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Chart of Accounts Discovery

January 31, 2018

School of Pharmacy N103

COA Discovery Agenda

➢ Introductions

➢ Background and Objectives

➢ New General Ledger (GL) Chart Of Accounts (COA)

➢ Project Inventory Exercise

➢ Reporting Considerations

➢ Grants and Contracts

➢ Next Steps

➢ Q&A

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Introductions

Introductions

➢ Project team members who have a large stake in GL COA development- the COA group:

  ➢ Susan McKechnie- Finance Lead

  ➢ Lynn McGinley- Reporting Lead

  ➢ Andy Flerlage- Budget Lead

  ➢ Michele Evans- Change Management Lead

  ➢ Luke Quell- Finance Team

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Introductions

➢ COA group has met with a number of fiscal staff from several different departments/schools to develop the COA we have today

➢ Changes to current structure were made as a result of these meetings

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Background and Objectives

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Background

➢ Importance of COA

    ➢ Backbone of any financial system

    ➢ Created to meet a variety of reporting needs- internal and external

    ➢ Design with flexibility in mind- accommodate growth or new requirements

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Background

➢ Why change?

  ➢ Oracle Cloud requirements

    ➢ How is the COA used within the system?

    ➢ How is COA used to code transactions?

    ➢ What does COA look like in reports?

  ➢ Better reporting

  ➢ Move towards less reliance on shadow systems and less redundancy

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Background

➢ What's changing?

   ➢ General Ledger COA vs. Project Portfolio Management (PPM) POETAF (where grants will live)

   ➢ Primary focus today is the GL COA- i.e. non-grant accounting

      ➢ A few slides later on POETAF

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Objectives

➢ Give dept users a basic understanding of the new COA

  ➢ There won't be a straight mapping of old to new- most mapping will require a dept decision

➢ Start Project Inventory Exercise

  ➢ Determine if we need to make any tweaks to the COA values

  ➢ Opportunity for departments to evaluate and close old projects in FY18

  ➢ Prepare for future mapping exercise

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New GL Chart of Accounts (COA)

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New GL COA

➢ Terminology Update

    ➢ eUMB Chartfields = Quantum Segments

    ➢ eUMB Chartstring = Quantum Account

➢ What's changing?

    ➢ The number and order of the segments

    ➢ The values of some of the segments

    ➢ How the account will appear in transactions and reports

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New GL COA

➢ The segment values are not final!

➢ We are still in the process of validating our decisions and this exercise is part of the process

➢ Some segment values have changed and some segment values will remain the same

➢ In eUMB we have duplicative values in some of the chartfields and we have changed that in Quantum

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New GL COA

Old in eUMB	New in Quantum	Description
Project		- Project ID will only exist in PPM- not in GL - The functionality of this chartfield for non-PPM accounts will be replaced by the combination of the other segments
PCBU		The functionality of this chartfield will be incorporated in the Source segment
Tx Dept		The Tx Dept functionality will only be used in the PPM subledger- not in GL
	Unit (2)	Allows for future growth to identify separate related entities
Owner Dept	Org (8)	The UMB organizational units that manage the funds

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New GL COA

Old in eUMB	New in Quantum	Description
Fund	Source (3)	The type of funding that pays for the expenses
Prog	Function (3)	The classification of spending used in higher education
	Purpose (8)	Optional segment if the other combined segments don't provide enough segregation
	Activity (4)	Optional segment for organizational units to track events and initiatives within an account

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New GL COA

Old in eUMB	New in Quantum	Description
Fund Affil	Interfund (3)	System generated to insure that transactions are balanced at the Source level
	Future (5)	Placeholder for future needs
Acct	Object (4)	The type of transaction used in accounting (A,L,NE,R,E)

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New GL COA

➢A Quantum Account will be in this order/format:

Unit-Org-Source-Function-Purpose-Activity-Interfund-Future-Object

00-00000000-000-000-00000000-0000-000-00000-0000

➢Example:

