# UWFT SHARED ENVIRONMENT ADMINISTRATOR GUIDE

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# SHARED ENVIRONMENT ADMINISTRATOR GUIDE

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# Shared Environment
# Overview

# Business Process Overview

Post Award
Research Administration
(GA2C)

General Accounting
(R2R)

Customer
Support and Help

Reference Material

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# INTRODUCTION

Administrators and staff – welcome to the *Shared Environment Administrators Guide*. The goal of this guide is to provide you with information related to the Shared Environment (SE) solution coming out of the UW Finance Transformation (UWFT) program in a central, easily accessible location. There is a LOT of information to share through various types of documentation, much of which will evolve over the program. We believe having answers readily available at your fingertips is most effective for accelerated learning. We are aware that this will require a very large investment of your time and we hope this guide will make that easier and serve as a critical tool to answer any of your own or colleague's questions you may have about the SE. This guide is designed to:

- Provide background on why the UW is undertaking finance transformation
- Provide an overview of the vision and approach for the SE
- Provide Administrators with materials that can help you communicate this vision and approach to your staff and other stakeholders
- Provide detailed process flows that can be reviewed on an as-needed basis
- Give insight to what is new, what is changing and what is staying the same
- Level-set on future knowledge and skills that will be needed due to Workday implementation
- Have Q&A sections in all areas of the Operating Model, SE, security roles and support
- Provide material organized by end-to-end process areas that have transactions in the SE
- Provide material based on cross-functional "initiation to close" process flows that bring the work to life prior to system testing

We will be making this guide available in printable and digital form. The digital flipbook can be found on the Change Network Administrator's Guide to the Shared Environment. If you would like a printed copy, please refer to How to Use this Guide for instructions.

We welcome all feedback for what to include in this guide; please send your recommendations to UWFTAsk@uw.edu.

# HOW TO USE THIS GUIDE

This guide is designed to deliver information transparently, which means sharing content as soon as it's available. You'll find new or revised information highlighted in the Table of Contents (TOC). Content releases are targeted for monthly, however if needed, we will provide updates on a bi-weekly basis.

The guide's content is mainly focused on processes in the Shared Environment (SE), however, when appropriate, certain information will span across all end-to-end areas, such as the taxonomy.

This guide is organized by starting with the broad topics of "why" UWFT and the "why" and "how" of shared services and the SE. We then discuss the specific work that will be housed in the SE; there are four end-to-end sections related to billing, general accounting, post-award grants and procurement. In these sections, you'll find a variety of "artifacts" to help you understand the "what, where, how and who" of transactions in the SE. We've also provided an introduction to the taxonomy that the UWFT program is using to organize this work. This will help orient guide users to the subsequent sections. Additional sections include information about the Central Finance Shared Environment and Unit Shared Environments, as well as related topics like security roles and the SE cost/funding model. As we create other "artifacts" that we believe will be valuable and advance learning for Administrators, we'll add those to the guide and highlight them in our regular email updates to all Administrators.

This guide can be "consumed" in a few ways:

- **As a book**: read the narrative from beginning to end, learning about the structure of Shared Services and then drilling down into individual finance and procurement processes
- **As a topical reference**: accessing a specific section to do a "deep dive" into a topic or process or simply remind yourself of the decision, approach, etc.
- **As a way to stay current**: reviewing new content as it's posted to track progress

To access the guide initially, you may choose to:

- Go paperless, via two options:
    - Change Network view (click through each section's documents on the Administrator's Guide to the Shared Environment)
    - View using the flipbook (located on the Change Network); see below for flipbook navigation tips
- Download and print all or individual sections/documents from the Change Network and store in a binder
- Order a hard copy in binder form from this Creative Communications link and bill to your department

As content is updated, you may choose to:

- View updates on the Change Network (flipbook or webpage)
- Print updates and file in your binder (at times replacing outdated pages)

- Order updated content from Creative Communications to file in binder (at times replacing outdated pages) and bill to your department

The guide is a living compendium and content is iterative (thus page numbers are not included but search functionality can be leveraged to get you to the content you are looking for). You should not consider information final until Workday® Finance goes live. Instead, previously released sections may be continually updated and placeholder sections (like blank Q&As) will be populated as (SE) information becomes known or is refined.

We would love to hear feedback from you on the guide as we iterate on areas such as:

- Ease of use
- Accessibility
- Content style/format
- Other ideas and suggestions

Feedback should be sent to UWFTAsk@uw.edu with the subject titled "SE Admin Guide" to ensure proper routing. Thank you in advance for your ideas, concerns, and suggestions!

# WHY UWFT AND SHARED SERVICES?

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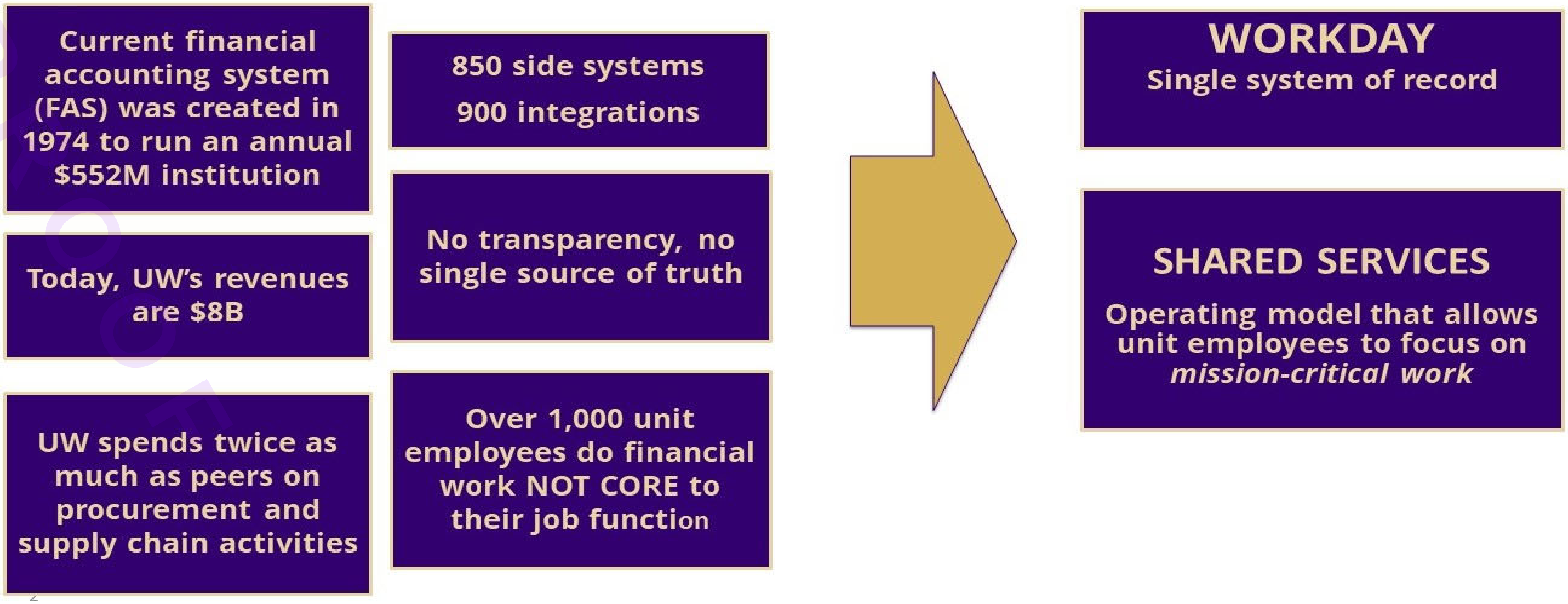
# WHAT IS TRANSFORMING?

- The UW is **replacing** our current financial accounting system (FAS) with a modern, cloud-based financial system (Workday)
- The UW is **redesigning** financial-related business processes
- The UW is **sharing** work across units where appropriate, by standing up a new operating model

# WHY ARE WE DOING THIS?



Current financial accounting system (FAS) was created in 1974 to run an annual $552M institution

Today, UW's revenues are $8B

UW spends twice as much as peers on procurement and supply chain activities

850 side systems

900 integrations

No transparency, no single source of truth

Over 1,000 unit employees do financial work NOT CORE to their job function

**WORKDAY**

Single system of record

**SHARED SERVICES**

Operating model that allows unit employees to focus on *mission-critical work*

# WHY WORKDAY?

- Quick, accurate data
- Provide the same data to everyone, facilitating transparency in decision-making at all levels
- Identify overruns, deficits, and other risks big and small
- Support long-term planning through better forecasting
- Integrate all platforms, including HR/payroll (HRP), procurement and finance (enter data only once)
- Help us leverage the hard work and dedication of our staff to improve effectiveness
- Reduce the administrative workload associated with business functions and interactions that are necessary but secondary to our core mission

# WHAT DOES UWFT MEAN FOR STAKEHOLDERS?

- The way we **buy and requisition** will change
- The way we **close the books** will change
- The way we **budget** will change
- The way we **interact with other business systems and tools** will change
- The way we **describe financial activities** will change
- The way we **access and view reports** will change

# WHY SHARED SERVICES?

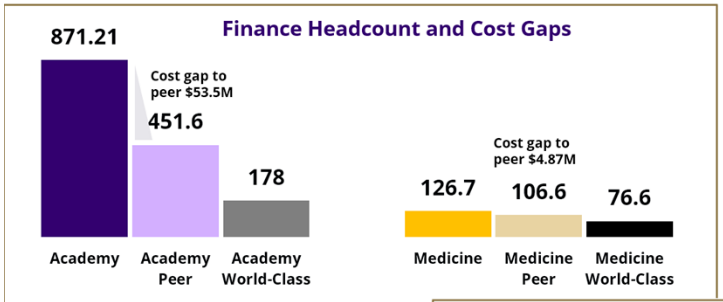
## Shared Services direction at the University of Washington

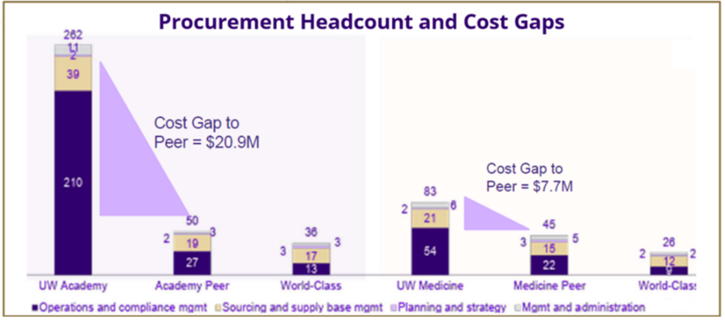
The UW is a large and complex organization which has been noted as “the most fragmented and decentralized Gartner experts have ever seen.” The 2018 benchmark study conducted with the Hackett Group reported that the University is currently spending $226M on an annual basis to support finance, procurement and supply chain activities and that there are many areas of opportunity for improvement.

> From the Hackett Benchmarking Study, **UW Academy is less efficient than peers in most areas**

> **UW Medicine is more centralized** and has headcount and process costs more similar to its peers

> **1,046 Academy staff reported spending <=30%** of their time in finance and procurement activities; **this is not their primary role** (this does not include people who spend <10% of their time on these activities as they were likely not reported)





# HRP LESSONS LEARNED

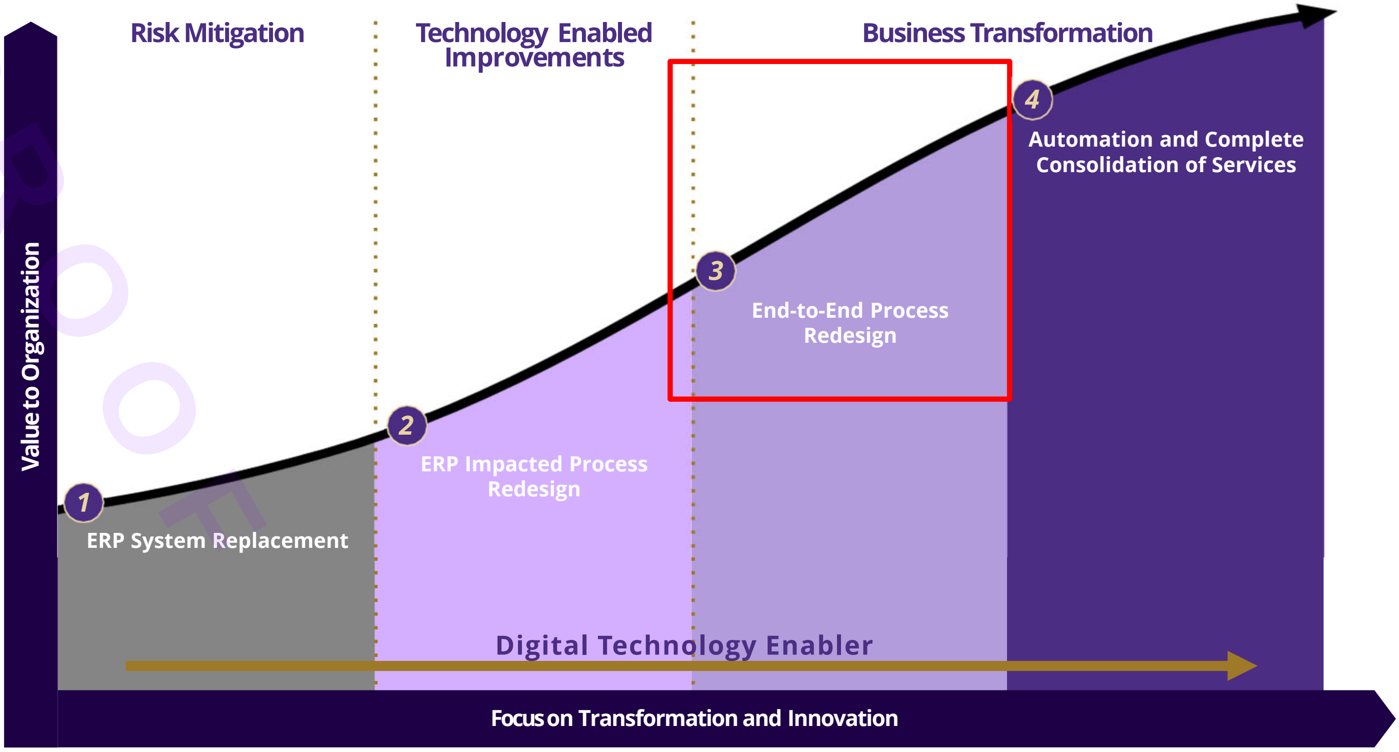
**We will leverage the lessons learned from the HRP Workday implementation to ensure a successful UWFT program.**

- **Focus on *business* transformation, not simply technology -> Change Management** is key
- Scope, schedule and budget: If you change one, you impact all
- **Engage the right people at the right time**
- **Focus on end-to-end processes** , not just the system
- **Focus on operating model early**
- Ensure process transformation & redesign teams have access to the system during the process
- Value voice, collaboration and the courage to course correct
- Leadership and program team **speak with one voice**
- Maintain UW commitment and momentum when turnover occurs
- Focus on reporting early
- Provide ample **hands-on training and practice** BEFORE go-live

# SHARED SERVICES NARRATIVE

- The University is evaluating policies, processes and procedures, including where work is done. To accomplish this transformation, the University needs to make a significant shift in the operating model direction from a decentralized and disconnected environment to a modern, efficient and trusted finance, procurement and supply chain function with standardized and simplified processes, systems and policies and consolidated resources which will enable effective decision making in support of the University's mission.
- This type of transformation will be significant for the University, but UW Academy (UWA) and UW Medicine (UWM) will each have unique journeys given their very different starting points. Specifically, while UWM currently operates with a centralized finance and supply chain structure, units in UWA are very decentralized (also, many of the School of Medicine processes overlap with both the UWA and UWM, which adds an additional layer of complexity). Change management and stakeholder engagement will be critical to support this type of transformation.
- In January 2019, the core team and the program leadership team (PLT) recommended that the University (UWA and UWM) shift their operating model from a finance model that is 70% local / 30% shared to a model that is 30% local / 70% shared, and also shift from a procurement and supply chain model that is 60% local / 40% shared to a model that is 35% local / 65% shared. This direction was confirmed on January 24, 2019 by UWFT Sponsors (with eight sponsors in attendance voting green in approval).

# OPERATING TRANSFORMATION MATURITY MODEL



Risk Mitigation

Technology Enabled Improvements

Business Transformation

1 ERP System Replacement

2 ERP Impacted Process Redesign

3 End-to-End Process Redesign

4 Automation and Complete Consolidation of Services

Digital Technology Enabler

Value to Organization

Focus on Transformation and Innovation

## Degrees of Transformation Examples

### 1. ERP System Replacement

Low degree of transformation. Lift and shift existing technology. Limited redesign of existing processes. Operating Model remains intact.

### 2. ERP Impacted Process Redesign

Medium degree of transformation. Cloud capability leveraged. ERP-impacted processes standardized, with corresponding change to Operating Model.

### 3. End-to-End Process Redesign

Medium – High degree of transformation. All Supply Chain and Finance processes standardized. New Operating Model established with ERP enablement.

### 4. Automation and Complete Consolidation of Services

High degree of transformation. All Supply Chain and Finance redesigned to leverage a leading Operating Model for transaction processing. Unified shared service(s), irrespective of ERP.

# WHY ARE WE DOING CONCEPTUAL OP MODEL WORK NOW?

## Why are we doing conceptual Op Model work now?

1. **Lesson Learned from HRP:** A key takeaway from HRP is that the efficiencies realized by a technology transformation will be limited unless there is a corresponding Op Model transformation

2. **Significant Runway Required to Stand-up Op Model:** Based on lessons learned from both internal and external shared services case studies, significant runway is required to develop a well-functioning model. In order to set ourselves up for success, we need as much runway as possible to work through the complexities of this process and have the ability to pilot and adjust over time

3. **Stakeholder Engagement:** Significant stakeholder engagement is required to ensure that the target Op Model design considers the requirements of multiple diverse stakeholders (e.g., faculty, admins, units with unique operations, professional schools, large units, Medicine, Academy, etc.)

4. **FDM/Design Work Links:** The Op Model design is a critical input into how the FDM is set-up (i.e., cost centers) and how the overall Workday system and end-to-end processes are designed

5. **Unit Readiness/Staffing:** Based on lessons learned from HRP, as well as work done to date, the units need a long runway to prepare their staff for the changes

# WHAT IS AN OPERATING MODEL?

## Operating Model

- An operating model is a blueprint and design that **connects an organization's strategic vision and business model** with its detailed business processes
- The operating model answers the question "**What are the fundamental capabilities and competencies and where do they get executed?**"
- The operating model provides the **visual representation of how an organization delivers value** to its internal and external customers
- The target operating model (future state) design helps to illustrate how to best organize the capabilities in order to **deliver more efficiently and effectively on the organization's strategy**

### What it is

- ✓ Operating Model clearly articulates the vision and operating objectives of the finance and supply chain functions including **catalog of services**
- ✓ It **identifies the capabilities required to perform these services**
- ✓ It **outlines where key processes/sub-processes are being executed**
- ✓ It provides the **framework for a new organizational design**
- ✓ It determines **the service levels, including degree of standardization**, **proximity to stakeholders** and the location in which these services need to be performed

### What it isn't

- × **Operating Model is not the organizational design and creation of organizational structure** that delineates the direct and indirect reporting relationships between different positions
- × **It does not highlight the delegation of authority and decision making** within the organization
- × **It does not define the roles and activities** of the different organizational positions
- × Not an **'end'** in itself

# UWFT OPERATING MODEL GUARDRAILS

The target operating model will be designed to support and enhance the educational, research, clinical, and outreach missions of the University of Washington.

| # | Operating Model Guardrails* |
|---|---|
| **1** | Roles and responsibilities will be distributed between units and shared service hubs in a way that assures consistent, quality service while driving targeted efficiencies. The number and configuration of shared service hubs will reflect the diverse needs and work volumes of units across the UW while applying common, standard policies and processes. |
| **2** | Where possible, shared service hubs will be staffed by qualified internal personnel, with the goal of leveraging existing familiarity with the UW's policies and culture. |
| **3** | Depending on the functional services being provided, the operating model will be supported by a standard, user-friendly, robust and scalable data collection and communication tool (e.g., ticketing system). |
| **4** | The operating model will be flexible enough to evolve as strategic objectives, critical business requirements and/or technology capabilities change (e.g., Workday). |
| **5** | Roles and responsibilities will be clearly defined in the future state, supported by partnership agreements and appropriate governance structures. |
| **6** | Process performance metrics will be developed, monitored and benchmarked against best practice higher ed and/or healthcare metrics, and tracked regularly to drive continuous improvement. |

**Note:** These guardrails will be reviewed and evolve as the UWFT program moves forward with the Implementation Phase
***** Exceptions to the above guardrails will be subject to a structured review process (TBD) and justified based on sufficiently unique business requirements

# OP MODEL DESIGN PRINCIPLES

The following principles were adopted as starting point of development of conceptual Op Model design:

| # | Operating Model Design Principles |
|---|---|
| 1 | **Transactional finance and supply chain activity will be done by experts who specialize in a specific area**. These experts will serve multiple units / depts. |
| 2 | Processes that require **unit specific knowledge / physical presence will continue to be executed locally**. Key management decisions will continue to reside in units. |
| 3 | Given the different business models of UWA and UWM, the Op Models need to be dedicated and **a limited number of processes will be shared enterprise-wide.** |
| 4 | Size and complexity metrics will be used to **objectively determine the need for large / highly complex units to have a dedicated hub**. Other units will be clustered together based on the factors outlines on the prior slide (affinity, geographical proximity, unique unit requirements, and lessons learned in case examples). |
| 5 | **Hubs will be staffed by qualified internal resources (**where possible), to **leverage their familiarity with the UW's processes and culture**. |
| 6 | There should be an **adequate number of hubs to serve the diverse needs of units across the UW, while creating targeted efficiencies**. |

1. **Hub** = A Shared Service Center that delivers transactional Finance, Supply Chain and Procurement Activity for a single unit (dedicated hub) or cluster of units (SSC hub)
2. **Clustering** = This refers to the grouping of units that deliver similar activities (based on the above factors). This cluster of units will be supported by a SSC hub

# BUILDING TOWARDS FINANCIAL TRANSFORMATION

Since the roadmap for administrative systems modernization began in 2008, UW has been on a path towards financial transformation, with each stepping stone building upon the previous one.

**2008**

**Roadmap for Administrative System Modernization**

**2010-2013**

**Finance Systems Needs Assessment**

- ARIBA Extension
- HRP Modernization
- Initial Hackett Benchmarking (Procurement)

**2014-2017**

**Finance Systems Strategy and Readiness**

- Visioning Workshop
- ERP Sourcing Strategy – Maturity Model Workshops
- Gartner Assessment
- HCM Workday Go-Live
- Workday Selected for Finance
- Deloitte TCO

**Jan 2018 – Dec 2019**

**Finance Transformation Readiness**

- Benchmarking and Data Gathering
- Operating Model Design
- Foundation Data Model and Prototyping
- IT System design
- Regents approval of scope, schedule and budget

**Present – July 2022**

**Finance Transformation Implementation & "Go Live"**

- Architect
- System Configuration
- Data Conversion
- Integration and Reports Development
- Business Processes and Roles
- Operating Model deployed
- Unit Readiness confirmed
- IT support model
- Training & Testing

# OPERATING MODEL JOURNEY TO DATE

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# OPERATING MODEL JOURNEY – INTRODUCTION

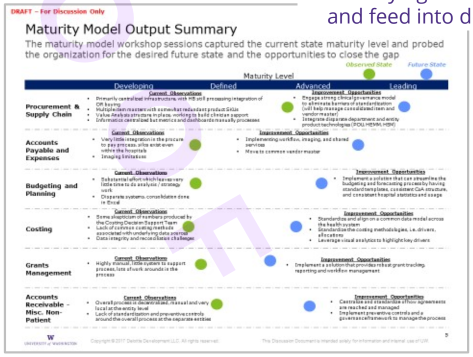
The following timeline shows the University's **journey** to today's Operating Model design. After an **assessment of the current state** finance & supply chain operating model, the University spent 2018 to 2020 defining a direction for its transformation with a **broad group of stakeholders** and applying that direction on **redesigned business processes**. Today, the Operating Model journey continues, **grounded in the work completed** during the program's Readiness, Design and Implementation phases.

# OPERATING MODEL JOURNEY – READINESS AND DESIGN PHASES

**Aug – Dec 2017**

## Pre-Readiness - Process Maturity Assessment

- ✓ Leveraged prior maturity assessment for finance & procurement processes in Academy and Medicine
- ✓ Identified gaps and needs for change, which helped in identifying transformation goals and feed into design activities



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### Maturity Model Output Summary

The maturity model workshop sessions captured the current state maturity level and probed the organization for the desired future state and the opportunities to close the gap

| | Current Observations | Improvement Opportunities |
|---|---|---|
| **Procurement & Supply Chain** | Primarily centralized infrastructure, with HB still processing integration of OR buying<br>Multiple item masters with somewhat redundant product SKUs<br>Value Analysis structure in place, working to build clinician support<br>Informatics centralized but metrics and dashboards manually processes | Engage strong clinical governance model to eliminate barriers of standardization (will help manage consolidated item and vendor master)<br>Integrate disparate department and entity product technologies (POU, HEMM, HSM) |
| **Accounts Payable and Expenses** | Very little integration in the procure to pay process, silos exist even within the hospitals<br>Imaging limitations | Implementing workflow, imaging, and shared services<br>Move to common vendor master |
| **Budgeting and Planning** | Substantial effort which leaves very little time to do analysis / strategy work<br>Disparate systems, consolidation done in Excel | Implement a solution that can streamline the budgeting and forecasting process by having standard templates, consistent CoA structure, and consistent hospital statistics and usage |
| **Costing** | Some skepticism of numbers produced by the Costing Decision Support Team<br>Lack of common costing methods associated with underlying data sources<br>Data integrity and reconciliation challenges | Standardize and align on a common data model across the health system<br>Standardize the costing methodologies, i.e. drivers, allocations<br>Leverage visual analytics to highlight key drivers |
| **Grants Management** | Highly manual, little system to support process, lots of work arounds in the process | Implement a solution that provides robust grant tracking, reporting and workflow management |
| **Accounts Receivable – Misc. Non-Patient** | Overall process is decentralized, manual and very local at the entity level<br>Lack of standardization and preventive controls around the overall process at the separate entities | Centralize and standardize of how agreements are reached and managed<br>Implement preventive controls and a governance framework to manage the process |

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This Discussion Document is intended solely for information and internal use of UW.

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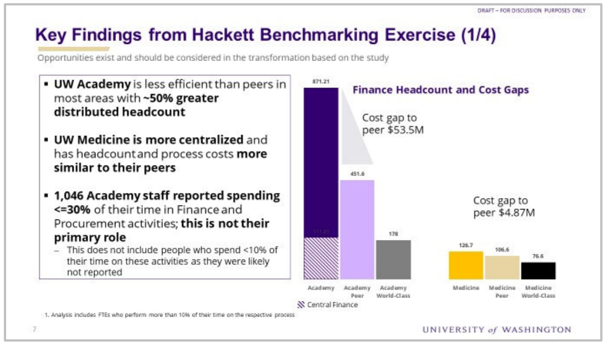
**June – Aug 2018**

## Hackett Benchmarking Study

- ✓ The benchmarking study provided actual FTEs and costs associated with processes. In addition, it provided us with areas of potential opportunities for further review.



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### Key Findings from Hackett Benchmarking Exercise (1/4)

Opportunities exist and should be considered in the transformation based on the study

- **UW Academy** is less efficient than peers in most areas with **~50% greater distributed headcount**
- **UW Medicine is more centralized** and has headcount and process costs **more similar to their peers**
- **1,046 Academy staff reported spending <=30%** of their time in Finance and Procurement activities; **this is not their primary role**
  - This does not include people who spend <10% of their time on these activities as they were likely not reported

**Finance Headcount and Cost Gaps**

Cost gap to peer $53.5M

Cost gap to peer $4.87M

1. Analysis includes FTEs who perform more than 10% of their time on the respective process

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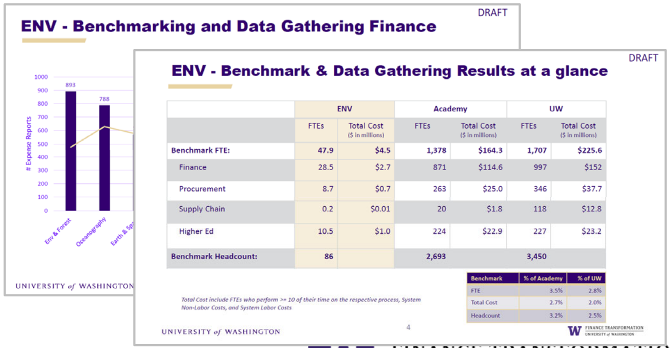
**June – Aug 2018**

## Unit Profiles

- ✓ Unit profiles were produced for every major unit, with follow-up meetings conducted to discuss results and potential opportunities.



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### ENV - Benchmarking and Data Gathering Finance

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### ENV - Benchmark & Data Gathering Results at a glance

| | ENV | | Academy | | UW | |
|---|---|---|---|---|---|---|
| | FTEs | Total Cost ($ in millions) | FTEs | Total Cost ($ in millions) | FTEs | Total Cost ($ in millions) |
| **Benchmark FTE:** | **47.9** | **$4.5** | **1,378** | **$164.3** | **1,707** | **$225.6** |
| Finance | 28.5 | $2.7 | 871 | $114.6 | 997 | $152 |
| Procurement | 8.7 | $0.7 | 263 | $25.0 | 346 | $37.7 |
| Supply Chain | 0.2 | $0.01 | 20 | $1.8 | 118 | $12.8 |
| Higher Ed | 10.5 | $1.0 | 224 | $22.9 | 227 | $23.2 |
| **Benchmark Headcount:** | **86** | | **2,693** | | **3,450** | |

| Benchmark | % of Academy | % of UW |
|---|---|---|
| FTE | 3.5% | 2.8% |
| Total Cost | 2.7% | 2.0% |
| Headcount | 3.2% | 2.5% |

*Total Cost include FTEs who perform >= 10 of their time on the respective process, System Non-Labor Costs, and System Labor Costs*

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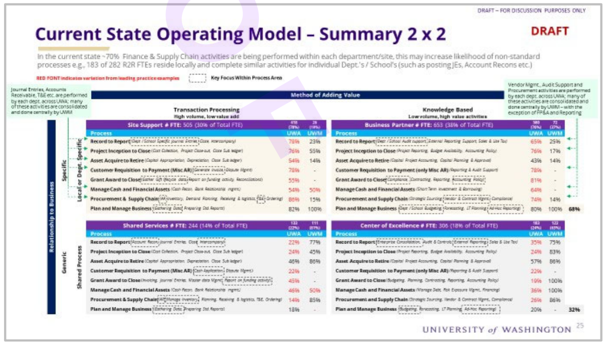
# OPERATING MODEL JOURNEY – READINESS AND DESIGN PHASES

Based on current state assessment, we defined the vision and direction of the future op model which can serve the UW's future requirements.

**Aug – Sept 2018**

**Current State of Operating Model Assessment**

- ✓ ~70% finance & supply chain activities are being performed within each unit/entity, increasing likelihood of non-- standard processes
- ✓ Operating model transformation in addition to ERP implementation identified as necessity to realize UW goals of efficiency



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## Current State Operating Model – Summary 2 x 2

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In the current state ~70% Finance & Supply Chain activities are being performed within each department/site, this may increase likelihood of non-standard processes e.g., 183 of 282 R2R FTEs reside locally and complete similar activities for individual Dept.'s / School's (such as posting JEs, Account Recons etc.)

RED FONT indicates variation from leading practice examples

Key Focus Within Process Area

Journal Entries, Accounts Receivable, T&E etc. are performed by each dept. across UWA; many of these activities are consolidated and done centrally by UWM

Vendor Mgmt., Audit Support and Procurement activities are performed by each dept. across UWA; many of these activities are consolidated and done centrally by UWM – with the exception of FP&A and Reporting

Method of Adding Value

Transaction Processing
High volume, low value add

Knowledge Based
Low volume, high value activities

| Site Support # FTE: 505 (30% of Total FTE) Process | UWA | UWM |
|---|---|---|
| **Record to Report** (Dept / School Specific Journal Entries, Close, Intercompany) | 78% | 23% |
| **Project Inception to Close** (Cost Collection, Project Close-out, Close Sub ledger) | 76% | 55% |
| **Asset Acquire to Retire** (Capital Appropriation, Depreciation, Close Sub ledger) | 54% | 14% |
| **Customer Requisition to Payment (Misc AR)** (Generate invoice, Dispute Mgmt) | 78% | - |
| **Grant Award to Close** (Gather Gift (Recycle data), Report on funding activity, Reconciliations) | 55% | - |
| **Manage Cash and Financial Assets** (Cash Recon, Bank Relationship mgmt) | 54% | 50% |
| **Procurement & Supply Chain** (AP, Inventory, Demand Planning, Receiving & logistics, T&E, Ordering) | 86% | 15% |
| **Plan and Manage Business** (Gathering Data, Preparing Std. Reports) | 82% | 100% |

| Business Partner # FTE: 653 (38% of Total FTE) Process | UWA | UWM | |
|---|---|---|---|
| **Record to Report** (Dept / School Audit support, External Reporting Support, Sales & Use Tax) | 65% | 25% | |
| **Project Inception to Close** (Project Reporting, Budget Availability, Accounting Policy) | 76% | 17% | |
| **Asset Acquire to Retire** (Capital Project Accounting, Capital Planning & Approval) | 43% | 14% | |
| **Customer Requisition to Payment (only Misc AR)** (Reporting & Audit Support) | 78% | - | |
| **Grant Award to Close** (Compliance, Contracting, Reporting, Accounting Policy) | 81% | - | |
| **Manage Cash and Financial Assets** (Short Term Investment & Borrowing) | 64% | - | |
| **Procurement and Supply Chain** (Strategic Sourcing, Vendor & Contract Mgmt, Compliance) | 74% | 14% | |
| **Plan and Manage Business** (Dept / School Budgeting, Forecasting, LT Planning, Ad-Hoc Reporting) | 80% | 100% | 68% |

| Shared Services # FTE: 244 (14% of Total FTE) Process | UWA | UWM |
|---|---|---|
| **Record to Report** (Account Recon, Journal Entries, Close, Intercompany) | 22% | 77% |
| **Project Inception to Close** (Cost Collection, Project Close-out, Close Sub ledger) | 24% | 45% |
| **Asset Acquire to Retire** (Capital Appropriation, Depreciation, Close Sub ledger) | 46% | 86% |
| **Customer Requisition to Payment (Misc AR)** (Cash Application, Dispute Mgmt) | 22% | - |
| **Grant Award to Close** (Invoicing, Journal Entries, Master data Mgmt, Report on funding activity) | 45% | - |
| **Manage Cash and Financial Assets** (Cash Recon, Bank Relationship mgmt) | 46% | 50% |
| **Procurement & Supply Chain** (AP, Manage Inventory, Planning, Receiving & logistics, T&E, Ordering) | 14% | 85% |
| **Plan and Manage Business** (Gathering Data, Preparing Std. Reports) | 18% | - |

| Center of Excellence # FTE: 306 (18% of Total FTE) Process | UWA | UWM | |
|---|---|---|---|
| **Record to Report** (Enterprise Consolidation, Audit & Controls, External Reporting, Sales & Use Tax) | 35% | 75% | |
| **Project Inception to Close** (Project Reporting, Budget Availability, Accounting Policy) | 24% | 83% | |
| **Asset Acquire to Retire** (Capital Project Accounting, Capital Planning & Approval) | 57% | 86% | |
| **Customer Requisition to Payment (only Misc AR)** (Reporting & Audit Support) | 22% | - | |
| **Grant Award to Close** (Budgeting, Planning, Contracting, Reporting, Accounting Policy) | 19% | 100% | |
| **Manage Cash and Financial Assets** (Manage Debt, Risk Exposure Mgmt, Financing) | 36% | 100% | |
| **Procurement and Supply Chain** (Strategic Sourcing, Vendor & Contract Mgmt, Compliance) | 26% | 86% | |
| **Plan and Manage Business** (Budgeting, Forecasting, LT Planning, Ad-Hoc Reporting) | 20% | - | 32% |

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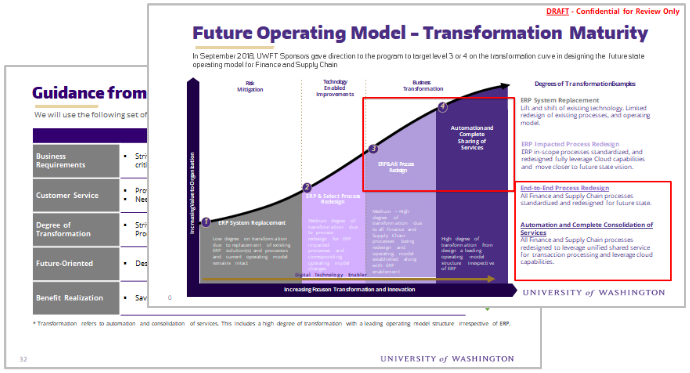
**Aug – Oct 2018**

**Guidelines from Sponsors**

- ✓ Developed the guidelines from Sponsors as starting point to think what future operating model can be at UW
- ✓ Aligned on target transformation maturity with Sponsors



## Guidance from

We will use the following set of

| | |
|---|---|
| Business Requirements | ▪ Stri<br>criti |
| Customer Service | ▪ Pro<br>▪ Nee |
| Degree of Transformation | ▪ Stri<br>Pro |
| Future-Oriented | ▪ Des |
| Benefit Realization | ▪ Sav |

* Transformation refers to automation and consolidation of services. This includes a high degree of transformation with a leading operating model structure irrespective of ERP.

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## Future Operating Model – Transformation Maturity

In September 2018, UWFT Sponsors gave direction to the program to target level 3 or 4 on the transformation curve in designing the future state operating model for Finance and Supply Chain

Degrees of Transformation Examples

ERP System Replacement
Lift and shift of existing technology. Limited redesign of existing processes, and operating model.

ERP Impacted Process Redesign
ERP in-scope processes standardized, and redesigned fully leverage Cloud capabilities and move closer to future state vision.

End-to-End Process Redesign
All Finance and Supply Chain processes standardized and redesigned for future state.

Automation and Complete Consolidation of Services
All Finance and Supply Chain processes redesigned to leverage unified shared service for transaction processing and leverage cloud capabilities.

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**Oct 2018**

**Op Model Vision**

- ✓ Conducted Vision Workshop with UWA and UWM key leaders
- ✓ Developed future vision statement and teased out the value finance and procurement/supply chain can generate from new way of operating

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## Op Model Visioning Workshop: Vision

We developed a Vision to guide Operating Model activities as we prepare for Process Deep Dives and continue to refine the Future State Operating Model

**Vision Exercise**

**Key Theme Words**

- Standard
- Efficient
- Trustworthy (Compliant)
- Data-Driven
- Rational
- Evolving/Agile
- Relevant

**Vision Statement**

***"Finance and Supply Chain is a modern, efficient and trusted partner enabling effective decision making through delivery of standardized, high-quality, timely Information."***

**All participants worked collaboratively to draft Future Vision Statement and tease out the value Finance and Procurement & Supply Chain will provide**

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FINANCE TRANSFORMATION
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# OPERATING MODEL JOURNEY – READINESS AND DESIGN PHASES

Based on key stakeholder inputs from the Vision Workshops, the future finance and procurement processes were categorized with the intent to move ~70% of the work to Shared.

**Oct 2018 – Jan 2019**

### Process Workshops & Follow-up

- ✓ Conducted workshops with UW SMEs for five end to end process areas (Record to Report, Plan & Manage the Business, Grant Award to Close, Customer Req. to Payment, Procurement & Supply Chain)
- ✓ Reviewed leading processes and aligned on high level future state processes. These workshops were attended by UWA and UWM 130+ process SMEs
- ✓ Conducted follow-up sessions to confirm process flows with SMEs

**Dec 2018 – Jan 2019**

### Op Model Direction: Future 2x2

- ✓ Developed the future state model (2x2s) based on op model vision, process reviews and SME inputs

**Jan 2019**

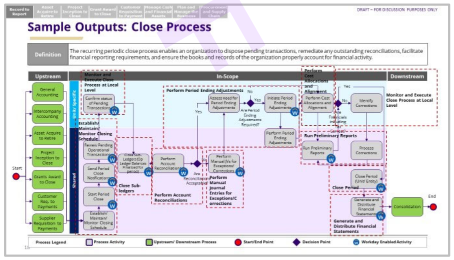
### Approval of High-Level Operating Model Direction

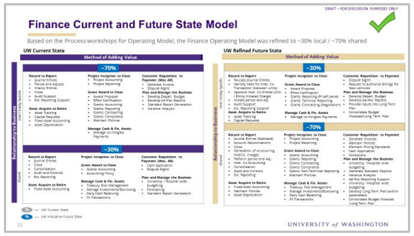
- ✓ Post followoup sessions, process flows and op model direction reviewed, voted and confirmed with the SMEs, core team, and program leadership team (PLT)

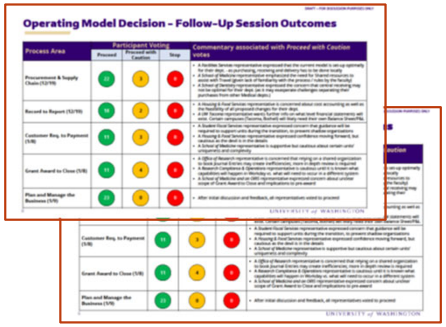
**Jan 2019**

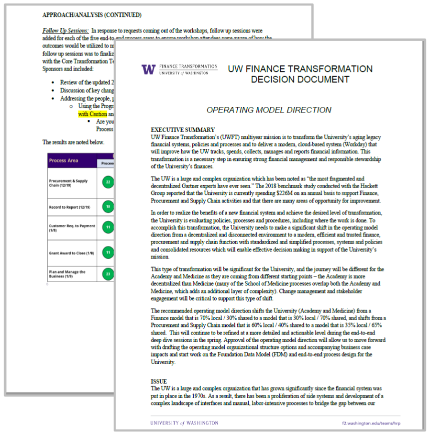
### Op Model Direction Decision

- ✓ These future state direction recommendation was approved by the UWFT sponsors on 1/24/19









APPROACH/ANALYSIS (CONTINUED)

UW FINANCE TRANSFORMATION DECISION DOCUMENT

*OPERATING MODEL DIRECTION*

**EXECUTIVE SUMMARY**

UW Finance Transformation's (UWFT) multiyear mission is to transform the University's aging legacy financial systems, policies and processes and to deliver a modern, cloud-based system (Workday) that will improve how the UW tracks, spends, collects, manages and reports financial information. This transformation is a necessary step in ensuring strong financial management and responsible stewardship of the University's finances.

The UW is a large and complex organization which has been noted as "the most fragmented and decentralized Gartner experts have ever seen." The 2018 benchmark study conducted with the Hackett Group reported that the University is currently spending $226M on an annual basis to support Finance, Procurement and Supply Chain activities and that there are many areas of opportunity for improvement.

In order to realize the benefits of a new financial system and achieve the desired level of transformation, the University is evaluating policies, processes and procedures, including where the work is done. To accomplish this transformation, the University needs to make a significant shift in the operating model direction from a decentralized and disconnected environment to a modern, efficient and trusted finance, procurement and supply chain function with standardized and simplified processes, systems and policies and consolidated resources which will enable effective decision making in support of the University's mission.

This type of transformation will be significant for the University, and the journey will be different for the Academy and Medicine as they are coming from different starting points – the Academy is more decentralized than Medicine (many of the School of Medicine processes overlap both the Academy and Medicine, which adds an additional layer of complexity). Change management and stakeholder engagement will be critical to support this type of shift.

The recommended operating model direction shifts the University (Academy and Medicine) from a Finance model that is 70% local / 30% shared to a model that is 30% local / 70% shared, and shifts from a Procurement and Supply Chain model that is 60% local / 40% shared to a model that is 35% local / 65% shared. This will continue to be refined at a more detailed and actionable level during the end-to-end deep dive sessions in the spring. Approval of the operating model direction will allow us to move forward with drafting the operating model organizational structure options and accompanying business case impacts and start work on the Foundation Data Model (FDM) and end-to-end process design for the University.

**ISSUE**

The UW is a large and complex organization that has grown significantly since the financial system was put in place in the 1970s. As a result, there has been a proliferation of side systems and development of a complex landscape of interfaces and manual, labor-intensive processes to bridge the gap between our

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# OPERATING MODEL JOURNEY – READINESS AND DESIGN PHASES

To further develop op model design, the Op Model Working Group (OMWG) was launched in Feb 2019, driving creation of "Level of Shared" by process, case studies, etc.

