

First State Financials The Road Ahead



DNREC
November 12, 2009





Why we are here today



- Changes are on the way
 - “Vanilla” Implementation
 - Change the process not the system
- Discuss the most significant changes
- Help you prepare for the coming system
- Understand what your staff will be facing



- Things to be planned for



- Things to be communicated



- Things that are in development



What is First State Financials?



Portal – Single Point of Entry

- 
- **Asset Management**
 - ***Accounts Payable***
 - **Accounts Receivable**
 - **Billing**
 - **Cash Management**
 - ***Commitment Control***
 - ***eProcurement***
 - **Purchasing**
 - ***General Ledger***
 - ***Grants Management***
 - ***Project Costing***



➤ ***Integration with PHRST***



DFMS vs. FSF



DFMS	FSF
Batch	Online & Real Time
Summary	Detail
Paper	Electronic
Character-Based	Web
Decentralized	Centralized
State Practice	Best Practice





Go Live Timeline

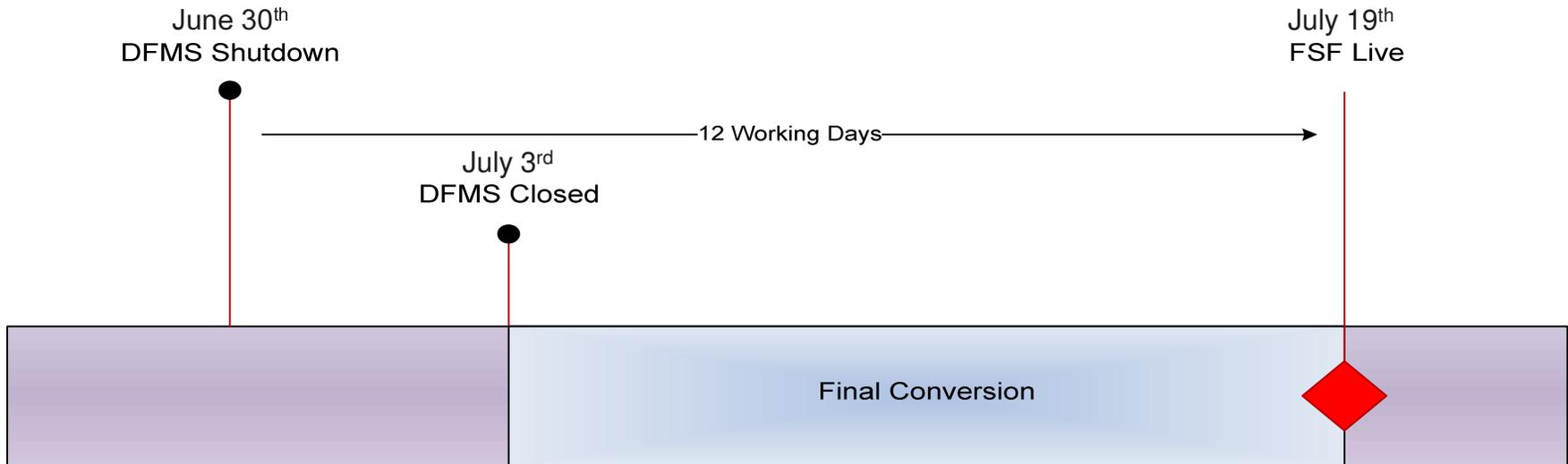


- **Timeline**
 - Longer than normal – close plus conversion
- **Plan to mitigate delays**
 - Vendor Payments
 - Deposits
 - Payroll





Go-Live Timeline





Vendor Payments During Downtime



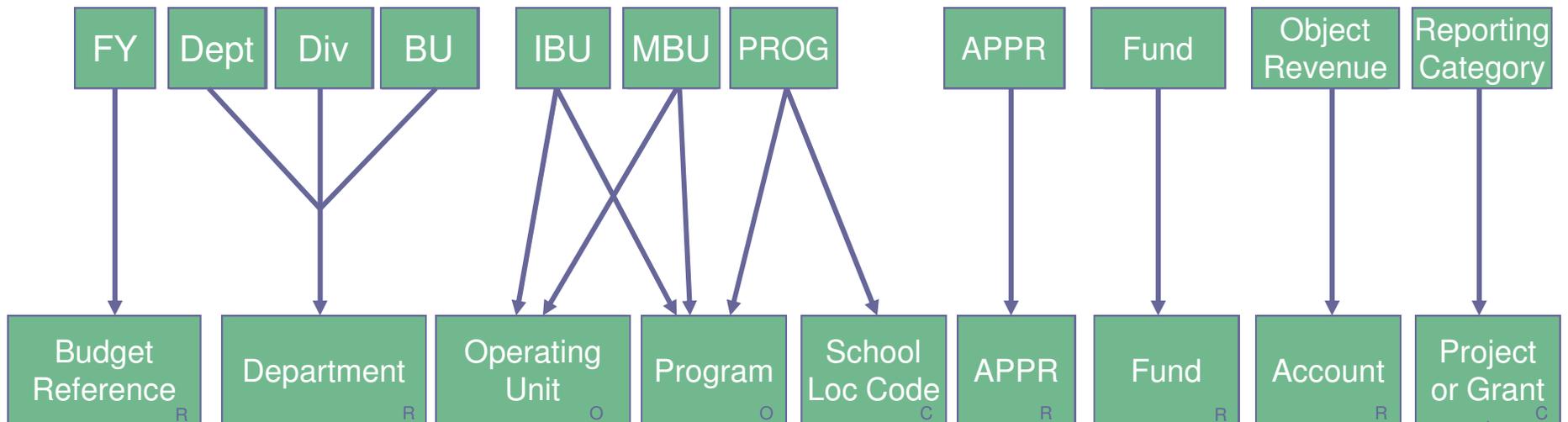
- Talk to your vendors and set expectations
- Plan to pay more people with the SuperCard
- Pay vendors in June, if the amount is known and funds are sufficient.
- Make a partial payment.
- Increase the billing and payment frequency to weekly.
- Change the billing cycle so that payments fall at the end of the month (after July 19th)