Account: 00-06203000-105-620-00000000-0000-000-00000-4710

Account Description: UMB-Financial Services-General Appropriation-Fiscal Operations-Unspecified-Unspecified-Default-Default-Staff Development

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New GL COA

➢ Rules will be used to control and limit how segments are combined to create the complete account- similar to eUMB combo edits

➢ Each segment has a set of child and parent level values

  ➢ Transactions are only coded at child level

  ➢ Reporting can be at child or parent levels

  ➢ Child values will be numeric and parent values will be alpha (except for Org segment)

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New GL COA- Unit Segment

➢ Only one child value at go-live

Parent1	Child	Name
CN		Consolidated
	00	UMB

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New GL COA- Org Segment

➢ The child values will be the same as the Department in eUMB HCM but the hierarchy/roll-ups may look a little different

Parent5	Parent4	Parent3	Parent2	Parent1	Child	Org Name
ALLORG						All Organizations
					00000000	UMB
	02000000					Office of the President
					02100000	Office of the President, UMB
		02200000				UMB Counsel
					02201000	Office of University Counsel
					06205000	OAG/EAD Support
		02300000				Public Safety
					06400000	Department of Public Safety

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New GL COA- Object Segment

➢ Cleaned up values from eUMB GL account with a few required additions- renamed parents

Parent5	Parent4	Parent3	Parent2	Parent1	Child	Object Name
REVN						Revenues
	TUFE					Tuition & Fees
		UTUI				Undergraduate Tuition
					0110	Tuit- Undergrad- PT- In-state
					0111	Tuit- Undergrad- PT- Out-of-state
					0112	Tuit- Undergrad- FT- In-state
					0113	Tuit- Undergrad- FT- Out-of-state
		GTUI				Graduate Tuition
					0134	Tuit- Medical Doctor In-state

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New GL COA- Source Segment

➢ Expanded choices with new values

➢ Addresses functionality of old Fund and PCBU

➢ Assists with reporting requirements

➢ Detailed definitions will be distributed at a later date

➢ See Excel Spreadsheet

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New GL COA- Function Segment

➢ Expanded choices with new values

➢ Addresses functionality of old Program

➢ Used for IPEDS and Financial Statement reporting so needs to conform to NACUBO definitions

➢ Assists with reporting requirements

➢ Detailed definitions will be distributed at a later date

➢ See Excel Spreadsheet

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New GL COA- Purpose Segment

➢ Most values will be determined as a result of department mapping- use if other segments can't meet your needs

➢ Some values will be required- ex. Payroll and Procard Clearing

➢ Some values will be used across departments and some will be unique to a department

➢ Some values will be used as a segregator and some as an aggregator

➢ Generally Purposes will require a budget

➢ See Excel spreadsheet

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New GL COA- Activity Segment

➢ All values will be determined as a result of department requirements

➢ Some values will be used across departments and some will be unique to a department

➢ Some values will be used as a segregator and some as an aggregator

➢ Generally Activities will not require a budget

➢ See excel spreadsheet

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eUMB Project Inventory Exercise

eUMB Project Inventory Exercise

➢ Take inventory of all eUMB projects associated with your units

➢ Use the UMB Projects by Department Rpt in eUMB

➢ Need to determine how many current projects use the same combination of Owner Dept, Fund, and Program

   ➢ If only one project uses the same combination then you don't have to segregate further

   ➢ If multiple projects use the same combination then you need to figure out how to address it

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eUMB Project Inventory Exercise

➢ Options for addressing:

  ➢ Choose a different Org, Source or Function

    ➢ If you think additional values in existing segments make sense then let us know

  ➢ Allow multiple eUMB projects to be combined in to one Quantum account

    ➢ Why did you create multiple projects? If reason no longer applies then combine

    ➢ Security is no longer a reason

 ➢ Add a Purpose- specific or generic

  ➢ Add an Activity

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eUMB Project Inventory Exercise