**Feb 2019**

**Kick-off of Op Model Working Group**

✓ Kicked off OMWG with key representatives from UWA and UWM

**Jan – June 2019**

**External/Internal Case Studies & Lessons Learned**

✓ Reviewed approach, challenges, corrective actions, lessons learned through case studies and interviews for op model changes within UW and other institutions

**Feb – March 2019**

**Definitions of Shared**

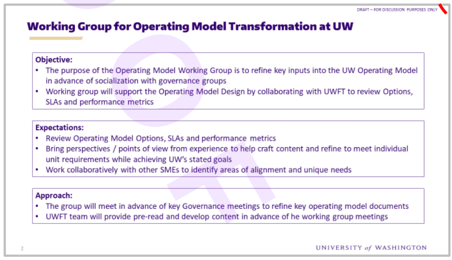
✓ Defined the various Levels of Shared at which processes can be executed in the future state

**March – June 2019**

**Level of Shared by Process**

✓ Defined Level of Shared for each process at Enterprise/Org-wide/Regional level with the OMWG

✓ Level of Shared in turn helps to define if a process can be shared across enterprise or unit level



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**Working Group for Operating Model Transformation at UW**

**Objective:**
- The purpose of the Operating Model Working Group is to refine key inputs into the UW Operating Model in advance of socialization with governance groups
- Working group will support the Operating Model Design by collaborating with UWFT to review Options, SLAs and performance metrics

**Expectations:**
- Review Operating Model Options, SLAs and performance metrics
- Bring perspectives / points of view from experience to help craft content and refine to meet individual unit requirements while achieving UW's stated goals
- Work collaboratively with other SMEs to identify areas of alignment and unique needs

**Approach:**
- The group will meet in advance of key Governance meetings to refine key operating model documents
- UWFT team will provide pre-read and develop content in advance of he working group meetings

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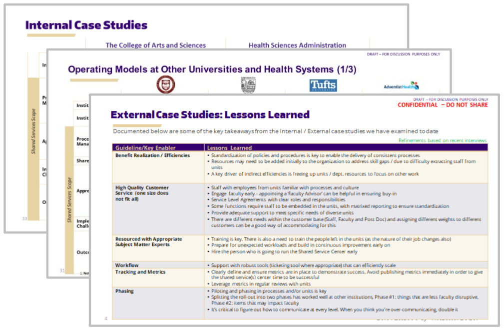

**Internal Case Studies**

The College of Arts and Sciences | Health Sciences Administration

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**Operating Models at Other Universities and Health Systems (1/3)**

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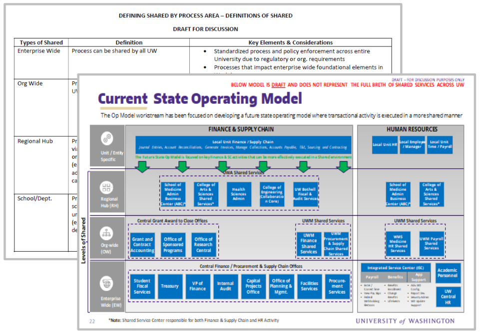
**External Case Studies: Lessons Learned**

Documented below are some of the key takeaways from the Internal / External case studies we have examined to date

Refinements based on recent interviews

| Guideline/Key Enabler | Lessons Learned |
|---|---|
| **Benefit Realization / Efficiencies** | • Standardization of policies and procedures is key to enable the delivery of consistent processes<br>• Resources may need to be added initially to the organization to address skill gaps / due to difficulty extracting staff from units<br>• A key driver of indirect efficiencies is freeing up units / dept. resources to focus on other work |
| **High Quality Customer Service (one size does not fit all)** | • Staff with employees from units familiar with processes and culture<br>• Engage faculty early - appointing a 'Faculty Advisor' can be helpful in ensuring buy-in<br>• Service Level Agreements with clear roles and responsibilities<br>• Some functions require staff to be embedded in the units, with matrixed reporting to ensure standardization<br>• Provide adequate support to meet specific needs of diverse units<br>• There are different needs within the customer base (Staff, Faculty and Post Doc) and assigning different weights to different customers can be a good way of accommodating for this |
| **Resourced with Appropriate Subject Matter Experts** | • Training is key. There is also a need to train the people left in the units (as the nature of their job changes also)<br>• Prepare for unexpected workloads and build in continuous improvement early on<br>• Hire the person who is going to run the Shared Service Center early |
| **Workflow** | • Support with robust tools (ticketing tool where appropriate) that can efficiently scale |
| **Tracking and Metrics** | • Clearly define and ensure metrics are in place to demonstrate success. Avoid publishing metrics immediately in order to give the shared service(s) center time to be successful<br>• Leverage metrics in regular reviews with units |
| **Phasing** | • Piloting and phasing in processes and/or units is key<br>• Splitting the roll-out into two phases has worked well at other institutions, Phase #1: things that are less faculty disruptive, Phase #2: items that may impact faculty<br>• It's critical to figure out how to communicate at every level. When you think you're over-communicating, double it |

4



DEFINING SHARED BY PROCESS AREA – DEFINITIONS OF SHARED

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| Types of Shared | Definition | Key Elements & Considerations |
|---|---|---|
| Enterprise Wide | Process can be shared by all UW | • Standardized process and policy enforcement across entire University due to regulatory or org. requirements<br>• Processes that impact enterprise wide foundational elements in |
| Org Wide | | |
| Regional Hub | | |
| School/Dept. | | |

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BELOW MODEL IS DRAFT AND DOES NOT REPRESENT THE FULL BRETH OF SHARED SERVICES ACROSS UW

**Current State Operating Model**

The Op Model workstream has been focused on developing a future state operating model where transactional activity is executed in a more shared manner

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*Note: Shared Service Center responsible for both Finance & Supply Chain and HR Activity

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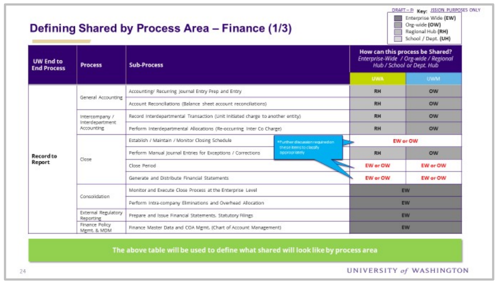

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**Defining Shared by Process Area – Finance (1/3)**

Key:
- ▨ Enterprise Wide **(EW)**
- ▨ Org-wide **(OW)**
- ▨ Regional Hub **(RH)**
- ☐ School / Dept. **(UH)**

| UW End to End Process | Process | Sub-Process | How can this process be Shared? *Enterprise-Wide / Org-wide / Regional Hub / School or Dept. Hub* | |
|---|---|---|---|---|
| | | | UWA | UWM |
| Record to Report | General Accounting | Accounting/ Recurring Journal Entry Prep and Entry | RH | OW |
| | | Account Reconciliations (Balance sheet account reconciliations) | RH | OW |
| | Intercompany / Interdepartment Accounting | Record Interdepartmental Transaction (Unit initiated charge to another entity) | RH | OW |
| | | Perform Interdepartmental Allocations (Re-occurring Inter Co Charge) | RH | OW |
| | Close | Establish / Maintain / Monitor Closing Schedule | EW or OW | |
| | | Perform Manual Journal Entries for Exceptions / Corrections | RH | OW |
| | | Close Period | EW or OW | EW or OW |
| | | Generate and Distribute Financial Statements | EW or OW | EW or OW |
| | Consolidation | Monitor and Execute Close Process at the Enterprise Level | EW | |
| | | Perform Intra-company Eliminations and Overhead Allocation | EW | |
| | External Regulatory Reporting | Prepare and Issue Financial Statements, Statutory Filings | EW | |
| | Finance Policy Mgmt. & MDM | Finance Master Data and COA Mgmt. (Chart of Account Management) | EW | |

*Further discussion required on these items to classify appropriately

The above table will be used to define what shared will look like by process area

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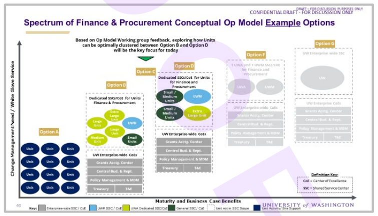
# OPERATING MODEL JOURNEY – READINESS AND DESIGN PHASES

Leveraging case studies, we then developed multiple options for the future op model along with other supporting elements.

**Dec 2018 – March 2019**

**Spectrum of Op Model Options**

- ✓ Developed spectrum of shared service center enabled op model options; identified what can work for UW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**Spectrum of Finance & Procurement Conceptual Op Model Example Options**

Based on Op Model Working group feedback, exploring how Units can be optimally clustered between Option B and Option D will be the key focus for today

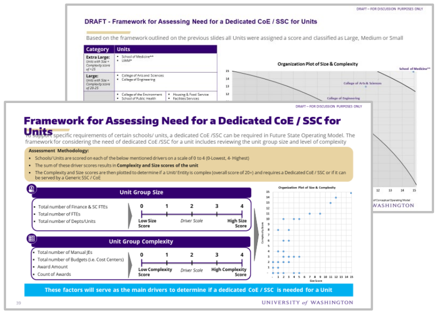
Definition Key:
CoE = Center of Excellence
SSC = Shared Service Center

Key: Enterprise-wide SSC / CoE; UWM SSC / CoE; UWA Dedicated SSC/CoE; General SSC / CoE; Unit not in SSC Scope; Unit Activity/ Site Support

**Dec 2018 – March 2019**

**Size / Complexity Analysis**

- ✓ Conducted size-complexity assessment of units and identified potential for clustering support for units in Shared Service Center (SSC)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**DRAFT - Framework for Assessing Need for a Dedicated CoE / SSC for Units**

Based on the framework outlined on the previous slides all Units were assigned a score and classified as Large, Medium or Small

| Category | Units |
|---|---|
| **Extra Large:** Units with Size + Complexity score of +25 | School of Medicine**<br>UWM* |
| **Large:** Units with Size + Complexity score of 20-25 | College of Arts and Sciences<br>College of Engineering |
|  | College of the Environment<br>School of Public Health<br>Housing & Food Service<br>Facilities Services |

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**Framework for Assessing Need for a Dedicated CoE / SSC for Units**

To support specific requirements of certain schools/ units, a dedicated CoE /SSC can be required in Future State Operating Model. The framework for considering the need of dedicated CoE /SSC for a unit includes reviewing the unit group size and level of complexity

**Assessment Methodology:**

- Schools/ Units are scored on each of the below mentioned drivers on a scale of 0 to 4 (0-Lowest, 4- Highest)
- The sum of these driver scores results in **Complexity and Size scores of the unit**
- The Complexity and Size scores are then plotted to determine if a Unit/ Entity is complex (overall score of 20+) and requires a Dedicated CoE / SSC or if it can be served by a Generic SSC / CoE

**Unit Group Size**

- Total number of Finance & SC FTEs
- Total number of FTEs
- Total number of Depts/Units

**Unit Group Complexity**

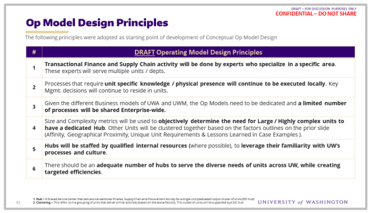
- Total number of Manual JEs
- Total number of Budgets (i.e. Cost Centers)
- Award Amount
- Count of Awards

**These factors will serve as the main drivers to determine if a dedicated CoE / SSC is needed for a Unit**

**March – April 2019**

**Op Model Design Principles**

- ✓ Developed guardrails to serve as starting point for conceptual design. Guardrails were approved by PLT on 5/7/2019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**Op Model Design Principles**

The following principles were adopted as starting point of development of Conceptual Op Model Design

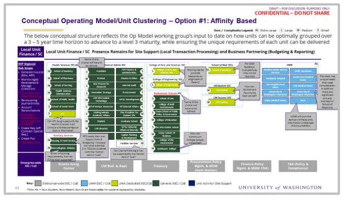
| # | DRAFT Operating Model Design Principles |
|---|---|
| 1 | **Transactional Finance and Supply Chain activity will be done by experts who specialize in a specific area**. These experts will serve multiple units / depts. |
| 2 | Processes that require **unit specific knowledge / physical presence will continue to be executed locally**. Key Mgmt. decisions will continue to reside in units. |
| 3 | Given the different Business models of UWA and UWM, the Op Models need to be dedicated and **a limited number of processes will be shared Enterprise-wide.** |
| 4 | Size and Complexity metrics will be used to **objectively determine the need for Large / Highly complex units to have a dedicated Hub**. Other Units will be clustered together based on the factors outlines on the prior slide (Affinity, Geographical Proximity, Unique Unit Requirements & Lessons Learned in Case Examples ). |
| 5 | **Hubs will be staffed by qualified internal resources** (where possible), to **leverage their familiarity with UW's processes and culture**. |
| 6 | There should be an **adequate number of hubs to serve the diverse needs of units across UW, while creating targeted efficiencies**. |

1\. Hub = A Shared Service Center that delivers transactional Finance, Supply Chain and Procurement Activity for a single unit (dedicated hub) or cluster of units (SSC hub)
2\. Clustering = This refers to the grouping of units that deliver similar activities (based on the above factors). This cluster of units will be supported by a SSC hub

**March – June 2019**

**Conceptual Op Model Options**

- ✓ Defining performance metrics to baseline current state and set target for partnership agreements
- ✓ Developing multiple conceptual op model options with proposed unit clustering and enterprise SSCs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**Conceptual Operating Model/Unit Clustering – Option #1: Affinity Based**

Size / Complexity Legend: XL Extra Large; L Large; M Medium; S Small

The below conceptual structure reflects the Op Model working group's input to date on how units can be optimally grouped over a 3 – 5 year time horizon to advance to a level 3 maturity, while ensuring the unique requirements of each unit can be delivered

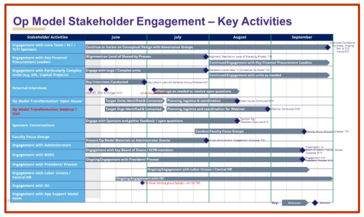
Key: Enterprise-wide SSC / CoE; UWM SSC / CoE; UWA Dedicated SSC/CoE; General SSC / CoE; Unit Activity/ Site Support

*Misc AR = Non-Student, Non-Patient, Non-Grant Receivables for systems replaced by Workday

**May – June 2019**

**Stakeholder Engagement Plan**

- ✓ Developed plan to inform and get feedback from stakeholders for the future op model design as part of stakeholder engagement


**Op Model Stakeholder Engagement – Key Activities**

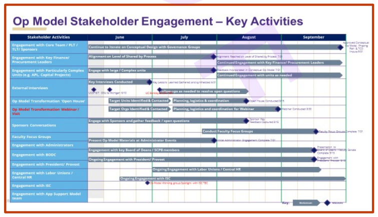
# OPERATING MODEL JOURNEY – READINESS AND DESIGN PHASES

In Design, continued work on the operating model/Workday application support direction, including the below:

**July 2019 – Aug 2019**

### Stakeholder Engagement Plan Executed

- ✓ Starting execution of stakeholder engagement plan, engaging with key leaders including President, Provost, Senate Committee on Planning & Budgeting, Board of Deans, Admin Council and Finance / Procurement leaders across campus

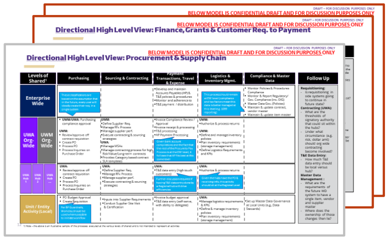


**Op Model Stakeholder Engagement – Key Activities**

**July 2019 – Aug 2019**

### Level of Shared Reviewed & Refined with Business Transformation Owners

- ✓ Confirmed business process transformation owners with UWA VP of Finance and UWM CFO
- ✓ Reviewed directional 'Level of Shared' by process with business transformation owners (BTO), capturing feedback and refining approach
- ✓ Reviewed with core team and PLT – gathering additional feedback and further refining



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**Directional High Level View: Finance, Grants & Customer Req. to Payment**

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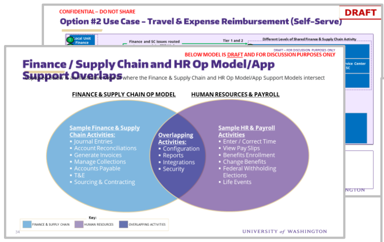
**Directional High Level View: Procurement & Supply Chain**

**Aug 2019 – Sep 2019**

### Workday App Support / Interaction Model Developed

- ✓ Worked with ISC leaders and OMWG to develop initial Workday app support / interaction model assumptions
- ✓ Reviewed key assumptions with core team and technical leadership team (TLT)
- ✓ Reviewed Interaction Model with core team and TLT



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**Option #2 Use Case – Travel & Expense Reimbursement (Self-Serve)**

DRAFT – FOR DISCUSSION PURPOSES ONLY

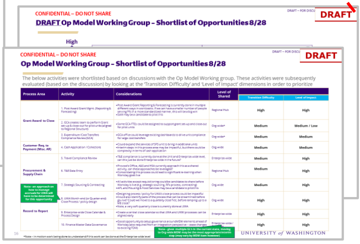
BELOW MODEL IS DRAFT AND FOR DISCUSSION PURPOSES ONLY

**Finance / Supply Chain and HR Op Model/App Support Overlaps**

**July 2019 – Aug 2019**

### Phasing Approach Developed

- ✓ Collaborated with OMWG to identify a long list of opportunities that could be transitioned to shared before Workday go-live. Developed criteria and applied to opportunities to short list
- ✓ Developed initial high-level timeline on how these opportunities could be best sequenced



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**DRAFT Op Model Working Group – Shortlist of Opportunities 8/28**

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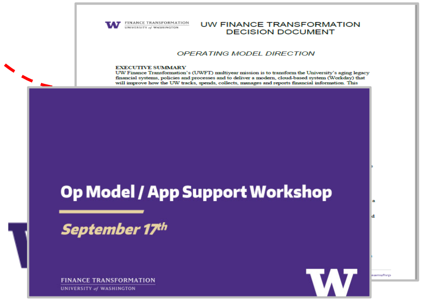
**Op Model Working Group – Shortlist of Opportunities 8/28**

The below activities were shortlisted based on discussions with the Op Model Working group. These activities were subsequently evaluated (based on the discussion) by looking at the 'Transition Difficulty' and 'Level of Impact' dimensions in order to prioritize

**Sept 2019**

### Op Model / Workday App Support Model Workshop

- ✓ Discuss lessons learned from external peer case study interviews
- ✓ Discuss lessons learned from UW shared services
- ✓ Review, discuss, and approve the operating model / Workday application support direction
- ✓ Brainstorm on high level approach on how the transition to the new operating model can be best phased, in order to build momentum



FINANCE TRANSFORMATION
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UW FINANCE TRANSFORMATION DECISION DOCUMENT

*OPERATING MODEL DIRECTION*

**EXECUTIVE SUMMARY**

UW Finance Transformation's (UWFT) multiyear mission is to transform the University's aging legacy financial systems, policies and processes and to deliver a modern, cloud-based system (Workday) that will improve how the UW tracks, spends, collects, manages and reports financial information. This

**Op Model / App Support Workshop**

*September 17th*

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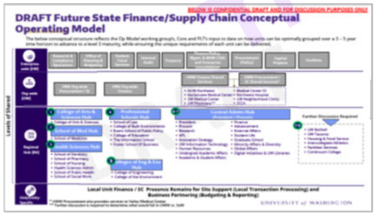
# OPERATING MODEL JOURNEY – READINESS AND DESIGN PHASES

In Design, we refined options, created total cost of ownership (TCO), partnership agreement, and implementation roadmap and secured stakeholder approvals.

**Sept 2019**

### Approval of Conceptual Op Model V2 including Phasing (level to support TCO/Business Case)

- ✓ Conceptual op model approved by core team/PLT & Sponsors
- ✓ High level phasing approach approved by core team/PLT & Sponsors
- ✓ Op model inputs into TCO model approved by Sponsors



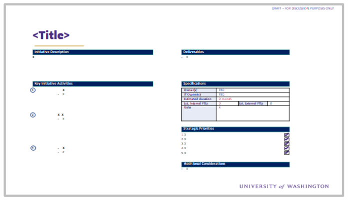
**DRAFT Future State Finance/Supply Chain Conceptual Operating Model**

BELOW IS CONFIDENTIAL DRAFT AND FOR DISCUSSION PURPOSES ONLY

**Oct 2019**

### Top Initiatives for Op Model Phase I Roll-Out

- ✓ Top op model initiatives (e.g., policy standardization, governance process dev.) to support/expedite op model implementation/transformation identified
- ✓ Detailed plans to support initiative execution (timelines, scope, dependencies) developed
- ✓ Owners' execution of initiatives identified



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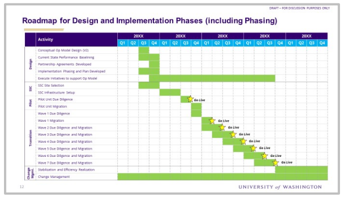
**Dec 2019**

### Draft Detailed Plan for Phase I Roll-Out

- ✓ Develop roadmap and phasing approach
- ✓ Resource requirements to execute plan identified



Roadmap for Design and Implementation Phases (including Phasing)

**Dec 2019**

### Draft Current State Process Performance Baseline & Dashboard

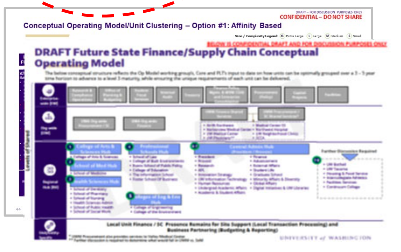
- ✓ Determine current state metrics and baseline plan for Phase I op model
- ✓ Assess in conjunction with historic data to understand and document current state process performance

Dashboard

**Dec 2019**

### Refined Conceptual Op Model V3

- ✓ Change control process established for edits to conceptual op model with OMWG/core team
- ✓ Op model refined based on input received from other workstreams (I.e., prototyping outcomes, FDM Blueprint 2.0)



Conceptual Operating Model/Unit Clustering – Option #1: Affinity Based

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**DRAFT Future State Finance/Supply Chain Conceptual Operating Model**

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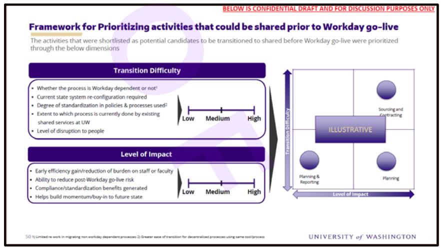
# OPERATING MODEL JOURNEY – IMPLEMENTATION PHASE – PLAN AND ARCHITECT STAGES

In Plan and Architect, prepared for end-to-end process design workshops (PDWs) and refinement of the Levels of Shared.

**Feb 2020**

### Prioritize End-to-End Process Inventory

- ✓ Processes evaluated and core vs. strategic processes identified
- ✓ Alignment reached on prioritized processes to focus on during PDWs



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**Framework for Prioritizing activities that could be shared prior to Workday go-live**

The activities that were shortlisted as potential candidates to be transitioned to shared before Workday go-live were prioritized through the below dimensions

**Transition Difficulty**

- Whether the process is Workday dependent or not[1]
- Current state system re-configuration required
- Degree of standardization in policies & processes used[2]
- Extent to which process is currently done by existing shared services at UW
- Level of disruption to people

**Level of Impact**

- Early efficiency gain/reduction of burden on staff or faculty
- Ability to reduce post-Workday go-live risk
- Compliance/standardization benefits generated
- Helps build momentum/buy-in to future state

50 1) Limited re-work in migrating non workday dependent processes 2) Greater ease of transition for decentralized processes using same tool/process

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**Feb 2020**

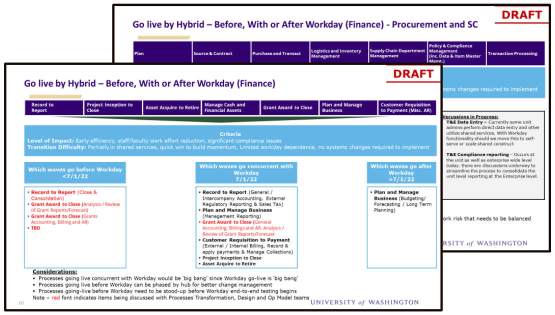
### Prioritize Policies for Harmonization

- ✓ Policy owners and policies inventoried
- ✓ Policies prioritized and established priorities reviewed

**March 2020**

### Finalize Op Model Deployment Approach

- ✓ Op model guiding principles reviewed and approved by Provost & President
- ✓ Decision reached on how target op model should be deployed (i.e., which processes should go before, concurrent with, and after Workday)



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**Go live by Hybrid – Before, With or After Workday (Finance) - Procurement and SC**

| Plan | Source & Contract | Purchase and Transact | Logistics and Inventory Management | Supply Chain Department Management | Policy & Compliance Management (inc. Data & Item Master Mgmt.) | Transaction Processing |
|---|---|---|---|---|---|---|

…tems changes required to implement

**Discussions in Progress:**

**T&E Data Entry –** Currently some unit admins perform direct data entry and other utilize shared services. With Workday functionality should we move this to self-serve or scale shared construct

**T&E Compliance reporting** – Occurs at the unit as well as enterprise wide level today. there are discussions underway to streamline the process to consolidate the unit level reporting at the Enterprise level.

…ork risk that needs to be balanced

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**Go live by Hybrid – Before, With or After Workday (Finance)**

| Record to Report | Project Inception to Close | Asset Acquire to Retire | Manage Cash and Financial Assets | Grant Award to Close | Plan and Manage Business | Customer Requisition to Payment (Misc. AR) |
|---|---|---|---|---|---|---|

**Criteria**

**Level of Impact:** Early efficiency, staff/faculty work effort reduction, significant compliance issues

**Transition Difficulty:** Partially in shared services, quick win to build momentum, Limited workday dependence, no systems changes required to implement

| Which waves go before Workday <7/1/22 | Which waves go concurrent with Workday 7/1/22 | Which waves go after Workday >7/1/22 |
|---|---|---|
| • **Record to Report** (Close & Consolidation)<br>• **Grant Award to Close** (Analysis / Review of Grant Reports/Forecast)<br>• **Grant Award to Close** (Grants Accounting, Billing and AR)<br>• **TBD** | • **Record to Report** (General / Intercompany Accounting, External Regulatory Reporting & Sales Tax)<br>• **Plan and Manage Business** (Management Reporting)<br>• **Grant Award to Close** (General Accounting, Billings and AR, Analysis / Review of Grant Reports/Forecast<br>• **Customer Requisition to Payment** (External / Internal Billing, Record & apply payments & Manage Collections)<br>• Project Inception to Close<br>• Asset Acquire to Retire | • **Plan and Manage Business** (Budgeting/ Forecasting / Long Term Planning) |

**Considerations:**

- Processes going live concurrent with Workday would be 'big bang' since Workday go-live is 'big bang'
- Processes going live before Workday can be phased by hub for better change management
- Processes going-live before Workday need to be stood-up before Workday end-to-end testing begins

Note – red font indicates items being discussed with Processes Transformation, Design and Op Model teams

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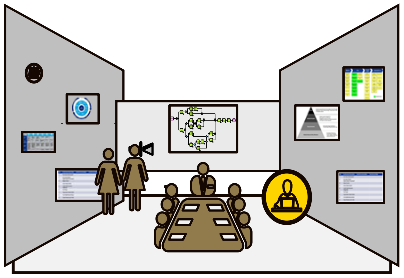
**April – June 2020**

### End-to End Process Design Workshops

- ✓ Inputs to PDW material finalized and pre-reads distributed to attendees
- ✓ Conduct Design & Op Model co-facilitated workshops for each end-to-end process area
- ✓ Capture key decisions made and outputs from workshops
- ✓ Update key op model artifacts based on outcomes
- ✓ Record parking lot items and develop plan to resolve



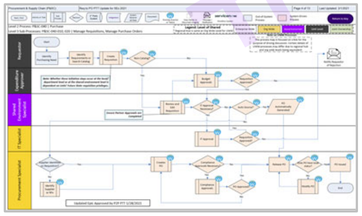
# OPERATING MODEL JOURNEY – IMPLEMENTATION PHASE – ARCHITECT STAGE

During the Architect stage, we designed processes and finalized our Levels of Shared by process area. We also engaged units to estimate staffing needs for shared services. After stakeholder engagement and feedback, we changed the conceptual operating model.

**April - August 2020**

### Process Design and Level of Shared Refinement

- ✓ Epic scenario process flows built, refined, and approved with process transformation teams (PTT)
- ✓ Process flows built within Level of Shared framework
- ✓ Epic scenarios used as a starting point for detailed business process designed



**April - August 2020**

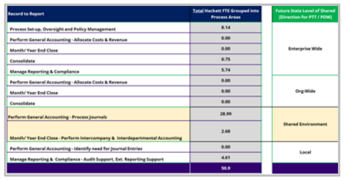
### Level of Shared Refinement

- ✓ Based on PTT Feedback, original Levels of Shared refined to match process design work
- ✓ Levels of Shared confirmed with PTTs, BTOs, business process owners (BPO)

**August - October 2020**

### Staffing Estimates with Specific Units

- ✓ Piloted approach to estimate staffing movement to Shared Services with College of Arts & Sciences
- ✓ Completed additional "Get Messy" sessions to estimate staffing needs for shared services



**August - October 2020**

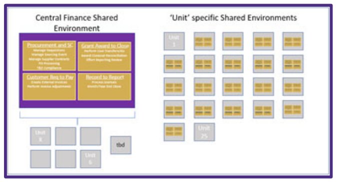
### Unit Stakeholder Engagement

- ✓ Held stakeholder engagement sessions on Operating Model with campus units
- ✓ Garnered additional feedback on operating model direction

**October 2020**

### Change in Conceptual Operating Model

- ✓ Based on stakeholder and leadership feedback, moved away from Regional Hub model and towards Unit Shared Environment model
- ✓ Units will have the option to join a Central Finance Shared Environment or create their own Shared Environment



# OPERATING MODEL JOURNEY – IMPLEMENTATION PHASE – ARCHITECT VALIDATION STAGE

In Architect Validation, Units responded to a questionnaire to indicate their intent to form their own Shared Environment or join a Central Finance Shared Environment. Administrators also noted their key questions and a framework was developed to provide more details to aid in decision making.

**October 2020**

### Questionnaire Released

- ✓ Worked with leadership team to draft criteria on which units may form their own Shared Environments
- ✓ Released questionnaire to 36 campus units
- ✓ Received responses indicating which units want to form their own Shared Environment, which units want to join a Central Finance Shared Environment, and which units need more detail

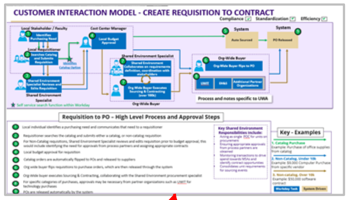
| | Criteria: | Question: |
|---|---|---|
| Capacity | a. **Unit shared services team:** Unit consolidates shared activities and FTEs into a unit-level shared environment on a single team where each member has a focus, skillset and related security role to perform a specific transaction type. | Please shared your plan for where in your unit this shared environment (SE) would be, to whom it would report and how you'd organize the teams. How will you manage the move and impact on your departments from fragmented work to more centralized work? |
| | Answer: | |
| | b. **Cost-neutral stand-up:** SE created, and responsibilities completed within existing unit resources. | Please comment on how you'd create this SE, covering the transactions identified in the "regional hub"- level of shared with your current resources. |
| | Answer: | |
| | c. **Have redundancy and avoid single points of failure:** Unit has a coverage model that has appropriate redundancy and avoids single points of failure. | With your current staffing, please comment on your unit's capability to ensure the appropriate coverage model within the SE across skills, etc. |
| | Answer: | |

| | Criteria: | Question: |
|---|---|---|
| Competency | a. **Functional knowledge:** Unit FTE resources have adequate (or can build) financial and procurement competencies/skills (accrual accounting, operational journal updates, contract management, etc.) to adapt and be successful with this new way of working. | Please comment on whether your unit has staff with the right knowledge and mindset to successfully make this evolution within the way UW works in a relatively short amount of time. |
| | Answer: | |
| | b. **Workday expertise:** SE resources have an affinity for technology and learning | Resources in the SE will spend most of their time transacting in Workday and using totally new |

**November 2020**

### Process Deep Dives

- ✓ Facilitated process deep-dives with business process leads to do detailed overviews of Shared Environment processes and capabilities needed



**December 2020 – March 2021**

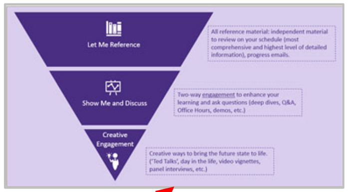
### Levels of Shared and Processes Revisited

- ✓ Reevaluated Levels of Shared with PTTs, BTOs, BPOs in order to finalize scope of Shared Environments
- ✓ Evaluated process impacts of new operating model direction and refined where necessary

**March 2021 - Present**

### Engage Administrators with More Detail

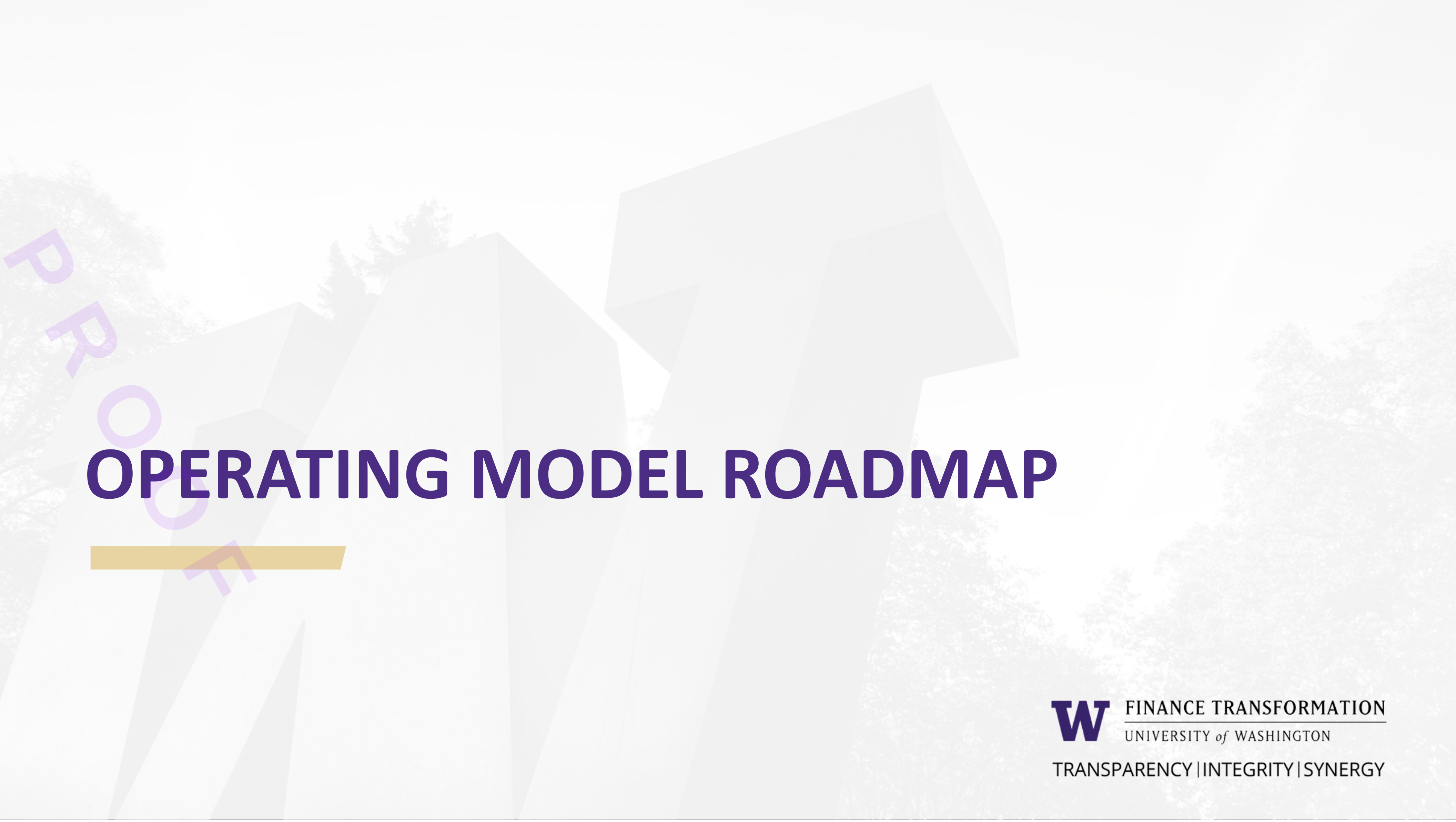
- ✓ Held sessions with administrators to ascertain what questions need to be answered to help with the decision of whether to form their own Unit Shared Environment
- ✓ Created framework to provide more detail to administrators



All reference material: independent material to review on your schedule (most comprehensive and highest level of detailed information), progress emails.

Two-way engagement to enhance your learning and ask questions (deep dives, Q&A, Office Hours, demos, etc.)

Creative ways to bring the future state to life. ('Ted Talks', day in the life, video vignettes, panel interviews, etc.)



# OPERATING MODEL ROADMAP

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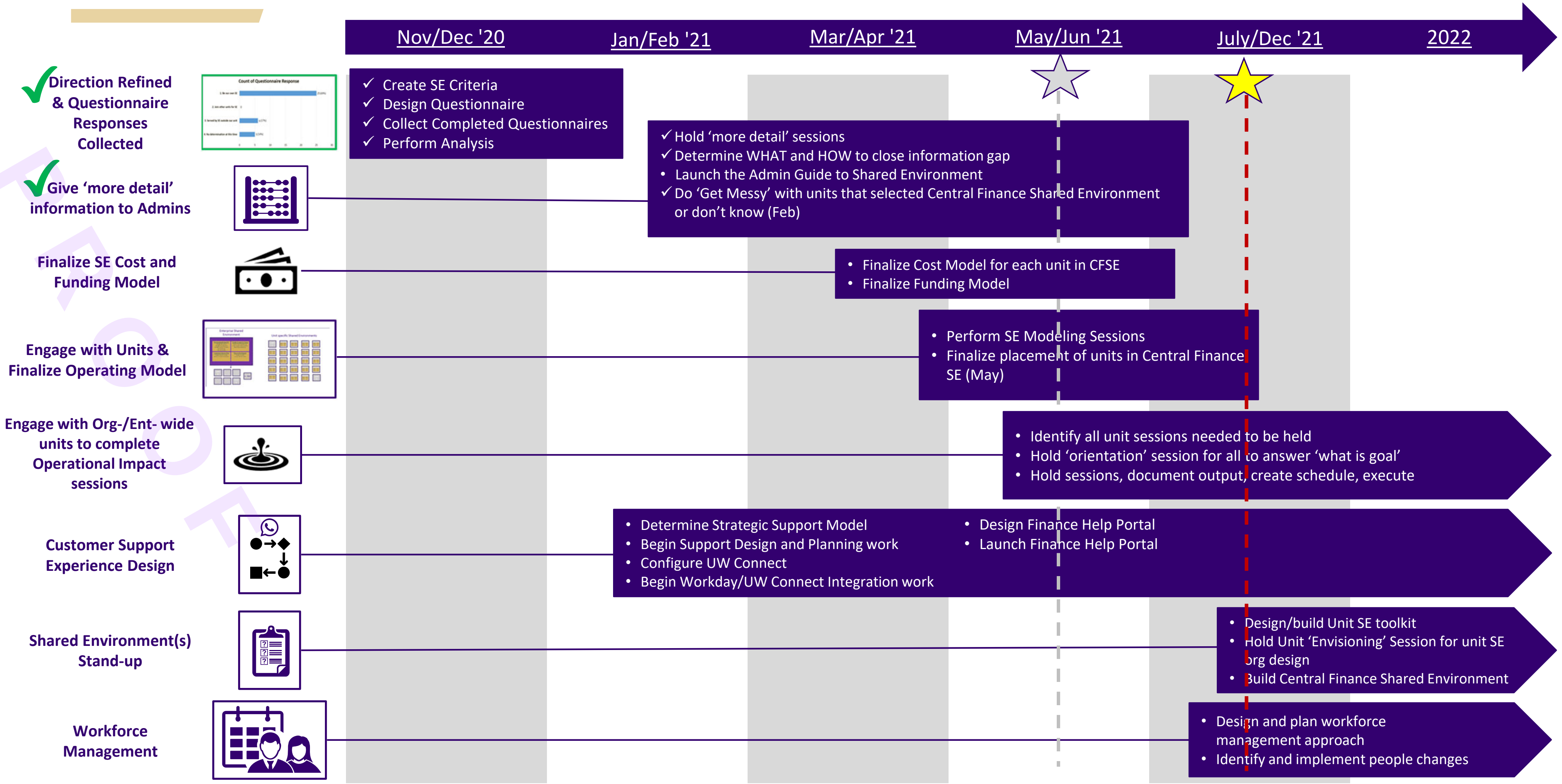
TRANSPARENCY | INTEGRITY | SYNERGY

# OPERATING MODEL ROADMAP - MAY 2021



**✓ Direction Refined & Questionnaire Responses Collected**

- ✓ Create SE Criteria
- ✓ Design Questionnaire
- ✓ Collect Completed Questionnaires
- ✓ Perform Analysis

**✓ Give 'more detail' information to Admins**

- ✓ Hold 'more detail' sessions
- ✓ Determine WHAT and HOW to close information gap
- Launch the Admin Guide to Shared Environment
- ✓ Do 'Get Messy' with units that selected Central Finance Shared Environment or don't know (Feb)

**Finalize SE Cost and Funding Model**

- Finalize Cost Model for each unit in CFSE
- Finalize Funding Model

**Engage with Units & Finalize Operating Model**

- Perform SE Modeling Sessions
- Finalize placement of units in Central Finance SE (May)

**Engage with Org-/Ent- wide units to complete Operational Impact sessions**

- Identify all unit sessions needed to be held
- Hold 'orientation' session for all to answer 'what is goal'
- Hold sessions, document output, create schedule, execute

**Customer Support Experience Design**

- Determine Strategic Support Model
- Begin Support Design and Planning work
- Configure UW Connect
- Begin Workday/UW Connect Integration work
- Design Finance Help Portal
- Launch Finance Help Portal

**Shared Environment(s) Stand-up**

- Design/build Unit SE toolkit
- Hold Unit 'Envisioning' Session for unit SE org design
- Build Central Finance Shared Environment

**Workforce Management**

- Design and plan workforce management approach
- Identify and implement people changes

# LEVELS OF SHARED

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# OPERATING MODEL CONCEPTS

## AN OPERATING MODEL ANSWERS THE QUESTION:

## "WHAT IS THE BEST WAY TO ORGANIZE AND DISTRIBUTE FINANCE AND PROCUREMENT WORK?

To answer the question of **where finance and procurement work should be done**, the UW identified four different **'levels of shared'** during the program's Readiness and Design phases. These levels of shared represent different options for where a given activity will be completed and if it will be completed in a unit or in a central office, for example. These levels of shared are shown on the following slide.

# LEVELS OF SHARED IN THE UWFT OPERATING MODEL

① **Unit Level Finance Work**

Processes that are unique or specific to an individual unit

## Defining Shared

| Location | Definition | Example of Activities |
|---|---|---|
| ④ **Enterprise Wide (EW)** | Process can be shared by **all of UW** | - Enterprise consolidation<br>- Enterprise policy and procedures<br>- Travel and expense compliance<br>- Maintenance of master data (e.g., vendor master, customer master, foundation data model) |
| ③ **Org-wide (OW)** | Process can be shared by **all of UW Academy or UW Medicine**, but not across both organizations | - Cash application and collections (Misc. AR)<br>- Org-level close and financial statements |
| ② **Shared Environment** | Process can be shared at a **Shared Environment Level** (serving more than one or more organization(s)/major unit(s)). A "Shared Environment" enhances efficiency and compliance by pooling specific transactions that had previously been performed separately by local entities. By serving one or more units, "Shared Environment" specialists with Workday expertise will ensure standardization and ease the administrative burden of local staff who had been tasked with transactional work that was not core to their job functions. | - Initial point of contact for units for finance and supply chain questions<br>- Transaction processing (e.g., requisition processing, travel & expenses entry, invoice generation)<br>- Post award grants management analysis and reporting |

KEY

**Bold = Process** *Italics = Sub-Process* Gold = Process moving to new level of shared

# DRAFT LEVEL OF SHARED SUMMARY VIEW - FINANCE

| Process Area (FTE) | Record to Report | Customer Requisition to Payment | Plan & Manage Business | Grant Award to Close | Project Inception to Close | Asset Acquire to Retire | Manage Cash & Financial Assets |
|---|---|---|---|---|---|---|---|
| ④ **Ent Wide** | ▪ **Core Config & Gov***<br>▪ **Year- / Month-End Close**<br>▪ **General Accounting -** *Allocate Costs & Revenue (impacting both Orgs)*<br>▪ **Consolidate**<br>▪ **Manage Reporting & Compliance**<br>▪ **Process Set-up, Oversight & Policy Mgmt.** | ▪ **Core Config & Gov**<br>▪ **Manage Reporting & Compliance** | ▪ **Core Config & Gov.**<br>▪ **Set Annual Budget**<br>▪ **Perform Allocations** *(e.g., state funding)*<br>▪ **Set Long-Term Plan**<br>▪ **Forecasting**<br>▪ **Perform Plan Amendments**<br>▪ **Reporting & Analysis** *(i.e., WD Report QA)** | ▪ **Core Config & Gov**<br>▪ **Post Award Set-up**<br>▪ **Manage Sponsored Program Spend & Billing**<br>▪ **Manage Sponsored Program Reporting & Compliance** | ▪ **Core Config & Gov.**<br>▪ **Project Set-up and Cost Collection –** *Est / Maint. Project Structure & Funding Rules, Est / Maint. Project Budget/Plan* | ▪ **Process Set-up, Oversight & Policy Mgmt.** - *Establish / Maintain Asset Mgmt. Policies*<br>▪ **Manage Reporting & Compliance** - *Monitor Adherence to Policies & Procedures* | ▪ **Process Set-up, Oversight & Policy Mgmt.**<br>▪ **Cash Forecasting & Monitoring**<br>▪ **Cash Reporting**<br>▪ **Gift & Endowment Accounting** |
| ③ **Org Wide** | ▪ **Year / Month-End Close**<br>▪ **Consolidate**<br>▪ **General Accounting -** *Allocate Costs & Revenue* | ▪ **Cash Application**<br>▪ **Execute Collection Activities**<br>▪ **Manage Dispute Resolution** | ▪ **Set Annual Budget**<br>▪ **Perform Allocations**<br>▪ **Set Long-Term Plan** *(except for Finalize Long-Term Plan)*<br>▪ **Forecasting**<br>▪ **Reporting & Analysis** *(i.e., WD report dev. by "super users")** | ▪ **Pre-Award Administration** | ▪ **Project Cost Accounting**<br>▪ **Project Reporting & Close-out**<br>▪ **Project Set-up & Cost Collection -** *Project Capitalization* | ▪ **Process Set-up, Oversight & Policy Mgmt. Policies** – *Est / Maint. Asset Config**<br>▪ **Est/Maint. Asset Attributes**<br>▪ **Perform Asset Accounting**<br>▪ **Retire Asset**<br>▪ **Manage Reporting & Compliance** - *Perform Misc. Asset Reporting* | ▪ **Bank Reconciliation Processes**<br>▪ **Cash Collections & Disbursement***<br>▪ **Ad-Hoc / Misc. Payments** |
| ② **Shared Environment** | ▪ **Process Journals**<br>▪ **Month/Year-End Close** | ▪ **Create External Invoice**<br>▪ **Create Invoice Adjustments** | | ▪ **Perform Cost Transfers / journal entries**<br>▪ **Award Closeout Reconciliation**<br>▪ **Effort Reporting Review** | | | |
| ① **Local/ Unit** | ▪ *Identify need for journal entries*<br>▪ *Audit Support*<br>▪ *Ext. Reporting Support* | ▪ *Create Internal Invoice*<br>▪ *Initiate request for customer billing*<br>▪ *Dispute Mgmt. & Support Issue Resolution* | ▪ *Perform Allocations*<br>▪ *Run Standard Reports (self-serve)*<br>▪ *Develop departmental (bottom-up) budgets*<br>▪ *Gather Financial Plan inputs*<br>▪ *Unit level Forecasting* | ▪ *Effort Certification*<br>▪ *Analysis / Review of Grant Reports / Forecast*<br>▪ *Analysis & Reporting*<br>▪ *Clinical Trial Invoicing* | ▪ *Project Cost Accounting (ITS)**<br>▪ *Track/Record Input Efforts and Costs*<br>▪ *Generate Status Reports* | ▪ *Identify Need for Asset Maintenance*<br>▪ *Identify need for Asset Retirement*<br>▪ *Identify need for Manual Asset Registration* | ▪ *Bank Reconciliation Processes – provide support for exceptions that requires local input* |

*Further Discussion Ongoing with PTTs

# DRAFT LEVEL OF SHARED SUMMARY VIEW – PROCUREMENT & SUPPLY CHAIN

KEY

Standard = Sub Process

*Italics = Sample activity or note*

**Gold =** Process moving to new level of shared

| Process | Accounts Payable | Purchase | Source & Contract Mgmt. | Spend Strategy & Planning | Supply Chain Logistics | Travel & Expenses |
|---|---|---|---|---|---|---|
| **Ent Wide**<br>④ | **Establish/Maintain Accounts Payable Policies**<br>**Establish/Maintain Supplier Configuration** | **Establish/Maintain Procurement Policies**<br>**Establish/Maintain Procure to Pay Configuration** | **Process Set-up, Oversight & Policy Mgmt.** | **Process Set-up, Oversight & Policy Mgmt.** | **Establish/Maintain Supply Chain Policies**<br>**Establish/Maintain Supply Chain Configuration** | Establish/Maintain Travel & Expense Policies<br>Establish/Maintain Travel & Expense Configuration<br>Travel & Expense Compliance check (high-risk transactions) |
| **Org Wide**<br>③ | Invoice Processing<br>Payments / Disbursements* | Process Receipt of Materials and Services (UWM)<br>Manage Procurement Financial Reporting<br>Monitor Adherence to Policies and Procedures<br>**Manage Purchase Orders** | Manage Supplier Contracts<br>Monitor and Manage Contracts<br>Sourcing Event | Perform Strategic Sourcing | Supply Chain Logistics (UWM)<br>Receive Material (UWM)<br>Manage Logistics and Distribution (UWM)<br>Manage, Track, and Control Inventory (UWM)<br>Replenish Inventory<br>Manage Supply Chain Financial Reporting | |
| **Shared Environment**<br>② | | **Manage Requisitions** | *Sourcing method advisement, and coordination with Org-Wide level* | | | **Travel & Expense Compliance**<br>**Travel and Expense Data Entry (high-touch customers)** |
| **Local/ Unit**<br>① | *Submit Supplier Invoice Requests* | Process Receipt of Materials and Services (UWA / UWM Desktop)<br>*Raise 'purchase item' request* | *Raise Supplier / Contract Request* | Clinical Utilization and Cost Analysis<br>Perform Demand Planning<br>Perform Inventory Planning | | Travel and Expense Data Entry |

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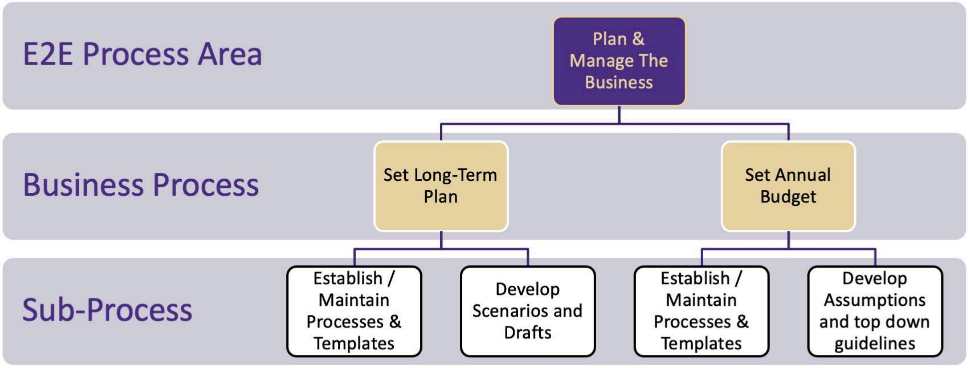
# UWFT Process Taxonomy

## A USEFUL MODEL

To enable finance transformation, UWFT has created a three-level categorization of the university's finance work. The highest level is broken down into nine end-to-end process areas. Each process area is further categorized into second level business processes and third level sub-processes.



