



# **FI\$Cal**

*Financial Information System for California*

# FI\$Cal

## Wave 3 - Design Validations

Accounts Payable

State Controller's Office

Legacy Payment Systems

# Agenda

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FI\$Cal Accounts Payable Overview

Payment Issuance

Post Issuance

Accounting

# Agenda

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FI\$Cal Accounts Payable Overview

Payment Issuance

Post Issuance

Accounting

# Why are we here?

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- On July 1, 2017, FI\$Cal becomes the accounting book of record for the State and replaces the SCO's warrant reconciliation system.
- For the 60+ departments on FI\$Cal, AP vouchers will be used to initiate payments.
- All the future wave, deferred and exempt departments will continue to submit paper claims directly to the SCO for payment. This represents the vast majority of the transaction volume.
- Since FI\$Cal becomes the accounting Book of Record for the State and replaces the SCO's warrant reconciliation system, the legacy claim and payment information needs to get into FI\$Cal.

# What are we going to cover

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- Processing of legacy payment and Claims in FI\$Cal
- Changes to voucher processing
- “To-Be” warrant reconciliation functionality
- Accounting entries

# Legacy Statistics – 2014/15

Transaction Source	Claims	Warrants/EFT
<b>Paper Claims</b>	201,209	916,368
<b>Electronic Claims</b>		
Warrant	10,832	** 19,805,802
EFT	3,538	22,587,991
<b>Payroll</b>		
Warrant	N/A	1,823,298
EFT	N/A	3,784,656
<b>Total</b>		
Warrant		22,545,468
EFT		26,372,647
<b>Total Payments</b>		48,918,115

\*\* Includes 7,183 warrants issued for FI\$Cal Depts

# Key characteristics

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- The SCO's existing claims payment process will be same
- Existing legacy data will be interfaced into FI\$Cal
- “Out of the Box” PeopleSoft processing will be utilized to the greatest extent possible

# What's changing

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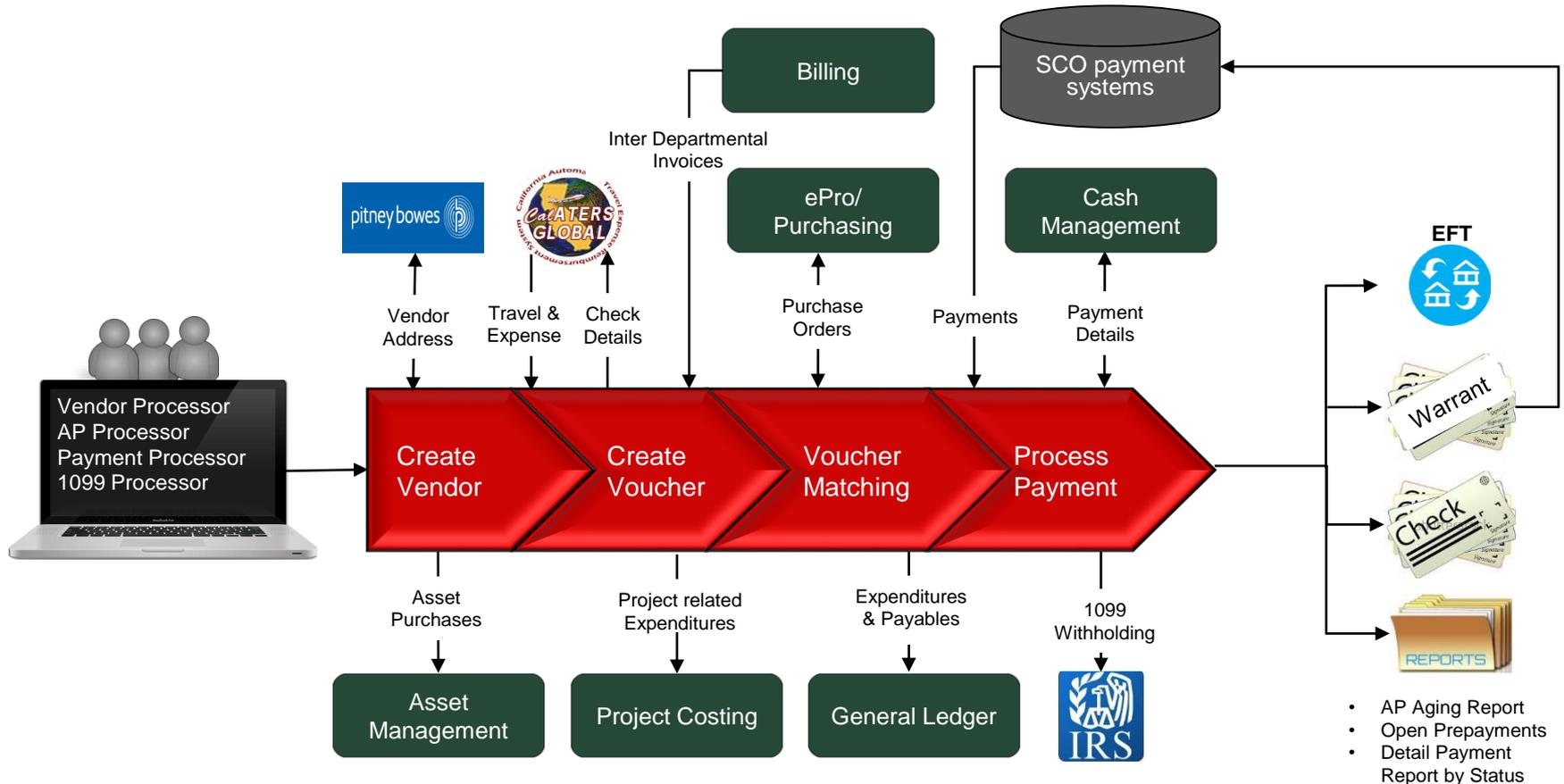
- FI\$Cal will no longer be producing an electronic claim to pay vouchers. Instead, it will create a print file that will be utilized by the SCO to print the warrants.
- Multiple vouchers to a vendor for a business unit (BU) can be combined into a single payment. BU = Department
- FI\$Cal vendors will have the option of being paid electronically. FI\$Cal will create the ACH file that the SCO will transmit to the SCO's contracted ODFI.
- Budget check and cash validation will occur before paper claims warrants are generated. FI\$Cal will create the print file utilized by the SCO to print these warrants.
- For warrants sent directly to the STO for payment (primarily investments and warrants to fund EFT Claims), FI\$Cal will be able to produce a warrant with a maximum amount of \$9,999,999,999.99.

# What's changing

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- The SCO will no longer have to key enter claim schedules for electronic claims that result in warrants.
- The claim schedules for legacy EFT claims that result in a warrant to fund the EFT file, will be entered as vouchers in FI\$Cal.
- When replacing an original warrant, the SCO will no longer be issuing a “duplicate” warrant (same warrant number and issue date as the original warrant). Instead, it will be issuing a “replacement” warrant (new warrant number and same issue date as the original warrant).
- The SCO will no longer have to send warrants to be redeposited to the STO

# Accounts Payable



# FI\$Cal Payment Processing

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- Statewide Vendor file
- Procurement solution to create purchase orders and procurement contracts
- Create vouchers to pay bills
- Generate payments and associated accounting entries
- Maintain payments - post issuance processes

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Break

# Agenda

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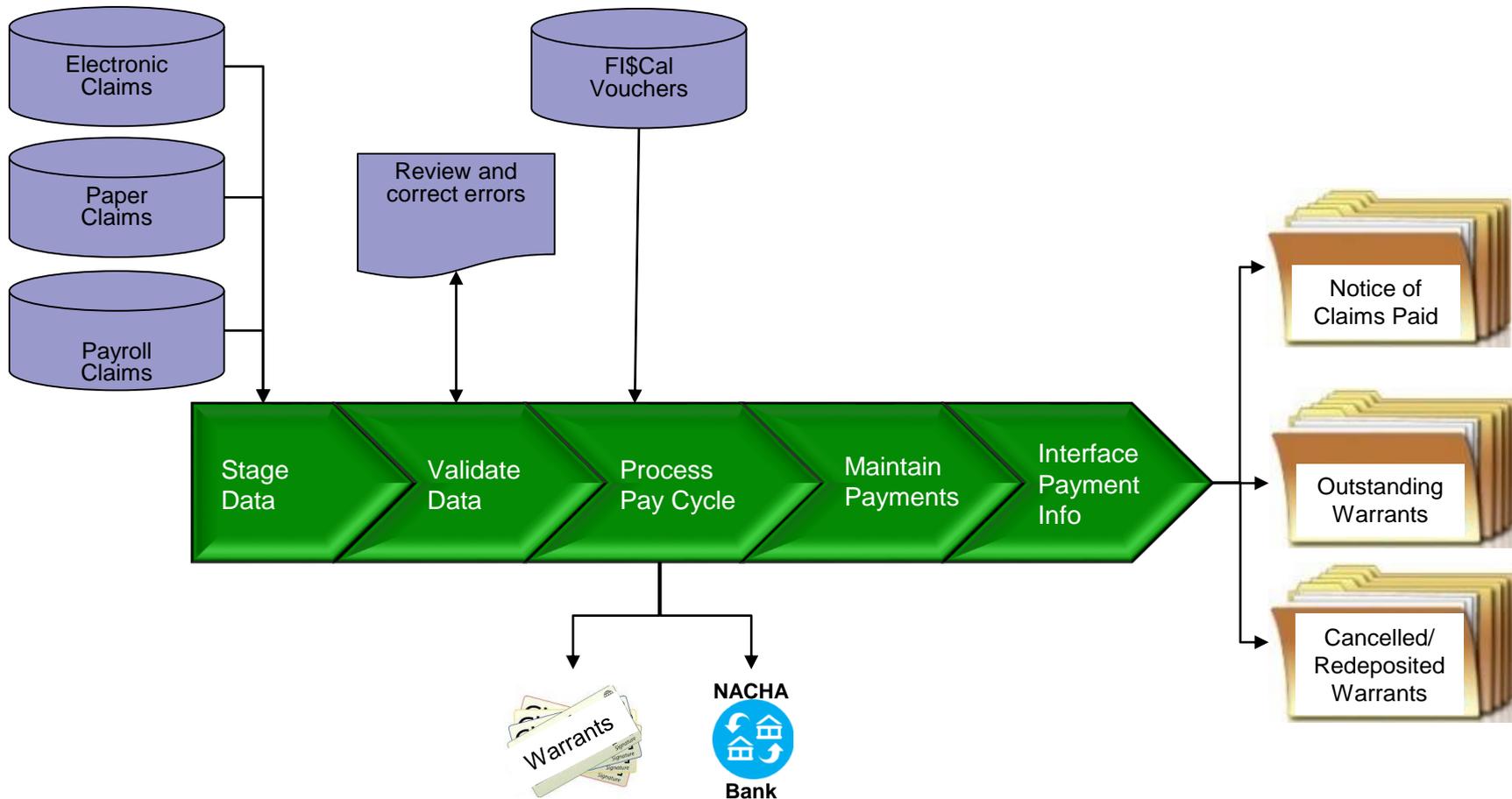
FI\$Cal Accounts Payable Overview

Payment Issuance

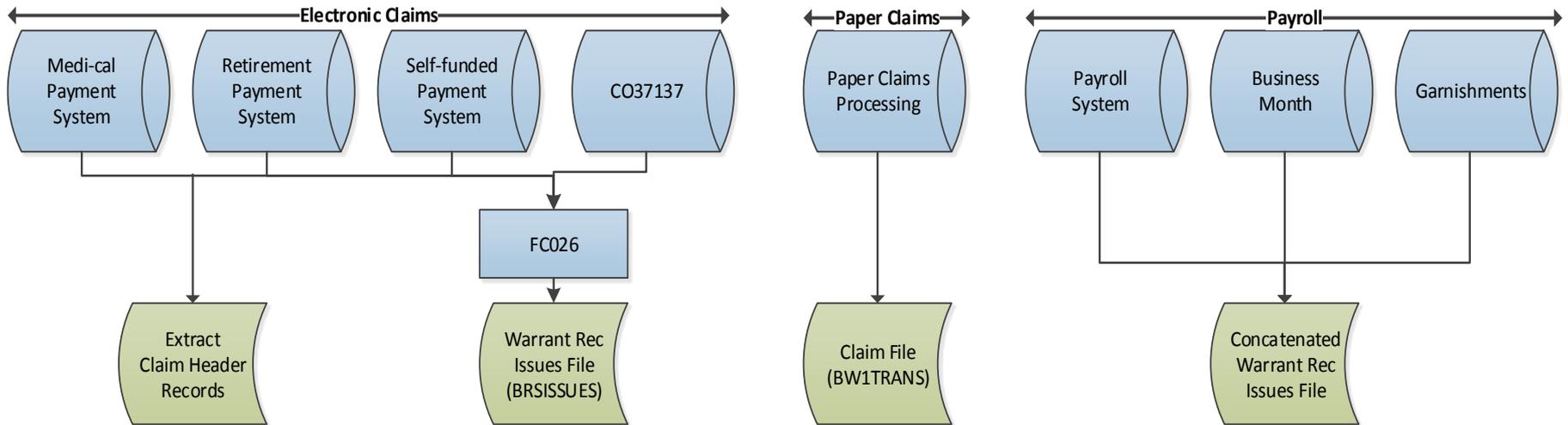
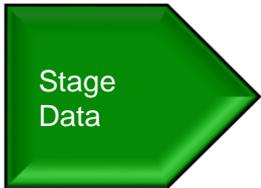
Post Issuance

