



The EE1 Project, Timeline, and Impacts

October 9, 2014

Session Agenda

- Introduction and Goals of EE1
- Business Policy Changes and Guidance
- Project Milestones and Agency Activities
- Question and Answer Session

SFS and EE1 Organization

Joint Governance Board

- John Traylor, Executive Deputy Comptroller, Office of the State Comptroller (OSC)
- Dominic Colafati, Unit Chief, Division of Budget (DOB)
 - Represented by Joseph Conroy, Unit Chief, DOB

EE1 Project Officers

- Bonnie Gold representing DOB/Agencies
- John Corbett representing OSC
- Richard Thomas representing SFS

SFS and EE1 Organization

EE1 Project Management

- Edward Bouryng, Project Director
- Mike Mullin, Deputy Project Director
- Terry Anderson, Project Manager

SFS Program Management

- Margaret Sherman, Director
- Richard Thomas, Deputy Director

EE1 Project Partners

- Other lead partners:
 - Department of Labor (DOL)
 - Office of General Services (OGS)
 - Business Services Center (BSC)
 - *AnalyzeNY*
- Key agencies help define requirements
- User Groups for feedback and input
- CFO Advisory Group for guidance
- Communication/ collaboration with Office of Information Technology Services (OITS)

EE1 Overview

New Functionality	<p data-bbox="772 342 1081 592">Enterprise Services Automation (ESA)</p> <p data-bbox="1110 342 1420 592">eSettlements</p> <p data-bbox="1449 342 1796 592">Asset Lifecycle Management (ALM)</p>
Re-architecture	<p data-bbox="772 714 1081 963">Procurement Contracts</p> <p data-bbox="1110 714 1420 963">Bulkload Extracts</p> <p data-bbox="1449 714 1796 963">Budget/ Commitment Control</p>
Technical Upgrade	<p data-bbox="763 1056 1690 1220">PeopleSoft 9.2 Upgrade/ Technology Stack</p>

SFS Current State

- Financial system of record since April 2012, processing 22,000 transactions daily
- Enabled more than 35 legacy “shadow” systems to be retired
- 69 out of 78 customer agencies are online:
 - 33 are fully online
 - 36 also transmit files to/from SFS (bulkload)
 - 9 agencies are bulkload only
- As of 10/1/14, making payments for Supplemental Security Income (SSI) State Supplement Program – \$90 million in annual savings to New York State

Vision for SFS

- An enterprise financial management system that leverages proven public sector best practices
- An end-to-end system for accounting, procurement, travel, payments, project costing, financial management, asset management and reporting
- A system that supports enterprise needs and initiatives
- Greater efficiency, cost savings, and transaction speed with most “shadow” systems retired
- All “Future Phase” Agencies online*

*with the exception of the Legislature and the university systems

Goals of EE1

Towards best practices in procurement:

- Leverage PeopleSoft procure-to-pay automation
- Enable roll-out of online catalogs, electronic invoicing and auto-sourcing
- Provide procurement intelligence to achieve significant savings in Non-Personnel Services spending
- Eliminate “two-step” contract initiation process, use requisitions to pre-encumber funds and use purchase order (PO) as an ordering document

Goals of EE1

Supporting project management and costing:

- DOL is pilot agency coming online using ESA
- Provides for collection of costs, management of financial and operational information for projects
- Needed to enable other bulkload agencies with significant federal funding to come online

Goals of EE1

Effective use of budgetary controls within SFS:

- Use full segregations at budget adoption - Use SFS controls to manage cash instead of relying on partial segregations
- Agencies will manage cash impacts of procurements using Payment Schedule Projection (PSP) – important new cash tool
- Show current and future commitments within SFS for better visibility
- Pilot spending plans for agencies in SFS

Goals of EE1

Supporting asset and inventory management:

- Provide an inventory management solution for the OGS warehouse and storage initiative (July 2015)
- Expand the implementation of the asset management module to support lease management and the OGS Real Estate Center of Excellence Initiative (October 2015)
- Provides the foundation for expansion of asset management to other agencies

