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

- Objectives for this Session
- SIG Roles and Responsibilities
- SIG Activities and Percent of Time
- Open Items from last SIG meeting
- Current vs. Future State
- How it will work in Workday
- FRS to Workday Transformation
- Transaction vs. Budget Dates
- Cost Sharing Scenarios
- Next Steps
- Appendix
  - UR Financials Project Timeline
  - Terminology
  - Special Interest Group (SIG) Overview
  - Award Set Up Process; including naming conventions
Objectives for this Session

• Understand your role as a SIG
• Review what processes are not changing
• Explore how transactions will work in Workday
• Gain familiarity with Workday terminology
• Walk through Workday processing for:
  – Cost sharing
  – Journal entries
  – Financial statements
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
### SIG Activities and Percent of Time

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

<table>
<thead>
<tr>
<th>UR Financials Grants Management Activity</th>
<th>2013</th>
<th>2014</th>
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<tr>
<td>(Approximate hours per month)</td>
<td>Oct</td>
<td>Nov</td>
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<tr>
<td>Attend Demo Days</td>
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<tr>
<td>Attend SIG meetings</td>
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<td>Workday Navigation Overview session</td>
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<tr>
<td>Workday Testing Overview session</td>
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<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></td>
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<tr>
<td>Attend Workday Training sessions</td>
<td></td>
<td>4</td>
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<tr>
<td>Verification of Workday transactions at go-live</td>
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<tr>
<td><strong>TOTALS</strong></td>
<td>5</td>
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<th>Percent of Time Per Month (based on 160 hrs)</th>
<th>2013</th>
<th>2014</th>
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<tr>
<td></td>
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<td>9%</td>
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Open Items from last SIG meeting

- Supplier Invoice/Journal Entry Approval Threshold
- Award Set Up Notification
- Award and Grant naming conventions
  - From July 1, 2014 going forward
- Clinical Trials billing process in Workday
- Converting Ledger 5’s and corresponding Ledger 0
Current vs. Future State

Overview of the key Grants process changes moving from FRS to Workday

FRS
1. NOGA received by ORPA
2. File Maintenance Form (FM) created and sent to ORACS
3. Ledger 5 and Ledger 0 Account #’s assigned
4. General Accounting keys in attributes
5. ORPA notified of Account #
6. ORPA notifies Department of Account #
7. ORPA sends NOGA and NOA to Department and ORACS
8. Budget entered by General Accounting
9. ORACS verifies attributes in FRS against NOGA
10. ORACS performs Billing/LOC after month-end close
11. ORACS sends copy of Invoices to Departments after month-end
12. Cash application/collection efforts performed
13. Award closeout performed ensuring Ledger 0 and 5 are in balance
14. Closeout can result in credit/deficit effecting an Unrestricted Account

Workday
1. No change
2. No FM – attributes loaded by ORPA
3. Grant worktag (e.g., GR524321) assigned (not restricted to 5xxxxx; Ledger 0 not required)
4. Not required
5. Not required
6. No change
7. No change
8. Budget entered by ORPA
9. No change
10. Potential for LOC to be performed during the month; Billing will be performed at month-end
11. Not required
12. No change
13. Not required
14. Inactivate Award and credit/deficit recorded at Company level
How it will work in Workday

- **Payroll**
  - HRMS
  - Labor Distribution
  - CumSal
  - Effort
  - Payroll Audits

- **Grant POs**
  - Workday Non-PO
  - Subcontracts

- **312 Req**
  - Renamed – TBD
  - Purchase Requisition
  - New Journal Entry Form

- **RFP**
  - Workday
  - F4 Form
  - Non-Department Initiators

- **Expense Reports**
  - HRMS
  - F3 Form

- **Journal Entries**
  - Workday
  - Department Initiators
  - Approved Cost Transfers

- **Billing**
  - Workday
  - LOC
  - Current AR balance

- **Revenue Recognition**
  - Workday
  - Settlement
  - Approved JE

- **Award Closeout**
  - Workday
  - No ROE
  - FFR due within 90 days
FRS to Workday Transformation

UR is moving from multiple Ledgers to an enterprise software package that can present a multi-dimensional picture of your operations.

- Financial Statements can be run by selecting a Display Option (e.g., Fund)
Transaction vs. Budget Dates

• To be eligible for Revenue Recognition and Facilities and Administration (F&A) the transaction must have a “budget date” between the start and end dates on the corresponding award line of the specific grant.
  – Supplier Invoices
    • Invoice Date = Budget Date and Accounting Date
  – Journal Entries and Cost Transfers
    • Separate fields for Accounting Date and Budget Date
  – Integrations (Batch feeds from other systems)
    • HRMS Pay Period End Date = Budget Date
    • Date Services Provided = Budget Date
    • Accounting Date = Fiscal Period
Cost Sharing Scenarios

Scenario 1 – 25% Cost Share

- **Sponsored Awards** – Sponsor Fund (i.e., grant) pays for a portion (75%) of the fixed equipment (portion reimbursed from Sponsor)
- **Special Purpose Fund** – Unrestricted (i.e., gift) pays for the other portion (25%) of the fixed equipment (University costs)

