Agenda

- FI$Cal Project Overview
- Business Process Workshop Objectives and Approach
- FI$Cal Solution Overview
- BPW Presentations
  - Project Costing > Customer Contracts
    - Business Process Overview, Key Terms
    - Process Flows, Screenshots
    - End-User Roles
- Change Impact Activities
- 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

Pre-Wave ~12 Months

Wave 1 20 Months

Wave 2 15 Months

Wave 3 24 Months

Wave 4 24 Months

O&M

Calendar Years

<table>
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<tr>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
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</table>

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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

**Objective**
- Define and validate DRAFT processes to best meet the State's needs independent of the software details
- Clarify requirements

**Audience**
- Department of General Services (DGS)

**Key Outputs**
- Revised DRAFT To-Be Processes with department input

**Tools / Methods**
- Interactive Working Sessions with department SMEs
- Gather additional input on:
  - As-Is Process
  - Statutes, Reg, Policy
  - To-Be Process, Benefits, Challenges

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**Objective**
- Provide departments with an understanding of Wave 1 FI$Cal business processes
- Demonstration of Wave 1 FI$Cal solution
- Identify where Wave 1 solution may not meet the needs of new departments

**Audience**
- Wave 2 Departments absent in Wave 1

**Key Outputs**
- New departments prepared for CRP sessions
- Key Considerations
- Action Items and concerns from departments

**Tools / Methods**
- Solution Walkthroughs
- Wave 1 FI$Cal Solution

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**Objective**
- Conduct a systematic review of how FI$Cal requirements and DRAFT To-Be Processes are enabled by the FI$Cal software solution

**Audience**
- Wave 1 and Wave 2 departments

**Key Outputs**
- Revised DRAFT To-Be Processes with department input
- Basis for System Configurations and Functional Designs

**Tools / Methods**
- Interactive CRP Sessions with Department SMEs
- CRP Sandbox

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**Objective**
- Validate and document final business process designs
- Confirm how requirements are met

**Audience**
- Project team with department input

**Key Outputs**
- Final Business Process Designs
- Update Requirements Traceability Matrix
- RICEF Inventory

**Tools / Methods**
- Conduct follow-up meetings / validation sessions as necessary
- Resolve open issues / outstanding decisions
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$Cal business processes. For this session, the business processes are:
  - Project Costing
  - Customer Contracts
- BPW Change Impact Tool for your department to identify and manage department-specific impacts
- Understanding of the FI$Cal end-user roles for participation in the Wave 2 Role Mapping Workshop
FI$Cal Solution Overview

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FI$Cal Accounting Solution

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

Diagram:
- Project Mgmt
- Capital Assets
- Pre-Wave
- Project Details
- Wave 1
- Wave 2
- Wave 3
- Project Costing
- Grants
- Contracts
- Billing Status Updates
- Project Data
- Award Data
- Billable Transactions
- Unbilled AR, Revenue
- Revenue, AR
- Customer Invoices
- GL Journals
- Revenue, AR, Cash
- GL Journals
- Loan Data
- GL Journals

Functions:
- Asset Mgmt
- ePro / PO
- Accounts Payable
- General Ledger / Commitment Control
- Refunds

Transactions:
- Goods Received
- Encumbrances
- Purchase Orders
- Expenditures, Payables
- GL Journals
- Journals, F&A, Budgets
- Bills
- Bond Transactions
- Vouchers

Date: October 15, 2014
FI$Cal Procurement Solution

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

VMF Vendors → eProcurement (Requisitions)

VMF Bidders → Strat. Sourcing (RFX Solicitation)

VMF SB/DVBE → Contract Management

Item Master

Purchasing (Purchase Order) → Receipts, Encumbrances, PO Qty/Amnt

P-Card (Cal-Card)

- Asset Mgmt
- Project Costing
- Accounts Payable

General Ledger / Commitment Control
FI$Cal Budgeting Solution – Departmental Projects and Grants (State as a Grantee)

Legend

- Pre-Wave
- Wave 1
- Wave 2
- Wave 3
Project Costing Agenda

- Create and Maintain Project
- Create and Maintain Project Budgets
- Collect, Distribute, and Price Costs
- Project Capitalization Technology Considerations
Why Project Costing (PC)?

- PC is required for use if your Department has Capital Outlay projects or uses Federal Funds (0890)
  - Capital Outlay now **controlled** at the project phase level
    - 10 Standard Phases for all Capital Outlay
    - Budget managed in Hyperion at the phase level
  - System “combo edits” require Project ID any time Fund 0890 is used on a transaction
Why Project Costing (PC)?

- Project Costing is a cost collection and processing tool.
- PC acts as a data warehouse and costs are collected from:
  - Commitment Control – Budget
  - Grants - Budget
  - Purchasing – Encumbrance/Committed Costs
  - Accounts Payable – Actual Expenditures and Commitment reversals
  - General Ledger – Expenses and/or Revenue Journals
    - Includes Statistical Journals
    - Includes Indirect Cost Allocations
  - Labor Distribution – Direct Charged Labor Hours and Labor Cost
  - Customer Contracts – Amount Based Billing and Revenue
  - Billing – Billing Adjustments
Why Project Costing (PC)?

- PC is your pipeline to Billing for “As Incurred Costs”
  - Heavy integration between Project Costing, Customer Contracts, and Billing modules
    - PC Collects, Processes, and Prices Costs (Expenditures and Labor)
    - PC Produces Billable rows to be sent to Billing to create invoices
    - Customer Contracts (CA) contains the Customer Agreement and Billing Terms
    - Project/Activity is linked to a Customer Contract
    - CA “releases” the billable rows from PC into the Billing interface
    - CA recognizes revenue on the billable rows from PC
What is included in Wave 2

- Integration with Customer Contracts
- Automated billing through Customer Contracts
- Automated Revenue Recognition (accounting entries) through PC and Customer Contracts
- Automated updates from Billing for manual billing adjustments made to Project related invoices (BAJ Transaction)
- Interface from Customer Contracts to PC for Fixed Amount based billing and revenue amounts
- Integration with Labor Distribution for daily detailed timesheets
- Enhanced reporting options
How Does PC Work?

- Project Structure is defined in PC
  - Project Definition
    - Create Valid Project ID
    - Define Dates
    - Select Status
  - Activity Definition
    - Create Valid Activity ID(s) for the project
    - Define Dates
    - Select Status
- Use Project ID/Activity ID on financial transactions in other modules
- Collect Costs to the project
- Process/Price the costs as needed
How Does PC Work?

- Link Project/Activity to a Customer Contract if Billing is required
- Process Billing for the Contract (independent of Revenue)
- Process Revenue Recognition for the Contract (independent of Billing)

**NOTE:** All processes described on this slide are managed in the Customer Contracts module in FI$Cal
The Project Costing module is the master data source for Project IDs. Project ID will be generated in FI$Cal and assigned using “NEXT” functionality. This will involve a single stack of numbers across all business units.

