Agenda

- FI$Cal Project Overview
- Business Process Workshop Objectives and Approach
- FI$Cal Solution Overview
- General Ledger – what is included, not included, in future waves
- Enter and Process Journals
  - Business Process Overview, Key Terms
  - Process Flows, Screenshots
  - End-User Roles
- Process Budget Journals
- Process Labor Distribution
- Process Allocations
Agenda

- Process Financial Statements
- Technology Considerations
- Change Impact Activity
- Business Process Workshop Next Steps
FI$Cal Project Overview

The Financial Information System for California (FI$Cal) is a business transformation project for the State in the areas of budgeting, accounting, procurement, and cash management. The Project prepares the State to work in an integrated financial management system.

California’s Partner Agencies are working together to form the partnership to support FI$Cal at the highest level:

- Department of Finance (DOF)
- Department of General Services (DGS)
- State Controller’s Office (SCO)
- State Treasurer’s Office (STO)
FI$Cal Wave Timeline

<table>
<thead>
<tr>
<th>Calendar Years</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
</tr>
<tr>
<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
</tr>
<tr>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
</tr>
<tr>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
</tr>
</tbody>
</table>

- **Pre-Wave ~12 Months**
  - **Wave 1 20 Months**
  - **Wave 2 15 Months**
  - **Wave 3 24 Months**
  - **Wave 4 24 Months**

- **O&M**
BPW Objectives

The Business Process Workshops will provide:

- An overview of the business process, including key terms and functionality being implemented
- A list of changes with the “To-Be” business process
- An opportunity to discuss and begin identifying department-specific changes and impacts
- An explanation of Wave 2 end-user roles
- A template to capture department-specific changes and impacts
- An opportunity to begin thinking about updates to internal department processes
### FI$Cal Design Approach

<table>
<thead>
<tr>
<th>Conduct Wave 2 Working Sessions</th>
<th>Conduct Wave 1 Solution Walkthroughs</th>
<th>Conduct Wave 2 Conference Room Pilots</th>
<th>Validate and Approve Process Designs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective</strong></td>
<td><strong>Objective</strong></td>
<td><strong>Objective</strong></td>
<td><strong>Objective</strong></td>
</tr>
<tr>
<td>- Define and validate DRAFT</td>
<td>- Provide departments with an</td>
<td>- Conduct a systematic review of how</td>
<td>- Validate and document final</td>
</tr>
<tr>
<td>processes to best meet the</td>
<td>understanding of Wave 1 FI$Cal</td>
<td>FI$Cal requirements and DRAFT To-Be</td>
<td>business process designs</td>
</tr>
<tr>
<td>State's needs <em>independent</em> of</td>
<td>business processes</td>
<td>Processes are enabled by the FI$Cal</td>
<td>- Confirm how requirements are met</td>
</tr>
<tr>
<td>the software details</td>
<td>- Demonstration of Wave 1 FI$Cal</td>
<td>software solution</td>
<td></td>
</tr>
<tr>
<td>- Clarify requirements</td>
<td>solution</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Audience</strong></td>
<td><strong>Audience</strong></td>
<td><strong>Key Outputs</strong></td>
<td><strong>Key Outputs</strong></td>
</tr>
<tr>
<td>- Department of General Services (DGS)</td>
<td>- Wave 2 Departments absent in Wave 1</td>
<td>- Revised DRAFT To-Be Processes with department input</td>
<td>- Final Business Process Designs</td>
</tr>
<tr>
<td><strong>Key Outputs</strong></td>
<td><strong>Key Outputs</strong></td>
<td><strong>Tools / Methods</strong></td>
<td>- Update Requirements Traceability Matrix</td>
</tr>
<tr>
<td>- Revised DRAFT To-Be Processes with department input</td>
<td>- New departments prepared for CRP sessions</td>
<td>- Interactive CRP Sessions with Department SMEs</td>
<td>- RICEF Inventory</td>
</tr>
<tr>
<td><strong>Tools / Methods</strong></td>
<td><strong>Tools / Methods</strong></td>
<td><strong>Tools / Methods</strong></td>
<td><strong>Tools / Methods</strong></td>
</tr>
<tr>
<td>- Interactive Working Sessions</td>
<td>- Solution Walkthroughs</td>
<td>- Conduct follow-up meetings / validation sessions as necessary</td>
<td>- Conduct follow-up meetings / validation sessions as necessary</td>
</tr>
<tr>
<td>with department SMEs</td>
<td>- Wave 1 FI$Cal Solution</td>
<td></td>
<td>- Resolve open issues / outstanding decisions</td>
</tr>
<tr>
<td>- Gather additional input on:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- As-Is Process</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Statutes, Reg, Policy</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- To-Be Process, Benefits,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Challenges</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Department Participation and Input**

*FI$Cal: Transparency. Accuracy. Integrity.*

October 21, 2014
What Comes Next?

- **Role Mapping Workshop** – Workshop to review the FI$Cal Role Mapping Template, answer any questions about the roles presented in BPWs, and begin assigning end-user roles for Wave 2.

- **Change Workshop** – Workshop to help prepare managers and supervisors for conversations with department end users on the new FI$Cal business processes and their FI$Cal end-user roles.