EE1 and the SFS Roadmap

- EE1 is one of a series of steps to reach the vision for SFS
- EE1 provides new functionality and tackles many fundamental issues – but not every known need
- The SFS Roadmap will identify future enterprise-level system improvements as prioritized by the Joint Governance Board:
 - Onboarding bulkload agencies to SFS
 - New PeopleSoft modules (Strategic Sourcing, Supplier Contract Management, and Maintenance Management)
 - Major functionality improvements
 - Reporting capabilities

EE1 and the SFS Roadmap

Bringing “Future Phase” Agencies Online:

- After EE1 implementation, SFS will work with remaining agencies to onboard (e.g., DEC, DCJS, and DOT)
- Enables agencies to retire duplicative legacy shadow systems
- Supports full utilization of the BSC
- Helps drive down IT costs by centralizing and standardizing financial operations

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Business Policy Changes & Guidance

- New or revised business policy changes supporting the business needs of the State within the framework of the future state conceptual designs are reviewed for approval by the SFS Governance Board and EE1 Project Officers
- Control Agencies will draft and publish necessary updates and policy guidance, to allow benefits to be realized, in the following:
 - OSC Guide to Financial Operations (GFO) and bulletins
 - DOB Bulletins
 - OGS BSC communication
 - SFS Training materials

Requisition Processing Impacts

Benefits: Streamlines the procurement process & improves procurement intelligence

- Contract Requisition Type
 - Capture Contract information at point of requisitioning
 - Reservation of Funds as Pre-Encumbrance
- General Purpose Requisition Type
 - Appropriate use of NYS Item Master to support procurement of certain commodities
 - Automate PO creation from approved requisitions

Contract Processing Impacts

Benefits: Separates contract and PO controls; consistent approach to contract management; leverages delivered functionality

- Contract Amendment processing leverages delivered functionality and maintains funds reservation
- Contracts will be auto-numbered
- Contract lines function as the overall contract control
- Corporate Contract indicator on Statewide Master contracts
- Stand alone contract Purchase POs created as Contracts

Purchase Order Processing Impacts

Benefits: PO provides a secondary control for the agency to manage State obligations; automates the contract management process

- PO no longer functions as part of contract creation
- Staged Contract releases used to automate creation of Purchase Orders
- Electronic dispatching of POs to vendors

Commitment Control Impacts

Benefits: Agencies are able to enter all procurement activity; real-time use of Financial Plan budgets maintained in SFS; reduced operational workload

- Segregation systematically aligned with appropriation (e.g., 100 percent segregation)
- Segregation Reserve concept put into place
- Segregation to support authority control and the State's Financial Plan to support cash control
- Quarterly Financial Plan aligned with and can be reconciled to quarterly cash-flow estimates
- Multi-year Financial Plan budgets to be established

Payment Schedule Projection Impacts

Benefits: Better information and incorporation of cash planning and controls within SFS. Facilitates full segregation at the time of budget enactment

- POs must be successfully PSP budget checked to be dispatched and paid
- Agencies are accountable to manage their cash projections within the planned ledger
- Cash projections are not controlled by PO but at the State's Financial Plan level
- Significant variation from agency cash ceilings may lead to tightening controls

