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# **FMS Pre-Implementation Analysis of Agency Systems**

**Contract #09530**

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**February 2008**

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## Executive Summary

As part of FMS pre-implementation, the Department of Administration, Division of Accounts and Reports, contracted with Savaggio, Teal and Associates to meet with key financial managers and CIOs of 23 agencies. The objectives of these agency visits were to:

- Communicate the scope and timeline of the FMS project and discuss responsibilities of the FMS project team and the agencies;
- Develop consensus on agency systems to be de-commissioned or maintained;
- Determine the impact on agency systems from the proposed scope of the FMS;
- Develop content for the FMS RFP based on results of the agency visits and systems analysis.

The goal of the analysis was to develop consensus recommendations (between the FMS team and the agencies) to determine which systems would be:

- De-commissioned since the functionality would be in FMS.
- Maintained since the FMS would not have the required capability.
- To-be-determined based upon FMS capabilities.

This analysis consisted of three phases:

1. Develop a survey to collect pertinent information from agencies regarding their financial and administrative systems.
2. Meet with agencies financial and administrative leadership to discuss the FMS project and to explain the purpose of the survey.
3. Review the completed survey and at a follow-up meeting, collectively among the FMS planning team and agency leadership, determine whether the FMS will replace existing systems or if these systems will be maintained and interfaced to the FMS.

This analysis identified 59 agency systems to be de-commissioned in areas of accounting, purchasing, grant/project management, asset management, budget control. The analysis identified 69 interfaces between the FMS and programmatic agency systems that will have to be modified or developed by agencies. Also identified were numerous central agency systems whose interfaces will need to be modified or developed by the Systems Integrator (e.g. Set-off, SHARP and SOKI).

There were only three cases where a determination could not be made regarding whether to de-commission a system; these included Education, Labor and Lottery and are dependent upon final decisions of FMS scope, e.g. if labor distribution is not included in the FMS project scope then Education and Labor will not de-commission their agency accounting system and if AR/billing is not included in the FMS the State Lottery will not de-commission their agency accounting system.

Eight agencies identified a need for AR./billing. It is recommended that the FMS address the need for AR/billing through a pilot approach. A small team comprised of representatives from identified agencies would be formed to develop configuration requirements for AR/billing. Lottery and perhaps one additional agency would participate in implementation. Other agencies would be brought on after the core financials and other key elements of the system are stable.

Fourteen agencies identified a need for labor distribution in order to track labor costs to grants, projects and other types of cost centers. There are numerous unknowns regarding the FMS impact to SHARP and how SHARP may have to be modified to interface with FMS. Therefore, there may be opportunities to design and implement a central labor distribution solution without major additional modifications to SHARP. It is recommended that the State preserve the option to design and implement a central solution for labor distribution. A special section in the RFP could be drafted requesting vendors to propose a solution in terms of a conceptual design and cost estimate in their proposals. Once the contractor is selected the FMS project leadership can make a decision on whether to proceed with the proposed solution based on cost, complexity and risk. The proposers will provide estimates for design and implementation. Following the design phase the FMS project leadership would make a determination whether to proceed with the implementation phase. This strategy defers a critical project decision until sufficient information is available.

Analysis of Agency Systems

Agency	Agencies' Systems to be Retained or Decommissioned					Agencies Retaining Systems or Implementing New Systems Because Business Needs Not Met by FMS					Agencies Not Retaining Systems but Whose Business Needs are Not		
	Accounting	Purchasing	Asset Mgmt	Grant/Project Accounting	Agency Total	Labor Allocation	Accounts Receivables	Consummable Inventory	Fleet Management	Labor Allocation	Accounts Receivables	Travel & Expenses	
Adjutant General	Custom system retained	TBD	√	Custom system retained	1								
Agriculture	√	√	√	√	4	X			X			□	
Aging		√	√	√	3		X	X**			□		
Bureau of Investigation	√	√	√		3		X***	X**					
Corporation Commission	√	√	√		3	X	X		X		□		
Corrections and Correctional Industries	√*	√	√		3				X		□		
Commerce	√	√	√	√	4								
Education	O	√	√		2	X							
Health and Environment		√	√	√	3				X		□	□	
Health Policy Authority			√	√	2		Purchasing AR System				□		
Highway Patrol	√	√	√	√	4	X	X		X				
Insurance		√*	√		2								
Juvenile Justice Authority	√	√	√		3								
Labor	O	√	√		2	X							
Lottery	O	√	√		2		X						
Public Employees Retirement System	√	√	√		3								
Revenue		√	√		2				X				
Secretary of State	New System		√		1								
SRS	√	√	√	√	4				X				
Transportation	√	√	√		3								
Treasury			√		1								
Wildlife and Parks	√	√	√	√	4	X			X			□	
					59								
Total # of Systems Decommissioned	11	18	22	8	59								
Total # of Systems Not De-commissioned	4												
	Blank = Agency does not have a system												
	√ Agency system to be de-commissioned												
	O = Agency accounting system retained due to needed functionality not in FMS												
	X = Agency system not de-commissioned based on required functionality not in FMS												
	□ Agencies with key business needs that will not be met with current scope of FMS												
	* Agency will de-couple accounting functions from a programmatic system and retain programmatic system												
	** Agency should review need for tracking consummable inventory												
	*** Agency should review need for AR/billing												

## Overview of Agency Visits and Systems Analysis

As part of FMS pre-implementation, the Department of Administration, Division of Accounts and Reports, contracted with Savaggio, Teal and Associates to meet with key financial managers and CIOs of approximately 20 agencies. The objectives of these agency visits were to:

- Communicate the scope and timeline of the FMS project and discuss responsibilities of the FMS project team and the agencies;
- Develop consensus on agency systems to be de-commissioned or maintained;
- Determine the impact on agency systems from the proposed scope of the FMS;
- Develop content for the FMS RFP based on results of the agency visits and systems analysis.

Agencies participating in the analysis are listed in Table 1. Originally, 19 agencies were identified for the analysis. This was increased to 23 with the addition of Aging, KBI, Commerce and Water Resources. In addition, the State's educational institutions were contacted and asked to confirm information on interfaces between their financial systems and STARS and SHARP.

### **Objective #1 – Communicate the scope and timeline of the FMS project and discuss roles and responsibilities of the FMS project team and the agencies**

Discussions with agency personnel focused on the agreed-upon scope of the FMS and major activities during pre-implementation, implementation and post-implementation. The overall timeline for each phase was reviewed. Concurrence on the roles and responsibilities was established.

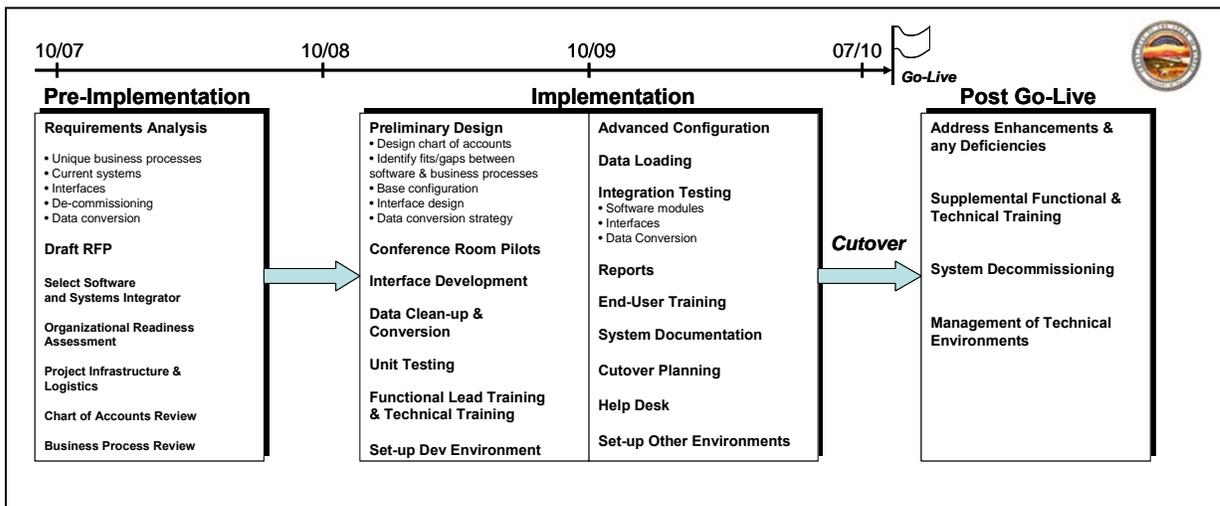
Agencies' major roles and responsibilities were defined as follows:

- Attend informational meetings as requested
- Participate in fit/gap design sessions
- Participate in conference room pilots, i.e. prototyping sessions
- Participate in technical and functional training
- Develop interfaces between FMS and programmatic systems and adhere to interface development standards
- Perform data clean-up prior to conversion and validate converted data
- Participate in integrated testing of interfaces and data conversion by developing and executing test files and test cases
- Develop agency-specific reports
- Update technical and functional documentation

The FMS team, including the Systems Integrator's, major roles and responsibilities were defined as follows:

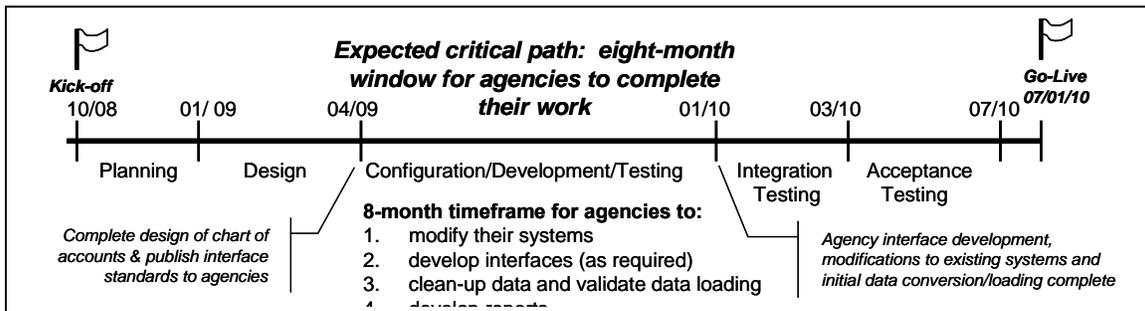
- Manage the project’s scope, schedule and cost
- Provide information on changes to accounting codes
- Provide technical advice, standards and crosswalk tables for interfaces
- Define data conversion strategies, perform data loading and develop reports and queries for agencies to validate converted data
- Provide an environment for, and assistance in, testing
- Provide an environment for training, develop training materials and conduct training
- Develop interfaces for between central agency systems (except SOKI)
- Develop central reports
- Assist smaller agencies with technical support for interface development
- Provide support in change management
- Provide central communications to agencies and other stakeholders

Figure 1 illustrates the project timeline that was presented and discussed with agencies.



**Figure 1. Project timeline and summary of activities discussed during agency visits.**

Within the project timeline a window for agencies to develop and test interfaces, clean-up and validate data conversions and develop agency reports was presented. This time window is illustrated in Figure 2.



**Figure 2. Eight-month window for agencies to complete their activities.**

During the agency meetings, several of the larger agencies (KDOT, Revenue, Labor, SRS) with programmatic systems that will need to be interfaced to the FMS and on-going IT work to support their agencies, expressed concern that the eight-month window to perform this significant amount of work might be inadequate.

During the agency visits representatives from the FMS stressed the need to utilize the 6-8 months prior to project kick-off to perform upfront analysis and planning to ensure the impact was understood, preliminary plans were developed and resources and development and test environments were available to perform the required work.

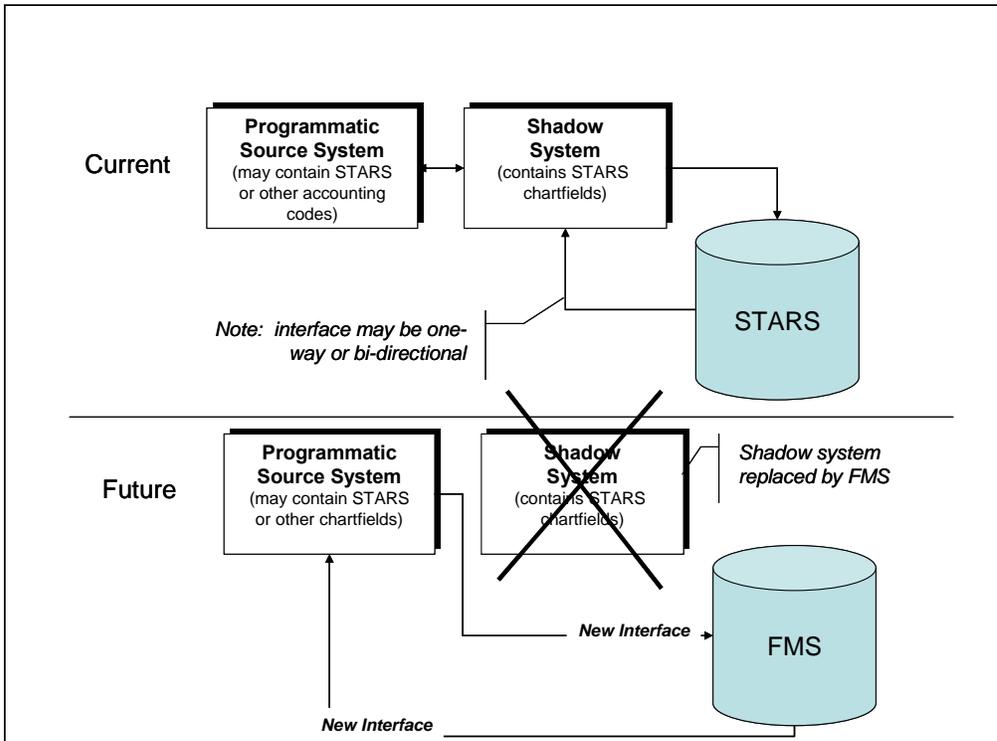
Another mitigation measure to address these concerns was to insert language in the RFP requiring the Systems Integrator to develop a data conversion “bridge” that would enable agencies to use their current STARS interfaces to send data to the FMS. This “bridge” will be a contingency for agencies that cannot modify their programmatic systems and interfaces in time for cutover from STARS to FMS. However, it is recommended that this bridge be eliminated six months after go-live as data interfaced to FMS using this “bridge” will not have the desired level of resolution since it will be based on STARS coding blocks.

**Objective #2 – Develop consensus on agency systems to be de-commissioned or maintained**

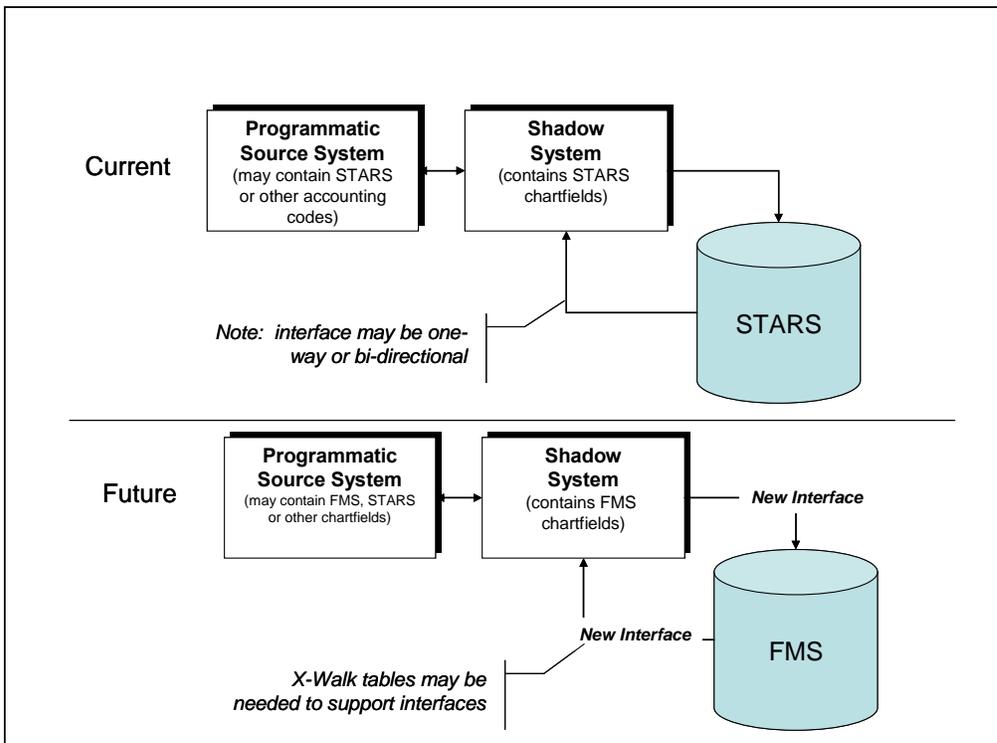
The second objective of the agency visits was to determine the future of agency systems. This discussion focused on “shadow systems” which were defined as financial and administrative systems developed and operated in order to address deficiencies in STARS. The goal of the analysis was to develop consensus recommendations (between the FMS team and the agencies) to determine which systems would be:

- De-commissioned since the functionality would be in FMS.
- Maintained since the FMS would not have the required capability.
- To-be-determined based upon FMS capabilities. (There were only three of these cases which were primarily related to the final decisions on the FMS scope, e.g. if AR/billing is not included in the FMS the State Lottery will not de-commission their accounting system Mac-Pac.)

Figures 3a and 3b below illustrate the first two scenarios.



**Figure 3a. Illustration of shadow system de-commissioned and new interfaces linking FMS to programmatic systems.**



**Figure 3b. Illustration of a shadow system maintained due to key functionality not in FMS and new interfaces linking FMS to the shadow system.**

This analysis consisted of three phases:

4. Develop a survey to collect pertinent information from agencies regarding their financial and administrative systems.
5. Meet with agencies financial and administrative leadership to discuss the FMS project and to explain the purpose of the survey.
6. Review the completed survey and at a follow-up meeting, collectively among the FMS planning team and agency leadership, determine whether the FMS will replace existing systems or if these systems will be maintained and interfaced to the FMS.

Results of these agency visits comprise the body of this report and are provided in subsequent sections.

**Objective #3 – Determine the impact on agency systems from the proposed scope of the FMS**

The third objective of the agency visits and analysis was to determine the impact on agency shadow systems from the proposed scope of the FMS. Four areas beyond the currently defined scope were discussed with numerous agencies:

- Labor distribution, i.e. allocating labor costs to projects and grants
- AR/Billing
- Travel
- Fleet Management

**Labor Distribution**

Agencies expressed concerns that the current scope of the FMS does not address deficiencies in SHARP and STARS to capture and distribute internal labor costs at a level of granularity necessary to support accurate reporting of expenditures to grants and projects. Instead, agencies capture detailed labor in spreadsheets or other systems, enter time and leave into SHARP then take gross payroll amounts for each employee from STARS and reconcile amounts with detailed labor records. An example of this process for the Highway Patrol is illustrated in Figure 3 below.



**Figure 4. Example of recording of labor transactions and required reconciliation for project and grant accounting.**

While some agencies have automated this process (KCC) or have alternate means to capture and allocate labor costs to projects and grants (KDOT) numerous

agencies are performing dual entry and manual reconciliation and are looking to the FMS project to provide an integrated solution. These agencies include:

- Agriculture
- Commerce
- Education
- Health and Environment
- Health Policy Authority
- Highway Patrol

Other agencies (Aging and Wildlife and Parks) are in the process of developing automated solutions to labor capture and perform allocations.

Two agencies (Education and Labor) will elect to maintain their current accounting systems if the FMS project does not include an automated means to allocate labor costs to projects and/or grants.

### **AR/Billing**

Several agencies expressed a need for AR/billing in the FMS. These agencies include:

- Aging
- Commerce
- Corporation Commission
- KBI
- Health and Environment
- Highway Patrol
- Lottery
- Secretary of State

Of these agencies, only the Lottery will maintain their current accounting system (Mac-Pac) if AR/billing is not included in the FMS scope. KPHA has an immediate need for AR/billing and cannot wait for the FMS and is in the process of procuring an AR/billing system. The other six agencies listed above will probably continue to manage AR in non-integrated fashion using spreadsheets and other stand-alone systems. The problem with these stand-alone spreadsheet-based systems is that receivables can be accidentally deleted, files can be lost and there is no security in front of most of these “systems”.

### **Travel**

Several agencies (Agriculture, KBI, Wildlife and Parks) identified requirements for documenting travel expenditures that may be beyond what the current scope of the FMS will provide. As envisioned in the new FMS, travel will be “direct pay” A/P transactions. These agencies articulated requirements for capturing additional data elements that may not be able to be captured through A/P, but would require additional data fields related to travel. These data elements are

related to the purpose of the travel and should be stored in dedicated data fields rather than “notes” fields to better enable aggregation, reporting and budget development and execution. Depending on the software selected, there may be a work-around in the project and grant accounting area that would provide this capability.

## **Fleet Management**

Agency needs for fleet management was not systematically surveyed as this functionality would most likely require a third-party application and as therefore considered “off the table”. Several agencies (Agriculture, Corrections, KCC, Health and Environment, Highway Patrol, Revenue, SRS, Wildlife and Parks) expressed a need for a better way to track equipment costs than their current spreadsheet systems in order to better manage their fleet costs and to recover equipment expenditures from federal grants, other state agencies and other governmental and non-governmental entities.

It was suggested that these agencies consider pooling their resources and purchase and share a commercial-off-the-shelf fleet management application. However, it is unlikely that this will be acted upon without a central agency initiative. Fleet management systems have two primary purposes: 1) to manage preventative maintenance and assist with replacement cost decisions and to calculate operating costs. Since operating costs are derived from numerous financial transactions (i.e. fuel, maintenance, repairs and depreciation), integration of a fleet management system with FMS is necessary to realize this benefit. This central functionality would benefit numerous agencies and should be considered in a future FMS phase.

## **Objective #4 – Develop content for the FMS RFP based on results of the agency visits and systems analysis**

Analysis results from the agency visits helped to define four key areas of scope for the FMS RFP as well as division of duties between agencies and the Systems. These four areas of scope include interfaces, data conversion, report development and additional requirements and are summarily described below.

1. Interfaces between agency systems and the FMS. The Systems Integrator will develop and publish interfacing standards for agencies to follow. The Systems Integrator will manage and assist agencies with interface development. Agencies will develop, test and document their interfaces. (Interfaces between the FMS and other central systems such as Set-off, SHARP and HR will be developed by the Systems Integrator.) These interfaces are listed in Table 2.
2. Data conversion from agency systems that will be de-commissioned due to FMS. These conversion activities will be shared between agencies and the Systems Integrator. Agencies will be responsible data extraction and clean-up and putting

the data in a pre-defined format. The Systems Integrator will load these files. After loading agencies will be responsible for validating the accuracy of the conversion. The Systems integrator will be responsible for developing the reports and queries needed by agencies to validate their data in the FMS. The Systems Integrator will be responsible for managing the conversion process. The scope of the data conversion is listed in Table 3.

3. Sets of financial and administrative reports were collected during agency visits. Report development will be a significant activity for agencies and for the Systems Integrator. Agencies will be responsible for developing their agency-specific reports. The Systems Integrator will be responsible for providing training and setting up and maintaining an environment (report development tools and the data warehouse) for report development. The Systems Integrator will also be responsible for developing central (A&R) reports. A list of central reports to be developed by the Systems Integrator is provided in Table 4.

Since many agency reporting needs are common, such as budget vs. actual expenditures and outstanding encumbrances, it is recommended that the RFP include development of a core set of reports where the report parameters can be specified by the user, e.g. agency, type of transaction, date range, project/grant number, object/account, vendor attribute. Based on review of agency reports it is estimated that 50-75% of agency reporting needs can be met by a robust reporting engine. This will eliminate the need for agency personnel to develop these reports independently and should save the state thousands of hours of internal labor.

4. Additional requirements were identified during the agency visits and systems analysis. Many of the requirements identified by agencies as “unique” are in fact fairly standard in Tier 1 financial systems and therefore, were not integrated into the FMS RFP requirements set. However, some of these requirements are noteworthy and will be integrated into the FMS master requirements set. An example of some of these unique requirements are presented in Table 5.

Overall the agency visits achieved the stated objectives of communicating the scope and timeline of the FMS project and responsibilities of the FMS project team and the agencies; developing consensus on agency systems to be de-commissioned or maintained; determining the impact on agency systems from the proposed scope of the FMS; and developing content for the FMS RFP based on results of the agency visits and systems analysis.

**Table 1. Agency Visits for Analysis of Existing Financial and Administrative Systems.**

Agency	Point-of-Contact	Phone Number	Date/Time of 1 <sup>st</sup> Meeting	Date/Time of 2 <sup>nd</sup> Meeting
Department of Transportation	Dale Jost	6.7927	10/9 @ 9:30am	11/7 @ 2pm
Department of Social and Rehabilitation Services	Theresa Addington	785.368-6358	10/23 @ 2pm	12/11 @ 3-4:30pm
Kansas State Lottery	Carolyn Brock	6.5781	10/3 @ 10am	10/18 @ 10:30am
Kansas Corporation Commission	Jackie Montfoort Paige	785.271.3295	10/16 @ 2pm	11/7 @ 10am
Department of Insurance	Sabrina Wells	785.291.3191	10/31 @ 2pm	01/10 @ 2pm
Department of Education	Ron Nitcher	6-4962	10/3 @ 2pm	10/24 @ 2pm
Secretary of State	Nancy Bryant Karen Clark	6.3033	11/14 @ 10am	12/17 @ 2pm
Department of Health and Environment	Pat Kuester, CFO	6.4875	11/14 @ 2pm	
Department of Corrections and Correctional Industries	Dennis Williams	6.4838	10/15 @ 2pm	12/5 @ 2pm
Department of Revenue	Jim Conant	6.4007	10/31 @ 10am	12/18 @ 2pm
State Treasurer	Peggy Hanna Curtis Bears	6-5464	10/11 @ 2pm	12/4 @ 9am
Department of Wildlife and Parks	Cindy Livingston (Pratt)	620.672.5911	10/24 @ 10am	12/6 @ 2pm Telecon
Adjutant General's Office	Janice Harper	785.274.1451	10/16 @ 10am	01/16 @ 2pm
Kansas Health Policy Authority	Boyd Jansen Paul Endicott	291.3169	10/2 @ 3pm	11/1 @ 11am
Department of Labor	Gerald Schneider		10/30 @ 10am	12/4 @ 2pm
Department of Agriculture	Stacey Woolington	368.7122	10/02 @ 10am	10/12 @ 2pm
Kansas Highway Patrol	Sheryl Weller, CFO	6.1790	11/06 @ 10am	12/19 @ 2pm
Kansas Bureau of Investigation	Don Beck, Bus Mgr Steve Montgomery, CIO	785.368.6437	11/06 @ 2pm	12/20 @ 2pm
Juvenile Justice Authority	Keith Bradshaw	6.1412	10/04 @ 10am	10/29 @ 2pm
Kansas Public Employees Retirement System	Leeland Breedlove	6-1020	10/23 @ 10am	11/16 @ 12:30
Kansas Department of Aging	Alice Knatt	6-6464	11/05 @ 2:30pm	12/18 @ 10am
Regents				
Regents – Emporia State	Ray Hauke Mary Mingenback		11/13 @ 10am	None held
Regents – Pittsburg State	Barbara Winter		11/13 @ 10am	None held
Regents – KU	Jeanne Rooney		11/13 @ 10am	None held
Regents – KSU	Pete Morris		11/13 @ 10am	None held
Regents – KU Med	Bob Weseloh		11/13 @ 10am	None held
Regents – Wichita State	Lois Tatro	316.978.5890	11/13 @ 10am	None held
Regents – Fort Hayes State	Phil Toepfer		11/13 @ 10am	None held

**Table 2. List of interfaces for the RFP to be developed by agencies and managed by the Systems Integrator.**

<b>Tentative Interfaces to be Developed by Agencies and Overseen by Contractor</b>					
<b>Req #</b>	<b>Send Data / Receive Data</b>	<b>Agency</b>	<b>System Name</b>	<b>Number of Interfaces</b>	<b>Type of Data Interfaced</b>
1	Send Data/ Receive Data	Adjutant General	Fiscal System	2	Payment voucher/warrants
	N/A	Aging	N/A	0	
	N/A	Agriculture	N/A	0	
	N/A	Bureau of Investigation	N/A	0	
2	Send Data	Corporation Commission	Receipts Database	1 (SOKI)	Deposits, Journal vouchers(?), Inter- fund transfers
	N/A	Corrections	N/A	0	
3	Send Data / Receive Data	Correctional Industries	XDATA	2	Payment voucher/warrants, Purchasing (POs/ encumbrances), Deposits
4	Send Data / Receive Data	Education	KIAS* (remains) KIAS (de- commissioned) KNCLAIM Federal Aid CNP2000 State Aid	2 <b>or</b> 2 2 2 2	Payment voucher/warrants, Journal vouchers
5	Send Data / Receive Data	Emporia State	Banner Financials	2	Payment voucher/warrants, Journal vouchers
6	Send Data / Receive Data	Health and Environment	Reconciliation Database (remains) Reconciliation Database (de- commissioned) Various revenue receipting/billing systems	1  0  TBD (SOKI)	Labor expenditures  Revenue
7	Send Data / Receive Data	Health Policy Authority	Riskmaster	3	Payment voucher/warrants, employee information (SHARP)
	N/A	Highway Patrol	N/A	0	
8	Send Data / Receive Data	Insurance	Workman's Comp	2	Payment voucher/warrants, Journal vouchers
9	Send Data / Receive Data	Juvenile Justice Authority	CASIMS	2	Payment voucher/warrants, Journal vouchers

10	Send Data / Receive Data	KPERS	KITS	2	Payment voucher/warrants, Journal vouchers
11	Send Data / Receive Data	KSU	Oracle Financials V11.5.10	2	Payment voucher/warrants, Journal vouchers
12	Send Data / Receive Data	KU	PS Financials v7.5	2	Payment voucher/warrants, Journal vouchers
13	Send Data / Receive Data	KU Medical School	PS Financials 8.9 (upgrade in process)	2	Payment voucher/warrants, Journal vouchers
	N/A	Labor	N/A	0	
14	Send Data / Receive Data	Lottery	Mac-Pac (depending on disposition of AR)	2	Payment voucher/warrants, Journal vouchers
15	Send Data / Receive Data	Pittsburg State	Proprietary System Basic	2	Payment voucher/warrants, Journal vouchers
16	Send Data / Receive Data	Revenue	Fuel Tax System Fuel Tax Distributions Property Tax Refunds Oil and Gas Tax Dist Motor Carrier Reg Income Tax Refunds Cash Receipts & Other Revenue Entries Other Tax Refunds Property Tax Refunds Vehicle Inventory System	2 2 2 2 2 2 2 2 2 2 2 2	Payment voucher/warrants, Journal vouchers, Vendors
17	Send Data / Receive Data	Secretary of State	MUNIS (Tyler)	2	Payment voucher/warrants, Journal vouchers
18	Send Data	SRS	KMIS DDS KS Cares SCRIPTS LIEAP KAECSES	1 1 1 1 1 1	Payment voucher, Journal vouchers
19	Send Data / Receive Data	Transportation	VES	1	Payment vouchers/warrants, Journal vouchers, encumbrances
20	Receive Data	Wildlife and Parks	Agency data warehouse Activity Sheet (labor collection)	1 1	Datasets TBD
21	Send Data / Receive Data	Wichita State	Banner Financials V7.2	2	Payment voucher, Journal vouchers

22	Send Data / Receive Data	Treasurer	SOKI	2	
	<b>Estimated Total # of Interfaces to be Developed by Agencies and Management by Contractor</b>			<b>69</b>	

**Table 3. List of data conversion scripts to be developed by agencies and uploaded by the Systems Integrator.**

Applications to be Replaced				
Agency Name	Application Name	Truncated Description	ERP Related Functions	Convert
Adjutant General	Inventory System	Tracks assts		Assets
Aging	Grants Management FilePro Assets	Tracks grants payments. Tracks purchasing activities. Tracks assets.	Grant accounting Requisitions, POs Asset management	Fund balances, project & grant balances POs that carry-over, assets
Agriculture	FilePro	Custom financial administrative system and spreadsheets for assets.	GL, AP, receipts, purchasing, project and grant accounting, asset management	Fund balances, project & grant balances POs that carry-over, assets
Bureau of Investigation	Internal Accounting System	Custom financial administrative system, spreadsheets and Access database for fleet assets.	GL, AP, Budget tracking, purchasing	Fund balances, POs that carry- over, project & grant balances, assets
Commerce	Various spreadsheets	Custom developed, non-integrated spreadsheets	Purchasing, AP, grants, assets	Fund balances, project & grant balances, assets
Corporation Commission	CARES	Custom financial administrative system and spreadsheets for assets	AP, receipts, purchasing	Fund balances, POs that carry- over, assets
Corrections	OMIS	Accounting and budgeting functionality of OMIS and spreadsheets and databases for assets.	Project accounting, budgets	Fund balances, project & grant balances, assets
Correctional Industries	N/A			Fund balances, POs that carry- over project & grant balances, assets
Emporia State	N/A			
Health and Environment	POVS GMS Asset Management CMS Budget Tracking	Multiple stand-alone financial administrative systems.	POVS - purchasing GMS – grant mgmt Asset Management CMS – contract tracking Budget Tracking	Fund balances, POs that carry- over, project & grant balances, assets
Health Policy Authority	Asset Management Grants Management	Multiple stand-alone financial administrative systems.	Grant mgmt, asset management	Fund balances, POs that carry- over, project & grant balances, assets
Highway Patrol	PMP HTE Procurement Troop PO	Multiple purchasing process systems, mainframe app for assets.	Requisitioning, purchasing, asset management	Fund balances, POs that carry- over, project & grant balances, assets
Insurance	Non-workman's comp transactions are currently paid using the workman's comp system; this process	Non-workman's comp transactions paid using the workman's comp system.	AP	Fund balances, POs that carry- over, assets

Applications to be Replaced				
Agency Name	Application Name	Truncated Description	ERP Related Functions	Convert
	will be changed			
Juvenile Justice Authority	POSSUM Fiscal database Monkey database	Financial administrative systems that contain funding and payment information.	AP, fund balances, track general property	Fund balances, POs that carry-over, project & grant balances, assets
KPERS	Lawson	Primarily serves as a financial reporting database.	Generates financial reports	Fund balances, POs that carry-over, assets
KSU	N/A			
KU	N/A			
KU Medical School	N/A			
Labor	Agency intends to retain Cost Accounting System (and perform dual data entry into FMS; some data from agency system will have to be converted into FMS)	Financial administrative system that contains funding, grant accounting and payment information.	GL, project and grant accounting, asset management, cash management and budget control	Fund balances, POs that carry-over, grant balances, unpaid AP, assets
Lottery	Excel – Purchasing	Purchasing activities.	Purchasing and encumbrances	Fund balances, POs that carry-over, assets
Pittsburg State	N/A			
Revenue	Purchasing database Inventory system	Purchasing activities.	Requisitions, POs Assets	Fund balances, POs that carry-over, grant balances, unpaid AP, assets
Secretary of State	MUNIS will not be replaced but some data in MUNIS may have to be loaded into FMS	Agency accounting system.	GL, AP	Fund balances, POs that carry-over, assets
SRS	FARMS			
Transportation	IFIS	Financial administrative system manages available funding, encumbrances and transaction details.	GL, AP	Fund balances, POs that carry-over, assets
Wildlife and Parks	Cost Information System  Asset management system	Financial administrative system that manages financial transactions including project and grant accounting.  Tracks assets.	GL, AP, Project and grant accounting  Asset tracking	Fund balances, POs that carry-over, project & grant balances, assets
Wichita State	N/A			
Department of Administration	STARS	State financial system.	GL, AP	Fund balances, Encumbrances
Department of Administration	SHARP will not be replaced by FMS; however, depending on the proposed solution data conversion services will be required from the Contractor	State payroll system.	Time and leave tracking, payroll calculations.	

Potential Applications To Be Replaced					
Req #	Agency Name	Application Name	Truncated Description	ERP Related Functions	Convert
	Education	Agency intends to retain KIAS accounting system (and perform dual data entry or interface into FMS; some data from agency system will have to be converted into FMS) Assets	Generates payments from four programmatic systems	Payments, reports	Fund balances, POs that carry-over project & grant balances, assets
	Employment	Employment Security Cost Accounting System (Cost Accounting)	Includes GL, project and grant accounting, activity based costing, asset and inventory management, cash management and budgeting.		Fund balances, cost center balances, POs that carry-over project & grant balances, assets

Many agencies indicated unique business requirements. However, this was more of a function of the limitations of STARS. For example, several agencies identified “unique” requirements to retain data for longer than the current STARS retention timeframe of 16 weeks. Another “unique” requirement identified was the ability to establish recurring payments. Many of these “unique” requirements are basic capabilities of a Tier 1 FMS and are captured in the requirements set developed for the FMS RFP. Table 5 lists seven requirements that are unique.