- **End-User Training** – Training for department end users that will need to use the System in their assigned FI$Cal end-user roles.
Ground Rules & Guiding Principles

- **Challenge** how the State does things today
- **Perspective** – Adopt a “Statewide” perspective
- **Silence is Consent** – Speak and share your thoughts
- **There are no Bad Questions** – Better to question, than assume
- **Consider Best Practices** and business process changes
- **Think of the data** and information you require
What You Should Take Away

- Process overview level understanding of the Wave 2 FI$Cal business processes. For this session, the business processes are:
  - Enter and Process Journals
  - Process Labor Distribution
  - Process Allocations
  - Process Financial Statements
- BPW Change Impact Tool for your department used to identify and manage department-specific impacts
- Understanding of the FI$Cal end-user roles for participation in the Wave 2 Role Mapping Workshop
FI$Cal Solution Overview

Governance Risk & Compliance
- Identity & Access Management
- Portal (Single Sign-on)
- Application Security
- Application Security
- Application Security
- Content Management
- Oracle Enabling Technology

Technology
- Authentication
- Access Control
- Reports, PDFs
- Spreadsheets
- Output Files
- External Interfaces

Infrastructure
- ERP Modules
- Enabling Software Technology

Identity & Access Management
- Audit Users
- Department Users
- Vendor Users

Operations & Maintenance

October 21, 2014
FI$Cal Accounting Solution

Legend
- Pre-Wave
- Wave 1
- Wave 2
- Wave 3

General Ledger / Commitment Control

Project Mgmt
- Capital Assets
- Project Details

Asset Mgmt
- Goods Received
- Encumbrances
- Expenditures

ePro / PO
- Purchase Orders
- Encumbrances
- Expenditures, Payables

Accounts Payable
- Vouchers

Project Costing
- Bond Transactions

Deal Mgmt
- Journals, F&A, Budgets

Cash Mgmt
- GL Journals

Grant
- Award Data

Contracts
- Billable Transactions

Billing
- Customer Invoices
- Revenue, AR

Accounts Receivable
- Revenue, AR, Cash

Loans
- Loan Data


October 21, 2014
FI$Cal Accounting Modules

- **Purchasing** (PO) – encumbrances
- **Accounts Payable** (AP) – expenditures
- **Accounts Receivable** (AR) and **Billing** (BI) – revenues and cash receipts
- **Cash Management** (CM) – transfers between bank accounts
- **Project Costing** (PC) – accumulates Project related transactions, creates entries to reclassify Project related expenditures (“Funds Distribution”) and to record project related revenue
- **Asset Management** (AM) – asset capitalization, depreciation and retirement entries (Accrual Adjustments ledger)
- **General Ledger** (GL) – adjustments, manual accruals, summarization of entries originating in other modules
Wave 1 FI$Cal GL Highlights

- SCO Fiscal system continues to be the State’s Book of Record for all departments, including those in FI$Cal
- General Ledger balances will be maintained under three bases of accounting
  - Modified Accrual (*primary*)
  - Cash
  - Full Accrual
- Automated cost allocation functionality
- Labor Distribution functionality
- GL Journals are not subject to SCO approval in Waves 1 & 2
What is included in Wave 1

- The General Ledger (GL) is the repository for all financial transactions recorded across all FI$Cal modules
- FI$Cal General Ledger transactions originate within the GL module or other sub-modules (AP, AR, etc.)
- General Ledger financial reports will be created using posted journal data
- Payroll will be reconciled with SCO by the FI$Cal Service Center before departments run Labor Distribution
- Activity Sheets may be uploaded into Labor Distribution from an Excel template
- Labor Distribution can be run incrementally as Activity Sheets are being entered or uploaded
- As payroll costs are distributed, Labor Distribution generates accounting entries to reverse the initial, summary-level payroll entry
What is included in Wave 2

- No significant additional General Ledger (GL) functionality will be implemented in Wave 2
Enter and Process Journals Overview

- The Enter and Process Journals business process includes all activities related to the entry, validation, approval and posting of General Ledger journals.

- Departments may choose to require online approvals of their journals by departmental managers.
  - SCO will continue to approve journals for FI$Cal departments in the SCO system using the current transaction request process.
  - Journals must pass the Journal Edit and Budget Check processes before being eligible for approval and posting.
## Journals – Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsystem Journal Entry</td>
<td>Accounting entries from FI$Cal subsystems (AP, AR, LD, PC, CM, AM) are summarized and posted in the General Ledger as journals</td>
</tr>
<tr>
<td>Manual Journal Entry</td>
<td>Journals entered online. These are typically used for month/year end adjustments, error corrections and manual accruals.</td>
</tr>
<tr>
<td>Spreadsheet Journal Entry</td>
<td>Journals created via a user initiated upload process using a Microsoft Excel-based template.</td>
</tr>
<tr>
<td>General Ledger Business Unit</td>
<td>An organizational unit with a balanced set of books. A GL Business Unit will be defined for each Org Code to which appropriations are made.</td>
</tr>
</tbody>
</table>
# Journals – Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>ChartField</td>
<td>An accounting classification code (Fund, Program, etc.). Similar in usage to existing UCM codes.</td>
</tr>
<tr>
<td>ChartField Combination</td>
<td>The combination ChartField values present in a single accounting entry or in a ledger. For example, Org 0820, Fund 0001 and Program 1234.</td>
</tr>
<tr>
<td>Journal Edit Process</td>
<td>A background process that validates GL journals for conditions such as invalid ChartField values, closed accounting periods and unbalanced entries.</td>
</tr>
<tr>
<td>Budget Check Process</td>
<td>A background process that validates GL journals for budgetary compliance, i.e. spending authority.</td>
</tr>
<tr>
<td>Journal Post Process</td>
<td>A background process that updates a ledger with amounts from a valid, approved journal.</td>
</tr>
</tbody>
</table>
### Journals

