



## Statewide Financial System Program Agenda/Minutes

<b>Date:</b>	4/29/14	<b>Time:</b>	10am – 11am
<b>Subject:</b>	Agency Commitment Control (KK) & Other Open Division of the Budget (DOB) Decisions	<b>Location:</b>	Statewide Financial System (SFS) South1
<b>Meeting Facilitator:</b>	Brian Fimple	<b>Minutes Prepared by:</b>	Denise Davis
<b>Objective:</b>	Define EE1 Agency KK Approach and Other Key Open Questions		
<b>Presentation/Handouts:</b>	Analysis of Agency KK Definitions		

<b>Attendees:</b>					
Brian Fimple (SFS)	X	Pat Slavick (SFS)	X	Mary Ryan (DOB)	X
Mike Mullin (SFS)	X	Ed Bouryng (SFS)	X	Peter Baran (DOB)	X
Angela Mahoney (SFS)	X	Sarmistha Bhowmick (SFS-KPMG)	X	Adrian Swierczewski (DOB)	
Denise Davis (SFS)	X	Bradley Stevens (DOB)			

**Agenda:**

What	Who	Time
Agency KK Definitions: Entire Meeting was spent on this topic.	Group	45 minutes
State University of New York (SUNY) Workflow Exceptions – Added to Agenda of next meeting.	Group	5 minutes
DOB KK Exceptions – Added to Agenda of next meeting.	Group	5 minutes
Approval of Initial Segregation Upload – Added to agenda of next meeting.	Group	5 minutes

<b>NEW Action Items</b>				
Task Assigned	Staff Assigned (first and last name)	Due Date	To Do Added (PMO Use)	Requirement #
Conduct Outreach to agencies using Agency KK to understand purpose for use of the definition and the business needs the definition is meeting.	Brian Fimple	5/9/14		
Compare Statewide Program tree to Agency KK trees at the level of program segregation.	Brian Fimple	5/9/14		
Define Guiding Principles for the Agency KK Definitions within EE1.	Brian Fimple	5/9/14		
Establish recommendation on breakout of Agency KK into Statewide Agency KK ledgers.	Brian Fimple	5/9/14		

**Notes:**

When the Department of Labor (DOL) on-boards they want to meet regarding an Agency KK definition when the time is right. The Department of State (DOS) wants to discuss a new definition.

Agency KK is being used for reporting purposes. Assumption is if there is a budget, and no budget is reported, they collect data or use it as a quazi combo edits check. Only works as a combo edit if tracked as a zero dollar budget. Set to control so it never fails. Budgets are inflated. Appropriation and segregation would prevent overspending.

An excel spreadsheet was shared prior to the meeting that included the SFS summary assessment of the key design components and the level and type of use of the Agency KK definitions. This will be supplemented with additional information from an outreach effort that SFS will be conducting with the agencies currently using Agency KK definitions. This will include information on why agencies chose to use Agency KK and how

well the current Agency KK definitions are fulfilling these needs.

At SFS Go-Live, agencies did not have tools to summarize expenditure data on demand by selected ChartFields and Tree Levels, which led to Agency KK being utilized to support the reporting need for summarizing expenditure data at a lower level than Appropriation/Segregation. The Rollout of the Flexible Reporting Tool within AnalyzeNY provided the agencies the ability to meet this summarized reporting of expenditures without the use of an Agency KK definition. Agency KK definitions that are only being utilized to support Expenditure Reporting should be retired and the agency should utilize AnalyzeNY for this need.

The Office for People with Developmental Disabilities (OPWDD), Office of Alcoholism and Substance Abuse Services (OASAS), and Office of Mental Health (OMH) do things similarly. These definitions are very similar in structure and function, but will require some collaboration between agencies to combine these into a single definition related to differences in how the account field is used.

DOL and DOS have both asked to revisit their definitions as part of PeopleSoft 9.2. Our approach will be to work to fit DOL and DOS into a common definition. For most cases the control chartfield is fund, though it can vary. There's only one that program is the control chartfield.

