Object Code Standardization Project Overview
Agenda

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- Project Overview
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Background and Guiding Principles
What is the FLAIR Object Code Standardization Project?

- It is the consolidation and standardization of all revenue and expenditure object codes currently being used by State Agencies.
  - Year 1 – Expenditure object codes
  - Year 2 – Revenue object codes

- This project introduces new Statewide Object Codes to be used by all State Agencies.
Why is DFS conducting the FLAIR Object Code Standardization Project?

- To enhance statewide reporting of revenue and expenditures.
- To better position the State for transition to a new accounting system.
Guiding Principles

- Use an approach to easily identify old vs. new codes during transition
- Provide twelve months for Agencies to address their business system impacts
- Minimize impacts to Central and Payroll processing
- Consider 1099 tax reporting requirements
- Create tools to monitor Agencies progress on conversion activities
- Create a conversion approach that allows for the use of existing FLAIR transactions and an audit trail
- Empower agencies to control their own conversion and provide DFS support and training to assist agencies
- Complete conversion before year end processing
Project Overview
Object Code Analysis

 Analyzed FLAIR transactional detail from fiscal year 2011–2013

 Object Codes with annual spend $100,000 or greater were considered for a new statewide object code

 Object Codes with annual spend less than $100,000 were labeled “low usage” and mapped to the state standard codes

 Utilized Code values that have never been used before by any Agency
Object Code Analysis

- Reviewed new codes and regroup if needed to create common categories (i.e., contractual services, supplies/commodities)
- Identify improper uses of object codes when possible
- Built draft crosswalk based on object code analysis
Object Code Crosswalk

- During object code analysis, DFS developed a draft crosswalk
- Draft crosswalk provides a starting point for agencies to begin the assessment of impacts
- Agencies will be required to submit a final crosswalk before DFS can perform a conversion
- Decision needs to be made on deployment of a crosswalk tool for agency use (excel vs. FLAIR table)
Conversion Guide

- DCF and DEO assisted with the development of a Conversion Guide

- Conversion Guide focuses on the conversion activities that need to be performed for:
  - Title File
  - Expansion Set File
  - Encumbrance Subsidiary
  - Accounts Payable Subsidiary
  - Revolving Fund Subsidiary
  - Purchasing Card (PCard) Module
  - Payments/Journal Transfer
Conversion Guide activities con’t:

- Accounts Receivable Subsidiary
- Cash Receipt Deposits
- Clearing Funds Cash Receipts Deposits
- Property Subsystem
- General Ledger Master File
- Grant Master File

Details on the Conversion Guide and conversion activities will be covered in the next workshop.
Object Code Conversion Dashboard

- DFS is developing at least 11 new reports identifying the records that need to be converted in FLAIR.
- These reports will be utilized for tracking progress on a Dashboard.
- The progress in each category will be scored as follows:
  - Red – If 75% or greater of the records have the old object code
  - Yellow – If 1% to 74% of the records have the old object code
  - Green – If 0% of the records have the old object code
Object Code Conversion Dashboard

The categories for the Dashboard at this time are:

- Expansion Set
- Property Pending
- Property Master File
- Encumbrance File
- Accounts Payable File
- Accounts Receivable File
- Cash Receipts File
- Revolving Fund File
- Purchasing Card Distributions
- General Ledger Master File
- Grant Master File
Agency Support – Training

- In addition to the draft object code crosswalk and conversion guide, DFS is developing training specific to conversion activities.
- Training will have elements from the current FLAIR classes and a deeper dive into specific areas that may be problematic for agencies to convert.
- Specific areas of interest may be expansion set files, revolving fund balances, and the master files.
- Training approach may include online tutorials, webinars, and workshops.
DFS has created a project website: http://myfloridacfo.com/Division/AA/ObjectCodeStandardizationProject.htm

Agencies will be able to access Statewide Object Code listing, Project documents, training materials, and a list of key dates.

