



September 2023

FMAC MEETING

Updated Presentation



One Washington
A Business Transformation Program



AGENDA

- Overview of the FDM updates
- Update on transaction entry
- Reporting and use of hierarchies
- Preparation for end to end
- Upcoming topics brainstorm

Overview of the FDM



FINANCIAL ORGANIZATION WORKTAGS (1 OF 2)



Company

Each State Agency is represented as a Company. A Company is a permanent organization responsible for oversight and administration of specific programs and services.



Fund

In accordance with GAAP, a Fund is a fiscal and accounting entity with a self-balancing set of accounts designed to demonstrate legal compliance and fiscal accountability by segregating transactions related to certain government functions or activities.



Appropriation

The Appropriation identifies each legislative or executive authorization to incur expenditures, e.g., expenditure authority. Each appropriation may be approved for one fiscal year of the biennium or across the biennium.



Budget Activity

Prescribed activities that support State Agency Programs and relate to government efficiency and performance budgeting.



Program

Identifies specific programmatic objectives and is a result of the appropriations bill passed by the Legislature. **This is the mission or the “what” or the primary function or services being performed by the agency.**



Cost Center

Defines the organizational level and the responsible financial accountability for performing the primary functions. **This is “who” performing the mission for the agency and will be related to the “what” (program) being used to support these activities.**

FINANCIAL ORGANIZATION WORKTAGS (2 OF 2)



Grant

Defines funding sources for specific purposes from governmental or other entities known as sponsors/federal grantors/state grantors.



Project

Accumulates costs for work with a planned outcome over a time period (i.e., Wildfires, FEMA) with a defined start and end date that may be capitalized or expensed. Used for operating, capital and special projects to support management reporting.



Location

Identifies the physical location of Business Assets for tracking and conducting Physical Inventory. The location usage will expand into Procurement as “Ship to” during phase 1B and Human Capital Management (HCM) as workers official duty station in phase 2.



Cost Objective

Defines the federal, state or local funding source in the Cost Allocation Process.



Region

Optionally used to track financial activity to a county, city or town.

FINANCIAL ACCOUNTING WORKTAGS (1 OF 2)



Ledger Account

The Ledger Account includes assets, liabilities, fund balance, revenue, expenditure, and statistical accounts. Balance Sheet accounts are entered directly on accounting journals (i.e., journal vouchers) and revenue and expenditure accounts default from the Spend and Revenue Categories on operational journals.



Spend Category

Granular view of expenses for goods and services purchased.



IT Cost Category

The **IT Cost Category** worktag will record the type of information technology spend to inform Apptio. This worktag will be added to the expenditure coding on operational and accounting journals to track the specific IT Cost Category information.



Revenue Category

Granular view of revenue streams to facilitate managerial reporting.



Sales Item

A further breakdown of the revenue category for customer billings and agency reporting needs.

FINANCIAL ACCOUNTING WORKTAGS (2 OF 2)



Allocation Code

Drives the appropriate allocation definition through the Cost Allocation Process.



Fiscal Period of Service

The **Fiscal Period of Service** worktag will be used on transactions to track when the service occurred. It is required on grant related transactions to support grant reporting. The accounting journal will require the fiscal period of service when the journal source is a prior year accrual.

The FDM Worktags Answer These Questions:

Who is responsible for financial oversight of a transaction?

Company – The state agency
Cost Center – The unit responsible

How is a transaction funded?

Appropriation – Expenditure Authority
Fund – A high level source of funds
Grant – Sponsor/federal/state grantor funded arrangement

What was done with the money?

Ledger Account
Region

Spend Category
Revenue Category

Why did the transaction happen?

Program – Mission based prescribed services
Budget Activity – Program support actions
Project – Time limited activity
Sales Item – Good or service provided to a customer
IT Cost Category – transaction relates to IT spend

When did the service occur?

