

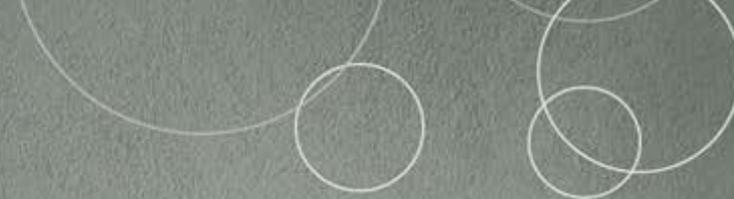


One state. One system.

User Community Forum

November 2016

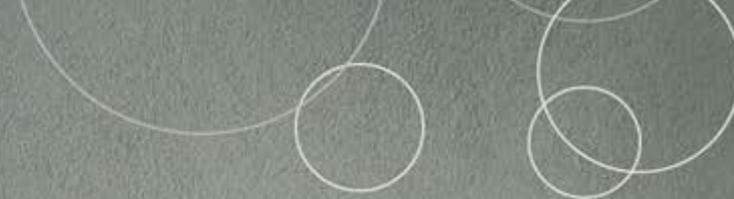




Tamma Adamek

Deputy Director

Strategic Planning and Communications



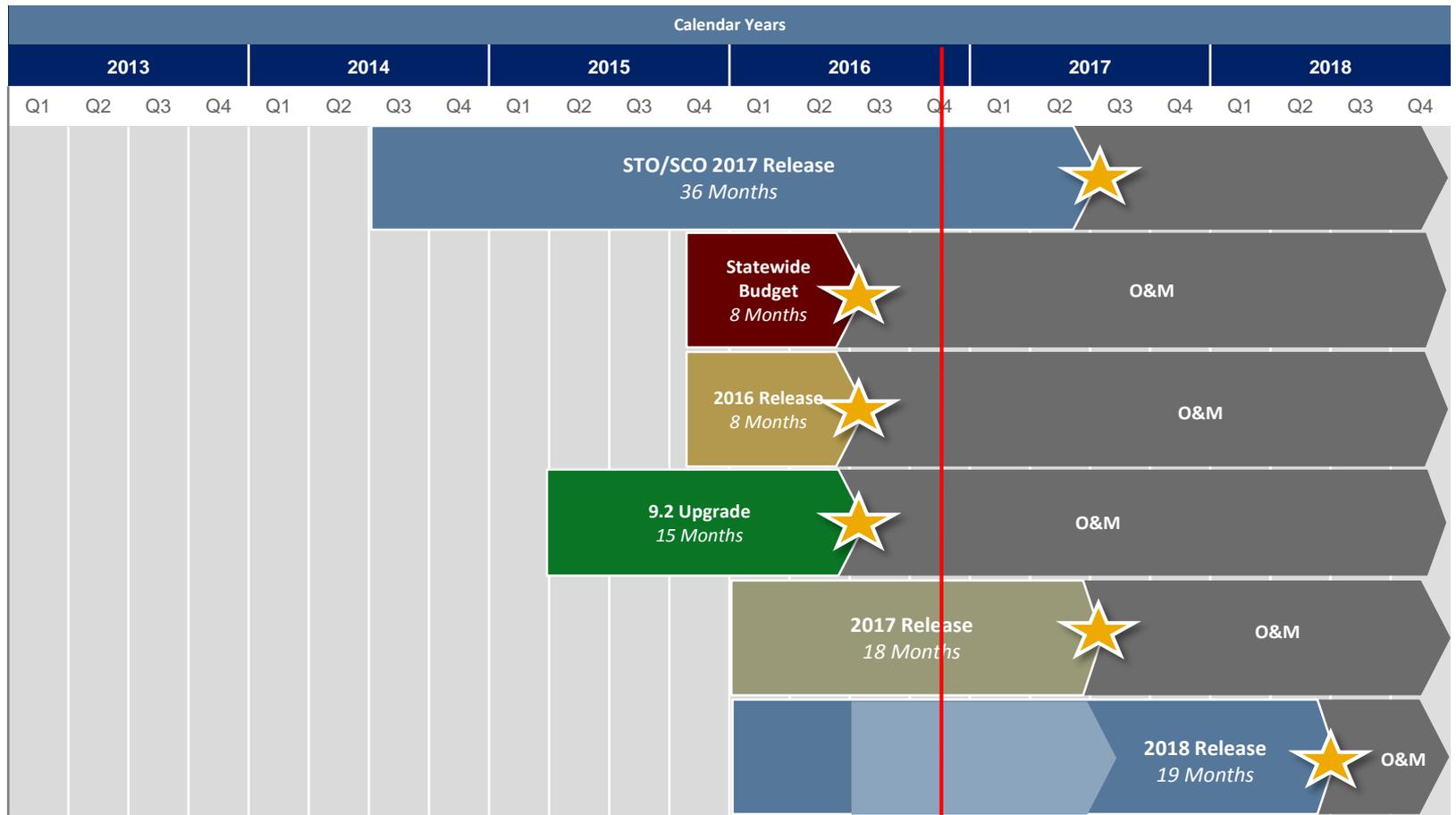
Agenda

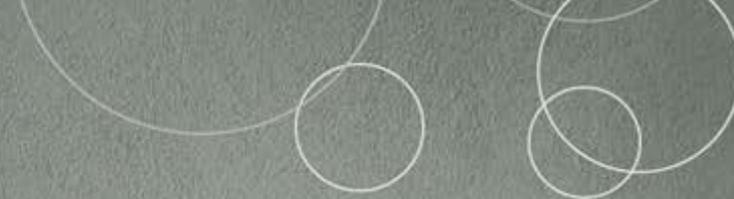
- Project Status
- Changes When SCO/STO Control Agencies are Implemented (July 2017)
- FI\$Cal Service Center:
 - *Questions and Answers*
- Close