<table>
<thead>
<tr>
<th>Journal ID</th>
<th>GL BU</th>
<th>Account</th>
<th>Fund</th>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC1234567</td>
<td>7760</td>
<td>Out of State Travel</td>
<td>1000</td>
<td>1234</td>
<td>5,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>In State Travel</td>
<td>1000</td>
<td>1234</td>
<td>(5,000)</td>
</tr>
<tr>
<td>9552222222</td>
<td>0820</td>
<td>Exhibits</td>
<td>0001</td>
<td>5544</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Conferences</td>
<td>0001</td>
<td>5544</td>
<td>(10,000)</td>
</tr>
<tr>
<td>XYZ9876543</td>
<td>7760</td>
<td>In State Travel</td>
<td>1000</td>
<td>1234</td>
<td>2,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Out of State Travel</td>
<td>1000</td>
<td>1234</td>
<td>(2,000)</td>
</tr>
<tr>
<td>1500000001</td>
<td>0820</td>
<td>Exhibits</td>
<td>1000</td>
<td>3200</td>
<td>15,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Conferences</td>
<td>1000</td>
<td>3200</td>
<td>(15,000)</td>
</tr>
</tbody>
</table>

### Ledger

<table>
<thead>
<tr>
<th>GL BU</th>
<th>Account</th>
<th>Fund</th>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7760</td>
<td>Out of State Travel</td>
<td>1000</td>
<td>1234</td>
<td>3,000</td>
</tr>
<tr>
<td>7760</td>
<td>In State Travel</td>
<td>1000</td>
<td>1234</td>
<td>(3,000)</td>
</tr>
<tr>
<td>0820</td>
<td>Exhibits</td>
<td>0001</td>
<td>5544</td>
<td>10,000</td>
</tr>
<tr>
<td>0820</td>
<td>Conferences</td>
<td>0001</td>
<td>5544</td>
<td>(10,000)</td>
</tr>
<tr>
<td>0820</td>
<td>Exhibits</td>
<td>1000</td>
<td>3200</td>
<td>15,000</td>
</tr>
<tr>
<td>0820</td>
<td>Conferences</td>
<td>1000</td>
<td>3200</td>
<td>(15,000)</td>
</tr>
</tbody>
</table>
Transaction Sources | Ledgers
---|---
Manual adjustments (GL journals) | Cash Basis
AP – vouchers/payments | Modified Accrual Basis
AR / BI – invoices/collections | +
GL – adjustments/accruals/etc. | Accrual Adjustments
PC – Funds Distribution | =
CM – Bank transfers, etc. | Accrual Balances
LD – Labor Distribution
Manual adjustments (GL)
AM – depreciation / asset capitalization

October 21, 2014
# Journals Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department GL Journal Processor</td>
<td>The department end user who will create journals in the Modified Accrual ledger, run online Edit Check, run online Budget Check, and submit to the journal approval process</td>
</tr>
<tr>
<td>Department GL Journal Approver 1</td>
<td>The department end user who is responsible for the first level approval of department journals from a pooled worklist</td>
</tr>
<tr>
<td>Department GL Journal Approver 2</td>
<td>The department end user who is responsible for the second level approval of department journals from a pooled worklist</td>
</tr>
</tbody>
</table>
Enter and Process Journals

Key Points
- Posted journals update ledger totals
- Journals must pass the Journal Edit and Budget Check processes to be eligible for approval and posting
- Departments decide if their journals require approval to post
- SCO will be involved in journal approval in Wave 3 and later
GL Enter and Process Journals – Create Manual Journals

Start → Enter Journal Header And Line Data Online → Journal Entry complete? → Yes → A

No → Mark journal as incomplete → Complete journal data entry

Uncheck the ‘Save Journal as Incomplete Status’ once journal entry is complete. This will allow the journal to continue processing.

A
GL Enter and Process Journals – Process Journals

Journal Processor/Approver/Batch Processing

Journal must be successfully edited (GL_JEDIT) before posting.

A

Edit Check Journal(s)

Edit Errors Exist? → No

Budget Check Journal(s)

Budget Errors Exist? → No

Route journal for approval

Delete Journal

All unapproved journals are routed through workflow (JOURNAL_ENTRY_APPROVAL) to an approver.

A journal that is denied by the approver is sent to the originator’s worklist to be deleted or corrected/adjusted.

Approve Journal

Correct Journal

A

End

The journal post process (GLPPPOST) updates the target ledger.

FISCAL requires the edit process be run on every journal, including sub-module journals.

A journal from Accounts Payable and Accounts Receivable is pre-approved since the originating transaction is approved in the source module.

B

Edit Check Journal(s)

Edit Errors Exist? → Yes

Correct edit errors

Post Journal

End

Yes

Correct Budget Errors

Deny Journal?

No

Delete Journal?

Yes

Correct Edit Errors

Yes

No

Accounting entries from external systems will typically be edited and budget checked during the nightly batch processing.

