State of Minnesota – SWIFT Project

SWIFT
Statewide Integrated Financial Tools

ChartField Analysis

Work Product W-02:

for the

Statewide Integrated Financial Tools Project

January 24, 2011

TABLE OF CONTENTS

E X E C U T I V E S U M M A R Y

The Chart of Accounts is the foundation of any accounting system. Within PeopleSoft Financials the chart of accounts is comprised of ChartFields, which provide various attributes to classify financial transactions. The definition and usage of ChartFields is foundational to delivered PeopleSoft functionality and impacts the design of all modules within the Statewide Integrated Financial Tools (SWIFT) project. The ChartField structure is critical for design of the system and development of all interfaces.

Following a thorough review of the business requirements, the focus of this analysis has been to document the ChartField structure that meets State requirements. Actual ChartField values have been loaded into Production. This ChartField Analysis presents actual lengths that are configured in Production.

An important consideration when designing the Chart of Accounts was to balance efficiency with flexibility. Minimizing ChartFields and ChartField lengths will promote more efficient and accurate data entry, but we have attempted to accommodate future growth and provide the flexibility required by State business changes. This ChartField Analysis attempts to strike the correct balance as to how many ChartFields should be activated in SWIFT, with the understanding that additional unused ChartFields could be activated at a later time (even post go-live) if dictated by business requirements.

This document breaks down the PeopleSoft delivered ChartFields into two groups, Standard ChartFields and Project Costing ChartFields. The Standard ChartFields apply to all accounting transactions, while the Project Costing ChartFields additionally apply when Projects or Grants are involved in the transaction.

Some of the broad objectives of this ChartField analysis include:
- Simplify and standardize business processes and reporting.
- Keep the General Ledger focused on high level financial classification and reporting.
- Design the ChartField structure to support clear delineation between statewide, budgetary, and agency reporting.

SWIFT
Statewide Integrated Financial Tools

Standard ChartField Definitions and Attributes

Fund Code

Definition

Funds are self balancing sets of accounting records which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

MN Statute 16A.53 gives the Commissioner of Finance & Employee Relations the authority to establish and maintain funds in the State's accounting system. New funds must be established when required by constitutional law or federal regulations. In addition, funds shall be established for reasons of sound financial management or in order to comply with GAAP. GASB Codification, Section 1300—Statement of Principles—Number of Funds states "Only the minimum number of funds consistent with legal and operating requirements should be established, however, because unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration."

Attributes
- The Fund ChartField will be required for all transactions.
- All Funds will be required to establish budgetary levels for commitment control purposes.
- New Fund ChartField values will be reviewed centrally by MMB to ensure the requested values are unique, that the values are consistent with the prescribed Fund ChartField configuration rules, and that the values do not duplicate existing values.
- Each Fund will have a complete Balance Sheet and Statement of Revenue, Expenditures, and Changes in Fund Balance.
- Field Length: four (4) numeric characters.

DeptID

Definition

The Department (DeptID) represents an organizational function to which expenditures and other activities must be identified. The Department Structure should represent the organizational structure of an Agency or Department. Combined with other ChartField values, Department IDs form the basis for department budgets that track revenues and expenditures.

Changes from MAPS:

- The Financial DeptID will be replacing the current MAPS Agency and Organization codes.

- The level of a Fin DeptID will be determined by its position on a hierarchical tree. There will be two standard Statewide trees: Expense Budget and Revenue Budget.

- The same value cannot be used at different levels in the hierarchy. The SWIFT budgeting level will be indicated in the Fin DeptID naming convention.

- Certain attributes may be needed on the Fin DeptID field. Since fields like division and management activity will not be included on the allotment budgets in SWIFT, an agency choosing to report on this information will need to either incorporate the coding into their reporting hierarchy or add the coding as attributes on the Fin DeptID.