Julie Bianucci

FI\$Cal Onboarding

November 2016

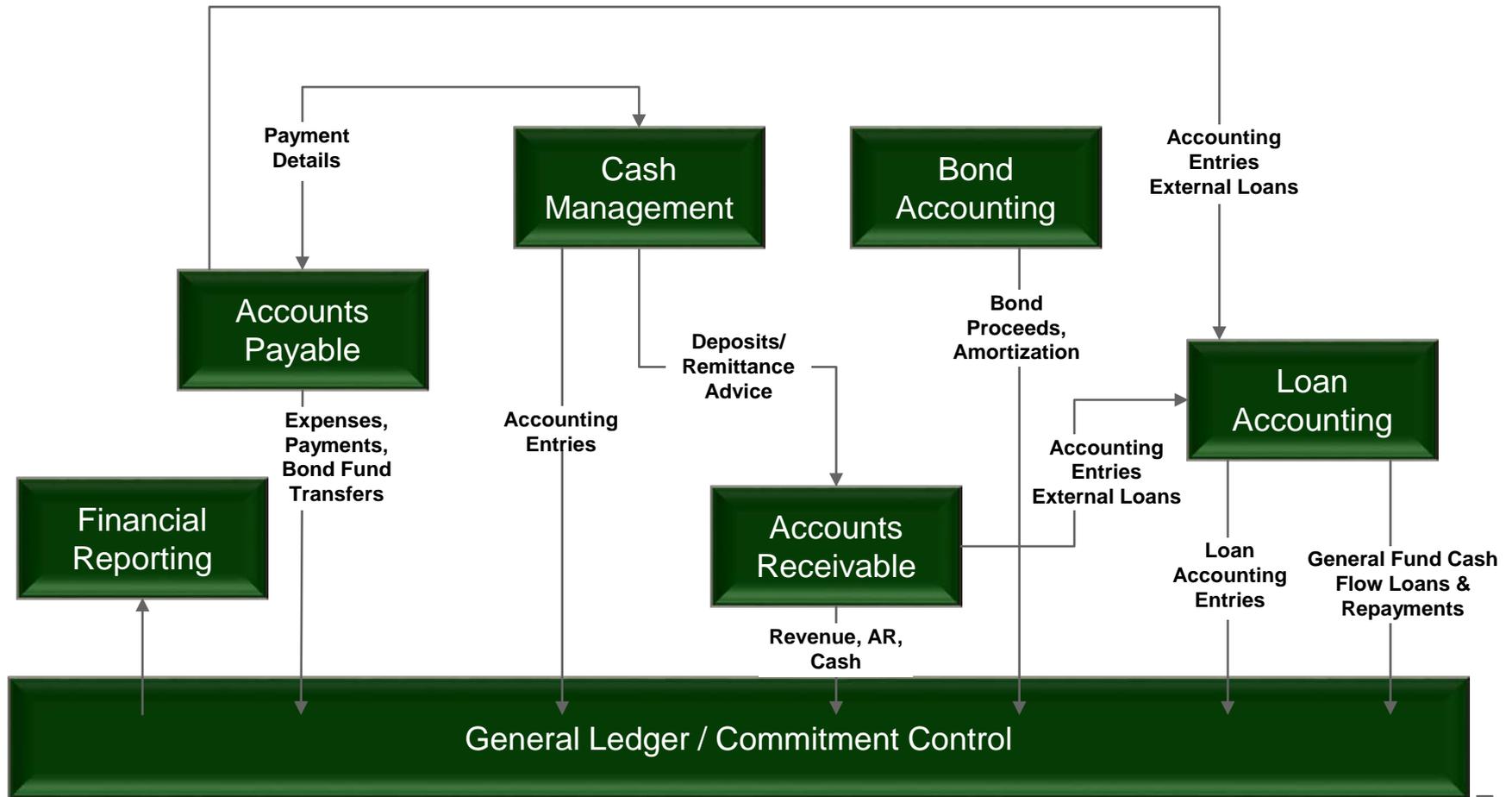




Bill Harrigan

State Controller's Office (SCO)

SCO/STO Solution Overview





FI\$Cal Accounts Payable enables online processing and workflow, **freeing departments from having to mail or hand-deliver paper claims** to SCO Disbursements for approval and release. As SCO Disbursements pays about **183,000 payments daily** – 97,000 warrants and 86,000 EFT – the amount of transactions processed via paper will dramatically decrease.

Accounts Payable Module Impacts

- The STO/SCO Release has the following impacts for FI\$Cal Departments:
 - Warrant Processing
 - Electronic Claims Import
 - Expedite and Special Handling Processing
 - Cash Validation will occur during pay cycle
 - There is no change to the Warrant Post Issuance process for departments
 - Electronic claims interfaces (INFAP005 & 008) will be retired
 - RPTAP030 (TC38) and RPTAP028 (TC48) interfaces will be retired

Accounts Payable Module Impacts

- The 2017 STO/SCO Release has the following impacts for Non-FI\$Cal Departments:
 - Warrant Processing
 - Paper Claims Import
 - Electronic Claims Import
 - Expedite Processing
 - Cash Validation will occur during AP payments
 - Warrant Post Issuance

Warrant Processing

- The FI\$Cal System must maintain records of all warrants, regardless of whether the department is in FI\$Cal or out of FI\$Cal (i.e. Release 2018 and deferred and exempt departments). The payment information will come from three sources:
 - Paper claims via interface
