Housekeeping

• Please set cell phones and pagers to silent

• Handouts

• Note cards for questions

• Sign-in sheets
Welcome and Introductions

Presenters:

• Anne Sullivan, Executive Vice President for Finance

• Joe Harney, VP Procurement Services / FIN ERP Procurement Sponsor

• Terry Park, Director of Procurement Systems / FIN ERP Procurement Functional Lead

• Kate Sheeran, Change Management Lead
Welcome and Introductions

Core Team Members:
- Karen Burke, CUMC Dept Surgery
- Kim Chadourne, Budget Office
- Kevin Cook, SPF
- Alice Gleason, Controller’s Office
- John Hogan, Facilities
- Mike Kerstan, Controller’s Office
- Brendan Mallee, EVPF
- Terry Park, Purchasing
- Ting Shi, CUMC Controller’s Office

Extended Team Members and Subject Matter Experts:
- Harry Aristakesian, Internal Audit
- Rebecca Balentine, SPA
- Fran Caracappa, CUMC Controller
- Paul Cassidy, Engineering
- Marlene D’Agostino, Anesthesia
- Brian David, Medicine
- Jo-Ann Espaillat, Irving Institute
- Joel Fine, Libraries
- Jody Grunfeld, MSPH
- Karen Hoffer, Lamont
- Hugh Horowitz, Procurement
- Andy Hrycyk, General Studies
- Sean Johnson, Procurement
- Joe Labetti, Procurement
- Joann Li, Pathology
- Wil McKoy, CUMC Budget Office
- Donna Messina, Astronomy
- Ed Moroni, Law School
- Scott Norum, A&S
- Dorothy Pearlman, Internal Audit
- Michael Reich, Procurement
- Patricia Reid, Treasury
- Narda Romero, P&S Central
- Audrey Rosenblatt, Arts & Sciences
- Dionida Ryce, Basic Sciences
- Joshua Sakolsky, Art History and Archeology
- Eileen Valerio, Internal Audit
- Mary Ann Wanner, Dental School
- Anna Wojnarowska, Business School
Financials ERP Scope

Project Scope

• Redesign our Chart of Accounts in PeopleSoft Financials
• Implement a new General Ledger (core accounting module)
• Implement new Accounts Payable and Purchasing modules
• Implement Project Costing module; allows us to track certain activity across fiscal years
• Retrofit current Budget Tool for a new Chart of Accounts
• Design New Reporting—queries “in the system” and from the data warehouse
• Conduct Training
System Go-Live - July 1, 2012

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- **FIN ERP is our Project**
- **ARC is the name of our new financial system**
What is a Transition Session?

• Transition Sessions are intended to promote awareness and orientation to the changes that FIN ERP will bring and prepare you for the formal training and deployment of the new solution.

• Formal ARC System Training will begin in April 2012.

• Objectives for Today:
  – Introduce the new ARC Procurement solution
  – Understand what is changing and what is not changing
  – Provide functional overview of each Procurement transaction type
  – Review key Procurement interfaces
Key System Components of the FIN ERP Solution

- Application Security
- Chart of Accounts
- Finance
  - General Ledger
  - Budget
  - Project Costing
- Procurement
  - Purchasing
  - Accounts Payable
  - P-Card
- Reporting
  - PeopleSoft
  - Financial Data Store
- Integrating Systems (i.e. Advance, PAC/LA, SIS, etc.)
- Enabling Technology and Infrastructure
- Operations and Maintenance
Procurement Solution
ARC Procurement Solution

![Diagram of ARC Procurement Solution]

- **Procurement**
  - **Vendor Administration**
  - **Requisition**
    - Requisition
  - **Purchasing**
    - Purchase Order
    - Change Order
    - Receipt
    - P-Card
  - **Voucher**
    - PO Voucher
    - Non-PO Voucher

- Integrating Systems (i.e. OnBase, Staples, PSS, etc.)
- Inquiry and Reporting
Procurement Lifecycle

- Project Team looked for opportunities to increase functionality, improve internal controls, and enhance information using ARC
Procurement: Summary of Changes

• Increased Functionality
  • Additional automatic functions
  • Added efficiencies
  • More robust functionality
  • Some new complexity

• Improved Internal Controls
  • Systematic controls
  • New functionality providing additional controls
  • Opportunity to leverage system for improved controls

• Enhanced Information
  • Greater visibility into transactions
  • Direct access to more data
  • Integrated information on transaction life cycle
Procurement: Summary of Changes

- FINSYS (VM)
- FFE
- CAPS
- FINSYS (CO)
- WORKS
- APCAR

ARC
The New “Rules of the Road”
New System-Based Activities: Budget Checking, Receiving, Matching, Workflow

**Budget Checking**: Enables you to control commitments and expenditures automatically by checking them against predefined, authorized budgets.