**Table 5. Additional requirements identified during agency visits and systems analysis.**

Agency	Requirement
Correctional Industries	The system can interface XData purchasing process with the FMS purchasing process.
Secretary of State	The system can interface MUNIS purchasing process with FMS.
Wildlife and Parks	The system can link original funding source(s) (in CIS) used to purchase assets into the FMS.
Wildlife and Parks	The system provides edit checks against a valid combination of chartfields and object codes (accounts).
DoA	The system provides the ability to use contingent encumbrances which debit budget authority but not cash.
KPERS & Lottery	The system provides the ability to produce an agency-specific balance sheet and income statement using cash and accrual accounting methods
KDHE	Track vendors and spend by MBE/WBE

# Adjutant General

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Janice Harper – Comptroller Gail Boyett Kelly Blake Yolanda Rightmeier	Kent Olson Duncan Friend	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	Inventory System	Fiscal System

## Recommendations and Observations

The Agency’s Fiscal System is a very refined system for executing agency business process. The system has extensive reporting capabilities and does not reside on obsolete technology. Although many functions of this system (procurement, A/P, project and grant accounting, asset management) will be included in the FMS, it is unlikely that this specialized functionality will be met by a generic FMS configured to support the business of most state agencies.

If the agency were to de-commission their system and move all their business processes to the FMS the result would be reduced functionality while incurring major disruption in most functional areas and IT.

During analysis of the agency’s system and discussions with the agency personnel it is the consensus recommendation that the agency’s Fiscal System be retained. If the agency would like to eliminate duplicate data entry, during pre-implementation one or two design sessions should be held to define the interfaces between FMS and the Fiscal System.

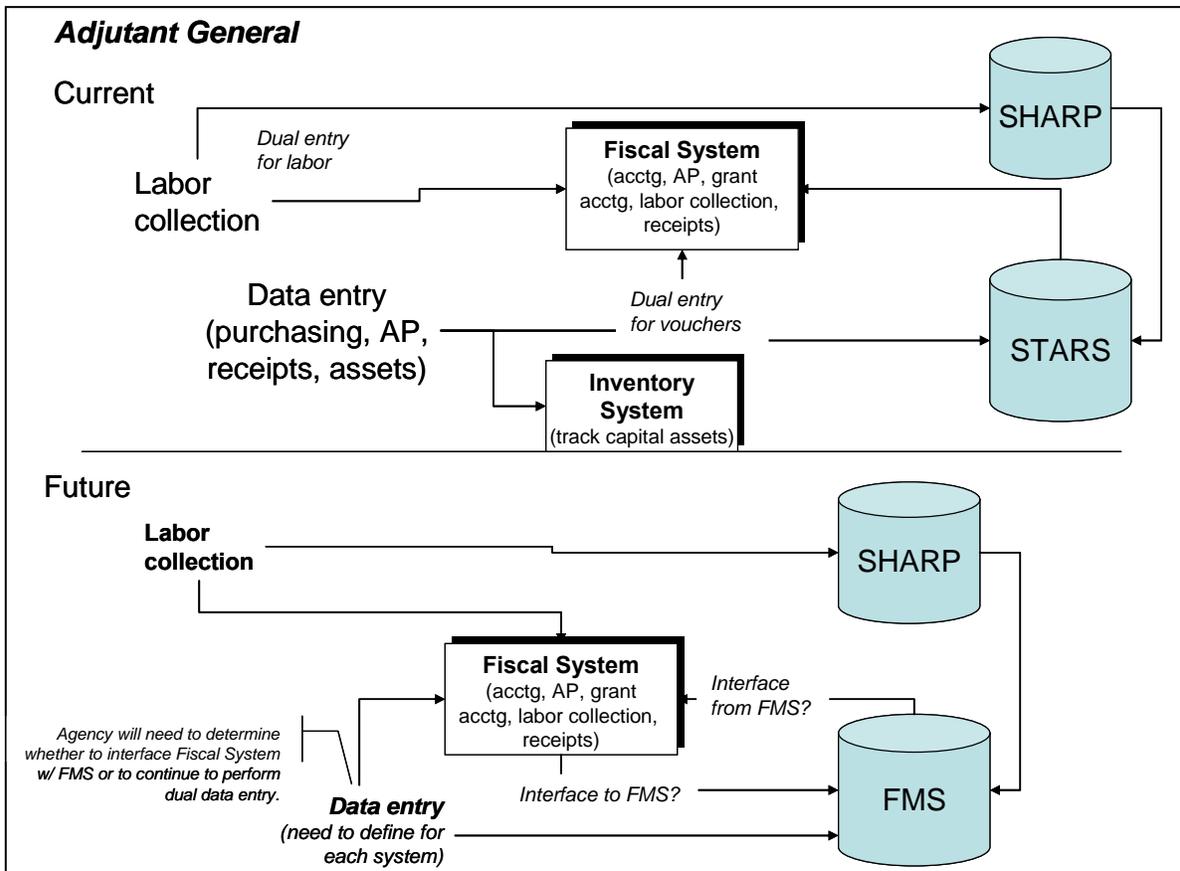
Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<p><b>Systems Overview</b></p>	<p>Fiscal System is an internal financial system. The system is custom-developed (Windows NT, Access and SQL and VB) and has been in use approximately eight years.</p> <p>The functionality of the system includes:</p> <ul style="list-style-type: none"> <li>• Purchasing</li> <li>• AP</li> <li>• Project and grant accounting</li> <li>• Activity based costing</li> <li>• Asset management</li> <li>• Inventory management</li> </ul> <p>The system is well-tailored to meet the unique need of the Agency.</p> <p>The system has an extensive reporting capability.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>The system enables processing of basic pay and allowances for active duty personnel for the Kansas National Guard. When orders are received individuals' SSN is entered into Fiscal Database and the system populates individuals' information to determine their pay scale.</p> <p>The Agency has numerous federal cooperative agreements funded on a reimbursement basis. Federal/State cooperative agreements use a federal fiscal year. Payroll periods falling crossing fiscal years are required to be split based on percentage earned in each federal fiscal year.</p> <p>Facilities Engineering recently purchased FMAX (facilities management software by Maximus); the Agency would like to integrate FMS with Fiscal Database to minimize duplicate data.</p> <p>The Agency needs access to financial data for up to eight years following an award.</p> <p>The Agency needs to track obligations (encumbrances) and expenditures and need reporting capabilities that will show both.</p> <p>The agency obligates an entire year of service contracts for recurring expenditures such as trash collection.</p> <p>The Agency needs to be able to download financial information to spreadsheets.</p> <p>The Agency has a need for 2-3 fields for comments associated with transactions.</p> <p>The system takes downloads from FEMA which are tracked by batch number and date.</p> <p>The system stores Disaster Numbers which are assigned by FEMA (per each Federally Declared Disaster Event).</p>

Survey Topic	Agency Response
	<p>This information must accompany all related transactions.</p> <p><b>Public Assistance</b>            For Public Assistance, each entity is assigned a FEMA ID (by FEMA) that is used to track grant amounts due and payments made to that entity (PA_ID in Fiscal Database).</p> <p>Each PA_ID can have multiple project documents (with different approval dates). Each approval document can have multiple Project Worksheet number assigned by FEMA.</p> <p>Project Worksheets contain five values that are reported to FEMA for matching purposes.</p> <ul style="list-style-type: none"> <li>• PA Amount is the total amount of the grant.</li> <li>• Federal Share is 75% of the PA grant amount.</li> <li>• Sub-grantee Admin Cost (SGA) 3%, 2%, 1% or 0.5% of the Federal Share.</li> <li>• State Share 10% of the PA Amount.</li> <li>• Applicant Share is 15% of the PA amount but is not entered into the system.</li> <li>• Volunteer credit tracked as in-kind contribution which can reduce applicants' 15% portion or the 10% State Share.</li> </ul> <p>Project worksheets use CatCode to categorize the type of work being funded:</p> <ul style="list-style-type: none"> <li>a: debris removal</li> <li>b: emergency protective measures</li> <li>c: roads and bridges</li> <li>d: water control facilities</li> <li>e: buildings and equipment</li> <li>f: utilities</li> <li>g: parks and recreation facilities</li> <li>z: management costs</li> </ul> <p>Grants and Project Worksheets can be split between multiple payments.</p> <p>The system enables JVs to be entered with an infinite number of funding lines.</p> <p><b>Individual Assistance</b>            FEMA assigns each citizen an applicant number which is different for each disaster (that the citizen receives payment for). Applicants can have more than one grant per disaster.</p> <p>Payments can be split into multiple payments which require different voucher numbers corresponding to approval dates.</p> <p><b>Hazard Mitigation Grant Program</b>            Mitigation Disaster numbers (relate to a FEMA assigned number per Federal Disaster Declaration event) track projects. Each Project can</p>

Survey Topic	Agency Response
	<p>have multiple Authorization Approval documents for Hazard Mitigation grants. There can be multiple partial payments per authorization per project. Several data elements are tracked for obligation payments:</p> <p>Project Amount            FS Amount – federal share            SGA Amount – sub-grantee admin costs (3%, 2%, 1%, 0.5% of the amount the applicant receives)            State Share – 10% of project amount            GA Amount – grant amount</p> <p>Grants need to be tracked by both federal and state fiscal years. However, all funds go into one funding pool (would like to continue to keep one pool).</p> <p>Cooperative agreements are open for 12 months but expenditures can be paid for two years after close.</p> <p>Monitoring the status of funds is an important business requirement.</p> <p>Office space and utility expenses are allocated. Determining allocation of utilities is very labor intensive; the Agency would like to track utilities at the unit level (e.g. gallons of water, kWh of electricity)</p>
<b>Number of end-users</b>	<p>15 end-users for Fiscal Database            15 end-users for STARS</p>
<b>Administrative/IT Initiatives Planned</b>	<p>Integration of FMAX for facilities management with Fiscal Databases.</p>
<b>Labor Collection and Allocation</b>	<p>The Agency assigns individuals (one-to-one) to grants/funding sources in SHARP so that labor distribution is not a major issue for the agency.</p>
<b>AR-Billing</b>	<p>The Agency does not have a need for AR/billing.</p>
<b>Budgeting</b>	<p>Budgeting is a complex process in terms of systems and approach. Information for budgeting is pulled from the Fiscal System then entered into spreadsheets for budget development.</p>
<b>Unique Commodity/Service Codes</b>	<p>Army uses AMS codes for purchasing.            Air Guard uses EKE codes for purchasing.</p>
<b>Required Interfaces</b>	<p>None identified. Agency will need to determine whether to interface with FMS during implementation or in the future?</p>
<b>Data Conversion</b>	<p>Fund balances, POs that carry-over, assets, grant balances.</p>
<b>Reporting</b>	<ul style="list-style-type: none"> <li>• KDEM Payments between specified dates</li> <li>• SFY Close Out – List of Outstanding Obligation Detail</li> <li>• County Area Totals (expenditures)</li> <li>• Monthly Detail Per Fund/Index/PCA/OC (expenditures)</li> <li>• YTD Union Report</li> <li>• YTD Total per Fund/Index/PCA/OC</li> <li>• Expense Details by OC DEM</li> <li>• Expense Details Dem</li> <li>• SOKI transactions what will be impact from SOKI changes??</li> </ul>

Survey Topic	Agency Response
	<ul style="list-style-type: none"> <li>• Encumbrance Status Report</li> <li>• 1034's Year to Date</li> <li>• Util Comparison – Current SFY to Prev SFY</li> <li>• Base Line Report/Main</li> <li>• Year-To-Date Balance to Stars (Payroll)</li> <li>• Comptroller Receipts by Fund/Index/PCA</li> <li>• Payments Made from Encumbrance Documents</li> <li>• YTD Total Per Fund/Index/PCA/OC</li> <li>• Monthly Detail Per Fund/Index/PCA/OC</li> <li>• Amory Bond Expenditures</li> </ul>
<b>DAFR Reports Used by Agency</b>	8240, 8420, 8421, 8070, 8120, 8360, 8290
<b>Functional Contact</b>	Janice Harper <a href="mailto:jlharper@agtop.state.ks.us">jlharper@agtop.state.ks.us</a> 785.274.1451
<b>Technical Contact</b>	Angela Boyett <a href="mailto:agboyett@agtop.state.ks.us">agboyett@agtop.state.ks.us</a> 785.274.1449



# Aging

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Alice Knatt – Commissioner Marty Kennedy – Operations Mgr Del Potterf – IT	Kent Olson Duncan Friend	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	Grants Management Purchasing	Timekeeping/Cost Allocation Inventory

## Recommendations and Observations

The Department of Aging has an administrative system for managing KDOA subgrants (Grants Management) that will be replaced by FMS.

The Agency is in the process of developing a system for timekeeping and cost allocation of labor expenditures associated with federal grants. The current system for allocating labor expenditures is performed via spreadsheets.

The Agency also has a system for managing purchasing and inventory (Consumable Inventory Management). The purchasing functionality will be replaced by the FMS; however, the inventory management functionality will not be replaced by the FMS. The Agency will develop and maintain a system to track consumable inventory.

The Agency has a need for AR/billing. The Agency conducts billing, receipting and fund accounting activities for licensing fee funds. An accounts receivables system is needed to track receipt totals, aging accounts and for analysis of fee fund cash flow. The accounts receivables component could be free-standing or within a more comprehensive general ledger system.

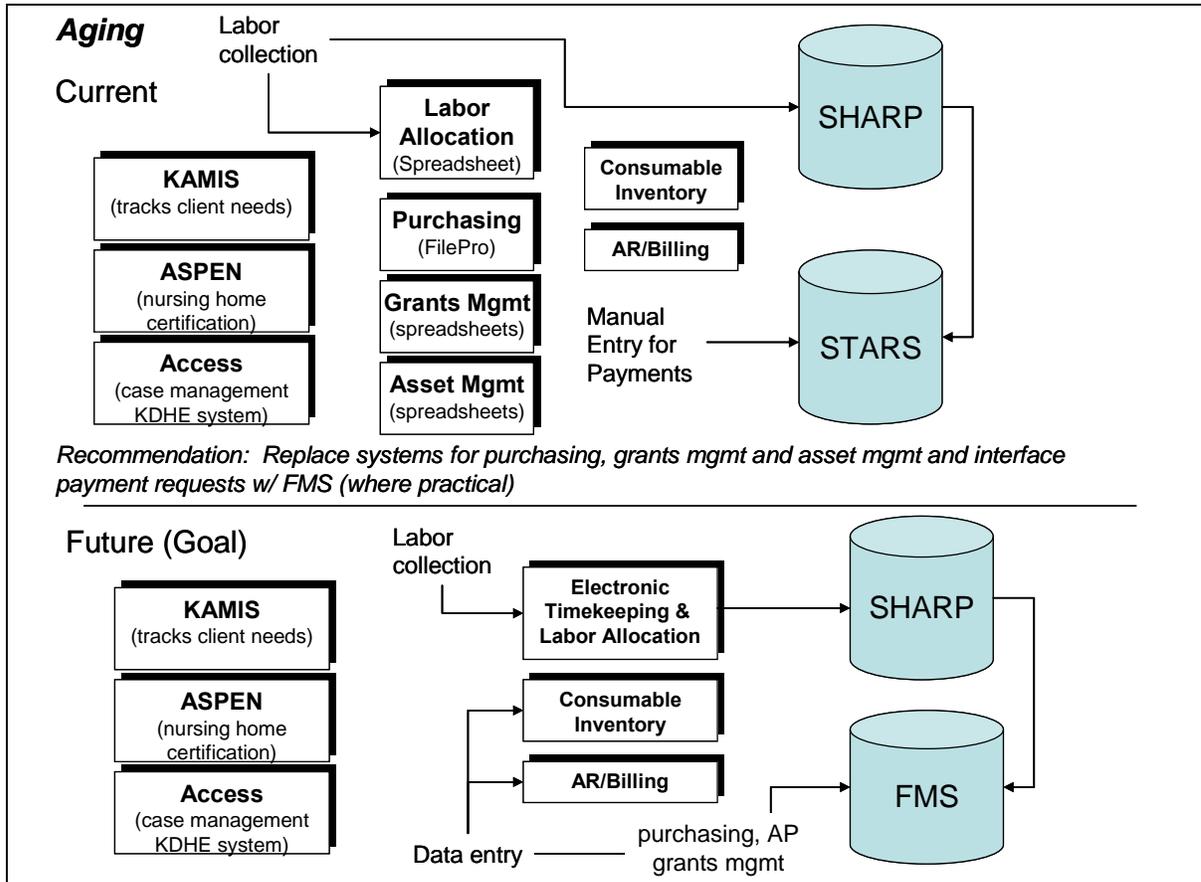
The Agency has three programmatic systems that will not be replaced:

- KAMIS – tracks client needs to remain in community
- Aspen – federal system for certification of nursing home facilities
- Access – KDHE system for case management

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>Systems Overview</b>	<p><b>Grants Management</b> – is a series of Excel spreadsheets for tracking Agency subgrants. It provides a computation of unearned carryover funds. Provider’s subgrantee financial reports are used to verify provider’s report of revenues and expenditures, including local match and non-match funds.</p> <p><b>Cost Allocation and Timekeeping</b> – is a custom developed web-based application to capture expenditures (labor and vouchers) and allocate expenditures to grants and other Agency activities. The system is in the testing phase. The system will be interfaced to SHARP. Currently, the Agency performs cost allocation manually.</p> <p><b>Consumables Inventory Management</b> – is a custom developed system that uses FilePro. The system produces purchase order documents and tracks consumable inventory. (The system was developed by Agriculture.)</p>
<b>Unique Business Requirements and Data Elements</b>	<p><b>Grants Management:</b> Grants are tracked by federal fiscal year, state fiscal year and calendar year. (Data elements captured from financial reports of sub grantees and grant conditions applicable to subgrantees are tracked via audits and reports and will not be in the FMS.)</p> <p><b>Cost Allocation and Timekeeping:</b> none identified.</p> <p><b>Consumables Inventory Management:</b> The system uses consumable stock numbers that are unique to the Agency. These items are less than \$5,000.</p>
<b>Number of end-users</b>	<p>4 users of Grants Management                  208 (all staff) will be users of the Cost Allocation &amp; Timekeeping system.                  2 users of Consumables Inventory                  1 STARS user</p>
<b>Administrative/IT Initiatives Planned</b>	<p>The Agency is developing a Cost Allocation &amp; Timekeeping system to alleviate the use of multiple spreadsheets and time-consuming reconciliation effort.</p>
<b>Labor Collection and Allocation</b>	<p>Labor allocation is a laborious process to enter time and leave and to reconcile for billing. For surveyors time is entered 4x. Need to report by position group (different levels of reimbursement depending on the level of the employee). The Agency will develop a new timekeeping and allocation application in three phases (depending on the decision to include labor allocation in the FMS). The purpose of this system is to automate some time and leave capture/reconciliation by '08. The application will include work flow for time and leave approval.</p> <ul style="list-style-type: none"> <li>• Phase 1 – capture and approve time and leave electronically</li> <li>• Phase 2 – allocate labor costs to grant activities</li> <li>• Phase 3 – integrate with FMS (if practical)</li> </ul>
<b>AR-Billing</b>	<p>The Agency conducts billing, receipting and fund accounting activities for licensing fee funds. An accounts receivables system is needed to track receipt totals, aging accounts and for analysis of fee fund cash flow. The accounts receivables component could be free-standing or within a more comprehensive general ledger system.</p>

Survey Topic	Agency Response
<b>Budgeting</b>	Ask Alice
<b>Unique Commodity/Service Codes</b>	The Agency uses index codes to distinguish between funds and fiscal years.
<b>Required Interfaces</b>	None identified.
<b>Data Conversion</b>	Fund balances, POs that carry-over, assets, grant balances.
<b>Reporting</b>	<p>The following sample reports were provided:</p> <ul style="list-style-type: none"> <li>• Stockroom Supply Inventory</li> <li>• Labor collection and allocation and reconciliation reports</li> </ul>
<b>DAFR Reports Used by Agency</b>	Alice will send list.
<b>Functional Contact</b>	<p><b>Grants Management &amp; Cost Allocation &amp; Timekeeping</b>            Bill Wren            Email: <a href="mailto:billwren@aging.state.ks.us">billwren@aging.state.ks.us</a> or            Phone: 785.368.7325  <a href="mailto:aliceknatt@aging.state.ks.us">aliceknatt@aging.state.ks.us</a>            Phone: 785.296.6464</p> <p><b>Consumables Inventory Management</b>            Kathleen Dudney  <a href="mailto:kathleendudney@aging.state.ks.us">kathleendudney@aging.state.ks.us</a>            Phone: 785.296.2917</p>
<b>Technical Contact</b>	<p><b>Grants Management</b>            Bill Wren            Email: <a href="mailto:billwren@aging.state.ks.us">billwren@aging.state.ks.us</a> or            Phone: 785.368.7325</p> <p><b>Cost Allocation &amp; Timekeeping</b>            Henry Mace            Email: <a href="mailto:henrymace@aging.state.ks.us">henrymace@aging.state.ks.us</a>            Phone: 785.296.5875</p>



Note: The illustration above assumes no central solution for AR/billing in FMS.

# Agriculture

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Stacey Woolington Suzette Smith Andy Kuhn Michael Quinn Arlene Janosik	Kent Olson Duncan Friend	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	FilePro – accounting	

## Recommendations and Observations

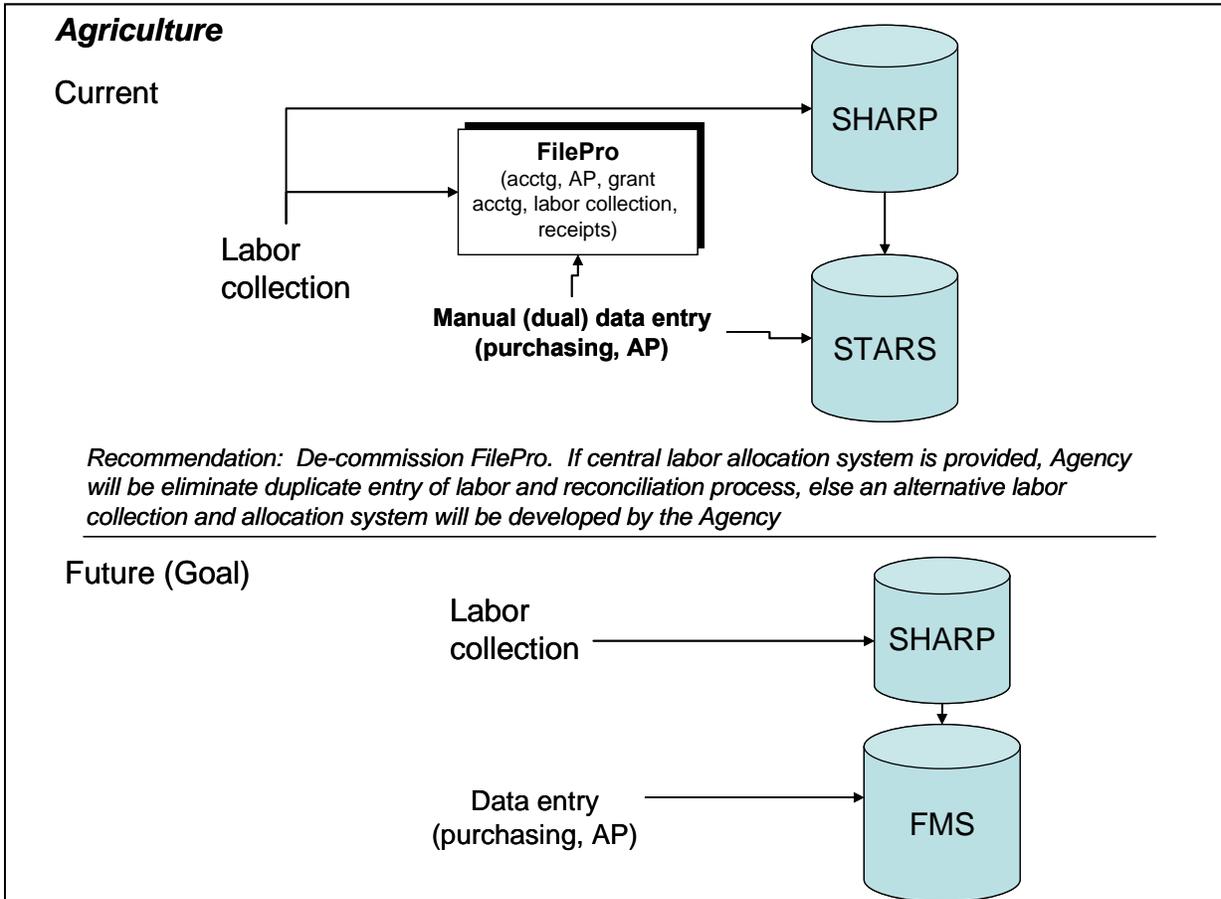
Based on analysis of the financial management system functionality contained in FilePro and analysis of the unique agency requirements, it is recommended that FilePro be replaced by the FMS. The Agency supports this recommendation and, in fact, has been deferring the action to re-build FilePro pending this determination.

However, if labor collection cannot be accomplished at the needed level of granularity, an alternative labor collection system will need to be developed.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>System Overview</b>	<p>The Department of Agriculture’s central administrative system is called FilePro. Filepro manages: GL, AP, receiving cash, purchasing, project accounting, asset management, inventory management and cash management. Budgeting is performed using Excel.</p> <p>Labor is a large component of Agency expenditures and must be collected and distributed at a more granular level than can be accommodated in SHARP. As a result the agency is required to perform dual entry for time reporting/labor collection.</p> <p>The Agency receives cash from multiple sources thought the year which are receipted in FilePro then deposited.</p>
<b>Unique Business Requirements and Data Elements</b>	<p>Much of Agency operating funds are received over the course of the year. These funds need to be receipted into a “parent” account and tracked then transferred to serve as funding sources for various programs as required. This is a continuous and dynamic process. Throughout the year frequent funding transfers are required across programs. Consequently, the Agency has a requirement to be able</p>

Survey Topic	Agency Response
	<p>to easily and closely manage cash.</p> <p>More detailed granularity is needed for managing and for budgeting travel, i.e. number of trips and amounts spent on meals, lodging and mileage.</p> <p>Using one system for labor collection and distribution would significantly reduce data entry and eliminate non-value added reconciliation.</p>
<b>Number of end-users</b>	<p>11 end-users of FilePro (all in Topeka)</p> <p>11 STARS users</p>
<b>Administrative/IT Initiatives Planned</b>	<p>None</p>
<b>Labor Collection and Allocation</b>	<p>Labor is tracked at a very detailed level allocated to many fee funds. Significant duplicate data entry is required for labor collection and allocation. Time and leave is entered into SHARP. Payroll costs are reconciled and entered into FilePro.</p>
<b>AR-Billing</b>	<p>No</p>
<b>Budgeting</b>	<p>No</p>
<b>Unique Commodity/Service Codes</b>	<p>No</p>
<b>Required Interfaces</b>	<p>None planned but depends on resolution of labor collection</p>
<b>Data Conversion</b>	<p>Fund balances, POs that carry-over, assets</p>
<b>Reporting</b>	<p>Samples of approximately 14 reports were provided:</p> <ul style="list-style-type: none"> <li>Expenditures by Program</li> <li>Budgeted travel report (mileage &amp; rates)</li> <li>Budgeted in-state lodging (#of nights and rates)</li> <li>Receipt ledger (summary and detail)</li> <li>Voucher details including meals, lodging, mileage</li> <li>Program detailed expenditures</li> <li>Federal report for Meat and Poultry inspection grants (incl matching)</li> <li>Refunds</li> <li>Indirect cost rate inventory (asset) report</li> <li>Inventory (asset) report</li> <li>Out-of-State expenditure report</li> <li>Outstanding POs (monthly and year-end)</li> <li>GL report</li> </ul>
<b>DAFR Reports Used by Agency</b>	<p>DAFR: 8300, 8290, 8790, 8240, 8241, 8101, 8120, 8010</p> <p>Including budget #s would be preferable. On the 8290 the ability to set sort parameters by PCA and FY would be very helpful.</p>
<b>Functional Contact</b>	<p>Email: swoolington@kda.state.ks.us and susmith@kda.state.ks.us _</p> <p>Phone #: 296-3230 and 296-4174 respectively</p>
<b>Technical Contact</b>	<p>Email: mquinn@kda.state.ks.us and treinhart@kda.state.ks.us</p> <p>Phone #: 296-4618 and 368-7064 respectively</p>



**Note:** The illustration above assumes a central labor allocation solution available in FMS.

# KBI

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Marsha Pappan - Budget Steve Montgomery - CIO Jack Steele – IT Don Beck – Bus Office Mgr	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	Internal Accounting System Assets	

## Recommendations and Observations

KBI will replace their Internal Accounting System with the FMS. The current system resides on an AS/400 which is subject to frequent failures and takes several days to fix. In the interim the Agency will develop a bridge solution that will minimize the Agency’s investment while enabling them to manage their administrative needs.

There is no interface between STARS and the Agency’s accounting system. Currently the Agency enters payment transactions into the Internal Accounting System and STARS.

The Agency expressed a need for AR/billing and in the future would like to manage their AR/billing in an integrated system.

The Agency would also like to be able to categorize travel expenditures based on purpose, i.e. administrative, investigation. Depending on the software selected, it may be possible for the agency to code and track this information in an available field in AP.

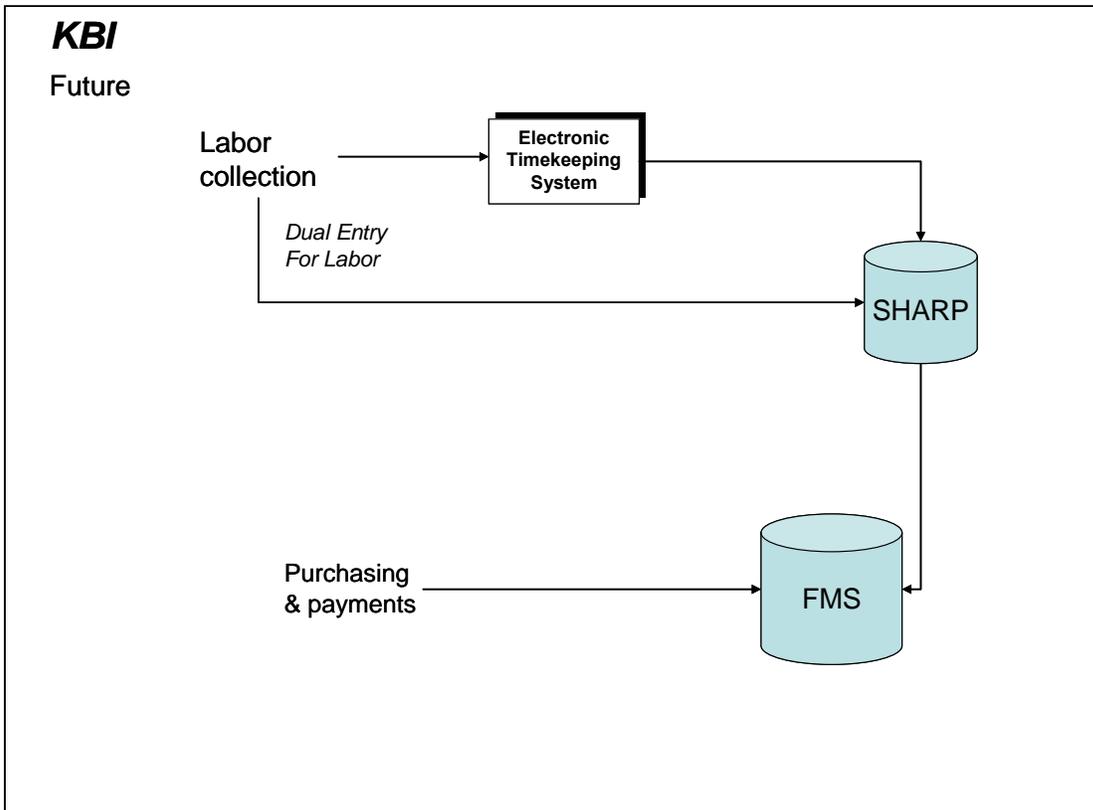
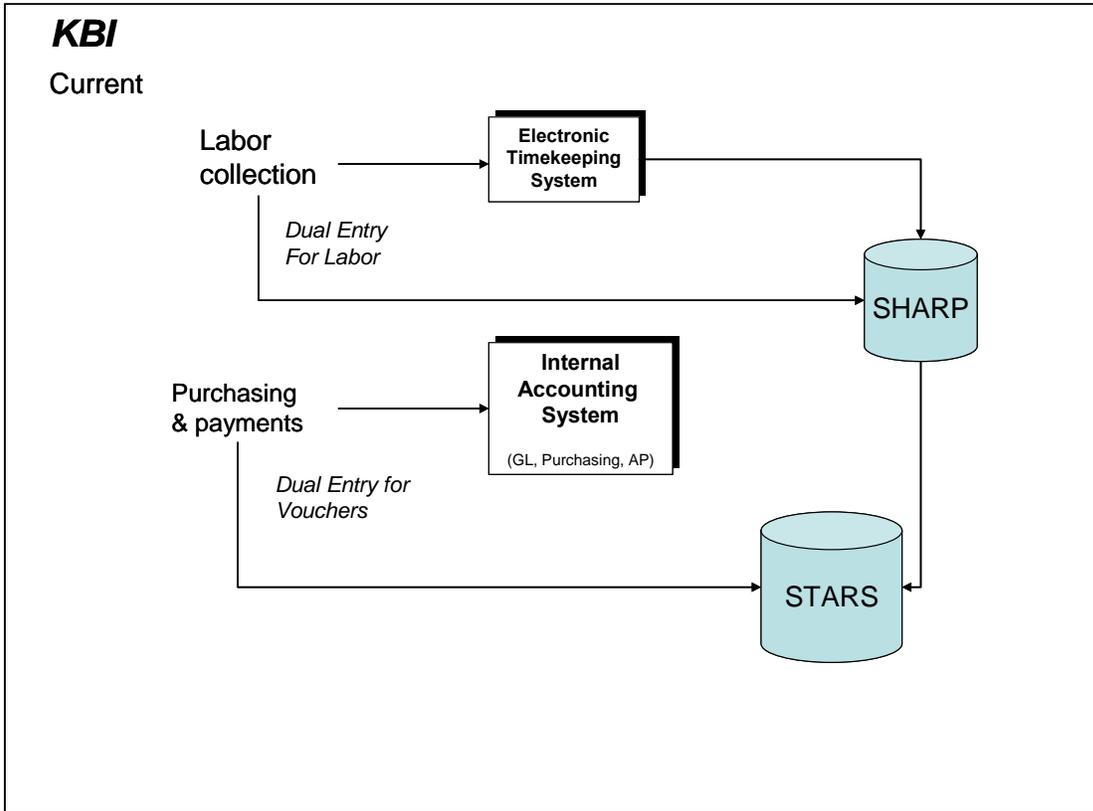
Assets are tracked using an Excel spreadsheet.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>Systems Overview</b>	Internal Accounting System is a custom developed system that runs on an AS/400. The system contains the following functionality: <ul style="list-style-type: none"> <li>• GL</li> <li>• AP</li> <li>• Budget Tracking</li> <li>• Purchasing</li> </ul>

Survey Topic	Agency Response
	<p>KBI uses numerous Excel spreadsheets to create monthly reports from data extracted from this system.</p> <p>Assets are tracked in a spreadsheet.</p> <p>Receipts are entered into an Access database after clearing through Treasury. Each payment (check, ACH or cash) is entered into the database and reports generated.</p> <p>A billing system (AS/400) is used to track monies owed from State and non-State entities. The system also tracks account history for each customer.</p> <p>An electronic timekeeping system is used to collect time and leave. The system does not interface to SHARP.</p> <p>The Agency uses an Access database to track vehicle use and operating cost. The system is less than ideal and the Agency could be a candidate to self-organize with other agencies who have expressed a need for fleet management (as a central solution will not be provided by FMS).</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>The system permits pre-encumbrances which accounts for obligations but does not encumber the funds. Pre-encumbrances are used for monthly budgeting and the amounts can easily be changed. The receipts system generates reports containing the following data elements:</p> <ul style="list-style-type: none"> <li>• Receipts by type of fund</li> <li>• Detail of all lab fee receipts by county including case #</li> <li>• Detail by receipt</li> </ul> <p>The system allows the KBI to track grant expenses by grant number. Grants are direct grants from the Department of Justice. Sub-awards are received from other State agencies that are reimbursed monthly.</p>
<p><b>Number of end-users</b></p>	<p>Internal Accounting System has 6 end-users 6 end-users for STARS</p>
<p><b>Administrative/IT Initiatives Planned</b></p>	<p>No, unless it is determined to pursue a replacement internal accounting system.</p>
<p><b>Labor Collection and Allocation</b></p>	<p>Individuals are assigned to specific grants which reduces the need for labor collection/allocation. Some grants are for OT only. KBI would like to record labor to a grant in a more streamlined way and may have a need for this functionality in the future.</p>
<p><b>AR-Billing</b></p>	<p>The Agency has stated a need for AR/billing. The Agency tracks monies owed from State and non-State entities. The system also tracks account history for each customer. It may be possible to reduce the need for AR/billing by making agencies and the public pay for services in advance or upon delivery, e.g. records checking. Also, KBI may be able to take advantage of INK, for receiving payments since these are relatively small transactions and probably cost more to process than the revenue received.</p> <p>KBI has a need for a better method to track interfund transfers.</p>

