



FI\$Cal

Financial Information System for California

Wave 1

**Solution Walkthrough (SWT):
Chart of Accounts & Budget
Administration Overview**

for Wave 2 Departments

April 16, 2014

Agenda

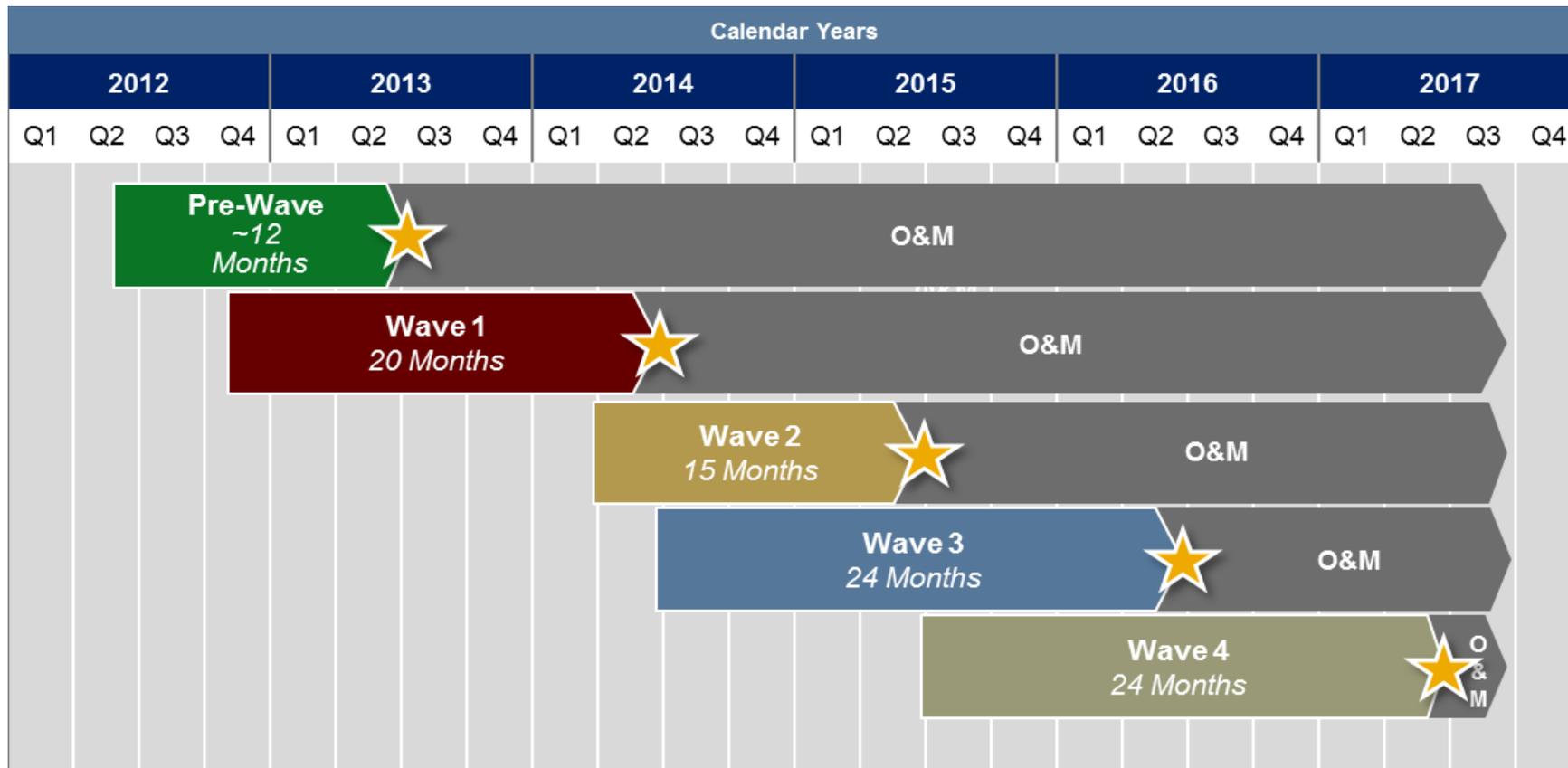
- FI\$Cal Project Overview
- Wave 1 Solution Walkthrough Objectives and Approach
- FI\$Cal Solution Overview
- Chart of Accounts Design
 - Terms
 - Design Review
- Budget Administration Overview
 - Terms
 - Commitment Control Overview
 - Types of Budgets
- Technology Considerations
- Session Recap

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)