**Pre-Encumbrance**: Part of budget checking, amount expected to spend, but for which there is no legal obligation to spend. Cleared when encumbrance is created.

**Receiving**: A system record of goods received from purchase orders.

**Matching**: Matching process compares vouchers with purchase orders (2-way) and receiving (3-way) documents. This ensures that you pay for only the goods and services that you order and receive.

**Workflow**: Automatic, rule-based routing to pre-determined users based on criteria such as role, department, commodity, account, and dollar amount.
Sample Approval Workflow

- View Predefined Transaction Approval Routing Path

Department Approval Stage

Prior Approval Stage

Central Purchasing Approval Stage

Approvers
Segregation of Duties: Requisitions

- We can leverage ARC functionality to require segregation of duties on all requisitions above a dollar threshold; $500 was selected
- Requisitions will still be required for all services, regardless of dollar level (as they are today)
- Department approvals must be within an individual’s threshold limits

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<th>$ Threshold</th>
<th>Goods</th>
<th>Services</th>
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<td>&lt; $500</td>
<td>• Requisition not required</td>
<td>• Requisition required</td>
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<tr>
<td></td>
<td>• Segregation of duties not required</td>
<td>• Must have different Requisition Initiator vs. Requisition Approver</td>
</tr>
<tr>
<td>&gt; $500</td>
<td>• Requisition is Required</td>
<td>• Requisition Required</td>
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<tr>
<td></td>
<td>• Must have different Requisition Initiator vs. Requisition Approver</td>
<td>• Must have different Requisition Initiator vs. Requisition Approver</td>
</tr>
</tbody>
</table>
Segregation of Duties: Vouchers

- Vouchers under $500 or associated with a PO need just one level of departmental approval

- **New:** non-PO Vouchers over $500 will require a separate initiator and approver

- Vouchers for TBERS, Cash Advances, Petty Cash Replenishments will continue to require a separate initiator and approver at all dollar thresholds

- Department approvals must be within an individual’s threshold limits

<table>
<thead>
<tr>
<th>$ Threshold</th>
<th>PO Vouchers</th>
<th>Non-PO Vouchers</th>
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<td>&lt; $500</td>
<td>Voucher Initiator <em>can</em> be same as Voucher Approver</td>
<td>Voucher Initiator <em>can</em> be same as Voucher Approver</td>
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<tr>
<td>&gt; $500</td>
<td>Voucher Initiator <em>can</em> be same as Voucher Approver</td>
<td>Voucher Initiator <em>cannot</em> be same as Voucher Approver</td>
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Changes for Each Procurement Transaction Type
**Vendor Request**

**Consolidated Web Form**

- **Vendor**
- **Department**

**EDM**

- **Vendor Documents**
- **Vendor Management Review and Approval**

**ARC**

- **Vendors**

**Functionality**
- Streamlined vendor request
- Direct access for vendors to submit information to Vendor Management
- Online W9/W8
- Consolidated workflow, status visibility through email
- One vendor profile with multiple addresses

**Controls**
- All Vendor information must be entered centrally into ARC prior to transaction initiation

**Information**
- Ability to inquire on vendor information (i.e. address, contact) and vendor payment details
Vendor Request Form Mockup

COLUMBIA UNIVERSITY
IN THE CITY OF NEW YORK

Procurement Vendor Request Form

- New Request
- Modify Request

Vendor Name: 
PSFT Vend ID: 
Vendor Email: 
Request ID: Auto Generated Number
Vendor Contact: 
Vendor Phone: 
Vendor Phone: 

Nature of Transaction
- Purchase of Goods or Services
- Employee Reimbursement
- Petty Cash
- Honoraria
- Prizes & Awards
- Refunds
- Human Subject Study
- Royalties
- Charitable Contributions
- Scholarship or Fellowship
- Sponsor
- Libraries Vendor