Rule set ChartFields are more wide open: department, account.

Agencies set up Agency KK so it's in conflict with approps and segs, for example, non-personal services may be tracked with receipts. The Office of the State Comptroller (OSC) is not comfortable with that. Template should remain consistent with KK data in general terms. Always roll to the same groups, for example, local service.

Action Item will be to conduct an analysis of the non-statewide trees being utilized within Agency KK definitions (6 different trees across 14 different definitions).

Various tree levels include: Agency program tree, statewide reporting tree, and Agency KK reporting tree. Some agency program trees do not align with the statewide program trees, even at the higher levels where this should be standardized. Certain trees are exclusive to individual agencies. They may seg at a lower level. Are agencies trying to mimic what they did in the Central Accounting System (CAS)? Bill copy is a high level, with many different functions, such as Medicaid.

Statewide KK as the higher level lacked consensus amongst agencies. For example, admin was tied to bill copy, but only if "admin" was in the program name. Could be erroneous and there are some that are even unrepresented.

KK tree was established with appropriation and segregation levels. Agencies were able to create additional levels. Some go out 3 levels (this is for reporting trees), some go out 8. Some use transactional levels. KK appropriation tree (KK\_SW\_PRGM) is flat with 3 levels. Agency Program Tree (KK\_AGY\_PRGM) is also flat with 3 levels but between these 3 levels there are approximately 400 tree node differences.

Can agency KK be more consistent without tackling program? There are 12 definitions that utilize either the Agency KK Program Tree or a transactional Program Code. All agencies that use the KK\_AGY\_PRGM tree are budgeting at a consistent Level 3 of the tree.

Detail ChartField value is level where agencies transact. Meaning is lower operations within their appropriated appropriation. Report and budget at that lower level. Agency KK may not be able to roll up to segregation. Concern about complexity of Agency KK restructure for EE1. There are tens of thousands of programs that would need to be changed, with a major outreach to agencies. What level of the Agency Budget checking around segregation, and managing budgets around segregation? Can a principle be established? Rebuilding trees may not be efficient. Comparison of levels 2 and 3 (statewide program tree to Agency KK trees at level of program segregation). Need to know what level they are trying to control at. There are 19 budget definitions

that utilize either the Agency KK Department Tree (KK\_AGY\_DEPT) or a transactional department value. The definitions that use the Agency KK Department Tree are all using Level 3 of the tree.

Operating unit, ChartFields 1 and 2 are agency specific, location based concept. Account usage differs, as does budget reference. Need to begin classifying into groupings such as ChartField. Principles need to be defined, though maybe not for EE1. Decide what can be done with Agency KK for EE1, and bring to the SFS Joint Governance Board (JGB). Draft a set of principles and a recommended set of ledgers. Characterize the eight groupings to define principles and how they are using control ChartFields. Some use a control on the general fund, making the control ChartField fund, and having activity in other funds. It is a rare exception to have definitions applied to separate funds. Control ChartField value is 10050. Use check box "all control ChartField values" for consistency. Data matter is a secondary objective, as it's more difficult. What is the grouping of who shares what funds? Agencies only have a small set of funds that they want to establish budgets for, driving different needs.

Next steps: Principles, draft email with principle and questions for agencies, groupings – 8 or otherwise.

PSP and SNY, CNY financial plan questions need to be addressed in another meeting.