Accounting

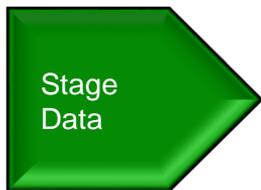
# Payment Issuance



# Payment Issuance - Legacy



# Payment Issuance



Extract  
Claim Header  
Records

INFAP030  
Inbound Claim Header Extract

Warrant Rec  
Issues File  
(BRSISSUES)

INFAP017  
Inbound Electronic Claim -  
Payment Data

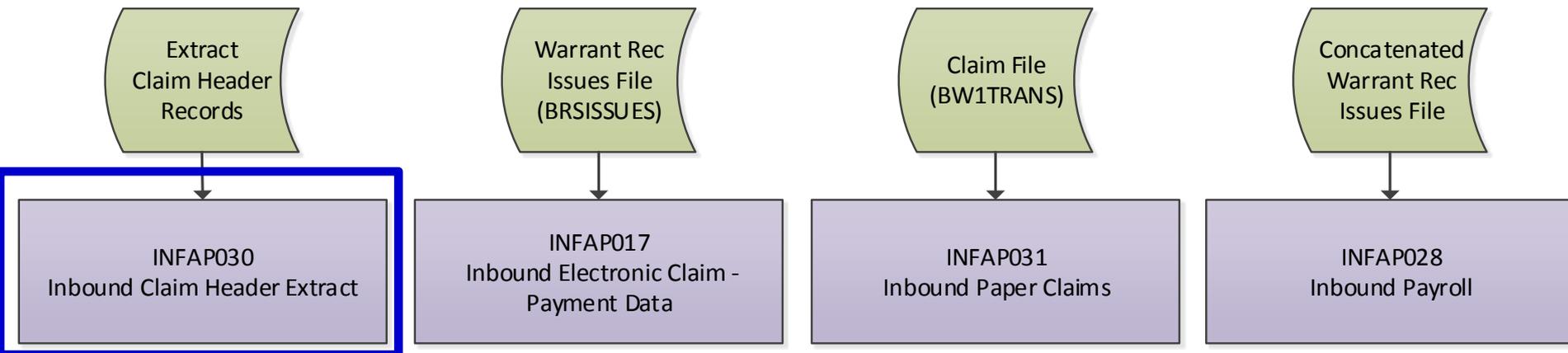
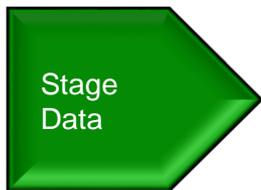
Claim File  
(BW1TRANS)

INFAP031  
Inbound Paper Claims

Concatenated  
Warrant Rec  
Issues File

INFAP028  
Inbound Payroll

# Payment Issuance



# Claim Header Extract

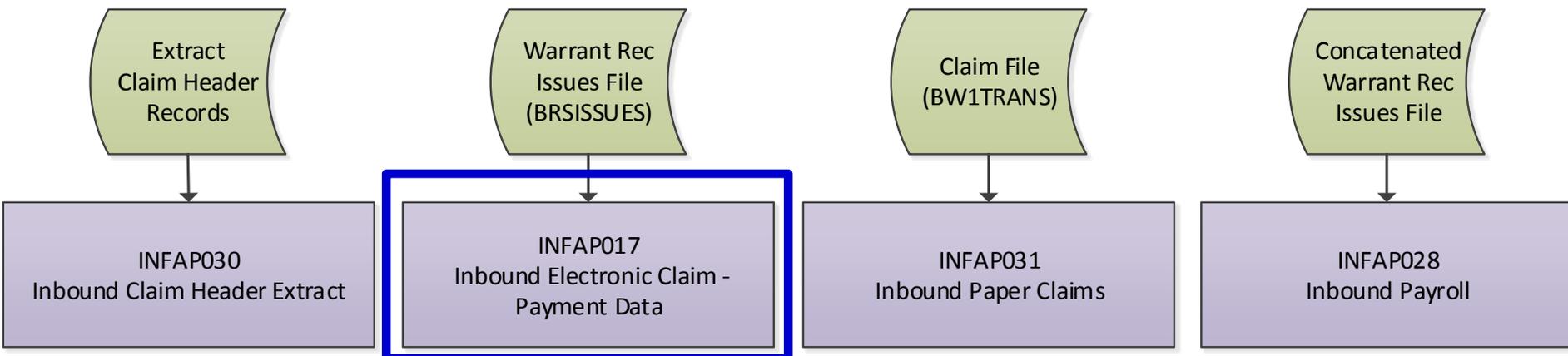
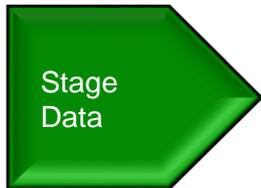
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Stage  
Data

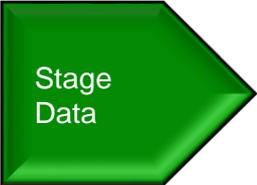
- Validate data format and that all required data is present
- Translate legacy funding string into FI\$Cal ChartFields - No validation
- Load data in custom staging tables
- Log errors

# Payment Issuance



# Electronic Claim – Payment Data

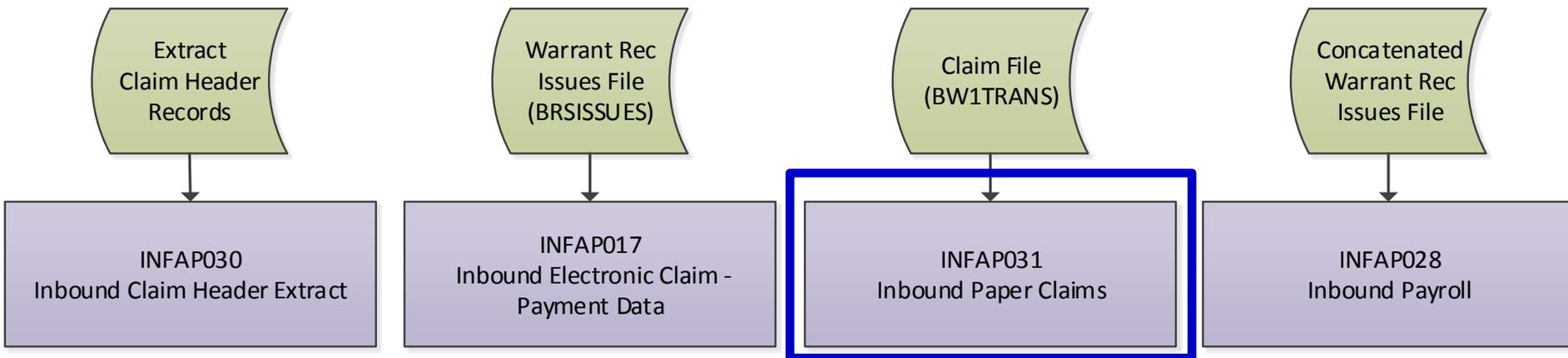
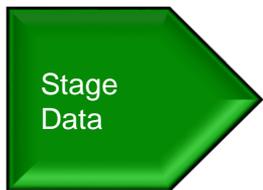
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Stage  
Data

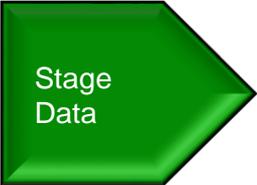
- Validate data format and that all required data is present
- Validate that the sum of the of the detailed payments match the total Claim amount
- Translate legacy funding string into FI\$Cal ChartFields
- Load data in custom staging tables
- Log errors

# Payment Issuance



# Paper Claims

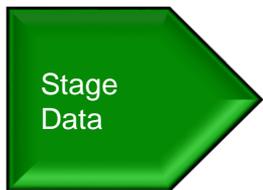
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Stage  
Data

- Validate data format and that all required data is present
- Validate that the sum of the of the detailed payments match the total Claim amount
- Translate legacy funding string into FI\$Cal ChartFields
- Load data in custom staging tables
- Log errors

# Payment Issuance



Extract  
Claim Header  
Records



INFAP030  
Inbound Claim Header Extract

Warrant Rec  
Issues File  
(BRSISSUES)



INFAP017  
Inbound Electronic Claim -  
Payment Data

Claim File  
(BW1TRANS)



INFAP031  
Inbound Paper Claims

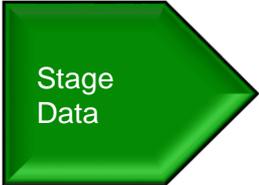
Concatenated  
Warrant Rec  
Issues File



INFAP028  
Inbound Payroll

# Payroll

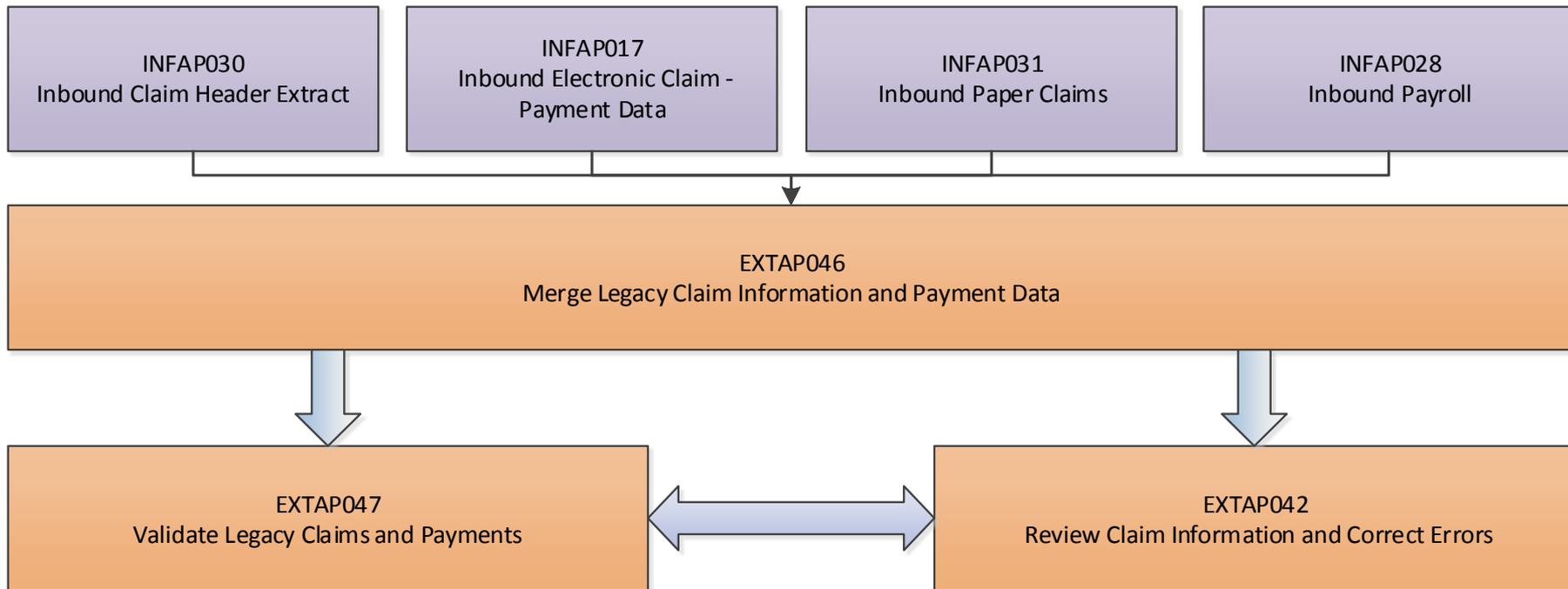
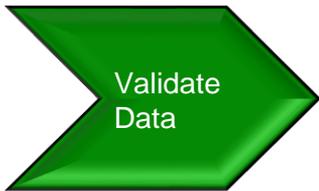
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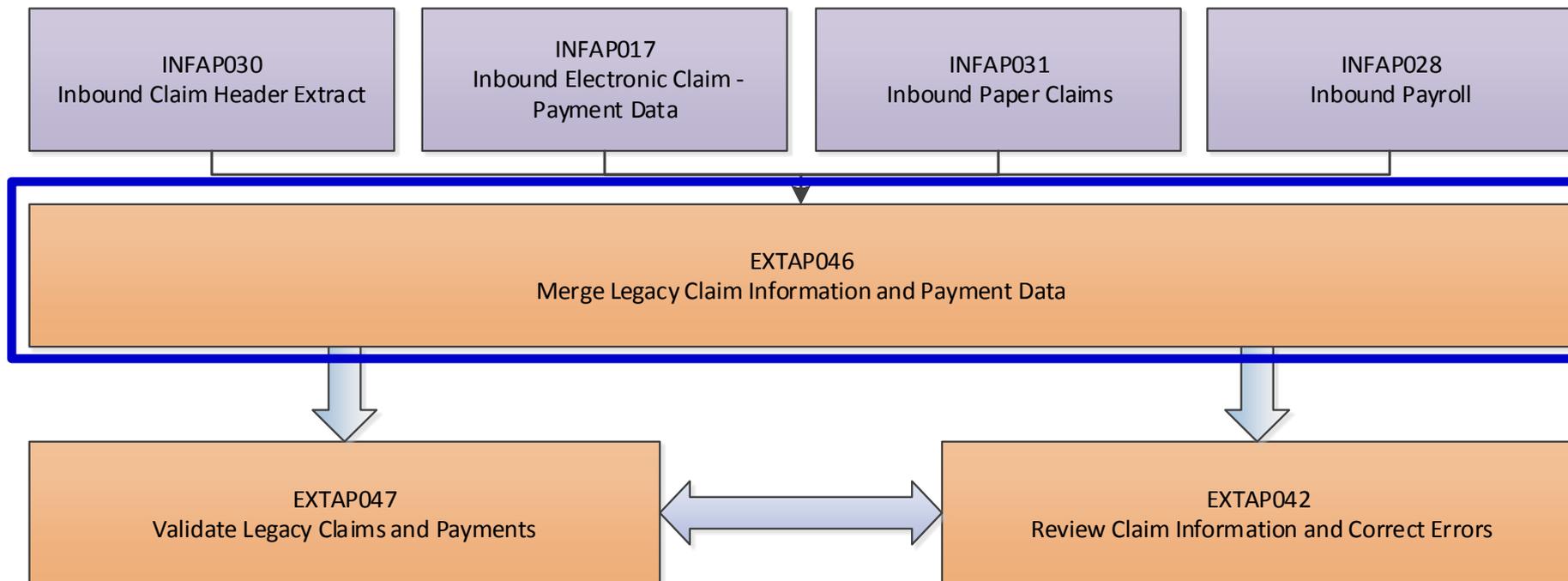
Stage  
Data

