UR Financials Project
Grants Management Special Interest Group
Today’s Agenda

- Objectives for this Session
- What is a SIG Member?
- Open Items from last SIG meeting
- Inbound Subawards in Workday
- Outbound Subawards in Workday
- Activity/BUDGET Date v Accounting Date
- Journal Entries and Supplier Invoices
- Appendix
  - UR Financials Project Timeline
  - Terminology
  - Special Interest Group (SIG) Overview
  - SIG Roles and Responsibilities
  - SIG Activities and Percent of Time
  - Award Set Up Process; including naming conventions
Objectives for this Session

• Understand your role as a SIG
• Review what processes are not changing and why
• Explore how transactions will be initiated in Workday
• Further familiarity with Workday terminology
What is a SIG Member?

• A member of the Special Interest Group (SIG) is a representative from an organization of the university that:
  – Communicates the needs of their organization to the UR Financials project team
  – Communicates project status, issues, and concerns to their organization (management and departments)
  – Is “special”; they will have unique influence on how the UR Financials project will be implemented, and how process changes will be handled post go-live
• The composition of SIGs will change over time
Open Items from last SIG meeting

• Clinical Trials billing process in Workday, elected to use a subgroup
• Budget Date
• Elimination of subcodes/spend categories for tracking under/over $25k on subawards
Sub Award - Inbound

- Award Information

![Diagram of award information process]

- Receive Award Letter
- ORPA Creates Award
- ORACS Approves Award
### Subaward – Inbound (cont.)

- Award Line (Grant) Information

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![Subaward Inbound Form](image_url)

<table>
<thead>
<tr>
<th>Line Number</th>
<th>Billed To Date</th>
<th>Line Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

**Award Line Details**

- **Line Type**: Cost Reimbursable
- **Primary**: [Grant](grant:GR526436 GEORGETOWN UNIV)
- **Line Type**: [Grant](grant:GR526436 GEORGETOWN UNIV)
- **Line Amount**: 0.00
- **Revenue Category**: Sponsored Awards Revenue (RC10700)
- **Line Item Description**:
- **Deferred Revenue**:

**Facilities and Administration**

- **Rate Agreement**: Standard Rate MTDC (05/08/2012)
- **Basis Type**: Modified Total Direct Costs
- **Object Class Set**: Standard Object Class Set
- **Cost Rate Type**: On Campus Research
- **Exception**: enter search text
- **Revenue Allocation Profile**: F&A School of Medicine and Dentistry
- **Basis Limit**: enter search text

**Additional Information**

- **From Date**: 11/01/2011
- **To Date**: 10/31/2013
- **Invoice Line Memo**: enter search text
- **Worktags**: Company for FAO: 040, Cost Center: CC12105-000 Cen, Fund: Sponsored Awards
- **Subcontracted to**

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Sub Award – Outbound

- Award Information
Sub Award – Outbound (cont.)

- Award Line (Grant) Information
Activity/BUDGET Date

- Award Line: From Date and To Date
Cost Transfer

• Accounting Journal - Header

Ledger Posting Date
Cost Transfer

- Accounting Journal – Journal Lines
  - Move cost from one Sub Award to another Sub Award

Expense within Award Period.
Award Line: From Date and To Date
Current Approach to Go-live

• Journal Entries
  – Security restrictions currently require the University to follow current practice
  – Possible changes as WD matures and addresses security at a more granular level

• Supplier Invoices
  – Security restrictions currently require the University to follow current practice
  – Possible changes as WD matures and addresses security at a more granular level
  – Will NOT apply F&A until settled (paid)
# GM Journal Entries

Overview of the **Current** Grants Management accounting journals generated based on certain events in Workday.

