



Fiscal Year-end is Fast Approaching!

Now is the time to prepare for closing fiscal year 2008. In addition to the normal year end closing activity, the state will be implementing three new accounting standards issued by the Governmental Accounting Standards Board (GASB):

- Statements 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*,
- Statement 48 *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, and
- Statement 50 *Pension Disclosures*.

We will also be preparing for the July 1, 2008 effective date of GASB Statement 49 *Accounting and Financial Reporting for Pollution Remediation Obligations*.

Not all agencies are impacted by these new standards, but if you are, we will be contacting you this spring so that we will have plenty of time to collect the necessary information.

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If you have questions or comments on any information contained in *The Connection*, please contact Angela Knight at (360) 664-7654 or Angela.Knight@ofm.wa.gov.



DIS to Discontinue AFRS Microfiche Reports

Effective August 1, 2008, the Department of Information Services (DIS) will no longer create microfiche copies of reports. Therefore, agencies that receive AFRS reports in microfiche are advised to review, as soon as possible, their AFRS Report Request file for reports that are designated output Type 'F' (fiche).

You have until **May 1** to choose an option (paper, enterprise output solution (EOS), microfiche from an outside vendor, or electronic files). If you wish to continue receiving microfiche, OFM will be contracting with an outside supplier. If no choice is made by May 1, all AFRS reports and data you currently receive in microfiche will be converted to paper.

Please contact Mike Contris at (360) 664-7687 / Mike.Contris@ofm.wa.gov, or Marilei Amurao-Tabile at (360) 664-7712 / Marilei.Amurao-Tabile@ofm.wa.gov with your agency's preferred option.



Comments from the Assistant Director Sadie Rodriguez-Hawkins

The Winds of Change Continue to Blow

If we are to succeed, we must be open to change; it is part and parcel of our everyday life. In a few short years, OFM has grown in size and complexity which make it a prime candidate for change. As our director Victor Moore said, “If we don’t change, we will not be able to continue meeting the ever-growing demands that come to us.” So, change we will.

I’m excited to report that based on the recommendations from the recent information technology (IT) assessment performed by Eclipse Solutions, Victor created an OFM CIO position to consolidate all information technology functions into one division and appointed Lynne McGuire to serve in this role, effective April 1, 2008.

In addition, I have accepted the role as *Roadmap* Program Director. *Roadmap* has been - and will continue to be - a guiding force for how we go about improving the back-office functions throughout state government. For me, this means my already busy job as Senior Assistant Director for Statewide Accounting and SACS now grows to include these new duties.

As you well know, Washington State is at the crossroads regarding the future of statewide financials. In front of us is an important decision about whether the state can and should move toward a more centralized governing model or continue to tailor our services and processes individually for our clients and the citizens of the state.

There are sound reasons for both options and strong opinions about which might be the right direction for Washington. The costs and risks of both options are high and the effects will be significant. However, the more we know about the options in front of us, the better decisions we will make.

On that note, thank you to those who attended our informational sessions on March 20. Over 300 state employees joined us to learn about what Washington State’s *Roadmap* Program is doing, and to hear from a recognized industry expert about the value and potential of an Enterprise Resource Planning (ERP) system. Attendees heard what a panel of local and state government officials from around the country had to say about their experiences — good, bad, and otherwise — using an ERP.

We can not move forward alone, we need you. As Henry David Thoreau so wisely said, “Things do not change: we change.” Thank you for being so willing to change with us.

Fiscal year-end is fast approaching!

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Here are some important fiscal year end dates to keep in mind:

Due Date	Reporting Items
June 30	Last day of the fiscal year; Cash cutoff*
July 16	Interagency billings must be mailed**
July 31	Phase 1 closes - Agency Accruals
August 1	Disclosure Form application opens
September 11	Phase 2 closes - Agency Adjustments
September 18	State and Federal Disclosure Forms due (early completion encouraged) and State Financial Certification due
December 8	Federal Assistance Certification due

* Refer to OST's closing schedule memo. **Community and Technical College billings due July 23.

The *State Administrative and Accounting Manual* Chapters 90, State Reporting, and 95, Federal Assistance Reporting, are updated every year to reflect updates in reporting changes. These updates will be available around May 15 and effective June 1.

Classes are available on both state and federal year-end closing procedures. Classes will be held in May and June. Register at our training website at <http://www.ofm.wa.gov/accounting/training.asp>.