October 21, 2014

**Fiscal Year:** 2013

**Period:** 11

**Date:** 05/15/2014

**Journal ID:** NEXT

**Unit:** 3980

**Journal for Wave 2 Solution Walkthrough**

**Ledger Group:** MODACCRL

**Ledger:**

**Source:** DNL

**Reference Number:**

**Journal Class:**

**Transaction Code:** GL

**SJE Type:**

**Currency Defaults:** USD / CRRNT / 1

**Attachments:** 0

**Commitment Control**

**Reversal:** Do Not Generate Reversal

**Entered By:** Z_FUNC_SUPER_USER  Function Super User

**Entered On:**

**Last Updated On:**
**Header**

- **Unit:** 3980
- **Journal ID:**
- **NEXT:**
- **Date:** 05/15/2014
- **Long Description:** Journal for Wave 2 Solution Walkthrough
- **Ledger Group:** MODACCRL
- **Source:** DNL
- **Fiscal Year:** 2013
- **Period:** 11
- **ADB Date:** 05/15/2014
- **Currency Defaults:** USD / CRRNT / 1
- **Attachment (0):**
- **Commitment Control:**
- **Reversal:** Do Not Generate Reversal
- **Entered By:** Z_FUNC_SUPER_USER
- **Function Super User:**

**October 21, 2014**

*FI$Cal: Transparency. Accuracy. Integrity.*
Unit: 3980

Journal ID: NEXT

Date: 05/15/2014

Long Description: Journal for Wave 2 Solution Walkthrough

*Ledger Group: MODACCRL

Ledger:

*Source: DNL

Reference Number:

Journal Class:

Transaction Code: GL

Fiscal Year: 2013

Period: 11

ADB Date: 05/15/2014

SJE Type:

Currency Defaults: USD / CRRNT / 1

Attachments (0)

Reversal: Do Not Generate Reversal

Entered By: Z_FUNC_SUPER_USER

Function Super User

Entered On:

Last Updated On:
FI$Cal Budgeting Solution

Legend:
- Pre-Wave
- Wave 1
- Wave 2
- Wave 3

Other Sources (Spreadsheet Templates)

SCO Payroll

Statistical Data

HR Data

Smart View for Office

View/Update Data

Hyperion Public Sector Planning & Budgeting

Final Budget Data

Budget Books

PDF

HTML

General Ledger / Commitment Control
Budget Journals Overview

- The Create and Process Budget Journals business process provides for the recording of budgeted revenue and expenditure amounts. Transactions in all FI$Cal modules are validated against these budgets.
- Budget balances will be converted for the Wave 2 departments.
- Commitment Control allows for the establishment of spending authority at differing levels within state government.
- Department of Finance will create and approve budget requests. These budget requests will be posted in Commitment Control to establish appropriation spending authority.
- Departments will create and approve budget requests. These budget requests will be posted in Commitment Control to establish department budget spending authority.
- Budget Adjustments will be created as a budget request in Hyperion.
# Budget Journals Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hyperion Planning and Budgeting</td>
<td>The budget and planning system within the FI$Cal solution which the Department of Finance and departments will use to create Appropriation budget requests.</td>
</tr>
<tr>
<td>Budget Journal</td>
<td>A journal containing one or more transactions of the same Budget Entry Type creating or modifying authorized budgeted amounts for a single Budget Definition. Departments will manage department level operating budgets with budget journals.</td>
</tr>
</tbody>
</table>
Process Budget Journals

**DOF/Department Budget Analyst**
- Create and Load Budget Requests
  - Prepare original budget and adjustments

**SCO/DOF/Dept. Budget Approver**
- Review and Validate Budget Requests
  - Validate Budget requests and submit to Commitment Control

**SCO Appropriation Approver**
- Post Budget Transactions/ Journals
  - Post Budget Transaction if interfaced from Hyperion
  - Post Budget Journal if request originates out of Hyperion

**Key Impacts**
- DOF and departments will initiate budget transactions in FI$Cal
- SCO will approve amounts within Hyperion
- SCO can create and post budget journals in Commitment Control in the event of a no-budget situation or a statewide budget not utilizing Hyperion

October 21, 2014
Operating Budgets Solution

- Departments create operating budget using the same mechanism today (legacy budget creation)
- PeopleSoft Commitment Control module will have the appropriation budget from Hyperion; Departments record operating budgets into PeopleSoft online or upload via excel spreadsheet
- Level of detail for Operating Department is a department decision
- Departments can select from multiple types of expenditure and revenue budgets.
- Departments can select differing control options on each budget structure
**Budget Header**

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit</td>
<td>3980</td>
</tr>
<tr>
<td>Journal ID</td>
<td>NEXT</td>
</tr>
<tr>
<td>Date</td>
<td>05/27/2014</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>2013</td>
</tr>
<tr>
<td>Period</td>
<td>11</td>
</tr>
<tr>
<td>Fund</td>
<td></td>
</tr>
<tr>
<td>None</td>
<td></td>
</tr>
<tr>
<td><em>Ledger Group</em></td>
<td>CC_DEPEXP1</td>
</tr>
<tr>
<td><em>Currency</em></td>
<td>USD</td>
</tr>
<tr>
<td><em>Rate Type</em></td>
<td>CRRNT</td>
</tr>
<tr>
<td><em>Budget Entry Type</em></td>
<td>Original</td>
</tr>
<tr>
<td>Exchange Rate</td>
<td>1.00000000</td>
</tr>
<tr>
<td>Cur Effdt</td>
<td>05/27/2014</td>
</tr>
<tr>
<td>Budget Type</td>
<td>Expense</td>
</tr>
<tr>
<td>Attachments (0)</td>
<td></td>
</tr>
</tbody>
</table>

**Long Description:**

- (Blank)