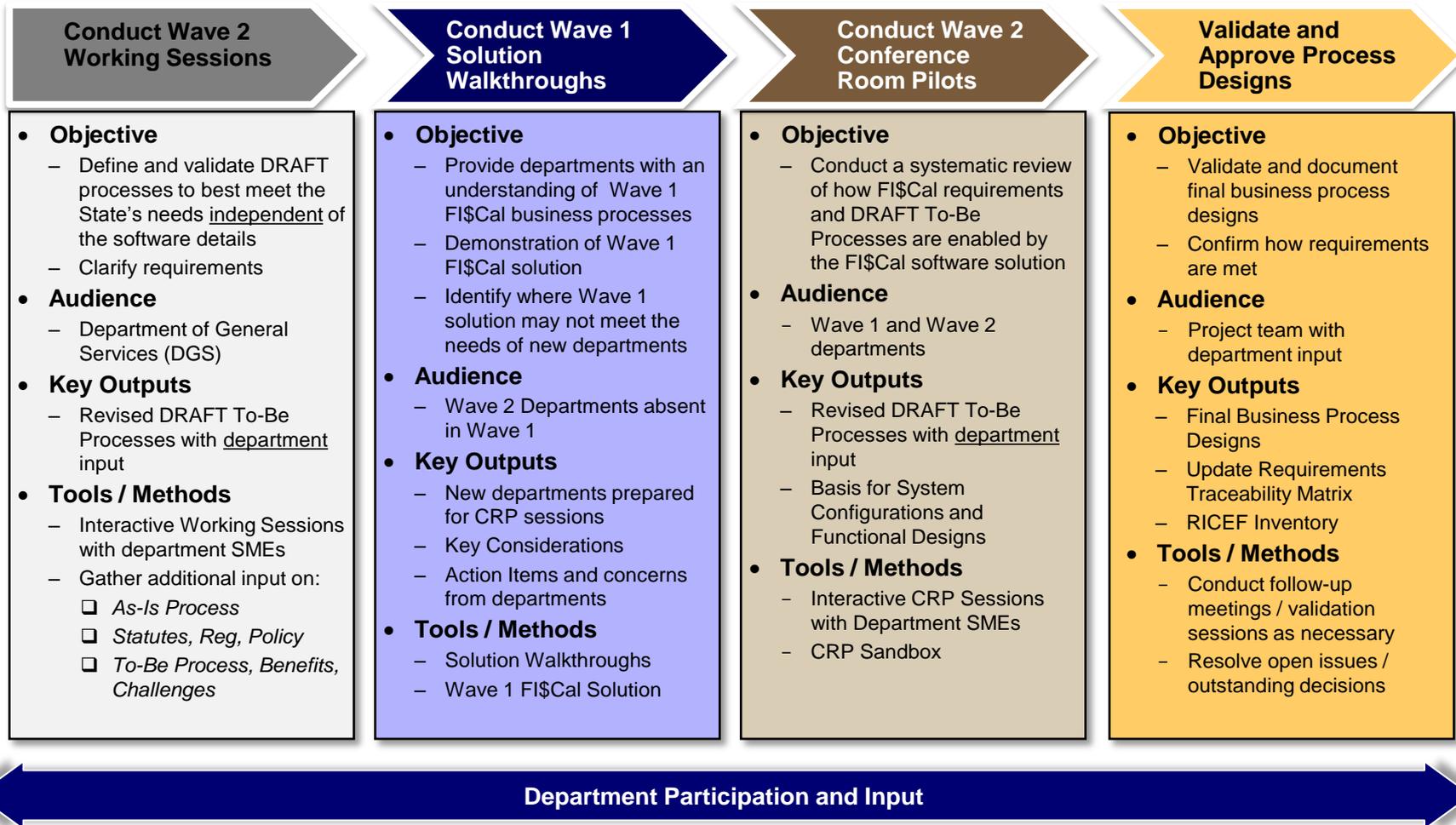
FI\$Cal Wave Timeline



SWT Objectives

- The Wave 1 Solution Walkthroughs will provide:
 - An overview of the business process, including key terms and implemented functionality
 - A list of changes with the “To-Be” business process
 - An opportunity to begin thinking about updates to internal department processes
 - A demonstration of the FI\$Cal Wave 1 solution