I have read and agree to the Conflict of Interest statement: 
- Yes
- No

Submit  Reset

* Mockup fields and functionality subject to change
Vendor Look Up

- Search for Vendor by Vendor ID or Vendor Name
Requisitions – ePro Module

**Functionality**
- No limits on # of line items
- Distribution at Line Item Level & More than 5 distributions
- Requester defaults, templates
- UWPA requisitions no require Purchasing review, at any $ level
- EDM integration, email notification

**Controls**
- Budget Checking (Manually and Automatically)
- Segregation of Duties
- Workflow Rules Direct Routing
  - Commodity Code Based
  - Dept Chartfield Based

**Information**
- New Commodity, Service codes
- Ability to inquire on requisition details, processing status
Requisitions – ePro Module

- Enter Requestor ID for Defaults
- Line Items Detail include Distribution Lines
Purchase Orders – Purchasing Module

**Functionality**
- Requisitions systematically generate Purchase Orders
- All Purchase Orders will systematically be dispatched

**Controls**
- Budget Checking

**Information**
- Ability to inquire on PO processing status and transaction activity summary (i.e. PO amount received, matched, and/or invoiced)
### Purchase Order

**Vendor:** 0000000049  
Test Vendor  
123 Test Vendor Way  
New York NY 10017

**Ship To:**  
US001  
144 North Street  
ADDRESS2  
ADDRESS3  
New York NY 10168  
United States

**Bill To:**  
144 North Street  
ADDRESS2  
ADDRESS3  
New York NY 10168  
United States

**Tax Exempt?** N  
**Tax Exempt ID:**  
**Mfg ID**  
**Quantity** 100.00 EA  
**UOM** 100.00  
**PO Price** 10,000.00  
**Extended Amt** 08/31/2011

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<tr>
<th>Line-Sch</th>
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<th>Mfg ID</th>
<th>Quantity</th>
<th>UOM</th>
<th>PO Price</th>
<th>Extended Amt</th>
<th>Due Date</th>
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<tr>
<td>1-1</td>
<td>Test Item for Hand on Demo</td>
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<td>100.00 EA</td>
<td>100.00</td>
<td>10,000.00</td>
<td>08/31/2011</td>
<td></td>
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</table>

**Schedule Total** 10,000.00  
**Item Total** 10,000.00  
**Total PO Amount** 10,000.00

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* Mockup field subject to change
Change Orders – Purchasing Module

Functionality
- Changes made directly to PO
- Change Orders that no longer require Central Approval:
  - COs to UWPA POs
  - Decreases in PO Amount

Controls
- Budget Checking
- Segregation of Duties
- Workflow mirrors Requisition Workflow

Information
- Ability to inquire on change order details and history
Change Orders – Purchasing Module

- Changes made to Purchase Order directly
- Can change Line Information: including Quantity, Price and Distribution
Receiving – Purchasing Module

**Functionality**
- Receiving for:
  - Equipment
  - Hazardous Materials
  - Controlled Substances
- Ability to fully receive, partially receive, reject delivered goods

**Controls**
- Must have Requestor and/or Requisitioner role
- Items that require Receiving must be received in ARC prior to Voucher completion

**Information**
- Ability to inquire on PO receipt information and associated transactions (e.g., associated Vouchers and payments)
Receiving – Purchasing Module

- Receive items at the PO Line Item by Quantity

![Image of ORACLE receiving module]

Receive PO Quantity
Procurement Card – Purchasing Module

**System Loads P-Card File**

- Transaction reconciliations, and approvals in ARC
- ARC generated vouchers then post to the General Ledger

**Reconcile Transactions**

- Allocations by cardholder/approvers are restricted by Dept & Account

**Approve Transactions**

**System Generates Vouchers**

- Ability to inquire for P-Card transactions
- Ability to drill back from General Ledger to P-Card transaction from Voucher

**Functionality**

- Transaction reconciliations, and approvals in ARC
- ARC generated vouchers then post to the General Ledger

**Controls**

- Allocations by cardholder/approvers are restricted by Dept & Account

**Information**

- Ability to inquire for P-Card transactions
- Ability to drill back from General Ledger to P-Card transaction from Voucher
Procurement Card – Purchasing Module

