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PeopleSoft Implementation

• For Phase I of PeopleSoft Financials, the University and SU Foundation are implementing the following modules: General Ledger, Purchasing and Payables.

• Phase I implementation is scheduled for February 16, 2004 (subject to change).

• We have also purchased the Budgets module and Grants module to be implemented in a future Phase.
PeopleSoft Business Units

• Because the University and Foundation will share the same Financials database, we are using PeopleSoft Business Units to differentiate between the two entities.
• University’s Business Unit = “SALIS”
• Foundation’s Business Unit = “SUFND”
• Non-monetary transactions (e.g., transfers) cannot occur between these 2 business units.
Chart of Accounts

• PeopleSoft uses different terminology than FRS.
• Adopting PeopleSoft terminology will facilitate our transition from FRS.
• FRS “Account” = PeopleSoft “Department” or PeopleSoft “Project”
• FRS “Subcode” = PeopleSoft “Account”
PeopleSoft Department

- Using a 6-digit numeric to identify all SU departments (xxyzzz)
- Departments were created with a 2-digit prefix (xx) that corresponds to the University’s organizational structure (See Attachment A).
- For example, all departments reporting to the President will have a “00yzzz” department number (See Attachment B for a complete list of departments and the corresponding FRS account).
PeopleSoft Departments

• The 3rd digit (y) in Department relates to the program and/or fund.
• For example, “xx1zzz” represents Instruction departments.
• Because more than 10 programs/funds exist, ranges were developed using the last 4 digits (yzzz) to accommodate all unique programs & funds and the departments within them (See Attachment C).
PeopleSoft Projects

• Grant accounts are mapped to PeopleSoft Projects to better accommodate grants with budget periods that do not conform to the typical fiscal year.
• Projects are a 7-digit field (xxyzzzz).
• Projects also utilize a 2-digit prefix (xx) with the same organizational logic as Departments (See Attachment A).
PeopleSoft Projects

• For example, any Projects reporting to the Provost will be identified as 10yzzzz (See Attachment D for a complete list of Projects).

• At this time, only grants will be created as Projects.
PeopleSoft Accounts

• Formerly the FRS subcode
• The account describes the type of revenue (e.g., tuition) or expenditure (e.g., telephone).
• In PeopleSoft, this is a 6-digit field.
• The first 4 digits correspond to the State of Maryland’s coding structure (i.e., RSTARS).
• The last 2 digits are used to further differentiate University revenues and expenditures (See Attachment E for a list of accounts).
PeopleSoft Programs/Funds

• To post financial transactions to PeopleSoft, we must associate the corresponding program and fund to all transactions.
• Each Department and Project has one valid combination of program and fund.
• To ensure transaction validity and accuracy, PeopleSoft uses Speedtypes and Combination Edits.
PeopleSoft Speedtypes

- Speedtypes allow users to identify the valid combination of department (or project), program and fund for departments.
- Speedtypes correspond to the last 4 digits of the Department (see Attachment B) and last 5 digits of the Project (see Attachment D).
PeopleSoft Combo Edits

- Speedtypes are enforced using Combination Edits.
- Combination edits are built to ensure that transactions are logically valid.
- Invalid combinations will not post, thereby increasing transaction and financial reporting accuracy.
PeopleSoft General Ledger

• All financial transactions eventually get posted to General Ledger.

• We will continue to budget in pools by object: Objects 01, 02, 03, 04, 06, 07, 08-11, 12, 13 and 14 (called Detail Budgets).

• However, we are using PeopleSoft to enforce budgets via a process called Commitment Control.
Commitment Control

- Commitment Control strictly enforces budgets.
- Transactions will not post if the amount of the transaction causes the budget to be overexpended.
- Either budget will have to be added or the transaction will not be processed.
Commitment Control

• For Departments, we are controlling budgets at a rollup level as follows: Object 01, Object 02, Objects 03-13 and Object 14 (called Control Budgets).

• For Projects, we are controlling budgets at a rollup level for each Object individually (i.e., Object 01, Object 02, Object 03, etc.).
PeopleSoft Purchasing

• PeopleSoft has the ability to electronically requisition.
• Electronic requisitions will enable departments to prepare and approve their own requisitions in PeopleSoft.
• Departments will review PeopleSoft to ensure that sufficient budgets exist.
• Our intention is to gradually roll out electronic requisitioning.
PeopleSoft Purchasing

• Electronic requisitions will be forwarded to Buyers who will procure the goods or services.
• Buyers will determine whether or not the purchase can be made via credit card.
• Receiving (if applicable) will still be recorded by Central Receiving in PeopleSoft.
Procard Processing

• Procard transactions will be encumbered using purchase orders.

• Procard transactions will be reconciled on-line by buyers. This can be done on a time-basis other than monthly, if warranted.

• Reconciliations consist of matching actual credit card statement charges to open purchase orders. Once all reconciliations are completed, costs will be distributed to departments.
PeopleSoft Payables

• As invoices are received, Accounts Payable will review matching requirements involving the purchase order, invoice and receipt and process accordingly.
• PeopleSoft requisitioning, purchasing, receiving and invoice processing can only succeed if University and State procedures are followed.
PeopleSoft Processing

- It is more important than ever to ensure that departments do not initiate purchases without requisitioning.
- Our transition to PeopleSoft will be much more successful if administrative departments do not have to pursue and resolve purchasing exceptions.
Conversions

• We are converting the following data from FRS to PeopleSoft:
• FY02 ending/FY03 beginning balances
• FY03 revenue and expense activity - doesn’t include detail transactions just a summary balance
• FY04 mid-year detail transactions; this ensures that all FY04 detail will be in PeopleSoft.
Conversions

• All open purchase orders and Procard encumbrances at the close of the January processing month in FRS will be manually keyed into PeopleSoft.

• The keyed amount will equal the balance remaining on the purchase orders and encumbrances, not the original balance.
PeopleSoft Access

• Various levels of access will be provided to users based on their authority.

• If a department has electronic requisitioning capability, then certain users will be able to create requisitions and certain users will be able to approve requisitions.
PeopleSoft Inquiry

- Budget administrators and their designees will at least have inquiry capability.
- Users will be able to review their requisitions, purchase orders, vouchers, expenses, revenues and budgets.
- However, this information does not appear in one place in PeopleSoft so putting these pieces together can only effectively be done through reports.
PeopleSoft Reports

• PeopleSoft General Ledger does not have screens like FRS that users can review.
• Users will need to run reports to get similar “FRS” information.
• General Accounting will develop these reports and make them available for users to run whenever they want.
PeopleSoft Reports

• Our goal for Day 1 is to develop the same reports that we currently have in FRS.

• PeopleSoft has much greater reporting flexibility than FRS. Additional reports can be developed based on users’ needs.

• PeopleSoft Purchasing and Payables have delivered reports. Most, if not all, are back-office reports and probably do not need to be forwarded to departments.
PeopleSoft Training

• Users will receive training.
• We are still developing our training needs, but we believe we will have a combination of delivered, self-directed PeopleSoft tutorials for inquiry-only users and in-person training for users processing requisitions and purchase orders.
• Users can request in-person training for any need they have.
Final Thoughts

• PeopleSoft Financials is still a work-in-process.
• As we learn more about system functionality, some of what has been discussed in this document may need to change.
• We will keep you apprised as best we can. If you have any questions or comments, please contact Tony Pasquariello via Groupwise or phone (x36028).