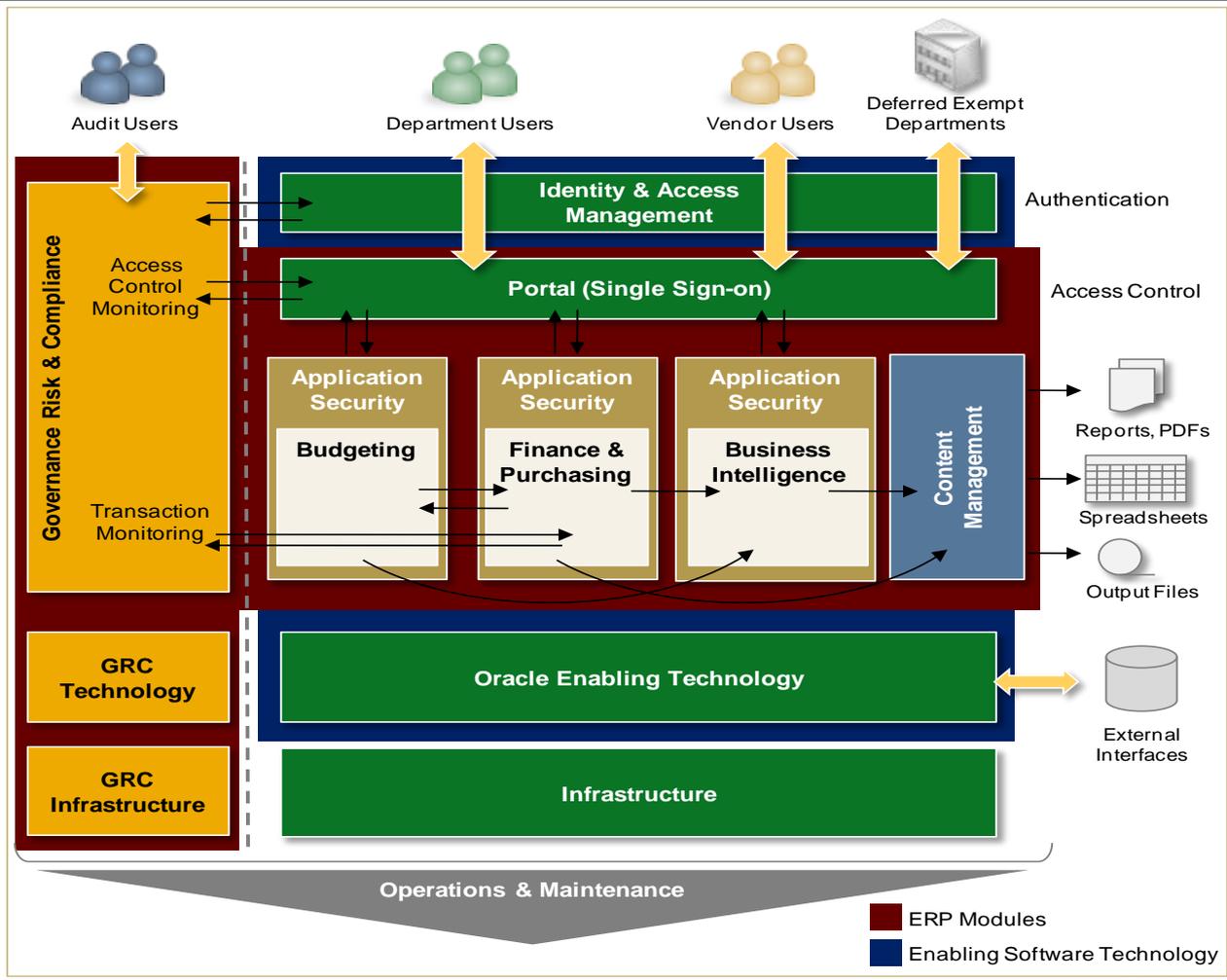
FI\$Cal Design Approach



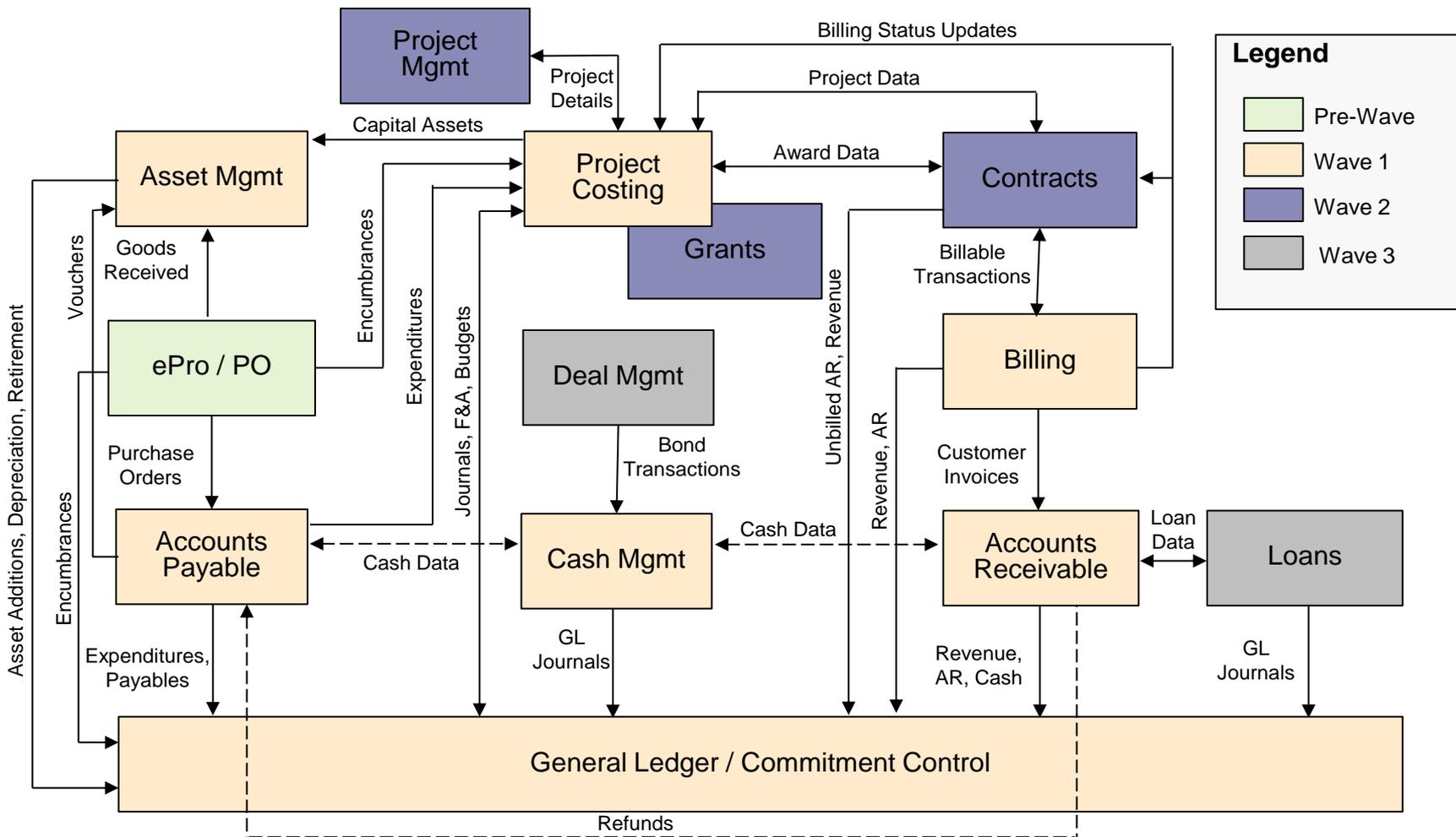
Ground Rules & Guiding Principles

- **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, then assume
- **Consider Best Practices** and business process changes
- **Think of the data** and information you require

