



FLAIR and CMS Replacement Project (FCR) SME Workgroup Meetings Meeting Notes and Action Items

Meeting Details

Process Area	Record to Report (R2R) – R1
Meeting Date	Monday, January 12, 2015
Meeting Time	9:00am – 12:00pm
Meeting Location	Fletcher Building, Room B103
Attendees	Thomas Poucher (DACS), Becky Devlin (DACS), Stephen Hobbs (DEO), Alex Szigeti (DEO), Asheema Vemuri (DCF), Mike Wolfe (DCF) , Alisa Golden (DOE), John Mounts (DOE) , Bert Wilkerson (DFS), Melisa Hevey (DFS) , Katherine Ward-Adkins (DFS), Christina Smith (DFS), Rachael Lieblich (DFS) , Tim Hsieh (DFS), Gina Ballard (DFS), Stanton Beazley (DFS), Melissa Turner (FCR), Angie Robertson (FCR), Deana Metcalf (FCR), Janice Jackson (FCR), Pam Barksdale (DFS), Paula Murphy (DFS)
Meeting Objective	Review and Discuss Standardization Level 1 Business Process Flows
Attachments/ Related Documents	SME Workgroup Guidelines

#	Topic	Leader	Allotted Time
1	Introduction <ul style="list-style-type: none"> General Housekeeping Name, Position/Role at Agency, Experience with Process Area 	Angie	15 min (9:00am-9:15am)
2	FCR Project Overview and Role of SME Workgroups	Angie	45 min (9:15am-10:00am)

Notes:

- The group reviewed the recommendation of the FLAIR Study including the vision and goals set forth for the FCR project.
- The group discussed the importance of balancing standardization, flexibility and efficiency.
- Common themes noted in the FLAIR Study were standardization, governance and adoption.
- This first phase of the project (identified as “Pre-DDI”) will include efforts across multiple tracks with the Business Process Standardization (BPS) team focused on standardization and requirements.
- The BPS team has established a set of 10 financial processes that will document end-to-end processes. The goal of the BPS Track is to design the standards for future state processes that will part of the new core business system.
- Agencies are being asked to participate in these workgroups to review and update process flows developed by the BPS team. DFS is challenging agencies to help keep the decision making boxes to a minimum resulting in less complexity which supports the ability for standardization.
- SME Workgroup Guidelines were provided to the group for reference.
- The BPS team is planning to bring in contract staff to support efforts in the BPS Track (target is to bring them onsite in February 2015).
- SME Workgroup Meetings (with small sets of agencies) are scheduled to occur October 2014 – February 2015 (for Level 1).
- Another round of SME Workgroup Meetings (with an expanded set of agencies) is scheduled to occur April 2015 – June 2015 (for Level 2).
- Workshops (to review Level 2s with all agencies) are scheduled to occur in June 2015.
- Some agency SMEs may be asked to support the requirements finalization.



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#	Topic	Leader	Allotted Time
	<p>The group reviewed the format of the Business Process Standardization Model for Level 1 for Record to Report.</p> <ul style="list-style-type: none"> ○ Business Process Standardization (which include scope, approach, SME workgroup members, assumptions, definitions) ○ Standardized Process Area Overview (Description and Workflow) ○ Standardized Process Area Details (with references to governing laws or policies) ○ Control Points ○ Key Performance Indicators/Measures ○ Reporting ○ Accounting Events ○ Integration ○ Future Enhancement Considerations <ul style="list-style-type: none"> ● The drafted Level 1 process flow includes a legend to identify control points, reports needed, accounting events and integration points. ● The drafted Level 1 process flow includes reference to other process areas. 		
	Break		10 min (10:00am-10:10am)
	Icebreaker	Angie	5 min (10:10am-10:15am)
3	Walkthrough of Process Flow <ul style="list-style-type: none"> ● Overview of Template ● Review of Flow and Narrative 	Janice	45 min (10:15am-11:00am)
Notes:			
<ul style="list-style-type: none"> ● The group discussed federal reporting and legislature being on a cash basis and how it will work with the policy change of modified accrual accounting basis. ● The group discussed Cash basis and the level of detail....have enough chart fields, frequency of recording business events and what is the right level of detail to maintain good reporting and stick to standardization. The group agreed that the current assumption needs to be modified to include that all reporting requirements (including Cash Basis) will be accomplished by the multiple ledgers. The group agreed that an assumption should be added for a policy to address the level of detail and frequency of reporting of accounting events. There are similar policies in various Process Areas around how often agencies will need to send transactions or data from business systems, or how frequently or timely certain transactions will need to be entered into the system. This policy will need to cover the chartfield values that need to be passed to the GL to allow for proper reporting from the GL. ● The group discussed component units and that blended component units do use FLAIR for operational purposes (i.e. Florida School for the Deaf and Blind). Exception is Florida Housing who uses it for convenience (i.e. purchase investment, pay service to GR). Currently they are instructed to do post-closing adjustments to back out of FLAIR (policy issue). The group felt that for the future, it would be good for all component units to utilize the new system for frequently for reporting, etc. A policy is needed to address the component units' use of the new system. ● Opening confirmed happens the flow R2R 1.1 ● The group discussed R2R1.2 flow that record updates could possibly be real time, every 20 minutes, every hour, etc., but the group agreed that the ability to update / integrate more frequently than nightly would be preferred. In this module R1 is ongoing and operation reports are on demand. A1 is daily transactions and posting. A comment was made that this flow can be a summary level. 			