 - Specialized payment system and/or payroll system via interface
 - Vouchers entered directly in FI\$Cal

Warrant Processing

- Accounts Payable payments and Accounts Receivable deposits/payments are integrated with the Cash Management module for Bank Reconciliation purposes, as appropriate.
- FI\$Cal will provide files to the SCO to facilitate the printing and mailing of warrants.
- FI\$Cal will be able to support electronic payments to vendors (however, this functionality will not be available at go-live)
 - Examples: ACH, EFT and Direct Deposit

Expedite and Special Handling Overview FI\$Cal Departments

- In the current system, Special Handling and Expedite are accommodated using the legacy paper claim process
- Beginning July 2017, FI\$Cal departments will be able to create vouchers and request Expedite and Special Handling processing through FI\$Cal
- FI\$Cal Departments will no longer need to submit paper claims to the SCO for these services
 - Expedited services will continue to incur an additional cost

Expedite and Special Handling Process- Non-FI\$Cal Departments

- Expedite or “RUSH” claims will be submitted and audited as they are today.
- Paper Claims with Expedite or Special Handling forms attached will be fulfilled as they are today.
 - Expedited services will continue to incur an additional cost.



FI\$Cal Accounts Receivable **streamlines** the State's deposit remittance processes – **consolidating** the multiple control agency and department accounting systems into a **centralized system**.