- Validate data format and that all required data is present
- Validate count and amount on Claim total line and file total line
- Load data in custom staging tables
- Log errors

# Payment Validation

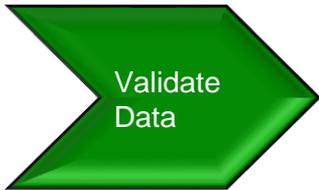


# Payment Validation



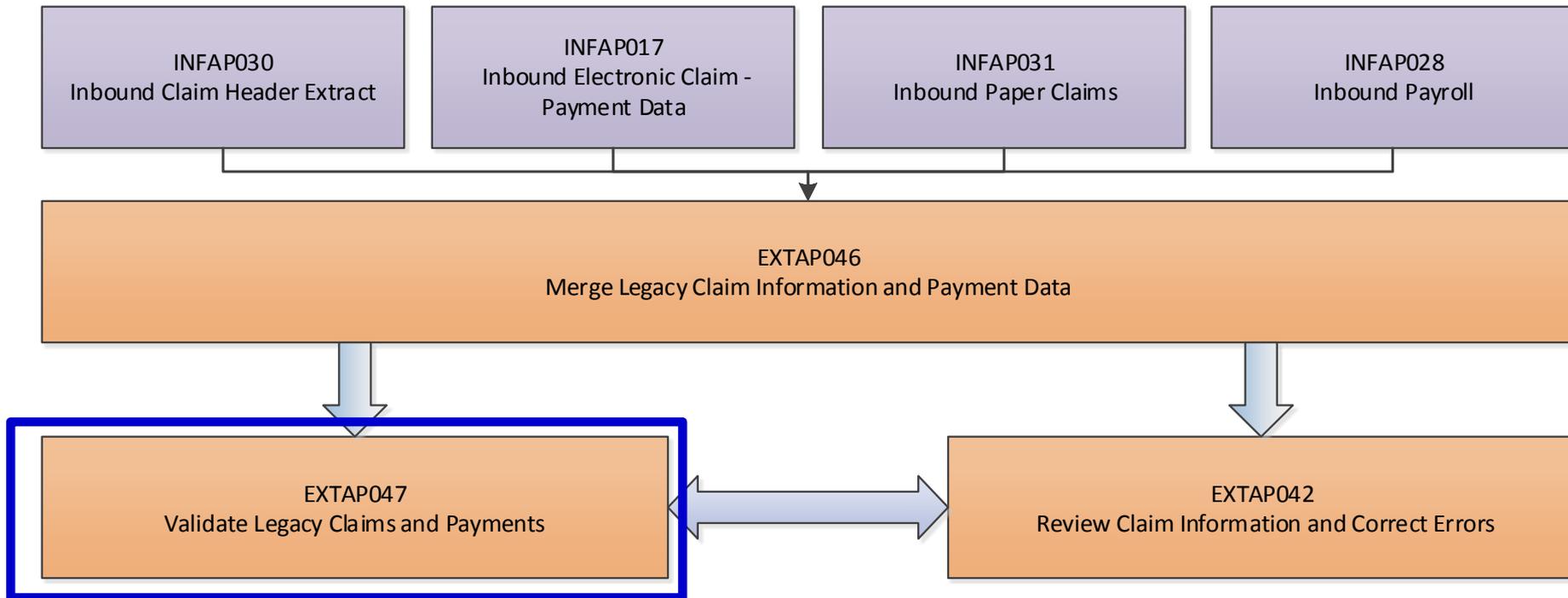
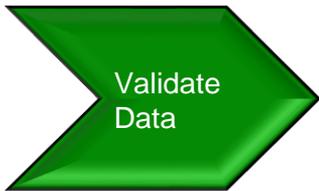
# Merge Legacy Claim & Payment

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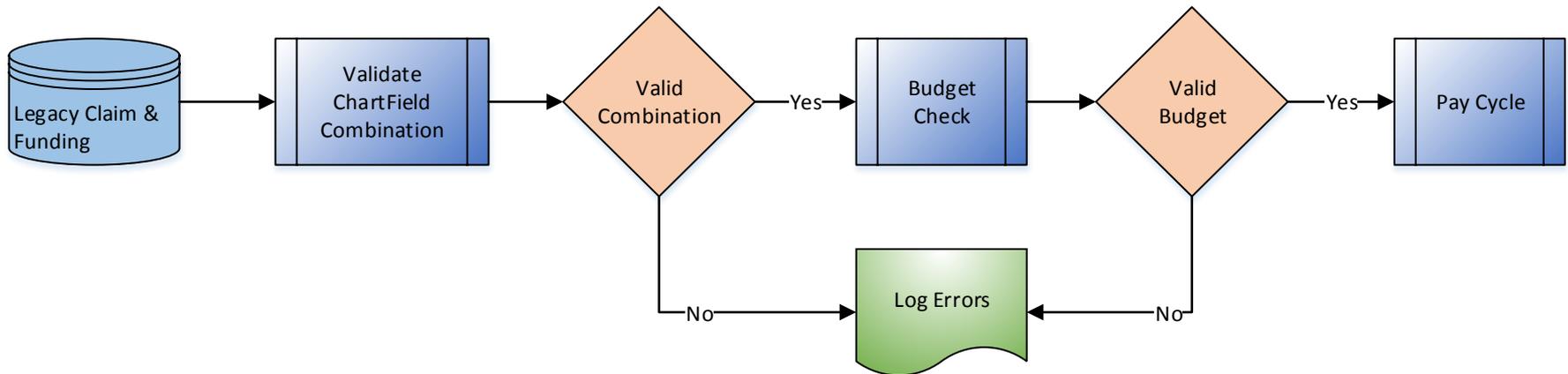
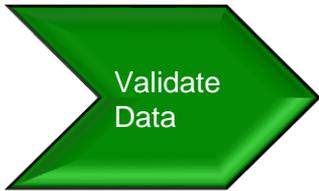


- Validate that the Claim header and detail payment transactions are present and that the total of the payment for each Claim schedule is equal to the Claim schedule total (INFAP030 and INFAP017 data only)
- Default required fields based on custom configuration
  - Object Codes
  - Bank Accounts
- Load valid Claim header and detail payments into transaction tables
- Log errors
- Once Claim header and detail payments are loaded to transaction tables, delete data in staging tables

# Payment Validation

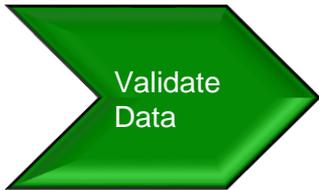


# Validate Legacy Claim & Payment



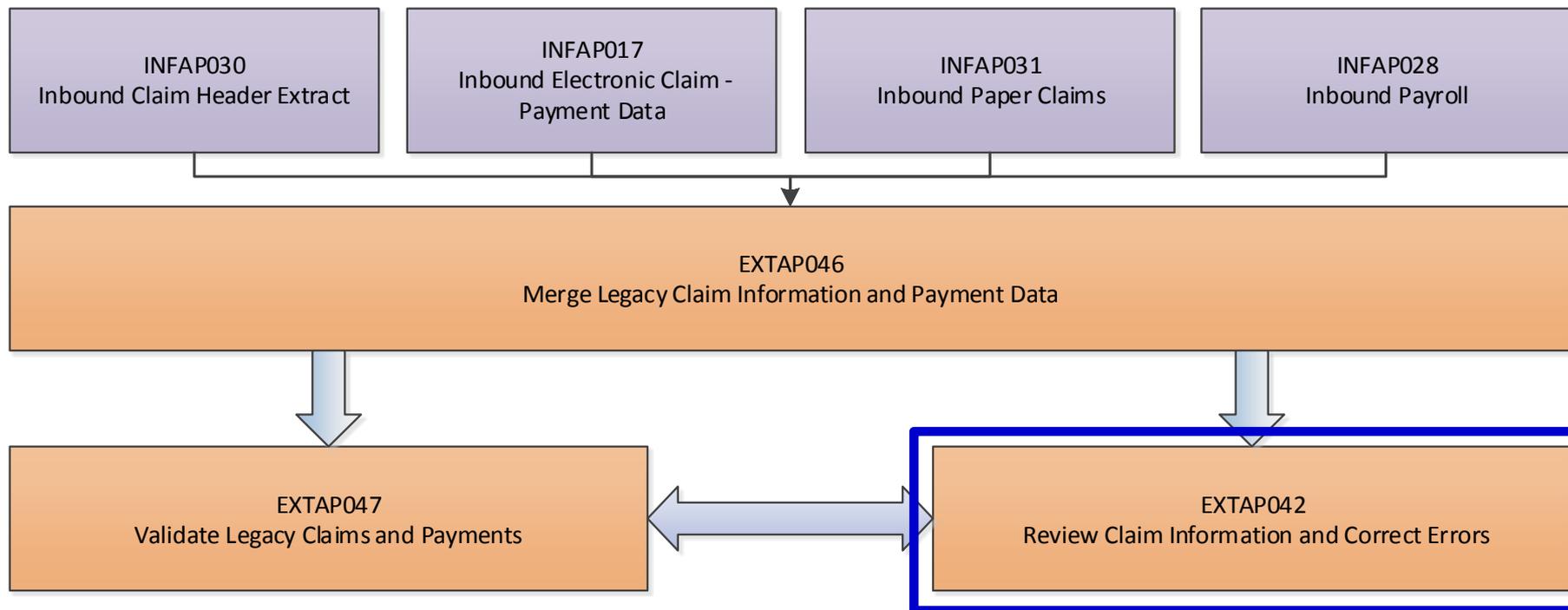
# Validate Legacy Claim & Payment

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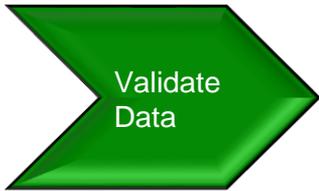
- Edit ChartField Combination
- If ChartField Combination is valid, check budget
- If Claim fails ChartField combination edit or budget check, log errors
- If Claim passes ChartField combination edit and budget check, the Claim is made available for Pay Cycle
- Payroll ChartField defaults will be configured to pass ChartField combination edits and budget checking