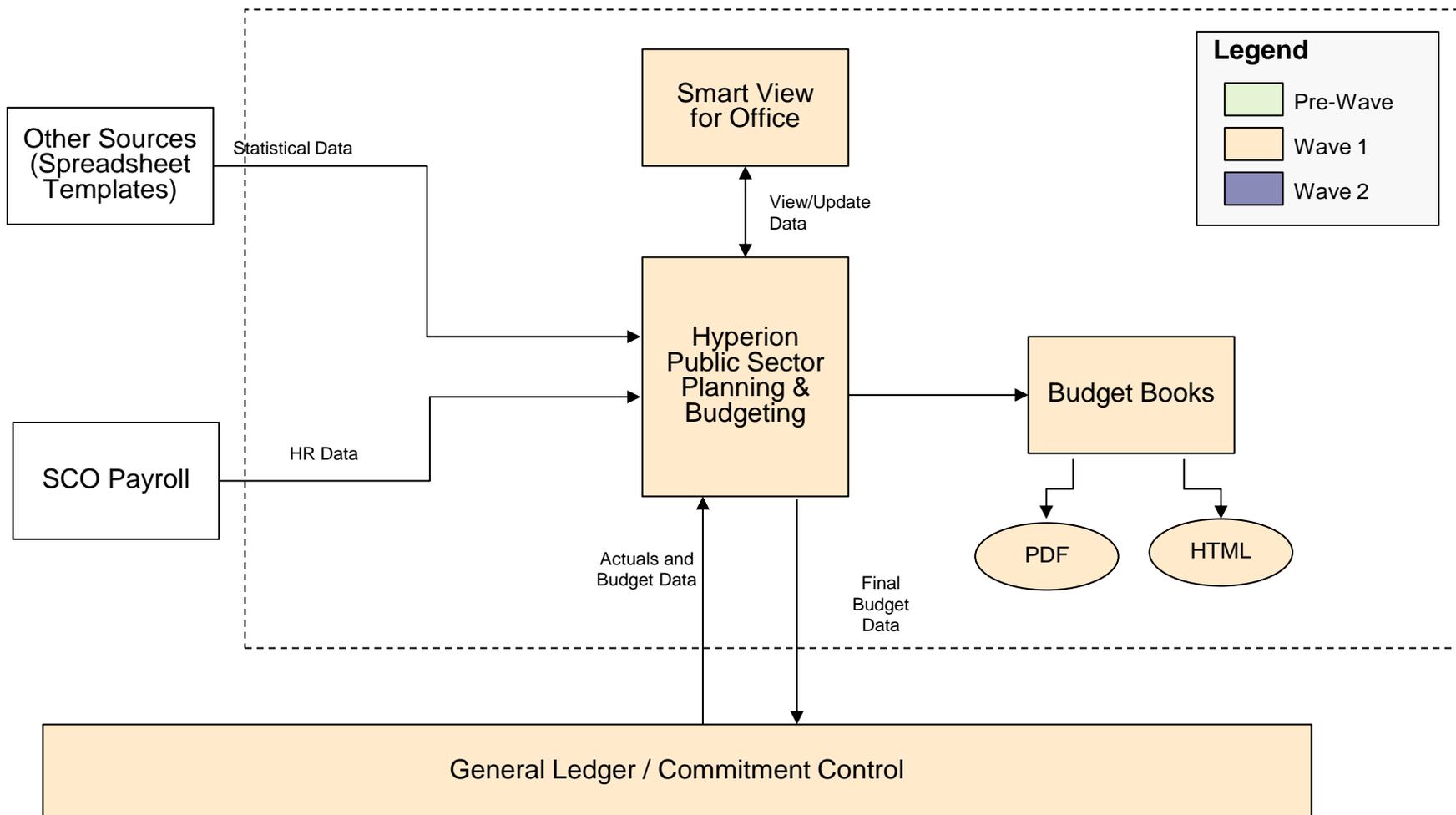
FI\$Cal Solution Overview



FI\$Cal Accounting Solution



FI\$Cal Budgeting Solution



Key Terms

- **Chart of Accounts (COA):** A collection of one or more types of codes used to classify financial and budgetary transactions
- **ChartField:** A PeopleSoft term representing a single type of accounting classification code (fund, etc.)
- **ChartField Value:** A single value for a ChartField. For example, 1234 could be a valid ChartField Value for the Fund ChartField

Design Background

- Ten COA and six Budget Structure scheduled design sessions were held in September and October 2012, attended by:
 - Accenture Subject Matter Experts (SMEs)
 - State FI\$Cal team members
 - Representatives from numerous departments across multiple FI\$Cal waves
- Three additional unscheduled sessions were held in November 2012 to resolve open design issues

< ChartField Name >

■ < ChartField Usage / Purpose >

FI\$Cal usage	An explanation of how a ChartField is being used in FI\$Cal, and how its values will be defined
Length	The length of a ChartField's values (<i>not the actual field size</i>)
Numbering	The numbering scheme for a ChartField
Maintenance	Who defines new values and updates existing values: <ul style="list-style-type: none"> • <i>Centralized</i> – To be maintained by the FI\$Cal Service Center (FSC) • <i>Departmental</i> – The ChartField will be maintained by departmental staff
Required	Under what circumstances <i>must</i> the ChartField be used
Values available	What determines the ChartField values available for use when recording a transaction: <ul style="list-style-type: none"> • <i>Secured by User</i> – Available values are based on the user entering the transaction • <i>All</i> – All active values are available • <i>Based on GL Business Unit</i> – Only the values configured for use by the GL Business Unit used on the entry are available, i.e. the values are Business Unit specific

General Ledger Business Unit

- An organizational unit with a balanced set of books. General Ledger (GL) reports and processes are run by GL Business Unit. GL Business Units are different than the Business Units used in the subsidiary ledgers, i.e. AP, AR, etc.

FI\$Cal usage	A GL Business Unit will be defined for each Organization Code to which appropriations are made
Length	4 digits
Numbering	GL Business Units will use the existing Organization Code values
Maintenance	Centralized
Required	On all entries
Values available	Secured by user

Affiliate

- Identifies the Business Unit *counterparty* on a cross-BU (“InterUnit”) entry, i.e. the “other” Business Unit

Length	4 digits
Numbering	Affiliates will use the existing Organization Code values
Maintenance	Centralized
Required	No
Values available	All valid GL Business Units

Account

- Identifies the type of asset, liability, fund balance, receipt, expense, transfer or statistical measurement involved in a transaction.
 - **Financial Accounts** – used to record financial accounting entries or budget entries
 - **Budgetary Accounts** – used only when recording budgets
 - **Statistical Accounts** – used to record non-monetary amounts, i.e. office square footage, staff count, authorized positions, etc.

Account (cont.)

FI\$Cal usage	FI\$Cal Accounts will merge the existing GL Code, Receipt Code and Object Code concepts into a single coding element.																	
Length	Financial & Statistical Accounts – 7 digits Budgetary Accounts – 1 to 7 digits (shorter values are rollups)																	
Numbering	<table border="1"> <thead> <tr> <th><u>First Digit</u></th> <th><u>Account Type</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Assets</td> </tr> <tr> <td>2</td> <td>Liabilities</td> </tr> <tr> <td>3</td> <td>Fund Balance</td> </tr> <tr> <td>4</td> <td>Revenues / Reimbursements</td> </tr> <tr> <td>5</td> <td>Expenses</td> </tr> <tr> <td>6</td> <td>Transfers</td> </tr> <tr> <td>9</td> <td>Statistical</td> </tr> </tbody> </table>	<u>First Digit</u>	<u>Account Type</u>	1	Assets	2	Liabilities	3	Fund Balance	4	Revenues / Reimbursements	5	Expenses	6	Transfers	9	Statistical	
<u>First Digit</u>	<u>Account Type</u>																	
1	Assets																	
2	Liabilities																	
3	Fund Balance																	
4	Revenues / Reimbursements																	
5	Expenses																	
6	Transfers																	
9	Statistical																	
Maintenance	Centralized																	
Required	On all entries																	
Values available	All																	

Alternate Account

- An Account subclassification, typically used for receipt and expense accounts. Each Alternate Account is linked to one “parent” Account, but an Account can have multiple Alternate Account “children”.

FI\$Cal usage	Usage is at departments' option
Length	10 digits
Numbering	7 digit Financial Account + 3 digit suffix (<i>each 10 digit value must be unique within its Business Unit</i>)
Maintenance	Departmental
Required	Must be populated on all entries by Business Units (departments) that use this ChartField, but will be populated automatically with a default value when not user entered.
Values available	1) Based on GL Business Unit 2) Based on Account

Fund

- A fiscal and accounting entity with a balanced set of books.