Accounts Receivable Module Impacts

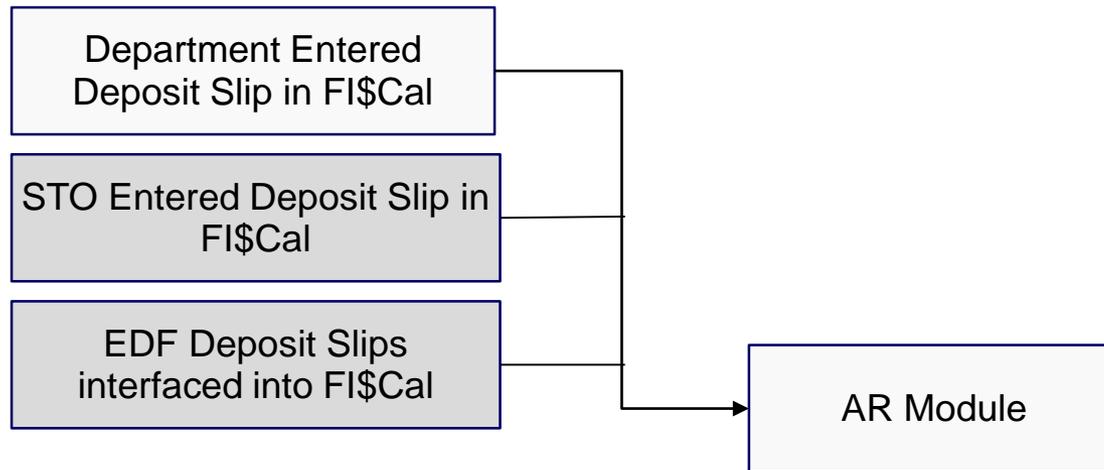
- The STO/SCO Release has the following impacts for FI\$Cal Departments:
 - Deposit Slips will be created and reported to STO in FI\$Cal
 - Departments should keep paper deposit forms as a backup
 - Cash Clearing
 - AR payment processing will include SCO approval
 - Cash Validation will occur during deposits
 - Offset processing
 - Departments will be using FI\$Cal for write offs (maintenance worksheets)
 - Departments will use the Billing (BI) module to provide supporting documentation for the write off process
 - SCO will review/approve department activity in the BI module as part of the write off approval process

Accounts Receivable Module Impacts

- The 2017 STO/SCO Release has the following impacts for Non-FI\$Cal Departments:
 - Book of Record for Deposits
 - Departments will prepare paper deposits slips and send them to STO or enter deposits on the EDF to be interfaced into FI\$Cal
 - eFITS remittances will be interfaced into FI\$Cal as AR Payments
 - Cash Validation will occur during deposits
 - Offset Processing

Deposit Slips into FI\$Cal

With the 2017 STO/SCO Release, FI\$Cal is now the Book of Record. All Deposit Slips will now be recorded or interfaced into FI\$Cal.



Key Impacts

- For FI\$Cal Departments, Deposit slips no longer need to be entered into EDF
- For Non-FI\$Cal Departments, no change from the current process
-



FI\$Cal Cash Management **automates and centralizes** the reconciliation of **over \$2.5 trillion per year in banking transactions** into **one system**. STO will no longer have to pull information from approximately four different systems to perform bank reconciliation of the many State banks.

Cash Management Module Impacts

- The 2017 STO/SCO Release has FI\$Cal Departmental Impacts for the following processes:
 - Report 14 – Accounts Outside CTS
 - Bank Reconciliation
 - Cross Business Unit CTS Transfers
 - SCO will now approve all CTS Transfers
 - All CTS Bank Statements will be generated in FI\$Cal



FI\$Cal General Ledger **consolidates the multiple accounting systems** managed by the various departments into one system. As the **Book of Record**, FI\$Cal will provide **increased transparency** – SCO and other control agencies will have increased visibility of departments' accounting.