# Payment Issuance



# Review Claim Information & Correct Errors

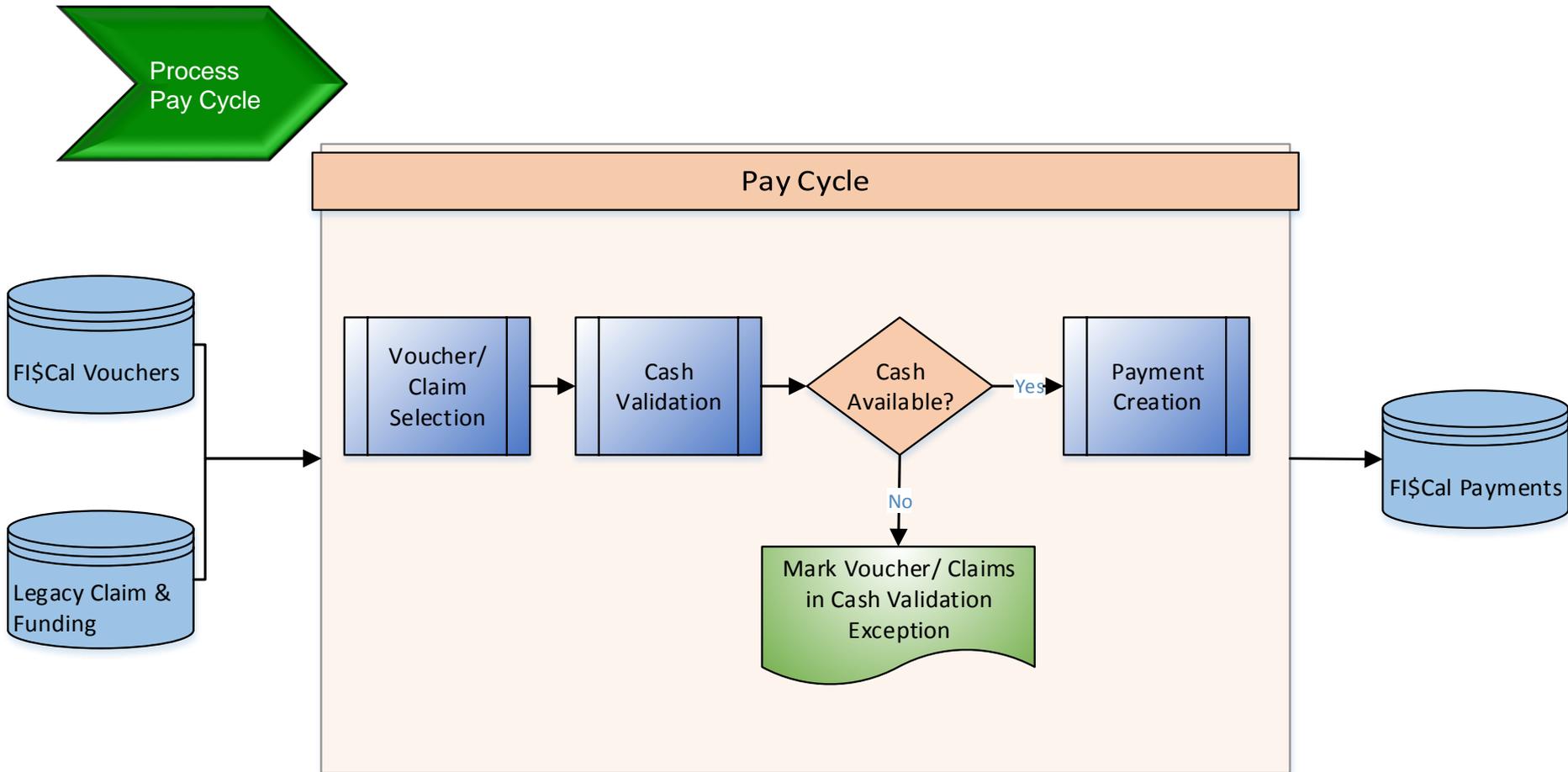
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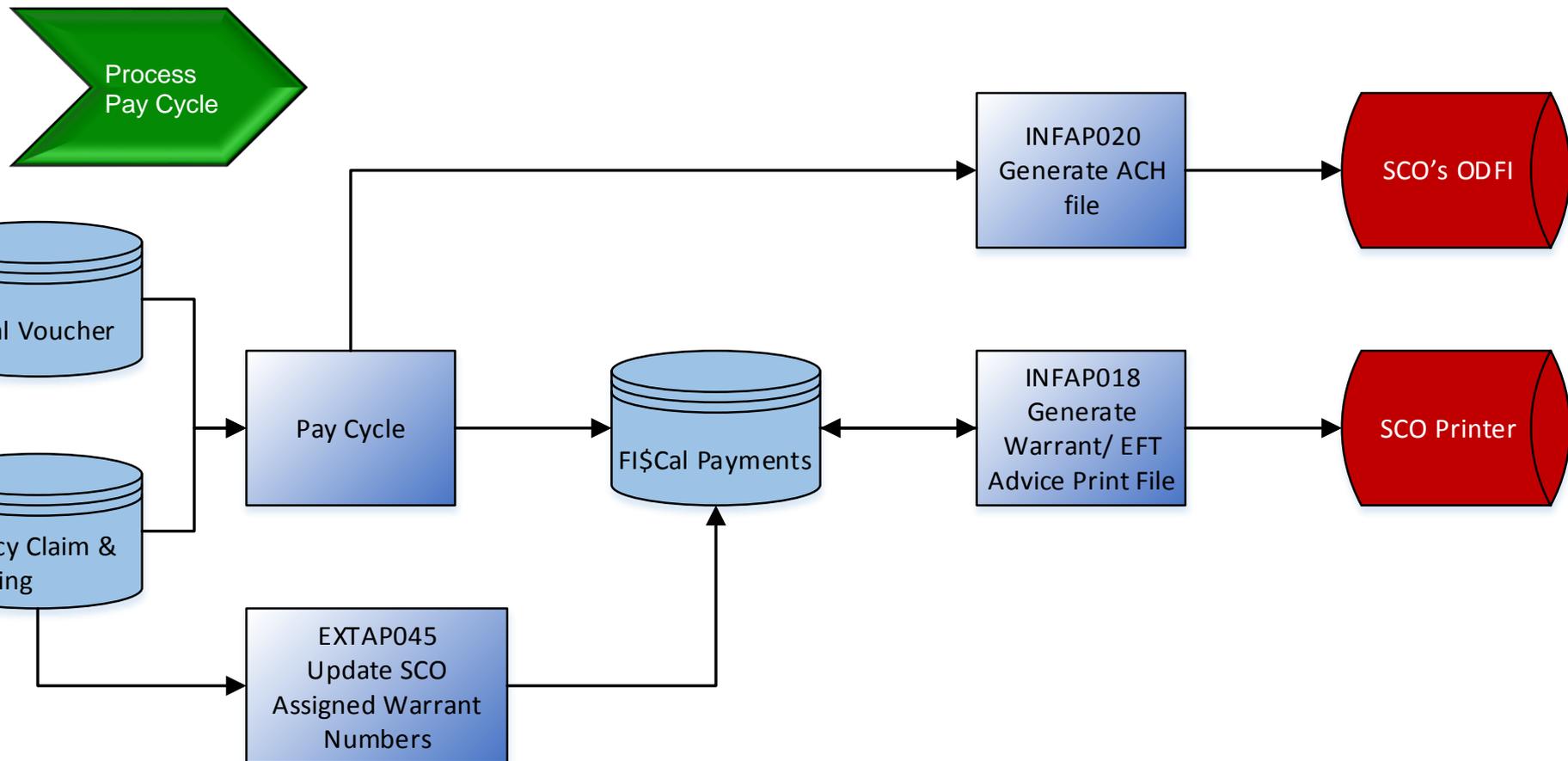
- Review Claim and funding information
- Determine corrections, if required
- Validate corrected funding information