FI\$Cal usage	FI\$Cal Funds will combine funds and subfunds into a single coding element.
Length	Fund only – 4 digits Fund + Subfund – 9 digits
Numbering	4 digit Fund + 5 digit Subfund Existing Fund values will be used Some Subfund values are unchanged, others are new values
Maintenance	Centralized
Required	On all entries
Values available	Based on GL Business Unit

Fund Affiliate

- Identifies the Fund counterparty on a cross-Fund (“IntraUnit”) entry, i.e. the “other Fund”

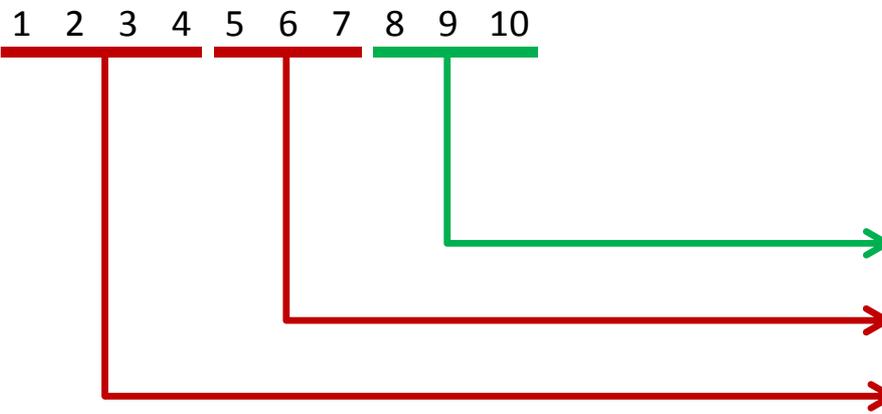
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Numbering	4 digit Fund + 5 digit Subfund Existing Fund values will be used Some Subfund values are unchanged, others are new values
Maintenance	Centralized
Required	On all entries
Values available	All

Program

- Identifies the governmental Program associated with an entry, as well as any related Subprogram and/or Subtask.

FI\$Cal usage	<ol style="list-style-type: none"> 1) 2 digit Programs are being renumbered as 4 digit values whose values are unique statewide 2) Component, Element and Task replaced by 3 digit <i>Subprograms</i> 3) Introduction of departmentally defined <i>Subtasks</i> 4) Program and Subprogram values are defined by DOF 5) Subtask values are departmentally defined
Length	4 – 10 digits
Numbering	<i>(see following slide)</i>
Maintenance	Centralized <i>(departments can submit requests for new values using a spreadsheet template provided by FI\$Cal)</i>
Required	On all appropriated expense and reimbursement entries
Values available	Based on GL Business Unit

Program (cont.)

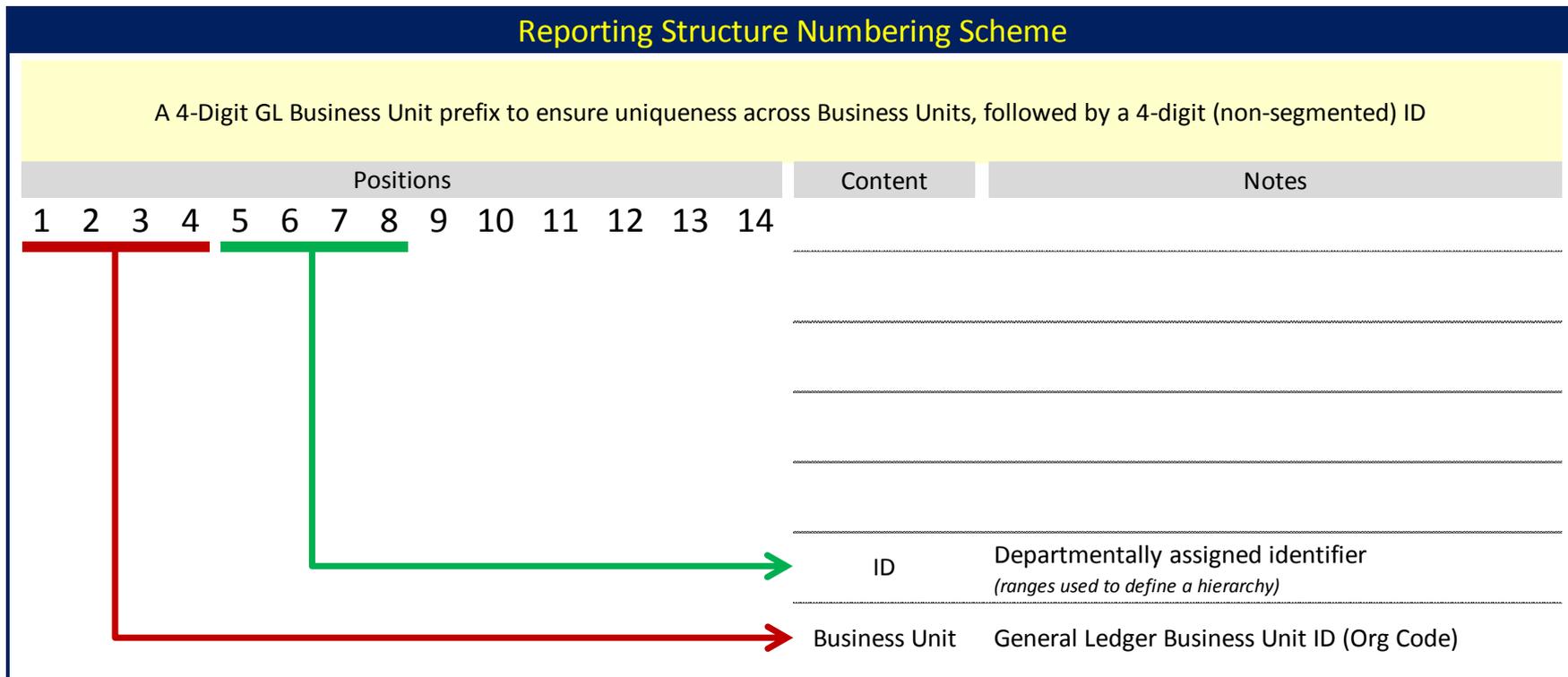
Program Numbering Scheme											
Statewide Use: Program, Subprogram											
Mixed Use: None											
Departmental Use: Subtask											
Positions										Content	Notes
1	2	3	4	5	6	7	8	9	10		
										Subtask	A Departmentally defined subdivision of a Subprogram (similar to PCA)
										Subprogram	A new concept combining the existing Element, Component and Task concepts
										Program	Programs will be renumbered for uniqueness statewide

Reporting Structure

- Identifies the organizational entity associated with a transaction. Similar to the UCM Organization Code at Level 2 and below.