Survey Topic	Agency Response
<b>Budgeting</b>	The Agency exports data from the AS/400 and creates Excel spreadsheets. The budgets are created using the spreadsheets and then manually entered into the Internal Accounting System.
<b>Unique Commodity/Service Codes</b>	<p>For expenditures, several objects codes are broken down beyond the object code level. For Example:</p> <ul style="list-style-type: none"> <li>• travel objects 2581, 2 and 3 are broken down between about 10 different types of travel incurred by KBI employees</li> <li>• vehicle expenses are tracked based on type of repairs and by vehicle</li> <li>• office supplies are broken down further</li> </ul> <p>The Agency uses a two digit pay code to track some of these breakdowns. Others are done by worksheets in Excel.</p>
<b>Required Interfaces</b>	None identified.
<b>Data Conversion</b>	Fund balances, POs that carry-over, assets, grant balances.
<b>Reporting</b>	<p>The Internal Accounting System:</p> <ol style="list-style-type: none"> <li>1. Detail listings - based on a variety of selected criteria.</li> <li>2. Remaining Balance Report.</li> <li>3. Outstanding Obligations.</li> <li>4. Budget amounts.</li> <li>5. Revenue (Access database)</li> <li>6. Report of Budget, Expenditures by fund, Outstanding obligations, and Remaining Budget balance, by PCA and broken down by Object code for various combinations of Fund, PCA, Dept.</li> <li>7. Vehicle Listing with various detail of vehicle information.</li> <li>8. Total lab Expenditures (combine data from 7 lab division reports)</li> <li>9. Lab Administration</li> <li>10. Communications</li> <li>11. Travel - Admin</li> <li>12. Travel - Investigation</li> </ol>
<b>DAFR Reports Used by Agency</b>	7570, 8101, 8240, 8420, 8180
<b>Functional Contact</b>	<p>Don Beck  <a href="mailto:don.beck@kbi.state.ks.us">don.beck@kbi.state.ks.us</a>            785.296.8251</p>
<b>Technical Contact</b>	<p>Jack Steele  <a href="mailto:jack.steele@kbi.state.ks.us">jack.steele@kbi.state.ks.us</a>            785.296.8259</p>



# Commerce

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Laura Heflin – CFO	Kent Olson Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	All spreadsheet-based systems	Customer Relationship Management (Microsoft Commercial-Off-the-Shelf product)

## Recommendations and Observations

The Agency’s primary accounting system is comprised of a non-integrate set of spreadsheets in the areas of: purchasing, payments, assets, contracts and grants. Approximately seventy-five percent of the Agency’s budget is funded through federal grants.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>System Overview</b>	
<b>Unique Business Requirements and Data Elements</b>	
<b>Number of end-users</b>	
<b>Administrative/IT Initiatives Planned</b>	
<b>Labor Collection and Allocation</b>	
<b>AR-Billing</b>	
<b>Budgeting</b>	
<b>Unique Commodity/Service Codes</b>	
<b>Required Interfaces</b>	
<b>Data Conversion</b>	
<b>Reporting</b>	
<b>DAFR Report Used by</b>	

<b>Survey Topic</b>	<b>Agency Response</b>
<b>Agency</b>	
<b>Functional Contact</b>	
<b>Technical Contact</b>	

# Corporation Commission

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Jackie Montfoort Paige Joey Rangel Connie Lannan	Kent Olson Duncan Friend	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	CARES – accounting	Receipts database

## Recommendations and Observations

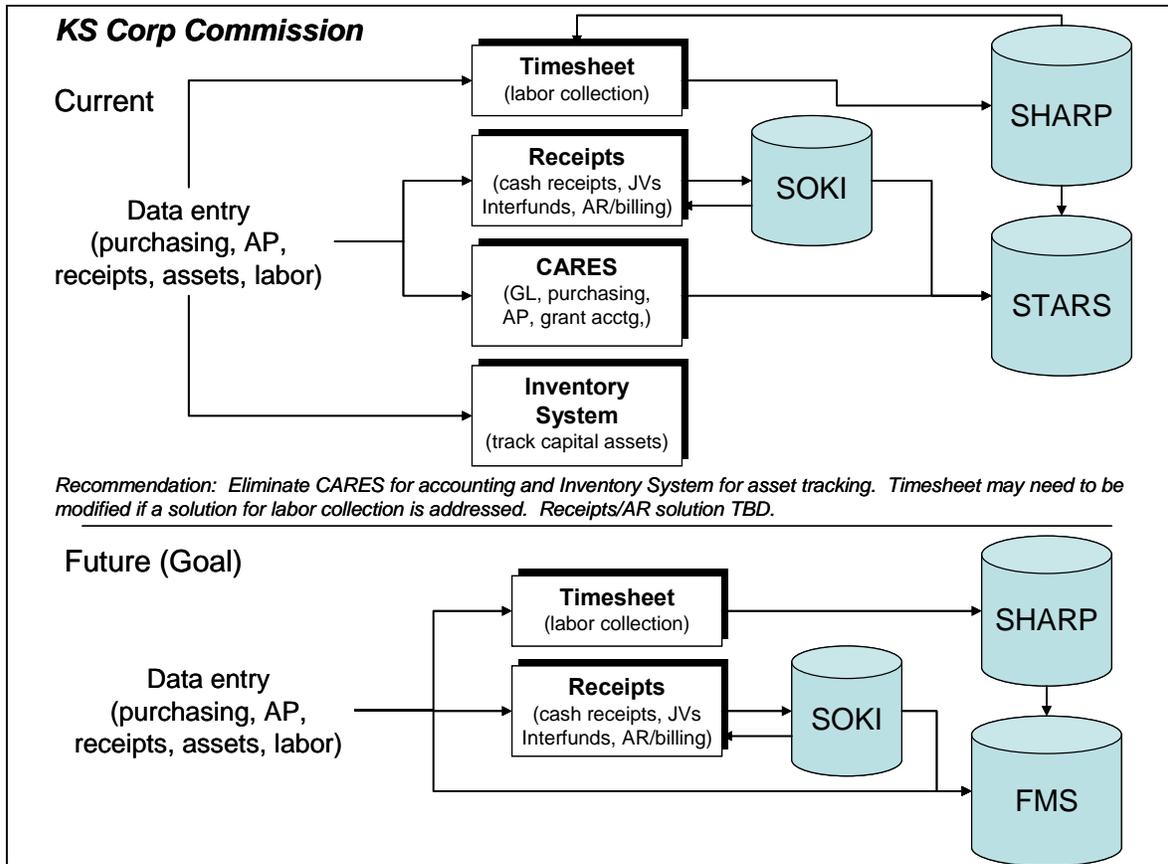
Based on analysis of the basic functionality of CARES and analysis of KCC requirements, it is recommended that CARES be replaced by the FMS. KCC has a need for AR/billing that will not be met if this functionality is not in FMS. Also, if labor collection cannot be accomplished at the needed level of granularity, KCC will need to continue to collect and distribute labor using a non-integrated approach. KCC tracks assets in a standalone database; this system can be decommissioned when assets are transferred into FMS.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>Systems Overview</b>	<p>CARES is the central financial system which serves as an uploading tool by taking feeds from other databases. CARES interfaces to STARS.</p> <p>KCC enters timesheet data into their own system (Timesheet) and interfaces to SHARP.</p> <p>Receipts are captured in an Oracle database and uploaded to SOKI. Receipts are collected from multiple sources. Customers (corporations) are invoiced quarterly so that KCC can be reimbursed for docket expenses. Need to be able to invoice and track AR (e.g. payment plans, past due notices). Revenue raised during the year is used to fund operations. Would like to do on-line registration and revenue collection for conferences.</p> <p>Significant time spent (1 accountant spends most of her time) on managing fleet expenses for 63 vehicles. Track operational costs and use preventive maintenance. Motor Pool is an Access database which includes downloads of Wright and Visa fuel charges.</p> <p>Assets are tracked in an Oracle database.</p>

Survey Topic	Agency Response
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>KCC tracks labor at a lower level than SHARP and STARS. Labor is tracked for billing corporations for their dockets, federal reimbursement and allocation of labor to overhead. “Currently, cannot reconcile payroll with the way we are managing time.”</p> <p>KCC needs to store docket codes and federal grant numbers. KCC uses the agency use field in STARS for tracking grants, docket expenses and other specific activities. KCC has used this field to capture agency tracking info in STARS.</p> <p>A list of account codes was provided (in KCC file) which are used to track specific activities related to receipts. These codes are also used within the AP system for refunds. The actual code is a three digit number which is captured in the agency use field of the receipt or payment voucher.</p> <p>KCC uses consulting firms (Public Resource Management Group and MGT America) to determine indirects for billing.</p> <p>See chart of accounts for statutory transfers, e.g. abandon wells.</p>
<p><b>Number of end-users</b></p>	<p>20 end-users of CARES (Topeka=13, Wichita Central=2, Chanute=1, Dodge City=1, Hays=2, Wichita FO=1) 11 STARS users (Topeka=8, Wichita Central=2, Chanute=1)</p> <p>(KCC has four district offices and central offices in Topeka and Wichita.)</p>
<p><b>Administrative/IT Initiatives Planned</b></p>	<p>KCC is implementing a new docket system that will lightly touch financial information. This will probably interface to FMS as approximately 1,500 revenue transactions per quarter are processed.</p>
<p><b>Labor Collection and Allocation</b></p>	<p>KCC tracks labor at a lower level than SHARP and STARS. Labor is tracked for billing corporations for their dockets, for federal reimbursement and for allocation of administrative labor to overhead. “Currently, cannot reconcile payroll with the way we are managing time.”</p> <p>KCC enters timesheet data into their own system (Timesheet) which interfaces to SHARP.</p>
<p><b>AR-Billing</b></p>	<p>Yes – Receipt (Oracle) which interacts with permit system. In FY07 KCC generated 1,409 quarterly invoices and 661 invoices for reimbursable expenses.</p>
<p><b>Budgeting</b></p>	<p>CARES supports budgeting by storing budget and actuals; a monthly download from STARS is used with a Division of Accounts and Reports developed Access interface to monitor budget to actuals.</p>
<p><b>Unique Commodity/Service Codes</b></p>	<p>KCC has internal account codes used for receipting revenue and refunds that track at a greater level of detail than STARS revenue sub-object codes.</p>
<p><b>Required Interfaces</b></p>	<p>None planned but depends on resolution of labor collection and AR/billing</p>
<p><b>Data Conversion</b></p>	<p>Fund balances, POs that carry-over, assets</p>
<p><b>Reporting</b></p>	<p>Samples of approximately 5 reports were provided: Expenditures vs. budget by Division</p>

Survey Topic	Agency Response
	Expenditures vs. budget by Fund Detailed expenditure report (by sub-object) by Division
<b>DAFR Reports Used by Agency</b>	8010, 8070, 8101, 8120, 8180, 8300, 8360, 1041, 7131, 8002, 8240, 8420
<b>Functional Contact</b>	Email: j.montfoort.paige@kcc.ks.gov Phone: 785-271-3295
<b>Technical Contact</b>	Email: rangel@kcc.ks.gov Phone: 785-271-3234



**Note:** The illustration above assumes no central solution for AR available in FMS.

# Corrections and Correctional Industries

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Dennis Williams – CFO Teresa Lee - KCI David Ferris – Lansing Judy Curtis – Accountant Carolyn Mowery – Accountant	Kent Olson Duncan Friend	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	OMIS (acctg portion only) Asset management systems (Access, Plone, spreadsheets)	XDATA Various stand-alone accounting systems at correctional facilities Facilities work order system

## Recommendations and Observations

Based on analysis of the functionality of Correction’s current systems it is recommended that the accounting and budgeting function of Offender Management Information System (OMIS) be replaced by FMS. OMIS will continue to be used for inmate tracking and will not interface with FMS

In addition, various agencies (i.e. correctional facilities) use a variety of stand-alone systems (Quickbooks, spreadsheets, Access databases, ATREX) to manage financial information such as purchasing and payments, balances, assets, inventory and revenue.

ATREX is a purchasing and inventory management system; the inventory functionality (e.g. inventory ID, inventory levels, re-order points) will not be in the new FMS while product catalog and vendor information will be in the FMS.

A work order system for facilities management was noted in the reports inventory. This will not be included in FMS.

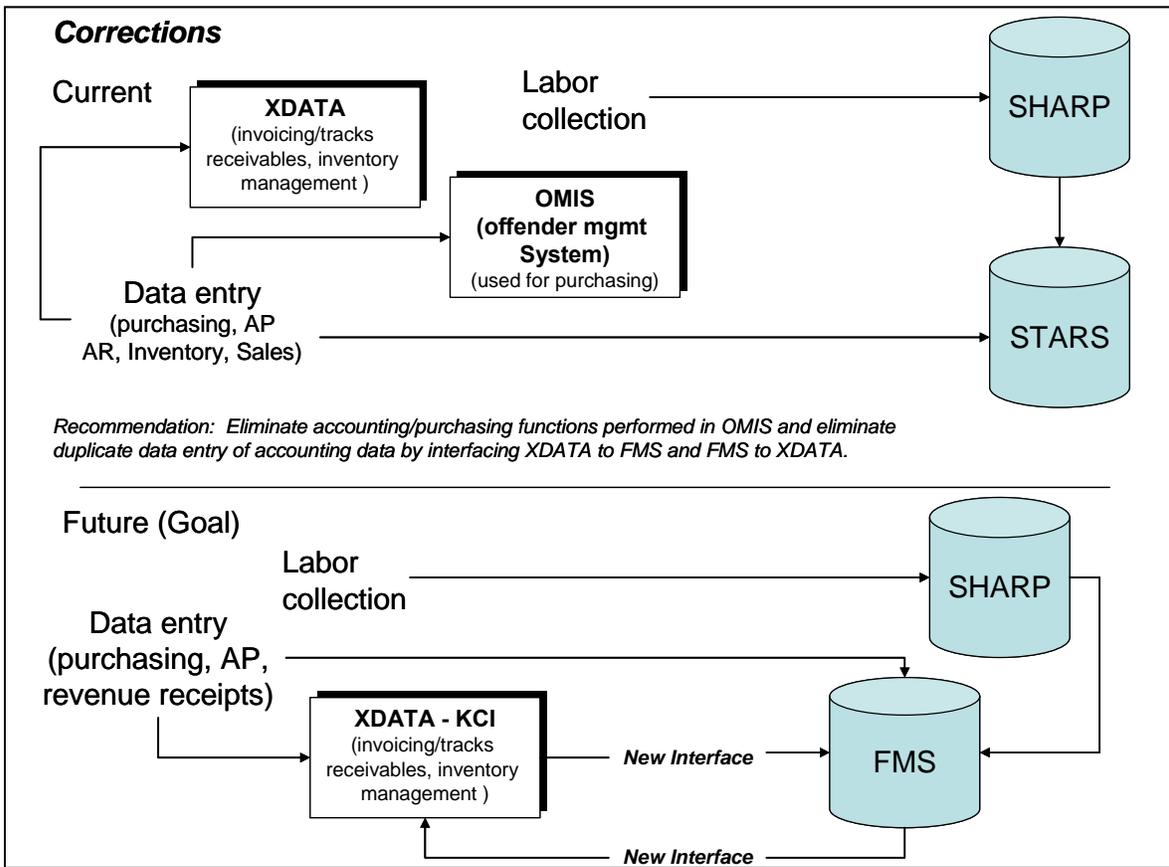
XDATA, a financial system used to manage KS Correctional Industries (KCI) business processes, has unique functionality not available in FMS; therefore, XDATA will interface with FMS. Inbound and outbound interfaces will need to be designed and developed. The outbound interface will be for purchasing activities; the inbound interface will be for vendor payments.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<p><b>Systems Overview</b></p>	<p>Corrections has two systems containing financial information:</p> <p>OMIS is an offender management system that tracks encumbrances; accounting is a small part of system functionality. OMIS data is mirrored in STARS and entered manually. Budget data is keyed into OMIS. OMIS has project accounting functionality that is used by 5 of 9 agencies.</p> <p>XDATA is the financial system used to manage KCI business processes. XDATA manages the manufacturing-related business processes. XDATA was recently implemented (11/01/06). XDATA is reconciled w/ STARS on a monthly basis. XDATA will interface to FMS. Inmates enter data into XDATA.</p> <p>All data is entered manually into OMIS/XDAT and STARS.</p> <p>Requisitioning is performed in Excel.</p> <p>Time and leave is entered directly into SHARP. Data coming back from STARS is used for reconciliation.</p> <p>KCI assets are managed in an Access database and a freeware application called Plone.</p> <p>There are nine correctional facilities (agencies) that have stand-alone systems (Quickbooks, spreadsheets, Access databases, ATREX) to manage financial information such as purchasing and payments, balances, assets, inventory and revenue. These facilities and their corresponding agency numbers are listed below:</p> <ul style="list-style-type: none"> <li>• Ellsworth Correctional Facility (177)</li> <li>• El Dorado Correctional Facility (195)</li> <li>• Hutchinson Correctional Facility (313)</li> <li>• Lansing Correctional Facility (400)</li> <li>• Larned Correctional Mental Health Facility (408)</li> <li>• Norton Correctional Facility (581)</li> <li>• Topeka Correctional Facility (660)</li> <li>• Winfield Correctional Facility (712)</li> </ul> <p>Each facility tracks their assets using spreadsheets.</p> <p>Building inventories are stored in Excel.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>The following bullets summarize responses from various facilities:</p> <ul style="list-style-type: none"> <li>• Need to be able to compare budget to actuals</li> <li>• Need to be able to create encumbrances and reduce the budget accordingly</li> <li>• Would like to email POs to vendors</li> <li>• Establish project budgets, capture expenditures by project and manage project balances</li> </ul> <p>KCI tracks depreciation (for individual factories) in their asset management system. KCI records assets under \$5,000.</p>

Survey Topic	Agency Response
	<p>XDATA provides cost accounting for manufacturing, production and inventory control, raw material, WIP, finished goods, invoicing, shipping and sales analysis.</p> <p>XDATA poses a problem at fiscal year end since funds are encumbered and payments are made but nothing has been booked. (State requires all unpaid balances to be encumbered at fiscal close.)</p>
<b>Number of end-users</b>	<p>50 end-users of XDATA (all end users could create requisitions)                      5 of these end-users are also STARS users                      2 end-users of Asset Mgr                      2 STARS users                      Number of FMS users at the various correctional facilities will depend on disposition of their stand-alone administrative systems                      31 STARS users were identified at the various correctional facilities</p>
<b>Administrative/IT Initiatives Planned</b>	<p>The Agency plans to upgrade OMIS. Since this will no longer contain accounting information the impact on agency resources is a consideration.</p>
<b>Labor Collection and Allocation</b>	<p>Yes (minor). If labor allocation was easier Corrections might be able to document more State contributions for compliance with State matching requirements.</p>
<b>AR-Billing</b>	<p>For KCI billing is handled in XDATA.</p> <p>Some agencies' such as the print shop in Hutchinson require AR/billing. EDCF indicated use of Quickbooks for billing. Other agencies' do some cash receipting but do not need AR/billing.</p>
<b>Budgeting</b>	<p>Budgets are formulated using spreadsheets then keyed into BMS. Budget execution will be monitored in the new FMS.</p>
<b>Unique Commodity/Service Codes</b>	<p>No.</p>
<b>Required Interfaces</b>	<p>An interface(s) will be required between XDATA and FMS. The requirements for this interface will need to be defined.</p>
<b>Data Conversion</b>	<p>Fund balances, POs that carry-over, assets, (possibly project information depending on the disposition of agencies' existing stand-alone systems) and the decision on whether to include project accounting.</p>
<b>Reporting</b>	<p>Samples of numerous reports were provided by various facilities:</p> <ul style="list-style-type: none"> <li>• PO log</li> <li>• Expenditures</li> <li>• Budget worksheet</li> <li>• Capital improvement plan</li> <li>• Inventory usage</li> <li>• Assets (property) including value, location and who assigned to</li> <li>• Shrinkage (is this "burn rate"?)</li> <li>• Work Orders</li> <li>• Payroll summary (OMIS)</li> <li>• Salary projections (OMIS) (will not be in FMS)</li> <li>• Current condition (expenditures by period, YTD and obligations) (OMIS)</li> <li>• Executive summary (OMIS)</li> <li>• Obligations by program (PCA)</li> </ul>

Survey Topic	Agency Response
	<p>Reports from XDATA:</p> <ul style="list-style-type: none"> <li>• PO</li> <li>• Order acknowledgement</li> <li>• Receiving report</li> <li>• Open POs</li> <li>• Order status</li> <li>• Sales history</li> <li>• Material pick list</li> <li>• Manufacturing order</li> <li>• Packing slip</li> <li>• Inventory</li> <li>• WIP</li> <li>• GL trial balance</li> <li>• Income statement</li> <li>• Balance sheet</li> <li>• AP journal</li> <li>• Outstanding checks</li> <li>• GL summary</li> <li>• GL trial balance</li> <li>• AP disbursements</li> <li>• Cash receipt deposits</li> <li>• AR batch posting</li> <li>• Invoices</li> <li>• AR aging</li> </ul>
<b>DAFR Reports Used by Agency</b>	1001, 1041, 7680, 8004, 8101, 8070, 8120, 8220, 8280, 8290, 8421, 8460, 8790, 7101, 82001,8420, 8010, 8240, 8360, 8300
<b>Functional Contact</b>	<p><b>OMIS</b>  Dennis Williams  Email: dennisc@kdoc.dc.state.ks.us  Phone: 913.727.3249 x-7519</p> <p><b>XDATA</b>  Teresa Lee  Email: teresal@kdoc.dc.state.ks.us  Phone: 913.727.3249 x-7559</p>
<b>Technical Contact</b>	<p>Charles Gaby  Email: cgaby@xdata.com  Phone: 574.968.8115</p>



# Education

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Ron Nitcher – CFO Stephanie Smith	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
		KIAS (depending on resources & labor allocation solution) – accounting

## Recommendations and Observations

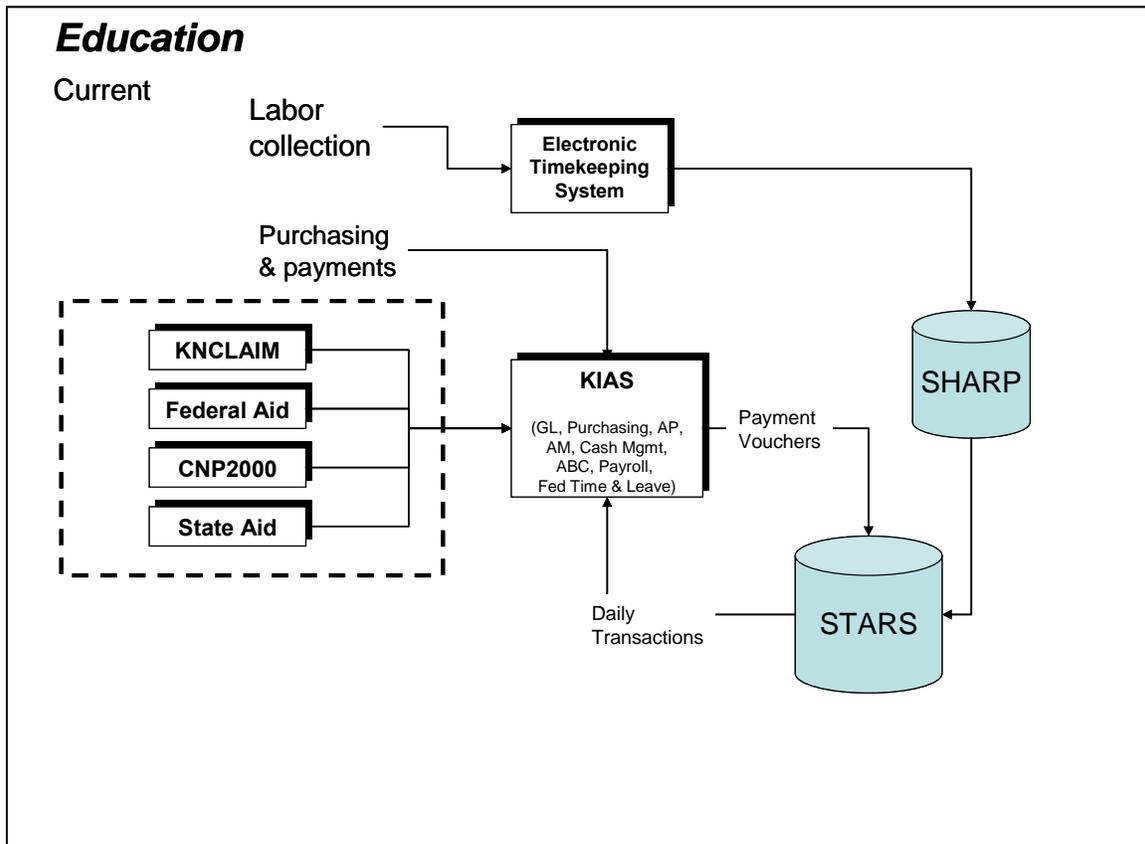
The Agency’s primary accounting system (KIAS built in FoxPro) performs many administrative functions including asset management, grant/project accounting and time reporting. At this time it is unsure whether the FMS will have necessary functionality to enable Education to de-commission KIAS. There are two major areas of concern: 1) the ability to allocate labor to the appropriate grants and 2) the amount of work required to modify four programmatic systems to interface with the FMS. The Agency has expressed concern that KIAS is difficult to maintain due to the inability to acquire and retain programming staff to support it.

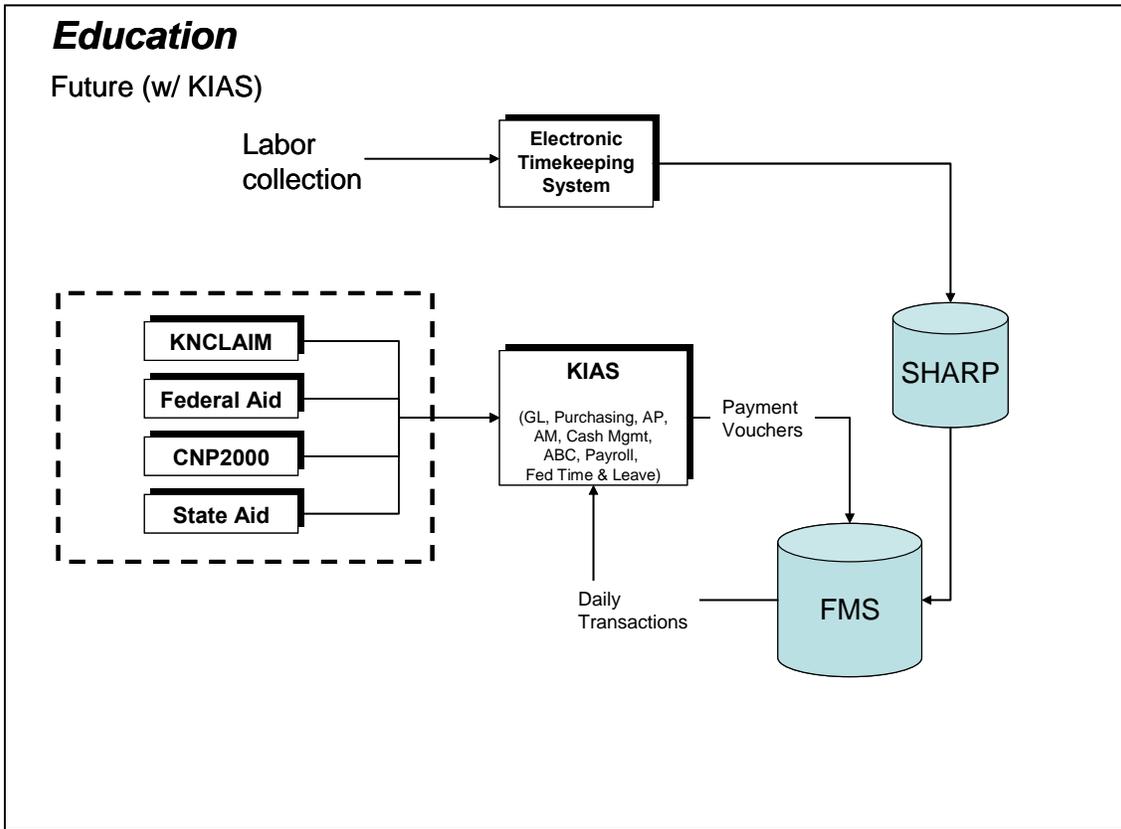
Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>System Overview</b>	KIAS takes payment requests from four programmatic systems (KNCLAIM, Federal Aid, CNP2000 and State Aid) which interface with KIAS. KIAS interfaces with STARS.  STARS is used to reconcile expenditures.
<b>Unique Business Requirements and Data Elements</b>	Generation of CPA Reports (State and Federal Aid payments by entity) to Web  Real-time access to historical expenditures and other financial data (10-15 years minimum)  Detailed payroll information (including grant year)  Detailed query information (real-time access to historical data, by <u>any</u> data element)  Time and Leave Reporting by Activity  Vendor Descriptor File (Create expenditure reports for different

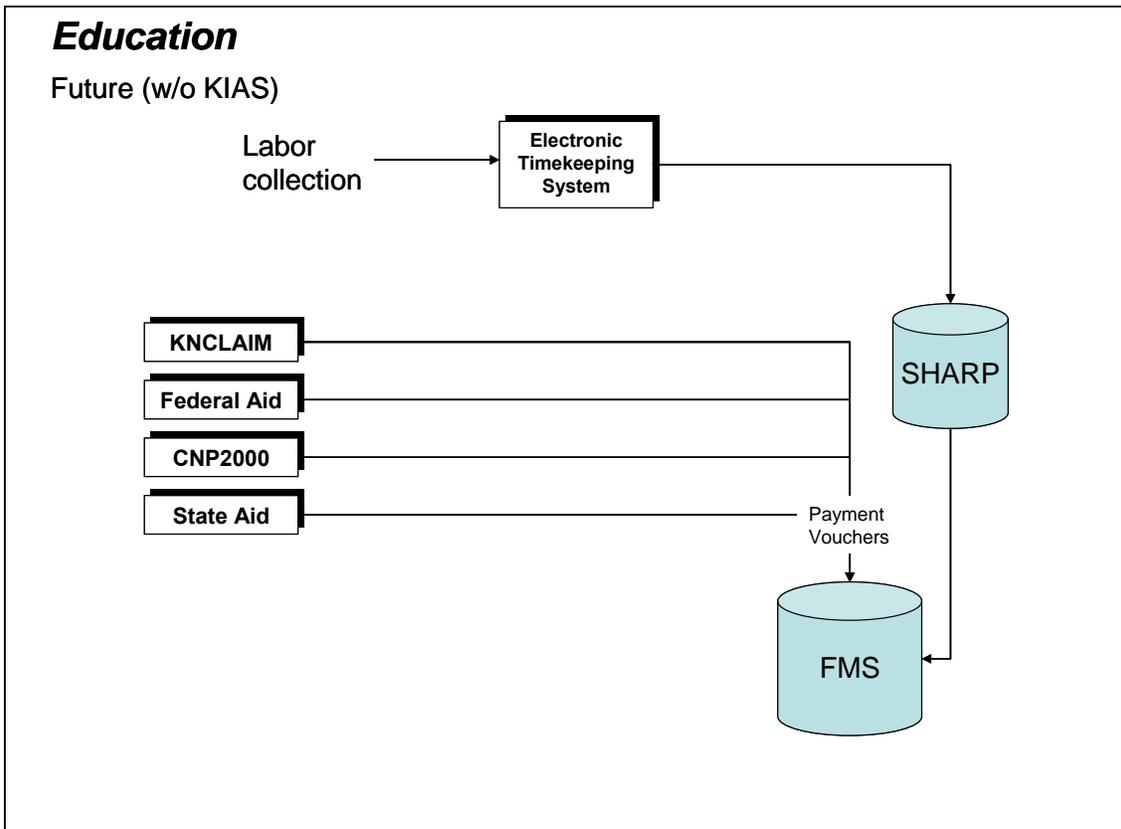
Survey Topic	Agency Response
	<p>entities having the same FEIN (USDs and AVTSs)</p> <p>Posting revenues at the index level</p> <p>Post expenditures to contract requests and update balance (All contract requests, including those that are less than \$10,000 – threshold for DA-146)</p> <p>Perkins (federal) report – track federal and state matching expenditures (including the tracking of specific payroll charges by position)</p> <p>Federal Reporting – Separate system for classifying expenditures</p> <p>Indirect Cost Allocation/Proposal</p> <p>Prepare SEFA report for A-133 audit (Fund 3131) is a consolidation of administrative pooled funds for 15 different programs. Currently Fund 3131 expenditures are run through a breakout routine to calculate the amount of expenditures report for each of the 15 programs that contribute to the pool.</p> <p>Letter of Credit – Federal fund draw downs and remaining balances by grant award.</p> <p>Indirect Costs – Earned vs. Taken/Recovered</p> <p>Information in contract request (except for vendor and amount) would not be stored in FMS.</p> <p>Education uses “Team No.” to designate the funding source; there are multiple Teams for each Program.</p>
<b>Number of end-users</b>	200 KAIS users 4 STARS users
<b>Administrative/IT Initiatives Planned</b>	None
<b>Labor Collection and Allocation</b>	Labor is collected via an Agency electronic timekeeping system which interfaces to SHARP. This system enables detailed labor collection for allocation to grants.
<b>AR-Billing</b>	No.
<b>Budgeting</b>	
<b>Unique Commodity/Service Codes</b>	Yes. The Agency uses 12 major categories for federal reporting.
<b>Required Interfaces</b>	If KAIS is replaced there will need to be interfaces to FMS from KNCLAIM, Federal Aid, CNP2000 and State Aid If KAIS is not replaced interfaces between KIAS and FMS will need to be developed.
<b>Data Conversion</b>	Fund balances, POs that carry-over, assets
<b>Reporting</b>	<p>Samples of approximately 20 reports were provided:</p> <p>Timesheet showing “team funding”</p> <p>Financial aid to school districts</p> <p>Grant expenditures</p>

Survey Topic	Agency Response
	Annual federal and state aid funding State funding report Accounting payroll data report List of letter of credit accounts by CFDA Chart of accounts by program and Team Requisitions, POs Expenditures by fund, FY, Index Payments by vendor Cash balance Fund balance GL COA by fund and team
<b>DAFR Report Used by Agency</b>	8360, 7570, 8010, 8070, 8300, 8120, 8790, 8101
<b>Functional Contact</b>	Ron Nitcher Email: <a href="mailto:rnitcher@ksde.org">rnitcher@ksde.org</a> Phone: 785.296.4962 Stephanie Smith Email: <a href="mailto:ssmith@ksde.org">ssmith@ksde.org</a> Phone: 785.296.4923
<b>Technical Contact</b>	Ron Nitcher Email: <a href="mailto:rnitcher@ksde.org">rnitcher@ksde.org</a> Phone: 785.296.4962 Stephanie Smith Email: <a href="mailto:ssmith@ksde.org">ssmith@ksde.org</a> Phone: 785.296.4923





**Note:** The illustration above assumes KIAS is not replaced by FMS while the one below shows KIAS being replaced.



# Emporia State University

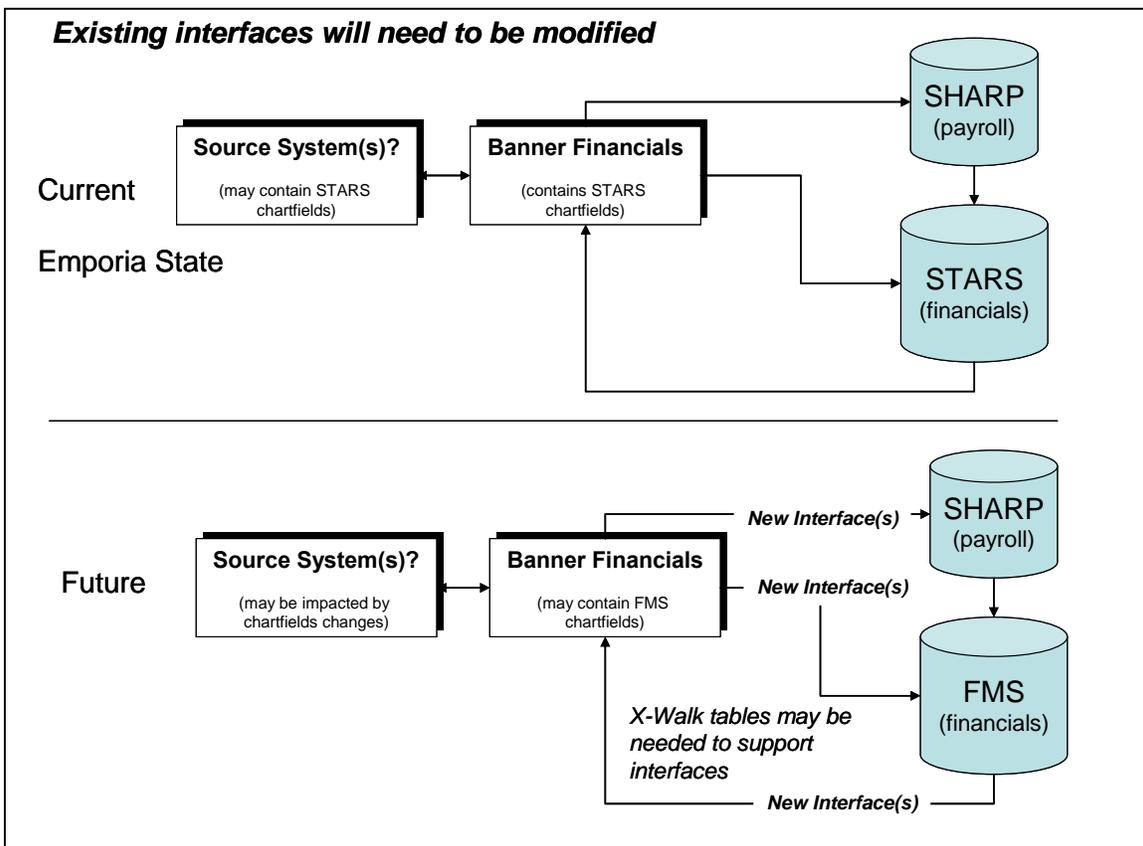
## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Mary Mingenback	Kent Olson Duncan Friend	Gary Schneider

## Recommendations and Observations

Emporia State University will continue to use Banner Financials as their institutional accounting system. The system interfaces to SHARP and STARS. These interfaces will have to be re-built to accommodate FMS.