<table>
<thead>
<tr>
<th>Percent</th>
<th>Amount</th>
<th>Memo Worktags</th>
<th>Cost Share Funded by Gift</th>
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<tr>
<td>25</td>
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<td>Company for FAO 040</td>
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<td>Cost Center: CC11475-000 Cancer Center</td>
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<td>Fund: Special Purpose Fund - Unrestricted</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Grant: GR523116 CELGENEAVILA</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>UR Gift: GR521484 Wilmot Cancer/ Roswell</td>
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<tr>
<td>75</td>
<td>15,000.00</td>
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<td>Direct Bill to Sponsor</td>
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<td>Company for FAO 040</td>
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<tr>
<td></td>
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<td></td>
<td>Cost Center: CC11475-000 Cancer Center</td>
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<td>Fund: Sponsored Awards</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Grant: GR523116 CELGENEAVILA</td>
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</table>

Scenario 2 – 100% Cost Share

- **Sponsored Awards** – Sponsor Fund pays for nothing related to the supplier invoice (i.e., nothing reimbursed from Sponsor)
- **Current Fund** – Unrestricted (i.e., operating programs) pays for the related costs (100%)
- Enables UR to meet reporting requirement where the University fulfilled total award costs

<table>
<thead>
<tr>
<th>Percent</th>
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<tr>
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<td>Fund: Current Fund - Unrestricted</td>
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<td>Grant: GR587089 5R01AI084111-02 DeWurst - Micro</td>
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<tr>
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<td>UR Operating Program: OP115435 Urmc Corporate Golf</td>
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<tr>
<td>33</td>
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<td>Cost Center: CC11143-000 Warner Instruction</td>
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<td></td>
<td>Fund: Current Fund - Unrestricted</td>
</tr>
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<td>Grant: GR587089 5R01AI084111-02 DeWurst - Micro</td>
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<td>UR Operating Program: OP211103 Dean’s Account</td>
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<td>5,145.60</td>
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<td>Cost Center: CC11143-000 Warner Instruction</td>
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<td>UR Operating Program: OP211103 Dean’s Account</td>
</tr>
</tbody>
</table>
Next Steps

• Complete user survey by 10/8/13
• Next SIG meeting is scheduled for 10/28/13
  – Review open items and decisions
  – Program income
  – Sub contracts
• Please continue reach out with questions and 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
UR Financials Project Timeline

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

Deploy Phase
July 2014

- Go Live Checklist
- Production Readiness Review
- Go Live
- Continue End User Training
- Post Production Support
- Post Project Review

End User Training
Spring through Summer 2014

We are here

October 3, 2013
GM SIG Meeting
## Terminology

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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</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 Administration</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>
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Appendix

• Special Interest Group (SIG) Overview
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
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
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
Appendix

• Award Setup Process
Award Setup Process

- Receive NOGA
- ORPA Creates Award
- ORACS Approves Award

• Award Header Information

View Award:  |  Change

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<tr>
<th>Award</th>
<th>Award Number</th>
<th>AWD-100001</th>
<th>Award Status</th>
<th>Approved</th>
<th>Version</th>
<th>Version Status</th>
<th>Award In Effect</th>
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<td>0</td>
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**Award**
- Company: 040 School of Medicine and Dentistry
- Description: Research
- Name: Research
- Sponsor Award Reference Number: JS-Test2-07102013
- Award Date: 07/01/2013
- Award Signed Date: 07/01/2013
- Award Type: Grant
- Purpose Code: Federal Clinical Trials
- Payment Terms: Net 5

**Sponsor**
- Sub Award: No
- Flow-Through Sponsor: Allergy & Infectious Diseases (NIAID)
- Bill-To Sponsor: Department of Health and Human Services
- Payment Type: Letter of Credit (LOC)
- Letter Of Credit: DHHS
- Document ID: RAI56789A
Award Setup Process (cont.)

- Additional Award Header Information

![Award Setup Process Diagram]

- Award Amounts
  - Currency: USD
  - Sponsor Direct Cost: $1,478,176.00
  - Sponsor Facilities and Administration: $521,824.00
  - Sponsor Total: $2,000,000.00
  - Cost Share Total: $0.00
  - Award Total: $2,000,000.00
  - Entered Line Amount: $2,000,000.00
  - Authorized Amount: $2,000,000.00
  - Billed To Date: $63,300.00
  - Cost Share Required by Sponsor: No
  - Anticipated Sponsor Direct Cost: $2,956,352.00
  - Anticipated Facilities and Administration: $1,043,648.00
  - Anticipated Sponsor Total: $4,000,000.00
  - Business Plan: 040 School of Medicine and Dentistry: Approval - Annual Award Budget AWD-100001

- Award Calendar
  - Award Schedule: JS-Test2-07102013
  - Start Date: 04/01/2012
  - End Date: 09/30/2014

- Proposal
  - CFDA Number: 93.701
  - CFDA Description: Engineering - Metallurgical / Materials
  - NSF Code: Metallurgical / Materials
  - NSF Code Description: Metallurgical / Materials
  - Proposal ID: Proposal Version
Award Setup Process (cont.)

• Award Lines
  – Grant is used for transactions (e.g., supplier invoice)
# Award and Grant Naming Convention

- **Examples for NSF and NIH awards**
  - Award is used for reporting, billing, and revenue recognition
  - Grant is used for financial transactions (i.e., capture costs)

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<tr>
<th>Workday Field</th>
<th>NSF Award</th>
<th>NIH Award</th>
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<tr>
<td>Award Number</td>
<td>AWD-100002</td>
<td>AWD-100003</td>
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<tr>
<td>Award Name (unique)</td>
<td>Collaborative Research Study Language Production</td>
<td>Analysis of Count Data with Structural Zero’s CNT0018CTN</td>
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<tr>
<td>Sponsor Award Reference Number</td>
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<td>5R33DA027521-03</td>
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