Chart of Accounts



DFMS



PeopleSoft

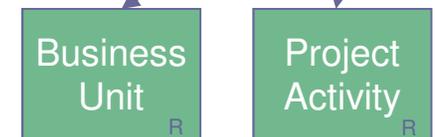
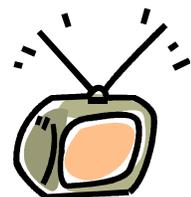




Chart of Accounts



- Maximized connection to today
 - Naming
 - DDS
 - Fund
 - Fiscal Year
- Differences
 - Standardization of IBU, MBU and Program
 - Unique Appropriation Numbers
 - Same definition for all Organizations statewide
 - Will be used for the life of a grant
 - Reporting Category becomes Project & Activity
 - Reduction of Account Object Codes
- Become familiar with the changes





Minimize Payroll Kickers



- Payroll allowed to go negative in the correct appropriation.
- Must use valid ChartField strings in PHRST.
 - Sent from Financials
- Payroll Funding Adjustments (PFA) replaces the Payroll EX
- When all else fails:
 - Appropriation 00100 (unfunded payroll)





The New ASF



- ASF Appropriations and their Relationships
 - Revenue ⇔ Holding ⇔ Spending
- ASF Numbering Conventions
 - Revenue
 - Holding
 - Regular
 - Special Salaries
 - Spending
 - Operational
 - Programmatic
- DFMS Conversion Examples



ASF Appropriations Relationships



**Cash
Receipts**



Structure will exist in FSF
for all current DFMS
Appropriations



- No Spending
- Revenue becomes Budget

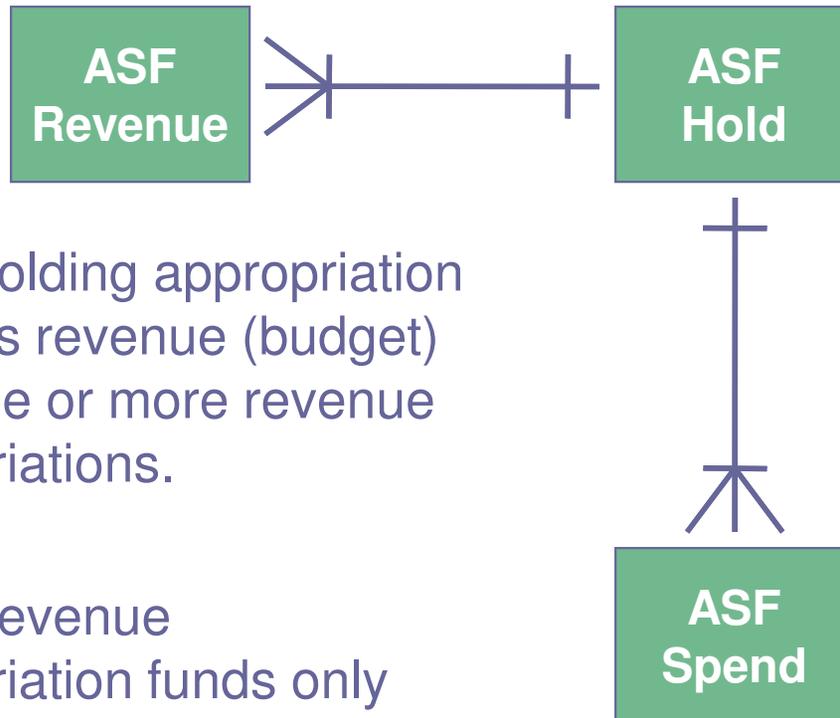


- No Revenue
- Controlled by Budget Bill

An organization can spend up to the limit specified in the budget bill to the extent that there is revenue available.



ASF Appropriations Relationships



Each Holding appropriation receives revenue (budget) from one or more revenue appropriations.

Each Revenue appropriation funds only one Holding appropriation.

Each Spending appropriation receives funds from one Holding appropriations.

Each Holding appropriation may fund one or more Spending appropriations.