DFS has also created a project email address: ObjectCodeProject@myfloridacfo.com

Agencies should use the email address to submit Impact Statements, questions, or request for technical assistance.
Completed Activities:

- Analyzed FLAIR transactional detail for expenditure object codes used from fiscal year 2011–2013 to determine new listing.
- Evaluated use of codes in Departmental, Central, Payroll, MFMP, and CMS to determine conversion activities and potential FLAIR impact.
- Requested DCF and DEO assistance in developing a conversion guide.
- Validated conversion activities with the DFS FLAIR IT staff.
Project Activities

Completed Activities continued:
- Identified new reports that contain records needing to be converted
- Published draft Statewide Object Code listing

Upcoming Activities:
- Collect Impact Statements
- Finalize Statewide Object Code listing
- Lock down Object Code Title File
Project Activities

Upcoming Activities continued:

- Complete changes to FLAIR
- Identify and develop training for specific conversion activities
- Publish training schedule
- Develop and deploy Conversion Dashboard
- Pilot conversion with one agency
- Complete conversion for all agencies
FLAIR Impacts

The following items will have to be addressed in FLAIR as part of this project:

◦ Agencies’ access to Object Code Title Files
◦ Departmental FLAIR transactional edits that include object code
◦ Central FLAIR transactional edits that include object code
◦ Payroll Files created to Agencies that include object code
◦ Modification to Master File Life-To-Date (LTD) Adjustments transaction (TR11)
FLAIR Impacts – Access to Title File

- Agencies access to the Object Code Title Files will be removed in the next two weeks.
- Agencies will need to submit requests for new object codes or for changes to existing object codes status to DFS (both revenue and expenditure).
- DFS will maintain both the old and new object code values during the transition period.
- Transition period ends with the conversion of all agencies Master File records.
- At the end of the transition period, old codes will be inactivated and DFS will only maintain the new Statewide Object Code listing.
FLAIR Impacts – Access to Title File

If agencies need:

- An agency unique expenditure or revenue code added or
- The status changed on a agency unique expenditure or revenue code

Email the request to:

newaccountcode@myfloridacfo.com
For new Statewide Object Codes Agencies will need to submit:

- Impact Statement with justifications to ObjectCodeProject@myfloridacfo.com by May 2
- DFS will implement a new request form for Statewide Object Codes in October. An Agency Addressed Memorandum will be distributed with detailed instructions at a later date.

Before approving new Statewide Object Codes, DFS will:

- Ensure there is not an existing object code that will meet the agency’s need
- Ensure there is not another field in FLAIR that would be more appropriate to use (e.g. OCA)
FLAIR Impacts – Departmental Edits

- Most significant impact is the object code edit for Contractual Services versus Expense Appropriation Category on transactions.

- Other edits include:
  - Recording of a CSFA Number when using selected object codes and a contract or grant number on FLAIR transactions,
  - Property Pending and property transaction (TR16) edits, and
  - Voucher Audit processing.
Central FLAIR only uses the 4 digit state standard and therefore has minimal impacts.

Most significant impacts are updates to the 1099 Reporting table and Prompt Payment reporting.
FLAIR Impacts - Payroll

- The Payroll subsystem primarily uses the 4 digit state standard object codes and therefore has minimal impact.

- Payroll processing includes the creation of the salary detail file and the pay data file that include object codes.

- Payroll processing also includes the creation of a transactional file so that Central FLAIR can record the warrants/EFT transactions.
The current TR11 is used for adjusting LTD balances in the General Ledger Master File. It does not update the Grant Master File.

There is currently no mechanism for Agencies to correct the LTD balances in the Grant Master File.

The TR11 will be modified so that it can be used to make adjustments to the LTD balance on the Grant Master, the GL Master, or both Master Files through the use of a Flow Thru Indicator.
FLAIR Impacts

- With the exception of access to the titling of object codes and the enhancements to TR11, the FLAIR changes should be transparent to Agencies.

- If at any point a FLAIR impact is identified that effects Agencies, DFS will:
  - issue an Agency Addressed Memorandum with details on the changes,
  - publish revised file layouts, and
  - conduct a workshop if needed.
Statewide Object Code List
Statewide Object Code List

- The new Statewide Object Code list focuses on the 1st two digits for classification (see header rows in listing).

- In some instances, the old classifications were regrouped to be more meaningful.
  - For example, Professional Fees – Independent Contractor, General Fees – Independent Contractor, and Fees for Services have been combined into a new Category, Contractual Services.

- New listing will include a definition for each value. These are still being developed and in some instances will require specific agencies to provide definitions.
DFS has prepared a summary of the deletes, adds, and changes to the 4 digit state standards to assist DFS FLAIR IT Staff and State Agencies with assessing the impacts.