A simplified illustration of the institution’s current systems and FMS integration are presented below.



Contacts are Ray Hauke ([rhauke@emporia.edu](mailto:rhauke@emporia.edu)), Diana Kuhlmann ([dkuhlman@emporia.edu](mailto:dkuhlman@emporia.edu)) or Mary Mingenback ([mmingenb@emporia.edu](mailto:mmingenb@emporia.edu)).

# Fort Hays State University

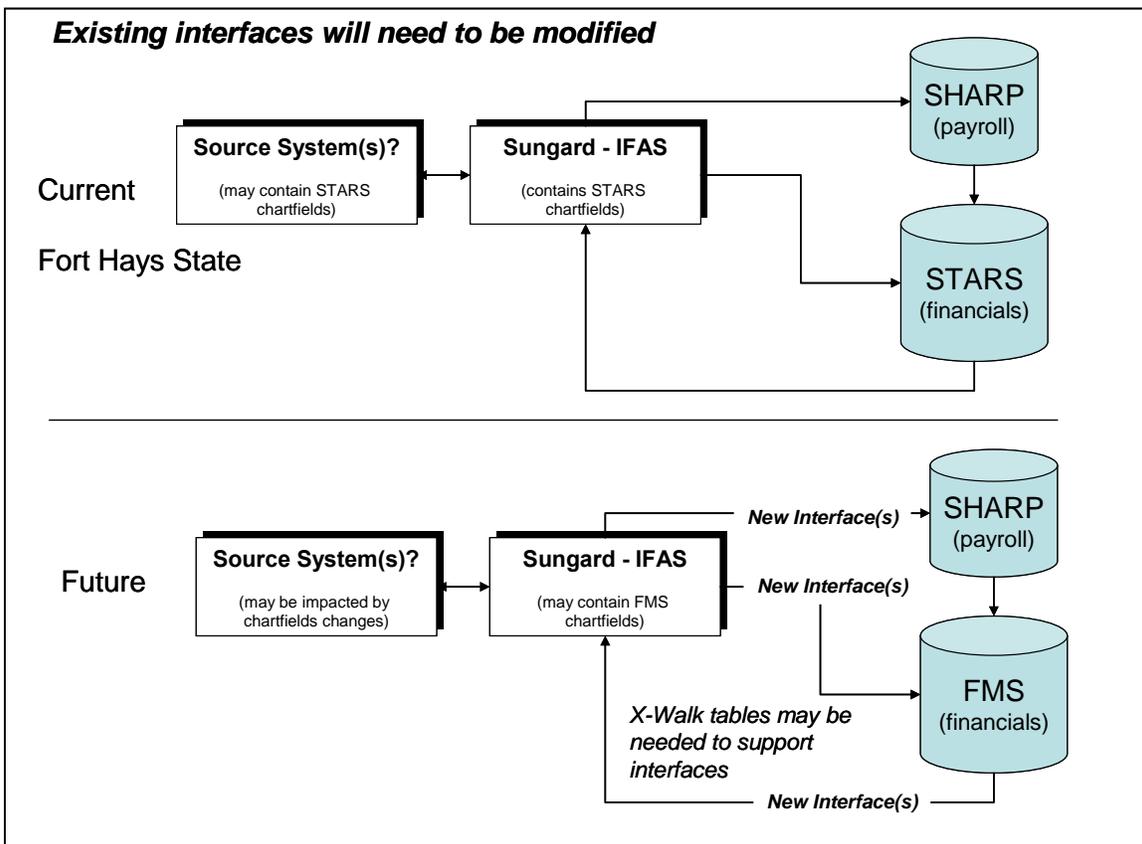
## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Phil Toepfer	Kent Olson Duncan Friend	Gary Schneider

## Recommendations and Observations

Fort Hays State University will continue to use the Sungard system as their institutional accounting system. The system interfaces to SHARP and STARS. These interfaces will have to be re-built to accommodate FMS.

A simplified illustration of the institution’s current systems and FMS integration are presented below.



Contact is Phil Toepfer (ptoefer@fhsu.edu).

# Health and Environment

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Pat Kuester - CFO Brian Huesers – CIO William Mondt – Business Mgmt, Budget (Central Services) Shelly Russell – Health Kelly Chilson - POVS	Duncan Friend Kent Olson	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	POVS - purchasing GMS – grant mgmt Asset Management CMS – contract tracking Budget Tracking	Various AR/billing systems

## Recommendations and Observations

The Agency has five administrative systems that will likely be replaced by FMS:

- POVS - purchasing
- GMS – grant mgmt
- Asset Management
- CMS – contract tracking
- Budget Tracking

The Agency would like to extend FMS functionality as far into the agency as possible so the Agency can use IT resources to develop and maintain programmatic systems. If an FMS meet Agency administrative and management needs, the Agency will de-commission these systems and consolidate processes around FMS.

The Agency does not have a central accounting system. Warrant information is downloaded daily from STARS and loaded into an MS Sequel server database for reconciliation. Reconciliation is not done with POVS.

Purchasing and AP is de-centralized. A central audit team checks to make sure 3 bids were obtained.

KDHE has 90 funding sources that are complex to track given multiple timeframes for the funding. Approximately 40% of agency budget is funded through grants. Grants must be carefully managed and draws can only be made w/i seven days prior to expenditures.

The Agency has numerous systems to manage AR/billing (e.g. EDW, Migrant Farm Workers). Each has unique business processes and business rules. The Agency would like to standardize AR processes across programs. Not having AR/billing in FMS will not enable KDHE to accomplish this objective.

This Agency also expressed concern that budget formulation will not be part of the new FMS at inception since budget development disconnected from the financial system is a very time-consuming process.

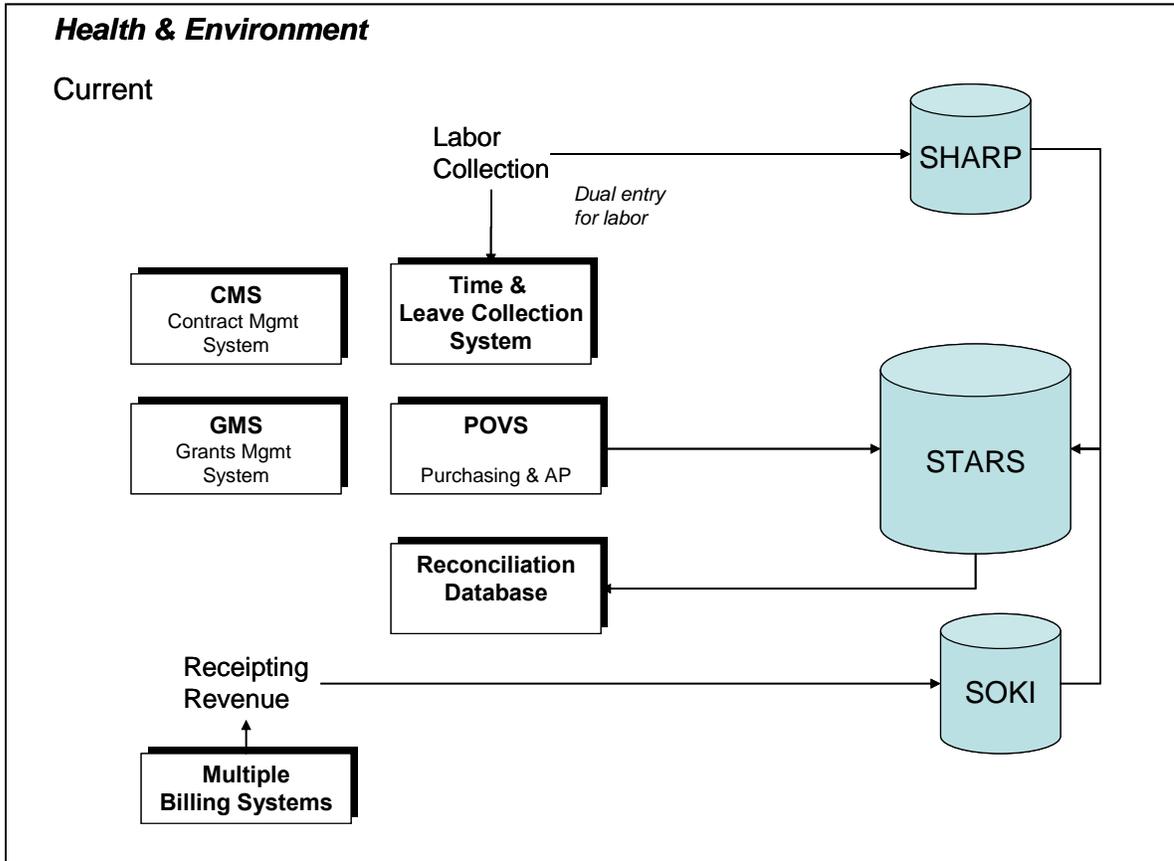
The Agency is required to track and allocate labor at a very detailed level to meet federal grant requirements. Reconciliation is burdensome and the Agency would like FMS to provide a central solution.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

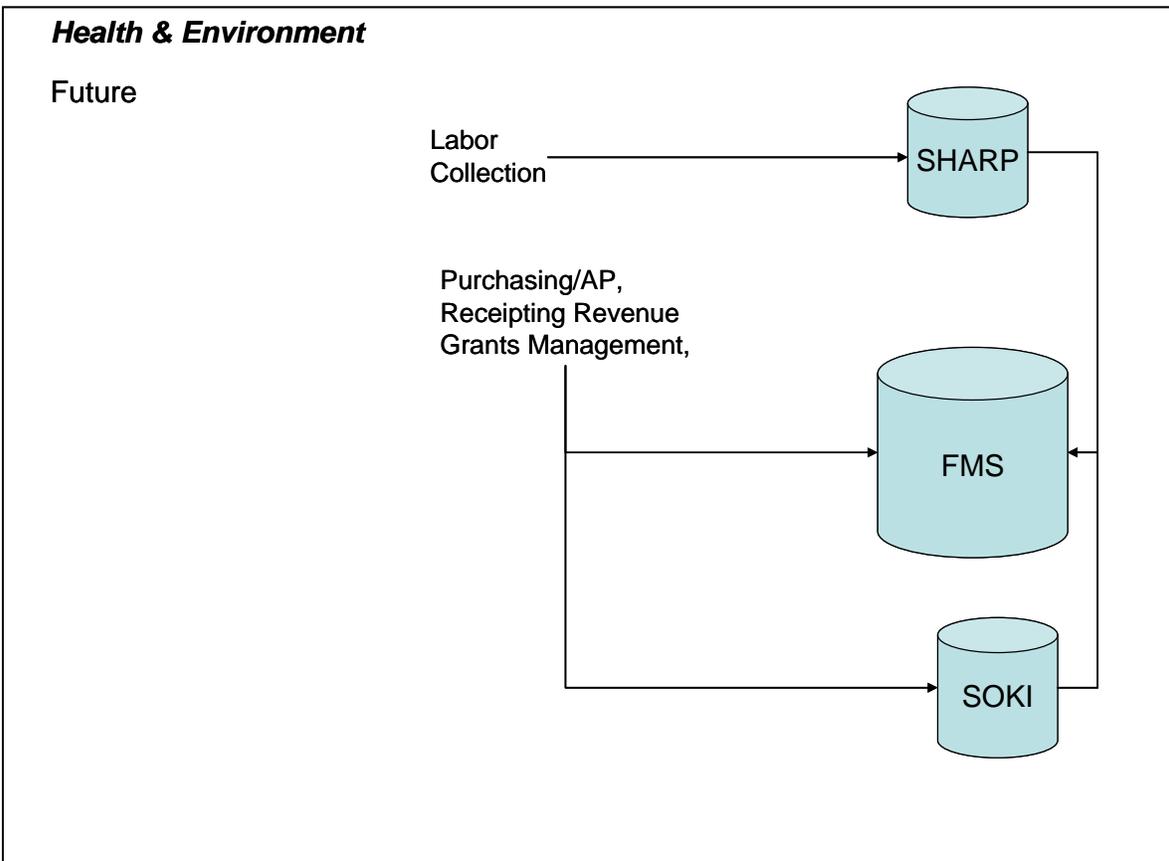
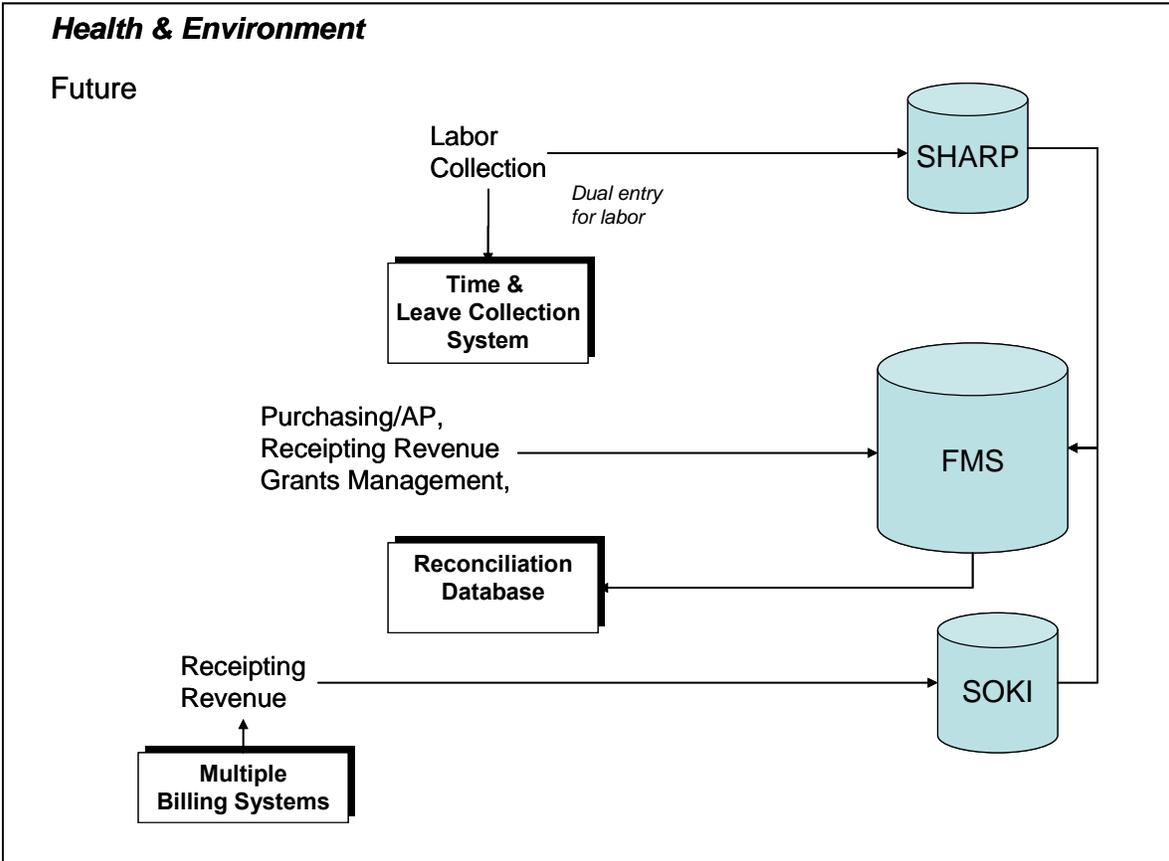
Survey Topic	Agency Response
<p><b>Systems Overview</b></p>	<p><b>POVS</b> is a custom-developed, web-based purchase order system. POVS starts the A&amp;R voucher process. It has a data-driven UI. It generates a header, funding line and item detail. POVS generates POs, payments and reports.</p> <p><b>Asset Management</b> system uses NCICS codes; KDHE would like to use barcoding. Assets include vehicles, lab equipment and computers.</p> <p><b>CMS</b> is a custom-developed, web-based system that manages contract documents but includes financial information on purchases of services. CMS interfaces to POVS for vouchers. KDHE would like to create an encumbrance from this process and would like the system to interface w/ FMS to create a voucher once per month to automate payments (recurring payments). The system pulls in payment information from STARS. CMS is being re-built using Sequel.</p> <p><b>Budget Tracking</b> is an internal system for budgeting by funding source based on a grant’s fiscal year. Budgeting is performed at a very low level and tracked by quarters.</p> <p><b>GMS</b> is a custom-developed, web-based system used to manage approx 250 grants (federal, local, foundations). The system stores grant documents, tracks timeframes, budget, expenditures and federal budget amendments. Federal reporting (EPA, HUD, CDC) is accomplished by combining information from GMS with STARS’ transactional data. The agency would like to interface GMS to FMS for reconciliation of expenditures and receipts. The current reconciliation process is burdensome.</p>
	<p><b>Asset Management</b> system uses NCICS codes</p>

Survey Topic	Agency Response
<b>Unique Business Requirements and Data Elements</b>	<p>Fee funds are “taxed” twenty-five percent to cover admin costs based on an annual CAP which is approved by HHS.</p> <p>Would like FMS to go down to a 3<sup>rd</sup> tier to control expenditures: Level 1 State Budget, Level 2 Index, Level 3 Object code.</p> <p>Cost allocation plan includes admin, buildings (service provided by Maximus).</p> <p>The Agency uses "intelligent numbering" in their index code to keep track of grants and grant years in STARS.</p> <p>MBE/WBE tracking (no easy way to track this currently)</p> <p>Financial Plans as state budget position</p>
<b>Number of end-users</b>	<p>226 end-users of POVS, CMS, GMS</p> <p>95 STARS end-users</p>
<b>Administrative/IT Initiatives Planned</b>	<p>No, unless it is determined to pursue a replacement internal accounting system.</p>
<b>Labor Collection and Allocation</b>	<p>Labor collection and allocation (quarterly adjustments) is decentralized and maintained in spreadsheets at the Program level. Funding pools are maintained in SHARP. Labor allocation is a complex process that is tracked in each program. Quarterly effort adjustments are made. Some positions are funded by a single grant; some employees work on multiple grants; index codes are used to track the person in a grant. The Agency has an electronic time and leave entry system; the system does not interface with SHARP.</p>
<b>AR-Billing</b>	<p>KDHE receipts revenue for regulatory and license fees, e.g. Cancer registry, underground tanks. The AS/400 tracking system generates deposit slips. Receipting of revenue is also entered in SOKI. This system could be replaced by an FMS if FMS can accomplish this business function and maintain the required detailed transactional information.</p>
<b>Budgeting</b>	<p>Budget Tracking system is used to track budget vs. actual expenditures and encumbrances.</p>
<b>Unique Commodity/Service Codes</b>	<p>CPT codes are used for payments. NCICS codes are used for asset management.</p>
<b>Required Interfaces</b>	<p>None identified.</p>
<b>Data Conversion</b>	<p>Fund balances, POs that carry-over (including contracts), assets, grant balances</p>
<b>Reporting</b>	<p>The following reports were provided.</p> <p><b>Billing and Receipt database:</b></p> <ul style="list-style-type: none"> <li>• Fund Information: Count and Amount Spent (what are Sfx is transaction line w/ the encumbrance suffix and Mod are partial payments to relieve encumbrances. RefDoc is the agency assigned # based on A&amp;R formatting requirements.</li> <li>• Billing Register: 3800 (what are KBBI and CPT data elements?)</li> </ul> <p><b>POVS:</b></p> <ul style="list-style-type: none"> <li>• Federal Reconciliation</li> </ul>

Survey Topic	Agency Response
	<ul style="list-style-type: none"> <li>• Expenditures by Program, By Fund Classification “Revised Budget” column is overwritten when budgets are modified</li> <li>• Expenditures by Fund, By Category (Report 3) rolled up by Division</li> <li>• Outstanding Encumbrances agency use field, e.g. A4-058-40127, are internal codes assigned by Programs; there are not business rules or impacts on other systems related to these codes.</li> <li>• Expenditures by Fund, By Object, By Program, By Index (Report 4D)</li> </ul> <p><b>Access Database:</b></p> <ul style="list-style-type: none"> <li>• Expenditures by Fund</li> </ul> <p><b>GMS:</b></p> <ul style="list-style-type: none"> <li>• Grant Balance Grant numbers (e.g. C900740510) are provided by external funding sources and must be maintained (max 15 characters)</li> <li>• Cash (Projected) is generated by extracts from 4 different reports and reconciles STARS &amp; POVS.</li> </ul>
<b>DAFR Reports Used by Agency</b>	8070, 8300, 8280, 8220, 8240, 8120, 8010, 8420, 8790
<b>Functional Contact</b>	<p><b>POVS/GMS/CMS</b>            Pat Kuester  <a href="mailto:pkuester@kdhe.state.ks.us">pkuester@kdhe.state.ks.us</a>            785.296.4875</p> <p><b>Billing Systems</b>  <a href="mailto:tmerrill@kdhe.state.ks.us">tmerrill@kdhe.state.ks.us</a>  <a href="mailto:blandwerhr@kdhe.state.ks.us">blandwerhr@kdhe.state.ks.us</a>            785.368.7057</p>
<b>Technical Contact</b>	<p><b>POVS/GMS/CMS</b>            Brian Huesers  <a href="mailto:bhuesers@kdhe.state.ks.us">bhuesers@kdhe.state.ks.us</a>            785.296.5643</p> <p><b>Billing Systems</b>  <a href="mailto:tmerrill@kdhe.state.ks.us">tmerrill@kdhe.state.ks.us</a>  <a href="mailto:blandwerhr@kdhe.state.ks.us">blandwerhr@kdhe.state.ks.us</a></p>



The illustration below represents the likely combination of Agency systems if FMS does not provide a centralized solution for labor allocation and AR/billing while the illustration below shows the Agency systems if FMS provides a central solution for labor allocation and AR/billing.



# Health Policy Authority

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Boyd Jantzen – CFO Paul Endacott	Duncan Friend Kent Olson Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	None	Time log Cost allocation Deposits spreadsheet

## Recommendations and Observations

KPHA does not have a central accounting system. The major impact of the FMS project on the agency will be replacement of interfaces between Riskmaster (a programmatic system for workers compensation claims), STARS and SHARP.

KPHA does not have an purchasing system or an asset management system.

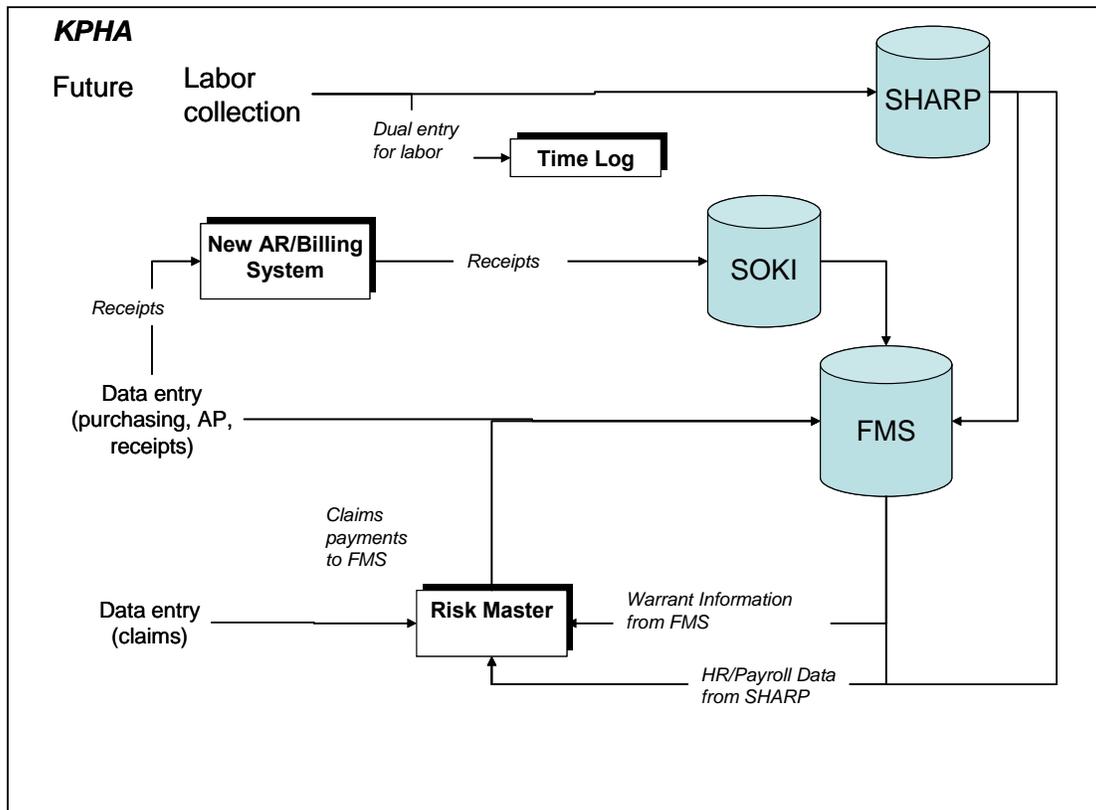
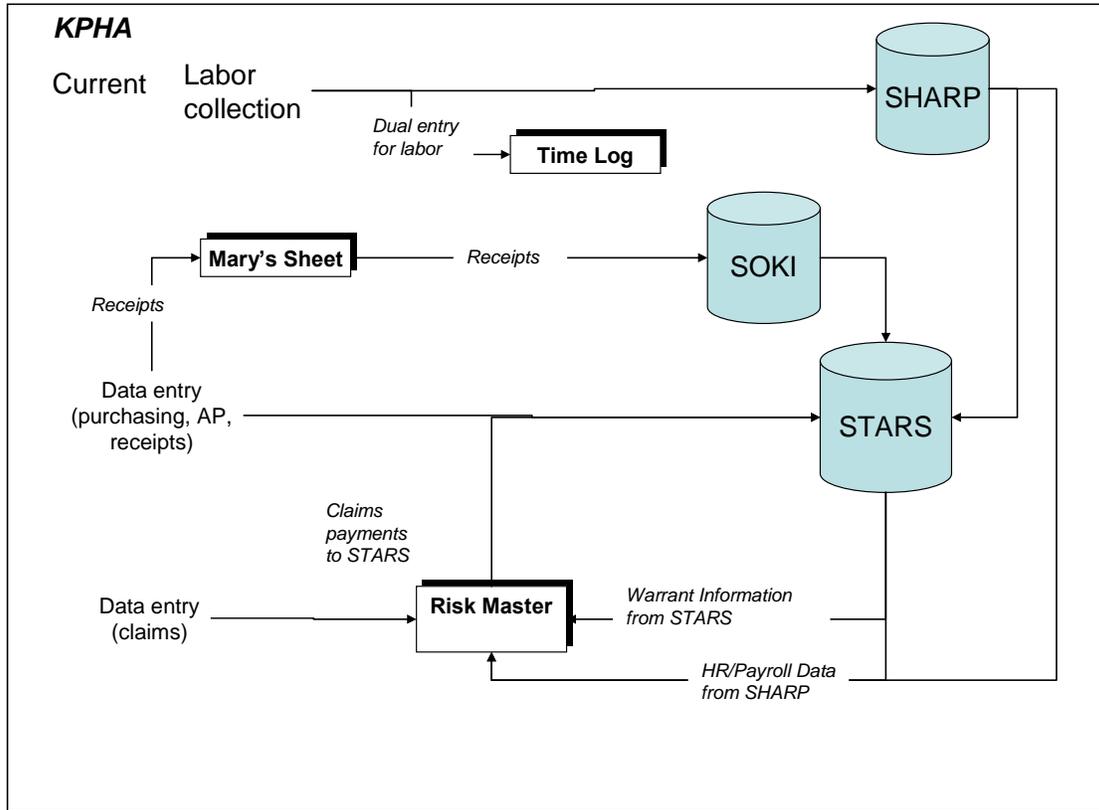
KPHA uses SOKI to receipt revenue. The agency is in the process procuring an AR/billing system as it is unknown whether AR/billing will be part of the FMS and the Agency cannot wait for the FMS.

KPHA performs significant duplicate data entry.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
Systems Overview	Riskmaster is the State’s workers compensation claims database that stores every accident that has been filed with the State. Riskmaster sends an interface to STARS with payee information, FEIN number and amount to be paid. STARS generates the warrants and sends a file back to Riskmaster containing the warrant information. A second interface goes to SHARP containing information on the employee payment for lost wages due to their workers compensation claim. SHARP converts this money paid into hours, to enable agencies to adjust an employee’s time and leave records accordingly. Every two weeks an interface from PeopleSoft HRCM is downloaded to Riskmaster that includes employee information; this information is used to provide personal information for new

Survey Topic	Agency Response
	claimants.
<b>Unique Business Requirements and Data Elements</b>	The Agency manages sensitive HIPPA data which will remain in a contractor managed system(s). Detailed transactional data will also remain in Riskmaster and future systems. Summary financial information (receipts) will be interfaced to FMS from SOKI.
<b>Number of end-users</b>	N/A
<b>Administrative/IT Initiatives Planned</b>	KPHA will be procuring and implementing a new Medical Eligibility and Membership Information System during implementation of the FMS. The Agency will also be implementing an AR/billing system. The Agency is also implementing a reporting capability.
<b>Labor Collection and Allocation</b>	KPHA uses a Time log system to capture percentages of staff time by federal funding share and also generates timesheets. Lack of integration between STARS and SHARP is problematic and results in deficiencies in reporting and significant dual data entry.
<b>AR-Billing</b>	KPHA will be procuring and implementing a new Medical Eligibility and Membership Information System during implementation of the FMS.
<b>Budgeting</b>	KPHA uses spreadsheets to develop budgets.
<b>Unique Commodity/Service Codes</b>	None identified.
<b>Required Interfaces</b>	Three interfaces will be needed to be developed/re-built. One interface is from Riskmaster to FMS containing payee information (FEIN, amounts). Another interface will be required from FMS to Riskmaster containing warrant information. A third interface (to be rebuilt based on changes to SHARP) is required to send employee information to Riskmaster.
<b>Data Conversion</b>	Any current payments being processed.
<b>Reporting</b>	None provided.
<b>DAFR Reports Used by Agency</b>	No response provided.
<b>Functional Contact</b>	Paul Endacott
<b>Technical Contact</b>	None provided.



# Highway Patrol

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Sheryl Weller – CFO Kim Torrey - Acctg Richard Oliva – Dir. Procurement Mark Thurman - CIO Mindy Yeager - IT	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider

## Recommendations and Observations

Highway Patrol (Agency) does not have a central accounting system.

The Agency has three systems for managing the purchasing process:

- PMP for central PRs
- HTE – Paper Requisition => PO => Receiving (tracks stock level and re-order pts); willing to give it up
- Troop PO – Trooper generated requisition documents steps.

PMP and Troop PO are expected to be replaced by FMS. However, HTE performs inventory management functions which will not be part of the initial FMS. The Agency is willing to retire HTE if there is a reasonable way to meet its business requirements. If this system is not replaced then the Agency may have to enter receiving information into both systems or possibly develop an interface from FMS to the HTE inventory.

Assets are tracked in an in-house system (AS/400). The Agency would like to replace this system with the asset management functionality of the FMS.

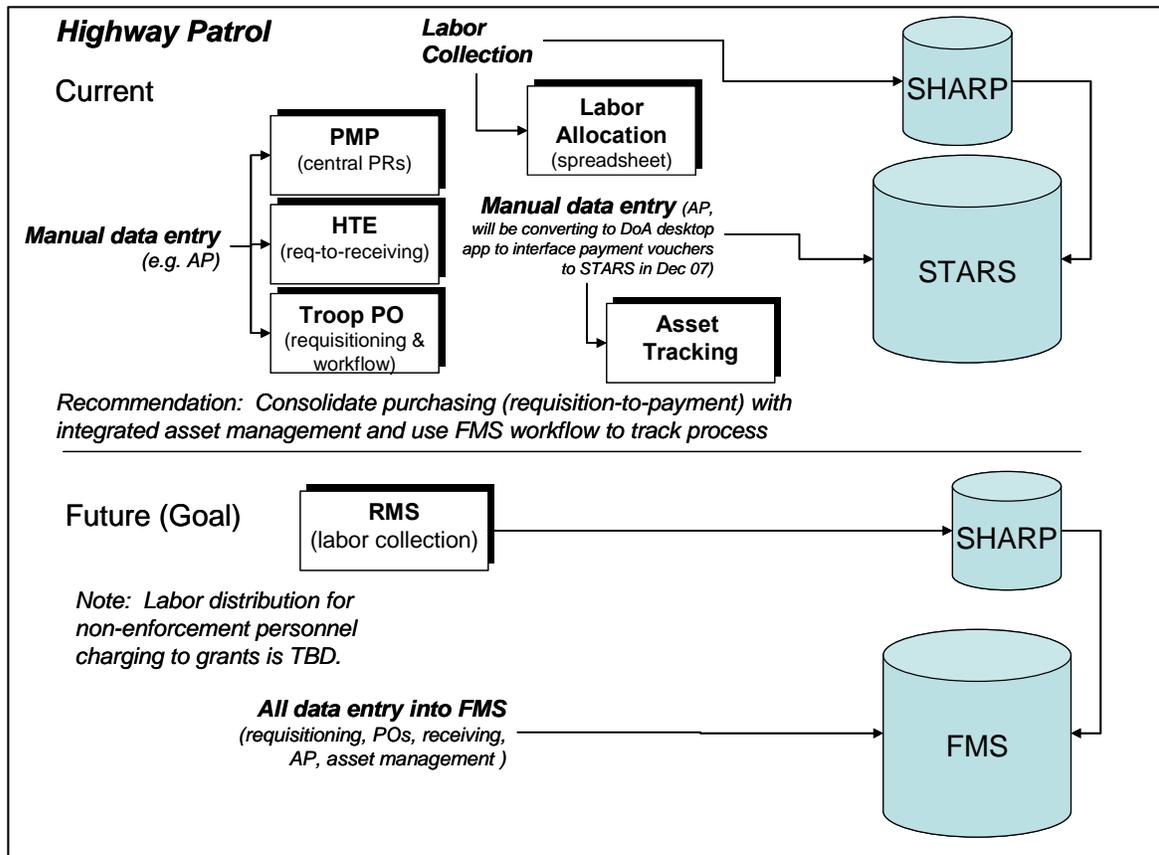
Labor collection is required for reimbursement of federal grants and for billing various agencies. Currently the Agency does not have an automated process to track how personnel are being paid versus reimbursement requests. The Agency is in the process of acquiring a new records management system (RMS) that will be able to capture Agency personnel time for billing purposes, but this will not be able to address labor allocation for grant administrators.