<table>
<thead>
<tr>
<th>Step</th>
<th>Event</th>
<th>Accounting Journal</th>
<th>DR</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Approved Supplier Invoice</td>
<td>Generates 3 types of Accounting Journals</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>A. <strong>Supplier Settlement “check” Run</strong></td>
<td>DR AP Trade</td>
<td>CR Cash</td>
</tr>
<tr>
<td></td>
<td></td>
<td>B. <strong>Generate F&amp;A</strong></td>
<td>DR F&amp;A Cost Expense</td>
<td>CR F&amp;A Cost Revenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td>C. <strong>Generate Revenue</strong></td>
<td>DR Unbilled AR</td>
<td>CR Grant Revenue</td>
</tr>
<tr>
<td>2</td>
<td>Perform Settlement Run</td>
<td>Accounting Journal is created</td>
<td>DR AR</td>
<td>CR Unbilled AR</td>
</tr>
<tr>
<td>3</td>
<td>Invoice Sponsor</td>
<td>Accounting Journal is created</td>
<td>DR Cash</td>
<td>CR Unapplied AR</td>
</tr>
<tr>
<td>4</td>
<td>Receive Sponsor Payment</td>
<td>Accounting Journal is created</td>
<td>DR Cash</td>
<td>CR Unapplied AR</td>
</tr>
<tr>
<td>5</td>
<td>Apply Sponsor Payment</td>
<td>Accounting Journal is created</td>
<td>DR Unapplied AR</td>
<td>CR AR</td>
</tr>
</tbody>
</table>
GM Journal Entries

Overview of the Future Grants Management accounting journals generated based on certain events in Workday.

1. Approved Supplier Invoice
   - Accounting Journal is created
     - DR Expense
     - CR AP Trade

2. Perform Settlement Run
   - Generates 3 types of Accounting Journals
     A. Supplier Settlement “check” Run
        - DR AP Trade
        - CR Cash
     B. Generate F&A
        - DR F&A Cost Expense
        - CR F&A Cost Revenue
     C. Generate Revenue
        - DR Unbilled AR
        - CR Grant Revenue

3. Invoice Sponsor
   - Accounting Journal is created
     - DR AR
     - CR Unbilled AR

4. Receive Sponsor Payment
   - Accounting Journal is created
     - DR Cash
     - CR Unapplied AR

5. Apply Sponsor Payment
   - Accounting Journal is created
     - DR Unapplied AR
     - CR AR
Next Steps

• Next SIG meeting is scheduled for mid December
  – Program income
  – Income Statements

• Please share project information with your Department

• Visit UR Financials Project website for additional information and materials from other meetings
  http://www.rochester.edu/adminfinance/urfinancials/
Appendix

• UR Financials Project Timeline
• Terminology
• Special Interest Group (SIG) Overview
We are here!

Prototype Phase
July 2013
- Configure Prototype Tenant (P1) – completed
- Unit Test
- Validate Configuration
- Build Integrations and Reports
- Final Configuration Prototype

Test Phase
November 2013
- Create Test Cases and Scenarios
- System Test
- Conversions
- User Acceptance Test (UAT)
- Begin End User Training

End User Training
Spring through Summer 2014

Deploy Phase
July 2014
- Go Live Checklist
- Production Readiness Review
- Go Live
- Continue End User Training
- Post Production Support
- Post Project Review

Spring through Summer 2014
## Terminology

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Award</td>
<td>A Workday award is used to define the business rules necessary to capture cost, calculate facilities and administration expense, and bill your sponsor.</td>
</tr>
<tr>
<td>Award Amendment</td>
<td>Increase budget or move budget from one period to another within the duration of the Award Budget. In addition, UR will use this functionality as part of the Award Closeout Process.</td>
</tr>
<tr>
<td>Award Budget</td>
<td>The financial expenditure plan for the grant-supported project or activity, including revisions approved by the Sponsor as well as permissible revisions made by the grantee. For example, the approved budget consists of Federal (grant) funds and, if required by the terms and conditions of the award, non-Federal participation in the form of matching or cost sharing. The approved budget specified in the Notice of Grant Award (NOGA) may be shown in detailed budget categories or as total costs without a categorical breakout.</td>
</tr>
<tr>
<td>Award Purpose Codes</td>
<td>Used to explain the purpose or focus of the award. For example: Clinical Research, Instruction, Organized Research, and Sponsored Programs.</td>
</tr>
<tr>
<td>Business Process</td>
<td>Workday’s workflow engine to rout various types of events (e.g. Award setup).</td>
</tr>
<tr>
<td>Facilities and Admin</td>
<td>Workday can generate and account for an institution’s facilities and administration charges to your awards automatically. When an expense occurs, Workday translates it to an object class and a facilities and administration reimbursement rate table is selected.</td>
</tr>
<tr>
<td>FDM</td>
<td>Financial Data Model; encompasses the combination of FRS accounts, sub-codes, divisions, and departments.</td>
</tr>
<tr>
<td>Fund</td>
<td>Required on every operational transaction and accounting journal. Will be auto balanced in Workday (2nd balancing worktag).</td>
</tr>
</tbody>
</table>
## Terminology (cont.)