**Supporting Data:**

Supporting Data as was provided in an e-mail on 4/16/14 in advance of meeting (updates to original e-mail highlighted in yellow):

**Agency KK:**

Below is a brief summary of the current 24 definitions and recommendations:

- 1 definition (DOS01 KK\_TRK1) that I believe could be eliminated before EE1 (not used by agency since 2012-13)
- 6 definitions configured as track without budget that likely can be eliminated and replaced by AnalyzeNY Flexible Reporting (AGM01\* KK\_AG16/KK\_TRK3 – No budgets loaded in past fiscal year, CFS01 KK\_AG09 – Inconsistent loading of budgets, DHS01\*\* KK\_AG13 – Inconsistent loading of budgets, DOC01 KK\_AG04 – Inconsistent loading of budgets, DST01 KK\_AG33\*\* - Confirmed with DHS/DOB expected to be used for reporting only in 2014-15)
- \*At least one of the AGM01 definitions could be combined with another proposed combination of definitions below to apply to Fund 10050 only
- \*\*New use of Project Budgeting for Disasters should also help offset DHS01 and DST01 agency KK need
- 2 definitions for PRK01 (KK\_AG19 & KK\_AG20) are extremely complex in nature (8 total rule sets between them) Recommend the two definitions be combined and simplified (partly by using KK\_PRJP and KK\_PRJC for the project budgeting needs)
- 2 definitions for UCS01 (KK\_AG25 & KK\_AG29). Based upon OSC decision that UCS should follow the same KK\_SEG design as all other agencies, we would expect both UCS01 Agency KK definitions to be maintained.
- 3 definitions for OMH01 (KK\_AG14), OPD01 (KK\_AG03), OAS01 (KK\_AG01) should be combined into a single definition
- 2 definitions for DOL01 (KK\_AG34) and PDV01 (KK\_AG11) should be combined into the same definition above for OMH01/OPD01/OAS01.
- 2 definitions for OGS01 (KK\_AG18) and DCJ01 (KK\_AG06) should be combined into a single definition for Fund 10050. One of the aforementioned AGM01 budget definitions could also be considered in this combination
- 1 definition for DOH01 KK\_AG31 should be consolidated with the standard General Fund (10050) only definition. This will expand the definition to include all General Fund Programs for DOH01.
- 2 definitions COR01 KK\_AG32 and OGS01 KK\_TRK4 could likely be combined as both apply to distinct funds not shared by the other BU.
- 1 definition DOS01 may be able to be retired during 2014-15 before EE1 due to lack of use
- 2 definitions for OMH01 (KK\_AG15 / KK\_AG30) should be replaced through the agencies use of the new Project Parent and Project Child budget definitions.

- 1 definition for OFT01 (KK\_TRK2) may need to be maintained unless it can be replaced with a new combo edit. Chart of Account (COA) Governance Board has recently approved an unrelated new combo edit for OFT01, partly because post consolidation OFT01 activities extend beyond a single agency's operations.

Other Open DOB Questions / Tasks (Held over to be addressed in next DOB meeting):

1. We wanted to follow-up related to the open question on whether it would be possible to determine if the SUNY Master Cert workflow approval exceptions currently maintained at the detailed ChartField string level could be maintained in the workflow routing rules and the related customization retired. I believe the rules that were applied in 2013-14 could be maintained in SUNY specific workflow routing by Account (50010) of Program or Capital Funds where the Program Code is 45926 (Prsv of Facility other Rev SCF). Would it be helpful to have a call or meeting with the relevant SUNY examiners related to this process and the extent the budgets to be included on Master Cert may change from year to year.
2. We also had a couple follow-up questions related to the application of the DOB Financial Plan in the SFS as well as the new Payment Schedule Projection functionality. Does DOB currently maintain a financial plan within BMS for non-executive agencies and SUNY/City University of New York (CUNY)? Would we expect DOB Financial Plan definitions to be maintained for these agencies within the SFS and if so would they be tracked without budget or control? Also for this same subset of agencies would we expect these agencies to be subject to the Payment Schedule Projection process for their Purchase Orders?
3. The last open item that we had related to DOB was whether a decision had been made involving whether DOB will need to be officially in the approval workflow in SFS when OSC loads the initial segregations after budget passage or if this approval will occur outside the system similarly to the procedures related to the upload of Member Item budgets (or at least how I remember this process working).