Business Unit security will limit visibility of projects to users within a single department:
- All users within a Business Unit will see all projects within that business unit
- Central users and/or Control Agencies may have access to multiple/all Business Units as required

Statewide Project Costing Business Unit for emergency projects:
- Can be accessed by all departments
PC Functionality – General

- “User fields” Open for all departments
  - 5 data fields, 2 amount fields, 1 date field
  - User fields are available at Project Level or Activity Level
- Project team notifications
  - Email notifications sent to Project Team members if desired
    - Open/Close Project Status
    - Encumbrance and Reversion Dates
    - Project End Date
    - Customer Contract End Date
PC Functionality – Collect Costs

- Delivered internal interfaces with other FI$Cal modules
- Custom Integrations/Interfaces
  - Inbound Interface to PC via Labor Distribution for Monthly SCO Payroll Costs (PAY Transaction)
  - Inbound Interface to PC via Labor Distribution for Daily Detailed timesheets (TLX Transaction)
    - Hours only interface
  - Real Time integration with DGS Global Cruise for project creation
  - Internal Interface for billing DGS Procurement surcharges
  - Flat File and Excel based inbound uploads for project Structure
    - Project
    - Activity
    - Team
PC Functionality – Collect Costs

- Custom Integrations/Interfaces
  - Excel based inbound upload for Project Transactions
    - PC Only Budgets
    - Project History Transactions
    - Estimates
    - Statistics
  - Flat File outbound extract for Project Structure
    - Project
    - Activity
    - Team
    - Milestones
  - Flat File outbound extract for Project Transactions
PC Functionality – Collect Costs

- Custom Integrations/Interfaces
  - Internal Integration with Primavera P6/PCM for synchronizing
    - Project Structure – PS to P6/PCM
    - Project Team – 2 way integration
  - Project Transactions
    - Budget Hours – 2 way integration
    - Budget Costs – PS to P6
    - Actual Costs – PS to P6
  - 2 way integration with MS Project
PC Functionality – Process Costs

- PC Pricing Process uses Rate Sets/Plans to “price” inbound transactions
  - Typically used to produce Billable rows
  - May be used to generate additional Cost rows
- Funds Distribution functionality can be used to reclassify inbound financial transactions based on rules defined at the Project or Activity Level
  - Funds Split
  - Funds Sequencing
  - Includes Budget Checking with Commitment Control, but does not validate cash on hand

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PC Functionality – WIP

- Work in Progress (WIP) expenditures should be coded to a Project ID in the source modules. These transactions will be collected in Project Costing and are summarized when interfaced to Asset Management for capitalization.
  - Asset is defined/"reserved" in the application
  - Asset is assigned to the Project/Activity
  - Transactions collected are assigned to the Asset
  - Transactions are interfaced to Asset Management to place the asset in service

- Manual Journal entry required to reclass expenditures to WIP in Accrual Ledger while project is in progress/under construction
PC Functionality – Reporting

- Project-specific Reports
  - Project Listing
  - Project Financial Report
  - Project Transaction Listing
  - PC Feeder System Report

- Enhanced reports for Wave 2
  - More Selection Criteria
  - Improved look and feel

- Online Project Inquiry and Interactive Reporting
  - One Project or Activity at a time
  - Flexible Analysis
    - Custom filters and criteria
    - Real-time data analysis


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Create and Maintain Project Overview

- The **Create and Maintain Project process** covers all activities related to setting up a Project and Activity.
- This includes the following sub-processes:
  - Creating a Project
  - Creating an Activity
  - Creating the Project Team
## Create and Maintain Project Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project ID</td>
<td>A structural value that is created to identify the highest level of a specific cost objective. A lower level work break-down must be associated to the Project ID.</td>
</tr>
<tr>
<td>Activity ID</td>
<td>A lower level structural value that is created to organize tasks to support the higher level cost objective. Activities must be associated to a Project ID and are the level to which charges are incurred.</td>
</tr>
</tbody>
</table>
Create & Maintain Project Summary Flow

Key Impacts

- Standardized project reporting capability across departments through consistency and use of common system configured fields
- Statewide reporting for emergencies
Create and Maintain Project – Illustration
Create and Maintain Project – Illustration

- User Fields no longer dedicated to Grants/Contracts
Create and Maintain Project – Illustration

Creating Activities

[Image of the FISCal interface showing project activities and details]
Create and Maintain Project – Illustration

- Adding a Team Member to the Project
# Project Costing Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Project Processor</td>
<td>Department user who is responsible for additions and updates to Project, Activity, and Team definitions</td>
</tr>
<tr>
<td>Department PC Configuration Maintainer</td>
<td>Department user who is responsible for updates to department PC configuration</td>
</tr>
<tr>
<td>PC Viewer</td>
<td>The Department user that has inquiry access to run all Project information</td>
</tr>
<tr>
<td>PC Reporter</td>
<td>The Department user that has access to run all Project batch reports</td>
</tr>
</tbody>
</table>
Collect, Distribute, and Price Project Cost

Overview

- The **Collect, Distribute, and Price Project Cost process** covers all activities related to Project Transactions.
- This includes the following sub-processes:
  - Collecting Costs from other modules
  - Funds Distribution
  - Project Accounting
  - Project Costing Pricing
Collecting Project Transactions

- Purchase Orders
- Vouchers
- Labor

Projects

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## Collect, Distribute, and Price Project Cost Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Transactions</td>
<td>Received from other FI$Cal modules including Procurement, Accounts Payable, General Ledger, and Labor Distribution. External transactions (financial and non-financial) will also be interfaced directly into Project Costing.</td>
</tr>
<tr>
<td>Funds Distribution</td>
<td>Project costs can be distributed among multiple funding sources. Funding is distributed via rules applied to incoming transactions which generate outgoing target transactions.</td>
</tr>
<tr>
<td>Rate Sets/Plans</td>
<td>Configuration that is created to price inbound transactions and create billable rows. Multiple rate sets can be combined into a Rate Plan if needed.</td>
</tr>
</tbody>
</table>
# Project Costing Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td><strong>Analysis Types</strong></td>
<td>Drives the classification of each transaction in Project Costing:</td>
</tr>
<tr>
<td><strong>BD1</strong></td>
<td>• Budget established in Commitment Control</td>
</tr>
<tr>
<td><strong>REQ</strong></td>
<td>• Requisition from Purchasing once Approved</td>
</tr>
<tr>
<td><strong>COM</strong></td>
<td>• Commitment from Purchasing once Purchase Order is approved/dispatched</td>
</tr>
<tr>
<td><strong>RRV</strong></td>
<td>• Requisition Reversal occurs same time as COM to reflect remaining balance of open requisitions</td>
</tr>
<tr>
<td><strong>ACT</strong></td>
<td>• Actuals from Accounts Payable when Voucher is posted</td>
</tr>
<tr>
<td><strong>CRV</strong></td>
<td>• Commitment Reversal from PO Adjustments to reflect balance of open commitments</td>
</tr>
</tbody>
</table>
## Project Costing Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Analysis Types</td>
<td>Drives the classification of each transaction in Project Costing:</td>
</tr>
<tr>
<td>TLX</td>
<td>Direct Charge Labor Hours</td>
</tr>
<tr>
<td>PAY</td>
<td>Direct Charge Labor Payroll Costs</td>
</tr>
<tr>
<td>FDF</td>
<td>Federal Funds Distribution</td>
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<td>FDS</td>
<td>State Funds Distribution</td>
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<td>FDL</td>
<td>Local/3rd Party Funds Distribution</td>
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<td>FDR</td>
<td>Funds Distribution Reversals</td>
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<td>BIL</td>
<td>Ready to be invoiced</td>
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<tr>
<td>BLD</td>
<td>Invoice finalized</td>
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<tr>
<td>APU*</td>
<td>Advance Payment Utilization</td>
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<tr>
<td>LMC*</td>
<td>Local Match Cash</td>
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<tr>
<td>LMK*</td>
<td>Local Match In-Kind</td>
</tr>
<tr>
<td>LNC*</td>
<td>Local Non-Match Cash</td>
</tr>
<tr>
<td>LNK*</td>
<td>Local Non-Match In-Kind</td>
</tr>
</tbody>
</table>

* Intended for use with Transaction Upload Only
Collect, Distribute, and Price Project Cost