## HOW DO WE USE IT?

- To define what's in scope (or not) for UWFT
- To orient stakeholders to where we are and what we're talking about
- To coordinate work within UWFT and enterprise partners
- To support Workday configuration and related decision-making
- To build requirements traceability with other linked artifacts

## BUT, THAT'S NOT HOW I UNDERSTAND MY WORK?

Admittedly, this taxonomy is an artificial model, seeking to simplify the tremendous complexity of real-life. Many of us perform critical business tasks that cross in and out of one or more end-to-end process areas seamlessly in the course of our day. Understanding, documenting, analyzing, and ultimately transforming the financial process and systems of the University would be nearly impossible without the use of models such as this Taxonomy. This taxonomy does not represent a binary, right or wrong way of categorization, but is instead a purpose-built, single-use categorization by UWFT to organize our work.

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# UWFT Business Process Taxonomy

*(v2.0 as of 03/20/2020)*

**LEGEND:**

| Level 1 - End to End Process Area (E2E) |
|---|
| Level 2 - Business Process, consistent across E2E's |
| Level 2 - Business Process, unique to E2E |
| Level 2 - Business Process, mostly consistent across E2E's |

| AA2R \| Asset Acquire to Retire |
|---|
| AA2R-010 \| Process Set-up, Oversight and Policy Management |
| AA2R-020 \| Establish / Maintain Asset Attributes |
| AA2R-030 \| Perform Asset Accounting |
| AA2R-040 \| Retire Asset |
| AA2R-050 \| Manage Reporting and Compliance |

| CR2P \| Customer Requisition to Payment |
|---|
| CR2P-010 \| Process Set-up, Oversight and Policy Management |
| CR2P-020 \| Revenue Strategy and Planning |
| CR2P-030 \| Perform External / Internal Billing |
| CR2P-040 \| Cash Application |
| CR2P-050 \| Manage Collections & Disputes |
| CR2P-060 \| Manage Reporting and Compliance |

| P&SC \| Procurement and Supply Chain |
|---|
| P&SC-010 \| Process Set-up, Oversight and Policy Management |
| P&SC-020 \| Spend Strategy & Planning |
| P&SC-030 \| Source & Contract Management |
| P&SC-040 \| Purchase |
| P&SC-050 \| Process Accounts Payable |
| P&SC-060 \| Process Travel & Expenses |
| P&SC-070 \| Supply Chain Logistics |
| P&SC-080 \| Manage Reporting and Compliance |

| PMTB \| Plan and Manage the Business |
|---|
| PMTB-010 \| Process Set-up, Oversight and Policy Management |
| PMTB-020 \| Set Long-Term Plan |
| PMTB-030 \| Set Annual Budget |
| PMTB-040 \| Perform Allocations |
| PMTB-050 \| Manage Reporting and Analysis |
| PMTB-060 \| Forecasting |
| PMTB-070 \| Perform Plan Amendments |

| MCFA \| Manage Cash and Financial Assets |
|---|
| MCFA-010 \| Process Set-up, Oversight and Policy Management |
| MCFA-020 \| Gift & Endowments |
| MCFA-030 \| Banking & Cash |
| MCFA-040 \| Manage Reporting and Compliance |

| PI2C \| Project Inception to Close |
|---|
| PI2C-010 \| Process Set-up, Oversight and Policy Management |
| PI2C-020 \| Project Strategy & Planning |
| PI2C-030 \| Project Set-up and Cost Collection |
| PI2C-040 \| Project Cost Accounting |
| PI2C-050 \| Manage Reporting and Compliance |
| PI2C-060 \| Project Close-out |

| GA2C \| Grant Award to Close |
|---|
| GA2C-010 \| Process Set-up, Oversight and Policy Management |
| GA2C-020 \| Pre-Award Administration |
| GA2C-030 \| Post-Award Set-up |
| GA2C-040 \| Manage Sponsored Program Spend and Billing |
| GA2C-050 \| Manage Sponsored Program Reporting and Compliance |
| GA2C-060 \| Sponsored Program Close-out |

| H2R \| Hire to Retire |
|---|
| H2R-010 \| Process Set-up, Oversight and Policy Management |
| H2R-020 \| Plan, Manage, and Recruit for Positions |
| H2R-030 \| Onboard and Retain Employees, Process Job Changes |
| H2R-040 \| Track Time and Absences |
| H2R-050 \| Maintain Benefit Eligibility and Enrollment |
| H2R-060 \| Process Payroll and Perform Payroll Accounting |
| H2R-070 \| Process Terminations & Retirements |
| H2R-080 \| Manage Reporting and Compliance |

| R2R \| Record to Report |
|---|
| R2R-010 \| Process Set-up, Oversight and Policy Management |
| R2R-020 \| Perform General Accounting |
| R2R-030 \| Perform Period Close (Year-end / Month-end) |
| R2R-040 \| Consolidate |
| R2R-050 \| Manage Reporting and Compliance |

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# ASSET ACQUIRE TO RETIRE

## LEGEND

| | |
|---|---|
| Level 1 | End to End Process Area |
| Level 2 | Business Process |
| Level 3 | Sub-Process |

| AA2R | Asset Acquire to Retire |
|---|---|
| **AA2R-010** | **Process Set-up, Oversight and Policy Management** |
| AA2R-010-010 | Establish/Maintain Asset Management Policies |
| AA2R-010-020 | Establish/Maintain Asset Configuration |
| **AA2R-020** | **Establish / Maintain Asset Attributes** |
| AA2R-020-010 | Establish/Maintain Asset Record |
| AA2R-020-020 | Assign Asset Custodian |
| AA2R-020-030 | Assign Asset Location |
| AA2R-020-040 | Establish/Maintain Asset Lease |
| **AA2R-030** | **Perform Asset Accounting** |
| AA2R-030-010 | Reconcile Assets |
| AA2R-030-020 | Process Depreciation/Amortization |
| AA2R-030-030 | Perform Leased Asset Accounting |
| **AA2R-040** | **Retire Asset** |
| AA2R-040-010 | External Asset Transfer |
| AA2R-040-020 | Dispose of Asset |
| AA2R-040-030 | Remove Asset from Books |
| **AA2R-050** | **Manage Reporting and Compliance** |
| AA2R-050-010 | Perform Miscellaneous Asset Reporting |
| AA2R-050-020 | Monitor Adherence to Policies and Procedures |

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# CUSTOMER REQUISITION TO PAYMENT

## LEGEND

| | |
|---|---|
| Level 1 | End to End Process Area |
| **Level 2** | **Business Process** |
| Level 3 | Sub-Process |

| CR2P | Customer Requisition to Payment |
|---|---|
| **CR2P-010** | **Process Set-up, Oversight and Policy Management** |
| CR2P-010-010 | Establish/Maintain Misc. AR Policies |
| CR2P-010-020 | Establish/Maintain Catalog Configuration |
| CR2P-010-030 | Establish/Maintain Customer Configuration |
| CR2P-010-040 | Establish/Maintain Customer Contracts Configuration |
| **CR2P-020** | **Revenue Strategy and Planning** |
| CR2P-020-010 | Establish/Maintain Sales Program, Service or Recharge CenterCR2P |
| CR2P-020-020 | Establish Pricing Strategy/Rate Proposals |
| CR2P-020-030 | Acquire Customers |
| **CR2P-030** | **Perform External / Internal Billing** |
| CR2P-030-010 | Create External Invoice |
| CR2P-030-020 | Create Internal Invoice |
| CR2P-030-030 | Create Invoice Adjustments |
| **CR2P-040** | **Cash Application** |
| CR2P-040-010 | Record and apply payments |
| CR2P-040-020 | Manage Unapplied payments |
| CR2P-040-030 | Perform Settlement Activities |
| **CR2P-050** | **Manage Collections & Disputes** |
| CR2P-050-010 | Analyze AR Aging |
| CR2P-050-020 | Execute Collection Activities |
| CR2P-050-030 | Manage Dispute Resolution |
| **CR2P-060** | **Manage Reporting and Compliance** |
| CR2P-060-010 | Monitor Adherence to Policies and Procedures |
| CR2P-060-020 | Perform Reconciliations |
| CR2P-060-030 | Manage Misc. AR Reporting |

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# GRANT AWARD TO CLOSE

## LEGEND

| Level 1 | End to End Process Area |
|---|---|
| **Level 2** | **Business Process** |
| Level 3 | Sub-Process |

| GA2C | Grant Award to Close |
|---|---|
| **GA2C-010** | **Process Set-up, Oversight and Policy Management** |
| GA2C-010-010 | Establish/Maintain Sponsored Program Policies |
| GA2C-010-020 | Establish/Maintain Sponsored Program Configuration |
| GA2C-010-030 | Establish/Maintain Payroll/Effort Certification Configuration |
| **GA2C-020** | **Pre-Award Administration** |
| GA2C-020-010 | Apply for Sponsored Program Funding |
| GA2C-020-020 | Execute Formal Sponsored Program Agreements |
| **GA2C-030** | **Post-Award Set-up** |
| GA2C-030-010 | Establish/Maintain Sponsored Programs |
| GA2C-030-020 | Establish/Maintain Sub-Awards |
| **GA2C-040** | **Manage Sponsored Program Spend and Billing** |
| GA2C-040-010 | Manage Sponsored Program Spend |
| GA2C-040-020 | Sponsor Billing |
| GA2C-040-030 | Cash Application |
| GA2C-040-040 | Manage Collections & Disputes |
| **GA2C-050** | **Manage Sponsored Program Reporting and Compliance** |
| GA2C-050-010 | Sub-recipient Monitoring & Compliance |
| GA2C-050-020 | Effort Reporting |
| GA2C-050-030 | Sponsored Program Compliance Reporting |
| GA2C-050-040 | Perform Compliance Audits |
| GA2C-050-050 | Monitor Adherence to Policies and Procedures |
| **GA2C-060** | **Sponsored Program Close-out** |
| GA2C-060-010 | Prepare for Sponsored Program Closeout |
| GA2C-060-020 | Execute Sub-Award Closeout Activities |
| GA2C-060-030 | Execute Closeout Activities |

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# HIRE TO RETIRE

## LEGEND

| | |
|---|---|
| Level 1 | End to End Process Area |
| Level 2 | Business Process |
| Level 3 | Sub-Process |

| H2R | Hire to Retire |
|---|---|
| **H2R-010** | **Process Set-up, Oversight and Policy Management** |
| H2R-010-010 | Establish/Maintain HR Policies |
| H2R-010-020 | Establish/Maintain Benefits Policies |
| H2R-010-030 | Establish/Maintain Payroll Policies |
| H2R-010-040 | Establish/Maintain Payroll Configuration |
| **H2R-020** | **Plan for and Manage Positions & Recruitment** |
| H2R-020-010 | Establish/Maintain Position |
| H2R-020-020 | Establish/Maintain Position Restrictions |
| H2R-020-030 | Establish/Maintain Job Requisitions |
| H2R-020-040 | Manage headcount budgets and position freezes |
| **H2R-030** | **Bring in and Retain Employees** |
| H2R-030-010 | Perform Employee Hiring Activities |
| H2R-030-020 | Perform Academic Appointment Activities |
| H2R-030-030 | Perform Costing Allocation Activities |
| H2R-030-050 | Contract Contingent Worker |
| H2R-030-060 | Manage Employee Performance |
| H2R-030-070 | Manage Job Details |
| H2R-030-080 | Establish/Maintain Compensation |
| **H2R-040** | **Track Time and Employee Changes** |
| H2R-040-010 | Track Time and Absence |
| H2R-040-020 | Manage Job Details |
| H2R-040-030 | Establish/Maintain Compensation |
| H2R-040-040 | Establish/Maintain Employee Benefits |
| **H2R-050** | **Process payroll and perform payroll accounting** |
| H2R-050-010 | Pay Employee |
| H2R-050-020 | Payroll Accounting |
| H2R-050-030 | Third Party Payroll |
| H2R-050-040 | Perform Payroll tax reporting |
| H2R-050-050 | Perform period close Activities |
| H2R-050-060 | Perform year end close activities |
| **H2R-060** | **Process Terminations & Retirements** |
| H2R-060-010 | End Academic Appointment |
| H2R-060-020 | End Additional Job |
| H2R-060-030 | Termination - Voluntary |
| H2R-060-040 | Termination - Involuntary |
| H2R-060-050 | Separation - Benefits |
| H2R-060-060 | Perform year end close activities |
| **H2R-070** | **Manage Reporting and Compliance** |
| H2R-070-010 | Monitor Adherence to Policies and Procedures |
| H2R-070-020 | Manage HCM financial reporting |
| H2R-070-030 | Termination - Voluntary |
| H2R-070-040 | Termination - Involuntary |
| H2R-070-050 | Separation - Benefits |
| **H2R-080** | **Manage Reporting and Compliance** |
| H2R-080-010 | Monitor Adherence to Policies and Procedures |
| H2R-080-020 | Manage HCM financial reporting |

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# MANAGE CASH AND FINANCIAL ASSETS

## LEGEND

| Level 1 | End to End Process Area |
|---|---|
| Level 2 | Business Process |

| MCFA | Manage Cash and Financial Assets |
|---|---|
| **MCFA-010** | **Process Set-up, Oversight and Policy Management** |
| MCFA-010-010 | Establish/Maintain Banking Configuration |
| MCFA-010-020 | Establish/Maintain Banking Policies & Controls |
| MCFA-010-030 | Establish/Maintain Gift and Endowment Configuration |
| MCFA-010-040 | Establish/Maintain Gift and Endowment Policies |
| MCFA-010-050 | Establish/Maintain Treasury Configuration |
| MCFA-010-060 | Establish/Maintain Treasury Policies |
| **MCFA-020** | **Gift & Endowment Accounting** |
| MCFA-020-010 | Receive Gift |
| MCFA-020-020 | Record /Manage Gift Attributes |
| MCFA-020-030 | Track Gift Spending |
| MCFA-020-040 | Manage Investment Pool Units |
| MCFA-020-050 | Record Investment Activity |
| MCFA-020-060 | Record Pool Payout |
| MCFA-020-070 | Prepare for Period Close |
| MCFA-020-080 | Gift Reporting & Close Out |
| **MCFA-030** | **Banking & Cash Management** |
| MCFA-030-010 | Bank Reconciliation Processes |
| MCFA-030-020 | Cash Forecasting & Monitoring |
| MCFA-030-030 | Cash Collections & Disbursements |
| MCFA-030-040 | Cash Reporting |
| **MCFA-040** | **Treasury Operations** |
| MCFA-040-010 | Manage Debt |
| MCFA-040-020 | Manage Non-Endowment Investments |
| **MCFA-050** | **Manage Reporting and Compliance** |
| MCFA-050-010 | Manage Gift Reporting and Compliance |
| MCFA-050-020 | Manage Cash Reporting and Compliance |
| MCFA-050-030 | Manage Treasury Reporting and Compliance |

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# PROCUREMENT AND SUPPLY CHAIN

## LEGEND

| Level 1 | End to End Process Area |
|---|---|
| Level 2 | Business Process |
| Level 3 | Sub-Process |

| P&SC | Procurement and Supply Chain |
|---|---|
| **P&SC-010** | **Process Set-up, Oversight and Policy Management** |
| P&SC-010-010 | Establish/Maintain Accounts Payable Policies |
| P&SC-010-020 | Establish/Maintain Procurement Policies |
| P&SC-010-030 | Establish/Maintain Supply Chain Policies |
| P&SC-010-040 | Establish/Maintain Travel and Expense Policies |
| P&SC-010-050 | Establish/Maintain Supplier Configuration |
| P&SC-010-060 | Establish/Maintain Procure to Pay Configuration |
| P&SC-010-070 | Establish/Maintain Supply Chain Configuration |
| P&SC-010-080 | Establish/Maintain Travel & Expense Configuration |
| **P&SC-020** | **Spend Strategy & Planning** |
| P&SC-020-010 | Perform Strategic Sourcing |
| P&SC-020-020 | Perform Demand Planning |
| P&SC-020-030 | Clinical Utilization & Cost Analysis |
| P&SC-020-040 | Perform Inventory Planning |
| **P&SC-030** | **Source & Contract Management** |
| P&SC-030-010 | Sourcing Event |
| P&SC-030-020 | Manage Supplier Contracts |
| P&SC-030-030 | Manage Contract/Supplier Performance |
| **P&SC-040** | **Purchase** |
| P&SC-040-010 | Manage Requisitions |
| P&SC-040-020 | Manage Purchase Orders |
| P&SC-040-030 | Process Receipt of Materials and Services |
| **P&SC-050** | **Process Accounts Payable** |
| P&SC-050-010 | Invoice Processing |
| P&SC-050-020 | Payments / Disbursements |
| **P&SC-060** | **Process Travel & Expense** |
| P&SC-060-010 | Travel and Expense Data Entry |
| P&SC-060-020 | Travel and Expense Compliance |
| P&SC-060-030 | Travel and Expense Reporting |
| **P&SC-070** | **Manage Supply Chain Logistics** |
| P&SC-070-010 | Receive Material |
| P&SC-070-020 | Manage Logistics and Distribution |
| P&SC-070-030 | Manage, Track and Control Inventory |
| P&SC-070-040 | Replenish Inventory |
| **P&SC-080** | **Manage Reporting and Compliance** |
| P&SC-080-010 | Monitor Adherence to Policies and Procedures |
| P&SC-080-020 | Manage Supply Chain Financial Reporting |
| P&SC-080-030 | Manage Procurement Financial Reporting |

UWFT Business Process Taxonomy

# PROJECT INCEPTION TO CLOSE

## LEGEND

| | |
|---|---|
| Level 1 | End to End Process Area |
| **Level 2** | **Business Process** |
| Level 3 | Sub-Process |

| PI2C | Project Inception to Close |
|---|---|
| **PI2C-010** | **Process Set-up, Oversight and Policy Management** |
| PI2C-010-010 | Establish/Maintain Project Accounting Policies |
| PI2C-010-020 | Establish/Maintain Project Structures Policies |
| **PI2C-020** | **Project Strategy & Planning** |
| PI2C-020-010 | Determine Sourcing Strategy |
| PI2C-020-020 | Execute formal project agreements |
| **PI2C-030** | **Project Set-up and Cost Collection** |
| PI2C-030-010 | Establish/Maintain Project Structure and Funding Rules |
| PI2C-030-020 | Establish/Maintain Project Budget/Plan |
| PI2C-030-030 | Track/Record input efforts and costs |
| **PI2C-040** | **Project Cost Accounting** |
| PI2C-040-010 | Allocate Project Expenses |
| PI2C-040-020 | Perform Project Accounting |
| **PI2C-050** | **Manage Reporting and Compliance** |
| PI2C-050-010 | Generate Status Reports |
| PI2C-050-020 | Monitor Adherence to Policies and Procedures |
| **PI2C-060** | **Project Close-out** |
| PI2C-060-010 | Prepare for Project Close-out Activities |
| PI2C-060-020 | Complete Project Close-out Activities |

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# PLAN AND MANAGE THE BUSINESS

## LEGEND

| Level 1 | End to End Process Area |
|---|---|
| **Level 2** | **Business Process** |
| Level 3 | Sub-Process |

| PMTB | Plan and Manage the Business |
|---|---|
| **PMTB-010** | **Process Set-up, Oversight and Policy Management** |
| PMTB-010-010 | Establish/Maintain Planning Policies |
| PMTB-010-020 | Establish/Maintain Planning Configuration |
| PMTB-010-030 | Establish/Maintain Reporting Policies |
| **PMTB-020** | **Set Long-Term Plan** |
| PMTB-020-010 | Establish/Maintain Strategic Priorities |
| PMTB-020-020 | Establish/Maintain processes and templates/models |
| PMTB-020-030 | Develop plan drivers and assumptions |
| PMTB-020-040 | Develop scenarios and drafts |
| PMTB-020-050 | Review and revise drafts |
| PMTB-020-060 | Finalize Long-Term Plan |
| **PMTB-030** | **Set Annual Budget** |
| PMTB-030-010 | Establish/Maintain processes and templates/models |
| PMTB-030-020 | Develop assumptions and top down guidelines |
| PMTB-030-030 | Develop departmental (bottom-up) budgets |
| PMTB-030-040 | Consolidate departmental (bottom-up) budgets |
| PMTB-030-050 | Review consolidated budget |
| PMTB-030-060 | Adjust and Finalize Annual budget |
| PMTB-030-070 | Approve and Enact Annual budget |
| **PMTB-040** | **Perform Allocations** |
| PMTB-040-010 | Establish/Maintain Allocation Methodology |
| PMTB-040-020 | Calculate Allocations |
| PMTB-040-030 | Review and Approve Allocations |
| PMTB-040-040 | Finalize Allocations |
| **PMTB-050** | **Reporting and Analysis** |
| PMTB-050-010 | Develop/Maintain Process & Guidelines |
| PMTB-050-020 | Gather Data |
| PMTB-050-030 | Analyze Performance to Plan |
| PMTB-050-040 | Report Performance to Plan |
| **PMTB-060** | **Forecasting** |
| PMTB-060-010 | Establish/Maintain processes and templates/models |
| PMTB-060-020 | Develop assumptions |
| PMTB-060-030 | Prepare bottom-up forecasts |
| PMTB-060-040 | Adjust and Finalize forecasts |
| PMTB-060-050 | Incorporate top-level adjustments |
| PMTB-060-060 | Review forecasts |
| **PMTB-070** | **Perform Plan Amendments** |
| PMTB-070-010 | Identify need for Plan Amendment |
| PMTB-070-020 | Draft Amendment |
| PMTB-070-030 | Review and Approve Amendment |
| PMTB-070-040 | Publish and Enact Amendment |

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## UWFT Business Process Taxonomy

# RECORD TO REPORT

## LEGEND

| | |
|---|---|
| Level 1 | End to End Process Area |
| Level 2 | Business Process |
| Level 3 | Sub-Process |

| R2R | Record to Report |
|---|---|
| **R2R-010** | **Process Set-up, Oversight and Policy Management** |
| R2R-010-010 | Establish/Maintain Financial Accounting Policies |
| R2R-010-020 | Establish/Maintain Foundation Data Model |
| R2R-010-030 | Establish/Maintain Financial Accounting Structure |
| R2R-010-040 | Establish/Maintain Financial Controls |
| **R2R-020** | **Perform General Accounting** |
| R2R-020-010 | Process Journals |
| R2R-020-020 | Allocate Costs & Revenue |
| **R2R-030** | **Perform Period Close (Year-end / Month-end)** |
| R2R-030-010 | Establish/Maintain Close Schedule |
| R2R-030-020 | Close Sub-Ledger Activities |
| R2R-030-030 | Perform Intercompany & Interdepartmental Accounting |
| R2R-030-040 | Perform GL accounting and close |
| R2R-030-050 | Reconcile accounts |
| R2R-030-060 | Prepare Period End Financial Reports |
| R2R-030-070 | Perform Tax Accounting |
| **R2R-040** | **Consolidate** |
| R2R-040-010 | Collect Data |
| R2R-040-020 | Eliminate Intercompany |
| R2R-040-030 | Prepare Financial Statement |
| R2R-040-040 | Analyze Financials |
| R2R-040-050 | Generate / Distribute Financials |
| **R2R-050** | **Manage Reporting and Compliance** |
| R2R-050-010 | Conduct Audits |
| R2R-050-020 | Perform Tax Reporting |
| R2R-050-030 | Perform External Reporting |

# SHARED ENVIRONMENT OVERVIEW

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# INTRODUCTION

Early in the UWFT Operating Model design process, you may have heard the concept of “regional hubs.” Under the Operating Model approved by program sponsors in September 2019, individual units across UW Academy were grouped into eight to ten regional hubs tasked with performing certain finance and procurement activities for the individual units they served. Based on feedback from stakeholders and direction from the Executive Office, the concept of regional hubs was adjusted in favor of allowing “3-digit orgs” to form their own shared service organizations or join a central entity.

These shared service centers have been termed “Shared Environments” (SEs) and in Autumn 2020, “3-digit orgs” completed a questionnaire indicating whether they would prefer to create their own Unit SE, join with another “3-digit org” to create a collaborative SE, or join a Central Finance Shared Environment (CFSE). Both the Unit SEs and the CFSE will perform activities similar to those previously identified for the regional hubs.

The benefits of future SEs will be enhanced efficiency and compliance. In addition, SE specialists with Workday expertise will ensure standardization and ease the administrative burden of local staff who are tasked with transactional work that is not core to their job function.

For example, SEs will serve as the initial point of contact for units with finance and supply chain questions. In addition, SEs will perform transactions such as requisition processing, travel and expense entry and invoice generation. For post-award grant management, SEs will perform analysis and reporting.

The following section outlines the background and approach taken in asking units their preference on whether to form their own SE or join the CFSE.

# SHARED ENVIRONMENT APPROACH – MOVE TO CRITERIA MODEL

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# SHARED ENVIRONMENT APPROACH OVERVIEW

> In the Fall of 2020, program leadership received feedback and changed direction from the ‘Regional Hub’ model to an operating model where units could create their own Shared Environments (SE)

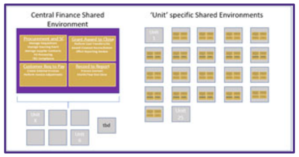
> In October of 2020, UWFT released the Shared Environment Questionnaire to solicit responses from units on whether they would prefer to be served by a Central Finance Shared Environment (CFSE), join with another unit to create an SE or create an SE of their own

**Operating Model Journey – Shared Environment Focus**

**October 2020**

**Change in Conceptual Operating Model**

- ✓ Based on stakeholder and leadership feedback, moved away from Regional Hub model and towards Unit Shared Environment model
- ✓ Units will have the option to join a Central Finance Shared Environment or create their own Shared Environment



**October 2020**

**Questionnaire Released**

- ✓ Worked with leadership team to draft criteria on which units may form their own Shared Environments
- ✓ Released questionnaire to 36 campus units
- ✓ Received responses indicating which units want to form their own Shared Environment, which units want to join a Central Finance Shared Environment, and which units need more detail

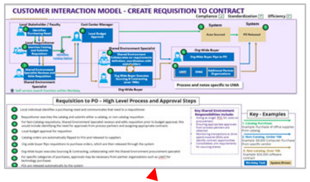
| | Criteria: | Question: |
|---|---|---|
| Capacity | a. **Unit shared services team:** Unit consolidates shared activities and FTEs into a unit-level shared environment on a single team where each member has a focus, skillset and related security role to perform a specific transaction type. | Please shared your plan for where in your unit this shared environment (SE) would be, to whom it would report and how you'd organize the teams. How will you manage the move and impact on your departments from fragmented work to more centralized work? |
| | Answer: | |
| | b. **Cost-neutral stand-up:** SE created, and responsibilities completed within existing unit resources. | Please comment on how you'd create this SE, covering the transactions identified in the "regional hub"- level of shared with your current resources. |
| | Answer: | |
| | c. **Have redundancy and avoid single points of failure:** Unit has a coverage model that has appropriate redundancy and avoids single points of failure. | With your current staffing, please comment on your unit's capability to ensure the appropriate coverage model within the SE across skills, etc. |
| | Answer: | |

| | Criteria: | Question: |
|---|---|---|
| Competency | a. **Functional knowledge:** Unit FTE resources have adequate (or can build) financial and procurement competencies/skills (accrual accounting, operational journal updates, contract management, etc.) to adapt and be successful with this new way of working. | Please comment on whether your unit has staff with the right knowledge and mindset to successfully make this evolution within the way UW works in a relatively short amount of time. |
| | Answer: | |
| | b. **Workday expertise:** SE resources have an affinity for technology and learning | Resources in the SE will spend most of their time transacting in Workday and using totally new |

**November 2020**

**Process Deep Dives**

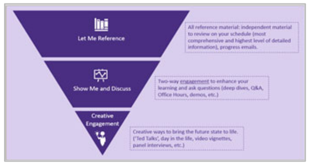
- ✓ Facilitated process deep-dives with business process leads to do detailed overviews of Shared Environment processes and capabilities needed



**March 2021 - Present**

**Engage Administrators with More Detail**

- ✓ Held sessions with administrators to ascertain what questions need to be answered to help with the decision of whether to form their own Unit Shared Environment
- ✓ Created framework to provide more detail to administrators

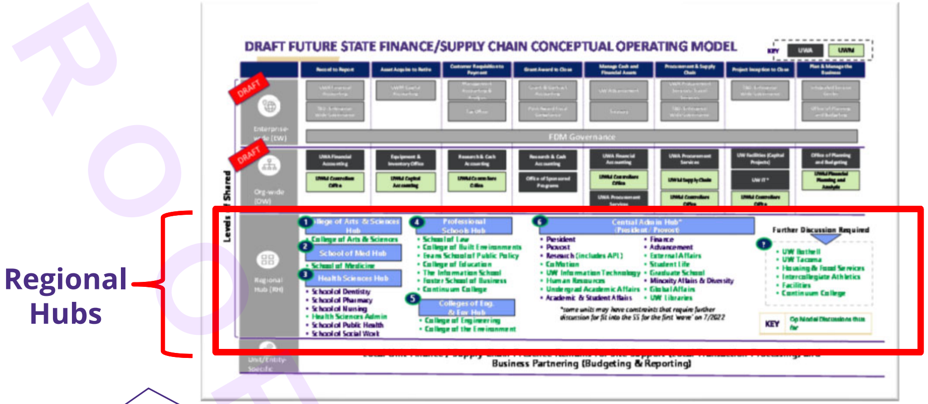


We are here

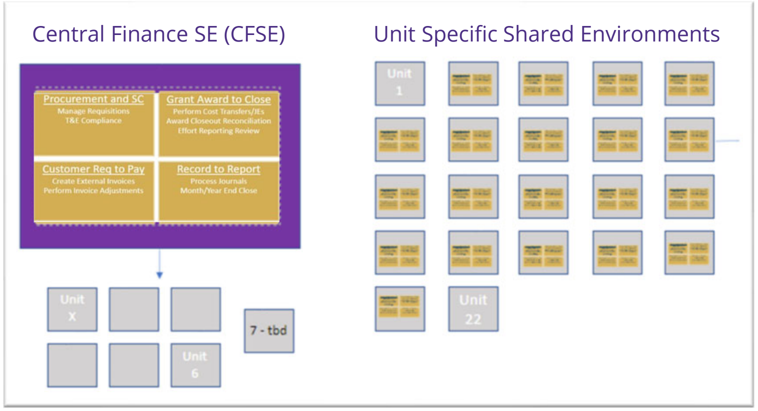
# FALL 2020 SHIFT IN OPERATING MODEL

> Under the previous Operating Model, individual units were grouped into regional hubs. Under the new 'criteria model,' units will either form their own SE or be served by a CFSE for the same processes previously outlined for the Regional Hubs.

## Regional Hub Model



## Criteria Model



**Deans' feedback:**
Transformation can happen at the College/School level. Requested opportunity to design a unit-level shared environment, if desired

**Select Admin. feedback:**
Units want transaction processing close to their operations to ensure their diverse business requirements can be met and completed in a timely manner

## Move to Shared Environments:

- ✓ Units issued questionnaire to identify whether they want to form their own Shared Environment to complete the scope formerly identified for the Regional Hub
- ✓ The majority of units indicated they wanted to form their own SE, with some indicating they wanted to be served by a CFSE

# SHARED ENVIRONMENT CRITERIA

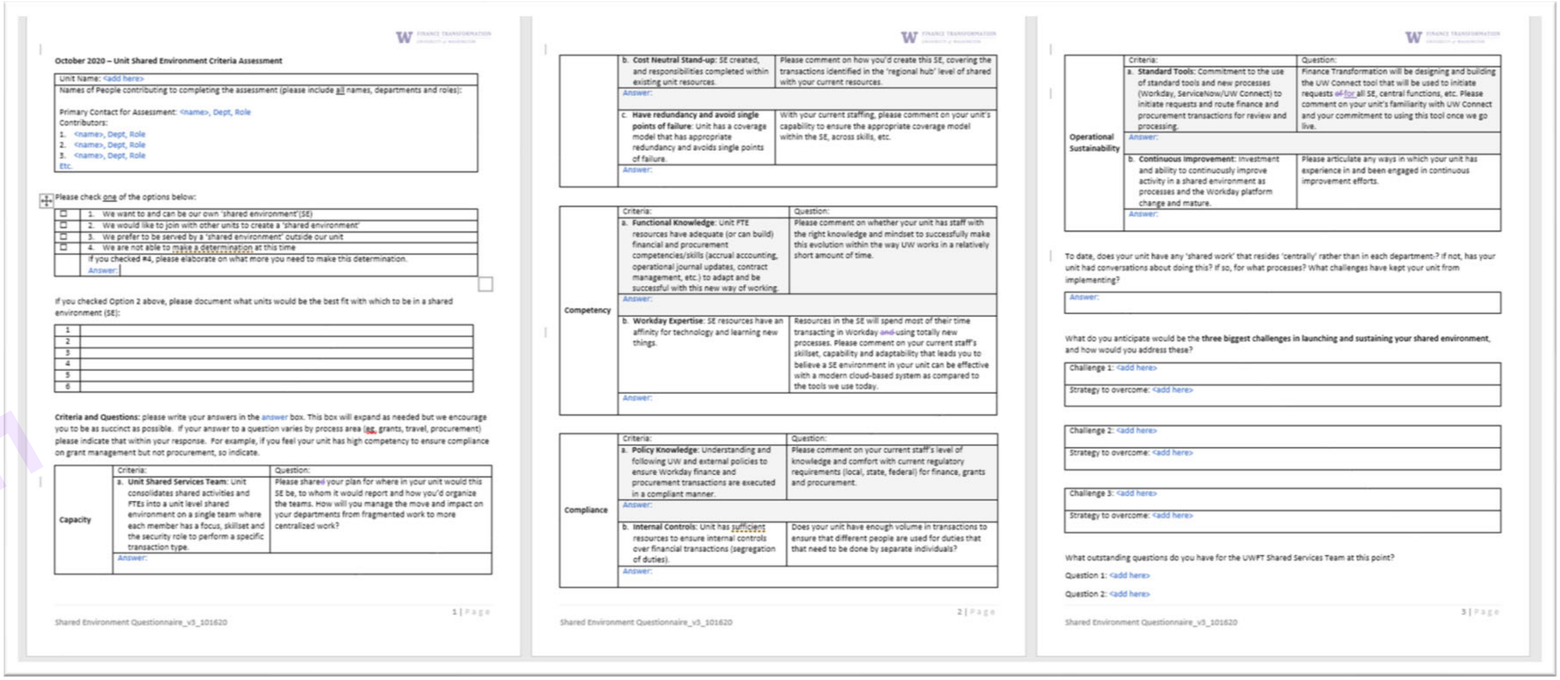
> Following the change in Operating Model direction, program leadership agreed upon the following criteria that units would need to meet in order to form their own SEs:

### Criteria for Unit Shared Services Work

| Category | Criteria |
|---|---|
| **1. Capacity** | **a) Unit Shared Services Team:** Units consolidate shared activities and associated FTEs across each department/programs into a unit level shared environment, ideally in the Finance and Admin organization of the Dean's office. |
| | **b) Cost Neutral Stand-up:** Shared service responsibilities completed within existing unit resources. Units start planning in FY21 for training (UWFT to provide), position review and change of duties/scope to ensure that units' resources are redeployed by go-live. |
| | **c) Have redundancy and avoid single points of failure:** unit has a coverage model that has appropriate redundancy and avoids single points of failure. |
| **2. Competency** | **a) Process Expertise:** Unit FTE resources have adequate financial and procurement competencies/skills (e.g., accrual accounting, operational journal updates). |
| | **b) Workday Expertise:** SE resources have an affinity for technology and learning new things. They will spend most of their time in Workday and they have sufficient Workday expertise to effectively execute transactions by go-live. Over time, efficiencies expected to be improved over today's current state. |
| **3. Compliance** | **a) Policy Knowledge:** Understanding of University and external policies to ensure Workday finance and procurement transactions are executed in a compliant manner. Knowledge of current regulatory requirements (local, state, federal) for grants and procurements is aligned with roles performed by central admin functions. |
| | **b) Security Role Concentration:** Ensure that only unit Shared Environment FTEs have security roles to process transactions slated for the unit level of shared |
| | **c) Internal Controls:** Unit has sufficient resources to ensure internal controls over financial transactions (segregation of duties). |
| **4. Operational Sustainability** | **a) Standard Tools:** Commitment to the use of standard tools (e.g., Workday, ServiceNow) to route finance and procurement transactions for review/processing. |
| | **b) Continuous Improvement:** Investment and ability to continuously improve activity in a shared environment as processes in the Workday platform change and mature. |

# SHARED ENVIRONMENT QUESTIONNAIRE

- In October of 2020, UWFT distributed the Shared Environment Questionnaire to 3-digit-orgs, soliciting responses on whether they would want to be served centrally or create their own shared environment. Units who chose to create their own shared environment were asked how they intended to meet the criteria. Supporting materials including process diagrams and Workday impacts accompanied the questionnaire.



**October 2020 – Unit Shared Environment Criteria Assessment**

Unit Name: <add here>
Names of People contributing to completing the assessment (please include all names, departments and roles):

Primary Contact for Assessment: <name>, Dept, Role
Contributors:
1. <name>, Dept, Role
2. <name>, Dept, Role
3. <name>, Dept, Role
Etc.

Please check one of the options below:

| | |
|---|---|
| ☐ | 1. We want to and can be our own 'shared environment'(SE) |
| ☐ | 2. We would like to join with other units to create a 'shared environment' |
| ☐ | 3. We prefer to be served by a 'shared environment' outside our unit |
| ☐ | 4. We are not able to make a determination at this time |
| | If you checked #4, please elaborate on what more you need to make this determination.<br>Answer: |

If you checked Option 2 above, please document what units would be the best fit with which to be in a shared environment (SE):

| | |
|---|---|
| 1 | |
| 2 | |
| 3 | |
| 4 | |
| 5 | |
| 6 | |

**Criteria and Questions:** please write your answers in the answer box. This box will expand as needed but we encourage you to be as succinct as possible. If your answer to a question varies by process area (eg, grants, travel, procurement) please indicate that within your response. For example, if you feel your unit has high competency to ensure compliance on grant management but not procurement, so indicate.

| | Criteria: | Question: |
|---|---|---|
| **Capacity** | a. **Unit Shared Services Team**: Unit consolidates shared activities and FTEs into a unit level shared environment on a single team where each member has a focus, skillset and the security role to perform a specific transaction type. | Please share~~d~~ your plan for where in your unit would this SE be, to whom it would report and how you'd organize the teams. How will you manage the move and impact on your departments from fragmented work to more centralized work? |
| | Answer: | |
| | b. **Cost Neutral Stand-up**: SE created, and responsibilities completed within existing unit resources. | Please comment on how you'd create this SE, covering the transactions identified in the 'regional hub' level of shared with your current resources. |
| | Answer: | |
| | c. **Have redundancy and avoid single points of failure**: Unit has a coverage model that has appropriate redundancy and avoids single points of failure. | With your current staffing, please comment on your unit's capability to ensure the appropriate coverage model within the SE, across skills, etc. |
| | Answer: | |

| | Criteria: | Question: |
|---|---|---|
| **Competency** | a. **Functional Knowledge**: Unit FTE resources have adequate (or can build) financial and procurement competencies/skills (accrual accounting, operational journal updates, contract management, etc.) to adapt and be successful with this new way of working. | Please comment on whether your unit has staff with the right knowledge and mindset to successfully make this evolution within the way UW works in a relatively short amount of time. |
| | Answer: | |
| | b. **Workday Expertise**: SE resources have an affinity for technology and learning new things. | Resources in the SE will spend most of their time transacting in Workday ~~and~~ using totally new processes. Please comment on your current staff's skillset, capability and adaptability that leads you to believe a SE environment in your unit can be effective with a modern cloud-based system as compared to the tools we use today. |
| | Answer: | |

| | Criteria: | Question: |
|---|---|---|
| **Compliance** | a. **Policy Knowledge**: Understanding and following UW and external policies to ensure Workday finance and procurement transactions are executed in a compliant manner. | Please comment on your current staff's level of knowledge and comfort with current regulatory requirements (local, state, federal) for finance, grants and procurement. |
| | Answer: | |
| | b. **Internal Controls**: Unit has sufficient resources to ensure internal controls over financial transactions (segregation of duties). | Does your unit have enough volume in transactions to ensure that different people are used for duties that that need to be done by separate individuals? |
| | Answer: | |

| | Criteria: | Question: |
|---|---|---|
| **Operational Sustainability** | a. **Standard Tools**: Commitment to the use of standard tools and new processes (Workday, ServiceNow/UW Connect) to initiate requests and route finance and procurement transactions for review and processing. | Finance Transformation will be designing and building the UW Connect tool that will be used to initiate requests ~~of~~ for all SE, central functions, etc. Please comment on your unit's familiarity with UW Connect and your commitment to using this tool once we go live. |
| | Answer: | |
| | b. **Continuous Improvement**: Investment and ability to continuously improve activity in a shared environment as processes and the Workday platform change and mature. | Please articulate any ways in which your unit has experience in and been engaged in continuous improvement efforts. |
| | Answer: | |

To date, does your unit have any 'shared work' that resides 'centrally' rather than in each department~~.~~? If not, has your unit had conversations about doing this? If so, for what processes? What challenges have kept your unit from implementing?

Answer:

What do you anticipate would be the **three biggest challenges in launching and sustaining your shared environment**, and how would you address these?

Challenge 1: <add here>
Strategy to overcome: <add here>

Challenge 2: <add here>
Strategy to overcome: <add here>

Challenge 3: <add here>
Strategy to overcome: <add here>

What outstanding questions do you have for the UWFT Shared Services Team at this point?

Question 1: <add here>

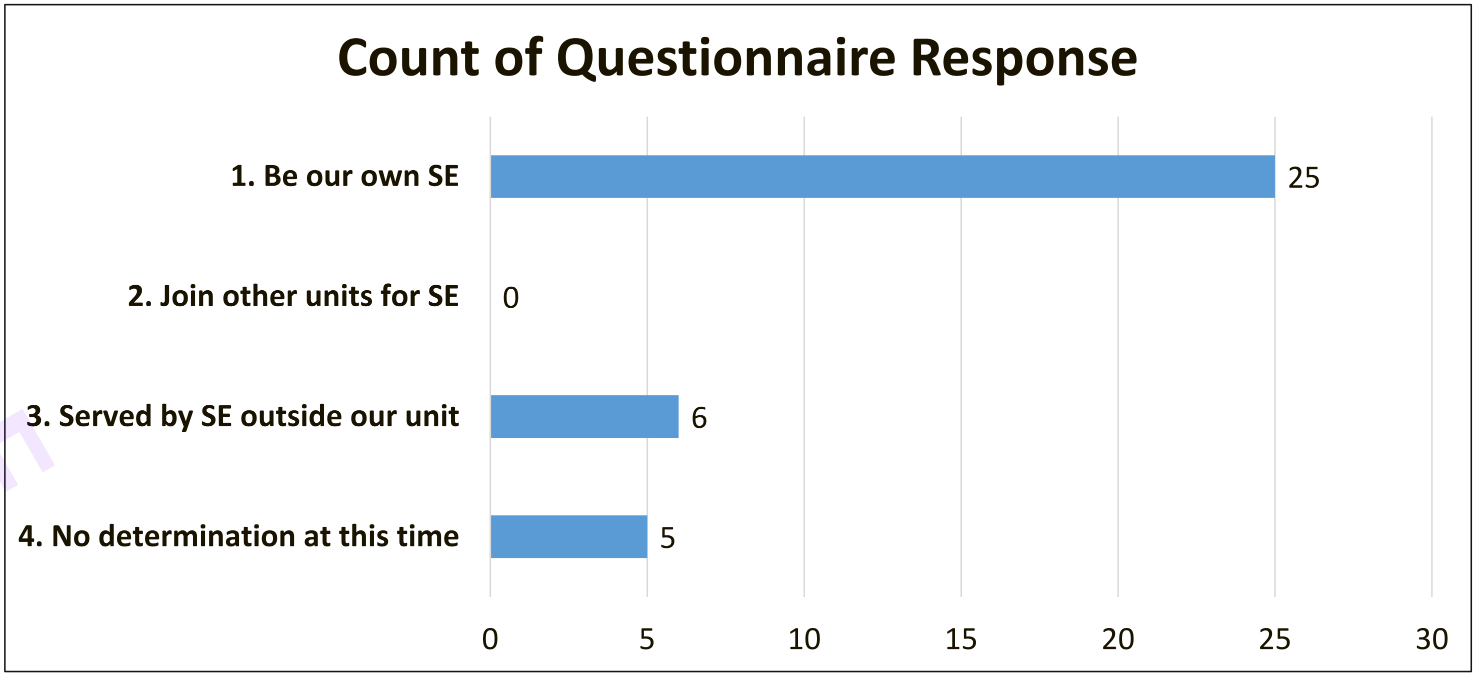
Question 2: <add here>

# QUESTIONNAIRE SUPPORT DOCUMENTATION

> Levels of Shared information – what transactions have been determined to occur in a shared environment
> Process flows for all transactions – detailed flows that will show how transactions work and who will be performing them (at what levels of shared)
> Competencies – new competencies and knowledge we expect will be needed for core users to work effectively and efficiently in Workday
> FAQ – answers to many questions that are coming up about the Questionnaire, decision parameters, shared environment, guardrails and guidance, etc.
> Detailed EPIC flows – Visio process flows that show how a transaction will flow through the system
> Recordings to Confirmation Sessions – internal program sessions that are intended to confirm that the first tenant was configured as designed
> Q&A Meeting – to answer any questions about the self-assessment process and timeline
> Transaction Process Deep Dive Sessions – two-hour interactive sessions (by process) in which administrators can ask specific and detailed questions about what and how the transactions will work in a 'level of shared' environment

# RESPONSES TO SHARED ENVIRONMENT QUESTIONNAIRE

- In November of 2020, UWFT received the following responses to the Questionnaire, with the majority of units indicating that they want to form their own Shared Environment.



| | |
|---|---|
| 1. Be our own SE | 25 |
| 2. Join other units for SE | 0 |
| 3. Served by SE outside our unit | 6 |
| 4. No determination at this time | 5 |

# CENTRAL FINANCE SHARED ENVIRONMENT GOVERNANCE

“Governance” means many different things to many different people and, in fact, has many definitions. We’ve started this conversation with our Operating Model Working Group made of representatives from Academic units, Central Finance units and the Integrated Service Center. We started discussing the “purpose of governance,” what are the various governance “philosophies,” what decisions should fall to the Finance Shared Environment (SE) teams, etc. The scope of the conversation includes the Central Finance Shared Environment (CFSE) and the unit SEs and how we’ll work together as a broader eco-system. We’ve also discussed that it seems logical that there is a role that facilitates the governance group, meetings, agenda, etc. Other topics that have come up related to governance are policy/compliance support and decisions, the role of an SE community of practice and the connection with other advisory or governance groups that currently exist.

