



EE1 Real Estate Overview – Use of Project ID

July 30, 2015

Agenda

- Overview of Real Estate Management (REM) Project
- Benefits
- Guiding Principles
- Agency Feedback / Discussion
- Going Forward



Real Estate Management Overview

SFS REM Lead, John Alexander

Real Estate Management Status

- Scope
 - Lease management business process for leases in RealNet
 - Land management business process supported by RealNet
 - Integration of lease management and asset management
 - Integration of lease management and vouchering/payables
 - Integration of lease management and billing/receivables
 - Integration of lease management and project costing
 - OGS option to retire RealNet
- Requirements captured
- Requirement gaps Identified
- Configuration design complete
- Gap solution designs in process

Process Overview

■ Asset

- Property type assets are organized around hierarchy site / building / floor / area.
- Facility (financial) and property (non-financial) assets share a one to one relationship at the building level of property.
- Lower level of hierarchy: Is used by non-financial assets to further break out and identify components within the asset.

■ Lease (associated to Asset)

- Payment is generated with purchase order reference, and ties to the contract.
- OGS Real Estate role is to negotiate the lease agreement, send a certification to the agencies to sign and obtain sign off by the Commissioner of OGS. OGS Real Estate enters the lease into the system.

■ Project (associated to Lease)

- On-boarded Enterprise Services Automation (ESA) agencies have the ability to separate the project from the grant using SFS functionality to tie them together.
- Non-ESA agencies continue to use a one to one relationship between the project and the grant.
- In SFS, where possible, agencies will enter transactions with a Project ID to collect costs associated with the lease and the assets referred to as the cost of occupancy.

Real Estate Management - Impacts

- Only OGS managed leases will be impacted; any agency managed leases will follow their current business process.
- Agencies will need to update the Real Estate Management custom page to link the purchase order to the lease.
- Real Estate Module will automatically generate vouchers
 - Automatic transactions will not be created for Bulkload agencies as Bulkload agency systems are source systems for vouchers
 - Lease terms will dictate amount of the lease payment
 - PO linked by the Agency will determine voucher Chartfields
- BSC Agencies: Business Process TBD
 - 61 agencies are currently served by the BSC.



Benefits

EE1 Project Director, Ed Bouryng

Benefits – Real Estate Module

- Centralizing the state business process within SFS
- Greater control of consistency for Real Estate payments and billings
- Enhanced information about Real Estate assets
- Enterprise basis for future Real Estate Center of Excellence initiatives
- Integration of projects and assets to capture cost of occupancy



Guiding Principles

EE1 Project Director, Ed Bouryng

Guiding Principles

- Requirement:
 - ESA agencies (at this time, DOL only) must use the Lease Project ID to record their costs associated to a lease, state-owned building, or other state Real Estate asset.
 - ESA agencies can use multiple projects to a grant contract.
 - For Non-ESA agencies the project is the grant.

Guiding Principles

- Guidance for Non-ESA agencies:
 - If you are direct charging to a Federal grant or project, continue to do so
 - Otherwise, charge to the Real Estate Project ID
 - Discussion on impacts to agencies

Guiding Principles

- Discussion:
 - Can we put a process in place to capture costs to the lease project and move it to the Federal grant or project?
 - Discuss how indirect cost allocations will impact Project Costing.
 - Agency budget offices are interested in costs for state-owned assets (e.g., renovations to building to use / lease a space).



Participant Feedback

Discussion



Going Forward

Ed Bouryng and John Alexander

Going Forward

- What does the Real Estate Management project mean for your agency?
- SFS will continue to communicate Real Estate guiding principles, requirements and impacts to the state business process.

Questions and Answers

If you have any questions after this meeting, please send them to the SFS Help Desk and include your question topic in the subject line of the email.

SFS Help Desk: HelpDesk@sfs.ny.gov; (518) 457-7737; (877) 737-4185 toll-free



Thank you!