➢If you need help with downloading the report there is a UPK to assist you:

☐ **My Roles**
- Logging In To myUMB Portal
- eUMB HRMS
- eUMB Financials
  - Intro to eUMB Financials
  - Managing Requisitions
  - Requisition Inquiry
  - Requisition Change Order Procedures
  - Receiving Goods & Services
  - Pro Card Reallocation
  - Journal Entry
  - Running Reports in Financials
    - UMB AR Aging Report (05/17/10)
    - Viewing Chartstrings Using UMB Projects by Department Report (01/09/13)
    - UMB Restricted Funds Payment Report (11/16/06)
  - Other Topics - Lunch N Learns
  - Viewing Financials Access
- eUMB Electronic Timesheets
- eForms
- Financial Reporting for Sponsored Projects
- RAVEN
- UMB Customer Billing System
- UMB Space Inventory System
- Viewing eUMB User Access Online

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eUMB Project Inventory Exercise

➢If you need help with Pivot tables there is a UPK to assist you:

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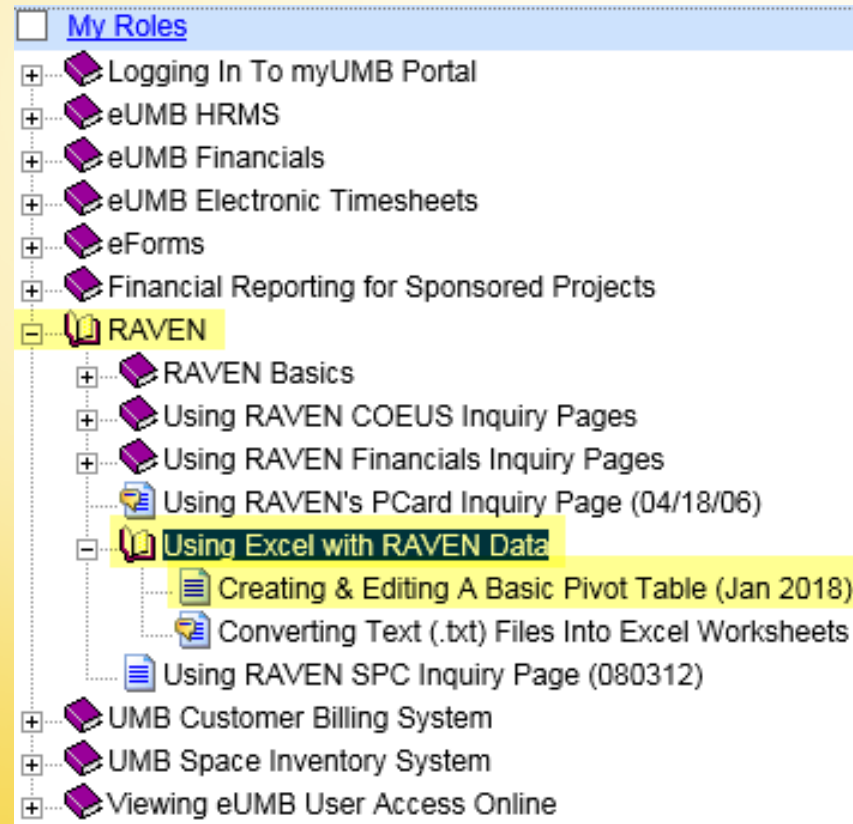
eUMB Project Inventory Exercise

➤Steps:

  ➤Run Report for all project statuses (including closed)

  ➤Save txt file to desktop

  ➤Open txt file with Excel and save

  ➤Sort by PCBU and delete all grant projects (00184-00192)

  ➤Create pivot table by fund, program, and dept with a count of the projects

  ➤Identify combos that need analysis on a separate tab and keep notes there

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eUMB Project Inventory Exercise

➢Steps continued:

➢Focus on rows where the count is greater than 1

➢If the project has been closed it may still need to be mapped due to the history that needs to be converted

➢At this point, you can use the assumption that we will convert 5 years of history- anything that was closed prior to the 5 year window will not need to be mapped

➢We are still in the process of determining our conversion strategy- more to come on that

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eUMB Project Inventory Exercise

➢ Steps continued:

➢ Review segment values to determine what segment combination can make the row unique

➢ Give each project some thought and don't just assume that you need a purpose- is there another way you can get the details you need?