General Ledger Module Impacts

- The STO/SCO Release has the following impacts for FI\$Cal Departments:
 - FI\$Cal will become the state's Book of Record
 - GL Journal Approval Workflow
 - Cash Validation will occur during Journal Edit
 - Departments will continue to submit their Plan of Financial Adjustment (PFA) to the SCO for approval
 - FI\$Cal Departments will no longer have to submit paper PFA transaction requests to the SCO

General Ledger Module Impacts

- The STO/SCO Release has the following impacts for FI\$Cal processes:
 - The reconciliation against SCO Legacy system will no longer be required (INFGLO51 – Agency Reconciliation)
 - Budget Act set up and Appropriation Adjustments (INFBU062 and 063) will be retired
 - Current COA issues will also be alleviated since both the SCO and Departments are transacting in the same system with the same chart of accounts.

General Ledger Module Impacts

- The 2017 STO/SCO Release has the following impacts for Non-FI\$Cal Departments:
 - FI\$Cal will become the state's Book of Record
 - Current SCO legacy system interfaces will be replaced by FI\$Cal interfaces
 - The COA crosswalk will be utilized to provide FI\$Cal ChartField values in legacy UCM values

Processing Legacy Transactions

- Previously, all departments prepared and submitted to the SCO transaction request forms and financial statements to initiate the recording of journal entries in the SCO's legacy system. The submission of these documents by Non-FI\$Cal departments will continue.
- SCO's legacy system will no longer exist for recording of transactions.
- A new process has been created that will interface and crosswalk these transactions to FI\$Cal.

Legacy Transactions to be Interfaced

- Legacy FISCAL
 - TC 35 General Journal
 - TC 36 Plan of Financial Adjustment
 - TC 37 Payroll Revolving Fund Transfers (CLO & CLR)
 - TC 38 Cash Transfer
 - TC 39 No Warrant Transfer
 - TC 47 eFITS Remittance
 - TC 48 ORF Replenishment
- Legacy Reporting
 - TC 34 Report of Accruals/Adjustments to SCO
 - TC 71 Encumbrance
 - TC 72 Encumbrance Reclass
 - TC 84 Nongovernmental Cost Fund Pre-Closing Trial Balance
- All other Transaction Codes will be processed directly in FI\$Cal or by a different interface. These codes will no longer exist.

GL Journal Approval Workflow

- Department journals are subject to departmental approval, unless the department chooses not to.
- Department journals are conditionally required for SCO approval based on:
 - Non-zero impact to an item of appropriation, OR
 - Impact to a state fund's cash
- SCO can also process and approve journals on behalf of departments

Commitment Control Module Impacts

- The STO/SCO Release has the following impacts for FI\$Cal Departments:
 - Commitment Control will become the state's appropriation control ledger, control of appropriations will be strictly enforced by the SCO
 - Any remaining unencumbered spending authority will be “swept” based on the encumbrance date
 - Reappropriations for unencumbered balances will be able to be processed accurately
 - A new Federal Trust Fund (FTF) control budget will be created to track federal receipts and expenditures

Commitment Control Module Impacts

- The 2017 STO/SCO Release has the following impacts for Non-FI\$Cal Departments:
 - Commitment Control will become the state's appropriation control ledger, control of appropriations will be strictly enforced by the SCO
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Purchasing Module Impacts

- The STO/SCO Release has the following impacts for FI\$Cal Departments:
 - At year end, departments must create and process their purchase orders to encumber their spending authority. If not, any remaining unencumbered spending authority will be “swept” based on the encumbrance date.

Project Costing Module Impacts

- The STO/SCO Release has the following impacts for FI\$Cal Departments:
 - Establish Project Costing Project IDs for all Federal Trust Fund (FTF) receipts
 - All federal projects must be in the system
 - Departments must charge against the projects in FI\$Cal to match the FTF budget
 - A slightly modified AUD10a will still be required
 - Departments can use PC funds distribution to allocate costs amongst their funds, however, the funds distribution rules must be approved by the SCO before use

Asset Management Module Impacts

- The STO/SCO Release has the following impacts for FI\$Cal Departments:
 - Departments will depreciate and amortize assets in FI\$Cal
 - The SCO will now have the ability to see all asset transaction details for enhanced financial reporting

Labor Distribution Module Impacts

- The STO/SCO Release has the following impacts for FI\$Cal Departments:
 - Employee ARs identified in the current payroll file will create an AR in the Accounts Receivable module
 - A new interface file for the collection of the employee ARs will automatically settle the employee AR