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant</td>
<td>Workday uses the grants worktag as the primary cost and revenue collector for an award. If you want to charge against a grant on a purchase order, you use the grants worktag. If you want to recognize revenue on the award, you use the grants worktag. Similarly, if you want to charge finance and administrative expenses to the award, you will use the grant worktag.</td>
</tr>
<tr>
<td>Object Class</td>
<td>Used to meet your sponsor's requirements for facilities and administration, controlling expenses, and reporting. A list of object class codes and descriptions will be created for each of your sponsor's cost categories.</td>
</tr>
<tr>
<td>Revenue Category</td>
<td>Used to identify the different types of revenues posted by the Company. When using a revenue category, a ledger account will automatically be derived by configuring the account posting rule set.</td>
</tr>
<tr>
<td>Spend Category</td>
<td>Used to provide a more granular view of the expenses incurred by the Company. When using a spend category, a ledger account will automatically be derived by configuring the account posting rule set.</td>
</tr>
<tr>
<td>Sponsor Award Types</td>
<td>Used to identify various types of Awards for reporting purposes. For example, Contract, Cooperative Agreement, Financial Aid, Grant, Sub-recipient Agreement</td>
</tr>
<tr>
<td>Sponsor</td>
<td>Takes responsibility for and initiates a research/clinical investigation. May be an individual or pharmaceutical company, governmental agency, academic institution, private organization, or other organization.</td>
</tr>
<tr>
<td>Worktag</td>
<td>A named attribute that you can assign to events and objects to indicate their business purpose. For example, you can create a Customer worktag, whose values are the names of your customers. You can use the worktag to assign a customer to an expense in an expense report or a product sales event.</td>
</tr>
</tbody>
</table>
SIG Role & Responsibilities

• We are relying on involvement and active participation in the role as SIGs
• A key component of this is two-way communication
  – Providing us with ongoing feedback over the course of the project
  – Acting as ambassadors to the departments and areas
• This group has been selected with the intent to represent various functional groups
• We are looking to the SIGs to serve as the main point of contact in communications to your respective groups
• SIG input throughout the project will enable us to be successful in delivering a solution that meets our collective needs
Where will SIGs be involved in the Project?

Plan, Architect, Configure, Prototype, and Test Phases
- Provide area specific requirements to project team
- Review detailed design to ensure it meets their requirements
- Provide test scenarios to project team
- Execute test scenarios with project team

Deployment Phase
- Review/assist in the development of training material
- Validate converted transactions and master data (e.g., suppliers, awards, ledger accounts, cost centers, etc.)

Stabilization / Post Go-Live Phase
- First point of contact for organization related to questions, issues, etc. (i.e., super user)
- Point of contact for support group as future Workday functionality becomes available

* Reviewed at the UR Financials Executive Steering Committee – December 7, 2012
# SIG Activities and Percent of Time

SIGs are involved at various stages of the project:
- Demo days/meetings
- FRS data conversion validation
- System testing
- Training material review
- Go-live support

<table>
<thead>
<tr>
<th>UR Financials Grants Management Activity</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>(Approximate hours per month)</em></td>
<td>Nov</td>
<td>Dec</td>
</tr>
<tr>
<td>Attend Demo Days</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Attend SIG meetings</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Workday Navigation Overview session</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Workday Testing Overview session</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Validate Workday Awards, Grants, FRS balances</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Execute Workday Test Scenarios - System Testing</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Review Workday Training for Relevance</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Attend Workday Training sessions</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Verification of Workday transactions at go-live</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTALS --</strong></td>
<td>5</td>
<td>8</td>
</tr>
</tbody>
</table>

| Percent of Time Per Month (based on 160 hrs)                                 | 3%   | 5%   | 16%  | 13%  | 14%  | 14%  | 16%  | 8%   | 10%  | 9%   | 9%   | 9%   |
Alignment between SIGs and FAC members

- SIGs – meet monthly, review Workday functionality, and configuration (e.g., drop down value, Financial Data Model, etc.)
- Finance Advisory Committee (FAC) – meet bi-weekly, review design decisions
- Regular communications between SIGs and FAC members *should be occurring*
  - SIGs → FAC member – FDM level of detail
  - FAC member → SIGs – Business Process Improvements approved/rejected/deferred
  - SIGs & FAC members → Respective departments – All the above
- Reach out to project team for assistance