- Reconcile and Approve P-Card transactions by Employee
Voucher – Accounts Payables Module

Functionality
- For matched vouchers - No Central AP review
- Ability to adjust/correct vouchers for accounting purposes
- EDM integration for document viewing, email notification for Holds
- Posting after Approvals and budget checking

Controls
- Budget Checking
- PO Matching (2-way and 3-way)
- Segregation of Duties

Information
- Ability to inquire on voucher information based on numerous criteria
- Ability to inquire on payment information by payment date, payment method, or voucher
- Copy PO or Receipt for Matching
- Enter Header, Line & Distribution Information
Integrating Systems

Functionality
- Staples/PSS User Default Chartfields and Single Sign On
- ARC generated vouchers for Integrated transactions
- Change in Fisher Scientific Process

Controls
- Segregation of Duties
- Streamlined Workflow

Information
- Inquire on integrated transaction through Vouchers
Online Inquiry

Information
- Integrated System provides robust Online Inquires:
  - Ability to inquire on single/multiple transactions
  - Real-time Inquires
  - Approval Transactions Inquiries
  - Download/Export Inquires to Excel
Online Inquiry Pages

- Transaction Visibility from Requisition through to Payment

Document Status

- Business Unit: US001
- Document Date: 07/20/2011
- Currency: USD
- Requester: Kenneth Schumacher
- Req ID: 000000165
- Status: Approved
- Document Type: Requisition
- Merchandise Amt: 2,000.00
- Budget Status: Valid Budget Check

Associated Transactions

- Payment
  - DOC ID: 009018
  - Status: Posted
  - Document Date: 10/05/2011
  - Vendor ID: USA00000001
  - Location: 1
- Purchase Order
  - DOC ID: 000000262
  - Status: Dispatched
  - Document Date: 07/20/2011
  - Vendor ID: USA00000001
  - Location: 1
- Receipt
  - DOC ID: 000000066
  - Status: Received
  - Document Date: 10/05/2011
  - Vendor ID: USA00000001
  - Location: 1
- Voucher
  - DOC ID: 00000235
  - Status: Posted
  - Document Date: 10/05/2011
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  - Location: 1
To Summarize

• Integrated Solution
  • Disparate Components Consolidated into one System
  • Functionality not in the System is integrated into it

• Procurement Lifecycle Does Not Change
  • Processes from “Req to Check” Remain
  • Some Steps, Tools & Rules are More Systematic, Consistent

• Integration Has 3 Primary Characteristics
  • Increased Functionality
  • Improved Internal Controls
  • Enhanced Information
Facilitated Q&A
Meeting Wrap-Up
<table>
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<tr>
<th>CORE ARC TRAINING</th>
<th>Design</th>
<th>Build</th>
<th>Test</th>
<th>Deploy/Support</th>
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Project Resources

• Review FIN ERP Project Website:

• Send Questions to FIN ERP Project Email Address:
  FINERP@columbia.edu

• School / Admin Unit Liaisons (see following slide for detailed list)
Your Extended Support Network:
FIN ERP School/Admin Unit Liaisons

Alumni and Development – Hannia Smith
American Assembly - Karla Garcia
Architecture - Elizabeth Alicea
Arts and Sciences - Ellen Binder
Athletics - James Grate
Business School - Janet Horan
Columbia College - Andrea Burrell
Continuing Education - Karyn Smith
Columbia Technology Ventures - Tony Cerone
CUMC - Raquel Marin-Oquendo
Earth Institute - Wayne Belcher
Facilities - Barbara Tracy
Finance - Lisa Rogerson
General Counsel - Helene Newman
General Studies - Robert Hoffmeister
GSAS - Rebecca Hirade
Journalism School - Lucia Viterbo

Kraft Center for Jewish Life - James Levin
Lamont Doherty Earth Observatory - Edith Miller
Law School - Gabriele Werffeli
Libraries - Kristine Kavanaugh
President’s Office - Kate Townsend
Provost’s Office - Michelle Baggan-Bacchus
Public Affairs/Government and Community Affairs - Allen Poole
Research - Debbie Stiles
School of Engineering and Applied Science - Anna O’Neill
School of International and Public Affairs - Patrick Bohan
School of the Arts - Barbara Batcheler
Social Work - Cynthia Kong
Student Administrative Services - Marcela Ruano