

Enterprise Financial System Project Update



**Board of Regents
Finance and Operations Committee
February 7, 2008**



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Summary

- The EFS project is aligned with and supports the University's transformational efforts
- The new financial system will provide excellent baseline business functionality
- The new financial system will provide a solid, supportable platform for future enhancements
- The project is on target to go live in July 2008
- Total project costs are tracking within budget and contingency



Implementation Guiding Principles

- Utilize delivered functionality to promote best practice solutions and minimize complexity.
- Change University policies and processes to reduce system modifications, while still meeting business needs.
- Use of University personnel is preferable, to build knowledge and support capabilities.



Deliverables - Core Benefits

- Replacement of mainframe and home-grown financial systems
 - 10-15 years old
 - No vendor support for software
- A solid, integrated technology platform that supports future enhancement
- Best practices for many financial processes
- Integrated and accessible financial data
- Strong internal financial controls



Deliverables - New Benefits

- Accounts receivable and billing system
- Fixed asset management tools
- Improved travel and expense reimbursement functionality
- Robust financial analysis tools and capabilities
- New platform for grants tools



Future Benefits

- Planned functionality enhancements (grants, e-procurement, electronic vendor payments)
- Expanded use of system to replace “shadow” and unit-specific systems
- Enhanced workforce skills
- Enterprise systems support model



EFS Project Timeline

Enterprise Financial System Estimated Timeline																								
	2006					2007												2008						
Phases	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
Analyze*	█																							
Functional Design		█	█	█	█	█	█	█																
Technical Design									█	█	█													
Build													█	█	█									
Test																	█	█	█	█				
Deployment/ Rollout																					█	█	█	
Go Live																								█
	Change Management — Organizational Design, Communications, Competencies & Training																							

* Analyze phase was 13 months in length.

Revised 6-07-07 — This tentative timeline will be updated as the project progresses through the phases.

Accomplishments to Date

- Analyze Phase
 - Determined University business needs
- Functional Design Phase
 - 653 functional designs completed
- Technical Design Phase
 - 470 technical designs developed
- Build Phase
 - Designs coded and unit tested



Accomplishments to Date

- Security designed
- Integration with HR and student systems
- Development of approximately 61 training courses
- New organizational designs developed with campuses, colleges, and administrative units



Project Budget

- \$45.7 Million (not including contingency)
- \$4.3 Million (~10%) contingency is assumed but not included in project operating budget
- Current projections are that total project costs will be within budget plus contingency
- Once implemented, ongoing system support and enhancement costs will be part of annual budget process



Project Risks and Challenges

- Conversion – volume and complexity of data to be converted
 - Grants
 - Endowments
- Testing and bug fixes
- Technical architecture and vendor support
- Rollout
- Workforce readiness and acceptance



What's Ahead?

- System Test Phase now through May
 - Executing 1,500 test scripts
 - Involves project teams, subject matter experts, and business process owners
- Multiple conversion & system tests
- Organizational design plans implemented
- Training & assessments completed
- Rollout planning completed
- Go live July 2008