The Agency has a need for AR/billing and fleet management. The Agency has expressed concerns that this functionality will not be available in the new FMS. The Agency's fleet management system is a set of spreadsheets that are time consuming to maintain. It was suggested that the Agency should consider pooling their needs with other agencies and collectively purchase and implement a solution since a central solution will not be provided.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<p><b>Systems Overview</b></p>	<p><b>Purchasing (PMP, HTE Procurement, Troop PO) :</b></p> <p><b>PMP</b> is a system for managing central purchasing requests.</p> <p><b>HTE Procurement</b> is a commercial mainframe system that generates purchase orders and manages inventory. The system has approximately 70 end-users. The Agency has an extensive inventory at its central warehouse and the inventory management part of the system includes functionality that identifies low stock points for re-ordering. The system does not interface to STARS.</p> <p><b>Troop Purchase Order (Troop PO)</b> is a web-based custom developed application (Windows, Oracle, PL/SQL) used by troopers to requisition goods and services and track the progress of purchase requests. The system is used by 73 personnel across the State.</p> <p><b>Asset Management</b> is a custom developed mainframe application for tracking all Agency assets whether they’re reportable or not. The system generates a year-end report showing what property is assigned to what officer and prints out a form for signature which is stored in a file for accountability purposes. The system is used by 17 employees.</p> <p><b>Labor Collection and Allocation</b> is a labor-intensive process that uses spreadsheets, custom forms and SHARP.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p><b>HTE Procurement</b> tracks quantities of consumable inventory as well as other inventory items.</p> <p><b>Troop Purchase Order</b> uses the following data elements:</p> <ul style="list-style-type: none"> <li>• Troop letter designation</li> <li>• Troop</li> <li>• Accounting and procurement notes</li> <li>• Radio #</li> <li>• Vehicle #</li> </ul> <p>System permits downloading to Excel for reporting.</p> <p>The <b>Asset Management</b> system generates a year-end report (signed by the officer) showing what assets have been assigned to the officer. Report INVFM01 indicates ability to transfer multiple equipment items from one person to another; in the FMS this process may need to be executed for each item transferred. A disposition code from the DA110 is used in the asset management Disposal Report.</p>
<p><b>Number of end-users</b></p>	<p>70 end-users for HTE Procurement            73 end-users for Troop Purchase Order            17 end-users for Asset Management            15 STARS end-users</p>
<p><b>Administrative/IT</b></p>	<p>The Agency is in the process of purchasing and implementing new</p>

Survey Topic	Agency Response
<b>Initiatives Planned</b>	(Oracle-based) RMS which will record most of Agency activities, i.e. labor collection linked to activities. This system will enable the Patrol to better account for personnel activities and provide a more streamlined process for labor collection and allocation. This system may interface to SHARP and if so the Agency should be aware of pending changes to SHARP due to changes to the chart of accounts driven by the FMS project.
<b>Labor Collection and Allocation</b>	Labor collection and allocation is a labor-intensive process summarized below: <ol style="list-style-type: none"> <li>1. an employee completes a paper timesheet</li> <li>2. the employee completes Form HP136C which documents the grant # and the number of OT hours</li> <li>3. a timekeeping clerk enters employee hours into SHARP (for payroll)</li> <li>4. the timesheet and HP136C are sent to accounting to look-up the rate which is entered into a spreadsheet</li> <li>5. accounting personnel perform monthly reconciliation between SHARP for grant accounting/billing or interagency billing</li> </ol>
<b>AR-Billing</b>	The Agency has need for AR/billing. The Agency bills KDOT, other agencies for use of its Aircraft, Academy expenses for other enforcement agencies, security details, VIN# collection. The Agency uses spreadsheets to track monies owed and would benefit from AR/billing functionality.
<b>Budgeting</b>	The agency uses several spreadsheets to develop budgets.
<b>Unique Commodity/Service Codes</b>	None identified.
<b>Required Interfaces</b>	None identified. In December the Agency will begin using a DoA desktop application to create electronic payment vouchers that will interface to STARS. This interface will not be needed for FMS.
<b>Data Conversion</b>	Fund balances, POs that carry-over, assets, grant balances.
<b>Reporting</b>	Sample reports provided for: <ul style="list-style-type: none"> <li>• Asset management</li> <li>• POs</li> </ul> Unique data elements identified above.
<b>DAFR Reports Used by Agency</b>	7570, 8010, 8101 (including electronic version), 8120, 8360
<b>Functional Contact</b>	Sheryl Weller <a href="mailto:sweller@khp.ks.gov">sweller@khp.ks.gov</a> 785.296.5966
<b>Technical Contact</b>	Mindy Yeager <a href="mailto:myeager@khp.ks.gov">myeager@khp.ks.gov</a> 785.296.5969



# Insurance

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Sabrina Wells – Director, Fin. Svc. Neil Woerman – IT Kathy Bohnhoff – Assistant Director, Fin. Svc.	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider

## Recommendations and Observations

Insurance has a (custom) programmatic workers’ compensation system that tracks cases and pays claims. It produces vouchers which are sent to STARS. Other payments for medical and attorney’s fees are included. The system has “minor” workflow. It also has a system for calculating firefighter relief fund grant payments to fire associations based on a complex statutory algorithm. It also produces vouchers which are sent to STARS. The Agency would like to incorporate all other payment processes into FMS.

Purchasing and travel reimbursement is done directly in STARS.

Premium taxes of approx. \$110MM are collected and go to the State general fund. The Agency is the third highest revenue generator of all State agencies. Approximately 25 percent of this revenue received by the Agency is made through the kansas.gov payment engine. Agent license application Primary revenue sources are:

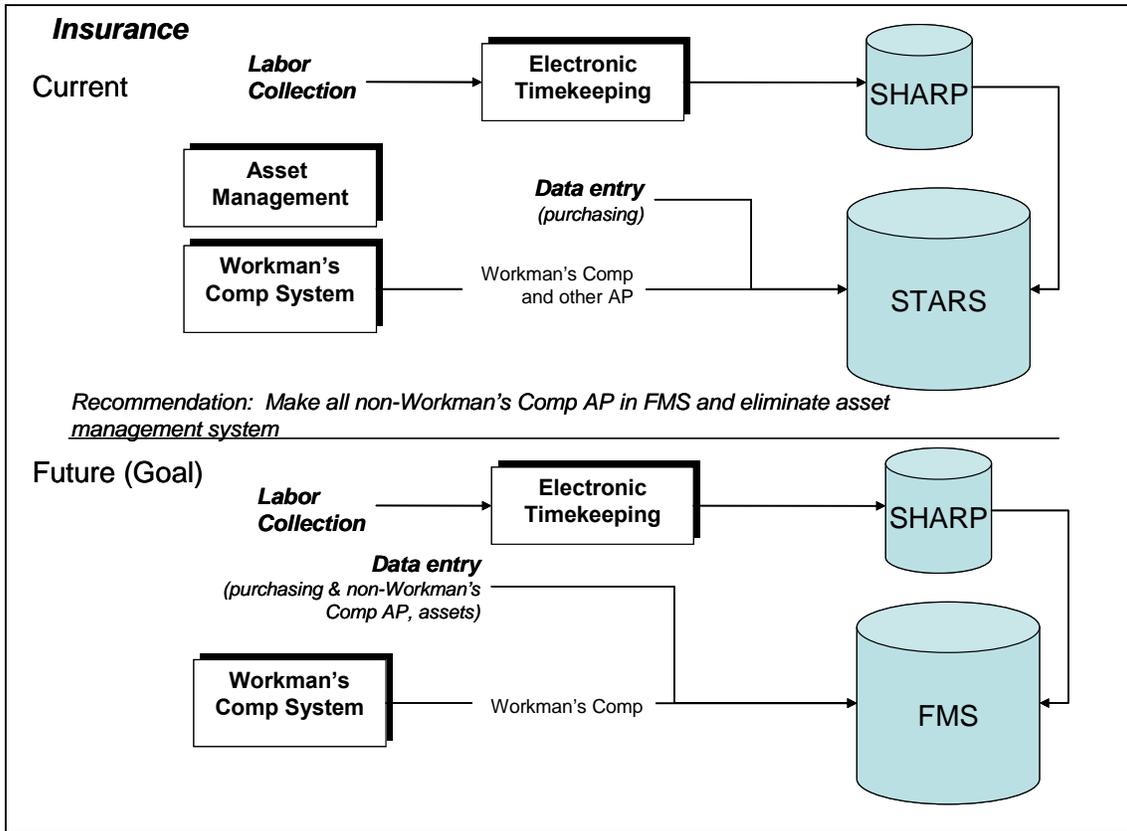
- Premium taxes
- Agency licenses
- Appointment fees (paid by insurance companies)

Assets are tracked in an Access database. This system will be replaced.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>Systems Overview</b>	
<b>Unique Business Requirements and Data Elements</b>	<p>Worker’s Comp Division vouchers are linked to some object codes and sub-object codes that are not widely used. Agency breaks down sub-objects into lower level of resolution for WC payments.</p> <p>Agency makes a Firefighter relief grant 1x per year approx. \$9MM.</p>

Survey Topic	Agency Response
<b>Number of end-users</b>	10 end-users of system 10 end-users of STARS
<b>Administrative/IT Initiatives Planned</b>	The Agency is working with a national organization that accepts applications and payments for licenses. Although it will not relate to FMS there could be a need for shared resources (functional and IT) if this initiative is in progress during FMS implementation.
<b>Labor Collection and Allocation</b>	Timekeeping system is electronic and interfaces to SHARP. System is in the process of being rewritten. System has timekeeping logic w/ conversion of time codes to SHARP time codes.  The Agency has a separate system for examiners' time which is billed back to companies. Examiners fill out multiple timesheets. The Agency performs minor cost allocation.
<b>AR-Billing</b>	Billing/invoicing is made through an on-line system; posting creates an invoice which is sent via email (Neil's system).  System can also collect pre-payments and calculates additional payments required or refunds and avoids having to mail out a 20-page form.  Refunds are issued via JV and voucher.
<b>Budgeting</b>	Budgeting is done outside of the financial systems using spreadsheets.
<b>Unique Commodity/Service Codes</b>	None identified.
<b>Required Interfaces</b>	None identified.
<b>Data Conversion</b>	Fund balances, POs that carry-over, assets.
<b>Reporting</b>	
<b>DAFR Reports Used by Agency</b>	STARS monthly reports
<b>Functional Contact</b>	Sabrina Wells swells@ksinsurance.org 785.296.3191
<b>Technical Contact</b>	Neil Woerman <a href="mailto:nwoerman@ksinsurance.org">nwoerman@ksinsurance.org</a> 785.296.2060



# Juvenile Justice Authority

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Keith Bradshaw – CFO Janell Amon – Accounting Margret McNeil – IT Mike Graber – IT Kelby Marsh – IT Director	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	POSSUM – AP and funding Fiscal Database – acctg Monkey Database - assets	

## Recommendations and Observations

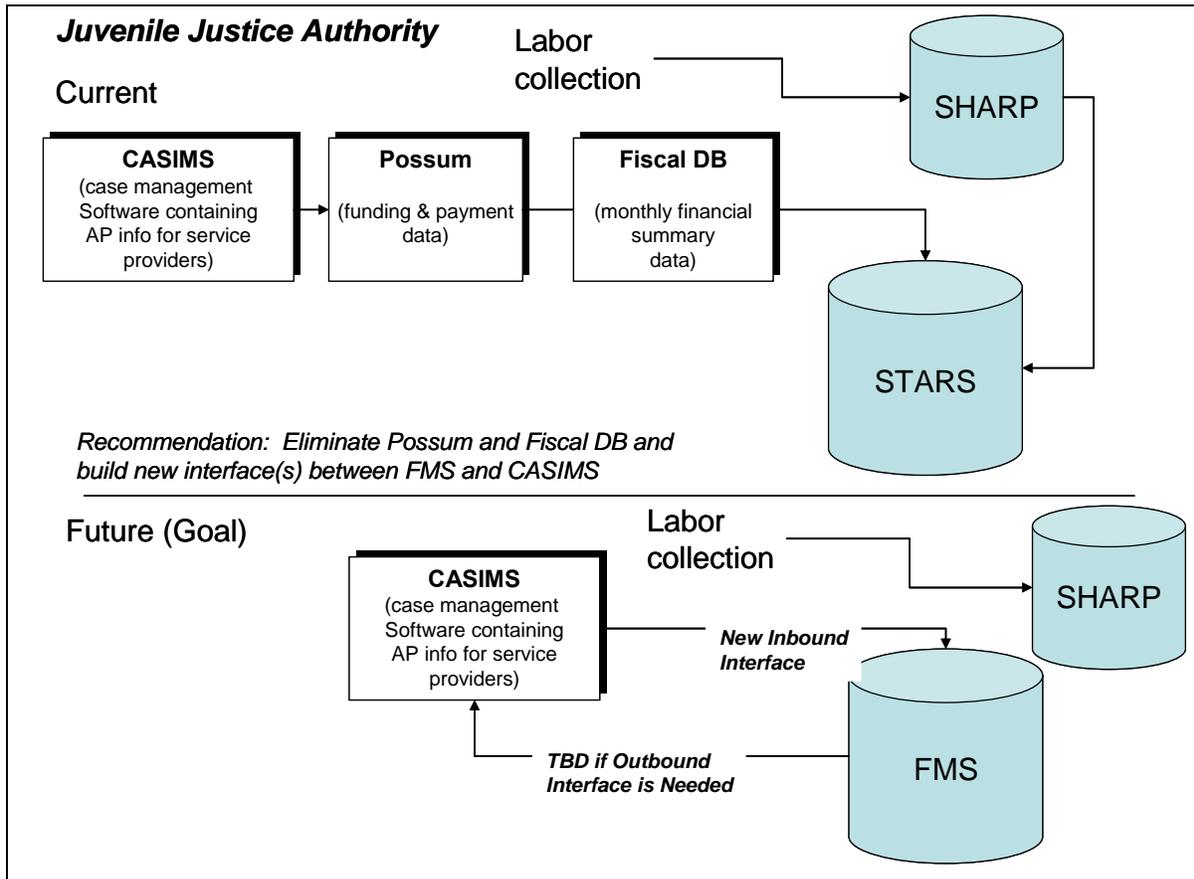
Based on the functionality of POSSUM and the Fiscal Database it is the consensus of the Agency and the FMS project team to recommend that these two systems be de-commissioned. An interface will be built to exchange data between the case management application (CASIMS) and FMS. The Agency is in the planning stage of developing a new CASIMS system. This is fortuitous since there are data elements (and associated reports) related to case management functionality that would not be available in the core FMS; however, this system will probably not be operational until approximately one year after FMS goes live. The Agency will have to make a determination whether to build a temporary interface from POSSUM to FMS or manually enter financial transactions into CASIMS and FMS. The Agency will also have to determine whether to develop an interface from FMS back to CASIMS for payment information.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>System Overview</b>	<p>POSSUM contains funding and payment information (candidate for replacement).</p> <p>CASIMS is case-management software that holds information on invoices for private service providers and will not be replaced.</p> <p>Fiscal DB holds monthly summary and is interfaced w/ POSSUM.</p> <p>Central office makes payments.</p> <p>Four facilities have a purchasing and accounting unit w/ some type of system that will be replaced. (Will need to include these locations/individuals in training plan). Agencies are:</p> <ul style="list-style-type: none"> <li>• Topeka Juvenile Correctional Facility (319)</li> </ul>

Survey Topic	Agency Response
	<ul style="list-style-type: none"> <li>• Beloit Juvenile Correctional Facility (325)</li> <li>• Kansas Juvenile Correctional Complex (352)</li> <li>• Atchison Juvenile Correctional Facility (355)</li> <li>• Larned Juvenile Correctional Facility (412)</li> </ul> <p>Inventory consists of general property and is stored in Monkey DB.</p> <p>Data from Fiscal DB is manually entered into STARS.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>POSSUM stores case related information such as # of days a juvenile has stayed with a service provider, e.g. group home. Payments to service providers are based on a daily rate and the number of days stayed. This detail is stored in the case management system which is the basis for payment requests.</p> <p>POSSUM also tracks SSI/SSA (trust fund) monies as well as interest earned on these monies and disbursements. There are less than 100 of these “accounts.”</p> <p>In addition, POSSUM can aggregate all payments made on behalf of an individual, i.e. a client-based view of the transaction data that would not be easily replicated in the FMS.</p>
<p><b>Number of end-users</b></p>	<p>3 POSSUM users 5 Fiscal DB users 3 STARS users</p>
<p><b>Administrative/IT Initiatives Planned</b></p>	<p>The Agency is beginning design work on a new case management system. The system is expected to be operational in 2011 approximately 1 year after FMS goes live. This system will be able to be built to the FMS interfacing standards since FMS is expected to be implemented by 2010.</p>
<p><b>Labor Collection and Allocation</b></p>	<p>There are 2 federally-funded positions for which hours are tracked manually (for accountability purposes). Funding pool adjustments are made in SHARP as required. The Agency collects time and leave in an electronic system; this system does not interface to SHARP.</p>
<p><b>AR-Billing</b></p>	<p>No</p>
<p><b>Budgeting</b></p>	<p>Budgeting is performed using Excel then entered into Fiscal DB to generate budget vs. actual reports.</p>
<p><b>Unique Commodity/Service Codes</b></p>	<p>Yes. The Agency uses its own object code structure to identify service type. This code is used in CASIMS and rolls up to Object 2000 (Contractual Services)</p>
<p><b>Required Interfaces</b></p>	<p>Inbound: CASIMS to FMS (a temporary interface from POSSUM to FMS may be developed until new CASIMS is implemented) Outbound: FMS to CASIMS (TBD)</p>
<p><b>Data Conversion</b></p>	<p>Fund balances, POs that carry-over, assets</p>
<p><b>Reporting</b></p>	<p>Samples of approximately 15 reports were provided: Financial Database</p> <ul style="list-style-type: none"> <li>• Expenditure report</li> <li>• Agency-wide expenditure report by object code</li> <li>• Expenditure report by program</li> <li>• Outstanding obligations</li> </ul>

Survey Topic	Agency Response
	<ul style="list-style-type: none"> <li>Block grant expenditures (summary and detail)</li> <li>STARS voucher report</li> </ul> POSSUM: <ul style="list-style-type: none"> <li>Provider's statement of invoice payment</li> <li>Youth payment history</li> <li>Provider payment history</li> <li>Monthly expenditure report (classified by service type)</li> <li>Behavioral Mgmt monthly expenditure report</li> <li>Balance (to STARS) report (summary and detailed expenditures)</li> <li>Trust fund reports (queries and reconciliations)</li> </ul>
<b>DAFR Reports Used by Agency</b>	Daily: 8101, 8120, 8240, 8360. Monthly: 7680, 8070, 8101, 8120, 8280, 8290, 8300, 8360, 8790
<b>Functional Contact</b>	Janell Amon Email: jaamon@ksjja.org Phone #: 785.296.0621
<b>Technical Contact</b>	Mike Graber Email: mgraber@ksjja.org Phone #: 785.291.3003



# Kansas University

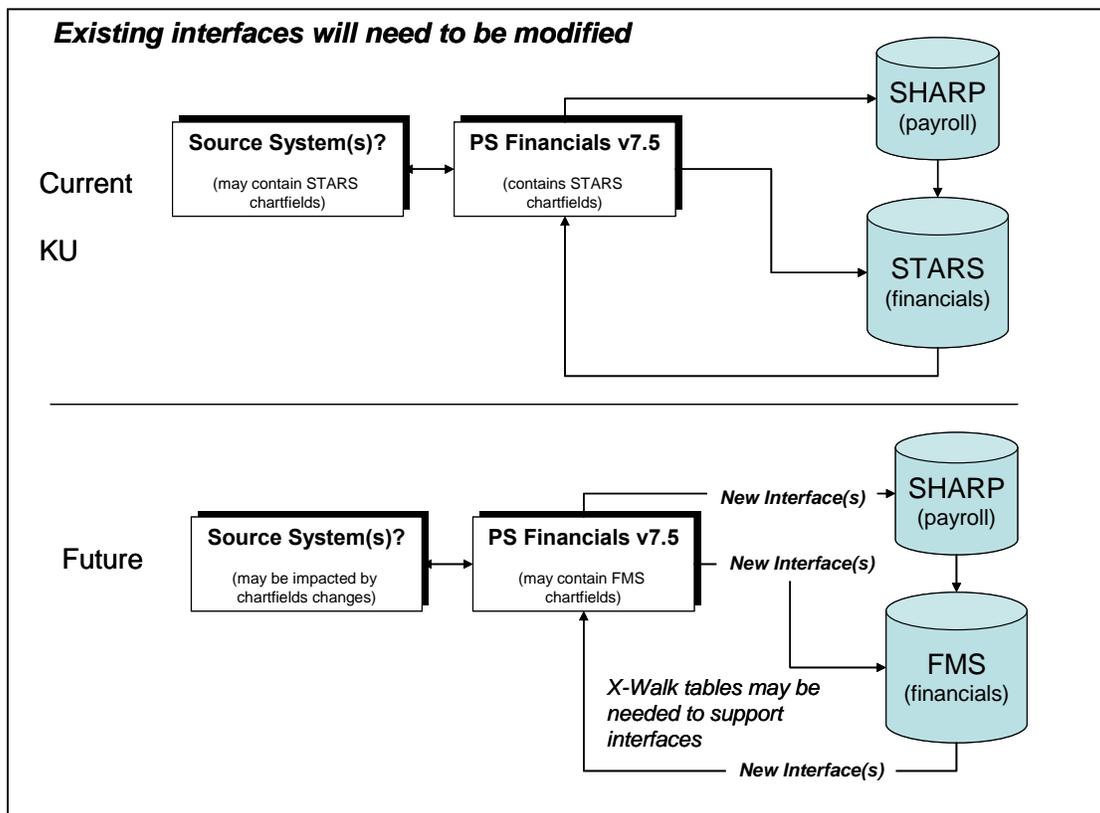
## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Jeanne Rooney	Kent Olson Duncan Friend	Gary Schneider

## Recommendations and Observations

Kansas University will continue to use the PeopleSoft Financials system as their institutional accounting system. The system interfaces to SHARP and STARS. These interfaces will have to be re-built to accommodate FMS.

A simplified illustration of the institution’s current systems and FMS integration are presented below.



Contact is Jeanne Rooney (jmrooney@ku.edu).

# Kansas University Medical School

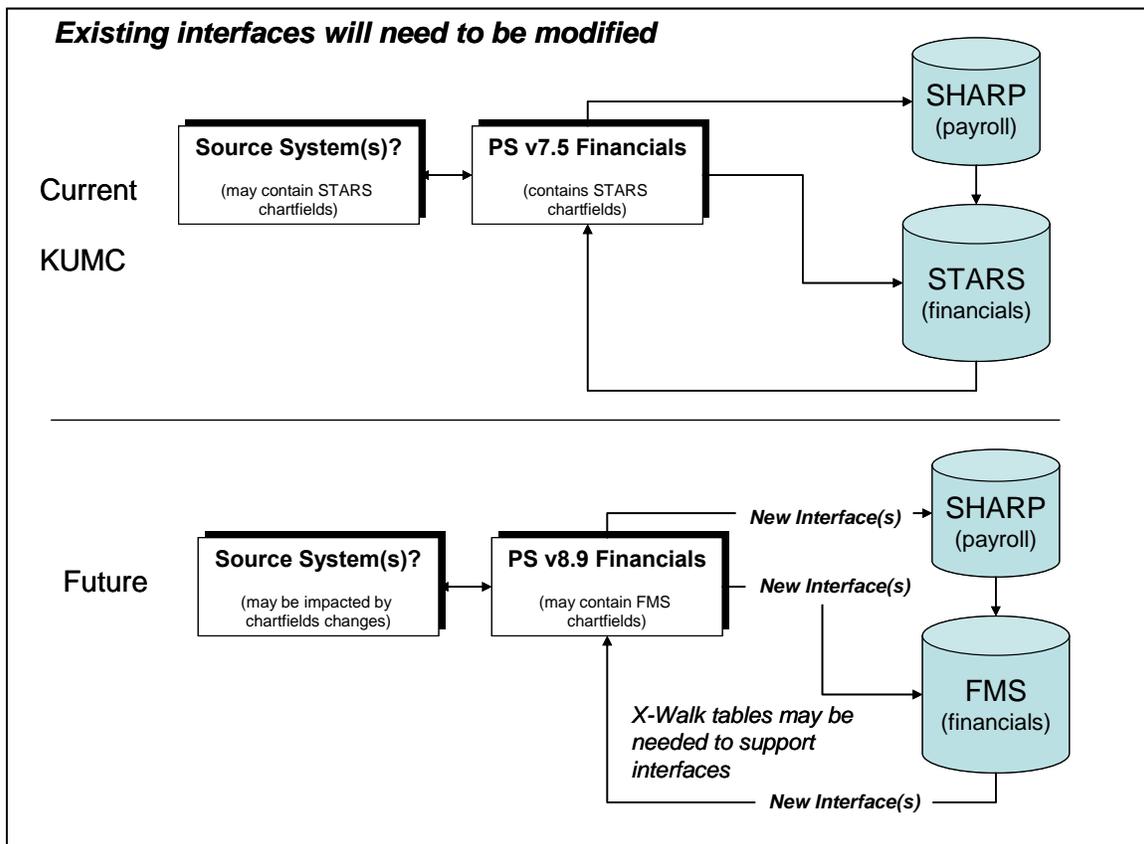
## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Bob Weseloh	Kent Olson Duncan Friend	Gary Schneider

## Recommendations and Observations

Kansas Medical University will continue to use the PeopleSoft Financials system as their institutional accounting system. The system interfaces to SHARP and STARS. These interfaces will have to be re-built to accommodate FMS.

A simplified illustration of the institution’s current systems and FMS integration are presented below.



Contact is Bob Weseloh (rweseloh@kumc.edu).

# Kansas State University

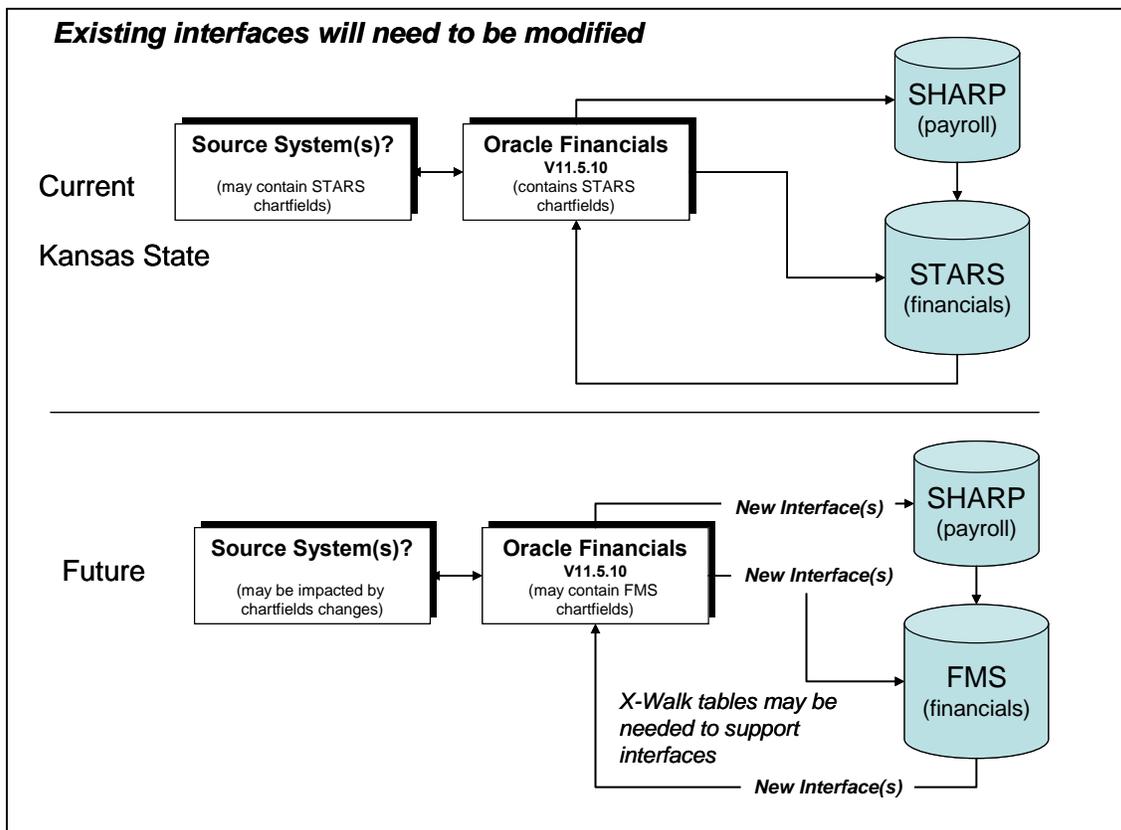
## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Pete Morris	Kent Olson Duncan Friend	Gary Schneider

## Recommendations and Observations

Kansas State will continue to use the Oracle Financials system as their institutional accounting system. The system interfaces to SHARP and STARS. These interfaces will have to be re-built to accommodate FMS.

A simplified illustration of the institution’s current systems and FMS integration are presented below.



Contact is Pete Morris (pwmorris@ksu.edu).

# KPERS

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Leland Breedlove – CFO John Oliver – IT Denise Hilmes	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	Lawson - accounting	

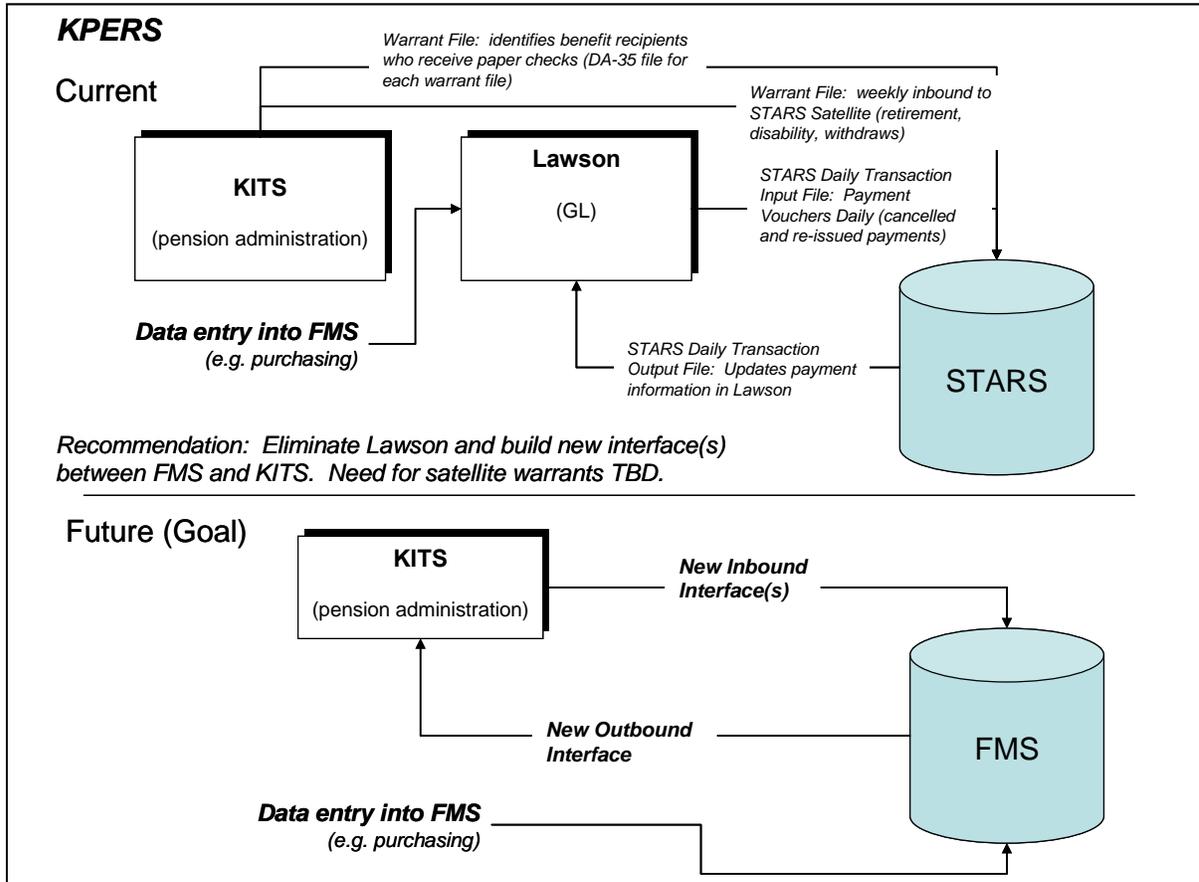
## Recommendations and Observations

Based on analysis of the functionality of KPERS’ Lawson system it is recommended that the Lawson system be replaced by FMS. This will require a new interface between the programmatic system (KITS) and FMS. This recommendation supports KPERS’ goal of de-commissioning Lawson as part of a platform consolidation (away from their AS/400). KPERS would like the FMS to better enable their activity-based costing.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>Systems Overview</b>	<p>KPERS uses Lawson’s GL functionality primarily for reporting. Lawson has an internal report writer and a query tool. Lawson’s “flex budget” functionality stores approximately 10 years of historic actuals for use in reporting and analysis. Lawson receives downloads from STARS (daily transactions, monthly transactions, vendor status, vendor file). Lawson uploads (to STARS) vendor file updates and payment vouchers.</p> <p>KPERS’ Integrated Technology System (KITS) is the programmatic agency system that administers the pension program. KITS creates direct deposits via the satellite warrant process. Payments are made for retirement, disability, withdraws and benefits. This is a critical interface that disperses \$65-70MM per month. KITS will need to be modified due to changes in the COA and a new interface from KITS to FMS developed.</p>
<b>Unique Business Requirements and Data Elements</b>	<p>Two accounting units are used for managing year-end accruals. (payments made in 2008 are relieving a 2007 liability).</p> <p>KPERS performs activity-based costing for non-KPERS investments. Activity based costing is also used for peer review benchmarking. KPERS believes their data is accurate w/o a lot of effort. Building costs are allocated as part of their management and admin fee. A standard allocation method is used for all staff. Allocations are being done outside of Lawson via a spreadsheet.</p>

Survey Topic	Agency Response
	<p>Ability to include in Reports, data that is not part of the current year's transactions. i.e. Prior years data, or off system generated data such as projected expenditures by period. Need the capability to report on calendar year basis as well as Fiscal Year.</p> <p>Report Writing Capabilities, Balance sheet information, Flex Budgets (budgets on a quarterly basis), Auto reversals of Year end accrual entries, Closing entries into various reserves that are not captured in STARS . Ability to generate any financial reports to Excel. Ability to generate accrual-based financial reports.</p>
<b>Number of end-users</b>	<p>6 end-users of Lawson 6 STARS users 4 end-users for FMS GL 20 end-users for AP</p>
<b>Administrative/IT Initiatives Planned</b>	<p>KPERS will be modifying KITS to create new pension plans.</p>
<b>Labor Collection and Allocation</b>	<p>Labor allocation is performed as part of activity-based costing which is used for benchmarking with other pension administration organizations. Labor collection for activity-based costing is done via a spreadsheet.</p>
<b>AR-Billing</b>	<p>KPERS does not need AR functionality. Each month they have to track down a check when a person dies after a check is cut. At most the receivable is for one month. Buy backs can require billing but this is handled in KITS.</p>
<b>Budgeting</b>	<p>Budgeting is done at the account/department level using spreadsheets with information provided by Lawson. (KPERS has six departments.)</p>
<b>Unique Commodity/Service Codes</b>	<p>KPERS assigns a more detailed object code to certain items than is currently captured in STARS, i.e. for subscriptions, KPERS may need to drill down to the name of the publication requiring further coding.</p>
<b>Required Interfaces</b>	<p>An interface(s) will be required from KITS to FMS.</p>
<b>Data Conversion</b>	<p>Fund balances, POs that carry-over, assets</p>
<b>Reporting</b>	<p>Samples of five reports were provided: KPERS balance sheet detail and summary (will system be able to produce balance sheet for agencies?) Income statement detail and summary GL balance report Budget-to-Actual by department and agency total</p>
<b>DAFR Reports Used by Agency</b>	<p>8240, 8290, 8120, 8300, 8101, 8180, 8070, 8210</p>
<b>Functional Contact</b>	<p>Leland Breedlove Email: lbreedlove@kpers.org Phone: 785-296.1020</p>
<b>Technical Contact</b>	<p>John Oliver Email: joliver@kpers.org Phone: 785.296.0991</p>



**Note:** The illustration above assumes no satellite warrant system will be needed for KPERS disbursements.

# Labor

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Gerald Schneider – CFO Debbie Evans – Chief Accountant Bill Schafer- Budget Deb Gallentine- Purchasing	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	Asset management	Cost Accounting System Paycheck

## Recommendations and Observations

The Department of Labor has very extensive business requirements for cost collection and allocation. These requirements apply to both direct labor and administrative overhead. These requirements are met through the Agency’s Employment Security Cost Accounting System.

This system will not be a candidate for replacement unless, at a minimum, the functionality of FMS includes:

1. Ability to allocate labor costs to Agency work activities at a level of granularity needed to support federal reporting; and
2. Ability to collect (indirect) operating costs (admin labor, buildings and other indirect costs) and allocate these costs to Agency activities and funding sources.

Even if the new FMS has these capabilities, the system must function satisfactorily in terms of usability and reporting, such that the Agency will not be “taking a step backward.” Otherwise the Agency will probably elect to retain their Cost Accounting System.