Project and Grant Management Impacts

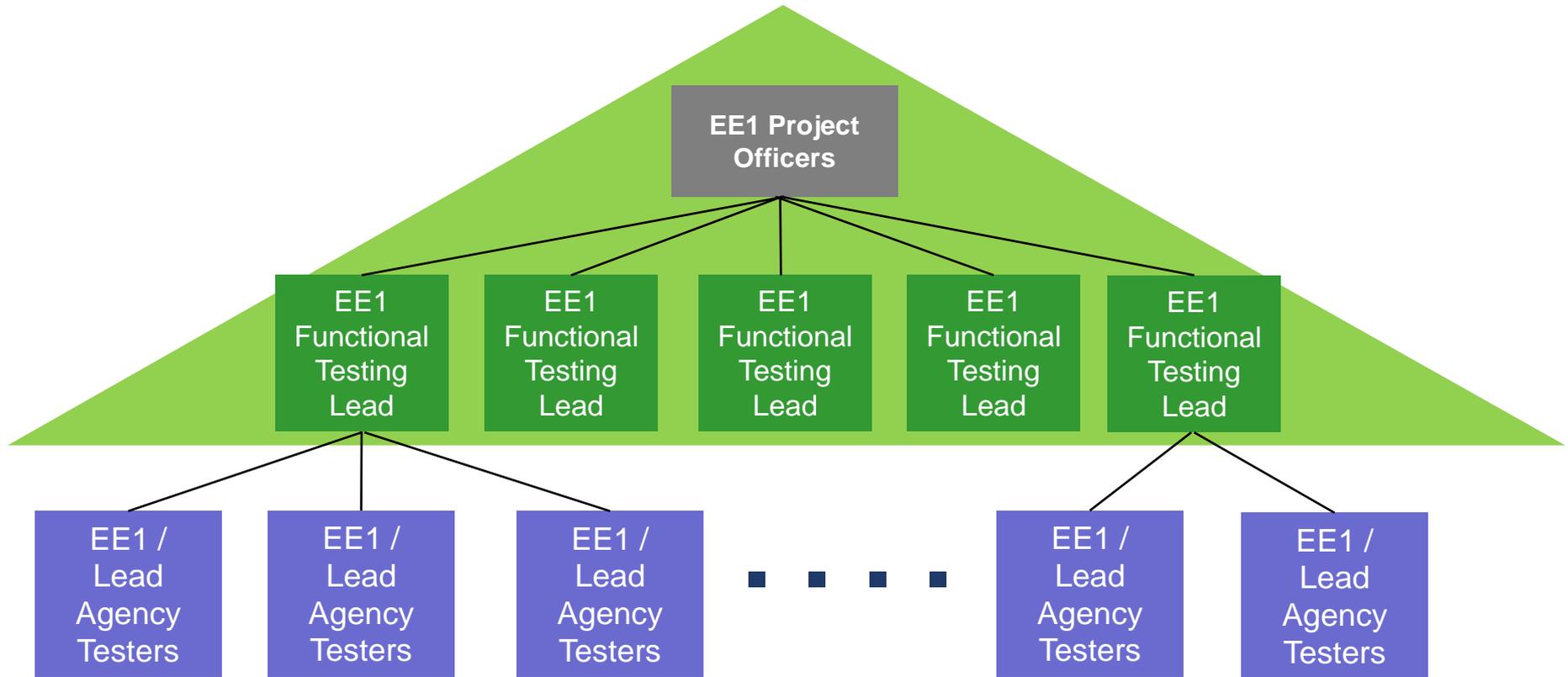
Benefits: Allows for efficient project management, draw of federal funds, and alignment of organizational responsibilities

- Agencies are accountable to manage their revenue contracts in Customer Contracts module
- SFS supports process control, issue resolution, and configuration
- OSC manages the grants drawdown; data reconciliation and integrity