# Process Pay Cycle

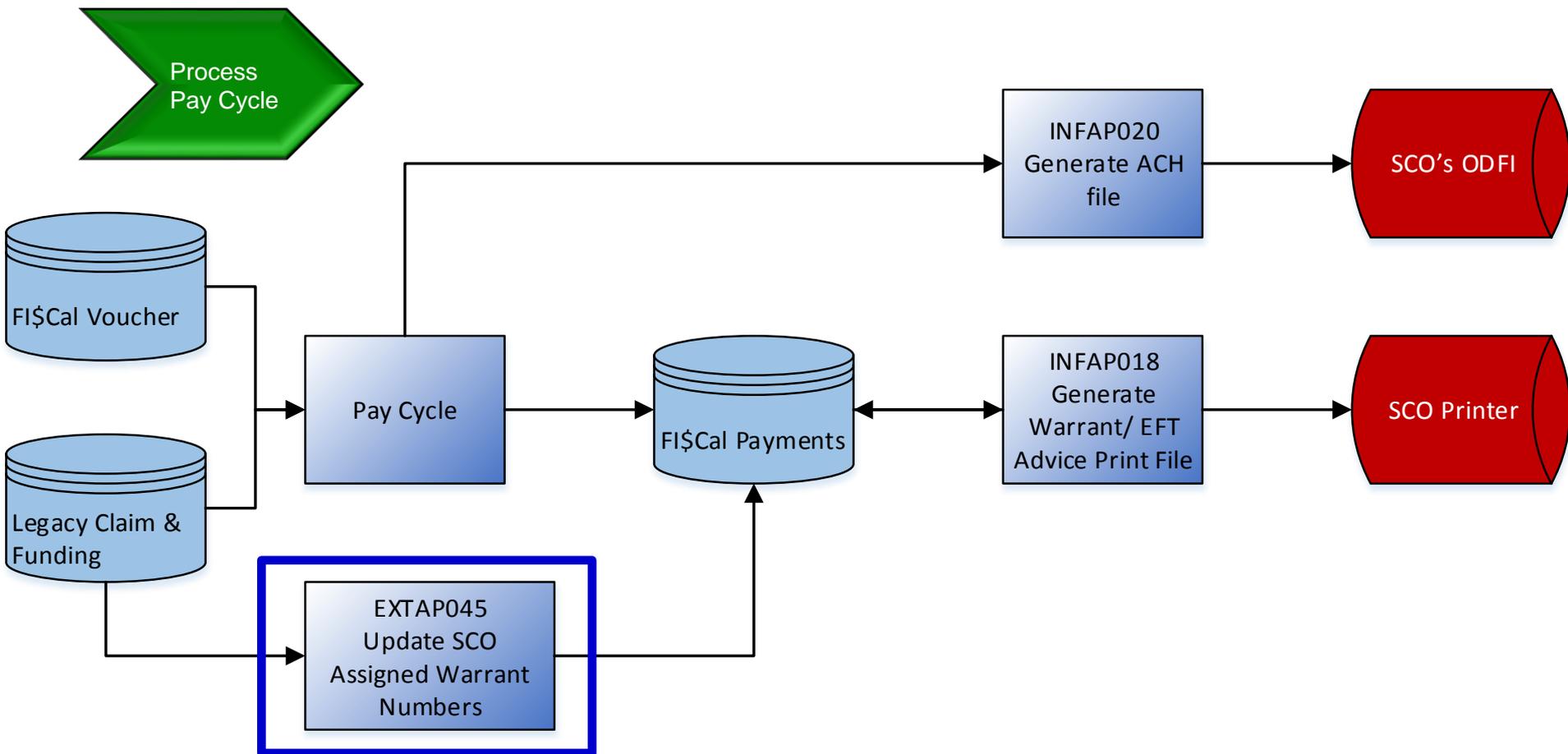
Process Pay Cycle



# Payment Issuance



# Payment Issuance



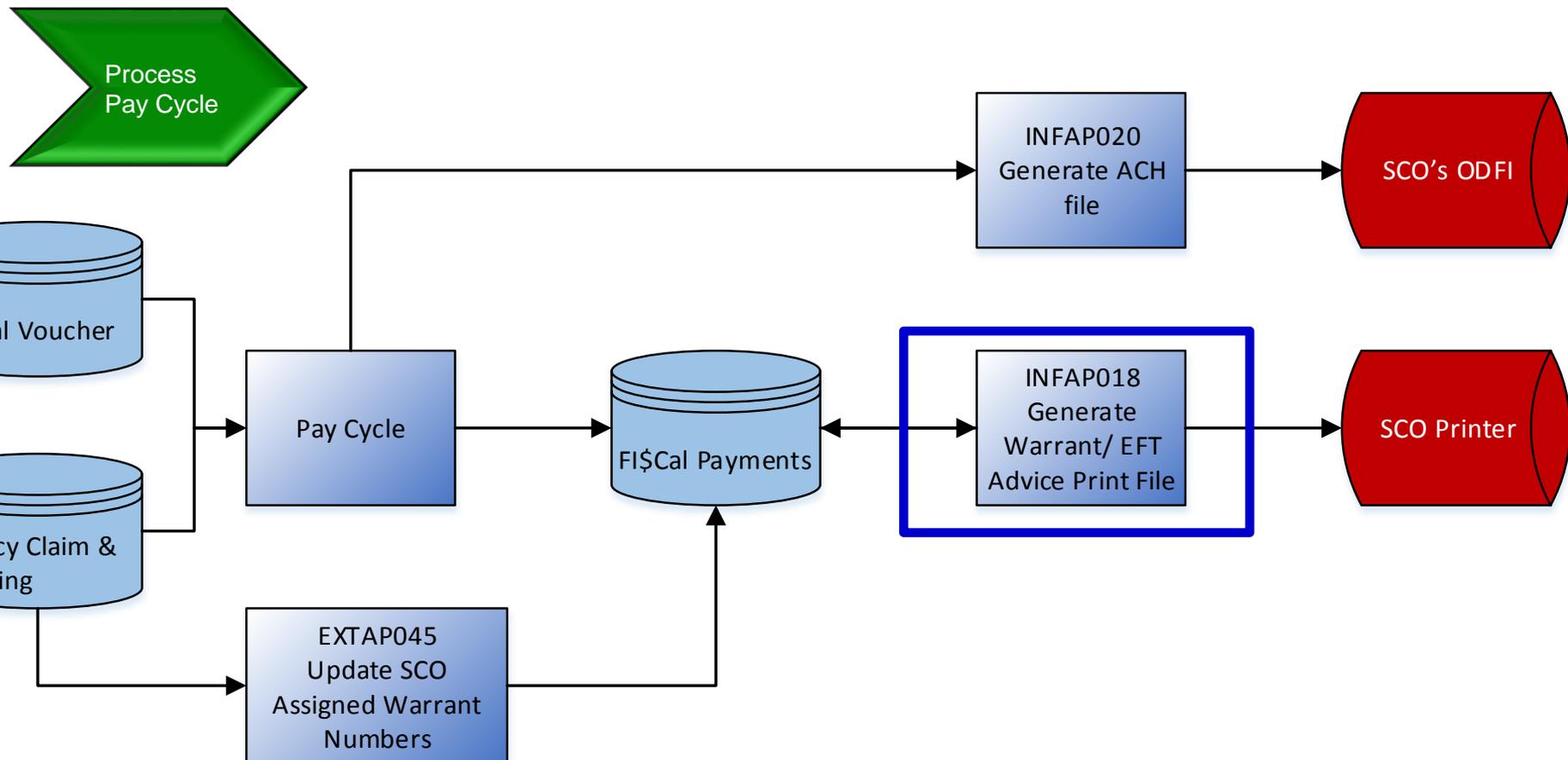
# Update payment reference

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- For Electronic Claims and Payroll, FI\$Cal assigned warrant number is updated with SCO assigned warrant number.

# Payment Issuance



# Warrant/ EFT Advice Print Files

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What it does:

- Determines which warrant range to be assigned
- Determines what print format to utilize
- Assigns warrant numbers in selected range
- Append original issue date to replacement warrants
- Outputs print files and associated spool memos

# Warrant/ EFT Advice Print Files

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How is it accomplished:

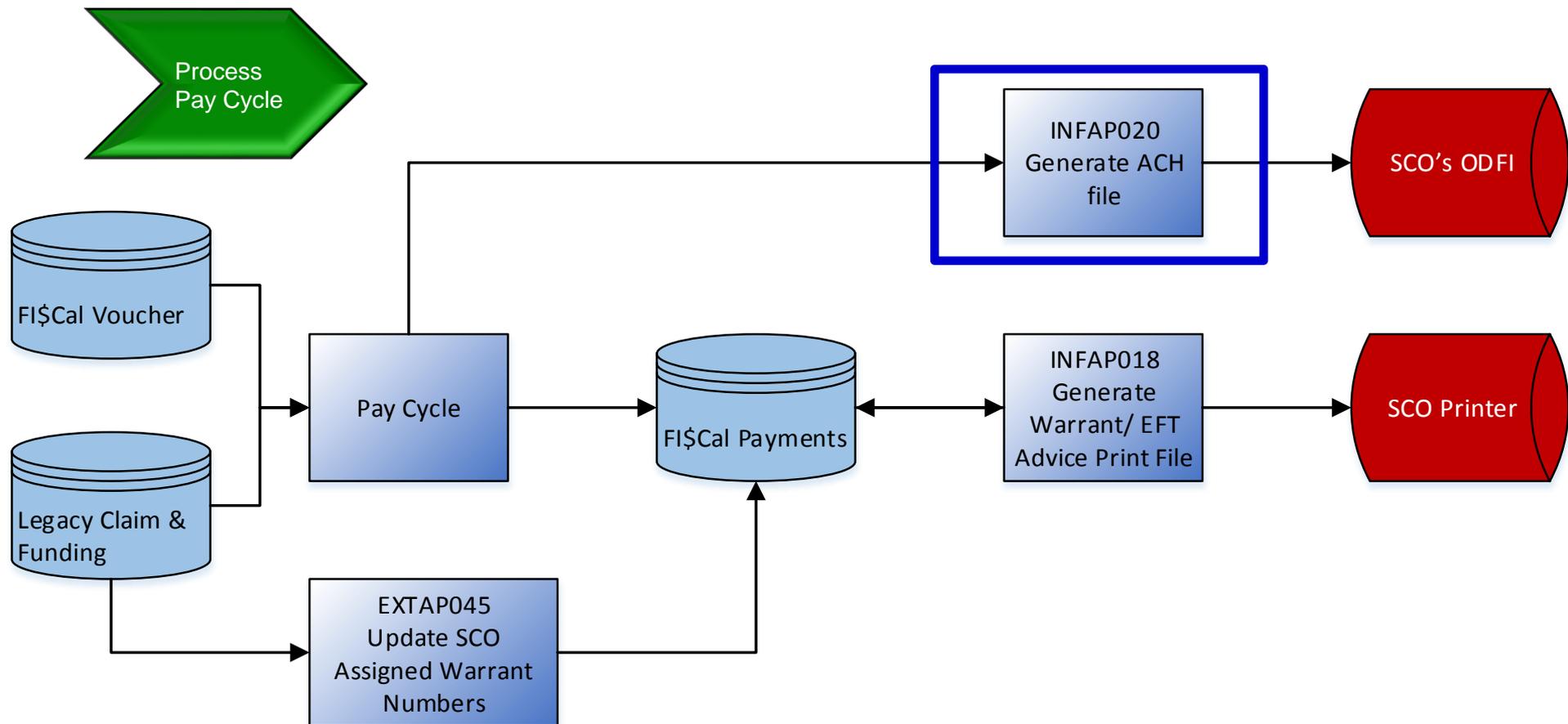
- Custom configuration - attributes that need to be assigned
  - Bank Account
    - Defaulted in EXTAP046 for Legacy payments
    - Entered on FI\$Cal vouchers
  - Warrant range
  - Print file format
  - Fresh issue vs. Replacement
  - Increment warrant numbers for “2-up” warrant formats
  - Ability to skip numbers

# Warrant/ EFT Advice Print Files

## Custom Configuration – Samples:

Bank Account	Warrant Type	Payment Form (Warrant Print Format)	Series Starting Number	Series Ending Number	Increment Last Issued Number (Start on Odd)
FI\$Cal vouchers	Fresh Issue	Warrant w/Attached Statement	82-000000	86-999999	Y
FI\$Cal vouchers	Replacement	Warrant Only	81-000000	81-999999	
Paper Claims	Fresh Issue	Warrant Only	87-000000	89-999999	Y
Paper Claims	Replacement	Warrant Only	81-000000	81-999999	
Expedite/Local Printing	Fresh Issue	Expedite - Warrant w/Attached Statement - Larger \$ Amount	80-000000	80-999999	
Expedite/Local Printing	Replacement	Expedite - Warrant w/Attached Statement - Larger \$ Amount	80-000000	80-999999	
Electronic Claims	Fresh Issue	N/A	N/A	N/A	
Electronic Claims	Replacement	Warrant Only	81-000000	81-999999	
Payroll	Fresh Issue	N/A	N/A	N/A	
Payroll	Replacement	Warrant Only	00-100000	00-199999	

# Payment Issuance



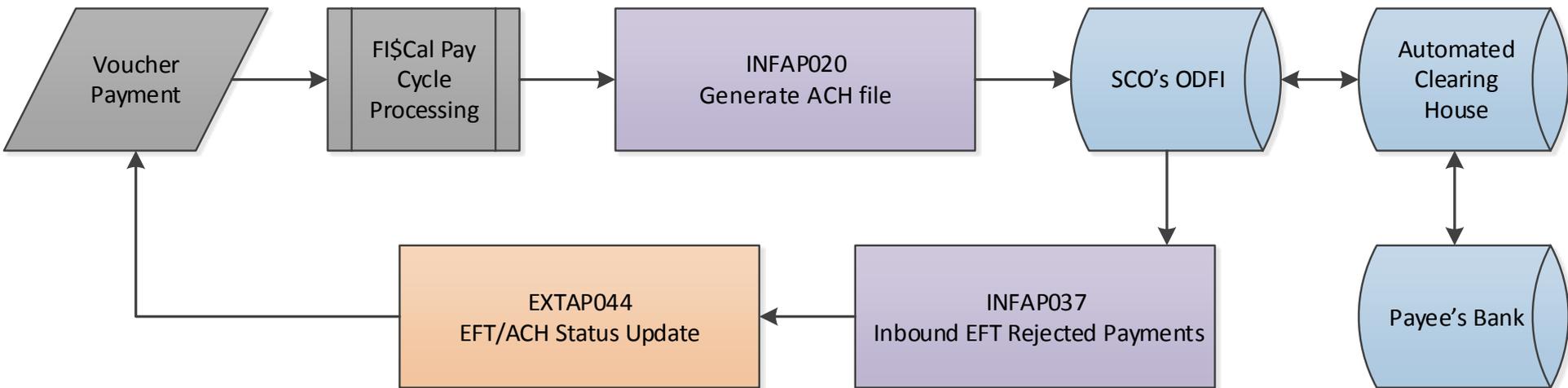
# Electronic Payments - Vouchers

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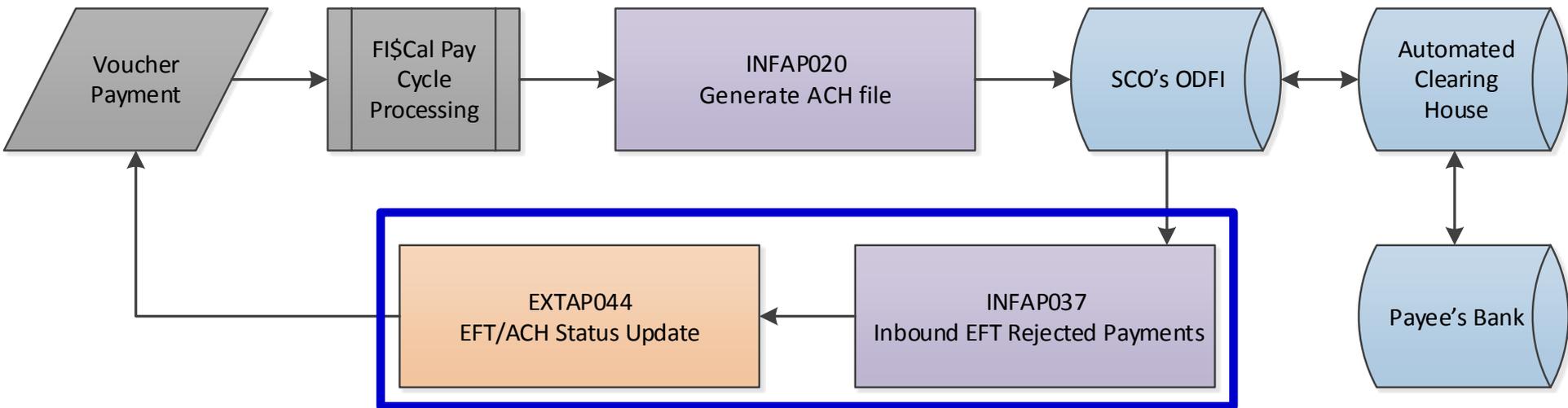


- Pay Cycle will create a standard ACH file in CTX format
- This file will be sent to the SCO for transmission to ODFI
- Generates a control report for each file identifying count, amount, effective entry date
- Mark payment as “Reconciled” (EXTCM017)