Key Impacts

- Funds Distribution functionality allows source and target rules to be defined, producing new accounting distributions that will be sent to GL
Collect, Distribute, and Price Project Cost – Illustration

- Project ChartFields on a PO Schedule
Collect, Distribute, and Price Project Cost – Illustration

- Project Chart-Fields on a Voucher
Collect, Distribute, and Price Project Cost – Illustration

- Project ChartFields on a Journal Line

![Image of a Fi$Cal interface with a project chart field on a journal line]
Collect, Distribute, and Price Project Cost – Illustration

- Funds Distribution Source Criteria

Funds Distribution - Source

Activity Options

- All Participating Activities
- Specify Activity: 00000000000001 Plan

Rates

- Effective Date: 04/29/2014
- Status: Active

Source Criteria

- Effective Date: 04/29/2014
- Status: Active

Define Criteria for Incoming Transactions
Collect, Distribute, and Price Project Cost – Illustration

- Funds Distribution Target Rules
Collect, Distribute, and Price Project Cost – Illustration

- Rate Set Criteria for Incoming Transactions

<table>
<thead>
<tr>
<th>Business Unit:</th>
<th>Rate Set:</th>
<th>Rate Set Type:</th>
<th>Rate Definition Type:</th>
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<tbody>
<tr>
<td>0840</td>
<td>ACT10</td>
<td>Standard</td>
<td>Billing</td>
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<tr>
<td>Description:</td>
<td></td>
<td>Actual Expenditures_CZ</td>
<td></td>
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</table>

**Define Rate Set**
- Effective Date: 01/05/2014
- Status: Active

**Define Criteria for incoming Transactions**

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<th>Target</th>
<th>Analysis Type</th>
<th>Source Type</th>
<th>Category</th>
<th>Subcategory</th>
<th>Project Role</th>
<th>Job Code</th>
<th>Time Reporting Code</th>
<th>Employee ID</th>
<th>Unit of Measure</th>
<th>Currency</th>
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<tbody>
<tr>
<td>ACT</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
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</tbody>
</table>
Collect, Distribute, and Price Project Cost – Illustration

- Rate Set Target Rules

![Fiscal Transparency. Accuracy. Integrity.](image-url)
Collect, Distribute, and Price Project Cost – Illustration

- Project Transaction List

<table>
<thead>
<tr>
<th>Analysis Type</th>
<th>Source Type</th>
<th>Category</th>
<th>Subcategory</th>
<th>Quantity</th>
<th>Unit of Measure</th>
<th>Source Amount</th>
<th>Source Currency</th>
<th>Transaction Detail</th>
<th>Drill to Source</th>
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<tr>
<td>BD1</td>
<td></td>
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<td></td>
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<td></td>
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<tr>
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<td></td>
<td></td>
<td></td>
<td>1.00</td>
<td></td>
<td>1,000.00 USD</td>
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<td></td>
<td>1.00</td>
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<td>85.00 USD</td>
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<td>1.00</td>
<td></td>
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<tr>
<td>COM</td>
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<td></td>
<td>1.00 EA</td>
<td></td>
<td>1,085.00 USD</td>
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<tr>
<td>ACT</td>
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<td>1.00</td>
<td></td>
<td>85.00 USD</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Collect, Distribute, and Price Project Cost Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department PC Batch Processor</td>
<td>The Department user that has access to run all PC interfaces and batch processes</td>
</tr>
</tbody>
</table>
Process Project Capitalization Overview

- The **Project Capitalization process** covers all activities related to capitalizing expenditures identified as applicable to be capitalized from Project Costing to the Asset Management (AM) Module.
- This includes the following sub-processes:
  - Defining Assets
  - Relating Transactions to Defined Asset
  - Sending the Asset to the AM Module
Process Project Capitalization

**Key Impacts**

- Integration between Project Costing and Asset Management allows for automated tracking of WIP in Projects, and automated interfacing of assets to Asset Management when the asset is ready to be capitalized.

**Department Project Processor**
- Define Assets and Associate Asset IDs
  - Only if capital project
  - Asset ID can relate to many Project Activity IDs and vice versa

**Department GL Journal Processor**
- WIP Journal Entries, as needed
  - Only if WIP is accumulated
  - Made to reclassify expenditures to Balance Sheet in Accrual Ledger

**Department PC Batch Processor**
- Asset Management Updated
  - Run PC to AM process
  - AM will be updated with Project Costing transactions
  - Completed transactions can be managed in AM

**Manage Asset Lifecycle (AM)**
- Asset is managed through Asset Management module
Process Project Capitalization – Illustration

- Defining a WIP Asset in Project Costing
Process Project Capitalization – Illustration

- Assigning Transactions to the WIP Asset

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>Federal Grant Project 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assignment Parameters</td>
<td>Find</td>
<td>View All</td>
</tr>
<tr>
<td>Asset ID</td>
<td>0840</td>
<td>00000000000078</td>
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<tr>
<td>Description</td>
<td>Blue Building</td>
<td></td>
</tr>
<tr>
<td>Criteria ID</td>
<td>NEXT</td>
<td></td>
</tr>
<tr>
<td>Activity</td>
<td>00000000000001</td>
<td></td>
</tr>
<tr>
<td>Max Rows</td>
<td>200</td>
<td>1 to 2 of 2</td>
</tr>
<tr>
<td>Transactions</td>
<td>Personalize</td>
<td>Find</td>
</tr>
<tr>
<td>Action</td>
<td>Asset Business Unit</td>
<td>Profile ID</td>
</tr>
<tr>
<td>Include</td>
<td>ACT</td>
<td>1.00</td>
</tr>
<tr>
<td>None</td>
<td>ACT</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Total Amount: $1,085.00 USD

Assign Transactions | Clear Assignments
### Process Project Capitalization

#### Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Project Processor</td>
<td>Department user who is responsible for additions and updates to Project, Activity, and Team definitions</td>
</tr>
<tr>
<td>Department PC Batch Processor</td>
<td>The Department user that has access to run all PC interfaces and batch processes</td>
</tr>
</tbody>
</table>
## Technology Considerations – Conversions

<table>
<thead>
<tr>
<th>Conversion</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects</td>
<td>Automated conversion of project structure, and team members from legacy systems. Financial conversion for Projects, including Budget, Actuals, and Open Encumbrances, is included within the GL and Commitment Control conversion process. Contract Progress will be updated by processing summary conversion transactions through Projects, Contracts, and Billing to update counters and pointers. Associated invoices will be disabled. This process will not generate accounting and will not be subject to budget checking.</td>
</tr>
</tbody>
</table>
### Technology Considerations – Interfaces

<table>
<thead>
<tr>
<th>Interface</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inbound Project Transaction Interface</strong></td>
<td>Brings in non-PeopleSoft transactions, such as statistical units, that are applicable to reporting</td>
</tr>
<tr>
<td><strong>Inbound Project Interface</strong></td>
<td>Facilitates the creation of new projects/activities from external systems</td>
</tr>
<tr>
<td><strong>Labor Distribution to PC</strong></td>
<td>FI$Cal Internal Interface to load directly charged Project Labor. Updated to include support for interfacing daily time from external systems. Monthly payroll will now show in PC as a PAY Analysis Type.</td>
</tr>
<tr>
<td><strong>PC to P6/PCM</strong></td>
<td>Custom 2-way integration for synchronizing Project Structure and pushing costs from PS to P6</td>
</tr>
</tbody>
</table>
Data Protection Overview