Session Agenda

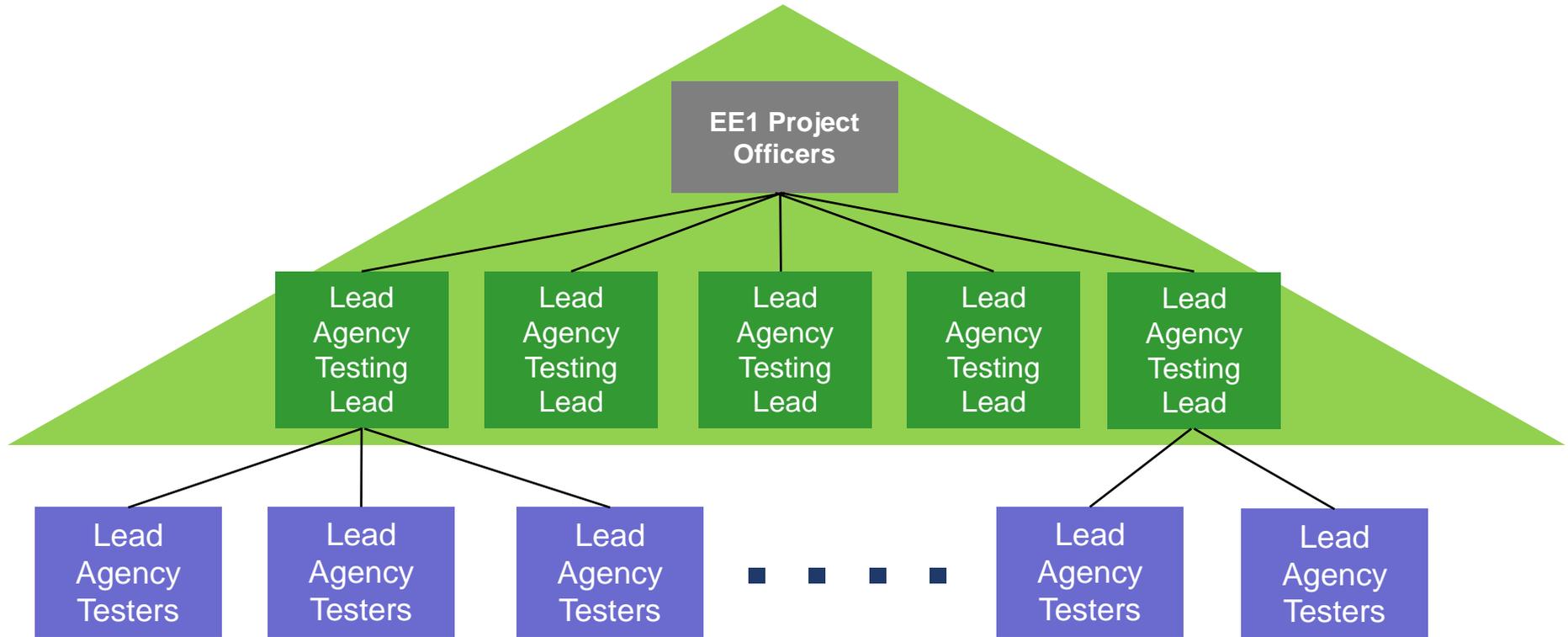
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EE1 Integration Testing



- EE1 Project Team Leads are Test Leads for each functional area
- Who is participating?
 - Lead agencies and bulkload agencies

EE1 User Acceptance Testing (UAT)



- Lead Agency Personnel are Test Leads for each functional area
- Who is participating?
 - Online and bulkload agency participants execute key testing as requested
- Integration Testing and UAT are not training events

SFS EE1 Training

Training agency staff on PeopleSoft v.9.2 will differ from implementation of PeopleSoft v.9.0

- Collaboration with Agency Training Leads
- SFS EE1 First Look Series
- Administrator Training
- Train-the-Trainer (TTT)
- Delta – “What’s Changed” Training
- SFS New User Training
- Agency User Training

EE1 Cutover Process/Key Activities

Cutover Prep

- Cutover Workshops
- Full Dress Rehearsal (FDR)
- FYE/Cutover Transaction Cleanup
- Lapsing

