



2022 Year in Review



Table of Contents

- 1. Introduction..... 1**
- 2. System History 1**
- 3. 2022 Significant Events 3**
- 4. Future Activities 4**

1. Introduction

The Department of FISCAL's (FI\$Cal) core mission is to operate the FI\$Cal system, the statewide financial management system that enables California state entities to perform budgeting, procurement, cash management and accounting functions transparently and efficiently.

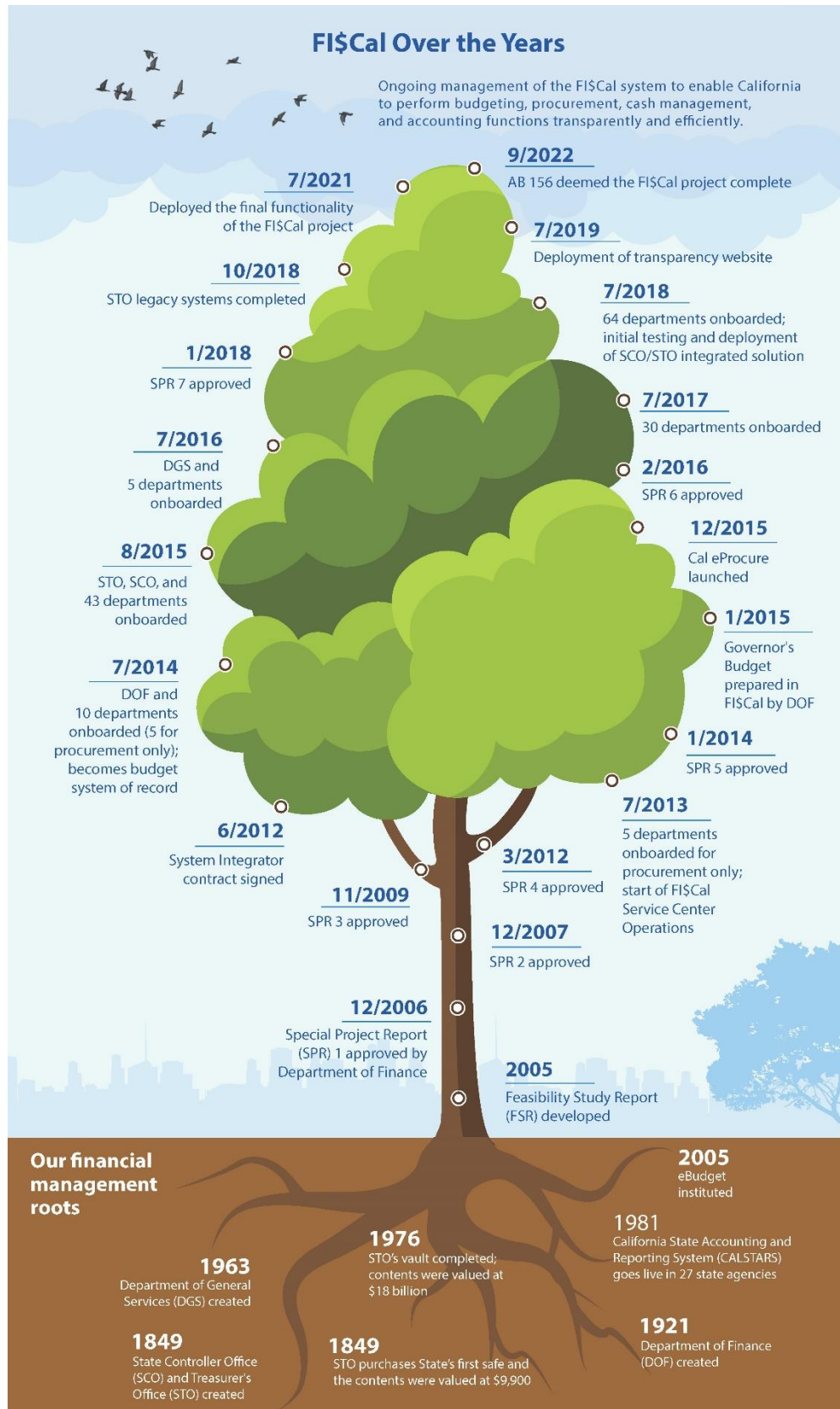
FI\$Cal is among the largest financial public sector information technology systems in the world, replacing hundreds of legacy systems statewide. Enormously complex by its very nature, there are currently 152 departments and approximately 13,000 end users using the system, processing \$436 billion in expenditures in the fiscal year 2021-2022. The State Treasurer's Office system functionality handled in excess of \$3.1 trillion in state government banking transactions this past fiscal year. Departments are paying their bills and balancing their budgets every day using the FI\$Cal system.