- All data that is received, retained, and transmitted by FI$Cal protected by:
  - Business Unit
  - Encryption
  - Role Based Access
- In addition, data classified as PII, sensitive, and confidential will receive the additional protection of:
  - Masked
  - Tracking when added, updated, deleted, and read
  - Role Based Access, such as Confidential User
### Data Protection – Key Terms

<table>
<thead>
<tr>
<th>Conversion</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Information</td>
<td>Information maintained by state agencies that is not exempt from disclosure under the provisions of state or federal laws</td>
</tr>
<tr>
<td>Confidential Information</td>
<td>Information maintained by state agencies that is exempt from disclosure under the provisions of state or federal laws</td>
</tr>
<tr>
<td>Sensitive Information</td>
<td>Information maintained by state agencies that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive information may be either public or confidential.</td>
</tr>
<tr>
<td>Personally Identifiable Information</td>
<td>Information that identifies or describes an individual. This information must be protected from inappropriate access, use, or disclosure and must be made accessible to data subjects upon request.</td>
</tr>
</tbody>
</table>
Data Protection Processes & Fields

<table>
<thead>
<tr>
<th>Process Name</th>
<th>Field Description</th>
<th>Field Description</th>
<th>Description</th>
<th>Integration Template</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create and Maintain Projects</td>
<td>Project ID</td>
<td>Public</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create and Maintain Projects</td>
<td>Description</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create and Maintain Projects</td>
<td>Integration Template</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create and Maintain Projects</td>
<td>Project Type</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create and Maintain Projects</td>
<td>Project Status</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create and Maintain Projects</td>
<td>User Defined Field 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create and Maintain Projects</td>
<td>User Defined Field 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create and Maintain Projects</td>
<td>User Defined Field 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create and Maintain Projects</td>
<td>Project Activity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Processes</td>
<td>Analysis Type</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Processes</td>
<td>Resource Type</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Processes</td>
<td>Resource Category</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Processes</td>
<td>Resource Sub Category</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**FI$Cal Standard Protection Framework**

**Standard Data Protection level For:**
Confidential (Protected under the Public Records Act), Electronic Protected Health Information (e/PHI), Federal Tax Information, Notice Triggering Information, Payment Card Industry, Personally Identifiable Information (PII) and Sensitive Information, the following is the Standard Data Protection Level:

1. Mandates that Govern the Collection of this Field – State Administrative Manual (SAM).
2. Federal Tax Information Labeling – None.
3. FI$Cal Standard Protection Method(s):
   - Business Level Security.
   - Encryption.
   - Masked (SSN, TIN, and Payment Card).
   - Role Based.
4. FI$Cal Standard Actions to be Tracked:
   - Add, Delete, Update and Read.
5. FI$Cal Standard Data Retention: Average 7 Years. (No data disposal planned for FI$Cal currently).

All data elements identified thus far for Project Costing are classified as Public.
Data Protection – Next Steps

- FI$Cal is expecting this framework confirmed by Wave 1 departments will also meet the data protection requirements of Wave 2 departments
- Opportunity to request additional data protection in Wave 2 task TECH201: Review Data Classification and Protection Framework
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
Customer Contracts
Customer Contracts Agenda

- Create and Maintain Customer Contracts
- Activate Contracts
- Process Billing and Revenue
- Change Impact Activities
- Business Process Workshop Next Steps
Contracts Overview

Contracts enables you to:

- Capture contractual terms and conditions of awards and reimbursable projects
- Choose when and how to bill the Sponsor / Customer
- Choose when and how to recognize revenue in a suitable manner
- Manage changes through amendment processing
- Link Project Costing to the Billing and Accounts Receivable modules
- Set Contract or Transactional Billing/Revenue Limits
What is included in Wave 2

- Complete documentation and processing for fixed, amount-based and rate-based contract agreements
- Contract amendment processing and tracking
- Prepaid deposit functionality for tracking and utilizing advanced payments
- Automated billing for Project Costing transactions
- Automated deferred revenue processing and revenue recognition
- Contract Billing History page where invoices can be tracked
- Ability to drill from Contracts Billing History to review associated Receivables Payment
## Contracts Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project</td>
<td>FI$Cal ChartField value used for tracking financial transactions associated with a Grant/Award or Reimbursable Project</td>
</tr>
<tr>
<td>Activity</td>
<td>FI$Cal Project ChartField used to identify task or phase for the project. For Grants, usually mapped to the spending categories for the grant</td>
</tr>
<tr>
<td>Customer</td>
<td>External customer to be billed for the contract. May be external 3rd party (Federal Government) or another State Agency</td>
</tr>
<tr>
<td>Customer Contract</td>
<td>Contract Agreement within FI$Cal that will define Billing and Revenue Recognition terms for a grant award / reimbursable project</td>
</tr>
<tr>
<td>Contract Amendment</td>
<td>Change to the contract after it has been set to Active status. All history is tracked for contract amendments</td>
</tr>
</tbody>
</table>
## Contracts Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>Good or service “sold” to a customer on a contract line. May be as specific or generic as needed</td>
</tr>
<tr>
<td>Vendor</td>
<td>Local Agency or third party that receives funding from the State. Also identified as a Sub-Recipient or Sub-Grantee</td>
</tr>
<tr>
<td>Procurement Contract</td>
<td>Contract Agreement in FI$Cal that defines Encumbrance and Payment terms for Local Assistance payments as well as other Purchasing Contract Agreements. These agreements are managed in Procurement and is outside of the scope of the Contracts module</td>
</tr>
</tbody>
</table>
Contracts Summary Flow

Contracts Processor
- Create and Maintain Contracts
  - Create Contracts
  - Add/update Contract Lines
  - Create Prepays
  - Create Bill Plans
  - Create Revenue Plans
  - Create Amendments

Contracts Approver
- Activate Contracts/Amendments
  - Approve/Activate pending contracts and amendments

Key Impacts
- Rate Based contract lines link Project Costing to Billing
- Amount Based Contract Lines managed by Customer Contracts
- All billing information sent into Billing Interface tables
## Create Contract: Contract General Information

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Number</td>
<td>TULARE_K8</td>
</tr>
<tr>
<td>Amendment Number</td>
<td>0000000000</td>
</tr>
<tr>
<td>Sold To Customer</td>
<td>Master Services</td>
</tr>
<tr>
<td>Contract Status</td>
<td>ACTIVE</td>
</tr>
<tr>
<td>Description</td>
<td>New Tulare K8 School</td>
</tr>
<tr>
<td>Contract Admin</td>
<td>Emmerson, Nancy</td>
</tr>
<tr>
<td>Region Code</td>
<td></td>
</tr>
<tr>
<td>Contract Type</td>
<td>GRANTS</td>
</tr>
<tr>
<td>Currency Code</td>
<td>USD</td>
</tr>
<tr>
<td>Exchange Rate Type</td>
<td>CRRNT</td>
</tr>
<tr>
<td>Contract Signed</td>
<td>05/12/2014</td>
</tr>
<tr>
<td>Processing Status</td>
<td>Active</td>
</tr>
<tr>
<td>Amendment Status</td>
<td>Complete</td>
</tr>
<tr>
<td>Business Unit</td>
<td>Department of General Services</td>
</tr>
<tr>
<td>Contract Classification</td>
<td>Standard</td>
</tr>
<tr>
<td>Start Date</td>
<td>07/01/2013</td>
</tr>
<tr>
<td>End Date</td>
<td>12/31/2099</td>
</tr>
<tr>
<td>Last Update Date/Time</td>
<td>05/12/2014 5:43:19PM</td>
</tr>
<tr>
<td>Last Update User ID</td>
<td>DHoferkamp</td>
</tr>
</tbody>
</table>