The Financial Management Advisory Council (FMAC) meeting on May 21 will provide state and federal fiscal year-end closing updates as well as cut-off information from the Office of the State Treasurer and an update from the State Auditor's Office. FMAC meetings and technical sessions are listed at <http://www.ofm.wa.gov/accounting/fmac.asp>.

For additional information, please contact your assigned [OFM accounting consultant](#).

IRS Training is Back!

OFM is happy to announce that the following training classes will be offered this spring:

April 18:

- Compliance: Taxable Fringe Benefits, 8:15 - noon
- Compliance: Independent Contractor or Employee?, 1:15 - 5:00

May 5:

- Compliance: Federal / State Employer Tax Procedures 8:45 - 4:00

June 6:

- Compliance: Independent Contractor or Employee?, 8:15 - noon
- Compliance: Taxable Fringe Benefits, 1:15 - 5:00

All classes will be held at the Attorney General's LeAnn Miller Conference Room in Tumwater. **These classes were last offered in October 2006.** If you are new to payroll or just looking for a refresher, this is a great training opportunity. *We are very fortunate that trainers from both the IRS and Social Security have made themselves available for these sessions.*

For general government agencies, **April 18 is Day 3 in the payroll processing cycle.** We apologize in advance for this. We had to schedule based on trainer and room availability. We try our best to avoid HRMS Days 1 - 3, paydays, etc. It just didn't work out for this particular time period. Hopefully, you have enough advance notice for planning purposes.

To register, please go to the OFM training site at <http://www.ofm.wa.gov/accounting/training.asp>.



GCLM Sponsors Say “GO”

The first 45 days of the Grants, Contracts, and Loans Management (GCLM) contract with Sierra Systems called for a high-level fit/gap analysis of the Opportunity and Procurement Exchange Network (O&PEN) product. This process was designed to reveal any serious gaps in product functionality and result in a “go/no go” decision.

Once the baseline system was installed, the project team attended workshops in Olympia and at the OGMA Consulting site in Victoria, B.C. Team members quickly became comfortable enough with the baseline system to demonstrate it to the GCLM Executive Sponsors and the GCLM Advisory Committee.

The evaluation confirmed that O&PEN is an easy to learn product that can, with some further design work, be configured to meet the state’s requirements. Based on an overall analysis of system strengths, weaknesses, opportunities, and risks, the team concluded the project should continue as planned.

On March 6, 2008, the GCLM Executive Steering Committee approved the project team’s recommendation to move forward with the pilot phase. The pilot will implement a major grant program in the Department of Ecology’s Water Quality program and the Department of Community Trade and Economic Development’s Housing division.

Next Steps

Over the next nine weeks, the project team will document processes and functional design so the contractor can start configuring the O&PEN system for Washington State. The team will involve agency subject matter experts as needed to accurately flowchart business processes and resolve any open issues. The challenge will be to standardize processes and data whenever possible, while still allowing enough flexibility for agencies to manage their programs successfully.

For more information, and to sign up for the GCLM ListServ, visit the website at: <http://www.ofm.wa.gov/accounting/grants/default.asp>. You may also contact Doug Beam at Doug.Beam@ofm.wa.gov or Susan Dodson at Susan.Dodson@ofm.wa.gov.

Payroll Efficiencies Workgroup Convenes

OFM recently convened a statewide group to explore opportunities for achieving efficiencies in payroll processing. The stabilization of HRMS for general government agencies and recommendations in a recent performance audit were a few of the factors leading to the formation of the group.

The group includes representatives from a cross section of general government agencies as well as representatives from both the 4-year and 2-year higher education institutions. Steve Nielson, OFM payroll policy consultant, is leading the group.

The payroll efficiencies workgroup met for the first time on January 22, 2008. Topics on the table for the initial discussion included mandating electronic funds transfers (EFTs) for payroll, distribution of payroll/remittance advices, and number of pay periods (24 vs. 26).

Since state law sets a number on constraints related to payroll such as timing, method of payment and mode of delivery, the group will be exploring what can be done within existing statutes. If changing the law or acquiring a new system is the only alternative, then the group will explore the costs/benefits of making such a proposal.

Since that initial meeting in January, Steve has been working with representatives from the workgroup as well as central service agencies to collect more information. Some of the questions currently being explored include:

- Can a business case be made for moving from 24 to 26 pay periods a year?
- Is a pay card a viable option for paying state employees?
- How can the Personnel Payroll Association (PPA) play a more active role in improving payroll processing efficiencies in general government agencies?