FI\$Cal usage	Optional, at departments' choice
Length	5-8 digits
Maintenance	Departmental
Required	On all appropriated expenses <i>(for departments using this field)</i>
Values available	Based on GL Business Unit

Reporting Structure (cont.)



ChartField Maintenance Demo

[Favorites](#) > [Main Menu](#) > [Set Up Financials/Supply Chain](#) > [Common Definitions](#) > [Design ChartFields](#) > [Define Values](#)
[Home](#)

FI\$Cal

Reporting Structure

SetID: 0820 Reporting Structure: 08201234

Effective Date Find | View All First 1 of 1 Last

*Effective Date: 04/16/2014

*Status: Active

*Description: A new Reporting Structure

*Short Description: MyFavorite

Manager ID: Manager Name:

Attributes: Long Description

Budgetary Only

Tree Maintenance Demo

Tree Manager

SetID 0860 Last Audit Valid Tree

Effective Date 01/01/1901 Status Active

Tree Name RS_REPORTING Reporting Structure

Save As Close Tree Definition Display Options Print Format Export to PDF

0860 >08604000

Collapse All | Expand All Find First Page ◀ 16 of 157

- 📁 0860 -
 - 🗨️ [08609000 - 08609500]
 - 📁 08601000 - Board Members/Executive
 - 📁 08602000 - Administration Department
 - 📁 08603000 - External Affairs Department
 - 📁 **08604000 - Legal Department**
 - 🗨️ [08604050] - 311-Legal Administration
 - 🗨️ [08604200] - 311-Tax & Fee Programs Div
 - 🗨️ [08604800] - 379-Legal (Pro Rata)
 - 📁 08604100 - 311-Appeals Division
 - 📁 08604300 - 311-Litigation Division
 - 📁 08604400 - 311-Settlemt & Txpayer Svc Div
 - 📁 08604500 - 326-Invest. & Spec Ops Branch

Appropriation Reference

- Identifies the appropriation and financial control structure of a transaction. It is typically used to maintain uniqueness across multiple appropriations involving the same GL Business Unit and Fund.

Length	3 digits (4 digits in the case of some partial multi-year reappropriations)
Numbering	Values will be grouped into ranges according to appropriation type, i.e. State Operations, etc.
Maintenance	Centralized
Required	On all appropriated expense and reimbursement entries
Values available	All

Enactment Year

- The year an appropriation was first authorized or enacted. DOF refers to this as Year of Appropriation (YOA).

Length	4 digits
Numbering	4 digit fiscal year, i.e. 2013, 2014, etc.
Maintenance	Centralized
Required	On all appropriated expense entries
Values available	All

Project

- Allows for the tracking of, and billing for, costs associated with activities having a finite duration. Projects can span multiple years, involve multiple funding sources, and be charged to by multiple GL Business Units (departments). Use of a Project ID on a transaction triggers the use of other Project related ChartFields:
 - Project Costing Business Unit (PC BU) - required
 - Project Activity – required
 - Project Resource Type (“Source Type”) – optional
 - Project Resource Category (“Category”) – optional
 - Project Resource Subcategory (“Subcategory”) – optional

Project (cont.)

FI\$Cal usage	Projects will be defined for Capital Outlay projects, federal grants, and for any other cost tracking purposes as determined by departments.
Length	Max of 15 digits
Numbering	By default, Project IDs will be system assigned 15 digit sequential values, although departments can choose their own numbering schemes when desired (excluding Cap Outlay projects).
Maintenance	Departmental
Required	No
Values available	Based on GL Business Unit

Service Location

- Identifies the location (county, city, district, region, park, building, etc.) associated with a transaction.

Service Location (cont.)

FI\$Cal usage	<p>The Service Location ChartField will be preloaded with the following types of locations:</p> <ol style="list-style-type: none"> 1) Postal Zip Codes 2) CA Counties 3) CA Cities 4) CA Assembly Districts 5) CA Senate Districts <p>Departments are free to define their own values, and/or to hide any of the preloaded values.</p>
Length	5 digits
Numbering	<ol style="list-style-type: none"> 1) Postal Zip Codes – <i>nnnnn</i> 2) CA Counties – <i>NTYnn</i> 3) CA Cities – <i>Cnnnn</i> 4) CA Assembly Districts – <i>ADnnn</i> 5) CA Senate Districts – <i>SDnnn</i>
Maintenance	Departmental
Required	No
Values available	Based on GL Business Unit

Agency Use

- Departments whose transaction classification needs are not fully met by the other ChartFields can use the Agency Use ChartField to further classify their transactions.

FI\$Cal usage	As determined by departments, subject to approval based on business need.
Length	1 – 10 digits
Numbering	Departmentally determined
Maintenance	Departmental
Required	No
Values available	Based on GL Business Unit

Statistics Code

- Useful for tracking statistical measurements (units) related to a financial transaction. For example, park admissions, number of licenses issued, etc.

Length	3 characters
Numbering	Alphanumeric
Maintenance	Centralized
Required	No
Values available	All

Statistical Accounts

- Useful for tracking statistical measurements that are unrelated to specific financial transactions. For example, office square footage, FTEs (staff), etc. This is commonly done to support cost allocations and/or special reporting requirements. Entries involving statistical Accounts are usually recorded as General Ledger journals, and are posted to a statistical ledger.

Statistical Accounts (cont.)