ASF Appropriations Numbering



Range: 70000 – 79999

Ex: 7**48**00

Range: 30000 – 30099

Ex: 300**48**

Range: 09100 – 09999
(Operations)

Range: 60000 – 69999
(Program)

Ex: 091**48** **648**00

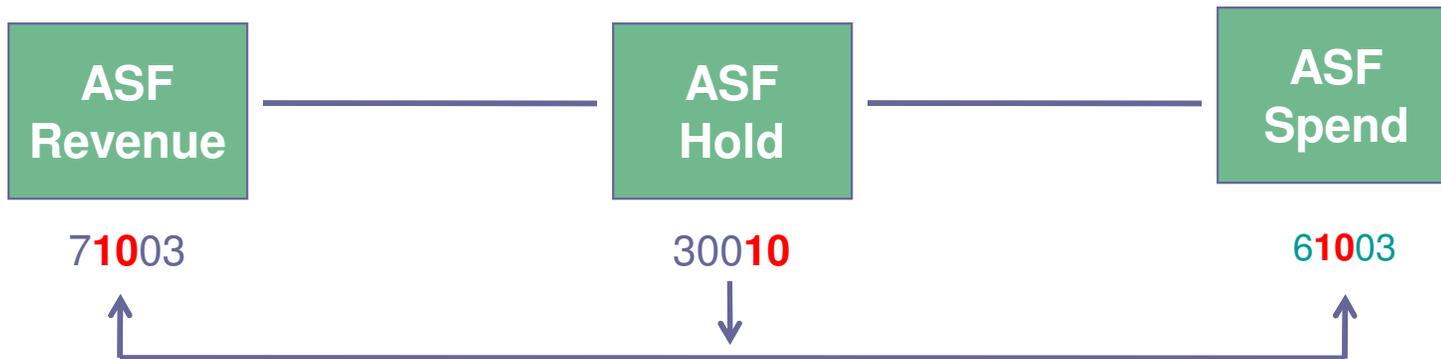




DFMS ASF Conversion



“Deposit and Spend” Appropriation
Department: 400101 Appr: 9883 CZM Admin





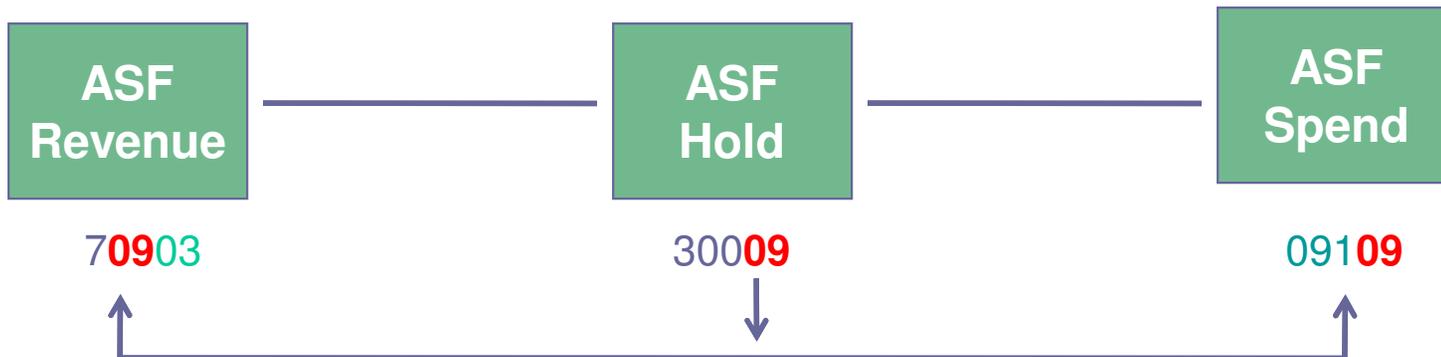
DFMS ASF Conversion



“Hold and Spend” Appropriations

Revenue Appropriation Department: 400104 APPR: 8900 Energy Admin

Spending Appropriation Department: 400104 APPR: 9837 Personnel





ASF Operational Spending Ranges



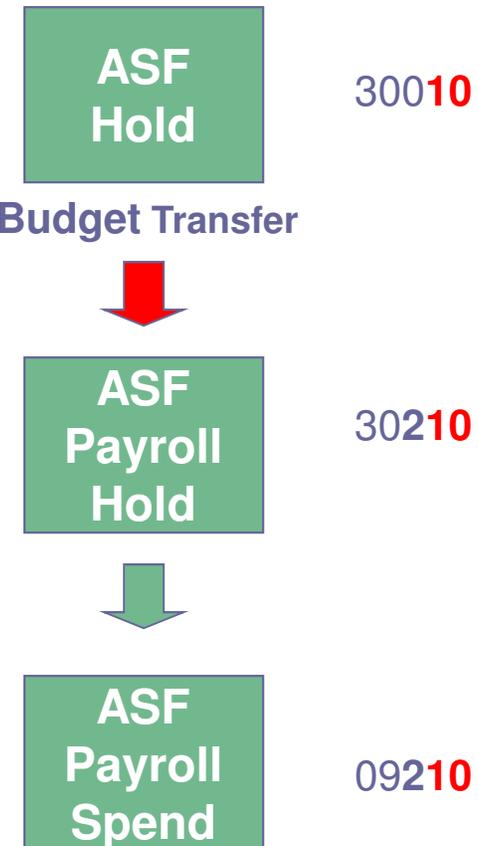
- 09**1**00-09199 Personnel
- 09**2**00-09299 Special Payroll
- 09**3**00-09399 Energy
- 09**4**00-09499 Travel
- 09**5**00-09599 Contractual Services
- 09**6**00-09699 Supplies
- 09**7**00-09799 Capital Outlay
- 09**8**00-09899 Vehicles
- 09**9**00-09999 Rental



