



UMB
QUANTUM
FINANCIALS

*A leap forward. Transforming systems.
Empowering People!*

Change Champions

February 21, 2019

Agenda

- Future State of Cost Share Accounting
- Quantum Update



Future State of Cost Share Accounting

Change Champion Meeting

2/21/19

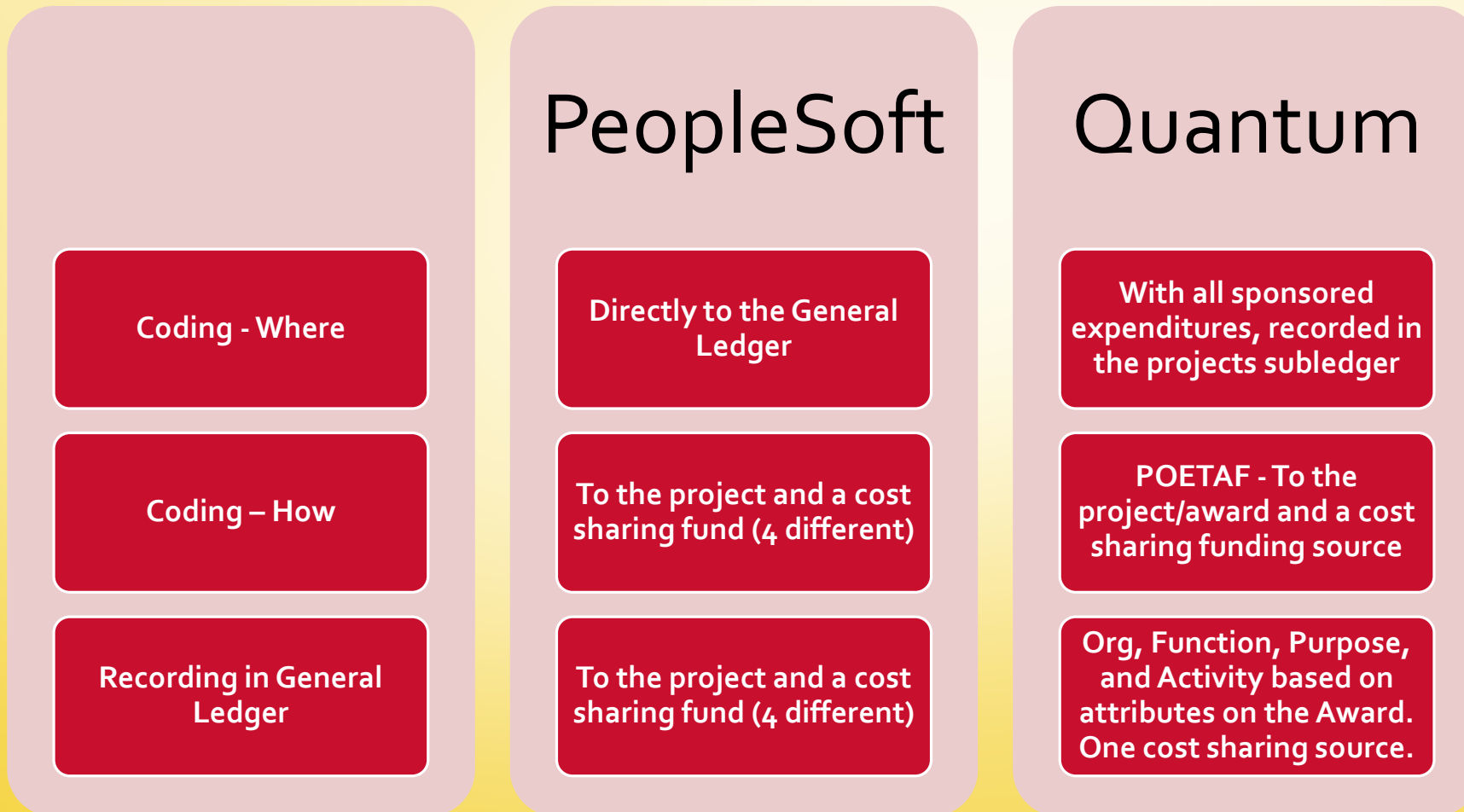
Cost Sharing Transactions

- Step 1: Recording transactions that are related to a sponsored project but are not funded by the external sponsor
- Step 2: Funding these transactions so non sponsored budgets/fund balance are utilized
- Step 3: Eliminate the funding entries to appropriately state financial statements and not over use State spending authority

