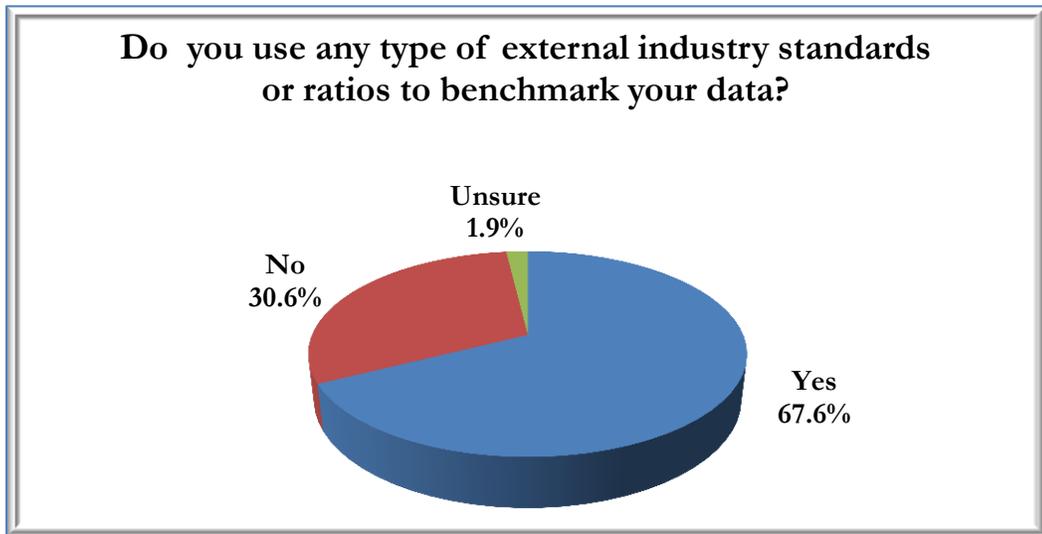


Roughly 65% of organizations share their dashboard information with third parties such as residents, staff or other outside entities such as accountants. Most stated that the dashboards are shared with residents and staff, as well as banks, lenders, underwriters and other investors.

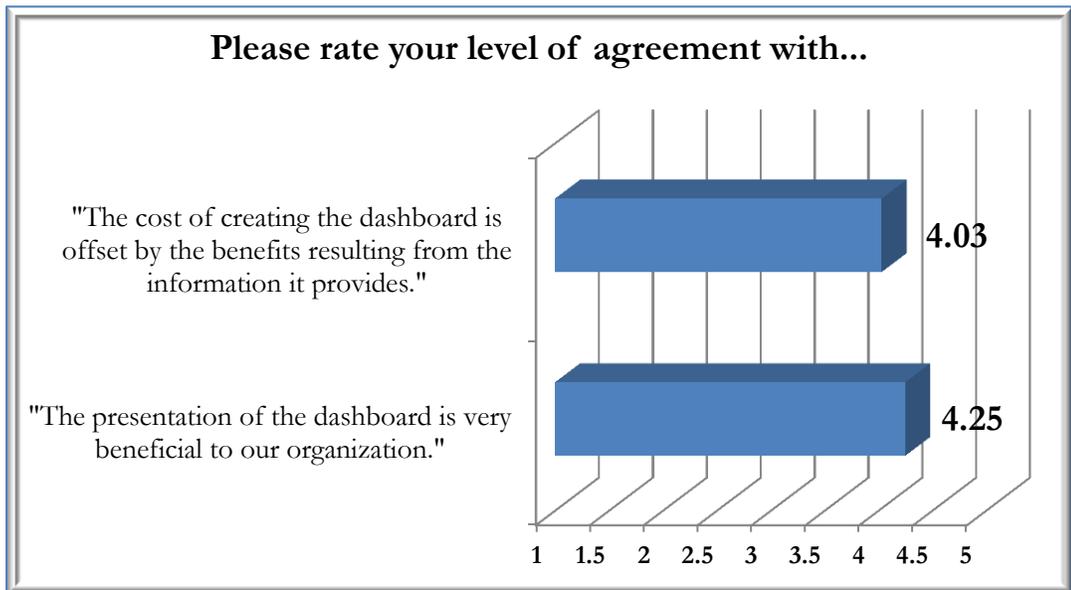
Do you share the dashboard with any third parties (e.g. residents, staff, outside organizations)?



Most (67.6%) also reported that they do use some type of external data sources to compare their data to. Nearly 50 of the organizations who reported that they do benchmark against external industry standards stated that they compare their internal metrics to the CARF-CCAC ratios. Rating agencies such as Moody's and Fitch received the next highest number of responses, mentioned by eight organizations. Various other external benchmarks were also mentioned, but garnered fewer than 10 mentions.



The final two questions on the survey asked about the perceived benefits of creating and using an organizational dashboard. Respondents were presented with two statements and were asked to rate their level of agreement or disagreement with each (1=strongly disagree; 5=strongly agree). The following graph displays the average agreement rates on the 1 through 5 scale. In general, the ratings show that CFOs agree that dashboards are of great benefit to their respective organizations. A slightly larger number reported that the cost of creating the dashboard may not be worth the benefits, but the majority still agreed that the time needed for creating a dashboard is a worthwhile investment.



In closing, respondents were welcome to make final comments regarding organizational dashboards. Many comments again noted the benefit of having the internal dashboards. A number of individuals commented that their current dashboards are a “work in progress” and are constantly being evaluated for improvement. Several mentioned that it would be beneficial to see additional templates and examples from other organizations.

If you have a question, comment, or suggestion for the Ziegler CFO HotlineSM, or if there is a particular response above for which you would be interested in having additional information, please let us know using the contact information below.

The senior living organizations’ responses included in this report have been collated without verification of the accuracy of the data/comments therein. The results provided do not express an opinion of nor can they be guaranteed by Ziegler.

PREPARED BY:

LISA MCCRACKEN

Senior Vice President

Senior Living Research & Development

Ziegler

Investment Banking | Senior Living

Direct: 312.705.7253

Toll free: 800.366.8899 e-mail address: lmccracken@ziegler.com