Attributes
- Grouped in a structure that aligns with the organization structure of an Agency and will be rolled up in a tree structure.
- The DeptID ChartField will be required for all Revenue and Expenditure transactions.
- The DeptID ChartField values in SWIFT will not correspond to the Department values in the PeopleSoft Human Resources system (SEMA4).
- New DeptID ChartField values will be established in SWIFT by MMB based on Agency request.
- The DeptID ChartField will be integral to the Commitment Control budget definitions.
- ChartField Security will be setup for this field to limit the list of values that each user can access.
- Field Length: eight (8) alpha-numeric characters.
    - 3 – Agency Code (Current)
    - 1 – Budget Level Indicator
    - 4 – Agency discretion

AppropID (CF3)

Definition

The Appropriation ID (AppropID) ChartField in SWIFT will be a key to all budgets. This field is similar to the Appropriation Unit field in MAPS with the following significant differences:

- MMB is implementing a policy that will require appropriation budgets to be unique by budget program and budget activity. This will allow for a complete presentation of sources and uses by budgetary coding, as well as facilitate the new appropriation reporting requirements for the public website.

    Note: Management activity will not be used on a statewide basis. If an agency would like to continue reporting at this level, they will need to include this field as an attribute of the Fin DeptID.

- An ApropID must be unique for every appropriation budget in SWIFT. This is necessary because appropriation attributes such as appropriation type, legal citation, program, and budget activity must be attached to a specific ChartField, not a string of ChartFields as in MAPS. The same ApropID can be used for each budget period since the attributes will be effective dated.

- An ApropID must be used on a non-dedicated revenue budget. An ApropID will be established for these budgets so that the budgetary program and activity can be attached, however, no appropriation budgets will be established.

Attributes

- AppropID is a required ChartField on all expenditure and revenue transactions.
- All transactions affecting Cash in State Treasury (account 100001) will require an AppropID.
- Field Length: seven (7) alpha-numeric characters.
    - 3 – Agency Code
    - 4 – Agency discretion

Account

Definition

The Account ChartField is used in the traditional manner for classifying specific transactions according to the nature of the receipt, expenditure, or effect on the financial position of the fund. The account identifies whether an accounting line is classified as a balance sheet, revenue, expenditure, or statistical transaction. The Account ChartField will replace the current Expenditure Object, Revenue Source, and Balance Sheet codes.

All accounting transactions in the system will have an Account.

Attributes

- Each account has an *account type* that defines it as an asset, liability, equity, revenue, expense, or statistical account.
- A required field for all transactions.
- If new accounts are requested, they must be materially different from existing accounts.
- New Account ChartField values will be reviewed centrally by MMB to ensure the requested values are unique, that the values are consistent with the prescribed Account ChartField configuration rules, and the values do not duplicate existing values.
- Account descriptions should not be Agency specific. The combination of ChartFields should define the overall meaning on an accounting transaction.
- Certain accounts will be restricted from online entry (e.g., control accounts).
- Certain accounts will be identified as budget only and will only be used for establishing budgets and 'roll-up' levels.
- Field Length: six (6) numeric characters for detail and five (numeric characters for Class Levl for expenditure budgeting..

SW Cost (Prog Cd)

Definition

The SW Cost (Statewide Cost) ChartField will provide classification and reporting capability for activities that cross Agencies which are directed toward accomplishing a set of recognizable objectives, such as a natural disaster response. The State may set up SW Cost values to track revenue and expenditures across all State Agencies.

State of Minnesota – SWIFT Project

SWIFT
Statewide Integrated Financial Tools

Attributes

- The SW Cost ChartField represents how the Activity field is sometimes used in the current MAPS chart of accounts.
- The delivered ChartField, Program Code, will be relabeled as SW Cost.
- It is not expected that SW Cost will be a key field on any controlled budgets.
- Field Length: four (4) numeric characters.

Sub Acct (Class Fld)

Definition

The Sub Account ChartField is used by agencies for a more detailed level of revenue reporting than the Account ChartField values provide. The Sub Account ChartField will replace the current Sub Revenue Source Code. The new codes will not be associated with a particular revenue account.

Attributes

- Sub Account will not be a required field.
- The ChartField values will be established by each agency within a pre-assigned agency specific range.
- This ChartField represents how the Sub Revenue Source Code is used in MAPS.
- Sub Account will not be used for sub expenditure in SWIFT as this detail will be captured based on Item Categories in Purchasing.
- Maximum Field Length: three (3) numeric characters.

Agency Cost 1 (CF1)

Definition

The Agency Cost 1 (CF1) is an optional field that may be used for reporting purposes. This ChartField is a classification used to track revenue or expenditures associated with a particular event or activity that is defined by the Agency.