**Alternate Description**

- (Blank)
## Budget Journals Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Budget Approver</td>
<td>The department end user who is responsible for approval of the budget submission. The Department Budget Approver can edit, add, or remove data in planning units to which they have received permissions, and then can approve or reject the budget plan submission.</td>
</tr>
<tr>
<td>Department Budget Processor</td>
<td>The department end user who enters and submits budget plan data for approval, including budget requests. The Department Budget Processor will be able to view and use reports, documents, task lists, and department budgeting content.</td>
</tr>
</tbody>
</table>
## Budget Journals Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation Viewer</td>
<td>The central and department end user who will allow users access to view Statewide Controlling budget information</td>
</tr>
<tr>
<td>Operating Budget Viewer</td>
<td>The central and department end user who will have access to view department level budgets using online inquiry screens</td>
</tr>
</tbody>
</table>
Labor Distribution Overview

- Gross payroll disbursements are initially recorded in the General Ledger as a lump sum, typically in a department’s “Payroll Clearing Account.”
- The Labor Distribution process creates accounting entries to reclassify (i.e. “distribute”) the payroll costs at a lower level of detail based on department rules and (optionally) Activity Sheets.
- As costs are distributed, the Labor Distribution process also creates accounting entries to reverse the original lump sum.
- Departments address errors and rerun Labor Distribution as needed.
- Departments enter Adjustment Activity Sheets to correct errors in previously recorded costs.
## Labor Distribution Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee Groups (Groups)</strong></td>
<td>Employees within an Agency Code and Reporting Unit that share common characteristics, including default ChartField combinations and percentages for distributing their payroll costs.</td>
</tr>
<tr>
<td><strong>Personal Activity Sheet (Activity Sheet or PAS)</strong></td>
<td>The Labor Distribution (LD) term for timesheets. These identify the number of hours an employee or group of employees worked by type (e.g., regular, overtime) and by ChartField combination</td>
</tr>
<tr>
<td><strong>Group Activity Sheet</strong></td>
<td>Activity Sheet that includes all hours worked by the members of a group that are configured for group Activity Sheets</td>
</tr>
</tbody>
</table>
## Labor Distribution Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustment Activity Sheet</td>
<td>Activity Sheet entered to adjust previously recorded payroll costs for either an individual or a group</td>
</tr>
<tr>
<td>Defaults</td>
<td>ChartField combinations for recording payroll costs. Defaults are configured at various levels and are used based on predefined hierarchies. Some defaults include multiple ChartField combinations and associated percentages for splitting costs across multiple funding sources.</td>
</tr>
<tr>
<td>Task IDs</td>
<td>Shortcut codes used to split payroll costs across ChartField combinations based on percentages. These simplify recording costs in ultimate funding sources. They are similar to SpeedCharts in A/P and CALSTARS PCAs. Like SpeedCharts, they are not recorded in accounting entries.</td>
</tr>
</tbody>
</table>
Process Labor Distribution

Central LD Processor/Dept. Activity Sheet Processor

- Load Data
  - Payroll File from SCO automatically loads to Staging Tables
  - Departments load Activity Sheets

GL Reporter

- Reconcile with SCO
  - Produces the FI$Cal Payroll Recon. Report
  - Reconciles with SCO CLR3012 Report
  - Loads reconciled payroll into FI$Cal

Dept. LD Processor

- Process Labor Distribution
  - Labor Distribution creates accounting entries for payroll costs based on configured rules and/or Activity Sheets
  - FI$Cal validates accounting entries

Department LD Processor/Maintainer/Activity Sheet Processor

- Resolve Errors
  - Run Missing Activity Sheet Report and follow-up
  - Run various LD error reports and resolve

GL Reporter

- Create Reports
  - Run departmental reports as needed

Key Impacts

- FI$Cal provides three different methods for loading Activity Sheets
- Fiscal Service reconciles payroll with SCO before Labor Distribution is run
GL Enter and Process Labor Distribution – Prepare for Labor Distribution

**Department**

- **Maintain Configuration**
  - B
  - Yes
  - Config Maintenance Needed?
  - No

- **Process Labor Distribution**
  - E
  - No
  - Using Activity Sheets?
  - Yes
  - C
  - Load Activity Sheets

**Employee**

- Start
  - Activity Sheet Required?
  - Yes
  - Complete Personal Activity Sheet
  - No
  - End

**FISCal Service Center**

- Receive Payroll File from SCO
  - Load Payroll File and Run Reconciliation Report
  - Payroll In Balance with SCO?
  - No
  - Analyze and Correct
  - Yes
  - End
GL Enter and Process Labor Distribution – Maintain Configuration

Department

8
Central Config Maint Needed?
Yes
Submit Config Maint Request Form

No
Dept Config Maint Needed?
Yes
Maintain Department Configuration

No
Done

FI$Cal Service Center

Maintain Central Configuration
Notify Dept Complete
### Employee Options

**Set ID:** 3980  
**Employee ID:** 1000002  
**Last Name:** Smith  
**First Name:** Timothy

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Date</td>
<td>01/01/1901</td>
</tr>
<tr>
<td>Status</td>
<td>Active</td>
</tr>
<tr>
<td>Group Time Reporting?</td>
<td>No</td>
</tr>
<tr>
<td>Group Default?</td>
<td>No</td>
</tr>
<tr>
<td>Reporting Structure</td>
<td>30800300</td>
</tr>
<tr>
<td>Account</td>
<td>5105000</td>
</tr>
<tr>
<td>Alt Account</td>
<td>10000000000</td>
</tr>
</tbody>
</table>

**Employee Group ID**

**Payroll Agency Code:**  
**Reporting Unit:**

**Individual Employee**

**Activity Sheet Required:** No

---

**FI$Cal:** Transparency. Accuracy. Integrity.
Employee Options

SetID: 3980
Employee Id: 1000002

Last Name: Smith
First Name: Timothy

Effective Date: 01/01/1901
Status: Active
Percentage: 100.00

Task ID
Reference
Fund
ENY
Program

1 100.00 003 0001 2013 373000010

Options | Defaults
GL Enter and Process Labor Distribution – Load Activity Sheets