➢ Scholarships scenario

➢ If you get stuck, send me an email with a general description of the issue and someone will contact you to assist

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eUMB Project Inventory Exercise

➢ Demo of Dept by Project Report to create excel file

➢ In eUMB Financials:

General Ledger> General Reports> UMB Projects by Department Rpt

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Reporting Considerations

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Reporting

➢ RAVEN will be replaced

   ➢ Financials, COEUS, SPC

➢ Major shift in reporting

   ➢ Ability to integrate reporting across data sources

   ➢ Ability to report over time

   ➢ Start with the analytic and drill to the detail

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Considering Reporting when Identifying COA Values

➢ Chart of Accounts will be the backbone on which the reporting and analytics will be built

➢ To get the most out of reporting, design your usage of the chart of accounts according to

  ➢ How you summarize and slice your data and

  ➢ How others interested in your data will report on that data

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Considering Shadow Systems

➢ Decisions to keep or abandon shadow systems will be a school/department decision

➢ Shadow systems will have to be heavily modified for the new COA/POETAF structure

➢ Shadow systems exist for a variety of reasons

➢ Maintaining shadow systems costs time and money

➢ As you learn more about Quantum, consider whether your shadow systems are truly necessary

➢ Build your usage of the chart of accounts, anticipating that you will get rid of your shadow system

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Grants and Contracts in Quantum

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Grants and Contracts in Quantum

➤ Activity currently accounted for in PCBUs 00184, 00185, 00187, 00188, 00191, 00192

➤ Expenditures will be recorded in a subledger to the general ledger

  ➤ Project Portfolio Management Subledger (PPM)

➤ PPM Subledger is then closed out to the general ledger

  ➤ Transactions are mapped to COA in this process

  ➤ Grant transactions will be summarized in the general ledger

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Structure within the PPM/Award Subledger

```
                    ┌──────────────┐
                    │    Award     │
                    └──────────────┘
                           │
             ┌─────────────┴─────────────┐
        ┌──────────┐              ┌──────────┐
        │ Project 1│              │ Project 2│
        └──────────┘              └──────────┘
                                        │
                                  ┌─────────────────────┐
                                  │  Funding Source      │
                                  │  - Cost Sharing      │
                                  └─────────────────────┘
                                  ┌─────────────────────┐
                                  │  Funding Source      │
                                  │  - Sponsor           │
                                  │  Funding             │
                                  └─────────────────────┘
```