Attributes

- Agency Cost 1 will not be a required field.
- The delivered ChartField ChartField 1 will be relabeled as Agency Cost 1.
- The ChartField values will be established for a specific activity by the Agency.
- This ChartField represents how the Activity field is used for agency-specific revenue or expenditure tracking in the current MAPS chart of accounts.
- ChartField Security will be set up for this field to limit the list of values that each user can access.
- Field Length: five (5) numeric characters.

State of Minnesota – SWIFT Project

Agcy Cost 2 (CF2)

Definition

Agcy Cost 2 (CF2) will have multiple purposes that are to be defined. Conceptually the field will be used for Agency reporting; for example a location, region, or other administrative sub-unit related to the operation of an Agency. Specific designations for this field have not been made and will be at the discretion of individual Agencies.

Attributes

- Agcy Cost 2 (CF2) will not be a required field.
- The delivered ChartField (ChartField 2) will be relabeled as Agency Cost 2.
- This is a new field that will provide reporting flexibility for State Agencies.
- Activity tracked should be material (e.g., greater than $100K).
- Field Length: five (5) numeric characters.

SWIFT
Statewide Integrated Financial Tools

Current Structure in MAPS

Fiscal Year	Fund	Agency	Organization	Appropriation Unit	Activity	Object or Revenue or Bal Sheet
2 digits	3digits	3 digits	4 digits	3 digits	4 digits	4 digits

SWIFT Conceptual Structure

Statewide Reporting					Agency Specific		
Fund Code	DeptID	AppropID (ChartField 3)	Account	SW Cost (Program code)	Sub Acct (Class Fld)	Agcy Cost 1 (ChartField 1)	Agcy Cost 2 (ChartField 2)
Fund	Agency/ Org/Sub Org	App Unit	Object Code /Rev Sr/Bal Sheet	Activity	Sub Rev	New Values	New Values

The default order of the ChartFields on a page in PeopleSoft will be as shown below:

- Fund Code
- Fin Department ID
- Appropriation Unit (CF3)
- Account
- Statewide Activity
- Sub Account
- Agency Cost 1 (CF2)
- Agency Cost 2 (CF3)

Note - In many places within PeopleSoft, the ChartFields are in a grid that can be reordered by the user to whatever order is appropriate for that user and transaction.

Project Costing ChartField Definitions and Attributes

PC Business Unit

Definition

A Business Unit (BU) in Projects will be setup to identify major subsets throughout the state; such as Agency level. It enables the State to organize information to facilitate project management, analysis, reporting, and accounting.

All project transactions in the system will have a PC Business Unit.

Attributes
- Will be agency specific.
- A required field for all project transactions.
- Row level security may restrict users to transactions within specific business unit.
- Field Length: five (5) alpha-numeric characters

Project ID

Definition

The Project ID is the unique identification code for a particular initiative in an agency. A number of attributes may be associated to a Project ID. Some of the attributes include: project status, project type, project dates, both for reporting and transaction control, and project title for additional reporting. The Project ID may be used for incoming grants, capital projects, and agency directed projects.

- Will replace the current Job field, Reporting Category and Federal Aid Numbers in MAPS.
- Some agencies may be required to code transactions to a Project ID, who in the past have not used the fields listed above in MAPS.
- May be required on all transactions for select agencies based on Combination Editing.

Attributes

- A required field for all Project transactions.
- Project IDs will be created and maintained at the Agency level.
- The Project ID lookup will be restricted to agencies based on the PC Business Unit.
- Project Statuses help track and report on changes to the project.
- Project Types are used to categorize projects for reporting and analysis. As well as control accounts used to recognize revenue.
- Field Length: fifteen (15) alpha-numeric characters. The first three characters are the agency mask. The agency has (12) characters to name the Project ID. No spaces or special characters are allowed.

- Agencies using project budgets will be required to enter their projects with the correct mask to ensure the desired budget definition is used. Budget definitions are keyed off the Project ID and the mask is a key component.

Activity ID

Definition

Activity IDs may represent specific tasks, items, or programs within a Project ID. Each Project ID is required to have at least one Activity ID. However, a Project ID may be associated with multiple Activity IDs. Users add transactions and budgets to a project only at the Activity ID level. The Activity ID can be associated with an activity type, dates, descriptions and other attributes for additional reporting.