In the coming months, we’ll be flushing out more details to help design a framework and approach for the Finance SE governance structure. We’ll host a review and feedback session on this topic with all administrators once we get there.

# CENTRAL FINANCE SHARED ENVIRONMENT SERVICE LEVEL AGREEMENTS

“A service-level agreement (SLA) is a commitment between a service provider and a client. Aspects of the service – quality, availability, responsibilities – are agreed between the service provider and the service user.” -- Wikipedia. Typically, SLAs are formal documents that:

- Improve customer service
- Facilitate communication
- Are negotiated and mutually accepted
- Document agreements
- Define procedures
- Can be used as a written reference when there is a question or disagreement
- Set standards for customer service

The Op Model team is anticipating drafting SLAs for the customers who will be joining the Central Finance Shared Environment. The specifics of this agreement will be developed jointly to ensure we can meet the units’ expectations. While specific SLAs will be drafted, we do not anticipate that all Unit Shared Environments will have the same SLAs as each customer base may have different expectations. A template for, and copy of, an SLA is a good example of a deliverable the Op Model team expects to have as part of our work to enable units to build their Shared Environment. While this “enablement solution” has yet to be defined, it will be in partnership with UWFT’s Change Management team.

# SHARED ENVIRONMENT INFORMATION Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject "SE Admin Guide" to ensure proper routing.

###

**Q: What info/support/training will UWFT provide in the short-term and longer-term to help with this major transition for my unit?**

A: The UWFT organizational change management (OCM) team is taking a wide-ranging approach to prepare users for the new technology of Workday and updated business processes. In the 12-14 months leading up to the go-live date, a series of education and knowledge-building sessions and communications campaigns will take place so that by the time formal training programs start, end-users will have understanding and familiarity with key Workday and finance and supply chain concepts and changes. A structured training program will be designed and developed to build the skills necessary for future-state finance work. The high-level training approach as well as the training strategy documents can be found on the UWFT Change Network (UWFT Change Network>Change Management>End-User Training).

**Q: What is UWFT doing to make this a more effective transition and learn from the lessons of the Workday HR/Payroll implementation and rollout by the Integrated Service Center (ISC)??**

A: The HR/P rollout provided invaluable lessons that are helping shape our approach to the launch of Workday® Financials. We did a deep dive and the lessons learned have been obtained and documented. An overview of these lessons learned has been shared with each finance transformation team (including HR/P remediation) to inform and guide their work.

**Q: What transactional work will be performed by the Shared Environment (SE) for purchasing and grants? How is this different from purchasing/payables and general cost accounting (GCA) now?**

A: Primarily, the Shared Environment will be completing transitional work in procurement and post-award research administration that is currently the responsibility of units such as cost transfer review and completion, award closeout reconciliation, reviewing and editing requisitions and T&E compliance checks. The main difference from today, however, is that Workday requires users to have a stronger acumen for system-related inputs that may drive financial report reporting or other university requirements. These activities differ from work completed by central offices such as GCA or Procurement Services, as those are often 'centrally-led' activities for the entire institution such as research-related invoicing, financial reporting, strategic sourcing, and supplier management. For a detailed breakdown of the work at each level of shared, please see the business process sections in the Administrator's Guide.

**Q: How will units with confidential/privileged information (settlements, personal info) be handled in an SE?**
A: This depends on the data set and requirements, but any SE employee would follow the same protocols for any sensitive information as if they were in the specific unit to ensure appropriate handling and safeguards. Working closely with the Administrators on this will be critical.

**Q: Do you plan on moving people from their current unit to an SE?**
A: No resources will be moved in the new distributed shared environment model. If a unit employee is interested in a job in the Central Finance Shared Environment, they are welcome to apply when the job is opened.

**Q: Who is managing workforce transition to SEs and what is the strategy?**
A: The workforce transition strategy for all of UWFT will be developed by December of 2021. This strategy will be a collaborative approach between UWFT, HR and the affected units with people impacts.

**Q: Will we have a direct contact we can escalate things to like the Named Support Contact model that the ISC uses?**
A: The model and structure of the Central Finance Shared Environment (CFSE) has yet to be determined, but a primary objective is to ensure highly transparent and responsive customer service.

**Q: Is there a contract to join an SE? How does a unit leave an SE or, if not a member, could a unit join later?**
A: The plan is to have a Service Level Agreement/Contract with any unit that receives services from the CFSE. Like with all services, it is expected that any unit can join or leave the CFSE as desired. Likely we'll put some notifications parameters in place to enable a smooth transition if this occurs.

**Q: How can units be assured that we will receive the same level and quality of services that we have currently? What leverage will we have if we don't?**
A: High customer satisfaction will be our primary objective and we will have a multitude of ways to communicate that. Our customers will be at the core of everything we do. Ultimately, if not satisfied, a unit's leverage is to stop using the service of the CFSE.

**Q: Can I maintain some activities within my unit while using an SE for other activities? Will some services be available a la carte?**
A: Currently there is no plan to have an 'a la carte' approach to the CFSE.

**Q: Would a 3-digit org unit (typically a Dean's office and VP office) be able to split their 7-digit org units so that some join a larger SE while others provide those services in-house?**
A: The current SE approach is that a School or College either has their own SE that serves all units/department, or they use the CFSE for all units/departments.

**Q: How will testing for SEs be conducted?**
A: This will be determined as part of the overall testing strategy and performed during the Test stage.

**Q: Based on review of what type of work is being done in SEs, the impression is that units still retain most of the transactional work. Is this accurate?**
A: Yes, as moving to a shared service model is a big shift for the UW, we've taken a modest approach to what is "owned" by units vs. the SEs as we progress along this journey.

*All of the below questions will be answered once the final Shared Environment decisions have been made and the creation of the SE mission, values and operating norms have been completed.*

**Q: What are the values and principles of SEs?**
A: TBD

**Q: What are the values and principles for Shared Environment (SE) governance?**
A: TBD

**Q: What is the structure of SE governance?**
A: TBD

**Q: How will issues and concerns be addressed?**
A: TBD

**Q: How will the SE governance structure be communicated?**
A: TBD

**Q: How will stakeholders/customers provide input within the governance structure?**
A: TBD

**Q: How will successful SE governance be defined for key performance indicators (KPIs)?**
A: TBD

**Q: Where will responsibilities reside for:**

- Job Descriptions/Hiring
- General Training/Process Steps
- Policy Training
- Tech Training
- Help Desk
- Key Performance Indicators (KPIs)

A: TBD

**Q: How will SE performance be assessed?**
A: TBD

**Q: How will SE decisions be made?**
A: TBD

**Q: How will SE issues be escalated and to whom?**
A: TBD

**Q: How will the customer voice incorporated into governance?**
A: TBD

**Q: Who owns processes? Decisions? White space (identifying/solving needs)?**
A: TBD

**Q: How much autonomy will units have in decision-making independent of SE governance?**
A: TBD

**Q: How will units perform continuous process improvement and remain standardized?**
A: TBD

# BUSINESS PROCESS OVERVIEW

FINANCE TRANSFORMATION
UNIVERSITY of WASHINGTON
TRANSPARENCY | INTEGRITY | SYNERGY

# BUSINESS PROCESS OVERVIEW INTRODUCTION

During the UWFT Architect stage, program stakeholders designed finance and procurement processes for the Workday environment. As part of this process redesign, process transformation teams (PTTs) refined which of these activities could be completed at each level of shared (Enterprise-Wide, Org-Wide, Shared Environment or Local). Based on this engagement, four areas have been identified where the Shared Environments will be involved: Post-Award Research Administration, Procurement, Customer Billing and General Accounting. The following section outlines the processes as they were designed by these PTTs and what the role of the Shared Environment will be. Note: Documentation on eight end-to-end process areas can be found here.

# UNDERSTANDING BUSINESS PROCESSES

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# UNDERSTANDING BUSINESS PROCESS SECTIONS

During the Architect stage, process transformation teams (PTTs) designed future state business processes and defined the role of each level of shared. The below **process views**, replicated in each of the business process sections, represent these future processes in different levels of detail. Additionally, based on direction from the PTTs and other stakeholders, additional **descriptive views** have been developed to show the skills needed in Shared Environments and what the impact of Workday will be on each process area.

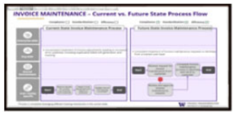
See below for an overview of the various process views in each section with a brief description of the purpose of each.

## Introduction

① **PTT Members, Transformation Goals, Levels of Shared**

For each process area, a PTT was formed from key stakeholders across the enterprise. These PTTs were tasked with designing business processes to achieve the transformation goals for their process area. To introduce each section, find a list of these PTT decision makers, the transformation goals they were tasked with meeting, and where activities will be completed in the operating model based on the work they have done to date.

## Process Views

| Name | Description | Illustration |
|---|---|---|
| ② **Current vs Future State Processes** | View of processes before and after Workday go-live, highlighting where certain activities are being moved to a Shared Environment |  |
| ③ **Customer Interaction Models** | Provides a narrative view of how key processes are executed in the future state. Who is involved? Where are the handoffs? |  |
| ④ **Process Maps for Epic Scenarios** | Detailed business process flows focused on areas in which the biggest transformation from current state to future state is occurring |  |

## Descriptive Views

| Name | Description | Illustration |
|---|---|---|
| ⑤ **Shared Environment Competency Information** | Outlines the competencies needed to perform work in the Shared Environment |  |

FINANCE TRANSFORMATION
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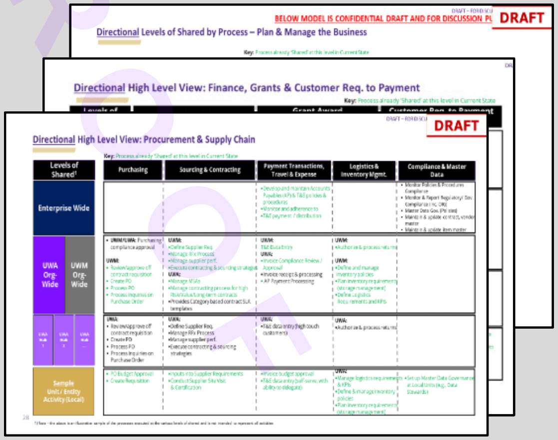
# HOW WERE BUSINESS PROCESSES DESIGNED?

During the Architect stage, PTTs designed future state business processes using the Levels of Shared approved by program sponsors as a starting point. PTTs took this sponsor direction on 'where' work should be completed and crafted Epic Scenarios, showing key business processes and what the handoffs between different levels of shared will be for each.

## Sponsor Approved Level of Shared



BELOW MODEL IS CONFIDENTIAL DRAFT AND FOR DISCUSSION PU

DRAFT

Directional Levels of Shared by Process – Plan & Manage the Business

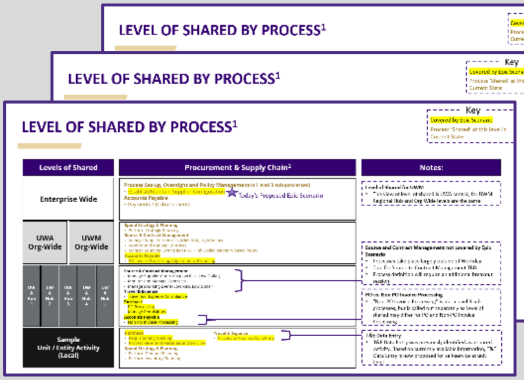
Directional High Level View: Finance, Grants & Customer Req. to Payment

Directional High Level View: Procurement & Supply Chain

DRAFT

| Levels of Shared[1] | Purchasing | Sourcing & Contracting | Payment Transactions, Travel & Expense | Logistics & Inventory Mgmt. | Compliance & Master Data |
|---|---|---|---|---|---|
| Enterprise Wide | | | | | |
| UWA Org-Wide / UWM Org-Wide | | | | | |
| Sample Unit / Entity Activity (Local) | | | | | |

## Level of Shared Reviewed in PDW

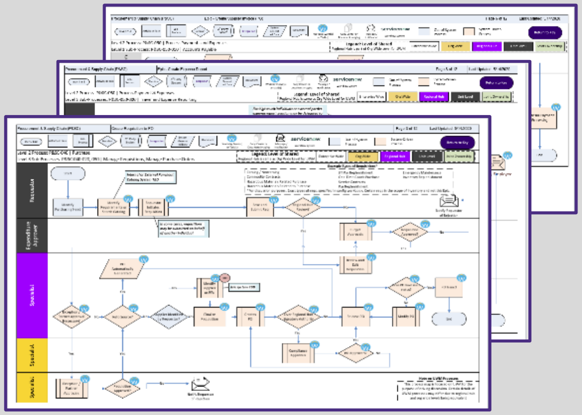


LEVEL OF SHARED BY PROCESS[1]

Key

| Levels of Shared | Procurement & Supply Chain[2] | Notes: |
|---|---|---|
| Enterprise Wide | Today's Proposed Epic Scenario | |
| UWA Org-Wide / UWM Org-Wide | | |
| Sample Unit / Entity Activity (Local) | | |

## Processes defined in Epic Scenarios



PTT iterated and refined Levels of Shared during Architect stage

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# BUSINESS PROCESS OVERVIEW Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject “SE Admin Guide” to ensure proper routing.

###

**Q: Are there other processes that would see Shared Environment (SE) involvement?**
A: Generally, the process flows and responsibilities shown in each of the following process area sections represent the full transactional scope identified for the SE. In certain areas, the SE may need to collaborate with central offices or answer local user questions. These exceptions are identified in each process area section where applicable, but the process flows in each area represent the full extent of process steps the SE owns.

**Q: Are there steps at the beginning or end of a process which occur outside of Workday and are not shown in the process flows?**
A: The process flows shown in each individual section aim to show processes from initiation (i.e., identifying a purchasing need or the need for an accounting adjustment) to close. One goal of these process designs is to have all of the key process steps and approvals happen in Workday, where possible, rather than having unit-specific processes to gain approvals prior to initiation in Workday or ServiceNow.

**Q: I don’t see how there will be any savings for my unit when we will still have to use systems to submit everything.**
A: The local level will always be responsible for initiating a process. That said, much of the work that happens after initiation has been moved to the SE, either due to control gaps noted in the current state or enhanced functionality (i.e., reporting or others) brought on by Workday. While the local level is responsible for collecting information and initiating a process, the SE level will conduct many key process steps and decide what to do with the information from the local level (i.e., select the correct accounting action to correct an error in Workday). Workday will also streamline many key processes and reporting needs done manually in the current state, which will likely enable savings for the institution.

**Q: Is there flexibility in what is done at the shared level? Is there agreement on what is unit level and what is shared service level?**
A: During the program’s Architect stage, the process transformation teams (PTT) defined processes and levels of shared for the SE level. All SEs are expected to complete all of these activities and adhere to the standard process. We know that some units conduct work outside of the defined SE scope for finance and procurement in a centralized way. UWFT does not aim to restrict work outside of the scope which occurs in an SE or prevent units from pulling additional work into their SE structure.

**Q: How does the change from a few hubs to many SEs impact other design elements?**
A: After the change in operating model direction in the fall of 2020, PTTs, business transformation owners and business process owners revisited the processes and levels of shared. Where changes needed to be made, these groups adjusted the processes and levels of shared. These decisions and updates are reflected (or will be reflected once approved) in this guide.

**Q: Who is on first if a business processes crosses schools with their own SEs?**
A: Based on the Workday business processes, each transition will route to the appropriate SE. In most cases, work will route to whichever SE is assigned to the cost center associated with the initiator. Approvals are also routed in Workday automatically based on the foundation data model so that appropriate approvers get involved depending on the transaction.

**Q: Will the rollout for the new processes happen all at once at go-live or will it be one at a time as standardization is created?**
A: All processes outlined in this guide are planned to be rolled out with the rest of the Workday system on the broader go-live date.

# MISCELLANEOUS A/R (CR2P) INTRODUCTION

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# MISCELLANEOUS A/R INTRODUCTION

The following section outlines the processes where the Shared Environment will be involved in the miscellaneous accounts receivable (A/R) area (the Customer Requisition to Payment end-to-end process area). Miscellaneous A/R represents claims for payment for goods or services delivered or used but not yet paid for by customers in all areas that are non-research, non-student, or non-patient related at the University. Specific affected processes include external billing and invoice adjustments.

This functional area represents a transformational opportunity for the UW. Today, only a limited amount of miscellaneous A/R is generated and tracked to payment at the institution (with much of it being done in QuickBooks and Microsoft Word). Instead, miscellaneous A/R is estimated by each unit at the end of the fiscal year through a survey. The new process within Workday intends to record and monitor invoices to payment, allowing for greater line of sight into the University's, and individual unit's, financial position.

# MISC. A/R TRANSFORMATION GOALS, PTT MEMBERS, LEVELS OF SHARED

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# CUSTOMER REQ TO PAY (CR2P) TRANSFORMATION GOALS

**Key Transformation Goals**

- Record all receivables (non-grant, student, patient) across the enterprise in a **SINGLE FINANCIAL SYSTEM** of record
- Increase **TRANSPARENCY** and **VISIBILITY** of ownership of collection and application of cash
- **CONSOLIDATE** customer master in Workday

# PROCESS TRANSFORMATION TEAMS

## Objectives: Engage, Inform, Design

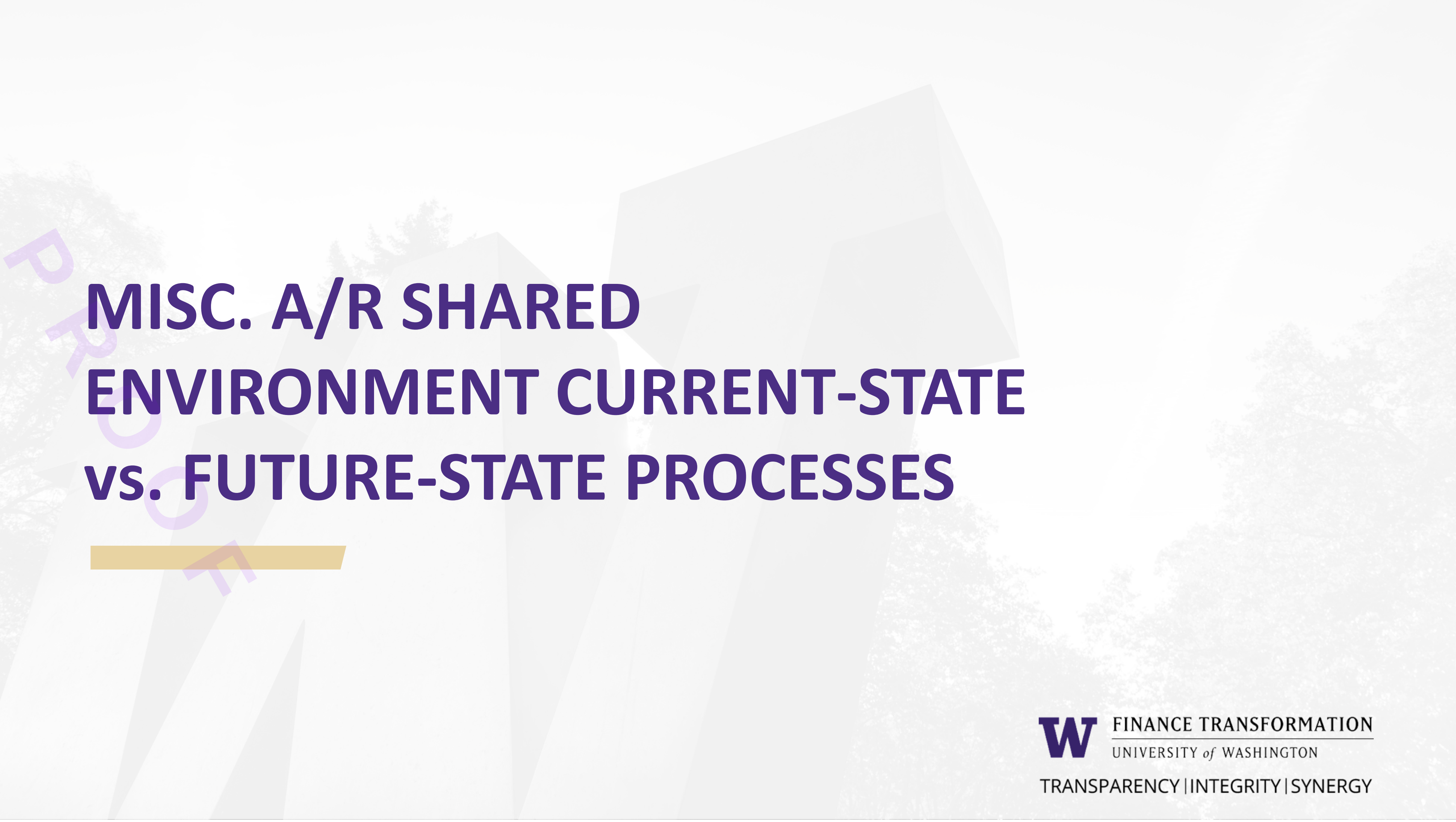
- The process transformation teams (PTTs) are a dedicated group of influencers drawn from across the University. They are tasked to think broadly about the UW and support the process design workshops (PDWs) to create the "to be" state of process flows.
- There is a PTT supporting each of the nine business processes.

| Customer Req to Pay (CR2P) | |
|---|---|
| **Team Member** | **Organization** |
| Adam Davis | US IT Business, Finance & Facilities |
| Amy Olsen | UWM Accounting Analyst |
| Becky Harrison | OFM Accounting |
| Debbie Carnes | Administrator Chemical Engineering Department |
| Hua Nguyen | UW Outreach Receivables |
| Jill Camp | SOM Assistant Finance Director |
| Jill Thompson | Accounting Mgr, Student & Financial Services |
| Lori Hobson | Research Cash Accounting |
| Marisa Martin | Student Fiscal Services |
| Roy Lirio | UW Controller's Office, Student Fiscal Services |

# LEVEL OF SHARED BY PROCESS – CUSTOMER REQ. TO PAY

**Key**
New Process Shared at This Level

| Levels of Shared | Customer Requisition to Payment |
|---|---|
| Enterprise Wide | **Process Set-up, Oversight and Policy Management**<br>• Establish / Maintain Misc. AR Policies<br>• Establish / Maintain Catalog Configuration (review and approve request)<br>Establish / Maintain Customer Contracts Configuration<br>**Revenue Strategy and Planning**<br>• Establish/Maintain Sales Program, Service or Recharge Center (review and approve request)<br>• Establish Pricing Strategy / Rate Proposals<br>**Manage Collections & Disputes**<br>• Analyze AR Aging (set collection targets) |
| UWA Org-Wide<br>UWM Org-Wide | **Cash Application**<br>• Record and Apply Payments<br>• Manage Unapplied Payments<br>• Perform Settlement Activities<br>**Manage Collections and Disputes**<br>• Analyze AR Aging<br>• Execute Collections Activities<br>• Manage Dispute Resolution<br>**Manage Reporting and Compliance**<br>• Monitor Adherence to Policies and Procedures<br>• Manage Misc. AR Reporting |
| UWA SE 1<br>UWA SE 2<br>UWA SE 3<br>UWA SE 4<br>UWA SE …. | **Perform External / Internal Billing**<br>• Create External Invoice<br>• Create Invoice Adjustments |
| **Sample**<br>Unit / Entity Activity (Local) | **Process Set-up, Oversight and Policy Management**<br>• Establish / Maintain Customer Configuration (identify need and request new customer)<br>**Revenue Strategy and Planning**<br>• Establish/Maintain Sales Program, Service or Recharge Center (identify need and request new service)<br>• Acquire Customers<br>**Perform External / Internal Billing**<br>• Create Internal Invoice<br>• Create Invoice Adjustments (approval)<br>**Manage Collections & Disputes**<br>• Analyze AR Aging<br>• Execute Collection Activities (initiate collections action for customer)<br>**Manage Reporting and Compliance**<br>• Perform Reconciliations |



# MISC. A/R SHARED ENVIRONMENT CURRENT-STATE vs. FUTURE-STATE PROCESSES

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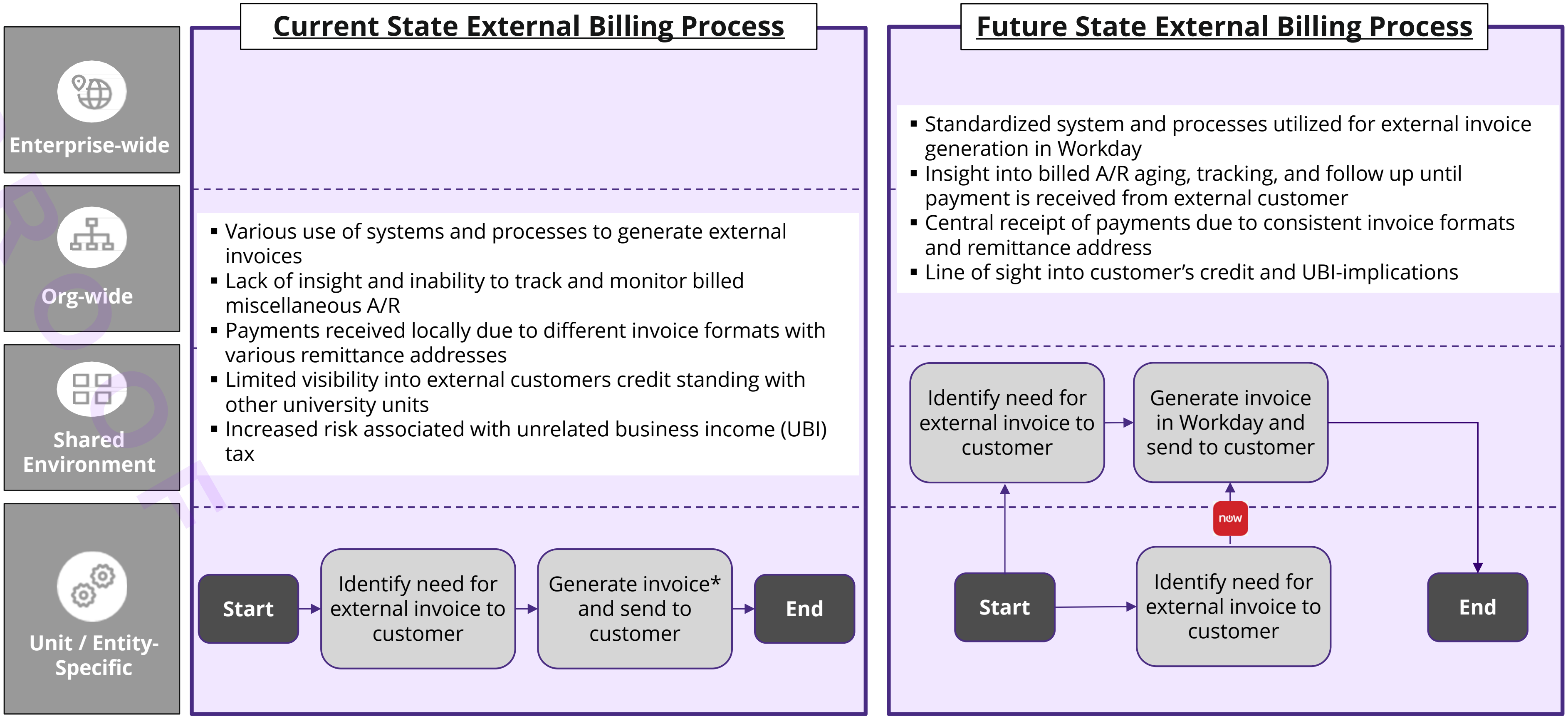
# EXTERNAL BILLING – Current vs. Future State Process Flow

**Compliance** ☐ **Standardization** ☐ **Efficiency** ☑

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



## Current State External Billing Process

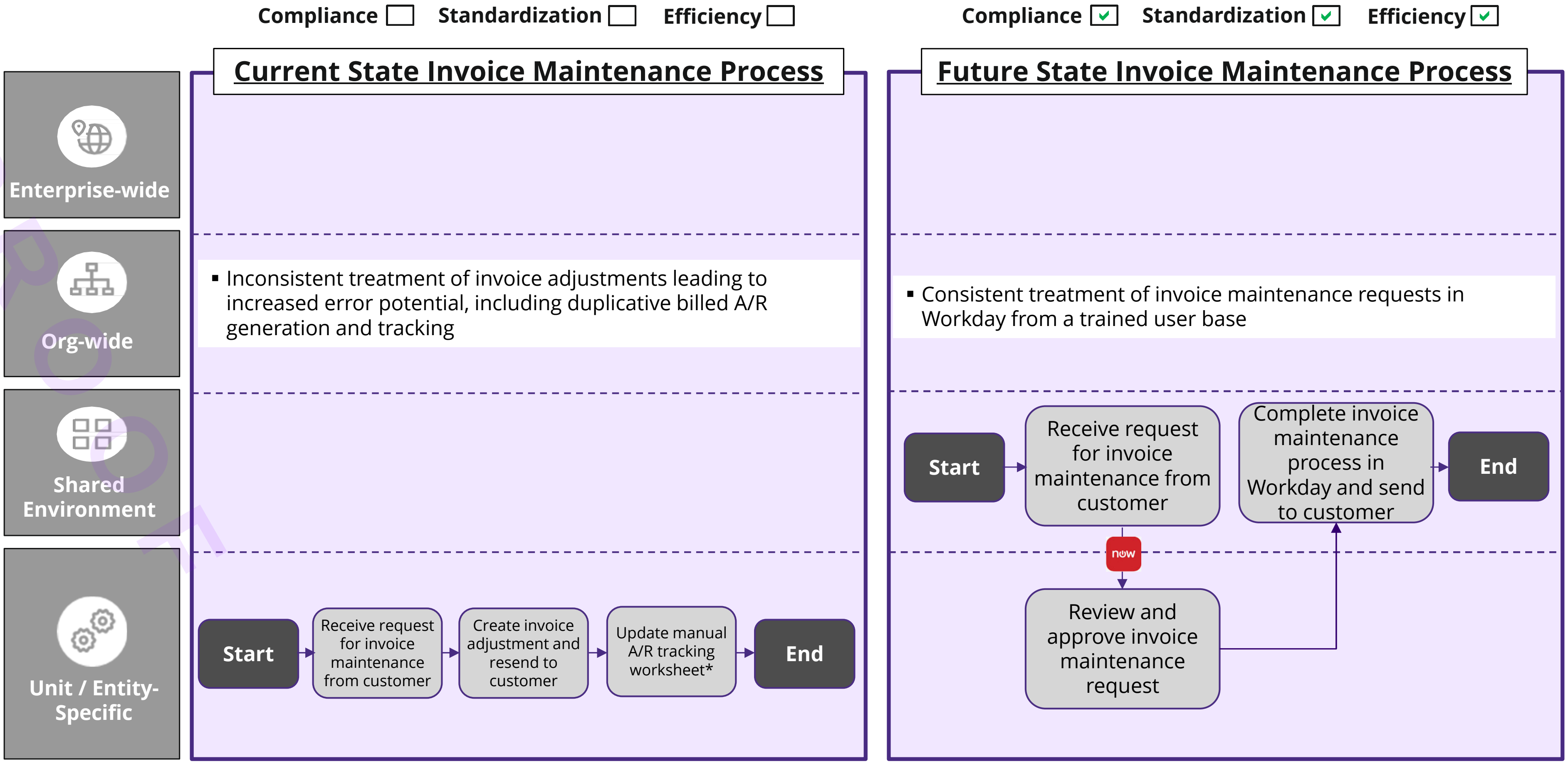
- Various use of systems and processes to generate external invoices
- Lack of insight and inability to track and monitor billed miscellaneous A/R
- Payments received locally due to different invoice formats with various remittance addresses
- Limited visibility into external customers credit standing with other university units
- Increased risk associated with unrelated business income (UBI) tax

## Future State External Billing Process

- Standardized system and processes utilized for external invoice generation in Workday
- Insight into billed A/R aging, tracking, and follow up until payment is received from external customer
- Central receipt of payments due to consistent invoice formats and remittance address
- Line of sight into customer’s credit and UBI-implications

*External Invoices are generated in QuickBooks, Excel, Word, etc. and miscellaneous A/R is captured annually via a survey to units.

# INVOICE MAINTENANCE – Current vs. Future State Process Flow



**Compliance** ☐ **Standardization** ☐ **Efficiency** ☐

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑

**Enterprise-wide**

**Org-wide**

**Shared Environment**

**Unit / Entity-Specific**

## Current State Invoice Maintenance Process

- Inconsistent treatment of invoice adjustments leading to increased error potential, including duplicative billed A/R generation and tracking

**Start** → Receive request for invoice maintenance from customer → Create invoice adjustment and resend to customer → Update manual A/R tracking worksheet* → **End**

## Future State Invoice Maintenance Process

- Consistent treatment of invoice maintenance requests in Workday from a trained user base

**Start** → Receive request for invoice maintenance from customer → (now) Review and approve invoice maintenance request → Complete invoice maintenance process in Workday and send to customer → **End**

*Process is completed leveraging different tracking mechanisms in the current state

# MISC. A/R CUSTOMER INTERACTION MODELS

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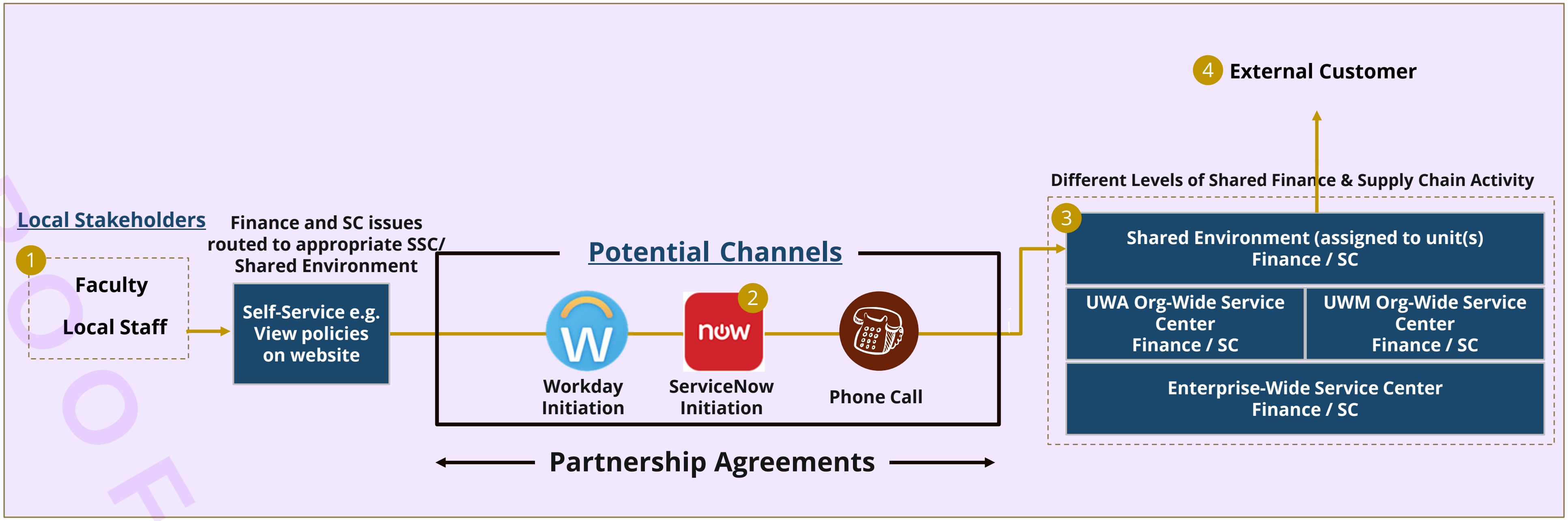
# CUSTOMER INTERACTION MODEL – EXTERNAL CUSTOMER INVOICING (MISC. AR[1])

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☐



④ **External Customer**

**Different Levels of Shared Finance & Supply Chain Activity**

③ **Shared Environment (assigned to unit(s) Finance / SC**

**UWA Org-Wide Service Center Finance / SC**

**UWM Org-Wide Service Center Finance / SC**

**Enterprise-Wide Service Center Finance / SC**

**Local Stakeholders**

① **Faculty**

**Local Staff**

**Finance and SC issues routed to appropriate SSC/ Shared Environment**

**Self-Service e.g. View policies on website**

**Potential Channels**

**Workday Initiation**

② **ServiceNow Initiation**

**Phone Call**

**Partnership Agreements**

## External Customer Invoicing (Misc. AR) – DRAFT Use Case Steps

① Local stakeholder identifies a need to invoice an external customer for a good and/or service

② ServiceNow request is automatically routed to the Shared Environment staff for review and entry into Workday

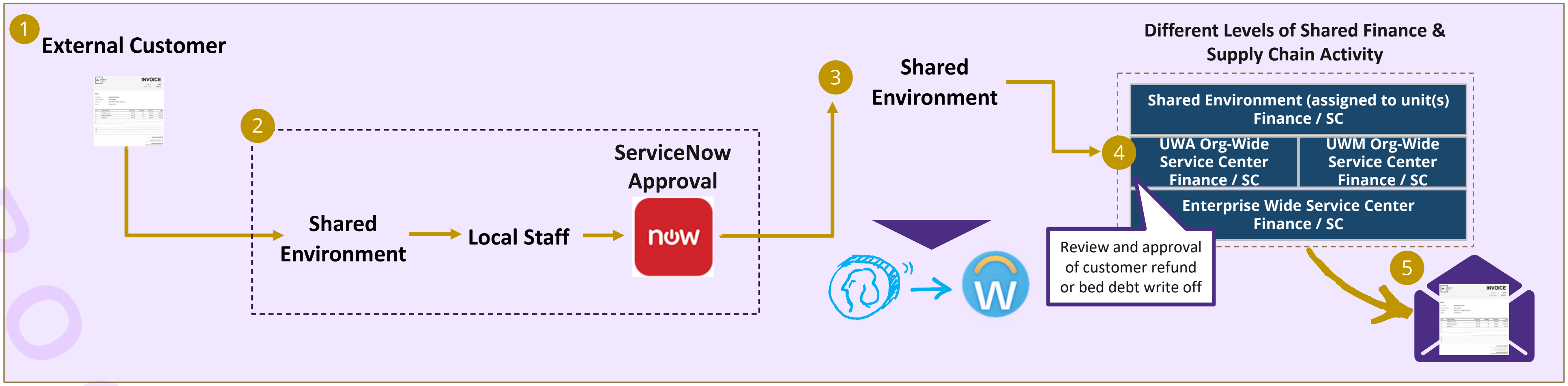
③ Shared Environment staff reviews[2], approves, generates and sends external invoice to customer

④ External customer receives invoice (standard template). Reporting available to track if customer balance is outstanding beyond terms outlined on invoice

**1.** *Misc. AR refers to non-student, not patient, not- grant AR* **2.** *Compliance check that billing is appropriate, i.e., UBI check*

# CUSTOMER INTERACTION MODEL – EXTERNAL INVOICE ADJUSTMENTS (MISC. AR[1])

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☐



1 **External Customer**

2 **Shared Environment** → **Local Staff** → **ServiceNow Approval**

3 **Shared Environment**

**Different Levels of Shared Finance & Supply Chain Activity**

**Shared Environment (assigned to unit(s) Finance / SC**

4 **UWA Org-Wide Service Center Finance / SC** | **UWM Org-Wide Service Center Finance / SC**

**Enterprise Wide Service Center Finance / SC**

Review and approval of customer refund or bed debt write off

5

## External Invoice Adjustments (Misc. AR) – DRAFT Use Case Steps

1 Receive invoice maintenance request from external customer.

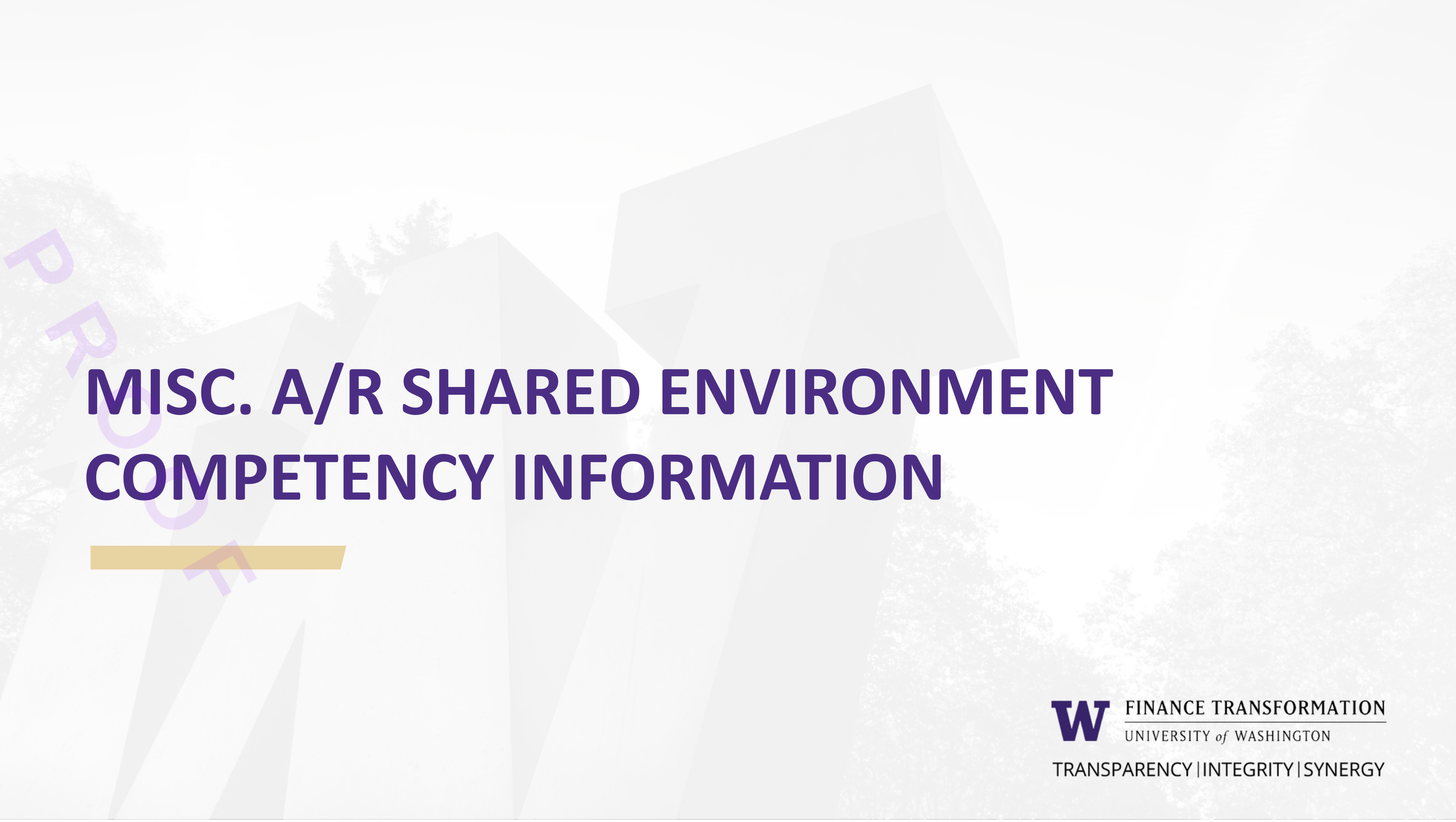
2 If received directly by the Shared Environment (preferred), create ServiceNow ticket to receive local unit approval of invoice maintenance request .

3 Shared Environment receives approval via ServiceNow and creates invoice maintenance request by type (e.g., cancel and unpaid customer invoice, credit and rebill, customer invoice adjustment, dispute customer invoice, refund customer invoice, process bad debt) in Workday.

4 Controllers office reviews and approves invoice maintenance request if action results in customer refund or bad debt write off.