Summary of Departmental Impacts

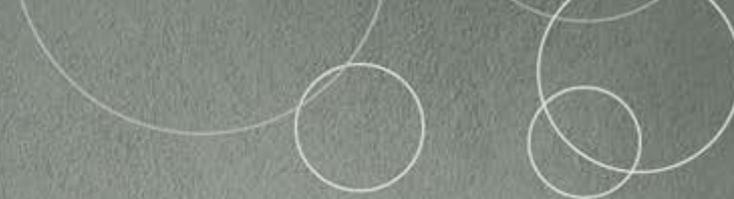
- FI\$Cal will become the state's Book of Record
- Departments with their own systems that interact with the SCO or the STO will continue to use those systems, FI\$Cal versions of the same interfaces currently used are being provided
- Commitment Control in FI\$Cal will become the state's appropriation ledger, control of appropriations will be strictly enforced by the SCO
- FI\$Cal replaces CTTS for CTS account generation (reports from FI\$Cal)
- Cash Validation will occur throughout FI\$Cal, departments will not be allowed to have negative fund balances
- The SCO will Process Claims directly in FI\$Cal as vouchers
- Payment related inquiries will be made in FI\$Cal and not in SCO legacy

What's Not Changing

- CalATERS
- STD 218 process (claim schedule)
- Specialized Payment Systems (electronic claims)
- Warrant Post issuance process
- Electronic Deposit Form (EDF) (State Treasurer's Office)
- Electronic Fiscal Input Transaction System (EFITS)
- Journal Entries requested by Departments
- Payroll processes
- Year End reports

Department Activities for SCO/STO Release

Activity	Start	End	Status
Interfaces Workshops	02/23/16	02/25/16	Complete
Secure File Transfer Protocol (SFTP) User Access	02/29/16	07/15/16	Complete
Business Process Workshop (BPW) for Loan Processing	10/03/16	10/03/16	Complete
Business Process Workshop (BPW) for Statewide Impacts	10/11/16	10/12/16	Complete
Interface Testing Support Sessions	10/13/16	10/17/16	Complete
Interface Testing	Nov/Dec 2016	01/30/17	In Progress
Business Process Workshop (BPW) for Bond Processing	12/13/16	12/13/16	Planning in Progress
FI\$Cal Role Mapping	Feb 2017	March 2017	Planning in Progress
Training	May 2017	August 2017	Planning in Progress
R17c Business Process Impact Discussions	April 2017	May 2017	Not started
Forum Presentations	Ongoing	Sept 2017	In Progress
Go Live	7/1/2017	7/1/2017	Planning in Progress



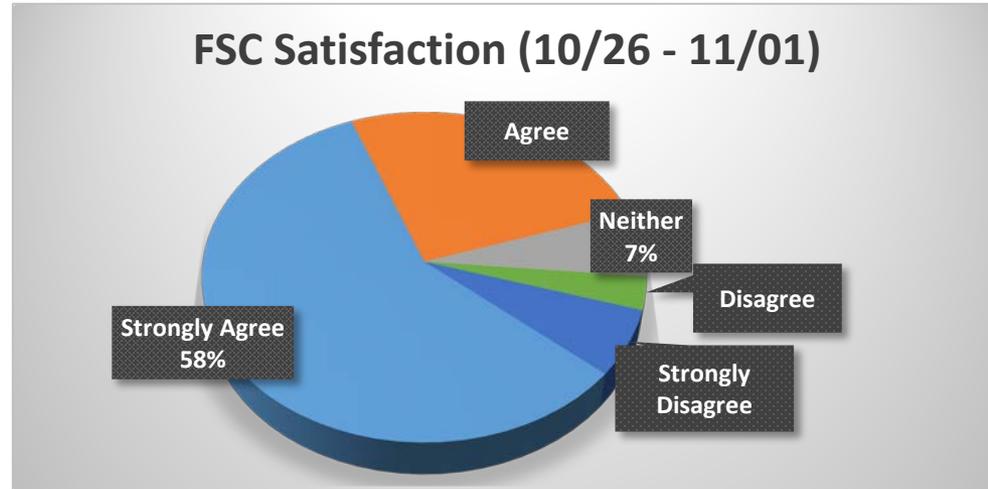
Wes Riley

Assistant Deputy Director, FI\$Cal Service Center

What We've Heard from You

- What are the most common tickets?
 - Access Management
 - New Users, Role Additions, Role Changes
 - Purchasing
 - Accounts Payable
 - MEC/YEC