FI\$Cal usage	Statistical measurements that have applicability to several departments will be configured as statewide Statistical Accounts. Statistical measurements that are department specific will be configured as (departmentally maintained) Alternate Accounts associated with a generic departmental use statewide Statistical Account.
Length	7 digits – Statistical Accounts 10 digits – Statistical Alternate Accounts
Numbering	9nnnnnn(nnn)
Maintenance	Centralized
Required	No
Values available	All

Budget Period

- This field represents the budget fiscal year to which a transaction applies. It is similar to the existing Funding Fiscal Year concept, and is referred to by DOF as Year of Budget (YOB). Although not a ChartField, the Budget Period field has ChartField-like characteristics:
 - *It is recorded on transactions*
 - *It classifies balances in the budget (Commitment Control) ledger*

FI\$Cal usage	The Budget Period field is not entered when recording transactions. Its value is <i>derived</i> from the Budget Date field.
Length	4
Numbering	YYYY
Maintenance	Centralized
Required	N/A (Budget Date is required)
Values available	All

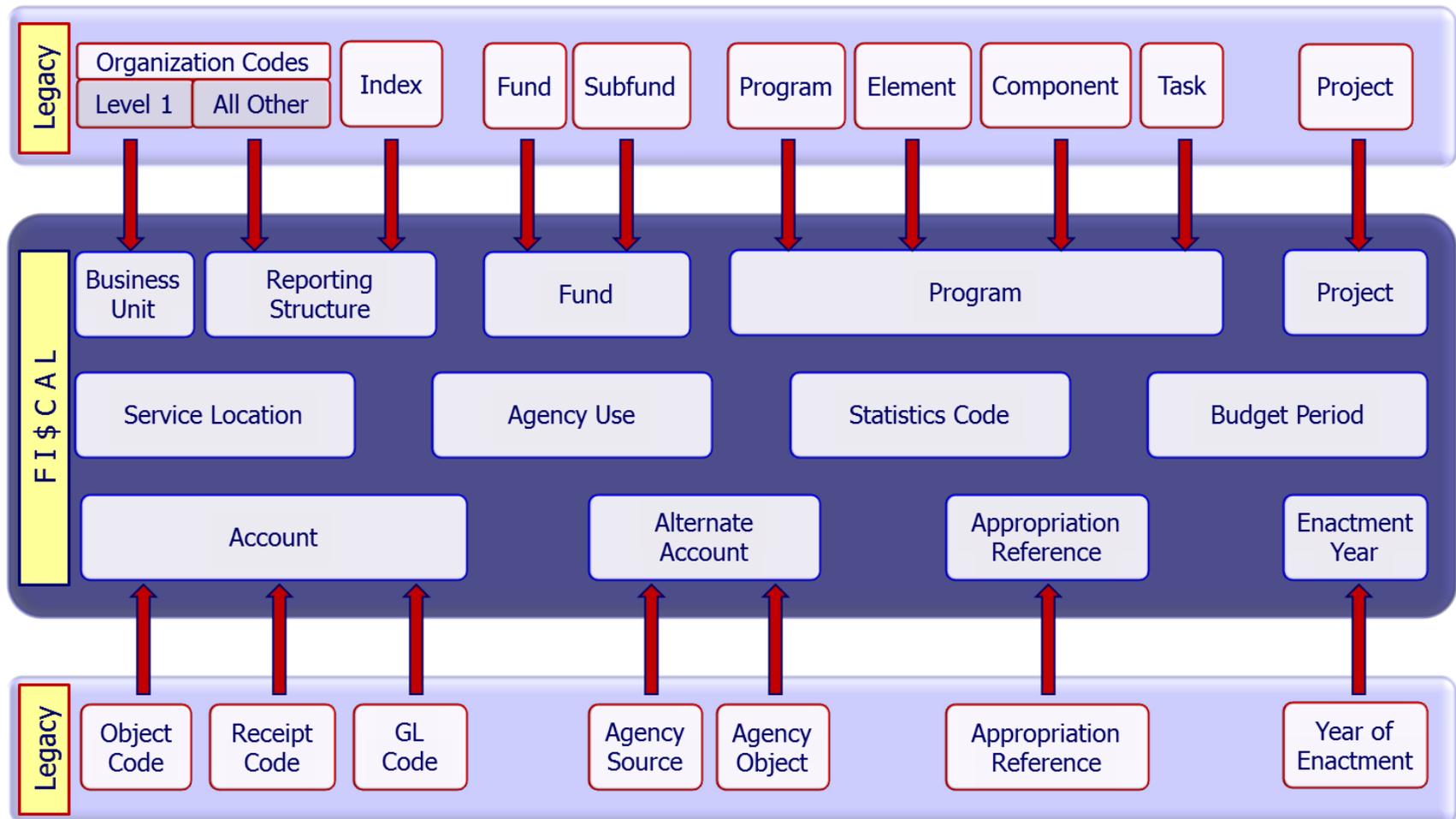
ChartField Design Summary (1 of 2)

ChartField Name	Length	Maintained	Required?
Business Unit ✓	4	Centrally	On all entries
Business Unit Affiliate	4	Centrally	No
Account	7	Centrally	On all entries
Alt Account	10	Departmentally	No
Fund ✓	4 (Fund only) 9 (Fund + Subfund)	Centrally	On all entries
Fund Affiliate	4 (Fund only) 9 (Fund + Subfund)	Centrally	No
Program	4 (Program) 7 (Program, Subprogram) 10 (Program, Subprogram, Subtask)	Centrally	On all appropriated expense and reimbursement entries
Reporting Structure	6-8	Departmentally	On all appropriated expense entries <i>(for departments using this field)</i>
Appropriation Reference	3-4	Centrally	On all appropriated expense and reimbursement entries

ChartField Design Summary (2 of 2)

ChartField Name	Length	Maintained	Required?
Enactment Year	4	Centrally	On all appropriated expense entries
Project	15 (max)	Departmentally	No
Service Location	5	Departmentally	No
Agency Use	10	Departmentally	No
Statistics Code	3	Centrally	No
Budget Period <i>(not a ChartField)</i>	4	Centrally	N/A