ASF Special Payroll



- Created only when needed
- Where payroll will use all available fund, prohibiting spending in other areas (supplies, capital ...)
- Replenish from main holding appropriation via “Budget Transfer”
- Budget Transfer is the new CA

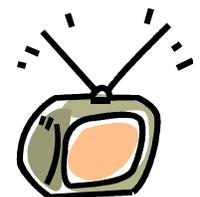




Workflow

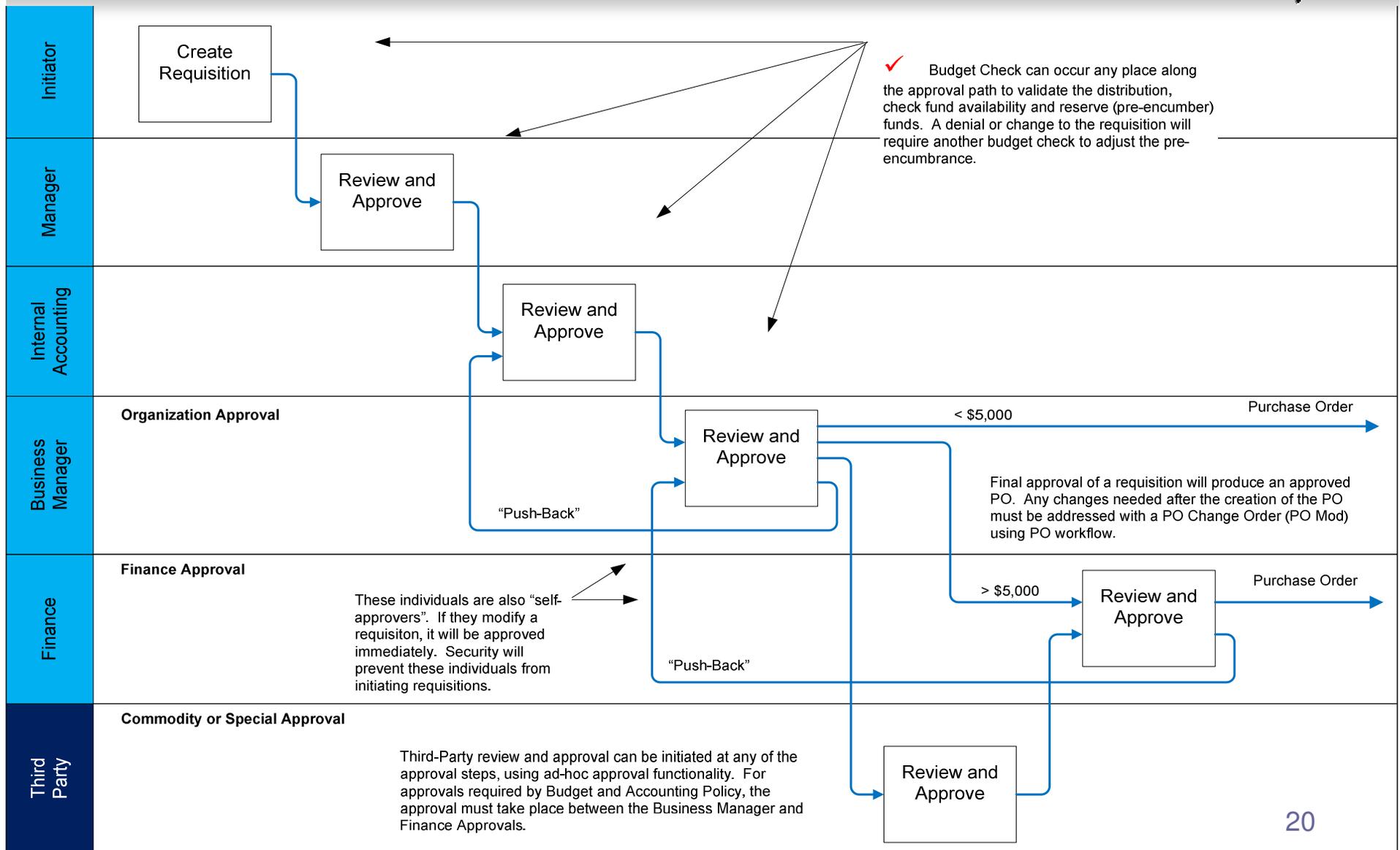


- Electronic Approvals/Signatures
 - Transactions will be approved electronically in the system (on-line).
- Paperless Workflow
 - Requisitions, Purchase Orders, Change Orders and Vouchers will be approved through Workflow.
 - Hard copy documents will no longer be approved manually.
 - Approvers will be notified of workflow transactions through email, worklist or both.
- Advise Managers they must approve documents online in FSF(training needed; regular use of system)
- Plan for delegation of authority
- Part of roles and responsibilities task
 - Started in Spring 2009
 - Remaining tasks = DeptID and Workflow Assignments