# Electronic Payments - Vouchers



# Electronic Payments - Vouchers



# Electronic Payments - Returns

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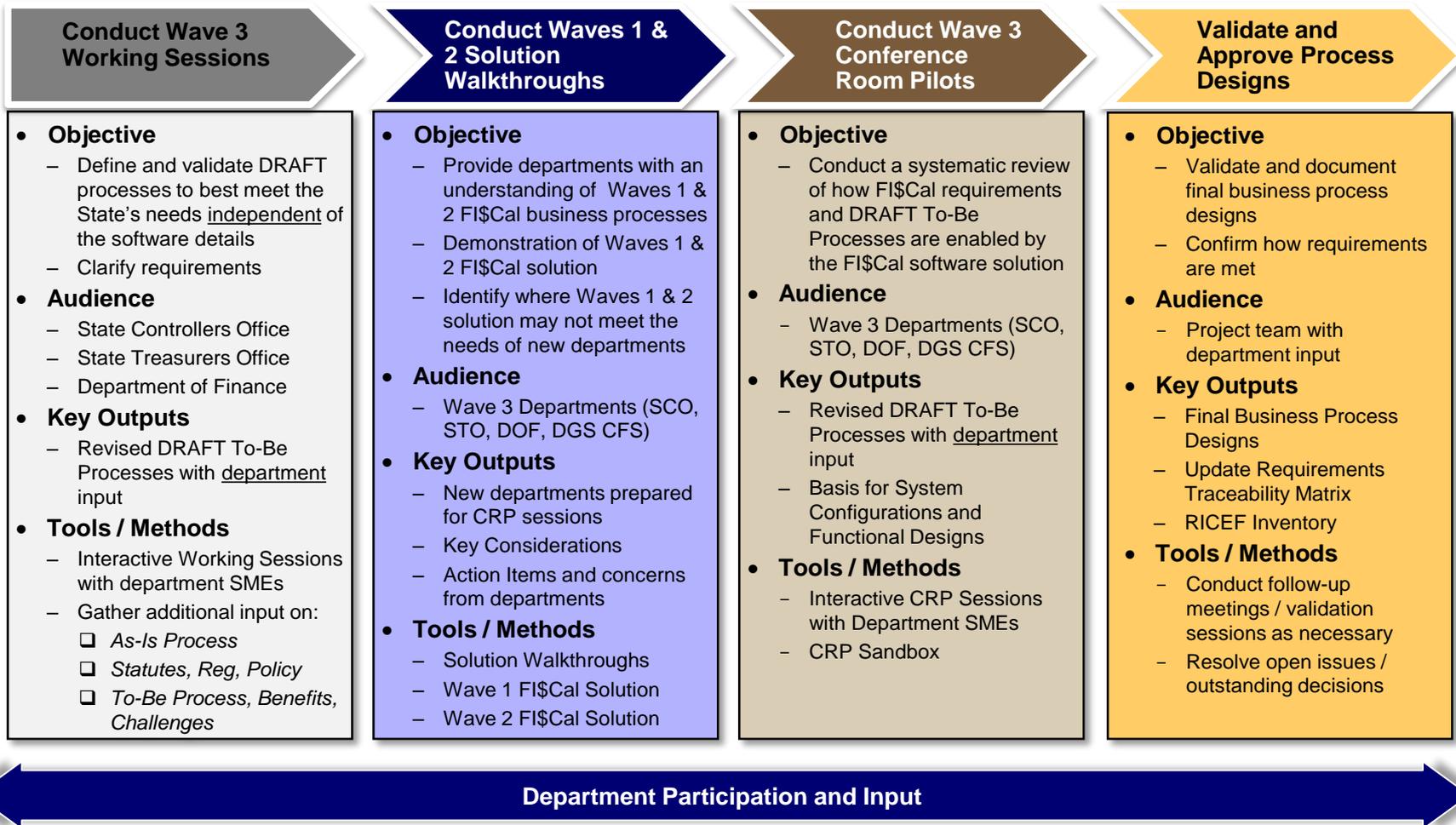
- Receive a standard format returned file from ODFI (INFAP037)
- File contains rejected transactions and notice of change (NOC) from receiving banks (INFAP037)
- Unreconcile rejected payments (EXTAP044)
- Cancel and place payment on hold (EXTAP044)

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# End of Day 1

# Welcome Back

# FI\$Cal Design Approach



# Schedule/Calendar

Session ID	Session Description	Participants	Dates	Location
	Kick Off presentation	Disb/DAR/Audits	9/09 -- 1 to 4	Jade
	Kick Off presentation	Disb/DAR/Audits	9/16 -- 9 to 12	Jade
<b>AP</b>	<b>3 -3 hour sessions</b>			
1	Payment Processing – Part 1	Disb/DAR/Audits	9/22 -- 9 to 12	Sapphire/Topaz
2	Payment Processing – Part 2	Disb/DAR/Audits	9/22 -- 1 to 4	Sapphire/Topaz
3	Post Issuance	Disb/DAR/Audits	9/23 -- 9 to 12	Sapphire/Topaz
<b>CM/AR</b>	<b>4 -3 hour sessions</b>			
1	Overview of solution: SCO Focus STO Focus	DAR	9/29 -- 9 to 12	Jade/Amethyst
2	Deposit and Transfers/Payroll ARs	DAR	9/29 -- 1 to 4	Jade/Amethyst
3	Bank Statements & Reconciliation: CTS Accounts STO Accounts	DAR	9/30 -- 9 to 12	Jade/Amethyst
4	STO Cash Forecasting	STO	9/30 -- 1 to 4	Jade/Amethyst
<b>FI</b>	<b>2 - 3 hour sessions</b>			
1	Overview of solution (ledgers, trees, nVision)	DAR	10/01 -- 9 to 12	Jade/Amethyst
2	Budgetary Legal and CAFR Reports	DAR	10/01 -- 1 to 4	Jade/Amethyst
	<b>Week off to update FDs</b>		<b>10/6 -- 10/8</b>	

# Schedule/Calendar

Session ID	Session Description	Participants	Dates	Location
<b>LA</b>	<b>2 - 3 hour sessions</b>			
1	Overview of Solution Configuring Loans Recording Loan Transactions	DAR	10/13 -- 9 to 12	Sapphire/Topaz
2	Accruing Interest Daily General Fund Loans	DAR	10/13 -- 1 to 4	Sapphire/Topaz
<b>DM</b>	<b>2 - 3 hour sessions</b>			
1	Configuring Bonds Processing Bonds	DAR	10/14 -- 9 to 12	Sapphire/Topaz
2	Bond Inquiries and Reports	DAR	10/14 -- 1 to 4	Sapphire/Topaz
<b>AP</b>				
4	Registered Warrants	Disb/DAR/Audits	10/15 -- 9 to 12	Sapphire/Topaz
<b>GL</b>	<b>3 - 3 hour session</b>			
1	GL Journal Workflow Automated Transfers Cash Accounting	DAR	10/20 -- 9 to 12	Sapphire/Topaz
2	Non-FI\$Cal Department Interfaces	DAR	10/20 -- 1 to 4	Sapphire/Topaz
3	Cash Validation	DAR/Disb	10/21 -- 9 to 12	Sapphire/Topaz
	<b>General Overflow</b>		10/22 -- 9 to 4	Sapphire/Topaz

# Expectations of Participants

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- Bring FI\$Cal Overview
- Constructive Interaction
- Participation During Sessions
- Participant Expectations of FI\$Cal

# Ground Rules & Guiding Principles

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- **Challenge** how the State does things today
- **Perspective** – Adopt a “Statewide” perspective
- **Be Present**– Actively engage in the session
- **There are no Bad Questions** – Better to question, then assume
- **Consider Best Practices** and business process changes
- **Think of the data** and information you require

# Next Steps

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- Build Phase
  - Business Process Workshops (BPW)
  - User Acceptance Test Planning and Desired Outcomes
- Test Phase
  - Interface and Conversion Testing
  - Functional and End-to-End Testing
  - User Acceptance Testing (UAT)
- Training
  - Pre-Test Training
  - Post-Test Training

# Agenda

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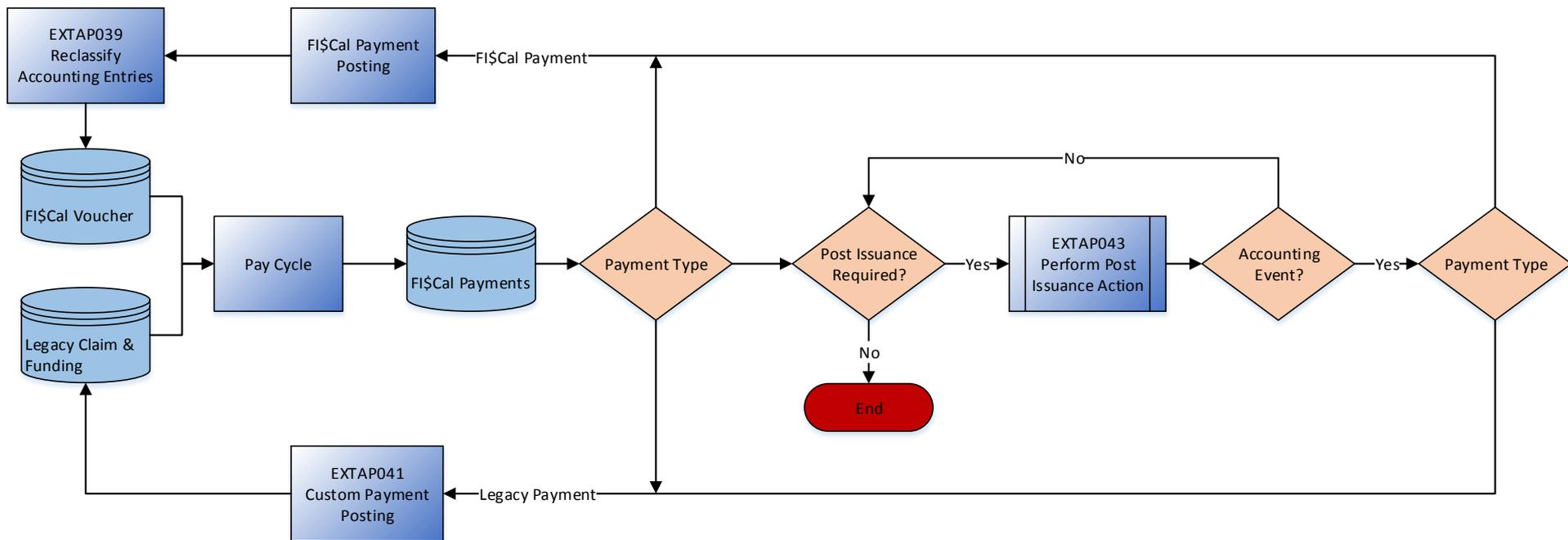
FI\$Cal Accounts Payable Overview

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Accounting

# Post Issuance



# New Vocabulary

Legacy	FI\$Cal – Out of the box
Issued	Paid
Outstanding	Paid , Unreconciled
Paid	Paid , Reconciled
Stop	Stop
Void	Void
Redeposit	Cancel and Close
Duplicate Warrant	Replacement Warrant – Cancel and Replace
Stale Date (Cancel)	Cancel and Escheat
Returned, Mailed	Does not exist
Held	Does not exist
Forgery	Does not exist

# To- Be Warrant Reconciliation

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Maintain  
Payments

- Additional statuses and reason codes
- Standard accounting entries
- Accounting for Payroll