Attributes
- Project transactions occur at this level.
- Budgets for projects occur at the activity level.
- Field Length: fifteen (15) alpha-numeric characters.

Source Type

Definition

Source Types are used on individual transactions to identify the purpose. This field can be configured within a given Project Costing Business Unit. It allows for flexible configuration to meet the needs of each agency.

Attributes
- Used on transactions to track, analyze, and report on actual and planned projects.
- Can be as general or specific as needed.
- Can have optional relationships between Source Type, Category, and Subcategory.
- At the PC Business Unit level the source type can be required or set as optional.
- Field Length: five (5) alpha-numeric characters.

Category

Definition

This field is optional. Categories may be used to further define Source Types. Relationships between Source Type and Categories may be set-up to control data entry options. This field could be used for reporting and project analysis.

Attributes

- May further define source types through reporting and analysis.
- Provides greater flexibility for tracking and analyzing costs.
- May have optional relationships between Source Type, Category, and Subcategory.
- At the PC Business Unit level this can be required or set as optional.
- Field Length: five (5) alpha-numeric characters.

Subcategory

Definition

This field is optional. Subcategories may be used to further define Categories. Relationships between Categories and Subcategories may be set-up to control data entry options.

Attributes

- May further define Category through reporting and analysis.
- Provides greater flexibility for tracking and analyzing costs.
- May have optional relationships between Source Type, Category, and Subcategory.
- At the PC Business Unit level this can be required or set as optional.
- Field Length: five (5) alpha-numeric characters.

Overall ChartField Configuration

ChartField Label & Field Name	ChartField Purpose	Max Field Length	Actual Field Length	Shared Value?	Transactions Balanced by this Field?
Fund Code FUND_CODE	Funds are self balancing sets of accounting records which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.	5	4	Yes	Yes
DeptID DEPTID	Higher levels of the organization structure, Department/Division and Agency will be derived using reporting and trees.	10	8	Yes	No
ApropID (CF3) CHARTFIELD3	Represents appropriation unit.	10	7	Yes	Yes

ChartField Label & Field Name	ChartField Purpose	Max Field Length	Actual Field Length	Shared Value?	Transactions Balanced by this Field?
Account ACCOUNT	The account number is used in the traditional manner for classifying specific transactions according to the nature of the receipt, expenditure, or effect on the financial position of the fund.	10	6	Yes	No
SW Cost PROGRAM	Statewide Activity ChartField will provide classification and reporting capabilities for activities that cross Agencies which are directed towards the accomplishing of set recognizable objectives.	5	3	Yes	No
Sub Account CLASS FIELD	Sub Account ChartField is used by agencies for a more detailed level of revenue reporting.	5	4	Yes	No
Agcy Cost 1 CHARTFIELD1	Agency Activity is a classification used to track expenditures associated with a particular event or activity that is defined by an Agency.	10	5	Yes	No
Agcy Cost 2 CHARTFIELD2	Agency Use CF will have multiple purposes that are to be defined. Conceptually the field will be used for Agency reporting	10	5	Yes	No
PC Business Unit BUSINESS_UNIT_ PC	A Business Unit (BU) in Projects will be setup to identify major subsets throughout the state such as the agency level	5	5	No	No
Project PROJECT_ID	The unique identification code for a particular initiative. The Project ID may be used for grants, capital projects, and agency directed projects. It can be coded with attributes for additional reporting.	15	15	No	No
Activity ACTIVITY_ID	Activities are specific tasks that make up a project. Users can add transactions and budgets to a project only at the Activity level. The activity can be coded with	15	15	No	No

ChartField Label & Field Name	ChartField Purpose	Max Field Length	Actual Field Length	Shared Value?	Transactions Balanced by this Field?
	attributes for additional reporting.				
Source Type RESOURCE_TYPE	This field is optional. Source Types are agency defined.	5	5	No	No
Category RESOURCE_CATEGORY	This field is optional. Categories may be used to further define Source Types. Relationships between Source Type and Categories may be set-up to control data entry options. This field could be used for reporting and project analysis. Categories are agency defined.	5	5	No	No
Subcategory RESOURCE_SUB_CAT	This field is optional. Subcategories may be used to further define Categories. Relationships between Categories and Subcategories may be set-up to control data entry options. Subcategories are agency defined.	5	5	No	No

State of Minnesota – SWIFT Project

SWIFT
Statewide Integrated Financial Tools

Required Field Matrix

This matrix defines which ChartField values will be required for each transaction type.