Other Information

Summary of Amounts

Go To: Billing Plans, Revenue Plans, Milestones, Renewals, More
Create and Amend Contracts – Illustration

Create Contract: Contract Lines

**Contract Number:** TULARE_K8
**Amendment Number:** 0000000000

**Sold To Customer:** Master Services
**Contract Status:** ACTIVE

- **Contract Lines**
  - **Line:** 1
  - **Product:** DSA-SERVICES
  - **Description:** DSA Services
  - **Price Type:** Amount
  - **Start Date:** 07/01/2013
  - **End Date:** 12/31/2019
  - **Status:** Active

- **Go To:** Billing Plans, Revenue Plans, Milestones, Renewals

---

## Create and Amend Contracts – Illustration

**Create Contract: Line Details**

<table>
<thead>
<tr>
<th>Contract Number:</th>
<th>TULARE_K8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amendment Number:</td>
<td>00000000000</td>
</tr>
<tr>
<td>Sold To Customer:</td>
<td>Master Services</td>
</tr>
<tr>
<td>Contract Status:</td>
<td>ACTIVE</td>
</tr>
</tbody>
</table>

### Amend Contract

#### Contract Lines

<table>
<thead>
<tr>
<th>Line</th>
<th>Product</th>
<th>Billing Plan</th>
<th>Revenue Plan</th>
<th>Contract Terms</th>
<th>Accounting</th>
<th>Internal Notes</th>
<th>Ship to Customer Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>DSA-SERVICES</td>
<td>In Progress</td>
<td>Ready</td>
<td>Contract Terms</td>
<td>Distribution</td>
<td>Internal Notes</td>
<td>Master Services</td>
</tr>
</tbody>
</table>

**Go To:** Billing Plans, Revenue Plans, Milestones, Renewals
## Create and Amend Contracts – Illustration

### Create Contract: Line Details - Contract Terms

<table>
<thead>
<tr>
<th>Related Projects</th>
<th>Contract Amendments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Contract Number:** TULARE_K8
- **Amendment Number:** 0000000000
- **Sold To Customer:** Master Services
- **Contract Status:** ACTIVE
- **Contract Line:** 1
- **Product:** DSA-SERVICES
- **Description:** DSA Services
- **Price Type:** Amount

---

### Amend Contract

- **PC Business Unit:** 7760

### Associated Projects & Activities

<table>
<thead>
<tr>
<th>*Project</th>
<th>Description</th>
<th>*Activity</th>
<th>Description</th>
<th>Source Type</th>
<th>Category</th>
<th>Subcategory</th>
</tr>
</thead>
<tbody>
<tr>
<td>000000000000178</td>
<td>New Tulare K8 School</td>
<td>W</td>
<td>Working Drawings</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Create Project]  [Create Activity]
Contract Amendments

- Amendments provide historical change control for modifications made to the contract header and lines
- The following are reasons to amend a contract:
  - Addition or subtraction of overall contract and contract line amounts
  - Addition of new lines to the contract
  - Modification of billing and revenue events in ‘Pending’ status
- Amendment statuses include: Pending, Ready, Complete or Cancelled
### Contract Amendments

<table>
<thead>
<tr>
<th>Description</th>
<th>New Tulare K8 School</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Admin</td>
<td>Emmerson, Nancy</td>
</tr>
<tr>
<td>Region Code</td>
<td></td>
</tr>
<tr>
<td>Contract Type</td>
<td>GRANTS</td>
</tr>
<tr>
<td>Currency Code</td>
<td>USD</td>
</tr>
<tr>
<td>Exchange Rate Type</td>
<td>CRRNT</td>
</tr>
<tr>
<td>Contract Signed</td>
<td>05/12/2014</td>
</tr>
</tbody>
</table>

#### Amendment Status

- **Processing Status**: Active
- **Amendment Status**: Pending

**Business Unit**: Department of General Services

**Contract Classification**: Standard

**Start Date**: 07/01/2013

**End Date**: 12/31/2099

**Last Update Date/Time**: 05/12/2014 5:59:40PM

**Last Update User ID**: DHoferkamp

---

Amendment Status Indicates Amendments existing on the Contract
Contract Amendments

Click Amend Contract to initiate a Contract Amendment
Contract Amendments

Original Contract Agreement is always Amendment “0000000000” and is “greyed out” upon Activation.
Contract Limits

- Contracts uses limit processing to enable you to set limits on the amount billed, revenue recognized, or fees processed for a contract
  - Funded Limit – Overall maximum that can be billed over the life of the contract
  - Revenue Limit – Overall maximum that can be recognized over the life of the contract
Contract Limits

- Limits can also be set on specific transactions (such as labor, materials, or travel) that occur against a contract.
- Transaction Limits use Transaction Identifiers to locate applicable transactions.
  - Transaction Identifiers are configurable combinations of Project Costing Chartfields (Resource Type, Resource Category, Resource Sub-Category).
- All Billable transactions that are Priced within Project Costing and result in putting a contract line over its associated limit will be identified with “OTL” Analysis Type and will not be billed / recognized.
Process Billing and Revenue

- Contracts Billing and Revenue Plans:
  - Contain Billing and Revenue terms for the contract line
  - Each contract line requires a Bill Plan and Revenue Plan
  - Must be marked Ready status to activate
  - Automatically Move to In Progress Status when run
  - Can be placed on Hold to prevent Billing and/or Revenue from running
**Create Contract: Line Details – Bill Plan**

<table>
<thead>
<tr>
<th>Contract</th>
<th>TULARE_K8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sold To Customer</td>
<td>0000050039</td>
</tr>
<tr>
<td>Billing Plan</td>
<td>B101</td>
</tr>
<tr>
<td>BI Unit</td>
<td>7760</td>
</tr>
<tr>
<td>Bill To</td>
<td>0000050039</td>
</tr>
<tr>
<td>Currency</td>
<td>USD</td>
</tr>
</tbody>
</table>

**Description:** Immediate Billing Plan

**Billing Method:** Immediate

**Customer Information**

- **BI Unit:** 7760
- **Bill To Customer:** 0000050039
- **Bill To Contact:** Marcos Olivera

**Amount Detail**

- **Negotiated Amount:** 4,000,000.00
- **Total Amount:** 4,000,000.00
- **Total Billing History:** 4,000,000.00

**Billing Options**

- **Bill Type:** CA
- **Bill Source:** CONTRACTS
- **Pre Approved**
- **Billing Header Note:** Internal Notes
- **Preview Summarization Template**

**Billing Default Overrides**

- **Invoice Form:** PS/PC
- **Cycle ID:** ON-DEMAND
- **Bill By ID:** CONTRACT
- **Payment Method:** Contract
- **Payment Terms:** 800-246-8000
- **Billing Inquiry:** CMT
- **Billing Specialist:** Catherine O Toole
Process Billing and Revenue – Illustration

Create Contract: Line Details – Revenue Plan

<table>
<thead>
<tr>
<th>Description</th>
<th>% Complete Revenue Plan</th>
<th>*Plan Status:</th>
<th>Ready</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognition Method</td>
<td>Percent Complete</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent Source</td>
<td>Proj/Act</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Notes</td>
<td>Preview Revenue</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Define Events By**

**Amount Detail**

- Total Amount: 4,000,000.00
- Remaining Percent: 100.00000000
- Remaining Amount: 4,000,000.00

**Event Detail**

<table>
<thead>
<tr>
<th>Event</th>
<th>*Event Status</th>
<th>Percent Complete</th>
<th>Accounting Date</th>
<th>Incremental % Complete</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Pending</td>
<td></td>
<td>05/12/2014</td>
<td></td>
<td>0.00</td>
</tr>
</tbody>
</table>
Process Billing and Revenue