It was noted that the new FMS will not include management of consumable inventory.

Another consideration in the Agency’s decision to decommission their Cost Accounting system could be resource allocation as the Agency has an initiative underway to develop a new Unemployment Insurance System; work on this system will be in progress during FMS implementation.

Assuming the Cost Accounting system is a candidate for replacement, during FMS design and prototyping special attention should be given to Labor’s requirements in key areas of cost allocation, activity based costing and labor distribution.

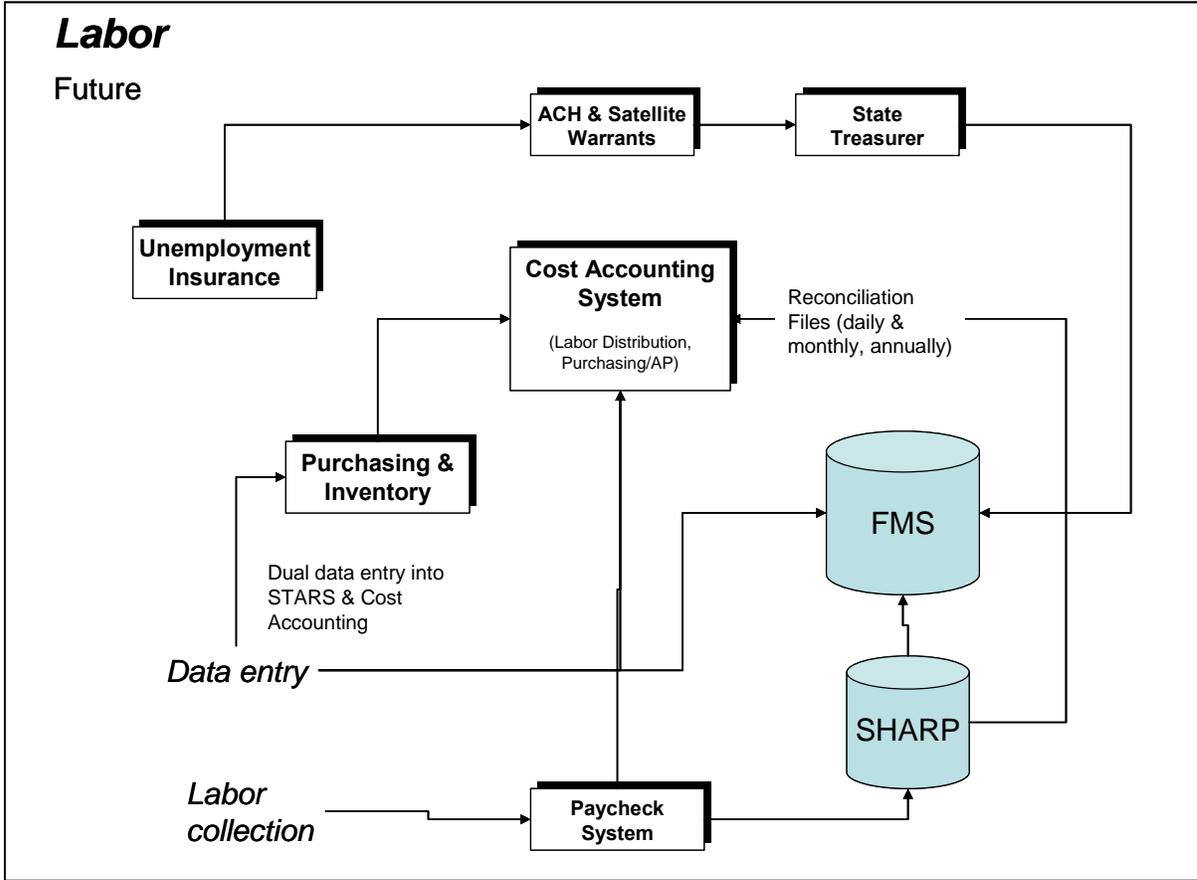
Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<p><b>Systems Overview</b></p>	<p>Employment Security Cost Accounting System (Cost Accounting) is the Agency’s core financial system. This system is a fairly comprehensive and integrated mainframe application developed in COBOL. It includes GL, project and grant accounting, activity based costing, asset and inventory management, cash management and budgeting.</p> <p>Approximately eighty to eighty-five percent of agency expenditures are staff labor. These must be closely tracked and activities and funding sources can vary each hour/day for some employees depending on their work activities. The Agency uses a system called “Paycheck” for time capture. There are approx 300 users. Paycheck has some internal edits. An error/exception report is also generated. Paycheck does not do leave approval. It provides total sick leave and vacation balances. The system knows when a holiday is in a time reporting period. Paycheck feeds their cost accounting and also interfaces to SHARP.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>Labor has several levels of segmentation of expenditures:</p> <ul style="list-style-type: none"> <li>• Employees are assigned to cost centers which are organizational units</li> <li>• Grants (an amount of funding) are assigned project codes</li> <li>• Activities (performed under a grant) are function codes (every employee assigns their time to project and function code)</li> </ul> <p>e.g. the UI call center is a cost center; the Unemployment Insurance grant is a project code (i.e. funding source); fielding initial claims or making a non-monetary determination is a function within that cost center and project code.</p> <p>There are 22 cost centers. Expenditures must be able to be directly charged to a funding source or allocated. For example, utilities are allocated to all cost centers within a location based on percentage of square footage occupied. The utility expense charged to a cost center is then allocated based on how staff charged their time within the cost center for the month. Indirect expenses are allocated to all project codes/funding sources that derive benefit. Adjustments are made in STARS to match DOL records. The Agency makes approximately 40 pages of journal entries every quarter.</p> <p>There is a many-to-one relationship between cost centers and PCAs.</p> <p>Project codes are used to track particular funding sources. A project code is associated with a unique ledger which could carry cumulative expense information for any period of time.</p> <p>In Paycheck, codes are converted to funds and index codes to produce a distribution percentage for each position pool – these are updated electronically every two weeks. (Project codes are</p>

Survey Topic	Agency Response
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>converted and Function codes are dropped in SHARP). Each cost center is a separate position pool in SHARP.</p> <p>The distribution process creates an hourly wage which is multiplied by the number of hours an employee spends on a project/function within a cost center to distribute labor expenditures in the Cost Accounting system.</p> <p>Labor has approximately 50 grants to administer. Similar to other agencies, expenditures must link to grant numbers. Also, federal grants require reporting on an accrual basis.</p> <p>Accrual based accounting is required for Federal UI admin expenses (obligations, encumbrances). Payroll is done on an accrual basis with a high-level of resolution, i.e. there is a need to accrue addition days beyond the 20 days covered by two pay periods each month which are cleared twice a year, i.e. recording a payroll liability for days not paid but earned.</p> <p>PO encumbrances are linked to project codes in Cost Accounting. The Agency enters BPC card transactions into Cost Accounting.</p> <p>The stock (consumable) inventory system feeds transactions into the Cost Accounting system. The Agency has a PC-based Local Office Percentage Allocation (LOPA) which creates STARS entries for building and other expenses. Part of expenditures in Cost Accounting are entered through the mainframe based LOPA.</p> <p>The Agency maintains a consumables storeroom and charges to an asset account (1 fund in STARS) and credits back to an asset account.</p> <p>All IT-related assets are tracked by IT in a separate system from Cost Accounting, e.g. PC inventory, software, telecom.</p> <p>Cost Accounting tracks assets greater than \$5K (includes buildings, IT related assets and depreciation)</p> <p>Budgets are prepared for each fund by cost center. Cost Accounting provides information on prior year's expenditures as a starting point for building budgets. Budget tracking is maintained outside of Cost Accounting.</p> <p>Cost Accounting does not interface with STARS. AP transactions are entered into each system separately. Each month a file of STARS transactions is downloaded from STARS to produce unique Agency reports.</p>
<p><b>Number of end-users</b></p>	<p>11 fiscal staff (for cost accounting and STARS). 300 for Paycheck (labor collection system).</p>
<p><b>Administrative/IT Initiatives Planned</b></p>	<p>The Agency is currently in the development phase of a complete rewrite of our Unemployment Insurance (UI) System. This is a system separate and apart from the Cost Accounting System. The UI system is the Agency's client tracking system for the payment of</p>

Survey Topic	Agency Response
	unemployment insurance benefits. This system also contains employer records and information for the collection of the unemployment insurance tax. While the rewrite of the UI system will not affect the FMS project, it would affect the time the Agency’s fiscal staff could devote to FMS.
<b>Labor Collection and Allocation</b>	<p>Labor collection and allocation is a critical element of grant management. Paycheck system feeds SHARP and Cost Accounting System. The Agency requires labor collection and allocation at a more detailed level than is supported by SHARP. The Agency must have labor collection at the activity level within funding sources. The Agency has an electronic timesheet to capture labor and assign labor costs to activities and projects for grant management and reporting.</p> <p>The Agency performs a monthly “close” and adjusts payroll expenses accordingly.</p>
<b>AR-Billing</b>	The Agency does not do invoicing.
<b>Budgeting</b>	Budgets are prepared for each fund by cost center. Cost Accounting provides information on prior year’s expenditures as a starting point for building budgets. Budget tracking is maintained outside of Cost Accounting.
<b>Unique Commodity/Service Codes</b>	Our internal cost accounting system has its own unique cost codes which are broader in definition than the State object codes.
<b>Required Interfaces</b>	N/A
<b>Data Conversion</b>	Fund (project) balances, grant balances, POs that carry-over, unpaid AP, assets.
<b>Reporting</b>	<p>Cost Accounting provides numerous management reports. Samples of multiple reports were provided. A subset of Cost Accounting reports are listed below.</p> <p><b>Labor Reports:</b></p> <ul style="list-style-type: none"> <li>• Cost center time distribution report – positions paid by project/function code</li> <li>• Cost center time distribution report – positions worked by project/function code</li> <li>• District time distribution report – positions paid by project/function code</li> <li>• District time distribution report – positions worked by project/function code</li> <li>• Personal services/benefits/costs</li> <li>• Activity dollars and position percentage</li> </ul> <p><b>Expenditure Reports:</b></p> <ul style="list-style-type: none"> <li>• Cost center detail report</li> <li>• State detail report</li> <li>• Project cost report</li> <li>• Monthly activity costs and positions paid by program</li> <li>• Fund ledger allocation report</li> <li>• Positions and costs by fund ledger</li> <li>• Program activity positions and costs</li> <li>• YTD activity costs and positions paid by program</li> <li>• Positions paid by program</li> <li>• Positions paid by area</li> </ul>





# Lottery

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Carolyn Brock - CFO Wayne Ringy - Accountant Bill Cavaliere - IT Jim Brehm – IT Kim McDonald - AP	Kent Olson Duncan Friend	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
		Mac-Pac - accounting

## Recommendations and Observations

Based on analysis of the basic functionality of Mac-Pac, it is recommended that Mac-Pac be replaced by the FMS assuming FMS can meet Lottery’s business requirements including accrual accounting, tracking AR and segregating transactions by game. The Agency supports this recommendation and, in fact, would like to retire Mac-Pac. A simplified illustration of the Agency’s current system and the consensus recommendation is provided below.

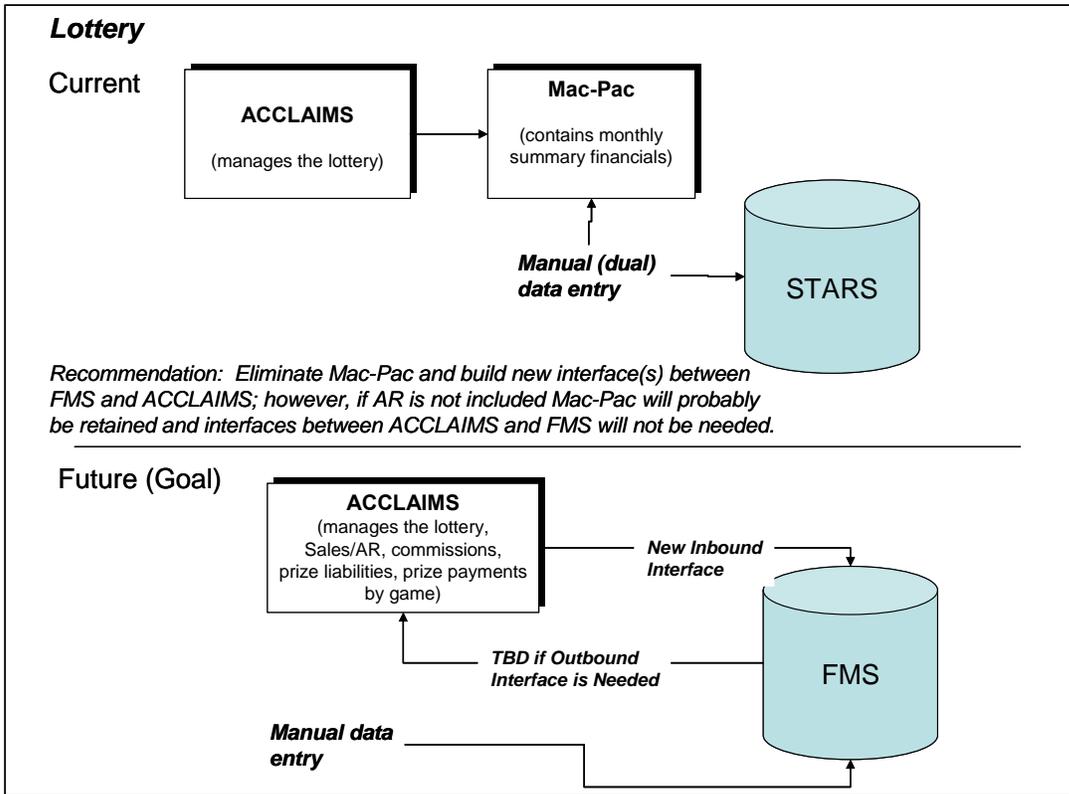
Assuming ACCLAIMS directly interfaces to FMS, the interface from ACCLAIMS to FMS will have to be robust enough to be able to add new games without modifying the interface. An outbound interface may be required to “seed” ACCLAIMS with the unique accounting string values for a new game after it is created in FMS.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

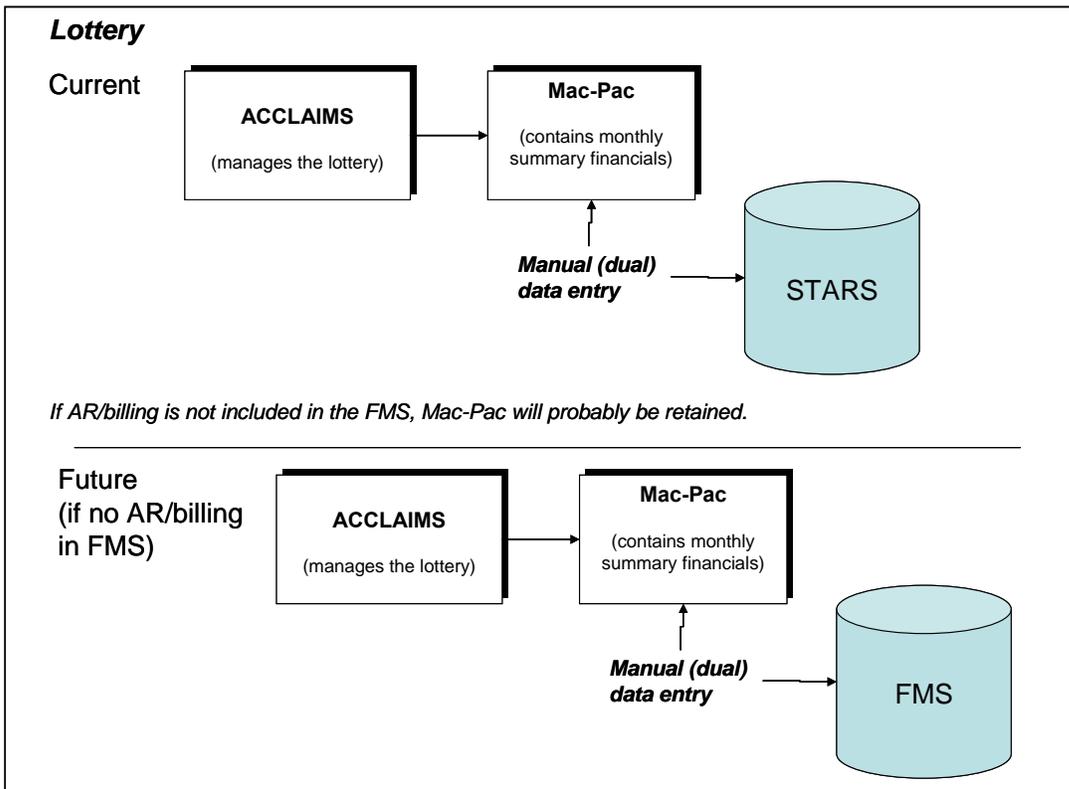
Survey Topic	Agency Response
<b>System Overview</b>	<p>The Kansas State Lottery has two primary business and administrative systems. ACCLAIMS is the programmatic system that manages the detailed transactions of the lottery. Mac-Pac is the primary accounting system that interfaces to ACCLAIMS and summarizes ACCLAIMS financial information. (Since ACCLAIMS will not be replaced by FMS, the functions of Mac-Pac will be the focus of this section of the report.)</p> <p>Mac-Pac manages GL, AP and AR. Mac-Pac uses center codes and account codes. Lottery enters the same data in Mac-Pac as in STARS, e.g. vouchers.</p> <p>W-2G statements are generated from ACCLAIMS.</p>

Survey Topic	Agency Response
	<p>Commissions are not paid out of STARS.</p> <p>Purchasing is tracked in Excel.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>Mac-Pac is configured into two companies for cash and accrual accounting. Mac-Pac generates Agency accrual-based financial statements. Summary data from Mac-Pac is keyed into STARS.</p> <p>The majority of transactions, e.g. commissions, prizes are tracked by game.</p> <p>Unbilled AR is tracked in Mac-Pac (Invoicing is done in ACCLAIMS).</p> <p>Cash and accrual accounting are required by statute.</p> <p>Need to distribute lottery proceeds to many counties, cities, race tracks, etc.</p> <p>New games are added every month.</p> <p>Lottery uses two fields Transaction Code (e.g. HOT, INN, ISS) and Reason (SCM, VAL, SAL)</p> <p>Mac-Pac tracks revenues and prizes and (store) commissions by game. Some game-specific expenditures are tracked in Excel.</p>
<p><b>Number of end-users</b></p>	<p>7 end-users of Mac-Pac. 4 end-users of STARS.</p>
<p><b>Administrative/IT Initiatives Planned</b></p>	<p>Within the next year, Lottery will be responsible for receipt of revenue (and small amount of AR) from Racing and Expanded Lottery as well as disbursement of proceeds. To manage this expanded mission Lottery will be implementing a new system or will use ACCLAIMS.</p>
<p><b>Labor Collection and Allocation</b></p>	<p>No</p>
<p><b>AR-Billing</b></p>	<p>The Agency tracks monies owed by retail locations that sell lottery tickets.</p>
<p><b>Budgeting</b></p>	<p>Budgeting is performed using Excel.</p>
<p><b>Unique Commodity/Service Codes</b></p>	<p>No</p>
<p><b>Required Interfaces</b></p>	<p>Inbound: ACCLAIMS to FMS (Lottery interface requirements will need to be responsive to new games without the code needing to be modified.</p> <p>Outbound: TBD</p>
<p><b>Data Conversion</b></p>	<p>Fund balances, POs that carry-over, assets</p>
<p><b>Reporting</b></p>	<p>Samples of 2 reports were provided: GL (by Game # [Center], Trans code and reason) Budget to Actual (developed in Access with data from Mac-Pac)</p>
<p><b>DAFR Reports Used by Agency</b></p>	<p>810, 8070, 8101, 8120, 8210, 8240, 8280, 8290, 8300, 8420</p>

<b>Survey Topic</b>	<b>Agency Response</b>
<b>Functional Contact</b>	Carolyn Brock Email: carolyn.brock@kslottery.net Phone #: 785.296.5781
<b>Technical Contact</b>	Jim Brehm Email: jim.brehm@kslottery.net Phone #: 785.296.5743



**Note:** The assumption in illustration above is dependent on FMS providing central AR/billing functionality. If AR/billing is not included in the FMS, in all likelihood, Mac-Pac will be retained. The illustration below assumes AR/billing is included in FMS.



# Pittsburg State University

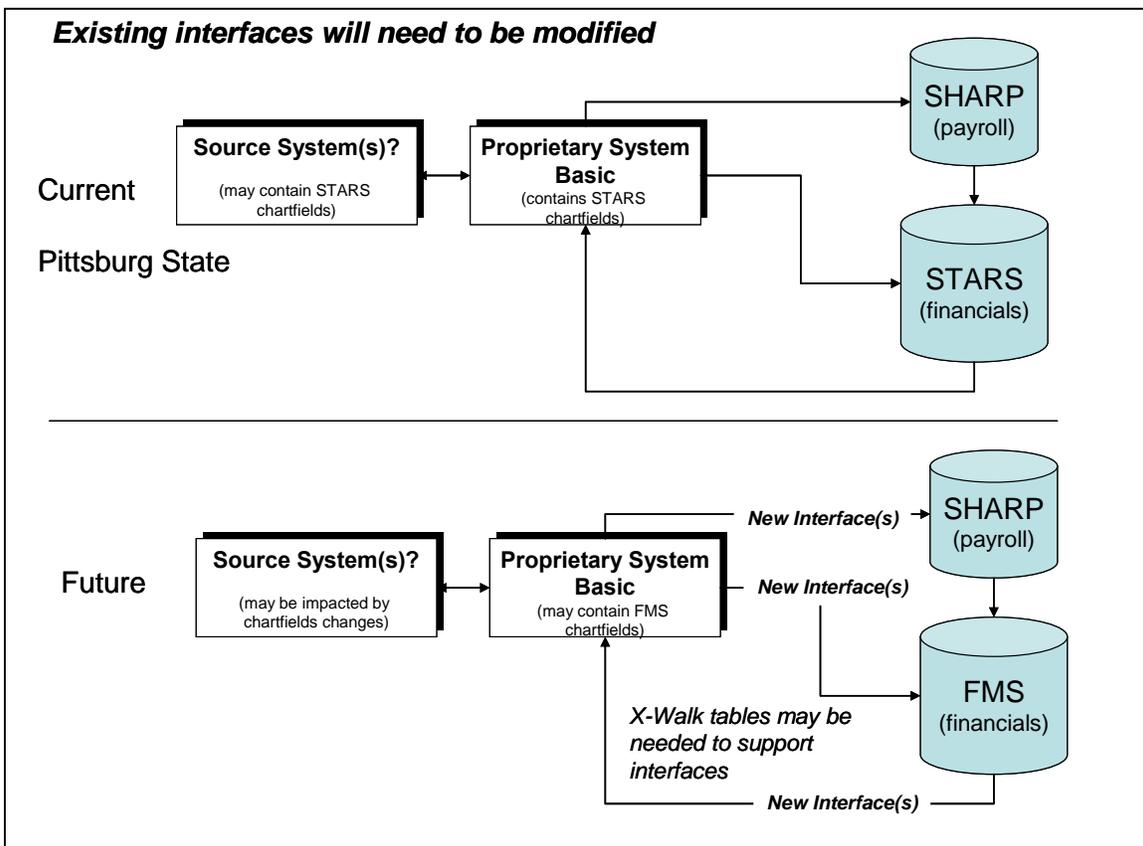
## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Barbara Winter	Kent Olson Duncan Friend	Gary Schneider

## Recommendations and Observations

Pittsburg State University will continue to use the Basic system as their institutional accounting system. The system interfaces to SHARP and STARS. These interfaces will have to be re-built to accommodate FMS.

A simplified illustration of the institution’s current systems and FMS integration are presented below.



Contact is Barbara Winter (bwinter@pittstate.edu).

# Revenue

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Jim Conant – Director Shirley Hollis – Financial Mgr Tim Blevins - IT Kevin Fulton - Admin Mavis Cockrell – Budget Lydia RD	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	Purchasing Data Base KDOR Inventory System	None

## Recommendations and Observations

The Department of Revenue (KDOR) has two systems that will be replaced by FMS:

- Purchasing Data Base
- KDOR Inventory System

The Purchasing Data Base is a very advanced and refined system that has been in use for over three years. The system incorporates key features of a Tier 1 purchasing system such as role-based security, alternative approval tracks and workflow. Usability of the system is very high. However, it does not integrate at an enterprise level with other business processes such budget checking against the GL for requisitions and POs, accounts payable for initiating payments or asset management for managing assets. In this case, what is lost in terms of customization and usability should be gained in terms of enterprise-level integration.

KDOR uses STARS as its internal accounting system and does not have a standalone system.

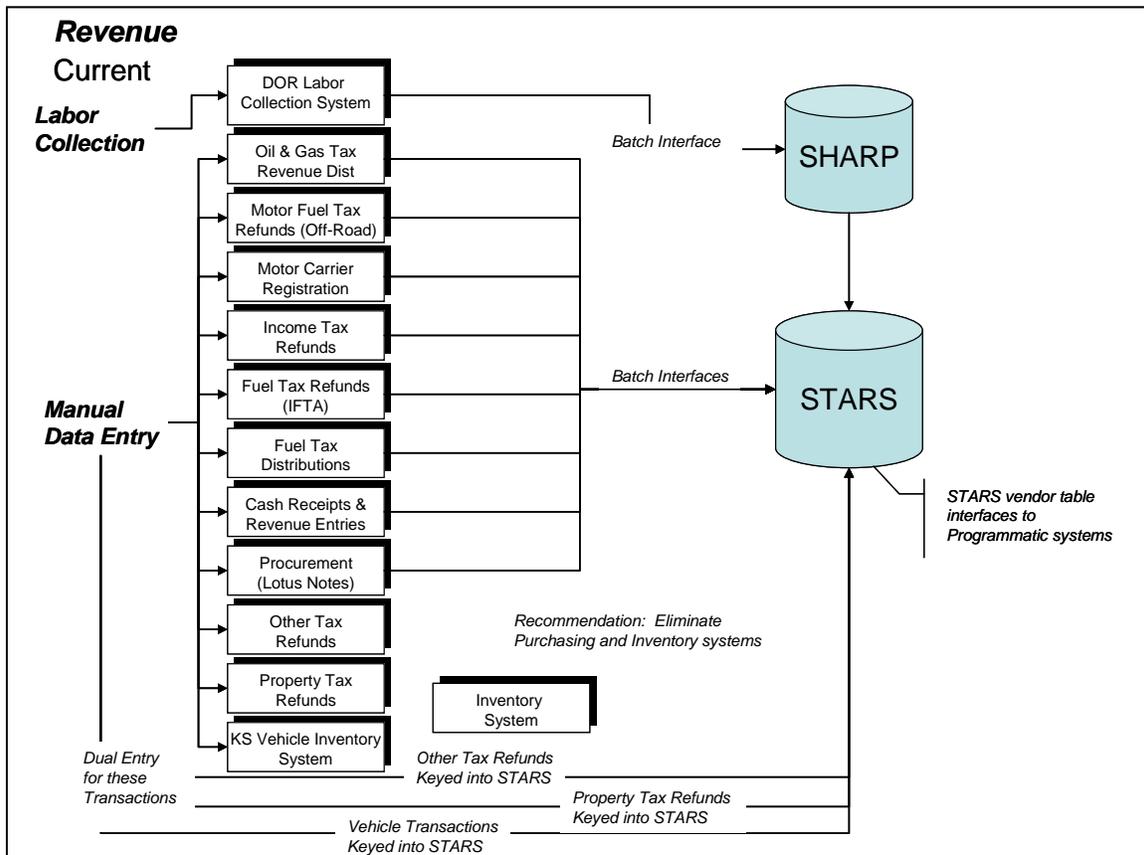
A much greater challenge to KDOR (than replacement of these two administrative systems) will be developing the interfaces from their programmatic systems to FMS. Seven interfaces have been identified that generate payments for tax refunds and distributions to government entities for taxes and fees collected on their behalf. FMS-driven changes to accounting code segments could have a significant impact on KDOR resources needed to modify these programmatic systems. KDOR is concerned about the

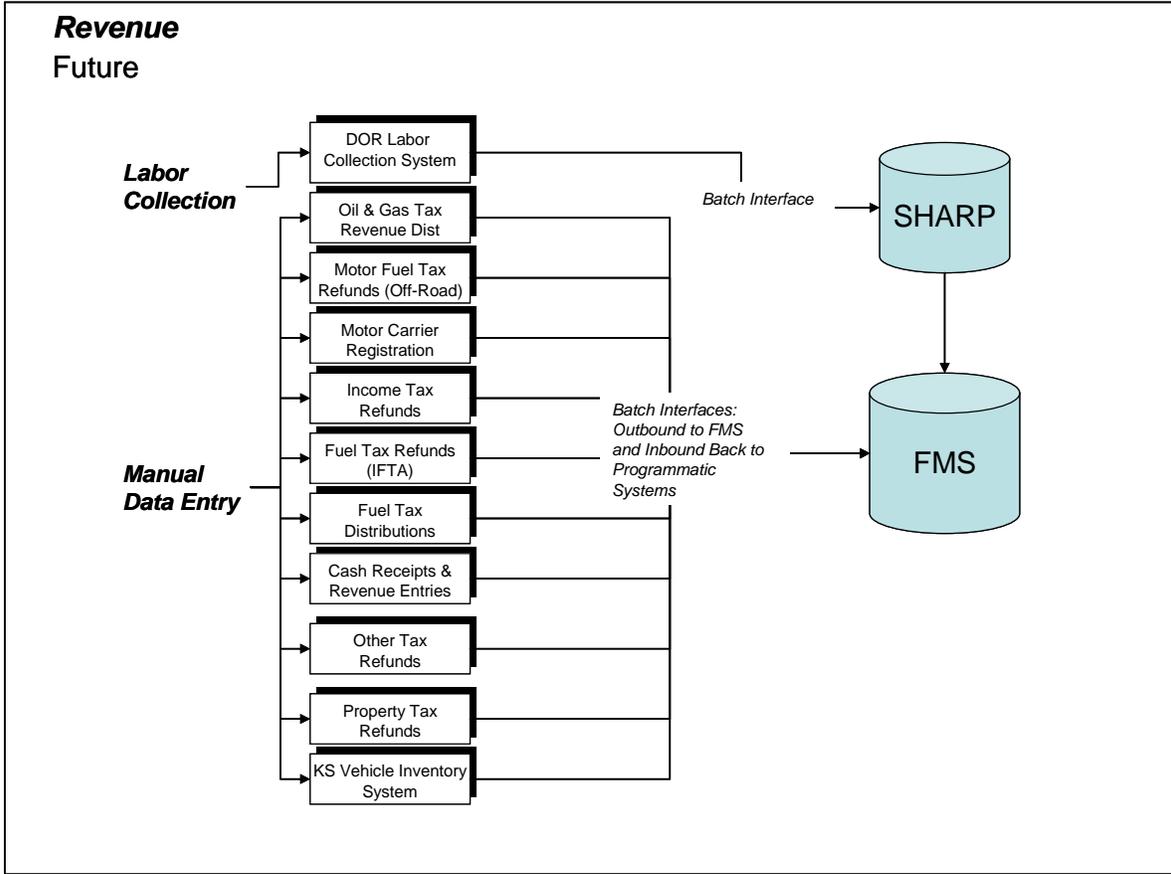
resources available to make necessary changes given their on-going responsibility to make changes to these systems when required to meet changes in legislation.

Detailed information on agency systems, a simplified illustration of the agency's current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<b>Systems Overview</b>	<p>KDOR's Purchasing Data Base is a custom application developed using Lotus Notes to manage purchasing activities. The system records all activities in the purchasing process and includes role-based security features that define who can modify a purchasing document at each stage of the process. The system uses workflow and has most of the features of a Tier 1 ERP purchasing system. The system currently interfaces with STARS. The system has approximately 300 users.</p> <p>KDOR Inventory System tracks agency assets. It is a custom application built on an Access database. The system has approximately 30 users.</p>
<b>Unique Business Requirements and Data Elements</b>	<p>The purchasing application uses role-based security and workflow to manage the purchasing process. This functionality will be replicated in the new FMS.</p> <p>The purchasing system produces numerous reports used by management.</p>
<b>Number of end-users</b>	<p>300 + users for purchasing            30 users of inventory system            150+ users of STARS</p>
<b>Administrative/IT Initiatives Planned</b>	<p>The Agency plans to modernize its vehicle revenue collection systems within the next several years. This will be an approximately \$40 million project. Depending on funding and legislative mandates, the Agency may be working on the procurement of this system during FMS implementation. The current plans are to issue an RFP in 08/08 and to begin implementation in the Spring of '09.</p>
<b>Labor Collection and Distribution</b>	<p>KDOR performs very minor labor collection and cost allocation. KDOR has a stand-alone electronic timekeeping system that interfaces to SHARP.</p>
<b>AR-Billing</b>	<p>KDOR does very little billing and does not have a need for AR/billing.</p>
<b>Budgeting</b>	<p>The Agency uses macro-driven Excel spreadsheets to develop its budget.</p>
<b>Unique Commodity/Service Codes</b>	<p>None.</p>
<b>Required Interfaces</b>	<p>The Agency would like to interface all programmatic systems (outbound and inbound) with the FMS. Ten interfaces have been identified (outbound and inbound) between programmatic systems and FMS. Interfacing systems include:</p> <ul style="list-style-type: none"> <li>• Oil &amp; Gas Tax Distributions</li> <li>• Motor Fuel Tax Refunds</li> </ul>

Survey Topic	Agency Response
	<ul style="list-style-type: none"> <li>• Motor Carrier Registration</li> <li>• Income Tax Refunds</li> <li>• Fuel Tax Refunds</li> <li>• Fuel Tax Distributions</li> <li>• Cash Receipts &amp; Revenue Entries</li> <li>• Other Tax Refunds</li> <li>• Property Tax Refunds</li> <li>• KS Vehicle Inventory System</li> </ul> <p>Additionally an interface from the FMS vendor table will be required for validation of recipients.</p>
<b>Data Conversion</b>	Fund balances, POs that carry-over, assets.
<b>Reporting</b>	The purchasing system and the inventory system produce management reports. Binder of reports provided by Mavis.
<b>DAFR Reports Used by Agency</b>	DAFR 8290
<b>Functional Contact</b>	Purchasing system: Email: mavis_cockrell@kdor.state.ks.us Phone: 785.296.1710 Inventory system: Email: Kevin_fulton@kdor.state.ks.us Phone: 785.296.2448
<b>Technical Contact</b>	Email: stan_jones@kdor.state.ks.us Phone: 785.296.4141





# Secretary of State

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Nancy Bryant – Chief of Staff Karen Clark - PM Mike Stewart – CIO Mike Brassel – HR Stephanie Mickelsen – Bus Bobbie Broadbent – Acctg Amy Jeffrey – AR Kathy Sachs – Acctg Dena Strohm – AP Alan Burt – Payroll, Purchasing, Reports, Budget	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	Track-IT (maybe)	MUNIS

## Recommendations and Observations

The Secretary of State (Agency) has recently implemented a new financial system using Tyler’s MUNIS -- an off-the-shelf public sector accounting software application. The system is called BRAIN.

The Agency has made a significant investment in configuring BRAIN. This system will be retained and will interface with FMS. The Agency anticipates a significant impact to MUNIS to accommodate a new COA in FMS.

The Agency would like to use the purchasing module in MUNIS and interface this to FMS. The details of this interface will have to be defined and added to the FMS purchasing requirements.

The Agency tracks filing activities including filing fees with the Agency Filing System. The system interfaces with BRAIN.