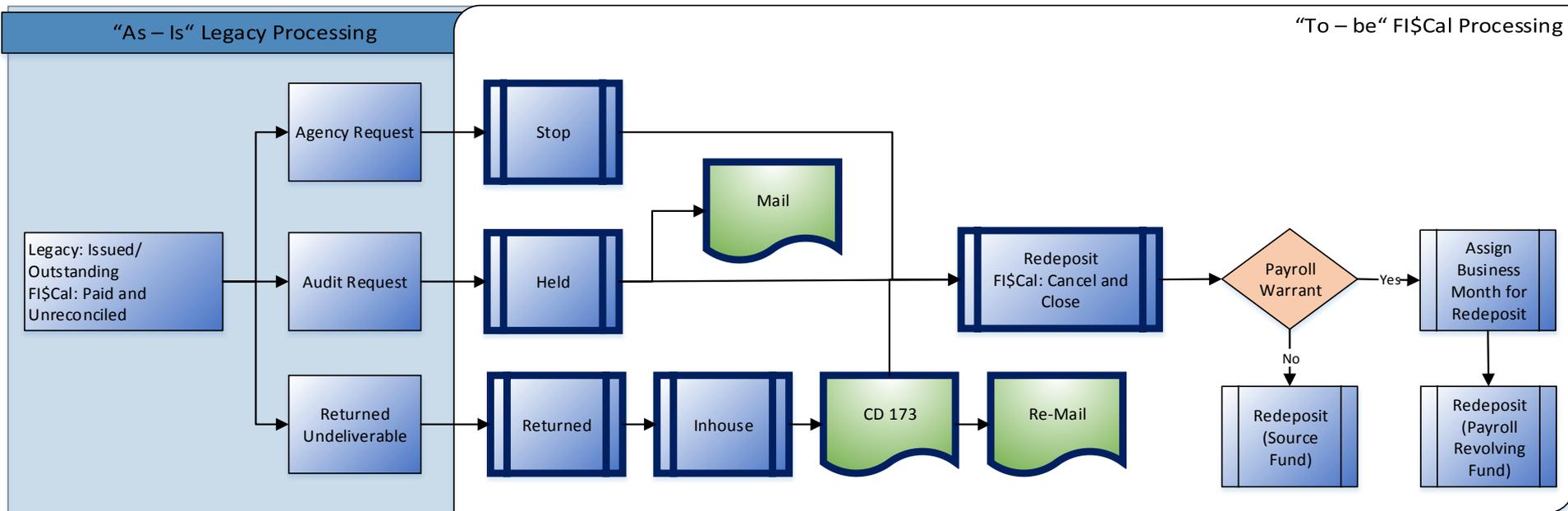
# Additional Statuses

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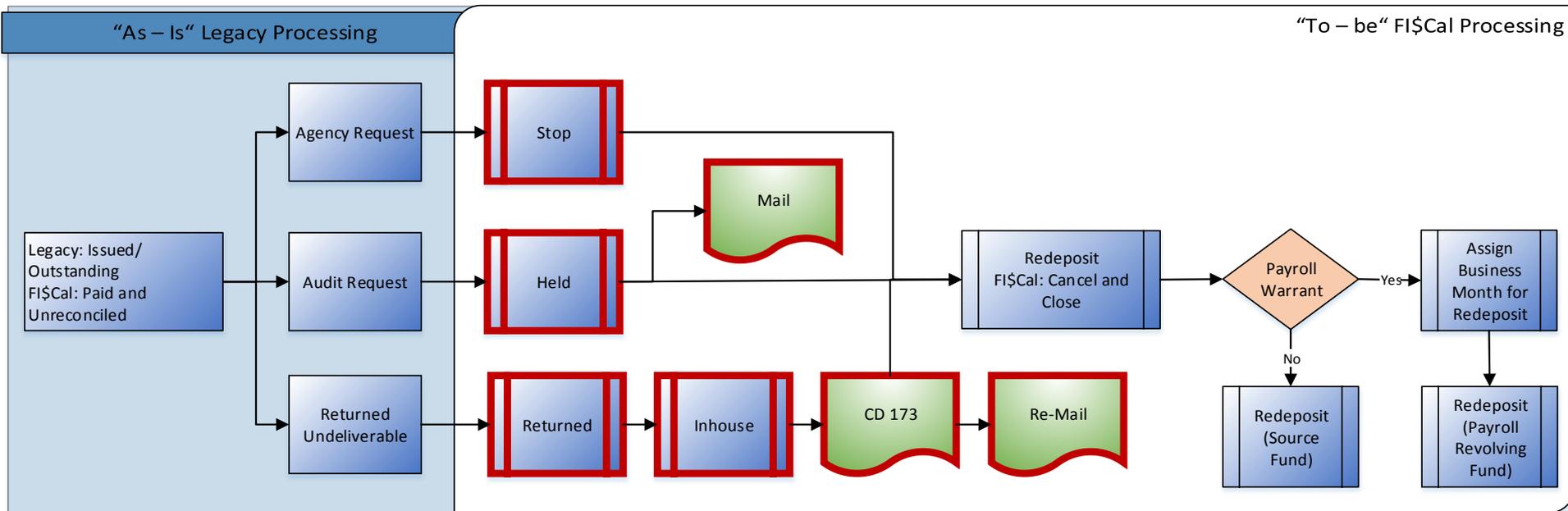


- Custom configuration which allows
  - Definition of reason codes for various action
  - Addition of reason codes that reflect status and do not generate accounting entries
  - Specify a hierarchy for action
- Pages which allow adding reason codes to
  - Claim Schedule
  - Warrant