Additionally, FI\$Cal continues to make the financial information of the state of California significantly more transparent through Open FI\$Cal, the website that opened California's "books" to the public.

2. System History

The Financial Information System for California began in 2005 with a total of five state employees tasked with replacing one internal facing budget system for the Department of Finance. The focus of the project soon shifted to address the need to modernize the state's entire financial management process into a single financial management system. On June 25, 2021, FI\$Cal successfully deployed the final functionality of the FI\$Cal project and in September 2022, the department received formal recognition of project completion with the passing of Assembly Bill 156.

The FI\$Cal Over the Years graphic on the following page provides a chronological list of the significant events, through September 2022, in the development of the FI\$Cal system.



3. 2022 Significant Events

During 2022, the FI\$Cal team continued to develop solutions, implement improvements and release guidance to help end users navigate the system and close their books more effectively. In fact, as of September 27, the fiscal year 2021-22 year-end close saw a 30.4 percent improvement over the previous year. This is an amazing achievement that showcases the collaborative effects of supporting our end users.

While both FI\$Cal and the State Controller's Office (SCO) legacy systems continue to run in tandem until SCO's validation work is complete, in February, FI\$Cal released the first phase of a FI\$Cal to SCO Fund Reconciliation report. The report helps departments streamline the reconciliation process, which is a process of comparing transactions to supporting documentation and addressing discrepancies. The SCO fund Reconciliation report increases efficiencies in month-end close/year-end close processes.

Also, in February, the FI\$Cal Learning Center (FLC) celebrated its one-year anniversary. The FLC is a one-stop shop created to help our customers master the skills they need to become confident and successful using the FI\$Cal system. Virtual instructor-led and self-paced training curricula are available through the FLC training portal. These courses include pre-recorded lecture videos and interactive learning content, providing the opportunity for users to learn the training content at their own pace. During the first year, 4,895 end users used the FLC, with 76 virtual training sessions delivered to more than 3,100 attendees.

In April, in partnership with the Department of General Services, FI\$Cal implemented an award-winning innovative new feature that allows suppliers and departments to quickly identify the payment status for procured goods and services. This new Purchase Order Payment History search tool allows vendors, subcontractors, state departments and the general public to search for procurement-related payments made to vendors by state departments within the FI\$Cal system. The tool received the National Association of State Chief Administrators' Innovation in State Government award for digital services, data management, analytics and visualization, and the Government Technology's Best of California award in Information Technology collaboration.

Effective July 1, FI\$Cal was approved for 64 new positions as part of the Spring Finance letter budget process. In response, the department has increased its job recruitment efforts, updating its outreach and hosting its first-ever virtual job fair. During the event, the human resources office provided an overview of the

department and its divisions, and FI\$Cal leaders shared details about their divisions and the types of projects staff typically work on, answering in-depth questions from potential job candidates.

Also in July, FI\$Cal upgraded Hyperion, its application used within the FI\$Cal system for statewide budgeting. FI\$Cal is committed to remaining modern by continuously upgrading critical applications to improve user experience, bringing in performance and security improvements, and ensuring its hardware and software infrastructure has supported technologies.

Additionally, as of July, our transparency website Open FI\$Cal, displays expenditure information for all departments transacting in the FI\$Cal system. Open FI\$Cal is updated every month, and it continues to evolve. In November 2022, we began making non-confidential departmental data from certain departments not transacting in FI\$Cal available as well. Since its public launch in 2018, the site has added nearly 160 million rows of data, representing all of the departments that use FI\$Cal for their accounting. About \$1.2 trillion in expenditures have been listed on the site so far, equaling over 60 gigabytes of data.

In addition to these many accomplishments, we released over 182 system enhancements to improve user experience and customer service, continually adding innovation to the system. Many of the enhancements were the direct result of interactive engagement with FI\$Cal end users.

This past September, the department received formal recognition of project completion with the passing of Assembly Bill 156 and in October, Jennifer Maguire was appointed director, becoming the second director of the Department of FI\$Cal.

4. Future Activities

Trailer Bill Language (TBL) in Assembly Bill 156 defines future activities for the department to continue to enhance, upgrade and ensure the alignment of the FI\$Cal system with the state's financial management processes. In addition, the TBL redefines FI\$Cal reporting requirements to the legislature, as well as the focus of oversight by the California State Auditor, for the work ahead including onboarding [departments that have been deferred](#), system modernization efforts and the transition of the accounting book of record to the FI\$Cal system.



One state. One system.

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Moving forward, FI\$Cal will continue efforts to make the state's financial systems more effective and efficient for state departments, while remaining innovative with our solutions and ensuring the system remains modern over time.