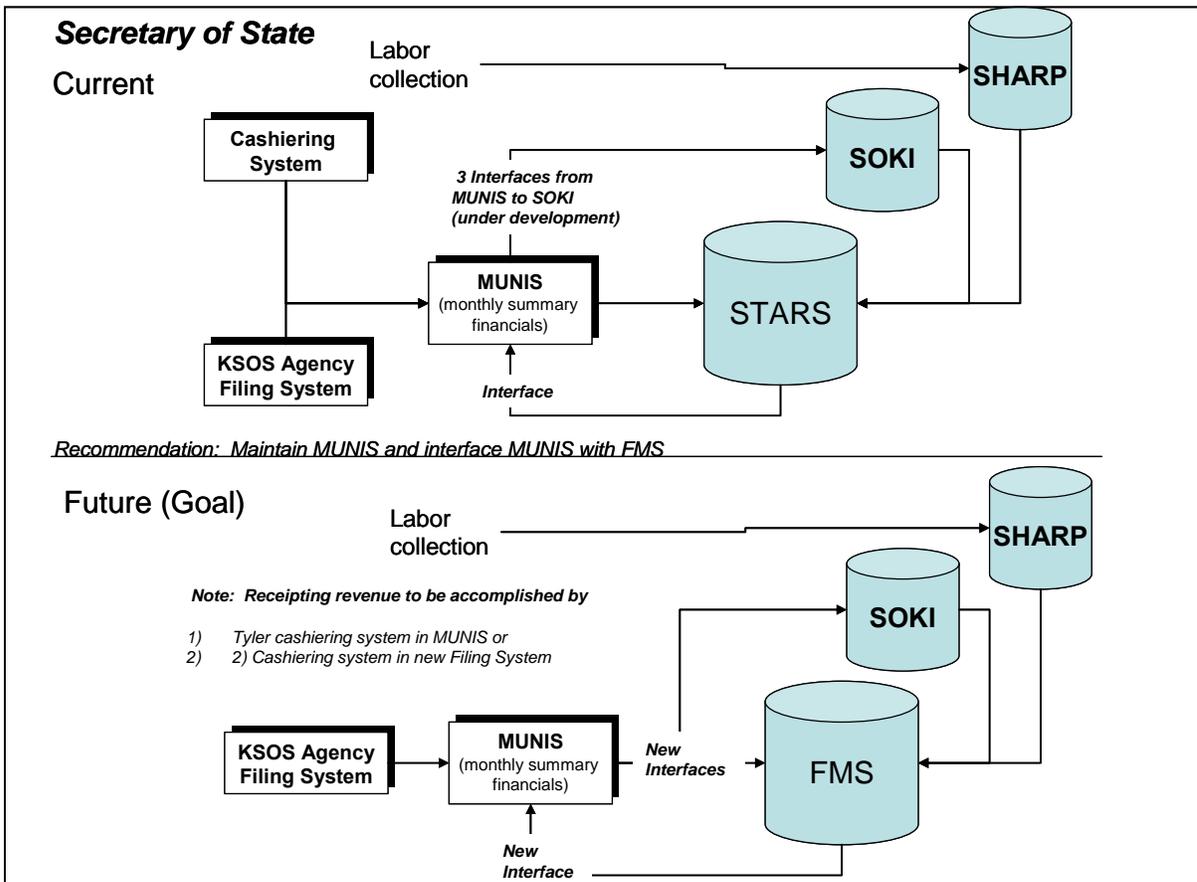
The Agency receipts a large number of revenue transactions using the Cashiering System which interfaces with BRAIN. BRAIN then interfaces with SOKI.

The Agency tracks its IT assets using a stand-alone application called Track-it.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<p><b>Systems Overview</b></p>	<p><b>BRAIN</b> The system is modular and includes the following functionality:</p> <ul style="list-style-type: none"> <li>• GL</li> <li>• Purchasing</li> <li>• AP</li> <li>• Budget</li> </ul> <p>BRAIN interfaces with STARS on a daily basis for payment vouchers. Summary data from SHARP is used for reconciliation of payroll transactions.</p> <p><b>Agency Filing System</b> . The Agency is 100% fee funded and must account for fees associated with approximately 600 filing duties. The Agency uses an Agency Filing System for managing numerous filings (e.g. notaries). This system tracks the filing fees. The file fee system is run on an AS/400. This system interfaces with BRAIN. The Agency plans to replace the filing system and has issued an RFI. The system has a cashiering component called the Cashiering System.</p> <p><b>Cashiering System.</b> The Agency has a cashiering system (on the AS/400) for receipting revenue (i.e. filing fees) which interfaces with BRAIN. BRAIN then interfaces with SOKI. Revenue transactions are also processed via KS.gov. The agency manages a small amount of AR via billings and a large amount of AR via cash receipts.</p> <p><b>Track-It</b> IT assets are stored in this desktop application.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>The Agency uses different index codes for tracking federal funds.</p> <p>KSOS does not use unique procurement object codes or commodity codes but does use their own unique codes (Charge Codes) for categorizing revenue receipts.</p> <p>The chart of accounts in MUNIS is patterned after the STARS chart of accounts.</p>
<p><b>Number of end-users</b></p>	<p>Less than 20 end-users of MUNIS (may grow in the future). 3 STARS users.</p>
<p><b>Administrative/IT Initiatives Planned</b></p>	<p>KSOS is considering replacing the current Agency Filing System including the AR interface with MUNIS. While it is not anticipated that this will have an impact on the scope of the FMS project, it will have an impact on the KSOS resources (human and financial) available for the FMS project.</p>
<p><b>Labor Collection and Distribution</b></p>	<p>The Agency does not have a business requirement for extensive labor collection and allocation. Percentage estimates for employee time spent on each program is adequate.</p> <p>Nancy would like to have an electronic time and leave system so that employee time could be submitted to SHARP electronically.</p>
<p><b>AR-Billing</b></p>	<p>The Agency has a minimal need for AR/billing. MUNIS has a General Billing module that KSOS did not purchase but may do so in the future.</p>

Survey Topic	Agency Response
<b>Budgeting</b>	Budget development is done in Excel although the functionality is in MUNIS. Budget execution is in MUNIS.
<b>Unique Commodity/Service Codes</b>	KSOS does not use unique procurement object codes or commodity codes.
<b>Required Interfaces</b>	<p>Currently there is one daily interface between MUNIS and STARS for payment vouchers.</p> <p>The following interfaces are being developed between MUNIS and SOKI and MUNIS and STARS:</p> <ol style="list-style-type: none"> <li>a. The SOKI<sup>3</sup> Receipt Voucher Initialization Format for receipt vouchers.</li> <li>b. The SOKI<sup>3</sup> JV Initialization Format for journal vouchers.</li> <li>c. The SOKI<sup>3</sup> Interfund Initialization Format for interfund expenditure vouchers initiated by KSOS.</li> <li>d. The STARS Daily Transactions record layout for reconciliation of all transactions processed by STARS and for import of payroll and interfund expenditure vouchers not initiated by KSOS.</li> </ol> <p>In the future, an interface between MUNIS and STARS may be developed for DA118's. Outbound and inbound interfaces will be needed between MUNIS and FMS. Interfaces between MUNIS and SOKI will need to be re-built based on changes to SOKI.</p>
<b>Data Conversion</b>	Fund balances, POs that carry-over, assets.
<b>Reporting</b>	Reports provided showing COA layout, object codes, GL accounts, sample PO, AP, and Receipts and charge codes for classifying revenue receipts.
<b>DAFR Reports Used by Agency</b>	8010, 8120, 8240, 8421, 8070, 8300
<b>Functional Contact</b>	Nancy Bryant Email: nancyb@kssos.org Phone: 785.296.3033
<b>Technical Contact</b>	Karen Clark Email: karenc@kssos.org Phone: 785.368.8094



# SRS

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Theresa Addington – CFO Jerry Clements – Purchasing Barbara Walder-Hittle – Acctg Mgr Bob Clevenger – FARMS Programmer Debbie McWilliams – AP Candice - FARMS Kathy Cox - IT Jeff Lewis – CIO	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	FARMS Grants Asset Management	Central Cashier

## Recommendations and Observations

SRS has three systems that are candidates for replacement:

- FARMS – manages GL and fund balances, vendor payments and funding allocations for payments
- Grants – database to track grants
- Asset Management – tracks assets

SRS will need to develop six new interfaces (and possibly modify the six programmatic systems) as a result of changes in accounting code segments expected in the FMS project.

Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

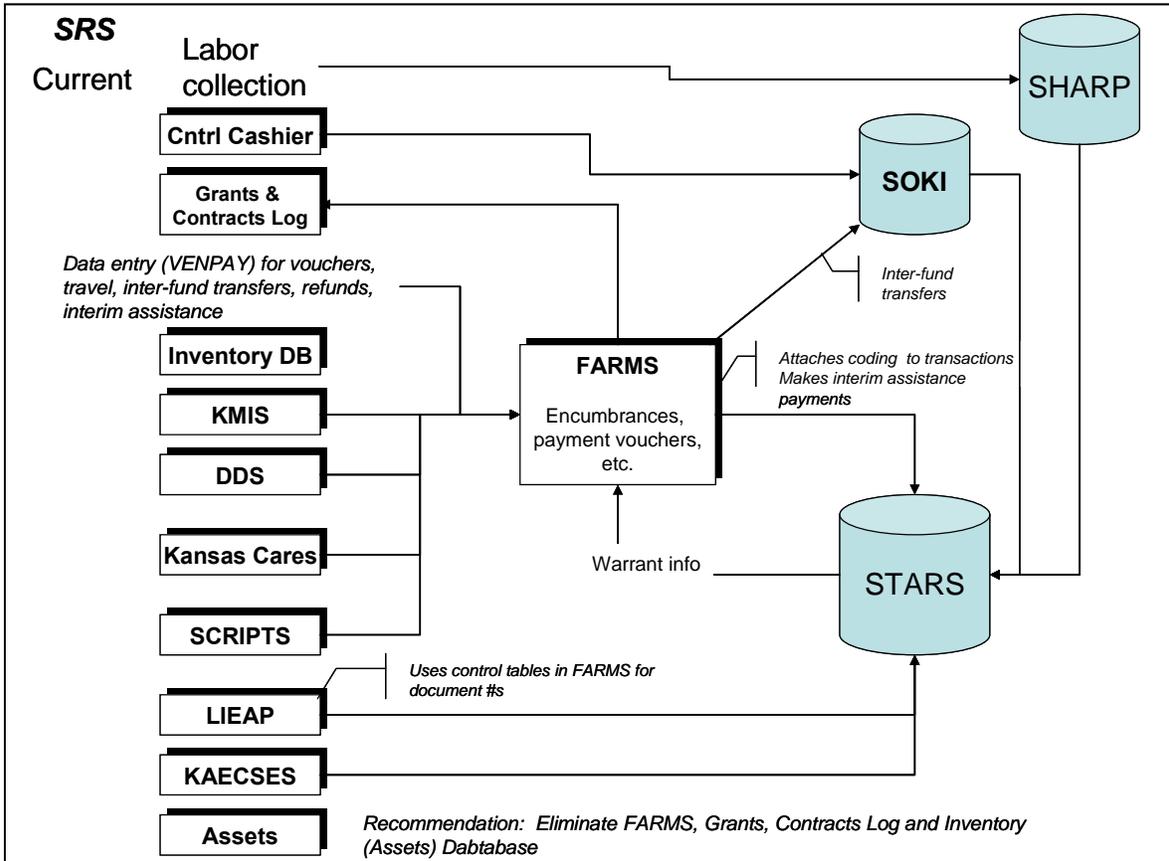
Survey Topic	Agency Response
<b>Systems Overview</b>	<p><b>FARMS</b> is a mainframe system that uses (VSAM/COBOL/CICS/SAS) to manage GL, AP and grant accounting. FARMS categorizes expenditures and balances funds. FARMS is a role-based system which limits the category of payments that can be entered as well as what functionality can be accessed. FARMS interfaces with STARS to generate payment vouchers.</p> <p><b>Grants and Contracts Log</b> is an Access 2000 system that tracks</p>

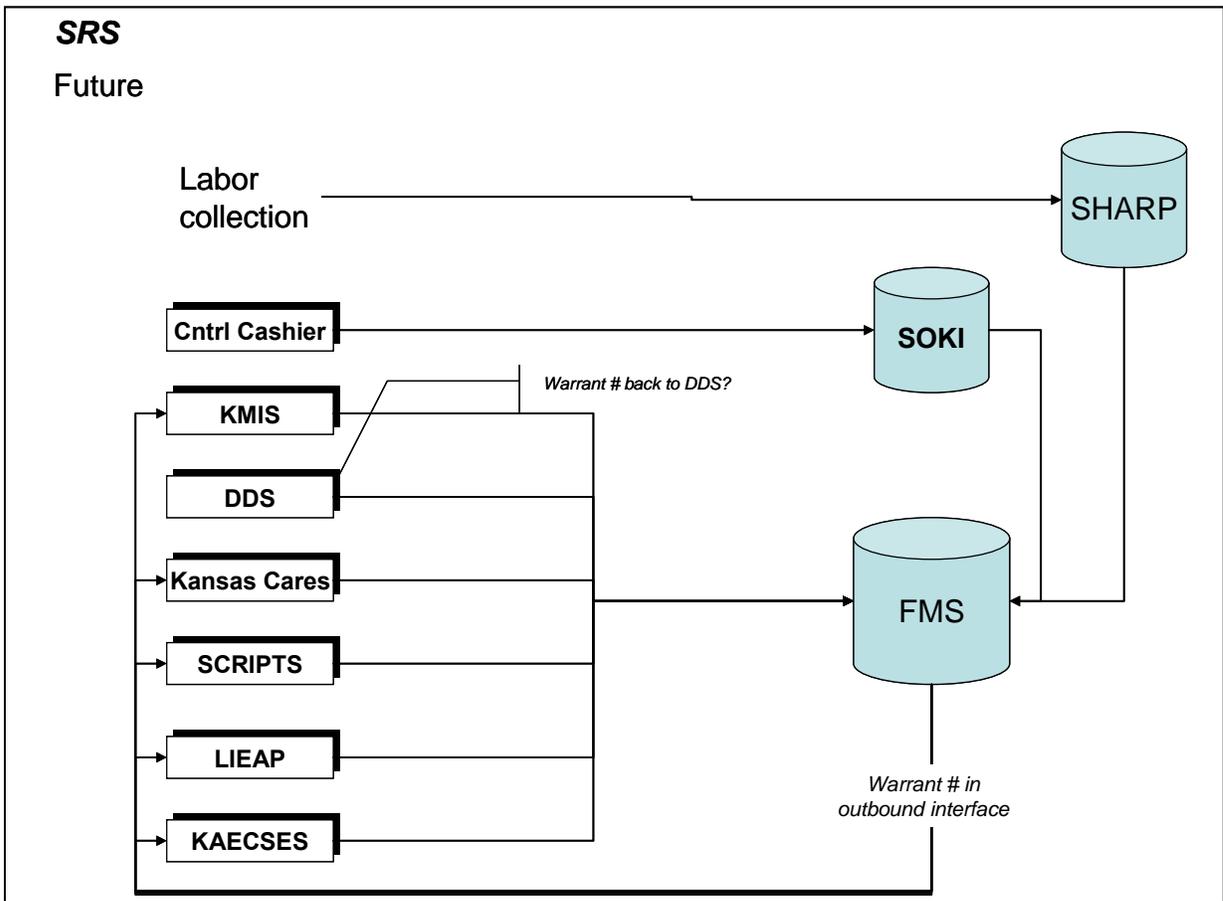
Survey Topic	Agency Response
	<p>details on all federal grants awarded to local governments, non-profits and other service providers. The system also tracks contract information for service providers. The system receives a monthly download of payment information from FARMS.</p> <p><b>SRS Inventory Database</b> is an Access 2000 system that tracks all SRS assets. The system uses several levels of role-based security. It supports annual and period Agency reporting.</p> <p><b>Central Cashier</b> is a system to receipt revenue which interfaces with SOKI. Changes to SOKI (driven by FMS changes to the chart of accounts) will require changes to the Central Cashier system.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p><b>FARMS</b></p> <p>FARMS' users enter expenditure details at the PCA/Object level which allow the system to generate funding details based on a CAP derived from SRS funding tables. The system includes edits for certain PCA codes combined with specific classes of object codes and sub-object codes. SRS would like to be able to re-calculate encumbrance funding based on changes to the funding table.</p> <p>FARMS uses its own class of sub-object codes to break down categories of expenditures further within the State defined object code divisions; these will need to be modified, e.g. a sub-object from Venpay translates into a STARS' sub-object code. Some client eligibility matching elements are stored in FARMS for certain types of payments related to goods or services purchased on behalf of clients. Depending on the fund, FARMS can only process for specific types of expenditures.</p> <p>In some cases grant payments may have to draw from two sources (i.e. two fiscal years).</p> <p>The Federal government requests cash basis accounting.</p> <p>FARMS captures geographic information (County code and Area Number) for each transaction. Location information is used for reporting.</p> <p>FARMS allocation parameters are set-up in Access then uploaded to FARMS.</p> <p>FARMS helps balance funds by summarizing expenditure batches and adjustment transactions for each fund and generates a report that is used to determine drawdown amounts for federal (reimbursable) grants.</p> <p>Data conversion could involve multiple years of encumbrances.</p> <p><b>Grants and Contracts Log</b> The system stores key information required for grant and</p>

Survey Topic	Agency Response
	<p>contract management:</p> <ul style="list-style-type: none"> <li>• Grant and Contract Numbers</li> <li>• Period of agreement</li> <li>• Renewal Options</li> <li>• Program issuing grant</li> <li>• Federal share, State share and Award Amount</li> <li>• Grant Balance Remaining</li> <li>• Vender fiscal year end</li> <li>• Financial Closeout (example report provided)</li> <li>• Audit type</li> <li>• File Archive ID</li> <li>• Risk Assessment Score</li> <li>• Comments/ summary</li> <li>• CFDA #</li> <li>• Audit contact info</li> <li>• Revenue funding sources</li> <li>• Agency auditor assigned</li> <li>• Audit Project Number</li> <li>• Area Served, Service purchased</li> <li>• Unit price</li> <li>• Unit Description</li> <li>• Target Population</li> </ul> <p><b>SRS Inventory Database (Asset Management)</b>                      The system calculates asset totals by object codes. It contains the following data elements:</p> <ul style="list-style-type: none"> <li>• Asset (Property) Number Assigned</li> <li>• Location (site) code</li> <li>• Model, Make/Brand, Description, Serial Number</li> <li>• Item Additions Info (child #)</li> <li>• Date DA-110 (deletion)</li> <li>• Date DA-83 (transfer)</li> <li>• Maintenance (Vendor, term, start/end dates, cost)</li> <li>• Acquisition cost</li> <li>• Inv. #</li> <li>• Vendor</li> <li>• Date</li> <li>• Vehicle License Tag #</li> </ul>
<b>Number of end-users</b>	550 FARMS users (however, many are probably not active) 87 STARS users 15 Grants & Contracts Log users 6 Inventory database users
<b>Administrative/IT Initiatives Planned</b>	SRS is working on an RFP for a “roadmap” that will consolidate all of their systems into one case management and payment system (HSM project). Upgrade of Grants and Contracts Log from Access 2000 to 2003 Upgrade of Inventory Database from Access 2000 to 2003
<b>Labor Collection and Distribution</b>	Labor allocations are determined by quarterly time studies (outside of FARMS). Case workers may have multiple PCAs (on a given day) which are split differently. Employees use SHARP funding pools.

Survey Topic	Agency Response
<b>AR-Billing</b>	SRS does not perform AR/billing.
<b>Budgeting</b>	
<b>Unique Commodity/Service Codes</b>	None. Grant RFPs are posted to the SRS public website.
<b>Required Interfaces</b>	<p>FARMS and Central Cashier produce extract files that are exported to SOKI, for receipts and inter-agency transfers, respectively. When FARMS is replaced by FMS, FMS will need to produce an extract file and export it to SOKI for inter-agency transfers.</p> <p>Central Cashier will continue to interface with SOKI.</p> <p>Six interface have been identified. These are outbound interfaces from programmatic systems to FARMS which will need to be modified to interface with FMS. Interfacing systems include:</p> <ul style="list-style-type: none"> <li>• KMIS</li> <li>• DDS</li> <li>• Kansas Care</li> <li>• SCRIPTS</li> <li>• LIEAP</li> <li>• KAECSES</li> </ul> <p>Outbound interfaces from FMS are needed to bring back warrant #s to these programmatic systems.</p>
<b>Data Conversion</b>	Fund balances, POs that carry-over, assets, grant balances.
<b>Reporting</b>	<p>FARMS reports?</p> <ul style="list-style-type: none"> <li>• Voucher details</li> </ul> <p>Grants and Contracts Log reports:</p> <ul style="list-style-type: none"> <li>• OACS Provider Closeout</li> <li>• CPA Audits Due to OACS</li> <li>• OACS Audits Assigned and in Progress</li> <li>• Grantees by Region</li> <li>• Grant Summary report</li> <li>• Grants by Division</li> <li>• CFS Grants</li> </ul> <p>Inventory Database:</p> <ul style="list-style-type: none"> <li>• Annual Capital Asset Reporting (use of bond proceeds and amounts?)</li> <li>• Property Numbers (buildings?)</li> <li>• Location (source code, nom code, transaction code?)</li> <li>• DA83 (IT)</li> <li>• DA110 (vehicles)</li> <li>• EOM Capital Outlay</li> <li>• SRS Regions (for location codes)</li> </ul>
<b>DAFR Reports Used by Agency</b>	Daily: 8101, 8420 Monthly: 8101, 8120, 8280, 8300
<b>Functional Contact</b>	<p>FARMS: Email: Theresa.addington@srs.ks.gov Phone: 785.368.6358</p> <p>Grants &amp; Contracts Log &amp; Inventory Database:</p>

Survey Topic	Agency Response
	Email: Jerry.clements@srs.ks.gov Phone: 785.296.3248
<b>Technical Contact</b>	FARMS: Bob.clevenger@srs.ks.gov Grants & Contracts Log & Inventory Database: Email: Truman.brown@srs.ks.gov Phone: 785.296.8350





# Transportation

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Dale Jost – Bureau Chief Rhonda Seitz Mike Branam - IT Kelly Badenoch - IT Mark Clements - Purchasing	Kent Olson Duncan Friend	Mitt Salvaggio Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	IFIS - accounting	VES – purchasing (KDOT would like to retain a “shell” of VES to reduce the impact on other agency systems)

## Recommendations and Observations

KDOT has two systems that will be impacted by the FMS. IFIS is KDOT’s central accounting system which will be replaced by FMS. VES is KDOT’s voucher system. VES interfaces with IFIS as well as five other KDOT applications. If feasible, KDOT would like to retain some “shell” of VES, which would interface with the FMS in the areas of purchasing and payables, to minimize the impact on these other systems and possible disruption of KDOT’s business processes. During the design process a determination will be made regarding the feasibility of interfacing VES with the FMS or de-commissioning VES and interfacing all systems directly into the FMS. The RFP will include language requiring the Contractor to perform this analysis within 150 days of contract execution in order provide KDOT with adequate time to modify existing systems and developed new interfaces as required. As part of this analysis, the Contractor shall draft a decision document (deliverable), define the options and identify the pros and cons of each option. From this analysis, KDOT and FMS project management will make a decision whether to de-commission or interface VES.

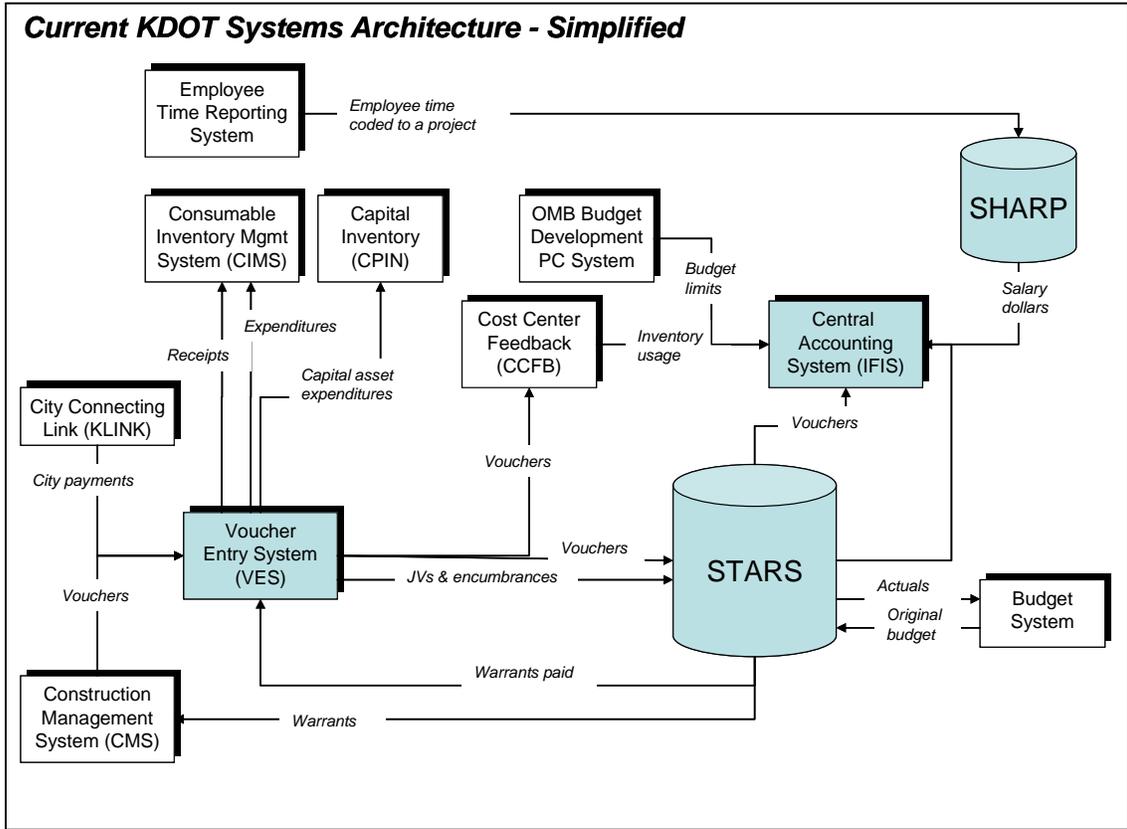
Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

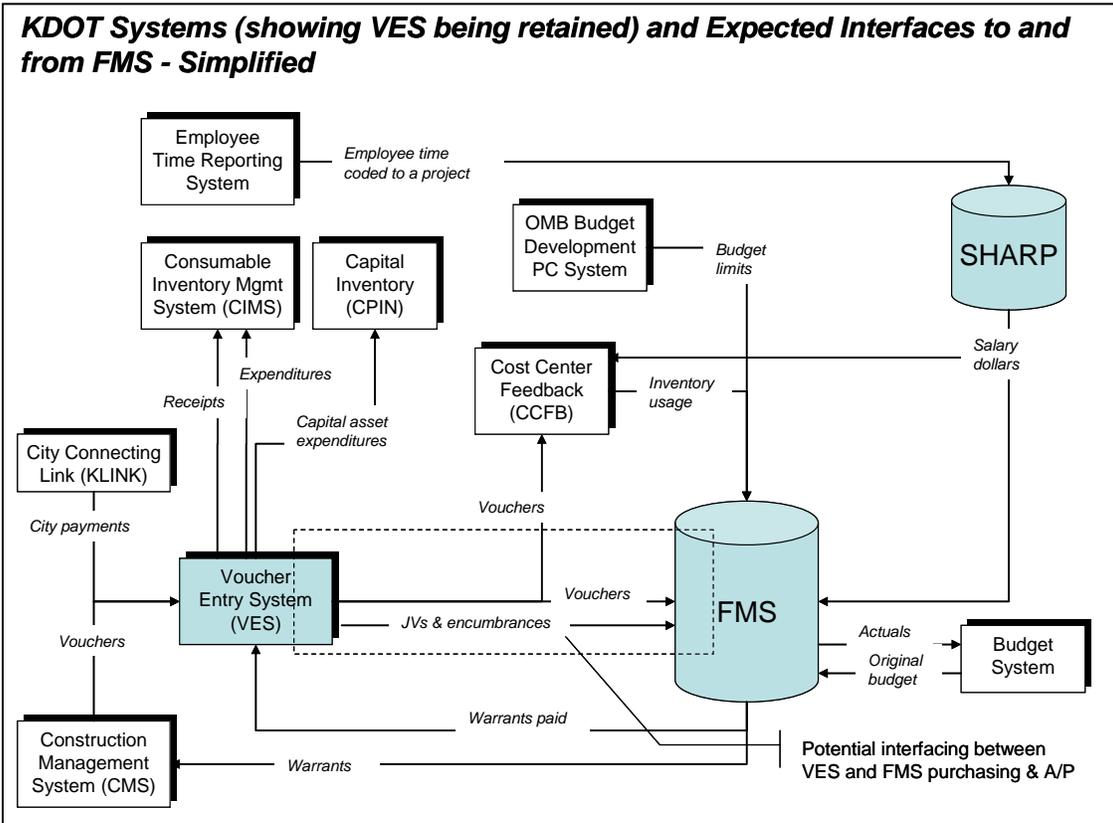
Survey Topic	Agency Response
<b>Systems Overview</b>	VES is used for the procure-to-pay business process. An interface from CMS sends payments requests (contractors, consultants, land purchases) to VES for generating vouchers in STARS. VES receives payment requests from KLINK (on a quarterly basis) for payments to local governments for work performed on behalf of KDOT. VES generates travel and expense payments. VES assigns

Survey Topic	Agency Response
	<p>PO# which begin w/ an “8”. Internal JVs go to CCFB. VES generates numerous reports (see samples). VES sends a daily (batch) interface file to STARS for vouchers. (VES access the STARS vendor table in real-time.) VES receives a nightly interface (batch) file from STARS of paid information. If vouchers match payment requests transaction information is sent to the next phase of processing. VES is a mainframe (VSAM) app.</p> <p><b>IFIS</b> is the agency’s central accounting system. IFIS manages available funding, encumbrances and transaction details (has multiple transaction codes). IFIS receives revenue transactions as follows: deposit receipt vouchers are entered into SOKI then interfaced to STARS then interfaced to IFIS. IFIS holds budgets and generates budget to actual reports and other on-line reports. VES is a mainframe (VSAM) app.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p><b>VES</b></p> <ul style="list-style-type: none"> <li>• Interface to Crew Card to access the status of selected object codes such as re-order quantities for materials such as salt (commodity code and location). Crew Card queries VES 4x per day.</li> <li>• Voucher numbering – would like to see same numbers from start-to-finish and would like unique number for CMS</li> <li>• Would like to maintain complete KDOT coding scheme (see attachment 6) and CMS coding (see attachment 6A):             <ul style="list-style-type: none"> <li>• KDOT Org,</li> <li>• Project ID (KA058501 = KA =&gt;Jurisdiction, 0585 =&gt;Number, 01 =&gt;stage 01= 01 stage = construction, 07 = cyclical in year 07??)</li> <li>• Activity, (5 digits 3 for code</li> <li>• KDOT account (e.g. capital inventory 4300)</li> <li>• Quantity (amount, UoM)</li> <li>• Item ID info (e.g. OF = office, EQ = equipment, RA = radio)</li> <li>• Stock No. location (e.g. building, mixing yard)</li> <li>• KDOT object</li> <li>• Invoice to</li> <li>• Ship to</li> </ul> </li> <li>• Crew Card (work order system) interfaces w/ VES to check if anything has been ordered. (Crew Card will need to interface with Purchasing/AP process if VES is replaced; Crew Card will need access to consumable inventory. KDOT has list of requirements in FMS requirements. Crew Card will have to be modified to if FMS adopts standard commodity codes.)</li> </ul> <p><b>IFIS</b></p> <ul style="list-style-type: none"> <li>• Budgets are built in an Access database, then uploaded to IFIS; some Bureaus key their budget data into IFIS.</li> <li>• “Intelligent numbers are important and KDOT does not want to lose those numbers”</li> <li>• “Intelligent” numbers are embedded in CPMS (carries indices) and CCFB</li> <li>• Index and PCA are used in many screens.</li> </ul>

Survey Topic	Agency Response
<b>Number of end-users</b>	VES – 200 (across State) IFIS – 30 casual users, i.e. access daily budget reports 4 key users, i.e. use many screens STARS – 200 mainly STARS vendor table
<b>Administrative/IT Initiatives Planned</b>	Currently in the middle of CPMS upgrade (04/09 implementation) Crew Card & upgrades (01/08 implementation) KDOT data warehouse expansion
<b>Labor Collection and Allocation</b>	The Agency has a need for very detailed labor allocation to support federal billing and billing local governments and other entities. Allocations are done in other systems and will not be a requirement for FMS.
<b>AR-Billing</b>	Yes, but done in other systems, i.e. no expected impact.
<b>Budgeting</b>	IFIS provides actual used in formulating next year’s budget.
<b>Unique Commodity/Service Codes</b>	Five-digit code: first three match STARS, mainly for 342xx commodities. Index field holds additional character to denote type of material.
<b>Required Interfaces</b>	TBD – Currently get monthly download of STARS expenditures and encumbrance files to keep at agency level
<b>Data Conversion</b>	TBD
<b>Reporting</b>	<p>VES – Samples of approximately 19 reports were provided:</p> <ul style="list-style-type: none"> <li>• Expenditures vs. budget by Division</li> <li>• Expenditures vs. budget by Fund</li> <li>• Detailed expenditure report (by sub-object) by Division</li> </ul> <p>IFIS – Samples of 20 reports provided:</p> <ul style="list-style-type: none"> <li>• Daily budget summary (very useful and large audience)</li> <li>• Daily budget by org/subprogram (very useful)</li> <li>• Monthly program/org transaction detail (very useful)</li> <li>• Monthly program/or transaction detail</li> <li>• Monthly org/program summary</li> <li>• Batch control and error reports</li> <li>• GL reports</li> <li>• Trial balance by fund</li> <li>• Subsidiary and program ledger updates</li> <li>• Encumbrance ledger</li> <li>• Treasurer’s cash balance</li> <li>• Transaction reconciliations</li> <li>• IFIS ad-hoc reporting (select users) (need ad-hoc query capability in FMS that is not limiting (use STARS ad-hoc extensively</li> </ul>
<b>DAFR Reports Used by Agency</b>	8010, 8020, 8240, 8421, 8010, 8101, 8120, 8360, 7570, 8300, 8070, 8180
<b>Post Bids to Web</b>	Yes. Use manual process using staging server.
<b>Special Considerations</b>	KDOT would like to minimize changes to CCFB. If accounting code segment lengths are expanded KDOT may have to make major changes, e.g. if changes to the object code expand from 5 to 7 if these values can be zero-filled then impact could be mitigated.
<b>Functional Contact</b>	Rhonda Sietz Email: rhonda@ksdot.org Phone: 785.296.3545

Survey Topic	Agency Response
<b>Technical Contact</b>	Kelly Badenoch Email: mbranam@ksdot.org Phone: 785-296.4259





# Treasurer

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Peggy Hanna Cindy Hooper-Bears - IT Curtis Bears - IT	Kent Olson Duncan Friend	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
		SOKI3+* Warrants Receipts*

\* subject to change depending on software functionality and usability

## Recommendations and Observations

The State Treasurer has several large central systems that will need to be modified based on changes to the chart of accounts. Treasury will have numerous interfaces that will have to be re-written and tested.

The Needs Assessment identified SOKI as a system that will be maintained and will interface to FMS. This recommendation was based on the fact that SOKI3+ is well-used, well-liked, and highly customized to state agencies' business processes, it is expected that SOKI3+ will be maintained and interface with the FMS. However, this decision may warrant re-visiting this decision during the design phase once the selected vendor has reviewed SOKI's functionality and usability. It is likely that the functions performed by SOKI, e.g. inter-agency transfers, journal vouchers and receipt vouchers could be executed within the FMS in order to reduce the number of systems. However, whether the FMS will be able to perform these functions as streamlined as SOKI may be the deciding factor on whether to maintain or de-commission SOKI.