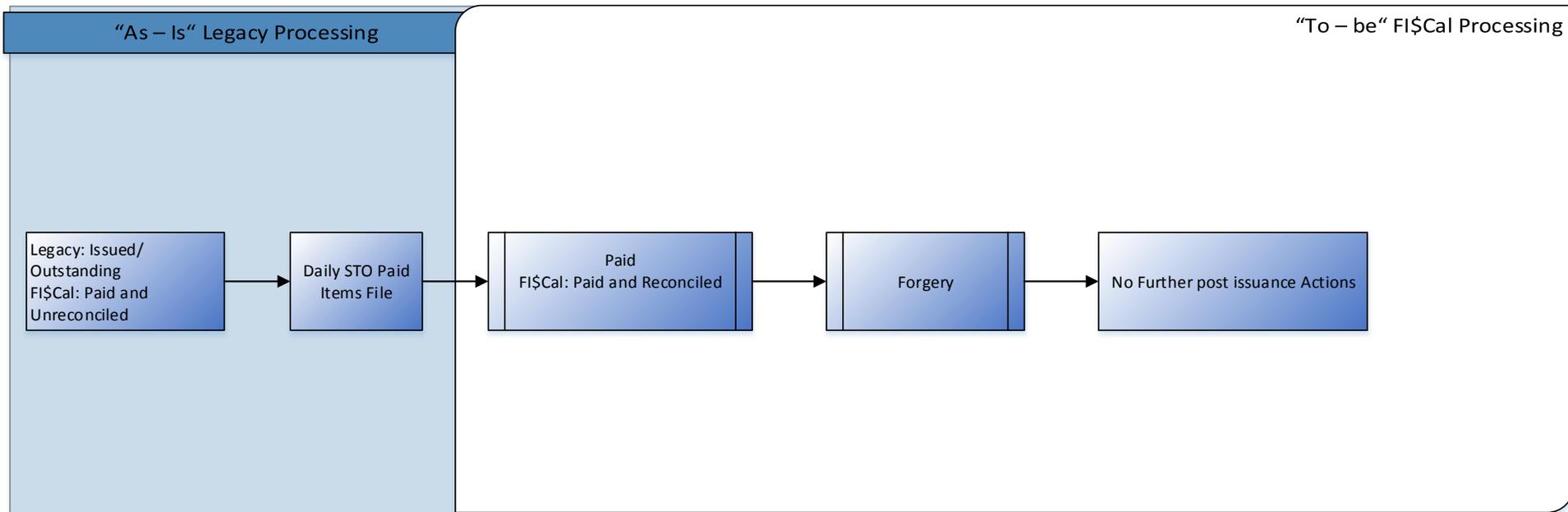
# Sample – Reason Code

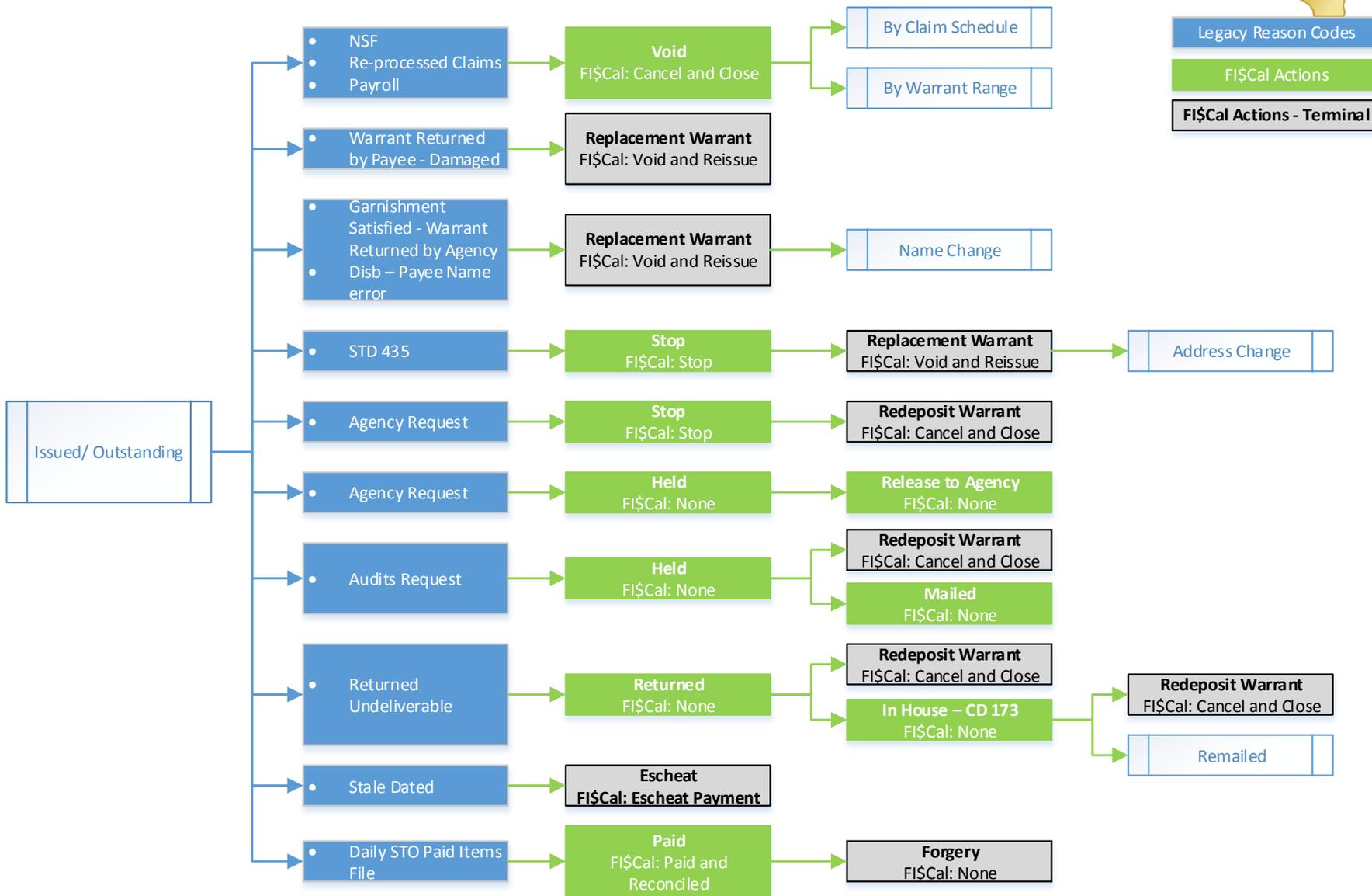


# Reason Code - No Accounting



# Reason Code - Hierarchy



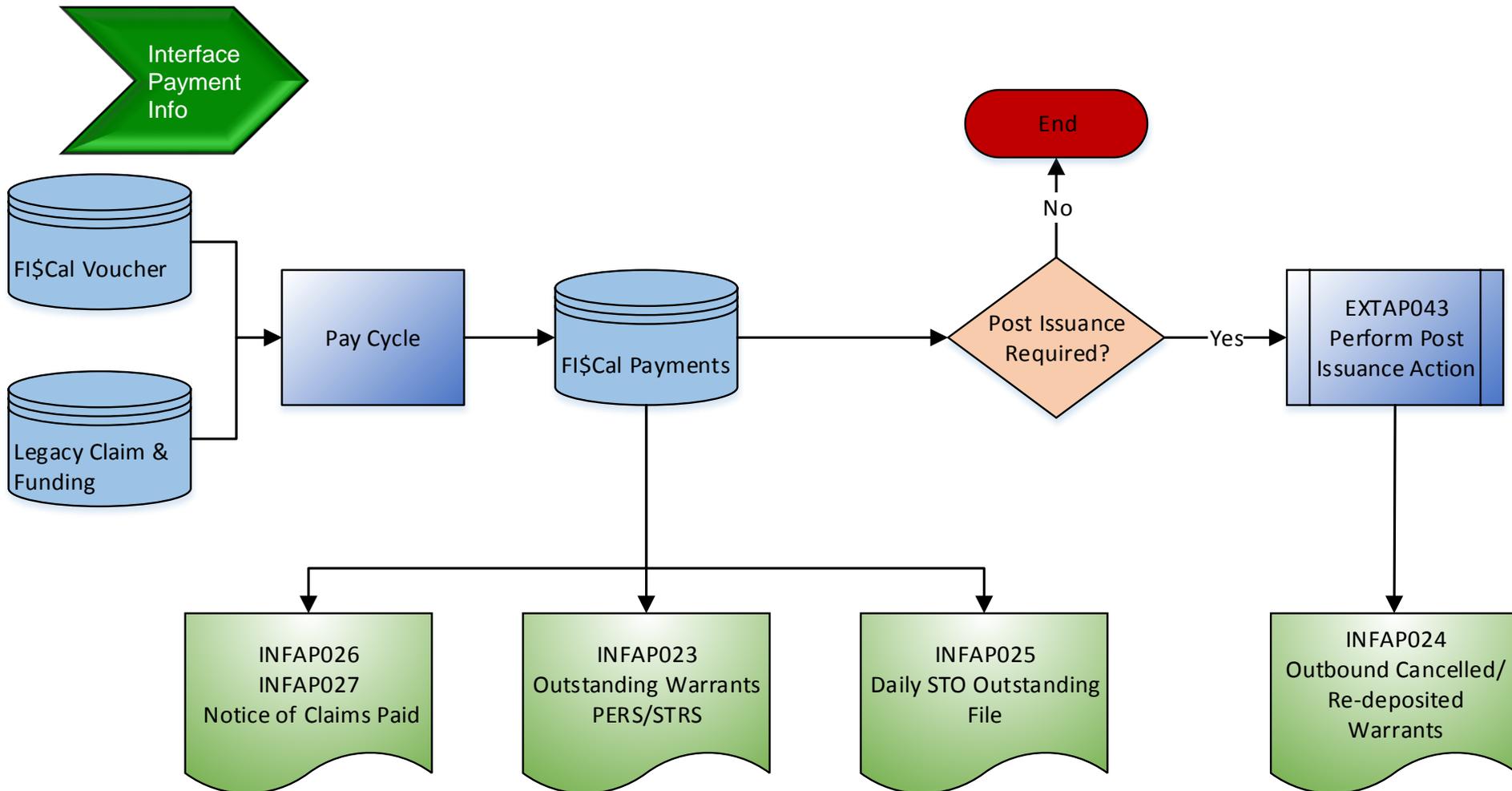


Legacy Reason Codes

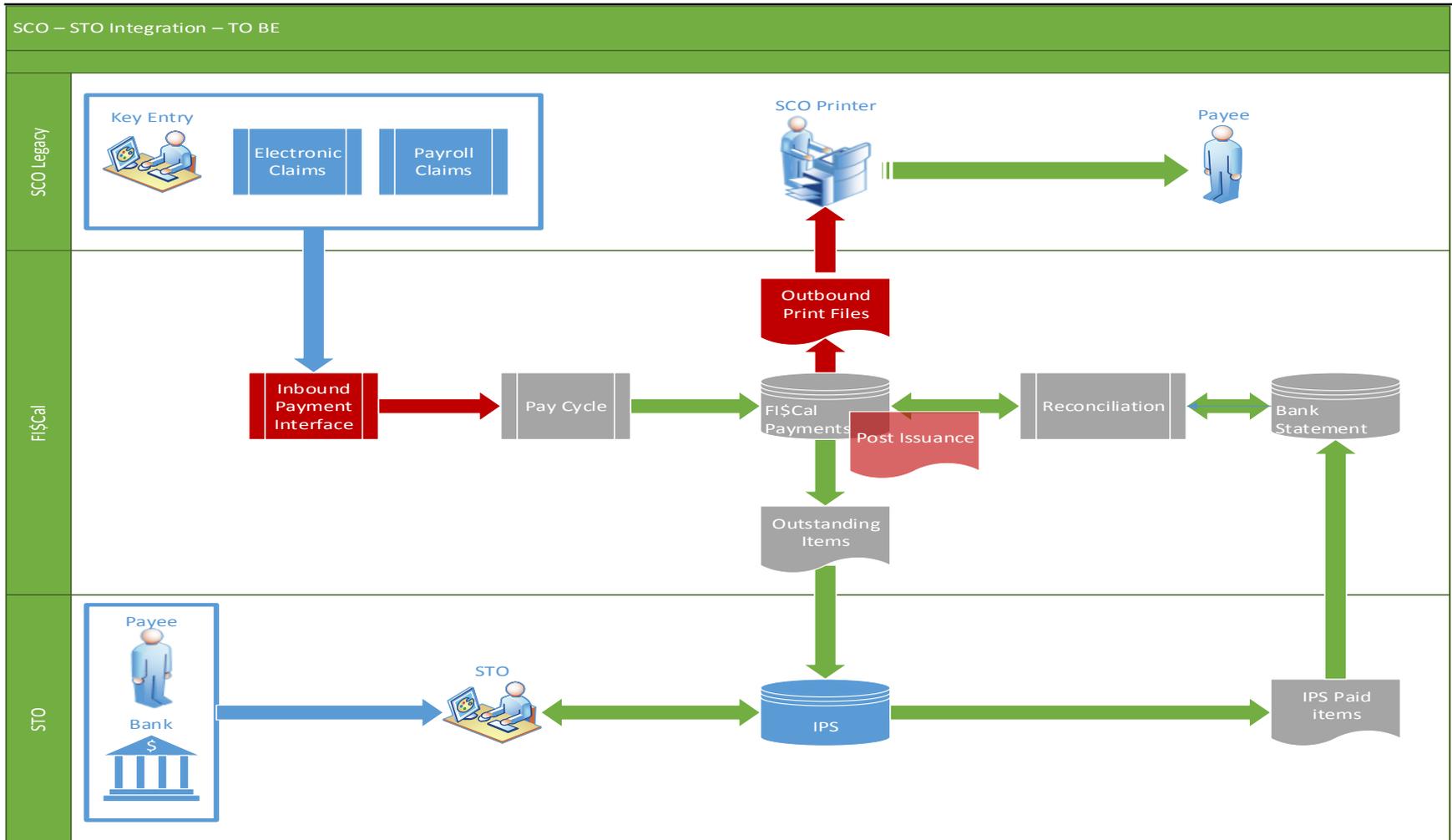
FI\$Cal Actions

FI\$Cal Actions - Terminal

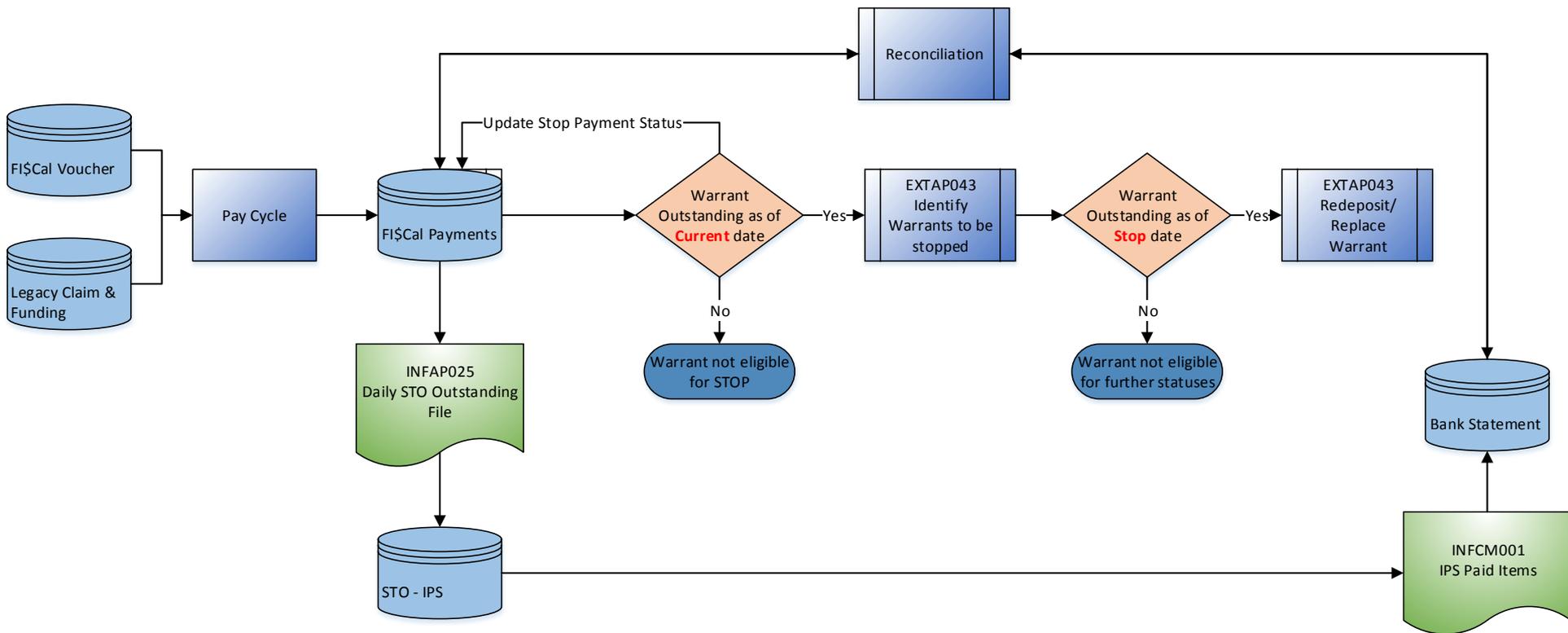
# Outbound Interfaces



# Integration with STO



# Stop Payments



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Break

# Agenda

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FI\$Cal Accounts Payable Overview

Payment Issuance

Post Issuance

Accounting

# Accounting – FI\$Cal Payments

Event	Transaction Type	BU	Fund Type	Dr.	Cr.
Payment Issuance	Voucher Posting	Dept	State -wide	Expense	AP- Liability
	Payment Posting	Dept	State -wide	AP- Liability	Unappropriated Transfers
		State	CPF	Unappropriated Transfers	Cash in State Treasury
	Reclassification - EXTAP039	State	CPF	Cash in State Treasury	Unappropriated Transfers
State -wide			Unappropriated Transfers	Cash in State Treasury	
Payment Cancellation and Replacement	Payment Posting	Dept	State -wide	Unappropriated Transfers	AP- Liability
		State	CPF	Cash in State Treasury	Unappropriated Transfers
	Reclassification - EXTAP039	State	CPF	Unappropriated Transfers	Cash in State Treasury
			State -wide	Cash in State Treasury	Unappropriated Transfers
	Payment Posting	Dept	State -wide	AP- Liability	Unappropriated Transfers
		State	CPF	Unappropriated Transfers	Cash in State Treasury
Reclassification - EXTAP039	State	CPF	Cash in State Treasury	Unappropriated Transfers	
		State -wide	Unappropriated Transfers	Cash in State Treasury	
Voucher Closure	Voucher Posting	Dept	State -wide	AP- Liability	Expense
Escheatment	Custom Payment Posting	State	State -wide	Cash in State Treasury	Pending Escheatment Account
	Allocations - Step 1	State	Target Fund (custom config)	Cash in State Treasury	Escheat Revenue
	Allocations - Step 2	State	State - wide	Pending Escheatment Account	Cash in State Treasury

\*CPF refers to Consolidated Payment Fund

 Refers User entered accounting entries – All other entries are system generated

# Accounting – SCO Payments

Event	Transaction Type	BU	Fund Type	Dr.	Cr.
Payment Issuance	Custom Payment Posting	Dept	State - wide	Expense	Unappropriated Transfers
	Custom Payment Posting	State	State - wide	Unappropriated Transfers	Cash in State Treasury
Payment Cancellation and Replacement	Custom Payment Posting	State	State - wide	Cash in State Treasury	Liability - NEW
	Custom Payment Posting	State	State - wide	Liability - NEW	Cash in State Treasury
Close/Re-deposit	Custom Payment Posting	State	State - wide	Cash in State Treasury - Source Fund	Unappropriated Transfers
	Custom Payment Posting	Dept	Source Appropriation	Unappropriated Transfers	Expense
Escheatment	Custom Payment Posting	State	State - wide	Cash in State Treasury	Pending Escheatment Account
	Allocations - Step 1	State	Target Fund (custom config)	Cash in State Treasury	Escheat Revenue
	Allocations - Step 2	State	State - wide	Pending Escheatment Account	Cash in State Treasury

# Accounting – Payroll

Event	Transaction Type	BU	Fund Type	Dr.	Cr.
Payroll Transfer	INFGL108 - TC 37	Dept	State - wide	Expense	Unappropriated Transfers
		State	State - wide	Unappropriated Transfers	Cash in State Treasury
		State	Payroll Revolving Fund	Cash in State Treasury	Business Month
Payment Issuance	GL Journal - Manual	State	Payroll Revolving Fund	Business Month	Cash in State Treasury
Payment Cancellation and Replacement	Custom Payment Posting –Cancellation	State	Payroll Revolving Fund	Cash in State Treasury	Business Month
	Custom Payment Posting-Replacement	State	Payroll Revolving Fund	Business Month	Cash in State Treasury
Close/Re-deposit	INFGL108 - TC 37	Dept	State - wide	Unappropriated Transfers	Expense
		State	State - wide	Cash in State Treasury	Unappropriated Transfers
		State	Payroll Revolving Fund	Business Month	Cash in State Treasury
		State	Custom Payment Posting Revolving Fund	Cash in State Treasury	Business Month
Escheatment	Custom Payment Posting	State	State - wide	Cash in State Treasury	Pending Escheatment Account
	Allocations - Step 1	State	Target Fund (custom config)	Cash in State Treasury	Escheat Revenue
	Allocations - Step 2	State	State - wide	Pending Escheatment Account	Cash in State Treasury

\*PRF refers to Payroll Revolving Fund

Refers User entered accounting entries – All other entries are system generated

*Questions?*