ChartField / UCM Cross-reference



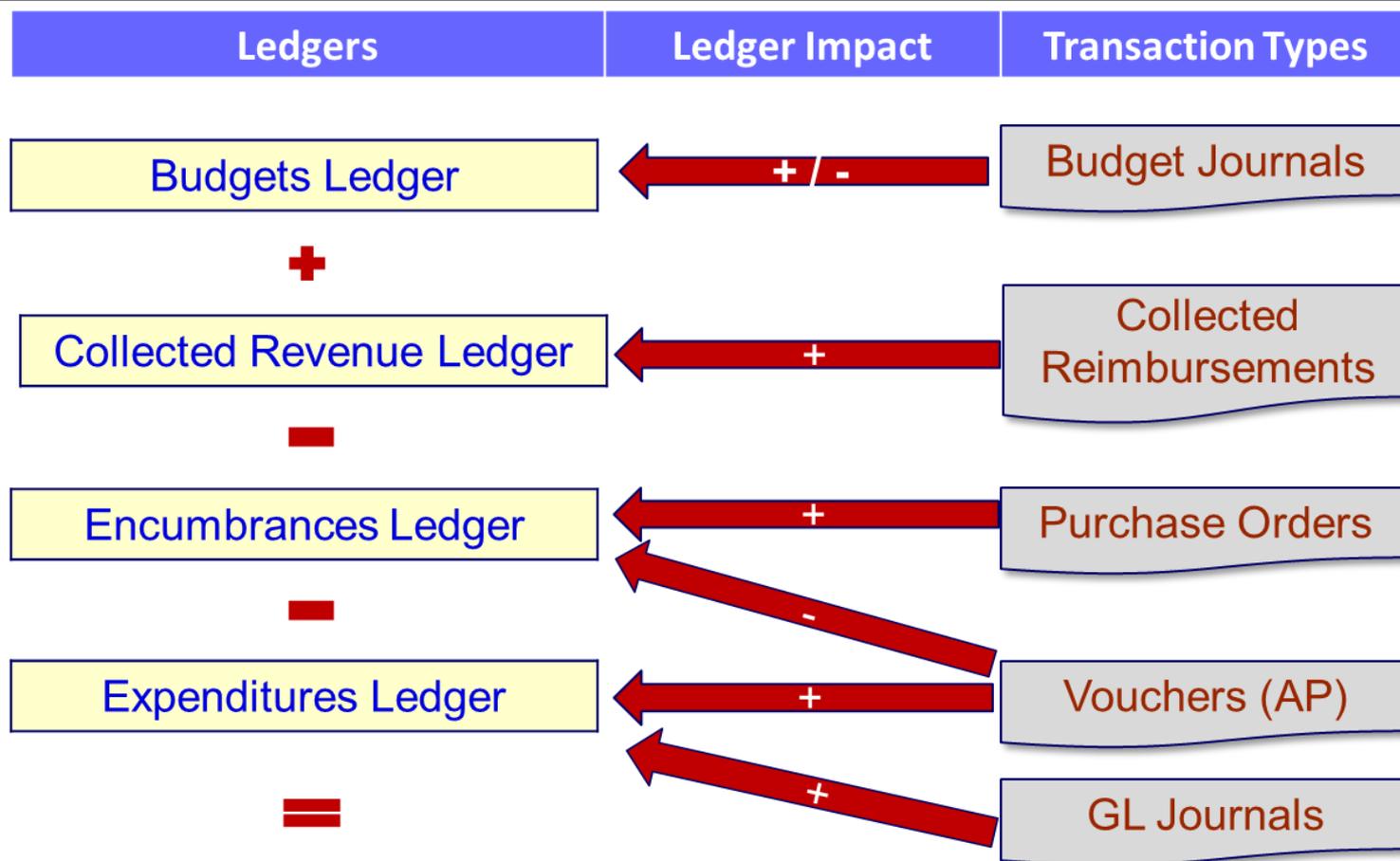
Program Cost Accounts (PCAs)

- PCAs will not exist in FI\$Cal
 - The UCM codes represented by PCAs will be ChartFields
 - Programs
 - Funds
 - Appropriation References
 - When PCAs are used to provide a lower level of detail within a Program, departments can define Program Subtasks to provide the same capability.
- FI\$Cal features to ease the transition from PCAs
 - **SpeedTypes** (GL & AR) – predefined ChartField strings (one string per SpeedType)
 - **SpeedCharts** (PO & AP) – predefined ChartField strings (one or more strings per SpeedChart)

Commitment Control Terms

- **Commitment Control** – PeopleSoft functionality that supports budgetary accounting, enabling the tracking or controlling of expenses against budgets
- **Budget Ledger** – a ledger that stores amounts from posted budget transactions of a specific type (budget, encumbrance, expense, recognized revenue, collected revenue) for a specific budget (Appropriation, etc.)
- **Remaining Spending Authority (RSA)** – the amount of a budget available for encumbrance or expenditure
- **Budget Checking** – the PeopleSoft process that validates financial transactions against applicable budgets

Commitment Control Ledgers



Remaining Spending Authority (RSA)

Budgetary Control Options

Three types of budgetary control (“enforcement”) are available:

- **Control**

- Transactions exceeding Remaining Spending Authority (RSA) for any applicable budget will fail the budget checking process and cannot be posted. No further processing of the transaction can be performed until:
 - RSA is increased by recording a budget adjustment or budget transfer, or
 - The transaction’s ChartField values are updated so that the transaction affects a different budget, or
 - The error is overridden by an authorized user

Budgetary Control Options (cont.)

- **Track With Budget**

- Transactions without an applicable budget fail the budget checking process, regardless of monetary amount
- Transactions with an applicable budget pass the budget checking process, even if their amounts exceed RSA for the budget

- **Track Without Budget**

- All transactions pass the budget checking process, regardless of amount and/or existence of applicable budgets

Appropriation Budgets

- Legislatively authorized spending limits
 - Includes Budget Act, Special Legislation, Continuing and Continuous appropriations
- Highest level expenditure budget in FI\$Cal
- Annual budget period
- Configured as a control budget
- Pre-encumbrances (requisitions) are not tracked

Associated Revenue Budgets

- Used when certain revenues or reimbursements provide additional spending authority for designated expenditure appropriations
- Annual budget periods
- Configured as tracking budgets
- Reimbursement budgets
 - The increase in spending authority provided to the related expenditure budget is limited to the budgeted reimbursement amount – additional reimbursements are permitted, but do not increase spending authority
 - Scheduled to the same Program as the associated expenditure budget

Departmental Operating Budgets

- Departmentally defined budgets used to track or control spending at a more detailed level than the Appropriation budget
- Can be configured with different Control Options
 - Control (prevents overspending)
 - Track with budget (prevents spending for unbudgeted items, does not prevent overspending for those items)
 - Track without budget (allows spending for unbudgeted items, does not prevent overspending)
- Monthly, quarterly or annual budget periods

Project Budgets

- Track or control project related expenditures
 - Capital outlay
 - Grants
 - Other
- Spans the life of a project
- Departmentally defined and maintained by departments
- Integrated with the Project Costing module

Technology Considerations

- Interfaces

- A Chart of Accounts (COA) Translation process has been developed to translate legacy codes into FI\$Cal ChartField values, and ChartField values into legacy codes

Session Recap

- Key Considerations
- Future Action Items
- Action Items
- Concerns

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