Group interaction is via email during this information gathering stage. We anticipate that a second meeting will be scheduled in May. For more information, contact Steve Nielson at (360) 664-7681 / Steve.Nielson@ofm.wa.gov.

Enterprise Data Definitions/Chart of Accounts Project

The Enterprise Data Definitions/Chart of Accounts (EDD/COA) project was organized by OFM in response to one of the positioning activities recommended in the *Roadmap Core Financial Systems Feasibility Study*.

The first task of the EDD/COA project is to validate a list of the state's unmet enterprise information needs. The project team has scheduled a series of meetings with representatives from various agencies to discuss the currently-identified unmet enterprise information needs, identify any additional emerging unmet information needs, and prioritize these needs.

These remaining meetings focus on the individual business processes and are scheduled for:

Meeting Date	Business Process Area	Description
May 6 8:30 to 12:30	Revenue Cycle	Includes customer management, revenue and receivables accounting, receipts management, treasury management
May 13 and May 20 8:30 to 4:30 each day	Cost Allocation Reporting/General Ledger, Performance Management and Budget	Includes cost accounting and grant management; management of the chart of accounts and financial reporting; and forecasting, strategic planning and budgeting

Previous meetings were held to discuss Procure-to-Pay (March 11), Human Resources (March 25), and Asset Management (April 8). Please see the EDD/COA website for results.

We need participation in these meetings from agency staff who have intimate knowledge of their agency business processes. We are asking for attendance at these meetings from staff who understand management use of business information and the processes that produce this information. They should also be able to assist us in validating the needs of the particular business process area.

We distributed information about these meetings to agency representatives. Specific agency representation was requested for each of these meetings based on those agencies most familiar with the information needs in that business process area. Agency staff are also invited to attend any of the meetings, if interested.

We also have an enterprise focus group meeting scheduled for Tuesday, April 22, from 8:30 a.m. to noon. The goals of this meeting are to review and validate the initial list of unmet enterprise information needs, brainstorm and capture new and emerging enterprise information needs, prioritize the revised list of unmet enterprise information needs, discuss specific information needs, as well as the reasons preventing the state from solving these unmet needs, and discuss data requirements.

Visit our new website at <http://www.ofm.wa.gov/edd/> to view some of our documents.

If you have any questions, please contact Ann Bruner at (360) 664-7711 / Ann.Bruner@ofm.wa.gov, Lee Hall at (360) 664-7735 / Lee.Hall@ofm.wa.gov, or Michelle Paul at (360) 664-7682 / Michelle.Paul@ofm.wa.gov.



DataView Moves Forward

The DataView project is nearing completion of testing and staff are preparing for implementation.

DataView is a web-based system that will improve GMAP reporting. DataView will:

- Provide a dashboard format that gives executives a quick snapshot of agency performance.
 - ✓ Easier to read and navigate through various layers of information
 - ✓ Clearer connection between strategic goals and day-to-day operations
 - ✓ Deeper analysis still available to help tell the story behind the numbers
 - ✓ More consistent look and feel, standardized for all agencies
- Provide all users with easier access to a historical record of GMAP reports and data.
- Create a common environment through SharePoint for GMAP teams to collaborate on preparation and presentation of GMAP reports.

Over the next few months, training will be provided to agencies as they start preparing for upcoming GMAP forums. DataView will make its debut at the Governor's Public Safety GMAP forum on June 25, 2008.

If you have any questions about the DataView project, click [here](#). You can also contact:

- [Pam Pannkuk](#), (360) 902-0424, for information on training
- [Tim Vessey](#), (360) 902-3061, for technical questions
- [Robin Campbell](#), (360) 902-0575, for GMAP report-related questions

SAP Acquires Business Objects Reporting Tool

In January 2008, business software giant SAP successfully acquired Business Objects, vendor of the tool OFM's Enterprise Reporting uses for standard reporting as well as for query and analysis purposes. SAP and Business Objects stated they intend to "Transform the way the world works by connecting people, information, and businesses." Representatives from each company made a joint visit to OFM staff to offer their assurances and commitments moving forward. They publicly made the following commitments to their combined existing customers:

- Bring Business Objects into the SAP Group as an independent business unit focused on performance optimization and business intelligence.
- Offer customers the flexibility to choose the underlying applications, technology platform, and partner ecosystem that is right for their business.
- Respect customer investments while working in concert to deliver a consolidated and unified portfolio of solutions.
- Deliver a broad application portfolio to enable business performance optimization - starting with enterprise performance management and governance, risk, and compliance.
- Deliver a next-generation business intelligence platform, starting with information discovery and delivery and enterprise information management.
- Make the advantages of their applications, technology and worldwide resources available to enhance customers' investments in SAP and Business Objects.