ChartField Label	Required Entry?		
	Assets, Liabilities and Equity	Expenditure	Revenue
Fund	Yes	Yes	Yes
DeptID	No	Yes	Yes
ApropID (CF3)	No [1]	Yes	Yes
Account	Yes	Yes	Yes
SW Cost (Prog Cd)	No	No	No
Agcy Cost 1 (CF1)	No	No	No
Agcy Cost 2 (CF2)	No	No	No
Sub Acct	No	No	No

[1] *Required if Account=100001(Cash in State Treasury)*

The table below identifies which fields are required on Project/Grant transactions.

Project/Grant Field	Required Entry?
PC Business Unit	Y
Project ID	Y
Activity	Y
Source Type	N
Category	N
Subcategory	N

Control Features

Several system features will be used to ensure accuracy of data, such as SpeedTypes, SpeedCharts, Combination Edits, Budget Checking, and ChartField Security. SpeedTypes and SpeedCharts are predefined sets of ChartFields that can be selected to populate several ChartFields at once. These will help users to complete data entry quickly and accurately. SpeedTypes and SpeedCharts will be defined as part of the SWIFT project configuration tasks, which will include agency input.

Combination Edits will be used to create valid relationships between ChartFields. For example, a relationship can be defined so that each transaction must be met by the defined criterion before further processing. For a transaction that fails Combination Edits, corrections must be made before the transaction can be posted. Combination Edits can also be used to ensure all required ChartField values are entered for defined transactions sets.

Budget Checking compares transactions against established control or tracking budgets. Any transactions that do not match a predefined budget will fail budget checking and will require the user to either fix the transaction or request a budget change.

ChartField Security can be used to limit users or group of users to a subset of values for a particular ChartField. In PeopleSoft Financials 9.1, this security can be enabled for only two ChartFields. ChartField Security will be enabled for Department ID and Agency Cost (CF1).

A PPENDIX A: D OCUMENT R EVISION H ISTORY

Date	Version	Description	Author
12/03/09	1.0	Initial Draft	Kevin McGaughey
12/07/09	1.1	Updates to all sections	Robb Greenberg
12/08/09	1.2	Minor updates based upon initial review	McGaughey, Greenberg
1/03/2011	1.3	Updated for SWIFT web site	McGaughey, Judy Cammack, Greenberg
1/24/2011	1.3	Updates PC Business Unit, Project and Activity descriptions	Patrick Kane

APPENDIX B: NOTES FROM FIT SESSIONS AND MEETINGS

- General Ledger 9.0 Fit Session
  - o Reviewed planned ChartField structure with all General Ledger subject matter experts (SMEs).
  - o SMEs expressed that it is important that statewide and agency activities not be represented by the same field as they are now with MAPS Activity.
  - o Agencies expressed that they require more agency use fields than are available in MAPS to meet their cost accounting needs.

- Budget Control 9.0 Fit Session
  - o Reviewed planned ChartField structure with all Budget Control subject matter experts (SMEs).
  - o Some concern expressed regarding how Sub-Org is used in MAPS and how it will be accommodated by DeptID in PeopleSoft.
  - o There was a lot of discussion regarding how Budget Fiscal Year is currently used in MAPS. Options for using Budget Reference and Budget Period in PeopleSoft were briefly discussed; the final decision in this area will be part of the Budget Structure approach paper.

- General Ledger and Budget Control 9.1 Fit Session
  - o The ChartField structure as shown in this document was presented to the SMEs.
  - o DEED (Cindy Farrell) stated that this structure would work for them. DNR (Jerry Hampel) withheld approval on this structure; his main concern was whether additional fields could be made available for agency use. No other agency SME expressed reservations regarding the proposed ChartField design.

- Integration with BIS Initial Discussion
  - o Reviewed planned ChartField structure with the BIS project team.
  - o No major concerns expressed directly related to the ChartField design.
  - o There were many open questions asked regarding the planned Budget Structure, which will be addressed in its own approach paper.