Fiscal Period of Service – The fiscal year and fiscal month to specify when the service occurred

FDM REQUIREMENTS FOR OPERATING JOURNAL TRANSACTIONS

Worktag	Supplier Payment Invoice & Miscellaneous Payment	Customer Receivable Invoice & Customer Deposit	Ad Hoc Bank Transaction
Company	Required	Required	Required
Fund (FD)	Required	Required	Required
Appropriation (EA)	Required	Required	Required
Budget Activity (BA)	Optional	Optional	Optional
Program/Sub Program (PG)	Required	Optional	Required for expenditure transactions
Cost Center (CC)	Required	Optional	Required for expenditure transactions
Grant (GR)	Optional	Optional	Optional
Project (PJ)	Optional	Optional	Optional
Ledger Account	Derived from spend category	Required or derived from revenue category	Optional or derived from revenue or spend category
Revenue Category (RC)	Optional or Required on refunds of revenue	Required	Required for revenue transactions
Spend Category (SC)	Required	Optional	Required for expenditure transactions
Allocation Code (AC)	Optional	NA	Optional
Cost Objective (CO)	NA	NA	NA
Sales Item (SI)	NA	Optional	NA
Region (RG)	Optional	Optional	Optional
IT Cost Category (IT)	Optional	Optional	Optional
Fiscal Period of Service (PS)	Optional	Optional	Optional
Contract*	Optional-Contract	Optional-Interagency Contract	NA
Interagency/Affiliate*	Required on interagency activity	Required on interagency activity	Required on interagency activity

FDM ON WORKDAY TRANSACTIONS

Worktag	Purchase Order	Supplier Payment Invoice & Miscellaneous Payment For Revenue Refunds
Company	Required	Required
Fund (FD)	Required	Required
Appropriation (EA)	Required	Required
Budget Activity (BA)	Optional	Optional
Program/Sub Program (PG)	Required	Optional
Cost Center (CC)	Required	Optional
Grant (GR)	Optional	Optional
Project (PJ)	Optional	Optional
Ledger Account	Derived from spend category	Derived from spend category
Revenue Category (RC)	Optional	Required for revenue refunds
Spend Category (SC)	Required	Required
Commodity Code	Required	NA
Allocation Code (AC)	Optional	NA
Cost Objective (CO)	NA	NA
Sales Item (SI)	NA	NA
Region (RG)	Optional	Optional
IT Cost Category (IT)	Optional	Optional
Fiscal Period of Service (PS)	Optional	Optional
Contract*	Optional-Contract	Optional-Contract
Intercompany Affiliate*	Required on interagency activity	Required on interagency activity

Update on transaction entry



FDM REQUIREMENTS FOR OPERATING JOURNAL TRANSACTIONS

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Appropriation (EA)	Required	Required	Required
Budget Activity (BA)	Optional	Optional	Optional
Program/Sub Program (PG)	Required	Optional	Required for expenditure transactions
Cost Center (CC)	Required	Optional	Required for expenditure transactions
Grant (GR)	Optional	Optional	Optional
Project (PJ)	Optional	Optional	Optional
Ledger Account	Derived by Spend Category	Required	Required or derived from Spend or Revenue Category
Revenue Category (RC)	Optional	Required	Required for revenue transactions
Spend Category (SC)	Required	Optional	Required for expenditure transactions
Allocation Code (AC)	Optional	NA	Optional
Cost Objective (CO)	NA	NA	NA
Sales Item (SI)	NA	Optional	NA
Region (RG)	Optional	Optional	Optional
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Reporting



HIERARCHIES

- Support reporting and configuration of rules
- Secondary hierarchy on many worktags are company – that drives company level security
- Filters on reports allow for selections based on hierarchies
- Multiple hierarchies allow for separate views of the data

DEMO OF REPORTING

End to End Preparation



ACTIVITIES

- Gathering updated FDM
- Build the control tenant with FDM values
- Build the end-to-end tenant with data
 - Establish beginning balances based on FY23
 - Pull project balances for FY23 for active projects in the FDM
 - Load control and allotment budgets
 - Load summary data for FY24 for months of July – December
 - Load outstanding warrants
 - Load Suppliers and Customers
 - Load Business Assets

Next Topics



BRAINSTORM ON NEXT TOPICS

- More on integrations and use of Workday transactions
- Workday and OST interaction
- SOL process
- Company set up – addresses
- Companies as Customers and Suppliers - locations and contacts



Questions?