Rate Sets and PC Pricing

- As Incurred Billing and Revenue is triggered by the Project Costing Pricing Engine
  - Rate Set – cost/billing rates to be applied to Project transactions
  - Rate Plan – Group of multiple rate sets attached to a single contract line. All applicable rates within each plan rate set will be applied to the source transaction
  - Source – Criteria used to identify the Project transactions to Price
  - Target – Criteria used to price the source transaction and generate target cost/billing rows
Process Billing and Revenue – Illustration

Rate Sets and PC Pricing – Rate Set Source Criteria

Process Billing and Revenue – Illustration

Rate Sets and PC Pricing – Rate Set Target Criteria

<table>
<thead>
<tr>
<th>Rate Sets</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Unit:</td>
<td>4170</td>
</tr>
<tr>
<td>Description:</td>
<td>Grants Rates</td>
</tr>
<tr>
<td>Rate Set Type:</td>
<td>Standard</td>
</tr>
<tr>
<td>Rate Set:</td>
<td>GMRT1</td>
</tr>
<tr>
<td>Rate Definition Type:</td>
<td>Billing</td>
</tr>
</tbody>
</table>

Source Criteria

- **Analysis Type:** ACT
- **Project Role:** %
- **Time Reporting Code:** %
- **Employee ID:** %
- **General Ledger Business Unit:** %
- **Unit of Measure:** %
- **Currency:** %

General Ledger Information

<table>
<thead>
<tr>
<th>Source Type</th>
<th>Category</th>
<th>Subcategory</th>
<th>Account</th>
<th>Alternate Account</th>
<th>Operating Unit</th>
<th>Fund Code</th>
<th>Department</th>
<th>Program Code</th>
<th>Class Field</th>
<th>Budget Ref</th>
</tr>
</thead>
<tbody>
<tr>
<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>

Target

**Define Target Rows**

<table>
<thead>
<tr>
<th>Rate Option</th>
<th>Rate Amount</th>
<th>Description</th>
<th>Target Analysis Type</th>
<th>Override Source</th>
<th>Target Source Type</th>
<th>Target Category</th>
<th>Target Subcategory</th>
<th>To Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>NON</td>
<td>1.000000</td>
<td>BIL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Process Billing and Revenue

Rate Sets and PC Pricing

- Target Pricing Options
  - AMT: Quantity Rate sets the target amount equal to: Source row transaction quantity × Rate set-specific rate × Target row rate amount
  - EBI: Employee Bill Rate (as defined on the Rates by Employee page), which sets the target amount equal to: Source row transaction quantity × Employee-specific bill rate × Target row rate amount
  - ECO: Employee Cost Rate (as defined on the Rates by Employee page) sets the target amount equal to: Source row transaction quantity × Employee-specific cost rate × Target row rate amount
Process Billing and Revenue

Rate Sets and PC Pricing

- Target Pricing Options
  - FIX: Fixed Amount sets the target amount equal to the rate amount defined on the rate set.
  - JBI: Job Code Bill Rate (defined on the Rates by Job Code page) sets the target amount equal to: Source row transaction quantity $\times$ Job code bill rate $\times$ Target row rate amount
  - JCO: Job Code Cost Rate (defined on the Rates by Job Code page) sets the target amount equal to: Source row transaction quantity $\times$ Job code cost rate $\times$ Target row rate amount
Process Billing and Revenue

Rate Sets and PC Pricing

- Target Pricing Options
  - MUP: Markup Rate marks up the transaction amount by the value in the Rate Amount field
  - NON: Carries the source amount from the source transaction directly to the target row
Analysis Types in Projects

- Analysis Types are used in Project Costing to identify the type of transaction in the system.
- As you “Price” various actual charges, you can produce Billable transactions.
  - Billable Amount (BIL) is recognized after transactions are sent to Project Costing and are ready to be billed – this is in conjunction with actual costs.
  - Billed Amount (BLD) is recognized after transactions are sent to the Billing module to be billed.
  - Prepaid Utilization (UTL) is recognized after transactions have been processed against a prepaid amount and an invoice must be sent.

Note: You will be able to use these analysis types to assist with the Billing process, regardless of whether you send a Customer an actual invoice.
Contracts allow you to define and administer the billing and revenue rules for contractual agreements required for grant sponsors and reimbursable project customers.

Contracts Billing and Revenue Plans:
- Are required for every contract line in order for billing to occur.
- Are required for every contract line in order for revenue recognition to occur.
- Store the schedule of when billing and revenue should occur.
- Created in Pending status.
- Must be marked Ready, move to In Progress when run.
Billing Methods

- As Incurred - refers to goods or services whose billable items accumulate in the Project Costing module
- Value Based - enables you to define and bill amounts other than the actual rate-based transactions processed for revenue recognition
- Milestone - billing is triggered by an event or milestone that is associated with the billing plan
- % Complete - generate bills over a period of time by updating the percentage of completion
- Immediate - eligible to be triggered as soon as the plan is marked Ready
- Recurring - does not utilize billing plan lines or events
Billing Method Examples

- EX 1: As Incurred – Construction project bills for expenses and labor as the project progresses through the build phase. The project invoices the customer monthly for all accumulated expenses for the month.

- EX 2: Value Based – Also called Amount Based Billing. The basement for the building is valued at $1,000,000. The basement is compete. Bill for the value of the basement.

- EX 3: Milestone – Milestone “Foundation for building has been poured” was completed on 11/24/08. This milestone has been reached; therefore, a billing is generated in the amount defined by the Contract.
Billing Method Examples

- **EX 4: % Complete** - Construction of the project is 25% complete. Billing of 25% of the total cost of the project can be generated.

- **EX 5: Immediate** - Billing can be generated as soon as the plan is marked Ready. You may want to add a Contract and immediately bill for the full or partial amount.

- **EX 6: Recurring** - Crane rental for the project is a recurring cost for 6 months and can be set up to be billed the 1st of the month for 6 months.
Revenue Methods Examples

- **EX 1: As Incurred** - Architect has completed set of blueprints. Revenue recognized for costs incurred.

- **EX 2: Apportionment** - Construction project revenue recognition is set up for $1,000,000 per month for the next 12 months.

- **EX 3: % Complete** - The construction project is 25% complete so revenue recognition is 25% of the total amount.

- **EX 4: Milestone** - Milestone “Foundation of building poured” has been reached. Revenue recognition once milestone reached.
Billing and Revenue Accounting

- Customer Contracts manages revenue separately from PeopleSoft Billing by using unbilled AR accounting distributions

- Revenue Entry (occurs when revenue is recognized for the Contract)

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unbilled AR Account</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Revenue Account</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>
Billing and Revenue Accounting

- Billing / AR Entry (occurs when invoice is sent to AR)

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR Account</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Unbilled AR Account</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

- AR / Cash Deposit Entry (occurs when Payment is recorded in AR)

<table>
<thead>
<tr>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Account</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>AR Account</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>
Billing and Revenue Flow

Create Voucher in AP for Project ABC123 for $5000

Collect Costs from AP (automatically calls PC Pricing)

PROJRESOURCE rows created

<table>
<thead>
<tr>
<th>Project ID</th>
<th>Activity ID</th>
<th>Analysis Type</th>
<th>Amount</th>
<th>BI Distrib</th>
<th>Rev Distrib</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC123</td>
<td>PLANS</td>
<td>ACT</td>
<td>5000.00</td>
<td>P (Priced)</td>
<td>N</td>
</tr>
<tr>
<td>ABC123</td>
<td>PLANS</td>
<td>BIL</td>
<td>5000.00</td>
<td>P (Priced)</td>
<td>N</td>
</tr>
</tbody>
</table>
Billing and Revenue Flow