New list is provided in an excel format and includes a column for identification of object codes that are 1099 reportable or require a W9.

The Summary of Expenditure Object Code Changes and Statewide Object Code List is available on the Project’s website.
Statewide Object Code List

Expenditure Object Code Statistics:

- New Statewide Expenditure Object Codes – 539
- Number of new classifications (i.e. first 4 digits) – 7
- Number of deleted State Standard Expenditure Object Codes (4 digit codes) – 107
Review Summary of Changes and Statewide Object Code List
Demonstration – Object Code Crosswalk
MFMP Commodity Code Project – DFS Impacts
MFMP Commodity Code Project

- In July, MFMP is changing the state’s commodity codes from 6 digits to 8 digits to adopt the UNSPSC Codes.
- Currently, FACTS and the FLAIR PCard Module are the only systems that utilize the MFMP commodity codes.
- MFMP uses a crosswalk of commodity codes to State Standard object codes to determine the default object codes on the accounting details of a requisition.
- DFS provided MFMP with a crosswalk of existing State Standard codes to the new commodity codes.
There are only 5 agencies using the commodity code field in the PCard Module.

At close of business June 20, 2014, DFS will disable the commodity code field in the PCard Module. If an agency has a commodity code on an open/pending PCard transaction the day after the change is implemented the code will no longer be displayed.

Agencies can continue to use the ‘Commodity Description’ field in the PCard Module. The ‘Commodity Description’ field is a free form text field not correlated to the commodity code and will continue to be available for use.

DFS will release an Agency Addressed Memorandum with details on the changes to the PCard Module.
FACTS will incorporate the new 8 digit UNSPSC commodity code.

FACTS Users that manually enter contracts will be required to use the new codes.

FACTS Batch users will be able to send new or old commodity codes until December 2014.

For search purposes the old commodity codes will be cross walked to the new commodity codes in FACTS. Users will search for the new codes or categories and results will be returned for contracts that contain either old or new codes.

A WebEx for FACTS Batch users will be held in April to discuss details of the approach.
Project Timeline
Project Timeline

April 7, 2014
- Provide MFMP with Commodity Code/Object Code Mapping

April 10, 2014
- Conduct Agency Workshop – new codes and project approach
- Publish Draft Statewide Expenditure Object Code List and Crosswalk

April 17, 2014
- Conduct Agency Workshop – Conversion Approach

April 2014 (TBD)
- FLAIR revokes Agency object code add/update access
- DFS implements new process for add/update of object codes
Project Timeline

May 2, 2014
- Agency Impact Statements are due

May 31, 2014
- Publish Final Statewide Expenditure Object Code List

October 2014
- New Statewide Object Codes are available in FLAIR and MFMP
- Agencies begin Conversion Activities
- Object Code Conversion Dashboard is deployed

May 2015
- FLAIR Object Code Conversion for records not converted by agency
- Only new Statewide Object Codes can be used in MFMP and FLAIR
Outstanding Items

- Statewide Object Code Definitions – need to collect definitions from agencies and finalize. Agencies email assigned definitions to objectcodeproject@myfloridacfo.com (target completion date of May 2)

- Crosswalk – need to finalize the approach for delivering a tool to agencies (target completion date of May 31)

- Statewide Object Codes List – finalize list of statewide expenditure object codes (target completion date of May 31)

- Reporting /Dashboard – Conduct a Workshop to discuss Reporting Impacts (target completion date of June 30)
Next Steps
Impact Statements

Agency Impact Statements Due May 2, 2014

- Agencies can submit statements requesting additional object codes and concerns with making changes to your business systems in the proposed timelines.

- Submit separate Impact Statements for code requests and system change impacts.

- The Impact Statement should be submitted by an appropriate agency official, preferably the Director of Administrative Services.


Submit to: ObjectCodeProject@myfloridacfo.com
Next Workshop

Object Code Conversion Workshop
April 17, 2014
2:00–4:00 p.m.

Participation by phone is available
Contact FLAIREducation@myfloridacfo.com
for call-in information
Project Information

Email: ObjectCodeProject@myfloridacfo.com

Website: http://myfloridacfo.com/Division/AA/ObjectCodeStandardizationProject.htm