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	<ul style="list-style-type: none"> • A question was posed on who does Schedule 1's. The group discussed that there is limited accounting staff involvement with Schedule 1s, except for trust fund analysis and prior year actuals reporting. • The group discussed monthly closing. There are a variety of closing dates across agencies. Some close at month end, while others within the first few days of the next month. Lottery prepares monthly reports for the Legislature and generally closes by the 5th. Treasury apportions interest after the 10th of each month, when the interest earnings are available. It was discussed that there are various closing dates and the team needs to explore more on agencies closing. A policy needs to be developed on the timing and activities involved in monthly closing. • The group discussed depreciation being included in the monthly closing. Currently agencies do this annually and should have a regular closing more than annually. This can be monitored through the metrics then adjust. A policy is needed in the A2D process area to address the frequency of the calculation and posting of depreciation. However, to a great extent, it is anticipated that the functionality of the new financial management system will drive the frequency of the depreciation. • The group discussed running trial balance in R2R 1.3. It depends on how reporting tool is set up and data set. • The group discussed R2R 1.5 and recommended changing to "Audit Review". The group also recommended adding a new R2R 1.6 for "Monitoring of Period Closing", which would be the activities performed by DFS and the agencies around the closing process. • The group discussed "Key Performance Indicators/Measures which is up for update, debate, approval and the team is looking to the SME's for this information. • The group discussed identifying communication to other systems within agencies. • The group discussed "Future Enhancement Considerations" in the Business Process Standardization Level 1 document. <ul style="list-style-type: none"> ○ The team is looking at SME's for what is needed to be more effective. May not be in this phase 1. ○ Policy change is going to modified accrual throughout the year ○ Quarterly financial reporting an option ○ Ability to do analysis. (i.e. What if, when business process changes? What's the biggest bang for our buck)? ○ A challenge to prospective vendors 		
Break			10 min (11:00am-11:10am)
Icebreaker		Angie	5 min (11:10am-11:15am)
3	Walkthrough of Process Flow <i>(Continued)</i>	Janice	35 min (11:15am-11:50am)
4	Close Meeting <ul style="list-style-type: none"> • Action Items • Homework • Next Meeting Date / Time / Location 	Angie	10 min (11:50am-12:00pm)
Notes:			
<ul style="list-style-type: none"> • The group recapped the action items. • Home work for the SME's is to: <ul style="list-style-type: none"> ○ Review the Flow and Narrative and think what was discussed. Come with questions or thoughts about what was discussed at today's meeting. ○ Consider "Future Enhancements" and what we want the system to do for us. ○ Consider KPI/Measures for success ○ Research year end reports mandated by Legislature/F.S. 			



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#	Topic	Leader	Allotted Time
<ul style="list-style-type: none"> Next Meeting: January 23, 2015 from 9:00 a.m. -12:00 p.m. at the Fletcher Bldg. Room B103 			

Action Items			
Action Item #	Description of Item	Assigned To	Due Date
1	Modify the assumption on multiple ledgers to say "There will be multiple ledgers to handle the financial processing, <u>and reporting</u> requirement of the state".	Janice	1/23
2	Add Assumption that we will need a policy on the frequency and level of detail for recording of accounting events.	Janice	1/23
3	Add an assumption that we will need a policy regarding component units and their use of the new system.	Janice	1/23
4	Add assumption that a policy is needed to define acceptable closing dates and closing activities.	Janice	1/23
3	Remove "daily" from business flow R2R 1.2, A1 event	Janice	1/23
5	Add a policy to A2D regarding the frequency of running depreciation	Deana	By Level 1 Completion
6	Change R2R 1.5 to "Audit Review" from DFS and Audit Review	Janice	1/23
7	Add a box to Flow on "Monitoring of Period Closing" (all steps handled) at period end	Janice	1/23
8	Identify example reports needed from the GL – Include mandated year-end reports	SME Workgroup Members	Ongoing
9	For inclusion in the KPS/Measures section, consider performance metrics that may measure success for the Process Area	SME Workgroup Members	Ongoing
10	For inclusion in the Future Enhancement Considerations section, consider new technologies that may be options for future use by the State.	SME Workgroup Members	Ongoing