Process Billing from Customer Contracts for Contract ABC123

PROJ_RESOURCE BIL row updated

<table>
<thead>
<tr>
<th>Project ID</th>
<th>Activity ID</th>
<th>Analysis Type</th>
<th>Amount</th>
<th>BI Distrib</th>
<th>Rev Distrib</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC123</td>
<td>PLANS</td>
<td>ACT</td>
<td>5000.00</td>
<td>P (Priced)</td>
<td>N</td>
</tr>
<tr>
<td>ABC123</td>
<td>PLANS</td>
<td>BIL</td>
<td>5000.00</td>
<td>W (Worksheet)</td>
<td>N</td>
</tr>
</tbody>
</table>

Temporary Invoice TMP001 created in Billing Interface Tables
**Billing and Revenue Flow**

- **Process Revenue from Customer Contracts for Contract ABC123**

PROJRESOURCE BIL row updated

<table>
<thead>
<tr>
<th>Project ID</th>
<th>Activity ID</th>
<th>Analysis Type</th>
<th>Amount</th>
<th>BI Distrib</th>
<th>Rev Distrib</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC123</td>
<td>PLANS</td>
<td>ACT</td>
<td>5000.00</td>
<td>P (Priced)</td>
<td>N (Not Distributed)</td>
</tr>
<tr>
<td>ABC123</td>
<td>PLANS</td>
<td>BIL</td>
<td>5000.00</td>
<td>W (Worksheet)</td>
<td>D (Distributed)</td>
</tr>
</tbody>
</table>

Revenue Accounting Entry Created in CA_ACCTG_LN_PC
Contracts To Billing Interface

- There is a delivered integration between the Contracts and Billing modules.
- System will run the Contacts/Billing Interface process to bill the Customer for project-related transactions – user decides when and what to bill on the Contract.
- System can streamline billing functions using a pre-approved, direct billing option.
- Users may decide they want to approve all project billing transactions before they are created – this is the Billing Worksheet function – allows for line item rejection.
- Batch process can be run using a process scheduler (nightly batch) or on an ad-hoc basis.
Prepaid Billing

- Prepaids / Deposits allow users to request revenue (for a specific fund) to pay costs associated with a project before the actual cost is sent to Project Costing.
- This is a solution for when fees are collected in advance / up front.
- Prepaid contracts produce “UTL” (Utilization rows) in Project Costing when Pricing is run to show that the amount has already been billed in advance.
- Specific Contract Deposit report will show you committed and uncommitted balance of the Prepaid.
Process Billing and Revenue – Illustration

**Process Billing:** Establish Prepaid

<table>
<thead>
<tr>
<th>Prepaids</th>
<th>Audit History</th>
<th>Amendments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Number: TULARE_K8</td>
<td>Sold To Customer: Master Services</td>
<td></td>
</tr>
<tr>
<td>Amendment Number: 0000000000</td>
<td>Contract Status: ACTIVE</td>
<td></td>
</tr>
</tbody>
</table>

**Contract Prepaid Totals**

- Purchased Amount: 50,000,000.00
- Remaining Amount: 50,000,000.00
- Committed Amount: 0.00

**Prepaids for this Contract**

<table>
<thead>
<tr>
<th>Status</th>
<th>Hold</th>
<th>Purchased Amount</th>
<th>Remaining Amount</th>
<th>Committed Amount</th>
<th>Expiration Date</th>
<th>Depleted Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ready</td>
<td></td>
<td>50,000,000.00</td>
<td>50,000,000.00</td>
<td>0.00</td>
<td>12/31/2099</td>
<td></td>
</tr>
</tbody>
</table>

Go To: Billing Plans
Process Billing and Revenue – Illustration

**Process Billing: Prepaid Utilization**

Assign to Rate Based Contract Line to Track Utilization
Process Billing and Revenue – Illustration

Process Billing: Prepaid Billing

Bill Plan for Prepaid is separate from Bill Plan for Rate Based Contract Line
# Contract Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts Processor</td>
<td>Departmental user that Creates and Maintains Contracts</td>
</tr>
<tr>
<td>Contracts Approver</td>
<td>Departmental user that maintains, Amends, and Activates Contracts</td>
</tr>
<tr>
<td>Contracts Billing Processor</td>
<td>Departmental user that processes Project and Contract Billing and project progress (milestones)</td>
</tr>
<tr>
<td>Contracts Revenue Processor</td>
<td>Departmental user that processes Project and Contract Revenue</td>
</tr>
</tbody>
</table>
## Contract Department Roles

<table>
<thead>
<tr>
<th>FI$Cal End-User Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts Viewer</td>
<td>Departmental or Central user with display access to all Contract information and all Contracts reports and inquiry.</td>
</tr>
<tr>
<td>Contracts Reporter</td>
<td>Departmental or Central user with display access to all Contract information and all Contracts reports and inquiry.</td>
</tr>
<tr>
<td>Department CA Config Maintainer</td>
<td>Departmental user that maintains Departmental Contracts Configuration</td>
</tr>
</tbody>
</table>
## Technology Considerations – Conversions

<table>
<thead>
<tr>
<th>Conversion</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts Extract and Upload</td>
<td>Active Contracts – LPA and departmental</td>
</tr>
<tr>
<td>Conversion of existing billable contracts</td>
<td>All active contract agreements in use for reimbursement purposes</td>
</tr>
<tr>
<td></td>
<td>Contract progress will be handled by processing summary conversion transactions through Project Costing into Billing. Invoices will be disabled.</td>
</tr>
</tbody>
</table>
## Technology Considerations – Interfaces

<table>
<thead>
<tr>
<th>Interface</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>None Identified</td>
<td>None Identified</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 Working Session – November 2014
  - Change Workshop – February 2015
Role Mapping Working Session

- 2-hour facilitation session Intended for Wave 1 and Wave 2 Department Implementation Team (DIT) members
- FI$Cal will provide DITs with detailed instructions on how to fill out the Role Mapping Tool for their department
  - “Do’s and Don’ts” of the Role Mapping Template
  - To take place at:
    
    FI$Cal Project site
    2000 Evergreen Street
    Jade Auditorium
    Thursday, November 6, 2014
    9:00 a.m. – 11:00 a.m.

*Remote Dial-In will be available to those geographically dispersed
Project Costing 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.
Customer Contracts 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
Appendix
ChartField / UCM Codes Cross-reference

Organization Codes
- Level 1
- All Other

Index
- Fund
- Subfund
- Program
- Element
- Component
- Task
- Project

Business Unit
- Reporting Structure
- Fund
- Program
- Account
- Alternate Account
- Appropriation Reference
- Year of Enactment

Service Location
- Agency Use
- Statistics Code
- Budget Period

Account
- Agency Source
- Agency Object
- Appropriation Reference
- Year of Enactment

Legacy
- Object Code
- Receipt Code
- GL Code

October 15, 2014

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.

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

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

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

**Flow Arrow**

**Intra Integration Process** - An input or Output to some other process within the same capability

**Output Documents** - An electronic document that is created by the process and can be printed (for example—any kind of report).
Wave 1

Start

External Integration?

Yes

Non-PeopleSoft systems include Hyperion Planning, and departmental legacy systems

Map fields from Non-PeopleSoft systems

Run Load Interface

Refine Project Details as needed

No

Create New Project if not updating an existing Project

A project can be created from blank, created from a template, copied from an existing project.