Approvals





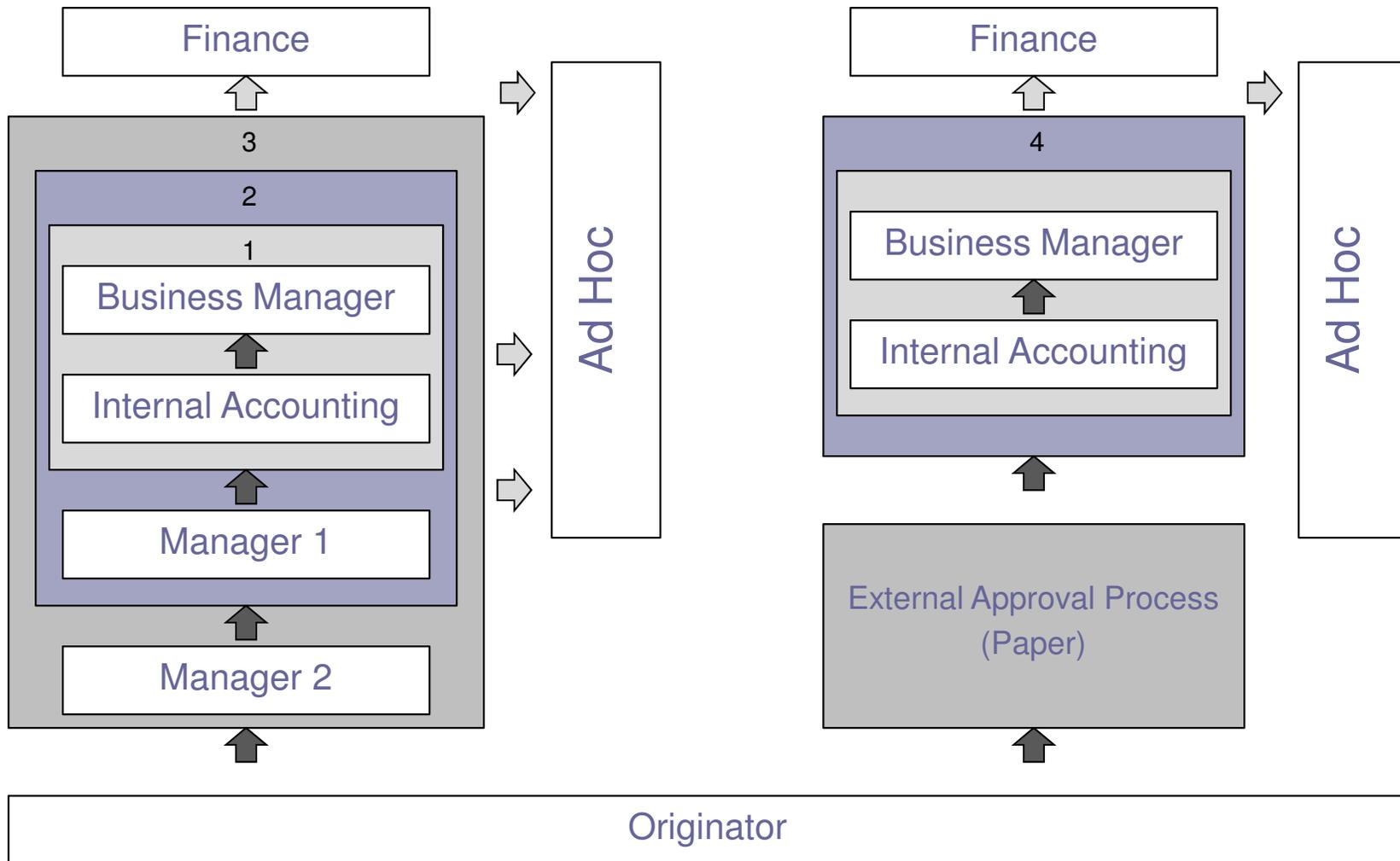
Approvals, cont'd.



- Department Approvals
 - Initiator
 - Manager
 - Division Accounting Office
 - Business Manager
 - New formal role who by position or delegation has the authority to obligate their organization and the state
- Beyond Department
 - Dept of Finance
 - Special (OMB, DTI)



Workflow Models

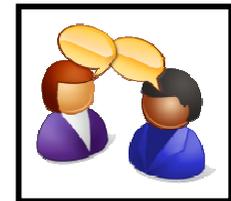




Purchasing



- Requisitions
 - Requisitions begin encumbrance process
 - Requisitions will be copied to create a Purchase Order
 - Pre-encumbrances
 - Life Cycle of a Requisition



0000000065 0000000065 STATE 08/08/2007 Received Valid 36.00USD <Select Action.. Go

Requester: Doug Rowell **Entered By:** Doug Rowell **Priority:** Medium

Request Lifespan:

Line Information

Line	Description	Status	Price	Curr	Qty UOM	Vendor
1	Pen, Red Bic	Received	12.000	USD	3.0000 BOX	OFFICE MAX





Purchasing



- Review Threshold
 - \$2,500 ⇒ \$5,000
- Dispatching will become decentralized
 - Moving from DOA to each organization
 - Buyer role dispatches - email default method
- Spend Tracking through Commodity Codes (Category)
 - UNSPSC (United Nations Standard Products and Services Codes)