Those commitments help create the framework that SAP and Business Objects chose to operate under. This allows OFM to maintain the status quo in current business relationships and reporting plans with Business Objects. At the same time it opens opportunities for SAP to grow their reporting capabilities in existing state systems.

For questions or comments, please contact Kelly Ann Landers at (360) 664-7804 / Kellyann.Landers@ofm.wa.gov .

Roadmap – Smaller Steps Now to Prepare for Large Strides in the Future

Last year the *Roadmap* executive sponsors received some straightforward advice from Eclipse Solutions, the consulting firm that prepared the 2007 *Roadmap* feasibility study — the state was not ready to upgrade or replace the core financial systems. Instead, Eclipse Solutions recommended a number of “positioning activities” for the 2007-09 biennium to reduce risk and increase the usefulness of any future financial and administrative solutions that the state may pursue.

Heeding this advice, the executive sponsors are supporting a number of projects, large and small, to help prepare for the future. The *Roadmap* is the link among all these projects to make sure they are making connections when they need to. Here, in plain English, is Eclipse’s advice and what the *Roadmap* is doing to follow it.

1. Figure out where you are going

- *Discussions about what an enterprise financial solution means and the possible impacts are occurring in the Governor’s Cabinet, agency deputy directors, even with higher education.*
- *The Roadmap Program is sponsoring seminars and classes to help agencies understand: why we need to improve, the options in front of us, what it would take to get there, and what waits for us at the end of the journey.*
- *DataView is a web-based system that will improve GMAP reporting. It will provide a dashboard format for a quick snapshot of agency performance, easier access to a historical record of GMAP reports and data, and a common environment for teams to collaborate on preparation and presentation of GMAP reports. Agencies will begin using DataView for GMAP reports to the Governor starting in mid-2008.*

2. Include others in your journey

- *The Roadmap executive sponsors are reaching beyond the Executive Branch to invite other to join in the decision-making process.*
- *The Roadmap agency advisory group is doubling the number of agencies invited to monthly meetings.*
- *Higher education has been invited to participate in Roadmap-sponsored activities and committees.*

3. Get your house in order

- *The Department of General Administration is leading the Procurement Rules Reform project. Working with agency procurement experts, they have already identified a policy improvement that will create a single point of registration for all vendors wanting to do business with the state. The Roadmap executive sponsors approved the policy recommendation. Next, the new policy goes to the Information Services Board for their consent.*
- *Three Roadmap project teams are working together to expand and improve the current commodity codes. They took options and recommendations to the Roadmap sponsors in April 2008.*

4. Clear the decks

- *DIS and OFM have become increasingly involved in steering the large technology projects already underway, such as Provider One and OMNI. The top priority is to finish the tasks at hand before starting another big project.*
- *Several agencies received funding to upgrade their communications and technology infrastructure to share existing state assets. This will increase service delivery to citizens and provide better support of the state’s business goals.*

5. Know the data you collect today

- *OFM has contacted over 130 agencies to find out what data they extract from AFRS (and other OFM systems) on a regular basis. OFM is also learning how agencies use the data to support their day-to-day operations.*

6. Know the data you need in the future

- *The Enterprise Data Definitions/Chart of Accounts project is looking at the data the central service agencies collect today to determine if that data is meeting the increasing requests for statewide information today and in the future. A series of agency focus groups is meeting this spring to help the project find the right balance between the need for enterprise data and the impacts and cost of collecting it.*

Roadmap – Smaller Steps Now . . .

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7. Look before you leap

- *The Grants, Contracts and Loans Management (GCLM) project is not only the first step toward an enterprise system, but it is also modeling a multi-agency project with different funding sources, interest groups, and long-established business processes. CTED and Ecology will be the first to use GCLM, and the project is working with other agencies to make sure it can be used by all agencies in the future.*

8. Figure out how to work together successfully

- *This may be the biggest challenge for the Roadmap. The program is starting a Change Management effort to help agencies look for more opportunities to share costs and move toward common solutions in the future. This will be a change for agencies used to being self-sufficient and finding their own solutions. The Roadmap is looking at the 2009-11 Budget Instructions to help spell out enterprise expectations. Roadmap staff will also review agency budget decision packages to find partnership opportunities.*

9. Learn from others

- *Roadmap is bringing in people from other states and local government to hear about their successes and challenges on the journey to improve their back office operations.*
- *Roadmap staff have been invited to make presentations at several national conferences to explain where we've been versus where we are going. At these conferences we learn from others who are ahead of us in the enterprise journey, as well as from those just beginning.*

Who's New In Accounting?