C: Interface from Dept System?
   - No: Enter/Upload Personal Activity Sheets (PAS)
   - Yes: Run Inbound PAS Interface

Enter/Upload Personal Activity Sheets (PAS) → Validate Personal Activity Sheet → Errors?
   - No: Maintain Configuration
   - Yes: Missing Configuration?
      - No: Contact Employee
      - Yes: Run Activity Sheet Staging Table Error Report

Process Labor Distribution
GL - Enter and Process Labor Distribution – Correct Personal Activity Sheet Errors

Department

Contact Impacted Employee → D

Correct PAS Errors

Employee

Load Activity Sheets → C

### Personal Activity Sheet

**Business Unit:** 3980  
**Calendar Year:** 2014  
**Calendar Month:** 4  
**Sequence Number:** 1  
**Status:** Not Processed  
**Employee ID:** 100002  
**Last Name:** Smith  
**First Name:** Timothy  
**Submit Date:** 05/15/2014  
**Time(HH:MM):**  

**Payroll Agency Code:**  
**Reporting Unit:**  
**Group Description:**  

**Total Activity Sheet Form Hours:** 40.00  
**Total Hours Entered:** 40.00  
**Difference:** 0.00

#### Lines

<table>
<thead>
<tr>
<th>Line Number</th>
<th><em>Hours:</em></th>
<th><em>Earnings Type:</em></th>
<th><em>Charge Default:</em></th>
<th>Task ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>40.00</td>
<td>REG</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

#### Distribution Lines

<table>
<thead>
<tr>
<th>Distribution Line</th>
<th>Distribution Line Hours</th>
<th>Reference</th>
<th>*Fund</th>
<th>ENY</th>
<th>Program</th>
<th>PC Bus Unit</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>0.00</td>
<td>004</td>
<td>001</td>
<td>2013</td>
<td>3730000130</td>
<td></td>
</tr>
</tbody>
</table>
## Personal Activity Sheet

<table>
<thead>
<tr>
<th>Line Number</th>
<th>Worked Hours</th>
<th>Earnings Type</th>
<th>Change Default</th>
<th>Task Id</th>
<th>Approp Reference</th>
<th>Fund</th>
<th>Year of Enactment</th>
<th>Program Code</th>
<th>PC Business Unit</th>
<th>Project ID</th>
<th>Activity ID</th>
<th>Source Type</th>
<th>Category</th>
<th>Subcategory</th>
<th>Reporting Structure</th>
<th>Service Location</th>
<th>Agency Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
GL Enter and Process Labor Distribution – Process Adjustment Activity Sheets

Start

Complete Adjustment PAS

Load Activity Sheets

Process Labor Distribution
Labor Distribution Technology Considerations

Interfaces:
- An interface from SCO to load employees into FI$Cal and assign Employee IDs
- An interface to load payroll data into FI$Cal from the SCO payroll system
- An Excel-based template to import Activity Sheets into FI$Cal
- An interface to load departmental Activity Sheets into FI$Cal from external time capture systems

Conversions:
- Historical payroll data will not be converted into FI$Cal
## Perform Labor Distribution
### Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Activity Sheet Processor</td>
<td>The department end user who loads and updates Activity Sheets using the online Activity Sheet page or the Excel Activity Sheet upload process and runs the monthly Inbound Activity Sheet Interface (if applicable)</td>
</tr>
<tr>
<td>Department LD Processor</td>
<td>The department end user who runs the Labor Distribution Process and Labor Distribution reports</td>
</tr>
<tr>
<td>Department LD Maintainer</td>
<td>The department end user who maintains all department-level configuration for Labor Distribution</td>
</tr>
</tbody>
</table>
Process Allocations Overview

- The Allocations process creates GL journals to reclassify (allocate) ledger balances based on user-specified rules.
- Similar to CALSTARS’ cost allocation functionality.
- Monthly or year-to-date amounts can be allocated.
  - When allocating year-to-date amounts, journals can be configured to auto reverse.
- Departments can define their allocations requirements.
- There are no statewide allocations in Wave 1.
- The FI$Cal Service Center will maintain allocation configuration, but departments run the Allocations process.
- Departments maintain the ChartField trees commonly used by allocations.
## Allocations Key Terms (1 of 2)

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Allocations</strong></td>
<td>An automated process that creates General Ledger journals to reclassify (allocate) ledger amounts based on user-specified rules</td>
</tr>
<tr>
<td><strong>Allocation Type</strong></td>
<td>Defines an allocation’s <em>calculation method</em> <em>(copy, prorata, arithmetic, fixed percentage, fixed amount)</em></td>
</tr>
<tr>
<td><strong>Allocation Pool</strong></td>
<td>The <em>amount to be allocated</em>, typically balances from a ledger although other data sources can be used</td>
</tr>
<tr>
<td><strong>Allocation Basis</strong></td>
<td>The rules that determine how a pool is allocated. For example, if rent costs (the pool) are to be allocated to units or divisions on the basis of their office space occupied, those units’ square footage used would be the allocation’s <em>basis</em>.</td>
</tr>
</tbody>
</table>
## Allocations Key Terms (2 of 2)