UNSPSC Hierarchy



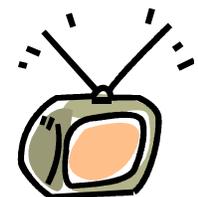
- **Segment (2 digit)** – 55 PeopleSoft Catalogs
 - » 50 Food Beverage and Tobacco Products
- **Family (4 digit)** – 364 PeopleSoft Categories
 - » 5010 Fruits and vegetables and nuts and seeds
- **Class (6 digit)** – 2,129 PeopleSoft Categories
 - » 501016 Fruits
- **Commodity (8 digit)** – 19,166 Commodities
 - » 50101634 Fresh Fruit
 - » 50101635 Frozen Fruit



Items and Purchasing



- Catalogs
 - PeopleSoft Catalogs set at the 2 digit Segment Level
 - Can requisition/encumber and/or pay at 2, 4, 6 or 8 digit UNSPSC levels.
- Items/Item Master Table
 - Mandatory Use Contracts for Goods
 - Item Attributes
 - Vendor relationship(s)
 - Correct category (6 or 8 digit) assigned
 - High level Account Code assigned
 - Contract IDs can be set to Required
 - No Services – User completes Special Request to encumber





Purchasing - UNSPSC



Item Purchase

- **Must** have a vendor
- Order, receive and pay by quantity
- Vendors and items **must** be loaded in Item Master Table
- Purchase details are pulled from the item details
 - 6 or 8 Digit UNSPSC
 - Price
 - Unit(s) of Measure

Commodity Purchase

- May have a vendor
- Order, receive and pay by amount only
- Details entered by the user
- Level of effort increases with detail (digits)
- Candidates include:
 - Services (inconsistent price and units)
 - Open Order Purchase Orders (No Vendor)
 - Orders placed in external systems e.g. drugs (duplicate entry – summary in PS, order details in external system)

6 Digit	4 Digit	2 digit
501015	5110	51
Antibiotics	Anti-Infective Drugs	Pharmaceutical Products





Special Request Requisition



- Use for Commodity (Services) or Open Order POs

Create Requisition

1. Define Requisition 2. Add Items and Services 3. Review and Submit

Add lines to the requisition, specifying the information necessary to procure each item or service.

Search:

Catalog Favorites Templates Forms Web **Special Request**

Special Item

*Item Description:	<input type="text" value="Food"/>		
*Price:	<input type="text" value="3000.00000"/>	*Currency:	<input type="text" value="USD"/>
*Quantity:	<input type="text" value="1.0000"/>	*Unit of Measure:	<input type="text" value="EA"/>
*Category:	<input type="text" value="50000000"/>	Due Date:	<input type="text" value="06/30/2008"/>
Vendor ID:	<input type="text" value="0000026861"/>	HY POINT DAIRY FARMS INC	Suggest New Vendor
Vendor Item ID:	<input type="text"/>		
Mfg ID:	<input type="text"/>		
Mfg Item ID:	<input type="text"/>		

Additional Information

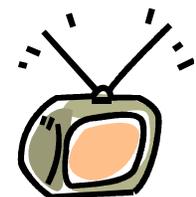
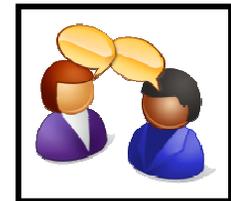
Send to Vendor Show at Receipt Show at Voucher



Receiving



- New Functionality
- Optional; except for Capitalized Assets
- Benefits from using:
 - Electronic vs. Paper “OK to Pay” notice to AP Personnel
 - Inherits information from associated Requisition or PO
 - Shows remaining PO balance on-line
 - Can be used as source for direct claims
 - Capture asset information, e.g. serial number
 - Allows use of PS on-line Returns To Vendor (RTV) functionality

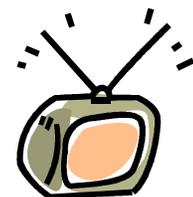




Vendors



- Central Vendor Management
- Suffix vs. Address/Location
- New Electronic W-9 submission process (implemented January 2009)
- Project to obtain updated/enhanced vendor information to load prior to go-live
- Vendor email address – default PO dispatch method
- 1099 status tied to vendor not Account Codes
 - Can override in PV line details as applicable.