Jennifer Anderson joined the Accounting Division support staff on February 1, 2008. She serves as the secretary for the Statewide Accounting unit. She previously worked as a patient counselor and marketing assistant at the Avalon Clinic for Cosmetic Surgery.

Jennifer can be reached at (360) 664-7652 / Jennifer.Anderson@ofm.wa.gov.

Sid Fulford joined the Enterprise Data Definition/Chart of Accounts (EDD/COA) project team. He is on loan from the Department of Transportation (DOT) for the project duration. Sid serves as an agency liaison, helping the project team understand the intersecting information needs from DOT's many systems and addressing the new enterprise data definitions.

Sid can be reached at (360) 664-7882 / Sid.Fulford@ofm.wa.gov.

Bruce Gorsky, the Senior Product Manager for the Accounting Product Team in Statewide Financial Systems (SWFS), also joined the EDD/COA project team. Bruce's business expertise and in-depth understanding of the inter-relationships between SWFS products will contribute greatly to the success of the EDD/COA project and other *Roadmap* Positioning Activities.

Bruce can be reached at (360) 664-7690 / Bruce.Gorsky@ofm.wa.gov.

Cheri Keller joined the EDD/COA project team April 1. Cheri's previous experience as an agency and OFM budget analyst and her current work as a Government Management, Accountability and Performance (GMAP) analyst will certainly be an asset to this important project, which seeks to confirm the financial, performance, and business information necessary to support management needs across the enterprise.

Cheri can be reached at (360) 664-7922 / Cheri.Keller@ofm.wa.gov.

Who's New In Accounting?

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Jamie Langford joined the EDD/COA project team. She a special projects manager from the Department of Social and Health Services, on loan to us as a business analyst for the project duration. Jamie supports the project as an agency liaison and brings extensive knowledge an agency needs to support Federal and Contracting information needs.

Jamie can be reached at (360) 664-7709 / Jamie.Langford@ofm.wa.gov.

Laurie Lien, a budget assistant, joined the EDD/COA project team as a part time member. She is on loan part-time from OFMs Budget Division for the project duration. Laurie brings a thorough understanding of the connections between budget processes and use of information for statewide purposes.

Laurie can be reached at (360) 664-7922 / Laurie.Lien@ofm.wa.gov.

Pamela Pannkuk joined SWFS on March 1, as a business analyst. Pam provides leadership, expert level consultation, and specialized analysis, design, and documentation for the GMAP DataView Project. Pam previously worked for the Employment Security Department (ESD). Her most recent role was to provide agency-wide technical support and leadership in strategic management, performance management, and the GMAP process for ESD.

Pam can be reached at (360) 902-0424 / Pam.Pannkuk@ofm.wa.gov.

Phil Taylor, a long time Senior State Financial Consultant with SWFS, agreed to serve as the Acting Senior Product Manager for Accounting Systems as we go through the formal recruitment process to fill this position permanently. Phil's extensive knowledge and skills relative to multiple statewide financial systems and processes will help to ensure a smooth transition and continuity of the operations.

Phil can be reached at (360) 664-7712 / Phil.Taylor@ofm.wa.gov.

Dianna Wilks joined Small Agency Client Services (SACS) on April 1. Prior to OFM, Dianna was a Fiscal Analyst 4 at the Department of General Administration where she worked for the past six years in the Accounts Payable and Capital Projects section. Dianna serves as a lead analyst for seven small agencies, three boards, and two commissions. She provides accounting, budget and payroll services.

Dianna can be reached at (360) 664-7666 / Dianna.Wilks@ofm.wa.gov.

Anthony Yau joined SACS on March 16. Tony serves as a senior supporting analyst. His job includes mentoring and training supporting analysts in the unit, training SACS liaisons in client agencies, and providing accounting support for an assigned group of client agencies. He has a BS in Administration from the University of Hawaii, and experience managing restaurants. Prior to OFM, Tony worked five years in the Office of the Superintendent of Public Instruction's fiscal office and the Department of Corrections' payroll office.

Tony can be reached at (360) 664-7664 / Anthony.Yau@ofm.wa.gov.