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Allocation Target</strong></td>
<td>The ChartField combination(s) to which a pool is to be allocated. For example, when allocating administrative costs, the target is often the program(s) benefiting from those administrative services. This is typically a debit entry for an expenditure allocation.</td>
</tr>
<tr>
<td><strong>Allocation Offset</strong></td>
<td>The ChartField combination(s) to which an allocation is balanced, or offset. This is typically a credit entry for an expenditure allocation.</td>
</tr>
<tr>
<td><strong>SpeedTypes</strong></td>
<td>Shortcut codes used in GL and AR to populate an accounting string on a transaction</td>
</tr>
</tbody>
</table>
Allocation Types

➢ Copy

• Copies Pool amounts to the Target and Offset, optionally with percentage changes
• Example: Reclassify $400 from one Program to another Program at 100% of original cost

<table>
<thead>
<tr>
<th>Component</th>
<th>Account</th>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool</td>
<td>RENT</td>
<td>11001</td>
<td>$40</td>
</tr>
<tr>
<td></td>
<td>OFFICE SUPPLIES</td>
<td>11001</td>
<td>$80</td>
</tr>
<tr>
<td></td>
<td>TELEPHONE CHRGS</td>
<td>11001</td>
<td>$80</td>
</tr>
<tr>
<td></td>
<td>CUSTODIAL CHRGS</td>
<td>11001</td>
<td>$200</td>
</tr>
<tr>
<td>Target</td>
<td>RENT</td>
<td>12001</td>
<td>$40</td>
</tr>
<tr>
<td></td>
<td>OFFICE SUPPLIES</td>
<td>12001</td>
<td>$80</td>
</tr>
<tr>
<td></td>
<td>TELEPHONE CHRGS</td>
<td>12001</td>
<td>$80</td>
</tr>
<tr>
<td></td>
<td>CUSTODIAL CHRGS</td>
<td>12001</td>
<td>$200</td>
</tr>
</tbody>
</table>
# Allocation Types

## Spread Evenly

- Spreads Pool amounts equally across the specified basis values
- Example: Allocate rent evenly across multiple Programs

<table>
<thead>
<tr>
<th>Component</th>
<th>Account</th>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool</td>
<td>RENT</td>
<td>Clearing Program</td>
<td>$400</td>
</tr>
<tr>
<td>Basis</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>11001</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12000</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13000</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22001</td>
<td>N/A</td>
</tr>
<tr>
<td>Target</td>
<td>RENT</td>
<td>11001</td>
<td>$100</td>
</tr>
<tr>
<td></td>
<td>RENT</td>
<td>12000</td>
<td>$100</td>
</tr>
<tr>
<td></td>
<td>RENT</td>
<td>13000</td>
<td>$100</td>
</tr>
<tr>
<td></td>
<td>RENT</td>
<td>22001</td>
<td>$100</td>
</tr>
</tbody>
</table>

October 21, 2014
Allocation Types

Allocate on Fixed Basis

- Spreads the Pool across the ChartField values from the Basis, using percentage amounts configured for each basis.
- Example: Allocate $400 from a central repository to 4 differing programs.

<table>
<thead>
<tr>
<th>Component</th>
<th>Account</th>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool</td>
<td>RENT</td>
<td>CLEARING</td>
<td>$400</td>
</tr>
<tr>
<td>Basis</td>
<td></td>
<td>11001</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12000</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13000</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22001</td>
<td>50%</td>
</tr>
<tr>
<td>Target</td>
<td>RENT</td>
<td>11001</td>
<td>$40</td>
</tr>
<tr>
<td></td>
<td>RENT</td>
<td>12000</td>
<td>$80</td>
</tr>
<tr>
<td></td>
<td>RENT</td>
<td>13000</td>
<td>$80</td>
</tr>
<tr>
<td></td>
<td>RENT</td>
<td>22001</td>
<td>$200</td>
</tr>
</tbody>
</table>
Allocation Types

Prorata with Record Basis

- Spreads the Pool across the ChartField values from the Basis, based on each basis’ percentage of total
- Example: Allocate rent across multiple Programs on the basis of each Program’s office space square footage occupied

<table>
<thead>
<tr>
<th>Component</th>
<th>Account</th>
<th>Program</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool</td>
<td>RENT</td>
<td>CLEARING</td>
<td>$400</td>
<td>-</td>
</tr>
<tr>
<td>Basis</td>
<td>FLOORSPACE</td>
<td>11001</td>
<td>100 SQF</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>FLOORSPACE</td>
<td>12000</td>
<td>200 SQF</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>FLOORSPACE</td>
<td>13000</td>
<td>200 SQF</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>FLOORSPACE</td>
<td>22001</td>
<td>500 SQF</td>
<td>50%</td>
</tr>
<tr>
<td>Target</td>
<td>RENT</td>
<td>11001</td>
<td>$40</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>RENT</td>
<td>12000</td>
<td>$80</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>RENT</td>
<td>13000</td>
<td>$80</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>RENT</td>
<td>22001</td>
<td>$200</td>
<td>50%</td>
</tr>
</tbody>
</table>
Process Allocations

Key Points
- Allocations configuration is maintained centrally by the FSC
- Departments execute their allocations whenever needed – FSC involvement is not required
GL - Process Allocations – General Allocation Cont1

1. Create Statistics Entry and Post
   - Yes: Statistics Required?
   - No: Run Allocation

2. Run Allocation
   - Yes: Review Allocation Results
   - No: Delete Allocation Journal Entry

3. Delete Allocation Journal Entry
   - Yes: Correct Statistics
   - No: Financial Data Issue?

4. Correct Statistics
   - Yes: Correct Financial Data
   - No: Configuration/Tree Issue?

5. Correct Configuration/Tree
   - Yes: Journal Processing
   - No: Allocation Results Correct?

6. Allocation Results Correct?
   - Yes: Review/Report Results in Ledger
   - No: Return to previous step

7. End
## GL Allocation Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocation Processor</td>
<td>The central and department end user who processes Allocation Groups and verifies the allocation results. Departments will be given the ability to execute General Ledger Allocation processes when required.</td>
</tr>
</tbody>
</table>
Financial Statements Overview