Overall Satisfaction Rate: 4.3



691 survey requests sent; 26 surveys completed. Response rate: 3.76%

90-day Overall Satisfaction Trend



Questions and Answers



FI\$Cal Project Information:

<http://www.fiscal.ca.gov/>

or e-mail the FI\$Cal Project
Team at:

fiscal.cmo@fiscal.ca.gov



APPENDIX

Accounts Payable (AP)

Key Solution Characteristics:

- SCO's existing claims process will remain the same
- Multiple vouchers to a vendor for a business unit can be combined into a single payment
- FI\$Cal vendors will have the option of being paid electronically
- The SCO will no longer have to key-enter claim schedules for electronic claims that result in warrants
- The SCO will no longer have to send warrants to be redeposited to the STO

Training

- **AP221** – Warrant Processing

Configuration

- EFT Codes
- Payment Terms
- Legacy Claim / Payment Defaults
- Registered Warrant Setup
- Post Issuance Payment Details

Conversions

- **CNVAP006/CNVAP007** – Outstanding Warrants Conversion

Interfaces

- **INFAP017** – Inbound Payment Data Specialized Payments
- **INFAP028** – Inbound Merged Warrant Rec file from BRSSISSUES
- **INFAP030** – Inbound Extract of Claim Headers Records
- **INAP031** – Inbound Paper Claims Payment Transactions without Warrant Numbers
- **INFAP023** – Departmental Outbound CD102 Standard Layout
- **INFAP024** – Departmental Outbound Cancelled and Redeposit Warrants
- **INFAP026** – Departmental Outbound CD 102 Standard Layout
- **INFAP027** – Departmental Outbound CD 102 CalSTARS Layout
- **INFAP020** – ACH Payment Print File and Data
- **INFAP025** – Departmental Outbound Redeemed Warrants to STO
- **INFAP033** – RWL Presented Payments STO
- **INFAP034** – RW: Available for Payment
- **INFAP037** – Inbound EFT Reject Payments

Accounts Receivable (AR)

Key Solution Characteristics:

- Users will be able to enter deposit slips for STO reconciliation.
- Departments will be able to deposit money on behalf of other departments.
- The system will automatically generate preliminary deposit accounting entries upon deposit recording, i.e. General Cash and Uncleared Collections.
- Demand Account accounting entries will be created for Treasury books.
- Departments will send AR data electronically for further collection (e.g. FTB Offset, Lottery).
- The System will perform reconciliations between the State Treasury/CTS and outside financial institutions

Configuration

- Cash Type
- Deposit Cash Clearing Defaults
- Receivables Definition
- Collection Code
- Offset Defaults

Conversions

- N/A

Training

- **AR125** – Bank Deposits
- **AR126** – Approving and Reviewing Deposits

Interfaces

- **INFAR019** – EDF Interface

Cash Management (CM)

Key Solution Characteristics:

- Treasury Transaction Life Cycle:
 - CTS banks statements reconciliation
 - Demand bank account reconciliation
- Includes the following types of Accounts:
 - Centralized Treasury System accounts will be maintained in FI\$Cal system
 - Warrant bank accounts
 - Demand accounts
 - Zero-balance accounts
- +70 Reports to aide bank reconciliation section, financial service section, and investment section

Training

- **CM221** – Reconciling Bank Statements for STO
- **CM231** – Managing Accounts Outside CTS (Report 14)
- **CM232** – Transfers for SCO
- **CM241** – Cash Management for STO and SCO

Configuration

- Bank Information
- Netting Accounts
- External Accounts
- Reconciliation Rules
- Deposit Slip Extension
- Position Source

Conversions

- **CNVCM006** – SCO Centralized Treasury Trust System
- **CNVCM007** – FED/EDF, CheckWrite, Frontier
- **CNVCM008** – Accounts Outside CTS Details