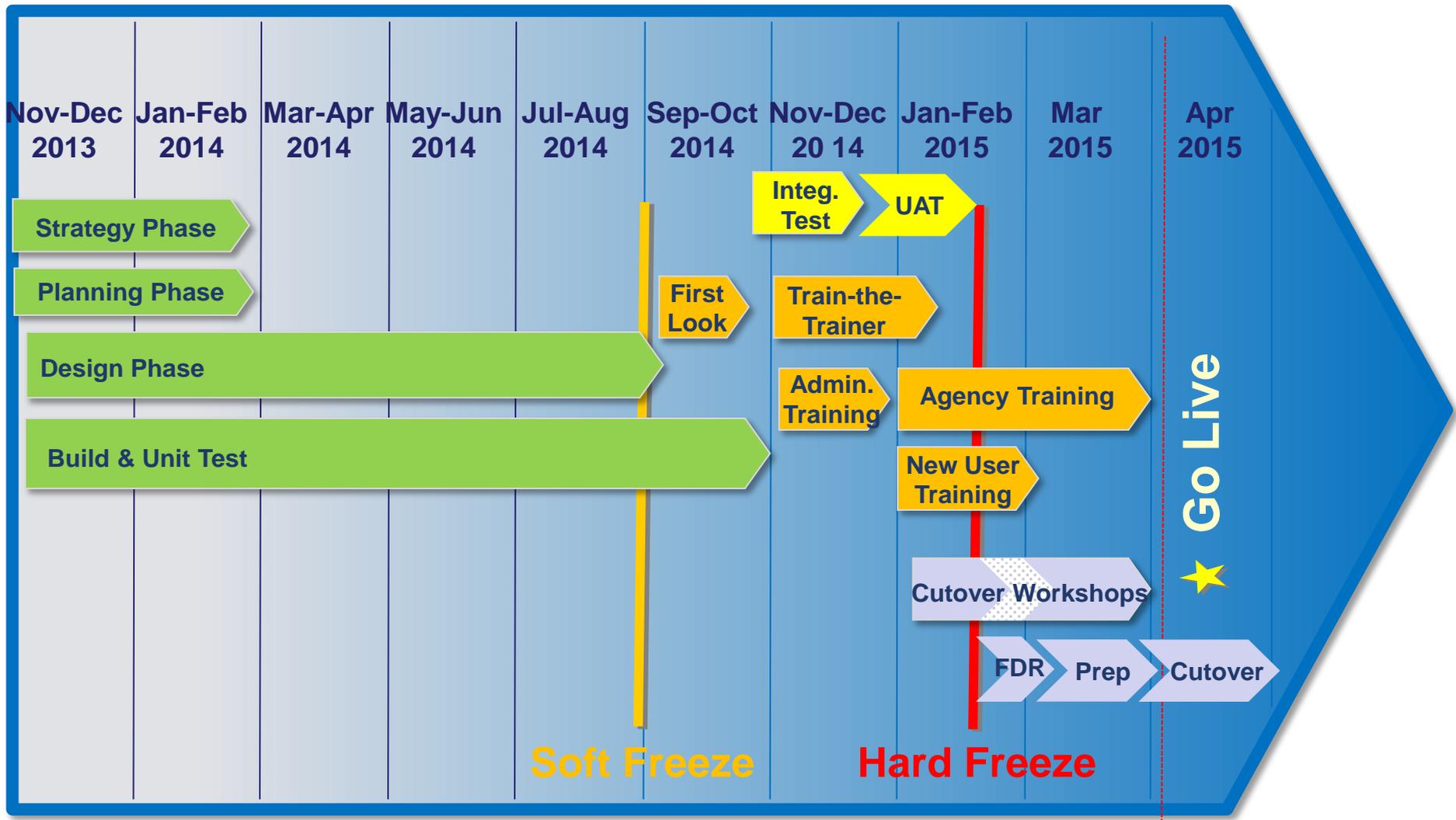
System Upgrade

Go-Live Prep

- Data Conversion & Validation
- FYE Processing
- Control Agency Soft Go-Live
- Agency Soft Go-Live

Go-Live

EE1 Project Timeline



Four T's to Ensure a Successful EE1

- **Take back what you hear:**
 - Encourage your Agency staff and management to participate in EE1 scheduled sessions, workshops and phone calls
 - View First Look session in SLMS to understand EE1 Impacts to your Agency
 - Watch for upcoming policy guidance updates
- **Testing:** Test your agency's internal business processes in support of EE1 re-architecture
- **Training:** November 2014 thru March 2015 - Provide trainers for Train-the Trainer and ensure training is delivered to meet your agency's needs.
- **Transactions:** Now thru March 2015 - To ensure successful conversion, perform contract, purchasing and voucher Transaction Clean-up in response to OSC requests

Questions and Answers