- Budgetary/Legal basis and CAFR reports will be created from FI$Cal beginning in Wave 3
- Enhanced departmental reporting will be available in the FI$Cal Hyperion Financial Management system beginning in Wave 3
- The SCO will be responsible for:
  - Opening and closing accounting periods monthly
  - Executing the General Ledger Year-End Close and Budget Year-End Close processes at the end of each fiscal year
## Financial Statements Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period Close</td>
<td>A process that opens and/or closes accounting periods (months), thereby allowing or preventing entries from being recorded in them. Closing entries are not generated.</td>
</tr>
<tr>
<td>General Ledger Year-End Close</td>
<td>A process that generates closing entries for nominal Accounts and rolls forward opening balances for real Accounts</td>
</tr>
<tr>
<td>Budget Year-End Close</td>
<td>A process that generates budget ledger entries that: 1) Revert spending authority for expiring budgets and, 2) Roll forward into the next Budget Period (year) remaining spending authority for open budgets</td>
</tr>
</tbody>
</table>
Period Close

Key Points
- Journals may not be posted to closed periods
- Any journals pending posting when their target accounting period closes must either be deleted or posted to the next open accounting period
- Closing a period does not remove its transactions from the system
GL - Enter and Process Journals – Month End Close

Start

Open GL Accounting Period for the current month

Complete processing of Transactions for prior period

Run Preliminary Month-End Reports

Correcting Entries Required?

Prepare Correcting Entries

Close GL Prior Accounting Period

No

Yes

Run Final Month End Reports

End

Start

Analyze Reports

Identify Reconciling Items

Department Approve Correcting Journals

Trial Balance (GLS7012) and Custom reconciliation reports can be used.
Year End Close (GL & Budget)

**Department**
- Complete Transactions

**Dept./SCO**
- Reconcile and Adjust Balances

**Central GL Close Processor**
- Close Year
- Revert / Roll Forward
  - Spending Authority
  - Revert on expiring budgets
  - Roll Forward on active budgets

**GL Reporter**
- Create Year End Reports
  - Submit certification letter to SCO
  - Create financial statements
  - Review year end reports and submit to SCO

**Key Points**
- Year end GL adjustments are recorded in an *adjustment period* (“Period 13”) to distinguish them from standard monthly transactions or adjustments
- Year end accrual journals can be configured to automatically reverse in the first period of the following fiscal year
Financial Statements Technology Considerations

- Interfaces:
  - Year-End accrual entries recorded in FI$Cal will be interfaced into the SCO Fiscal system
  - FI$Cal will provide a report based on an interface from SCO (“Tab Run”) to aid departments’ with their monthly SCO reconciliations
# Financial Statements Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>GL Viewer</td>
<td>The central and department end user who has access to General Ledger and Commitment Control online inquiry screens and read only access to Create Journal Entry pages</td>
</tr>
<tr>
<td>GL Reporter</td>
<td>The central and department end user who will run reports and distribute to the Department GL Report Viewer as required</td>
</tr>
<tr>
<td>Department GL Report Viewer</td>
<td>The department end user who will receive nightly batch distributed reports and have access to Report Manager</td>
</tr>
</tbody>
</table>
Next Steps

- Share BPW materials at your department
- Complete the BPW Change Impact Tool
- Review with your FI$Cal CMO Department Readiness Coordinator
- Identify and work on updating internal department policies, processes, and documentation
- Prepare for:
  - Role Mapping Workshop – November 2014
  - Change Workshop – February 2015
General Ledger Change Impact Activity

- **Description:**
  - FI$Cal walk through one example change impact
  - At your table, discuss how the FI$Cal business processes and related change impacts may affect your department
  - Document **three impacts** in your BPW Change Impact Tool

- **Roles:**
  - **Facilitator** – Helps lead the discussion with your department on the FI$Cal business processes and change impacts
  - **Recorder(s)** – Captures the department-specific impacts from the activity in your BPW Change Impact Tool

- **Time:**
  - You will have 30 minutes for this activity.
Question and Answer

FI$Cal Project Information:
http://www.fiscal.ca.gov/

or e-mail the FI$Cal Project Team at:
fiscal.cmo@fiscal.ca.gov
Guide to Symbols in Flows

- **Start/End**: Indicates point at which the process begins or ends. Does not represent any activity.

- **Decision**: Shows a decision point, such as yes/no. Each path emerging from the diamond is labeled with one of the possible answers.

- **System Task**: Represents an individual step or activity in Fi$Cal.

- **Manual Task**: Represents an individual step or activity in the process that is made out of Fi$Cal.

- **Input Documents**: A paper document (or email) that is used for entering data in the process. For electronic data the Interface shape is used.

- **Output Documents**: An electronic document that is created by the process and can be printed (for example – any kind of report).

- **Connector**: On/Off-Page Connector. Used to avoid complex overlapping connector lines or to continue a process on a subsequent page. Connectors are labeled with UPPERCASE letters.

- **Interface**: Data conversion from one electronic system to another.

- **Batch Process**: Represents a batch process within Fi$Cal.

- **Flow Arrow**: Indicates the direction of the process flow.