Interfaces

- **INFCM033** – Outbound Bank Statement Details
- **INFCM011** – IPS Paid Item Interface for Adjustment
- **INFCM018** – IPS Paid Item Interface
- **INFCM003** – Inbound Bank Statement Interface 1
- **INFCM004** – Inbound Bank Statement Interface 2
- **INFCM005** – Inbound Bank Statement Interface 3
- **INFCM006** – Inbound Bank Statement Interface 4
- **INFCM007** – Inbound Bank Statement Interface 5
- **INFCM008** – Inbound Bank Statement Interface 6
- **INFCM009** – Inbound Bank Statement Interface 7
- **INFCM010** – Inbound Bank Statement Interface 8
- **INFCM012** – External Transactions Interface

Bond Accounting (DM)

Key Solution Characteristics:

- Capture and process an unlimited number of deals and trades
- Capture Bond Proceed Information via Accounts Receivable
- Process Debt Service as Vouchers in Accounts Payable
- Template based definitions that provide seamless integration with General Ledger
- Visibility to deal transactions reflected in the Cash Position
- Eliminate potential errors with straight-through processing
- Record multiple changes to principal balances during the life of the Deal
- Provides liquidity management, such as; streamlining deal initiation, administration, settlement accounting, and position monitoring
- Manage Deal accruals and amortization
- Automatic generation of accrual and payment schedules for interest bearing instruments and swaps
- Bond Debt Service Forecasting Information

Training

- **DM101** – Issuing, Processing and Refunding Bonds for SCO and STO
- **DM102** – Distributing and Tracking Funds

Configuration

- Accounting Templates
- Treasury Counterparties
- Settlement Instructions
- Define Instruments
- Facilities (Bond Act)
- Portfolios (Program)

Conversions

- **CNVDM001** – Outstanding Bonds Conversion

Interfaces

- **INFDM001** – GO – Excel to CI
- **INFDM002** – LRB – Excel to CI
- **INFDM003** – Fees – Excel to CI
- **INFDM004** – Refunding App Engine
- **INFDM006** – Load Debt Service Schedules

Loan Accounting (LA)

Key Solution Characteristics:

- Custom Module implemented to create, maintain and repay loans
- Automated process to handle Daily General Fund Cash flow loans for SCO
- Supports posting to all ledgers in FI\$Cal
- Interest accrual automated for all loans
- Accounting rules created to avoid manual accounting entries wherever possible

Training

- **LA101** – Introduction to Loan Management
- **LA102** – Loan Transaction Processing
- **LA103** – Managing Daily General Fund Cash Flow Loans

Configuration

- Loans
- Participants
- General Fund Cash Flow Loan Parameters

Conversions

- **CNVLA001** – Outstanding Loans

Interfaces

- **INFLA002** – Loan Details/Transaction Upload (Excel Uploads)

General Ledger (GL)

Key Solution Characteristics:

- Statewide Book of Record under multiple bases of accounting (Cash, Modified Accrual, Budgetary/Legal)
- Statewide Chart of Accounts supplemented by departmentally defined codes (Alternate Account, Reporting Structure, Service Location)
- Automated cash validation
- Automated cost allocations
- Automated cash transfers between bond funds
- Automated investment accounting
- Automated recording of Transaction Requests for Non-FI\$Cal departments
- Automated PMIA interest allocation

Training

- **GL301** – Month-End Close and Processing Transaction Requests for SCO
- **GL302** – Reviewing Budget Exceptions and Managing Cash Validations
- **GL304** – Running the Agency and Fund Reconciliation Process (Non-FI\$Cal Departments)

Configurations

- Function Codes (Appropriations)
- Revenue Codes
- Message Codes

Conversions

- **CNVGL008** – Ledger Balances
- **CNVGL009** – Appropriation Balances

Interfaces

- **INFGL114** – Outbound Agency Reconciliation Details
- **INFGL115** – Outbound Fund Reconciliation Details
- **INFGL118** – Inbound Year End Accruals
- **INFGL120** – Outbound Prior Year Accruals
- **INFGL108** – Inbound Transaction Requests (Non-FI\$Cal Departments)
- **INFLA001** – Inbound Investment Transactions
- **INFAR016** – Inbound eFITS Transactions