5 Invoice maintenance request is received by external customer.

***1.*** *Misc. AR refers to non-student, not patient, not- grant AR* ***2.*** *Compliance check that billing is appropriate, i.e., UBI check*



# MISC. A/R SHARED ENVIRONMENT COMPETENCY INFORMATION

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# FUTURE STATE IMPACT ON KEY SHARED ENVIRONMENT PROCESSES

## Key Shared Environment Processes

| End-to-End | Current State Transaction | What is done in the Current State? | What will this look like in Workday? | What skills are needed? |
|---|---|---|---|---|
| **Customer Requisition to Payment** | **Create External Invoice –** External Invoice | **Description:** External invoices generated to customers for goods and / or services rendered on behalf of the University.<br>**Tools:** QuickBooks, Microsoft Excel, Microsoft Word | **Shared Environment Role:** The shared environment staff will receive requests from local users to invoice external customers and review and make the best accounting (i.e., tax, institutional overhead and customer configuration considerations) and Workday actions.<br>**Future State Process Description:** External invoices will be handled in the following way in a Workday-enabled environment.<br>**External Invoice --** Used to generate external invoices for miscellaneous A/R (non-research, non-student, non-patient) related to goods and / or services rendered on behalf of the University. For example, sending an external invoice to a local startup for a widget developed by a UW faculty member | ✓ Aptitude for future state of accrual accounting<br>✓ Ability to read, interpret, and correlate terms of a contract and how it relates to billing schedule<br>✓ Ability to read and understand financial statements<br>✓ Understanding of institutional overhead and its application across the enterprise<br>✓ Understanding of tax ramifications and application across the enterprise<br>✓ Understanding and enforceability of interest and late fees to customers<br>✓ Familiarity with Workday customer central portal<br>✓ Ability to understand past-due or delinquent accounts receivables according to the provisions of the Fair Debt Collection Practices Act (FDCPA) |
| | **Create External Invoice –** Invoice Maintenance | **Description:** Updates requested from customers to external invoices previously submitted on behalf of the University.<br>**Tools:** QuickBooks, Microsoft Excel, Microsoft Word | **Shared Environment Role:** The Shared Environment staff will receive requests from external customers for invoice maintenance and work with the local unit to approve invoice update before making the best accounting (i.e., credit and rebill) and Workday actions.<br>**Future State Process Description:** Invoice maintenance requests will be handled in the following way in a Workday-enabled environment.<br>**Invoice Maintenance --** Used to generate external invoice adjustments when requested by the customer. For example, correcting the total amount billed (e.g., $8,000 to $6,800) to an external customer based on goods and/or services provided. | |

# MISC. A/R EPIC SCENARIOS

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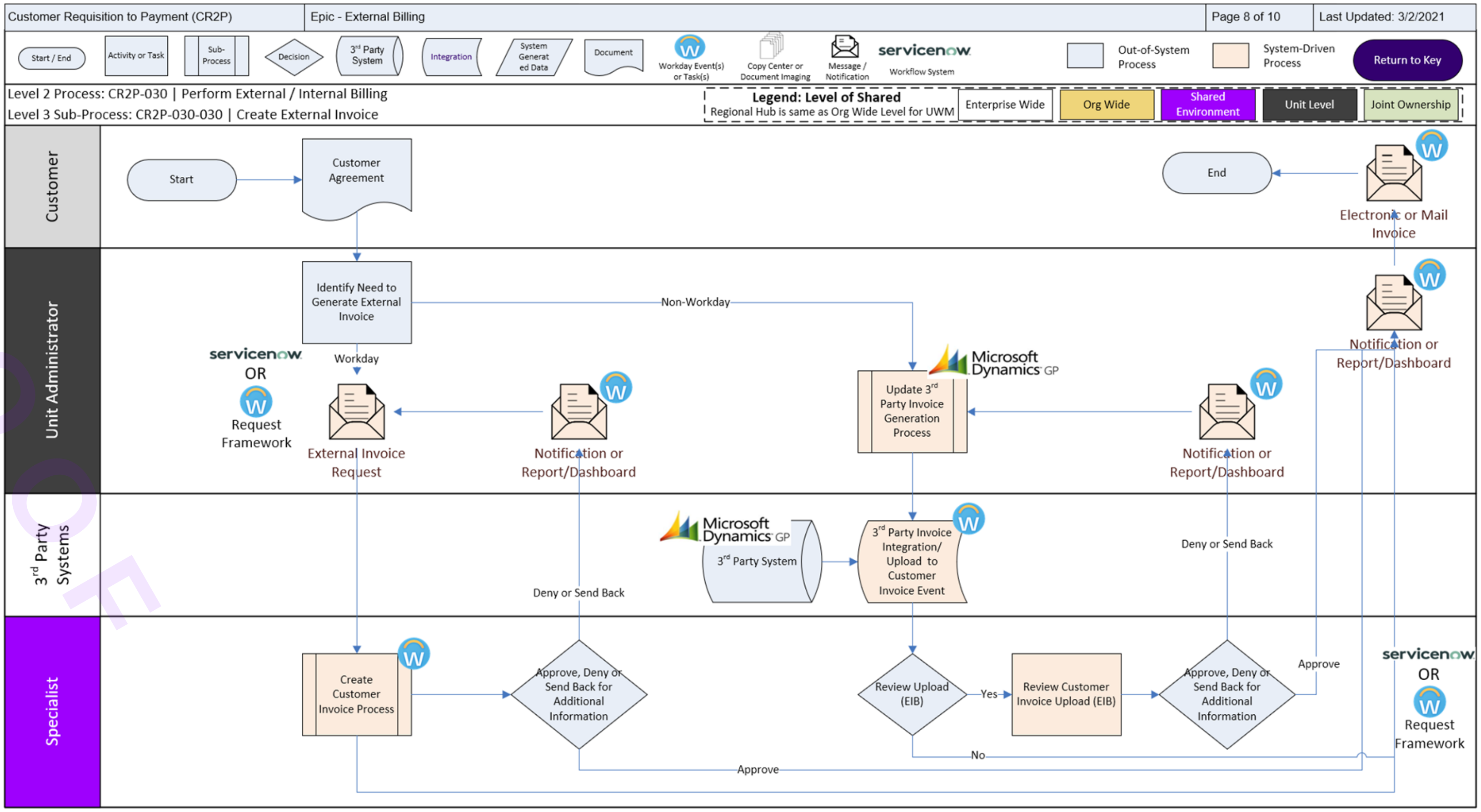
# EPIC SCENARIO – EXTERNAL BILLING



Customer Requisition to Payment (CR2P)

Epic - External Billing

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Last Updated: 3/2/2021

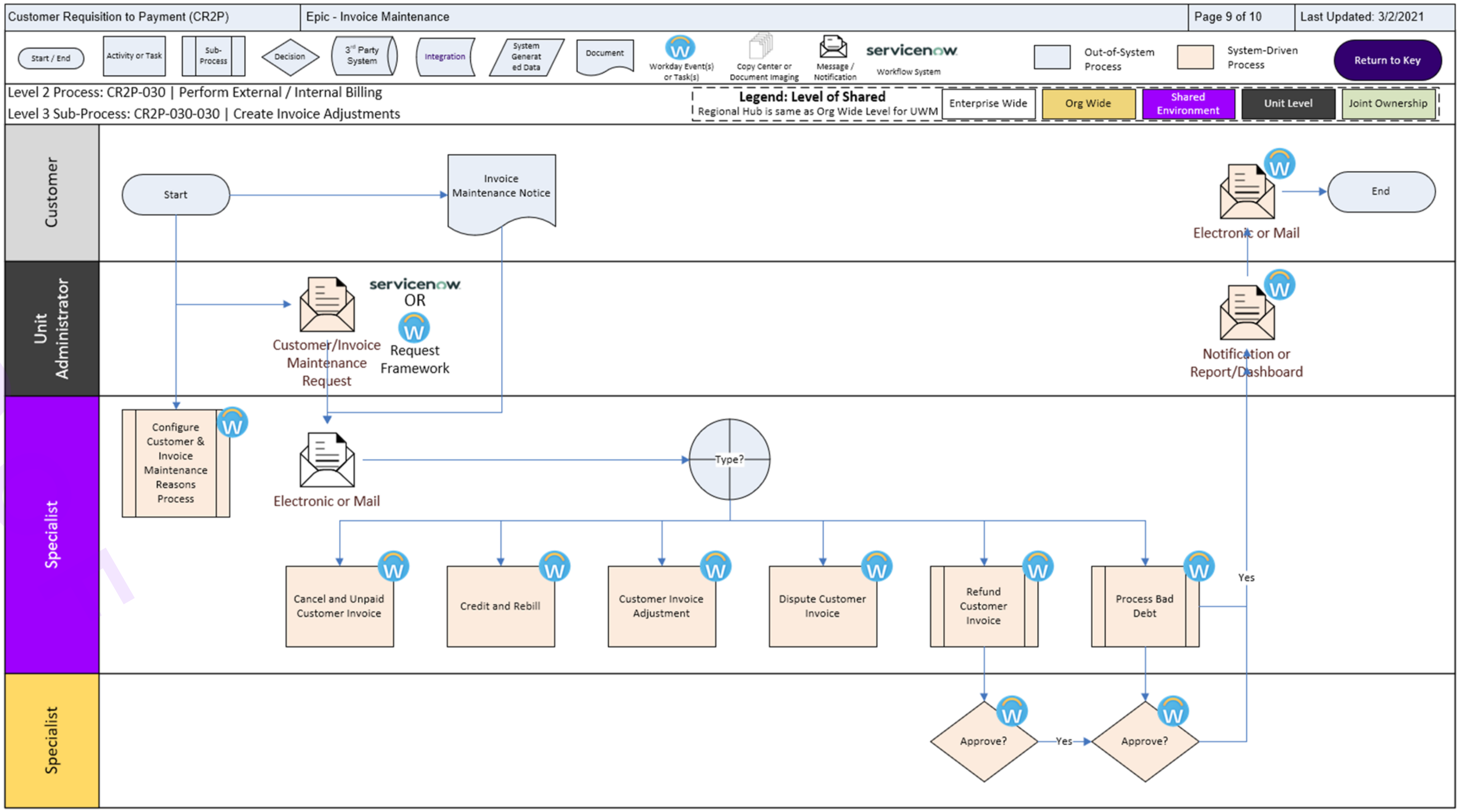
Level 2 Process: CR2P-030 | Perform External / Internal Billing

Level 3 Sub-Process: CR2P-030-030 | Create External Invoice

**Legend: Level of Shared**

Regional Hub is same as Org Wide Level for UWM

# EPIC SCENARIO – INVOICE MAINTENANCE



Customer Requisition to Payment (CR2P) | Epic - Invoice Maintenance | Page 9 of 10 | Last Updated: 3/2/2021

Level 2 Process: CR2P-030 | Perform External / Internal Billing

Level 3 Sub-Process: CR2P-030-030 | Create Invoice Adjustments

# MISCELLANEOUS A/R (CR2P) Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject “SE Admin Guide” to ensure proper routing.

###

# PROCUREMENT (P&SC) INTRODUCTION

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# PROCUREMENT INTRODUCTION

The following section outlines the processes where the Shared Environment will be involved in procurement activity. These processes, designed with input from process transformation teams (PTT), business transformation owners and business process owners, aim to standardize procurement and expense activities currently being performed within individual units. For UW Academy, the Procurement and Supply Chain end-to-end process area includes purchasing, sourcing, receiving, supplier setup and contracts, accounts payable and travel and expenses.

# PROCUREMENT TRANSFORMATION GOALS, PTT MEMBERS, LEVELS OF SHARED

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# PROCUREMENT AND SUPPLY CHAIN PROCESS TRANSFORMATION GOALS

- Establish all spend in one system
- Move to common vendor and item master, utilizing consistent and best practices for maintenance
- Create system-enabled three-way* or four-way match* for all of UW Academy and UW Medicine
- Provide opportunities to negotiate better contract terms, and ability to take advantage of quick pay discounts and flexible payment options
- Enhance reporting that will allow for improved vendor performance management

**Three-way match: Reconciliation between customer purchase order, supplier invoice and receipt information*

**Four-way match: Reconciliation between customer purchase order, supplier invoice, receipt information and quantity accepted*

- Provide ability to create consolidated reports utilizing purchasing data in combination with other data
- Drive efficiency through consolidated process workflow automation
- Provide suppliers more efficient onboarding leading to better access and categorization of information
- Improve supplier/vendor master to negotiate better terms and eliminate duplicate records or reconciliation
- Create a central repository for all contracts shared among the Enterprise
- Streamline requisition and approval process to support the teaching, research and clinical missions

# PROCESS TRANSFORMATION TEAMS

## Objectives: Engage, Inform, Design

- The process transformation teams (PTTs) are a dedicated group of influencers drawn from across the University. They are tasked to think broadly about the UW and support the process design workshops (PDWs) to create the "to be" state of process flows.
- There is a PTT supporting each of the nine business processes.

| PTT Member: | Role: | Org: | Department: |
|---|---|---|---|
| **Ann Anderson** | Transformation Owner | UWA | Finance |
| **Erik Walerius** | Transformation Owner | UWM | UWM Supply Chain |
| **Heidi Tilghman** | Member | UWA | College of Arts & Sciences (CAS) |
| **Julie Condit** | Member | UWM | UWM Accounts Payable |
| **Kathy Katterhagen** | Member | UWA | Procurement |
| **Megan DeVeau** | Member | UWA | UW Bothell |
| **Ray Hsu** | Member | UWA | Procurement |
| **Catherine Wicks** | Member | UWA | SOM - Surgery |
| **Dan Salmonsen** | Process Owner | UWM | UWM Supply Chain |
| **Lisa Searfass** | Member | UWM | UWM Accounts Payable |
| **Leslie Bahr** | Member | UWM | UWM Supply Chain |
| **Lisa Chihara** | Member | UWM | UWM Supply Chain |
| **Alex Li** | Member | UWM | Procurement |
| **Colleen Olson** | Member | UWM | UWM Supply Chain |
| **Leslie Woodworth** | Member | UWA | HFS |
| **Monica Acevedo-Soto** | Member | UWA | UW Facilities |

# LEVEL OF SHARED BY PROCESS – PROCUREMENT AND SUPPLY CHAIN

**Key**

New Process Shared at This Level

## Levels of Shared

## Procurement & Supply Chain

### Enterprise Wide

Process Set-up, Oversight and Policy Management[1]

### UWA Org-Wide | UWM Org-Wide

**Spend Strategy & Planning**
- Perform Strategic Sourcing

**Source & Contract Management**
- Manage Supplier Contracts Monitor and Manage Contracts
- Manage Sourcing Event

**Accounts Payable**
- Invoice Processing (includes PO and Non-PO Invoice Processing)
- Payments / Disbursements[2]

**Supply Chain Logistics (UWM)**

**Purchase**
- Manage Purchase Orders
- Process Receipt of Materials and Services (UWM)

### UWA SE 1 | UWA SE 2 | UWA SE 3 | UWA SE 4 | UWA SE ....

**Purchase**
- Manage Requisitions

**Travel & Expense**
- Travel and Expense Compliance
- Data Entry[3]

### Sample Unit/Entity Activity (Local)

**Purchase**
- Process Receipt of Materials and Services
- Requisitioning

**Spend Strategy & Planning**
- Perform Demand Planning
- Perform Inventory Planning

**Travel & Expense**
- Travel and Expense Data Entry

*PCard purchasing and reconciliation*

1. Process not consistently shared at this level.
2. Further exploration required on what additional disbursements can be done more centrally, this will be driven by what side systems are replaced by Workday e.g., auxiliary units
3. Shared Environments may create expense reports on behalf of high-touch customers, initiation methods for delegation of expense report creation still under discussion

# PROCUREMENT SHARED ENVIRONMENT CURRENT STATE vs. FUTURE PROCESS

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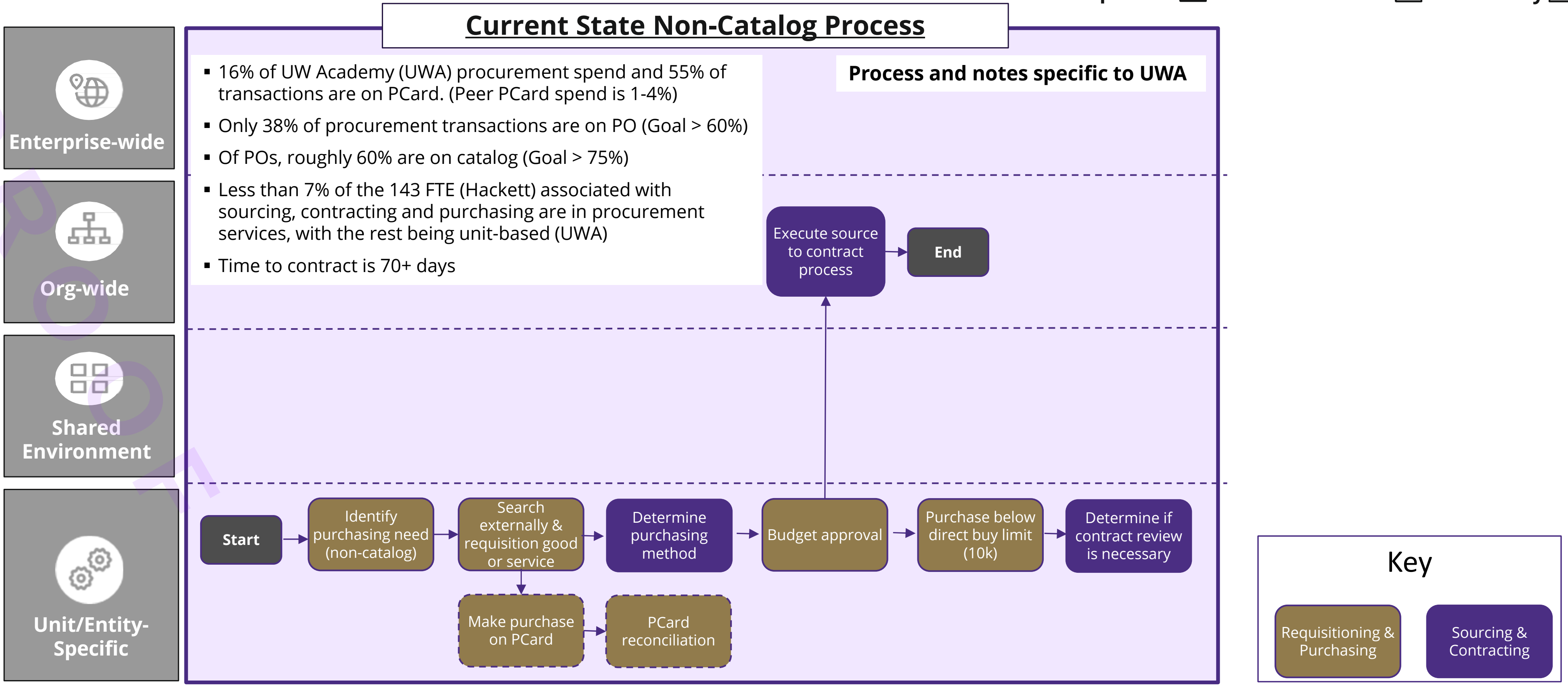
# REQUISITIONING & PURCHASING – Current State Process Flow

**Compliance** ☐ **Standardization** ☐ **Efficiency** ☑



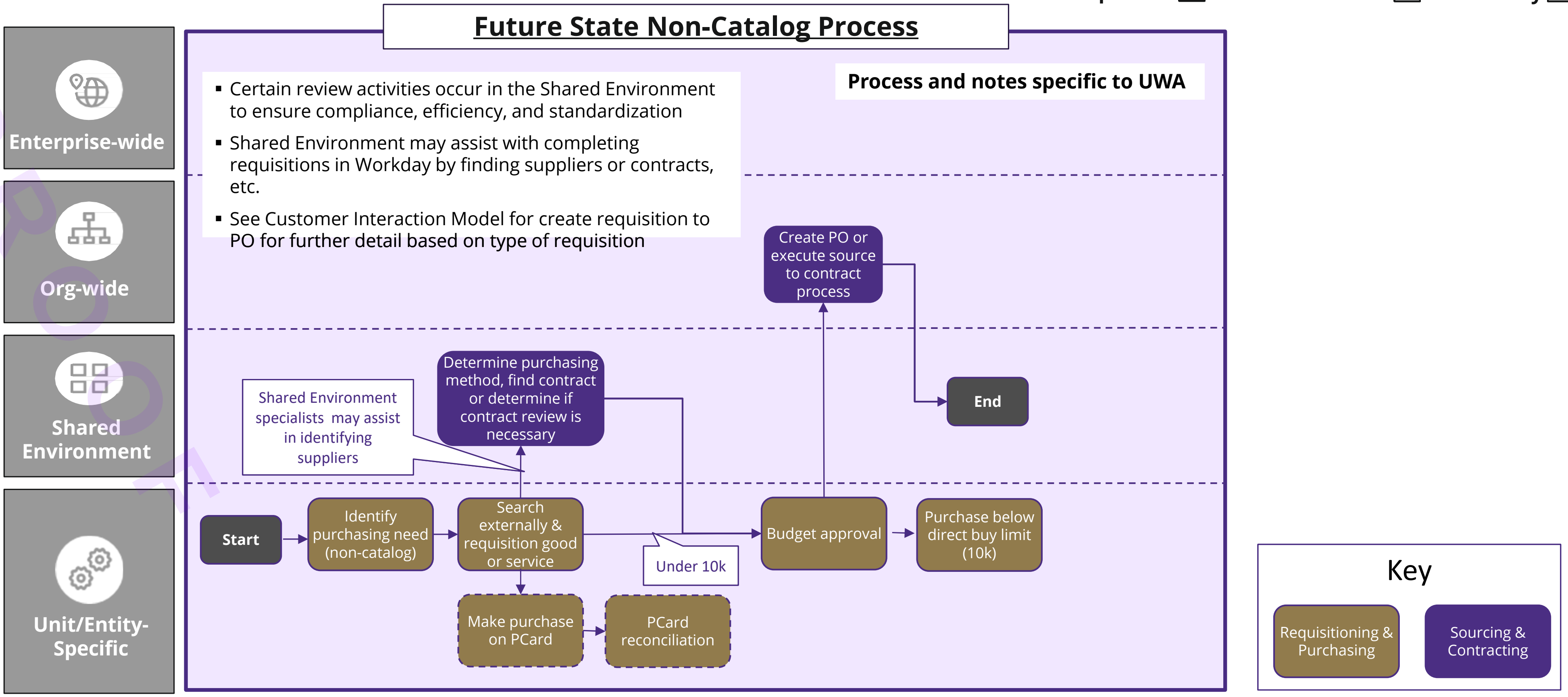
## Current State Non-Catalog Process

- 16% of UW Academy (UWA) procurement spend and 55% of transactions are on PCard. (Peer PCard spend is 1-4%)
- Only 38% of procurement transactions are on PO (Goal > 60%)
- Of POs, roughly 60% are on catalog (Goal > 75%)
- Less than 7% of the 143 FTE (Hackett) associated with sourcing, contracting and purchasing are in procurement services, with the rest being unit-based (UWA)
- Time to contract is 70+ days

**Process and notes specific to UWA**

# REQUISITIONING & PURCHASING – FUTURE STATE PROCESS FLOW

**Compliance** ☐ **Standardization** ☐ **Efficiency** ☑



## Future State Non-Catalog Process

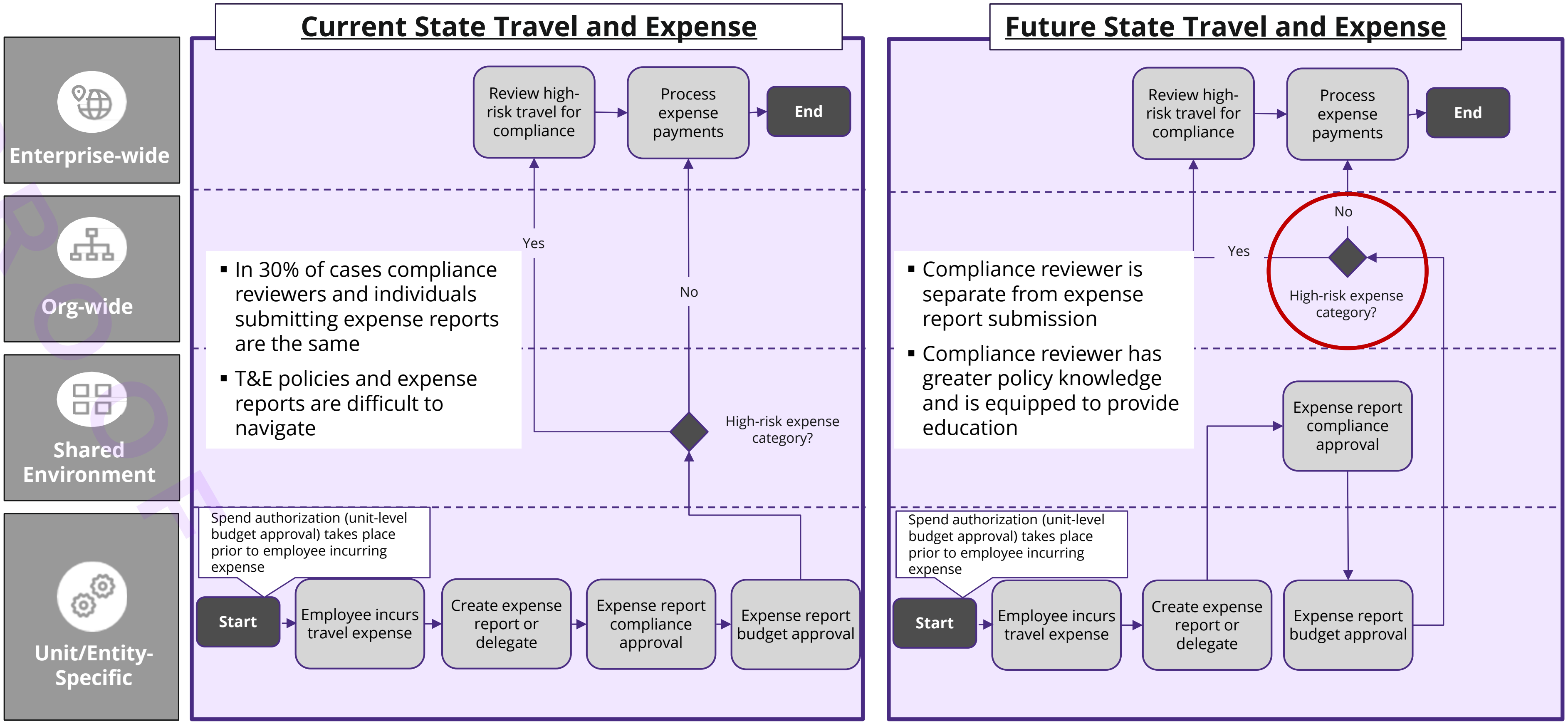
- Certain review activities occur in the Shared Environment to ensure compliance, efficiency, and standardization
- Shared Environment may assist with completing requisitions in Workday by finding suppliers or contracts, etc.
- See Customer Interaction Model for create requisition to PO for further detail based on type of requisition

**Process and notes specific to UWA**

# TRAVEL AND EXPENSE – CURRENT VS. FUTURE STATE PROCESS FLOW

**Compliance** ☐ **Standardization** ☐ **Efficiency** ☑

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



**Enterprise-wide**

**Org-wide**

**Shared Environment**

**Unit/Entity-Specific**

## Current State Travel and Expense

- In 30% of cases compliance reviewers and individuals submitting expense reports are the same
- T&E policies and expense reports are difficult to navigate

Spend authorization (unit-level budget approval) takes place prior to employee incurring expense

## Future State Travel and Expense

- Compliance reviewer is separate from expense report submission
- Compliance reviewer has greater policy knowledge and is equipped to provide education

Spend authorization (unit-level budget approval) takes place prior to employee incurring expense

# PROCUREMENT CUSTOMER INTERACTION MODELS

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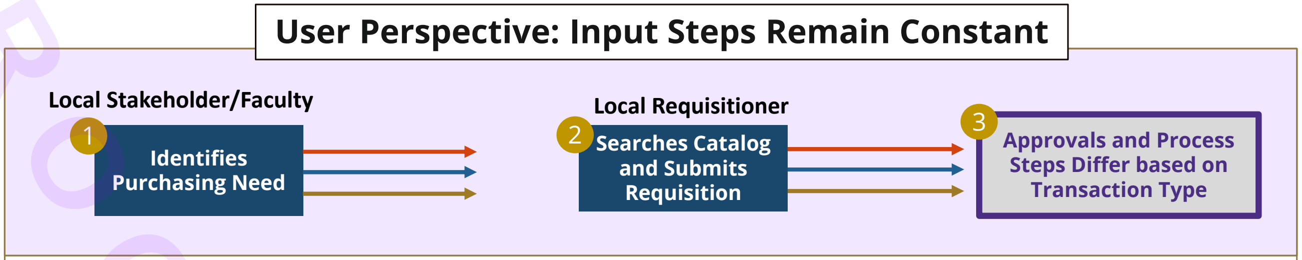
# CREATE REQUISITION TO PO (GUIDE TO SCENARIOS)

Each transaction within the requisition and purchase order (PO) process begins with the same steps. While the initiation is the same from a user perspective, after a requisition is created the process steps differ depending on the type of transaction. Workday automatically determines which process steps/approvals are necessary based on detail in the requisition. The following slides outline three key scenarios and how they route through the system.

## User Perspective: Input Steps Remain Constant



**Local Stakeholder/Faculty**

① **Identifies Purchasing Need**

**Local Requisitioner**

② **Searches Catalog and Submits Requisition**

③ **Approvals and Process Steps Differ based on Transaction Type**

① Local individual identifies a purchasing need and communicates that need to a requisitioner

② Requisitioner searches the punchout catalog and selects an item or submits a noncatalog requisition if the catalog does not meet their needs

③ Workday routes for necessary approvals based on details of the requisition

## Key – Examples / Scenarios

**1. Catalog Purchase**
Example: Purchase of office supplies from catalog

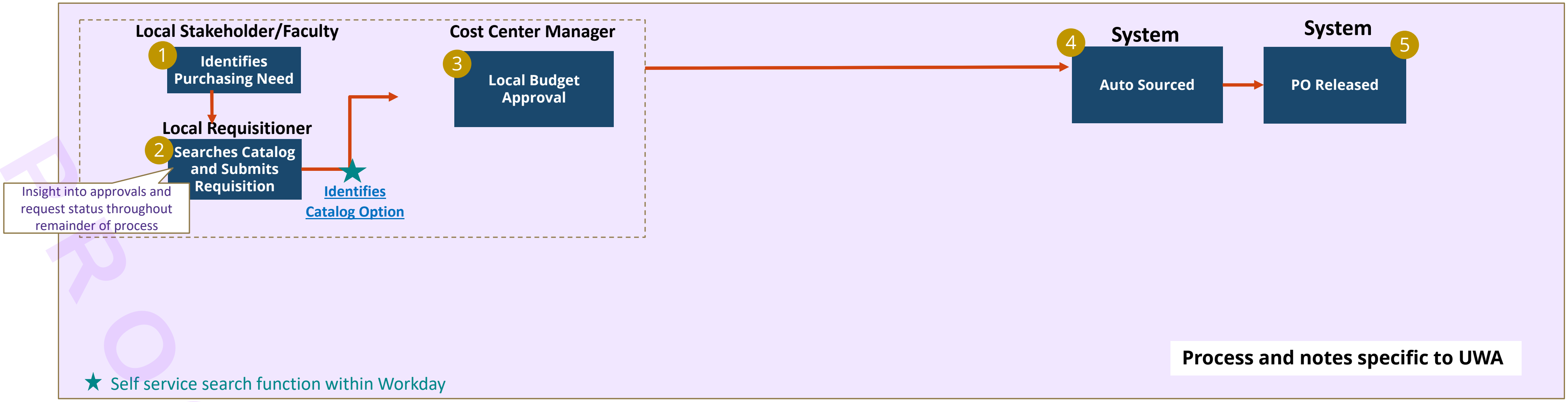
**2. Non-Catalog, Under 10k**
Example: $9,000 computer purchase from specific vendor

**3. Non-catalog, Over 10k**
Example: $50,000 software contract

**Process and notes specific to UWA**

# CREATE REQUISITION TO PO (CATALOG PURCHASE)

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



**Local Stakeholder/Faculty**

① Identifies Purchasing Need

**Local Requisitioner**

② Searches Catalog and Submits Requisition

Insight into approvals and request status throughout remainder of process

★ Identifies Catalog Option

**Cost Center Manager**

③ Local Budget Approval

**System**

④ Auto Sourced

**System**

⑤ PO Released

**Process and notes specific to UWA**

★ Self service search function within Workday

## Requisition to PO – High Level Process and Approval Steps

① Local individual identifies a purchasing need and communicates that need to a requisitioner

② Requisitioner searches the catalog and submits either a catalog or non-catalog requisition

③ Local budget approval for requisition

④ Catalog orders are automatically flipped to POs and released to suppliers

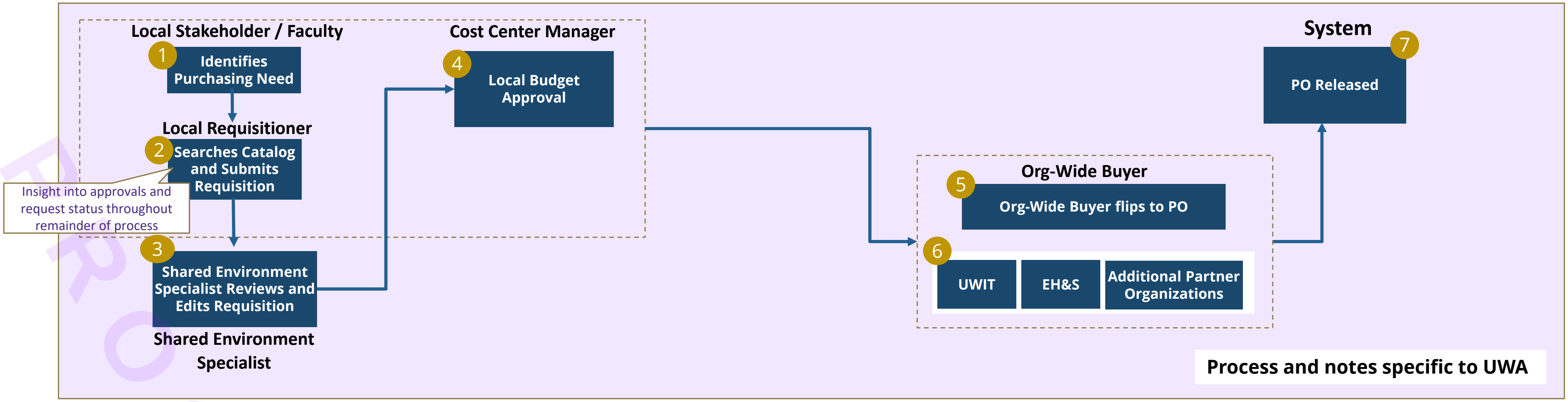
⑤ POs are released automatically by the system

→

**1. Catalog Purchase**
Example: Purchase of office supplies from catalog

# CREATE REQUISITION TO PO (NON-CATALOG PURCHASE UNDER DIRECT BUY LIMIT)

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



## Requisition to PO – High Level Process and Approval Steps

① Local individual identifies a purchasing need and communicates that need to a requisitioner

② Requisitioner searches the catalog and submits a non-catalog requisition

③ For non-catalog requisitions, shared environment specialist reviews and edits requisition prior to budget approval, this would include identifying the need for approvals from process partners and assigning appropriate contracts

④ Local budget approval for requisition

⑤ Org-wide buyer flips requisitions to purchase orders, which are then released through the system

⑥ For specific categories of purchases, approvals may be necessary from partner organizations such as UWIT for technology purchases

⑦ POs are released automatically by the system

**Non-Process, Shared Environment Responsibilities Include:**

- Acting as single POC for units on procurement
- Ensuring appropriate approvals from process partners are obtained
- Monitoring transactions to drive spend towards MSAs and identify contract opportunities
- Consolidates unit requirements for sourcing events

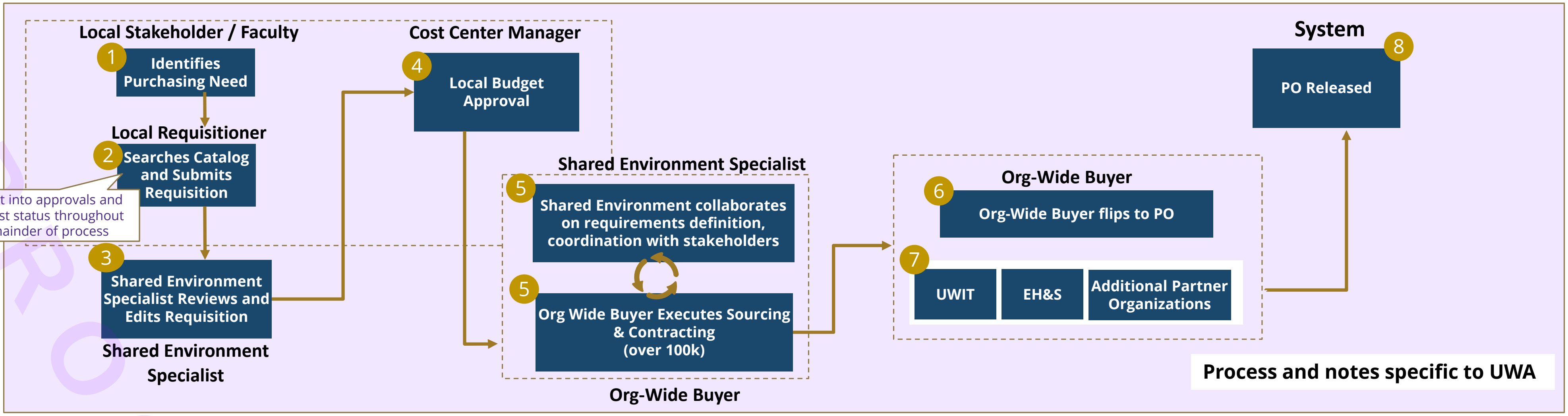
## Key - Examples

→

**2. Non-Catalog, Under 10k**
Example: $9,000 computer purchase from specific vendor

# CREATE REQUISITION TO PO (NON-CATALOG, NON-CONTRACT PURCHASE OVER DIRECT BUY)

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



**Local Stakeholder / Faculty**

1 Identifies Purchasing Need

**Local Requisitioner**

2 Searches Catalog and Submits Requisition

Insight into approvals and request status throughout remainder of process

3 Shared Environment Specialist Reviews and Edits Requisition

**Shared Environment Specialist**

**Cost Center Manager**

4 Local Budget Approval

**Shared Environment Specialist**

5 Shared Environment collaborates on requirements definition, coordination with stakeholders

5 Org Wide Buyer Executes Sourcing & Contracting (over 100k)

**Org-Wide Buyer**

**Org-Wide Buyer**

6 Org-Wide Buyer flips to PO

7 UWIT | EH&S | Additional Partner Organizations

**System**

8 PO Released

**Process and notes specific to UWA**

## Requisition to PO – High Level Process and Approval Steps

1 Local individual identifies a purchasing need and communicates that need to a requisitioner

2 Requisitioner searches the catalog and submits a non-catalog requisition

3 For non-catalog requisitions, shared environment specialist reviews and edits requisition prior to budget approval, this would include identifying the need for approvals from process partners and assigning appropriate contracts

4 Local budget approval for requisition

5 Org-wide buyer executes sourcing and contracting, collaborating with the shared environment procurement specialist

6 Org-wide buyer flips requisitions to purchase orders, which are then released through the system

7 For specific categories of purchases, approvals may be necessary from partner organizations such as UWIT for technology purchases

8 POs are released automatically by the system

**Key Environment Responsibilities Include:**

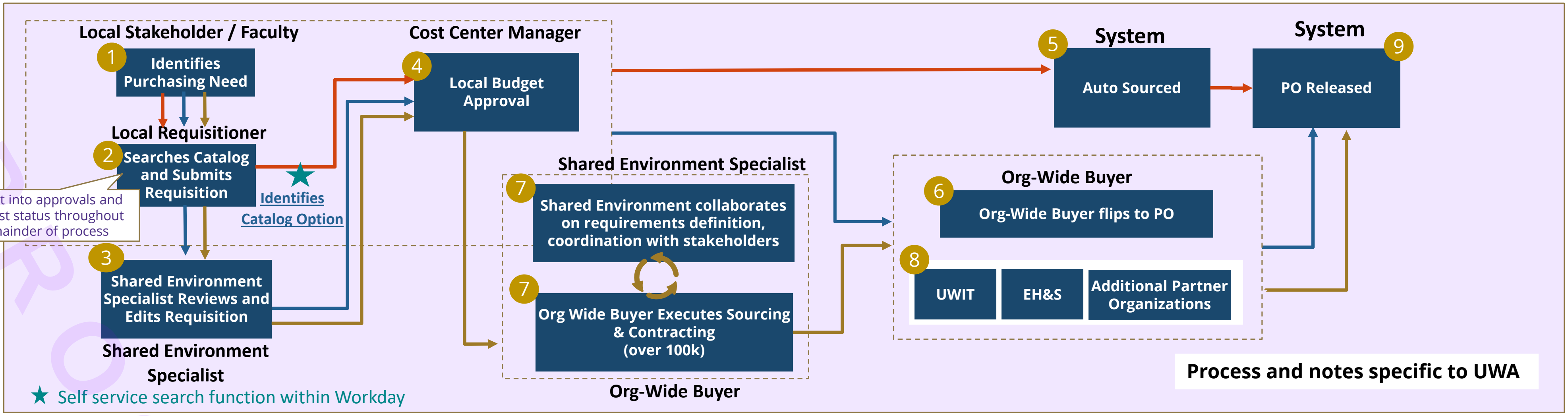
- Acting as single POC for units on procurement
- Ensuring appropriate approvals from process partners are obtained
- Monitoring transactions to drive spend towards MSAs and identify contract opportunities
- Consolidates unit requirements for sourcing events

## Key - Examples

→ **3. Non-catalog, Over 10k**
Example: $50,000 software contract

# CUSTOMER INTERACTION MODEL - CREATE REQUISITION TO CONTRACT

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



**Local Stakeholder / Faculty**

① Identifies Purchasing Need

**Local Requisitioner**

② Searches Catalog and Submits Requisition

Insight into approvals and request status throughout remainder of process

★ Identifies Catalog Option

③ Shared Environment Specialist Reviews and Edits Requisition

**Shared Environment Specialist**

**Cost Center Manager**

④ Local Budget Approval

**Shared Environment Specialist**

⑦ Shared Environment collaborates on requirements definition, coordination with stakeholders

⑦ Org Wide Buyer Executes Sourcing & Contracting (over 100k)

**Org-Wide Buyer**

**System**

⑤ Auto Sourced

**System**

⑨ PO Released

**Org-Wide Buyer**

⑥ Org-Wide Buyer flips to PO

⑧ UWIT | EH&S | Additional Partner Organizations

**Process and notes specific to UWA**

★ Self service search function within Workday

## Requisition to PO – High Level Process and Approval Steps

① Local individual identifies a purchasing need and communicates that need to a requisitioner

② Requisitioner searches the catalog and submits either a catalog, or non-catalog requisition

③ For non-catalog requisitions, shared environment specialist reviews and edits requisition prior to budget approval, this would include identifying the need for approvals from process partners and assigning appropriate contracts

④ Local budget approval for requisition

⑤ Catalog orders are automatically flipped to POs and released to suppliers

⑥ Org-wide buyer flips requisitions to purchase orders, which are then released through the system

⑦ Org-wide buyer executes Sourcing & Contracting, collaborating with the shared environment procurement specialist

⑧ For specific categories of purchases, approvals may be necessary from partner organizations such as UWIT for technology purchases

⑨ POs are released automatically by the system

**Key Shared Environment Responsibilities Include:**

- Acting as single POC for units on procurement
- Ensuring appropriate approvals from process partners are obtained
- Monitoring transactions to drive spend towards MSAs and identify contract opportunities
- Consolidates unit requirements for sourcing events

## Key - Examples

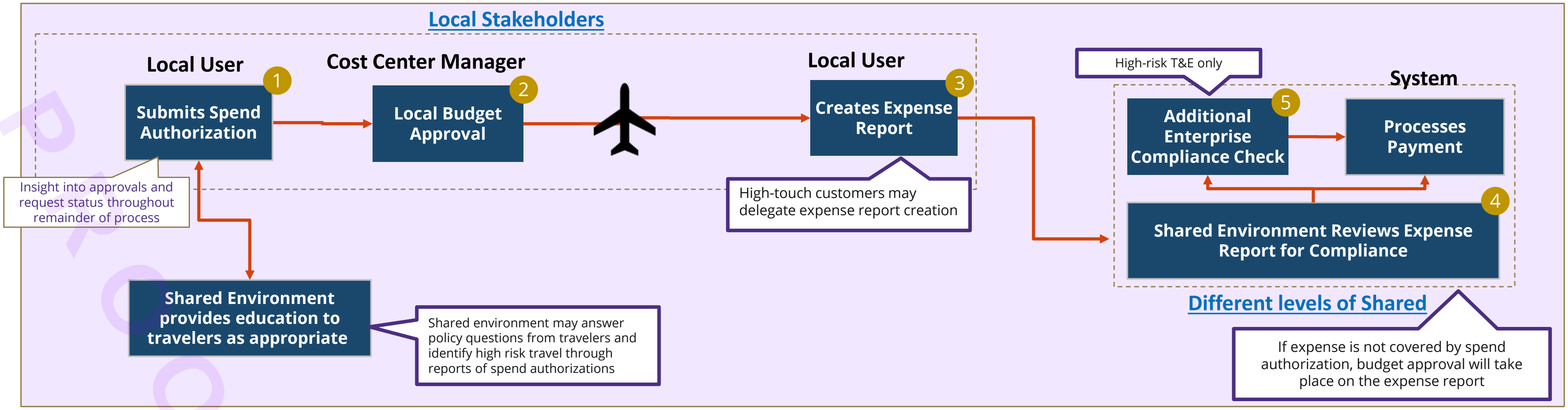
→ **1. Catalog Purchase**
Example: Purchase of office supplies from catalog

→ **2. Non-Catalog, Under 10k**
Example: $9,000 computer purchase from specific vendor

→ **3. Non-catalog, Over 10k**
Example: $50,000 software contract

# CUSTOMER INTERACTION MODEL – CREATE EXPENSE REPORT

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



Insight into approvals and request status throughout remainder of process

High-touch customers may delegate expense report creation

Shared environment may answer policy questions from travelers and identify high risk travel through reports of spend authorizations

If expense is not covered by spend authorization, budget approval will take place on the expense report

## Travel & Expense – High Level Process and Approval Steps

1. Traveler submits spend authorization in Workday. Note: for some expenses, a spend authorization may not be required
2. Local expense approval. Note: if travel is not covered by spend authorization, local budget approval will occur after expense is incurred
3. Expense report created. In Workday, certain individuals will be enabled to create expense reports and spend authorizations on behalf of others
4. Shared Environment reviews expense report for compliance
5. For certain high-risk travel and expense (T&E), the Enterprise Travel Office will conduct an additional compliance check before processing payment