Step 1: Recording Transactions

- Only required to be associated with the sponsored project when the sponsor requires it
 - Committed Cost Sharing
 - Other the Salary Cap

Step 1: Initial Transaction – Old vs. New



Step 2: Fund the Cost Sharing

Current State

- In the next month an allocation is run to debit 2210, 2220, and 4851 on the funding chartstring and credit 0906 on the project/cost share fund
- Department provides one chartstring to fund all of the cost sharing related to their department.
 - Salaries and fringes are funded by the chartstring provided by the employee's home department
 - Non-labor charges are funded by the chartstring provided by the project's owner department

Step 2: Fund the Cost Sharing

Future State

- At the same time the initial transaction is recorded to the general ledger a second journal entry is made to debit 2210, 2220, and 4851 on the funding account combination and credit 2210, 2220 and 4851 on the cost share fund of the account combination associated with the award
- Determination of funding account based on funding source
 - OTC - Over the salary cap (therefore only salaries and fringes)
 - Funded by the account combination provided by the employee's home department – SAME AS CURRENT STATE
 - CCS – Committed Cost Sharing
 - All costs funded by the account combination provided at the time the CCS funding source was associated with the project

Step 3: Elimination of the Funding Entry for Reporting Purposes

Current State

- Two entries are done at the school level, one in May and another at year end to eliminate the revenue-to-expense funding transfer
- GAAP ledger entries are necessary to eliminate the funding entries and the entries above and appropriately reported the expenses by the grants function, not the funding function

Step 3: Elimination of the Funding Entry for Reporting Purposes

Future State

- Because in the Proposed Step 2 we are no longer doing a revenue to expense transfer, we are not utilizing spending authority
- A third journal entry occurs at the same time as the initial transaction is recorded to the general ledger
 - Done at the institution-wide level and corrects the function back to the function of the award/project

Key Decision Points

- ✓ Change to an expense to expense funding entry
- ✓ Change the determination of the funding account to be different for OTC and CCS cost sharing



Quantum Update

Change Champion Meeting

2/21/19

Quantum Revised Project Plan

Remaining project work is being extended

Includes:

- finalizing open solutions/configurations for Financials, Analytics, Planning & Budgeting
- completing build out and testing of integrations
- executing successful conversions
- conducting remaining testing cycles (CRP3, SIT, UAT)
- completing business process documentation and education sessions
- executing training plan
- go-live

Quantum Revised Project Plan

- Reasons for the extension:
 - Allow additional time for testing newer configurations
 - Recognizing the complexity of UMB processes, integrations, cloud functionality
 - Timing of new releases and effect on conversions
 - Provide expanded period for business process education and training
 - Go-live was too close to year end
- New Go-Live date is October 2, 2019

Business Process Review

- High level business processes documented
 - Capturing standard oracle functionality, UMB specifications, and work arounds
- Change impact assessment workshops
 - To discuss the future state business processes and changes users should expect (both departmental users and central offices)
- Process education sessions
 - To expose schools/departments to critical business processes
- Purpose of these efforts – prepare users to participate in training and start using Quantum

Organizational Readiness

- Begin Department End User training approximately six weeks prior to Go Live
 - Follows preparation of user community for changes to accounting string and business processes.
- Deliver blend of instructor led and self-paced training
 - Topics include orientation to Quantum, purchasing & receiving, reallocating PCard, transferring costs, customer billing, reporting options
- As today, tutorials available online for refresh and reference
- Functional Leads to determine delivery method and start dates for preparing Central Office personnel

School/Department Preparations

- Start socializing the chart of account decisions (COA) you made
- If you will need to make changes to COA decisions, there will be time before go-live
- Participate in workshops, education sessions, training
- If you will maintain shadow/supplemental systems – start reconfiguration work now
- Questions can be sent to quantumfinancials@umaryland.edu