PCard - Reconcile Charges



Reconcile Statement
Procurement Card Transactions

Bank Statement Customize | Find | View All | First 1-9 of 30 Last

Transaction	Employee Name	Card Issuer	Card Number	Trans Date	Merchant	*Status	Transaction Amount	Currency	Chartfield Status	Redistrib	Voucher Error
1 <input checked="" type="checkbox"/>	Henry,Althea	VISA	1234567892	05/02/2007	Office Depot	Verified	2500.00	USD	Valid	No	No
2 <input type="checkbox"/>	Henry,Althea	VISA	1234567892	05/01/2007	Office Furnitures	Verified	900.00	USD	Distribution	No	No
3 <input type="checkbox"/>	Henry,Althea	VISA	1234567892	05/02/2007	Office Furnitures	Verified	1800.00	USD	Valid	No	No
4 <input type="checkbox"/>	Henry,Althea	VISA	1234567892	05/02/2007	Office Furnitures	Verified	1800.00	USD	Valid	No	No
5 <input type="checkbox"/>	Henry,Althea	VISA	1234567892	05/02/2007	Office Furnitures	Verified	1800.00	USD	Valid	No	No
6 <input type="checkbox"/>	Henry,Althea	VISA	1234567892	05/02/2007	Office Furnitures	Verified	1800.00	USD	Valid	No	No
7 <input type="checkbox"/>	Henry,Althea	VISA	1234567892	05/02/2007	Office Furnitures	Verified	1800.00	USD	Valid	No	No
8 <input type="checkbox"/>	Henry,Althea	VISA	1234567892	05/02/2007	Office Furnitures	Verified	1800.00	USD	Valid	No	No
9 <input type="checkbox"/>	Henry,Althea	VISA	1234567892	05/02/2007	Costco	Verified	200.00	USD	Valid	No	No

Select All
 Clear All
 Stage Verify Approve

[Search](#)
[Purchase Details](#)
[Split Line](#)
[Distribution Template](#)

Each card transaction is identified in the statement.

Use the default, or multiple Lines of distribution can be associated with each transaction.

Reconcile Statement
Account Distribution

Line: 1 PO Qty: 1.0000 UOM: EA
 Billing Date: 05/02/2007 Billing Amount: USD 2500.00 Unit Price: 2500.00000
 SpeedChart: *Distribute by: Amount

Distributions

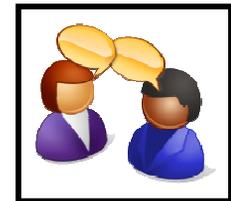
Dist	Percent	Amount	Currency	*GL Unit	*Account	Oper Unit	Fund	Dept	Program	Appr	Bud Ref	Product	PC Bus Unit
1	100.0000	2500.00	USD	STATE	58819		100	250501		00070	2007		



Asset Management



- Capitalized vs. Non-Capitalized Assets
 - Capitalized - in compliance with GAAP/CAFR and Medicare requirements
 - Non-Capitalized - optional for tracking items of “public appeal”
- Asset linkage to Purchasing and Accounts Payable



Account Distribution

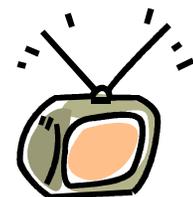
Line: 1 PO Qty: 1.0000 UOM: EA
Billing Date: 05/02/2007 Billing Amount: USD 2500.00 Unit Price: 2500.00000
SpeedChart: *Distribute by: Amount

Distributions Customize | Find | View All | First 1 of 1 Last

Chartfields Details/Tax Asset Information Statuses

AM Unit	Profile ID	CAP #	Sequence	Capitalize
STATE	EQUIP			<input type="checkbox"/>

OK Cancel Refresh



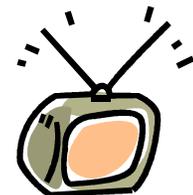
- Project Costing for Capital (CWIP)



Cash Management



- Cash Receipts
 - Payments and Deposits
 - Generated from Banking Activity
 - Organizations with a High Volume of CRs and/or CR Accounting Entries may:
 - Utilize a system-generated Zero Balance CR to create their accounting entries directly into PeopleSoft AR **or**
 - Use an Excel Spreadsheet Template (XML file format) to load their accounting entries into AR.
- ACH
 - no longer a workaround

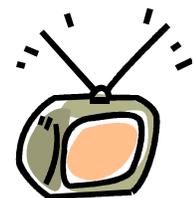




Reporting Functionality



- Online Inquiry
 - Module specific
- Query
 - Central
 - Organization
- Traditional reports (Document Direct)
- nVision Financial Statements for GL



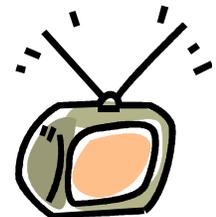


Grants Management (GM)



Grant Applications:

- GM will be used to develop and submit grant applications for Clearinghouse review
 - On-line application, no more paper
 - Data entered can be used toward
 - Federal application development/submission (SF 424a, budget details, etc.)
 - SPOC form
- Requires increased collaboration between organization grant program and fiscal personnel
 - Coordinate early and often during grant development process
 - Organizations to determine roles program managers and fiscal personnel perform in PS
- New “Grant Ownership” Concept