Very similar to eUMB

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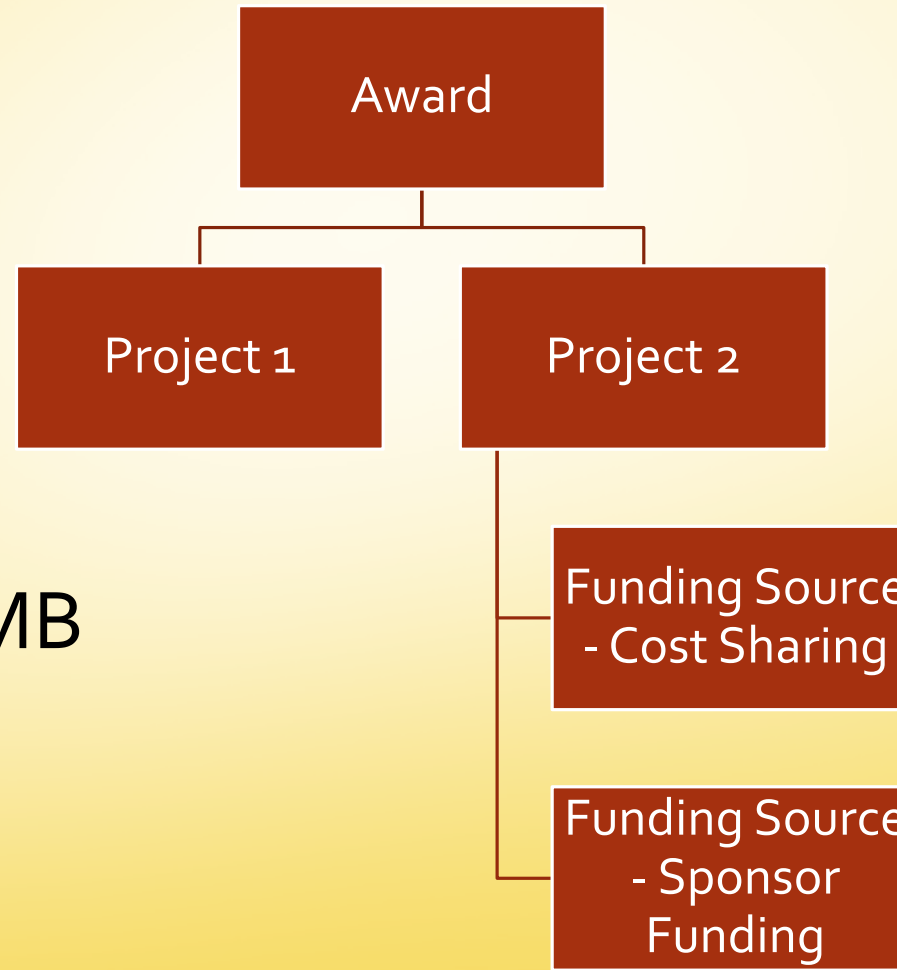
Coding Transactions to the PPM Subledger

- **POETAF**
  - P – Project
  - O – Organization (like transaction department currently)
  - E – Expenditure Type (maps to COA objects)
  - T – Task (default to 01)
  - A – Award (can default from project)
  - F – Funding Source
    - Cost sharing vs external sponsor

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Mapping PPM Costs to General Ledger

➢ Expenditure Type determines object

➢ Attributes on the projects and awards determines the remaining COA values

    ➢ One project, one mapping

    ➢ Project/Award detail will not be in the general ledger

        ➢ Summary will be at the Source/Function/Organization/Purpose??? level

➢ Cost share funding accounting in general ledger is still to be determined

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Next Steps

Next Steps

➢Run Project by Dept Report

➢Analyze current use of each project and determine how you get to a unique account if required

➢Contact us if you need assistance

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Next Steps

➢ Close old projects that you don't use anymore

   ➢ Make sure there are no balances or outstanding activity that you expect to be hitting the project

   ➢ If there are any balances, they will need to be moved off accordingly

   ➢ Send Andy Flerlage an email with the projects you would like to get rid of

   ➢ Andy will check the projects to ensure they can be closed and then take the necessary steps to deactivate them

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Next Steps

➢ The next time we reach out will be for a final mapping exercise- best guess will be sometime in March

> ➢ At that time we will need you to give us the specific mapping of eUMB projects to Quantum accounts

> ➢ This is your opportunity to get a head start

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Questions & Answers

➢ Contacts for your questions about segments:

  ➢ smckechnie@umaryland.edu

  ➢ lmcginley@umaryland.edu

  ➢ aflerlage@umaryland.edu

  ➢ lquell@umaryland.edu

➢ Contact for your questions about downloading the Project by Dept report or creating a pivot table:

  ➢ help@umaryland.edu

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