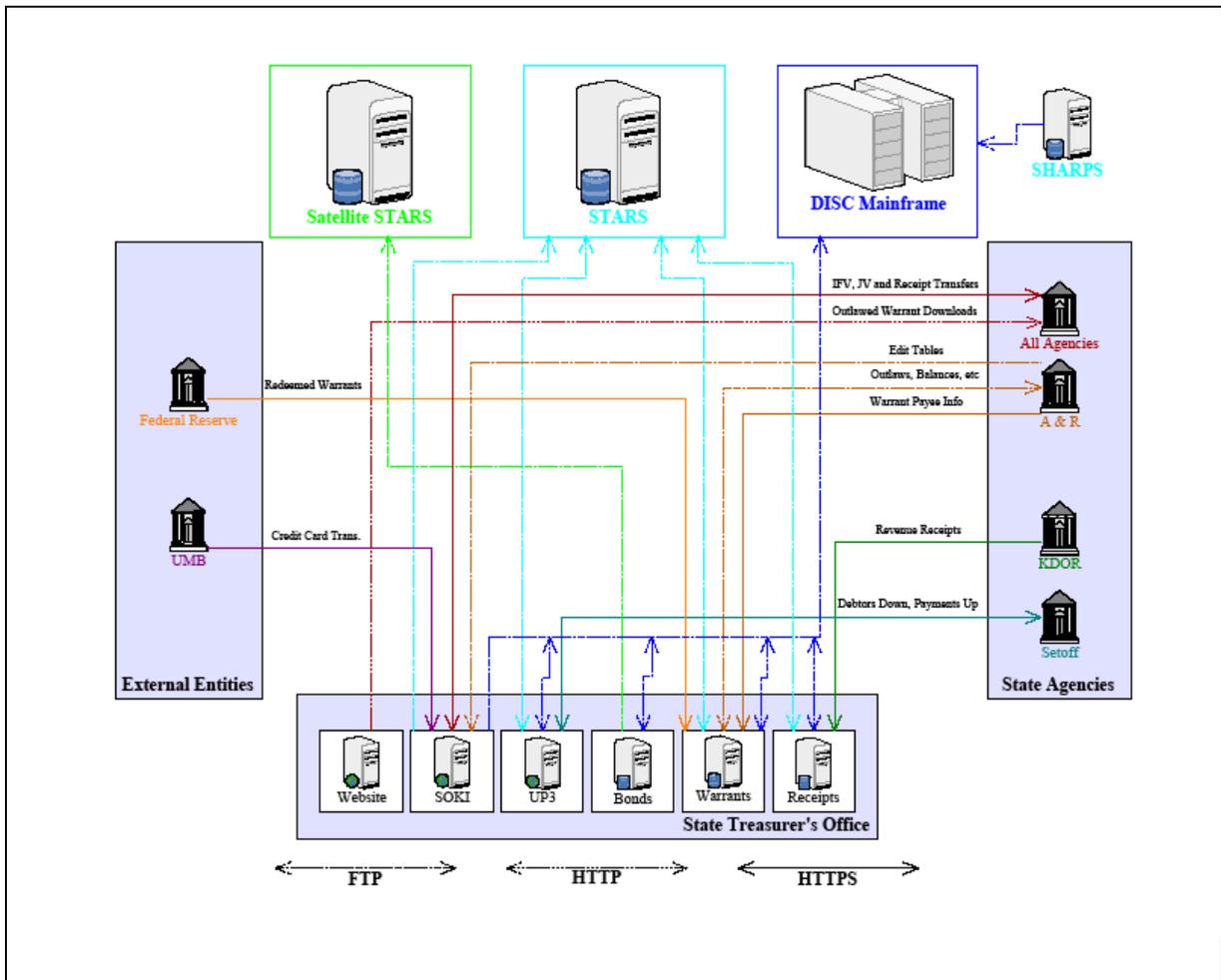
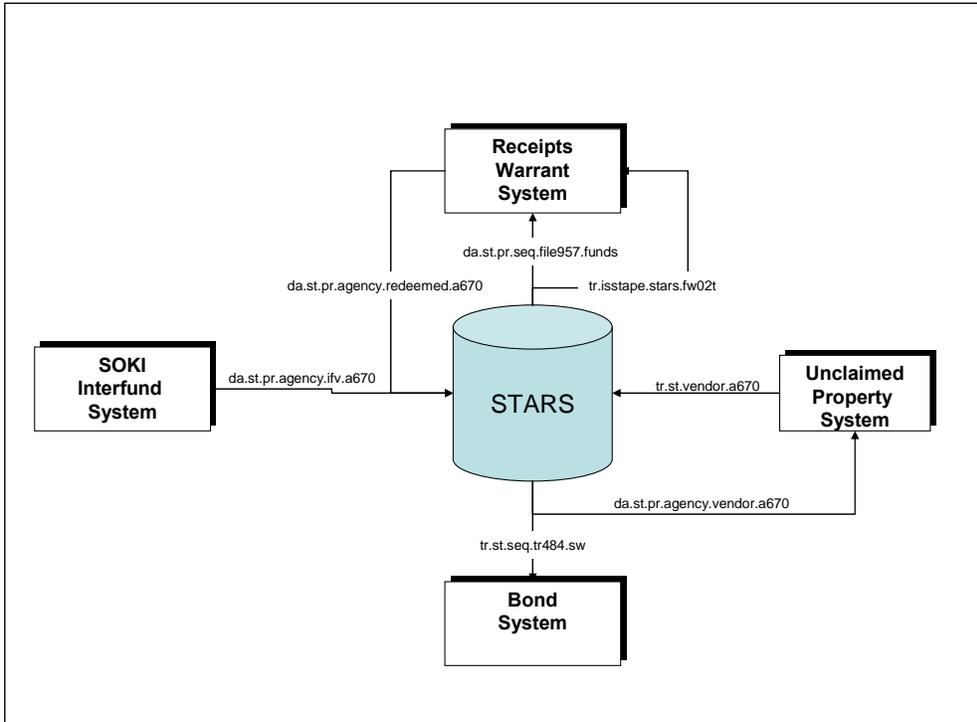
Besides SOKI, other systems that interface with STARS are Unclaimed Property, Warrants and Receipts. Unclaimed property tracks property until the "owner" can be located; once located payment vouchers are processed through an interface to STARS. Warrants tracks warrants issued across the state; it performs archival functions as well as checks and balances against Accounts and Reports information. The Receipts system enables agencies to generate receipt vouchers for revenue received (via cash, checks, wire transfers) and deposited on behalf of the State. These systems contain chartfields and will be impacted by changes to the State's chart of accounts.

Detailed information on agency systems, simplified illustrations of the agency's current systems, interfaces with STARS and FMS integration are presented below.

Survey Topic	Agency Response
<b>Systems Overview</b>	SOKI3+) is a in-house, custom-developed web-based application used by state agencies to record accounting entries for receipts, inter-fund vouchers, and journal vouchers. SOKI3+ generates billing invoices to state agencies for their monthly cash management fees. SOKI3+ generates a file of all inter-fund and journal vouchers entered and uploads this information into STARS. SOKI3+ also provides the means for agencies to enter federal grant receivables to match with wire transfers. SOKI3+ receives a download of state credit card transactions.
<b>Unique Business Requirements and Data Elements</b>	SOKI3+ is a very specialized application to execute the business processes identified above. It has extensive business logic, workflow, role-based security and upload capabilities.
<b>Number of end-users</b>	1,000 end-users of SOKI3+
<b>Administrative/IT Initiatives Planned</b>	The Agency is beginning a complete re-write of SOKI3+ using a different architecture and platform.
<b>Labor Collection and Allocation</b>	Not an issue.
<b>AR-Billing</b>	Billing/invoicing is not a need of the Agency
<b>Budgeting</b>	Budgeting is done outside of the financial systems using spreadsheets.
<b>Unique Commodity/Service Codes</b>	None identified.
<b>Required Interfaces</b>	There are twelve (12) interfaces between Treasury systems and SHARP and STARS.
<b>Data Conversion</b>	Fund balances, POs that carry-over, assets.
<b>Reporting</b>	None provided.
<b>DAFR Reports Used by Agency</b>	None identified.
<b>Functional Contact</b>	Cindy Hooper-Bears 785/296-3615 cindy@treasurer.state.ks.us
<b>Technical Contact</b>	Curtis Bears 785/296-8050 curtis@treasurer.state.ks.us

SOKI3+ transaction volume for FY2007 is provided in the table below.

Transaction Type	Volume
<b>Journal Vouchers</b>	14,620 JVs 178,265 transaction lines \$5,515,217,478 amount of transactions
<b>Receipts</b>	34,734 Receipts 121,511 transaction lines \$10,948,396,145 amount of transactions
<b>Orders</b>	979 Orders 2,879 transaction lines \$1,573,149 amount of transactions
<b>Interfund Transfers</b>	31,604 Interfunds 51,040 transaction lines \$2,663,027,864 amount of transactions



# Wichita State University

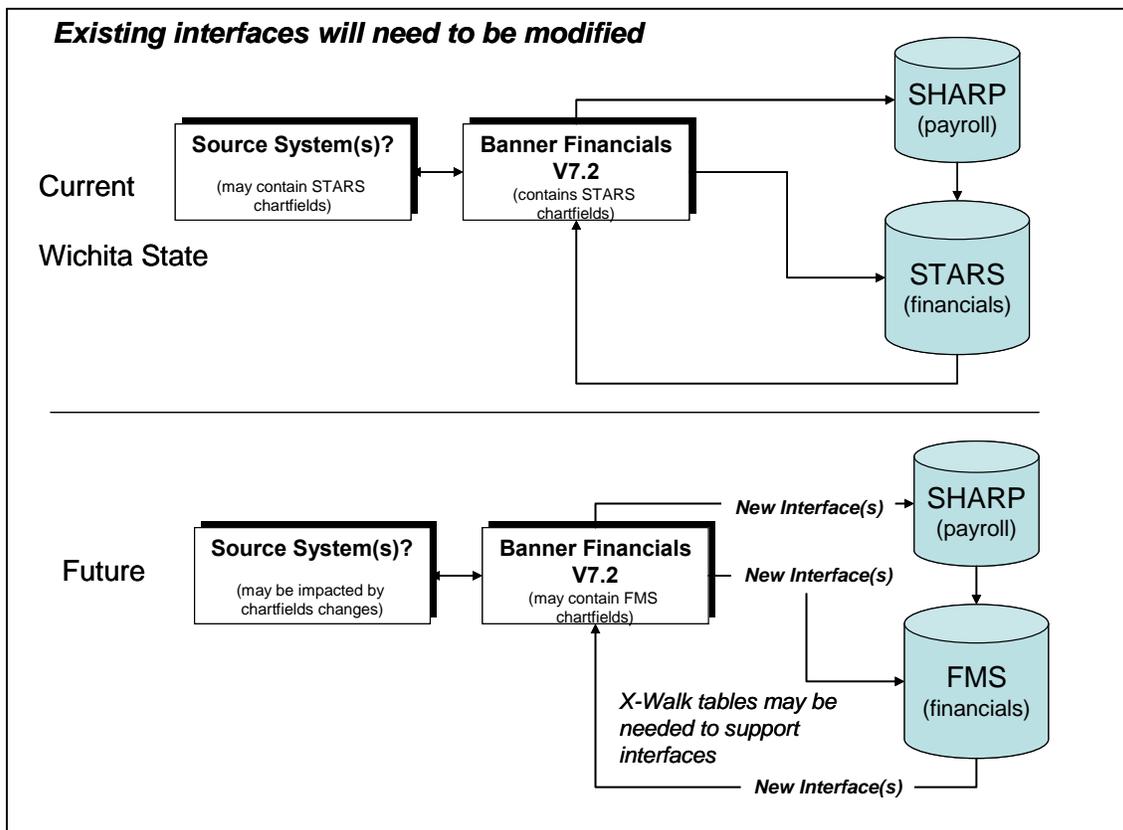
## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Lois Tatro	Kent Olson Duncan Friend	Gary Schneider

## Recommendations and Observations

Wichita State University will continue to use the Banner system as their institutional accounting system. The system interfaces to SHARP and STARS. These interfaces will have to be re-built to accommodate FMS.

A simplified illustration of the institution’s current systems and FMS integration are presented below.



Contact is Lois Tatro (lois.tatro.edu).

# Wildlife and Parks

## Participants in 1<sup>st</sup> and/or 2<sup>nd</sup> Meeting

Agency	DoA	STA
Dick Koerth Cindy Livingston* – Dir of Admin Frankie Jarmer* – Acctg Arlan Hair* - IT Terry Denker – Plng & Fed Aid  * located in Pratt, KS	Kent Olson Duncan Friend Angela Hoobler	Gary Schneider
Relevant Agency Administrative Systems	Replaced	Retained/To-be Developed
	Cost Information System Asset Management	Timesheet Fleet Management

## Recommendations and Observations

Based on analysis of the functionality of Wildlife and Parks’ Cost Information System, (CIS) it is recommended that CIS be decommissioned and that core accounting functions be performed in the new FMS. The Agency supports this position and would like to retire the AS/400 platform that supports CIS as part of a broader system consolidation and modernization initiative. (In the future, the Agency will download financial information from FMS to a data warehouse for analysis and internal management reporting.)

Much of the Agency programmatic activities are managed as projects and supported with funding from federal grants. There are approximately 400 projects across five Agency Divisions. Projects can be perpetual or have distinct start and end dates; some of these projects may cross fiscal years or be seasonal. The Agency has a mandate to ensure accountability for funds dedicated to fish and wildlife. All grant requests are internally audited. A robust project solution is critical to help streamline Agency management and accounting.

Labor collection and allocation is a critical element of project/grant management. Currently, labor collection is dual entry into CIS and SHARP. The Agency requires labor collection and allocation at a lower level than is supported by SHARP. The Agency performs a monthly “close” and adjusts payroll expenses accordingly. Depending on the decision for a central labor allocation solution through FMS, the Agency could integrate project-based labor collection from their new timesheet into FMS for allocation. This would eliminate the need for backend reconciliation of labor costs.

The Agency has a custom asset management system written in COBOL that also runs on the AS/400. This system is planned to be replaced by functionality in the FMS. Assets in this system will need to be converted.

Since FMS will not include fleet management, the Agency’s fleet management system will be re-written for a new platform.

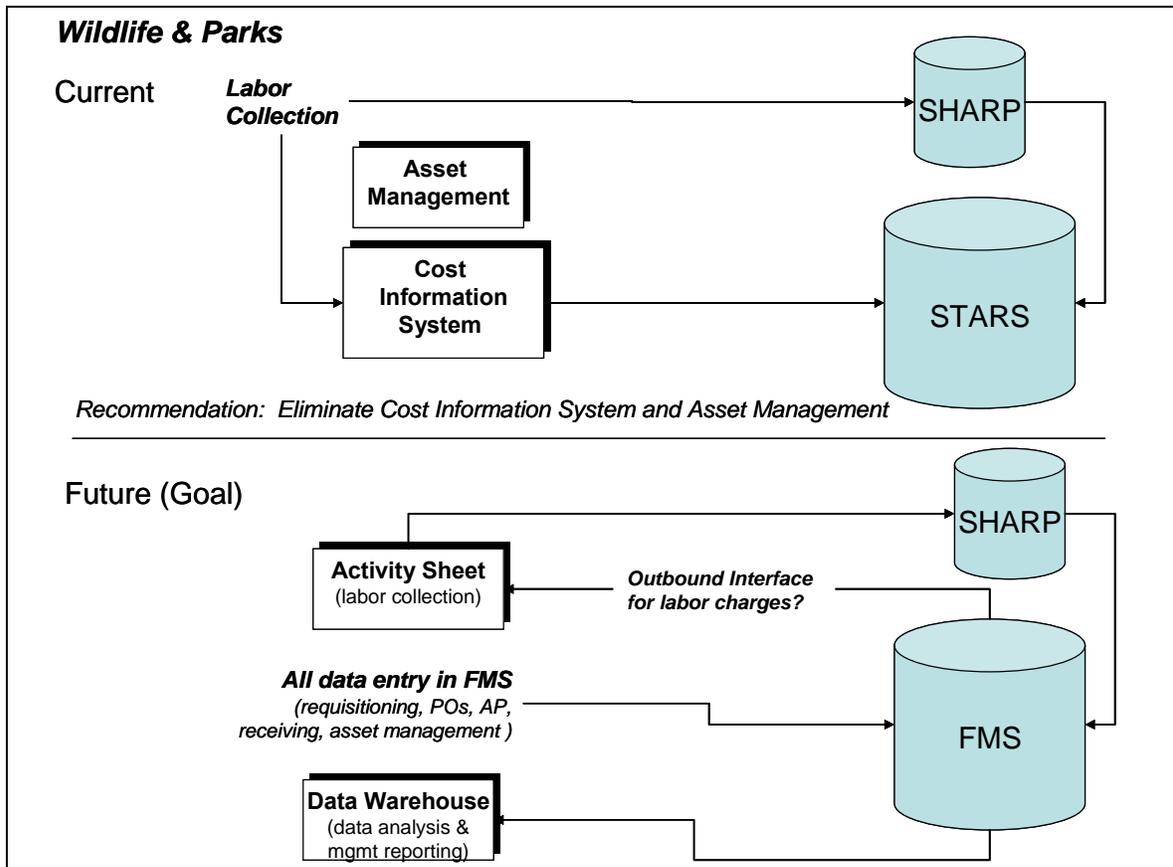
Detailed information on agency systems, a simplified illustration of the agency’s current systems, recommended future systems and FMS integration are presented below.

Survey Topic	Agency Response
<p><b>Systems Overview</b></p>	<p>CIS is a custom developed GL that performs project/grant accounting (activity based costing). There are approximately 50 users of CIS</p> <p>CIS also supports Agency budget planning and execution. The agency budgets by program and project.</p> <p>Asset management is an AS/400 mainframe-based system (asset numbers are alpha and numeric). Two Agency personnel use the asset management application.</p> <p>The Agency has an internal fleet management system. The system uses depreciation and operating costs to determine vehicle costs which are then charged out to projects/grants. Depreciation is calculated in the fleet system.</p>
<p><b>Unique Business Requirements and Data Elements</b></p>	<p>The Agency’s CIS uses identifiers for grants, projects, activities, program, subprogram and location. Budgets, encumbrances and vehicle budgets and expenses are captured in CIS.</p> <p>The agency use field is a key data element for storing additional data. Activity codes identify the use of an item purchased or work being performed.</p> <p>Index codes are used in federal grant funds to differentiate locations.</p> <p>Federal Ag fund or State funds are tracked using an index code for each location. Each Ag fund location has its own index for tracking where funds were spent and where they were generated. All receipt expenditure funds are in this category, i.e. “separate little bank account.”</p> <p>The Agency is continuously adding projects to address fiscal year grant constraints.</p> <p>Object 2460 and 3560 are used (internally) for calculating vehicle expenses.</p> <p>CIS performs edits to ensure only allowable expenditures are charged to federal grants and to validate correct state funding matches, e.g. CIS rejects non-wildlife labor charges.</p>

Survey Topic	Agency Response
	<p>The Agency tracks equipment by the fund purchased from. The Agency would like to migrate into FMS the fund used to purchase assets. Proceeds from the sale of equipment purchased with federal funds go back into that fund if proceeds exceed \$5,000. (When Park inventory merged with Fish and Game inventory, the leading alpha letters kept the original Parks inventory separated from the Fish and Game inventory for tracking). The Agency would like to retain this legacy information.) Alpha letters area used to identify all vehicles according to equipment type, e.g. a leading “P” is a ½-ton truck, “T” is used for trucks over 1 ton. Leading alpha numbers saves duplication of property numbers and tag numbers assigned by Central Motor Pool; by adding the leading alpha character the same number can be used twice and inventory items can easily be differentiated.</p> <p>For license refunds the Agency receives a tape from the central bank to do refunds for unsuccessful license applicants. Eight to twelve thousand (8,000 – 12,000) refunds per year are issued via paper checks which by-pass STARS edits.</p> <p>The Agency needs the flexibility to charge expenses after July 1<sup>st</sup> to comply with federal rules for reconciliation and to balance funds.</p> <p>The Agency has a data archive that contains data for several previous years which contains revenue and expense objects.</p> <p>The Agency would like to download FMS data for internal reporting and analysis.</p> <p>The Agency does not have a CAP as a determination was made that the benefit is insufficient relative to the effort.</p>
<b>Number of end-users</b>	<p>50 CIS users, i.e. 5 or 6 entering data and 45 for inquiry only. 2 users for asset management.</p> <p>The Agency has approximately 15 STARS users.</p> <p>Would like to have field offices enter their own payment vouchers into FMS – approximately 100-150 users.</p> <p>The Agency would like to decentralize entry of expense reimbursement for travel; therefore, there will be a large number of end-users for direct pays (AP).</p>
<b>Administrative/IT Initiatives Planned</b>	<p>The Agency is developing an electronic timesheet that will interface with SHARP and could eventually interface to FMS depending on whether the new FMS will provide a central labor allocation solution.</p> <p>The Agency has deferred developing a new asset management and voucher generation solution pending final definition of FMS scope and timeline.</p>
<b>Labor Collection and Distribution</b>	<p>Labor collection and allocation is a critical element of grant management. Currently, labor collection is dual entry into CIS and SHARP. The Agency requires labor collection and allocation at a lower level than is supported by SHARP. The Agency is in the process of developing an electronic timesheet to capture labor and</p>

Survey Topic	Agency Response
	<p>assign labor costs to projects for grant management and reporting; this timesheet will integrate to SHARP.</p> <p>The Agency performs a monthly “close” and adjusts payroll expenses accordingly. Depending on the decision for a central labor allocation solution through FMS, the Agency could integrate project-based labor collection from their new timesheet into FMS for allocation. This would eliminate the need for backend reconciliation of labor costs from SHARP with Agency project/grant identifiers.</p>
<b>AR-Billing</b>	<p>The Agency does not do invoicing but does receipt revenue.</p> <p>The Agency receives revenue from several sources including license sales, oil and gas excise taxes and other agencies. Agency performs weekly sweep of licensing revenue and enter a weekly receipt voucher. Revenue is tracked using spreadsheets.</p>
<b>Budgeting</b>	<p>Budgeting is done on the AS/400 by project and by Division at the sub-object level, e.g. 210, 220, 230. Budgets are loaded into CIS. Planning feeds BMS.</p>
<b>Unique Commodity/Service Codes</b>	<p>Commodity codes are tracked using the standard 4-digit code.</p>
<b>Required Interfaces</b>	<p>Two interfaces may need to be developed from the new timesheet to FMS if a central labor allocation solution is determined to be included in the project scope.</p>
<b>Data Conversion</b>	<p>Fund balances, POs that carry-over, assets and projects and project balances.</p>
<b>Reporting</b>	<p>CIS provides numerous management reports. Samples of multiple CIS reports (and STARS ad-hoc report parameters) were provided. A subset of CIS reports are listed below:</p> <ul style="list-style-type: none"> <li>• Encumbrances</li> <li>• Project balances (Omnibus)</li> <li>• Federal grant summaries</li> <li>• Federal grant/project summaries</li> <li>• Project work item summaries</li> <li>• Detailed labor reports by activity</li> <li>• Summary labor costs by program</li> <li>• Prior year expenditures paid in current fiscal year</li> <li>• Program group summary by fund</li> <li>• Project – object summary</li> <li>• Expense detail</li> <li>• Vehicle cost summary</li> <li>• Regional/Division expenditures</li> <li>• Grant corrections check-up (links original grants to new grants)</li> <li>• Project expenses by index</li> <li>• Payments by object</li> <li>• Payments by index, object</li> <li>• Various reconciliation reports</li> </ul>

Survey Topic	Agency Response
<b>DAFR Reports Used by Agency</b>	8101, 8010, 8120, 8240, 8420, 8300, 8280, 8360, 8070, 8790, 8290, 8460
<b>Functional Contact</b>	Cindy Livingston Email: cindyl@wp.state.ks.us Phone: 620.672.0754
<b>Technical Contact</b>	Arlan Hair Email: arlanh@wp.state.ks.us Phone: 620.672.0736



## Conclusion and Recommendations

The analysis of agency systems achieved the four previously stated objectives.

1. **The scope and timeline of the FMS project was communicated to agencies.** Roles and responsibilities of agencies' functional and IT personnel were discussed and agreed upon. Expectations were set for the FMS project team's roles and responsibilities in areas of: project management and leadership; functional and technical support; and communication, training and change management.

In order to maintain project momentum it is recommended that agencies identify a central point of contact for the project.

2. **In nearly all cases the agency meetings and systems analysis resulted in consensus on agency systems to be de-commissioned or maintained.** Three agencies' (Education, Labor and Lottery) have deferred their decisions on de-commissioning their accounting systems. For these agencies, de-commissioning will be dependent on the agreed upon initial scope of the FMS. Education and Labor need an integrated solution for labor distribution in order to retire KIAS and Cost Accounting System, respectively. Lottery requires AR/billing.

However, even if the FMS includes a means to distribute labor to projects and grants, Education may not be able to de-commission KIAS if the agency does not have the technical resources to modify the four programmatic systems linked to KIAS which would have to be modified to interface to the FMS.

Even if Labor's need for labor distribution is met, the agency may elect not to de-commission their Cost Accounting System if: 1) it cannot perform cost allocations efficiently and 2) it is perceived as more difficult to use than their current system.

Lottery will not de-commission Mac-Pac, their central accounting and reporting system, unless FMS provides AR/billing. Another consideration is that Lottery is required to use the full accrual method of accounting, and it has not yet been determined if this is a requirement for other agencies or whether the software can easily be configured such that different agencies can use different accounting methods, i.e. full or modified accrual or cash basis accounting.

Following final definition of project scope in these key areas, release of the RFP and appointment of the FMS Change Management lead, it is recommended that follow-up meetings be held with these three agencies to discuss the best path forward for the agencies in the FMS project.

A summary of this analysis is illustrated below in Figure 5.

Agency	Agencies' Systems to be Retained or Decommissioned					Agencies Retaining Systems or Implementing New Systems Because Business Needs Not Met by FMS					Agencies Not Retaining Systems but Whose Business Needs are Not		
	Accounting	Purchasing	Asset Mgmt	Grant/Project Accounting	Agency Total	Labor Allocation	Accounts Receivables	Consummable Inventory	Fleet Management	Labor Allocation	Accounts Receivables	Travel & Expenses	
Adjutant General	Custom system retained	TBD	√	Custom system retained	1								
Agriculture	√	√	√	√	4	X			X			□	
Aging		√	√	√	3		X	X**			□		
Bureau of Investigation	√	√	√		3		X***	X**					
Corporation Commission	√	√	√		3	X	X		X		□		
Corrections and Correctional Industries	√*	√	√		3				X		□		
Commerce	√	√	√	√	4								
Education	O	√	√		2	X							
Health and Environment		√	√	√	3				X		□	□	
Health Policy Authority			√	√	2		Purchasing AR System				□		
Highway Patrol	√	√	√	√	4	X	X		X				
Insurance		√*	√		2								
Juvenile Justice Authority	√	√	√		3								
Labor	O	√	√		2	X							
Lottery	O	√	√		2		X						
Public Employees Retirement System	√	√	√		3								
Revenue		√	√		2				X				
Secretary of State	New System		√		1								
SRS	√	√	√	√	4				X				
Transportation	√	√	√		3								
Treasury			√		1								
Wildlife and Parks	√	√	√	√	4	X			X			□	
<b>Total # of Systems Decommissioned</b>					59								
<b>Total # of Systems Not De-commissioned</b>					4								
Blank = Agency does not have a system √ Agency system to be de-commissioned O = Agency accounting system retained due to needed functionality not in FMS X = Agency system not de-commissioned based on required functionality not in FMS □ Agencies with key business needs that will not be met with current scope of FMS * Agency will de-couple accounting functions from a programmatic system and retain programmatic system ** Agency should review need for tracking consummable inventory *** Agency should review need for AR/billing													

Figure 5. Summary of systems to be de-commissioned and retained as well as unmet agency needs based on current FMS project scope.

3. **The impact on agency systems from the proposed scope of the FMS was determined but only to the degree of what systems will be impacted not exactly how they will be impacted.** This is more detailed follow-on work that will be the responsibility of the agencies.

Agencies were provided the summary level diagrams (included in this report) that illustrate which systems and interfaces will have to be modified as a result of: 1) de-commissioning “shadow systems” and/or modifications to the chart of accounts. In some cases, required system modifications are software dependent and must be preceded by design activities and project management decisions.

Three agencies (Secretary of State, Correctional Industries and KDOT) would like to initiate the purchasing process (requisitioning and creating POs) in their current systems. The feasibility of interfacing to the FMS from these systems is presently unknown and will not be known until the design phase of the project. These requirements will be incorporated into the RFP and a small team will be formed early on in the project to determine the level of effort to link these systems together.

It is recommended that following completion of the chart of accounts review and analysis activity (currently scheduled for March '08) that an agency “readiness” checklist be transmitted to agencies. Agencies should be required to submit an impact analysis using a template provided by FMS project management. A summary project plan should also be required to help ensure the amount of work required of agencies will fit within the prescribed eight-month window for agencies to: 1) modify programmatic systems and interfaces, 2) perform data conversion activities and 3) develop required “go-live” reports. This impact analysis should identify key agency issues in areas of resources (staff and budget), capabilities, testing environments and business disruptions. Major issues can be addressed and resolved with agency leadership well before the beginning implementation.

4. **Much of the results of the agency visits and systems analysis was used as content in the FMS RFP in the following areas:**

- Identification of unique functionality, agency-specific requirements, data elements and required data conversion in systems to be de-commissioned;
- Determination of the number of interfacing systems for each agency;
- Functionality not in the initial scope of the FMS project but needed by agencies in order to de-commission internal accounting systems and consolidate and streamline administrative processes.

Two major deficiencies were identified during the agency visits and systems analysis in areas of AR/billing and labor distribution that should be considered prior to issuance of the RFP.

**AR/billing**

Agencies in need of AR/billing include:

- Aging
- Commerce
- Corporation Commission
- KBI
- Health and Environment
- Highway Patrol
- Lottery
- Secretary of State

Three alternatives for AR/billing were considered and are presented below in Table 6.

**Table 6. Analysis of AR/billing alternatives.**

Alternative	Pros	Cons
<b>Keep AR/billing out of the project scope</b>	No add'l cost over current estimate Less project risk and complexity No AR/billing team required	Significant need of eight agencies not met May never be implemented
<b>Add AR/billing to the project scope</b>	Meets needs of eight agencies	Add'l cost \$500 - \$750K Will need AR/billing team Add'l involvement of agencies
<b>Execute an AR/billing pilot</b>	Enables Lottery to retire accounting system Supports Vision Enables other agencies to quickly implement after "go-live" Creates momentum for project in agencies needing AR/billing	Add'l cost \$250K Will need small AR/billing team Add'l involvement of agencies, but mostly in design

**AR/billing Recommendation**

In order to limit additional project scope, complexity and cost, while addressing a critical need of eight agencies, it is recommended that the pilot approach alternative be considered for AR/billing. Under a pilot approach a small team comprised of representatives from the agencies identified above will be formed to develop the requirements for AR/billing configuration. Lottery and perhaps one other agency would be selected to pilot implementation. AR/billing would be implemented in the remaining agencies after the core financials and other key elements of the system are stable.

The advantages of this approach are: 1) enabling Lottery to de-commission their agency accounting system, allowing other agencies needing AR/billing to quickly implement this functionality after “go-live” when their financial staff can focus exclusively on AR/billing and creating momentum for the project in the agencies identified above by addressing a major need. It is estimated that executing a pilot will require approximately \$250,000. An AR/billing functional lead would have to be added to the project team and a subteam would have to be formed from the agencies listed above for design activities (only).

### **Labor Distribution**

Much like the evolution of “shadow systems” for accounting agencies in need of labor distribution have developed, are developing or will develop systems to capture labor expenditures at a level of granularity required to support federal requirements. These multiple solutions are problematic for the same reasons that multiple shadow systems are problematic, i.e. requires agency resources to build and maintain, no economies of scale, no standardization, etc. Agencies required to distribute actual labor expenditures to projects, grants and other cost centers include:

- Aging (183)
- Agriculture (321)
- Commerce (307)
- Corporation Commission (220)
- Corrections (minor)
- Education (216)
- KBI (minor)
- Health and Environment (889)
- Health Policy (252)
- Highway Patrol (859)
- Insurance
- Juvenile Justice (minor)
- KBI (minor)
- Labor (504)
- Wildlife and Parks (842)

The number of employees within each agency is in parenthesis.

KDOT has significant labor distribution requirements but has a system in place to meet their requirements.

SRS uses quarterly time studies to determine labor distributions among its programs.

Three alternatives for labor distribution were considered and are presented below in Table 7.

**Table 7. Analysis of labor distribution alternatives.**

Alternative	Pros	Cons
<b>Labor distribution out of the project scope</b>	No add'l cost above current estimate Less project risk and complexity No labor distribution team required	Doesn't meet need of 14 agencies (some more than others) May never be implemented
<b>Add labor distribution to the project scope</b>	Meets needs of 14 agencies Reduces dual entry and reconciliation efforts	Add'l cost \$500K - \$1.0MM Need labor distribution team Add'l involvement of agencies affected
<b>RFP Option</b>	Preserves option to enable FMS Team/Steering Committee to make "go/no-go" decision with better information than what is currently known Creates momentum for project in agencies needing labor distribution	Add'l proposal evaluation element May set stakeholder expectations of a solution

**Labor Distribution Recommendation**

An ideal solution will meet agencies' requirements for labor distribution as part of the FMS without major modifications to SHARP. However, the impact to SHARP from changes to the chart of accounts is unknown and could be significant. Therefore if SHARP will require major modifications anyway it may be possible to leverage expected changes to SHARP into a solution for labor distribution. Alternatively, it may be possible to take gross pay and distribute that to grants/projects/cost centers based on the source transactions in agencies' time collection systems. Potential solutions depend on the software selected as well as experience of the Systems Integrator. In either case, the State does not presently have adequate information to accurately assess the scope, resource, cost or schedule impacts of providing a central solution for labor distribution.

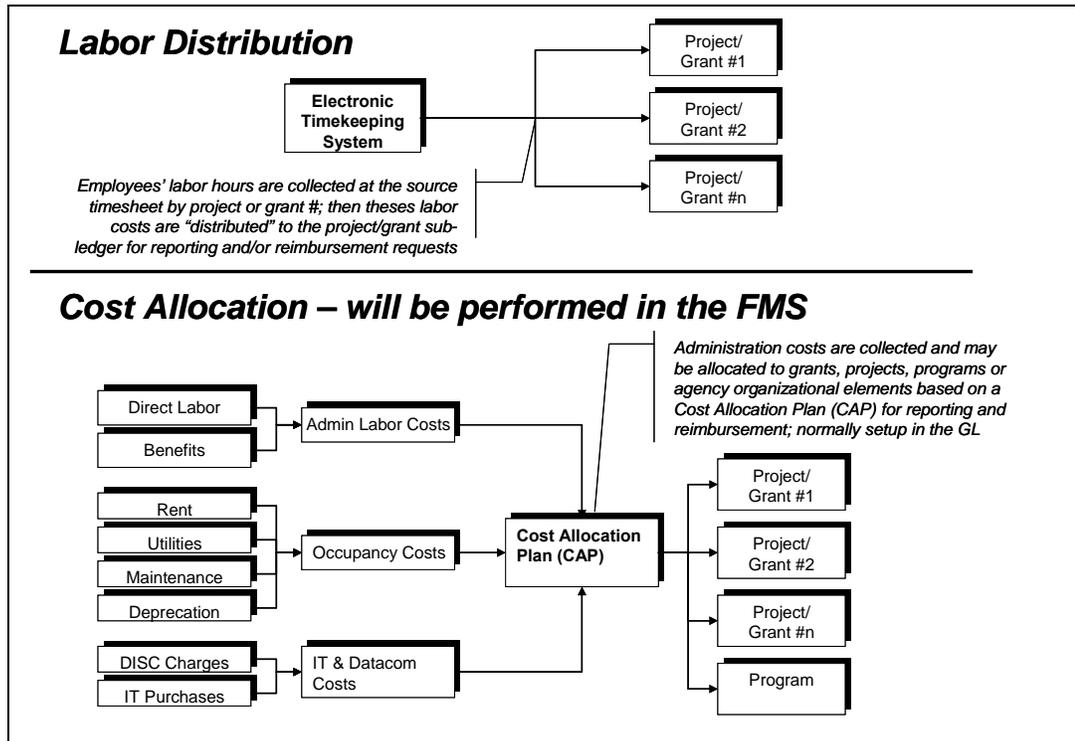
Therefore, it is recommended that the State preserve the option to design and implement a solution for labor distribution by addressing this issue in a special section of the RFP. This section would identify requirements for labor distribution and a description of SHARP, SHARP deficiencies and labor collection systems for the agencies listed above. Proposers will provide a conceptual design and cost estimate in their proposals. Once the contractor is selected the FMS project leadership (FMS management team, Executive Sponsors and Steering Committee) can make a decision whether to proceed with the proposed solution. As further risk mitigation, the proposals will provide a cost estimate for design and implementation. For the selected contractor, following the design phase, the contractor provides a deliverable presenting the design (including integration points and impact to SHARP), a timeline, resource plan,

impacts on the agencies and risk factors. With this information an informed decision can be made whether to implement the proposed solution or defer to a future replacement or major upgrade to SHARP.

The advantages of this approach are: 1) preserving the option for the FMS Management Team, Executive Sponsors and Steering Committee to make “go/no-go” decision with better information than what is currently known including the impact on SHARP, 2) creating momentum for the project in agencies needing labor distribution and 3) knowing the cost, agency and overall project impacts before deciding to implement the designed solution.

### Cost Allocation

Many agencies allocate administrative and other indirect costs such as occupancy costs to projects, grants or cost centers. Many agencies develop annual cost allocation plans (CAP) to calculate and justify these expenditures in support of their agency mission. In most agencies deriving a CAP is a laborious process that is performed internally or contracted out. (To avoid confusion, the figure below contrasts labor distribution (addressed above) and cost allocation.)



If the FMS is properly configured the system will be able to generate CAPs and allocate CAP multipliers/adders to reimbursement requests for federal grants, invoices to other agencies and other public and private entities for which a state agency performs a service.

### **SOKI and Set-off**

The 2006 Needs Assessment recommended that two other central systems, SOKI and Set-off, not be replaced by the FMS and that interfaces be developed between these systems and the FMS. This will be the default position in the RFP. However, the software and system integrator team may be able to accommodate this functionality in the FMS and thereby further the goal of consolidation of systems into a single integrated platform. In other words, the need to maintain these systems is a “known unknown”; the best way to address “known unknowns” is to defer the decision until more information is available. Therefore, it is recommended that during the design phase the Contractor review these system and their functionality and make a recommendation regarding maintaining these systems and developing interfaces or de-commissioning these two systems and performing their functions in FMS.

### **Budget Development and BMS**

Numerous agencies expressed dissatisfaction with the lack of an integrated solution for budget development. The FMS will attempt to interface to BMS to eliminate dual entry of data. It is recommended that in a future project phase an integrated budget development capability be incorporated into the FMS.