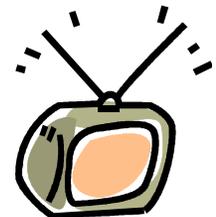




Phased Grants

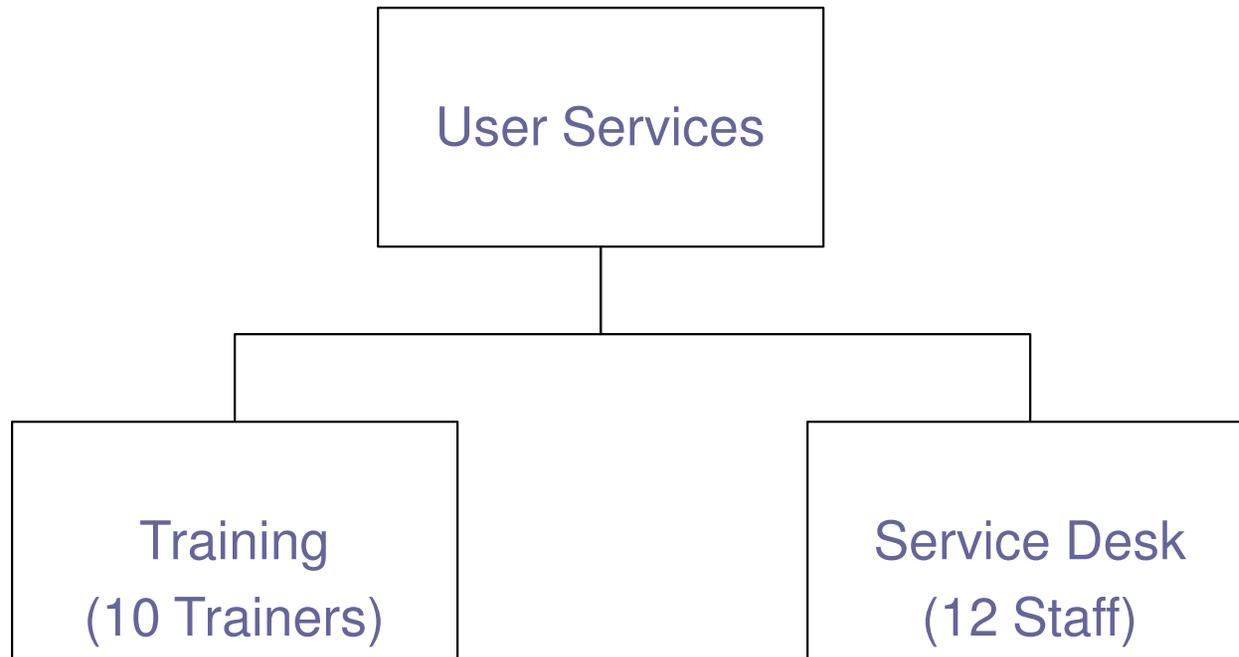


- Full featured but complex
 - Significant organizational change
 - Converted grants will be different than new grant applications – no “parent-child” linkage – requires orgs to coordinate early and often
- Simplified conversion to DFMS-like grant
 - Uses DFMS APPR+SAI+sequence number (breaks on DDS and FY) and DFMS reporting categories
 - Converted grant data being reviewed by Orgs
- New functionality will be phased over first year
 - New Application
 - Re-Application
 - Following quarterly reports
- Work with GM team to:
 - GAC – Orgs with 80% of grants statewide
 - Working toward centralization and standardization





User Services



- Managers on board
- Staff identified and being phased in



Training



- Training Materials being developed
- Using multiple delivery methods
- System Training planned for up to 3 months prior and after to Go-Live
- Statewide Policy and Procedures
 - Budget and Accounting Manual updated
 - Incorporated into Training Materials



Changes... are on the way



- How this will all come together



Organization Participants



- Financials Coordinators (Dept and Division)
 - Act as the communication links between your organization & FSF
 - Be responsible for completion of readiness activities
 - Involve the appropriate individuals within your organization where and when needed
- Subject Matter Experts (SME)
 - Participate in User Acceptance Testing
 - Assist with Classroom Training
- Become Key-End Users



Coming Attractions...



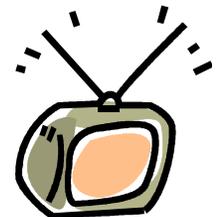
- Communications
- Workshops
- Key End User Focus Groups
- Monthly Checklists
- User Acceptance Testing
 - System Functionality – 1st round April – May 2009
 - Integration/Interface – 2nd round Aug – Oct 2009
 - Converted Data
 - Interface Data
- Training News



Workshops - Job Roles



- Identified Users
- Linked End Users to Job Roles in FSF
- Future Information Needed
 - Department Access
 - Workflow
 - How approvals are applied within an organization
 - Possible Delegation
 - Segregation of Duties
- Why
 - Determine number of Training classes needed
 - Establish Logons
 - Access granted to the correct functionality





System Rollout



- Project Team ⇔ Production Team
 - Support
 - Team Site
 - Organization Site
- Service Desk Support
 - Administrators are on board now
 - Plans underway
 - Procedures



End User Communication



New Extranet Site:

Communication to all End Users Coming Soon !



First State Financials (FSF)

[FSF Project](#) [Communications](#) [Help Desk](#) [Training](#) [Interfaces Repository](#) [Modules](#) [ERP](#) [PHRST](#)

[About FSF](#)

About First State Financials (FSF)

FSF is the financials portion of the State of Delaware Enterprise Resource Planning (ERP) system.

The **ERP FSF Team** is comprised of several module leads, subject matter experts (SME), as well as technology, project and change management experts dedicated to the delivery of First State Financials (FSF) consisting of the following financial modules:

- Accounts Payable
- Accounts Receivable/Billing
- Asset Management
- Cash Management
- Commitment Control/General Ledger
- eProcurement/Purchasing/PCard
- Grants Management
- Project Costing

This web site is a central point of reference for all FSF related information.



There's light at the end of the Tunnel!

Questions?