Define/Update General Information

Define project attributes such as description, project type, schedule, business unit integration, status.

Establish/Update Project Costing Definition

Associate Project to Program, Project Manager, Phases, Location, and Asset Management integration

Establish/Update Project Activities

Create Project Activities to define work breakdown structure of tasks.

Send to Primavera?

Yes

A

No

B
Create/Maintain Projects & Project Budgets

Project Costing Flow

Wave 1

Program Management

A: Build detailed project work plan
B: Resource loading

Project work plan lists all tasks, their dependencies, and expected dates.
Allocate project team resources across the tasks identified in project work plan.

Project Accounting

B: Funds Distribution Rules?
C: Project Level Budget?
D: Complete Project Initiation Checklist
E: Route for approval and provide notification when activated

View steps required to set up, initiate, and track a project.

GM1 Create Grant
CA1 Create Customer Contract

Wave 1

October 15, 2014
Create & Maintain Projects – Create and Maintain Funds Distribution Rules

- Establish Funds Distribution Rule
  - Establish rule by project and all activities, or by Project with a specified activity.

- Define criteria for incoming transactions
  - Define incoming transactions by selecting identifiable information such as specific Chart of Account values.

- Define Burdening Rules for Source Rows
  - Define criteria for applying an additional overhead charge on selected incoming transactions prior to applying target rules.

- Define Criteria for Target Row Sequences
  - Define the threshold amounts, start and end dates for the sequence, description and status for the sequence.

- Define Project Costing Criteria for Target Rows
  - Define the percentage rates, analysis types, and other project accounting chartfields to be applied to the target rows.

- Define Budget Check and Reversal Rules
  - For each target row defined, indicate whether a reversing entry to adjust the source row is needed and if the reversing transaction needs to be budget checked.

End
Create/Maintain Projects & Project Budgets

**Project Accounting**

1. Update Existing Project Budget?
   - **No**
     - Hyperion Project/Activity Budget
     - Transfer Commitment Control Transactions in GL from Budget Ledger to Project Costing
     - Provide updated budget information to Hyperion
   - **Yes**
     - Budget Approved?
       - **Yes**
         - Create Budget Adjustment Worksheet
       - **No**
         - Controlling Budget?
           - **Yes**
             - Monitor Only
           - **No**
             - Update Existing Project Budget?
Project Costing Flow

- Retrieves posted journal lines for use in Project Costing
- Pulls approved vouchers from Accounts Payable
- Time data from Labor Distribution
- Via Component Interface or Custom Inbound Interface
- Requisitions and Purchase Orders from Procurement. Requisitions are reversed when commitments are finalized. Commitments are reversed when vouchers are finalized.

Run GL to PC Interface
Run Payables to PC Interface
Run Time and Labor to PC Interface
Load Third-Party Transaction
Run PO to PC Interface

Fund Dist. or Rate Sets Defined?

Yes → A
No

Primary transaction table in Project Costing (PROJRESOURCE)
End
PC3 - Collect, Distribute & Price Cost - Funds Distribution and Pricing

A
- Run Funds Distribution
  
Distributes costs by applying rules to incoming transactions and assigning funds accordingly.

Run Budget Checking

Checks Funds Distribution rules against the assigned budget to ensure availability of funds and proper transaction accounting.

B
- Run Pricing
  
Calculates billable transactions from source rows if Rate Set defined.

Run PC Summarization (optional)

Summarizes rows for enhanced reporting performance.

Reimbursable Project?

Yes
- PC4 - Project Capital
  
Send any distributed fund or overhead cost journal entries to GL

No
- Capital Project?
  
No
- Run PC to GL

Yes
- Outbound Interface to supporting systems

Make data available to Primavera and Hyperion for analysis.

End

October 15, 2014

Project Capitalization

1. Define Assets
   - Establish Asset ID placeholder to accumulate costs in Project Costing

2. Associate Asset IDs to Project Activities
   - One Asset ID can relate to many Project Activity IDs and many Asset IDs can relate to one Project Activity

3. Assign Transactions to Assets
   - Transaction Filters can be defined to look for specific types of transactions

4. (WIP) Work In-Progress Reporting?
   - Yes
     - No
   - No
     - Assets ready to be put In-Service?
       - Yes
         - Project Costing Accounting Rules defined to send journal entries to GL for WIP balance. AM Accounting Entries offset WIP entries when asset put In-Service
         - WIP Journal Entries
       - No
         - Assign Transactions to Assets
           - Run PC to AM processes
           - Asset Management
           - H

   - Verify all costs captured in Project
     - Confirm no pending expenditures. Any subsequent adjustments, or additional expenditures such as labor, will be sent to AM as additions to the 'In-Service' Asset

   - Define Assets
     - Establish Asset ID placeholder to accumulate costs in Project Costing

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           - WIP Journal Entries
         - No
           - Assign Transactions to Assets
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     - One Asset ID can relate to many Project Activity IDs and many Asset IDs can relate to one Project Activity

   - Assign Transactions to Assets
     - Transaction Filters can be defined to look for specific types of transactions

   - (WIP) Work In-Progress Reporting?
     - Yes
       - No
     - No
       - Assets ready to be put In-Service?
CA1 - Create and Amend Customer Contracts – Create Customer Contracts

1. Start
   - PC1 Create Project
     - Official Authorization Agreement
       - Examples are Budget Act, Grant Agreement, Agreement for Services

2. Create Contract Header
   - Create Contract Line(s)
   - Create Accounting Distribution(s)

3. Rate Based Contract Line?
   - Yes
     - Create Contract Terms
   - No

4. GM1 Create Grant
   - Prepares would be setup on a contract if a customer has provided funds in advance

5. Advance Funding?
   - No
     - No
   - Yes
     - Yes
     - Vendor Contract
       - Grant as a Grantor?
         - No
           - Update & Finalize Project Budget
           - Activate Contract
           - CA2 Process Billing/Revenue
         - Yes
           - Run F&A (Facilities Admin) process to process indirect charges for Grants Transactions
           - PC3 Cost Collection
           - Create or Update Billing/Revenue Plan(s)
           - Yes
             - PC1 Create Project
   - No

Project Accountant

October 15, 2014

CA1 - Create and Amend Customer Contracts – Amend Customer Contracts

Amendments in the system are required for any active Customer Contract even if non-legal change such as data entry error

Select the Customer Contract to be amended

Amendment ID is created to track changes

Perform the change such as adding contract lines or updating rate sets

Update pricing on Fixed Fee contract lines as needed

Start

Amendment Authorization

Initiate Amendment Processing

Enter Amendment Type and Reason Code

 Amend the Contract Header, Contract Line(s), or Contract Terms

Update Contract Line Amounts

Notes tied to unique Amendment ID

Once change has been approved it is flagged as ready

Process Amendment ad hoc or include in batch process

Utilize the online review amendments inquiry to review amendments

Add notes and upload any documentation required for the amendment

Set Amendment Status to Ready

Process Amendment

Review Amendments

End

Project Accountant
CA2 - Process Billing and Revenue – Contract Billing

Project Accountant

CA1 Create Customer Contract

Update Billing Plan Events

Complete Milestone, Update % Complete, Update Schedule

Rate Based Contract Line

Run As Incurred Billing

As Incurred Billing is used for transactions accumulated in Project Costing for Rate based pricing

Prepayment (Advance) Exists?

Prepayment remaining balance is updated based on utilization criteria

Contract Limit Exists?

Contract Limit process flags any billable transactions that exceed limit

Run Other Billing Methods

Other billing methods include, Immediate, Milestone, Percent complete, Value Based, and Prepaids invoices.

Run Interface to Billing

Billing Module