# PROCUREMENT SHARED ENVIRONMENT COMPETENCY INFORMATION

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# FUTURE STATE IMPACT ON KEY SHARED ENVIRONMENT PROCESSES

### Key Shared Environment Processes

| End-to-End | Current State Transaction | What is done in the UW Academy Current State? | What will this look like in Workday? | What skills are needed? |
|---|---|---|---|---|
| **Procurement & Supply Chain** | **Manage Requisitions & Manage Purchase Orders**<br>Non-Catalog Order (under direct buy limit) | **Description:** Departments obtain all necessary information, search externally for a solution and submit a non-catalog order<br>**Tools:** Ariba | **Shared Environment Role:** The Shared Environment staff will receive non-catalog requisitions, identify catalog items that meet needs, if possible, and flip requisitions to purchase orders. When sourcing and contracting work is required, Shared Environment staff will execute up to $100k.<br>**Future State Process Description**: Units submit requisitions and the following activities are conducted by Shared Environment staff depending on requisition type.<br>• **Reviewing and Editing Requisitions (non-catalog):** Shared Environment staff review and edit non-catalog requisitions, assigning existing contracts if possible and adding additional information. Units may submit requisitions with certain fields missing and Shared Environment staff can finalize these details (adding a supplier, for example).<br>• **Obtain Partner Approvals:** Where necessary, Shared Environment staff coordinate approvals from process partners such as Environment Health & Safety. While some approvals will take place in Workday with automatic routing, others will be obtained outside of the system due to specific tracking requirements or infrequent occurrences.<br>• **Identify need for Solicitation:** For purchases without a contract and over the direct buy limit, competitive solicitation may be required. In these cases, Shared Environment staff will be responsible for acting as a single point of contact between the requesting unit and central procurement resources. | ✓ Knowledgeable and accountable for identifying opportunities to achieve efficiency through strategic procurement (i.e., identifying opportunities for contracts, analyzing procurement spend and driving to institutional goals)<br>✓ Familiarity with GHX, and Workday procurement for sourcing and contracting<br>✓ Knowledge and experience participating in competitive solicitations<br>✓ Experience with managing various funding sources in a higher-ed environment<br>✓ Familiarity with institutional policy, local, state, federal regulations and audit around procurement and competitive solicitation |
| | **Manage Requisitions & Manage Purchase Orders**<br>Blanket Purchase Order | **Description**: Departments request a blanket purchase order in Ariba with an enabled supplier. If over direct-buy limit the transaction routes to a buyer<br>**Tools:** Ariba | | |
| | **Source & Contract Management**<br>Competitive Solicitation | **Description**: Departments request competitive solicitation through UW Procurement | | |

# FUTURE STATE IMPACT ON KEY SHARED ENVIRONMENT PROCESSES

| Key Shared Environment Processes | | | | |
|---|---|---|---|---|
| **End-to-End** | **Current State Transaction** | **What is done in the Current State?** | **What will this look like in Workday?** | **What skills are needed?** |
| **Procurement & Supply Chain** | **Travel & Expenses -** Travel & Expense Compliance Checks | **Description**: Individuals create and submit expense reports. Expense reports are reviewed for compliance with the University policy by individuals designated by each department<br>**Tools:** Ariba, Astra | **Shared Environment Role:** The Shared Environment staff will receive expense reports and review for compliance that cannot be automated by Workday (for example, ensuring that attached receipts correlate with the reported expenses).<br>**Future State Process Description:** Unit individual creates an expense report in Workday that routes to Shared Environment staff for compliance approval. Shared Environment staff approve, reject or request additional information if necessary. | ✓ Familiarity with the University expense policy and with Workday system for travel and expense (T&E) |

# PROCUREMENT EPIC SCENARIOS

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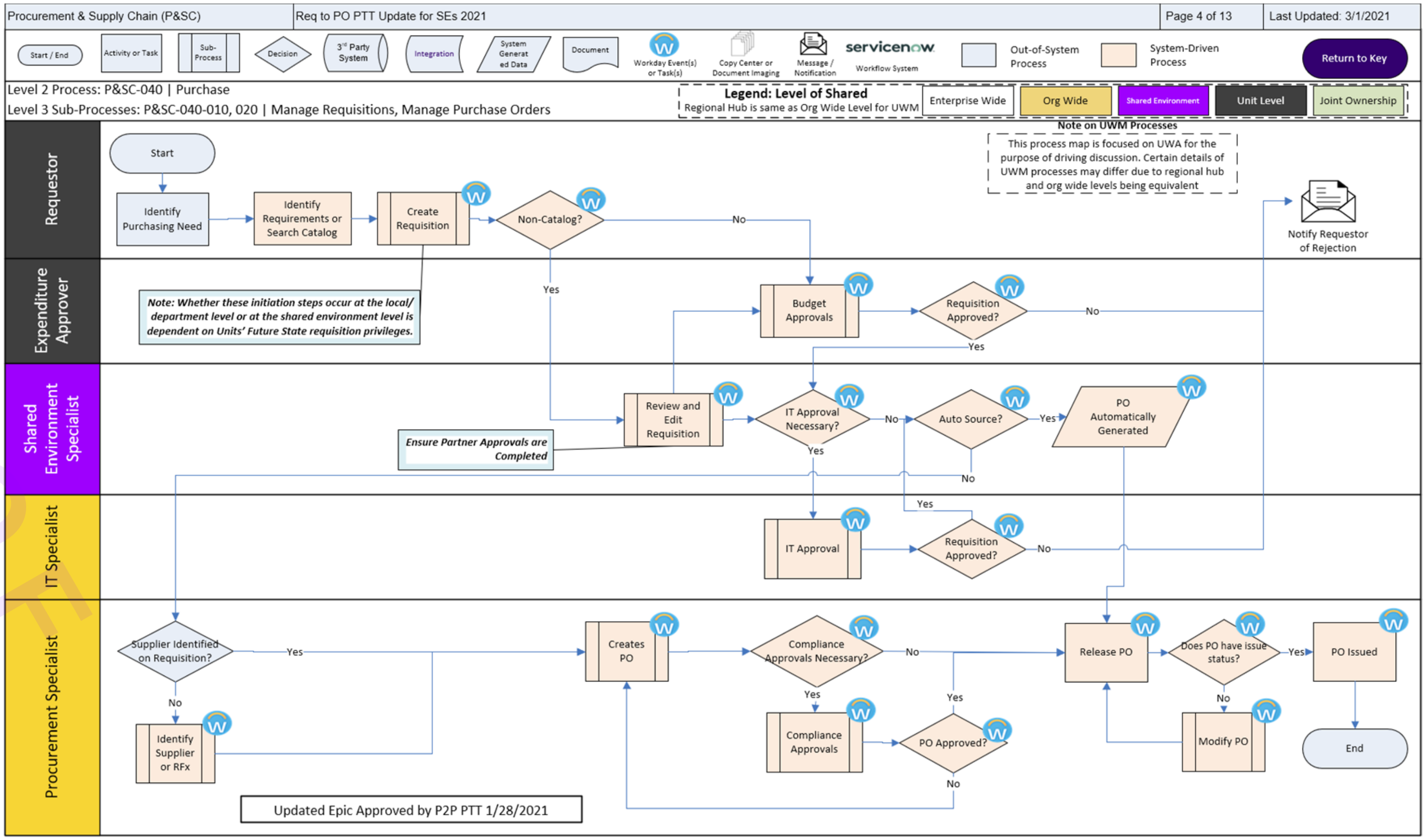
# EPIC SCENARIO – CREATE REQ TO PO (PURCHASING)



Procurement & Supply Chain (P&SC) | Req to PO PTT Update for SEs 2021 | Page 4 of 13 | Last Updated: 3/1/2021

Start / End | Activity or Task | Sub-Process | Decision | 3rd Party System | Integration | System Generated Data | Document | Workday Event(s) or Task(s) | Copy Center or Document Imaging | Message / Notification | servicenow Workflow System | Out-of-System Process | System-Driven Process | Return to Key

Level 2 Process: P&SC-040 | Purchase

Level 3 Sub-Processes: P&SC-040-010, 020 | Manage Requisitions, Manage Purchase Orders

**Legend: Level of Shared**

Regional Hub is same as Org Wide Level for UWM

Enterprise Wide | Org Wide | Shared Environment | Unit Level | Joint Ownership

**Note on UWM Processes**

This process map is focused on UWA for the purpose of driving discussion. Certain details of UWM processes may differ due to regional hub and org wide levels being equivalent

Requestor

Start

Identify Purchasing Need

Identify Requirements or Search Catalog

Create Requisition

Non-Catalog?

No

Yes

Notify Requestor of Rejection

Expenditure Approver

*Note: Whether these initiation steps occur at the local/ department level or at the shared environment level is dependent on Units' Future State requisition privileges.*

Budget Approvals

Requisition Approved?

No

Yes

Shared Environment Specialist

*Ensure Partner Approvals are Completed*

Review and Edit Requisition

IT Approval Necessary?

No

Yes

Auto Source?

Yes

No

PO Automatically Generated

IT Specialist

Yes

IT Approval

Requisition Approved?

No

Procurement Specialist

Supplier Identified on Requisition?

Yes

No

Identify Supplier or RFx

Creates PO

Compliance Approvals Necessary?

No

Yes

Compliance Approvals

Yes

PO Approved?

No

Release PO

Does PO have issue status?

Yes

No

Modify PO

PO Issued

End

Updated Epic Approved by P2P PTT 1/28/2021

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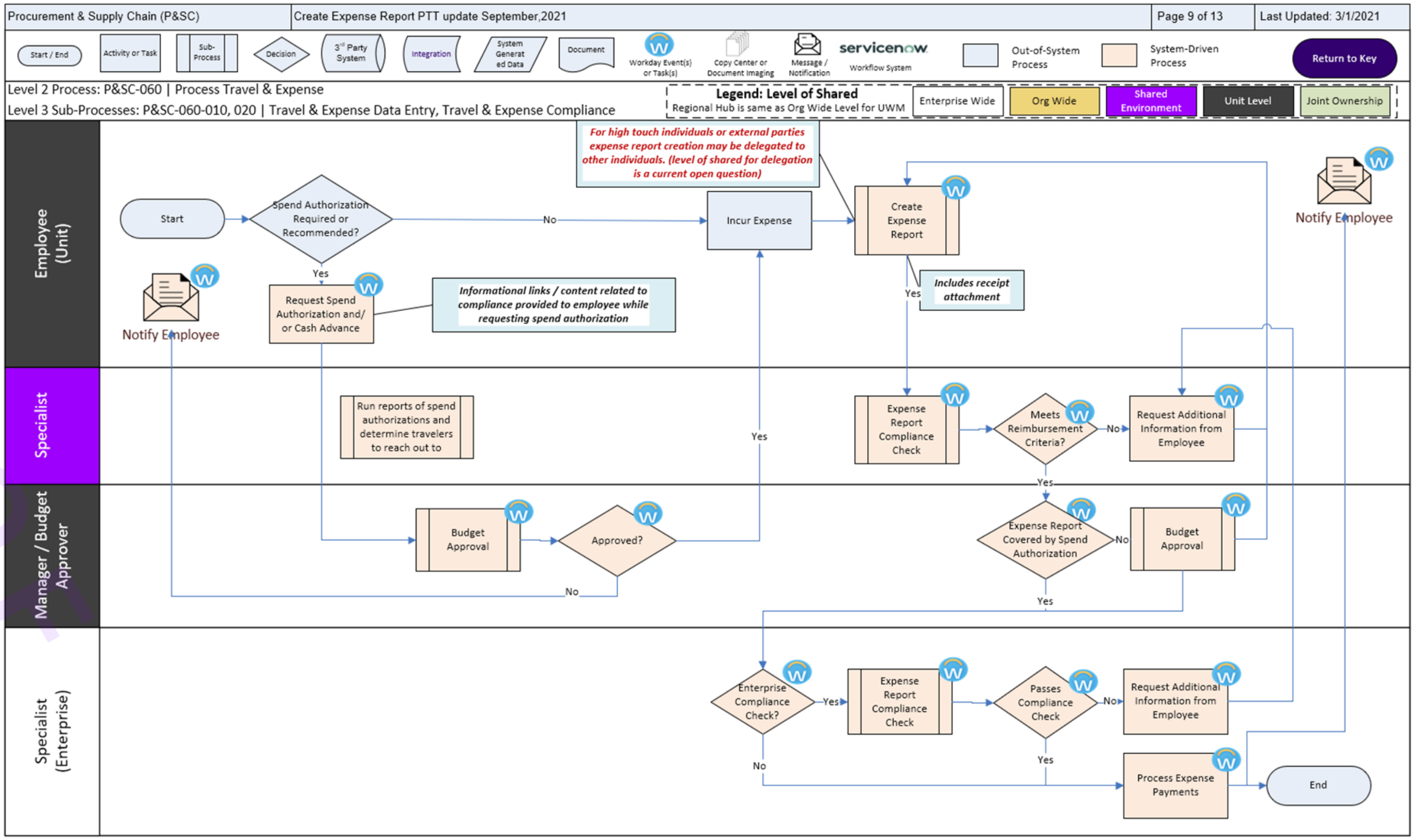
# EPIC SCENARIO – CREATE EXPENSE REPORT



Procurement & Supply Chain (P&SC) | Create Expense Report PTT update September,2021 | Page 9 of 13 | Last Updated: 3/1/2021

Start / End | Activity or Task | Sub-Process | Decision | 3rd Party System | Integration | System Generated Data | Document | Workday Event(s) or Task(s) | Copy Center or Document Imaging | Message / Notification | servicenow Workflow System | Out-of-System Process | System-Driven Process | Return to Key

Level 2 Process: P&SC-060 | Process Travel & Expense

Level 3 Sub-Processes: P&SC-060-010, 020 | Travel & Expense Data Entry, Travel & Expense Compliance

**Legend: Level of Shared**
Regional Hub is same as Org Wide Level for UWM

Enterprise Wide | Org Wide | Shared Environment | Unit Level | Joint Ownership

*For high touch individuals or external parties expense report creation may be delegated to other individuals. (level of shared for delegation is a current open question)*

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# PROCUREMENT RESPONSIBILITIES IN SOURCING & CONTRACTING

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Draft for discussion purposes only

# KEY SOURCING, CONTRACTING, AND PURCHASING RESPONSIBILITIES BY LEVEL OF SHARED

In the following model, units narrow their group of procurement specialists to a smaller group in the Shared Environment (SE), responsible for similar activities as in the current state. Primary changes in activities are shown in grey below and include additional activity at the org level to drive compliance, efficiency and training.

**Levels of Shared**

**Org-wide (OW)**

## UW Academy (UWA) Central Procurement

1. Performs strategic sourcing above defined dollar, risk, impact threshold
2. Negotiates and manages Master Services Agreements (MSA) and other one-off agreements
3. Manage the ecosystem of punch out/hosted catalogs within the GHX solution
4. Develops standard contract language, sourcing templates within Workday (WD) strategic sourcing, and required MSA by category
5. Maintains oversight of category suppliers and contracts across the org
6. Advises and trains shared environment personnel
7. Navigates complex regulatory and compliance environments (including training and outreach)
8. Manages spend overseen by organization (UWA)
9. Reviews metrics and data across units to manage compliance, ensure standardization and drive institutional procurement goals
10. Spend analytics, adaptation
11. Coordination between SE to better forecast needs, share business intelligence and drive standardization

Enterprise level of shared omitted for space

Activities not currently completed shown in **grey**

## UWA Central Procurement

1. Reviews and approves sourcing strategies, conducts work that must be done by individuals with delegated authority
2. Approves contracts and creates POs
3. Drives standardization in sourcing process
4. Performs strategic sourcing within dollar, risk and impact thresholds
5. Manages/drives spend to meet enterprise level supplier metrics

**Shared Environment**

## Shared Environment Procurement Function

1. "Review and Edit Requisition" steps as defined in Epic Scenario for Non-Catalog Reqs.
2. Consolidates and coordinate unit requirements and documentation for procurement including sourcing events
3. Monitors unit transactions to drive spend towards MSAs where applicable
4. Act as a single point of contact and serves as go between for unit end users and procurement services for sourcing and contracting, and resolution of payment, shipment and other logistic issues
5. Act as a single point of contact to provide unit guidance on institutional procurement policy and procedures updates including applicable federal and state policy updates
6. Advises end users on supplier, sourcing, and contracting options including policies on proper procurement usage
7. Forecasts upcoming needs for unit – coordinates with other SEs with regular communication to Central Procurement
8. Helps to manages/drives spend to meet enterprise level supplier metrics
9. Responsibility over coordination for approval partner management including EH&S and UWIT
10. Advocate and help support institutional strategic initiatives including business diversity and sustainability
11. Act as a single point of contact on broader institutional compliance duties like public records requests and audit
12. Contribute as subject matter experts to the continuous improvement of the solution, tools and processes

Activities previously outlined for regional hub

Note on SE activities:

- The SE will maintain similar roles as they have currently, with a smaller total specialist group that can be more efficient and accurate within requisition management and pre-contracting work.
- In the current state, much of this work is completed in units prior to a requisition being created in Ariba. In Workday, an employee can create a requisition which is then finalized (contract, supplier added, etc.) by someone in an SE.
- More stringent requirements needed to follow standardized processes in Workday will be the responsibility of SE personnel.

**Note: SE Conversation Specific to UWA**

**Unit/Entity-Specific**

## Unit Level

1. Creates purchase item or service request
2. Provides technical expertise for unit business needs that support sourcing and contracting process

# PROCUREMENT (P&SC) Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject “SE Admin Guide” to ensure proper routing.

###

**Q: How do travel and expense approvals work when one unit is facilitating travel for another?**
A: Expense reports receive an approval from the manager of the traveler and the cost center manager for the budget associated with the travel. If one department is facilitating travel for another, the cost center manager associated with the funding and the manager of the employee will approve. If these individuals are the same person, only one approval will take place.

**Q: How is in-state travel treated in the future state? How does employee reimbursement function?**
A: The travel and expense process applies to reimbursement for all travel expenses, including in-state travel. Whether non- travel-related employee reimbursement will be handled as part of the expense report process or through another means in Workday is still TBD.

**Q: Will spend authorizations be required in the future state?**
A: Whether spend authorizations are required, and for what kind of travel, is still to be determined. Regardless, spend authorizations provide the opportunity for an employee’s expenditure to be approved by a cost center manager prior to the travel.

**Q: How are corporate travel accounts (CTAs) and PCards related to travel and expense (T&E)?**
A: PCards and CTAs are treated differently than expense reports as they are reconciled separately. More work is required to determine how CTAs specifically will be reconciled and if that process will take place in Workday or with a third party.

**Q: How will local IT approvals be managed in the future state?**
A: The IT approval listed as part of the requisition approval business process only routes to the company-level IT approver (UWIT for UW Academy). That said, Shared Environment specialists are responsible for obtaining necessary approvals that are not facilitated in Workday and may coordinate with local IT departments where required. Another option under investigation is the use of requisition templates. Requisition templates can be created for use by individual units and may be another way to ensure the requisitioner has an appropriate IT approval at the point of making the requisition.

**Q: We have hundreds of external vendors that are paid monthly and even more internal expense transfers. How would this work be divided between our unit and an SE?**

A: External vendors will be paid regularly in a similar way to the current state, with a blanket purchase order (PO). Just like in the current state, the request to set up a blanket PO comes from the unit and procurement services (at the org-wide level) has the authority to actually issue the PO. For external vendors, the Shared Environment will get involved before procurement services to finalize the request, facilitate necessary approvals and assign appropriate contracts. See the Requisition to Purchase Order business process for more information. Internal expense transfers will be done at the Shared Environment or by a central office in the future, depending on the nature of the transaction, with requests generated from the unit level. See the Record to Report (general accounting) section for more information.

# POST AWARD RESEARCH ADMINISTRATION (GA2C) INTRODUCTION

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# POST AWARD RESEARCH ADMINISTRATION INTRODUCTION

The following section outlines the processes where the Shared Environment (SE) will be involved in post-award research administration (the Grant Award to Close end-to-end process area). This functional area represents activity from the time when an award is received on behalf of the University to when it's closed out with the sponsor at project completion. Specific responsibilities include reviewing and approving cost transfers (non-payroll), reviewing and correcting faculty and non-faculty effort reports prior to certification and financial and administrative award closeout activities.

These SE responsibilities represent post-award research administration activities that often "fall to the back-burner" during critical peaks of activity such as proposal development and submission and ongoing award management. They are, however, anticipated to become core responsibilities of the SE, whose responsibility it will be to execute these activities often within a Workday-enabled environment. The SE teams will not assume of role of the local Grants Managers, who are tasked with actively managing their faculty member's research portfolios (which often includes meeting to review project financials and associated reconciliation and forecasting). Instead, the SE will work with both units and central offices (e.g., Grant and Contract Accounting and Management Accounting and Analysis) to ensure compliance, drive standardization of business processes, and ensure the integrity of sponsored project financials and the University's general ledger within Workday.

# POST-AWARD RESEARCH ADMINISTRATION TRANSFORMATION GOALS, PTT MEMBERS, LEVELS OF SHARED

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# GRANT AWARD TO CLOSE TRANSFORMATION GOALS

- Sponsored Agreement data flows automatically from pre- to post-award systems
- Streamline grant/contract set up process
- Streamline and standardize subcontract process
- Provide ability to apply rules/workflows consistently across all awards based on grant attributes like sponsor type
- Streamline documents management processes
- Provide robust grant tracking (financial/administrative) across the enterprise

- Consolidate post-award grants management in Workday
- Increase granular tracking of expenditure types within a grant
- Establish automated reconciliation between Grants Ledger & General Ledger
- Provide automated exception reporting
- Provide more timely, transparent, and accurate grant accounting and effort certification

# PROCESS TRANSFORMATION TEAMS

## Objectives: Engage, Inform, Design

- The process transformation teams (PTTs) are a dedicated group of influencers drawn from across the University. They are tasked to think broadly about the UW and support the process design workshops (PDWs) to create the future-state of finance and procurement processes at the UW.
- There is a PTT supporting each of the nine business processes.

| PTT Member: | Role: | Org: | Department: |
|---|---|---|---|
| **Susan Camber** | Transformation Owner | UWA | UWFIN |
| **Jessica Bertram** | Member | UWA | SOM |
| **Judy Chung** | Member | UWA | ORIS |
| **Kirsten DeFries** | Business Process Owner | UWA | UWFIN |
| **Karen Eaton** | Member | UWM | UW MED - HMC |
| **Nicole Flagg** | Configuration Lead | UWA | UWFT |
| **Lily Gebrenegus** | Member | UWA | UWFIN |
| **Kathryn Hovick** | Member | UWA | VPR - APL |
| **Juan Lepez** | Member | UWA | UWFIN |
| **Carrie Mandak** | Business Process Lead | UWA | UWFT |
| **Angela Mullen** | Member | UWA | CAS |
| **Stepanka Sirotek** | Business Analyst | UWA | UWFT |
| **Amanda Snyder** | Member | UWA | VPR – OSP |
| **Jennifer Worrell** | Member | UWA | ENG |
| **Tzeghe Makonnen** | Member | UWM | UW MED - HMC |
| **Susie Salem** | Member | UWM | UW MED - HMC |
| **Maureen Larsen** | Member | UWA | SOM |

Key
New Process Shared at This Level

# LEVEL OF SHARED BY PROCESS – GRANT AWARD TO CLOSE

| Levels of Shared | Grant Award to Close | |
|---|---|---|
| Enterprise Wide | **Process Set-up, Oversight, and Policy Management**<br>• Establish / Maintain Sponsored Program Policies<br>• Establish / Maintain Sponsored Program Configuration<br>• Establish / Maintain Payroll/Effort Certification Configuration<br>• Establish / Maintain Sponsored Programs<br>• Establish / Maintain Subawards<br>**Manage Sponsored Program Spend and Billing**<br>• Sponsor Billing | **Manage Sponsored Program Reporting and Compliance**<br>• Sponsored Program Compliance Reporting<br>• Effort Reporting<br>• Perform Compliance Audits<br>• Monitor Adherence to Policies and Procedures<br>**Sponsored Program Closeout**<br>• Prepare for Sponsored Program Closeout<br>• Execute Closeout Activities |
| UWA Org-Wide<br>UWM Org-Wide | **Manage Sponsored Program Spend and Billing**<br>• Cash Application<br>• Manage Collections and Disputes | **Manage Sponsored Program Reporting and Compliance**<br>• Subrecipient Monitoring and Compliance (FFATA reporting)<br>• Prepare for Sponsored Program Closeout (Invention Report, etc.) |
| UWA SE 1<br>UWA SE 2<br>UWA SE 3<br>UWA SE 4<br>UWA SE …. | **Manage Sponsored Program Spend and Billing**<br>• Manage Sponsored Program Spend (review cost transfers and perform journal entries in Workday) | **Manage Sponsored Program Reporting and Compliance**<br>• Effort Reporting (administrative review and compliance)<br>**Sponsored Program Close-out**<br>• Prepare for Sponsored Program Closeout (complete final financial reconciliation and prepare for financial closeout) |
| **Sample**<br>Unit / Entity Activity (Local) | **Manage Sponsored Program Spend and Billing**<br>• Manage Sponsored Program Spend (budget-to-actuals analysis and forecasting)<br>**Manage Sponsored Program Reporting and Compliance**<br>• Subrecipient Monitoring and Compliance (invoice receipt and approval per programmatic progress)<br>• Effort Reporting (certification)<br>**Sponsored Program Close-out**<br>• Prepare for Sponsored Program Closeout (complete final programmatic / scientific reporting) | |

# POST-AWARD RESEARCH ADMINISTRATION SHARED ENVIRONMENT CURRENT-STATE vs. FUTURE-STATE PROCESSES

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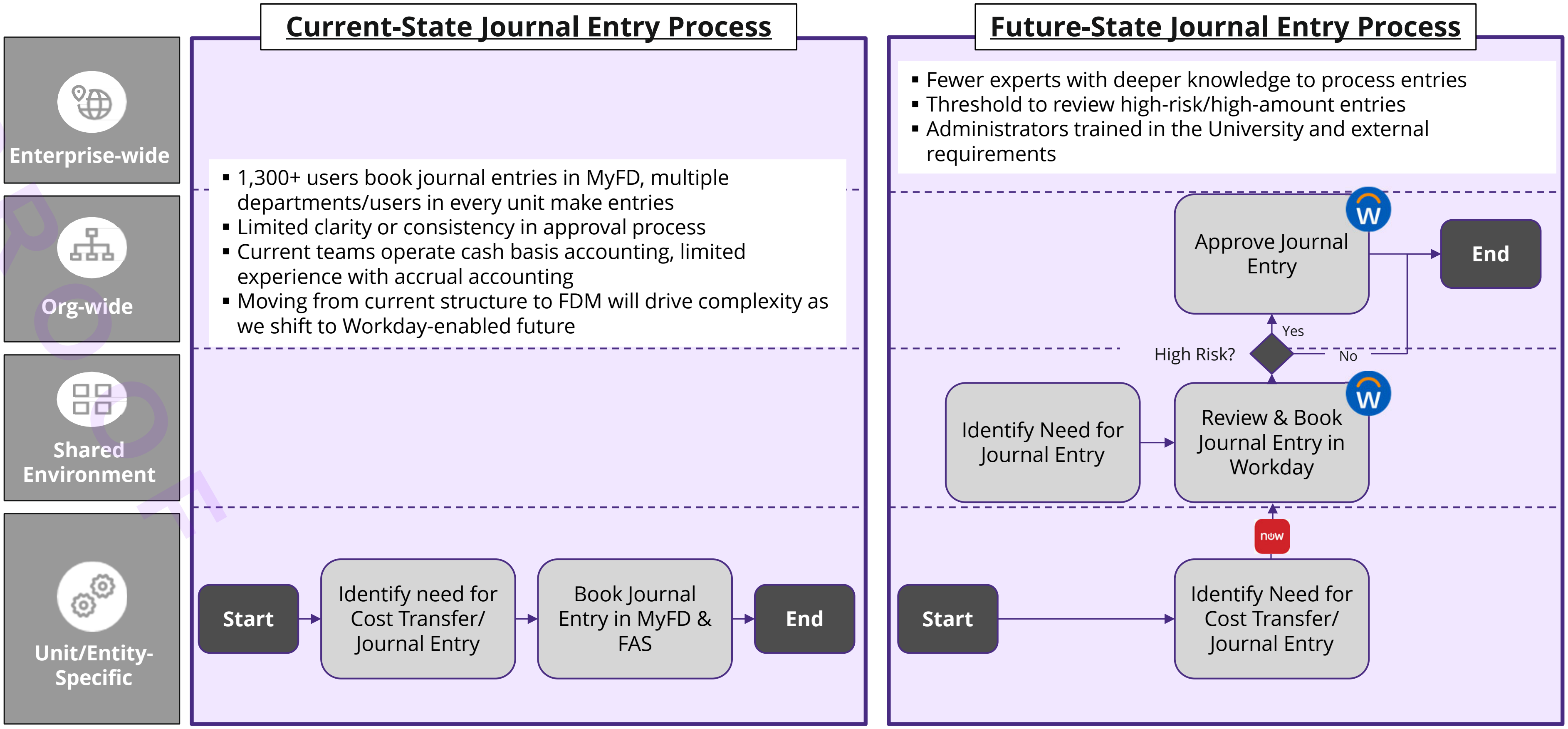
# JOURNAL ENTRIES – CURRENT VS. FUTURE STATE PROCESS FLOW



**Compliance** ☐ **Standardization** ☐ **Efficiency** ☑

## Current-State Journal Entry Process

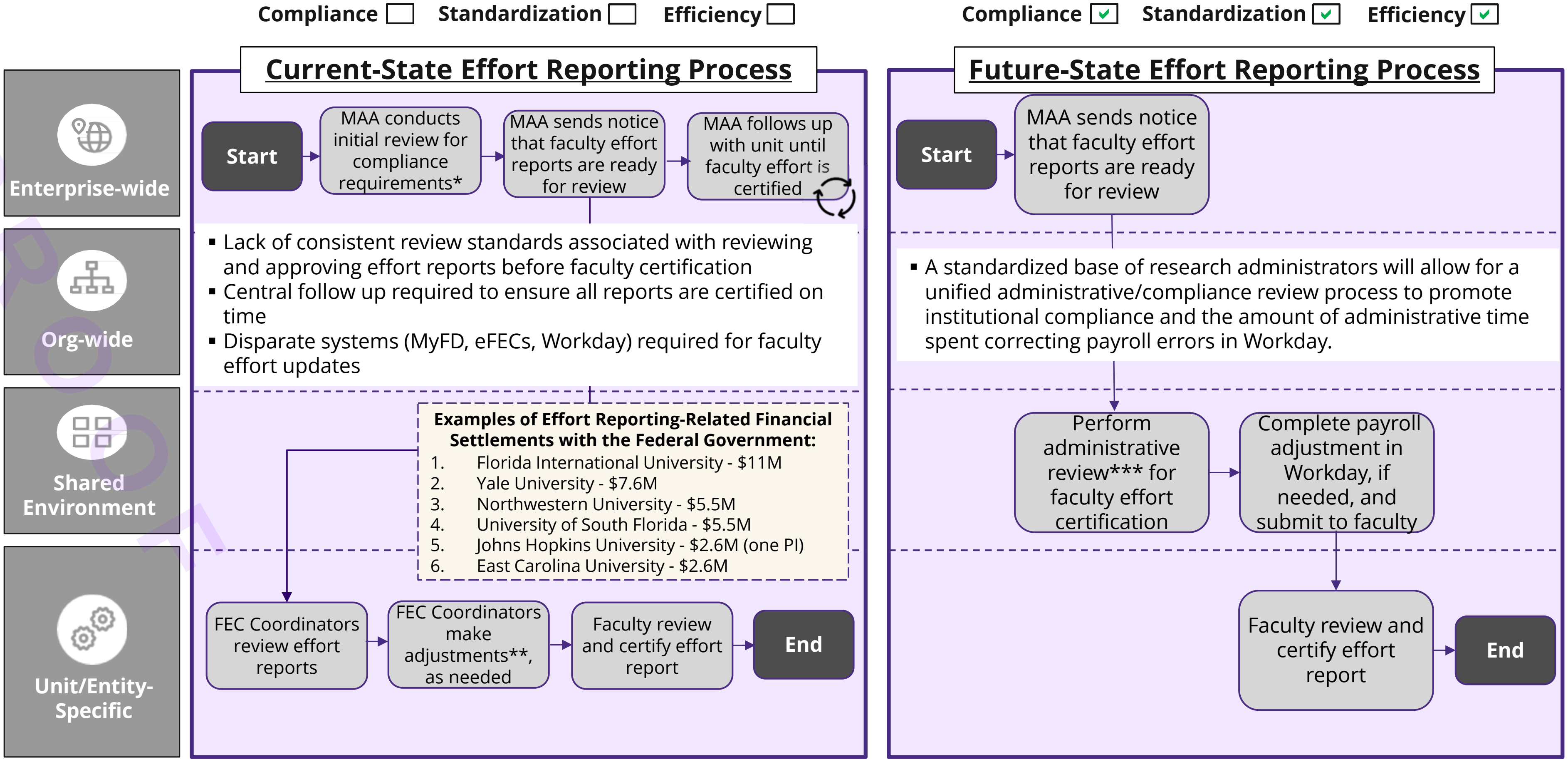
- 1,300+ users book journal entries in MyFD, multiple departments/users in every unit make entries
- Limited clarity or consistency in approval process
- Current teams operate cash basis accounting, limited experience with accrual accounting
- Moving from current structure to FDM will drive complexity as we shift to Workday-enabled future

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☐

## Future-State Journal Entry Process

- Fewer experts with deeper knowledge to process entries
- Threshold to review high-risk/high-amount entries
- Administrators trained in the University and external requirements

# EFFORT REPORTING – CURRENT VS. FUTURE STATE PROCESS FLOW



Compliance ☐ Standardization ☐ Efficiency ☐

Compliance ☑ Standardization ☑ Efficiency ☑

## Current-State Effort Reporting Process

- Lack of consistent review standards associated with reviewing and approving effort reports before faculty certification
- Central follow up required to ensure all reports are certified on time
- Disparate systems (MyFD, eFECs, Workday) required for faculty effort updates

**Examples of Effort Reporting-Related Financial Settlements with the Federal Government:**

1. Florida International University - $11M
2. Yale University - $7.6M
3. Northwestern University - $5.5M
4. University of South Florida - $5.5M
5. Johns Hopkins University - $2.6M (one PI)
6. East Carolina University - $2.6M

## Future-State Effort Reporting Process

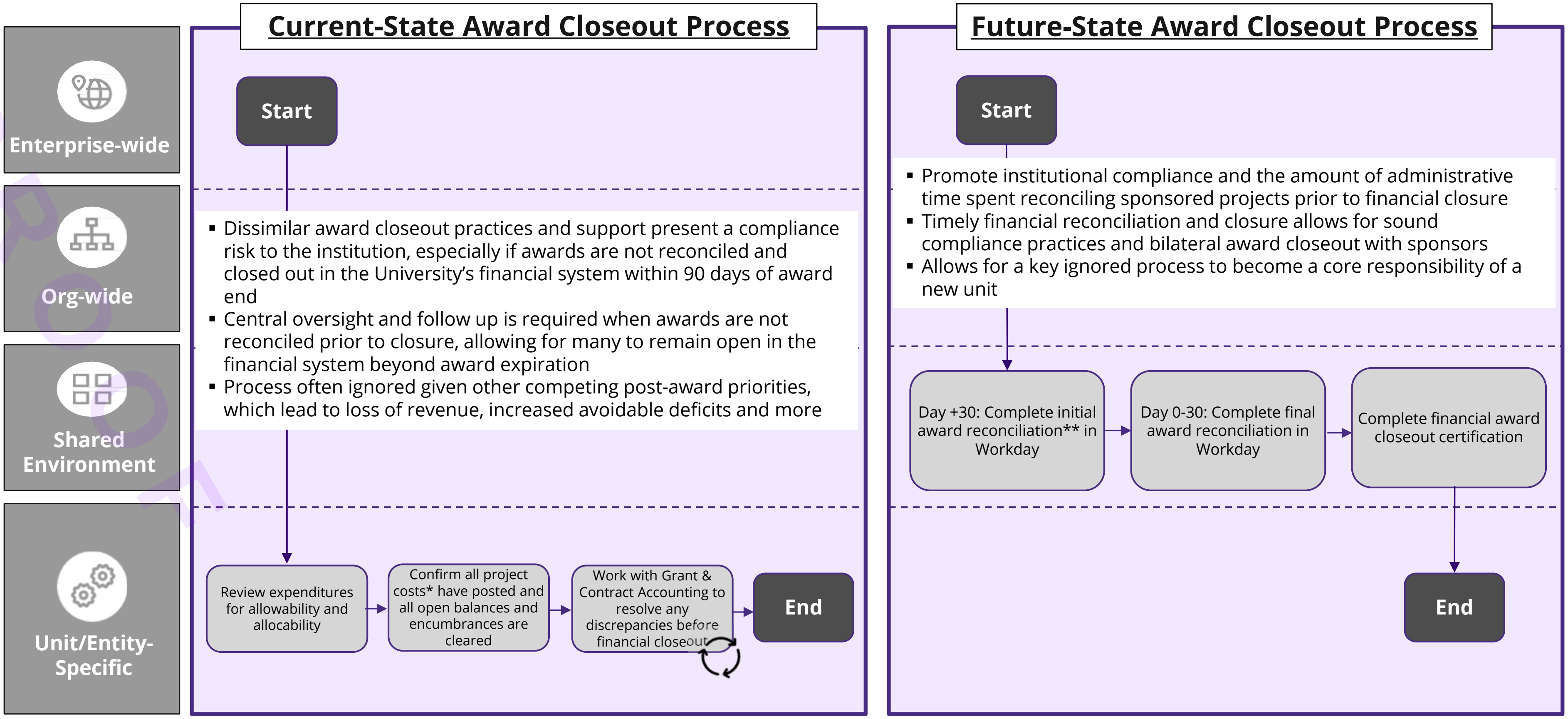
- A standardized base of research administrators will allow for a unified administrative/compliance review process to promote institutional compliance and the amount of administrative time spent correcting payroll errors in Workday.

*Includes review ensuring faculty are not 100% funded from external sponsors with recent proposal submissions, cost share is captured, etc.
**When identified prior to certification, an Online Salary Expense Transfer (OSET) can be completed. If the correction is adjusting cost share, the change is done directly in eFECS.
***Includes the initial review responsibilities completed today by Management Accounting & Analysis (MAA), including verifications that faculty are not 100% with a recent proposal submission, faculty are not over-committed, cost share commitments with missing actuals, salary transfers on certified faculty effort certifications (FEC), NetID of person certifying, etc.

# AWARD CLOSEOUT– CURRENT VS. FUTURE STATE PROCESS FLOW

**Compliance** ☐ **Standardization** ☐ **Efficiency** ☐

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



## Current-State Award Closeout Process

Start

- Dissimilar award closeout practices and support present a compliance risk to the institution, especially if awards are not reconciled and closed out in the University's financial system within 90 days of award end
- Central oversight and follow up is required when awards are not reconciled prior to closure, allowing for many to remain open in the financial system beyond award expiration
- Process often ignored given other competing post-award priorities, which lead to loss of revenue, increased avoidable deficits and more

Review expenditures for allowability and allocability → Confirm all project costs* have posted and all open balances and encumbrances are cleared → Work with Grant & Contract Accounting to resolve any discrepancies before financial closeout → End

## Future-State Award Closeout Process

Start

- Promote institutional compliance and the amount of administrative time spent reconciling sponsored projects prior to financial closure
- Timely financial reconciliation and closure allows for sound compliance practices and bilateral award closeout with sponsors
- Allows for a key ignored process to become a core responsibility of a new unit

Day +30: Complete initial award reconciliation** in Workday → Day 0-30: Complete final award reconciliation in Workday → Complete financial award closeout certification → End

*Includes assurance that cost share commitments are met and posted to UW systems, program income is spent in full, final subrecipient invoices are received and posted, and POs are closed.
**Includes the above plus processing retroactive payroll costing allocations for future payroll changes and the request for recharge changes or cessation.
***Includes Transfer of deficits and residuals to departmental account, payroll related journal entries, and accuring unposted expenditures.

# POST-AWARD RESEARCH ADMINISTRATION CUSTOMER INTERACTION MODELS

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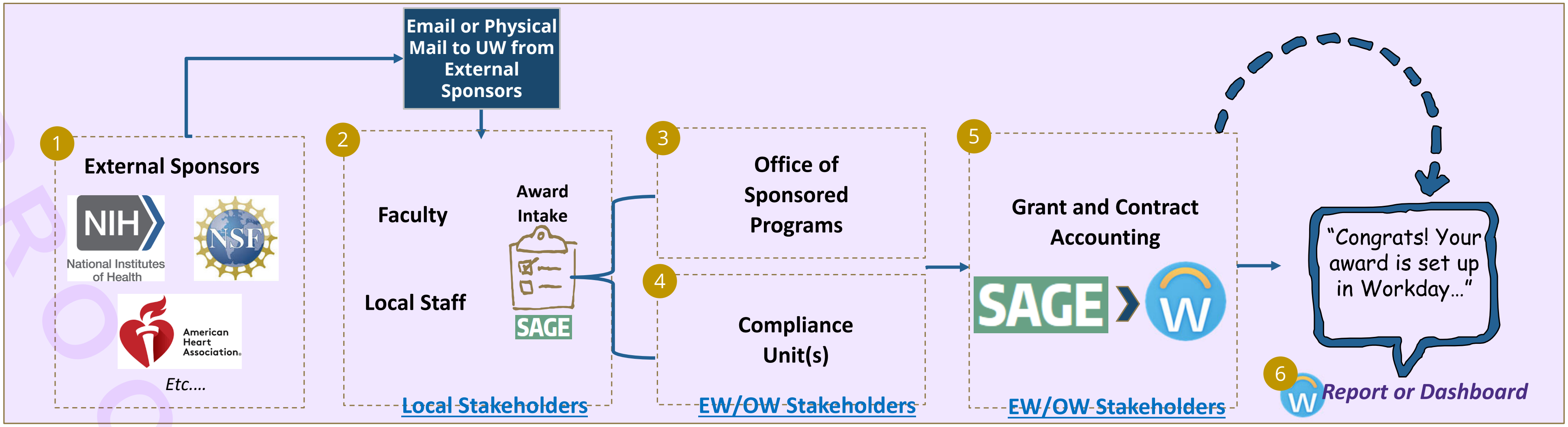
# CUSTOMER INTERACTION MODEL – PERFORM GRANT SET UP

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



**Email or Physical Mail to UW from External Sponsors**

1 **External Sponsors**

*Etc....*

2 **Faculty**

**Local Staff**

**Award Intake**

**Local Stakeholders**

3 **Office of Sponsored Programs**

4 **Compliance Unit(s)**

**EW/OW Stakeholders**

5 **Grant and Contract Accounting**

**EW/OW Stakeholders**

"Congrats! Your award is set up in Workday…"

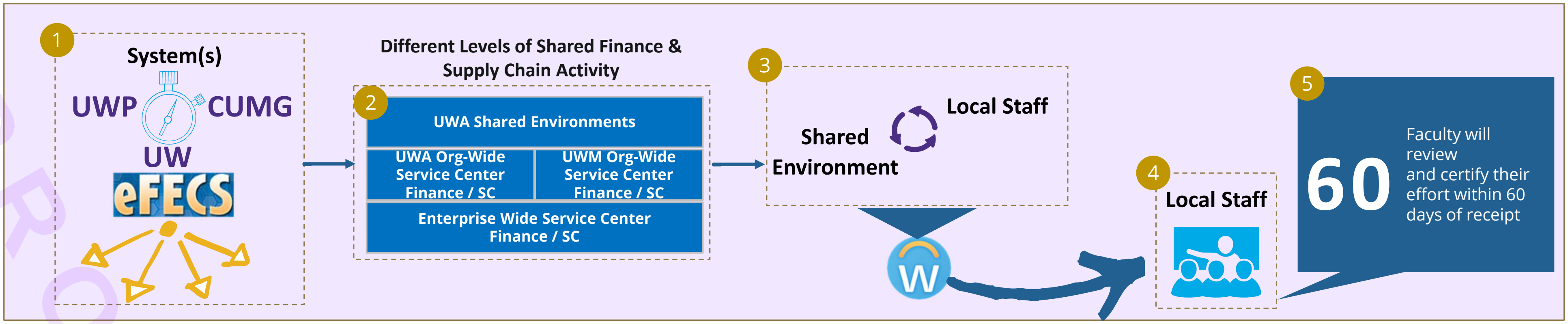
6 *Report or Dashboard*

## Perform Grant Set Up – DRAFT Use Case Steps

1. External sponsor grants award to UW and sends Notice of Award (NOA) via email or physical mail to principal investigator (PI) and/or Office of Sponsored Programs
2. Campus (i.e., local administrator) completes award intake process in System to Administer Grants Electronically (SAGE), including a review of proposed to awarded budget and makes amendments, as needed
3. Office of Sponsored Programs (OSP) reviews, negotiates (if applicable), and accepts the award on behalf of UW
4. Compliance units (e.g., IRB, IACUC, EH&S, COI, etc.) review award for potential compliance holds. Works with units to remedy, as applicable.
5. Grant and Contract Accounting (GCA) reviews all financial information in SAGE and approves for integration to Workday. Award is integrated to Workday and GCA finalizes financial award set up in system
6. PI receives notification or report/dashboard in Workday of award set up completion

# CUSTOMER INTERACTION MODEL – EFFORT REPORTING (FACULTY)

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☐



1 System(s)

UWP CUMG

UW

eFECS

Different Levels of Shared Finance & Supply Chain Activity

2 UWA Shared Environments

UWA Org-Wide Service Center Finance / SC

UWM Org-Wide Service Center Finance / SC

Enterprise Wide Service Center Finance / SC

3 Shared Environment

Local Staff

4 Local Staff

5 60 Faculty will review and certify their effort within 60 days of receipt

## Effort Reporting – DRAFT Use Case Steps

① UW, UW Physicians (UWP), and Children's University Medical Group (CUMG) faculty payroll and cost share data is integrated in the eFECs system and distributed by Management Accounting and Analysis (MAA) for review and certification.

② Shared Environment (SE) receives Faculty Effort Certifications (FEC) for their respective units and completes administrative review and compliance checks.

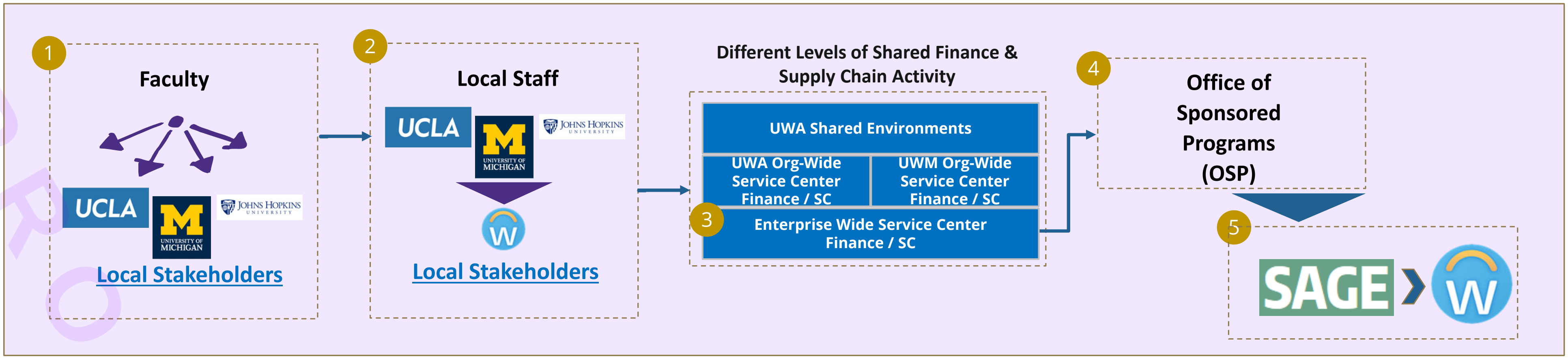
③ If a correction is required based on consultation with the PI/unit administration, the SE staff member will complete the required change in Workday.

④ Once complete, the Shared Environment, in consultation with unit administration, will send the FEC to faculty members for certification.

⑤ Faculty will review and certify their effort within 60 days from when they were received.

# CUSTOMER INTERACTION MODEL – SUBAWARD ISSUANCE

**Compliance** ☐ **Standardization** ☑ **Efficiency** ☑



## Subaward Issuance – DRAFT Use Case Steps

① PI identifies need for new award requiring a subrecipient.

② If the subrecipient already exists in Workday, skip to Step #4. If the subrecipient does not exist, they will receive instructions from the unit to self-register in Workday.

③ Once self-registration is complete, procurement will review and approve the subrecipient as a supplier, the subaward team will identify/flag the supplier as a subrecipient in Workday and a notification will be sent to the Office of Sponsored Programs (OSP).

④ OSP will review, negotiate, and execute the subaward on behalf of the institution.

⑤ Once finalized, the award will be integrated from SAGE to Workday with a placeholder line for the subaward.

# POST-AWARD RESEARCH ADMINISTRATION SHARED ENVIRONMENT COMPETENCY INFORMATION

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# FUTURE STATE IMPACT ON KEY SHARED ENVIRONMENT PROCESSES

| Key Shared Environment Processes | | | | |
|---|---|---|---|---|
| **End-to-End** | **Current State Transaction** | **What is done in the Current State?** | **What will this look like in Workday?** | **What skills are needed?** |
| **Grant Award to Close** | **Manage Sponsored Program Spend** –Journal Voucher | **Description:** Entries cross budgets (revenue and expense) & general ledger (GL) (balance sheet)<br>**Tools:** MyFD, by reaching out to Grant and Contract Accounting (GCA) | **Shared Environment Role:** The Shared Environment staff will receive requests from local users and will take the best accounting (i.e., debit and credit the correct accounts, generate accruals as needed) and Workday actions while remaining compliant with local, state, federal, and sponsor regulations, terms, and conditions.<br>**Future State Process Description:** Sponsored project-related expense transfers will be handled in the following ways in a Workday enabled environment:<br>• **Accounting Adjustment:** Entry created when the accounting is adjusted on an operational journal (i.e., worktags update. For example, changing the worktags on a supplier invoice line to have an expense hit a different account, such as a subrecipient invoice hitting the incorrect sponsored project).<br>• **Payroll Accounting Adjustment:** Used to correct errors made when salary was posted to an incorrect worktag. For example, moving payroll expenses to a sponsored project that hit a departmental account instead.<br>• **Manual Journal Entry:** If an accounting adjustment cannot be used to correct the operational transaction at source, then a 'manual Journal entry' may be required to reclassify item from one set of worktags to another. For example, resolving a grant deficit that covers more than one, non-uniform, expense line item.<br>• **Operational Journals:** System-generated journals that use posting rules to automatically produce journals. For example, supplier invoices, supplier payments, customer invoices and customer payments, | ✓ To comply with the cost allowability and allocability requirements outlined in the Uniform Guidance (§200.400 - Subpart E - Cost Principles) the staff must be knowledgeable and capable of reviewing and justifying all charges transferred onto federal awards, whether the costs are transferred from some other federal account, a non-federal account, or a departmental account<br>✓ Knowledgeable on the detail required (e.g., appropriate debits and credits and auditable tracking requirements) for appropriate and complete Workday entry of both manual journals and accounting adjustments.<br>✓ Thorough understanding of previously certified effort reporting impacts, if payroll expense transfers are requested from enterprise units. |
| | **Manage Sponsored Program Spend** – Cost Transfer | **Description:** Entries cross budgets (revenue and expense) & GL (balance sheet)<br>**Tools:** MyFD | | |

# FUTURE STATE IMPACT ON KEY SHARED ENVIRONMENT PROCESSES

## Key Shared Environment Processes

| End-to-End | Current State Transaction | What is done in the Current State? | What will this look like in Workday? | What skills are needed? |
|---|---|---|---|---|
| **Grant Award to Close** | **Effort Reporting** – Online Salary Expense Transfer (OSET) | **Description:** Serve to both initiate and document adjustments and corrections to salary expenditures<br>**Tools:** MyFD | **Shared Environment Role:** The Shared Environment staff will conduct an administrative and compliance-driven pre- and post-review of all faculty and non-faculty effort reports to ensure they are in line with local, state, federal, and sponsor regulations, terms, and conditions before sending to the certifier for final review.<br>**Future State Process Description:** Any required effort reporting updates will be handled in the following way in a Workday enabled environment:<br>Payroll Accounting Adjustment: Used to correct errors made when salary was posted to an incorrect driver worktag. For example, moving payroll expenses to a sponsored project that hit a departmental account instead. | ✓ To comply with the cost allowability and allocability requirements outlined in the Uniform Guidance (§200.400 - Subpart E - Cost Principles) the staff must be knowledgeable and capable of reviewing and justifying all charges transferred onto federal awards, whether the costs are transferred from some other federal account, a non-federal account, or a departmental account<br>✓ Thorough understanding of previously certified effort reporting impacts, if payroll expense transfers are requested from enterprise units. |
| | **Effort Reporting** – Cost Share Update in eFECS | **Description:** Required changes to cost share prior to effort report certification are captured via eFECs<br>**Tools:** eFECS | | |

# FUTURE STATE IMPACT ON KEY SHARED ENVIRONMENT PROCESSES

| Key Shared Environment Processes | | | | |
|---|---|---|---|---|
| End-to-End | Current State Transaction | What is done in the Current State? | What will this look like in Workday? | What skills are needed? |
| **Grant Award to Close** | **Award Closeout** – Journal Voucher | **Description:** Entries cross budgets (revenue and expense) & GL (balance sheet)<br>**Tools:** MyFD, by reaching out to Grant and Contract Accounting (GCA) | **Shared Environment Role:** The Shared Environment staff will expedite the award closeout process by completing an administrative and financial reconciliation – before and after the award expiration date – to mitigate financial exposure and research compliance on behalf of the University. Staff will prioritize monthly award closeouts and ensure timely bi-lateral closeout with sponsoring agencies.<br>**Future State Process Description:** All required award closeout actions will be handled in the following way in a Workday-enabled environment:<br>• **Manual Journal Entry**: If an 'accounting adjustment' cannot be used to correct the operational transaction at source, then a 'manual journal entry' may be required to reclassify item from one set of worktags to another. For example, resolving a grant deficit that covers more than one, non-uniform, expense line item. | ✓ To comply with the Uniform Guidance (§200.343 – Subpart D – Closeout), the staff must be knowledgeable in actions the University must take to complete bi-lateral award closeout at the end of the period of performance. |

# POST-AWARD RESEARCH ADMINISTRATION EPIC SCENARIOS

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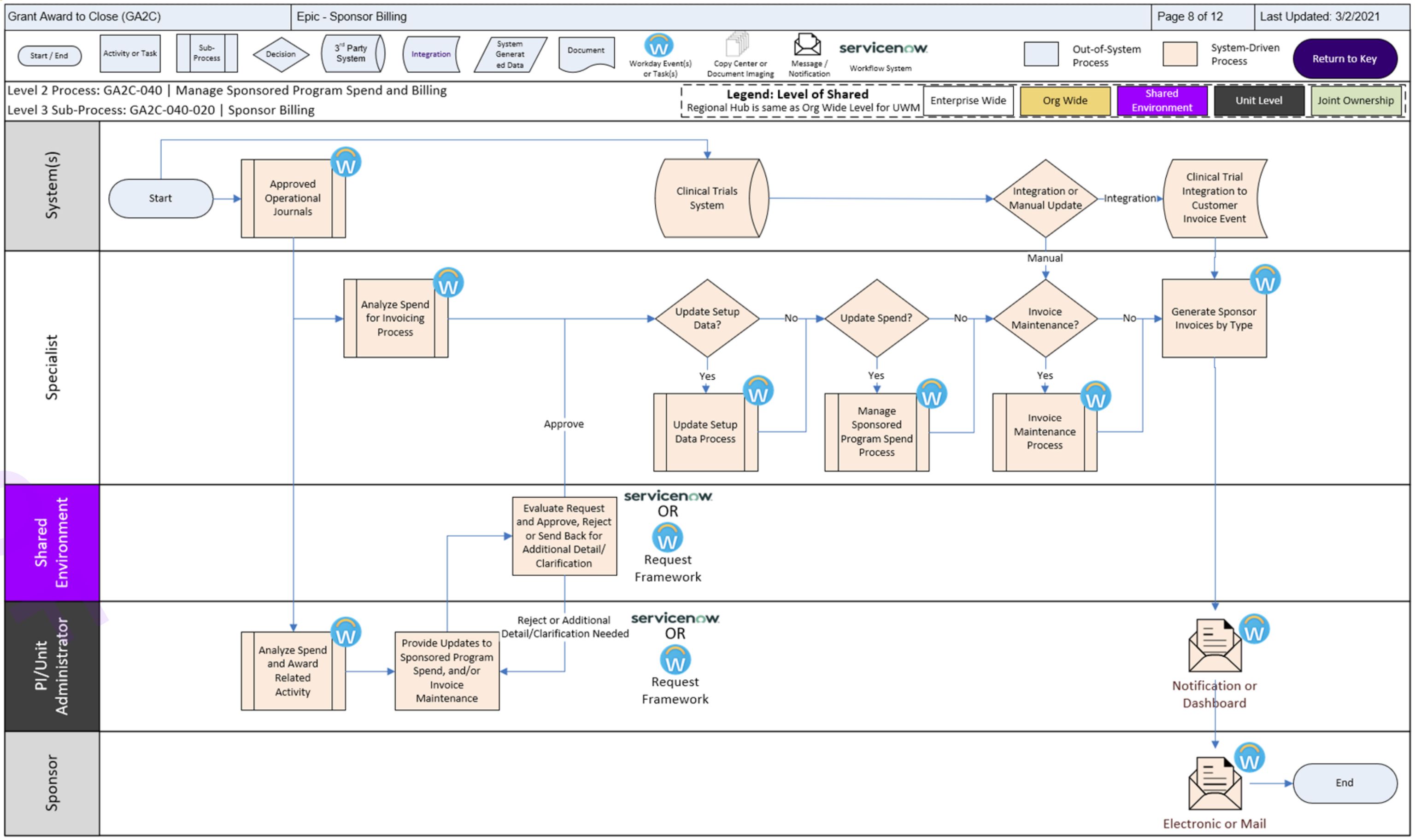
# EPIC SCENARIO – SPONSOR BILLING



Grant Award to Close (GA2C) | Epic - Sponsor Billing | Page 8 of 12 | Last Updated: 3/2/2021

Level 2 Process: GA2C-040 | Manage Sponsored Program Spend and Billing

Level 3 Sub-Process: GA2C-040-020 | Sponsor Billing

**Legend: Level of Shared**

Regional Hub is same as Org Wide Level for UWM

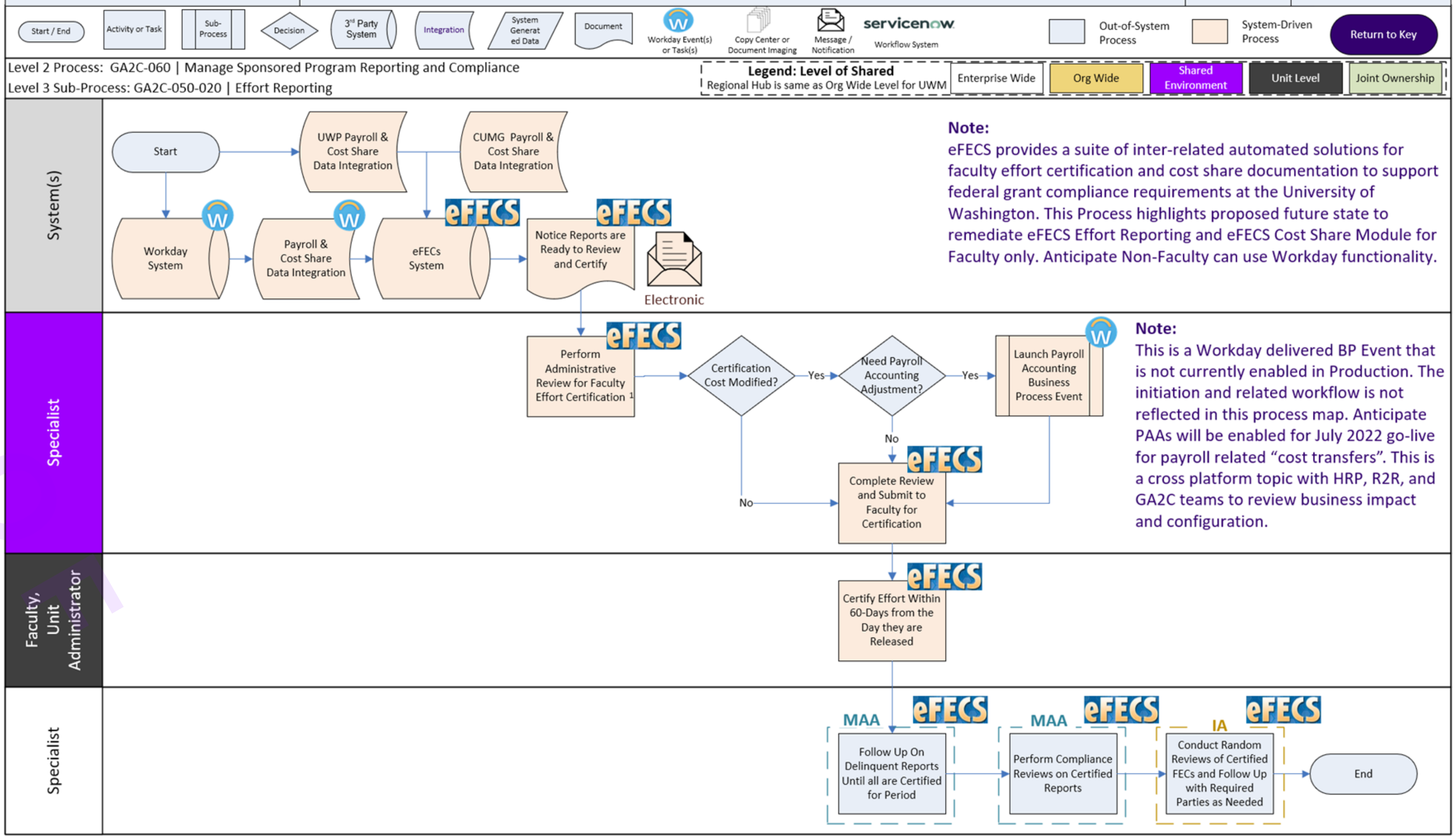
Enterprise Wide | Org Wide | Shared Environment | Unit Level | Joint Ownership

# EPIC SCENARIO – EFFORT REPORTING FACULTY

Grant Award to Close (GA2C) | Epic - Effort Reporting Faculty | Page 9 of 12 | Last Updated: 3/2/2021

Level 2 Process: GA2C-060 | Manage Sponsored Program Reporting and Compliance

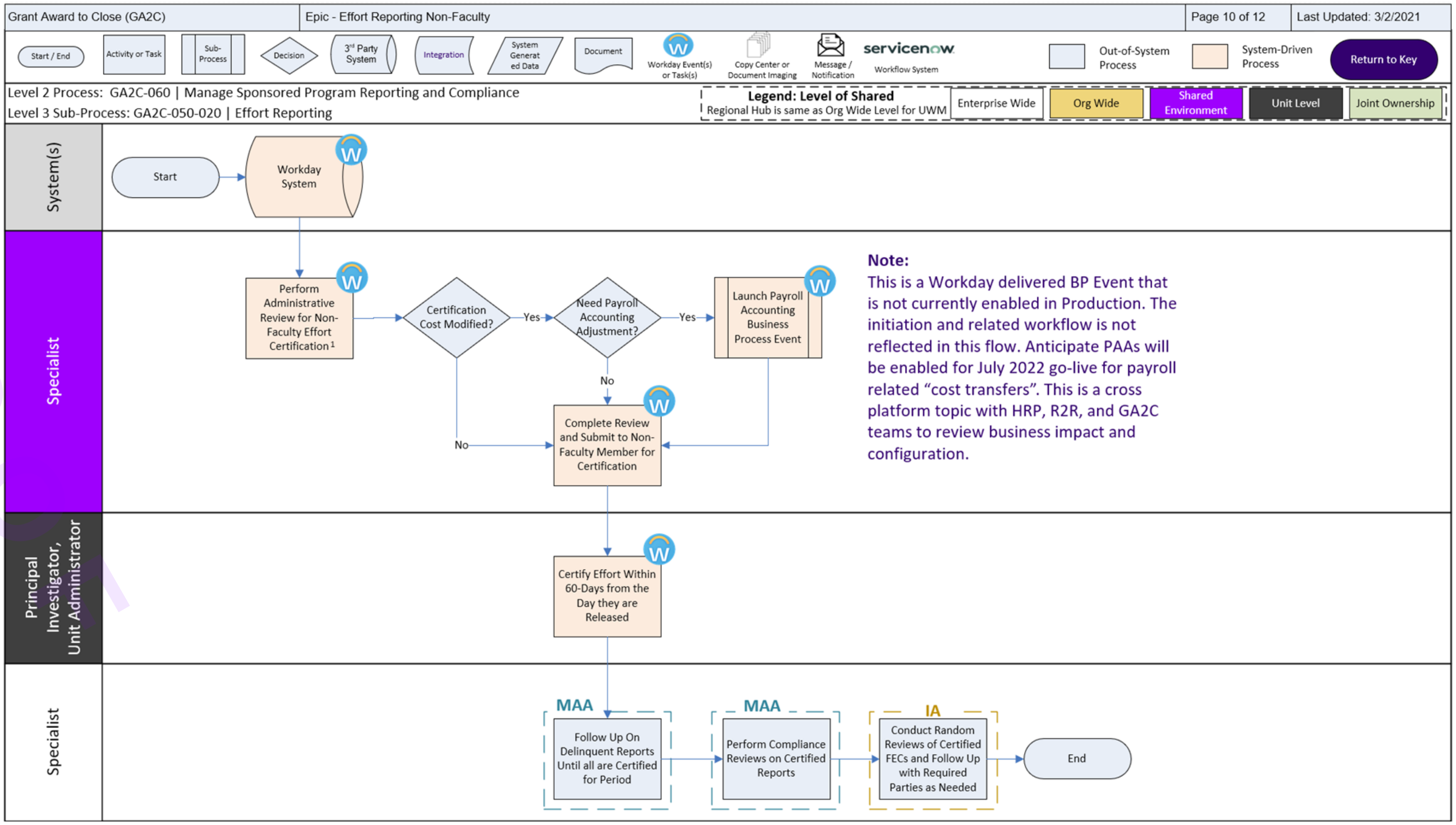
Level 3 Sub-Process: GA2C-050-020 | Effort Reporting



**Note:**
eFECS provides a suite of inter-related automated solutions for faculty effort certification and cost share documentation to support federal grant compliance requirements at the University of Washington. This Process highlights proposed future state to remediate eFECS Effort Reporting and eFECS Cost Share Module for Faculty only. Anticipate Non-Faculty can use Workday functionality.

**Note:**
This is a Workday delivered BP Event that is not currently enabled in Production. The initiation and related workflow is not reflected in this process map. Anticipate PAAs will be enabled for July 2022 go-live for payroll related “cost transfers”. This is a cross platform topic with HRP, R2R, and GA2C teams to review business impact and configuration.

# EPIC SCENARIO – EFFORT REPORTING NON-FACULTY



Grant Award to Close (GA2C) | Epic - Effort Reporting Non-Faculty | Page 10 of 12 | Last Updated: 3/2/2021

Level 2 Process: GA2C-060 | Manage Sponsored Program Reporting and Compliance

Level 3 Sub-Process: GA2C-050-020 | Effort Reporting

**Legend: Level of Shared**
Regional Hub is same as Org Wide Level for UWM

**Note:**
This is a Workday delivered BP Event that is not currently enabled in Production. The initiation and related workflow is not reflected in this flow. Anticipate PAAs will be enabled for July 2022 go-live for payroll related "cost transfers". This is a cross platform topic with HRP, R2R, and GA2C teams to review business impact and configuration.

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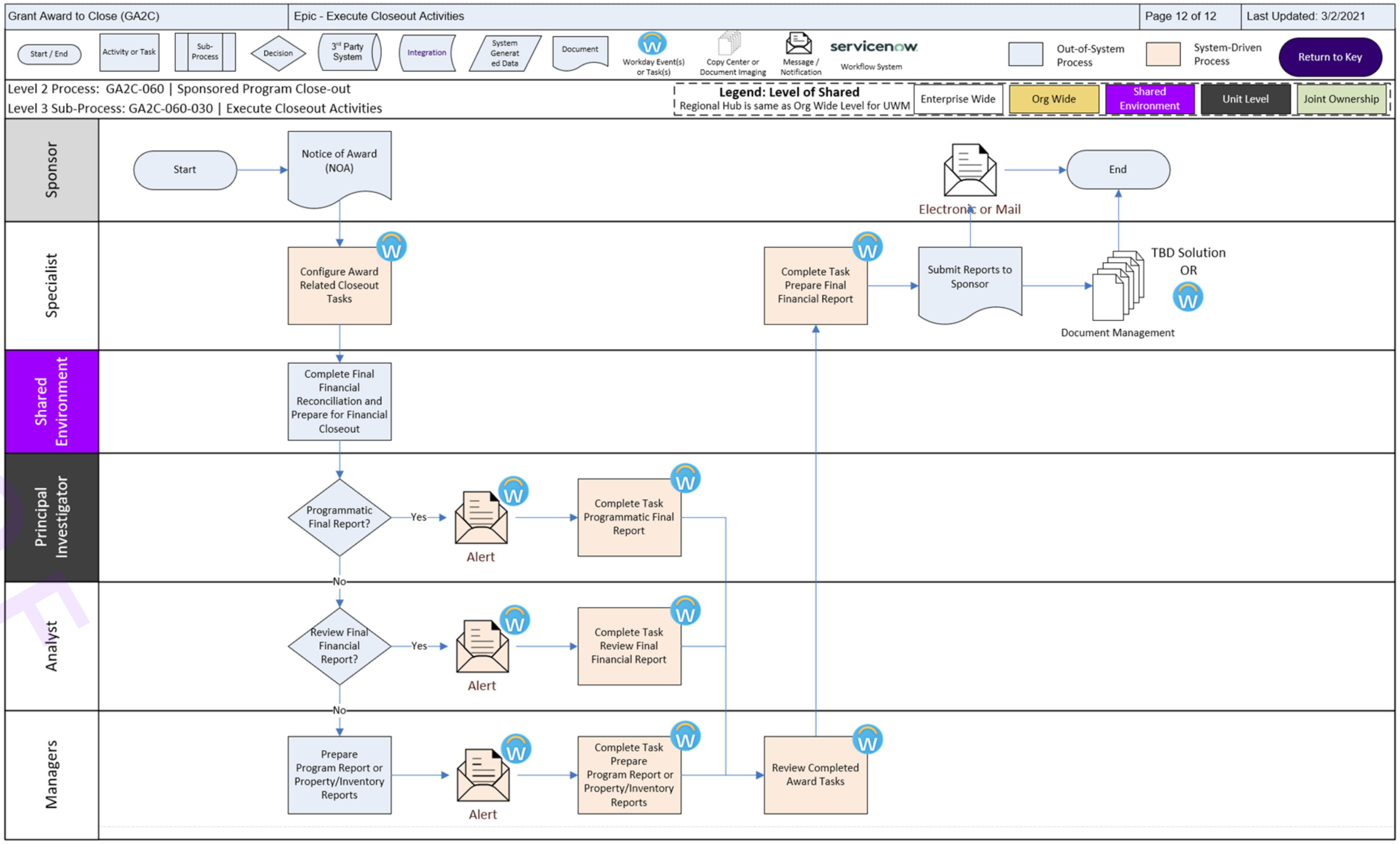
# EPIC SCENARIO – EXECUTE CLOSEOUT ACTIVITIES



# POST AWARD RESEARCH ADMINISTRATION (GA2C) Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject "SE Admin Guide" to ensure proper routing.

###

# GENERAL ACCOUNTING (RTR) INTRODUCTION

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# GENERAL ACCOUNTING INTRODUCTION

The following section outlines the processes where the Shared Environment (SE) will be involved in general accounting (the Record to Report end-to-end process area) activities. General accounting activities coordinate and direct all financial transactions recorded in Workday for the University. This responsibility requires that the SE staff be service-oriented relative to the financial needs of all units across the enterprise while still assuring that transactions adhere to University policies and procedures, generally accepted accounting principles and rules established by the authoritative governing bodies. Specific SE responsibilities represent processes that can be moved out of units to drive efficiencies but cannot be elevated to the organization-wide level, due to the need to remain proximate to local unit operations. These responsibilities include the review and processing of journals to ensure that the correct Workday and accounting action is taken and month-end and year-end close activities.

# GENERAL ACCOUNTING TRANSFORMATION GOALS, PPT MEMBERS, LEVELS OF SHARED

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# RECORD TO REPORT TRANSFORMATION GOALS

- Have a single financial system of record
- Produce monthly, quarterly and annual budget-to-actual financial statements on time, including consolidated statements and eliminations where needed
- Standardize accounting methodologies and policies across the enterprise (e.g., accrual accounting, month-end close, expense reimbursement)
- Automatically capture and track accounts receivable and other supported accrued assets in general ledger
- Provide timely and effective reporting to enable proactive decision making
- Automate intercompany
- Increase transparency for internal billing transactions
- Automate reporting for the state
- Streamline and standardize reconciliation processes
- Provide embedded, visible, and readily available business processes within the system

# PROCESS TRANSFORMATION TEAMS

## Objectives: Engage, Inform, Design

- The process transformation teams (PTTs) are a dedicated group of influencers drawn from across the University. They are tasked to think broadly about the UW and support the process design workshops (PDWs) to create the "to be" state of process flows.
- There is a PTT supporting each of the nine business processes.

| Record-to-Report (R2R) | |
|---|---|
| **Team Member** | **Organization** |
| Dan Schaaf | UWA Controller's Office |
| Dave Beaulieu | UWA Controller's Office |
| Hanh-Trinh Nguyen | UWM Controller's Office |
| Julie Lapp | UWM Controller's Office |
| Jeff Potter | UWB Planning and Administration |
| Leslie Woodworth | UW Accounting Services |
| Lisa Pascuzzi | UWM Controller's Office |
| Mike Russell | UW Accounting and Budget |
| Stephen Brady | UWA Controller's Office |
| Nancy McDonald | UWA School of Medicine |

DRAFT – FOR DISCUSSION PURPOSES ONLY

Key

New Process Shared at this Level

# LEVEL OF SHARED BY PROCESS – RECORD TO REPORT

| Levels of Shared | Record to Report |
|---|---|
| **Enterprise Wide** | **Core Configuration & Governance**<br>• Establish/Maintain Financial Accounting Policies<br>• Establish/Maintain Foundation Data Model<br>• Establish/Maintain Financial Accounting Structure<br>• Establish/Maintain Financial Controls<br>**Month/Year-End Close**<br>**Consolidate**<br>**Manage Reporting and Compliance**<br>**Perform General Accounting**<br>• Process Journals<br>• Allocate Costs & Revenue |
| **UWA Org-Wide**<br>**UWM Org-Wide** | **Month/ Year End Close (month-end close new activity for Academy)**<br>**Consolidate**<br>**Perform General Accounting**<br>• Process Journals<br>• Allocate Costs & Revenue |
| UWA SE 1<br>UWA SE 2<br>UWA SE 3<br>UWA SE 4<br>UWA SE …. | **Perform General Accounting**<br>• Process Journals<br>• Allocate Costs & Revenue – *raise request for new allocation*<br>**Month/Year-End Close** |
| **Sample**<br>**Unit/Entity Activity (Local)** | **Perform General Accounting**<br>• Process Journals - *identify need for Journal Entry*<br>• Allocate Costs & Revenue – *raise request for new allocation* |

# GENERAL ACCOUNTING SHARED ENVIRONMENT CURRENT STATE vs. FUTURE PROCESS

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# JOURNAL ENTRIES – CURRENT VS. FUTURE STATE PROCESS FLOW

**Enterprise-wide**

**Org-wide**

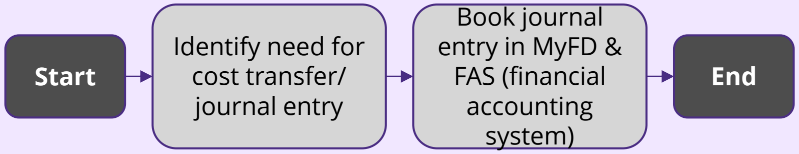
**Shared Environment**

**Unit/Entity-Specific**

**Compliance** ☐ **Standardization** ☐ **Efficiency** ☑

## Current State Journal Entry Process

- 1,300+ users book journal entries in MyFinancial Desktop (MyFD) and multiple departments/users in every unit make entries
- Limited clarity or consistency in approval process
- Current teams operate cash-basis accounting, limited experience with accrual accounting
- Moving from current structure to foundation data model (FDM) will drive complexity as we shift to Workday enabled future

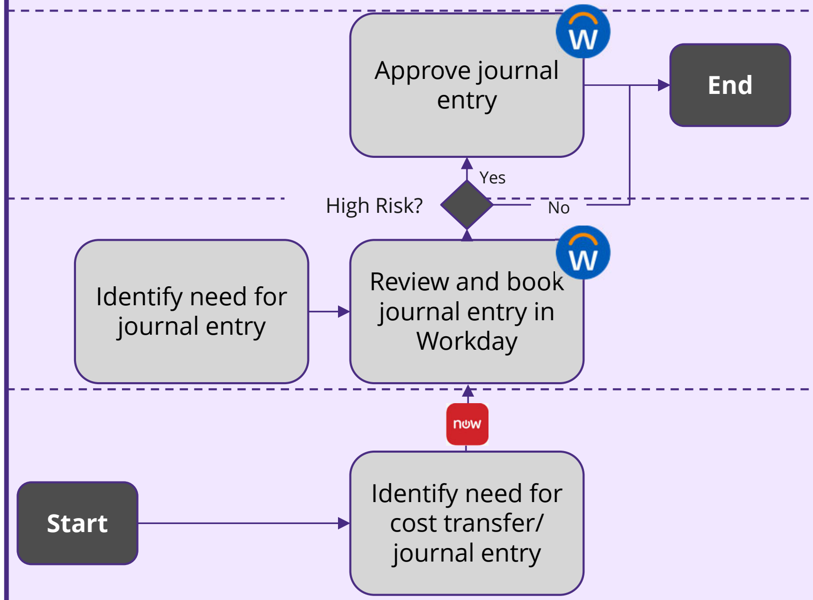


Start → Identify need for cost transfer/ journal entry → Book journal entry in MyFD & FAS (financial accounting system) → End

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☐

## Future State Journal Entry Process

- Fewer experts with deeper knowledge to process entries
- Threshold to review high risk/high amount entries
- Administrators trained in University and external requirements



Start → Identify need for cost transfer/ journal entry → Identify need for journal entry → Review and book journal entry in Workday → High Risk? Yes → Approve journal entry → End; No → End

# GENERAL ACCOUNTING CUSTOMER INTERACTION MODELS

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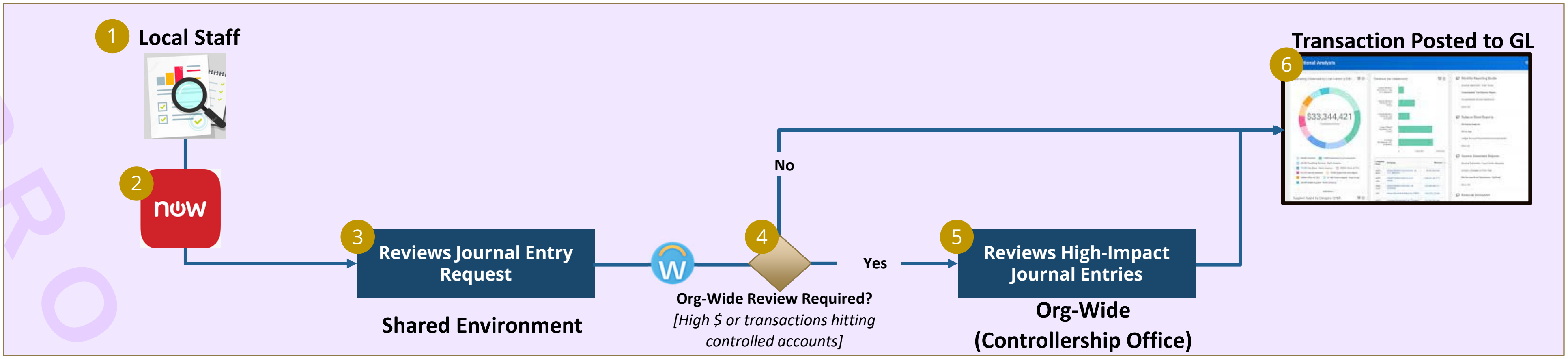
# CUSTOMER INTERACTION MODEL– JOURNAL ENTRIES

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



① **Local Staff**

②

③ **Reviews Journal Entry Request**

**Shared Environment**

④ **Org-Wide Review Required?**
*[High $ or transactions hitting controlled accounts]*

**No**

**Yes**

⑤ **Reviews High-Impact Journal Entries**

**Org-Wide (Controllership Office)**

⑥ **Transaction Posted to GL**

## Journal Entries – DRAFT Use Case Steps

① Local staff member identifies a potential need for a journal entry (JE), such as worktag change or manual JE for exception/correction

② Local staff (after obtaining necessary approvals) routes ServiceNow ticket to the Shared Environment (SE) for review

③ Shared Environment staff reviews journal entry request and determines appropriate accounting/Workday action (e.g., fix operational journal or create manual journal). Shared Environment staff enters transaction or makes update in Workday

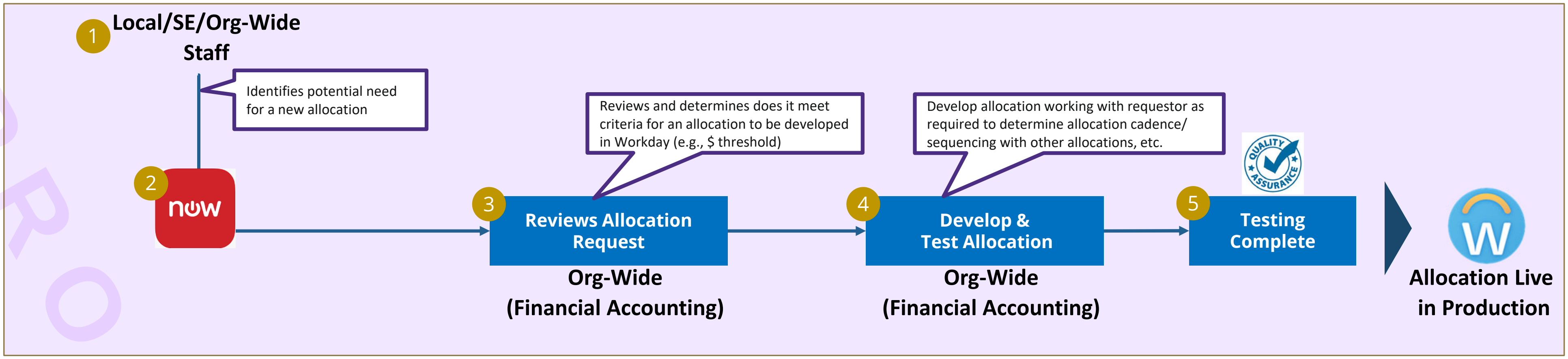
④ For high-impact transactions (i.e., high $ or transactions hitting controlled accounts), the JE will route to org-wide controllership office for additional validation

⑤ Org-wide controllership office reviews high-impact entries and performs a further review to ensure they are in-line with the UW's policies and procedures

⑥ Journal entry is posted to the general ledger (GL)

# CUSTOMER INTERACTION MODEL – CREATE NEW ALLOCATION (FINANCIAL)

**Compliance** ☑ **Standardization** ☑ **Efficiency** ☑



## Create New Allocation (Financial) – DRAFT Use Case Steps

① Local/SE/org-wide staff identifies the potential need for a new allocation (financial)

② Staff member raises a request in ServiceNow, which is routed for the appropriate approvals before flowing to the applicable org-wide team

③ The org-wide team reviews the allocation and determines if it meets criteria for an allocation to be developed in Workday (e.g., $ threshold)

④ The allocation is developed, working with requestor as required to gather additional requirements (e.g., allocation cadence/sequencing with other allocations)

⑤ Allocation testing is complete and signed-off, allocation is live in the system, runs at the desired cadence and ServiceNow request is closed

# GENERAL ACCOUNTING SHARED ENVIRONMENT COMPETENCY INFORMATION

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# FUTURE STATE IMPACT ON KEY SHARED ENVIRONMENT PROCESSES

| Key Shared Environment Processes | | | | |
|---|---|---|---|---|
| **End-to-End** | **Current State Transaction** | **What is done in the Current State?** | **What will this look like in Workday?** | **What skills are needed?** |
| **Record to Report** | **Process Journals –** Journal Voucher/ Cost Transfer | **Description:** Entries cross budgets (revenue and expense) & general ledger (GL) balance sheet.<br>**Tools:** MyFD or by reaching out to jvreq@uw.edu | **Shared Environment Role:** The Shared Environment staff will receive requests from local users and will take the best accounting (i.e., debit and credit the correct accounts, generate accruals as needed) and Workday actions. In conjunction with this, they will also be proactively monitoring financial statements and making updates as needed.<br>**Future State Process Description:** Journals will be handled in the following key ways in a Workday-enabled environment:<br>▪ **Accounting Adjustment**: Entry created when the accounting is adjusted on an operational journal (worktags update). For example, changing the worktags on a supplier invoice line to have an expense hit a different account.<br>▪ **Manual Journal Entry:** If an accounting adjustment cannot be used to correct the operational transaction at source, then a manual journal entry may be required to reclassify an item from one set of worktags to another. For example, revenue that was booked incorrectly from an external revenue system requires a correcting entry to adjust.<br>▪ **Operational Journals:** System-generated journals that use posting rules to automatically produce journals. For example, supplier invoices, supplier payments, customer invoices and customer payments. | ✓ Familiarity with GAAP and GASB* accounting standards to ensure that journal entries are booked in-line with the standards mandated (i.e., correct accounts debited and credited for transactions)<br>✓ Knowledgeable on the detail required (e.g., appropriate debits and credits and auditable tracking requirements) for appropriate and complete Workday entry of both manual journals and accounting adjustments<br>✓ Knowledgeable on accrual-based accounting to ensure the correct amount associated with each transaction is recorded in each period (as some transactions will need to be accrued for in Workday)<br>✓ Familiarity with financial statements and strong problem-solving/root cause analysis skills (as often transactions will need to be updated at source)<br>✓ Strong working knowledge of the foundation data model (FDM) and familiarity with various worktags, icons and applications |
| | **Process Journals –** Cost Transfer Invoices (CTI) | **Description:** The cost transfer invoices (CTI) should be used exclusively for transferring the costs of services or supplies between budget entities at the University of Washington.<br>**Tools:** MyFD or reaching out to jvreq@uw.edu | | |

*GAAP = Generally Accepted Accounting Principles
GASB = Governmental Accounting Standards Board

# FUTURE STATE IMPACT ON KEY SHARED ENVIRONMENT PROCESSES

## Key Shared Environment Processes

| End-to-End | Current State Transaction | What is done in the Current State? | What will this look like in Workday? | What skills are needed? |
|---|---|---|---|---|
| **Record to Report** | **Core Configuration & Governance –** Request New Reporting Dimension (PCA Codes) | **Description:** Currently units can self-serve and create their own Project Cost Accounting (PCA) codes for the purposes of reporting and tracking. | **Shared Environment Role**: As we move to a Workday-enabled future state and a standard FDM across both UW Academy (UWA) and Medicine, there will be an increased need to ensure that FDM dimensions are used in a uniform way across the entire University.<br>**Future-State Process Description:** When a new FDM dimension is requested, the Shared Environment staff does an initial review of the request to check if this need can be satisfied by existing dimension/alternative means. If this FDM request passes this review, then it is routed to the enterprise-wide governance group for additional review and update to the FDM. | ✓ Strong working knowledge of the FDM and familiarity with various worktags, icons and applications<br>✓ Moderate Workday skillset |
| | **Process Journals –** Budget/Fund Transfers (BGT) | **Description:** Movement of revenue between budgets, e.g., state budget allocations.<br>**Tools:** For example, BGT | **Future-State Process Description:** A Workday custom role can be developed or ServiceNow can be used to initiate requests (with level of integration of this user front-end to be explored), which will permit units to initiate only manual journal entries associated with fund transfers (restricted by journal source). It is recommended that these roles be concentrated in the Dean's office in units to avoid proliferation of Workday roles. | ✓ Experience with managing various funding sources in a higher-ed environment<br>✓ Moderate Workday skillset |

# FUTURE STATE IMPACT ON KEY SHARED ENVIRONMENT PROCESSES

| Key Shared Environment Processes | | | | |
|---|---|---|---|---|
| **End-to-End** | **Current State Transaction** | **What is done in the Current State?** | **What will this look like in Workday?** | **What skills are needed?** |
| **Record to Report** | **Month-End / Year-End Close** | **Description:** UWA currently closes the books on an annual basis, with this process predominantly driven by the controllership office. | **Shared Environment Role:** The Shared Environment (SE) staff will liaise closely with the org-wide controllership team to ensure the timely execution of the close process on a monthly basis.<br>**Future State Process Description:** Some of the key responsibilities of the Shared Environment staff as part of the month-end close process includes (but is not limited to):<br>• **Review pending operating transactions to drive necessary approvals:** Unit SE runs the *Period Journal Statuses Report* to identify the transactions that will require update to close the period and takes action to fix these transactions (or coordinates with key parties).<br>• **Generate recurring journals:** Check that the recurring journal templates that have been created are posting the expected journal entry for the period.<br>• **Process accrual journals:** Review reports and identify need for accrual or reclass entries required for period. In addition, review and approve requests for entries coming from the unit.<br>• **Reconcile balance sheet accounts:** SE to play a role as appropriate in the account certification process (for balance sheet accounts that roll-up to SE). | ✓ Familiarity with GAAP and GASB accounting standards to ensure that journal entries are booked in-line with the standards mandated (i.e., correct accounts debited and credited for transactions)<br>✓ Knowledgeable about the detail required (e.g., appropriate debits and credits and auditable tracking requirements) for appropriate and complete Workday entry of both manual journals and accounting adjustments<br>✓ Knowledgeable about accrual-based accounting to ensure the correct amount associated with each transaction is recorded in each period (as some transactions will need to be accrued in Workday)<br>✓ Familiarity with financial statements and strong problem-solving/root cause analysis skills |

# GENERAL ACCOUNTING EPIC SCENARIOS

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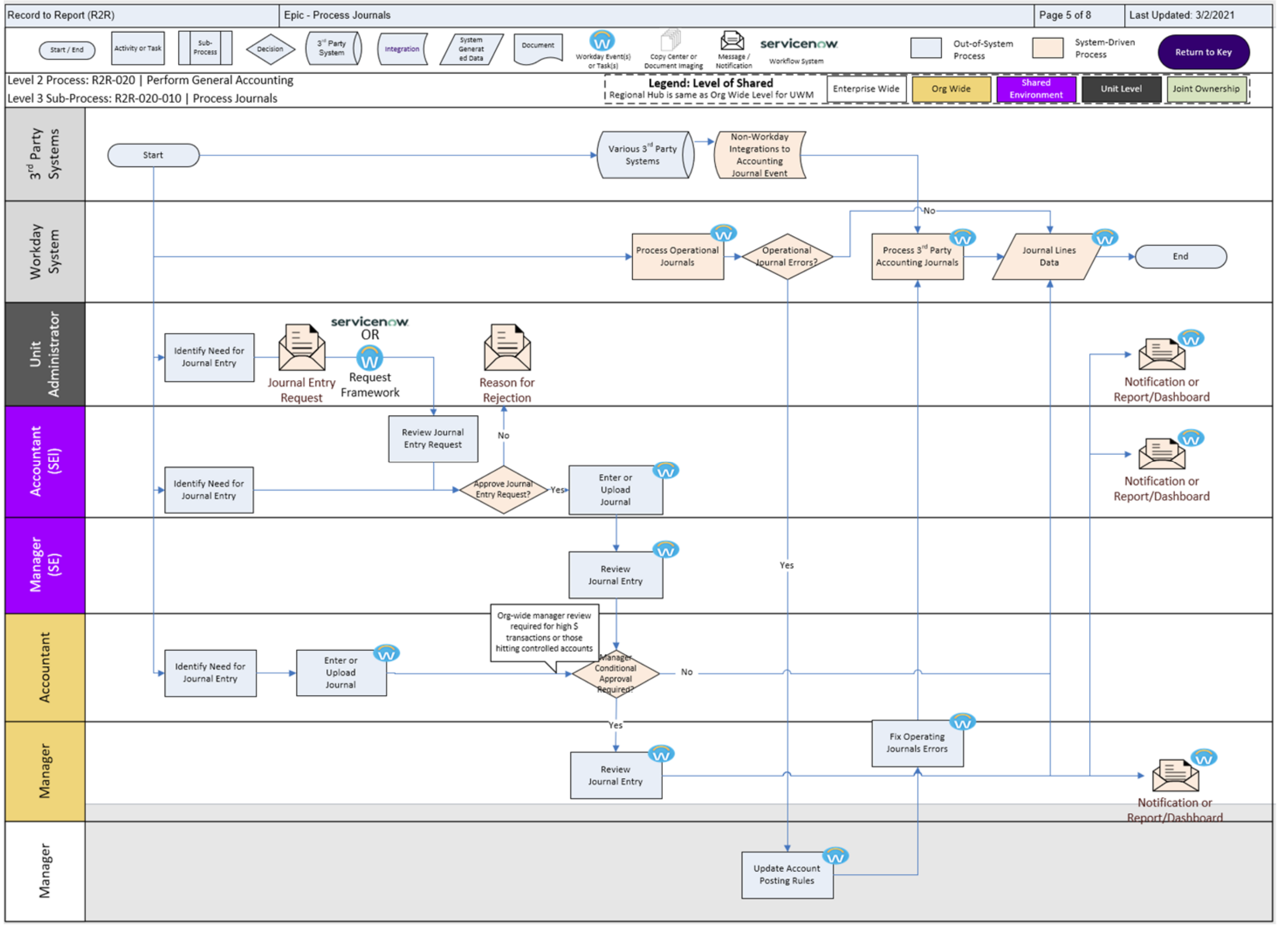
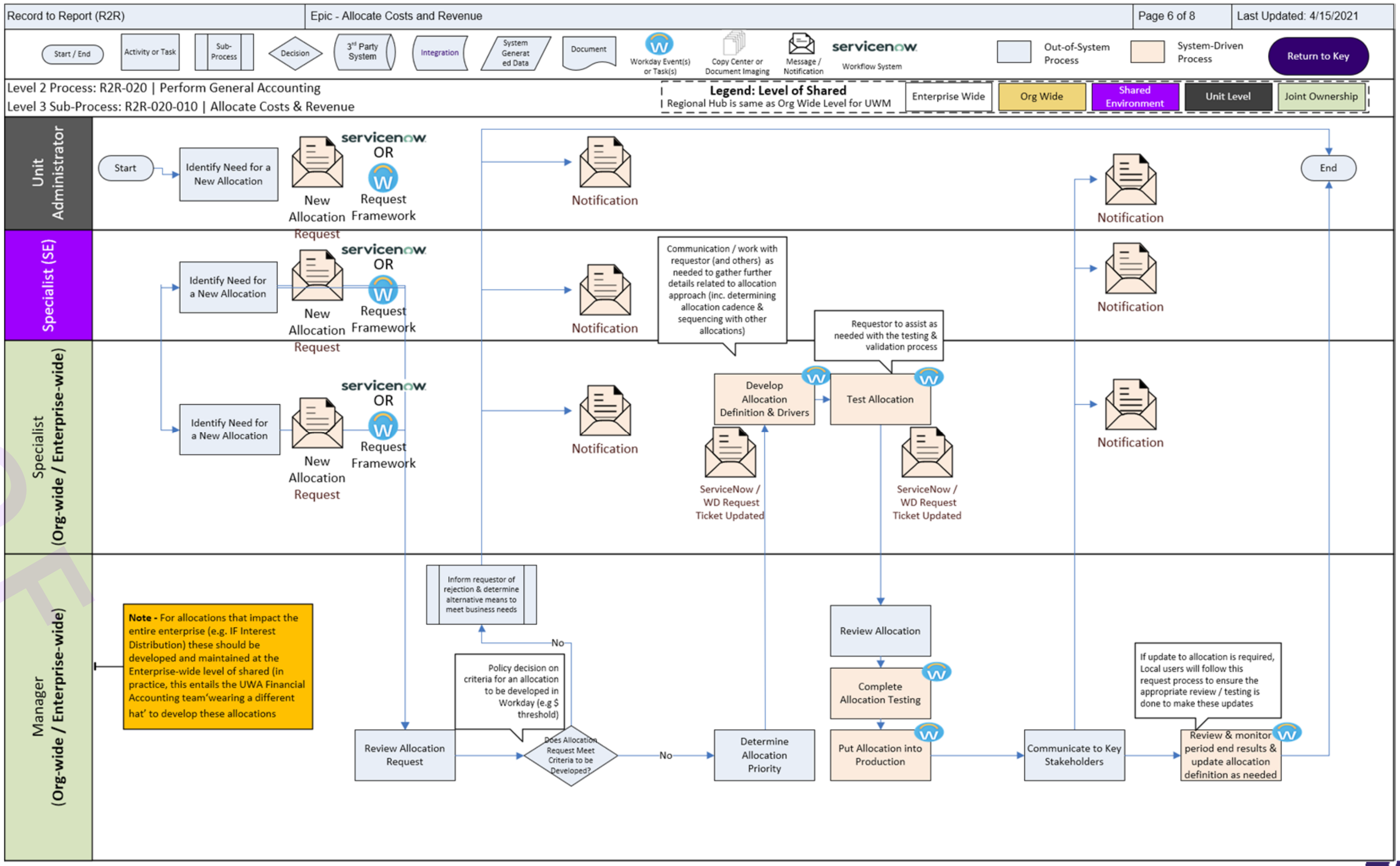
# EPIC SCENARIO – PROCESS JOURNALS



# EPIC SCENARIO – ALLOCATE COSTS AND REVENUE



Record to Report (R2R) | Epic - Allocate Costs and Revenue | Page 6 of 8 | Last Updated: 4/15/2021

Level 2 Process: R2R-020 | Perform General Accounting

Level 3 Sub-Process: R2R-020-010 | Allocate Costs & Revenue

**Legend: Level of Shared**

Regional Hub is same as Org Wide Level for UWM

**Unit Administrator**

Start

Identify Need for a New Allocation

New Allocation Request

servicenow OR Request Framework

Notification

Notification

End

**Specialist (SE)**

Identify Need for a New Allocation

New Allocation Request

servicenow OR Request Framework

Notification

Communication / work with requestor (and others) as needed to gather further details related to allocation approach (inc. determining allocation cadence & sequencing with other allocations)

Requestor to assist as needed with the testing & validation process

Notification

**Specialist (Org-wide / Enterprise-wide)**

Identify Need for a New Allocation

New Allocation Request

servicenow OR Request Framework

Notification

Develop Allocation Definition & Drivers

ServiceNow / WD Request Ticket Updated

Test Allocation

ServiceNow / WD Request Ticket Updated

Notification

**Manager (Org-wide / Enterprise-wide)**

**Note -** For allocations that impact the entire enterprise (e.g. IF Interest Distribution) these should be developed and maintained at the Enterprise-wide level of shared (in practice, this entails the UWA Financial Accounting team'wearing a different hat' to develop these allocations

Inform requestor of rejection & determine alternative means to meet business needs

Policy decision on criteria for an allocation to be developed in Workday (e.g $ threshold)

Review Allocation Request

Does Allocation Request Meet Criteria to be Developed?

No

No

Determine Allocation Priority

Review Allocation

Complete Allocation Testing

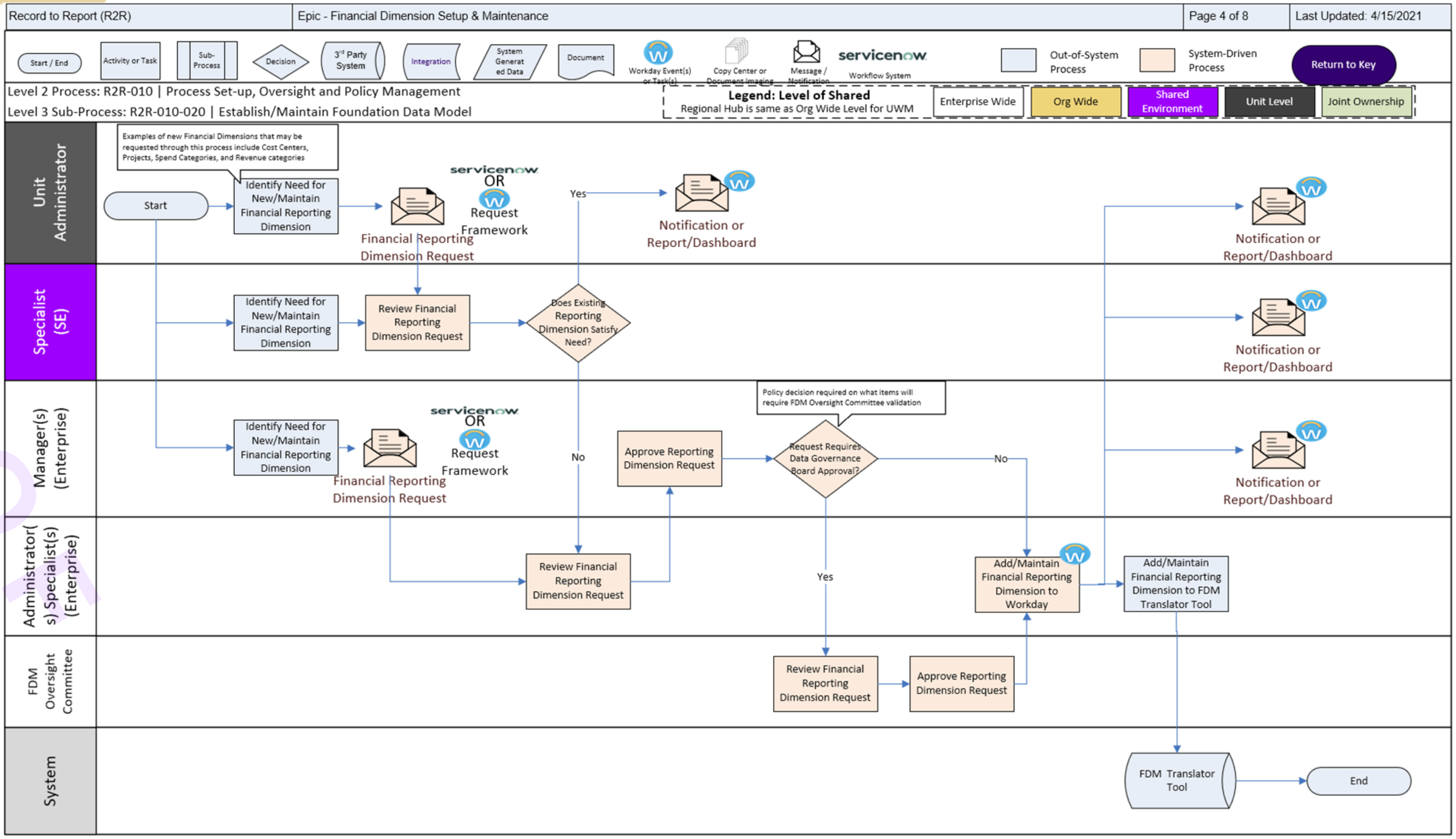
Put Allocation into Production

Communicate to Key Stakeholders

If update to allocation is required, Local users will follow this request process to ensure the appropriate review / testing is done to make these updates

Review & monitor period end results & update allocation definition as needed

# EPIC SCENARIO – FINANCIAL DIMENSION SETUP & MAINTENANCE



***Note** – the approval of the above flow is predicated on the following **1)** UW Medicine (UWM) must agree to subprocess details **2)** A UWM specialist must be involved in the process **3)** Clear rules concerning what is approved and by whom, defined in the subprocess, e.g., Enterprise does not sign-off on everything and service level agreements to ensure teams are not waiting days for a low-impact update (must be sensitive to month-end close timelines)

# GENERAL ACCOUNTING (RTR) Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject "SE Admin Guide" to ensure proper routing.

###

# CENTRAL SHARED ENVIRONMENT

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# CENTRAL FINANCE SHARED ENVIRONMENT INTRODUCTION

The Central Finance Shared Environment (CFSE) will be a single shared service center offering Workday transactional expertise to units with comparatively low transactional volume and limited finance staff. By pooling finance and supply chain work from a number of units, Workday specialists will perform transactions such as requisition processing, travel and expense entry and invoice generation. For post-award grant management, Workday specialists will perform analysis and reporting.

The benefits of the CFSE are enhanced efficiency and compliance, while freeing up unit staff from performing transactions that are *not core* to their job function. Other CFSE considerations such as costs, funding, customer support and governance are still being determined and will be updated in this *Guide* as more information is identified.

# CENTRAL FINANCE SHARED ENVIRONMENT Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject "SE Admin Guide" to ensure proper routing.

###

**Q: Can UWFT connect us with other colleges/universities who have already configured their units to be served by a Central Finance Shared Environment (CFSE)?**
A: UWFT has talked with many universities with varied approaches to their shared services and we can share that information with you via our case study documentation.

**Q: What do we anticipate the turnaround time to be for requests sent to the CFSE?**
A: Specific turnaround times have yet to be determined for the CFSE, but we hope to be able to measure that in hours, rather than in days, and will likely vary based on the request type.

# UNIT SHARED ENVIRONMENT

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# UNIT SHARED ENVIRONMENT INTRODUCTION

Units preferring to consolidate work in their Dean's Office, or VP-level equivalent, may elect to form a Unit Shared Environment (SE), a single shared service center offering Workday transactional expertise across the unit. By pooling finance and supply chain work from within the unit, Workday specialists will perform transactions such as requisition processing, travel and expense entry and invoice generation. For post-award grant management, Workday specialists will perform analysis and reporting.

The benefits of a Unit SE are enhanced efficiency and compliance which can free up other unit staff from performing transactions that are *not core* to their job function. Other Unit SE considerations such as costs, funding, customer support and governance are still being determined and will be updated in this *Guide* as more information is identified.

# UNIT SHARED ENVIRONMENT Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject "SE Admin Guide" to ensure proper routing.

###

**Q: How should individual SEs be structured?**
A: One of the criteria for a unit to be their own SE to is house the SE resources together in the Dean's office. From there, depending on size and unit composition, how the SE is structured may vary. The UWFT Op Model team will be doing SE modeling sessions with units who would like to do a walk-through and have a discussion about this.

**Q: How are SEs set up in the foundation data model?**
A: To enable security and workflow around the SE, there are a few options (Balancing Units, Cost Center Hierarchy, etc.) for which a decision has yet to be made.  However, the most likely solution is via Cost Center Hierarchy.

# COST & FUNDING INFORMATION

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# COST AND FUNDING INTRODUCTION

This section of the Administrators Guide will house information about the cost and funding approach for the Finance Shared Environments. We are working diligently with the Executive Office to determine what this should look like so that we have a solution that is less expensive than the current unit costs today. As we know more, we will add all the information that we have. Until that time, we very much appreciate your patience.

# COST AND FUNDING INFORMATION Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject "SE Admin Guide" to ensure proper routing.

###

**Q: Will UWFT charge departments differently based on usage of Central Finance Shared Environment (CFSE)?**
A: TBD

**Q: Who's going to pay for the CFSE that only supports a few units? Where will those costs be absorbed? Will some costs at the Org and enterprise level be pushed down because they "serve" us?**
A: TBD

**Q: Will units who establish their own SE have any costs imposed by central that are not known at this time?**
A: TBD

**Q: Has the final funding model been defined/ decided and how is it accounting for the complexities of colors of money?**
A: TBD

**Q: How will the Unit SE/CFSE be funded?**
A: TBD

**Q: Are units expected to fund the enterprise SE through a "recharge" or "pay-by-use" model?**
A: TBD

**Q: Will units be expected to shift funds to central?**
A: TBD

**Q: Would this scenario result in a reduction of budget authority for the units?**
A: TBD

**Q: How will you ensure that units initially participating in the CFSE are not overburdened with start-up costs and/or costs to maintain, especially if you give enough exceptions to other units not to participate centrally?**
A: TBD

**Q: How will you realize cost efficiencies that would likely occur through economies of scale if there isn't a high participation rate UW-wide?**
A: TBD

**Q: Do you have a target participation rate to ensure that costs are kept down?**
A: TBD

**Q: How are you going to ensure that participation in the CFSE is not cost-prohibitive since we are already facing a huge UWFT cost as laid out in the 2019 estimation of our costs that was provided in connection with the annual budget package exercise?**
A: TBD

**Q: Since we are a very large and diversified organization, billing needs to be done on a 10-digit org code or cost center hierarchy basis (NOT on a 3-digit org code) because our individual units are responsible for their own costs (and have a wide variety of situations – large, self-sustaining with significant revenue vs. small, state-funded with just a few financial types of transactions, etc.)…so, the CFSE must be able to sort their cost data via 10-digit org code or cost center hierarchy and apply it accordingly. We can't get one big data dump/single bill for all of our 3-digit org code. What IT systems will you have in place so that billing for the CFSE goes to the relevant unit/department/cost center that utilizes the services?**
A: TBD

**Q: When will the program establish job descriptions and pay scales? When will this info be available and effective (as specific units, such as Housing & Food Services needs to know by Nov/Dec at latest for the upcoming fiscal year?)**
A: TBD

**Q: What is the allocation model and how frequently will this be calculated?**
A: TBD

**Q: Will the funding model accommodate for sponsored projects (i.e., contracts and grants)?**
A: TBD

**Q: What funding will units receive if they are establishing their own SE?**
A: TBD

# SHARED ENVIRONMENT ROLES & SECURITY

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# SHARED ENVIRONMENT ROLES AND SECURITY INTRODUCTION

The following section outlines initial role profiles associated with Shared Environment responsibilities across four end-to-end process areas. These include both administrator and supervisor role profiles for all process areas. Role profiles represent the essential functions, responsibilities and skills associated with a given piece of work. Role profiles differ from job descriptions in that they are not the final list of tasks and duties for a given employee. In smaller Shared Environments, certain role profiles listed in this document may be combined into one individual role.

# SECURITY ROLE Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject “SE Admin Guide” to ensure proper routing.

###

**Q: How will security roles be assigned and managed? Are there limits imposed by UWFT?**
**A:** TBD

**Q: When will security roles and role profiles be available?**
**A:** TBD

**Q: Will user stories be mapped to security roles?**
**A:** TBD

**Q: Will we have the security roles we need in the Shared Environment (SE)?**
**A:** TBD

**Q: What is a security role?**
**A:** TBD

**Q: Does the highest-level security role supersede when a user has multiple roles assigned?**
**A:** TBD

**Q: How many roles are allowed per Unit SE and who is deciding?**
**A**: TBD

**Q: What are the titles for security roles?**
**A**: TBD

**Q: How should Unit SEs structure their teams?**
**A:** TBD

**Q: How will existing security roles change? Is there overlap between existing security roles and roles associated with UWFT?**
**A:** TBD

**Q: What training will be needed for certain security roles?**
**A:** TBD

**Q: Which security roles will be aligned with what tasks?**

**A:** TBD

**Q: When will additional information about security roles be available?**
**A:** TBD

**Q: How do security roles function with vacant roles? Are they inherited by your manager or delegated?**
**A:** TBD

**Q: How will security roles or role changes be requested? What is the timeline for changes to be executed?**
**A:** TBD

**Q: Is there a view-only role? What is the criteria for delegating these roles?**
**A:** TBD

**Q: What entity is responsible for auditing security role assignments for compliance with separation of duties?**
**A:** TBD

**Q: How do security roles impact separation of duties?**
**A:** TBD

**Q: How do security roles change as a person changes positions within the organization?**
**A:** TBD

# CUSTOMER SUPPORT & HELP

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# CUSTOMER SUPPORT AND HELP SECTION INTRODUCTION

Customer Support refers to the infrastructure and tools to support Workday Finance end users. We're working with Finance leadership to determine how to design the best support model for this. We are addressing questions like: Do we need a tier 1 routing team? Can the Shared Environments play this "first line of defense" role for questions? Which requests/questions will be supported by Central Finance teams? How should we align with current Workday support? We are in the midst of documenting the current state of support to determine implications for the future state.

We're also looking at what tools will need to be in place to support the new Workday Finance workflows and requests for support. Specifically, UW Connect has been selected as the common tool for submitting requests online and we are building the forms to align with the new end-to-end workflows. We're also exploring options for providing self-help online tools to reduce complexity for end users and support ongoing learning that's easy to navigate.

In the coming months, we will have more information and more decisions to help design the framework and approach for the Customer Support "eco-system". We will continue to gather input from end-users and groups who currently provide support.

# CUSTOMER SUPPORT AND APPROACH

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# Workday Finance Customer Support Model Vision

**THE GOAL: Make Finance, Procurement and Grants customers as successful as possible at using Workday Finance, workflows and tools.**

1. Support Learning – minimize disruption at go-live and accelerate the level of comfort
2. Expedite Competency – accelerate time to competency
3. Grow Mastery – provide meaningful self-help and educational materials to support expertise
4. Enable Transformation – transparency and routine reporting to measure and continuously improve

*“A satisfied customer is the best business strategy of all.”*

*(M. LeBoeuf)*

Who needs help?

What do they need help with?

Where do they go for help?

How do they get there?

What tools do they use?

# CUSTOMER SUPPORT AND HELP Q&A

In February 2021, senior Administrators were solicited for specific questions related to the Shared Environments. Those questions form the basis for the Q&A sections in this guide. Answers have been included if they are known at this time. As more questions are received (and answers identified), the Q&As will be updated.

If you have any questions specific to this topic area, please email UWFTAsk@uw.edu with the subject "SE Admin Guide" to ensure proper routing.

###

**Q: Who develops user guides, where will they live and who updates them? Will they be cross-referenced with policy websites?**
A: TBD

**Q: Who is doing what in relation to unit vs. central customer support with requests such as security roles, adding worktags, etc.?**
A: TBD

**Q: Who is responsible for training and onboarding new faculty, staff and students?**
A: TBD

**Q: Who will be on the customer support team?**
A: TBD

**Q: Will these individuals have knowledge regarding the intricacies of different processes and policies (i.e., procurement policies vs. travel policies)?**
A: TBD

**Q: What is the expected timeframe for questions to be answered?**
A: TBD

# REFERENCE MATERIAL

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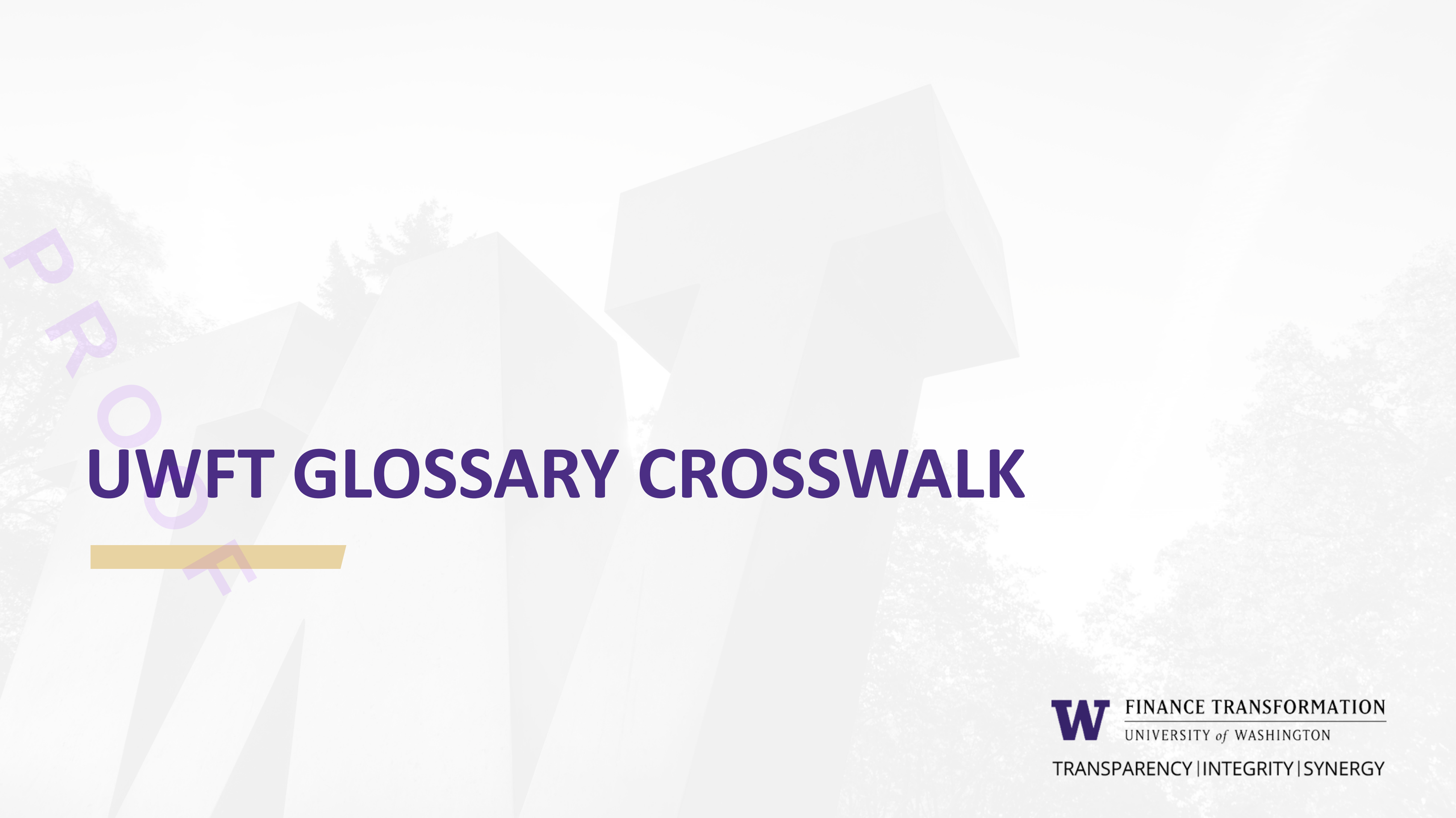

# UWFT GLOSSARY CROSSWALK

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# UWFT GLOSSARY CROSSWALK

The glossary crosswalk, also found on the Change Network, is a living document iterated on by UWFT's Technical and Design teams as new terms are introduced to assist understanding of current to future state language.

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**UW to Workday – Glossary Crosswalk (Version 2.04)**

4/7/2021

## Glossary Crosswalk

Note:

1. This crosswalk does not imply replacement of terms. For example – the Primate Center will still be a Recharge Center, it will be setup in Workday as an Internal Service Provider.
2. The content below is work in progress and reflects where we are at the time of the document date.

| Term Today | Workday Term | Last Updated | Status |
|---|---|---|---|
| ACH | ACH | 9/28/2020 | Proposed |
| Ad Hoc Bank Transaction | Ad Hoc Bank Transaction | 2/10/2021 | Draft |
| Administrative Fees | Administrative Fee Rate | 10/18/2019 | Proposed |
| Allocation | Gift | 3/30/2020 | Proposed |
| Approval flow | Workflow | 9/28/2020 | Proposed |
| Blanket Purchase Order (BPO) | Blanket Purchase Order (BPO) | 9/28/2020 | Proposed |
| Budget Name | Grant Name | 4/20/2020 | Proposed |
| Budget Number | Grant ID | 4/20/2020 | Proposed |
| Budget Number | Gift | 3/30/2020 | Proposed |
|  | Grant | 3/30/2020 | Proposed |
|  | Program | 11/14/2019 | Proposed |
|  | Project | 3/30/2020 | Proposed |
| Budget Status | Award Line Lifecyle Status | 4/20/2020 | Proposed |
| Catalog | Catalog | 9/28/2020 | Proposed |
| CEF Distributions to Unit Holders | Investment Pool Payout Distribution | 10/18/2019 | Proposed |
| CEF Total Market Value | Investment Pool Valuation | 10/18/2019 | Proposed |
| Commitment encumbrance | Commitment encumbrance | 9/28/2020 | Proposed |
| Commodity | Commodity | 9/28/2020 | Proposed |
| Consolidated Endowment Fund (CEF) | Investment Pool | 10/18/2019 | Proposed |
| Contract | Contract | 9/28/2020 | Proposed |
| Cost-Share Flag | Cost Share Required by Sponsor | 4/20/2020 | Proposed |
| Cost-Share Pledged | Cost Share Amount | 4/20/2020 | Proposed |
| Cost Transfer Invoice (CTI) | Internal Service Delivery | 12/21/2020 | Draft |
| Current-Use Gift | Spendable Gift | 10/18/2019 | Proposed |
| Department | Cost Center | 4/20/2020 | Proposed |

| | | | |
|---|---|---|---|
| Department Number | Gift | 5/22/2020 | Proposed |
| | Grant | 5/22/2020 | Proposed |
| | Program | 5/22/2020 | Proposed |
| | Project | 5/22/2020 | Proposed |
| Discount | Discount | 9/28/2020 | Proposed |
| Discounts | Discounts | 9/28/2020 | Proposed |
| Distributions to Programs | Investment Pool Payout Distribution | 10/18/2019 | Proposed |
| Donor | Donor | 10/18/2019 | Proposed |
| EDI | EDI | 9/28/2020 | Proposed |
| EDI Transaction Types | EDI Transaction Types | 9/28/2020 | Proposed |
| Emergency purchase | Emergency purchase | 9/28/2020 | Proposed |
| Encumbrance | Obligation | 9/28/2020 | Proposed |
| Endowed Gift | Pooled Gift | 12/7/2020 | Proposed |
| Endowment | Pooled Gift | 12/7/2020 | Proposed |
| Endowment Distributions | Investment Pool Payout Distribution | 10/18/2019 | Proposed |
| Form of Pay | Line Type | 4/20/2020 | Proposed |
| Fund | Gift | 3/30/2020 | Proposed |
| Fund Name | Gift | 3/30/2020 | Proposed |
| Gift | Donor Contribution | 10/18/2019 | Proposed |
| Grant Number | Sponsor Award Reference Number | 4/20/2020 | Proposed |
| Honorarium | Honorarium | 9/28/2020 | Proposed |
| Internal Fees | Administrative Fee Rate | 10/18/2019 | Proposed |
| Internal Sales Document (ISD) | Internal Service Delivery | 12/21/2020 | Draft |
| Invoice Discrepancy | Invoice Discrepancy | 9/28/2020 | Proposed |
| Item Master Catalogue | Purchase Items | 9/28/2020 | Proposed |
| Journal Voucher | Accounting Journal | 12/15/2020 | Proposed |
| Manufacturer | Manufacturer | 9/28/2020 | Proposed |
| Non Catalog | Non Catalog | 9/28/2020 | Proposed |
| Non-PO invoice | Non-PO invoice | 9/28/2020 | Proposed |
| Interest Accrued | Special Condition | 4/20/2020 | Proposed |
| Object Code | Spend Category | 3/30/2020 | Proposed |
| | Ledger Account | 11/18/2019 | Proposed |

| | | | |
|---|---|---|---|
| Organization | Cost Center | 3/30/2020 | Proposed |
| OSET | Payroll Accounting Adjustments (PAA) | 9/28/2020 | Draft |
| Parent Budget Number | Award ID | 4/20/2020 | Proposed |
| Per Diem | Per Diem | 9/28/2020 | Proposed |
| Per Diem advance | Per Diem advance | 9/28/2020 | Proposed |
| PI Name | Principal Investigator | 4/20/2020 | Proposed |
| Quote | Quotation | 9/28/2020 | Proposed |
| Recharge Center | Internal Service Provider | 12/21/2020 | Draft |
| Recurring Invoice | Recurring Invoice | 9/28/2020 | Proposed |
| Reinvestment | Reinvestment | 10/18/2019 | Proposed |
| Revenue Code | Revenue Category | 11/14/2019 | Proposed |
| | Ledger Account | 3/25/2020 | Proposed |
| RFQ | RFQ | 9/28/2020 | Proposed |
| RFQQ | RFQ | 9/28/2020 | Proposed |
| RFX | RFX | 9/28/2020 | Proposed |
| Routed for approval | Workflow | 9/28/2020 | Proposed |
| Rush/Stat | Emergency purchase | 9/28/2020 | Proposed |
| Salary Transfers | Payroll Accounting Adjustments (PAA) | 9/28/2020 | Draft |
| Service Center | Internal Service Provider | 12/21/2020 | Draft |
| Shipping terms | Delivery terms | 9/28/2020 | Proposed |
| Solicitation | RFX | 9/28/2020 | Proposed |
| Sponsor | Sponsor | 4/20/2020 | Proposed |
| Stale date | Stale date | 9/28/2020 | Proposed |
| Standing Purchase Order | Standing Purchase Order | 9/28/2020 | Proposed |
| Supplier | Supplier | 9/28/2020 | Proposed |
| Total CEF Distributions | Investment Pool Payout Distribution | 12/7/2020 | Draft |
| Vendor | Supplier | 9/28/2020 | Proposed |

## Change History

| When | Version | Who | What |
|---|---|---|---|
| 9/16/2019 | | TRR | Relationship between 'Organization - Cost Center' based on conversations with Jack & FDM 1.0 |
| 9/17/2019 | | TRR | Add definition of Organization from Knowledge Navigator for Relationship between 'Organization - Cost Center' |
| 10/7/2019 | | TRR | Add relationships between Budget Number - Grant; Budget Number - Gift |
| 10/18/2019 | | TRR | Based on conversation with Erick - update presentation between Budget Number - Grant; Budget Number – Gift.<br>Add the following entries based on input from Aurora [Administrative Fees - Administrative Fee Rate, Allocation - Gift, Budget Number - Gift, CEF Distributions to Unit Holders - Investment Pool Payout Distribution, CEF Total Market Value - Investment Pool Valuation, Consolidated Endowment Fund, CEF - Investment Pool, Current-Use Gift - Spendable Gift, Distributions to Programs - Investment Pool Payout Distribution, Donor - Donor, Endowed Gift - Pooled, Endowment - Pooled, Endowment Distributions - Investment Pool Payout Distribution, Fund - Gift, Fund Name - Gift, Gift - Donor Contribution, Internal Fees - Administrative Fee Rate, Reinvestment - Reinvestment] |
| 11/14/2019 | | TRR | Update related to FDM 2.0 |
| 11/18/2019 | | TRR | Based on conversation with Erick – add relationship between Object Code – Ledger Account |
| 3/25/2020 | | TRR | Add relationship between Revenue Code – Ledger Account |
| 3/30/2020 | | TRR | Update definition of Cost Center, Gift, Grant, Project, Spend Category based on input from Paula Gottlab & Erick |
| 4/17/2020 | 1.0 | TRR | Remove columns Definition of Term Today at UW, Definition of Workday Term |
| 4/20/2020 | 1.01 | TRR | Add relationships based on input from Nicole [ Budget Name - Grant Name, Budget Number - Grant ID, Budget Status - Award Line Lifecyle Status, Cost-Share Flag - Cost Share Required by Sponsor, Cost-Share Pledged - Cost Share Amount, Department - Cost Center, Form of Pay - Line Type, Grant Number - Sponsor Award Reference Number, Interest Accrued - Special Condition, Parent Budget Number - Award ID, PI Name - Principal Investigator, Sponsor – Sponsor ] |
| 5/18/2020 | 1.02 | TRR | Add versioning |
| 5/22/2020 | 1.03 | TRR | Based on conversation with Erick (UWM concept Department Number) – Add relationships between Department Number - Grant; Department Number - Gift; Department Number - Program; Department Number - Project |
| 9/28/2020 | 1.2 | TRR | Based on input from Adriana Rodger – Add relationships between OSET - Payroll Accounting Adjustments (PAA); salary transfers - Payroll Accounting Adjustments (PAA) |
| 9/28/2020 | 1.3 | TRR | Based on input from Miguel Melgarejo - Add relationships between ACH - ACH, Approval flow - Workflow, Blanket Purchase Order (BPO) - Blanket Purchase Order (BPO), Catalog - Catalog, |

| | | | |
|---|---|---|---|
| | | | Commitment encumbrance - Commitment encumbrance, Commodity - Commodity, Contract - Contract, Discount - Discount, Discounts - Discounts, EDI - EDI, EDI Transaction Types - EDI Transaction Types, Emergency purchase - Emergency purchase, Encumbrance - Obligation, Honorarium - Honorarium, Invoice Discrepancy - Invoice Discrepancy, Item Master Catalogue - Purchase Items, Manufacturer - Manufacturer, Non Catalog - Non Catalog, Non-PO invoice - Non-PO invoice, Per Diem - Per Diem, Per Diem advance - Per Diem advance, Quote - Quotation, Recurring Invoice - Recurring Invoice, RFQ - RFQ, RFQQ - RFQ, RFX - RFX, Routed for approval - Workflow, Rush/Stat - Emergency purchase, Shipping terms - Delivery terms, Solicitation - RFX, Stale Date - Stale Date, Standing Purchase Order - Standing Purchase Order, Supplier - Supplier, Vendor – Supplier |
| 12/7/2020 | 2.0 | TRR | Based on input from MCFA-PDW Pre-read<br>Update relationships<br>Endowed Gift - Pooled to Endowed Gift - Pooled Gift<br>Endowment - Pooled to Endowment - Pooled Gift<br>Add relationships<br>Total CEF Distributions - Investment Pool Payout Distribution |
| 12/15/2020 | 2.01 | TRR | Based on input from Erick Winger / Chelsea Deardorff<br>Add relationship Journal Voucher-Accounting Journal |
| 12/21/2020 | 2.02 | TRR | Based on input from Cynthia Gordon / Chelsea Deardorff<br>Add relationships<br>Cost Transfer Invoice (CTI) - Internal Service Delivery<br>Internal Sales Document (ISD) - Internal Service Delivery<br>Service Center - Internal Service Provider<br>Recharge Center - Internal Service Provider |
| 2/10/2021 | 2.03 | TRR | Based on input from Kamesh Naidoo / Chelsea Deardorff<br>Add relationship<br>Ad Hoc Bank Transaction - Ad Hoc Bank Transaction |
| 4/7/2021 | 2.04 | TRR | Update Note based on input from Erick Winger |

## Guidelines

| **Crosswalk Column** | **Guidance** |
|---|---|
| Term Today at UW | |
| Workday Term | |
| Status | Draft \| Proposed \| Approved \| Published |
| | |

# UNIT SHARED ENVIRONMENT CRITERIA MODEL QUESTIONNAIRE

FINANCE TRANSFORMATION
UNIVERSITY *of* WASHINGTON

TRANSPARENCY | INTEGRITY | SYNERGY

FINANCE TRANSFORMATION
UNIVERSITY of WASHINGTON

Transparency | Integrity | Synergy

# UWFT Unit Shared Environment Criteria Assessment

| **Unit Name: <add here>** |
|---|
| Names of people contributing to completing the assessment (please include <u>all</u> names, departments and roles):<br><br>Primary Contact for Assessment: <name>, Dept, Role<br>Contributors:<br>1. <name>, Dept, Role<br>2. <name>, Dept, Role<br>3. <name>, Dept, Role<br>Etc. |

Please check **<u>one</u>** of the options below:

| | |
|---|---|
| ☐ | 1. We want to build our own "shared environment" (SE) |
| ☐ | 2. We would like to join other units to create an SE |
| ☐ | 3. We prefer to be served by an SE outside our unit |
| ☐ | 4. We are not sure at this point and hope to have this self-assessment process bring clarity |
| | If you checked #4, please elaborate on what more you need to make this determination.<br>**Answer**: |

If you checked Option 2 above, please document which units would be the best fit to join you in an SE:

| | |
|---|---|
| 1 | |
| 2 | |
| 3 | |
| 4 | |
| 5 | |
| 6 | |

**Criteria and Questions:** please write your answers in the **answer** box. This box will expand as needed but we encourage you to be as succinct as possible. If your answer to a question varies by process area (e.g., grants, travel, procurement), please indicate that within your response. For example, if you feel your unit has high competency to ensure compliance on grant management but not procurement, so indicate.

| | **Criteria:** | **Question:** |
|---|---|---|
| **Capacity** | a. **Unit shared services team**: Unit consolidates shared activities and FTEs into a unit-level shared environment on a single team where each member has a focus, skillset and related security role to perform a specific transaction type. | Please share your plan for where in your unit this shared environment (SE) would be, to whom it would report and how you'd organize the teams. How will you manage the move and impact on your departments from fragmented work to more centralized work? |
| | **Answer**: | |

| | | |
|---|---|---|
| | b. **Cost-neutral stand-up**: SE created, and responsibilities completed within existing unit resources. | Please comment on how you'd create this SE, covering the transactions identified in the 'regional hub"- level of shared with your current resources. |
| | **Answer**: | |
| | c. **Have redundancy and avoid single points of failure**: Unit has a coverage model that has appropriate redundancy and avoids single points of failure. | With your current staffing, please comment on your unit's capability to ensure the appropriate coverage model within the SE across skills, etc. |
| | **Answer**: | |

| **Competency** | **Criteria:** | **Question:** |
|---|---|---|
| | a. **Functional knowledge**: Unit FTE resources have adequate (or can build) financial and procurement competencies/skills (accrual accounting, operational journal updates, contract management, etc.) to adapt and be successful with this new way of working. | Please comment on whether your unit has staff with the right knowledge and mindset to successfully make this evolution within the way UW works in a relatively short amount of time. |
| | **Answer**: | |
| | b. **Workday expertise**: SE resources have an affinity for technology and learning new things. | Resources in the SE will spend most of their time transacting in Workday and using totally new processes. Please comment on your current staff's skillset, capability and adaptability that leads you to believe an SE environment in your unit can be effective with a modern cloud-based system as compared to the tools we use today. |
| | **Answer**: | |

| **Compliance** | **Criteria:** | **Question:** |
|---|---|---|
| | a. **Policy knowledge**: Understanding and following UW and external policies to ensure Workday finance and procurement transactions are executed in a compliant manner. | Please comment on your current staff's level of knowledge and comfort with current regulatory requirements (local, state, federal) for finance, grants and procurement. |
| | **Answer**: | |
| | b. **Internal controls**: Unit has sufficient resources to ensure internal controls over financial transactions (segregation of duties). | Does your unit have enough volume in transactions to ensure that different people are used for duties that need to be done by separate individuals? |
| | **Answer**: | |

| | **Criteria:** | **Question:** |
|---|---|---|
| **Operational Sustainability** | a. **Standard tools**: Commitment to the use of standard tools and new processes (Workday, ServiceNow/UW Connect) to initiate requests and route finance and procurement transactions for review and processing. | UWFT will be designing and building the UW Connect tool that will be used to initiate requests of all SE, central functions, etc. Please comment on your unit's familiarity with UW Connect and your commitment to using this tool once we go live. |
| | **Answer**: | |
| | b. **Continuous improvement**: Investment and ability to continuously improve activity in a shared environment as processes and the Workday platform change and mature. | Please articulate any ways in which your unit has experience in and has been engaged in continuous improvement efforts. |
| | **Answer**: | |

To date, does your unit have any shared work that resides centrally rather than in each department? If not, has your unit had conversations about doing this? If so, for what processes? What challenges have kept your unit from implementing?

**Answer**:

What do you anticipate would be the **three biggest challenges in launching and sustaining your own shared environment**, and how would you address these?

Challenge 1: <add here>

Strategy to overcome: <add here>

Challenge 2: <add here>

Strategy to overcome: <add here>

Challenge 3: <add here>

Strategy to overcome: <add here>

What outstanding questions do you have for the UWFT Shared Services team at this point?

Question 1: <add here>

Question 2: <add here>

Question 3: <add here>

Question 4: <add here>

# CASE STUDY FOLLOW UP

FINANCE TRANSFORMATION
UNIVERSITY *of* WASHINGTON

TRANSPARENCY | INTEGRITY | SYNERGY

# CASE STUDY FOLLOW-UP APROACH

**Prior case study interviews were conducted with both internal and external peer-shared services to elicit lessons learned, what worked well, what would be done differently, how buy-in was achieved, was it mandated or opt-in, was it considered successful, how success or metrics were tracked after launch, what services were included and how shared services were structured (single or multiple centers).**

**Follow-up interviews with pre-selected institutions were then conducted fc understanding in order to refine the UW's approach in operationalizing and new Shared Services.**

- Univ of Michigan
- Kansas
- Yale
- UC Berkeley
- The Ohio State
- Univ of Oregon (Unavailable at this time for follow-up)

# CASE STUDY FOLLOW UP APPROACH CONT.

## Peer Institution Follow-Up Questions

1. **Shared Service Center (SSC) Design Model**
    - > What is the final design of your SSCs? How many, organized how? Within each SSC, how are teams organized (functionally, by school/college, etc.)
    - > To whom do the SSC report? (centrally?) Do you use a dual reporting model?
2. **Delivery of Services**
    - – What functions/processes are in the SSC?
    - – Are you serving multiple campuses? How did you address?
    - – In each center (for finance and procurement), what % of work is:
        - > Transaction processing
        - > Support, issue resolution, etc. What are your top inquiries in this category? Do you have a Tier 1 to address?
    - – What channel is used for the customer interaction? (phone, ticketing, etc.)
3. **Customer Engagement/Stakeholder Management**
    - – How do you do customer/account management? Do you have a role focused on customer satisfaction?
    - – How often do you have ‘operational reviews’ with customers?
    - – How do you collect feedback and incorporate it (formal vs informal)
    - – Frequency of surveys (initial cadence vs long term cadence)
4. **Metrics**
    - – What operational/productivity metrics do you monitor:
        - > Finance
        - > Procurement
        - > Grants
    - – Key Performance Indicators/Service Level Agreements (SLA)
        - > Do you have SLA’?
        - > What type of accountability document (if any) do you have to the central organization?
    - – What did you use for your baseline for any efficiency tracking?
5. **Continuous Improvement/Best Practices**
    - – How do they drive standardization and continuous improvement across the SSCs?
6. **Talent Management**
    - – About what percent of the SSC hiring was internal vs. external?
    - – What was the selection process for filling Shared Service positions?
    - – What are your salary range across tiers?
    - – Professional development
7. **Cost**
    - – Do you allocate costs for SSCs?
    - – What is your pay range based on roles (specialist, team lead, manager)? Did you have any hiring trouble due to non-competitive pay? How did you overcome this? Did you do any compensation adjustment?
8. **Bonus questions**
    - – Lessons learned
    - – Getting buy in/communications

# WE ARE STARTING TO ADOPT AND LEVERAGE OUR LESSONS LEARNED FROM OUR PEERS …

Communicate early & more than you think you need - Don't rely on trickle-down communications.

Leadership and Faculty involvement is a must. Leverage Faculty member(s) that can speak to the transformation from a peer perspective.

Be very clear about expectations for services, with transparency and service level agreements (SLAs).

Develop a customer relationship management team.

Have a clear post go-live funding plan.

Avoid shared service center (SSC) group silos (quick and common in SSCs).

Smaller SSCs were harder to operationalize, hard to get economies of scale, cross-training was hard, coverage when on vacation.

Have ticketing system in place.

Leverage metrics, SLAs, surveys and scorecards in the beginning.

Senior leader of shared services monitored all tickets coming in; getting the right people to look at the data at the right time.

Quality assurance person is key (and was LEAN).

Be customer-focused rather efficiency/functionally-based.

Dual reporting lines not dotted.

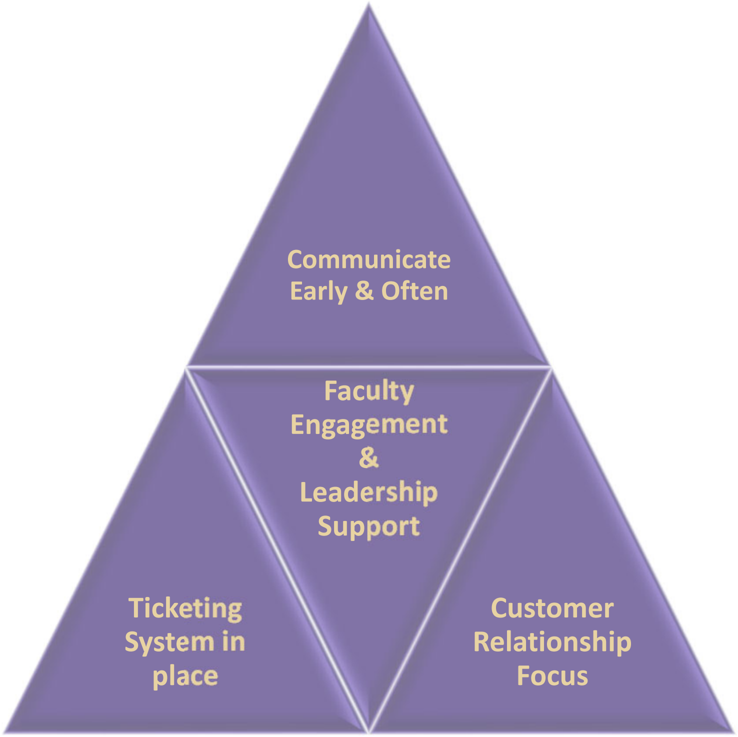
Set up a strategic advisory board.

Critical to bring in Faculty.

Important to have ticketing system in place.

Leverage dual reporting with dotted line.

Importance of data governance (i.e., one supplier file, one item master file).



# Workday Finance Customer Support Model Framework

**HELP ME**

Support Model - Who helps with what?

Channels: Do I call, chat, file form? Ticketing system to submit requests and complete tasks

(UW Connect CSM, Ticketing, Case Management)

**HELP MYSELF**

Consolidated self-help knowledge articles, training materials, links

24x7 Access to resources

(Portal - UW Connect)

**HELP THE COMMUNITY**

Develop and build thriving community of practice with peer-to-peer collaboration.

Routine reporting and transparency for continuous improvement through customer experience surveys, trends, SLAs

(UW Connect)